

For Official Use Only

DEQ #

Permit #

Air, Energy & Mining Division

**SURETY BOND**

**FEDERAL LANDS**

**State of Montana**

**Department of Environmental Quality**

**Mining Bureau**

**PO Box 200901**

**Helena, MT 59620-0901**

**Office of Surface Mining**

**Reclamation and Enforcement**

**Casper Field Office**

**100 East B Street**

**Casper, WY 82601**

     , as Principal, a corporation organized and existing under the laws of the state of       and      , as Surety, (NAIC No.      ) a corporation organized and existing under the laws of the State of and duly authorized to transact business in the State of Montana, are held and firmly bound to the State of Montana, acting through the Department of Environmental Quality (hereinafter referred to as the "State") and the United States of America, acting through the Department of the Interior, Office of Surface Mining Reclamation and Enforcement (hereinafter referred to as "OSMRE") in the penal sum of       DOLLARS ($     ), for the payment of which sum we bind ourselves, and each of our legal representatives, executors, administrators, successors and assigns, jointly and severally, firmly by these presents. All notices concerning this Coal and Uranium Reclamation Bond shall be directed to the addresses shown above.

WHEREAS the Principal has applied for a permit from the State to conduct surface coal mining operations on the following-described premises (the permit area) in       County, Montana:

WHEREAS the Surety and their successors and assigns agree to guarantee the obligations and to indemnify, defend, and hold harmless the State and OSMRE from any and all losses and expenses which the State and OSMRE may sustain as a result of the failure of the Principal and its successors and assigns to comply with the conditions of this obligation.

NOW THEREFORE, the conditions of this obligation are such that if the above-bonded Principal shall, in conducting such surface coal mining operations faithfully perform and comply with the requirements as set out within      ; the reclamation plan; the Montana Strip and Underground Mine Reclamation Act, Title 82, Chapter 4, Part 2, of the Montana Code Annotated; all administrative rules adopted pursuant thereto; the Surface Mining Control and Reclamation Act of 1977, 30 U.S.C. 1201, et seq.; federal administrative regulations adopted pursuant thereto; and the State/Federal Cooperative Agreement as provided in 30 CFR 926.30 (Article VIII, Bonds), shall be exonerated and discharged and become null and void; otherwise to remain in full force and effect. The requirements assured by this bond include those requirements imposed on Principal as a result of those activities that occurred prior to issuance of this bond and before the date the bond is canceled or released or substitute bond is approved. In the event this bond is forfeited, the State and OSMRE shall be entitled to the entire amount of this bond without regard to actual damages, but subject to any reimbursement required by law after reclamation has been completed.

PROVIDED HOWEVER, that the Surety shall not be liable under this bond for an amount greater in the aggregate than the sum set out above in the first paragraph of this obligation hereof, or any approved amendments thereto, and shall not be liable as respects any obligations related to surface coal mining operations performed after the expiration of thirty (30) days from the date of approval by the State of a cancellation notice from the Surety directed to the Principal, the State, and OSMRE. The bond shall remain in full force and effect as respects any obligations related to surface coal mining operations performed, until cancellation is approved by the State.

PROVIDED HOWEVER, bond cancellation and release of the Surety shall not be approved until the State has approved a replacement bond wherein liability that has accrued against the Principal on the permit area is transferred to the replacement bond in accordance with Administrative Rules of Montana (ARM) 17.24.1110.

 PROVIDED HOWEVER, the Principal may request a bond adjustment on undisturbed land and, if approved in accordance with the provision of ARM 17.24.1104, the State may approve a request from the Surety for cancellation of obligations related to undisturbed land in the permit area.

PROVIDED FURTHER, the Surety will give prompt notice to the Principal, the State, and OSMRE of any notice received or action filed alleging the insolvency or bankruptcy of the Surety, or alleging any violations of regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

PROVIDED FURTHER, that in the event that the Surety becomes unable to fulfill its obligations under this bond for any reason, notice will immediately be given to the Principal, the State, and OSMRE.

Signed, Sealed, and Dated for the Principal (Principal’s Seal)

|  |  |  |
| --- | --- | --- |
| Signature 1: Principal | Date of Signature | Title |
|  |  |  |
| Signature 2: Principal | Date of Signature | Title |

STATE OF )

: ss **For Signatory 1**

County of )

On this day of , , before me , a notary public for the State of , personally appeared (Principal's signatory), known to me to be the person who executed the within instrument on behalf of the corporation therein named and acknowledged to me that such corporation executed the same.

Notary Public for the State of

Residing at

My Commission expires

STATE OF )

: ss **For Signatory 2**

County of )

On this day of , , before me , a notary public for the State of , personally appeared (Principal's signatory), known to me to be the person who executed the within instrument on behalf of the corporation therein named and acknowledged to me that such corporation executed the same.

Notary Public for the State of

Residing at

My Commission expires

Signed, Sealed, and Dated for the Surety this day of , \_\_\_\_\_\_\_\_\_\_\_\_.

Signature: Surety

Title (Surety’s Seal)

Mailing Address

STATE OF )

: ss

County of )

On this day of , , before me , a notary public for the State of , personally appeared , known to me to be the person who executed the within instrument on behalf of the corporation therein named and acknowledged to me that such corporation executed the same.

Notary Public for the State of

Residing at

My Commission expires

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**DEQ’S ACCEPTANCE**

Accepted this day of , .

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Dan Walsh, Mining Bureau Chief Date

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**DEQ’S RELEASE**

The foregoing Surety Number            in the amount of $      USD is hereby released this       day of          ,      . The authorized signature below shall witness the termination of the State's interest in the surety.

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Dan Walsh, Mining Bureau Chief Date

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Power of Attorney for Surety and

Proof of Agency for Principal must be attached