

STATEWIDE OR NATIONWIDE PERSONAL MINERAL BOND
FOR
PROSPECTING PERMITS AND LEASES
COAL, SODIUM, PHOSPHATE, POTASSIUM, SULPHUR, AND OTHER MINERAL DEPOSITS

KNOW ALL MEN BY THESE PRESENTS, That

of

as obligor, is held and firmly bound unto the United States in the sum of

dollars (\$ _____), lawful money of the United States, to be paid to the United States, for the use and benefit of (1) the United States and (2) any owner of a portion of the land subject to the coverage of this bond, who has a statutory right to compensation in connection with a reservation of the above-mentioned deposits to the United States. For such payment, well and truly to be made, he binds himself, his heirs, executors, administrators, and successors, jointly and severally, by these presents.

That said Obligor, in order to more fully secure the United States in the payment of the aforesaid sum, hereby pledges as security therefor bonds of the United States, of a par value equal to the amount specified, which said bonds are numbered serially and are in the demoninations and amounts and are otherwise more particularly described as follows:

Bonds of \$ _____, Bearing _____ percent interest, with _____ coupons attached to each, numbered

which said bonds have been deposited with the Secretary of the Interior.

If amount of this bond is \$75,000, or if it is raised by an attached rider to that amount, coverage must extend to all obligor's holdings involving _____ deposits in the United States, including Alaska, under the act or acts cited in Schedule A.

If amount of this bond is \$25,000, its coverage extends only to obligor's holdings involving deposits in the State named under the act or acts cited in Schedule A.

SCHEDULE A

| Public Domain Leasing Act of February 25, 1920 (30 U.S.C. Sec. 181) | Acquired Lands Leasing Act of August 7, 1947 (30 U.S.C. Sec. 351) |
|------------------------------------------------------------------------|----------------------------------------------------------------------|
| NAMES OF STATES | NAMES OF STATES |
| | |

That conditions of the foregoing obligations are such that, whereas the said obligor, in one or more of the following ways, has an interest in mineral permits or leases issued under the act or acts cited in Schedule A of this bond:

1. as permittee or as lessee;
2. as the approved holder of operating rights in all or part of the lands covered by permits or leases under operating agreements with the lessees; and

3. as designated operator or agent under permits or leases pending approval of an assignment or operating agreement; and

WHEREAS the obligor is authorized to drill for, mine, extract, remove, and dispose of the named mineral deposits in or under the lands covered by the permits, leases, operating agreements or designations, and is obligated to comply with certain covenants and agreements set forth in such instruments; and

WHEREAS the obligor agrees that the coverage of this bond, in addition to the present holdings of the obligor must extend to and include:

1. Any mineral permit or lease hereafter issued to, or acquired by, the obligor affecting the named mineral deposits in the State or States now named in Schedule A, or later named in a rider, the coverage to be confined in the obligor's holdings under the act or acts cited at the head of the column in which the name(s) of the State or States appears and to become effective immediately upon such issuance or upon departmental approval of a transfer in favor of the obligor.

2. Any operating agreement hereafter entered into or acquired by the obligor, affecting the named mineral deposits in the States now named in Schedule A, or later named in a rider, relating to mineral permits or leases issued under the act or acts cited in Schedule A at the head of the column in which the name of the State is placed. The coverage must become effective immediately upon departmental approval of the agreement or of a transfer of an operating agreement to the obligor.

3. Any designation subsequent hereto of the obligor as operator or agent of a permittee or lessee under a permit or lease issued pursuant to an act or acts cited in Schedule A and covering lands in a State named in Schedule A, either presently or by rider. This coverage must become effective immediately upon the filing of such a designation under a permit or lease.

4. Any extension of a permit or lease covered by this bond, such coverage to continue without any interruption due to the expiration of the term set forth in the permit or lease.

WHEREAS the obligor hereby agrees that notwithstanding the termination of any permit or permits, lease or leases, operating agreements or designations as operator or agent, covered by this bond, whether the termination is by operation of law or otherwise, the bond must remain in full force and effect as to any remaining permits, leases, operating agreements, or designations covered by the bond; and

WHEREAS the obligor as to any permit or lease or part of a permit or lease for lands as to which he has been designated as operator or agent, or approved as operator, in consideration of being permitted to furnish this bond in lieu of the permittees or lessees, agrees and by these presents does hereby bind himself to fulfill, on behalf of each permittee or lessee, all the obligations of each permit or lease for the entire permit or lease areas in the same manner and to the same extent as though he were the permittee or lessee; and

WHEREAS the obligor agrees that notwithstanding any use of the security pledged herewith for the purpose

for which it is pledged, the bond must remain in full force and effect in the sum above set forth and that he will, whenever so required by the United States, deposit additional security to bring the security up to the full amount; and

WHEREAS the obligor agrees that the neglect or forbearance of the United States in enforcing, as against the permittees or lessees of the United States, the payment of rentals or royalties or the performance of any other covenant, condition, or agreement of the permits or leases, must not, in any way, release the obligor from any liability under this bond; and

WHEREAS the obligor agrees that in the event of any default under the permits or leases, the United States may commence and prosecute any claim, suit, action, or other proceeding against the obligor without the necessity of joining the permittees or lessees.

NOW, THEREFORE, If said obligor must in all respects faithfully comply with all of the provisions of the permits and leases referred to hereinbefore, then the above obligations are to be void; otherwise to remain in full force and effect.

That the said obligor does hereby constitute and appoint the Secretary of the Interior as his attorney, for him and his name to collect or to sell, assign, and transfer the said United States bonds above described and deposited by the obligor, as aforesaid, pursuant to authority conferred by Section 1 of the act of July 30, 1947 (61 Stat. 646; 6 U.S.C. 15) as security for the faithful performance of any and all of the conditions or stipulations as hereinbefore set out, and it is agreed that, in case of any default in the performance of the conditions and stipulations of such undertaking the said attorney shall have full power to collect said bonds or any part thereof, or to sell, and transfer said bonds or any part thereof without notice, at public or private sale, free from any equity or redemption or without appraisalment or valuation, notice and right to redeem being waived, and to apply proceeds of such sale or collection to the full amount of the bond to the satisfaction of any damages, or deficiencies arising by reason of such default, as said attorney may deem best. The interest accruing upon said United States bonds deposited as above stated, in the absence of any default in the performance of any of the conditions or stipulations of the bond, must be paid to said obligor. The said obligor hereby for himself, his heirs, executors, administrators, and successors, ratifies and confirms whatever his said attorney shall do by virtue of these presents.

Signed on this _____ day of _____, 20____

, in the presence of:

(Name of Witness)

(Signature of Obligor)

(Address of Witness)

(Business Address of Obligor)

(Name of Witness)

[Seal]

(Address of Witness)

If this bond is executed by a corporation, it must bear the seal of such corporation

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212 make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

NOTICES

The Privacy Act of 1974 and the regulation, in 43 CFR 2.48(d) provide that you be furnished with the following information in connection with information required by this bond form.

AUTHORITY: 30 U.S.C. 181 et seq; 43 U.S.C. 3500

PRINCIPAL PURPOSE: BLM will use the information you provide to ensure that the United States is fully indemnified against failure to perform under the terms, conditions, and stipulations of a mineral lease on all your leases held within a state or nationwide.

ROUTINE USES: BLM will disclose information to: (1) Appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal, or regulatory investigations or prosecutions; (2) appropriate Federal agencies when their concurrence is required before BLM grants a right in public lands or resources; (3) a member of the public in response to a specific request for pertinent information; (4) a congressional office in response to an inquiry made at the the request of an individual; and (5) to a consumer reporting agency to expedite collecting debts owed the government.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this information is required to obtain and keep a benefit. If you do not provide a bond, BLM will not issue you a mineral lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:

BLM collects this information to comply with the regulations at 43 CFR 3500, which implement the provisions of the Mineral Leasing Act of 1920, as amended; the Mineral Leasing Act for Acquired Land of 1947; and section 402 of Reorganization Plan No. 3 of 1946.

BLM uses the information to protect the interests of the United States in cases where lessees fail to perform under the terms, conditions, and stipulations of their mineral leases or permits.

Response to this request is required to obtain and keep a benefit.

BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 4 hours per response, including the time for reviewing instructions, gathering, and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0121), Bureau Information Collection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.