



United States Department of the Interior
OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

SELF-BOND CORPORATE GUARANTEE

Permit No. _____

Self-Bond No. _____

WITNESSETH

WHEREAS _____ (hereinafter referred to as Guarantor).

WHEREAS Guarantor satisfies the financial requirements and criteria set by the Office of Surface Mining Reclamation and Enforcement (OSM) rules and regulations;

WHEREAS Permittee has requested and desires to place with OSM its self-bond to secure reclamation obligations;

WHEREAS Guarantor desires to guarantee the funds pledged under self-bond of _____ the Permittee;

WHEREAS Guarantor has the full authority under the laws of the State of, under which it is incorporated, its articles of incorporation and bylaws to enter into this guarantee;

WHEREAS Guarantor has full approval from its Board of Directors to enter into this guarantee;

WHEREAS it is in the best interests of Guarantor, in the legitimate furtherance of its purposes and business, to enter into this guarantee;

WHEREAS OSM, pursuant to the Surface Mining Control and Reclamation Act, has the legal authority to administer the bonding requirements for mine operations in the State of _____.

NOW, for value received, and in consideration of the approval and execution of Self-Bond No. _____, Guarantor, a corporation created and existing under the laws of the State of _____ its successors and assigns, jointly and severally, do hereby covenant, guarantee, promise and agree to make prompt payment upon demand of the full amount, or portions thereof as requested by OSM, of the self-bond of Permittee, Self-Bond No. _____, on the terms and conditions described herein, said payment of monies to be used for the reclamation of all lands affected under Permit No. _____ in accordance with the provisions and requirements of 30 CFR 800.23, and the Surface Mining Control and Reclamation Act and any amendments hereto,

- I. With applicable federal laws and regulations, and the terms and conditions of the permit. This guarantee covers any and all demands, liabilities, charges, and expenses of whatsoever kind of nature, which OSM may at any time sustain or incur by reason of or

in consequence of having accepted the self-bond of Permittee, including all litigation costs and all administrative costs reasonably incurred by OSM in any effort to enforce obligations and requirements of the Permittee with respect to the operation or activity that is self-bonded.

- II. This guarantee is a continuing guarantee and is to be in full force and effect until all of the terms of Permittee's self-bond have been satisfactorily performed or otherwise discharged to the satisfaction of OSM.
- III. Guarantor hereby fully consents to the following, any of which shall not affect nor change or discharge the obligations of this guarantee:
1. Any renewals, revisions, modifications to the terms of Self-Bond No. _____, including increases or decreases in the dollar amount of the self-bond, or the lands to which it applies, in accordance with the requirements of the Surface Mining Control and Reclamation Act and the rules and regulations promulgated thereunder;
 2. Any extension of time for performance of the whole or any part of the conditions of Self-Bond No. _____;
 3. Any changes, revisions, modifications or renewals to the terms of Permit No. _____, including the mining and reclamation plans contained therein.
- IV. Guarantor expressly waives the following:
1. Notice of the acceptance of this guarantee by OSM.
 2. Notice of renewals, revisions, modifications to Self-Bond No. _____.
 3. Notice of changes, revisions, modifications or renewals to the terms of the permit of the Permittee, Permit No. _____.
 4. Notice of any extensions of time for performance of the whole or any part of the condition of Self-Bond No. _____.
 5. Notice of bond forfeiture proceedings, notice of any demand for payment of self-bond; or, any dishonor thereof.
 6. All other notices to which Guarantor might otherwise be entitled in connection with this guarantee or the obligation hereby guaranteed.
 7. The institution of any civil actions or the exhaustion of legal remedies against the Permittee as a condition to enforcement of this guarantee.
 8. It is understood that any notice provided by the United States OSM to the Guarantor shall not constitute a release or modification of the above waivers.

- V. This guarantee is subject to the following conditions, to wit:
1. Any demand for funds shall be accompanied by a signed statement that the Office of Surface Mining Reclamation and Enforcement has forfeited, in whole or in part, Self-Bond No. _____, and one copy of the order of forfeiture is attached.
 2. This guarantee shall be limited in amount as follows:
 - a. Reclamation costs: the indebtedness reflected by the approved self-bond existing at the time of bond forfeiture by OSM.
 - b. Litigation and administrative costs: the actual amount of such costs reasonably incurred in any successful effort to enforce requirements and obligations of the Permittee and/or the obligations of the Guarantor under this agreement. Litigation and administrative costs shall not be limited by the indebtedness reflected by the approved self-bond.
 3. If the Permittee fails to complete the reclamation as required by the Surface Mining Control and Reclamation Act and any amendments thereto, and the terms and conditions of the permit, the Guarantor shall be required to complete the approved reclamation plan for the lands in default or to pay to OSM the amount in full necessary to complete the approved reclamation plan, not to exceed the bond amount, within ten (10) business days after receipt of OSM's demand for payment. Guarantor hereby agrees that demands for payment may be based and are payable on projections of costs or their actual accrual and that liability for payment shall not be contingent on the costs having been presently sustained.
 4. This guarantee may be canceled only upon written notice of said cancellation being sent to the Permittee and OSM at least ninety (90) days in advance of the proposed cancellation date and then only upon acceptance of the cancellation by OSM. The cancellation shall be accepted by OSM if the Permittee obtains a suitable replacement bond before the proposed cancellation date or if the lands for which the self-bond, or portion thereof, was accepted have not been and will not be disturbed under the terms of the permit, or the self-bond has been released in accordance with the provisions of the Surface Mining Control and Reclamation Act and the rules and regulations promulgated thereunder.
- VI. This guarantee shall be and continue effective notwithstanding any present or future legal disability of the Permittee.
- VII. There are no conditions or limitations to this guarantee except those contained herein at the date hereof; and thereafter, no alteration, change or modification hereof shall be binding or effective unless executed in writing, signed by the guarantor, and approved by OSM.
- VIII. Guarantor agrees to pay all costs and expenses incurred by OSM which are expended in any successful action instituted to enforce the terms of this guarantee.

- IX. This guarantee shall be good and effective notwithstanding any change or changes in the business name of the Permittee.
- X. No changes, revisions, modifications or renewals to the self-bond of the Permittee or the terms of Permit No. _____ shall act as a release of the Guarantor from this guarantee.
- XI. All notices required to, or which may be given shall be effective when received by the addressees at the addresses specified below:
 - 1. For the Guarantor:
 - 2. For OSM:

Personal delivery shall have the same effect as notice given by mail. Notices given by mail shall be sent certified.
- XII. In case of the insolvency, bankruptcy or dissolution of the Permittee, all funds represented by the self-bond shall immediately become due and payable and this guarantee may thereupon be enforced.
- XIII. This guarantee is one of payment and not of collection.
- XIV. The failure of any person or persons to sign this guarantee shall not release or affect the liability of Guarantor.
- XV. This guarantee is a binding contract and shall be construed under and subject to the laws of the United States.

XVI. SIGNATURES OF GUARANTOR:

(Corporate seal)

 GUARANTOR (please print or type)

DATE: _____

BY: _____ TITLE: _____

BY: _____ TITLE: _____

STATE OF _____)
)SS.
 COUNTY OF _____)

The foregoing instrument was acknowledged, subscribed and sworn to before me
by _____ this _____ day of _____, _____.
(Name of signatory(ies) for Guarantor)

Witness my hand and official seal. _____
(Notary Public or other Authorized Officer

(Title) (Name printed or typed)

My Commission Expires: _____

XVII. Corporate Acknowledgements:

Attach and incorporate herein as Exhibit A. (More signatures follow on subsequent pages)

XVIII. OSM AUTHORIZED REPRESENTATIVE SIGNATURE:

BY: _____ Date: _____
OSM Authorized Representative and Title

The foregoing instrument was acknowledged and subscribed to before me by
_____ this _____ day of _____, _____.
(Name of OSM Signatory please type or print)

Witness my hand and official seal. _____
NOTARY PUBLIC

My Commission Expires: _____

Paperwork Reduction Act Notice

We use the information required by this form to ensure that the requirements for a corporate guarantee of a self-bond under 30 CFR 800.23 are met. You must provide the requested information to obtain a benefit (a corporate guarantee of a self-bond). Under 30 CFR 842.16, the information collected is a matter of public record.

The time needed to complete this form and submit the requested information will vary depending on individual circumstances. We estimate that the average time will be 4 hours per response. This number includes the time spent reviewing instructions, learning about the regulations, gathering and maintaining information, and completing and reviewing the form. If you have comments concerning the accuracy of this estimate or suggestions for simplifying the form or instructions, you may write to the Information Collection Clearance Officer, Office of Surface Mining Reclamation and Enforcement, Room 202 SIB, 1951 Constitution Ave, NW, Washington, D.C. 20240.

Under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.), you are not required to respond to, nor will you be subject to a penalty for a failure to comply with, a collection of information unless it displays a currently valid OMB control number. OMB Control No. 1029-0043, expires 1/31/2009