

## IRREVOCABLE LETTER OF CREDIT

Letter of Credit No. \_\_\_\_\_

{Insert Date}

{Insert Bank Name} (the "Issuing Bank") hereby issues this irrevocable letter of credit (the "Letter of Credit") for the benefit of the Secretary of the Interior ("Beneficiary") and subject to the requirements of this Letter of Credit, available by Beneficiary's draft at sight, up to an amount not to exceed {Insert written amount and the dollar figure in parenthesis i.e. *ONE HUNDRED FIFTY THOUSAND AND NO/100 U.S. DOLLARS (\$150,000.00)*}, whether in part or in full, upon a formal written demand by the Beneficiary, acting by and through the Superintendent, Bureau of Indian Affairs, Osage Agency (the "Superintendent"), stating that the {insert name of principal/company} (the "Principal") has:

(1) defaulted under the terms and conditions of: (a) that certain {Insert information as to what the Letter of Credit is to cover, be as specific as possible, i.e. BIA Lease number and date approved} and/or (b) {Insert information on a second lease as to what the Letter of Credit is to cover} which {Insert information on type of lease i.e. oil and gas lease(s)} have been approved by the Beneficiary or his authorized representative, and that such defaults and any claims related thereto have been properly noticed and specified to Principal in accordance with the terms of said {Insert information on type of lease i.e. oil and gas lease} and applicable regulations, and that said defaults remain uncured and claims remain unsatisfied; or

(2) notwithstanding any default as provided above, a statement in writing that the Beneficiary, or his authorized representative, has been notified by Issuing Bank upon at least 90-days prior notice (as provided below), that this Letter of Credit is not to be renewed and that Principal has not furnished the Beneficiary, or his authorized representative, prior to a date thirty (30) days before the expiration of this Letter of Credit, a substitute bond, cash, or other surety acceptable to the Beneficiary.

This Letter of Credit shall have an initial term of thirteen (13) months from the date hereof (the "Original Term"), and shall automatically renew for a like period upon the same terms and conditions unless at least ninety (90) days prior to the expiration of the Original Term (or any renewal term), the Issuing Bank notifies the Superintendent by registered mail that it elects not to renew this Letter of Credit.

Communications with respect to this Letter of Credit shall be in writing and shall be addressed to the Issuing Bank at the address set forth above. All communications must make reference to the Letter of Credit number.

{Insert Bank Name}

By: \_\_\_\_\_

Its: \_\_\_\_\_