

SURETY BOND (Form 2)

KNOW ALL MEN BY THESE PRESENT:

That we, _____ of the City of _____
County of _____ State of _____ as Principal,
and _____
(Surety) (Address)

as surety are held and firmly bound unto the State of Ohio in the amount of this bond to payment whereof the Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns jointly and severally, firmly by these present.

WHEREAS, the above names Principal has applied or intends to apply to the Chief of the Division of Oil and Gas Resources Management, Department of Natural Resources, State of Ohio for a permit under Chapter 1509 of the Ohio Revised Code.

- BLANKET BOND (TWO OR MORE WELLS) \$15,000.00
- INDIVIDUAL BOND (ONE WELL) \$ 5,000.00

NOW, THEREFORE, THE CONDITIONS OF THIS OBLIGATION ARE SUCH, that if the Principal herein shall comply fully with Chapter 1509 of the Ohio Revised Code, all amendments thereto, and all rules and orders of the Chief relating thereto, including the filing of all required reports, then this obligation shall be null and void, otherwise to remain in full force and effect.

The duration of this bond shall be from the time filed with the Division of Oil and Gas Resources Management until the Chief is satisfied that the well has been plugged and all restoration requirements performed in accordance with Chapter 1509 of the Ohio Revised Code and the rules and orders of the Division of Oil and Gas Resources Management, including all logs, plugging records, or other information required by the Division of Oil and Gas Resources Management have been fulfilled, unless the bond has been canceled as hereinafter provided.

The Surety shall notify the Chief of its intent to terminate its liability under the bond by giving thirty days notice to the Chief. The Chief shall thereupon require the Principal on the bond to file a new Surety Bond, Cash, Certificate of Deposit, or Irrevocable Letter of Credit before any new or additional permits will be issued to the Principal. If a new Surety Bond, Cash, Certificate of Deposit, or Irrevocable Letter of Credit is filed by the Principal, liability under the original bond shall thereupon cease and terminate.

IN WITNESS WHEREOF, we hereunto set our hand and affixed our signature this _____ day of _____, 20_____.

PRINCIPAL (PLEASE PRINT NAME)

SURETY

PRINCIPAL (SIGNATURE)

STATE OF OHIO
COUNTY OF _____, ss:

STATE OF OHIO
COUNTY OF _____, ss:

The foregoing bond was acknowledged before me this
_____ day of _____, 20_____

The foregoing bond was acknowledged before me this
_____ day of _____, 20_____

By _____,

By _____,

on behalf of _____
(Circle the appropriate: Self, Attorney-in-Fact, Partnership, Corporation)

on behalf of _____
(Authorized Agent)

NOTARY PUBLIC
(SEAL)

NOTARY PUBLIC
(SEAL)

Date Commission Expires

Date Commission Expires

A CERTIFICATE OF COMPLIANCE, SIGNED BY THE SUPERINTENDENT OF INSURANCE OF OHIO, MUST BE ATTACHED TO THIS BOND. WHEN THE PRINCIPAL OR SURETY EXECUTES THIS BOND BY AGENT, POWER OF ATTORNEY OR OTHER EVIDENCE OF AUTHORITY MUST BE ATTACHED.

SURETY BOND (Form 2) INFORMATION SHEET

1. Surety bonds must be executed by an insurance company authorized to conduct business in the State of Ohio.
2. The owner must submit the fully executed, notarized, original bond to the Division of Oil and Gas Resources Management, Surety Section.
3. The surety/insurance company may suspend the addition of wells to the bond by submitting to the Division a 30-day cancellation notice. The Division will notify the principal by certified mail of the notice and will provide the principal with the date that no additional wells can be added to the bond.
If the surety company rescinds the cancellation notice and reinstates the bond, please have them notify the Division of Oil and Gas Resources Management, Surety Section at (614) 265-6900 as soon as possible.