

Bond Number \_\_\_\_\_  
Surety NAIC No. \_\_\_\_\_  
Permit Number \_\_\_\_\_  
Mine Name \_\_\_\_\_

**A T T A C H M E N T   A**  
To  
**RECLAMATION CONTRACT**  
**BETWEEN PRINCIPAL AND DIVISION**

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
**Division of Oil, Gas and Mining**  
1594 West North Temple Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
Telephone: (801) 538-5291  
Fax: (801) 359-3940

**THE UTAH MINED LAND RECLAMATION ACT**

**S U R E T Y   B O N D**

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The undersigned \_\_\_\_\_, as Principal,  
a \_\_\_\_\_ organized under the laws of the State of \_\_\_\_\_ and  
\_\_\_\_\_, as Surety, a \_\_\_\_\_  
organized under the laws of the State of \_\_\_\_\_, hereby jointly and severally bind ourselves,  
our heirs, administrators, executors, successors, and assigns, jointly and severally, unto the State of  
Utah, Division of Oil, Gas and Mining (“Division”) and \_\_\_\_\_  
(other agency, if any) in the penal sum of \_\_\_\_\_  
dollars (\$ \_\_\_\_\_).

This Surety Bond is provided to secure the obligations of the Principal, as set forth by the terms  
and conditions of the Reclamation Contract, and any addendums thereto, to reclaim lands that will be  
affected by mining operations as identified in the Notice of Intention received, or approved if  
applicable, by the Division on the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

The lands that are covered by this Surety Bond are the Lands Affected by mining  
operations as defined and described in the above Notice, and the Mining and  
Reclamation Plan if required, subject to terms and conditions of the Reclamation  
Contract.

The condition of this obligation is that if the Division determines that Principal has  
satisfactorily reclaimed the disturbed lands in accordance with the Mining and Reclamation Plan or  
Notice and has faithfully performed all requirements of the Mined Land Reclamation Act, and

complied with the Rules and Regulations adopted in accordance therewith, then this obligation shall be void; otherwise it shall remain in full force and effect. Failure of the Principal to fulfill the obligations specified by the Mined Land Reclamation Act and the Rules adopted there under, and in accordance with the specification of the Principal's Mining and Reclamation Plan or Notice, may result in forfeiture of this bond in accordance with the applicable statutes and regulations.

If the Mining and Reclamation Plan or Notice provides for periodic partial reclamation of the lands affected, and if the lands are reclaimed in accordance with such Plan or Notice, Act and regulations, then Principal may apply for a reduction in the amount of this Surety Bond. In the converse, if the Mining and Reclamation Plan or Notice provides for a gradual increase in the lands affected or the extent of disturbance, then, the Division may require that the amount of this Surety Bond be increased, with the written approval of the Surety. The amount of reclamation surety may also be adjusted as a result of a periodic review by the Division, which shall take into account inflation/deflation based upon an acceptable Costs Index, or at the request of the operator.

This bond may be canceled by Surety after ninety (90) days following receipt by the Division and Principal of written notice of such cancellation. Written notice to the Division and Principal as required by this paragraph shall be provided by certified mail or by a courier service that provides proof of delivery by signature of the recipient. Surety's liability shall then, at the expiration of said ninety (90) days, cease and terminate except that Surety will remain fully liable for all reclamation obligations of the Principal incurred prior to the date of termination.

Principal and Surety and their successors and assigns agree to guarantee said obligation and to indemnify, defend, and hold harmless the Division from any and all expenses (including attorney fees) which the Division may sustain in the collection of sums due hereunder.

Surety will give prompt notice to Principal and to the Division of the filing of any petition or the commencement of any proceeding relating to the bankruptcy, insolvency, reorganization, or adjustment of the debts of Surety, or alleging any violation or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

Surety is licensed to do business in Utah and is rated by A. M. Best as A- or better or rated as having Financial Performance Rating (FPR) of 8 or better, and is listed in the U. S. Department of Treasury's Circular "570." Upon incapacity of the Surety by reason of bankruptcy, insolvency, or suspension or revocation of its license, or upon failure to maintain the A. M. Best or FPR rating and listing on Circular "570", Principal shall be without adequate bond coverage as required by the Division and shall have 120 days after notice to replace the bond with other bonds acceptable to the Division. If the Principal does not replace this surety bond as required, the Division may order cessation of mining operations and commence actions to enforce its rights against the Surety. The Surety's liability shall continue and the Surety will remain fully liable for all reclamation obligations of the Principal incurred until this surety bond is forfeited, or the conditions of this obligation have been satisfied.

IN WITNESS WHEREOF, the Principal and Surety hereunto set their signatures and seals as of the dates set forth below.

\_\_\_\_\_  
Principal (Permittee)

\_\_\_\_\_  
By (Name and Title typed):

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**Surety Company**

\_\_\_\_\_  
Surety Company Name

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
Surety Company Officer

\_\_\_\_\_  
City, State, Zip

\_\_\_\_\_  
Title/Position

\_\_\_\_\_  
Phone Number

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

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MR-SUR  
Attachment A  
(revised May 24, 2006)

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Mine Name \_\_\_\_\_

SO AGREED this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_.

AND APPROVED AS TO FORM AND AMOUNT OF SURETY:

\_\_\_\_\_  
John R. Baza, Director  
Utah State Division of Oil, Gas and Mining

\*NOTE: Where one signs by virtue of Power of Attorney for a Surety, such Power of Attorney must be filed with this bond. If the Operator is a corporation, the bond shall be executed by its duly authorized officer.

