

THE CITY OF NORMAN
WELL DRILLING, OPERATION AND PRODUCTION BLANKET BOND

Bond Number _____

KNOW ALL MEN BY THESE PRESENTS:

That _____ as Principal, and _____ authorized to do business in the State of Oklahoma, as Surety, are held and firmly bound unto the City of Norman, Oklahoma, (hereinafter referred to as the "City"), in the sum of Twenty-Five Thousand Dollars (\$25,000), lawful money of the United States of America, well and truly to be paid, and for the payment of which, we and each of us, hereby bind ourselves, our heirs, executors, administrators, assigns and successors, jointly and severally firmly by these presents.

WHEREAS, permits have heretofore been granted to _____ to construct and erect the necessary structures and to drill and/or operate wells within the limits of The City of Norman,

and;

WHEREAS, by the terms of Chapter 13, Section 13-1502 of the Norman Municipal Code, 2015, said Principal is required to furnish a bond in the name of the said City in the above specified sum conditioned that said Principal will comply with all of the following conditions, to wit:

1. That said Principal shall comply with all of the terms of Chapter 13 of the Norman Municipal Code, 2015, in the operation of the said wells;
2. That said Principal shall promptly pay all fines, penalties and other assessments imposed upon said Principal by reason of the breach of any of the terms, provisions and conditions of Chapter 13 of the Norman Municipal Codes, 2015;
3. That said Principal shall promptly restore the streets, sidewalks and other public property of the City of which maybe disturbed or damaged in said well operations to their former condition;
4. That said Principal shall promptly clear all premises of all litter, trash, waste and other substances, and must, after abandonments, grade, level and restore said property to the same surface conditions, as far as possible, as existed prior to commencing operations;
5. That said Principal shall indemnify and hold harmless the City from any and all liability attributable to granting the permit;
6. That said Principal shall promptly pay all sums with respect to deductibles on covered losses under insurance policies required by Chapter 13 of the Norman Municipal Code, 2015, and
7. That said Principal shall comply with all of the terms of Chapter 13 of the Norman Municipal Code, 2015 concerning the abandonment and plugging of the said well(s).

NOW, THEREFORE, if the said Principal shall faithfully carry out all of the conditions and obligations as set forth above, then this obligation shall be void, otherwise to remain in full force and effect.

FURTHER, it is hereby understood and agreed by the parties hereto that this blanket bond is non-cumulative in liability per each well owned or operated by the Principal and that the maximum penal sum of this blanket bond is Twenty-Five Thousand Dollars (\$25,000); in no event may The City of Norman recover more than Twenty-Five Thousand Dollars (\$25,000) under this blanket bond.

This bond is for an indefinite term beginning on the _____ day of _____, 20 _____, and ending twelve (12) months subsequent to the expiration of all of the permits as granted to the Principal to drill and operate the wells as referred to above, provided, however, that this bond may be canceled by the Surety at any time by giving thirty (30) days written notice served on the Oil and Gas Inspector of the City of Norman.

This Blanket Bond may be cancelled by issuing party at any time by giving thirty (30) days written notice of cancellation personally served on the Oil & Gas Inspector of The City of Norman, Oklahoma; provided, a CD, Blanket Bond, Letter of Credit or cash has been approved and accepted by The City of Norman for a replacement of this instrument, or all permits which have expired in the proceeding twelve (12) months.

The signatories hereby acknowledge and agree that this agreement, and any enforcement of the same, to the extent it is not governed by any preemptive federal law applicable to lenders, and in particular, to the Surety hereunder, is and will be governed by the laws of the State of Oklahoma.

Dated this _____ day of _____, 20 _____.

OWNER/OPERATOR

BY: _____
Principal

BY: _____
Principal

ATTEST:

Secretary

(Seal)

SURETY:

BY: _____
Surety

ATTEST:

Secretary

(Seal)

RECEIPT ACKNOWLEDGED BY _____ Oil & Gas Inspector
of the City of Norman, this _____ day of _____ 20 _____.

Approved as to form this _____ day of _____, 20____.

Office of the City Attorney