



SURFACE MINING
RECLAMATION BOND
(Form SM-1)

Bond No. _____

KNOW ALL PEOPLE BY THESE PRESENTS, That we, _____,

as Principal, and _____,

a corporation organized and existing under the laws of the State of _____ and authorized to transact business in the State of Washington, as Surety, are held and firmly bound unto the State of Washington, acting through the Department of Natural Resources, in the sum of _____

(\$ _____) U.S. DOLLARS, for the payment of which sum, we bind our selves, and each of our legal representatives, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has received from the Department of Natural Resources, State of Washington, a Reclamation Permit to conduct surface mining on the Premises whose legal description is in a portion of:

_____ 1/4 Sec _____, T _____ N, R _____ (E)(W) (circle one) W.M. _____ 1/4 Sec _____, T _____ N, R _____ (E)(W) (circle one) W.M.

_____ 1/4 Sec _____, T _____ N, R _____ (E)(W) (circle one) W.M. _____ 1/4 Sec _____, T _____ N, R _____ (E)(W) (circle one) W.M.

in _____ County.

NOW, THEREFORE, The conditions of this obligation are such that if the Principal, in conducting such surface mining, faithfully performs the requirements of the permit and Chapter 78.44 of the Revised Code of Washington (RCW), relating to mining and the reclamation of surface-mined land, and the Rules adopted thereunder, then this obligation shall be exonerated and discharged and become null and void; otherwise it is to remain in full force and effect. In accordance with RCW 78.44, this bond secures completion of reclamation for the area to be surface mined after the signature date of this bond and any previously disturbed areas on the Premises on which reclamation has not been satisfactorily completed and approved.

PROVIDED, However, the Surety shall not be liable under this bond for an amount greater in the aggregate than the sum designated in the first paragraph hereof and any reasonable legal fees that the Department may incur to recover the security. The Surety shall not be liable for surface mining performed on the Premises after a date sixty days after the Surety mails a cancellation notice to the Principal and the Department of Natural Resources, Olympia, Washington. The bond shall remain in full force and effect as respects obligations related to surface mining performed on the Premises before that date unless the Principal files a substitute bond or other performance security approved by the Department of Natural Resources or unless the Department of Natural Resources otherwise releases the Surety in writing.

Signed, sealed, and dated this _____ day of _____, _____

Attorney in fact (type name below line)

Principal (type name below line)

Surety

Title

Mailing address

Mailing address

Phone number

Mine name

Reclamation Permit No.