

**THE FOLLOWING LETTER MUST BE PRINTED ON
FINANCIAL INSTITUTION LETTERHEAD**

New York State Department of
Environmental Conservation
Division of Mineral Resources
Bureau of Oil and Gas Regulation
625 Broadway, 3rd Floor
Albany, NY 12233-6500

Dear Sir or Madam:

We hereby establish our Irrevocable Letter of Credit No. _____ dated _____ in the name of the State of New York Department of Environmental Conservation for the account of (well owner) in an aggregate amount not to exceed \$ _____ (United States Dollars) available against your draft(s) at sight drawn on (Financial Institution), (City), (State) bearing the clause "drawn under (Financial Institution) Irrevocable Letter of Credit No. _____ dated _____" and accompanied by a statement signed by a duly authorized official acting on behalf of the New York State Department of Environmental Conservation, Bureau of Oil and Gas Regulation, certifying that ... "the amount of the accompanying sight draft is due and payable to the Department of Environmental Conservation, Bureau of Oil and Gas Regulation, State of New York. (well owner) has failed to plug and abandon its well(s) in accordance with the New York State Environmental Conservation Law and its Rules and Regulations. This Letter of Credit is in lieu of a Well Plugging Bond for the above referenced well owner, pursuant to Section 23-0305.8(k) of the New York State Environmental Conservation Law.

This Irrevocable Letter of Credit shall be automatically renewed for additional terms of one (1) year or more unless the bank gives the Bureau at least ninety (90) days written notice of its intent to terminate the credit at the end of any term. The Bureau shall have the right to draw upon this Letter of Credit at any time up to and including the termination date, up to the aggregate amount, less any prior drafts by the Bureau, and hold it as a cash collateral guarantee if (well owner) fails to replace this Letter of Credit with other acceptable financial security no later than ten (10) business days after being informed by the Bureau that the bank has given its ninety (90) days written notice to terminate the credit at the end of any term, or otherwise upon sight draft of the Bureau.

We hereby engage with you that drafts drawn under and in compliance with the terms of this credit will be duly honored.

This Letter of Credit is subject to and governed by the laws of the State of New York and the 1993 revision of the Uniform Customs and Practices for Documentary Credits of the International Chamber of Commerce, Publication No. 500.

Sincerely,

(authorized signature)
Bank Officer Name and Title
SIGNATURE MUST BE NOTARIZED