

Surety Bond Number

BOND UNDER THE PROVISIONS OF GAS STORAGE AGREEMENT BEARING NO.

KNOW ALL MEN BY THESE PRESENTS, that (Name and business address of principal) as principal and (Name and address of surety company) as surety are held and firmly bound unto the United States of America in the sum of (Amount written out, i.e., Ten thousand, etc.), \$_____, lawful money of the United States, for the use and benefit of the United States to be paid to the United States for which payment, well and truly to be made, we bind ourselves, and each of our heirs, executors, administrators, successors and assigns, jointly and severally, upon the following conditions, viz:

The condition of the foregoing obligation is such that, whereas said principal, by Agreement Number _____, made and entered into as of (Date), has been granted an exclusive right to use the (Name) formation, encountered from the depth of (describe the formation, including the legal description), referred to in Agreement No. _____ as "gas storage sand."

WHEREAS, said principal has by such instrument entered into certain covenants and agreements set forth therein under which operations are to be conducted; and

WHEREAS, the surety waives any right to notices of, and agrees that this bond shall remain in full force and effect, notwithstanding:

1. Any assignment(s) of an undivided interest in any part or all of the lands in the lease(s) subject to Agreement No. _____, in which event the assignee(s) shall be considered to be co-principals on this bond as fully and to the same extent as though his/her/their duly authenticated signatures appeared thereon.

2. Any assignment(s) of 100 percent of some of the lands described in Agreement No. _____ or in oil and gas leases subject to the Agreement, the bond to remain in full force and effect only as to the lands retained in the lease and subject to said Agreement.

3. Any extension of the lease term(s) of the lease(s) subject to Agreement No. _____, or any modification of said lease(s) or any extension or modification of said Agreement, or the obligations thereunder, whether made or effected by commitment of the leases, or any of them, or said Agreement to any unit, cooperative, communitization or storage agreement, or development contract, suspension of operations or production, waiver, suspension or change in rental, minimum royalty or royalties, compensatory royalty payments, or otherwise.

NOW, THEREFORE, if the principal, his/her/their heirs, executors, administrators, successors, or assigns shall in all respects faithfully comply with all the provisions of Agreement No. _____, then the above obligations are to be void, otherwise to remain in full force and effect.

Signed this _____ day of _____, 19.

WITNESS SIGNATURE

PRINCIPAL SIGNATURE

Address

Address

WITNESS SIGNATURE

SURETY SIGNATURE

Address

Address