FORM 3

North Dakota State Industrial Commission

COAL EXPLORATION

COMPLIANCE BOND

KNOW ALL MEN BY THESE PRESENTS, that a ________________________________ in the state of ______________________ as principal ____________________________ and a corporation of a corporate surety company authorized to do business in the State of North Dakota, as surety, for and in consideration of the granting of a permit to drill pursuant to Chap. 38-12.1 NDRC and amendments thereto, and the rules and regulations adopted by the Industrial Commission of the State of North Dakota, under the authority of the said law, are held and firmly bound unto the State of North Dakota in the sum of __________________ lawful money of the United States, to be paid to the State of North Dakota, for which payment, well and truly to be made, we bind ourselves and each of us, and each of our successors and assigns, jointly and severally, by these presents.

The condition of the foregoing obligation is such that, whereas the said principal is desirous of drilling ______ number of holes to explore for coal in ___________________ County, North Dakota, and has made application for permit so to do.

NOW THEREFORE, if said principal, in its operations after the execution of permit by the State Geologist of the State of North Dakota shall fully comply with said Chap. 38-12.1 NDRC and amendments thereto, and the Rules and Regulations of the Industrial Commission of the State of North Dakota prescribed to govern the filing of basic coal exploration data obtained from exploring on State and Private lands within the State of North Dakota, then and in that event the above obligation shall be void, otherwise to remain in full force and effect.

WITNESSES:

__________________________________________

By_____________________________________
ITS____________________________PRINCIPAL

COUNTERSIGNED:

__________________________________________

By_____________________________________
ITS____________________________SURETY

STATE OF ____________________________
COUNTY OF ____________________________

On this ____ day of ________, before me, the undersigned, a Notary Public, within and for the County and State aforesaid, personally appeared, ________________________________, known to me to be the ______________________ of the ______________________________ and acknowledged to me that he executed the within and foregoing instrument on behalf of said corporation.

__________________________________________

NOTARY PUBLIC

My Commission expires ______________________

(Attached acknowledgment of surety)