FORM 4

North Dakota State Industrial Commission

COAL EXPLORATION

TRANSFER OF LIABILITY

To Be Completed By Landowner:

I(We), __________________________________________ hereinafter called the landowner(s), do acknowledge the existence of testhole number __________ located __________ section __________ township __________ range __________ and drilled pursuant to permit number __________. I(We) acknowledge that said testhole is upon land owned by me and that I desire to use such testhole as a fresh water well. I(We) understand that ____________________________________ is the holder of the permit pursuant to which said testhole was drilled.

I(We) hereby authorize ___________________________________, the permit holder, to plug said testhole with a sealing plug set below the fresh water aquifer.

I(We) assume all liability for and obligations arising out of the use of said testhole as a fresh water well, including but not limited to my obligation to comply with the Rules and Regulations for Water Well Construction and Water Well Pump Installations pursuant to N.D.C.C., Chapter 43-35.

I(We) understand that upon my authorization and assumption of liability, the permit holder is responsible for plugging said testhole with a sealing plug set below the fresh water aquifer, and the permit holder is not obligated to plug said testhole above the fresh water aquifer.

STATE OF NORTH DAKOTA

Signature of Landowner __________________________

County of __________________________

On this day of __________, in the year __________ before me personally appeared __________________________ known to me (or proved to me on oath of __________________________) to be the person who is described in and who executed the within instrument, and acknowledged to me that he (or they) executed the same.

To Be Completed By The Permit Holder:

I __________________________________________, holder of permit number __________________________, do acknowledge the existence of testhole number __________, at the above mentioned location, and that the land upon which such testhole is located is owned by __________________________.

I acknowledge that the landowner(s) desires to use such testhole as a fresh water well.

I understand that upon the landowner’s authorization and the landowner’s assumption of liability, I am obligated to seal said testhole with a sealing plug set below the fresh water aquifer, and that I am not obligated to plug said testhole above the fresh water aquifer.

STATE OF NORTH DAKOTA

Signature of Permit Holder __________________________

County of __________________________

On this day of __________, in the year __________ before me personally appeared __________________________ known to me (or proved to me on oath of __________________________) to be the person who is described in and who executed the within instrument, and acknowledged to me that he (or they) executed the same.