GEOTHERMAL ENERGY EXTRACTION BOND
INDUSTRIAL COMMISSION OF NORTH DAKOTA
GEOLICAL SURVEY
SFN 11764 (11/97)

SEE INSTRUCTIONS ON BACK OF FORM

KNOW BY ALL MEN BY THESE PRESENTS, that ______________________________ 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 Chapter 38-19 NDCC 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 obligations is such that, whereas the said principal is desirous of drilling wells to construct a geothermal energy extraction facility in North Dakota, and has made application for a permit to do so.

The foregoing obligation shall start on the date of issuance by the surety, ______________________________, and shall expire when notice of cancellation is received by the State Geologist or after all remaining geothermal energy extraction facilities have been approved by the State Geologist, whichever is later. This is a blanket bond and shall cover all permits for shallow well and horizontal loop facilities issued during the term of this bond. The installer shall remain liable under the installation bond until construction of the geothermal energy extraction facilities has been completed and approved by the State Geologist.

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 Chapter 38-19 NDCC and amendments thereto, and the Rules and Regulations of the Industrial Commission of the State of North Dakota prescribed to govern the development of geothermal energy resources 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:

________________________________________

COUNTERSIGNED:

________________________________________

By ______________________________

ITS ______________________________ PRINCIPAL

By ______________________________

ITS ______________________________ SURETY

STATE OF ____________________________

SS

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

County of ______________________________

My Commission expires ____________________

(Attached acknowledgment of surety)
INSTRUCTIONS

BE SURE THAT THE BOND IS COMPLETE IN ALL RESPECTS.

Before the bond will be terminated the agents of the Industrial Commission will inspect the area of exploration to determine whether the site has been properly reclaimed. Only after the area of exploration has been approved by the inspector, and all records concerning the operation have been filed, will the surety be given permission to terminate its liability.

BE SURE THAT YOU HAVE READ AND THOROUGHLY UNDERSTAND THE RULES AND REGULATIONS OF THE INDUSTRIAL COMMISSION OF NORTH DAKOTA, GEOLOGICAL SURVEY.

THIS BOND IS TO BE SUBMITTED TO THE STATE GEOLOGIST, 600 E. BOULEVARD AVENUE, BISMARCK, ND 58505-0840.