

**TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION
WATER POLLUTION CONTROL – MINING SECTION
BOND NO. _____**

SURETY BOND

KNOW ALL MEN BY THESE PRESENTS, that the undersigned _____
_____ of _____
Principal, and _____, Surety
are held and firmly bound unto the State of Tennessee, its successors and assigns in the
penal sum of _____ Dollars (_____)
for payment of which well and truly to be paid to the said State of Tennessee, do hereby
jointly and severally bind ourselves, our heirs, administrators, executors, successors and
assigns.

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH THAT, WHEREAS, the
above named Principal did on the _____ day of _____, _____, file with the
Mining Section an application to engage in surface mining and reclamation operations in
the state of Tennessee; and that in said application the Principal estimates that on the site
designated as _____, _____ acres of
land will be affected by surface mining operations during the period of
_____ following the date of the beginning of the permit issued
pursuant to the aforesaid application requiring the bond and by reclamation operations
during the period of liability prescribed under T.C.A. § 59-8-209. Said obligation is
applicable to the entire permit area specified in the approved application.

NOW, if said Principal shall successfully complete all surface mining and reclamation
operations in accordance with the approved reclamation plan pursuant to T.C.A. § 59-8-
208 and T.C.A. § 59-8-209 and achieve compliance with all of the requirements of
T.C.A. § 59-8-201 et. seq.; regulations lawfully promulgated pursuant to T.C.A. § 59-8-
201 et. seq.; the regulatory program and the permit, including the revegetation
requirements specified under T.C.A. § 59-8-209, then this obligation shall be void;
otherwise, it shall remain in full force and effect.

This bond shall not be cancellable by the Surety at any time for any reason including, but
not limited to, non-payment of premium or bankruptcy of the Principal during the period
of liability. Surety bond coverage for permitted lands not disturbed may be cancelled
with the consent of the Mining Section if the Principal is not in violation on the part of
the permitted lands which have been disturbed; provided the Surety gives at least sixty
(60) days notice to both the Principal and the Mining Section of the intent to cancel prior
to cancellation. Such notice of intent shall be by certified mail and shall not be effective
until received by both the Principal and the Mining Section. Cancellation shall not be
effective for lands subject to bond coverage which are disturbed after receipt of notice,
but prior to approval by the Mining Section. The Mining Section may approve such
cancellation only if a replacement bond is filed by the Principal prior to the cancellation
date, or the permit is amended so that the surface mining operations approved under the
permit are reduced to the degree necessary to cover all the costs attributable to the
completion of reclamation operations on the reduced permit area in accordance with
T.C.A. § 59-8-201 et. seq. and the remaining performance bond liability.

The Surety shall:

- (a) give prompt notice to the Principal and Mining Section of any notice received
or action filed alleging insolvency or bankruptcy of the Surety, or alleging any

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violations of regulatory requirements which could result in suspension or revocation of the Surety's license to do business;

(b) give immediate notice to the Principal and the Mining Section in the event the Surety becomes unable to fulfill its obligation under this instrument.

Upon the incapacity of the Surety by reason of bankruptcy, insolvency or suspension or revocation of its license, the permittee shall be deemed to be without bond coverage in violation of T.C.A. § 59-8-205 and T.C.A. § 59-8-207, and shall discontinue surface mining operations until new performance bond coverage is approved.

In the event of forfeiture, the amount of this obligation shall be confessed to judgment.

Principal Date

BY _____
Signature Title

STATE OF _____ COUNTY OF _____

Sworn to and subscribed before me this _____ day of _____, _____

NOTARY PUBLIC MY COMMISSION EXPIRES _____

Surety Date

BY _____
Signature Title

Sworn to and subscribed before me this _____ day of _____, _____

NOTARY PUBLIC MY COMMISSION EXPIRES _____

(Attach Power of Attorney for Surety Signatory)