

Appendix III
Irrevocable Standby Letter of Credit

Director
Nebraska Department of Environmental Quality
P.O. Box 98922,
Lincoln, NE 68509

Dear {Director}

We hereby establish our irrevocable standby letter of credit No. _____ in your favor, at the request and for the account of (Owner or Operator's name) up to the aggregate amount of (Amount in Words) U.S. Dollars (\$_____), available upon presentation of your sight draft, mentioning thereon this letter of credit No. _____, accompanied by a notice of statement by the Director that (Owner or Operator's Name) has not properly closed plugged, and abandoned the underground injection wells and/or mineral production well(s) and has not properly disassembled, decontaminated, and restored the aquifer and site, including any post-operational monitoring, in accordance with its permit and as required by the Nebraska Environmental Protection Act and the rules and regulations of your Department.

This letter of credit is effective as of (Date) and shall expire on (Date at least one year later), but such expiration date shall be automatically extended for a period of (At least one year) on (Date) and on each successive expiration date, unless we notify both you and (Owner or Operator's Name) by certified mail, return receipt requested, that we have decided not to extend this letter of credit beyond the current expiration date. In the event you are so notified, any unused portion of the credit shall be available upon presentation of your sight draft for one-hundred twenty days after the date of receipt by both you and (Owner or Operator's Name) as shown on the signed return receipts.

We shall promptly notify you and (Owner or Operator's Name) of any notice received or action filed alleging our insolvency or bankruptcy, or alleging any violations of regulatory requirements which could result in suspension or revocation of our charter or license to do business. We will further immediately notify you and (Owner or Operator's Name) of our inability to fulfill our obligations under this letter of credit for any reason.

This letter of credit is subject to the Uniform Customs and Practices for Documentary Credits (1983 Revision) published by the International Chamber of Commerce, Publication 400.

Sincerely yours,

_____/s/_____
