

QUARRY RECLAMATION BOND AGREEMENT

Reclamation Bond is hereby given by _____ as principal (hereinafter referred to as "Applicant") and _____, as Indemnifier ("Indemnifier"), to the Arkansas Department of Environmental Quality (the "Department") in the form marked below (hereinafter referred to as the "Collateral")

____ Surety Bond

____ Certificate of Deposit

____ Irrevocable Letter of Credit

____ Self Bond

WHEREAS, the Applicant has submitted the required documents to the Department for a permit to conduct quarry mining and reclamation operations within the State of Arkansas in accordance with the Quarry Operation Safe Closure Act, as amended (the "Act"), as evidenced by the application documents (hereinafter referred to as the "Notice of Intent") which includes a map of the area to be affected (the "Quarry Area") submitted to the Department; and

WHEREAS, the granting of the N O I is conditioned on the Applicant's giving bond to insure the reclamation of the Quarry Area; and

WHEREAS, the Indemnifier agrees to be bound to the Department for the payment of a certain sum in the event the Applicant fails to perform in accordance with the Act, and to the applicable requirements of the Act; and

WHEREAS, the Department agrees to accept this Bond (Attachment I) as sufficient surety of performance by the Applicant, subject, however, to the Department's right to adjust the amount of the bond as the acreage in the Quarry Area is revised, methods of quarry operation change, standards of reclamation change, or when the cost of future reclamation, restoration, or abatement work changes;

Now, therefore, it is agreed as follows:

1. The Applicant and the Indemnifier are bound into the Department in the sum of _____ (the "Bond Amount"), for the payment of which the Permittee and Indemnifier hereby jointly and severally bind themselves, their respective successors and assigns.
2. The Collateral cannot be canceled or withdrawn without giving at least ninety (90) days notice of such

intent to the Department. In no event shall Collateral be canceled or withdrawn on a Quarry Area that at the time of cancellation has become affected land under the provisions of the Act.

3. The Indemnifier will give prompt notice to the Applicant and the Department of inability of the Indemnifier for any reason to fulfill its obligations under this agreement.

4. The condition of this obligation is such that if the Applicant promptly and faithfully performs all the requirements of the Act, and the approved plan of reclamation upon completion of quarry operations, then this obligation shall be terminated by notice from the Department; but otherwise this obligation shall remain in full force and effect.

5. The Indemnifier will honor the Department's request up to the aggregate amount of the bond upon proof of forfeiture and formal request by the Director of the Department.

6. This agreement is an Arkansas agreement, and is to be construed in accordance with and governed by Arkansas law.

IN WITNESS WHEREOF, the parties hereto have set their hand and seals.

Applicant: _____

Indemnifier: _____

Officer signature: _____

Officer signature: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPROVED BY:

Arkansas Department of Environmental Quality

Representative signature: _____

Title: _____

Date: _____