

IRREVOCABLE LETTER OF CREDIT NO. _____

TO: LOUISIANA OFFICE OF CONSERVATION
P. O. Box 94275 OR 617 North Third Street
Baton Rouge, LA 70804-9275 Baton Rouge, LA 70802
ATTN: Engineering, Financial Security

RE: FINANCIAL SECURITY
Various wells and facilities further described on Exhibit "A" attached hereto

Dear Sirs:

We hereby establish our irrevocable Letter of Credit No. _____ in your favor, at the request and for the account of _____ (operator name), as established by Office of

Conservation up to the aggregate amount of _____ (dollar amount) available upon presentation by the Louisiana Commissioner of Conservation, of:

1. Your sight draft, bearing reference to this letter of credit No. _____, and
2. Your signed statement reading as follows: "I certify that the amount of the draft is payable pursuant to regulations issued in accordance with LSA-R.S. 30:1 et seq."

This letter of credit is effective as of _____ (date) and shall expire on _____ (date), but such expiration date shall be automatically extended for a period of at least one(1) year on

_____ (date), and on each successive expiration date, unless at least 120 days before the current expiration date, we notify you and _____ (operator name) by certified mail 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 120 days after the date of receipt by both you and _____ (operator name), as shown on the signed return receipts.

The purpose of this letter of credit is to provide financial security for proper plugging and abandonment, of the well or wells, associated site restoration and response to emergencies. In the event this letter of credit is called upon for less than all the wells and facilities listed on Exhibit "A" referenced above, the amount of the letter of credit shall be reduced in proportion to the amounts listed for each well and/or facility called on as listed on Exhibit "A", but shall not otherwise effect the availability of the remainder of the funds except as otherwise provided herein.

This letter of credit is subject to the Uniform Customs and Practice for Documentary Credits by the International Chamber of Commerce Brochure No. 600 (2007 revision).

We hereby agree with you and negotiating banks or bankers that drafts drawn under and in compliance with the terms of this credit shall be duly honored on due presentation to the drawee.

Yours truly,

Name of Bank:

BY: _____
AUTHORIZED BANK REPRESENTATIVE
(Sign and Print)

BY: _____
AUTHORIZED BANK REPRESENTATIVE
(Sign and Print)

DATE: _____

Form: FS-LCMW
(10/11/2016)