

Irrevocable Letter of Credit No.: _____

Issuer: _____
Bank

Address

Date Issued: _____

Beneficiary:

City of Corpus Christi
ATTN: Petroleum Superintendent
4225 South Port Avenue
Corpus Christi, Texas 78415

Applicant (herein "Permittee"):

Permittee Name

Permittee Address

Amount: _____
State Amount

Expiration Date: _____

Dear Sir or Madame,

We, _____
Bank, hereby issue in favor of the City of Corpus Christi and for the account of

Permittee, our Irrevocable Letter of Credit which is available by your draft at sight for an
amount not exceeding _____
State Amount in Written Words U.S. Dollars (US \$ *State Amount*
Numerically).

This Irrevocable Letter of Credit is in reference to the requirement in the Corpus Christi Code of Ordinances Sec. 35-80. entitled "Insurance and Bonds", at subsection (d) which allows a Permittee to submit an Irrevocable Letter of Credit naming the City of Corpus Christi as Beneficiary, in a face value equal to that of the bond required in subsection (c) thereto. In accordance with Code of Ordinances Sec. 35-80(d), Permittee hereby unconditionally places _____
State Amount U.S. Dollars for the benefit of the City of Corpus Christi, Beneficiary, if Permittee fails to perform as required by the Corpus Christi Code of Ordinances, Chapter 35, entitled "Oil and Gas Wells".

Funds under this Irrevocable Letter of Credit are available against the draft as set forth above if marked "DRAWN UNDER _____
Bank, IRREVOCABLE LETTER OF CREDIT NO. _____"
and accompanied by presentation of the following:

- (a) a statement in writing signed by the Petroleum Superintendent for the City of Corpus Christi setting forth the circumstances giving rise to the draft, or a statement of the Permittee's failure to furnish proof of renewal or replacement of this Irrevocable Letter of Credit not less than thirty (30) days prior to its expiration;
- (b) a properly drawn draft in the amount not to exceed the face value of this Irrevocable Letter of Credit;
- and (c) this original Irrevocable Letter of Credit.

It is a condition of this Irrevocable Letter of Credit that it shall be automatically extended without amendment for an additional period of one year from the current expiration date and each future expiration date, unless and until the City of Corpus Christi, Beneficiary, has been notified by Issuer in writing by registered mail or overnight courier, not less than (90) days before the expiration date that Issuer elects not to renew this Irrevocable Letter of Credit.

Issuer hereby agrees with Beneficiary that all drafts drawn under and in conformity with the terms and conditions of this credit will be duly honored on presentation if presented on or before 5 o'clock p.m. (CDT), Corpus Christi, Texas, time on no later than expiration date at Issuer's office located at _____, in the State of Texas, Attention: _____”.

This Irrevocable Letter of Credit sets forth in full the terms of the Issuers' undertaking and such undertaking must not in any way be modified, amended, or amplified by reference to any document, instrument or agreement referred to herein, or in which this Irrevocable Letter of Credit is referred to or to which this Irrevocable Letter of Credit relates, and any such reference is not deemed to incorporate herein by reference any document, instrument, or agreement Issuer is not a party to, or bound by the terms of any agreement between Beneficiary and Applicant. Furthermore, this Irrevocable Letter of Credit cannot be amended except with the written concurrence of Issuer, the Applicant, and Beneficiary.

This Irrevocable Letter of Credit is subject to and governed by the Institute for International Banking Law and Practice's, International Standby Practices, ICC Publication No. 590 (The “ISP98”), or other ICC publication applicable, to the extent not inconsistent with the laws of the State of Texas and more particularly with the provisions of Chapter 5 of the Texas Business and Commerce Code currently in effect. In the event of any conflict, the laws of the State of Texas will control, without regard to principles of Conflict of Laws.

Sincerely,

Signature

Issuer Name