

IRREVOCABLE LETTER OF CREDIT NO. _____

DATE: _____

City of Corpus Christi
Attention: Petroleum Superintendent
P.O. Box 9277
Corpus Christi, TX 78469-9277

We, _____ (**name of bank**), hereby issue in your favor and for the account of _____ (**name of permittee**) [**herein called "Permittee"**], our Irrevocable Letter of Credit which is available by your draft drawn at sight for an amount not exceeding _____ (**amount of bond**).

This Irrevocable Letter of Credit ("ILOC") is in reference to the requirement in the Corpus Christi Code of Ordinances Sec. 35-80. Insurance and Bonds., 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. **Permittee** hereby unconditionally places _____ (**amount of bond**) for the benefit of the City of Corpus Christi if **Permittee** fails to perform as required by the Corpus Christi Code of Ordinances, Chapter 35 Oil and Gas Wells within the time frame set out therein.

These funds are available to the City of Corpus Christi upon presentation of (a) a statement signed by the **Petroleum Superintendent** that: **Permittee** has failed to perform its obligations under Chapter 35 Oil and Gas Wells within the time frame set out therein and (b) this original irrevocable letter of credit.

This Irrevocable Letter of Credit is guaranteed for one (1) year from date, and will be automatically extended for one (1) additional year.

All drafts drawn under this credit must contain the clause, "drawn under [Bank's name] _____, Letter of Credit No. _____, date the _____ day of _____, 20____," and must be presented for payment not later than the _____ day of _____, 20____ at our office located at _____, together with documents referred to above.

We hereby agree that drafts drawn under and in compliance with the terms of this credit shall be duly honored on due presentation to us.

This credit sets forth in full terms of our obligation to you, and is subject to the Uniform Customs and Practices for Documentary Credits (1983 Revision) International Chamber of Commerce Publication No. 400.

ACCEPTANCE:

Bank's name: _____

Officer's Name:

Officer's Title:

Address:

City, State, Zip Code:

Phone:

Fax:

Date: