BONDS:

Effective June 27, 2019, the bonding regulations changed. Please refer to KRS 353.590 for further information.

The Division of Oil and Gas accepts Cash Bonds, Surety Bonds, Letters of Credit, and Certificates of Deposit for bonding oil and gas wells. All bonding forms are available on our web page at:

https://eec.ky.gov/Natural-Resources/Oil-and-Gas/Resources/Pages/Forms-Library.aspx

1. **Cash bonds** are to be submitted either by a Cashier's Check, a Certified Check, or a Money Order made payable to the Kentucky State Treasurer.

2. **Surety bonds** must have the appropriate seals affixed on the forms and be accompanied by the Power of Attorney credentials of the surety company's representative. The operator and the surety company representative must sign the surety bond form. The original signed form must be submitted to our office for approval.

3. The **Letter of Credit** is a two-page document that must be completed by the bank. The original signed form must be submitted to our office for processing. Bank letterhead is acceptable, but the form must be verbatim.

Pursuant to KRS 353.590, all bonds remain on file until all well(s) covered by the bond are either plugged with all records on file or transferred to a successor operator. The operator must forward a written, signed request to have the bond(s) released. For your convenience, a Bond Release Request form can also be found on our webpage.