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Division of Minerals

STATE OF NEVADA
COMMISSION ON MINERAL RESOURCES
DIVISION OF MINERALS
400 W. King Street, Suite 106
Carson City, Nevada 89703
(775) 684-7040 : Fax (775) 684-7052

Date Received
API Number 27-009-40037
County Esmeralda
Permit Number 1321
FOR DIVISION USE ONLY

GEOHERMAL RESOURCE DEVELOPMENT PERMIT APPLICATION

Name or Corporate/Business Name

Chemetal Foote Corporation

Street Address 348 Holiday Inn Dr.

City Kings Mountain State NC Zip Code 28086

hereby makes application for a geothermal development permit, State of Nevada, Division of Minerals.

(If applicant is a corporation, show state and date of incorporation; if a partnership, list names of partners.)

Corporation;
Qualifying State: Delaware
Nevada Corp/Entity Number: C26751-2002
Date of permit to do business in NV: 10/29/2002

This application is for a
[] Domestic well [] Commercial well [] Industrial well
Other, specify: [] Observation well [X] Thermal Gradient well [] Re-entry

Note: Re-entry includes workover, deepening, or plugging back operations.

Applicant is: [] Land Owner [X] Lease Holder
Well Name: TGH#9
Lease Name/No: NVN-87008
Land Type: [X] Federal (BLM, USFS, etc.) [] Private [] State

Location of Well:

Domestic: Street:
City: County:

Commercial and Industrial: SE 1/4 of, SW 1/4 in Section 24,
Township 2 South, Range 39 East

UTM Datum Used: [X] NAD83 Datum [] NAD27 Datum
UTM Northing 4177809 N; UTM Easting 446985 E

County Esmeralda County

(If applicable, give street address below.)

Street:
City:
State: Zip:

Operator's Name: Chemetail Foote Corporation
Address: 348 Holiday Inn Dr.
City, St Zip: Kings Mountain, NC 28086

Drilling Contractor's Name: Chemetail Foote Corporation
Address: 348 Holiday Inn Dr.
City, St Zip: Kings Mountain, NC 28086

Rotary Rig Description: Gardner Denver 2500

Hole Size: 7 7/8" Casing Size: 2 7/8" Weight/Gauge: plastic or steel

Estimated Well Head Temperature: 50 - 70 degrees Farenheit

Size of BOP: 2000 psi 3000 psi 5000 psi

Planned Use of Geothermal Resource:

Thermal Gradient Hole

Planned Disposal of Spent Geothermal Fluid:

Not applicable.

Type and Amount of Bond: \$50,000 surety bond
(Exempt for Domestic Class)

Bond Issued by: Travelers Casualty and Surety Company of America Serial No. 105537179

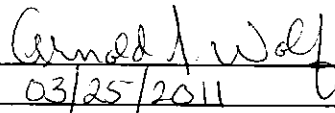
The Source of the Proposed Geothermal Resource is:

Clayton Valley Playa

(List name of hot spring, geologic formation(s) or other source.)

Total Depth to be Drilled: 1,000 feet

Drilling will Commence On or Before: April 1, 2011

Signature of Applicant/Agent: 
Date: 03/25/2011

CONDITIONS OF PERMIT

1. All permittees must comply with appropriate sections of the Geothermal Rules and Regulations of the Division of Minerals and with applicable rules and regulations of other local, state, and federal agencies.
2. During the drilling of domestic geothermal wells, all water strata above the geothermal horizon being used must be sealed or separated in order to prevent their contents from passing into other strata.
3. All fresh water and water of value or possible value for other beneficial uses must be confined to their respective strata and be adequately protected by methods approved by the Division. Precautions must be taken in drilling and abandoning wells to guard against any loss of fresh water from the strata in which it occurs, and the contamination of any fresh water by objectionable water.
4. The operator of any well must shut off and exclude all water from any geothermal resource-bearing stratum to the satisfaction of the Division.
5. Additional Conditions

- A. See attached CD
- B. _____
- C. _____

PERMIT APPROVAL

Approved APRIL 4, 2011 with the conditions noted above.
Date

Permit Number 1831

Doug Driesner
Deputy Administrator
Division of Minerals