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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 <u>27-019-90036</u>
County <u>Lyon</u>
Permit Number <u>1227</u>
FOR DIVISION USE ONLY

GEOHERMAL RESOURCE DEVELOPMENT PERMIT APPLICATION

The applicant

Homestretch Geothermal 2010, LLC

Name (or Corporate/Business Name)

of

Street Address 1147 Daybreak Drive

City Washington State UT Zip Code 84780

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.)

Delaware Limited Liability Company Organized 10/27/2010 Members: Homestretch Geothermal, LLC, Wabuska Geothermal, LLC

This application is for a Domestic well Commercial well Industrial well

Other, specify: Observation well Thermal Gradient well Re-entry

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

Applicant is: Land Owner Lease Holder

Well Name: PW 3

Lease Name/No: N/A

Location of Well:

Domestic: Street: _____

City: _____ County: _____

Commercial and Industrial: NW $\frac{1}{4}$ of, SW $\frac{1}{4}$ in Section 15,
Township 15N, Range 25E,
County Lyon

(If applicable, give street address below.)

Street: 15 Julian Lane

City: Yerington

State: NV Zip: 89447

**GEOTHERMAL RESOURCE DEVELOPMENT PERMIT APPLICATION
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Operator's Name: Homestretch Geothermal 2010, LLC

Address: 1147 Daybreak Drive

City, St Zip: Washington, UT 84780

Drilling Contractor's Name: Wellsco Drilling Corporation

Address: PO Box 888

City, St Zip: Fallon, NV 89406

Rotary Rig Description: Schramm XD 130

Hole Size: 26" Casing Size: 20" Weight/Gauge: 78.6#/ft

Estimated Well Head Temperature: 218F

Size of BOP: 2000 psi 3000 psi 5000 psi

Planned Use of Geothermal Resource:

Power Generation

Planned Disposal of Spent Geothermal Fluid:

Surface Disposal

Type and Amount of Bond: Surety \$10,000
(Exempt for Domestic Class)

Bond Issued by: Old Republic Serial No. ULI1149718

The Source of the Proposed Geothermal Resource is:

Wabuska

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

Total Depth to be Drilled: 1500'

Drilling will Commence On or Before: 5/1/11

Signature of Applicant/Agent: 

Date: 4/14/2011

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 COA's.
- B. _____
- C. _____

PERMIT APPROVAL

Approved 4/19/11 with the conditions noted above.
Date

Permit Number 1227

Alan R. Lyon
Administrator
Division of Minerals