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SEP 10 2011
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 27-031-91273
County Washoe
Permit Number 1261
FOR DIVISION USE ONLY

GEOHERMAL RESOURCE DEVELOPMENT PERMIT APPLICATION

The applicant
Steamboat Hills LLC

Name (or Corporate/Business Name)

of

Street Address 6225 Neil Road

City Reno State NV Zip Code 89511

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.)

On file with NDOM

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: 41-5

Lease Name/No: Steamboat Hills

Land Type: Federal (BLM, USFS, etc.) Private State

Location of Well:

Domestic: Street: _____
City: _____ County: _____

Commercial and Industrial: NE $\frac{1}{4}$ of, NW $\frac{1}{4}$ in Section 5,
Township 17, Range 20,
UTM Northing 4361862 N; UTM Easting 261920 E (Using NAD83 Datum)
County Washoe

(If applicable, give street address below.)

Street: _____
City: _____
State: _____ Zip: _____

GEOHERMAL RESOURCE DEVELOPMENT PERMIT APPLICATION
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Operator's Name: Ormat Nevada Inc
Address: 6225 Neil Road
City, St Zip: Reno Nevada 89511

Drilling Contractor's Name: Geo-Drill
Address: 4782 Hwy 111
City, St Zip: Brawley Ca. 92227

Rotary Rig Description: _____

Hole Size: 36 Casing Size: 30 Weight/Gauge: Grade B PEBFW.375

Estimated Well Head Temperature: 320

Size of BOP: 2000 psi 3000 psi 5000 psi

Planned Use of Geothermal Resource:

Geothermal Power Production

Planned Disposal of Spent Geothermal Fluid:

Reserve pit

Type and Amount of Bond: \$75,000 Certificate of Deposit
(Exempt for Domestic Class)

Bond Issued by: Bank of American Serial No. _____

The Source of the Proposed Geothermal Resource is:

Steamboat Hills KGRA

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

Total Depth to be Drilled: 2440

Drilling will Commence On or Before: December 2011

Signature of Applicant/Agent: 

Date: 9-17-2011

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 C.A.

* B. Send in daily drilling reports
to James Price @ jprice@geothermal.state.nv.us

C. and James @ jprice@geothermal.state.nv.us

PERMIT APPROVAL

Approved 10/5/11 with the conditions noted above.
Date

Permit Number 1361

Alan R. [Signature]
Administrator
Division of Minerals