

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	<u>1.7.10</u>
API Number	<u>27-009-90075</u>
County	<u>Esmeralda</u>
Permit Number	<u>1075</u>
FOR DIVISION USE ONLY	

GEOHERMAL RESOURCE DEVELOPMENT PERMIT APPLICATION

The applicant

Sierra Geothermal Power Inc.

Name (or Corporate/Business Name)

of

Street Address 1068 Fir Street SE

City Olympia State WA Zip Code 98501-1859

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.)

Sierra Geothermal Power Inc. incorporated state of WA 15 March 2006.

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: 38-11

Lease 78780

Name/No:

Location of Well:

Domestic: Street: _____
City: _____ County: _____

Commercial and Industrial: SW _____ ¼ of, SW _____ ¼ in Section 11,
Township 2S, Range 39E,
County ESMERALDA

(If applicable, give street address below.)

Street: _____

City: _____

State: NV Zip: _____

**GEOHERMAL RESOURCE DEVELOPMENT PERMIT APPLICATION
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Operator's Name: Sierra Geothermal Power Inc.

Address: 1068 Fir St SE

City, St Zip: Olympia WA 98501-1859

Drilling Contractor's Name: TBD

Address: _____

City, St Zip: _____

Rotary Rig Description: See Drill Plan

Hole Size: see plan Casing Size: see pl Weight/Gauge: see plan

Estimated Well Head Temperature: see plan

Size of BOP: 2000 psi 3000 psi 5000 psi

Planned Use of Geothermal Resource:

Power Plant. This observation well is to be used to prove geothermal resource.

Planned Disposal of Spent Geothermal Fluid:

n/a

Type and Amount of Bond: Statewide \$50,000

(Exempt for Domestic Class)

Bond Issued by: BLM Serial No. NVB000631

The Source of the Proposed Geothermal Resource is:

Silver Peak

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

Total Depth to be Drilled: 7000'

Drilling will Commence On or Before: January 15, 2010

Signature of Applicant/Agent: _____

Date: 8 Jan 2010

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. Under Project Area Permit 868.
- C. _____

PERMIT APPROVAL

Approved JANUARY 15 2010 with the conditions noted above.
Date

Permit Number 1075

Doug Driesman
Deputy Administrator
Division of Minerals