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JAN 28 2010

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	27-007-90071
County	Elko
Permit Number	1132
FOR DIVISION USE ONLY	

**GEOHERMAL RESOURCE DEVELOPMENT PERMIT APPLICATION**

The applicant  
Standard Steam LLC

Name (or Corporate/Business Name)

of

Street Address 730 17<sup>th</sup> Street, Suite 820

City Denver State CO Zip Code 80203

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.)

N/A

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: #25

Lease Name/No: Windfall - BLM Surface and Private Mineral

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

Location of Well:

Domestic: Street: NA

City: NA County: Elko

Commercial and Industrial: SE        ¼ of, NE        ¼ in Section 26,  
Township 38N, Range 59E,  
UTM Northing 4557258 N; UTM Easting 644568 E (Using NAD27 Datum)  
County Elko

(If applicable, give street address below.)

Street: NA

City: NA

State: NV Zip: NA

**GEOHERMAL RESOURCE DEVELOPMENT PERMIT APPLICATION  
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Operator's Name: Standard Steam LLC  
Address: 730 17<sup>th</sup> Street, Suite 830  
City, St Zip: Denver, CO 80203

Drilling Contractor's Name: AK Drilling  
Address: 21387 Highway 30  
City, St Zip: Twin Falls, ID 83301

Rotary Rig Description: See Attached

Hole Size: 6" Casing Size: 8" Weight/Gauge: ~24 lbs/ft.

Estimated Well Head Temperature: Less than 125 F

Size of BOP:  2000 psi  3000 psi  5000 psi

Planned Use of Geothermal Resource:

Temperature Measurement

Planned Disposal of Spent Geothermal Fluid:

N/A - Cuttings are deposited in sump and incidental drilling water is infiltrated back into the ground.

Type and Amount of Bond: Cash  
(Exempt for Domestic Class)

Bond Issued by: \_\_\_\_\_ Serial No. \_\_\_\_\_

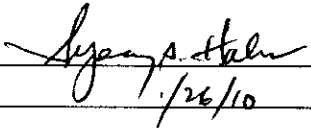
The Source of the Proposed Geothermal Resource is:

Down Deep - Unknown at this time as this is exploration

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

Total Depth to be Drilled: 500'

Drilling will Commence On or Before: ~ 3/2010

Signature of Applicant/Agent:   
Date: 1/26/10

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.
- B. Under Project Area Permit 1087.
- C. Send in all reports in a timely manner according to NAC 534A.550

**PERMIT APPROVAL**

Approved 3/24/10 with the conditions noted above.  
Date

Permit Number 1132

Alan R. Logan

Administrator  
Division of Minerals