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JUL 26 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	37-023-90175
County	Nye
Permit Number	1155
FOR DIVISION USE ONLY	

GEOHERMAL RESOURCE DEVELOPMENT PERMIT APPLICATION

Name or Corporate/Business Name

GAE Darrough LLC

Street Address 321 High School Rd NE, Ste V

City Bainbridge Is. State WA Zip Code 98110

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.)

Foreign Limited Liability Company; Qualifying State : Delaware
Nevada Organization Number : E0107782006-0

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: Darr - 2

Lease Name/No: Darrough

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

Location of Well:

Domestic: Street: _____
City: _____ County: _____

Commercial and Industrial: NE _____ ¼ of, SE _____ ¼ in Section 18
Township 11N _____, Range 43E _____

UTM Datum Used:	<input type="checkbox"/> NAD83 Datum	<input checked="" type="checkbox"/> NAD27 Datum
UTM Northing	4295514.	N; UTM Easting 483938 E

County Nye

(If applicable, give street address below.)

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

Operator's Name: GAE Darrough LLC
Address: 321 High School Rd NE, Ste V
City, St Zip: Bainbridge Is., WA 98110

Drilling Contractor's Name: Parsons Drilling
Address: 403 Mclean Rd
City, St Zip: Fallon, NV 89406

Rotary Rig Description: Drilltech or Schram

Hole Size: 6.25 Casing Size: 1.5" Weight/Gauge: ~2#/ft steel

Estimated Well Head Temperature: 120 F

Size of BOP: 2000 psi 3000 psi 5000 psi

Planned Use of Geothermal Resource:
Thermal Gradient Hole

Planned Disposal of Spent Geothermal Fluid:
Thermal Gradient Hole : no production


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

Bond Issued by: Cash Serial No. NA

The Source of the Proposed Geothermal Resource is:
Darrough Hot Spring
(List name of hot spring, geologic formation(s) or other source.)

Total Depth to be Drilled: 1000ft

Drilling will Commence On or Before: July 31, 2010

Signature of Applicant/Agent: 
Date: July 20, 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 CIA
- B. _____
- C. _____

PERMIT APPROVAL

Approved July 26 2010 with the conditions noted above.
Date

Permit Number 1155

Doug Dreese
Deputy Administrator
Division of Minerals