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AUG 16 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 <u>37-021-90044</u>
County <u>Mineral</u>
Permit Number <u>1161</u>
FOR DIVISION USE ONLY

GEOHERMAL RESOURCE DEVELOPMENT PERMIT APPLICATION

Name or Corporate/Business Name
Ormat Nevada Inc.

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.)

[Empty box for incorporation/partnership details]

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: 68-1
Lease Name/No: Dead Horse Wells NVN-083929
Land Type: Federal (BLM, USFS, etc.) Private State

Location of Well:

Domestic: Street: _____
City: _____ County: Mineral

Commercial and Industrial: SW $\frac{1}{4}$ of, SE $\frac{1}{4}$ in Section 1,
Township 11N, Range 32E

UTM Datum Used: NAD83 Datum NAD27 Datum
UTM Northing 4300246 N; UTM Easting 385492 E

County Mineral

(If applicable, give street address below.)

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

Operator's Name: Ormat Nevada Inc.
Address: 6225 Neil Road
City, St Zip: Reno, Nevada 89511

Drilling Contractor's Name: GeoDrill
Address: 4782 Hwy 111 Brawley
City, St Zip: Brawley, CA 92227

Rotary Rig Description: Rotary

Hole Size: 36-in. Casing Size: 30-in. Weight/Gauge: 0.375-in.

Estimated Well Head Temperature: 350 +/- F

Size of BOP: 2000 psi 3000 psi 5000 psi

Planned Use of Geothermal Resource:
Geothermal electric energy production

Planned Disposal of Spent Geothermal Fluid:
Reserve Pit

Type and Amount of Bond: BLM Statewide Bond @ \$50,000. NDOM bond @ \$75,000.
(Exempt for Domestic Class)

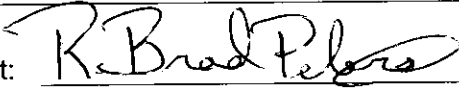
Bond Issued by: Bank of America CD (NDOM) Serial No. BLM 284

The Source of the Proposed Geothermal Resource is:
Dead Horse Wells Prospect

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

Total Depth to be Drilled: 3500 ft (total vertical depth)

Drilling will Commence On or Before: August 19, 2010

Signature of Applicant/Agent: 
Date: 8/12/2010

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.
- B. Under Project Area Permit 1071
- C. _____

PERMIT APPROVAL

Approved August 27 2010 with the conditions noted above.
Date

Permit Number 1161

Doug Drisner
Deputy Administrator
Division of Minerals