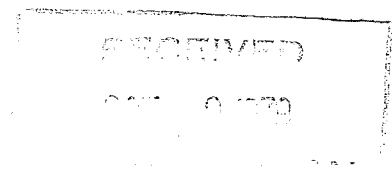


Union Geothermal Division

Union Oil Company of California

Union Oil Center, Box 7600, Los Angeles, California 90051  
Telephone (213) 486-6492

CA 500 Long Valley  
Co. Mono Co. 11 F



Joseph L. Wilson  
Vice President and  
General Representative

October 3, 1979

Amax Exploration Inc.  
4704 Harlan Street  
Denver CO 80212  
Attention: Mr. Larry Hall

Gentlemen:

Union Oil Company has recently drilled and completed two (2) geothermal wells in the Mono/Long Valley KGRA in Mono County, California. A description of the wells and the data acquired is listed on the attached schedule.

These wells are geologically strategically located in an area which has been selected for a Competitive Geothermal Lease Sale by the United States Geological Survey. The tentative date for this sale is February 20, 1980.

Union proposes to sell the above information to all interested parties for a total consideration of Two Hundred Thousand Dollars (\$200,000). This sale would be subject to your entering into an agreement with Union to hold all such information on a confidential basis.

If you are interested in obtaining this data, please advise.

Yours very truly,

A handwritten signature in cursive script, appearing to read "Joseph L. Wilson".

Joseph L. Wilson

JLW:jl  
Attachment

SCHEDULE

CLAY PIT NO. 1

Location: 1,299 Feet South and 499 Feet West of the Northeast Corner of  
Section 15, T.3S., R.28E.

T.D. : 6,058 Feet

Logs : Schlumberger Run 1, T.D. 1,250 Feet

- 1) Dual Induction - SFL
- 2) Compensated Neutron - Formation Density
- 3) Temperature

Schlumberger Run 2, T.D. 6,058 Feet

- 1) Temperature - 1
- 2) Dual Induction - SFL
- 3) Compensated Neutron - Formation Density
- 4) Temperature - 2
- 5) Dipmeter
- 6) Temperature - 3 (Stopped at 5,400 Feet)

Union Oil Company of California

Multiple Temperature/Pressure Surveys

Sample Description of Cuttings

Samples are available for examination. No cores were attempted.

SCHEDULE (Cont'd.)

MAMMOTH NO. 1

Location: 1,601 Feet South and 1,749 Feet East of the Northwest Corner of  
Section 32, T.3S., R.28E.

T.D. : 5,263 Feet

Logs : Schlumberger Run 1, T.D. 1,100 Feet

- 1) Dual Induction - SFL
- 2) Compensated Neutron - Formation Density

Schlumberger Run 2, T.D. 5,263 Feet

- 1) Dual Induction - SFL
- 2) Compensated Neutron - Formation Density

Union Oil Company of California

Multiple Temperature/Pressure Surveys

Sample Description of Cuttings

Samples are available for examination. No cores were attempted.

Other Data of Both Wells

Drilling History

Flow Line Temperatures

Duration Survey Temperatures