

AMAX EXPLORATION, INC.

A SUBSIDIARY OF AMAX INC.

4704 HARLAN STREET • DENVER, COLORADO 80212 • (303) 433-6151

September 5, 1979

Mr. Ken Bull
District Geothermal Supervisor
U.S. Geological Survey
Salt Lake City District Office
350 S. Main Street, Room 442
Salt Lake City, Utah 84111

Dear Mr. Bull:

Pursuant to our conversation on August 30, 1979, this letter is written to document AMAX Exploration Inc.'s drilling activities at the Jemez Project in New Mexico. AMAX Exploration Inc. personnel informed Mr. Ellis Hammett of the U.S. Geological Survey on July 30, 1979 that we would begin drilling operations during the first week in August. Mr. Hammett executed a renewal of AMAX Exploration Inc.'s Permit AGS-90-NM30803 on August 6, 1979. Copies of this agreement were forwarded to you and Mr. Reid Stone on August 7, 1979.

AMAX Exploration Inc. began drilling activities on the Jemez Project on August 1, 1979. Our drilling crew is currently on break from September 1, 1979 to September 7, 1979. We anticipate commencing drilling operations on September 7, 1979 at Hole No. 847-18 in the Tesuque Ranger District. Table I displays information on AMAX Exploration Inc.'s drilling activities on the Jemez Project (refer to accompanying map for hole locations).

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If I can be of further assistance in explaining AMAX Exploration Inc.'s drilling activities at the Jemez Project, please do not hesitate to call. I look forward to meeting with you in Salt Lake City in the near future.

Sincerely,

Wendy E. Merrill

Wendy E. Merrill

WEM/c
Enclosure

cc: w/enclosure

Reid Stone, U.S. Geological Survey
Ellis Hammett, U.S. Geological Survey
Joe Quade, U.S. Forest Service
Santa Fe National Forest
Ed Collins, U.S. Forest Service
Santa Fe National Forest
Espanola Ranger District
Bruce Higgins, U.S. Forest Service
Santa Fe National Forest
Coyote Ranger District

cc: wo/enclosure

Bill Dolan
Jim Gross
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