

GEOTHERMAL BRANCH

June 30, 1983

Mr. Doug Koza Minerals Management Service 4600 Kietzke Lane, #137, Bldg. D Reno, Nevada 89502

Re: McCoy Unit, ADP 158 and GDP 209

Dear Doug:

Enclosed are two (2) copies each of the final temperature logs for wells 28-18 and 26-8. Please acknowledge receipt of data by signing one copy of this letter and returning it to the letterhead address.

Sincerely,

AMAX EXPLORATION, IN WS Silk.

H. D. Pilkington Chief Geologist, Geothermal Branch

HDP/c

cc: J. E. Deymonaz J. L. Emerson

enclosures

Receipt of data acknowledged by_____

Date_____,1983.

CONDITIONS OF APPROVAL FOR PERMIT NO. 0209 Well No. 26-8 Amax Exploration, Inc. McCoy Unit Churchill County, NV

Unless otherwise directed by the Supervisor:

- A detailed drilling report shall be given by telephone to the District Geothermal Supervisor in Reno, Nevada (702) 784-5676, Monday through Friday at approximately 8:30 a.m. until the well is completed or abandoned.
- 2. A copy of this permit #0209, the approved drilling program, blowout and noncondensible gas contingency plans, and one copy of each well survey log shall be available at the well site for the Deputy Minerals Manager for Geothermal. In addition, immediately after the completion of each well survey (including daily mud logs), field copies shall be mailed or delivered to the District Geothermal Supervisor, Kietzke Plaza, Bldg. D, Suite 137, 4600 Kietzke Lane, Reno, Nevada 89502, and the Deputy Minerals Manager for Geothermal, 2465 E. Bayshore Road, Suite 400, Room 401, Palo Alto, California 94303.
- 3. In case of emergency, the MMS District Geothermal Supervisor (Mr. Bernard Moroz) or his representative (day number: (702) 784-5676, night number: (702) 852-8780) shall be notified. In the event that the District Geothermal Supervisory staff is not available, the Deputy Minerals Manager for Geothermal's Engineering Section shall be contacted: Mr.Bruce Hellier, office: (415) 323-8111, Ext. 2845, night: (415) 948-3010 or Mr. Ellis Hammett, office: (415) 323-8111, Ext. 2845, night: (415) 328-8679.
- '4. Variance from the approved well program shall be approved by the Reno, Nevada DGS, or the Deputy Minerals Manager for Geothermal.
- 5. A kill line shall be installed below the BOPE, leading directly to the mud pumps and fitted with a valve through which cement could be pumped if necessary. The valve must be a minimum of 30' from the well head.
- 6. A minimum of 200' of surface casing shall be set and cemented.
- Adequate BOPE, consisting of a full opening master valve with double rams or supervisor approved equivalent, shall be installed before drilling
 below the 200'+ surface casing.
- 8. A blow-down line shall be installed below the BOPE. The blow-down line shall be directed in such a manner as to permit containment of produced fluids and to minimize any safety hazard to personnel.
- 9. Adequate supply of drilling fluid and materials shall be maintained at the drill site to cure any lost circulation problem which may be encountered.
- 10. Notify the DGS prior to the testing of the BOPE so that the testing may be witnessed.
- 11. The lessee shall be allowed to drill to mud returns temperatures of 70°C (175°F). Higher temperature limits must be approved by the Supervisor.

- 12. Inlet and outlet temperatures shall be recorded at frequent intervals during drilling operation. Normally, hourly or 30 ft. intervals.
- 13. With the approval of the Supervisor, the annulus may be filled with mud and the tubing hung in the wellhead such that both tubing and annulus are shut in. This completion is in lieu of the required 10' cement annulus plug. Also, a valve may be placed on the tubing in lieu of a cap.
- 14. Prior to the well abandonment, the abandonment procedure shall first be approved by the District Geothermal Supervisor.
- 15. A revised and detailed drilling program, similar to the example Hunt-Radium Springs program previously provided to you, shall be submitted to the DMM-Geothermal within 10 days of receipt of this permit. The drilling program shall be in compliance with GRO Order 2 and the requirements stated under Geothermal Drilling Permit, p. 18-21 of GRO Order 5.

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Form: USGS 9-1957		ATHENT OF THE INTERIOR CONSERVATION DIVISION	DEC 1 319	10	rm Approved dget Bureau No,		
		DRILLING PERMIT	DM M. Goothe	ma.	SERIAL NO.		
The U.S. Geological Survey r triplicate with requisite at any lease operation.	equires this form or other tachments with the Supervis	Supervisor approved form to Nor. The Supervisor must ap	prove de la faiter dar la	· MM			
1a. TYPE OF WORK: DRILL NE	W WELL X) REDRILL () DI	LEPEN () PLUG BACK () DI	RECTIONALLY DRILL (AGREEMENT NAME		
Explorati		CHANGE () OBSERVATION ()	WATER SUPPLY ()		NO. B. PERMIT NO.		
1c. WELL STATUS: NOW 2. NAME OF LESSEE/OPERATOR					D OR AREA		
AMA>	Exploration,	Inc.		Wi Do. SEC.	1dcat		
3. ADDRESS OF LESSEE/OPERA	Cole Blvd.	Golden, CO 80-	401		SW1, Sec. 8:		
1707 Cole Blvd., Golden, CO80401NW\$SW\$, Sec. 8:15. LOCATION OF WELL At surfaceNW\$SW\$, Section 8: T22N, R40E, MDBMT22N, R40E, MDBM							
	At proposed prod. some 950' from west line, 1600' from south line						
16. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE					12. STATE Nevada		
950' from 17. DISTANCE FROM PROPOSED	West line of	Section 8 MILLING, COMPLETED, OR APPL	LED FOR ON THIS LEAS	E LIJ. APP	VAQA		
2325' from 66-8					January 7, 1983		
2325° irc	om 66-8				acres		
18. DRILLING MEDIA AND CHAR WATER () MUD (X POA	CTERISTICS: AIR (X) 1 (X) Other ()	19. PROPOSED DEPTH MEASURED: 2000'-4	4000	IONS: ESTIMATED X)	5760		
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22. PROPOSED WORK SUMMARY

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Refer to Plan of Exploration, Drilling Program I or II (November, 1980)

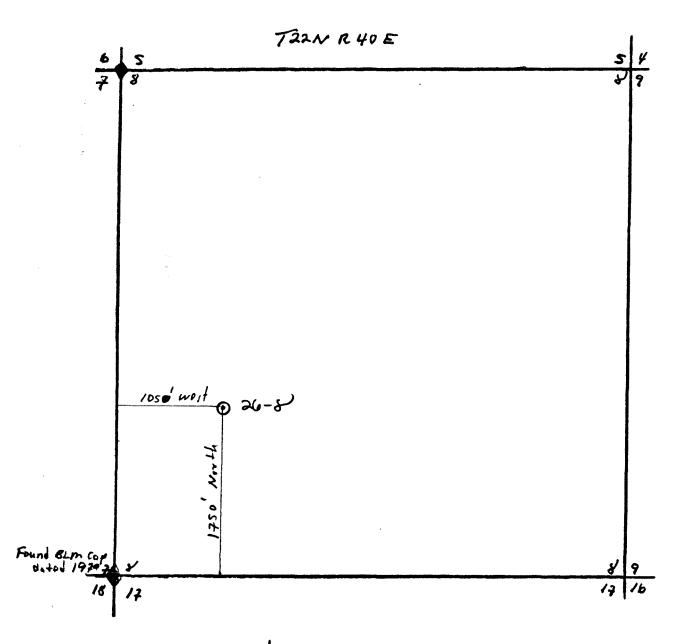
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(This space for Federal Use)	12/2/82	Relation's
APPROVED BY Willing Attinut TITLE Acting DMM, Geothermal DATE	JAN 13 1983	
CONDITIONS OF APPROVAL, IF ANY: APPROVED	Mail 19 19 03	DATE

SUBJECT TO THE ATTACHED CONDITIONS

This permit is required by law (30 U.S.C. 1023); regulations: 30 CFR 270.71; Federal Geothermal Lease Terms and Stipulations and other regulatory require-ments. The United States Criminal Code (18 U.S.C. 1001) makes it a criminal offense to make a willfully false statement or representation to any Department or Agency of the United States as to any matter within its jurisdiction.

(See instructions on reverse side)

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Scale 1"= 1000'



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2.	NAME OF LESSEE	OPERATOR			·			dcat
	AMAX Exploration, Inc. 3. ADDRESS OF LESSEE/OPERATOR 1707 Cole Blvd., Golden, CO 80401 15. LOCATION OF WELL At surface NW1/4SW1/4, Section 8: T22N, R40E, MDBM					13. SEC. 1., R., B.4 H. NW4SW4, Sec. 8: T22N, R40E, MDBM		
	At proposed pro	d. mone 950' fi	com west line	, 1600' fr				rchill
16.	•		AREST PROPERTY OR LEASE				12. STATE Neva	
17.	DISTANCE FROM PI	ROPOSED LOCATION TO HE	ine of Section	PLETED, OR APPLIED	FOR ON THIS LEAS	E	13. APPRO	K. STARTING DATE
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18.	DRILLING MEDIA (WATER () MUD	AND CHARACTERISTICS: $\begin{pmatrix} x \end{pmatrix}$ POAM $\begin{pmatrix} x \end{pmatrix}$ Other () ²¹ MEASURI	ED: 2000'-40	00		TED X) PI	() DF() KB() RT() () DF() KB() RT() FLANCE() OTHER()
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22.	PROPOSED WORK SU	I JIMARY		·		• A		

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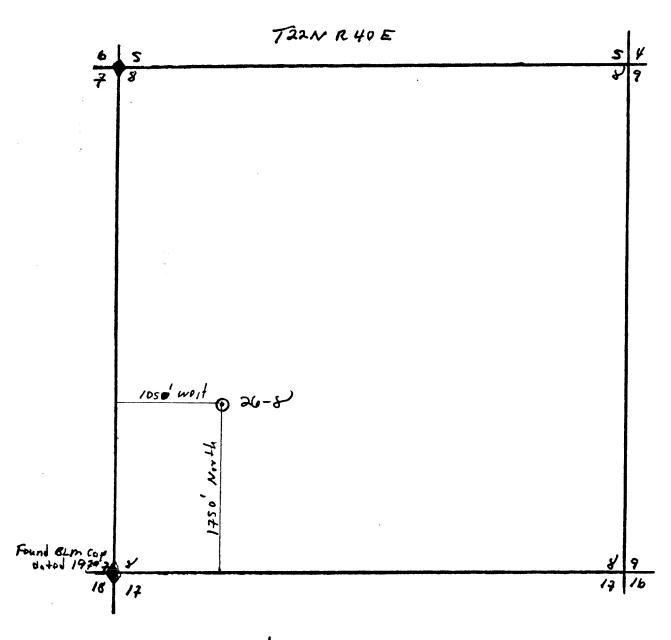
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(This space for Poderal use)	TITLE	Acting DMM, Goothermal	DATE_	JAN 1 3 1983
CONDITIONS OF APPROVAL, IF MAY: APPROVAL		NID 171 0.510		

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