

AMAX EXPLORATION, INC.

A SUBSIDIARY OF AMAX INC.

1707 COLE BOULEVARD • GOLDEN, COLORADO 80401 • (303) 234-9020 • TELEX: 45-556

LAW DEPARTMENT

January 5, 1983

Mr. Bruce Heiller
Minerals Management Service
345 Middlefield Road
Menlo Park, California 94025

Re: Geothermal Drilling Permits for Wells Nos. 51-29,
and 31-32 (Alum Unit, Esmeralda County, Nevada)
and Well No. 26-8 (McCoy Unit, Churchill County,
Nevada)

Dear Mr. Heiller:

As I indicated to you in our phone conversation of January 4, 1983, AMAX has completed Well No. 81-7 at the Tuscarora Unit and will commence drilling Well No. 26-8 at the McCoy Unit on approximately January 10, 1983. Upon completion of the McCoy well, the drilling rig will be moved to the Alum Unit to commence drilling Wells Nos. 51-29 and 31-32.

In conjunction with AMAX's drilling plans, there are several matters to be resolved:

1. Alum Unit Well No. 51-29. On December 8, 1982, AMAX submitted to you a Geothermal Drilling Permit for this well. Enclosed in triplicate is a plat showing the location of the hole. This should complete the file on this well.
2. Alum Unit Well No. 31-32. Enclosed in triplicate is a plat showing the location of Well No. 31-32. On May 28, 1981, AMAX submitted a Geothermal Drilling Permit for this well to your office. The Geothermal Drilling Permit has not yet been approved.
3. McCoy Unit Well No. 26-8. On December 7, 1982, AMAX submitted to you a revised Geothermal Drilling Permit for Well No. 26-8 with accompanying plats. The approved Geothermal Drilling Permit has not yet been received in our office.

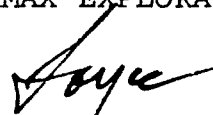
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As AMAX intends to commence drilling on the subject wells shortly, we would appreciate if you could expedite the processing of the Geothermal Drilling Permits for these wells.

Thank you for your assistance in this matter.

Very truly yours,

AMAX EXPLORATION, INC.



Joyce Emerson
Manager of Government Relations

JE/ac
enclosures
cc: Bernard Moroz ✓