

GEOHERMAL BRANCH

November 4, 1981

Ms. Jean Hopkins
U. S. Geological Survey
345 Middlefield Road
Menlo Park, California 94025

Re: Proposed Plan of Exploration McCoy Unit, Churchill and Lander Counties,
Nevada.

Dear Jean:

AMAX Exploration, Inc. hereby requests an extension of seven (7) months on the drilling commitment for the next geothermal test well at the McCoy Unit. The next well should be spudded on or before November 25, 1981 and the extension would allow the well to be spudded on or before June 25, 1982.

The reasons for the requested extension include: (1) the November 25, 1981 spud date would mean a winter drilling program in an area without good all-weather roads, and (2) AMAX Exploration, Inc. drilled wells 25-9 and 38-9 back-to-back this year. The rains and snows have already started in the mountainous areas of Nevada and could cause serious road problems with access and supply to the drilling. Last year we tried to begin our drilling early and started in March and had serious access problems and weather delays; therefore, AMAX would like to begin the next well during the dry season, late May or early June 1982. Furthermore, since we drilled two wells back-to-back we feel that they should satisfy the drilling commitment for the Unit for a full year. Finally, in order to be as cost effective as possible in our exploration drilling we spudded a third well, 28-18, on May 27, 1981 drilled to 403 feet, ran 9 5/8" casing and cemented the casing on June 1, 1981 and placed the well in suspension.

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If the requested extension is approved, it would be our plan to bring in a rig and set up on 28-18 and deepen the hole to 3,000-4,000 feet. The appropriate Sundry Notice will be submitted upon approval of the extension.

Sincerely,

AMAX EXPLORATION, INC.



H. D. Pilkington
Chief Geologist, Geothermal Branch

HDP/c

cc: C. J. Holtgrewe
J. E. Deymonaz