

GEOTHERMAL BRANCH

September 17, 1981

CERTIFIED MAIL #1177599
RETURN RECEIPT REQUESTED

Mr. Kenneth W. Bull
District Geothermal Supervisor
U.S. Geological Survey
Administration Building, Room 2006
1745 West 1700 South
Salt Lake City, Utah 84104

Re: AMAX Exploration, Inc. Topaz Project (1198)

"Geothermal Exploration Permit" for operations to be conducted
by AMAX Exploration, Inc. in Juab County, Utah

Dear Mr. Bull:

AMAX Exploration, Inc. would like to conduct a shallow temperature gradient hole drilling program on Federal land within the jurisdiction of the U.S. Geological Survey in Juab County, Utah. Pursuant to the requirements set forth in 30 CFR 270.78 and the Geothermal Resources Operation Order No. 1, the following information is submitted in triplicate:

- 1) "Geothermal Exploration Permit" (Form USGS 9-1956)
- 2) Exhibit A indicating hole number, serial number, AMAX lease number, location, section, township, range, elevation, and responsible agency
- 3) Project description giving explanation of project and procedures to be used
- 4) Vicinity map showing drill site locations with hole numbers, lease numbers, serial numbers, land status and topography

Also enclosed is a copy of our \$150,000 Nationwide-Statewide Geothermal Resources Lease Bond numbered BND 207-85-96 which is currently in effect.

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If I can be of further assistance, please contact me at your earliest convenience.

Sincerely,

A handwritten signature in cursive script that reads "Carolyn J. Holtgrewe". The signature is written in dark ink and is positioned above the typed name.

Carolyn J. Holtgrewe
Permit Assistant

CJH/c
Enclosures
cc: John Deymonaz

GEOHERMAL EXPLORATION PERMIT

The U.S. Geological Survey requires this form or other Supervisor approved form to be prepared and filed in triplicate with requisite attachments with the Supervisor. The District Geothermal Supervisor must approve this permit prior to any lease operations.

1. NAME OF LESSEE/OPERATOR
AMAX Exploration, Inc.

2. ADDRESS OF LESSEE/OPERATOR
1707 Cole Boulevard, Golden, Colorado 80401

3. CONTRACTOR(S) ADDRESS
Bud Fay P.O. Box 5209
Superior Drilling Co. Evergreen, Colorado 80439

12. TYPE OF OPERATIONS TO BE CONDUCTED (give brief description)
Drilling of 17 shallow (maximum depth of 500') thermal gradient wells (see Exhibit A for numbers and locations)

13. Exploration operations will be conducted during the period (date)
from: September 20, 1981 to: 1 year from date of approval

4. LEASE SERIAL NO.
See Exhibit A

5. SURFACE MANAGER: BLM () FS ()
Other XX
USGS

6. UNIT AGREEMENT NAME
N/A

7. PERMIT NO.

8. FIELD OR AREA
Wildcat

9. SEC. T., R., B. & M.
See Exhibit A

10. COUNTY
Juab

11. STATE
Utah

14. BOND: Surety bond for \$ () Nationwide Statewide Lease () Bond to be furnished ()
Rider to Nationwide bond () Rider to Statewide bond () Bond No.: BND 207-85-96 (\$150,000)

15. The undersigned agrees that all exploration operations under this permit shall be conducted in accordance with regulations, GRO Orders and Special Permit Stipulations:

- 1) The lessee/operator shall have copies of this Permit available on location, at all times, while operations are being conducted.
- 2) Unless waived, the lessee/operator shall submit in writing to the appropriate District Geothermal Supervisor the status of activities completed or in progress at the end of each month during the term of this permit.
- 3) If requested by the Supervisor the lessee/operator shall submit two copies of all available records of any operations, surveys, tests, or projects immediately after completion of such activities.
- 4) Within 30 days after completion of each survey, test, analysis or activity of the permitted operations the undersigned agrees to furnish the Supervisor with two copies of the records of the operation(s).

5) Special Conditions of Approval:

The undersigned agrees: (1) to the special stipulations which may be added by the Supervisor as a condition of approval of this Geothermal Exploration Permit; and (2) that the proposed operations will not be commenced until this Permit has been approved by the Supervisor. Appeals from decisions under this Permit may be made in accordance with 30 CFR 270.90.

16. SIGNED Wendy E. Merritt TITLE Supervisor, Land Records and Permits DATE 9/17/81
Wendy E. Merritt

(This space for Federal use)
I hereby approve this permit to conduct geothermal resource exploration operations. This permit is effective for one year after the approval date.

SIGNED _____ TITLE _____ DATE _____

This permit is required by law (30 U.S.C. 1023); regulations: 30 CFR 270.78; Federal Geothermal Lease Terms and Stipulations and other regulatory requirements. 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.