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Division of Minerals

STATE OF NEVADA
COMMISSION ON MINERAL RESOURCES
DIVISION OF MINERALS
400 W. King Street, Suite 106
Carson City, Nevada 89703
(775) 684-7040 ! Fax (775) 684-7052

Date Received	
API Number	<u>27-007-90079</u>
County	<u>Elko</u>
Permit Number	<u>1334</u>
FOR DIVISION USE ONLY	

GEOHERMAL RESOURCE DEVELOPMENT PERMIT APPLICATION

Name or Corporate/Business Name
HSS II

Street Address 6225 Neil Road
City Reno State NV Zip Code 89511

hereby makes application for a geothermal development permit, State of Nevada, Division of Minerals.

(If applicant is a corporation, show state and date of incorporation; if a partnership, list names of partners.)

[Empty box for incorporation/partnership details]

This application is for a Domestic well Commercial well Industrial well
Other, specify: Observation well Thermal Gradient well Re-entry

Note: Re-entry includes workover, deepening, or plugging back operations.

Applicant is: Land Owner Lease Holder
Well Name: 36-8
Lease Name/No: Tuscarora Split Estate? Yes No
Land Type: Federal (BLM, USFS, etc.) Private State

Location of Well:

Domestic: Street: Spanish Ranch Lease
City: 10 miles north of Tuscarora County: Elko

Commercial and Industrial:

NE 1/4 of, SE 1/4 in Section 8
Township N 41, Range E 52

UTM Northing 4590510 N; UTM Easting 570450 E (NAD83 Datum)

County Elko

(If applicable, give street address below.)

Street: _____
City: _____
State: _____ Zip: _____

Operator's Name: HSS II
Address: 6225 Neil Road
City, St Zip: Reno, NV 89511

Drilling Contractor's Name: GeoDrill
Address: 4782 HWY 111
City, St Zip: Brawley, CA 92227

Rotary Rig Description: Core Rig

Hole Size: 8 1/2" Casing Size: 6" Weight/Gauge: Sch 40 PEBFW

Estimated Well Head Temperature: 320

Size of BOP: 2000 psi 3000 psi 5000 psi

Planned Use of Geothermal Resource:

Geothermal Power Production

Planned Disposal of Spent Geothermal Fluid:

Injection into geothermal resource

Type and Amount of Bond: \$75,000 CD
(Exempt for Domestic Class)

Bond Issued by: BofA Serial No. _____

The Source of the Proposed Geothermal Resource is:

Tuscarora Geothermal Lease

(List name of hot spring, geologic formation(s) or other source.)

Total Depth to be Drilled: +4,000 ft

Drilling will Commence On or Before: June 1, 2013

Signature of Applicant/Agent: Mark J. Lawrence

Date: March 25, 2013

Please attach a detailed drilling program including the following information:

1. Well design schematic; casing and mud programs; potential water supply; drilling rig to be used and pad layout; blow out prevention equipment diagram and testing program; directional drilling information if applicable; map of location and access roads. Additional information may be required upon review.
2. The required fee per NAC 534A 210 or 534A.212.

CONDITIONS OF PERMIT

1. All permittees must comply with appropriate sections of the Geothermal Rules and Regulations of the Division of Minerals and with applicable rules and regulations of other local, state, and federal agencies.
2. During the drilling of domestic geothermal wells, all water strata above the geothermal horizon being used must be sealed or separated in order to prevent their contents from passing into other strata.
3. All fresh water and water of value or possible value for other beneficial uses must be confined to their respective strata and be adequately protected by methods approved by the Division. Precautions must be taken in drilling and abandoning wells to guard against any loss of fresh water from the strata in which it occurs, and the contamination of any fresh water by objectionable water.
4. The operator of any well must shut off and exclude all water from any geothermal resource-bearing stratum to the satisfaction of the Division.
5. See attached Conditions of Approval.
6. Please send daily drilling reports to : Lowell Price..... lprice@govmail.state.nv.us
and
Linda lwells@govmail.state.nv.us
7. Additional Conditions/Comments

A.	<i>Under Project Area Permit 473.</i>
B.	
C.	

PERMIT APPROVAL

Approved 4/2/13 with the conditions noted above.
Date

Permit Number 1334



Administrator
Division of Minerals