RECEIVED

DEC 17 2014

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 12/18/2014
API Number 27-011-90031
County EUREKA
Permit Number 1373
FOR DIVISION USE ONLY

GEOTHERMAL RESOURCE DEVELOPMENT PERMIT APPLICATION

Name or Corpora	ate/Business Nai	me				
U.S. Geothermal Inc.						
Street Address	390 East Pa	rk Center Blvd. Suite 250				
City	Boise			83706		
hereby makes	application for	a geothermal development p	permit, State of Nevada, Divis	ion of Minerals.		
(If applicant is a corporation, show state and date of incorporation; if a partnership, list names of partners.)						
Incorporated in						
February 26, 2	2002					
This applicatio	on 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 Own	er 🛛 Lease Holder				
Applicant is.	Well Name:	67-3 [CVP-001])			
	Lease Name/	No: Filippini Lease	Split Est	ate? ⊠ Yes 🗌 No		
		No: Filippini Lease Federal (BLM, USF)	······································	ate? ⊠ Yes No State		
	Land Type:		······································			
Location of We	Land Type:		······································			
Domestic: S	Land Type: ell: treet: N/A		S, etc.) 🛛 Private			
Domestic: S	Land Type:		······································			
Domestic: S	Land Type: ell: street: N/A city:		S, etc.) 🛛 Private			
Domestic: S	Land Type: ell: Street: N/A city: d Industrial:		S, etc.) 🛛 Private			
Domestic: S C Commercial an SW	Land Type: ell: Street: N/A City: d Industrial:	Federal (BLM, USF	S, etc.) 🗵 Private County:			
Domestic: S C Commercial an SW Tov	Land Type: ell: Street: N/A City: d Industrial:	Federal (BLM, USF)	S, etc.)			
Domestic: S C Commercial an SW Tov	Land Type: ell: Street: N/A Sity: d Industrial: V wnship 2 M Northing 4	☐ Federal (BLM, USF3	S, etc.)	☐ State		
Domestic: S C Commercial an SW Tov	Land Type: ell: Street: N/A Sity: d Industrial: V wnship 2 M Northing 4 unty Eureka	☐ Federal (BLM, USF: // of, SE 8 N 463440 N; UTM Ea	S, etc.)	☐ State		
Domestic: S C Commercial an SW Too UT Co (If a	Land Type: ell: Street: N/A Sity: d Industrial: wnship 2 M Northing 4 unty Eureka applicable, give	Federal (BLM, USFS 463440 N; UTM Eact County e street address below.)	County: County:	☐ State		
Domestic: S C Commercial an SW Too UT Coo (If a	Land Type: ell: Street: N/A Sity: d Industrial: wnship 2 M Northing 4 unty Eureka applicable, give eet: 10.3 ro	☐ Federal (BLM, USF: // of, SE 8 N 463440 N; UTM Ea	County: County:	☐ State		
Domestic: S C Commercial an SW Tov UT Co (If a	Land Type: ell: Street: N/A Sity: d Industrial: wnship 2 M Northing 4 unty Eureka applicable, give eet: 10.3 ro	Federal (BLM, USFS 463440 N; UTM Eact County e street address below.)	County: County:	☐ State		

Operator's Name: U.S. Geothermal inc.					
Address: 390 East Park Center Blvd. Ste. 250					
City, St Zip: Boise, ID 83706					
Drilling Contractor's Name: Wellsco					
Address: 7788 Woolery Way					
City, St Zip: Fallon, NV 89406 (775) 423- 6619					
Rotary Rlg Description: TXD Schramm 130 Rotary					
Hole Size: 12-1/4" Casing Size: 10-3/4 Weight/Gauge: 40.5/J55					
Estimated Well Head Temperature: 300F					
Size of BOP: ⊠ 2000 psi ☐ 3000 psi ☐ 5000 psi					
Planned Use of Geothermal Resource:					
Commercial geothermal power plant operations					
Planned Disposal of Spent Geothermal Fluid:					
All drilling mud and excess water will be retained on site in the reserve pit.					
Type and Amount of Bond: \$10,000 cash bond					
(Exempt for Domestic Class)					
Bond Issued by: U.S. Geothermal Inc. Serial No. Check #					
The Source of the Proposed Geothermal Resource is:					
Crescent Valley Fault					
(List name of hot spring, geologic formation(s) or other source.)					
Total Depth to be Drilled: 3500					
Drilling will Commence On or Before: December 31, 2014					
Signature of Applicant/Agent:					
Date: 12/16/14					
Date. 1211011					

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.
- 6. Please send daily drilling reports to : Lowell Price|price@minerals.nv.gov and Linda|wells@minerals.nv.gov
- 7. Additional Conditions/Comments

5. See attached Conditions of Approval.

A.	A.	
B.	В.	
C.	C.	

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal, and local agencies.

PERMIT APPROVAL

Approved $\frac{12/18/2014}{Date}$ with the conditions noted above.

Permit Number <u>1373</u>

Administrator
Division of Minerals