

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF WATER RIGHTS

DEE C. HANSEN  
STATE ENGINEER

EARL M. STAKER  
DEPUTY

200 EMPIRE BUILDING  
231 EAST 400 SOUTH  
SALT LAKE CITY, UTAH 84111  
(801) 533-6071  
February 16, 1979

DIRECTING ENGINEERS  
HAROLD D. DONALDSON  
DONALD C. NORSETH  
STANLEY GREEN  
ROBERT L. MORGAN

McCulloch Geothermal Corporation  
10880 Wilshire Boulevard  
LOS ANGELES CA 90024

Issue Date: February 16, 1979  
Expiration Date: August 16, 1979

Attention: A. Jordan McNay

RE: Acord #1-26

Gentlemen:

Reference is made to your request for permission to drill a geothermal test well to be located in the center of the SW $\frac{1}{4}$  of Section 26, T26S, R10W, SLB&M, in Beaver County, Utah.

This letter grants you permission to proceed with the drilling subject to the following conditions:

1. That no larger casing than is necessary be used.
2. That no more water, hot water, or steam be diverted than is necessary to determine the availability of a good source of supply.
3. That the driller shall equip the well with a blow-out preventer as described in the attached plan of operation accompanying the test well request and other safety devices as may be required for adequate safety of the resource and shall further exercise due caution in all drilling operations to prevent blowouts, explosions or fires. All blow-out preventers and related equipment shall be pressure tested to a minimum of 1,000 PSIG on installation.
4. That the driller operation be conducted so as not to pollute land, water or air, pollute streams, damage the surface or pollute the underground water in the area. Federal and State air and water quality standards will be followed. Plans for disposal of well effluents must take into account the effect on ground waters, streams, plants, fish and wildlife and their populations, atmosphere or any other effects which may cause or contribute to pollution and such plans must be approved by the State Engineer before action is taken under them.
5. That the driller or operator shall minimize the noise when conducting air drilling operations or when the well is allowed to produce while drilling.

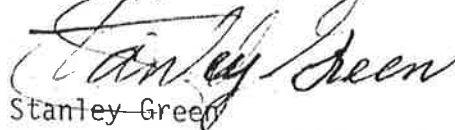
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Following completion of the drilling and testing, the casing is to be either pulled and the hole filled from the bottom to the top before the driller leaves the premises or capped until such time as a proper filing has been made with the State Engineer and approval given.

The driller must be bonded and have a current permit from the State Engineer. Before starting, he must give this office notice of the day he will begin drilling. Within 30 days after the well has been completed or abandoned, he must file a well driller's report containing accurate and complete information regarding the work done, as well as copies of the daily log of tests conducted which will become part of the files in this office pertaining to your test well.

This is permission for the licensed driller to begin drilling your test well. Note that the expiration date of this letter is August 16, 1979.

Yours very truly,



Stanley Green  
Directing Appropriations Engineer

SG:lmv

cc: Well Driller  
cc: Art May  
cc: Don Norseth  
cc: M. Stanley Adams  
cc: Gerald Stoker  
cc: Utah State Land Board  
231 East 400 South  
Salt Lake City, Utah  
cc: Kenneth Bull  
U.S.G.S. Geothermal Office  
442 Post Office Building  
Salt Lake City, Utah 84101  
cc: Bureau of Land Management  
University Club Building  
136 East South Temple  
Salt Lake City, Utah  
Atten: Div. of Resources  
cc: U. S. Bureau of Land Management  
Cedar City, Utah 84720  
Atten: Lanny Ream  
cc: Don J. Christiansen  
Utah Occ. Safety & Health Div.  
448 South 400 East  
Salt Lake City, Utah