



August 04, 1999

Mr. Dennis Simontacchi
Lakeview District Bureau of Land Management
POB 151
Lakeview, Oregon 97630
[Sent via FAX (541) -947-2143]

RE: Sundry Notice for 1999 Newberry Project Site repairs.

Dear Mr. Simontacchi,

For your approval is the Sundry notice covering proposed well repairs for Newberry well pads 88-21, 86-21, and 23-22, as well as routine well head work on wells 88-21 TCH and 23-22. The work will be completed under the direction of Mr. Joe Hickey of CalEnergy Operating Corporation, with the assistance of Dave McClain of DWMAC. We anticipate the work being accomplished sometime between 15 August and 19 August. During this time period, CEOC would like to meet with the BLM, USFS and DOGAMI on the P&A plans that we committed to complete at Newberry. This will give us an opportunity to be clear as to the exact scope and actions to be completed.

At this time, some discretionary work may be accomplished at Newberry by the United States Geological Survey. This work would probably consist of collecting one or more wellhead gas samples and performing one or more precision temperature and pressure surveys. The work may occur on several wells, but it is most probable that it would occur only in well 23-22. We will inform your office, the USFS and DOGAMI 48 hours in advance of the start of any activity. Attached is an e-mail from Dr. Colin Williams discussing the proposed work.

Please contact me if you have any questions. Once you have approved the Sundry, we will more exactly schedule a time to accomplish the work. I can be reached by phone at 760-348-4016 (voice) and 760-348-4022 (fax), or by e-mail at the following address: alex.schriener@calenergy.com. Joe Hickey can be reached at 760-348-4104 (voice) or by e-mail at joe.hickey@calenergy.com. His fax is the same as mine.

Sincerely yours;

A handwritten signature in black ink that reads "Alexander Schriener, Jr." in a cursive style.

Alexander Schriener, Jr.
Manager, Geothermal Resources

Cc: Alice Doremus, USFS, Bend – (via fax: 541-383-4700)
Dennis Olmstead, DOGAMI, Portland.
Jim Turner, CEOC, Calipatria Dave McClain, DWMAC, Beaverton

UNITED STATES
PARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0132
Expires: September 30, 1993

GEOHERMAL SUNDRY NOTICE

The Bureau of Land Management (BLM) requests this form or other BLM-approved forms to be prepared and filed in **triplicate** with requisite attachments with the authorized officer. The authorized officer must approve this permit prior to any lease operations.

6. Lease Serial No. OR 45505	
7. Surface Manager: <input type="checkbox"/> BLM <input type="checkbox"/> FS <input type="checkbox"/> Other USFS	
8. Unit Agreement Name DESCHUTES	
9. Well No.	10. Permit No.
11. Field or Area WEST NEWBERRY	
12. Sec., T., R., B. & M.	
13. County DESCHUTES	
14. State OREGON	

1a. Well Type: Production Injection Heat Exchange Observation Other
Geothermal Exploration

1b. Well Status:
SHUT IN

2. Name of Lessee/Operator
CE EXPLORATION COMPANY/CALENERGY OPERATING CORPORATION

3. Address of Lessee/Operator
950 W. LINDSEY ROAD, CALIPATRIA CA 92233

4. Location of Well or Facility

5. Type of Work

<input type="checkbox"/> Change Plans	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Pull or Alter Casing
<input type="checkbox"/> Site and Road Construction	<input type="checkbox"/> Fracture Test	<input type="checkbox"/> Multiple Complete
<input type="checkbox"/> Construct New Production Facilities	<input type="checkbox"/> Shoot or Acidize	<input type="checkbox"/> Abandon
<input type="checkbox"/> Alter Existing Production Facilities	<input type="checkbox"/> Repair Well	<input type="checkbox"/> Other

15. Describe Proposed Operations (Use this space for well activities only. See instructions for current well conditions on reverse)

It is proposed that the following work will be completed.

- 1) Repair or replace fences at well pads 88-21, 86-21, 23-22.
- 2) Replace well pad signs at well pads 88-21, 86-21, 23-22, 88-21, as required.
- 3) Replace nitrogen blankets on well 23-22.
- 4) Complete any other site work requested by the BLM and USFS, as part of site visit to be done before work is complete.
- 5) Review P & A work to be completed in 1999 on well pads 76-15 & 47-15, wells 86-21 & 76-TCH and segment of road leading to 76-15 TCH.

16. Describe Proposed Operations (Use this space for all activities other than well work)

Some discretionary survey work may be accomplished on the wells. This work, including precision temperature and pressure surveys and well-head gas sampling, would be done by the USGS, under the supervision of CE personnel. This work, which is dependent on scheduling, will probably be done on wells 86-21 and 23-22

17. I hereby certify that the foregoing is true and correct

Signed *Alfred Schiavone Jr* Title Manager, Geothermal Resources Date _____
(This space for Federal use)

Approved by _____ Title _____ Date _____
Conditions of Approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

Alex Schriener

From: colin
Sent: Tuesday, July 20, 1999 4:03 PM
To: Alex.Schriener@calenergy.com
Cc: Colin Williams <colin@OMEGA7.WR.USGS.GOV>
Subject: Schedule for Newberry and Medicine Lake

Schriener

Alex,

Right now it looks like the week of August 16th will be the best time for a trip up to Newberry. Ideally we'd like to pass by Medicine Lake on the way up and try to log the deeper part of 83-17 (you may recall from one of my earlier e-mails that we weren't able to access the deeper portion of the well during our logging effort last fall). From Medicine Lake we'll drive on up to Newberry and log as many of the available wells as we can. Mack Kennedy may not be able to make the trip, but he has promised to provide us with some gas sampling equipment. We can collect samples for him, and he will be able to process them just as if he had been there himself. I have only some sketchy information on the Newberry wells. Can you provide me with some brief summary information, such as a completion diagram, previous T-logs, hole conditions, etc.?

Thanks in advance. I'll touch base with you soon to confirm our schedule and tie up any loose ends.

Cheers,
Colin

Note: During discussions with Colin Williams the schedule has changed slightly. We now propose to visit Newberry first, then go to Telephone Flat.