

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY, CONSERVATION DIVISION
GEOHERMAL DRILLING PERMIT

Form Approved
Budget Bureau No.

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 Supervisor must approve this permit prior to any lease operation.

1a. TYPE OF WORK: DRILL NEW WELL () REDRILL () DEEPEN () PLUG BACK () DIRECTIONALLY DRILL () OTHER ()
Drill/Core Temperature Gradient Core Hole

1b. WELL TYPE: PRODUCTION () INJECTION () HEAT EXCHANGE () OBSERVATION (X) WATER SUPPLY () OTHER ()
Temperature Gradient Core Hole

1c. WELL STATUS:

2. NAME OF LESSEE/OPERATOR
CALIFORNIA ENERGY COMPANY, INC. (707-526-1000)

3. ADDRESS OF LESSEE/OPERATOR
3333 Mendocino Avenue, Suite 100, Santa Rosa, CA 95401

15. LOCATION OF WELL
 At surface **2000' N and 2050' W of SE Corner, Section 13**
 At proposed prod. zone **NA**

16. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE
Approx. 1600' from Unit Boundary

17. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE
No proposed nor existing geothermal wells.

4. LEASE SERIAL NO.
OR34681

5. SURFACE MANAGER: BLM () FS (X)
Winema National Forest

6. UNIT AGREEMENT NAME
Mazama II

7. WELL NO. **MZII-1** 8. PERMIT NO.

9. FIELD OR AREA

10. SEC. T., R., E. & M.
**Section 13
 T32S, R6E, WM**

11. COUNTY
Klamath

12. STATE
Oregon

13. APPROX. STARTING DATE
July 1, 1985

14. ACRES ASSIGNED (WELL SPACING)
NA

18. DRILLING MEDIA AND CHARACTERISTICS: AIR () WATER () MUD (X) FOAM () Other ()

19. PROPOSED DEPTH
 MEASURED: **4000'**
 TRUE VERTICAL:

20. ELEVATIONS: ESTIMATED **XX** FINAL () **4665'**
 REFERENCE DATUM: GR (X) MAT () DP () MB () RT ()
 CASINGHEAD FLANGE () OTHER ()

21. EXISTING AND/OR PROPOSED CASING AND CEMENTING PROGRAM (List existing program first, followed by proposed program, and separate by a sufficient space to clearly distinguish the two programs)

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	COUPLING (Collars & Threads)	GRADE	SETTING DEPTH		QUANTITY OF CEMENT
					Top	Bottom	
					Surf.	6-7'	To Surface
	7-7/8"	14#	8RD ST&C	K55	Surf.	400'+	To Surface
Drill out cement plug and resume drilling with 4.872" OD wireline coring system.							
Reduce core size as mandated by drilling conditions.							

22. PROPOSED WORK SUMMARY

See attached drilling program.

NOTE: The January 1984 stipulations approved by the State Geologist are conditions of this permit. This permit is valid only if land use approval is obtained from the county or city in which the drilling takes place, and provided the authorities make a determination of compliance with statewide goals. Issuance of this permit is a finding of compliance with the Statewide Planning Goals or the acknowledged comprehensive plan.

RECEIVED - PTLD
APR 24 1985
 DEPT. OF GEOLOGY
 & MINERAL INDUSTRIES

(Use additional space on reverse side of form)

23. James L. Moore Vice President Exploration April 12, 1985
 SIGNED TITLE DATE

(This space for Federal use)

APPROVED BY Dennis L. Oluska TITLE Petroleum Engineer - DOGAMI DATE 6-7-85

CONDITIONS OF APPROVAL, IF ANY:

This permit is required by law (30 U.S.C. 1023); regulations: 30 CFR 270.71; 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.