№ 53942

APPLICATION FOR PERMIT
TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

Date of filing in State Engineer's Office OCT 16 1989

Returned to applicant for correction

Corrected application filed

Map filed OCT 16 1989 under 53941

The applicant Oxbow Power Corporation

200 South Virginia Street, Suite 450 (Street and No. or P.O. Box No.), of Reno (City or Town),

Nevada 89501 (State and Zip Code No.), hereby makes application for permission to appropriate the public waters of the State of Nevada, as hereinafter stated. (If applicant is a corporation, give date and place of incorporation; if a copartnership or association, give names of members.) Incorporated in Delaware in 1986.

1. The source of the proposed appropriation is Underground geothermal reservoir (Name of stream, lake, spring, underground or other source)

2. The amount of water applied for is 5.0 second-feet (One second-foot equals 448.83 gals. per min.)

   (a) If stored in reservoir give number of acre-feet

3. The water to be used for Industrial - Power generation (Irrigation, power, mining, manufacturing, domestic, or other use. Must limit to one use.)

4. If use is for:

   (a) Irrigation, state number of acres to be irrigated

   (b) Stockwater, state number and kinds of animals to be watered

   (c) Other use (describe fully under "No. 12. Remarks")

   (d) Power:

      (1) Horsepower developed well will serve 25 MW geothermal plant.

      (2) Point of return of water to stream underground injection

5. The water is to be diverted from its source at the following point Within Lot 1, Section 7, T.17N., R.30E., M.D.M. or at a point from which the Northeast corner of Section 1, T.17N., R.29E., M.D.M. bears N.6°00'32"W. 5359.22 Feet. (Well 11-7). (Describe as being within a 40-acre subdivision of public survey, and by course and distance to a section corner. If on unsurveyed land, it should be so stated.)

6. Place of use SE¼ and S½NE¼, Section 36, T.18N., R.29E., M.D.M.; Section 31, Section 32 and Section 30 except Lots 1 and 2 (W½NW¼), T.18N., R.30E., M.D.M.; Section 1 and Section 12, T.17N., R29E., M.D.M.; Section 4, Section 5, Section 6, Section 7 and Section 8, T.17N., R.30E., M.D.M. (Describe by legal subdivision. If on unsurveyed land, it should be so stated.)

7. Use will begin about January 1 (Month and Day) and end about December 31 (Month and Day), of each year.

8. Description of proposed works. (Under the provisions of NRS 535.010 you may be required to submit plans and specifications of your diversion or storage works.) Underground well to approximately 5000', piping will run from wellhead to power plant. (State manner in which water is to be diverted, i.e. diversion structure, ditches and flumes, drilled well with pump and motor, etc.)

9. Estimated cost of works 1.5 million

10. Estimated time required to construct works 2 years
If well completed, describe works.

11. Estimated time required to complete the application of water to beneficial use 5 years

12. Remarks: For use other than irrigation or stock watering, state number and type of units to be served or annual consumptive use.

Well will serve geothermal power plant. Approximately 25% of water will be lost to evaporation; The remainder will be reinjected to the geothermal reservoir.

By s/Thomas A. Foote, Agent
160 Hubbard Way, Reno, Nevada 89502

Compared bk/db bp/vw

Protested

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the followng limitations and conditions:

This permit is issued subject to existing rights. It is understood that the amount of geothermal fluid herein granted is only a temporary allowance and that the final right obtained under this permit will be dependent upon the amount actually placed to beneficial use. It is also understood that this right must allow for a reasonable decrease of fluid pressure and heat. The well shall be equipped and maintained to prevent any waste of the geothermal fluid. Accurate measurements must be kept of discharge of the production well and the amount of fluid injected into the injection well to determine the total amount of fluid diverted and consumed for a beneficial use.

The production and injection well are to be cemented from the producing levels to the surface to protect fresh water zones. This permit is issued subject to the condition that only geothermal fluids are to be diverted and used beneficially for heating purposes and fresh, cold water aquifers are not to be diverted. The used geothermal fluids are to be returned to the source via the injection well. The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies. A detailed log on the injection well and/or other analyses of the system used for returning the used

(CONTINUED ON PAGE 2)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 5.0 cubic feet per second.

Work must be prosecuted with reasonable diligence and be completed on or before April 19, 1992

Proof of completion of work shall be filed on or before May 19, 1992

Application of water to beneficial use shall be made on or before April 19, 1995

Proof of the application of water to beneficial use shall be filed on or before May 19, 1995

Map in support of proof of beneficial use shall be filed on or before N/A

Completion of work filed

Proof of beneficial use filed

Cultural map filed

Certificate No. Issued

IN TESTIMONY WHEREOF, I R. MICHAEL TURNIPSEED, P.E. State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 19th day of April, A.D. 19 90

R. Michael Turnipseed P.E.
State Engineer

CANCELLED JUL 17 1996 BECAUSE OF FAILURE OF APPLICANT TO COMPLY WITH THE PROVISIONS OF PERMIT

(O) 1114 (Rev.)

CMS

STATE ENGINEER

(PERMIT TERMS CONTINUED)

geothermal fluids to the source must be submitted together with the Proof of Completion.

An annual report for this well must be filed under this permit describing the amount of geothermal fluid diverted and consumed to a beneficial use for the calendar year. This report must detail the amount of fluid produced and injected.

The total withdrawal of the geothermal fluid shall be limited to 3,620 acre-feet per year but the total consumptive use of the geothermal fluid is limited to only incidental fluid losses in the system and in no case shall it amount to more than 25% of the volume withdrawn annually. The State Engineer does not waive the right to make a determination of incidental fluid losses at any time and impose additional conditions thereto. This permit is further issued subject to the provisions of NRS 533.372(1) and with the understanding that the power or energy generated by the beneficial use of this water or steam is subject to recapture and use within the boundaries of the State of Nevada when the need arises.

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.

The total combined consumptive use of water at the surface under Permits 53941, 53942, 53943, 53944 and 53945 shall not exceed 3,620 acre feet annually.