

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

Date of filing in State Engineer's Office SEP 12 1996

Returned to applicant for correction OCT 08 1996

Corrected application filed _____

Map filed NOV 20 1996

The applicant **TAD's Enterprises, Inc.**, hereby make application for permission to appropriate the public waters of the State of Nevada, as hereinafter stated.

1. The source of the proposed appropriation is **underground - geothermal**
2. The amount of water applied for is **1.7 cfs (400 mga)** second-feet
 - (a) If stored in reservoir give number of acre-feet
3. The water to be used for **wildlife habitat maintenance**
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") **see Remarks - Exhibit A**
 - (d) Power:
 - (1) Horsepower developed
 - (2) Point of return of water to stream
5. The water is to be diverted from its source at the following point **Production Well #1 NW/4 SW/4 Section 15, T.15N., R.25E., MDB&M**, or at a point from which the NW corner of said Section 15 bears North 0°54'30" West, 3156.90 feet. See map filed May 23, 1972 under 26626
6. Place of Use **SW/4 Sec. 14; SW/4, SE/4 Sec. 15; SW/4, N/2 SE/4, SW/4 SE/4 Sec. 16; NW/4, N/2 SW/4 Sec. 21; NW/4, NE/4 Sec. 20, T.15N, R.25E, MDB&M. See attached map and map filed to accompany application No. 28326.**
7. Use will begin about **January 1** and end about **December 31**, of each year.
8. Description of proposed works **water diverted from Production Well # via existing pipelines, ponds and ditches.**
9. Estimated cost of works **\$1,000,000.00**
10. Estimated time required to construct works **completed**
11. Estimated time required to complete the application of water to beneficial use **one year**
12. Remarks: **See Exhibit A This appropriation will allow beneficial use of water from geothermal Production Well #1, under Permits 56007 and 51547, for wildlife habitat maintenance.**

By **s/Missy Payne Missy Payne, Agent**
Geothermal Development Associates
251 Ralston Street, Reno, NV 89503

Compared **cms/bk jr/cms**

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 following limitations and conditions:

This secondary permit is issued subject to existing rights. It is understood that the amount of water herein granted is only a temporary allowance and that the final water right obtained under this permit will be dependent upon the amount of water actually placed to beneficial use.

A measuring device must be installed and maintained and accurate measurements must be kept of water placed to beneficial use.

Authorization to divert and consumptively use the water under this permit is allowed only as a secondary use and is subject to the terms and conditions of Permits 51547 and 56007. After the water has first been used beneficially for industrial power generation, the water may then be used beneficially for wildlife habitat enhancement. If the primary Permits 51547 and 56007 for this well, Old Artesian Well No. 1 are cancelled or withdrawn, or if the primary use of water is no longer needed, this permit will be simultaneously rescinded.

The combined diversion rate of geothermal fluids under Permits 49690, 51547, 56007, and 62460 shall not exceed 3.7 cubic feet per second.

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.

Monthly records shall be kept of the amount of water pumped from this well and the records submitted to the State Engineer on a quarterly basis within 15 days after the end of each calendar quarter.

(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 1.7 cubic feet per second.

Work must be prosecuted with reasonable diligence and be completed on or before:

March 5, 1999

Proof of completion of work shall be filed before:

April 5, 1999

Application of water to beneficial use shall be filed on or before:

March 5, 2003

Proof of the application of water to beneficial use shall be filed on or before:

April 5, 2003

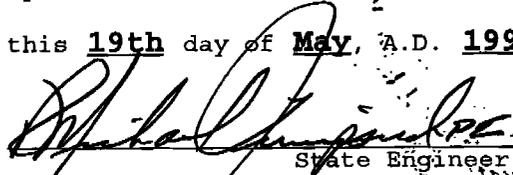
Map in support of proof of beneficial use shall be filed on or before:

N/A

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 May, A.D. 1998



State Engineer

Completion of work filed FEB 19 1999

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____



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EXHIBIT A

This is one of two Applications for Permit to Appropriate Water being made by TAD's Enterprises, Inc. for a secondary use of the water from TAD's Geothermal Power Plant at Wabuska, Lyon County, Nevada. The beneficial use of the water is for wildlife habitat maintenance. The area outlined in red on the attached Location Map, from USGS Wabuska 7.5' Quadrangle, shows where the water flows from TAD's to existing ponds and wetlands.

TAD's plant has been operating for about ten years. The water permits require partial injection. TAD's has drilled a number of wells to find injection, though unsuccessfully due to lack of formation permeability. One well accepted limited flow but the injection caused problems with the production wells. As a result, TAD's has had to surface dispose of much of the water, under agreement with adjacent land owners. See attached Letters of Permission from Alexander Dawson, Inc., and John Reynen. Lack of injection capability has prevented TAD's from filing Proof of Completion and Proof of Beneficial Use for the water permits, since the permits require injection.

TAD's disposes of its water to existing marshes and ponds as shown on the attached map. This area is the lowest point of Mason Valley and water tends to drain to this location. In addition, there are geothermal springs which have been contributing to the wetlands as shown on the map. In the late 1950's several geothermal wells were drilled in the area. TAD's Production Well #1 is one of these wells, which flowed uncapped, artesian, until TAD's put a wellhead on it.

Surface Disposal Permit NEV92037 (attached) was issued to TAD's by the Nevada Division of Environmental Protection, Bureau of Water Pollution Control, on March 31, 1996. Reasons for issuing the Permit included the lack of injection in the area; the consistently good quality of the geothermal water (near drinking quality over the past ten years as shown on the attached water analyses); and the flora and fauna which have become dependent on the water in this desert region.

