

Form 3260-2
(formerly 4-1957)
(June 1988)

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
GEOTHERMAL DRILLING PERMIT**

**FORM APPROVED
OMB NO. 1004-0132
Expires: September 30, 1990**

The Bureau of Land Management (BLM) requires 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 operation.

7. Lease Serial No. OR 45505	9. Unit Agreement Name Deschutes
8. Surface Manager: <input checked="" type="checkbox"/> BLM <input type="checkbox"/> Other	10. Well No. 23-22
1a. Type of Work: <input checked="" type="checkbox"/> Drill New Well <input type="checkbox"/> Redrill <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Directionally Drill <input type="checkbox"/> Other	11. Permit No.
1b. Well Type: <input checked="" type="checkbox"/> Production <input type="checkbox"/> Injection <input type="checkbox"/> Heat Exchange <input type="checkbox"/> Observation <input type="checkbox"/> Water Supply <input type="checkbox"/> Other	12. Field or Area Newberry KGRA
1c. Well Status: Not yet drilled	13. Sec., T., R., B. & M. Sec. 21, T21S, R12E
2. Name of Lessor/Operator C.E. Exploration	14. County Deschutes
3. Address of Lessor/Operator 34 NW First St., Ste. 302, Portland OR 97209	15. State Oregon
4. Location of Well At surface approx. 400'E & 1500'S of NW Corner Sec. 22 At proposed prod. zone	16. Approx. Starting Date
5. Distance from Proposed Location to Nearest Property or Lease Line 200' N of NSO boundary	17. Acres Assigned (Well Spacing)
6. Distance from Proposed Location to Nearest Well, or Previously Applied for Well Location on this Lease. 2200'N & 300'E of 86-21	

18. Drilling Media and Characteristics: <input checked="" type="checkbox"/> Air <input type="checkbox"/> Water <input checked="" type="checkbox"/> Mud <input type="checkbox"/> Foam <input type="checkbox"/> Other	19. Proposed Depth Measured: 10,000' ± True Vertical:	20. Elevation: <input type="checkbox"/> Estimated <input type="checkbox"/> Final Reference Datum: <input checked="" type="checkbox"/> XGR <input type="checkbox"/> MAT <input type="checkbox"/> DF <input type="checkbox"/> KS <input type="checkbox"/> RT <input type="checkbox"/> Casedhead Floor <input type="checkbox"/> Other
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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	
36"	30"	.328 wall		X65	GL	85' ±	To surface
26"	20"	94#	Buttress	K-55	GL	800' ±	To surface
17½"	13-3/8"	68 & 72#	Buttress	K55/L80	GL	4500'	To surface
12½"	9-5/8"	36#	Slotted liner	K55	4300'	TD	

*changed to
435' 4056' by BLM;
letter of 10/23/95*

22. Proposed Work Summary

See attached drilling program. All operations will be completed in accordance with the Geothermal Resource Operation Orders, CECI's Plan of Operations and the revised Drilling and Testing procedures submitted to BLM in August, 1995

23. Dave McClain
Signed _____ Title Project Manager Date 09/13/95

(This space for Federal use)
Approved by Ronald V. Smith Title Associate District Manager Date 9/26/95

Conditions of Approval, if Any: Replacement based on new shoe depths

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.
(See instructions on reverse side)