



COUNTY OF LAKE
SPECIAL DISTRICTS ADMINISTRATION
230A Main Street
Lakeport, California 95453
Telephone 707/263-0119
Fax 707/263/3836

Mark Dellinger
Special Districts Administrator

August 21, 2006

V.A. Kip Neasham
P.O. Box 115
North Bend, Oregon 97459

Dear Kip:

On Monday August 14, 2006 I attended a final walk-through of the site abandonment of the Ag Park facilities. In the site meeting were Eric Seely of Lake County Administration, Ali Khan of Division of Oil, Gas & Geothermal Resources (DOG&GR), and Jim Hansen and Ken Gifford of the contractor-ThermaSource, Inc. This was to confirm that all well and site abandonment activities had been completed.

Attached are color copies of digital photographs taken during the site inspection. For your files, I am also including a disk so you can reproduce these photos at your convenience.

I am also including copies of the "Report on Operations" for abandonment activities for the three wells, issued by DOG&GR. I will forward you any additional documentation from DOG&GR as the result of the 8/14/06 inspection as it becomes available.

ThermaSource, Inc. will also be providing a final report of their work including photographs and I'll forward a copy of that to you when it is available.

Please contact Eric Seely or me if you have any questions about this work.

Sincerely,

A handwritten signature in cursive script that reads "Mark Dellinger".

Mark Dellinger

cc: Tom Hammer w/enclosures

RESOURCES AGENCY OF CALIFORNIA
DEPARTMENT OF CONSERVATION
DIVISION OF OIL, GAS, AND GEOTHERMAL RESOURCES

REPORT OF WELL PLUGGING AND ABANDONMENT

Santa Rosa _____, California

August 22, 2006

Jeff Rein, agent

County of Lake, Administrative

255 North Forbes Street

Lakeport, CA 95453

Your report of the plugging and abandonment of well "Ag Park" 1

A.P.I. No. 03390517 _____, Section 33 _____, T. 13N _____, R. 8W _____, MD B.&M.,

_____ field, Lake _____ County,

dated 8/15/2006 _____, received 8/22/2006 _____, has been

examined in conjunction with records filed in this office. We have determined that all of the requirements of this Division have been fulfilled relative to plugging and abandonment of the well, removal of well equipment and junk, and filing of well records.

- NOTES:**
1. Surface plugging completed on 8/1/2006 _____.
 2. Site inspection made and approved 8/14/2006 _____.

cc: Louis Capuano, ThermaSource
Mark Dellinger, Lake County
DOGGR-El Centro



Hal Bopp

State Oil and Gas Supervisor

By

(Signature of Deputy Supervisor)

M. Ali Khan, Geothermal District Engineer
(Typed Name of Deputy Supervisor)

RESOURCES AGENCY OF CALIFORNIA
DEPARTMENT OF CONSERVATION
DIVISION OF OIL, GAS, AND GEOTHERMAL RESOURCES

REPORT OF WELL PLUGGING AND ABANDONMENT

Santa Rosa, California

August 22, 2006

Jeff Rein, agent

County of Lake, Administrative

255 North Forbes Street

Lakeport, CA 95453

Your report of the plugging and abandonment of well "Ag Park" 2

A.P.I. No. 03390548, Section 32, T. 13N, R. 8W, MD B.&M.,

field, Lake County,

dated 8/15/2006, received 8/22/2006, has been

examined in conjunction with records filed in this office. We have determined that all of the requirements of this Division have been fulfilled relative to plugging and abandonment of the well, removal of well equipment and junk, and filing of well records.

- NOTES:**
1. Surface plugging completed on 8/2/2006.
 2. Site inspection made and approved 8/14/2006.

cc: Louis Capuano, ThermaSource
Mark Dellinger, Lake County
DOGGR-El Centro

Hal Bopp

State Oil and Gas Supervisor

By

(Signature of Deputy Supervisor)

M. Ali Khan, Geothermal District Engineer

(Typed Name of Deputy Supervisor)

RESOURCES AGENCY OF CALIFORNIA
DEPARTMENT OF CONSERVATION
DIVISION OF OIL, GAS, AND GEOTHERMAL RESOURCES

REPORT OF WELL PLUGGING AND ABANDONMENT

Santa Rosa, California

August 22, 2006

Jeff Rein, agent

County of Lake, Administrative

255 North Forbes Street

Lakeport, CA 95453

Your report of the plugging and abandonment of well "Ag Park" 3

A.P.I. No. 03390559, Section 33, T. 13N, R. 8W, MD B&M.,

field, Lake County,

dated 8/15/2006, received 8/22/2006, has been

examined in conjunction with records filed in this office. We have determined that all of the requirements of this Division have been fulfilled relative to plugging and abandonment of the well, removal of well equipment and junk, and filing of well records.

NOTES: 1. Surface plugging completed on 8/2/2006.

2. Site inspection made and approved 8/14/2006.

CC: Louis Capuano, ThermaSource
Mark Dellinger, Lake County
DOGGR-El Centro

Hal Bopp

State Oil and Gas Supervisor

By

(Signature of Deputy Supervisor)

M. Ali Khan, Geothermal District Engineer

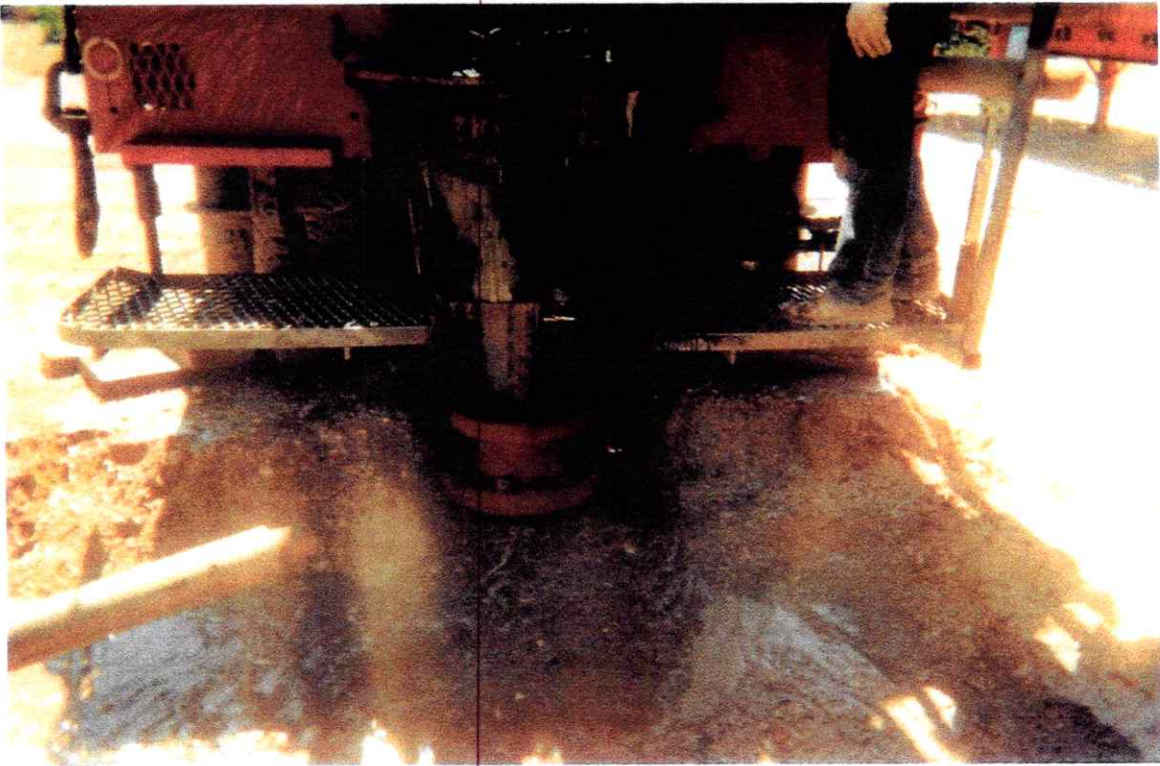
(Typed Name of Deputy Supervisor)



Ag Park 1



Ag Park 1



Ag Park 1



Ag Park 1



Ag Park 1



Ag Park 1



Ag Park 2



Ag Park 2



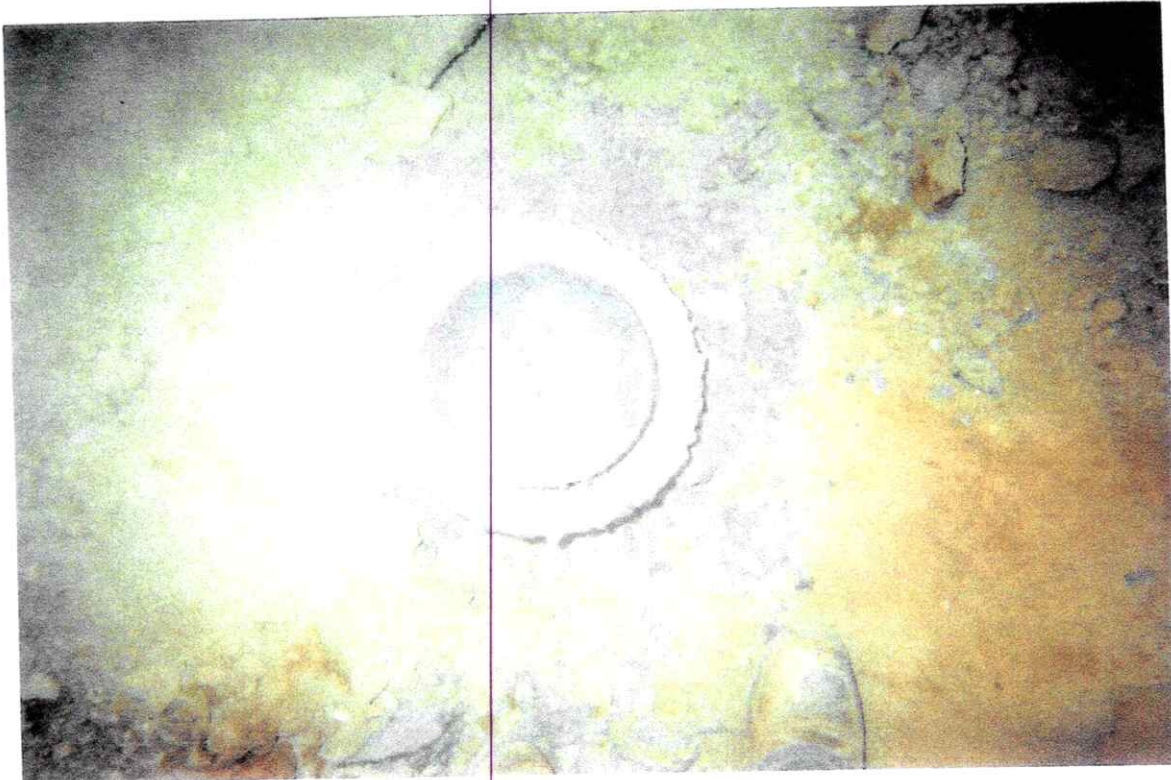
Ag Park 2



Ag Park 2



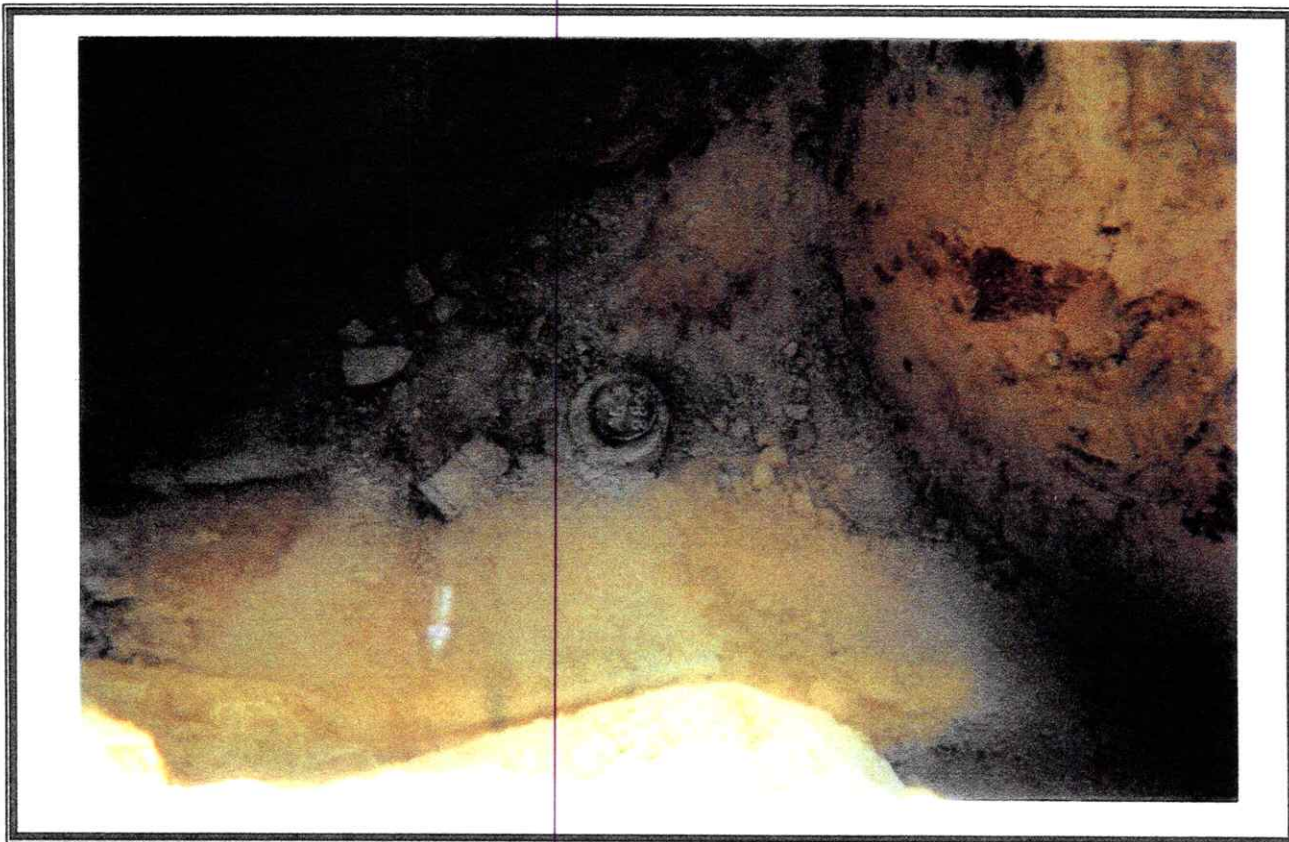
Photograph: Ag Park 2



Ag Park 3



Ag Park 3



Photograph: Ag Park 3

RESOURCE AGENCY OF CALIFORNIA
DEPARTMENT OF CONSERVATION
DIVISION OF OIL, GAS, AND GEOTHERMAL RESOURCES

REPORT ON PROPOSED GEOTHERMAL OPERATIONS

Jeff Rein, agent
County of Lake, Administration
255 North Forbes Street
Lakeport, CA 95453

PG306-010
Santa Rosa
July 3, 2006

Your proposal to Abandon well "Ag Park" 2, API No. 03390548, Section 32, T 13N, R 8W, M.D., B&M, Lake County, dated, 06/29/2006, received 06/30/2006, has been examined in conjunction with records filed in this office.

A. THE PROPOSAL IS APPROVED PROVIDED THAT:

- a) Adequate blowout prevention equipment shall be installed and maintained in operating condition at all times.
- b) Water of any beneficial use shall be protected from degradation and waste at all times.

B. THIS DIVISION SHALL BE NOTIFIED:

- a) One day prior to the commencement of abandonment.
- b) To witness the placing, location and hardness of cement plug.
- c) To witness the mudding of the hole.
- d) Before altering the proposed program, suspending operations, or placing any cement plugs. Additional requirements will be outlined at that time.
- e) Upon restoration of the location to near original conditions so that a final environmental inspection can be made.

NOTE: Call the Santa Rosa office of the Division of Oil, Gas, and Geothermal Resources for a field engineer at (707) 576-2385 or cell phone (707) 494-3675.

CC:
Melissa Floyd, Lake County Comm. Planning
Mark Dellinger, Lake County, Special District
Louis Capuano, ThermaSource, Inc.
DOGGR-El Centro

Hal Bopp
State Oil and Gas Supervisor

By M. Ali Khan
M. Ali Khan
District Geothermal Engineer

A copy of this report and the proposal must be posted at the well site prior to commencing operations.
Records for work done under this permit are due within 60 days after completion, suspension, or abandonment.