

SCANNED

AUG - 9 2019



August 7, 2019

Darin Lum
Clean Air Branch
Environmental Management Division
State Department of Health
2827 Waimano Home Road
Hale Ola Building, Room 130
Pearl City, Hawaii 96782

**SUBJECT: NOTIFICATION OF COMMENCEMENT TO DRILL
KAPOHO STATE 18 (KS-18)**

Dear Mr. Lum:

In accordance with the Noncovered Source Permit (NSP) No. 0008-02-N, Attachment IIB, Section E.1, Puna Geothermal Venture (PGV) hereby submits its written plan in accordance with said provision. PGV intends to drill production well KS-18 September 13, 2019 or shortly thereafter.

PGV requests approval from the Hawaii Department of Health (HDOH) for the plan outlined above.

Should you have any questions or need additional information, please do not hesitate to contact me at (808) 896-8551 or Ron Quesada at (808) 430-8679

Sincerely,

Jordan Hara
Plant Manager

Enclosures: KS-18 Drilling Plan

We certify that this document and all attachments are true, accurate, and complete, pursuant to HAR 11-60.1-4.

PUNA GEOTHERMAL VENTURE

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ORMAT NEVADA INC.
DRILLING PROGRAM PROJECT DESCRIPTION
CONCEPTUAL PRODUCTION WELL KS-18
Puna Field, Hawaii

I. PROJECT DESCRIPTION

A. Introduction and Location

Puna Geothermal Venture (Ormat) proposes to conduct a production well drilling program, on lands leased in the Puna field, Hawaii. The proposed drill site is located in an active geothermal project that generates electricity. The purpose of this proposed drilling program is to locate, drill, complete, test, and product geothermal resources at this site.

Ormat proposes to do the following: (1) directionally drill new production well to a total depth of approximately 5900 feet (ft); (2) measure the well's temperature profiles; and (3) utilize the well to inject product geothermal fluids.

If the well is unsuccessful, it will be redrilled. Ormat anticipates drilling to commence as soon as the rig is available to move onto the location.

The general location of the well is shown on Figure 1. The actual location will be surveyed. Figure 2 depicts the proposed design for the new injection well.

B. Proposed Well Sites and Access Roads

The proposed well site is located on fee land leased by Ormat in the Puna geothermal field. The actual location will be surveyed after the 30-in. conductor is cemented. The well site and access road have been selected to minimize surface disturbance, reduce environmental issues, and make the best use of the existing site access with in the limitation of testing a known geothermal target. The proposed well site is believed located such that optimum quality resource can be obtained with a minimum amount of surface disturbance.

1. Clearing: At the selected site, the existing pad will be graded and leveled.
2. Earthwork: Cut and fill slopes have been minimized in the site location process.
3. Drainage: The site will be graded to direct runoff from the pad into the cellar which will be pumped to the containment basin. Therefore, incidental or accidental uncontrolled spills of oil, fuel, and drilling fluids will be prevented

from leaving the site.

4. Containment Basin: Exists on the pad. Contaminated mud and cuttings will be temporarily stored in this basin.
5. Well Sites Access: The access road to the well site will be improved as necessary.
6. Water: Water will be used for site construction, dust control and drilling. Water will be obtained from the on-site water well.

C. Drilling Process

The hole will be drilled with a normal rotary drilling rig such as those previously used in the Puna field, Hawaii. The rig will be equipped with diesel engines, storage tanks, mud pumps, and other typical auxiliary equipment. During drilling, the top of the derrick will be approximately 175 ft above ground level. The drilling program involves rigging up the rotary drilling rig with associated equipment over a previously set conductor and drilling a 26-in. hole to approximately 1050 ft KB. Casing (22-in.) will be cemented in place and blowout prevention equipment (BOPE) installed. After testing the BOPE, a 20-in. hole will be drilled to approximately 2200 ft KB and 16-in. casing containing a swell packer will be cemented in place. Following installation and testing of the BOPE, a 14-3/4-in. hole will be drilled to a total depth of approximately 4700 ft KB. An 11-7/8-in. casing string will be run from the surface to approximately 4700 ft and cemented. A 10-1/2-in. hole will then be drilled to ± 5900 ft KB (TD). An injection test will be performed to assess permeability. At the conclusion of the test, an 8-5/8-in. perforated liner will be hung from ± 4600 ft KB to near bottom. The rig will be rigged down and released.

NOTE: #13-183-76(b): All casing strings shall be pressure tested after cementing and before commencing any other operations on the well. Minimum casing test pressure shall be approximately one-third of the manufacturer's rated internal yield pressure; provided that the test pressure shall not be less than six hundred pounds per square inch and greater than 1500 pounds per square inch. In cases where combination strings are involved, the above test pressures shall apply to the lowest pressure-rated casing used. Test pressures shall be applied for a period of thirty minutes. If a drop of more than ten percent of the test pressure should occur, the casing or cement job shall be considered defective and corrective measures shall be taken before commencing any further operations on the well.

The hole will be drilled using a gel-based mud or gel and polymer drilling fluid to circulate the rock cuttings to the surface where they are removed. The mud will then be recirculated. The cuttings will be captured in the containment basin. See Appendix A for details of the proposed drilling program.

D. Blowout Prevention Equipment (BOPE)

A 21-1/4-in. 2M API diverter stack with annular preventer and flow tee (banjo box) will be used below ± 1050 ft to ± 2200 ft (Figure 3). A 16-3/4-in. 5M double gate with pipe and blind rams along with an annular preventer with rotating head will be used below ± 2200 ft to total depth (Figure 4 and Figure 5).

E. Personnel Requirements

Approximately 9 to 18 workers will be on location at any given time. The drilling crews will not be living on location.

F. Abandonment Program

The hole will be abandoned as directed by the regulatory agencies.

II. PROTECTION OF THE ENVIRONMENT

All Ormat and drilling contractor personnel will be informed of Ormat's policy regarding undue degradation of the environment. These measures are intended to prevent all unacceptable impacts from occurring as a result of these drilling operations.

A. Fire Prevention

The well site and access road will be cleared of all vegetation. The cleared area will be maintained during drilling operations. Fire extinguishers will be available on the sites and around the drilling rig. Water that is used for drilling will also be available for firefighting.

Personnel will be allowed to smoke only in designated areas. Any special permits required for welding and etc., will be applied for.

B. Prevention of Soil Erosion

Minimal soil erosion problems are anticipated from this project because cut and fill slopes have been minimized throughout the location of the hole and access road. In addition, runoff will be channeled to energy dissipaters to minimize erosion.

C. Surface and Ground Water Quality Protection

The locations of the operation have been selected to minimize the potential for surface water pollution from runoff during construction, drilling, and testing.

NOTE: When drilling a new well, upon drilling to a depth of the ground water, (usually at sea level), a representative sample of the ground water will be taken and analyzed. The results will be reported to the DLNR.

Surface water and ground water pollution from drilling and testing will be prevented by steel casing cemented to below these zones.

Only non-toxic, non-hazardous drilling mud constituents will be utilized during drilling operations. Waste drilling mud and drill cuttings will be stored in the lined containment basin. Any runoff from the sites will be discharged into the containment basin.

The well will be cased and cemented to prevent interzonal migrations of fluids and reduce the possibility of blowouts. Based on the water levels observed at the Puna production and injection wells, no over-pressured or gas-rich zones are expected to be above 2525 ft. Below 2525 ft, pressures encountered may be as high as 1600 psig.

D. Air Quality Protection

Fugitive dust generation during construction and use of access road and well site will be minimized by watering as necessary. Ormat will comply with any requirements concerning emissions of air pollutants from drilling equipment and non-condensable gases from the geothermal fluid during flow testing.

To limit NO_x emissions to less than 250 pounds per day, the total diesel fuel consumption will not exceed an average of 1200 gallons per day. Discharge of hydrogen sulfide (H₂S) into the atmosphere will not exceed more than 2.5 kilograms per hour. If H₂S emissions exceed this limit, abatement equipment and technology will be utilized.

E. Prevention of Noise

To abate noise pollution, mufflers will be utilized on engine-driven equipment and a sound wall constructed around the rig.

F. Protection of Public Health and Safety

In addition to the emergency contingency plans (See Appendix B), public health and safety will be protected through instructions to work crews and contractors regarding compliance with regulations.

G. Protection of Fish, Wildlife, and Botanical Resources

Direct impacts to wildlife habitat and botanical resources will be limited because the well site exists. Fish habitats will be protected through prevention of erosion.

H. Protection of Cultural Resources

The drilling site will be monitored for cultural resources.

I. Waste Disposal

A containment basin is located on the drilling pad and all used mud and cuttings will be contained in this basin.

After drilling operations are complete, the mud and associated drilling liquids will be allowed to evaporate.

Solid waste materials (trash) will be deposited at an authorized landfill by a disposal contractor.

Portable chemical sanitary facilities will be used by all personnel. These facilities will be maintained by a local contractor.

J. Environmental Monitoring

Regular, routine visual inspections of the drill sites and access road will be conducted by the on-sites operational personnel to quickly detect and correct any operational problems that could lead to environmental problems. The drilling fluid and cuttings will be monitored by visual inspection and chemical analyses by the drilling personnel, the well-site geologist, and the contract mud engineer to detect any problems which may be occurring downhole.

The Puna Environmental Specialist will monitor and inspect the operations, if necessary, during the course of the project.

ORMAT NEVADA INC.
DRILLING PROGRAM
PRODUCTION WELL KS-18
(All depths referenced to KB unless specified)

Location: UTM Coordinates (NAD 83) E301515 N2154543

Ground Elevation: 620 ft MSL
KB: 25.8 ft above ground

Objective: Drill a new geothermal production well in the Puna field, Hawaii

Status: New Well – See Figure 2 for well schematic and Figure 6 for the proposed wellhead assembly.

Regulatory Agency: State of Hawaii Dept. of Land and Natural Resources

Prepare Well Pad and Set Cellar

1. Level the existing pad as needed. The area adjacent to the pad contains a containment basin. The pad must be constructed to standard industry specifications that include soil compaction suitable to support the rig gross dead-weight plus 750,000 pounds of live loads, and capable of supporting heavy and frequent traffic. The pad must be contoured to drain into the cellar from the area around the rig. A fence will be installed around the basin on three sides away from rig.
2. Install a concrete cellar according to the rig specifications with 11 ft depth.

Set 30-inch Conductor

3. Move in (MI) and rig up (RU) a rat hole drilling rig. Dig a 48-in. hole to 60 ft below ground. Run 60 ft of 30-in. 0.50-in. wall Grade B PEBFW linepipe for conductor (Figure 2). Center conductor. Cement conductor in tension with 10 cu yd of ready-mix. Two percent calcium chloride (CaCl_2) may be utilized depending on air and ground temperature. If used, CaCl_2 must be added at sites to prevent solidification during transport. The next day, determine top of cement. If required, dump additional cement until it is within 5 ft of the cellar bottom.
4. Rig down (RD) and move out rat hole drilling equipment.

Move In and Rig Up Drill Rig

5. Move in rotary drilling rig and associated drilling equipment. Rig up all equipment.

6. Post well sign, all applicable permits and emergency telephone numbers at the rig. All drill pipe, drill collars, and cross-overs must have passed an IADC-API Class II inspection since last used.
7. Move in and RU mud logging unit that includes a two-sensor hydrogen sulfide alarm system. Hydrogen sulfide sensors will be placed on rig floor and at the mud return pit.
8. Install direct communications between rig floor, tool pusher, mud loggers, mud engineer, and company man. **A real-time monitoring system with monitors will be installed and personnel will be trained on the system.**
9. Hold safety meeting regarding equipment, procedures for well control, hydrogen sulfide, general safety, and environmental protection. At meeting, discuss drilling program, geological prognosis, directional program, chain of command, emergency procedures including telephone numbers, and other issues related to previous wells drilling performance. Drilling Supervisor and Pusher must complete rig safety inspection form (Appendix F). **The rig will not be allowed to spud until both the Drill Site Manager and Tool Pusher have signed the Safety Inspection form.**
10. Line up 1200 gpm water supply line to the mud pits and water storage. Mix spud mud in the pits. Drill rat and mouse hole to drilling rig specifications.
11. Weld the 30-in. flow nipple with flow line and connect to the shakers. Weld 2-in. fill up line. Weld 3-in. valve 1 ft. above floor of cellar for drainage. Ensure that all mud cleaning equipment is in good running condition.

Drill 26-inch Hole with Mud Motor to 1050 ft

12. Make up (MU) 26-in. slick drilling assembly. Run jars in all assemblies. Run into hole (RIH) and drill 26-in. hole with gel-based mud (see Mud Program) to ± 1050 ft. Collect, wash, and bag three sets of rock cuttings every 10 ft. if circulation permits. Take directional surveys every 90 ft and keep well deviation within 2° total deviation and dog leg to less than $2^\circ/100$ ft over the 26-in. hole interval. Final casing point will be determined by well sites geologist. If significant lost circulation occurs, cure with lost circulation material (LCM). Continuously monitor well for flow and gases.
13. Upon drilling to depth of the ground water (usually at sea level), a representative sample of the ground water will be taken and analyzed. At ± 620 ft (sea level) rig up and pump clean water sample for DLNR. Notify DLNR 24-hours prior to sampling. Run a submersible pump on drill pip, strapping electric line to drill pipe. Collect a representative water sample of ground water.
14. Continue drilling 26in. hole with gel-based mud to ± 1050 ft. Collect, was, and bag three sets of rock cuttings every 10 ft if circulation permits. Take directional surveys every 90

ft and keep well deviations within 2° total deviation and dog leg to less than 2°/100 ft over the 26-in. hole interval. Final casing point will be determined by well site geologist. If significant lost circulation occurs, cure with lost circulation material (LCM), otherwise mud up; do not expect to fully heal lost circulation.

15. At 26-in. hole casing point (total depth, TD), make up reaming assembly. Ream hole to TD and condition mud and hole for casing. Circulate hole clean and wipe the hole. Circulate the hole clean and POH for casing.

Set and Cement 22-inch Casing

16. RU casing crew. Drift test and visually inspect casing and threads. Run ±1050 ft of 22-in. Grade B 114.8-lb/ft casing PEBFW with stab-in float shoe (no float collar). Have casing measured to reach 3 to 5 ft. off bottom. Centralize casing at 5 ft. above shoe and 5 ft. above float and every third joint to 30-in. shoe. **DO NOT RUN CENTRALIZERS INSIDE 30-IN. CASING.** Do not exceed running speed of one joint per 30 seconds to prevent surge. Fill casing with mud while running to overcome buoyancy. Have the 22-in. circulating swedge on the rig floor. Reciprocate casing while circulating and conditioning mud prior to cement job. Rig down (RD) casing crew.
17. RU cementing unit. Centralize and set the casing in the slips and trip in the hole with centralizers on the drill pipe (DP). Rabbit the drill pipe as it is picked up prior to running in the hole. Stop 2 ft. from float shoe, circulate 2 barrels (bbls) per minute for 2 minutes, shut off pump, and stab into float collar with stab-in stringer. Circulate the hole clean and cool down the well. **ENSURE THAT CASING IS PROPERLY CENTERED BEFORE PUMPING CEMENT. SECURE CASING AS NEEDED TO PREVENT FLOATING DURING CEMENT JOB.** Pump 30 bbls of water. Pump 20 bbls of mud clean. Pump 30 bbls of 10.5 ppg sepiolite spacer. Pump 5 bbls of water. Pump 13 bbls of Sodium Silicate Preflush. Pump 5 bbls of water. **Pump Lead Cement:** Pump 1000 cu ft of 13.0 ppg Premium Cement with 30% silica flour SSA-1, 10% Micro-silica 10 lb/sk Spherelite, 3% calcium chloride, and normal chemicals mixed with fresh water. **Pump Tail Cement:** Pump 356 cu. ft. of 15.0 ppg Premium Cement with 30% silica flour, SSA-1, 10% Micro-silica mixed with fresh water, 3% calcium chloride and normal chemicals. Monitor returns throughout the job. If lead cement returned to surface then switch to tail cement. If no returns to surface then pump cement and then switch to tail. Pump displacement. Check if floats are holding while stabbed in. POH with stab in tool. **The estimated static temperature at 1025 ft is 90°F.** Record start of pumping time and time of cement returns. Keep water out of 22-in. x 30-in. annulus. RD cementing unit.

*Note***Slurry Design is for 125°F bottom hole static temperature (BHST), CaCl₂ or retarder may be required if BHST changes*

18. Wait on cement (WOC) until cement samples at surface have hardened or 12 hours after initial cement job. Tag top of cement in annulus after six hours with 1-1/2-in. tremie pipe. If cement has fallen, perform top with Ready Mix Concrete and #9 crushed blue rock

to fill annulus. Order out at least 30 yards Ready Mix. Add sodium silicate to annulus as needed. Add one barrel sodium silicate to each yard of ready mix concrete if available. Wait six hours and repeat top job if necessary.

Nipple Up 21-1/4-inch 2M BOPE & Test BOPE

19. Cut off 30-in. conductor pipe to 6-in. above cellar floor (Check with PGV/Gary Dahl to confirm cut off depths). Cut off 22-in. casing 49-in. (Company Man to confirm) above the ground level for space for proper positioning of the BOPE stack. Weld on 21-1/4-in. 2M by 22-in. casing head with two 3-1/8-in. 5M flanged side outlets on the 20-in. casing utilizing API 5CT welding specifications for grade K-55 casing. Nipple up 21-1/4-in. 2M API diverter stack with annular preventer and flow tee (banjo box) per Figure 3. Function test diverter system.
20. Test annular and rams, side outlet valves, and choke manifold to pressure specified by HI Dept. of Land and Natural Resources. Log tests on tour sheets. **Report all tests on tour sheet and have mud loggers prepare pressure plots.**

Formation Integrity Test in Formation Outside 22-inch Casing Shoe

21. MU 20-in. slick drilling assembly. Cleanout top of 22-inch float shoe and pressure test to pressure specified by HI Dept. of Land and Natural Resources (DLNR). Drill out the 22-inch float shoe after permission from HI DLNR.
22. Drill out of cement and into formation to perform Formation Integrity Test (FIT). Conduct FIT to a 0.65 psi/ft. gradient. If test fails, clean out hole and squeeze cement using tail cement mixture. Wait on cement. MU 20-in. stabilized drilling assembly with Mud Motor and float. Clean out cement and rerun FIT until successful. **Record Formation Integrity Test pressure & mud weight.**

Drill 20-inch Hole with Mud Motor to 2200 ft

23. Upon successful FIT, drill 20-in. hole using stabilized drilling assembly with mud motor and float. Drill to approximately 2200 ft. Use flex subs below the drilling jars, and make sure to have shock tools, and drilling jars on all bottom hole assemblies (BHA)s. If significant lost circulation occurs, attempt to cure with PRIMA SEAL if LCM does not work drill until a cement plug is required; for cement use the 22-in. tail mixture. POH.

Obtain bottom hole temperature from directional tools and compare to mud logging surface temperature prior to mixing cement.

24. Turn mud cooler on before flow line temperature exceeds 110°F. Be prepared to set casing if there are any signs of encountering a high temperature reservoir. Catch 10 ft. samples of drill cuttings and monitor for changes in mineralogy indicative of high temperature

geothermal reservoir. Continuously monitor well for flow and gases.

25. Run all solids control equipment as needed. Use coarse shale shaker screens if necessary to handle 750 – 850 gpm circulation rates.
26. Function Test BOPE every time a trip is made. **Record test on tower sheets.**
27. Condition hole for casing.
28. Wash and ream hole to bottom. Monitor well and make sure well takes proper amount of fluid. Casing point is to be decided by well site geologist.

Set and Cement 16-inch Casing

29. RU casing crew. Drift test casing and visually inspect threads. Run ± 2200 ft of 16-in. 84 lb./ft. L-80 GB Buttress casing with swell packer, stab-in float collar and float shoe. Swell packer must be located inside the 22-in. casing. Centralize casing at 5 ft above shoe and 5 ft above float and every third joint up to 22-in. shoe. **DO NOT RUN CENTRALIZERS INSIDE 22-in. CASING.** Tack weld bottom three joints. Do not exceed running speed of one joint per 30 seconds to prevent surge. Fill casing with mud while running to overcome buoyancy. Center the casing in the rotary table. Rig down (RD) casing crew.

Obtain bottom hole temperature from directional tools and compare to mud logging surface temperature prior to mixing cement.

30. **Prepare to pump foamed cement job. Refer to Cementing Program.** RU cementing unit. RIH with 5-in. drill pipe with stab-in stringer and pump 2 bbls to clear the stab in string prior to stabbing in. Stab into float collar and circulate until the well is cool enough to cement. Pump 20 bbls of water. Pump 60 bbls of foamed water. Pump 13 bbls of foamed Sodium Silicate. Pump 5 bbls of foamed water. **Pump Scavenger/Excess Cement:** Pump 1624.40 cu ft of 10 ppg foamed cement with 30% silica flour SSA-1, 10% Micro-silica mixed with fresh water and normal chemicals. **Pump Foamed Lead Cement:** Pump 1155.6 cu ft of 11 ppg foamed premium cement with 30% silica flour SSA-1, 10% Micro-silica mixed with fresh water, 1.5 gal Latex per sk, and normal chemicals. **Pump Non-Foamed Lead Latex Cement:** Pump 412.30 cu ft of 13.5 ppg premium cement with 30% silica flour SSA-1, 10% Micro-silica mixed with fresh water, 1.5 gal Latex per sk, and normal chemicals. **Pump Non-Foamed Tail Latex Cement:** Pump 455 cu ft of 15 ppg premium cement with 30% silica flour SSA-1, 10% Micro-silica mixed with fresh water, and normal chemicals. Pump Displacement. **Pump Cap Cement Down Annulus:** Pump 245 cu ft of 15 ppg cement down annulus. The estimated static temperature at 2525 ft is 300°F, however circulating temperature will be much lower.

Monitor returns throughout the job. Record time start of pumping and of cement returns. RD cementing unit. Keep water away from annulus.

31. Displace cement with mud. Check if float is holding while stabbed in. Pull out of hole with stab in tool. Keep water away from 16-in. x 22-in. annulus.
32. Wait on cement (WOC) until cement samples have hardened or for at least 8 hours. Tag top of cement in annulus with 1-1/2-in. tremie pipe after six hours. perform top cement job utilizing premium cement with 30% silica flour SSA-1, 10% Micro-silica mixed with fresh water, and necessary chemicals, if necessary. Wait six hours and repeat top job if necessary. (Note: At the discretion of the drilling engineer and supervisor, the top job, if required, may be done by means of a top squeeze.)

Install 16-inch Casing Head, Nipple Up 16-3/4-inch 5M BOPE & Test BOPE

33. Lift 21-1/4-in. 2M BOP and make an initial cut on 16-in. casing. Lay down cut off casing and nipple down BOP. Cut off the 22-in. casing 6-in. above the 30-in. casing (Confirm with PGV/Gary Dahl all cut off heights). Cut off 16-in. casing. Using a qualified welder and proper pre-, post-weld heat treatment and stress relief, weld on 16-3/4-in. 5M by 16-in. SOW casing head with two 3-1/8-in. 5M flanged side outlets utilizing SMAW Welding of API 5CT Type L-80 Steels welding specifications. Test casing head to 1000 psi with nitrogen. Nipple up BOPE per Figure 4. Pressure test BOPE and casing to pressures specified by HI Dept. of Land and Natural Resources. Function test BOPE per the standards specified in Section V of Circular C-125: "Hawaii Geothermal Blowout Prevention Manual" (HI C-125). **Report all tests on tour sheet and have mud loggers prepare pressure plots.**
34. MU 14-3/4-in. directional drilling assembly with float in preparation to drill out the casing shoe and eliminate trips (Kick-Off Point is 2625.8 ft). RIH to the top of cement. Pressure test pipe rams to pressure specified by HI Dept. of Land and Natural Resources. Log the test result on the tour sheet and morning report. Clean out to the top of the float collar and pressure test the casing to pressure specified by HI Dept. of Land and Natural Resources. Drill out the float collar and half way down the shoe track and pressure test casing to pressure specified by HI Dept. of Land and Natural Resources.

Formation Integrity Test in Formation Outside 16-inch Casing Shoe

35. Drill to the top of the casing shoe and pressure test to 0.65 psi/ft. Drill out of cement and into formation to perform FIT. Conduct FIT to a 0.65 psi/ft. gradient. If test fails, clean out hole and squeeze cement using tail cement mixture. Wait on cement. MU 14-3/4-in. directional drilling assembly with float. Clean out cement and rerun FIT until successful. **Record 1. Formation Integrity Test pressure & mud weight, 2. BOPE Pressure out.**

Drill 14-3/4-inch Hole with Directional Tools to 4700 ft

36. Upon successful FIT, drill 14-3/4-in. hole using directional drilling assembly. RIH and drill to ± 4700 ft. Take directional surveys every 90 ft. Keep well within 50 ft of directional drilling program. Use drilling jars, and make sure shock tools and drilling jars are on all BHA's. Catch 10 ft. grab samples of drill cuttings. Monitor well for flow changes and for any gas flows. Keep close watch on samples for changes in mineralogy indicative of high temperature geothermal reservoir. Run liner earlier if there are any signs of high temperature reservoir. Rotate through all slide sections prior to making connections. POH.
37. Function test BOPE on every trip. In case of total losses or after the direction and angle has been established, pull out of hole with directional BHA and continue drilling ahead to TD with conventional rotary locked BHA. **Record test on tower sheets.**
38. Circulate and condition hole for casing. POH. **Obtain bottom hole temperature from directional tools and compare to mud logging surface temperature prior to mixing cement.** (For example, the last readings from MWD tool in KS-16, March 31, 2015, were between 138-141° F)

Set and Cement 11-7/8-inch Casing

39. Prepare to run 11-7/8-in. casing. RU casing crew. Drift test casing and visually inspect threads. Run ± 4700 ft of 11-7/8-in. 71.8 lb./ft. SM-T95S TSH 563 casing with float collar and float shoe. Do not exceed running speed of one joint per 30 seconds. Install centralizer (two wedges) in casing head.
40. **Prepare to pump foamed cement job. Refer to Cementing Program.** Rig up cementing unit. RIH to stab into float collar. Pump 20 bbls of water. Pump 60 bbls of foamed water. Pump 13 bbls of foamed Sodium Silicate. Pump 5 bbls of foamed water. **Pump Scavenger/Excess Cement:** Pump 1070 cu ft of 10 lb/gal of foamed Premium Cement with 30% silica flour, 10% micro-silica, retarder, free water polymer, and normal chemicals. **Pump Foamed Lead Cement:** Pump 1284 cu ft of 11 lb/gal of foamed Premium Cement with 30% silica flour, 10% micro-silica, retarder, free water polymer, and normal chemicals. **Pump Non-Foamed Tail Cement:** Pump 525 cu ft of 15 lb/gal of Premium Cement with 30% silica flour, 10% micro-silica and normal chemicals. Report time of cement returns. Displace cement. **Pump Cap Cement Down Annulus:** Pump 106.8 cu ft of 15 ppg cement down annulus. POH. Keep water away from annulus. Wait on cement for 12 hours. Estimated static temperature at 4700 ft is 575 °F.
41. Wait on cement (WOC) until cement samples have hardened or for at least 8 hours. Tag top of cement in annulus with 1-1/2-in. tremie pipe after six hours. perform top cement job utilizing premium cement with 30% silica flour SSA-1, 10% Micro-silica mixed with fresh water, and necessary chemicals, if necessary. Wait six hours and repeat top job if necessary. (Note: At the discretion of the drilling engineer and supervisor, the top job, if required, may be done by means of a top squeeze.)

Install 16-inch Expansion Spool, Re-Install & Test 16-3/4-inch 5M BOPE

Install 16-inch x 12-inch expansion spool and 12-inch master valve. Re-install BOPE according to Figure 5.

42. MU 10-1/2-in. directional drilling assembly with float in preparation to drill out the casing shoe and eliminate trips. RIH to the top of cement. Pressure test pipe rams, blind rams, and preventer to pressure specified by HI Dept. of Land and Natural Resources. Log the test result on the tour sheet and morning report. Clean out to the top of the float collar and pressure test the casing to pressure specified by HI Dept. of Land and Natural Resources. Drill out the float collar and half way down the shoe track and pressure test casing to pressure specified by HI Dept. of Land and Natural Resources. Function test BOPE per the standards specified in Section V of HI C-125. **Report all tests on tour sheet and have mud loggers prepare pressure plots.**

Formation Integrity Test in Formation Outside 11-7/8-inch Casing Shoe

43. Drill to the top of the casing shoe and pressure test to 0.65 psi/ft. Drill out of cement and into formation to perform FIT. Conduct FIT to a 0.65 psi/ft. gradient. If test fails, clean out hole and squeeze cement using tail cement mixture. Wait on cement. MU 10-1/2-in. directional drilling assembly with float. Clean out cement and rerun FIT until successful. **Record 1. Formation Integrity Test pressure & mud weight, 2. BOPE Pressure out.**

Drill 10-1/2-inch Hole with Directional Tools to 5900 ft

44. Upon successful FIT, drill 10-1/2-in. hole with directional drilling assembly and float. RIH and directionally drill a 10-1/2-in. hole to ± 5900 ft. TD will be decided by well site geologist. Keep hole within 50 ft of directional program. POH. Stand back bit and bottom hole assembly.

Water Lost Test

45. Prepare for Water Loss Test (Step-Injection Test). Obtain test plan from Ormat's Drilling Engineer or Reservoir Engineer. Rig up wire line unit for running Pressure-Temperature tool. Run open-ended drill pipe to depth per test plan. POH and stand back drill pipe. Keep water running into hole.

Run & Hang 8-5/8-inch Slotted Liner

46. Circulate hole and prepare mud for liner. RU casing crew. Drift test liner and visually inspect threads. Run ± 1300 ft of 8-5/8-in. 44 lb./ft. T-95 Tenaris Blue with liner hanger and guide shoe. Keep water running into hole. Make up the liner hanger adapter and run liner in the hole on drill pipe. Hang liner at ± 4600 ft. Release the liner hanger and pull out of hole. Do not exceed running speed of one joint per 30 seconds. POH and lay down drill pipe. Keep water running into hole.

47. Close master valve. Nipple down BOPE.

Rig Down

48. RD mud logging unit. RD and release drilling equipment. Lock wellhead valve.

MUD PROGRAM
NEW PRODUCTION WELL KS-18
Puna Field, Hawaii

MUD PROGRAM GENERAL GUIDELINES:

Use low solids non-dispersed mud with additives as necessary for system control. The following parameters should be maintained:

0-±5900 ft

Mud Weight: <9.2 pounds per gallon unless it is necessary to weight up to control artesian flow.

Viscosity:	35 to 50
API FL:	8 to 10
PV:	9 to 12
YP:	7 to 15
Initial Gel:	3 to 6
pH:	10 to 10.5

Mud Cleaning Equipment: Mud Cleaner. Continuously use mud cleaning equipment to remove solids.

Maintain sufficient barite on location to control well at all times. Monitor well for flow, CO₂, and H₂S at all times and increase mud weight to control. Maintain H₂S control chemicals on site.

**DETAILED PRODUCTION WELL MUD PROGRAM PER GEO
DRILLING FLUIDS, INC:**

105'-1050' Drilling 26" hole for 22" casing: No circulation while drilling this section is expected. Maintain a 35 – 45 vis in the suction pit at all times with gel and Benex. In the pill pit have a 60 – 70 vis pill with 10 ppb LCM ready to be used as needed. Mix fresh gel and water (in the suction pit) to a 35 - 45 sec/qt funnel viscosity w/ minimal additions of Drispac R. Sweep hole as often as necessary with 60 – 70 vis pill with 10 ppb Fiberseal.

At total depth pump 2-70 bbl high viscosity sweeps prior to pulling out of the hole to run casing. Sweep to consist of base mud, 10 ppb Fiberseal and 0.1 to 0.2 ppb Lime.

1050'-2300' Drilling 20" hole for 16" casing: Pretreat for cement drillout and residual Lime with 6 sacks Bicarbonate of Soda.

Drillout casing and reduce filtrate loss to 7-8 cc's with 1 ppb Drispac R.

Add fresh Gel and Zanflow/Flowzan to increase funnel viscosity to ~50-55 sec/qt with a minimum yield point of 20 lbs/100 ft².

In the pill pit have a 60 – 70 vis pill with gel, Zanflow/Flowzan, and 10 ppb Fiberseal ready to pump as needed for lost circulation or hole cleaning.

Compound mud pumps to achieve maximum annular velocities.

Mud Weight: Maintain mud weight at ≤ 9.2 ppg. Run centrifuge on a 24-hour basis. Run the mud cleaner at all times while circulating mud. The mud cleaner should be equipped with ≥ 250 mesh screens. If the mud weight exceeds 9.4 ppg then a dump and dilute program should be instituted.

Viscosity: Maintain a minimum yield point of 20-25 lbs/100 ft² with fresh Gel, Zanflow/Flowzan & LP-701 as needed. It is estimated that this will require a funnel viscosity ≥ 50 sec/qt. In the pill pit increase viscosity to 75-100 and add 10 ppb Fiberseal and sweep hole every 500' drilled. Time and monitor sweeps for dilution and excess cuttings. Include in the analysis any additional solids discharge from mud cleaner. Viscosity should be a minimum of 35 sec/qt greater than the base fluid. If the sweep comes back diluted ≥ 20 sec/qt then the volume and viscosity should be increased. If sweeps continue to produce unacceptable volumes of cuttings then increase yield point. In the event of bit balling, sweep hole with walnut hulls and DMS.

Filtrate Loss: Maintain filtrate loss at 7 – 8 cc's with tourly treatments of Drispac R. Treatments should be designed to maintain a ~1.25 ppb concentration. The filtercake should be scrutinized daily. A thin, pliable, slick filtercake is desired. Occasional fresh bentonite treatments may be necessary to provide the proper base material if the previously described properties are not achieved.

pH: Maintain a 10 – 10.5 pH with lime and soda ash for H₂S abatement. Amber HS may also be utilized.

Solids: Maintain solids at 8% or as low as practical. Shakers should be fitted with screens that allow mud travel 2/3 of the screen length. Mud cleaner should be fitted with at least 250 mesh screens. The centrifuge should be run on a 24 hour per day basis. If necessary, dump and dilute. Discuss dump and dilute with drill site manager before taking action.

<u>Mud Weight</u>	<u>Viscosity</u>	<u>Filtrate</u>	<u>pH</u>	<u>Solids</u>
9.0-9.2 ppg	≥ 50 sec/qt	7-8 cc's	10-10.5	4-8%

2300' – 4700' Drilling 14 ½" hole for 11 ¾" casing: Pretreat for cement drillout with 6 sacks Bicarbonate of Soda.

Continue to compound mud pumps at maximum outputs.

Mud Weight: Maintain mud weight at ≤ 9.2 ppg. Run centrifuge on a 24-hour basis. Run the mud cleaner at all times while circulating mud. The mud cleaner should be equipped with ≥ 250 mesh screens. If the mud weight exceeds 9.4 ppg then a dump and dilute program should be instituted.

Viscosity: Maintain a minimum yield point of 15-18 lbs/100 ft² with fresh Gel, Zanflow/Flowzan & LP-701 as needed. It is estimated that this will require a funnel viscosity ≥ 45 sec/qt. In the pill pit increase viscosity to 75-100 and add 10 ppb Fiberseal and sweep hole every 500' drilled. Time and monitor sweeps for dilution and excess cuttings. Include in the analysis any additional solids discharge from mud cleaner. Viscosity should be a minimum of 35 sec/qt greater than the base fluid. If the sweep comes back diluted ≥ 20 sec/qt then the volume and viscosity should be increased. If sweeps continue to produce unacceptable volumes of cuttings then increase yield point. In the event of bit balling sweep hole with walnut hulls and DMS.

Filtrate Loss: Maintain filtrate loss at 7-8 cc's with tourly treatments of Drispac R. Treatments should be designed to maintain a ~1.25 ppb concentration. The filtercake should be scrutinized daily. A thin, pliable, slick filtercake is desired. Occasional fresh bentonite treatments may be necessary to provide the proper base material if the previously described properties are not achieved.

pH: Maintain a 10 – 10.5 pH with lime and soda ash for H₂S abatement. Amber HS may also be utilized.

Solids: Maintain solids at 8% or less. Shakers should be fitted with screens that allow mud travel 2/3 of the screen length. Mud cleaner should be fitted with 325 mesh screens if possible. The centrifuge should be run on a 24 hour per day basis. If necessary, dump and dilute. Discuss dump and dilute with drill site manager before taking action.

<u>Mud Weight</u>	<u>Viscosity</u>	<u>Filtrate</u>	<u>pH</u>	<u>Solids</u>
9.0-9.2 ppg	≥ 45 sec/qt	7-8 cc's	10-10.5	4-8%

4700' – 5900' Drilling 10 5/8" hole for 8 5/8" casing: Pretreat for cement drillout with 2 sacks Bicarbonate of Soda.

Continue to compound mud pumps at maximum outputs.

In this Production section reduce the gel content to a maximum of 5 ppb bentonite and maintain a 35-38 vis in the suction pit with 5 ppb gel, 0.5 ppb Drispac R, and 1.0 ppb Zanflow/Flowzan. Also in this section maintain 3-4 ppb Fiberseal (micronized cellulose) in the suction pit to minimize lost circulation. In the event of total lost circulation, drilling blind with water and utilizing sweeps as often as directed by Company Man may be implemented.

Mud Weight: Maintain mud weight at ≤ 9.2 ppg. Run centrifuge on a 24-hour basis. Run the mud cleaner at all times while circulating mud. The mud cleaner should be equipped with ≥ 350 mesh screens. If the mud weight exceeds 9.4 ppg then a dump and dilute program should be instituted.

Viscosity: Maintain a minimum yield point of 10 -12 lbs/100 ft² with fresh Gel, Zanflow/ Flowzan as needed. It is estimated that this will require a funnel viscosity ≥ 35 sec/qt. In the pill pit increase vis to 75-100 and sweep hole with 10 ppb Fiberseal every 500' drilled. Time and monitor sweeps for dilution and excess cuttings. Include in the analysis any additional solids discharge from mud cleaners. Viscosity should be a minimum of 35 sec/qt greater than the base fluid. If the sweep comes back diluted ≥ 20 sec/qt then the volume and viscosity should be increased. If sweeps continue to produce unacceptable volumes of cuttings then increase yield point. In the event of bit balling sweep hole with walnut hulls and DMS.

Filtrate Loss: Maintain filtrate loss at 7-8 cc's with tourly treatments of Drispac R. Treatments should be designed to maintain a ~ 1.25 ppb concentration. The filtercake should be scrutinized daily. A thin, pliable, slick filtercake is desired. Occasional fresh bentonite treatments may be necessary to provide the proper base material if the previously described properties are not achieved.

pH: Maintain a 10 – 10.5 pH with lime and soda ash for H₂S abatement. Amber HS may also be utilized.

Solids: Maintain solids at 6% or less. Shakers should be fitted with screens that allow mud travel 2/3 of the screen length. Mud cleaner should be fitted with 325 mesh screens if possible. The centrifuge should be run on a 24 hour per day basis. If necessary, dump and dilute. Discuss dump and dilute with drill site manager before taking action.

<u>Mud Weight</u>	<u>Viscosity</u>	<u>Filtrate</u>	<u>pH</u>	<u>Solids</u>
9.0-9.2 ppg	35-38 sec/qt	7-8 cc's	10-10.5	4-6%

EMERGENCY PLANS

A. Injury Contingency Plan

1. In the event injuries occur in connection with an Ormat Nevada (Ormat) operation, specific and immediate attention will be given to proper transportation to a medical facility.

Ambulance
911

Paramedics
911

Hilo Hospital
(808) 974-4729

B. Blowout Contingency Plan (Also see Blowout Action Plan)

Blowout prevention equipment will be kept in operating condition and tested in compliance with Hawaii regulations and industry standards. Standard kick and blowout drills will be conducted on BOPE before the spud and periodically after spud. These drills will be noted on the tour sheets.

In addition, cold water and barite will be stored at the well site for use in killing the well in case of an emergency.

In the event of an emergency, such as a blowout, immediate efforts will be taken to shut surface valves and blowout preventer system.

If the means to shut-in or control the flow from the well is lost, the Drilling Supervisor is to:

1. Initiate appropriate control procedures.
 1. Arrange for any injured persons to be taken by the fastest transportation available to the nearest medical facility, as shown in the Injury Contingency Plan.
 2. Secure and maintain control of access roads to the area to eliminate entry of unauthorized personnel.
 3. Contact the Project Manager and advise of the situation. The Drilling Supervisor will follow the same procedures stated in the Spill or Discharge Plan.

4. Initiate any further or supplemental steps that may be necessary or advisable, based on consultation with the Project Manager.
5. Be certain that all safety practices and procedures are being followed and that all members of the drilling crew are performing their assigned duties correctly.
6. Attempt to control the well at the rig site with rig personnel and supervisors.
7. If fluid flow is of an uncontained nature, attempt containment with required equipment by constructing sumps and/or dikes as rapidly as possible and as needed.
8. Attempt to construct and/or fabricate and install any wellhead facilities require to contain fluid flow at the well or casing head.
9. Maintain a continuing inspection of the pad area immediately around the well site subject to erosion that may cause failure to the drilling rig structure. Take necessary steps to avert areas of possible erosion by excavation and rebuilding of the area as necessary.
10. Following complete containment of the well, initiate steps to return the area to its normal state prior to the blowout or fluid flow, such as reseeding with similar and approved vegetation.

C. Fire Contingency Plan

1. Any small fires which occur around the well pad during drilling and/or testing operations should be able to be controlled by rig personnel utilizing on-site firefighting equipment.
2. A roster of emergency phone numbers will be available on-site so that the appropriate firefighting agency can be contacted in case of a fire.

D. Spill or Discharge Contingency Plan

1. Potential Sources of Accidental Spills or Discharges

1. Geothermal Fluid

Accidental geothermal fluid spills or discharges are very unlikely because the hole will be cased and blowout prevention equipment will be utilized. However, accidental discharges or spills could result from any of the following:

- (1) Loss of well control (blowout)

2. Drilling Muds

Muds are a mixture of water, non-toxic chemicals and solid particles used in the drilling operations to lubricate and cool the bit in the hole, to carry cuttings out of the hole, to maintain the hole condition and to control formation pressure.

Drilling muds are prepared and stored in metal tanks at the drilling site. Waste drilling mud and cuttings are discharged into the reserve pit, which is open and is adequately sized to hold the volume necessary for the operation. Accidental discharges of drilling mud are unlikely, but could occur by:

- (1) Overflow of the reserve pit.
- (2) Reserve pit wall seepage or wall failure.
- (3) Discharge from equipment failure on location.
- (4) Shallow lost circulation channeling to the surface.

3. Lubricating or Fuel Oils and Petroleum Products

A discharge of this type would probably be very small and be from equipment used in the field. Potential locations for accidental spills are:

- (1) Drilling equipment and machinery at and around the drilling location.
- (2) Other miscellaneous equipment and machinery at well site and roads.

4. Construction/Maintenance Debris

Typically a minor consideration, one which is usually able to be cleaned up on the job. Potential locations are the same as for lubricating or oils listed in Item 3, above.

2. Plan for Cleanup and Abatement

In the event of discharge of formation fluids, drilling muds, petroleum products or construction debris, the person responsible for the operation will make an immediate investigation, then contact the Drilling Supervisor and advise him of the spill. The Drilling Supervisor will in turn call out equipment, regulate field operations, or do other work as applicable for control and clean-up of the spill, as follows:

1. Action - Small, Containable Spill

If the spill is small (i.e., less than 250 gallons) and easily containable without endangering the watershed, the Drilling Supervisor will direct and supervise complete cleanup and return to normal operations.

2. Action - Large or Uncontainable Spill

If the spill is larger than 250 gallons, or is not easily contained, or endangers, or has entered the watershed, the Drilling Supervisor will proceed to take necessary action to curtail, contain and clean up the spill, as above, and notify personnel as listed below.

3. Notification

(1) The Drilling Supervisor will, as quickly as practicable:

- Call out contractor(s), as required.
- Notify the Ormat Project Manager.
- Notify the local law enforcement agencies if the public safety is threatened.

The Drilling Supervisor will also advise local population and affected property owners if spill affects residents or property.

4. Specific Procedures

1. For geothermal fluid spills:

Contain spillage with dikes if possible and haul to disposal site by vacuum or water trucks or dispose of in a manner acceptable to the Dept. of Land and Resources.

2. For drilling mud:

Repair sump or contain with dikes. Haul liquid to another sump, available tanks or approved disposal site.

3. For petroleum products:

Contain spill with available manpower. Use absorbents and dispose of same in approved disposal area.

For (1) through (3) above, Ormat will have the source of spill repaired at the earliest practical time, and continue working crews and equipment on cleanup until all concerned agencies are satisfied.

5. Confirm telephone notification to agencies and regulatory bodies. Telephone notification shall be confirmed by the Ormat Project Manager in writing within two weeks of telephone notification.

Written confirmation will contain:

- i. Reason for the discharge or spillage.
- ii. Duration and volume of discharge or spillage.
- iii. Steps taken to correct problem.
- iv. Steps taken to prevent recurrence of problem.

E. Hazardous Gas Contingency Plan

1. There is a very limited possibility of encountering hazardous non-condensable gases while drilling and testing. Although noxious or dangerous amounts of gases have not been associated with other geothermal wells drilled in the area, it is prudent to be prepared. The three main gases expected in this area are steam, hydrogen sulfide (H_2S), and carbon dioxide (CO_2).
2. The effectiveness of this plan is dependent upon the cooperation and effort of each person who enters the site during drilling or testing operations. Each person must know their responsibilities under stressful emergency operating conditions. All personnel must see that their safety equipment is stored and functional in addition to the location and operation of safety equipment.
3. All personnel will be trained in warning signs, signals, first aid, and responsibilities in case of hazard gases. The site will have two briefing areas so that one is upwind from the well and containment basin at all times. Before drilling or testing commences, all personnel will be advised of escape routes. **Weekly drills will be conducted.**
4. All vehicles will be parked with the front towards the exit road. A normal size first aid kit, stokes litter, wind direction apparatus, portable hand-held H_2S and CO_2 detectors will be available on the location. There will also be H_2S scavenger chemicals on the location for treating the mud. Warning signs will be posted on the access road to the location.
5. Steam is hot water in the gas form. It causes burns to the skin. It is possible that steam temperatures may exceed $300^\circ F$ during flow tests. All personnel must stay away and

downwind from venting steam. Note water as hot as 220°F may be present in the testing tanks. If a person is burnt, remove them from the site and cool the burnt area. Transport to the hospital.

6. H₂S is a colorless gas with a rotten egg odor in concentrations under 100 ppm. Above a concentration of 100 ppm, H₂S will cause health problems including death (See Table 1). Above a H₂S concentration of 1000 ppm, death is instantaneous. H₂S is heavier than air and will accumulate in low spots. At high concentrations, H₂S is combustible. Automatic H₂S detectors are stationed around the rig. At a 5 ppm concentration, a red light will flash. At this concentration, workers can continue their jobs for 8 hours. At a concentration above 10 ppm, a red light will flash and a warning horn sound. All personnel will immediately assemble at the upwind briefing area except for the driller who will shut the well in. He will then travel to the briefing area. Remember at concentrations above 100 ppm, personnel cannot smell H₂S. Hand held detectors will be utilized to determine the H₂S concentration. Depending on the measured concentration, the Company Drilling Supervisor will assign duties.
7. CO₂ is a colorless odorless gas. At concentrations above 50,000 ppm personnel risk affliction. At concentrations above 80,000 ppm (8%), CO₂ causes loss of consciousness. The same procedure should be utilized as the H₂S procedure.
8. If a person becomes unconsciousness due to a hazardous gas, do not attempt to remove him without proper protective equipment. **You May Also Become A Victim.** Do not attempt a rescue without proper protective equipment. If you have the proper protective equipment, move the victim to a safe area. If the victim has been affected by H₂S or CO₂, apply artificial respiration until the paramedics or onsite medic arrives. Even if the symptoms pass, transport the victim to a hospital and place him under the care of a doctor.
9. After a hazardous gas has been detected, operations will proceed as follows:
 - A. Condition – **POTENTIAL DANGER**
H₂S concentration <10 ppm
CO₂ concentration <5000 ppm
STEAM >150°F
All personnel will be immediately notified of the potential danger. Routine checking of the drilling fluid and monitoring equipment will alert mud loggers of possible danger. The mud loggers will immediately notify the Project Manager, Company Drilling Supervisor, Tool Pusher, Driller, Test Supervisor, and Mud Engineer. These personnel will immediately notify their crew members. All safety equipment, monitors, and alarms will be checked for correct operating conditions. A review of the emergency program and drills will be conducted before drilling continues.
 - B. Condition – **MODERATE DANGER**
H₂S concentration 10 ppm TO 20 ppm

CO₂ concentration 5000 ppm TO 50000 ppm
STEAM >190°F

All personnel will be immediately notified of the danger. The mud loggers will immediately notify the Project Manager, Company Drilling Supervisor, Tool Pusher, Driller, Test Supervisor, and Mud Engineer. These personnel will immediately notify their crew members. The Driller will shut in the well if H₂S concentration exceeds 10 ppm. All personnel will meet at the briefing site. Selected personnel will take steps to locate the source of the hazardous gas. Drilling will not proceed until the gas is controlled. All nonessential personnel will be sent upwind and out of the potential danger zone. Gas concentrations around the well will be verified with hand held gas detectors. Access to the site will be limited to authorize personnel only. Warning signs will be posted.

C. Condition – **EXTREME DANGER**

H₂S concentration >20 ppm
CO₂ concentration >50000 ppm
STEAM >200°F

All personnel will be immediately notified of the extreme danger by a honking horn. All personnel will immediately put on their protective gear. The mud loggers will immediately notify the Project Manager, Company Drilling Supervisor, Tool Pusher, Driller, Test Supervisor, and Mud Engineer. These personnel will immediately notify their crew members. The Driller will shut in the well. All personnel will meet at the upwind briefing site for evacuation. The Drilling Supervisor will assess the situation, outline a control program, and assign duties to control the situation. The proper agencies will be notified. Drilling will not proceed until the gas is controlled. All nonessential personnel will be sent upwind and out of the potential danger zone. Access to the site will be limited to authorized personnel wearing protective equipment. Warning signs will be posted to limit access to the site. If the gas cannot be controlled, the Emergency Plan will be initialized.

PHYSICAL EFFECTS OF HYDROGEN SULFIDE

CONCENTRATION (ppm)	0-2 MINUTES	15-30 MINUTES	30-60 MINUTES
10-20	Rotten egg smell	Detectable	Maximum 8-hour exposure with protective mask
100	Coughing Loss of smell	Eye pain and Sleepiness	Throat and eye irritation
450	Eye irritation	Respiration difficult	Serious respiratory disturbance
1000	Unconsciousness	Death	Death

Emergency Personnel and Telephone Numbers

Fire

Pahoa Fire (808) 965-2708

Law Enforcement

Pahoa Police (808) 935-3311
(808) 966-7432

Hospital

Hilo (808) 974-4729

Company Representative

Ormat Nevada Inc. (775)-356-9029 (office)

Ormat Project Managers

Paul Spielman (Chief Drilling Engineer) (775) 843 3901 (cell)

Jesse Carranza (Operations Manager - Drilling) (775) 327-5406 x 42121
(760) 791-3771 (cell)

Brad Peters (Senior Drilling Engineer) (775) 225-2288 (cell)

Jordan Hara (808) 965-6233 (office)
(808) 494-8882 (cell)

Puna Control Room (808) 965-2832

Department of Land and Resources

Eric Tanaka (808) 961-9588 (office)

Ormat Nevada
EMERGENCY PLANS

BLOWOUT ACTION PLAN

PREVENTION OF A BLOWOUT

To Be Posted In Doghouse

- 1) Fill drill pipe before attaching a circulating head or Kelly and re-establishing circulation
- 2) Pull drill pipe from the well at a speed which does not induce swabbing of the fluid from the well or reduction of down hole pressures to less than static formation fluid pressures.
- 3) Fill well with liquid when pulling the drill string from the well
- 4) Cool the drilling fluid adequately prior to circulating down the drill string
- 5) Pump at an adequate rate to cool the well
- 6) Refrain from pumping a drilling fluid that contains air or gas
- 7) Use a drilling fluid with adequate density to give down hole pressures in the hole which are more than reservoir fluid pressures at the same depth (i.e. drilling in an over balanced condition).
- 8) Leave hole or part of the hole filled with fluid which has sufficient density and gel strength to avoid becoming gas cut over a period of time. (e.g. pilot hole during the period required to open the full length of the pilot hole to the desired diameter).
- 9) Reduce the rate of penetration to allow gas or heat to be circulated out when drilling through softer formations which may contain gas or high temperature fluids.
- 10) Pump water to the annulus outside the drill string when drilling without fluid returns.
- 11) Circulate drilling fluid in stages when running drill string into a hot well to remove heat from the well.

Ormat Nevada
EMERGENCY PLANS

BLOWOUT ACTION PLAN

INDICATIONS OF A BLOWOUT

To Be Posted In Doghouse

- 1) Change in the total volume of drilling fluid.
- 2) Signs of formation gas in the drilling returns.
- 3) Increase in the temperature of the drilling fluids.
- 4) Increase in the flow rate of the drilling fluid returns.
- 5) Rapid increase in penetration rate or a drilling break (where the hole is advanced rapidly with little or no weight being required on the bit).
- 6) Loss of circulation—Note: When drilling without returns, a deeper loss circulation may be indicated by a rapid loss of pumping pressure.
- 7) An apparent loss of drill string weight while drilling, which is inconsistent with the rate of feed of the drill string into the well—Note: An influx of hot fluids into the well will cause the drill string to expand resulting in an increase in the weight on the bit.
- 8) Contamination of the drilling fluids as indicated by reduction in density or increase in dissolved solids.

Ormat Nevada
EMERGENCY PLANS

BLOWOUT ACTION PLAN

GEOTHERMAL KILL PROCEDURES
To Be Posted In Doghouse

While drilling a geothermal well the following procedures should be followed in the event that a kick is possible or is occurring.

- 1) If there is drill string on bottom, pull off bottom to avoid becoming stuck.
- 2) Ensure that the choke line is open and close an appropriate BOP (i.e. blind rams if there is no drill string in the well, pipe rams if opposite drill pipe, or annular preventer if neither apply).
- 3) Pump cold water or drilling fluid to fill and cool the well—Note: If the drill string is in the well, pumping down the drill string via the Kelly or a circulating head is more effective than pumping down the annulus.
- 4) Control the well head pressure by gradually opening or closing the choke line—Note: The wellhead pressure would be limited so as to not exceed the pressure rating of any wellhead component (including casing) nor a pressure which is likely to initiate the breakdown of the formation integrity below the shoe of the deepest cemented casing. Conversely, allowing the wellhead pressure to drop to a low value will allow further influx of gas and heat and may induce hole collapse.
- 5) If pumping of cold water or drilling fluid does not cool and control the well flow, then proceed to follow the steps in the Wait and Weight and Drillers Methods.
- 6) If kick is observed while running casing and cementing, install good-night-valve and close annular.

Note: Fluids in a geothermal well (including drilling fluids) will be heated to temperatures significantly above 212°F (100°C). When the pressure on such hot fluids reduces, the water in the fluid will start boiling to steam. The steam will reduce the density of the fluid column in the well causing further reduction in down hole pressures and resulting in boiling of further water. Such boiling can be self-sustaining and accelerate until boiling occurs over most of or all the well depth. This phenomenon is distinctly different from the rising, expanding gas bubble considered as the basis for the kick control in oil and gas drilling and BOP operating procedures.

Ormat Nevada
EMERGENCY PLANS

BLOWOUT ACTION PLAN

WAIT AND WEIGHT METHOD

To Be Posted In Doghouse

1. The hole is to be kept full of drilling or completion fluids at all times unless this becomes impossible due to lost circulation.
2. Before starting out of hole with drill pipe or tubing, circulate off bottom until mud is properly conditioned.
3. Close and open pipe rams once per day and log on tour sheet. Pressure test BOPE prior to drilling out of casing shoes and coincident with casing test. Log results on blowout preventer check list.
4. Close blind rams when out of hole and log on tour sheet.
5. Fill hole at five (5) stand intervals or less while pulling drill pipe out of hole. Count pump strokes or use chart attached to the pit volume indicator to determine the volume required to fill the hole.
6. Watch pit flow or pit level indicator when running in the hole to insure that the volume of mud displaced by the drill pipe is not exceeded.
7. The drill pipe will be run in the hole to the shoe of the casing and a TIW valve installed to perform any of the following operations:
 - a) Slip or cut drilling line.
 - b) Repair equipment (if possible).
 - c) Any foreseen delay.
8. Record reduced circulating pressure at 30 strokes per minute (SPM) or other suitable kick control SPM daily and after each bit change.
9. An approved inside blowout preventer and full opening safety valve with wrench must be immediately available on the rig floor.
10. A blowout prevention drill will be conducted by the rig tool pusher under the supervision of the Drilling Supervisor for each drilling crew to ensure that each person is properly trained to carry out emergency procedures. Assign kick control duties in advance: i.e. mud mixing assigned to floor man, operating pumps assigned to derrick man, etc.

11. At first indication of gain in pit level (or other sign of possible blowout), the driller will immediately do what is necessary to control the well. In most cases this action should be:

While Drilling:

- a) Pull kelly up out of rotary table and stop pumps.
- b) Open valve(s) on choke line.
- c) Close the blowout preventer and gradually reclose choke line.
- d) Record shut-in drill pipe (P_{dp}) and casing (P_{cg}) pressure. Maximum allowable casing pressure to be dependent on casing depth and burst rating. Allowable pressure for each string to be posted and noted in driller's instructions and on well control data sheet.

Inform the Drilling Supervisor and/or precede with appropriate kick control measures as follows in Step 12.

While Tripping:

- a) Install full opening safety valve.
- b) Open valve on choke(s) line.
- c) Close safety valve.
- d) Close blowout preventer and gradually reclose choke valve(s).
- e) Record shut-in drill pipe and casing pressure. Maximum allowable casing pressure to be dependent on casing depth, mud weight and burst rating.
- f) Inform the Drilling Supervisor. Run drill string in hole as far as practical after first installing inside BOP and reopening safety valve, and/or proceed with appropriate kick control measures as follows in Step 12.

12. Calculate and mix mud of weight necessary to keep well under control using the well control worksheet and attached monograph.

Mud weight increase in lb./gallon =

$$\frac{P_{dp}}{\text{Drill string depth (ft.)} \times 0.052} + 0.4 \text{ lb./gallon}$$

Where P_{dp} = shut-in drill pipe pressure in psig.

- 13 When sufficient volume of proper weight mud has been prepared, start pumping increased weight mud down drill pipe at constant kick control SPM which will reduce circulating pressure downward gradually from P_i (initial drill pipe circulating pressure) as calculated on the well control worksheet to P_f (final drill pipe circulating pressure) when drill pipe is filled with weighted mud. Therefore

hold drill pipe pressure constant at P_f by adjusting choke until proper weight mud returns to surface.

14. When proper weight mud returns to surface, stop pumps, release any remaining pressure on casing, and check for additional kick before returning to normal operations.
15. Drill new directional hole as a last resort to kill well.

Ormat Nevada
EMERGENCY PLANS

BLOWOUT ACTION PLAN

DRILLERS METHOD

To Be Posted In Doghouse

- 1) The hole is to be kept full of drilling or completion fluids at all times unless this becomes impossible due to lost circulation.
- 2) Before starting out of hole with drill pipe or tubing, circulate off bottom until mud is properly conditioned.
- 3) Close and open pipe rams once per day and log on tour sheet. Pressure test BOPE prior to drilling out of casing shoes and coincident with casing test. Log results on tour sheet.
- 4) Close blind rams when out of hole and log on tour sheet.
- 5) Fill hole at five (5) stand intervals or less while pulling drill pipe out of hole. Count pump strokes or use chart attached to the pit volume indicator to determine the volume required to fill the hole.
- 6) Watch pit flow or pit level indicator when running in the hole to insure that the volume of mud displaced by the drill string is not exceeded.
- 7) The drill pipe will be run in the hole to the shoe of the casing and a full opening safety valve installed to perform any of the following operations:
 - a) Slip or cut drilling line.
 - b) Repair equipment (if possible).
 - c) Any foreseen delay.
- 8) Record on the tour sheet the reduced circulating pressure at 30 strokes per minute (SPM) or other suitable kick control pump rate daily and after each bit change.
- 9) An approved inside blowout preventer and full opening safety valve with wrench must be immediately available on the rig floor.
- 10) A blowout prevention drill will be conducted by the rig tool pusher and observed by the Drilling Supervisor for each drilling crew to ensure that each person is properly trained to carry out emergency procedures. Assign kick control duties in advance: i.e. mud mixing assigned to floor man, operating pumps assigned to derrick man, etc.

- 11) At first indication of gain in pit level (or other sign of possible blowout), the driller will immediately do what is necessary to control the well. In most cases this action should be:

Shut-In Procedure While Drilling:

- a) Pull kelly above the rotary table and stop pumps.
- b) Check the well for flow.
- c) Close the blowout preventer and shut the well in completely.
- d) Record pit level, shut-in drill pipe (P_{sidp}) and shut-in casing pressure (P_{sicg}).
- e) Inform the Drilling Supervisor and/or precede with appropriate kick control measures as follows.

Shut-in Procedure While Tripping:

- a) Set slips with tool joint in rotary table.
 - b) Install full opening safety valve.
 - c) Close safety valve.
 - d) Close blowout preventer.
 - e) Install the kelly.
 - f) Record shut-in drill pipe and casing pressure.
 - g) Inform the Drilling Supervisor.
- 12) Run drill string in hole as far as practical after first installing inside BOP and reopening safety valve, and/or proceed with appropriate kick control measures as follows.

Kick Control Measures for Driller's Method

First Circulation

- I. Select a pump speed for the kill operation. This will usually be the previously recorded slow pump rate. It is important to maintain a constant speed throughout the kill operation.
- II. Start the pump and open the choke to maintain the casing pressure (P_{cg}) constant as the pump is brought up to the desired kill speed. Once the kill speed is reached, observe the new drill pipe pressure (P_{dp}). Record the drill pipe pressure.

- III. Pump one full circulating volume at constant pump speed while operating the choke to maintain the drill pipe pressure constant.
- IV. Stop the pump and shut the choke. At this point the new shut-in casing pressure and the shut-in drill pipe pressure should be equal. Record these pressures. If a drill pipe float is making it difficult to obtain drill pipe pressure readings, the new shut in casing pressure may be used in the calculation below.

Second Circulation

- I. Calculate the kill-weight mud density.

$$\text{New Mud Weight} = \text{Current Mud Weight} + \frac{\text{Drill Pipe Pressure}}{0.052 * \text{TVD}}$$

A trip margin may be added if desired, but management approval is required for a trip margin in excess of 0.2 ppg.

- II. Start the pump, bringing it up to the kill speed, and operate the choke as necessary to maintain the casing pressure constant. Continue operating the choke to keep the casing pressure constant until one drill string volume of kill weight mud has been pumped.
- III. After pumping one drill string volume of the kill weight mud, maintain the pump speed constant and record the circulating drill pipe pressure.
- IV. Maintain the pump speed constant and operate the choke so as to maintain the drill pipe pressure constant until kill weight mud returns are measured at the surface.
- V. Stop the pump and check for flow.

APPENDIX C

ENGINEERING DATA NEW PRODUCTION WELL KS-18 Puna Field, Hawaii

Ormat Nevada
February 2018

CASING SAFETY FACTORS

CASING – 22-in. 114.8 Grade B PEBFW WITH SHOE @ 1050 FT

BURST AT 22-in. SHOE DURING CEMENTING

Assumes 16 lb/gal cement slurry inside & water outside.

$$\begin{aligned}\text{Inside pressure} &= 16 \text{ ppg} * .052 \text{ psi/ft} * 1050 \text{ ft} \\ &= 874 \text{ psi}\end{aligned}$$

$$\begin{aligned}\text{Outside pressure} &= 8.33 \text{ ppg} * .052 \text{ psi/ft} * 1050 \text{ ft} \\ &= 455 \text{ psi}\end{aligned}$$

$$\text{Calculated burst pressure} = 419 \text{ psi}$$

$$\text{Burst rating at specified minimum yield} = 1390 \text{ psi}$$

$$\text{Safety Factor} = 332\%$$

BURST AT 22-in. SHOE DURING CASING TEST

Assumes 8.6 lb/gal mud inside, water outside, and 500 psig test pressure.

$$\begin{aligned}\text{Inside pressure} &= (8.6 \text{ ppg} * .052 \text{ psi/ft} * 1050 \text{ ft}) + 500 \\ &= 970 \text{ psi}\end{aligned}$$

$$\begin{aligned}\text{Outside pressure} &= 8.33 \text{ ppg} * .052 \text{ psi/ft} * 1050 \text{ ft} \\ &= 455 \text{ psi}\end{aligned}$$

$$\text{Calculated burst pressure} = 515 \text{ psi}$$

$$\text{Burst rating at specified minimum yield} = 1390 \text{ psi}$$

$$\text{Safety Factor} = 270\%$$

COLLAPSE AT 22-in. SHOE DURING CEMENTING

Assumes 8.33 lb/gal water inside and 16 lb/gal cement outside.

Inside pressure = $8.33 \text{ ppg} * .052 \text{ psi/ft} * 1050 \text{ ft} = 455 \text{ psi}$

Outside pressure = $(16 \text{ ppg} * .052 \text{ psi/ft} * 1050 \text{ ft}) = 874 \text{ psi}$

Calculated collapse pressure = 419 psi

Collapse rating = 580 psi

Safety Factor = 138%

22-in. CASING TENSILE YIELD AS RUN

Assumes 1050 ft of casing hung in air.

Calculated tensile yield = $1050 \text{ ft} * 114.8 \text{ lb/ft} = 120,540 \text{ lb}$

Tensile rating at specified minimum yield = 1,118,000 lb

Safety Factor = 927%

CASING – 16-in. 84# L-80 GB Buttress WITH SHOE @ 2200 FT MD

BURST AT 16-in. SHOE DURING CEMENTING

Assumes 16 lb/gal cement slurry inside & water outside with 500 psig pumping pressure.

$$\text{Inside pressure} = (16 \text{ ppg} * .052 \text{ psi/ft} * 2200 \text{ ft}) + 500 = 2330 \text{ psi}$$

$$\text{Outside pressure} = 8.33 \text{ ppg} * .052 \text{ psi/ft} * 2200 \text{ ft} = 953 \text{ psi}$$

$$\text{Calculated burst pressure} = 1377 \text{ psi}$$

$$\text{Burst rating at specified minimum yield} = 4330 \text{ psi}$$

$$\text{Safety Factor} = 314\%$$

COLLAPSE AT 16-in. SHOE DURING CEMENTING

Assumes 8.33 lb/gal water inside and 16 lb/gal cement outside.

$$\text{Inside pressure} = 8.33 \text{ ppg} * .052 \text{ psi/ft} * 2200 \text{ ft} = 953 \text{ psi}$$

$$\text{Outside pressure} = 16 \text{ ppg} * .052 \text{ psi/ft} * 2200 \text{ ft} = 1830 \text{ psi}$$

$$\text{Calculated collapse pressure} = 877 \text{ psi}$$

$$\text{Collapse rating} = 2000 \text{ psi}$$

$$\text{Safety Factor} = 228\%$$

16-in. CASING TENSILE YIELD AS RUN

Assumes 2200 ft of casing hung in air.

$$\text{Calculated tensile yield} = 2200 \text{ ft} * 84 \text{ lb/ft} = 184,800 \text{ lb}$$

$$\text{Tensile rating at specified minimum yield} = 1,929,000 \text{ lb}$$

$$\text{Safety Factor} = 1044\%$$

**CASING – 11-7/8-in. 71.8# SM T95S TSH 563 T&C with SHOE
@4700 ft**

BURST AT 11-7/8-in. SHOE DURING CEMENTING

Assumes 16 lb/gal cement slurry inside & water outside with 800 psig pumping pressure.

$$\text{Inside pressure} = (16 \text{ ppg} * .052 \text{ psi/ft} * 4700 \text{ ft}) + 800 = 4710 \text{ psi}$$

$$\text{Outside pressure} = 8.33 \text{ ppg} * .052 \text{ psi/ft} * 4700 \text{ ft} = 2035 \text{ psi}$$

$$\text{Calculated burst pressure} = 2675 \text{ psi}$$

$$\text{Burst rating at specified minimum yield} = 8150 \text{ psi}$$

$$\text{Safety Factor} = 305\%$$

COLLAPSE AT 11-7/8-in. SHOE DURING CEMENTING

Assumes 8.33 lb/gal water inside and 16 lb/gal cement outside and 9.0 ppg mud above hanger with cement 100 ft above hanger.

$$\text{Inside pressure} = (8.33 \text{ ppg} * .052 \text{ psi/ft} * 4700 \text{ ft}) = 2035 \text{ psi}$$

$$\text{Outside pressure} = (16 \text{ ppg} * .052 \text{ psi/ft} * 4700 \text{ ft}) = 3910 \text{ psi}$$

$$\text{Calculated collapse pressure} = 1875 \text{ psi}$$

$$\text{Collapse rating} = 5080 \text{ psi}$$

$$\text{Safety Factor} = 271\%$$

11-7/8-in. CASING TENSILE YIELD AS RUN

Assumes 4700 of casing hung in air.

Calculated tensile yield = $4700 * 71.8 \text{ lb/ft} = 337,460 \text{ lb}$

Tensile rating at specified minimum yield = 1,455,000 lb

Safety Factor = 431%

8-5/8-in. LINER TENSILE YIELD AS RUN

±1290 ft of 8-5/8-in. 44 lb./ft. T-95 Tenaris Blue

Assumes 1290 ft of casing hung in air.

Calculated tensile yield = $1290 * 44 \text{ lb/ft} = 56,760 \text{ lb}$

Tensile rating at specified minimum yield = 1,212,000 lb

Safety Factor = 2135%

APPENDIX D

**CEMENTING PROGRAM
NEW PRODUCTION WELL KS-18
PUNA FIELD, HAWAII**

Ormat Nevada
FEBRUARY 2018

CEMENTING PROGRAM

NEW PRODUCTION WELL KS-18 PUNA FIELD, HAWAII

Refer to Cementing Program by Resource Cementing for Details

CASING – 22-in. 114.8# GRADE B PEBFW

DEPTH – 0-1050 ft.

HOLE SIZE – 26-in.

EXISTING CASING – 30-in. Conductor 0-60 ft.

CALCULATED VOLUME – 1281.99 ft³

PROPOSED CEMENT VOLUME – 1356 ft³ (8% Excess on Open Hole Volume)

ESTIMATED BHST = 90 F

CEMENT PARAMETERS

LEAD CEMENT (1000 cu ft.)

Premium Cement

30% SSA-1

10% Micro-silica

Mixed With Fresh Water

10% Spherelite

Normal Chemicals

Slurry Weight – 13.0 lb./gal

Slurry Yield – 2.50 ft³/sk

Water Requirement – 11.20 gal/sk

Total Mixing Water – 106.67 bbls

Slurry Volume – 178.10 bbls

Cement Required – 400 sks

TAIL CEMENT (356 cu ft.)

Premium Cement

30% SSA-1

10% Micro-silica

Mixed With Fresh Water

Normal Chemicals

Slurry Weight – 15.0 lb./gal

Slurry Yield – 1.78 ft³/sk

Water Requirement – 7.78 gal/sk

Total Mixing Water – 37.05 bbls

Slurry Volume – 63.4 bbls

Cement Required – 200 sks

CASING – 16-in. 84# L-80 GB Buttruss**DEPTH** – 0-2200 ft.**HOLE SIZE** – 20-in.**EXISTING CASING** – 22-in. 0-1050 ft.**CALCULATED HOLE VOLUME** – 2247.45 ft³**PROPOSED CEMENT VOLUME** – 4445.75 ft³ (100% Excess + Shoe Track)**ESTIMATED BHST WILL BE 300 F: MONITOR & CONFIRM PRIOR TO PUMPING****FOAMED SCAVENGER/EXCESS CEMENT (2198.30 cu ft. Foamed Volume)**

Premium Cement	Slurry Weight – 10 lb./gal (Foamed)
30% SSA-I	Slurry Yield – 2.14 ft ³ /sk
10% Micro-silica	Water Requirement – 8.91 gal/sk
Mixed With Fresh Water	Total Mixing Water – 161.23 bbls
Foam	Slurry Volume – 289.66 bbls (Base Slurry)
Normal Chemicals	Slurry Volume – 391.04 bbls (Foamed)
	Cement Required – 760 sks

FOAMED LEAD CEMENT (1412.90 cu ft. Foamed Volume)

Premium Cement	Slurry Weight – 11 lb./gal (Foamed)
30% SSA-I	Slurry Yield – 2.14 ft ³ /sk
10% Micro-silica	Water Requirement – 8.91 gal/sk
Mixed With Fresh Water	Total Mixing Water – 114.56 bbls
Foam	Slurry Volume – 205.81 bbls (Base Slurry)
Normal Chemicals	Slurry Volume – 252.89 bbls (Foamed)
	Cement Required – 540 sks

NON-FOAMED LEAD LATEX CEMENT (412.3 cu ft.)

Premium Cement	Slurry Weight – 13.5 lb./gal
30% SSA-I	Slurry Yield – 2.17 ft ³ /sk
10% Micro-silica	Water Requirement – 9.12 gal/sk
Mixed With Fresh Water	Total Mixing Water – 41.26 bbls
Foam	Slurry Volume – 73.43 bbls
Normal Chemicals	Cement Required – 190 sks

NON-FOAMED TAIL LATEX CEMENT (455 cu ft.)

Premium Cement	Slurry Weight – 15.0 lb./gal
30% SSA-I	Slurry Yield – 1.75 ft ³ /sk
10% Micro-silica	Water Requirement – 7.78 gal/sk
Mixed With Fresh Water	Total Mixing Water – 48.16 bbls
Normal Chemicals	Slurry Volume – 81.04 bbls
0.175% SCR-100	Cement Required – 260 sks

CAP CEMENT PUMPED DOWN ANNULUS (245 cu ft. of 15.0 lb./gal cement)

CASING – 11-7/8-in. 71.8# TSH 563

DEPTH – 0-4700 ft.

HOLE SIZE – 14-3/4-in.

EXISTING CASING – 16-in. 0-2300 ft.

CALCULATED HOLE VOLUME – 2168 ft³

PROPOSED CEMENT VOLUME – 2879 ft³ (33% Excess on Open Hole Volume)

ESTIMATED BHST WILL BE 300 F: MONITOR & CONFIRM PRIOR TO PUMPING

FOAMED SCAVENGER/EXCESS CEMENT (1447.42 cu ft. Foamed Volume)

Premium Cement	Slurry Weight – 10 lb./gal (Foamed)
30% SSA-1	Slurry Yield – 2.14 ft ³ /sk
10% Micro-silica	Water Requirement – 8.91 gal/sk
Mixed With Fresh Water	Total Mixing Water – 106.07 bbls
Foam	Slurry Volume – 190.57 bbls (Base)
Normal Chemicals	Slurry Volume – 257.27 bbls (Foamed)
	Cement Required – 500 sks

FOAMED LEAD CEMENT (1566.75 cu ft. Foamed Volume)

Premium Cement	Slurry Weight – 11 lb./gal (Foamed)
30% SSA-1	Slurry Yield – 2.14 ft ³ /sk
10% Micro-silica	Water Requirement – 8.91 gal/sk
Mixed With Fresh Water	Total Mixing Water – 127.29 bbls
Foam	Slurry Volume – 228.68 bbls (Base)
Normal Chemicals	Slurry Volume – 280.65 bbls (Foamed)
	Cement Required – 600 sks

NON-FOAMED TAIL CEMENT (525 cu ft.)

Premium Cement	Slurry Weight – 15.0 lb./gal
30% SSA-1	Slurry Yield – 1.75 ft ³ /sk
10% Micro-silica	Water Requirement – 7.78 gal/sk
Mixed With Fresh Water	Total Mixing Water – 55.57 bbls
Normal Chemicals	Slurry Volume – 93.5 bbls
0.175% SCR-100	Cement Required – 300 sks

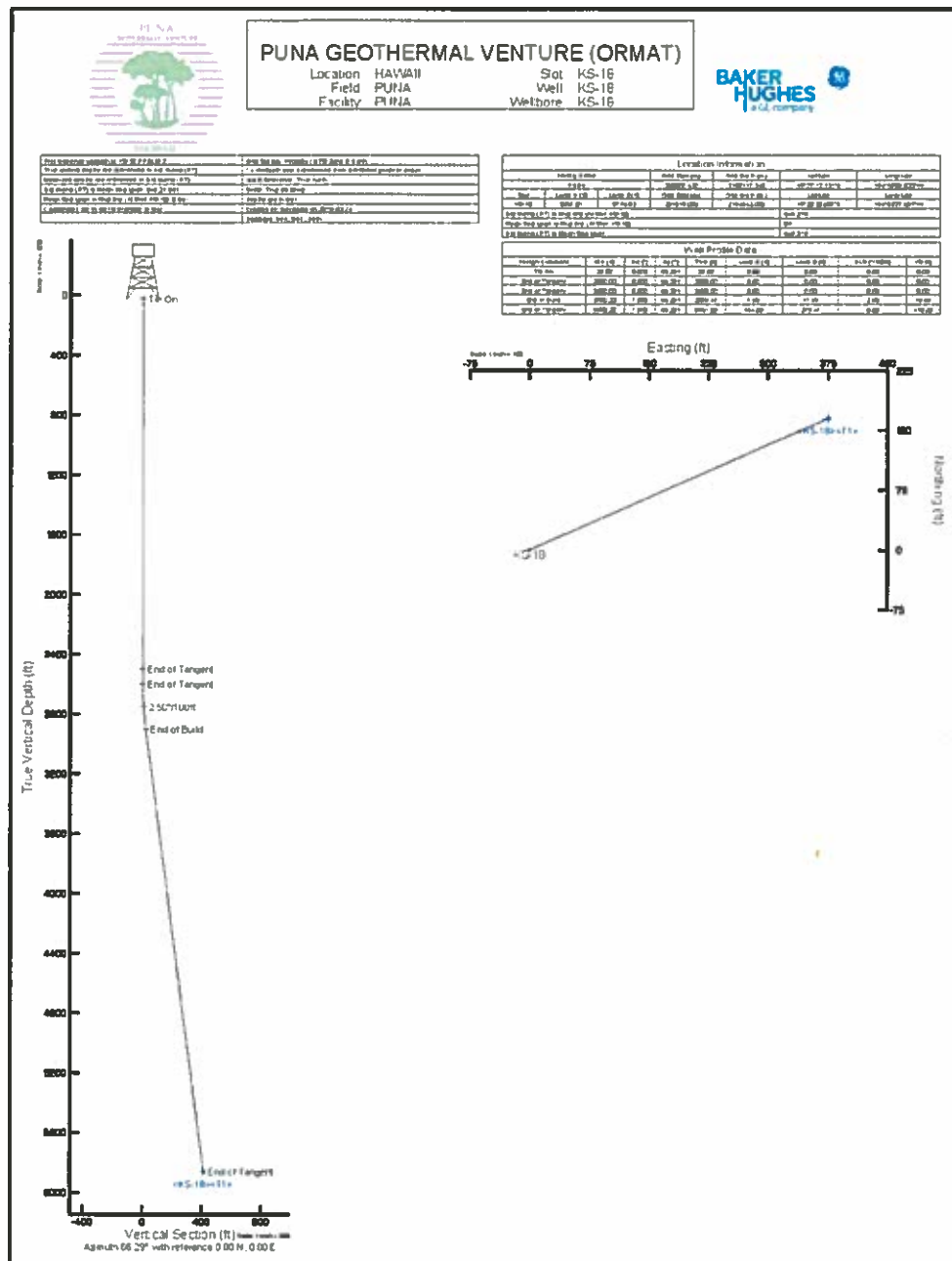
CAP CEMENT PUMPED DOWN ANNULUS (106.80 cu ft. of 15.0 lb.gal cement)

Premium Cement	Slurry Weight – 15 lb./gal (Foamed)
30% SSA-1	Slurry Yield – 1.78 ft ³ /sk
10% Micro-silica	Water Requirement – 7.78 gal/sk
Mixed With Fresh Water	Total Mixing Water – 11.11 bbls
Foam	Slurry Volume – 19.02 bbls
Normal Chemicals	Cement Required – 60 sks

APPENDIX F

**DIRECTIONAL DRILLING PLAN
NEW PRODUCTION WELL KS-18
PUNA FIELD, HAWAII**

Ormat Nevada
FEBRUARY 2018



**See Attached Planned Wellpath Report
By Baker Hughes**

APPENDIX G

WELDING PROCEDURE NEW PRODUCTION WELL KS-18 PUNA FIELD, HAWAII

Ormat Nevada
FEBRUARY 2018

WELDING PROCEDURE FOR 16-in. CASING HEAD

This welding procedure uses the API recommendations for field welding a SOW casing head.

1. Cut off existing casing at depth specified by Drilling Supervisor.
2. Grind and clean the area to be welded in the casing and in the interior of the SOW portion of the casing head.
3. Open the test ports on the new casing head. Position and level up casing head on top of casing.
4. Allow 1.5 mm of space between the slip-on portion of the casing head and the top of the casing, to allow for expansion.
5. Pre-heat casing and casing head to 350°F. Use a pre-heating torch from a distance of approximately 5 to 7.5 cm on either side of the weld location. Use heat-sensitive crayons to test the temperature both inside and outside of the casing and casing head. Special attention must be given to the pre-heating operation of the thick body of the casing head., to ensure proper heating and expansion with respect to the thinner casing.
6. Use a 3 mm (1/8-in.) E-6010, 5P or 7010G electrode for the root pass. Weld approximately 10 cm long bead, and then go diametrically to the opposite side and repeat. Move 90° and weld another portion and again move diametrically opposite. Repeat until the entire first pass has been completed.
7. Clean out the weld slag before welding the second pass.
8. The second pass and the succeeding passes should be made with a 3 mm (1/8-in.) minimum, 4 mm (5/32-in.) maximum 7018B21 electrode. The pass shall be continuous, leaving stringer beads with good penetration. Low hydrogen electrodes must not be exposed to the atmosphere until ready to be used. If accidentally exposed, they must be dried for 1 to 2 hours at 480 to 575°F before use. Open cans must be stored inside a rod oven.
9. During welding, check casing and casing head temperatures. Re-heat and maintain temperature to specified range of 248 to 302°F. Do not allow temperature to rise above 572°F during inter-pass welding. Use heat-sensitive crayons to check temperature of the metal elements.
10. Balance welding groove with several (at least three) continuous passes (without back-stepping or lacing), using a low-hydrogen electrode not thicker than 5 mm (3/16-in.). All new passes must be cleaned out of slag before applying the next pass. Inter-pass temperature must be kept below 572°F.

11. Cure must be taken that the welding cable is properly grounded to the casing or casing head. The ground wire must be firmly clamped to the casing or casing head. Avoid sparking from bad contact. This could result in hard spots, beneath which incipient cracks could later develop.
12. Re-heat the casing and casing head to 445°F.
13. Repeat the procedure, steps 4 to 7 for welding of the inside portion. Balance the welding groove with one pass of continuously welding, using a thick 5 mm (3/16-in.) low-hydrogen electrode.
14. Wrap elements in an insulating blanket. Stress-relieve casing head following a controlled post-weld heat treatment:
15. Heat casing head and the attached casing to 1112°F to 1202°F.
16. Hold up this temperature for a minimum of one hour per-in. of thickness (casing head slip-on portion plus casing) if total thickness is up to 5 cm. For thickness above 5 cm (2-in.), hold temperature for a minimum of 2 hours plus 15 minutes for each additional 25 mm-in. in excess of 5 cms.
17. The cool-down period shall not exceed the rate of 572°F per hour, divided by $\frac{1}{2}$ of the maximum thickness, without exceeding the maximum rate of 572°F per hour.
18. Remove insulating blankets only when the temperature has reached 347°F.
19. Pressure test through the casing head testing ports with nitrogen.
20. Test at 1000 psig for 15 minutes.
21. Any defects coming from cracks or holes must be removed to sound white metal by grinding. A new weld bead must be deposited and if allowed, a new pass made above it.
22. Clean up gasket grooves and rings with solvent and install on casing head. Do not grease groove or rings. Nipple BOPE.

APPENDIX H

**RIG SAFETY INSPECTION FORM
NEW PRODUCTION WELL KS-18
PUNA FIELD, HAWAII**

Ormat Nevada
FEBRUARY 2018

Company: _____ Rig Number: _____ Inspection Date: _____
Toolpusher: _____ Driller: _____ Inspection Made by: _____

() IF OK
(-) If not applicable
(X) If correction is needed.
Refer to the back for details.

I. DRILL SITE

- a. AUTHORIZED PERSONNEL signs posted
- b. HARD HAT/SAFETY GLASSES signs posted
- c. NO SMOKING / SMOKING areas designated
- d. NO PARKING near rig
- e. H2S controls if applicable
- f. Over head lines flagged & above ground
- g. Tether / fall arrest provided
- h. Hard hats/safety glasses available for visitors
- i. Toolpusher's trailer (bunk house) grounded
- j. Toolpusher's trailer bed down
- k. Regulatory Safety, etc. Posters posted as required
- l. Employee training records available as needed
- m. Containers properly marked to contents
- n. Company policies posted
- o. Firefall / fire, hoisting & lifting equipment
- p. Bench grinders properly guarded, tool rest adjusted, PPE available. Safety signs posted.

II. DOG HOUSE(S)

- a. Adequate exits, doors installed properly, operate freely
- b. Approved heaters used
- c. Hazard communication / SDS on site
- d. First aid kit and bottles
- e. Crew trained in first aid
- f. Emergency phone numbers posted
- g. Outside communications provided
- h. Safety equipment available
- i. Crew wearing hard hats and safety glasses
- j. Crew wearing hard-toed shoes (boots)
- k. Proper clothing worn by crew
- l. No hazardous jewelry worn
- m. NO SMOKING rules observed
- n. Accidents posted on OSHA or other incident log
- o. Tool rules posted
- p. Gas detector fully charged and sensors working
- q. BOP drills, test logs
- r. Safety meetings logged
- s. Driller or competent person at or near controls
- t. Toolpusher/Rig Manager at rig location
- u. Approved and adequate lighting
- v. General Housekeeping

III. DRILLING FLOOR AREA

- a. Rotary table area
- b. Kelly bushing guard used
- c. Kelly Safety Control's adequate if no guard used
- d. Rotary chain drive guarded
- e. All unused floor holes covered
- f. Lighting
- g. Pipe / collar slips, dies, handsets, pins, keepers
- h. Racking floor area
- i. Vee door gas provided - in place
- j. Make-up and breakout tools
- k. Tong snubbing lines, clamps
- l. Tong counter weights (sheave assembly)
- m. Tong body and jaws condition
- n. Tong safety handle pin secured
- o. Tong dies sharp, keeper used
- p. Air hose line, guide guarded
- q. Camlocks surface smooth, anti-rape fouling device
- r. Catwalk(s)
- s. Kelly cock, wrench accessible
- t. Jerk and spinning chain, headache post
- u. Breakout tong pull back cable, guide rollers
- v. Crown-O-Matic device, operating
- w. Drilling line
- x. Drawworks and overrunning clutch
- y. Driller's controls
- z. Hand tools
- aa. Drawworks Drum Drill Line Anchor secure
- ab. Drawworks Brake Linkage
- ac. Drawworks Guards
- ad. Proper electrical wiring provided as required
- ae. Fire extinguishers properly marked, inspected
- af. Safety signs posted as needed
- ag. General housekeeping

IV. STAIRS, WALKWAYS, HANDRAILS, GUARDRAILS

- a. Adequate stairs provided off rig
- b. Stairs level, secure, no obstructions
- c. Adequate handrails provided (stairs)
- d. Stair treads uniform, of non-slip type
- e. Guardrails mid-rails, toe boards
- f. Handrails used

V. SUBSTRUCTURE

- a. Safety Signs Posted as needed
- b. Approved and adequate lighting
- c. Substructure's beams and braces
- d. All assembly pins in place, secure
- e. Dead line properly anchored

VI. BLOWOUT PREVENTERS

- a. BOP properly installed, tested
- b. Whistles and alarms in place
- c. BOP Block properly stowed
- d. All hydraulic lines connected, no leaks/damage, & protected
- e. All unused lines capped
- f. Accumulator & Remote Control unit(s) properly located - Unobstructed
- g. Gauges properly located - in good condition
- h. Choke manifold and line, secured
- i. Bleed line used, pilot light used
- j. Approved wiring and lighting in use and adequate lighting
- k. Signage
- l. Scaffolding boards secured and in good condition
- m. Fall protection properly attached under rig floor protected chain
- n. BOP Remote control properly labeled and operating
- o. Fire extinguisher located near BOP Controls area
- p. Housekeeping, drainage

VII. PIPE RACK AREA

- a. Ends of pipe racks choked
- b. Layers of pipe cradled, tobacco used
- c. Pipe racks level, stable
- d. Pipe rack catwalk
- e. Stairs with handrails provided
- f. Vee door slide - pipe steps used
- g. Pipe tube and ladders
- h. Derrick stand and ladder
- i. Employees not in top of pipe
- j. Drilling line from anchor to tool joint off the ground
- k. General housekeeping, lighting

VIII. DERRICK, DERRICK BOARD AREA & CROWN AREA

- a. Derrick ladder - good condition
- b. Derrick chamber installed properly - good condition and used
- c. Climbing/Derrick board Safety Harness, safety catch
- d. Safety lines or lanyards used
- e. Derrick emergency escape line
- f. Derrick escape lift on line or escape assembly installed
- g. Pipe ladders and ladders secured (ladder safety line(s) attached)
- h. Standpipes (fluid, air, hydraulic, gas vent) secured
- i. Mud hose snubbed in both ends
- j. Derrick board / Snubbing board fall protection installed
- k. Derrick Board / Snubbing Board - good condition
- l. Derrick properly guyed if applicable
- m. Boom(s) and boom lines
- n. Sheaves & Shackles properly attached to the derrick (safety lines) / clips attached
- o. Approved and adequate lighting
- p. Derrick Crown Light operating, and in good condition, secure
- q. Crown Saver blocks are in good condition & wrapped with expanded metal
- r. Handrails at crown in good condition
- s. Derrick, A-frame - pins in place, secured with keepers
- t. Elevators, base
- u. Traversing Blocks, Top Drive, Swivel
- v. No loose ropes or other items in the derrick
- w. General housekeeping

IX. MUD PUMP AREA

- a. Rotating Equipment, Drive Belts, Pony Pumps guarded
- b. Head and valve covers fully bolted
- c. Shear pin pop-off valve covered/checked
- d. Ends of inlet lines secured
- e. Ends of high pressure vibrator hoses snubbed
- f. Approved and adequate lighting
- g. Drip pans installed and cleaned as needed
- h. Tools & supplies stored in proper place
- i. General housekeeping

X. MUD MIXING AREA

- a. Bagged material properly stacked
- b. Causalts or acids properly stored separate from other materials
- c. Chemical mixing barrel
- d. Adequate personal protective equipment
- e. Signs posted & MSDS in mixing area(s)
- f. Adequate eyewash (shower) available
- g. Adequate ventilation in area
- h. Elevated loading door opening protected
- i. Approved and adequate lighting
- j. General Housekeeping

XI. MUD TANKS AND PITS

- a. Adequate stairs with handrails
- b. Walkways & guardrails in good condition
- c. Walkways free from obstruction/tripping hazards
- d. Gates exist, no items in tanks
- e. Adequate ventilation in area
- f. Guardrails provided on crossovers
- g. Approved adequate lighting
- h. Eye protection required warning signs
- i. Shear shaver ball & pulley drive guarded
- j. Desander, desilter, degasser units
- k. Explosive-proof equipment at shale shaver area
- l. Agitator shafts and couplings guarded
- m. Mud guns and jeting hoses secured
- n. General housekeeping

XII. GENERATOR AREA & ENGINE AREA

- a. Generators properly located
- b. All generator moving parts guarded
- c. Generators properly grounded
- d. Cover panels on electrical control boxes
- e. Electrical controls marked - lockout/tagout
- f. HIGH VOLTAGE warning signs used
- g. Insulating mats at electrical panels
- h. All electrical base grounded
- i. Condition of electrical wiring
- j. Dedicated wires properly strung
- k. Unused electrical outlets covered
- l. Air compressors properly guarded
- m. Air storage tanks equipped with pop-off
- n. Hearing Protection Signs Posted
- o. Hearing protection available & utilized
- p. S.C.R. house if available
- q. Lighting
- r. Engine drip pans installed in good condition
- s. General housekeeping

XIII. FUEL STORAGE TANKS

- a. Fuel storage tanks properly located
- b. All storage valves marked as to contents
- c. Discharge nozzles, hoses, valves
- d. Liquid petroleum gas storage tanks
- e. Piping and fuel lines
- f. Stationary ladders on storage tanks
- g. NO SMOKING signs posted
- h. Tanks labeled as per hazard & contents
- i. Off road use only sign posted as needed
- j. Drip pans installed in good condition
- k. General housekeeping, lighting

XIV. FIRE PROTECTION

- a. Adequate fire extinguishers distributed around the rig and location, not obstructed
- b. Fire extinguishers fully charged, in good condition, current inspection
- c. NO SMOKING Signs posted as needed
- d. No open pit burning
- e. Flammables in U.L. safety cans
- f. Flare area clear of combustibles
- g. Boiler (air heater) and its safety controls
- h. Welding performed safely
- i. Fire Watch Posted
- j. Spark and heat arrester on engine

XV. SLEEPING QUARTERS/BUNK HOUSE

- a. Quarters / Bunk house clean & orderly
- b. Restroom clean & sanitary, needed supplies available
- c. Smoke/fire alarms available and working
- d. Food preparation area clean, food and dishes put away
- e. Fire Extinguishers available
- f. Two exits - unobstructed

Unsatisfactory mark requires clarifying comment.

APPENDIX I

FIGURES **NEW PRODUCTION WELL KS-18** **PUNA FIELD, HAWAII**

Ormat Nevada
FEBRUARY 2018

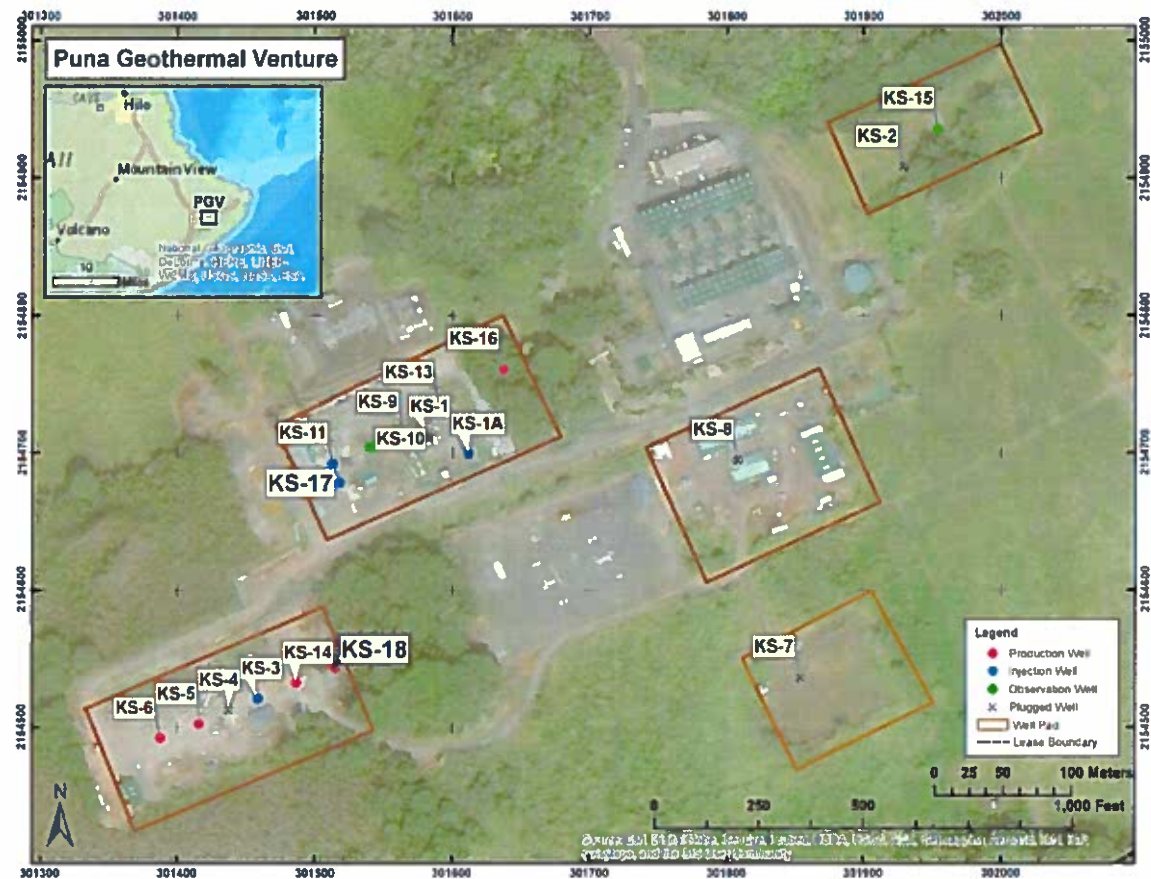


Figure 1. Well Location Map

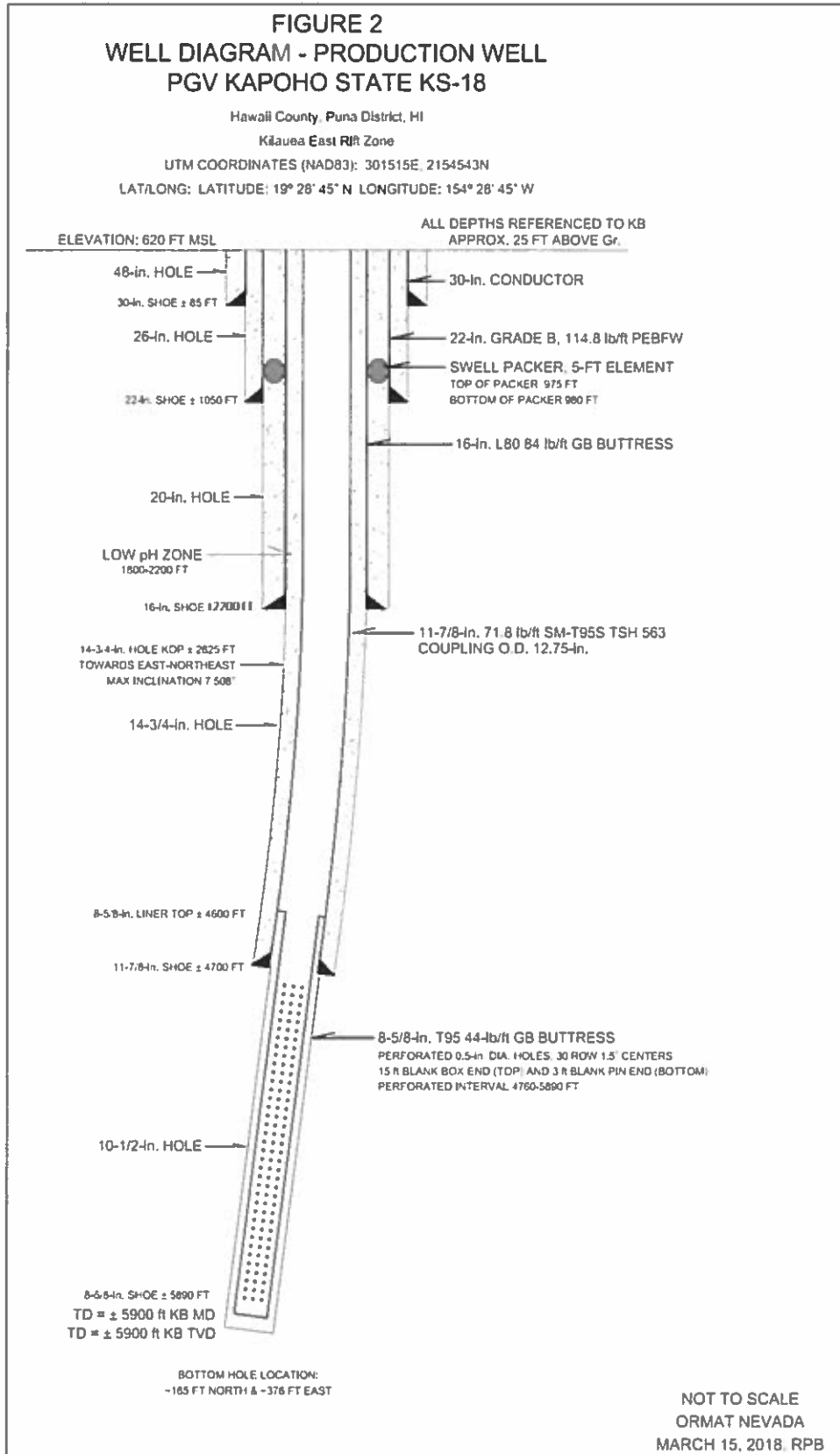


Figure 2. KS-18 proposed well construction.

FIGURE 3
21-1/4-in. BOPE FOR 22-in. CASING
WHILE DRILLING 20-in. HOLE

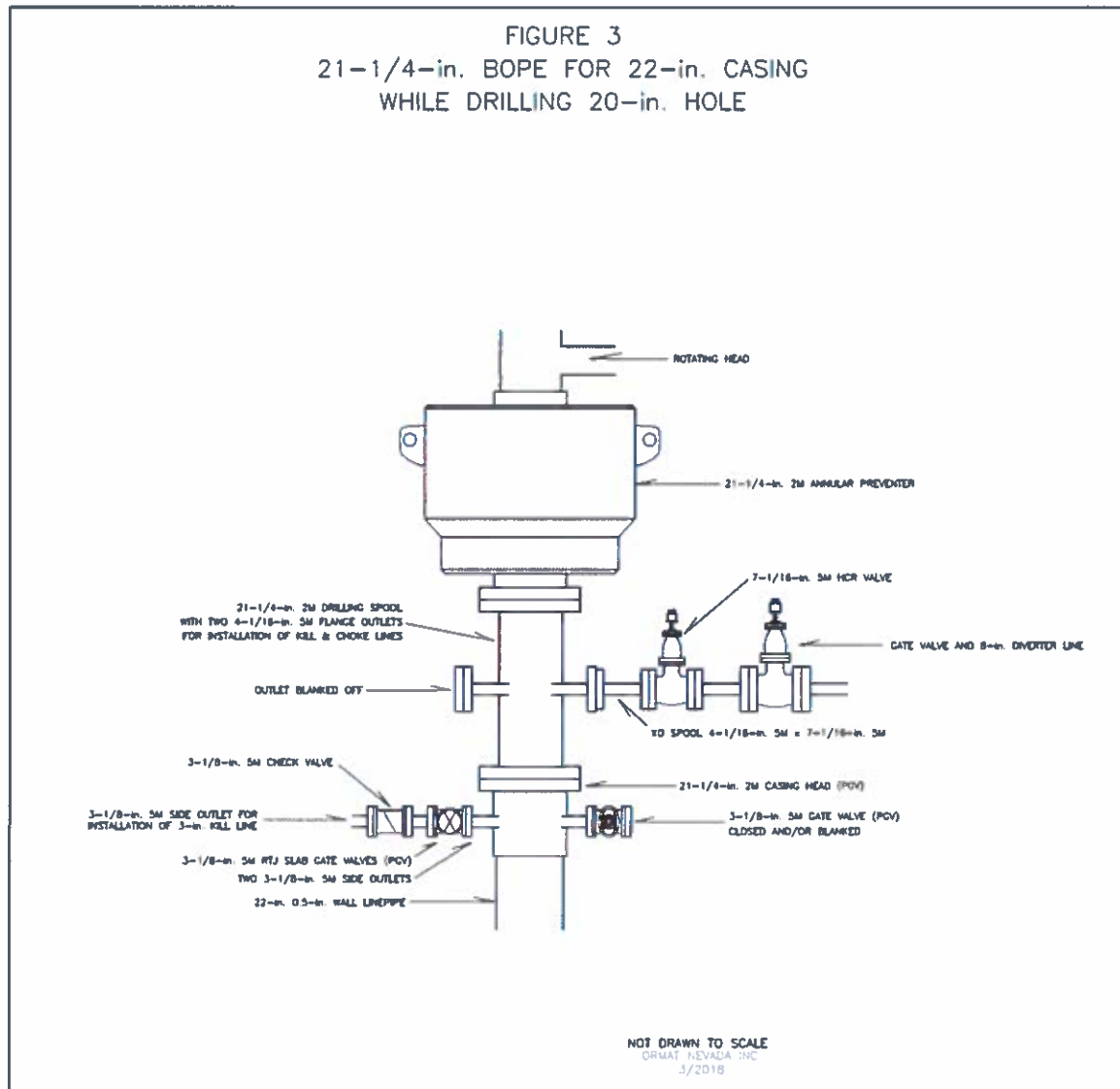


Figure 3. BOPE for 22-inch casing while drilling 20-inch hole.

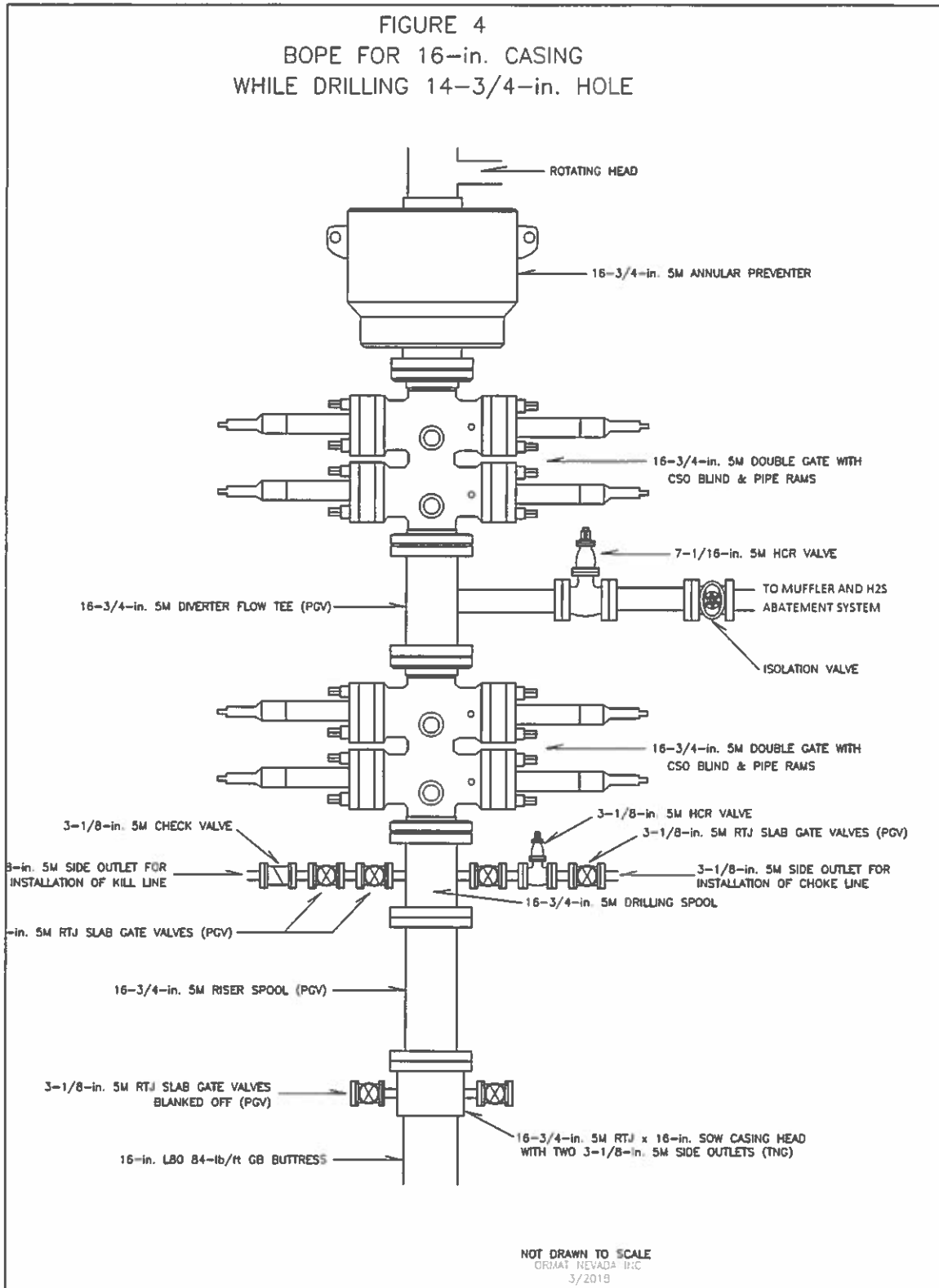


Figure 4. BOPE for 16-inch casing while drilling 14-3/4-inch hole.

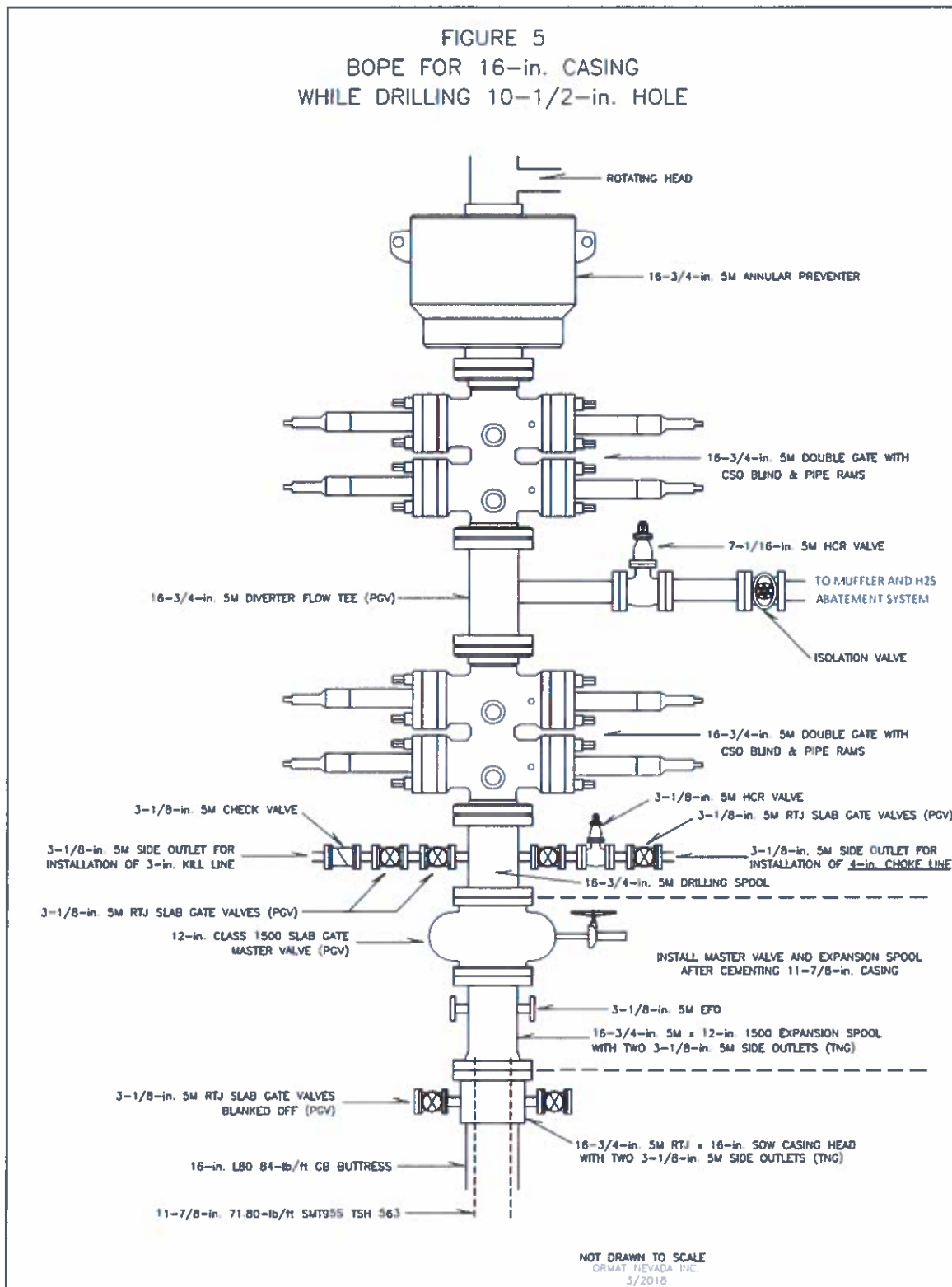


Figure 5. BOPE for 16-inch casing while drilling 10-1/2-inch hole.

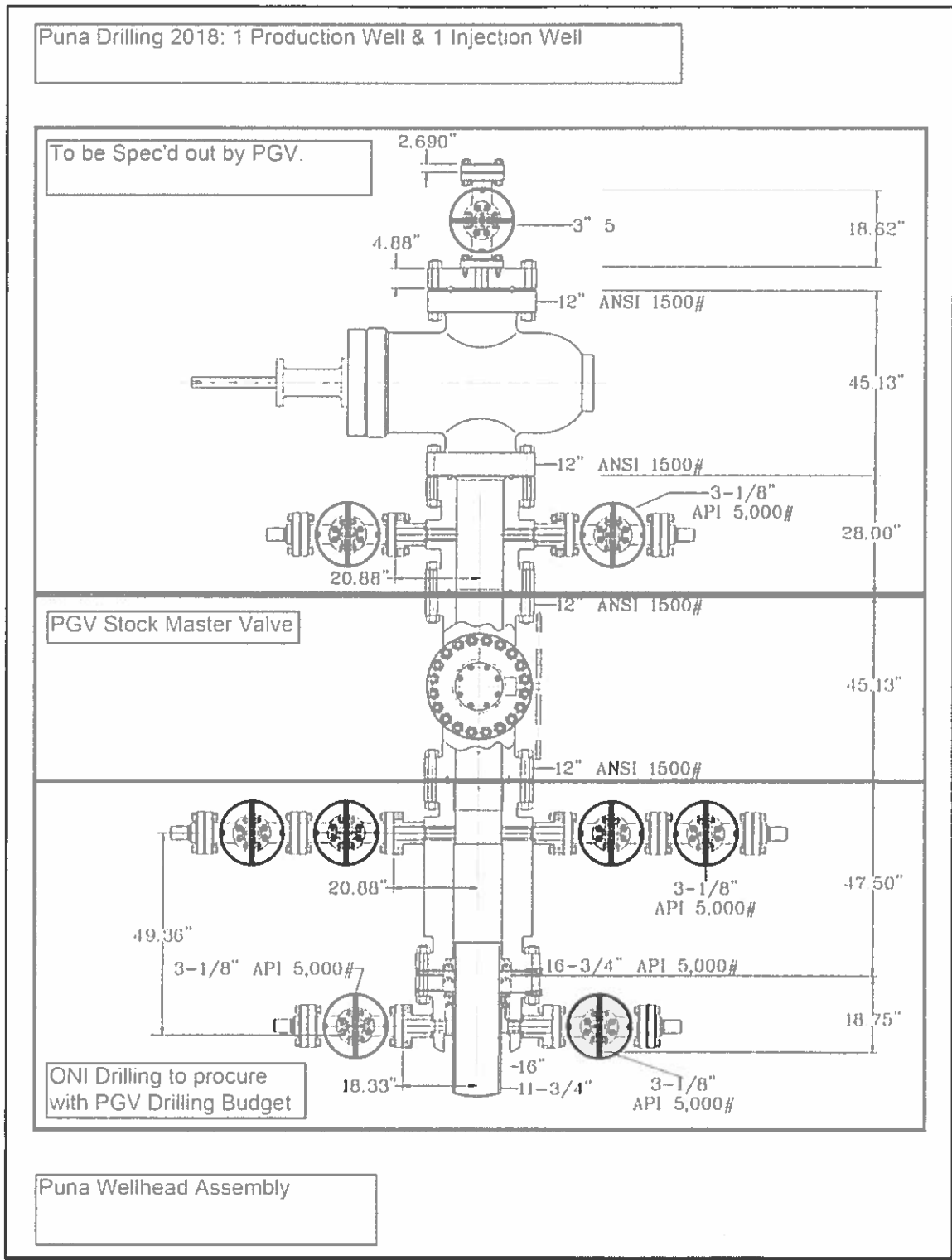


Figure 6. Proposed KS-18 wellhead assembly.

**KS-18 PERMIT TO DRILL: ATTACHMENT III
PUNA GEOTHERMAL VENTURE
REPORTING CRITERIA**

1. The Project Supervisor shall report to the PGV Manager on the day-to-day operations.
2. Based on past experience at the Puna Geothermal Project, it is imperative that constant supervision of the well be accomplished once the drilling evolution commences. PGV Supervisors will be in charge of all activities on location. PGV Supervisors will report to the PGV Manager.
3. Supervisors will spend sufficient time together at the rig during change-out to exchange information on the current activities. Supervisors will be on the floor, on the pump truck, in the wireline unit, etc. for all critical operations.
4. The Manager will be responsible for engineering programs with input from the Supervisors. The Manager will also advise and assist the Supervisors.
5. Contractor's supervisors will report to the Supervisor on location. They will also be on the floor during all crew changes.
6. Reporting procedures for crews will be the responsibility of the contractor. Drillers will log all rig operations on the IADC daily tower report, including the depths of all work performed. Rig crew will assist service company personnel as directed by the contractor's supervisor.