

Bottle Rock Power, LLC 7385 High Valley Road P.O. Box 326 Cobb, CA 95426

Phone: (707) 928-4578 Fax: (707) 928-4581



August 20, 2008

Donna Stone Compliance Project Manager California Energy Commission 1519 9th Street, MS 2000 Sacramento, CA 95814-5512

Ms. Stone

Bottle Rock Power, LLC (BRP) has been removing the cuttings and drilling mud (spoils) from the well pad sumps in order to preserve compliance with Lake County Use Permit 85-27, Section C.2. This Section states that each sump must maintain a minimum depth of free board of three feet. Moreover, the CRWQCB Waste Discharge Requirements Order No. 99-091 states that two feet of free board must be maintained. Spoils being removed from the sumps are tested by a certified lab for both California Assessment Manual (CAM) 17 metals and asbestos.

Thus far, the only hazardous constituent in two of the fourteen sample sets had a total chromium content of (5ppm to 5.9 ppm), slightly above the threshold limit of 5 ppm. Those spoil heaps demonstrating hazardous constituents have been and continue to be disposed of at the Chemical Waste Management Kettleman Hills facility as "geothermal debris".

A dewatering unit was placed at the Francisco well pad sump from November 2007 thru February 2008. This unit was staged in such a way that all liquids would be returned to the sump and the spoils were sent to the other side of the dewatering unit. The spoils pile was set on six mil plastic sheets and a berm was erected around the plastic sheets using large cement construction blocks and waddles. Stockpiled spoils were sampled and then moved to the meadow for further drying.

The non-hazardous spoils that were removed from the sumps were placed in a small area at the south end of the meadow, which is located between the Coleman and Francisco well pads, for drying prior to transport to the proper disposal facility. The meadow area whereon the spoils were set was leveled and maintained to ensure that no erosion would occur a silt fence has been set in place as requested by Ron Yoder, of the Lake County Community Development Department, to act as a precautionary measure. By the end of October, 2008, all non-hazardous spoils will have been removed from the meadow and BRP will reseed the disturbed area and monitor it for erosion.

The spoils material, which is non-hazardous, is being sent to both Quackenbush Mountain Resource Recovery & Compost Facility in Clearlake, California and to the S Bar S Quarry in Kelseyville, California. The Quakenbush facility will mix the soil with compost and other earthen materials for resale as fill dirt and/or topsoil. The S Bar S Quarry will place the soil within the quarry so as to rebuild the excavated hillside and return it to its natural state.

Further removal of spoil materials from all three of the sumps at BRP will be necessary prior to the onset of winter weather. BRP is currently working on the best approach possible for the management and removal of the drill cuttings and mud to include, but not limited to, a dewatering unit and/or sand screw. BRP will continue to update you and all other appropriate agencies as this project goes forward.

Please feel free to contact me with any questions or concerns regarding this matter at 707.928.4578.

Respectfully,

Karon Thomas
Compliance Manager

Cc: Ron Yoder

Carol Oz Guy Childs