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## NEVADA GEOTHERMAL UPDATE

October 2004

**NOTE - UPDATES AND NEW ITEMS ARE HIGHLIGHTED IN YELLOW**

### CURRENT POWER OPERATIONS

<u>Plant/Operator (year on-line)</u>	<u>Nameplate Capacity *</u>	<u>Location</u>
<b>Beowawe Power Plant (1985)</b> Beowawe Power LLC/Caithness Operating	16.6 MW	S13, T31N R47E
<b>Bradys Power Plant (1992)</b> Brady Power Partners/ORMAT Nevada Inc.	21.1 MW	S12, T22N R26E
<ul style="list-style-type: none"><li>BRADY POWER PARTNERS (ORMAT); Geothermal Project Area Permit #540PA; Issued Apr 8, 2004, T22N R26E, Sections 13,14,23,24,11,12 and T22N R27E, Sections 7,18,19; Brady/Desert Peak Area, Churchill County, Nevada; The project area includes 3 production wells with an estimated depth of 6000'; Spent geothermal fluid will be re-injected into existing Brady injection wells; Geothermal Project Area Permit.</li><li>ORMAT Nevada Inc. (ORNI 9, LLC); Permit #533; API #27-001-90300 for Observation Well "82-14" issued Nov 3, 2003, NE/4 NE/4, Section 14, T22N R26E; Brady Hot Springs KGRA, Churchill County; PTD 5000'; Will be used to monitor resources currently being used for electrical power generation. Any fluids will be re-injected. Permitted Observation Well Location, Nov 2003.</li><li>ORMAT Nevada Inc. (ORNI 9, LLC); Permit #534; API #27-001-90301 for Observation Well "55-14" issued Nov 3, 2003, SW/4 NE/4, Section 14, T22N R26E; Brady Hot Springs KGRA, Churchill County; PTD 5000'; Will be used to monitor resources currently being used for electrical power generation. Any fluids will be re-injected. Permitted Observation Well Location, Nov 2003.</li><li>ORMAT Nevada Inc. (ORNI 9, LLC); Permit #535; API #27-001-90302 for Observation Well "88-11" issued Nov 3, 2003, SE/4 SE/4, Section 11, T22N R26E; Brady Hot Springs KGRA, Churchill County; PTD 5000'; Will be used to monitor resources currently being used for electrical power generation. Any fluids will be re-injected. Spud 5/28/2004; C and L Drilling Rig #6; Set 20" casing at 420' on 6/1/2004; Set 13 3/8" @ 3016', Drilled to 4850', 9 5/8" liner ran to 4446' and hung at 2477'; Tested, moved rig; Planning redrill/workover.</li></ul>		
<b>Desert Peak Power Plant (1985)</b> Brady Power Partners/ORMAT Nevada Inc.	12.5 MW	S21, T22N R27E
<ul style="list-style-type: none"><li>ORMAT Nevada Inc. (ORNI 3, LLC); Permit #519PA for a geothermal project area issued March 7, 2003; Includes 8 production wells, 3 injection wells, and 2 observation wells; Project area includes sections 13-16 and 21-29, T22N R27E, Churchill County.</li><li>ORMAT Nevada Inc. (ORNI 3, LLC); Permit #538; API #27-001-90304 for Industrial Well "77-21" issued Apr 8, 2004, NE/4 SE/4, Section 21, T22N R27E; Desert Peak Project Area (#519PA), Churchill County; PTD 5500'; Spent geothermal fluid will be re-injected into Well #22-22; Spud Apr 10, 2004; C and L Drilling Rig #6; Set 13 3/8" @ 1149' on 4/26/2004; TD 3650'; Flow-tested 6/2/2004; Completed as a commercial well, June 2004.</li><li>ORMAT Nevada Inc. (ORNI 3, LLC); Permit #536; API #27-001-90303 for Industrial Well "74-21" issued Nov 3, 2003, SE/4 NE/4, Section 21, T22N R27E; Desert Peak, Churchill County; Production well location in the Desert Peak Project Area; Spud Nov 16, 2003; C and L Drilling Rig #6; Drilled to depth of 4250'; Successfully tested Dec 2003-Jan 2004; IDLE Feb 2004.</li></ul>		
<b>Dixie Valley Power Plant (1988)</b> Caithness Dixie Valley/Caithness Operating	62.0 MW	S7, T24N R37E S33, T25N R37E
<ul style="list-style-type: none"><li>Caithness Dixie Valley; SW Lamb #2; Permit #539, API 27-001-90305 issued Apr 8, 2004; NE/4 NE/4; Section 13, T24N R36E; Injection well permit for existing well drilled in August, 1979, Total Depth 8588'; Dixie Valley, Churchill County, Nevada; Permitted Injection Well Location, Apr 2004.</li></ul>		



- ◆ A coal-fired power plant and a geothermal power project, both in the planning stages near Gerlach, are competing for access to a 3100-megawatt transmission line running through the desert near Gerlach and Empire. Semptra Energy Resources is planning a 1450-megawatt coal-fired power plant, Granite Fox, on the edge of the Smoke Creek Desert. They have applied for permission to connect to the transmission line. Nevada Renewable Energy Park, south of Gerlach, has also applied to connect to the line. The Nevada Renewable Energy Park is a planned 1200-megawatt geothermal and wind power project. See the article in the Reno Gazette-Journal August 22, 2004 by Susan Voyles for more information.

#### **Salt Wells KGRA (T16-17N R30-31E), Churchill County**

- ◆ Sep 1, 2004 - Compliance Order is issued stating that NGS must obtain all required permits before a "Permit to Construct" for the Salt Wells Geothermal Power Plant Project is issued. Staff recommends that the Commission issue the Permit to Construct, once all other permits are obtained and the compliance review is completed. The application was granted, subject to those conditions. - [http://www.puc.state.nv.us/Renewable/dkt\\_04-4011/04-4011o.pdf](http://www.puc.state.nv.us/Renewable/dkt_04-4011/04-4011o.pdf)
- ◆ Nevada Geothermal Specialists, LLC, Reno, Nevada (NGS) has submitted an application for a Permit to Construct Utility Facilities in the Salt Wells Known Geothermal Resource Area (KGRA), which is approximately 10 miles east of Fallon, Nevada. NGS proposes to construct the Salt Wells Geothermal Power Plant, a net 10 MW binary cycle power plant, available for commercial services by the end of 2005. Three to four production wells will be drilled to supply the plant with approximately 7,000 gpm of geothermal fluid, which will be re-injected into two injection wells. A six-mile transmission line is being proposed to deliver the power from the facility to the Sierra Pacific 230 kV line. Nevada SAI # E2004-172. Project: Salt Wells Geothermal Power Plant and Transmission Line. For more information from the Public Utilities Commission, Contact Michael Stafford, Clearinghouse Coordinator, (775) 684-0209 or email [mstafford@budget.state.nv.us](mailto:mstafford@budget.state.nv.us).

#### **Naval Air Station, Fallon, Nevada, Churchill County**

- ◆ Geothermal Resource Development, NAS Fallon, NV  
U. S. Navy Request for Proposal (RFP) N47408-04-R-2530 – Issued 9/9/2004  
Receipt of Offers due by 1600 hours Pacific Time, Jan 10, 2005.  
Available by INTERNET ACCESS ONLY - All solicitation (or RFP) documents and solicitation amendments will be posted on the NAVFAC E-Solicitation (E-SOL) Website at <http://www.esol.navfac.navy.mil/>. Interested parties are required to register for the solicitation at the NAVFAC E-Solicitation Website.  
The objective is to enter into a Public/Private Venture (PPV) agreement with private industry, for a period of up to 30 years, for the development of geothermal resources located beneath Naval Air Station Fallon, Nevada. The development site is located approximately 60 miles east of Reno and three miles south of Fallon. The developer will be responsible for all phases of erecting and operating a geothermal electrical power plant on Navy land. Compensation to the Navy, terms and conditions are subject to negotiation. The Navy does not intend to directly purchase any of the output of the facility. The developer will be responsible to sell the power generated in accordance with PURPA regulations. The selection process will include an evaluation of the past performance of offerors in three areas: technical, experience in managing commercial-scale electricity production projects; and financial capability. EACH OFFEROR/CONTRACTOR MUST REGISTER ON THE DEPARTMENT OF DEFENSE CENTRAL CONTRACTOR REGISTRATION (CCR). NO CONTRACT AWARD WILL BE MADE TO ANY CONTRACTOR THAT IS NOT REGISTERED OR IN THE PROCESS OF REGISTERING WITH THE DOD CCR. THE DOD CENTRAL CONTRACTOR REGISTRATION MAY BE REACHED AT (888) 352-9333, OR FACSIMILE (616) 691-5305, OR E-MAIL [disc-cso@disc.mil](mailto:disc-cso@disc.mil). For inquiries related to the RFP, contact Mr. Chris Henschel at the Naval Facilities Engineering Command Contracts Office (NAVFACCO), Port Huueneme, CA, telephone (805) 982-3872, or e-mail at [Christopher.henschel@navy.mil](mailto:Christopher.henschel@navy.mil)

#### **Hot Sulphur Springs (Tuscarora), Elko County**

- ◆ Earth Power Resources, Inc.; State Permit #526PA issued Aug 5, 2003 for a geothermal project area to include 8 production wells (PTD 4000'), 6 injection wells (PTD 4000'), and 10 observation wells (PTD 4000'); The project area will encompass sections 4,5,8,9,16,& 17, T41N R52E; Hot Sulphur Springs, near Independence Valley and Tuscarora, Elko County, Nevada. The purpose of the project area is to supply a 25 MW power plant for a power purchase contract awarded by Sierra Pacific.

- ◆ Earth Power Resources, Inc.; State Permit #527 for Industrial Production Well #57-8 issued Aug 8, 2003; API #27-007-90027; SW/4 SW/4 SE/4, Section 8, T41N R52E; Hot Sulphur Springs, Elko County, Nevada; Projected total depth 4000'; 1<sup>st</sup> production well location in Project Area 526PA; Spud Nov 14, 2003; Lang Drilling Company, continuous core rig; Did not reach objective, temporarily abandoned Nov 24, 2003; Considering re-drilling with rotary rig. The well name and location have been changed, (originally #46-8); TEMPORARILY ABANDONED, Nov 2003.
- ◆ Earth Power Resources, Inc.; State Permit #528 for Observation Well #67-8 issued Aug 8, 2003; API #27-007-90028; NE/4 SE/4, Section 8, T41N R52E; Hot Sulphur Springs, Elko County, Nevada; Projected total depth 4000'; 1<sup>st</sup> observation well location in Project Area 526PA; Spud Dec 5, 2003 Lang Drilling Company rotary rig; Set 7" at 1350', set 4.5" at 2490', shut down 12/18-28 for Holidays; Resumed operations on Dec 29 with Boart Longyear continuous core rig; Drilled to TD 3810'; Ran tests, evaluating; COGITATING.
- ◆ Earth Power Resources, Inc.; Permit for 2D shot hole seismic survey; Project Area 526Pa; Hot Sulphur Springs, near Tuscarora, Elko County, Nevada; Approximately 7 line miles of acquisition planned including sections 4,5,8,9,10,16 &17, T41N R52E; Exploration survey permit.

### **Rye Patch/Humboldt House KGRA, Pershing County (Rye Patch Power Plant, 12 MW, 90% complete)**

### **Fly Ranch Geothermal Prospect Area; West Black Rock Desert, Washoe County**

#### **Black Warrior Peak, Washoe County**

- ◆ Vancouver, B.C. - Nevada Geothermal Power Inc. (NGP) announced that it has acquired 7 square miles of private land and has applied for a one section federal geothermal lease south and east of Black Warrior Peak, Washoe County, Nevada. The leases are on private land and are subject to a 3.5% royalty on gross revenue from electricity sales; however, NGP can purchase the royalty for US\$1,000,000. Leases include surface and water rights.

#### **Blue Mountain Geothermal Prospect Area, Humboldt County**

- ◆ Sep 29, 2004 Nevada Geothermal Power Inc. reports that the temperature gradient drilling program is nearing completion. Eight holes were drilled with an air rotary rig. Three locations in the valley may be redrilled with mud circulation after initial results are evaluated. These results, combined with test wells Deep Blue #1 and #2 will be used to locate two production test wells. - <http://www.nevadageothermal.com/s/News.asp?ReportID=89351& Type=News& Title=Further-Blue-Mountain-Temperature-Drilling>
- ◆ NORAMEX CORP. 15 permits for Thermal Gradient holes were issued July 19, 2004. The holes will be drilled to map aerial distribution of the thermal anomaly. Any fluids will be contained in a sump adjacent to the well. The locations are in Sections 1,11-15, 23 of T36N R34E; Blue Mountain area, Humboldt County, Nevada. The proposed depth of each hole is 500'.  
Permits #545-#559, API #s 27-013-90016 thru 27-013-90030; Dynatec Drilling began drilling the holes August 18, 2004.
- ◆ NORAMEX CORP. Permit #500, API #27-013-90014 for Observation Well "Deep Blue #1 issued March 20, 2002; SE/4 SW/4, Section 14, T36N R34E, Humboldt County; PTD 2000'; Drilled in May, 2002; Plan to test the #1 well in near future.
- ◆ NORAMEX CORP. Permit #532, API #27-013-90015 for Observation Well "Deep Blue #2" issued Nov 3, 2003; SW/4 NE/4, Section 14, T36N R34E, Humboldt County; PTD 3400'; Blue Mountain area; Will be used to further evaluate the commercial potential of the geothermal resource. Spud March 25, 2004, Lang Drilling Company; Set surface casing; Moved in Boart Longyear continuous coring rig Apr 1, 2004; Completed to depth of 3700' Apr 28, 2004; Max temp measured during drilling was 330°F @ 1920'; Flow-tested Apr 29 @ 80 gpm; TESTING. Permitting has been completed for flow and injection tests scheduled to begin October 18, 2004.

#### **Pumpnickel Valley Geothermal Prospect Area, Humboldt County**

- ◆ Oct 14, 2004 Nevada Geothermal Power Inc announced that Inovision Solutions Inc. will fund exploration and development for the Pumpnickel project to earn a 50% joint venture interest. Also, Noramex (wholly owned subsidiary of NGP) has been awarded a US DOE cost-sharing contract, signed Oct 13, where DOE will fund 80% of an initial field evaluation program at the Pumpnickel project. Total budget for this work is \$740,340 and will include a 3-D "E-SCAN" resistivity survey and six temperature gradient holes. Pumpnickel Valley is southeast of Winnemucca, south of Golconda, in Humboldt County, Nevada. - <http://www.nevadageothermal.com/s/News.asp?ReportID=90469& Type=News& Title=Pumpnickel-Valley-Geothermal-Project>

**Hazen, Nevada; T21-22N R26E; Churchill and Lyon Counties**

- ◆ Geothermal Rail Industrial Development project (GRID-USA) announced. Plans for alternative energy industrial park east of Reno, Nevada. Contact 1025 Ridgeview Dr., Ste. 100, Reno, NV 89509, (775) 826-3333 or (866) GRIDUSA. See website - <http://www.gridusa.biz/>

**Emigrant Geothermal Project; Esmeralda County**

- ◆ Fish Lake Valley, T1S R36E – Esmeralda Energy Company/Geo-Energy Partners-1983 Ltd. (GEO-83) Signed a DOE cost sharing award for the Emigrant Slimhole Drilling Project (GRED III Award). The DOE will fund 80% of a 4000’ core hole at a location on GEO-83’s leases at the project in Esmeralda County. The DOE total cost share is estimated at \$592,000 of the total budget of \$740,000. Esmeralda is seeking a power purchase agreement for the project. GeothermEx’s PRP/PIER report estimated Emigrant to be capable of between 49-118 MW. For more information, contact Jack McNamara (818) 865-8515, [jackmack@suesec.com](mailto:jackmack@suesec.com).

**Spencer Hot Springs Area; Lander County**

- ◆ BLM Environmental Assessment completed for geothermal leases filed in T17N R45E. BLM report recommends approval of geothermal lease applications, N77778, N77779, N77780 - <http://www.nv.blm.gov/bmountain/eis/Spencer%20HS%20Geothermal%20Lease%20Public%20Copy.pdf>

**Recent BLM Geothermal Leases Filed**

- ◆ For more information on BLM leases in Nevada, see the website: <http://www.blm.gov/lr2000>

<b>Non-Competitive Geothermal BLM Lease Applications (09/03-11/04), Pending:</b>			
Western Geothermal Ptnrs 9/2/2003	NVN 77550; 1036.57acres	T38N R62E (6,28,32,34)	Wells, NV, Elko Co.
Western Geothermal Ptnrs 9/2/2003	NVN 77551; 160.0 acres	T38N R62E (32)	Wells, NV, Elko Co.
Western Geothermal Ptnrs 9/2/2003	NVN 77552; 160.0 acres	T38N R62E (28)	Wells, NV, Elko Co.
Western Geothermal Ptnrs 9/9/2003	NVN 77600; 1280.0 acres	T11N R25E (27)	East of Smith Vly, Lyon Co.
Western Geothermal Ptnrs 9/9/2003	NVN 77602; 1311.2 acres	T10N R25E (2,3)	East of Smith Vly, Lyon Co.
Stillwater Holdings LLC 10/8/2003	NVN 77690; 400.00 acres	T19N R30E (28,29)	Stillwater, Churchill Co.
Western Geothermal Ptnrs 10/14/2003	NVN 77711; 1280.00 acres	T17N R31E (33,34)	Salt Wells, Churchill Co.
Western Geothermal Ptnrs 10/14/2003	NVN 77712; 1296.58 acres	T16N R31E (3,4)	SE of Salt Wells, Churchill Co.
Western Geothermal Ptnrs 10/16/2003	NVN 77722; 1920. 00 acres	T18N R30E (22,26,27)	North of Salt Wells, Churchill Co.
Kingzett, James M. 10/21/2003	NVN 77739; 2560.00 acres	T19N R26E (6) T20N R25E (34,36) T20N R26E (31)	Hazen, Churchill & Lyon Cos.
Signorotti, Stephen G 12/9/2003	NVN 77942; 240.00 acres	T31N R55E (36)	East of Dixie Flats; Elko Co.
Signorotti, Stephen G 12/9/2003	NVN 77943; 1240.00 acres	T30N R55E (12,13,14)	East of Dixie Flats; Elko, Co.
Western Geothermal Ptnrs 1/8/2004	NVN 77983; 200.00 acres	T08N R29E (25)	Mineral County, near Hawthorne
Western Geothermal Ptnrs 1/8/2004	NVN 77984; 945.09 acres	T07N R30E (5,6)	Mineral County, near Hawthorne
Western Geothermal Ptnrs 1/8/2004	NVN 77985; 1822.76 acres	T08N R30E (29,30,31,32)	Mineral County, near Hawthorne
Noramex Corp. 2/25/2004	NVN 78124; 1880.00 acres	T33N R40E (10) T34N R40E (28,34)	Tipton Ranch, Humboldt County
Katz, Lewis 4/1/2004	NVN 78364; 2340.00 acres	T29N R48E (24,36) T29N R49E (30,32)	Crescent Valley, Eureka County
NORAMEX CORP 7/13/2004	NVN 78777; 566.40 acres	T24N R25E (30)	Fireball Ridge, Churchill Co.
Clear Skies Energy Ptnr LLC 7/20/2004	NVN 78813; 3,840.00 acres	T34N R36E (4,6,8) T35N R36E (28,32,34)	West of Winnemucca Pershing/Humboldt Cos.

Katz, Lewis 9/13/2004	NVN 79077; 2560.00 acres	T28N R49E (2,6,8,16)	Crescent Valley, Eureka County
Ormat Energy Inc 9/22/2004	NVN 79103; 80.00 acres	T18N R29E (35)	Salt Wells, Churchill County
Ormat Nevada Inc 9/22/2004	NVN 79104; 2481.00 acres	T18N R30E (28,31-33)	Salt Wells, Churchill County
Ormat Energy Inc 9/22/2004	NVN 79105; 2357.00 acres	T18N R30E (19,20,29,30)	Salt Wells, Churchill County
Ormat Nevada Inc 9/22/2004	NVN 79106; 2556.00 acres	T17N R30E (5-8)	Salt Wells, Churchill County
Ormat Nevada Inc 09/22/2004	NVN 79107; 1280.00 acres	T17N R29E (1,2)	Salt Wells, Churchill County
Clear Skies Energy Ptnr LLC 10/25/2004	NVN 79251; 1920.00 acres	T35N R36E (28,32,34)	West of Winnemucca Pershing/Humboldt Cos
Kingzett, James M. 11/03/2004	NVN 79275; 2560.00 acres	T22N R27E (12,24) T22N R28E (18,30)	Hazen, Churchill & Lyon Cos.
Kingzett, James M. 11/03/2004	NVN 79276; 2560.00 acres	T21N R26E (36) T21N R27E (30)	Hazen, Churchill & Lyon Cos.
Kingzett, James M. 11/03/2004	NVN 79277; 2560.00 acres	T21N R27E (2) T22N R27E (32,34,36)	Hazen, Churchill & Lyon Cos.
Kingzett, James M. 11/03/2004	NVN 79278; 2560.00 acres	T21N R27E (4,6,8,18)	Hazen, Churchill & Lyon Cos.
Southwest Geothermal 11/04/2004	NVN 79291; 1935.86 acres	T20N R26E (24) T20N R27E (6) T21N R26E (36)	Hazen, Churchill & Lyon Cos.
Southwest Geothermal 11/04/2004	NVN 79292; 1985.23 acres	T20N R26E (2,12,14)	Hazen, Churchill & Lyon Cos.

<b>Recent Geothermal BLM Leases Issued:</b>			
ORMAT Nevada Inc. 8/26/2003	NVN 76209; 2560.0 acres	T24N R47E (10,15,16, 20)	Grass Valley, Lander Co.
ORMAT Nevada Inc. 8/26/2003	NVN 76210; 2563.0 acres	T24N R47E (2,3,4,9)	Grass Valley, Lander Co.
ORMAT Nevada Inc. 8/26/2003	NVN 76211; 2560.0 acres	T24N R47E (21,22,28,29)	Grass Valley, Lander Co.
PSG Resources LLC 8/27/2003	NVN 77110; 640.0 acres	T02S R39E (15)	Silverpeak, Esmeralda Co.
PSG Resources LLC 8/27/2003	NVN 77111; 640.0 acres	T02S R39E (10)	Silverpeak, Esmeralda Co.
Nevada Geothermal Spec	NVN 77271; 2520 acres	T17N R30E (23-26)	Salt Wells
Nevada Geothermal Spec	NVN 77272; 1274 acres	T17N R30E (35,36)	Salt Wells
Western Geothermal Ptnrs 12/1/2003	NVN 77268; 1662.05 acres	T32N R23E (15,16,21,22)	Gerlach
Western Geothermal Ptnrs 12/1/2003	NVN 77273; 1865.64 acres	T17N R31E (19,30,31)	Salt Wells;
Katz, Lewis 5/24/2004	NVN 74266; 640.00 acres	T28N R49E (10)	Crescent Valley, Eureka Co.
Cortez Joint Venture 5/24/2004	NVN 74501; 640.56 acres	T28N R49E (4)	Crescent Valley, Eureka Co.
Geo-Energy Partners 7/2/2004	NVN 76208; 640.00 acres	T01S R36E (16)	Fish Lake Valley, Esmeralda Co.
Evans David M. 7/22/2004	NVN 76302; 1912.00 acres	T26N R35E (25) T26N R36E (29,30)	Buena Vista Valley, Pershing Co.
Kingzett James M 7/22/2004	NVN 77645; 2,560.00 acres	T21N R26E (10,14,24,26)	Hazen, Lyon/Churchill Cos.
Western Geothermal Ptnrs 7/22/2004	NVN 77658; 642.46 acres	T44N r30E (1)	Howard HS, Humboldt Co.
Geo-Energy Partners 9/16/2003; 7/22/2004	NVN 77627; 2560.0 acres	T01S R36E (14,15,21,22)	Fish Lake Vly, Esmeralda Co.
Geo-Energy Partners 9/16/2003; 7/22/2004	NVN 77628; 2556.24 acres	T01S R36E (3,10,11,13)	Fish Lake Vly, Esmeralda Co.
NORAMEX CORP. 10/1/2003; 7/22/2004	NVN 77668; 1959.00 acres	T36N R34E (10,12,22)	West of Blue Mtn, Humboldt Co.

NORAMEX CORP. 10/1/2003; 7/22/2004	NVN 77669; 1338.94 acres	T36N R34E (24,26)	West of Blue Mtn, Humboldt Co.
Kingzett, James M. 10/21/2003; 7/22/2004	NVN 77740; 2560.00 acres	T21N R26E (2,8,12,16)	N of Hazen, Churchill & Lyon Cos.
Kingzett, James M. 10/21/2003; 7/22/2004	NVN 77741; 2560.00 acres	T21N R26E (4) T22N R26E (34,35,36)	N of Hazen, Churchill & Lyon Cos.
Bright-Holland Company 2/19/2004; 7/22/2004	NVN 78098; 800.00 acres	T34N R23E (13,24)	Fly Ranch, Washoe County
Bright-Holland Company 2/19/2004; 7/22/2004	NVN 78099; 2192.61 acres	T34N R23E (1-3,10-12)	Fly Ranch, Washoe County
Bright-Holland Company 2/19/2004; 7/22/2004	NVN 78100; 2083.23 acres	T34N R23E (14,15,22,23)	Fly Ranch, Washoe County
Western Geothermal Ptnrs 3/4/2004; 7/22/2004	NVN 78144; 1280.00 acres	T02S R39E (21,22)	Silverpeak, Esmeralda County
Western Geothermal Ptnrs 6/14/2004; 9/30/2004	NVN 78687; 1180.00 acres	T24N R43E (32,35)	Shoshone Range, Lander County
Western Geothermal Ptnrs 6/14/2004; 9/30/2004	NVN 78688; 2525.00 acres	T23N R43E (3,6,8,9)	Shoshone Range, Lander County
Western Geothermal Ptnrs 7/2/2004; 9/30/2004	NVN 78780; 1,918.36 acres	T02S R39E (2,11,14)	Silverpeak, Esmeralda Co.
McGee, Charles M. 11/12/2003, 11/3/2004	NVN 77801; 635.00 acres	T14N R43E (34)	Big Smoky Valley, Nye County
JAYCOR Mining Inc 6/3/2004, 10/28/2004	NVN 78572; 1920.00 acres	T17N R39E (23,24,26)	Smith Creek Valley, Lander County

<b>Competitive Sale Geothermal BLM Lease Applications (06/2003), DROPPED:</b>			
NGP Power Corp	NVN 77269; 1346.92 acres	T16N R30E (1) T16N R31E (6)	Salt Wells
NGP Power Corp	NVN 77270; 1360 acres	T16N R30E (2,3)	Salt Wells

## OTHER NEWS

### American Jobs Creation Act of 2004

- October 22, 2004 – President Bush signed the H. R. 4520, the American Jobs Creation Act of 2004 - <http://www.geo-energy.org/Updates/2004/Nov04.htm>
- Geothermal Energy Tax Incentive - Production Tax Credit  
October 6, 2004, a Congressional Conference Committee reached agreement on the Bill H.R. 4520. The Production Tax Credit, previously for development of wind energy, will be expanded to include geothermal energy. It provides a 1.5 cent-per-kilowatt-hour tax credit for electricity generated from new facilities.
- On May 11, 2004, the Senate approved the Corporate Tax Bill S. 1637, which included a \$14 billion energy tax incentive package.  
"While many of the tax incentives and cuts benefit conventional energy suppliers, the 1.8-cent-per-kilowatt-hour renewable energy credit may help the United States become a larger force in the renewable technology market. However, some advocates of renewable energy claim that a tax incentive may not be enough to spur the industry's development, and that a renewable portfolio standard (RPS) should be implemented in the United States as it has been in some European countries. The 15 states that have independently adopted RPS policies account for 75 percent of renewable industry growth over the last decade, illustrating the potential effect of RPS. President Bush continues to advocate a voluntary approach to renewable development." - <http://www.agiweb.org/gap/legis108/energy.html>

### DOE's Tribal Energy Program Issues Solicitations for Renewable Energy Development on Tribal Lands

- Two Funding Opportunity Announcements Issued; DOE Tribal Energy Program is seeking applications for funding from Federally-recognized Tribes, Alaska Native Villages and Alaskan Native Corporations for: 1) the initial steps toward developing renewable energy and energy efficiency on Tribal Lands; and 2) either renewable energy feasibility studies or renewable energy development projects. For more information or copies of the announcements, see Funding Opportunities on the Tribal Energy Website at <http://www.eere.energy.gov/tribalenergy>  
"Renewable Energy Development on Tribal Lands" (Reference Solicitation Number DE-PS36-04GO94003)

Submission deadline February 4, 2005

Under this announcement, DOE is soliciting applications from Federally-recognized Tribes, Alaska Native villages and Alaskan Native Corporations (hereafter referred to as Tribes) to either:

- 1) Conduct feasibility studies for the development of economically sustainable renewable energy installations; or
- 2) Sustainable renewable energy development projects (20% cost share).

"First Steps Toward Developing Renewable Energy and Energy Efficiency on Tribal Lands" (Reference Solicitation Number DE-PS36-04GO94004) Submission deadline January 20, 2005

Under this announcement, DOE is soliciting applications from Federally-recognized Tribes, Alaska Native villages and Alaskan Native Corporations for strategic planning, energy options analysis or resource planning, energy organization development, and human capacity building related to sustainable energy efficiency implementation or renewable energy development.

Funds for these announcements are currently not available. Awards under these solicitations are subject to the amount of discretionary funding, if any, appropriated by Congress.

DOE will only consider applications from Tribes on whose Tribal Lands the project will be located. Applications from a consortium of Tribes will be accepted but must be submitted by a single Tribe representing the consortium.

Lizana Pierce, Project Manager; Tribal Energy Program; U.S. DOE, Golden Field Office; 1617 Cole Boulevard; Golden, CO 80401-3393; Phone: (303) 275-4727; Facsimile: (303) 275-4753; Email: [lizana.pierce@go.doe.gov](mailto:lizana.pierce@go.doe.gov)

For information DOE's Tribal Energy Program, see - <http://www.eere.energy.gov/tribalenergy>

Also, see our new "Guide to Tribal Energy Development" at <http://www.eere.energy.gov/tribalenergy/guide>

### **GREED-III, Application Due (please check site for the latest due date.)**

- ◆ The following companies will receive financial assistance from DOE under this program:  
ORMAT Nevada, Inc.; Earth Power Resources, Inc.; Esmeralda Energy Company; Noramex Corp.; AMP Resources; New Mexico Institute of Mining & Tech.; Fort Bidwell Indian Community; Western Geothermal Partners; NGP Power Corp.; Arizona Public Service; Chena Hot Springs Resort LLC.
- ◆ DOE's Office of EERE is seeking financial assistance applications for the third Geothermal Resource Exploration and Definition (GREED III) Program. Through this Funding Opportunity Announcement (FOA), DOE intends to provide financial support for the exploration and definition of new geothermal resources, which will ultimately lead to more electrical generation and direct-use applications from geothermal resources. DOE has requested approximately \$2 million in FY 2004 for this program. The actual level of funding, if any, depends on the appropriations for this program. DOE anticipate(s) making 3-10 awards under this announcement depending on the size of the awards.

Title: Geothermal Resource Exploration and Definitions, GREED-III

Number: DE-PS36-04-GO94016

[http://www.eere.energy.gov/geothermal/current\\_solicitations.html](http://www.eere.energy.gov/geothermal/current_solicitations.html)

<https://e-center.doe.gov/iips/faopor.nsf/UNID/FE9EF9C9026D358585256E5F007D292D?OpenDocument>

### **U.S. Department of Energy - Energy Efficiency and Renewable Energy**

- ◆ Geothermal Technologies Program - Geothermal Electrical Power System Validation  
DE-PS36-04GO94014  
DOE's Office of Energy Efficiency and Renewable Energy (EERE) is seeking financial assistance applications that demonstrate innovation in:  
Technology for generation of electricity from a greater number of lower temperature (< 300°F) geothermal resources; and Components and processes of the geothermal power plants that result in economical, reliable and efficient electrical power generating systems for geothermal application.  
Category I projects must describe a new power plant that is capable of generating electricity from a lower temperature geothermal resources using innovative technology. The new plant shall have a nominal average net electrical output of at least 1 MWe.  
Category II proposed technologies must be applicable to commercial generation of electricity at a geothermal power plant. Innovations being sought for this category include new components or processes to be integrated into an existing installation, but not complete power modules that amount to self-contained energy conversion systems.  
Approximately \$3 million is expected to be available for new awards. The maximum amount for an individual

award is \$2.4 million for Category I and \$400,000 for Category II. DOE anticipates making up to two awards in Category I and up to eight awards in Category II. Awards may run for up to 4 years for Category I and 3 years for Category II.

The application due date is October 5, 2004. For more information -

<https://e-center.doe.gov/iips/faopor.nsf/UNID/F82EE9D59675780D85256EBE0053298A?OpenDocument>

#### **PUC Approves Regulations to Assist Development of Renewables**

- ◆ September 29, 2004, CARSON CITY, NV – The Public Utilities Commission approved new regulations that assist renewable energy developers in obtaining financing for new projects in Nevada. TRED creates an independent trust for an allocation of funds collected by the electric utilities to be disbursed to renewable energy developers for the electricity sold to the utilities. This will guarantee payments to project financiers regardless of the financial situation of the utility. - <http://www.puc.state.nv.us/news/2004/TRED.pdf>

#### **PUC Approves New Renewable Energy Contract**

- ◆ October 13, 2004, CARSON CITY, NV – The Public Utilities Commission approved a renewable energy contract for 20 megawatts of new geothermal power to be supplied by ORNI 7 (Ormat Nevada Inc). The 20 year contract is one resulting from the RFP issued by Sierra Pacific in 2003. The power plant, Galena Geothermal 1, will be located south of Reno, NV at Steamboat Springs and is expected to be online by 2006. - <http://www.puc.state.nv.us/news/2004/SPPCcontract.pdf>

#### **WAPA Issues RFP for Renewable Energy Certificates**

- ◆ The Western Area Power Administration (WAPA) recently announced its issuance of a request for proposals (RFP) regarding the purchase of renewable energy certificates (RECs). According to WAPA, the RFP contemplates the purchase of 17,375 megawatt-hours of RECs annually by WAPA on behalf of five Environmental Protection Agency (EPA) facilities located throughout WAPA's Rocky Mountain and Sierra Nevada Customer Service Regions.

WAPA noted that the initial term of any contract awarded under the RFP will be for one year. If and when EPA requests; however, WAPA said it will exercise a provision in the contract that allows for the unilateral extension of the contract term by one year intervals for up to two additional years, with the REC unit pricing for each additional year to be equal to that of the initial term pricing.

Favorable consideration will be given to eligible offered RECs generated by renewable resources owned by Native American tribes and/or renewable resources located on Native American tribal property. Contact WAPA, website [http://www.wapa.gov/rm/EPA\\_REC\\_RFP.pdf](http://www.wapa.gov/rm/EPA_REC_RFP.pdf).

#### **Report on Geothermal Resources in California and Nevada**

- ◆ The full report is now available - [http://www.energy.ca.gov/pier/final\\_project\\_reports/500-04-051.html](http://www.energy.ca.gov/pier/final_project_reports/500-04-051.html)
- ◆ At the California Geothermal Summit in Sacramento on May 20, 2004, Jim Lovekin presented a summary of geothermal resource capacities and development costs in Nevada and California. The presentation summarized the results of a study GeothermEx has recently completed for the San Francisco Public Utilities Commission (Hetch Hetchy Water and Power) with funding from the PIER program of the California Energy Commission (CEC). The full report (including a database in MS Access) is expected to be available soon at the CEC website. – [http://www.energy.ca.gov/geothermal/documents/2004-05-20\\_summit/2004-05-20\\_LOVEKIN.PDF](http://www.energy.ca.gov/geothermal/documents/2004-05-20_summit/2004-05-20_LOVEKIN.PDF)

#### **Sierra Pacific Resources Evaluating Bids for New RFP**

- ◆ Sierra Pacific and ORNI 7 Agreement Contract approved by PUC October 13, 2004. - <http://www.puc.state.nv.us/news/2004/SPPCcontract.pdf>
- ◆ Sierra Pacific and ORNI 7 Sign New Power Purchase Agreement for Electricity to be Produced with Geothermal Energy – June 30, 2004  
Sierra Pacific Power Co. announced that it has signed an agreement with ORNI 7, a subsidiary of ORMAT Nevada Inc. to supply 20 megawatts of renewable energy power to Sierra Pacific. The power will be generated by geothermal energy from the ORNI 7 Galena Geothermal 1 plant at Steamboat, south of Reno, Nevada. This is the first contract to be signed from proposals received by Sierra Pacific from a Request for Proposals issued in August 2003.
- ◆ February 2004; 2003 RRP Status  
Colin Duncan of Sierra Pacific reports that they received a wide spectrum of proposed projects to the 2003 Renewable Resources Request For Proposal (RFP). The 2003 RFP received proposals for Geothermal, Wind, Solar, Hydroelectric and BioMass projects. Existing geothermal projects from earlier RFP's include ORMAT,

who is on schedule with their 30Mw Desert Peak contract and Earth Power in Elko County, who is continuing forward with their 20Mw geothermal contract. Two renewable projects, which were awarded contracts during earlier RFP's, have been terminated. The ATS 40 Mw Geothermal project in Steamboat, Washoe County, was terminated and an 80 Mw Wind project by Ceilo was also cancelled. In addition to the 120 Mw lost by ATS and Ceilo, Colin Duncan estimates that by the year 2007, they will need an additional 30 Mw bringing the total to 150 Mw needed by the year 2007 from non-solar renewable resources.

- ◆ Sierra Pacific Resources' two Nevada subsidiaries issued a new Request for Proposals for energy generated by renewable energy fuel sources. Responses were due to the utilities and bidding was closed on August 18, 2003; For more information see the website at:  
<http://www.sierrapacificresources.com/company/RFPs/renewablerfp.cfm>  
News release: <http://www.sierrapacificresources.com/news/releases/spr/1056956400.html>  
"On October 24, 2003, Sierra Pacific Power and Nevada Power (Companies) issued letters to the respondents of the 2003 Renewable Energy RFP indicating if they were on the "Short List", the "Secondary List" or the "Not Successful List".... <http://www.sierrapacificresources.com/company/RFPs/>

#### **Great Basin Center for Geothermal Energy**

- ◆ Great Basin Center Contact Information:
  - Dr. Jane C. S. Long, Professor of Hydrologic Sciences; Director, Great Basin Center for Geothermal Energy; Director, Department of Geological Sciences, University of Nevada, Reno, MS 172, Reno, NV 89557-0138.
  - Dr. Lisa Shevenell, Associate Director, Great Basin Center for Geothermal Energy, Nevada Bureau of Mines and Geology, University of Nevada, Reno, MS 178, Reno, NV 89557-0057
  - Contact information for the Great Basin Center for Geothermal Energy  
Email: [geothermal@mines.unr.edu](mailto:geothermal@mines.unr.edu)  
Phone: (775) 784-7018  
Department of Geological Sciences, University of Nevada, Reno, MS 172, Reno, NV 89557-0138

#### **Renewable Energy in America – Policy Meeting, Washington D.C. – Dec 6-7, 2004**

- ◆ 2 day conference addressing key issues facing the renewable energy community. Participants include government, industry, and nonprofit. – <http://www.americanrenewables.org>

#### **Renewable Energy Finance Forum – New York, NY – June 22-23, 2005**

- ◆ Annual Renewable Energy Finance Forum joint venture with Euromoney Institutional Investor. Leaders of the finance industry discuss venture capital, debt and equity markets, project finance, and public sector finance. – <http://www.euromoneyenergy.com>

#### **Great Basin Geothermal Workshop, November 5, 2004**

- ◆ JTSU Auditorium, University of Nevada, Reno - Reno, Nevada • USA  
For more information, contact: Peggy Brown, Phone (775) 784-7018, Fax (775) 327-5801, E-mail: [geothermal@mines.unr.edu](mailto:geothermal@mines.unr.edu), Website: <http://www.unr.edu/geothermal/GBGeothermalMeeting.htm>.

#### **LINKS: USEFUL DATABASES AND GEOTHERMAL INFORMATION**

- ◆ American Council on Renewable Energy (ACORE) – <http://www.americanrenewables.org/>
- ◆ American Geological Institute Government Affairs Program - <http://www.agiweb.org/gap>
- ◆ Black Rock-High Rock NCA (National Conservation Area) planning website – <http://www.nv.blm.gov/Winnemucca/>
- ◆ Bureau of Land Management – Nevada Geothermal Program - <http://www.nv.blm.gov/minerals/geothermal/index.htm>
- ◆ Council of State Governments – TrendsAlert; Renewable Energy and State Economics – <http://www.csg.org>. Summarizes issues and policy options for state officials, regarding economic potential of renewable energy.
- ◆ Geo-Heat Center, Oregon Institute of Technology, Klamath Falls, Oregon - <http://geoheat.oit.edu/>
- ◆ GeoPowering the West - [http://www.eere.energy.gov/geothermal/deployment\\_gpw.html](http://www.eere.energy.gov/geothermal/deployment_gpw.html)
- ◆ GeoPowering the West, GeoPowering the West Calendar – [http://www.eere.energy.gov/geothermal/gpw\\_calendar.html](http://www.eere.energy.gov/geothermal/gpw_calendar.html)
- ◆ Geothermal Biz.com - <http://www.geothermal-biz.com/>

*Geothermal biz.com* was created to help the geothermal entrepreneur—companies, small businesses, Native American tribes, homeowners, and individuals—develop geothermal direct use and small power generation projects.

- ◆ **Geothermal Education Office** - <http://www.geothermal.marin.org/>.  
PURPOSE. To promote public understanding about geothermal resources and its importance in providing clean sustainable energy while protecting our environment. SCOPE. The Geothermal Education Office (GEO) produces and distributes educational materials about geothermal energy to schools, energy/environmental educators, libraries, industry, and the public.
- ◆ **Geothermal Energy Association** - <http://www.geo-energy.org/>  
Developing Plants in the U.S., New page being created; use the form to post your project - <http://www.geo-energy.org/Developing.htm>
- ◆ **Geothermal Resources Council** - <http://www.geothermal.org>
- ◆ **Great Basin Center for Geothermal Energy at the University of Nevada, Reno** - <http://www.unr.edu/geothermal/>
- ◆ **Idaho National Engineering and Environmental Laboratory (INEEL)** - <http://geothermal.inel.gov/>
- ◆ **James & James Science Publishers; Provider of information for energy and environment professionals worldwide; On-line database of renewable energy suppliers** – <http://www.jxj.com/>
- ◆ **National Geothermal Collaborative** – <http://www.geocollaborative.org/>
- ◆ **National Renewable Energy Laboratory (NREL)** - <http://www.nrel.gov/geothermal>. Geothermal Program; Access reports and publications on geothermal energy by Gerald Nix, Charles Kutscher, Barbara Farhar, Keith Gawlik, Brandon Owens, Walter Short.
- ◆ **Nevada Bureau of Mines and Geology, MI-2003, “The Nevada Mineral Industry 2003”** - <ftp://comstock.nbmgs.unr.edu/pub/dox/mi/03.pdf>
- ◆ **Nevada Bureau of Mines and Geology, Geothermal Energy** - <http://www.nbmgs.unr.edu/geothermal/index.html>
- ◆ **Nevada Commission on Mineral Resources, Division of Minerals** - <http://minerals.state.nv.us/programs/ogg.htm>
- ◆ **Nevada State Office of Energy, Renewable Energy & Energy Conservation Task Force, including report by Mary Riddel “Potential Economic Impact of Nevada’s Renewable Energy Resources”** - <http://energy.state.nv.us/taskforce/default.htm>
- ◆ **Nevada Public Utilities Commission** - <http://www.puc.state.nv.us/>
- ◆ **Office of the Governor, Nevada State Energy Office** - <http://energy.state.nv.us/taskforce/default.htm>
- ◆ **Office of Scientific and Technical Information; Subject portals on renewable energy and energy efficient technologies** <http://www.osti.gov/subjectportals/>
- ◆ **Renewable Energy Policy Project & CREST (Center for Renewable Energy & Sustainable Technology)** - <http://www.repp.org/>
- ◆ **Sandia National Laboratories Geothermal Research Dept.** - <http://www.sandia.gov/geothermal/>
- ◆ **Sierra Pacific Resources, Renewables RFP** - <http://www.sierrapacificresources.com/company/RFPs/renewablerfp.cfm>
- ◆ **Southern Methodist University Geothermal Laboratory** - <http://www.smu.edu/geothermal/>
- ◆ **Stanford Geothermal Program** - <http://ekofisk.stanford.edu/geotherm.html>
- ◆ **U.S. Department of Agriculture, Rural Development** - <http://www.rurdev.usda.gov>
- ◆ **U.S. Geological Survey, USGS - Geopubs**  
**Online Geologic Publications of the Western United States** - <http://geopubs.wr.usgs.gov/>

Information compiled by the Nevada Division of Minerals with assistance from:

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NV 89702-4228

Under USDOE Cooperative Agreement: SEP/CA/03/006 supporting GeoPowering the West.

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