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NEVADA GEOTHERMAL UPDATE

January 2005

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>
Beowawe Power Plant (1985) Beowawe Power LLC/Caithness Operating	16.6 MW	S13, T31N R47E
♦ Beowawe Power LLC; Permit #565; API #27-015-90009 for Industrial Production Well "57-13" issued January 14, 2005; SW/4 SE/4 of Section 13, T31N R47E; Beowawe Springs, Lander County, Nevada; PTD 8500'; NEW LOCATION.		
Bradys Power Plant (1992) Brady Power Partners/ORMAT Nevada Inc.	26.1 MW	S12, T22N R26E
♦ 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.		
♦ BRADY POWER PARTNERS (ORMAT); Permit #562; API #27-001-90306 for Production Well #15-12 issued Nov 22, 2004; NW/4 SW/4, Section 12 T22N R26E; Commercial production well in the Desert Peak III Project Area; First production well to be drilled in this Project Area; PTD 5000'; Churchill County, Nevada; NEW LOCATION.		
Desert Peak Power Plant (1985) Brady Power Partners/ORMAT Nevada Inc.	12.5 MW	S21, T22N R27E
Dixie Valley Power Plant (1988) Caithness Dixie Valley/Caithness Operating	62.0 MW	S7, T24N R37E S33, T25N R37E
♦ 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.		
Empire Power Plant (1987) Empire Energy LLC	4.8 MW	S21, T29N R23E
Soda Lake No. 1 (1987) Soda Lake No. 2 (1991) Constellation Operating Services	26.1 MW	S33, T20N R28E
Steamboat 1, 1A (1986) Steamboat Geothermal, LLC/ORMAT Nevada Inc.	10.8 MW	S29, T18N R20E
Steamboat 2, 3 (1992) Steamboat Development Corp./ORMAT Nevada Inc.	47.8 MW	

- ♦ Reno Retail Company, LLC; Permit #541, API 27-031-90223 for Observation Well #24-28 issued April 30, 2004; SW/4 NW/4, Section 28, T18N R20E; Observation well in the Steamboat Hot Springs area, Washoe County, Nevada; PTD estimated at 700-800', maximum depth of 1000'; Will be used to further evaluate commercial potential of the geothermal resource. Spent geothermal fluid will be re-injected into the test well; Permitted Observation Well Location, Apr 2004.
- ♦ ORNI 7 LLC (ORMAT); Permit #563; API #27-031-90228 for Production Well #78-29 issued December 1, 2004; SE/4 SE/4, Section 29 T18N R20E; Industrial production well in Steamboat Springs, Washoe County, Nevada; PTD 1000'; This well is located in the S B Geo/Reno Energy Project Area previously permitted by S B Geo in 1998 (458PA); Two observation holes were drilled by S B Geo in Mar-Apr 2001; This will be the first production well drilled in the Project Area; NEW LOCATION

Steamboat Hills (1988)

14.4 MW

S5, 6, T17N R20E

Steamboat Hills, LP/ORMAT Nevada Inc.

- ♦ Announcement, May 20, 2004 - Ormat Nevada Inc. (ORMAT) a subsidiary of Ormat Technologies, Inc. and Caithness Energy LLC (Caithness) today announced that ORMAT has purchased from Caithness its indirect subsidiary Yankee Caithness Joint Venture; which owns the Steamboat Yankee geothermal project, located in Washoe County, Nevada. ORMAT acquired Steamboat 1 and 1A in June 2003 and Steamboat 2 and 3 in February 2004. http://www.ormat.com/index_news.htm
- ♦ Steamboat Hills LP: Permit #560, API 27-031-90226 for Industrial Injection well #64A-32, issued Sep 10, 2004; NW/4 SE/4; Section 32, T18N R20E; Steamboat Springs, Washoe County, Nevada; PTD 3200'; to replace existing injection well. Permitted Injection Well Location, Sep 2004; Spud Oct 12, 2004 C & L rig #6; TD approx. 1900'; Tested and completed as an injection well Nov 2004.
- ♦ Steamboat Hills LP: Permit #561, API 27-031-90227 for Industrial Production Well #83B-6 issued Sep 10, 2004; NE/4 NE/4; Section 6, T17N R20E; Steamboat Springs, Washoe County, Nevada; PTD 3200'; to serve as production well for existing power plant. Permitted Production Well Location, Sep 2004.

Stillwater (1989)

21.0 MW

S1, T19N R30E

Stillwater Holdings, LLC

- ♦ AMP Resources, LLC purchased the Stillwater Power Plant effective 12/31/2004.

Wabuska (1984)

2.2 MW

S15, 16, T15N R25E

Homestretch Geothermal LLC

* Nameplate Capacity as reported to the Division of Minerals for 2003.

DIRECT USE OPERATIONS

Empire Group LLC; Empire, Washoe County, Nevada

<http://www.empirellc.com>

Gilroy Foods, A ConAgra Food Ingredients Company; Onion Dehydration Plant; Fernley, Nevada

<http://www.gilroyfoods.com/aboutus.jsp>

Seasonal onion dehydration processing operations currently idle. Plan to commence operations mid-May, 2005.

OTHER ACTIVE AREAS

Gerlach KGRA (T32N R23E), Washoe County

- ♦ November 2, 2004, Granite Fox Power Plant Project – Nevada Public Utilities Commission Procedural Order. A portion of the proposed location for the power plant is on BLM land; therefore, the BLM must conduct an environmental analysis. Within 30 days following the analysis, Sempra must submit an Amended Application to the Commission. Following the environmental analysis and the filing of the Amended Application, the Commission has 120 days to grant or deny the UEPA permit application by Sempra. - http://www.puc.state.nv.us/ELECTRIC/dkt_04-5027/04-5027po.pdf

- ♦ 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. Sempra 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

- ♦ AMP Resources, LLC purchased the Salt Wells geothermal assets from Nevada Geothermal Specialists, LLC.
- ♦ Nevada Geothermal Specialists, LLC; Permit #566; API #27-001-90307 Industrial Production Well "PW-1" issued January 14, 2005; NW/4 NW/4 of Section 36, T17N R30E; Salt Wells KGRA, Churchill County, Nevada. First production well permit in Project Area 564PA; All spent geothermal fluid will be injected via an approved Class 5 UIC well issued by NDEP; PTD 750'; NEW LOCATION.
- ♦ Geothermal Project Area Permit Issued - Nevada Geothermal Specialists, LLC; Permit #564PA issued January 4, 2005; Area will include 6 production wells with PTD 1000', 4 injection wells with PTD 3000', 10 observation wells with PTD 1000'; Location T17N R30E, Sections 23,24,25,26,35,36. The production wells will be located in Sections 25,26,35 and the injection wells will be located in Sections 23 and 24, Churchill County. The purpose of the wells is for the support of electrical generation of an air-cooled binary cycle power plant. The geothermal resource will be used to generate electricity for commercial sale. New Permit.
- ♦ 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
- ♦ 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.

Naval Air Station, Fallon, Nevada, Churchill County

- ♦ Fallon Naval Air Station; T18N R29E, Churchill County, Nevada; Well FOH #3; Welch & Howell, WH Drilling Rig #17 rigging up to deepen well; FOH #3 was originally drilled in 1993 to TD of 6952'; 4.5" production liner was set from 2850'-TD, BHT 376 deg F; NAS is deepening well to augment resource database.
- ♦ 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, Feb 7, 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.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. 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

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 #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'; 1st 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

- ◆ 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; Spud March 25, 2004; 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; Tests completed in November included new temp and pressure logs, a flow test, and a water injection test. New "equilibrated temps are between 150-160 deg C in the interval 200-585 meters. Injection tests were successfully performed Nov 20. - <http://www.nevadageothermal.com/s/News.asp?ReportID=95589& Type=News& Title=Releases-Blue-Mountain-Drilling-Results>
- ◆ NORAMEX CORP. Permits #545-559, API #s 27-013-90016 thru 27-013-90030; 15 permits for Thermal Gradient holes were issued July 19, 2004. The holes will be used to map aerial distribution of the thermal anomaly. 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'. Dynatec Drilling began drilling the holes August 18, 2004. Eight holes were drilled with an air rotary rig.
- ◆ Dec 20, 2004 Nevada Geothermal Power Inc. reports that the results from the temperature gradient drilling program indicated anomalous temperature gradients two to three times the regional gradient extend over 10 square kilometers; waiting on an independent evaluation. - <http://www.nevadageothermal.com/s/News.asp?ReportID=95589& Type=News& Title=Releases-Blue-Mountain-Drilling-Results>
- ◆ Jan 13, 2005 – GeothermEx Report Released on Blue Mountain. Nevada Geothermal Power Inc. reports the results from an independent Preliminary Assessment completed by GeothermEx, Richmond, CA. The report states that, "This drilling has confirmed the area of the thermal anomaly to be in the range of 5 to 8 square kilometers (2 to 3 square miles) with measured temperatures of up to 168 deg C at depths in the range of 500 to 700 meters." A more complete description from the Executive Summary of the report is quoted on the website. An evaluation by Black Mountain Technology of the DB-1 and DB-2 tests is in preparation. Based on the reports from GeothermEx and Black Mountain, NGP has plans to drill 3 13" diameter production test wells. At least one

hole will be drilled to 1500-1800 meters -

<http://www.nevadageothermal.com/s/News.asp?ReportID=97118& Type=News& Title=Geothermex-Report-Released-on-Blue-Mountain>

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.

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>

Non-Competitive Geothermal BLM Lease Applications (10/03-01/05), Pending:			
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.
Pacific Spar Corp. 11/29/2004	NVN 79352; 2560 acres	T28N R32E (22,26)	Near Woolsey, Pershing County
Barrick Goldstrike Mines 1/18/2005	NVN 79646; 560 acres	T36N R49E (22,23)	Tuscarora Mts, Eureka County
Barrick Goldstrike Mines 1/18/2005	NVN 79647; 1703.679 acres	T36N R49E (12,13,24,26) T36N R50E (19,30)	Tuscarora Mts., Elko/Eureka Cos
Vulcan Power Co. 1/25/2005	NVN 79662; 1280 acres	T16N R30E (4,9)	Near Salt Wells, Churchill Co.
Vulcan Power Co. 1/25/2005	NVN 79663; 2213.10 acres	T17N R30E (20,21,28,29)	Near Salt Wells, Churchill Co.
Vulcan Power Co. 1/25/2005	NVN 79664; 1280 acres	T17N R30E (32,33)	Near Salt Wells, Churchill Co.
Vulcan Power Co. 1/25/2005	NVN 79665; 2560 acres	T17N R30E (13,14,16,17)	Near Salt Wells, Churchill Co.
Vulcan Power Co. 1/25/2005	NVN 79666; 2560 acres	T17N R30E (9,10,11,12)	Near Salt Wells, Churchill Co.
Vulcan Power Co. 1/25/2005	NVN 79667; 1920 acres	T16N R30E (10,11,12)	Near Salt Wells, Churchill Co.
Vulcan Power Co. 1/25/2005	NVN 79668; 2080 acres	T17N R30E (1,2,3,4)	Near Salt Wells, Churchill Co.
Miller, Dusty LLC 2/2/2005	NVN 79705; 1280 acres	T13N R33E (34,35)	Near Wedell Springs, Gabbs Valley, Mineral County
Miller, Dusty LLC 2/2/2005	NVN 79706; 1280 acres	T12N R33E (15,16)	Near Wedell Springs, Gabbs Valley, Mineral County

Recent Geothermal BLM Leases Issued:			
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

Competitive Sale Geothermal BLM Lease Applications (06/2003), DROPPED:			
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

President's Proposed Budget

- ◆ From the Geothermal Energy Association - Geothermal PTC in Jeopardy
House and Senate preparing to move forward with energy bill including PTC extension. Will geothermal be included is in question!

The President's budget submitted to Congress this week supported extending the federal production tax credit (PTC) for two years, but only for wind and biomass projects. Current law qualifies wind, solar, geothermal biomass and other technologies for the credit under slightly different terms, but all have one thing in common -- they must be placed in service by January 1, 2006. If Congress extends the PTC for two years it would make new projects brought on-line by January 1, 2008 eligible, but this new extension might not include geothermal. This means that last year's successful effort to have geothermal included is now in jeopardy!

Please contact your Representative and Senators today. They need to hear from you that: 1) geothermal energy should be kept in the PTC and any extension of the credit should apply to geothermal as well, and 2) geothermal should receive the same level of tax benefits as wind.

HOW TO CONTACT SENATORS AND REPRESENTATIVES:

By Phone: Call the Capitol Switchboard at 202-224-3121 and ask for their office;

On the Internet: Go to the US Senate web site <http://www.senate.gov> or <http://www.house.gov>

For more information, contact GEA at 202-454-5261 or email research@geo-energy.org

- ◆ Geothermal Representatives from Nevada Present Initiative in Washington – From Lisa Shevenell, Nevada Bureau of Mines and Geology, and Great Basin Center for Geothermal Energy <http://www.nbmjg.unr.edu>, University of Nevada, Reno, MS 178, Reno, NV 89557-0088, 775-784-1779.

Following the Nov 5, 2004 Workshop in Reno, key representatives formulated a plan to request support for increased funding for geothermal research in the western U.S. A paper was produced stating a goal to "Meet the power needs of the western U.S. and stimulate a multi-billion dollar private sector investment by bringing 1000 MW of green geothermal power on-line by 2017". Lisa Shevenell, Jon Price, and others visited Washington and received support from many of their contacts; however, the proposed budget was released at the same time with a \$2 M decrease in the geothermal budget to \$23 M (2003 budget was \$30 M).

Lisa Shevenell requests support from your state and for you to forward to other people in your states that will lend support to increase funding for geothermal research in the western U.S. Types of individuals that should be contacted include State Energy offices, state geologists, other researchers, and geothermal industry representatives.

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

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

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
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>

GRED-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 (GRED 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, GRED-III

Number: DE-PS36-04-GO94016

http://www.eere.energy.gov/geothermal/current_solicitations.html

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

Geothermal Resource Council – GRC 2005 Annual Meeting – Reno, NV – Sep 25-28, 2005

- ♦ *Geothermal Energy – The World's Buried Treasure* Annual meeting to be held at the Reno Hilton Conference Center in conjunction with the GEA 2005 Geothermal Energy Trade Show – <http://www.geo-energy.org> - <http://www.geothermal.org>

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/Archived%20News/2004/2004/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.

Report on Geothermal Resources in California and Nevada

- ◆ 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 is now available - http://www.energy.ca.gov/pier/final_project_reports/500-04-051.html

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/Archived%20News/2004/2004/SPPCcontract.pdf>

Great Basin Center for Geothermal Energy – <http://www.unr.edu/geothermal/>

- ◆ Contact Information:
 - DIRECTOR - Dr. Lisa Shevenell, Hydrogeologist. Email: geothermal@mines.unr.edu - Phone (775) 784-1779 Fax (775) 327-5801. Nevada Bureau of Mines and Geology, University of Nevada, Reno, MS 178, Reno, NV 89557-0057
 - ASSOCIATE DIRECTOR – Dr. Allen Gates, Professor and Interim Chair, Mechanical Engineering. Email: gates@unr.edu - Phone (775) 784-6906 Fax (775) 784-1701. Department of Mechanical Engineering, University of Nevada, Reno, MS 256, Reno, NV 89557
 - PROGRAM OFFICER – Peggy Brown, Central Point of Contact for the Great Basin Center for Geothermal Energy. Email: geothermal@mines.unr.edu - Phone (775) 784-7018 Fax (775) 327-5801. Great Basin Center for Geothermal Energy, 259 Paul Laxalt Mineral Research Building, University of Nevada, Reno, MS 172, Reno, NV 89557-0138

Power Gen Renewable Energy Trade Show – Las Vegas, Nevada – March 1-3, 2005

- ◆ Second annual conference and exhibition, expected attendance of more than 2000 – <http://www.acore.org/> - <http://pgre05.events.pennnet.com/>

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

- ◆ Forum presentations, photos and video available from the 2 day conference addressing key issues facing the renewable energy community. Participants include government, industry, and nonprofit. – <http://www.acore.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, Website: <http://www.unr.edu/geothermal/GBGeothermalMeeting.htm>

LINKS: USEFUL DATABASES AND GEOTHERMAL INFORMATION

- ◆ American Council on Renewable Energy (ACORE) – <http://www.acore.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

- ◆ **GeoPowering the West, GeoPowering the West Calendar** – 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/>
- ◆ **Geothermal Resources Council** - <http://www.geothermal.org>
- ◆ **GeothermEx, Inc** – <http://www.geothermex.com>
Designed to provide information of use to geothermal developers, including downloads of the PIER Geothermal Database of resources in western Nevada and California.
- ◆ **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.**
<https://cfwebprod.sandia.gov/cfdocs/GPI/index.cfm>
- ◆ **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:
EHNI ENTERPRISES, INC.
P.O. Box 4228, Carson City
NV 89702-4228

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

For further information regarding GeoPowering Nevada or Nevada’s Geothermal Program contact Nevada Division of Minerals at 775-684-7040, Fax: 775-684-7052.