United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Winemucca District Office
Humboldt River Field Office
5100 East Winnemucca Boulevard
Winnemucca, Nevada 89445
Phone: (775) 623-1500 Fax: (775) 623-1503
Email: wfo@blm.gov

In Reply Refer To:
3250 (NV0100.30)

OCT 25 2012

Nevada Bureau of Mines and Geology
Attention: Richard Zehner
UNR, MS 0178
Reno, NV 89509

Dear Mr. Zehner:

On June 22, 2012, the Bureau of Land Management Humboldt River Field Office received your Notice of Intent (NOI) to conduct Geothermal Resource Exploration Operations in the Desert Queen Area. This NOI proposes geothermal gradient well drilling in the following locations:

T. 22 N., R. 28 E., Section 8 and
T. 22 N., R. 28 E., Section 18.

We have completed review of your NOI and determined that the document is technically adequate. You may proceed with the proposed operations according to federal regulations (43 CFR 3252) when you have received a decision letter from the BLM Nevada State Office stating that your financial guarantee has been accepted for this project. Furthermore, you must also apply for and receive a field work authorization permit from this office before any archaeological survey work is done, and before commencing operations.

This approval is pending a satisfactory bond. The types of financial instruments that are acceptable to the BLM for a bond are found at 43 CFR 3214.15. As required by 43 CFR 3251.14 a financial guarantee that meets all the requirements must be provided to the BLM before beginning operations. Please contact Lacy Trapp (775) 861-6599 at the BLM Nevada State Office for further information on the financial guarantee process. If you have any questions, please contact Philip Lorimer D’Amo, Geologist, at (775) 623-1567.

Sincerely,

[Signature]

Edward Seum
Field Manager
Humboldt River Field Office