

**DECISION RECORD**  
**McCoy II Geothermal Exploration Project**  
**Churchill County, Nevada**

**Environmental Assessment**  
**DOI-BLM-NV-C010-2011-0514-EA**  
**McCoy II Geothermal Unit NVN-88129X**

**BACKGROUND**

Magma Energy U.S. Corp. (Magma) has proposed geothermal exploratory drilling and testing within the boundaries of the McCoy II Geothermal Unit, NVN-88129X (Unit) in Churchill County, Nevada. This exploration project will involve portions of geothermal leases NVN-85725; NVN-85726; NVN-85727; NVN-86905. Currently the details of the proposed action are specified in the McCoy Geothermal Exploration Project Operations Plan (OP) submitted to BLM by Magma. Definitive details of the drilling, access road and pad construction will be incorporated in the drilling program submitted for each federal geothermal drilling permit and in sundry notices. The OP proposes geothermal exploration well drilling on nineteen (19) new well pads located on federal geothermal leases.

The Proposed Action is within federal lands, managed by the Bureau of Land Management Carson City District Office (BLM). BLM oversees the processing of the geothermal exploration proposal. The purpose of the Proposed Action is to develop the geothermal resource within the McCoy II Geothermal Unit area in response to Executive Order (EO) 13212, which directs the BLM in a timely manner to support efforts to increase energy production from federal minerals, while preserving the health of public lands.

The Environmental Assessment (EA) Magma Energy (U.S.) Corp. McCoy II Geothermal Exploration Project NVN-88129X, DOI-BLM-NV-C010-2011-0514-EA evaluated the impacts on the natural and human environment that could result from implementation of this geothermal development project on federal land. The impact analysis in the EA characterizes the potential for impacts, from the Purposed Action, for each resource in the project area. The determination of environmental risk is resource-specific and is based on a number of factors, including the presence and extent of resources within the federal geothermal leases associated with the Proposed Action, the extent of resources in the surrounding area, and the quality of existing data. Based on the EA it was determined that the Proposed Action, excepting surface disturbance on the road to Pad E, will not have a significant effect on the human environment and an environmental impact statement (EIS) will not be prepared. Impacts to known cultural sites would occur with surface disturbance to the road to Pad E.

**DECISION**

Based on the analysis in the Magma Energy (U.S.) Corp. McCoy II Geothermal Exploration Project NVN-88129X, DOI-BLM-NV-C010-2011-0514-EA, it is my decision to implement the Proposed Action excepting surface disturbance on the road to Pad E, in the McCoy II Geothermal Exploration Project Environmental Assessment DOI-BLM-NV-C010-2011-0514-EA. This decision is contingent on meeting all stipulations and conditions of the geothermal

leases/drilling permits. The Conditions of Approval (COAs) are attached to this Decision Record.

#### **AUTHORITY**

The Proposed Action and COA meet the criteria described in the Federal Land Policy and Management Act of 1976 to prevent undue and unnecessary degradation of public land and with the 43 CFR 3200, 3250 and 3260 regulations. The Proposed Action is in conformance with the Carson City Field Office Consolidated Resource Management Plan (2001) which states that the BLM desired outcome is to encourage development of energy and mineral resources in a timely manner to meet national, regional and local needs consistent with the objectives for other public land uses. The action must comply with the conditions of permit for the Nevada Division of Minerals Geothermal Resource Development Permit Application and with applicable rules and regulation of other local, state, and federal agencies.

#### **PUBLIC INVOLVEMENT**

The EA was made available for a 30-day public review and comment period on July 16, 2011 until August 18, 2011. The EA was made available by hard copy at the Carson City District Office and the website at:

[http://www.blm.gov/nv/st/en/fo/carson\\_city\\_field/blm\\_information/nepa.html](http://www.blm.gov/nv/st/en/fo/carson_city_field/blm_information/nepa.html).

All comments received were reviewed, considered and responded to by the BLM Carson City District Office.

#### **RATIONALE**

Upon analyzing the impacts of the Proposed Action Alternative and following issuance of the EA for public review, I have determined that implementing the Proposed Action will not have a significant impact to the human environment and that an environmental impact statement is not required. Refer to the attached Finding of No Significant Impact (FONSI).

#### **APPROVAL**

The Magma Energy (U.S.) Corp. McCoy II Geothermal Exploration Project NVN-88129X is approved for implementation. This decision is effective upon issuance in accordance with the 43 CFR 3200, 3250, and 3260.



Teresa J. Knutson, Manager  
Stillwater Field Office  
Carson City District Office

10/18/2011  
Date

Attachment: Exhibit B Conditions of Approval

## **APPEAL PROCEDURES**

If you wish to appeal this decision, it may be appealed to the Interior Board of Land Appeals, Office of the Secretary, in accordance with 43 CFR Part 4. If you appeal, your appeal must also be filed with the Bureau of Land Management at the following address:

Teresa J. Knutson, Stillwater Field Manager  
BLM, Carson City District Office  
5665 Morgan Mill Road  
Carson City, NV 89701

Your appeal must be filed within thirty (30) days from receipt or issuance of this decision. The appellant has the burden of showing that the decision appealed from is in error.

If you wish to file a petition pursuant to regulation 43 CFR 4.21 (58 FR 4942, January 19, 1993) for a stay (suspension) of the decision during the time that your appeal is being reviewed by the Board, the petition for stay must accompany your notice of appeal.

Copies of the notice of appeal and petition for a stay must also be submitted to:

Interior Board of Land Appeals  
Dockets Attorney  
801 N. Quincy Street, Suite 300  
Arlington, VA 22203

A copy must also be sent to the appropriate office of the Solicitor at the same time the original documents are filed with the above office.

U.S. Department of the Interior  
Office of the Regional Solicitor  
Pacific Southwest Region  
2800 Cottage Way, Room E-1712  
Sacramento, CA 95825

If you request a stay, you have the burden of proof to demonstrate that a stay should be granted. A petition for a stay is required to show sufficient justification based on the following standards:

1. The relative harm to the parties if the stay is granted or denied.
2. The likelihood of the appellants' success on the merits.
3. The likelihood of immediate and irreparable harm if the stay is not granted.
4. Whether the public interest favors granting the stay.

The Office of Hearings and Appeals regulations do not provide for electronic filing of appeals, therefore they will not be accepted.