Worksheet
Determination of NEPA Adequacy (DNA)
U.S. Department of the Interior
Bureau of Land Management

FIELD OFFICE: Stillwater Field Office, Carson City District

NEPA NUMBER: DOI-BLM-NV-C010-2013-0020-DNA

CASEFILE PROJECT NUMBER: NVN-085705 Geothermal Lease, NVN-85168X Geothermal Unit (Bureau of Reclamation surface)

PROPOSED ACTION TITLE/TYPE: Gradient Resources Inc. Geothermal Drilling Permit 14-28

LOCATION/LEGAL DESCRIPTION: T20N, R26E, Section 28

APPLICANT: Gradient Resources Inc.

A. Description of the Proposed Action and any applicable mitigation measures

Gradient Resources Inc. proposes to drill a production well as part of the exploration and development of their Patua II Geothermal Project located approximately 8 miles east of Fernley, Nevada in Lyon and Churchill Counties. Construction of a pad approximately 350 feet by 350 feet as well as a short access road to an existing nearby exploration road would be required.

B. Land Use Plan (LUP) Conformance

LUP Name: Carson City Field Office Consolidated Resource Management Plan
Date Approved: May 9, 2001

The proposed action is consistent with the applicable land use plan because it is clearly consistent with the following land use plan decisions, objectives, terms, conditions:

Objective 1: 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.

Objective 2: Oil, gas, and geothermal exploration and production upon BLM land are conducted through leases with the Bureau and are subject to terms and stipulations to comply with all applicable federal and state laws pertaining to various considerations for sanitation, water quality, wildlife, safety, and reclamation. Stipulations may be site specific and are derived from the environmental analysis process.

C. Identify applicable National Environmental Policy Act (NEPA) documents and other related documents that cover the proposed action.
D. NEPA Adequacy Criteria

1. Is the new proposed action a feature of, or essentially similar to, an alternative analyzed in the existing NEPA document(s)? Is the project within the same analysis area, or if the project location is different, are the geographic and resource conditions sufficiently similar to those analyzed in the existing NEPA document(s)? If there are differences, can you explain why they are not substantial?

   Yes. Although the proposed action is in a slightly different location than was analyzed in the EA, it is identical to action proposed for a nearby site that would have resulted in greater impact to the environment. The proposed site has been culturally cleared.

2. Is the range of alternatives analyzed in the existing NEPA document(s) appropriate with respect to the new proposed action, given current environmental concerns, interests, and resource values?

   Yes, environmental concerns, interests and resource values have not changed at all since the completion of the 2011 EA. The range of alternatives in the 2011 EA is still appropriate. The environmental constraints of the geothermal exploration have not changed and the proposed action is identical to that analyzed in Gradient Resources Inc. Patua Geothermal Project Phase II, DOI-BLM-NV-C010-2011-0501-EA and FONSI/DR signed May 22, 2012.

3. Is the existing analysis valid in light of any new information or circumstances (such as, range-land health standard assessment, recent endangered species listings, updated lists of BLM-sensitive species)? Can you reasonably conclude that new information and new circumstances would not substantially change the analysis of the new proposed action?

   Anticipated impacts to the resources have not changed and no new information or circumstances have been identified since signing the FONSI/DR on May 22, 2012. The proposed site uses existing access roads to the extent possible. The proposed action will not have any adverse effect on the human health or environment.

4. Are the direct, indirect, and cumulative effects that would result from implementation of the new proposed action similar (both quantitatively and qualitatively) to those analyzed in the existing NEPA document?

   Yes, the 2012 EA analyzed cumulative impacts on relevant resources. The cumulative impacts to public lands resulting from geothermal development would remain unchanged. The analyzed action is not different from the construction of the proposed well pads or exploration drilling analyzed in the 2012 EA.

5. Are the public involvement and interagency review associated with existing NEPA document(s) adequate for the current proposed action?
Yes, the geothermal resource exploration operations were analyzed in the 2012 EA which describes the public involvement. Consultation with other agencies and interested parties was conducted for that document. The Fallon Paiute Shoshone Tribe will be notified via letter of the proposed construction of the road and well pad.

E. Persons/Agencies/BLM Staff Consulted

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<tr>
<th>Name</th>
<th>Title</th>
<th>Resource/Agency Represented</th>
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<tbody>
<tr>
<td>Jason Wright</td>
<td>1/4/13</td>
<td>Stillwater Archaeologist</td>
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<td>BLM Carson City District</td>
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Note: Refer to the EA/EIS for a complete list of the team members participating in the preparation of the original environmental analysis or planning documents.

**Conclusion**
Based on the review documented above, I conclude that this proposal conforms to the applicable land use plan and that the NEPA documentation fully covers the proposed action and constitutes BLM’s compliance with the requirements of the NEPA.

Signature of Project Lead

Signature of NEPA Coordinator

Signature of Responsible Official

Date 1/8/2013

Note: The signed Conclusion on this Worksheet is part of an interim step in the BLM’s internal decision process and does not constitute an appealable decision. However, the lease, permit, or other authorization based on this DNA is subject to protest or appeal under 43 CFR Part 4 and the program-specific regulations.