Form 3200-9
(August 2007)

N87792

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FILE

FORM APPROVED
OMB No. 1004-0132
Expires: July 31, 2010

# NOTICE OF INTENT TO CONDUCT GEOTHERMAL RESOURCE EXPLORATION OPERATIONS

| | |
|---|---|
| Applicant(s)<br>TGP Dixie Development Company, LLC for New York Canyon | Address *(include zip code)*<br>9590 Prototype Court, Suite 200, Reno, Nevada 89521 |
| Operator *(name and telephone number)* include area code<br>TGP Dixie Development Company, LLC | Address *(include zip code)*<br>9590 Prototype Court, Suite 200, Reno, Nevada 89521 |
| Contractor(s)<br>Gradient Geophysics, Inc. | Address *(include zip code)*<br>9486 Back Stretch Lane, Missoula, MT 59808 |

hereby apply for authorization to conduct exploration operations pursuant to the provisions of 43 CFR 3250 now or hereafter in force across and upon the following-described lands *(give description of lands by township, attach map or maps showing lands to be entered or affected).*

T. 25 N., R. 35 E., sections 1, 2, 10, 12, 22, 28, and 32; T. 25 N., R. 36 E., section 2, 4, and 6; T. 26 N., R. 35 E., Section 24, 27, 32, and 36; T. 26 N., R. 36 E., section 10, 22, 26, 28, 34, and 36

Type of operations to be conducted *(give brief description).*

2-meter Temperature Gradient Wells. See attached Proposed Action Form.

Exploration operations will be conducted during the period *(date)* from 06/29/2009 to 08/31/2009

Attached ☐ $ Surety bond ☑ Rider to Nationwide bond ☐ Rider to Statewide bond ☐ Bond to be furnished

Upon completion of exploration operations, the undersigned agrees to notify the Bureau of Land Management (BLM) that authorized exploration operations have been completed in conformance with the general and special terms and stipulations of the notice.

The undersigned hereby agrees (1) that he will not enter upon the described land until he has been informed in writing whether there are special stipulations applicable to his Notice of Intent, as to either time or method of operation or otherwise, and if there are such stipulations, what those stipulations are, (2) that he will comply with those special stipulations, if any; and (3) that he will not enter upon the described lands until his entry has been approved by the BLM.

The undersigned agrees to be bound by the terms and conditions of this notice to conduct exploration operations when approved by the BLM.

**CONDITIONS OF APPROVAL ATTACHED**

The undersigned agrees that the filing of this *Notice* under the regulations (43 CFR Subpart 3250) does not vest or confer any preference right to a geothermal resources lease.

The undersigned agrees further that all exploration operations must be conducted pursuant to the following terms and conditions:

1. Exploration operations must be conducted in compliance with all Federal, State, and local laws, ordinances, or regulations which are applicable to the area of operations including, but not limited to, those pertaining to fire, sanitation, conservation, water pollution, fish, and game. All operations hereunder must be conducted in a prudent manner.
2. Due care must be exercised in protecting the described lands from damage. All necessary precautions must be taken to avoid any damage other than normal wear and tear to improvements on the land including, but not limited to, gates, bridges, roads, culverts, cattle guards, fences, dams, dikes, vegetative cover, improvements, stock watering, and other facilities.
3. All drill holes must be capped when not in use and appropriate procedures must be taken to protect against hazards in order to protect the lives, safety, or property of other persons or of wildlife and livestock.
4. All vehicles must be operated at a reasonable rate of speed and, in the operation of vehicles, due care must be taken to safeguard livestock and wildlife in the vicinity of operations. Existing roads and trails must be used wherever possible. If new roads and trails are to be constructed, the BLM must be consulted prior to construction as to location and specifications. Reclamation and/or seeding of new roads and trails must be made as requested by the BLM.
5. Upon expiration, conclusion, or abandonment of operations conducted pursuant to this *Notice*, all equipment must be removed from the land, and the land must be restored as nearly as practicable to its original condition by such measures as the BLM may specify.
   All geophysical holes shall be safely plugged. The BLM must be furnished a *Notice of Completion of Geothermal Resource Exploration Operations* (Form 3200-10) immediately upon cessation of all such operations and must be further informed of the completion of reclamation work as soon as possible.
6. Location and depth of water sands encountered must be disclosed to the BLM.

(Continued on page 2)

7. Operator must contact the BLM prior to actual entry upon the land in order to be appraised of practices which must be followed or avoided in the conduct of exploration operations pursuant to the terms of this *Notice* and applicable regulations. Operator will conduct no operations on the land unless the attached bond is in good standing.

8. Due care must be exercised to avoid scarring or removal of ground vegetative cover.

9. All operations must be conducted in such a manner to avoid (a) blockage of any drainage systems; (b) changing the character, or causing the pollution or siltation of rivers, streams, lakes, ponds, waterholes, seeps and marshes; and (c) damaging fish and wildlife resources or habitat. Cuts or fills causing any of the above-mentioned problems will be repaired immediately in accordance with specification of the BLM.

10. Vegetation must not be disturbed within 300 feet of waters designated by the BLM, except at approved stream crossings.

11. Surface damage which induces soil movement and/or water pollution must be subject to corrective action as required by the BLM.

12. Trails and campsites must be kept clean. All garbage and foreign debris must be eliminated as required by the BLM.

13. Operator must protect all survey monuments, witness corners, reference monuments, and bearing trees against destruction, obliteration, or damage. He must, at his expense, reestablish damaged, destroyed, or obliterated monuments and corners, using a licensed surveyor, in accordance with Federal survey procedures. A record of the reestablishment must be submitted to the BLM.

14. Operator must make every reasonable effort to prevent, control, or suppress any fires started by the operator, and to report, as soon as possible, to the BLM location and size of fires, and assistance needed to suppress such fires. Operator must inform the BLM as soon as possible of all fires, regardless of location, noted, or suppressed by independent action.

15. No work must be done within one-half mile of a developed recreation site without specific written authority from the BLM. Any tavel within one-half mile of a recreation site must be over existing roads or trails.

16. Use of explosives within one-half mile of designated waters is prohibited unless approved, in writing, by the BLM.

17. If operations conducted under the provisions of this *Notice* causes any damage to the surface of the national resource lands, such as, but not limited to, soil erosion, pollution of water, injury or destruction of livestock or wildlife, or littering, operator must, within 48 hours, file with the BLM a map showing exact location of such damage and a written report containing operator's plans for correcting or minimizing damage, if possible.

18. Violation of, or failure to comply with any of these terms and conditions will result in immediate shutdown of field operations until deficiency is corrected. Failure to correct deficiency within the time period allowed by the BLM will result in forfeiture of bond.

19. The Bureau of Land Management reserves the right to close any area to operators in periods of fire danger or when irreparable damage to natural resources is imminent.

20. Contractor will be liable for assuring compliance with all terms and conditions of this *Notice* and all sections of his designated operator, agents, and employees.

21. Where continuation of the operation will result in irreparable damage to the land and other natural resources this *Notice* will be immediately canceled by the BLM.

22. Special Stipulations:

See attached Proposed Action Form.

(Signature of Applicant) 6/17/09 (Date) (Signature of Operator) 6/17/09 (Date)

We hereby agree to the special stipulations added and made a part of this *Notice* to conduct exploration operations.

(Signature of Holder of Notice) 6/17/09 (Date) (Signature of Operator) 6/17/09 (Date)

I hereby approve this *Notice* to conduct exploration operations.

Robert J. Edwards (Signature of BLM) FM-HRFO (Title) JUL 16 2009

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 3)

15 June '09

## NOTICES

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this Notice of intent to Conduct Geothermal Resource Exploration Operations.
AUTHORITY: 30 U.S.C. 1001-1025.
PRINCIPAL PURPOSE: The information is to be used to process your request for authorization to conduct exploration operations.
ROUTINE USES: (1) The adjudication of the request for authorization to conduct exploration operations. (2) Documentation for public information. (3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in National Resource lands or resources. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.
EFFECT OF NOT PROVIDING INFORMATION: Disclosure of the information is voluntary. If all the information is not provided, your request for authorization may be denied.

The Paperwork Reduction Act of 1995 requires us to inform you that:
BLM collects this information in accordance with 43 CFR 3250.
This information will be used to identify and communicate with the parties involved.
Response to this request is required to obtain a benefit.
BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

**BURDEN HOURS STATEMENT:** Public reporting burden for this form is estimated to average 8 hours per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0074), Bureau Information Collection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.