

NOTICE OF INTENT

Leach Hot Springs Geothermal Exploration Project

Pershing County, Nevada

May, 2010

Project Applicant:

**Ormat Nevada, Inc.
6225 Neil Road
Reno, NV 89511-1153**

**Bureau of Land Management
Received**

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**Field Office
Winnemucca Nevada**

Ormat Nevada, Inc.
Leach Hot Springs Geothermal Exploration Project

Notice of Intent

Pursuant to 43 CFR 3251.11, Ormat is submitting this "Notice of Intent to Conduct Geothermal Resource Exploration Operations" to the Bureau of Land Management (BLM) for approval to drill temperature gradient holes located on federal land managed by the BLM. Ormat is also concurrently submitting to the BLM, an Operations Plan for approval to drill and test geothermal exploration wells located within the federal geothermal leases (NVN-74276, NVN-76458, and NVN-84717).

The 12 proposed TGH sites are each listed in Attachment A by site name, lease number, township and range, and approximate UTM Coordinates. They are also shown in Figure 2 in the attached operations Plan.

§ 3251.11 What information is in a complete Notice of Intent to Conduct Geothermal Resource Exploration Operations application?

To obtain approval of exploration operations on BLM-managed lands, your application must:

(a) Include a complete and signed Form 3200-9, Notice of Intent to Conduct Geothermal Resource Exploration Operations that describes the lands you wish to explore;

A completed and signed Form 3200-9 is provided.

(b) For operations other than drilling temperature gradient wells, describe your exploration plans and procedures, including the approximate starting and ending dates for each phase of operations;

Not applicable, as this NOI is for the drilling of temperature gradient wells.

(c) For drilling temperature gradient wells, describe your drilling and completion procedures, and include, for each well or for several wells you propose to drill in an area of geologic and environmental similarity:

(1) A detailed description of the equipment, materials, and procedures you will use;

See Operations Plan: Section 2.2 (Temperature Gradient Well Drilling).

(2) The depth of each well;

Each well will be approximately 1,000 feet deep. See also Operations Plan: Figure 6: Typical Temperature Gradient Well Completion Profile.

(3) The casing and cementing program;

Specifically, the drilling program is as follows:

- Drill 8 3/8 hole to a minimum of 20' and cement grout, 7;
- Allow cement to set and attach screw-on 8" flange
- Use 8" valve as drilling valve for subsequent drilling operations.
- Drill 6 1/4 hole to 1,000' using gel-polymer mud system.
- Maintain mud weight at 8.5 to 9.0 lb/gal and sufficient plastic viscosity to carry cuttings to surface.
- Maintain supply of lost- circulation materials such as cottonseed hulls to be used to control lost circulation.
- Hole to be completed with 1.9" #2.9 tubing run to TD. The Hole will be left mud-filled. Tubing will be closed (capped) on bottom and at surface will be capped and grouted within surface 7" casing.
- Cuttings will be collected and logged at 10" intervals.

See also Operations Plan Figure 6: Typical Temperature Gradient Well Completion Profile.

(4) The circulation media (mud, air, foam, etc.);

See Operations Plan: Section 2.2 (Geothermal Well Drilling).

(5) A description of the logs that you will run;

Unknown at this time.

(6) A description and diagram of the blowout prevention equipment you will use during each phase of drilling;

See Operations Plan Figure 6: Typical Temperature Gradient Well Completion Profile.

(7) The expected depth and thickness of fresh water zones;

Unknown at this time.

(8) Anticipated lost circulation zones;

Unknown at this time.

(9) Anticipated temperature gradient in the area;

Unknown at this time.

(10) Well site layout and design;

See Operations Plan: Section 2.1 (Temperature Gradient Well Pads) and Figure 3: Temperature Gradient Well Pad.

(11) Existing and planned access roads or ancillary facilities; and

See Operations Plan: Section 2.2 (Temperature Gradient Well Drilling), Section 2.3 (Existing and Planned Access Roads), Section 2.4 (Ancillary Facilities), and Figure 2: Proposed Actions Map.

(12) Your source of drill pad and road building material and water supply.

See Operations Plan: Section 2.5 (Location and Source of Road and Pad Building Material) and Section 3.0 (Location and Source of Water Supply).

(d) Show evidence of bond coverage (see § 3251.15);

Work will be performed under BLM Statewide Bond, June 2004

(e) Estimate how much surface disturbance your exploration may cause;

See Operations Plan: Section 1.0 (Proposed Action)

(f) Describe the proposed measures you will take to protect the environment and other resources;

See Operations Plan: Section 5.0 (Environmental Protection Measures)

(g) Describe methods to reclaim the surface; and

See Operations Plan: Section 6.0 (Plans for Surface Reclamation).

(h) Include all other information BLM may require.

Ormat will provide any additional information on request.

Attachment A: Proposed Well Locations

Well Name (Kettleman No.)	Lease Number	Township/ Range	Section Number	Approximate UTM Coordinates	
				Easting (m)	Northing (m)
81-1	NVN-85717	T31N; R38E	1	445331.80	4494116.71
78-25	NVN-74276	T32N; R38E	25	445136.46	4495858.95
87-25	NVN-74276	T32N; R38E	25	445360.93	4496096.66
88-25	NVN-74276	T32N; R38E	25	445501.70	4495918.11
16-30	NVN-74276	T32N; R39E	30	445617.87	4496345.49
17-31	NVN-74276	T32N; R39E	31	445529.91	4494422.01
72-31	NVN-74276	T32N; R39E	31	446760.75	4495537.38
73-31	NVN-74276	T32N; R39E	31	446789.82	4495234.81
75-31A	NVN-74276	T32N; R39E	31	446800.77	4494926.37
75-31	NVN-74276	T32N; R39E	31	446998.35	4495025.09
76-31	NVN-74276	T32N; R39E	31	446815.91	4494613.06
78-31	NVN-74276	T32N; R39E	31	446852.45	4494321.75