

February 23, 2010
Geothermal Lease Sale

CRANE CREEK PARCELS

IDI-36090

- T. 11 N., R. 3 W., Boise Meridian
 - Sec. 5 – Lots 1-7, S2NE, SENW, E2SW, SE;
 - Sec. 8 – Lot 1, N2NE, NENW.
- T. 12 N., R. 3 W., Boise Meridian
 - Sec. 31 – Lots 1-4, E2, E2W2;
 - Sec. 32 – All.
- T. 11 N. R. 4 W., Boise Meridian
 - Sec. 2 – Lots 1-2, S2NE, SE;
 - Sec. 11 – N2NE, SENE, SWSE.
- T. 12 N., R. 4 W., Boise Meridian
 - Sec. 25 – SESE;
 - Sec. 26 – SWSE;
 - Sec. 35 – E2, SENW, NESW.

2,966.0 acres

Washington County, Idaho
Four Rivers Field Office

STIPULATIONS:

Federal Energy Regulatory Commission Stipulation: If geothermal resources are discovered in commercial quantities, the geothermal lessee will not commence construction of permanent facilities until the Commission has reviewed the proposed development plans and concluded that (1) they will not injure or destroy the value of the lands for, or (2) the potential value of the proposed geothermal development outweighs the potential loss of value of the lands for, water power development and associated beneficial public uses. Further, the geothermal lessee agrees that the United States and its hydroelectric project permittees and licensees shall not be responsible or held liable or incur any liability for the damage, destruction, or loss of any land, crops, facility installed or erected, income, or other property or investments resulting from the use of such lands, or portions thereof, for hydroelectric development at any time when such hydroelectric development is made by or under the authority of the United States. The geothermal lessee, at its own expense, may make adjustments to its improvements to avoid interference with hydroelectric development.

IDI-36103

T. 11 N., R. 3 W., Boise Meridian

Sec. 8 – Lots 2-4, S2NE, SENW, E2SW, N2SE, SWSE;

Sec. 17 – Lots 1-4, SENW, E2SW, SE;

Sec. 18 – NE, NESW, N2SE, SESE;

Sec. 19 – Lot 4, NENE, SESW;

Sec. 20 – N2, SE;

Sec. 30 – Lots 1-3, E2NW, NESW.

T. 11 N., R. 4 W., Boise Meridian

Sec. 13 – N2SW, SWSW, W2SE;

Sec. 14 – SE;

Sec. 23 – N2NE, SENE;

Sec. 24 – NWNW, NESW, NWSE, SESE;

Sec. 25 – SWNE, SENW, S2.

3,012.36 acres

Washington County, Idaho

Four Rivers Field Office

STIPULATIONS:

1. No surface occupancy on that portion of the Weiser River Trail that is within this parcel, adjacent to the Weiser River, for protection of recreational areas.

2. On split estate lands in section 8, lessee is responsible for making a good faith effort to reach access arrangements with the surface owner of such lands prior to entry upon the lands. Lessee must certify to BLM that a good faith effort was made to reach a surface use agreement with the surface owner. If good faith efforts to obtain a surface use agreement fail, lessee must submit a minimum \$1,000 Damages Bond to the BLM for the benefit of the surface owner, to cover loss or damage to crops or tangible improvements.

3. **Federal Energy Regulatory Commission Stipulation:** If geothermal resources are discovered in commercial quantities, the geothermal lessee will not commence construction of permanent facilities until the Commission has reviewed the proposed development plans and concluded that (1) they will not injure or destroy the value of the lands for, or (2) the potential value of the proposed geothermal development outweighs the potential loss of value of the lands for, water power development and associated beneficial public uses. Further, the geothermal lessee agrees that the United States and its hydroelectric project permittees and licensees shall not be responsible or held liable or incur any liability for the damage, destruction, or loss of any land, crops, facility installed or erected, income, or other property or investments resulting from the use of such lands, or portions thereof, for hydroelectric development at any time when such hydroelectric development is made by or under the authority of the United States. The geothermal lessee, at its own expense, may make adjustments to its improvements to avoid interference with hydroelectric development.

BLOCK 1 (IDI-36104, IDI-36105) – 4,614.38 total acres:

IDI-36104

T. 10 N., R. 3 W., Boise Meridian

- Sec. 3 – Lot 4, SWNE, S2NW, S2;
- Sec. 4 – Lots 1-3 & 5-6, S2NE, SENW, S2;
- Sec. 5 – Lots 3-7, S2NW, S2;
- Sec. 6 – SESW, NESE, S2SE;
- Sec. 7 – N2NE, SENE, NENW, NESE;
- Sec. 8 – N2, N2S2;
- Sec. 9 – NWSW.

T. 11 N., R. 3 W., Boise Meridian

- Sec. 28 – Lots 3-4, SESW, SWSE;
- Sec. 29 – S2NE, NESE, S2SE;
- Sec. 31 – Lots 1-4, S2NE;
- Sec. 32 – Lots 1-3, N2NE, SW;
- Sec. 33 – Lots 1 & 5-8, W2NE, NENW, SE;
- Sec. 34 – SWSW, NESE.

3,974.38 acres

Washington County, Idaho
Four Rivers Field Office

STIPULATIONS:

1. No surface occupancy within the existing Almaden Community Pit (IDI-34448), on the following lands:

- T. 10 N., R. 3 W., sec. 5 – lots 3, 5 & 6, SENW.
- T. 11 N., R. 3 W., sec. 32 – lot 3, SESW.

2. **Federal Energy Regulatory Commission Stipulation:** If geothermal resources are discovered in commercial quantities, the geothermal lessee will not commence construction of permanent facilities until the Commission has reviewed the proposed development plans and concluded that (1) they will not injure or destroy the value of the lands for, or (2) the potential value of the proposed geothermal development outweighs the potential loss of value of the lands for, water power development and associated beneficial public uses. Further, the geothermal lessee agrees that the United States and its hydroelectric project permittees and licensees shall not be responsible or held liable or incur any liability for the damage, destruction, or loss of any land, crops, facility installed or erected, income, or other property or investments resulting from the use of such lands, or portions thereof, for hydroelectric development at any time when such hydroelectric development is made by or under the authority of the United States. The geothermal lessee, at its own expense, may make adjustments to its improvements to avoid interference with hydroelectric development.

IDI-36105

T. 10 N., R. 3 W., Boise Meridian
Sec. 10 – NENE, S2NE, E2NW, NESW, SE;
Sec. 15 – NE, E2SE.

640 acres

Washington County
Four Rivers Field Office

The following stipulations and lease notices apply to all Crane Creek parcels:

STIPULATIONS

No Surface Occupancy (NSO)

- 1. Riparian, Wetland and Floodplain Stipulation:** The 100-year floodplains, wetlands, and riparian areas, and perennial stream courses are closed to any new permanent facilities. This stipulation may be waived, excepted or modified by the authorized officer if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.
- 2. Slopes:** On slopes in excess of 40 percent and/or soils with high erosion potential.
- 3. Wildlife:** No surface occupancy would be allowed on areas inhabited by Southern Idaho ground squirrels. No populations are currently known within the lease area. Surveys for this species would be required before ground-disturbing activities could take place. The surveys would have to occur from March 15 to May 1, when the ground squirrels are active above ground.

Timing Limitations (TL) and Controlled Surface Use (CSU)

- 1. Water Resources:** No surface disturbing activity would be allowed within 500 feet of water bodies, riparian areas, wetlands, and 100-year floodplains, or perennial streams, and within 100 feet of inner gorge of intermittent/ephemeral streams, unless site-specific analysis determines that no adverse impacts would occur. Riparian and wetland habitat includes the presence of riparian vegetation even without surface water being present, and all springs, even when seasonally non-flowing.
- 2. Protection of erosive soils and soils on slopes between 30 and 40 percent:** Best management practices would be required on a site by site basis to protect erosive soils defined as severe or very severe erosion classes based on Natural Resources Conservation Service (NRCS) mapping or slopes between 30 and 40 percent. The best management practices would include, but not be limited to stockpiling, mulching, seeding with BLM approved seed and monitoring the seeding for successful germination.

3. **Wildlife:**

a. Sage Grouse: Prior to authorization of surface disturbing activities, the area will be surveyed for the presence of active sage grouse leks within key sage grouse habitat. Lekking activity starts in mid March, depending on seasonal weather. If active leks are present, defined as being used at least once in a five-year period, the following stipulations will apply:

1) Sage Grouse Leks Timing Limitation: No exploration or drilling activities are allowed from March 15 to May 1 from 1800-0900 hrs within two miles (3.2 km) of active sage-grouse leks. Prior to ground-disturbing activities, lek surveys will be conducted each year from March 15 to May 1 during exploration and development phase to determine if new lek sites have been established. These surveys will be conducted in key sagebrush habitat within the lease, and extend two miles from the lease boundary. This stipulation does not apply to operation and maintenance of existing production facilities.

2) Sage Grouse Nesting Controlled Surface Use: No wells, geothermal plants, powerlines, pipelines, or other such permanent structures that would fragment or degrade nesting habitat would be permitted within two miles of an active sage grouse lek within key sagebrush habitat. An active lek is defined as one that is used in at least one of the past five years. If an active sage-grouse lek is identified after the beginning of geothermal activities, there will be no increase in ground-disturbing activities or constructed features beyond what existed when the lek was first identified. This portion of the stipulation (active lek found after onset of activities) does not apply to operation and maintenance of existing production facilities. This stipulation may be waived or modified by the authorized officer if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.

b. Big Game – Crucial Winter Habitat for Elk and Deer: No surface use is allowed from November 1 through March 31 on elk and deer winter range. This stipulation does not apply to operation and maintenance of production facilities. This stipulation may be waived or modified by the authorized officer if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.

LEASE NOTICES

1. Sensitive species: The proposed leases occur within the range of the Southern Idaho Ground Squirrel, a candidate species, and the Greater Sage Grouse, a sensitive species. The U.S. Fish and Wildlife Service is currently reviewing the status of the sage grouse for listing as threatened or endangered. If sage grouse are later listed as threatened or endangered, consultation with the U.S. Fish and Wildlife Service will be required before any ground disturbing activity can be allowed.

Sensitive animal species that may exist within the proposed lease area include, but are not limited to, Sage and Sharp Tailed Grouse, Northern Leopard Frog, Mountain Quail, Prairie Falcon, Ferruginous Hawk, Loggerhead Shrike, Sage Sparrow, Brewers Sparrow, Long Nosed Snake, and the Common Garter Snake. Suitable habitat exists or may exist for the above sensitive species. Additional site specific surveys may be required prior to any ground disturbing activity.

Three sensitive plant species are known to exist in the area. They are *Lomatium packardiae* (Type 2), *Pyrrocoma radiata* (Type 3), and *Perraphyllum ramossimum* (Type 3). Suitable habitat exists or may exist for the three sensitive plant species, therefore additional site specific surveys will be required prior to any ground disturbing activity.

2. Paleontological and Cultural Resources: Before any specific permits are issued under leases, treatment of cultural resources will follow the procedures established by the Advisory Council on Historic Preservation for compliance with Section 106 of the National Historic Preservation Act. A pedestrian inventory will be undertaken of all portions that have not been previously surveyed or are identified by BLM as requiring inventory to identify properties that are eligible for the NRHP. Those sites not already evaluated for NRHP eligibility will be evaluated based on surface remains, subsurface testing, archival, and/or ethnographic sources. Subsurface testing will be kept to a minimum whenever possible if sufficient information is available to evaluate the site or if avoidance is an expected mitigation outcome. Recommendations regarding the eligibility of sites will be submitted to the BLM, and a treatment plan will be prepared to detail methods for avoidance of impacts or mitigation of effects. The BLM will make determinations of eligibility and effect and consult with SHPO as necessary based on each proposed lease application and project plans. The BLM may require modification to exploration or development proposals to protect such properties, or disapprove any activity that is likely to result in adverse effects that cannot be successfully avoided, minimized or mitigated. Avoidance of impacts through project design will be given priority over data recovery as the preferred mitigation measure. Avoidance measures include moving project elements away from site locations or to areas of previous impacts, restricting travel to existing roads, and maintaining barriers and signs in areas of cultural sensitivity. Any data recovery will be preceded by approval of a detailed research design, Native American Consultation, and other requirements for BLM issuance of a permit under the Archaeological Resources Protection Act.

If cultural resources are present at the site, or if areas with a high potential to contain cultural material have been identified, a cultural resources management plan (CRMP) will be developed. This plan will address mitigation activities to be taken for cultural resources found at the site. Avoidance of the area is always the preferred mitigation option. Other mitigation options include archaeological survey and excavation (as warranted) and monitoring. If an area exhibits a high potential, but no artifacts were observed during an archaeological survey, monitoring by a qualified archaeologist could be required during all excavation and earthmoving in the high potential area. A report will be prepared documenting these activities. The CRMP also will (1) establish a monitoring program, (2) identify measures to prevent potential looting/vandalism or erosion impacts, and (3) address the education of workers and the public to make them aware of the consequences of unauthorized collection of artifacts and destruction of property on public land.

Operators will determine whether paleontological resources exist in a project area on the basis of the sedimentary context of the area, a records search for past paleontological finds in the area, and/or, depending on the extent of existing information, a paleontological survey.

If paleontological resources are present at the site, or if areas with a high potential to contain paleontological material have been identified, a paleontological resources management plan will be developed. This plan will include a mitigation plan for avoidance, removal of fossils, or monitoring. If an area exhibits a high potential but no fossils were observed during survey, monitoring by a qualified paleontologist may be required during excavation and earthmoving in the sensitive area. The operator will submit a report to the agency documenting these activities.

The paleontological resources management plan also will (1) establish a monitoring program, (2) identify measures to prevent potential looting/vandalism or erosion impacts, and (3) address the education of workers and the public to make them aware of the consequences of unauthorized collection of fossils on public land.

3. **Surface Thermal Springs or Features:** As exploration and development activities commence, the lessee may be required to institute a hydrologic monitoring program commensurate with the level of activity.

CASTLE CREEK PARCELS

BLOCK 2 (IDI-36106, IDI-36107, IDI-36108, IDI-36109) – 17,871.61 total acres:

IDI-36106

T. 6 S., R. 1 E., Boise Meridian

Sec. 12 – All;

Sec. 13 – All;

Sec. 24 – All;

Sec. 25 – All.

T. 6 S., R. 2 E., Boise Meridian

Sec. 7 – Lots 1-4, E2, E2W2;

Sec. 17 – All;

Sec. 18 – Lots 1-4, E2, E2W2;

Sec. 19 – Lots 1-4, E2, E2W2.

5,089.8 acres

Owyhee County, Idaho

Bruneau Field Office

STIPULATIONS:

Timing Limitation, Big Game - Crucial Winter Habitat for Antelope and Deer: No surface use other than casual use would be allowed from November 1 through March 31 on antelope and deer winter range. This stipulation does not apply to operation and maintenance of production facilities. This stipulation may be waived or modified by the authorized officer if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.

IDI-36107

T. 6 S., R. 2 E., Boise Meridian

- Sec. 20 – All;
- Sec. 21 – All;
- Sec. 22 – All;
- Sec. 26 – All;
- Sec. 27 – All;
- Sec. 28 – All;
- Sec. 29 – All;
- Sec. 30 – Lots 1-4, E2, E2W2.

5,116.96 acres

Owyhee County, Idaho
Bruneau Field Office

STIPULATIONS:

Timing Limitation, Big Game - Crucial Winter Habitat for Antelope and Deer: No surface use other than casual use would be allowed from November 1 through March 31 on antelope and deer winter range. This stipulation does not apply to operation and maintenance of production facilities. This stipulation may be waived or modified by the authorized officer if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.

IDI-36108

T. 6 S., R. 2 E., Boise Meridian

- Sec. 32 – All;
- Sec. 33 – All;
- Sec. 34 – All;
- Sec. 35 – All.

T. 7 S., R. 2 E., Boise Meridian

- Sec. 3 – Lots 1-4, S2, S2N2;
- Sec. 4 – Lots 1-4, S2, S2N2;
- Sec. 5 – Lots 1-4, S2, S2N2.

4,464.85 acres

Owyhee County, Idaho
Bruneau Field Office

STIPULATIONS:

Timing Limitation, Big Game - Crucial Winter Habitat for Antelope and Deer: No surface use other than casual use would be allowed from November 1 through March 31 on antelope and deer winter range. This stipulation does not apply to operation and maintenance of production facilities. This stipulation may be waived or modified by the authorized officer if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.

IDI-36109

T. 7 S., R. 2 E., Boise Meridian

- Sec. 8 – All;
- Sec. 9 – All;
- Sec. 10 – All;
- Sec. 15 – All;
- Sec. 17 – All.

3,200 acres

Owyhee County, Idaho
Bruneau Field Office

STIPULATIONS:

No Surface Occupancy, Back Country Byway Designation: This stipulation is to protect scenic values within one half mile either side of the Mud Flat Road, also known as the Owyhee Back Country Byway where it passes through Section 15, T. 7 S., R. 2 E.

Timing Limitation, Big Game - Crucial Winter Habitat for Antelope and Deer: No surface use other than casual use would be allowed from November 1 through March 31 on antelope and deer winter range. This stipulation does not apply to operation and maintenance of production facilities. This stipulation may be waived or modified by the authorized officer if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.

BLOCK 3 (IDI-36110, IDI-36111) – 8,140 total acres:

IDI-36110

T. 5 S., R. 1 E., Boise Meridian

- Sec. 13 – N2NE, W2, SWSE;
- Sec. 14 – All;
- Sec. 15 – E2, NENW, S2NW, SW;
- Sec. 20 – NE, W2, W2SE;
- Sec. 21 – E2, NWNW;
- Sec. 22 – All;
- Sec. 23 – All;
- Sec. 24 – W2NE, W2, SE.

4,440 acres

Owyhee County, Idaho
Bruneau and Owyhee Field Offices

STIPULATIONS:

No Surface Occupancy, Bighorn Sheep Habitat: This stipulation is for the protection and preservation of yearlong California bighorn sheep habitat as defined by the Idaho Department of Fish and Game. This area may be used by bighorn sheep for lambing, breeding and winter

activities so disturbance associated with surface activities could adversely affect the species. Waivers, exceptions or modifications to this limitation may be specifically approved in writing by the authorized officer of the BLM if either the resource value changes or the lessee/operator demonstrates that adverse impacts can be mitigated.

Split Estate Stipulation: On split estate lands, lessee is responsible for making a good faith effort to reach access arrangements with the surface owner of such lands prior to entry upon the lands. Lessee must certify to the BLM that a good faith effort was made to reach a surface use agreement with the surface owner. If good faith efforts to obtain a surface use agreement fail, lessee must submit a minimum \$1,000 Damages Bond to the BLM for the benefit of the surface owner to cover loss or damages to crops or tangible improvements.

IDI-36111

T. 5 S., R. 1 E., Boise Meridian

Sec. 26 – All;

Sec. 27 – All;

Sec. 28 – NE, S2NW, S2;

Sec. 29 – W2NE, W2, NWSE;

Sec. 32 – E2E2, W2;

Sec. 33 – E2NE, W2W2, SESW, E2NESE;

Sec. 34 – All.

3,700 acres

Owyhee County, Idaho

Bruneau and Owyhee Field Offices

STIPULATIONS:

No Surface Occupancy, Bighorn Sheep Habitat: This stipulation is for the protection and preservation of yearlong California bighorn sheep habitat as defined by the Idaho Department of Fish and Game. This area may be used by bighorn sheep for lambing, breeding, and winter activities so disturbance associated with surface activities could adversely affect the species. Waivers, exceptions or modifications to this limitation may be specifically approved in writing by the authorized officer of the BLM if either the resource value changes or the lessee/operator demonstrates that adverse impacts can be mitigated.

Timing Limitation, Big Game - Crucial Winter Habitat for Antelope and Deer: No surface use other than casual use would be allowed from November 1 through March 31 on antelope and deer winter range. This stipulation does not apply to operation and maintenance of production facilities. This stipulation may be waived or modified by the authorized officer if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.

The following stipulations and lease notices apply to all Castle Creek parcels:

STIPULATIONS

No Surface Occupancy (NSO)

1. **Riparian, Wetland and Floodplain Stipulation:** The 100-year floodplains, wetlands, and riparian areas, and perennial stream courses are closed to any new permanent facilities. This stipulation may be waived, excepted or modified by the authorized officer if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.
2. **Slopes:** No new permanent facilities will be allowed on slopes in excess of 40 percent.

Timing Limitations (TL) and Controlled Surface Use (CSU)

1. **Water Resources:** No surface disturbing activity would be allowed within 500 feet of water bodies, riparian areas, wetlands, and 100-year floodplains, or perennial streams, and within 100 feet of inner gorge of intermittent/ephemeral streams, unless site-specific analysis determines that no adverse impacts would occur. Riparian and wetland habitat includes the presence of riparian vegetation even without surface water being present, and all springs, even when seasonally non-flowing.
2. **Protection of erosive soils and soils on slopes between 30 and 40 percent:** Best management practices would be required on a site by site basis to protect erosive soils defined as severe or very severe erosion classes based on Natural Resources Conservation Service (NRCS) mapping or slopes between 30 and 40 percent. The best management practices would include, but not be limited to stockpiling, mulching, seeding with BLM approved seed and monitoring the seeding for successful germination and establishment.
3. **Wildlife:**
 - a. **Sage Grouse:** Prior to authorization of surface disturbing activities, the area will be surveyed for the presence of active sage grouse leks within key sage grouse habitat. Lekking activity starts in mid March, depending on seasonal weather. If active leks are present, defined as being used at least once in a five-year period, the following stipulations will apply:
 - 1) Sage Grouse Leks Timing Limitation: No exploration or drilling activities are allowed from March 15 to May 1 from 1800-0900 hrs within two miles (3.2 km) of active sage-grouse leks. Prior to ground-disturbing activities, lek surveys will be conducted each year from March 15 to May 1 during exploration and development phase, to determine if new lek sites have been established. These surveys will be conducted in key sagebrush habitat within the lease, and extend two miles from the lease boundary. This stipulation does not apply to operation and maintenance of existing production facilities.
 - 2) Sage Grouse Nesting Controlled Surface Use: No wells, geothermal plants, powerlines, pipelines, or other such permanent structures that would fragment or degrade nesting habitat would be permitted within two miles of an active sage grouse lek within key

sagebrush habitat. An active lek is defined as one that is used in at least one of the past five years. If an active sage-grouse lek is identified after the beginning of geothermal activities, there will be no increase in ground-disturbing activities or constructed features beyond what existed when the lek was first identified. This portion of the stipulation (active lek found after onset of activities) does not apply to operation and maintenance of existing production facilities. This stipulation may be waived or modified by the authorized officer if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.

LEASE NOTICES

1. Sensitive species: The proposed parcels occur within the range of the greater sage-grouse, a sensitive species. The U.S. Fish and Wildlife Service is currently reviewing the status of the sage grouse for listing as threatened or endangered. If sage grouse are later listed as threatened or endangered, consultation with the U.S. Fish and Wildlife Service will be required before any ground disturbing activity can be allowed.

The lease may, in part or in total, contain important greater sage-grouse habitat as identified by the BLM, either currently or prospectively. The operator may be required to implement specific measures to reduce impacts of geothermal operations on the greater sage-grouse populations and habitat quality. Such measures shall be developed during the Geothermal Drilling Permit (GDP) environmental review process and will be consistent with the lease rights granted.

Sensitive animal species may exist within the proposed lease area. Additional site specific surveys may be required prior to any ground disturbing activity.

Seven sensitive plant species are known to exist in the area. They are Janish's penstemon (*Penstemon janishiae*), Shockey's matted buckwheat (*Eriogonum shockleyi* var. *packardiae*), desert pincushion (*Chaenactis steviodes*), white-margined wax plant (*Glyptopleura marginata*), white eatonella (*Eatonella nivea*), spreading gilia (*Ipomopsis polycladon*), and Snake River milkvetch (*Astragalus purshii* var. *ophiogenes*). Suitable habitat exists or may exist for the seven sensitive plant species; therefore additional site specific surveys will be required prior to any ground disturbing activity.

2. Paleontological and Cultural Resources: Before any specific permits are issued under leases, treatment of cultural resources will follow the procedures established by the Advisory Council on Historic Preservation for compliance with Section 106 of the National Historic Preservation Act. A pedestrian inventory will be undertaken of all portions that have not been previously surveyed or are identified by BLM as requiring inventory to identify properties that are eligible for the NRHP. Those sites not already evaluated for NRHP eligibility will be evaluated based on surface remains, subsurface testing, archival, and/or ethnographic sources. Subsurface testing will be kept to a minimum whenever possible if sufficient information is available to evaluate the site or if avoidance is an expected mitigation outcome.

Recommendations regarding the eligibility of sites will be submitted to the BLM, and a treatment plan will be prepared to detail methods for avoidance of impacts or mitigation of effects. The BLM will make determinations of eligibility and effect and consult with SHPO as necessary based on each proposed lease application and project plans. The BLM may require modification to exploration or development proposals to protect such properties, or disapprove any activity that is likely to result in adverse effects that cannot be successfully avoided, minimized or mitigated. Avoidance of impacts through project design will be given priority over

data recovery as the preferred mitigation measure. Avoidance measures include moving project elements away from site locations or to areas of previous impacts, restricting travel to existing roads, and maintaining barriers and signs in areas of cultural sensitivity. Any data recovery will be preceded by approval of a detailed research design, Native American Consultation, and other requirements for BLM issuance of a permit under the Archaeological Resources Protection Act.

If cultural resources are present at the site, or if areas with a high potential to contain cultural material have been identified, a cultural resources management plan (CRMP) will be developed. This plan will address mitigation activities to be taken for cultural resources found at the site. Avoidance of the area is always the preferred mitigation option. Other mitigation options include archaeological survey and excavation (as warranted) and monitoring. If an area exhibits a high potential, but no artifacts were observed during an archaeological survey, monitoring by a qualified archaeologist could be required during all excavation and earthmoving in the high potential area. A report will be prepared documenting these activities. The CRMP also will (1) establish a monitoring program, (2) identify measures to prevent potential looting/vandalism or erosion impacts, and (3) address the education of workers and the public to make them aware of the consequences of unauthorized collection of artifacts and destruction of property on public land.

Operators will determine whether paleontological resources exist in a project area on the basis of the sedimentary context of the area, a records search for past paleontological finds in the area, and/or, depending on the extent of existing information, a paleontological survey.

If paleontological resources are present at the site, or if areas with a high potential to contain paleontological material have been identified, a paleontological resources management plan will be developed. This plan will include a mitigation plan for avoidance, removal of fossils, or monitoring. If an area exhibits a high potential but no fossils were observed during survey, monitoring by a qualified paleontologist may be required during excavation and earthmoving in the sensitive area. The operator will submit a report to the agency documenting these activities. The paleontological resources management plan also will (1) establish a monitoring program, (2) identify measures to prevent potential looting/vandalism or erosion impacts, and (3) address the education of workers and the public to make them aware of the consequences of unauthorized collection of fossils on public land.

3. Surface Thermal Springs or Features: As exploration and development activities commence, the lessee may be required to institute a hydrologic monitoring program commensurate with the level of activity.