



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Idaho State Office
1387 S. Vinnell Way
Boise, ID 83709-1657
<http://www.id.blm.gov>



January 7, 2010

Notice of Competitive Lease Sale Geothermal Resources, Idaho

We wish to announce that we will offer for competitive sale certain lands in the State of Idaho for Federal geothermal leasing. The sale will be held on **February 23, 2010**. This notice describes:

- The time, date, and place of the lease sale;
- How to participate in the bidding process;
- The sale process;
- The conditions of the sale;
- How to file a noncompetitive offer after the sale.

This sale will be held in accordance with the Energy Policy Act of 2005, and the final rules issued May 2, 2007 (43 CFR Parts 3000, 3200, and 3280, Fed. Reg. Vol. 72, No. 84).

Attached to this notice is a list of the lands we are offering by parcel number and land description. We have included any special conditions or restrictions that will be made a part of the lease below each parcel. The bid form (BLM form number 3000-002 dated August 2007) can be found at www.blm.gov/FormsCentral/show-home.do.

When and where will the sale take place?

When: The competitive oral auction will begin at 11:00 a.m. on **Tuesday, February 23, 2010**. You can register and get a bidding number starting at 9:30 a.m. A registration table will be set up outside the fifth floor elevator.

Where: We will hold the sale at the Bureau of Land Management's Utah State Office, 3 Gateway Building, 440 West 200 South, Fifth Floor-Monument Conference Room 532, Salt Lake City, Utah. There are parking facilities at the building.

Access: The sale room is accessible to people with disabilities. If you need an auxiliary aid or service to participate in the sale, such as sign language interpreter or materials in an alternate format, contact Teresa Thompson at (801) 539-4047 by February 4, 2010.

How do I participate in the bidding process?

To participate in the bidding process, you must register for and get a bidding number. You must provide a valid form of identification at the time of registration. We will begin registering bidders at 9:30 a.m. on the day of the sale. You must display your bid number to the auctioneer when you submit a bid.

- The auctioneer will offer the geothermal parcels, in the order they are shown on the attached list. Some parcels will be offered in blocks as shown (one bid for all parcels in a block). If no bids are received for the block, the auctioneer will offer the parcels individually.
- After we have offered all the parcels, you may ask the auctioneer to re-offer any unsold parcels.
- All bids are on a per-acre basis for the entire acreage in the block or parcel.
- The winning bid is the highest oral bid equal to or exceeding the minimum acceptable bid of \$2 per acre.
- The BLM will reject all bids and re-offer a parcel if we determine that the high bidder is not qualified, or the high bidder fails to make all the required payments; and
- The decision of the auctioneer is final.

The minimum bid the BLM can accept is \$2 per acre. If a parcel contains fractional acreage, round it up to the next whole acre. For example, a parcel of 100.51 acres requires a minimum bid of \$202 (\$2 x 101 acres).

What conditions apply to the lease sale?

- **Parcel withdrawal or sale cancellation:** We reserve the right to withdraw any or all parcels before the sale begins. If we withdraw a parcel, we will post a notice in the Idaho State Office Information Access Center (Public Room) and on our website before the day of the sale. We will announce withdrawn parcels before the sale begins.
- **Payment due:** You cannot withdraw a bid. Your bid is a legally binding commitment to sign the bid form, accept the lease, and pay the money due on the day of the sale. By 4:30 p.m. on the day of the sale, you must pay the following: (1) Twenty percent of the bonus bid; (2) the total amount of the first year's rental at \$2 per acre; and (3) the \$145 competitive lease processing fee. **Within 15 calendar days after the day of the sale, the balance of the bonus bid must be received by the BLM-Idaho State Office.**
- **Forms of payment:** You must pay by personal check, cashier's check, certified check, bank draft or money order. Make checks payable to: **Department of the Interior-BLM**. We cannot accept cash. If a check you have sent to us in the past

has been returned for insufficient funds, we may ask that you give us a guaranteed payment, such as a certified check.

• **Bid form:** On the day of the sale, if you are a successful bidder you must give us a properly completed and signed competitive bid form (Form 3000-2, dated August 2007) with your payment. This form is a legally binding offer by the prospective lessee to accept a lease and all of its terms and conditions. Once the form is signed, you cannot change it. We will not accept any bid form that has information crossed out or is otherwise altered.

We recommend you get a copy of the bid form and complete it prior to the sale. Your completed bid form certifies that:

(1) You and the prospective lessee are qualified to hold a geothermal lease under our regulations at 43 CFR 3202; and

(2) Both of you have complied with 18 U.S.C. 1860, a law that prohibits unlawful combinations, intimidation of and collusion among bidders.

• **Lease Issuance:** After we receive the bid form and all the money due, we can issue the lease. A lease is effective the first day of the month following the month in which we sign it.

• **Lease terms:** A lease issued as a result of this sale will have a primary term of 10 years. It will continue beyond its primary term as long as the provisions of 43 CFR 3207 are met. The annual rental is \$2 per acre for the first year (paid to BLM), and \$3 per acre for the second through tenth years (paid to Minerals Management Service (MMS)). Beginning with the 11th lease year, the rental rate for all leases will increase to \$5 per acre. Rentals are due on or before the anniversary date each year until production begins. Royalty rates can be found at 43 CFR 3211.

• **Stipulations:** Some parcels have special requirements or restrictions, which are called stipulations. These are included with the parcel descriptions. Stipulations are part of the lease and supersede any inconsistent provisions of the lease form.

All Federal geothermal lease rights are granted subject to applicable laws under Section 6 of the lease terms, and lessees must meet certain requirements under the Endangered Species Act, as amended, 16 U.S.C. 1531 et. seq. In accordance with Section 1.10.5 of the Record of Decision for Geothermal Leasing in the Western United States, dated December 2008, and Washington Office (WO) Instruction Memorandum (IM) No. 2002-174, each parcel included in this lease sale will be subject to the attached Endangered Species Act Section 7 Consultation Stipulation.

In accordance with WO IM No. 2005-003, Cultural Resources and Tribal Consultation for Fluid Minerals Leasing, each parcel in this lease sale will be subject to the attached Cultural Resource Protection Stipulation.

How can I obtain a noncompetitive lease?

Lands offered at a competitive lease sale that receive no bids will be available for noncompetitive leasing for a two-year period beginning the first business day following the sale. Submit two executed copies of the applicable noncompetitive lease form to the BLM, along with the \$375 processing fee and advance rental in the amount of \$1 per acre (remember to round up fractional acreage). At least one form must have an original signature. We will accept only exact copies of the form on one 2-sided page. Describe the lands in your offer as specified in our regulations at 43 CFR 3204.11(a).

All applications for a particular parcel will be considered simultaneously filed if received in the proper BLM office any time during the first business day following the competitive lease sale. You may submit only one application per parcel. An application will not be available for public inspection the day it is filed. The BLM will randomly select an application among those accepted on the first business day to receive a lease offer.

Subsequent to the first business day following the competitive lease sale, the first qualified applicant to submit an application will be offered the lease. If the BLM receives simultaneous applications as to date and time for overlapping lands, the BLM will randomly select one to receive a lease offer.

For noncompetitive offers filed the day of the sale and the first business day after the sale, put the application and payment in a sealed envelope marked "Noncompetitive Geothermal Offer". Place the envelope in the drop box in the Utah State Office Information Access Center (Public Room), or submit during business hours to the Idaho State Office. Noncompetitive offers submitted after the first business day after the sale must be filed in the Idaho State Office.

May I amend my application for a noncompetitive lease?

You may amend your application for a noncompetitive lease at any time before we issue the lease, provided your amended application does not add lands not included in the original application. To add lands, you must file a new application.

May I withdraw my application for a noncompetitive lease?

During the 30-day period after the competitive lease sale, the BLM will only accept a withdrawal of the entire application. Following that 30-day period, you may withdraw your noncompetitive lease application in whole or in part at any time before the BLM issues the lease. If a partial withdrawal causes your lease application to contain less than the minimum acreage required (640 acres, or all lands available for leasing in the section, whichever is less), the BLM will reject the application.

How can I find out the results of this sale?

We will post the sale results in the Idaho State Office Information Access Center. You can buy a printed copy of the results list from the Idaho State Office Information Access Center for \$5.00. The list will also be available at our public internet site: <http://www.blm.gov/id/st/en/prog/energy/geothermal.html>

For more information, please contact Tracy Cron, Land Law Examiner, BLM Idaho State Office, at 208-373-3886.

/s/ Jerry L. Taylor

Jerry L. Taylor
Chief, Branch of Lands, Minerals
& Water Rights



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IN REPLY REFER TO:
3200
(ID-933)

Endangered Species Act Section 7 Consultation Stipulation

WO IM 2002-174, 5/21/02

The lease area may now or hereafter contain plants, animals or their habitats determined to be threatened, endangered, or other special status species. BLM may recommend modifications to exploration and development proposals to further its conservation and management objective to avoid BLM-approved activity that will contribute to a need to list such a species or their habitat. BLM may require modifications to or disapprove proposed activity that is likely to result in jeopardy to the continued existence of a proposed or listed threatened or endangered species or result in the destruction or adverse modification of a designated or proposed critical habitat. BLM will not approve any ground-disturbing activity that may affect any such species or critical habitat until it completes its obligations under applicable requirements of the Endangered Species Act as amended, 16 U.S.C. 1531 et seq., including completion of any required procedure for conference or consultation.

Cultural Resource Protection – Lease Stipulation

WO IM 2005-003, 10/5/04

“This lease may be found to contain historic properties and/or resources protected under the National Historic Preservation Act (NHPA), American Indian Religious Freedom Act, Native American Graves Protection and Repatriation Act, E.O. 13007, or other statutes and executive orders. The BLM will not approve any ground disturbing activities that may affect any such properties or resources until it completes its obligations under applicable requirements of the NHPA and other authorities. 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.”



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3200
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PUBLIC NOTICE

Bidders are reminded that a bid shall not be withdrawn and shall constitute a legally binding commitment to execute the lease bid form and accept a lease, including the obligation to pay the bonus bid, first year's rental, and administrative fee. There have been cases in past oral auctions where the minimum deposit due from the high bidder on the day of the auction was not paid, or was paid by check drawn on an account with insufficient funds. The Bureau of Land Management will be closely monitoring situations of this nature to determine whether further measures should be initiated to protect the integrity of the system.

**BIDDER REGISTRATION FORM
COMPETITIVE GEOTHERMAL LEASE SALE**

By completing this form, I certify that the undersigned, or the principal party whom the undersigned is acting on behalf of, is in compliance with the applicable regulations and leasing authorities governing a bid and subsequent lease.

I certify that any bid submitted by the undersigned or on behalf of the principal party is a good faith intention by the undersigned or the principal party to acquire a geothermal lease on the offered lands. Further, I acknowledge that if a bid is declared the high bid, it will constitute a legally binding commitment to execute BLM Form 3000-2 and to accept the lease. Additionally, if a bid is declared the high bid, the undersigned or the principal party will pay to the Bureau of Land Management by the close of official business hours on the day of the auction, or such other time as may be specified by the authorized officer, an amount at least equal to minimum monies owed the day of sale for that bid, as set out in applicable regulations. Further, the undersigned or the principal party acknowledge that these monies are due to the Bureau of Land Management, whether or not a lease is subsequently issued as a result of the winning bid.

It is a crime under 18 U.S.C. 1001 and 43 U.S.C. 1212 for any person to knowingly and willfully make any false, fictitious or fraudulent statements or representations as to any matter within the jurisdiction.

A separate form is required for each company or individual you are representing.

Please fill in the company/individual name and address as it will appear on the issued lease. We will send a copy of the lease and billing notices to the name and address as shown below. NOTE: Please use the same lessee name and address information on BLM Form 3000-2.

Bidder Number (leave blank)

Lessee Name: _____

Mailing Address: _____

City: _____

State: _____ Zip Code: _____

Bidder Name: _____ Phone number: _____
(include area code)

Relationship to lessee: _____
(self, agent, attorney-in-fact, president, etc.)

Signature

Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

**COMPETITIVE OIL AND GAS OR
GEOTHERMAL RESOURCES LEASE BID**

30 U.S.C. 181 et seq.; 30 U.S.C. 351-359;
30 U.S.C. 1001-1025; 42 U.S.C. 6508

State _____

Date of Sale _____

PARCEL NUMBER	AMOUNT OF BID <i>(see instructions below)</i>	
	TOTAL BID	PAYMENT SUBMITTED WITH BID
THE BID IS FOR <i>(check one)</i> : <input type="checkbox"/> Oil and Gas Parcel Number _____		
<input type="checkbox"/> Geothermal Parcel Number _____ Name of Known Geothermal Resource Area (KGRA) _____		

The appropriate regulations applicable to this bid are: (1) for oil and gas leases--43 CFR 3120; (2) for National Petroleum Reserve-Alaska (NPR-A) leases--43 CFR 3132; and (3) for Geothermal resources leases--43 CFR 3220. *(See details concerning lease qualifications on next page.)*

I CERTIFY THAT I have read and am in compliance with; and not in violation of the lessee qualification requirements under the applicable regulations for this bid.

I CERTIFY THAT this bid is not in violation of 18 U.S.C. 1860 which prohibits unlawful combination or intimidation of bidders. I further certify that this bid was arrived at independently and is tendered without collusion with any other bidder for the purpose of restricting competition.

IMPORTANT NOTICE: Execution of this form where the offer is the high bid, constitutes a binding lease offer including all applicable terms and conditions. Failure to comply with the applicable laws and regulations under which this bid is made will result in rejection of the bid and forfeiture of all monies submitted.

Print or Type Name of Lessee

Signature of Lessee or Bidder

Address of Lessee

City State Zip

INSTRUCTIONS FOR OIL AND GAS BID
(Except NPR-A)

1. Separate bid for each parcel is required. Identify parcel by the parcel number assigned in the *Notice of Competitive Lease Sale*.
2. Bid must be accompanied by the national minimum acceptable bid, the first year's rental and the administrative fee. The remittance must be in the form specified in 43 CFR 3103.1-1. The remainder of the bonus bid, if any, must be submitted to the proper Bureau of Land Management (BLM) office within 10 working days after the last day of the oral auction. **Failure to submit the remainder of the bonus bid within 10 working days will result in rejection of the bid offer and forfeiture of all monies paid.**
3. If the bidder is not the sole party in interest in the lease for which the bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the BLM.
4. This bid may be executed (*signed*) before the oral auction. If signed before the oral auction, this form cannot be modified without being executed again.
5. In view of the above requirement (4), the bidder may wish to leave the AMOUNT OF BID section blank so that final bid amount may be either completed by the bidder or the BLM at the oral auction.

INSTRUCTIONS

**INSTRUCTIONS FOR GEOTHERMAL OR
NPR-A OIL AND GAS BID**

1. Separate bid for each parcel is required. Identify the parcel by the number assigned to a tract.
2. Bid must be accompanied by one-fifth of the total amount of the bid. The remittance must be in the form specified in 43 CFR 3220.4 for a Geothermal Resources bid and 3132.2 for a NPR-A lease bid.
3. Mark the envelope "Bid for Geothermal Resources Lease" in (*Name of KGRA*) or "Bid for NPR-A Lease," as appropriate. Be sure correct parcel number of tract on which the bid is submitted and date of bid opening are noted plainly on envelope. No bid may be modified or withdrawn unless such modification or withdrawal is received prior to time fixed for opening of bids.
4. Mail or deliver bid to the proper BLM office or place indicated in the *Notice of Competitive Lease Sale*.
5. If the bidder is not the sole party in interest in the lease for which bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the BLM.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212 make 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 2)