



United States Department of the Interior



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EMS TRANSMISSION 9/9/2010
Instruction Memorandum No. NV-2010-066
Expires: 09/30/2011

To: District Managers, Nevada
From: State Director, Nevada
Subject: Geothermal Permitting

Program Areas: Geothermal Operations

Purpose: Instruction Memorandum (IM) NV-2008-022 was issued to provide guidance to District Offices (DO) for time frames and processes to enhance the efficiency of processing Geothermal Drilling Permits (GDP) for wells associated with geothermal resources on public land when addressing routine or non-controversial environmental and operational situations. Following the issuance of the IM, the Nevada Bureau of Land Management (BLM), along with the geothermal industry and contractors, continued to have discussions regarding opportunities to improve upon and clarify the IM and other tasks associated with the permitting of geothermal projects. The purpose of this IM is to revise and clarify the existing policy based on these discussions. This IM will discuss:

1. National Environmental Policy Act (NEPA) Coordination and Processing Procedures
2. State Office and District Coordination Meetings
3. Policy guidance on Geothermal Resource Automated Support System (GRASS)

Policy/Action: DOs are directed to immediately incorporate and implement the following procedures described in this IM and implement processing time frames and checklists provided in the attachments provided.

1. National Environmental Policy Act Coordination and Processing Procedures

Portions of the geothermal permitting process require clarification; primarily the areas of Pre Application Meetings, Native American Consultation, permitting timelines, and project description requirements. The following information should clarify these outstanding issues.

a. Pre Application Meetings - Prior to submittal of geothermal permits, the BLM specialists will meet with Applicants to discuss the likely level of NEPA review relevant environmental issues, and identify information needed for environmental analysis for projects. Two weeks prior to the scheduled Pre Planning Meetings, offices will require proponents to submit the following information:

- topographic maps at the appropriate scale outlining the lease area and proposed project area (if different);
- a topographic map at 1:24,000 scale for Native American Consultation Letters;
- shape files and metadata associated with map data;
- a general description of the types of activities being proposed; and
- the proposed timeline for these projects (particularly for Department of Energy funded projects with deadlines).

The BLM Project Lead will review and coordinate with the Field Office (FO)/District Office (DO) geothermal team to further review and bring forth resource conflicts and constraints prior to the meeting and determine what archeological inventories and environmental surveys are required for the proposed project. The applicant, consultant, contractors, and BLM should attend the Pre Planning Meeting and other Federal, state and local agencies are encouraged to attend.

b. Industry Checklists and Templates - The BLM will provide the website address (http://www.blm.gov/nv/st/en/prog/minerals/leasable_minerals/geothermal0/geothermal_guidance.html) for the geothermal permit checklists to industry at the Pre Application Meeting. The checklists describe what information is required for a complete Notice of Intent to Conduct Geothermal Resource Exploration Permits (NOI) (attachment 1), Operations Plan (OP) (attachment 2), Utilization Plan (UP), Commercial Use Permit (CUP), Construction Permit and Site License (attachment 3) and a template Reclamation Plan (attachment 4). While there may be additional information required for unique projects, these checklists provide a general overview and serve to minimize the number of document reviews between industry/contractors and BLM.

c. Project Timelines - During the Pre Planning Meeting, a project schedule will be developed between the BLM, the applicant and the consultant, using the timelines provided in attachment 5 and attachments 6 and 7 for **EA-level NOIs, OP and UP on both private and Federal land**. Specific tasks, assignments and dates are included in these timelines. These

schedules will be used as a guide for the project and include cooperation time for Department of Energy (DOE) funded projects. However, additional time may be required for DOE funded projects dependent upon the level of DOE involvement. In addition, changes in application such as relocation of proposed surface disturbances are likely to extend the timelines.

These timelines do not include additional timeframes for projects that require cooperating agreements with other Federal Agencies (e.g. Bureau of Reclamation or Forest Service). These timelines also do not provide for a timeframe when BLM must conduct the required environmental surveys (e.g. cultural, biological, etc.). Active coordination between the contractors, the BLM and the proponent should occur throughout the review process and are critical for timely completion of a project.

d. Native American Consultation - The information provided at the Pre Planning meeting will provide the basis for initiating the Native American Consultation (NAC) process, as well as timelines for a general schedule for completing NAC. It is incumbent upon the BLM to consult with Native American tribal governments in good faith. The time it takes for BLM to put forth a good faith effort to identify potential adverse effects to Native American sacred and religious sites and resources as a result of geothermal drilling varies on a project-specific basis. Nevertheless, District or Field Offices can ensure timely NAC by (1) initiating consultation as soon as possible after the initial Pre Planning meeting; and (2) scheduling face-to-face meetings with tribal chairs or attending tribal council meetings as quickly as possible after tribes receive the letters notifying them of the project. NAC template letters are attached (attachments 8 and 9) that may be used in this process with modifications based in site specific details and circumstances.

2. State Office and District Coordination Calls/Meetings

The Nevada State Office Minerals Division will host a monthly geothermal coordination call/meeting with all BLM NV Districts. Affected offices are required to participate on these coordination calls. The purpose of these calls will be to discuss and resolve geothermal issues and concerns that arise at the district level and strive for consistency among districts in implementation of geothermal policies and procedures.

3. Geothermal Resources Automated Support System

The Field Manager will designate a person or persons to maintain the field office GRASS database. The designated person will ensure received geothermal permits and documents are entered into GRASS in a timely manner. Upon completion of permit processing, approved GDPs and Sundry Notices must be entered in GRASS. The State Office Petroleum Engineer (SOPE) will be responsible for entering data from geothermal completion reports and returning the completion report and all attachments to the FO for confidential filing. The SOPE will coordinate with the FO GRASS data steward on any data entry concerns and administrative functions. The NSO will also provide necessary training to FO staff. The SOPE will conduct GRASS user training at field offices on an as needed basis.

Time Frame: This policy is effective immediately.

Background: After the Geothermal Workshop at the Nevada State Office on December 4, 2007 through December 6, 2007, IM NV 2008-022 was issued. Since that time additional meetings and workshops have taken place, and there has been consensus between the District/Field Managers, DSD for Minerals, and the Associate State Director to adopt new guidance and timeframe templates and checklists (Attachments 1 and 2 through 3) for geothermal permit processing. To meet the rapidly growing demand for streamlined permit processing, implementation of the procedures described in this IM will allow BLM NV to permit geothermal activities in a streamlined fashion.

Budget Impact: None

Manual/Handbook Sections Affected: None

Coordination: This guidance has been developed by the Nevada State Office (NV-920) and in coordination with the Nevada District/Field Offices.

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Signed by:
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State Director, Nevada

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9 Attachments

- 1 - Geophysical Exploration Checklist (3 pp)
- 2 - Operations Plan Checklist (2 pp)
- 3 - Utilization Plan Checklist (3 pp)
- 4 - Reclamation Plan Template/Training (8 pp)
- 5 - NOI Geothermal Timeline (3 pp)
- 6 - Operations and UP on Private Land Geothermal Timeline (3 pp)
- 7 - Operations and UP on Federal Land Geothermal Timeline (3 pp)
- 8 - General NAC Letter Example (2 pp)
- 9 - Site Specific NAC letter (2 pp)