Prineville District Office • 3050 NE Third Street • Prineville, Oregon 97754 • http://www.blm.gov/or/districts/prineville Deschutes National Forest • 1001 SW Emkay Drive • Bend, Oregon 97702 • http://www.fs/fed/us/r6/centraloregon Ochoco National Forest • 3160 NE Third Street. • Prineville, Oregon 97754 • http://www.fs/fed/us/r6/centraloregon

FOR IMMEDIATE RELEASE November 1, 2007

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BUREAU OF LAND MANAGEMENT APPROVES GEOTHERMAL EXPLORATORY DRILLING PROJECT

CENTRAL OREGON—A proposed Plan of Exploration (POE) to explore geothermal resources on the Deschutes National Forest was recently approved by Prineville BLM District Manager Deborah Henderson-Norton. Although the exploratory project is located on Forest Service administered lands, the BLM is the lead agency responsible for management and administration of federal geothermal leases and subsurface activities.

The POE was submitted by Davenport Power, LLC, Operator for Northwest Geothermal Corp. to conduct geothermal exploration on two leases it currently holds. A Record of Decision approving the POE was signed on October 26, 2007 to complete exploratory work only. If it is determined at a later time that the geothermal resource is economically viable, the company will determine if a proposal will be made for power plant development. Such an action will require an environmental Impact Statement and associated opportunities for public comment.

The project area is approximately 22 miles SW of Bend on the Bend-Fort Rock Ranger District of the Deschutes National Forest. The POE is for drilling and testing deep exploration wells to evaluate and define the extent and characteristics of the geothermal reservoir west of Newberry National Volcanic Monument. The project is located outside the Monument in an area that was designated as suitable for geothermal development during the creation of the Monument.

The project consists of drilling up to nine exploration wells constructed within three well pads, with each pad approximately five acres in size, housing wells that can drill to a depth of 10,000'. Drilling may occur 24 hours/day for a period of up to 1.5 years, depending on the results of the exploration. The closest developed recreation site is 2.5 miles from the project area and all associated noise will be within emission levels regulated by the State of Oregon. Testing will last 30-45 days for each well and could involve the controlled venting of steam.

The completed Environmental Assessment (EA) with associated Finding of No Significant Impact (FONSI) is consistent with the Deschutes National Forest Land and Resource Management Plan (1990) and references the 1994 Newberry Geothermal Pilot Project Final Environment Impact Statement and Record of Decision as appropriate.

FOREST SERVICE

STATEMENT OF AGRICULT



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A 30-day public comment period for the project ended on October 1, 2007; comments received have been addressed in the EA or are being included as required mitigation in the Decision Record and associated Conditions of Approval for the Geothermal Drilling Permit. All documentation associated with this project, including the EA, FONSI, Decision Record and appellant instructions, Q&As and a project vicinity map, are available at

http://www.blm.gov/or/districts/prineville/index.php Any notice of appeal must be filed with the Prineville District BLM office, 3050 NE 3rd St, Prineville, OR 97754, within 30 days of receipt of the decision but no later than December 1, 2007.

The Bureau of Land Management manages more land -258 million surface acres - than any other Federal agency. Most of this public land is located in 12 Western States, including Alaska. The Bureau, with a budget of about \$1.8 billion, also administers 700 million acres of sub-surface mineral estate throughout the nation. The Bureau of Land Management's multiple-use mission is to sustain the health and productivity of the public lands for the use and enjoyment of present and future generations. The Bureau accomplishes this by managing such activities as outdoor recreation, livestock grazing, mineral development, and energy production, and by conserving natural, historical, and cultural resources on the public lands.



