



## **“NEWBERRY GEOTHERMAL PROJECT NEWS” December, 2008**

### **Newberry Geothermal Project Update**

Davenport Power LLC, Operator of the Newberry Geothermal Project, continues to explore for geothermal resources on the western flank of Newberry Volcano. Davenport is dedicated to finding and utilizing geothermal resources in a manner that is environmentally responsible and respectful. Once our exploration efforts are successful, we plan to pursue approval and development of a power plant facility using geothermal energy to generate electricity.

Geothermal energy is heat from the earth that can be utilized to provide renewable and continuous electrical energy. Geothermal resources are a clean and reliable alternative to fossil fuels. For decades, Newberry Volcano has been considered as high potential for commercial geothermal resource. The difficulty is in finding those specific locations deep underground where the resource can be accessed for long-term production. A successful exploration program is not guaranteed to be quick, or easy.

### **Current Project News**

In October 2008, Davenport Power completed drilling the second of two exploratory wells. Exploration Well #2 began in August 2008, and was completed October 19 at a depth of 11,599 feet. While both Exploratory Wells #1 and #2 encountered high temperatures and some fractured rock, continued exploratory efforts are needed to locate sufficient geothermal resources to supply a power plant.

This winter season our Project focus is to analyze the extensive amount of collected scientific and geologic data. The data will be integrated with previously assembled information and studies to better understand the geothermal "picture" deep underground. This process includes detailed analyses by scientists and geologists and the use of complex computer models. While a completion date has not been set, this analysis may take several months. Based on the assessment, Davenport Power will develop the best strategy for successful exploration of our next exploratory wells

The exploration phase is critical to guide the Newberry Geothermal Project. Information gained as we explore the geology and underground features is important to help us

determine our next steps. Davenport Power continues to work with federal, state and local regulators, and we will provide updates to the public as our work continues.

On September 18, 2008, the Oregon Department of Energy (ODOE) held an early public information meeting in Bend. The purpose of the meeting was to provide the public with preliminary information about the proposed Project and Oregon's Energy Facility Site Certificate process. Approximately thirty people were in attendance including citizens, agencies and representatives from various organizations. More information on the Energy Facility Siting Process can be found at the Oregon State website.

On October 31, 2008, ODOE held an Oregon Geothermal Working Group meeting at the Central Oregon Environmental Center in Bend. Part of this meeting was an environmental outreach session for the public and interested agencies. Over fifty people attended, including conservation organizations, citizens, the media and Deschutes County officials. Representatives from geothermal projects around the state took the opportunity to speak about their projects. Davenport Power made a short presentation about the Newberry Geothermal Project. The Meeting Minutes can be found at Oregon.gov or contact Carel DeWinkel at the ODOE, by email [carel.dewinkel@state.or.us](mailto:carel.dewinkel@state.or.us), or by telephone at 503 378.6099.

### **Background Information**

Three well pad locations were approved by the Bureau of Land Management (BLM) and the Forest Service in October 2007, after field analyses and preparation of an Environmental Assessment document. Well pads were constructed and exploratory wells have been drilled on two of the pads, in accordance with permits and with oversight by the State of Oregon and the BLM. Drilling of Exploration Well #1 began in April 2008 and was completed on July 13 at a depth of 10,060 feet. The well pads and wells are located on federal geothermal leases held by the Project, about 25 miles south of Bend on National Forest land. The Project is located on the western flank of the Newberry Volcano and is outside the Newberry National Volcanic Monument.

A commercial geothermal resource needs the right combination of heat and water from underground in order to generate electricity. There are a number of permits and government approvals which the Project is required to obtain throughout first the exploration phase, and then development and operation of a geothermal power plant facility. The approval processes will include preparation of an Environmental Impact Statement at the federal level and an Energy Facility Site Certificate from the State of Oregon.

Reliable, renewable, and sustainable energy sources are more important than ever for our nation and for our country's energy future. Today, Americans are looking for energy sources that are also environmentally friendly and produced in the United States. Geothermal energy meets all of these important and desired objectives. Geothermal power plants provide consistent base-load power that is generally available at least 95% of the time. Today's geothermal technology and equipment are cutting edge, enabling geothermal energy to be a truly viable option for dependable, renewable electrical generation.

For additional Project history and information about Davenport Power and the Newberry Geothermal Project, visit us online at [www.davenportpower.com](http://www.davenportpower.com) or [www.newberrygeothermal.com](http://www.newberrygeothermal.com).

### **Mailing List Changes and Information Requests**

If you wish to be added to our mailing list, update your contact information, or be removed from our mailing list, please contact us at 541 323.1190 or email us at [info@newberrygeothermal.com](mailto:info@newberrygeothermal.com) with your requests.

Thank you for your interest in the Newberry Geothermal Project and renewable energy!

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