Geothermal Leasing

Geothermal leasing and prospecting permits are handled differently. Based on available geologic information and indications of interest, land may be designated for a competitive lease sale or for noncompetitive prospecting permits for geothermal exploration and development.

DNR has held a total of four geothermal lease sales, three in areas along the southern flanks of Mount Spurr, located about 40 miles northwest of Tyonek, and one at Augustine Island, located in lower Cook Inlet. The first two sales, held in 1983 and 1986, did not result in any development. In 2006, amid renewed interest in Alaska's geothermal resource potential, DNR received requests from industry to make Mt. Spurr available for geothermal leasing again.

On September 10, 2008, DNR held the Mount Spurr Geothermal Lease Sale No. 3, and received 20 bids on all 16 available tracts, generating $3,527,073.34 in bonus bids.

Ormat Technologies, Inc. acquired 15 geothermal leases, located approximately 75 miles west of Anchorage on the flanks of Mt Spurr volcano, in the 2008 lease sale.

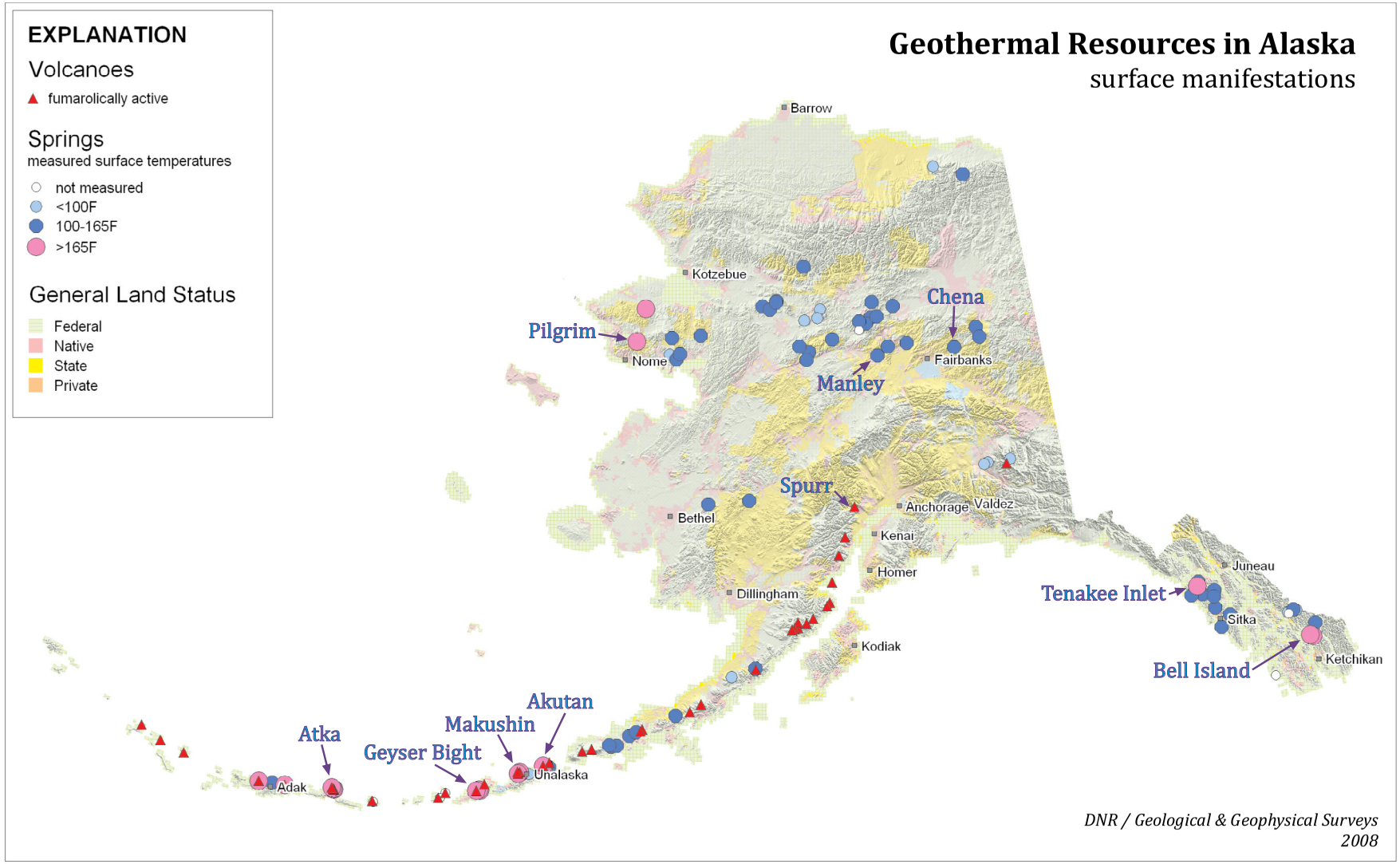
In 2013, Ormat has relinquished 5 of its leases, totaling 10,423.51 acres.

DNR has also received interest in geothermal resource development on Augustine Island, located in lower Cook Inlet. DNR evaluated the area and determined it to be in the state's best interest to offer the area for geothermal leasing. A written finding of the director was issued January 14, 2013, and the Augustine Island Geothermal Lease Sale No. 4 was held May 8, 2013. A bonus bid of $2,544.90 was received on one tract and a 2,495 acre lease was issued on October 1, 2013. The lessee relinquished the lease September 30, 2014.

For more information on the state's geothermal leasing program, please see the division's web page at http://dog.dnr.alaska.gov/Leasing/GeothermalLeasing.htm

Active Geothermal Leases

Location	ADL	Lessee	Acres	Effective Date	Expires
Mt. Spurr	391354-391358, 391360-391364	Ormat Nevada Inc.	25,385.39	11/1/2008	10/30/2018



Data from: Motyka, R.J., Moorman, M.A., and Liss, S.A., 1983, Geothermal resources of Alaska: Alaska Division of Geological & Geophysical Surveys Miscellaneous Publication 8, 1 sheet, scale 1:2,500,000.
http://www.dggs.dnr.state.ak.us/pubs/pubs?reqtype=citation&ID=671