

Recording requested by

80-184

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When recorded mail to:

DOWDLE OIL CORPORATION
11866 Wilshire Boulevard
Los Angeles, Calif. 90025

Space above for recorders use

LEASE AND AGREEMENT
[Short Form]

THIS LEASE AND AGREEMENT made and entered into July 3rd 1973
by and between HORSEFLY IRRIGATION DISTRICT, a Public Corporation,

hereinafter called "Lessor" (whether one or more), and DOWDLE OIL CORPORATION hereinafter called "Lessee".

WITNESSETH:

Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the Land hereinafter described, for the purposes and with the exclusive right to explore for, drill for, produce, extract, take, remove soft hot water, steam and thermal energy and extractable minerals from, and to store, utilize, process, convert and otherwise treat such hot water, steam and thermal energy upon, said Land, and to extract any extractable minerals during the term hereof. The Land hereby leased is situated in Klamath County, State of Oregon, and is described as follows:

T. 39 S., R. 12 E., W.M.

Section 20: W $\frac{1}{2}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$.

Section 29: NW $\frac{1}{4}$, N $\frac{1}{2}$ Fractional SW $\frac{1}{4}$.

Section 30: NE $\frac{1}{4}$ NE $\frac{1}{4}$.

Containing 641.0 acres, more or less.

This lease is made for the term and upon and subject to each and all the terms, provisions, covenants and conditions set forth in the certain Lease and Agreement of even date herewith between the parties hereto covering the Land hereinabove described, and said Lease and Agreement is hereby incorporated herein with the same force and effect as though herein set forth at length.

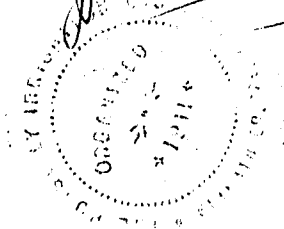
IN WITNESS WHEREOF, said parties have caused this lease to be duly executed as of the date first hereinabove written.

HORSEFLY IRRIGATION DISTRICT,
a Public Corporation

By: Lloyd L. Hawkins
By: Reginald S. Thomas
Reginald S. Thomas

DOWDLE OIL CORPORATION

By: [Signature]
By: [Signature]



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STATE OF OREGON,

County of (ss.

BE IT REMEMBERED, That on this day of 19....
 before me, the undersigned, a Notary Public in and for said County
 and State, personally appeared the within named.....

..... described in and who
 known to me to be the identical individual.....
 executed the within instrument and acknowledged to me that.....
 executed the same freely and voluntarily.

STATE OF ^{TEXAS} OREGON,County of Midland (ss. On this 10th day of
July 1973, before me appeared W. A. Becker, Jr.
 and Olivia J. Buttry

both to me personally known, who being duly sworn, did say that he,
 the said W. A. Becker, Jr. is the Vice.....
 President, and she, the said Olivia J. Buttry is the Asst.....
 Secretary..... of Howdie Oil Corporation.....
 the within named Corporation, and that the seal affixed to said in-
 strument is the corporate seal of said Corporation, and that the said
 instrument was signed and sealed in behalf of said Corporation by
 authority of its Board of Directors, and W. A. Becker, Jr. and
Olivia J. Buttry acknowledged said instrument to
 be the free act and deed of said Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal
 the day and year last above written.

.....
 Notary Public for Oregon-Texas
 My commission expires June 1, 1975

STATE OF OREGON,

County of Klamath (ss. On this 3rd day of July.....
 1973, before me appeared Lloyd L. Hawthorn
 and Reginald E. Thomas

both to me personally known, who being duly sworn, did say that he,
 the said Lloyd L. Hawthorn is the
 President, and he, the said Reginald E. Thomas is the
 Secretary..... of Horsefly Irrigation District.....
 the within named Corporation, and that the seal affixed to said in-
 strument is the corporate seal of said Corporation, and that the said
 instrument was signed and sealed in behalf of said Corporation by
 authority of its Board of Directors, and Lloyd L. Hawthorn and
Reginald E. Thomas acknowledged said instrument to
 be the free act and deed of said Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal
 the day and year last above written.

Earl Brown
 Notary Public for Oregon
 My commission expires December 1, 1974

STATE OF OREGON; COUNTY OF KLAMATH: ss.

Filed for record at request of Transamerica Title Ins. Co.
 this 17th day of Aug A. D., 1973 at 2:13 o'clock P M., and duly recorded in
 Vol. M73 of Deeds on Page 11137

Fee \$4.00

WM. D. MILNE, County Clerk
 By Louis Antela