

THIS MEMORANDUM OF GEOTHERMAL LEASE AND AGREEMENT made effective as of 22nd day of December , 19 75 , by and between ______ Murel Long and Barbara E. Long

hereinafter called "Lessor" (whether one or more), and THERMAL POWER COMPANY, a corporation, hereinafter called "Lessee,"

WITNESSETH:

1. That for variable consideration, receipt of which is hereby ŝ acknowledged, and of the covenants and agreements hereinafter contained, Lessor does grant, ase, let and demise exclusively unto Lessee, its successors and any of the following described land (hereinafter re-21 ferred to as the " (ABCG land") for the purposes and with the sole 2 /and exclusive right of exploring, drilling, mining and operating for geothermal steam, geothermal fluids, or by-products thereof; and taking, storing, removing and disposing of same, whether for the production of energy, hydroponic or other commercial uses, and uses and purposes incidental thereto; together with the right to construct any M. Le and all facilities on the leased land as may be necessary for these operations including but not limited to pipelines, power-lines, tanks, power stations, ponds, roads and structures thereon to explore for, Volet. produce, save, take care of and dispose of geothermal steam, geothermal fluids, or by-products thereof, on or from the leased land or other land leased by Lessee or in which Lessee may have an interest in the vicinity of the leased land, and the right to use Lessee's wells to inject gas, water, air or other substances into the subsurface zones.

All that certain tract of land situated in the County of <u>Klamath</u> State of <u>Oregon</u>, being, to-wit:

SEE EXHIBIT "A" ATTACHED HERETO

and containing _____1370

acres, more or less.

2. This Lease shall remain in force for a term of <u>10</u> years from the date hereof and either as long thereafter as geothermal resources are produced from said land or so long as operations are conducted on said land or so long as this Lease is kept in force under any other provision of said Geothermal Resources Lease, all as particularly set forth therein and subject to termination as therein provided.

3. This Lease Agreement (Short Form) is made upon the terms, covenants and conditions set forth in that certain Geothermal Lease and Agreement bearing even date herewith by and between the said parties hereto, covering the real property above described, which Geothermal Lease and Agreement is by this reference incorporated herein and made a part hereof in all respects as though the same were fully set forth herein.

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4. This Lease and all its terms, conditions and stipulations shall extend to and be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

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



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EXHIBIT "A"

TOWNSHIP 41 SOUTH, RANGE 9 EAST, WILLAMETTE MERIDIAN

Section 12:

Those portions of Lot 1, Lot 2, and the Northeast guarter of the Northeast quarter in Section 12, Township 41 South, Range 9 East, Willamette Meridian, which lies Southwesterly of the center line of the county road as the same is now located and constructed along the Northeasterly border of the now reclaimed and dried up bed of Lower Klamath Lake situated in Klamath County, Oregon.

Also: SE4 of NW4, E¹₂ of SW4, SW4 of SE4, and Lots 3, 4, 5, 7, 8, 9 and 10, and Lot 6, excepting the portion of said Lot 6 which would be equivalent to NW^{1}_{4} of NW^{1}_{4} of Section 12.

ALSO EXCEPTING from said Section 12, that portion thereof included within the following described boundaries:

A piece or parcel of land situate in Section 1 and 12, Township 41 South, Range 9 East, Willamette Meridian, being portions of NE4SW, and Lot 2 in said Section 1 and Lot 1, Lot 5 and Lot 6 in said Section 12, containing 38.97 acres, more or less, and being more particularly described as follows:

Beginning at an iron pipe in the Southerly right of way fence of the Lower Klamath Lake County Road as the same is presently located and constructed from which the section corner common to Sections 1 and 12, Township 41 South, Range 9 East, Willamette Meridian, and Sections 6 and 7, Township 41 South, Range 10 East, Willamette Meridian bears South 84° 50' East 2948.0 feet distant and the meander corner of the Lower Klamath Lake meander of 1872 between Sections 1 and 12, Township 41 South, Range 9 East, Willamette Meridian bears South 77° 14' West 1215.8 feet distant; thence South 4° $26\frac{1}{4}$ West 1294.0 feet to an iron pipe reference monument; thence continuing South 4° $26\frac{1}{4}$ West 21.0 feet to the centerline of the Klamath Drainage District North Canal; thence following the centerline of said North Canal North 86° 08-3/4' West 576.7 feet to a point; thence North 52° 26% West 205.4 feet to a point; thence North 27° 17-3/4' West 336.5 feet to a point where the centerline of said North Canal intersects the North-South centerline of the North half of NWW of said Section 12; thence North 0° 07' West along the said North-South centerline of the said N%NW% of said Section 12, 437.7 feet to the Southwesterly boundary of Lot 5 in said Section 12; thence North 58° 28' West along the boundary of said Lot 5, 237.9 feet to the above referred to meander corner of the meander of 1872 on the section line common to said Sections 1 and 12; thence West 89° 59-3/4' East along said section line 1115.4 feet to the Northeasterly corner of Lot 5 in said Section 12, said point being also the Southerly corner of Lot 2 in said Section 1; thence North 67° 14%' West along the Southwesterly boundary of said Lot 2, 1001.5 feet to the Westerly boundary of said Lot 2; thence North 0° 08½' East along the Westerly boundaries of said Lot 2 and the NE4SW4 of Section 1, 1087.3 feet to the centerline of said Lower Klamath Lake County Road; thence following the centerline of said County Road South 56° 34-3/4' East 23.0 feet to a point; thence along the arc of a 5° 30' circular curve right, which has a deflection angle of 18° 15½' and a long chord which bears South 47° 27½' East 330.5 feet, a distance of 331 % foots there fourth 30% 101 Port 1170 % foots there is distance of 331.95 feet; thence South 38° 19' East 1179.9 feet to a point; thence, leaving the centerline of said County Road, South 4° 264' West 44.0 feet, more or less, to the point of beginning.

Section 13:

NE4, E_{2}^{1} of NW4, and Lots 1, 2 and 3.



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TOWNSHIP 41 SOUTH, RANGE 10 EAST, WILLAMETTE MERIDIAN

Those portions of the SW4 of NW4, SE4 of SE4, NW4 of SE4 and of Lots 1, 2 and 3, lying Southwesterly of the centerline of Lower Klamath Lake County Road.

Also Lots 4, 5 and 6.

Section 17:

Lots 5, 6 and 7.

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Lots 1, 2, 3, 4, 5, 6, 7, 8 and 9, and the SW4 of NE4 and the $E_2^{\rm l}$ of the NW4.

Peti-Thermal Sawar Coo. 601. Cralig St., Swite 110 San Drancisco Cralig 94108

STATE OF OREGON; COUNTY OF KLAMATH; ss.

I hereby certify that the within instrument was received and filed for record on the ____29th day of January A.D., 1976 at 12:20 o'clock M., and duly recorded in Vol 276

_____on Page ______ of_____D ; @S____ WM. D. MILNE, County Clerk By Kaza L. Mage Deputy FEE____\$ 12.00

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