

WTC 13914-10262

2010-013436
Klamath County, Oregon



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11/19/2010 11:30:07 AM

Fee: \$62.00

MEMORANDUM OF GEOTHERMAL LEASE AND AGREEMENT

RECORDING REQUESTED BY, AND
WHEN RECORDED, RETURN TO:

Optim
c/o William Honjas
200 South Virginia Street, Suite 560
Reno, NV 89501

MEMORANDUM OF GEOTHERMAL LEASE AND AGREEMENT

THIS MEMORANDUM OF LEASE AND GEOTHERMAL AGREEMENT
("Memorandum of Lease") is executed as of the date all geothermal rights, legal property
descriptions and legal title has been confirmed ("Lease Effective Date"), by and between
M Lovell Mortenson hereafter
referred to individually or in total as "Lessor", and Optim Inc., a Nevada Corporation
("Lessee").

RECITALS

WHEREAS, Lessor and Lessee have executed that certain Geothermal Lease and
Agreement ("Lease") dated the date all geothermal rights, legal property descriptions and
legal title has been confirmed ("Lease Effective Date"), conveying a leasehold interest in
certain geothermal steam, geothermal fluids, geothermal energy, heat, hot water,
extractable minerals, and all byproducts and gases associated therewith ("Leased
Substances") located on and within the real property located in Klamath County, Oregon,
as more particularly described in Section 2, of this Memorandum of Lease ("Premises");
and

WHEREAS, Lessor and Lessee desire to record notice of the Lease in the real
estate records of Klamath County, Oregon.

NOW, THEREFORE, in consideration of the foregoing, Lessor and Lessee hereby
declare as follows:

1. Demise. Lessor has leased and hereby does lease the Premises for the
purpose of exploring, prospecting, drilling, mining and operating for and producing, treating,
converting, extracting, processing and utilizing Leased Substances, as well as storing,
taking, removing, transporting, and disposing of such Leased Substances in order to
generate electric power and other commercial products and byproducts for use or sale,

Exhibit D

AMERITITLE ,has recorded this
Instrument by request as an accomodation only,
and has not examined it for regularity and sufficiency
or as to its effect upon the title to any real property
that may be described therein.

LOV

along with a right-of-way to transit upon and across the surface of the Premises and through the strata of the Premises and the right to store equipment and materials, and to construct, use, maintain, operate and remove any and all facilities thereon and therein, all as may be necessary, useful or convenient in connection with and to accomplish the foregoing.

2. Premises. The Premises is described as follows:

Legal Description of Premises, is attached to and made a part of Geothermal Lease and Agreement ("Lease") dated the date all geothermal rights, legal property descriptions and legal title has been confirmed ("Effective Date") 7.21.2009 hereafter, referred to individually or in total as "Lessor", and **Optim Inc.** ~~Olone Gap Geothermal, LLC~~, as "Lessee." Unless otherwise specified, capitalized terms contained herein shall have the meanings assigned to them in the Lease.

The "Premises" that is the subject of the Lease includes the real property, situated in the State of Oregon, County of Klamath, in an unincorporated area, described as follows:

_____ Township _____ Range _____ section

Klamath County, Oregon

See attached title report

3. Term. The Lease is for a term ("Initial Term") of ten (10) years beginning on the Lease Effective Date and continues thereafter indefinitely ("Extended Term" and together with the Initial Term, the "Term") provided that certain conditions are satisfied by the Lessee. If Lessee is not producing Leased Substances in "Commercial Quantities" (as defined in the Lease) within fifteen (15) years from the Lease Effective Date, then Lessor has the option of declaring the Lessee in default.

4. Restrictions on Encumbrances. Throughout the Term of the Lease, Lessor is prohibited from recording against the Premises liens, encumbrances, water rights, geothermal rights and other matters that would constitute exceptions to title and has the duty to defend the title and to indemnify the Lessee from and against any liens or encumbrances.

5. Restrictions on Transfer. Subject to certain exceptions, Lessor may transfer its interest in the Premises to a third party subject to the restrictions which are set forth with more particularity in the Lease.

6. Counterparts. This Memorandum of Lease may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall comprise but a single instrument.

7. Purpose. The purpose of this Memorandum of Lease is to give public notice of the existence of the Lease and is not intended to limit or augment any of the rights granted in the Lease, the terms of which are incorporated herein by reference. In the event of any inconsistency between this Memorandum of Lease and the terms and conditions of the Lease, the Lease shall prevail.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Memorandum of Lease as of the date and year first written above.

LESSOR
M. Lovelle Mortenson
Signature
M. Lovelle Mortenson
Name

Title

LESSEE
[Signature]
Signature
William Hojas
Name
president 10/22/10
Title

State of Oregon
County of Klamath

On Aug 4, 2010 before me, Michael Guthrie, Notary

Public, personally appeared

M. Lovelle Mortenson

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity (ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

NOTARY SEAL
MICHAEL A. GUTHRIE
NOTARY PUBLIC - OREGON
COMMISSION NO. 449434
EXPIRES MAY 24, 2014

I certify under PENALTY OF PERJURY under the laws of the State of Oregon that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Signature]

NOTARY PUBLIC
MICHAEL A. GUTHRIE
Commission No. 449434
Commission Expires
JANUARY 27, 2014
STATE OF OREGON

NOTARY ACKNOWLEDGEMENT ATTACHMENT FOR William Bonjas

State of Oregon
County of Klamath

On this 22 day of October, 20 10, personally appeared before me the above named William Bonjas, and acknowledged the foregoing instrument to be his/her/their voluntary act and deed.

WITNESS My hand and official seal.

Mary Jo Gallagher
Notary Public for Oregon
My Commission expires: 5-24-2014



UNOFFICIAL COPY

Order No. July 9, 2009 at 8:00 A.M.
Page 2

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 1:

That portion of the following described parcel lying in Government Lot 2 of Section 15, Township 39 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon:

Beginning at a 1" iron pin set on the South Bank of Lost River, said point being South 89 degrees 30' West a distance of 1054.0 feet from the Section corner common to Sections 14, 15, 22 and 23, Township 39 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon, said distance being measured along the East-West Section line between Sections 15 and 22; thence North 89 degrees 30' East a distance of 366.0 feet to the North right of way of the Klamath Irrigation District Canal, said point being monumented by a 5/8" iron pin; thence following the right of way of said canal, North 54 degrees 45' East a distance of 200.00 feet; thence North 62 degrees 33' East a distance of 452.0 feet; thence North 44 degrees 11' East a distance of 400.0 feet; thence North 55 degrees 25' East a distance of 215.0 feet to a point on the North bank of said Canal and the South boundary of the County Road; thence North 52 degrees 05' West a distance of 93.0 feet to the South Bank of Lost River, said point being monumented by a 5/8" iron pin; thence following the South Bank of Lost River downstream to the point of beginning.

PARCEL 2:

That portion of Government Lot 9, lying North and West of Crystal Springs Road in Section 22, Township 39 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon.