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Above Space is for Recording Purposes ONLY**MEMORANDUM OF OPTION AGREEMENT**

THIS MEMORANDUM OF OPTION AGREEMENT is made as of this 27 day of March, 2014, by and between Jason P. Nash ("Owner") and Hecate Energy, LLC, a Delaware limited liability company ("Hecate").

1. Pursuant to that certain Option Agreement dated as of November 4, 2013 by and between Owner and Hecate ("Agreement"), Owner has granted to Hecate, and Hecate has acquired from Owner, an exclusive option to acquire the real estate described on Exhibit A attached hereto and made a part hereof ("Property") upon the terms and subject to the conditions set forth in the Agreement.

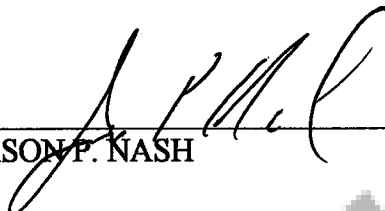
2. Pursuant to and upon the terms and conditions set forth in the Agreement, the term of such option shall run through May 4, 2014, and may be extended by Hecate for up to forty-two (42) months through November 4, 2017.

3. No grant, sale, lease, mortgage, encumbrance, lien, transfer or other conveyance affecting the Property which is created or entered into after the date hereof shall be valid or effective without obtaining the prior written consent of Hecate, and all such grants, sales, leases, mortgages, encumbrances, liens, transfers and other conveyances shall be subject and subordinate to Hecate's interest in the Property under the Agreement.

4. The covenants and agreements of Owner under the Agreement are covenants running with the land and shall be binding upon Owner and Owner's heirs, representatives, successors and assigns.

5. This Memorandum of Option Agreement is executed and recorded in connection with the terms of the Agreement solely for the purpose of giving notice of the existence thereof and shall not supersede or in any way modify the terms or conditions of the Agreement, or be used in interpreting the Agreement.

IN WITNESS WHEREOF, Owner and Hecate have caused this Memorandum of Option Agreement to be executed as of the date first above written.

  
\_\_\_\_\_  
JASON P. NASH

HECATE ENERGY, LLC, a Delaware limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Unofficial Copy

STATE OF Oregon )  
 )SS  
COUNTY OF Klamath )

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that Jason P. Nash, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 27 day of March, 2014.



Kellie Rae Webb  
Notary Public

STATE OF \_\_\_\_\_ )  
 )SS  
COUNTY OF \_\_\_\_\_ )

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that \_\_\_\_\_, the \_\_\_\_\_ of Hecate Energy, LLC, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such \_\_\_\_\_, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act, and as the free and voluntary act of said company for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Notary Public

This instrument prepared by and after  
recording should be mailed to:

Wayne F. Osoba  
Foley & Lardner LLP  
321 North Clark Street  
Suite 2800  
Chicago, IL 60654-5313

IN WITNESS WHEREOF, Owner and Hecate have caused this Memorandum of Option Agreement to be executed as of the date first above written.

\_\_\_\_\_  
JASON P. NASH

HECATE ENERGY, LLC, a Delaware limited liability company

By: \_\_\_\_\_

Name: Andrew Boggs

Title: Director

STATE OF \_\_\_\_\_ )  
 )SS  
COUNTY OF \_\_\_\_\_ )

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that Jason P. Nash, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Notary Public

STATE OF Georgia )  
 )SS  
COUNTY OF DeKalb )

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that Andrew Boggs, the Director of Hecate Energy, LLC, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Director, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act, and as the free and voluntary act of said company for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 28<sup>th</sup> day of March, 2014.

  
\_\_\_\_\_  
Notary Public

This instrument prepared by and after  
recording should be mailed to:

Wayne F. Osoba  
Foley & Lardner LLP  
321 North Clark Street  
Suite 2800  
Chicago, IL 60654-5313

Julie J Ohnstad  
Notary Public  
DeKalb County, Georgia  
My Commission Expires  
Jan 24, 2017

**EXHIBIT A**

**Legal Description**

IN TOWNSHIP 39 SOUTH, RANGE 11 EAST OF THE WILLAMETTE MERIDIAN,  
KLAMATH COUNTY, OREGON:

- Section 13: SW1/4; S1/2 SE1/4  
Section 23: E1/2 SE1/4  
Section 24: NE1/4; SE1/4; E1/2 NW1/4; S1/2 SW1/4, and the NE1/4 SW1/4  
Section 25: NW1/4; NE1/4; N1/2 SE1/4 and the NE1/4 SW1/4  
Section 26: NE1/4 NE1/4

IN TOWNSHIP 39 SOUTH, RANGE 12 EAST OF THE WILLAMETTE MERIDIAN,  
KLAMATH COUNTY, OREGON:

- Section 18: Government Lot 4; SE1/4 SW1/4 and the SW1/4 SE1/4; ALL that portion of Government Lots 2 and 3, the SE1/4 SE1/4; the NW1/4 SE1/4 and the NE1/4 SW1/4 lying Southerly of the Lost River.  
Section 19: NE1/4; NE1/4 NW1/4; Government Lot 1; SE1/4 NW1/4; E1/2 SW1/4; NE1/4 SE1/4 and the North 495 feet of the NW1/4 SE1/4.

SAVING AND EXCEPTING from the above described parcels all rights of way, easements for ditches, canals, laterals and roadways of record and apparent on the land; and also that land conveyed to the United States of America by deed recorded February 24, 1924 in Deed Volume 63 at page 443, of the Records