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Klamath County, Oregon
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Fee: \$102.00

**ORDER GRANTING TRUSTEE'S MOTION FOR ORDER AUTHORIZING
ASSUMPTION AND ASSIGNMENT OF
NONRESIDENTIAL LEASEHOLD INTEREST
(EDGEWOOD RANCH, INC.)**

AMERITITLE has recorded this instrument by request as an accommodation 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.

Bruce T. Beesley
Honorable Bruce T. Beesley
United States Bankruptcy Judge



Entered on Docket
April 01, 2016

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*Electronically Lodged
March 31, 2016*

Attorneys for Edgewood Ranch, Inc.

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re:

KLAMATH BASIN GEOPower, INC.,
Debtor.

Case No.: BK-N-15-51578-btb
Chapter 7

**ORDER GRANTING TRUSTEE'S
MOTION FOR ORDER AUTHORIZING
ASSUMPTION AND ASSIGNMENT OF
NONRESIDENTIAL LEASEHOLD
INTEREST (EDGEWOOD RANCH, INC.)**

**Hearing Date: March 23, 2016
Hearing Time: 10:00 a.m.**

On February 24, 2016, Jeri Coppa-Knudson, the Chapter 7 Trustee ("Trustee") for Debtor Klamath Basin Geopower, Inc. ("Debtor") moved under 11 U.S.C. § 365(b) for authority to assume and assign Debtor's nonresidential leasehold interest in certain real property owned by Edgewood Ranch, Inc., an Oregon corporation, in Swan Lake Valley, Oregon ("Edgewood Geothermal Lease") (Ct. Dkt. #30; #31, Trustee's Declaration; #57 Jespersen's Declaration).

I certify that this is a true copy.

Attest: *C. Youngblood* 4/4/16
Deputy Clerk, U.S. Bankruptcy Court

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1 The matter was properly served and noticed (Ct. Dkt. #32, Notice of Hearing, #33-34,
2 Certificates of Service). No opposition was filed with the court nor served on the Trustee or
3 Edgewood Ranch, Inc.

4 The matter was called as scheduled, the Hon. Bruce T. Beesley presiding. Appearances
5 were made by Jeffrey L. Hartman, Esq., of Hartman & Hartman for the Trustee; Louis M.
6 Bubala III, Esq., of Kaempfer Crowell for Edgewood Ranch, Inc.; and Lisa Wiltshire Alstead,
7 Esq., of McDonald Carano Wilson LLP for creditor Erick Erwin as administrative agent for the
8 Olene Kansas Investment Group.

9 The Trustee moved for the assumption and assignment of the Edgewood Geothermal
10 Lease with Edgewood Ranch, Inc. (Ct. Dkt. #1, Debtor's Bankruptcy Schedule G, ¶2.2). For the
11 sake of clarity, the Edgewood Geothermal Lease originated as a lease between Jespersen-
12 Edgewood, Inc., Lessor, and Optim, Inc., Lessee. The lease was evidenced by a Memorandum of
13 Geothermal Lease and Agreement recorded on November 19, 2010, in the real property records
14 of Klamath County, Oregon, as Instrument No. 2010-013434. The Jespersen-Edgewood, Inc.
15 real property was subsequently divided in to three separate ownerships, and following boundary
16 line adjustments and conveyances, Edgewood Ranch, Inc. became the owner of approximately
17 5,853 acres of the former Jespersen-Edgewood, Inc. property, as evidenced by a Bargain and
18 Sale Deed recorded in Kamath County, Oregon on December 3, 2013, as Instrument No. 2013-
19 013320. The Lessee interest under the Edgewood Geothermal Lease was assigned by Optim, Inc.
20 to Debtor in an unrecorded assignment that was acknowledged by Optim, Inc. and Debtor in a
21 Subordination Agreement recorded in Klamath County, Oregon, on December 3, 2013, as
22 Instrument No. 2013-013323. The legal description of the real property involved in the Trustee's
23 Motion for Assumption and Assignment of the Edgewood Geothermal Lease is set forth in the
24 above-described Bargain and Sale Deed, Subordination Agreement and Court Docket #57
Jespersen's Declaration. A copy of the legal description is attached hereto and incorporated
herein as Exhibit A.

The Court, having reviewed the papers above, being familiar with and taken judicial

1 notice of the matters in the bankruptcy case, considered the argument of counsel at the hearing,
2 and stated its findings of fact and conclusions of law orally on the record pursuant to Federal
3 Rules of Bankruptcy Procedure 9014 and 7052, incorporating by reference Federal Rule of Civil
4 Procedure 52, now incorporates its oral findings of fact and conclusions of law by reference and
5 GRANTS the motion as follows:

- 6 1. The Chapter 7 Trustee is authorized and directed to assume and assign all of Debtor
7 Klamath Basin Geopower, Inc.'s right, title and interest as Lessee under the
8 Edgewood Geothermal Lease;
- 9 2. The Trustee shall assign Debtor's Lessee interest in the Edgewood Geothermal Lease
10 on the property described on the attached Exhibit A to Edgewood Ranch, Inc., and,
11 upon receipt of payment, shall cooperate and execute all necessary documents for
12 Edgewood Ranch, Inc., to record the assignment of the Edgewood Geothermal Lease;
13 and
- 14 3. Edgewood Ranch, Inc. shall pay \$12,500 to the Trustee to acquire Debtor's Lessee
15 interest in the Edgewood Geothermal Lease, payment to be made within three court
16 days of the date of entry of this order, on ordinary terms as agreed to between the
17 Trustee and Edgewood Ranch, Inc.

18 IT IS SO ORDERED.

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LOCAL RULE 9021 CERTIFICATION

In accordance with LR 9021, counsel submitting this document certifies that the order accurately reflects the court's ruling and that (check one):

☐ The court has waived the requirement set forth in LR 9021(b)(1).

☐ No party appeared at the hearing or filed an objection to the motion.

☒ I have delivered a copy of this proposed order to all counsel who appeared at the hearing, and any unrepresented parties who appeared at the hearing, and each has approved or disapproved the order, or failed to respond, as indicated below [list each party and whether the party has approved, disapproved, or failed to respond to the document]:

J. Hartman, Trustee's Counsel	Via Email, 3/30/16	Approved/Disapproved/No Response
L. Alstead, E. Erwin's Counsel	Via Email, 3/31/16	Approved/Disapproved/No Response

☐ I certify that this is a case under Chapter 7 or 13, that I have served a copy of this order with the motion pursuant to LR 9014(g), and that no party has objected to the form or content of the order.

Submitted by and dated: March 31, 2016

KAEMPFER CROWELL

/s/ Louis M. Bubala III
Louis M. Bubala III, Esq., Counsel for
Edgewood Ranch, Inc.

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EXHIBIT A

EXHIBIT A
Legal Description
Premises

Parcel 1:

Parcel 1 of Land Partition 05-13, a replat of Parcel 1 of LP 16-121 situated in Sections 7, 8, 9, 15, 16, 17, 18, 19, 20, 21, 22, 23, 26, 27, 28, 29, 34 and 35 of Township 37 south Range 10 East of the Willamette Meridian, Klamath county, Oregon being recorded on June 3, 2013 in 2013-006214, Records of Klamath County, Oregon.

Parcel 2:

The NE1/4 of Section 32, Township 37 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon.

Parcel 3:

The NE1/4 of Section 28 and the NE1/4 of Section 29, Township 37 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon.

Parcel 4:

The SW1/4 of Section 27 and the SE1/4 of Section 28, Township 37 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon.

Together with an easement for ingress and egress over the Westerly 30 feet of the NE1/4 of Section 28, Township 37 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon, as granted by instrument recorded April 27, 1994 in Volume M94, Page 12606, Microfilm Records of Klamath County, Oregon.