



Recording Requested by:
Brophy Law PC
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Attn: Timothy E. Brophy

2016-004019

Klamath County, Oregon

04/21/2016 09:22:37 AM

Fee: \$117.00

**AGREEMENT FOR ASSUMPTION AND ASSIGNMENT OF
EDGEWOOD GEOTHERMAL LEASE**

Assignor of Lessee Interest: Klamath Basin Geopower, Inc., by Jeri
Coppa-Knudson, Chapter 7 Trustee for
Debtor Klamath Basin Geopower, Inc., U.S.
Bankruptcy Court, District of Nevada, Case
No. BK-N-15-51578-btb.

Assignee of Lessee 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.

**AGREEMENT FOR ASSUMPTION AND ASSIGNMENT
OF EDGEWOOD GEOTHERMAL LEASE**

EFFECTIVE DATE: April 21, 2016

BETWEEN: Klamath Basin Geopower, Inc., a Nevada corporation, by Jeri Coppa-Knudson, Chapter 7 Trustee for Debtor Klamath Basin Geopower, Inc., U.S. Bankruptcy Court, District of Nevada, Case No. BK-N-15-51578-btb ("Assignor"),

AND: Edgewood Ranch, Inc., an Oregon corporation ("Assignee").

This Agreement for Assumption and Assignment of Edgewood Geothermal Lease (this "Assignment") is made and entered into, as of the Effective Date, by and between Assignor and Assignee, as defined above.

RECITALS

A. The Edgewood Geothermal Lease originated as a lease between Jespersen-Edgewood, Inc., an Oregon corporation, Lessor, and Optim, Inc., a Nevada corporation, Lessee. The lease was evidenced by a Memorandum of Geothermal Lease and Agreement recorded on November 19, 2010 in the real property records of Klamath County, Oregon, as Instrument No. 2010-013434.

B. The Jespersen-Edgewood, Inc. real property was subsequently divided into three separate ownerships, and following boundary line adjustments and conveyances, Edgewood Ranch, Inc. became the owner of approximately 5,853 acres of the former Jespersen-Edgewood, Inc. property, as evidenced by a Bargain and Sale Deed recorded in Klamath County, Oregon, on December 3, 2013, as Instrument No. 2013-013320. Exhibit "A" to the Deed and to this Assignment is the legal description of the Edgewood Ranch, Inc. property in Swan Lake Valley, Oregon (hereinafter "Edgewood Ranch Property"). As used herein, the term "Edgewood Geothermal Lease" means the geothermal lease referenced in Recital A as applied to the Edgewood Ranch Property.

C. The Lessee interest under the Edgewood Geothermal Lease was assigned by Optim, Inc. to Klamath Basin Geopower, Inc. in an unrecorded assignment that was acknowledged by Optim, Inc. and Klamath Basin Geopower, Inc. in a Subordination Agreement recorded in Klamath County, Oregon, on December 3, 2013, Instrument No. 2013-013323.

D. Klamath Basin Geopower, Inc. is the debtor in Case No. BK-N-15-51578-btb, a Chapter 7 bankruptcy case in United States Bankruptcy Court for the District of Nevada. Jeri Coppa-Knudson is the Bankruptcy Trustee ("Trustee").

E. Pursuant to a motion filed by the Trustee on behalf of the Debtor for authority to assume and assign Debtor's non-residential leasehold interest in the Edgewood Ranch Property, the bankruptcy court granted the Trustee's motion on behalf of Debtor and authorized and directed

the Trustee to assume and assign all of Debtor Klamath Basin Geopower, Inc.'s right, title and interest as Lessee under the Edgewood Ranch Geothermal Lease concerning the Edgewood Ranch Property (Exhibit "A") to Edgewood Ranch, Inc. and to execute all necessary documents to enable Edgewood Ranch, Inc. to record the assumption and assignment of the interest of Debtor Klamath Basin Geopower, Inc. as Lessee to Edgewood Ranch, Inc. A copy of the court's Order entered on April 1, 2016 is attached hereto and by this reference incorporated herein as Exhibit "B".

F. Edgewood Ranch, Inc. has paid the sum of \$12,500 to the Trustee as required by the bankruptcy court's Order and the parties wish to execute this document to evidence the Trustee's assumption and assignment of the leasehold under the Edgewood Geothermal Lease to Edgewood Ranch, Inc.

AGREEMENT

NOW THEREFORE, in consideration of the payment by Assignee to Assignor and the parties' mutual agreement to the terms, covenants and conditions of this Assignment, the parties agree as follows:

1. Assumption and Assignment by Assignor. Assignor hereby assumes and assigns, conveys, releases and quitclaims to Assignee all right, title, and interest of Lessee under and concerning the Edgewood Geothermal Lease on the Edgewood Ranch Property, which Property is described on the attached Exhibit "A".

2. Acceptance and Assumption by Assignee. Assignee hereby accepts this Assignment and assumes and agrees to perform all obligations of Lessee under the Edgewood Geothermal Lease in accordance with the terms of the Edgewood Geothermal Lease.

3. Authority. Assignor represents that it has full and lawful authority in accordance with the Order of the Bankruptcy Court as stated above to assign all of the Lessee interest under the Edgewood Geothermal Lease.

4. Binding Effect. This Assignment will be binding upon and inure to the benefit of the parties and their respective successors and assigns.

5. No Third Party Beneficiaries. Nothing in this Assignment, express or implied, is intended or will be construed to confer on any person, other than the parties to this Agreement, any right, remedy, or claim under or with respect to this Assignment.

6. Further Instruments. Each party agrees to execute such further instruments, if any, as may be reasonably required to consummate the transactions contemplated by this Assignment, as long as the terms thereof are fully consistent with the terms of this Assignment.

IN WITNESS WHEREOF, the parties have executed this Assignment as of the Effective Date set forth above.

ASSIGNOR

"Klamath Basin Geopower, Inc."

By: Jeri Coppa-Knudson
Jeri Coppa-Knudson, Chapter 7
Trustee for Debtor Klamath Basin
Geopower, Inc., U.S. Bankruptcy
Court, District of Nevada, Case No.
BK-N-15-51578-btb

STATE OF Nevada)
County of Washoe) ss.

On this 8th day of April, 2016, before me personally appeared Jeri Coppa-Knudson, Trustee of Debtor Klamath Basin Geopower, Inc., U.S. Bankruptcy Court, District of Nevada, Case No. BK-N-15-51578-btb and acknowledged to me that she executed this Agreement for Assumption and Assignment of Edgewood Geothermal Lease freely and voluntarily in her capacity as bankruptcy Trustee for Assignor.



K. Lutsch
Notary Public for Washoe County, State of Nevada
My commission expires: 2/12/19

ASSIGNEE

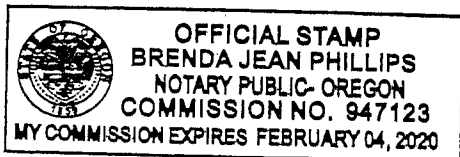
"Edgewood Ranch, Inc."

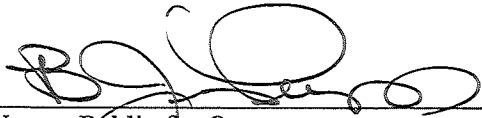
By: Lauren Jespersen
Lauren Jespersen, CFO



STATE OF OREGON)
)
County of Klamath) ss.

On this 21 day of April, 2016, before me personally appeared Lauren Jespersen, CFO of Edgewood Ranch, Inc. and acknowledged to me that he executed this Agreement for Assumption and Assignment of Edgewood Geothermal Lease freely and voluntarily on behalf of Edgewood Ranch, Inc., Assignee.





Notary Public for Oregon
My commission expires: 2-4-20

LESSOR'S CONSENT

Edgewood Ranch, Inc., owner of the Edgewood Ranch Property and successor Lessor, hereby consents to this Agreement for Assumption and Assignment of Edgewood Geothermal Lease.

LESSOR

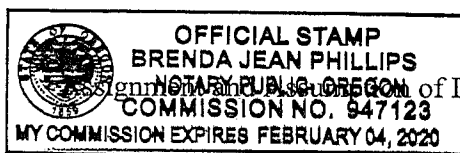
"Edgewood Ranch, Inc."

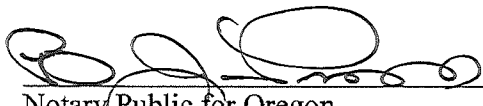
By: 

Lauren Jespersen, CFO

STATE OF OREGON)
)
County of Klamath) ss.

On this 21 day of April, 2016, before me personally appeared Lauren Jespersen, and acknowledged to me that he executed this Agreement for Assumption and Assignment of Edgewood Geothermal Lease freely and voluntarily on behalf of Edgewood Ranch, Inc., as Lessor under the Lease.





Notary Public for Oregon
My commission expires: 2-4-20

EXHIBIT A to
AGREEMENT FOR ASSUMPTION
AND ASSIGNMENT
OF EDGEWOOD GEOTHERMAL
LEASE

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.

EXHIBIT B to
AGREEMENT FOR ASSUMPTION
AND ASSIGNMENT
OF EDGEWOOD GEOTHERMAL
LEASE

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



Entered on Docket
April 01, 2016

LOUIS M. BUBALA III, ESQ.

Nevada Bar No. 8974

KAEMPFER CROWELL

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Reno, Nevada 89501

Telephone: (775) 852-3900

Facsimile: (775) 327-2011

E-Mail: lbubala@kcnvlaw.com

Attorneys for Edgewood Ranch, Inc.

*Electronically Lodged
March 31, 2016*

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).

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, ¶12.2). 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.

19 ###

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.

###

EXHIBIT A

EXHIBIT A
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