

RECORDING REQUESTED BY:

AMERICAN THERMAL RESOURCES, INC.

56104

WHEN RECORDED RETURN TO:

American Thermal Resources, Inc.  
5405 Stockdale Highway, Suite 205  
Bakersfield, CA 93309

LEASE AND AGREEMENT

(Short Form)

KNOW ALL MEN BY THESE PRESENTS:

That JOHN C. NEWELL, P. O. Box 3403, Hayward, California 92804, as Lessors,

do es hereby lease to AMERICAN THERMAL RESOURCES, INC., a corporation, as Lessee, pursuant to all of the terms and conditions of that certain Lease and Agreement, between the parties hereto, bearing the date hereof, the land situated in the County of EUREKA, State of NEVADA, described in Exhibit "A" attached hereto and made a part hereof, with the sole and exclusive right to Lessee to explore for (by such methods as it may desire), drill for, produce, extract, take and remove therefrom and to sell steam, thermal energy and hot water and extractable minerals from, and to store, utilize, process, convert and otherwise treat such steam, thermal energy and hot water upon said land, and to extract any extractable minerals therefrom and from said land, during the term hereof, with the right of entry thereon and use and occupancy thereof at all times from said purposes and the furtherance thereof.

The term of this Lease and Agreement is for a period of 5 (FIVE) years commencing ~~ninety (90) days~~ after the date hereof and so long thereafter as lease substances, or any of them, are derived or produced in commercial quantities from the lease land or lands pooled or combined therewith and for so long, as well, as Lessee is prevented from producing same, or the obligations of Lessee are suspended, for the causes as set forth in said Lease and Agreement.

Said Lease and Agreement is incorporated herein and made a part hereof in all respects as though fully set forth herein. Reference is made hereby to executed copies of said Lease and Agreement in possession of Lessor and Lessee, respectively.

Dated this 14 day of July, 1972.

John C. Newell  
JOHN C. NEWELL

AMERICAN THERMAL RESOURCES, INC.

By Roy Parodi President  
By Lyn Sharland Assistant Secretary

LESSEE

LESSOR

WITNESS

ATR-101

00-002-049

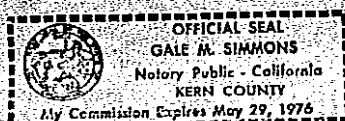
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STATE OF CALIFORNIA )  
COUNTY OF ALAMEDA ) SS.

On July 14, 1972 before me, the undersigned,  
a Notary Public personally appeared JOHN C. NEWELL  
known to me to be the person whose name is subscribed  
to the within instrument and acknowledged that he executed the  
same.

WITNESS my hand and official seal.



*Gale M. Simmons*

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

On \_\_\_\_\_ before me, the undersigned,  
a Notary Public personally appeared \_\_\_\_\_  
known to me to be the person whose name \_\_\_\_\_ subscribed  
to the within instrument and acknowledged that \_\_\_\_\_ executed the  
same.

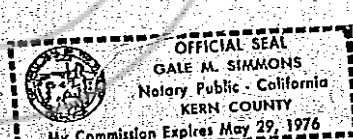
WITNESS my hand and official seal.

\_\_\_\_\_

STATE OF CALIFORNIA )  
COUNTY OF KERN ) SS.

On July 25, 1972, before me, the undersigned, a  
Notary Public, personally appeared ROY PARODI, known to me to be  
the President, and LYN SHARLAND, known to me  
to be the Assistant Secretary of AMERICAN THERMAL  
RESOURCES, INC., the corporation that  
executed the within Instrument, known to me to be the persons who  
executed the within Instrument on behalf of the corporation therein  
named, and acknowledged to me that such corporation executed  
the within instrument pursuant to its by-laws or a resolution of its  
board of directors.

WITNESS my hand and official seal.



*Gale M. Simmons*



EXHIBIT "A"

The land which is the subject of the herein Lease and Agreement is that certain land situated in the County of EUREKA, State of NEVADA, more particularly described as follows, to-wit:

TOWNSHIP 31 NORTH, RANGE 48 EAST, M.D.B. & M.

Section 15: W/2

together with such rights as Lessor may have in waterways, ditches, sloughs, canals, dikes, levees, roads, streets, alleys, easements, and rights of way within or adjoining the above described lands and containing 320 acres, more or less.

RECORDED AT THE REQUEST OF American Thermal Resources, Inc.  
on July 28, 1972, at 31 mins. past 11 A. M.  
Book 42 of OFFICIAL RECORDS, page 462-464  
EUREKA COUNTY, NEVADA Willis A. DeTarlin Record.  
File No. 56104 Fee \$ 5.00

ATR-101

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