

RECORDING REQUESTED BY:
AMERICAN THERMAL RESOURCES, INC.
WHEN RECORDED MAIL TO:
American Thermal Resources, Inc.
5405 Stockdale Highway, Suite 205
Bakersfield, California 93309

RECORDED AT THE REQUEST OF American Thermal Resources, Inc.
on March 23, 1973 at 45 min. past 10 A. M. in
Book 45 of OFFICIAL RECORDS, page 167-168, RECORDS OF
EUREKA COUNTY, NEVADA, Willis A. De Paul Recorder
File No. 57204 Fee \$ 4.00

SPACE ABOVE THIS LINE FOR RECORDER'S USE

MEMORANDUM OF GEOTHERMAL LEASE AND AGREEMENT

THIS LEASE AND AGREEMENT, made and entered into this 24th day of January, 1973, by and between
BEN JAFFEY and ROSE JAFFEY, 5135 Saratoga Drive, Las Vegas, Nevada 89120

hereinafter called "LESSOR" (whether one or more) and AMERICAN THERMAL RESOURCES, INC., a Nevada corporation, hereinafter called "LESSEE".

WITNESSETH

Lessor hereby leases to Lessee and Lessee hereby leases from lessor the land hereinafter described, for the purposes, and with the sole and exclusive right of exploring, drilling, developing, mining, producing, utilizing, and operating the leased land for geothermal fluids, including geothermal steam, hot water, and hot brine, geothermal energy and heat at all depths, by-products thereof, products associated therewith, and other commercially valuable substances which may be produced through wells on the leased land, whether or not similar to the above-mentioned substances. The land hereby leased is situated in the County of EUREKA, State of NEVADA and is described as follows:

TOWNSHIP 31 NORTH, RANGE 48 EAST, M.D.B. & M.
Section 21: W/2 NE/4

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 eighty (80) acres, more or less.

This lease is made for the term and upon and subject to each and all the terms, provisions, covenants and conditions set forth in the certain Geothermal Lease and Agreement of even date herewith between the parties hereto covering the lands hereinabove described, and said Geothermal Lease and Agreement is hereby incorporated herein with the same force and effect as though set forth at length.

ON WITNESS WHEREOF, said parties have caused this lease to be duly executed as of the date first hereinabove written.

BEN JAFFEY
ROSE JAFFEY

AMERICAN THERMAL RESOURCES, INC.
By ROY PARODI President
By David W. Robinson Secretary



LESSOR

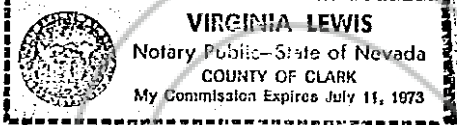
LESSEE

STATE OF NEVADA
COUNTY OF CLARK } ss.

On February 21, 1973, before me, the undersigned, a Notary Public in and for said State, personally appeared Ben Jaffey and Rose Jaffey

known to me to be the person s whose name are subscribed to the within Instrument and acknowledged that they executed the same.

WITNESS my hand and official seal.



Virginia Lewis

STATE OF _____ } ss.
COUNTY OF _____

On _____, before me, the undersigned, a Notary Public in and for said State, personally appeared _____

_____ known to me to be the _____ President, and
_____ known to me to be the _____ Secretary of

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 same pursuant to its by-laws or a resolution of its board of directors.

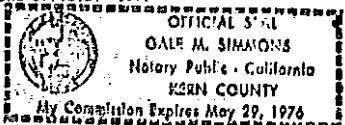
WITNESS my hand and official seal.

STATE OF CALIFORNIA } ss.
COUNTY OF Kern

On February 8, 1973, before me, the undersigned, a Notary Public in and for said State, personally appeared Roy Parodi
David W. Robinson

known to me to be the _____ President, and
known to me to be the _____ 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 same pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.



Gale M. Simmons