

61340

10/7/74

GEOHERMAL RESOURCES LEASE (SHORT FORM)

THIS LEASE AGREEMENT (SHORT FORM) made and entered into this 24th day of January,
1976, by and between THE UNDERSIGNED

hereinafter called "Lessor," and CHEVRON OIL COMPANY, a corporation, and AMERICAN THERMAL RESOURCES, INC., a Nevada corporation, hereinafter called "Lessee";
WITNESSETH:

1. That Lessor, for valuable consideration, receipt of which is hereby acknowledged, and in consideration of the covenants and agreements contained in that certain Geothermal Resources Lease referred to in Paragraph 3 below, hereinafter called "said Geothermal Resources Lease" has granted, let and leased, and by these presents does grant, let and lease, exclusively unto Lessee the real property hereinafter described and referred to as "said land" for the purposes of drilling for, producing, extracting, taking and removing therefrom (a) all products of geothermal processes, embracing indigenous steam, hot water and hot brines; (b) steam and other gases, hot water and hot brines resulting from water, gas, or other fluids artificially introduced into subsurface formations; (c) heat or other associated energy found beneath the surface of the earth; and (d) byproducts of any of the foregoing such as minerals (exclusive of oil or hydrocarbon gas that can be separately produced) which are found in solution or association with or derived from any of the foregoing (hereinafter collectively referred to as "geothermal resources"), storing, utilizing, processing, converting and otherwise using geothermal resources and selling the same; disposing of waste products; injecting water, brine, steam and gases from one well into another; exploring said land by geological, geophysical or other methods and taking water from said land; and for other uses and purposes incidental to the foregoing uses and purposes, as provided in said Geothermal Resources Lease; and constructing, using, maintaining, erecting, repairing and replacing thereon and removing therefrom such structures, facilities, roads, pipelines and utility lines as are necessary for the foregoing. Possession by Lessee of said land shall be sole and exclusive excepting only that Lessor reserves the right to occupy and use or to lease the surface of said land for agricultural, horticultural or other surface uses, except those granted to Lessee hereunder and in said Geothermal Resources Lease, which uses shall be carried on by Lessor subject to and with no interference with the rights or operations of Lessee hereunder. The said land covered by this lease is situated in the County of Eureka, State of Nevada, and is described as follows:

Township 31 North, Range 48 East, MDB&M
Section 21: W½NE¼;

containing 80.0 acres of land, more or less.

2. This Lease shall remain in force for a term of 5 years from the date hereof and either as long thereafter as geothermal resources are produced from said land or so long as operations are conducted on said land or so long as this lease is kept in force under any other provision of said Geothermal Resources Lease, all as particularly set forth therein and subject to termination as therein provided.

3. This Lease Agreement (Short Form) is made upon the terms, covenants and conditions set forth in that certain Geothermal Resources Lease bearing even date herewith by and between the said parties hereto, covering the real property above described, which Geothermal Resources Lease is by this reference incorporated herein and made a part hereof in all respects as though the same were fully set forth herein.

4. This Lease and all its terms, conditions and stipulations shall extend to and be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be duly executed as of the date first hereinabove written.

LESSEE

CHEVRON OIL COMPANY

By FOR MARGRAVE
Contract Agent
By J. R. Allen
Assistant Secretary

AMERICAN THERMAL RESOURCES, INC.

By Robert Cronin
President
By _____

LESSOR

Ben Jaffey
BEN JAFFEY
Rose Jaffey
ROSE JAFFEY, his wife

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On this 25 DAY OF FEB., 1976
personally appeared before me, a Notary Public in and for said County
and State
BEN JAFFEY
ROSE JAFFEY
known to me to be the person described in and who executed the
following instrument, who acknowledged to me that he executed
the same for the purposes and uses and purposes therein
mentioned.

SHARON K. GUNN
NOTARY PUBLIC - STATE OF NEVADA
COUNTY OF CLARK
My Comm. Expires Sept. 23, 1977
INDIVIDUAL ACKNOWLEDGES - NT

STATE OF CALIFORNIA

COUNTY OF San Francisco

On May 5, 1976, before me, the undersigned, a Notary Public in
and for said State, personally appeared ROY PARODI, 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 acknowl-
edged 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.

Patricia L. Morris

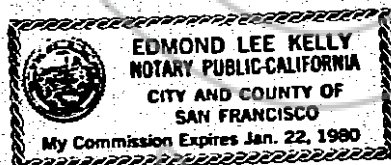


PATRICIA L. MORRIS
NOTARY PUBLIC in and for the City & County
of San Francisco, State of California

State of California
City and County of San Francisco } ss

On April 5, 1976, before me, Edmond Lee Kelly, A Notary
Public in and for said City and County and State, residing therein, duly commissioned
and sworn, personally appeared Willis A. DePaoli and Patricia L. Morris
known to me to be Contractors and Real Estate Brokers
of Edmond Lee Kelly and Patricia L. Morris the Corporation
described in and that executed the within instrument, and also known to me to be the
person(s) who executed it on behalf of the said Corporation therein named, and
acknowledged to me that such Corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official
Seal, in the City and County and State aforesaid the day and year in this certificate
above written.



Edmond Lee Kelly
Notary Public in and for said City and
County of San Francisco, State of California

RECORDED AT THE REQUEST OF Title Insurance & Trust
on May 17, 19 76 at 04 min. past 8 A. M. in
Book 54 of OFFICIAL RECORDS, page 574-575, RECORDS OF
EUREKA COUNTY, NEVADA. WILLIS A. DePAOLI Recorder
File No. 61340 Fee \$ 4.00

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