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Change of Operator Assignment (3286.4)

Change in Unit Operator, Beowawe Unit Area, counties of Lander and Eureka, State of Nevada, No. 14-08-001-18151.

This indenture, dated as of the 8th day of January, 1997, 1998, by and between CE GEOTHERMAL, INC., a Delaware corporation, hereinafter designated as "First Party" and OXBOW POWER OF BEOWAWE, INC., a Delaware corporation, qualified to do business in the State of Nevada, hereinafter designated as "Second Party."

WITNESSETH

Whereas, under the provisions of the Geothermal Steam Act of December 24, 1970, 84 Stat. 1566, the Secretary, on the 1st day of August, 1979, approved a unit agreement for the Beowawe Unit Area ("Unit Agreement"); and

Whereas, by a Sub-Operating Agreement dated December 21, 1990 ("Sub-Operating Agreement"), between Chevron Geothermal Company of California ("Chevron") and Beowawe Geothermal Power Company, a general partnership ("Beowawe Partnership") which was approved by the Authorized Officer for the Bureau of Land Management, the Beowawe Partnership was designated as Sub-Operator for purposes of obtaining and maintaining a certain production payment related to the Beowawe Unit Area; and

Whereas, by a Change of Operator Assignment dated January 22, 1991, approved May 6, 1991, by the Authorized Officer for the Bureau of Land Management, Chevron assigned its rights, duties, and obligations as Unit Operator under the Unit Agreement and its interest in the Sub-Operating Agreement to First Party and First Party was designated as the successor Unit Operator; and

Whereas, by a Decision of the Deputy State Director, Minerals Management, for the Nevada State office of the Bureau of Land Management the Beowawe Unit Area was contracted to the boundaries of the Beowawe Participating Area effective January 1, 1997; and

Whereas, First Party has transferred, conveyed, and assigned all its rights under certain leases involving lands within the Beowawe Unit Area, as contracted, to Second Party; and

Whereas, First Party desires to transfer, assign, release, and quitclaim, and Second Party desires to assume all the rights, duties, and obligations of Unit Operator under the Unit Agreement; and

I CERTIFY THIS PAGE BEARING THE BUREAU OF LAND MANAGEMENT SEAL IS A TRUE COPY OF A DOCUMENT ON FILE IN THE STATE OFFICE, RENO, NEVADA. DATE: March 3, 1998 / *Alisa DeMuna* CERTIFYING OFFICER

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Whereas, Second Party desires to assume all the rights, duties, and obligations of Unit Operator under the Unit Agreement.

Now, therefore, in consideration of the premises hereinbefore set forth, the First Party does hereby transfer, assign, release, and quitclaim unto Second Party all of First Party's rights, duties and obligations as Unit Operator under the Unit Agreement and all of First Party's interest in the Sub-Operating Agreement; and

Second Party hereby accepts this assignment and hereby covenants and agrees to fulfill the duties and assume the obligations of Unit Operator pursuant to all the terms of the Unit Agreement to the full extent set forth in this assignment, effective upon approval of this indenture by the authorized officer of the Bureau of Land Management, said Unit Agreement being hereby incorporated herein by reference and made a part hereof as fully and effectively as though said agreements were expressly set forth in this instrument.

CE GEOTHERMAL, INC.

("First Party")

By [Signature]
Title Assistant Secretary and
Assistant General Counsel

OXBOW POWER OF BEOWAWE, INC.

("Second Party")

By [Signature]
Name V.P. Zodiaco
Title Vice President

I hereby approve the foregoing indenture designating Beowawe Geothermal Power Company as Unit Operator under the Unit Agreement for the Beowawe Unit Area, this 3rd day of March, 1997. 1998.

Authorized Officer
Bureau of Land Management

[Signature] Acting

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OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
Robert X. Conroy
98 MAR 16 PM 1:03
JUNEAU COUNTY NEVADA
MIL. REGAL EATL. RECORDER
FILE NO. 169893
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I CERTIFY THIS PAGE BEARING THE BUREAU OF LAND MANAGEMENT SEAL IS A TRUE COPY OF A DOCUMENT ON FILE IN THE STATE OFFICE, RENO, NEVADA.
DATE: March 3, 1998 / [Signature]
CERTIFYING OFFICER

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