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APR 29 2010

DEPT. OF WATER RESOURCES
SOUTHERN REGIONSTATE OF IDAHO
DEPARTMENT OF WATER RESOURCESTransfer No. 76465**MINIMUM REQUIREMENTS CHECKLIST**
TO BE SUBMITTED WITH APPLICATION FOR TRANSFER

An application for transfer must be prepared in accordance with the minimum requirements listed below to be acceptable for processing by the Department. Incomplete applications will be returned. The instructions, fee schedule, Part 2A reports and additional Part 2B forms are available from any Department office or on the Department's website at <http://www.idwr.idaho.gov/>.

Check whether each item below is *attached* (Yes) or *not applicable* (N/A) for the proposed transfer.

Yes N/A * Means the item is always required and must be included with the application.

- ☒ * Completed Application for Transfer of Water Right form, Part 1.
- ☒ * Signature of applicant(s) or applicant's authorized representative on Application for Transfer Part 1. Include evidence of authority labeled Attachment #3 (see below) if signed by representative.
- ☒ * Application for Transfer Part 2A. Attach a Part 2A report describing each water right in the transfer as currently recorded.
- ☐ ☒ Complete and attach an Application for Transfer Part 2B for each water right for which only a portion is proposed to be changed through this transfer application. Part 2B forms are available on the Department's website at: http://www.idwr.idaho.gov/WaterManagement/WaterRights/WaterRightTransfers/PDFs_09/WaterRight_TransferApp_Part2B.pdf
- ☒ * Application for Transfer Part 3A is always required (see Attachment #7a below); Parts 3B and 3C must be completed for transfer applications proposing to change the nature of use of the water right(s) or proposing changes to supplemental right(s).
- ☒ * Correct fee submitted with transfer application form. (Fee schedule is on website and instructions for application for transfer.)

Attachments to Application - Label each attachment with the corresponding number shown below as Attachment #1-9.

- ☐ ☒ #1 If the applicant is a business, partnership, organization, or association, and not currently registered in the State of Idaho as a business entity, attach documentation identifying officers authorized to sign or act on behalf of right holder. (See Part 1.)
- ☐ ☒ #2a Water Right ownership documentation if Dept. records do not show the transfer applicant as the current water right owner.
- ☐ ☒ #2b If the ownership of the water right will change as a result of the proposed transfer to a new place of use, attach documentation showing land and water right ownership at the new place of use. Include documentation for all affected land and owner(s).
- ☐ ☒ #3 Documentation of authority to make the change if the applicant is not the water right owner.
- ☐ ☒ #4 Power of Attorney or documentation providing authority to sign or act on the applicant's behalf. (See Part 1.)
- ☐ ☒ #5 If the transfer application proposes to change the point of diversion for a water right affecting the Eastern Snake Plain Aquifer (ESPA), attach the results of an ESPA analysis and a detailed mitigation plan to offset any depletions to hydraulically connected reaches of the Snake River. ESPA transfer spreadsheet and model grid labeled cells are available on the Department's website at http://www.idwr.idaho.gov/WaterManagement/WaterRights/WaterRightTransfers/wrt_default.htm.
- ☐ ☒ #6 Notarized statement of agreement or a statement on official letterhead signed by an authorized representative from each lien holder or other entity with financial interest in the water right(s) or land affected by the proposed transfer. (See Part 1.5.c.)
- ☒ * #7a Attach a map identifying the proposed point(s) of diversion, place(s) of use, and water diversion and distribution system details as described on the application. Include legal description labels. If only a portion of the right is proposed to be changed, identify the current location of the part of the existing right(s) proposed to be changed. (See Part 3A.)
- ☒ ☐ #7b If the transfer application proposes to change the place or purpose of use of an irrigation right attach a Geographic Information System (GIS) shape file, or an aerial photo or other image clearly delineating the location and extent of existing acres and changes to the place of use.
- ☐ ☒ #8a If the transfer application proposes to change the nature of use or period of use for one or more rights, provide documentation describing the extent of historic beneficial use for the water rights proposed to be transferred and document how enlargement will be avoided. (See Part 3B.)
- ☐ ☒ #8b If the transfer application proposes to change the place of use of a supplemental irrigation right, provide documentation regarding the historic use of the supplemental right(s) and availability or reliability of the primary right(s) being supplemented, both before and after the proposed change. (See Part 3C.)
- ☐ ☒ #9 Other. Please describe: _____

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DEPT. OF WATER RESOURCES STATE OF IDAHO
SOUTHERN REGION DEPARTMENT OF WATER RESOURCESTransfer No. 76465
wip# 5031407

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APR 15 2010

APPLICATION FOR TRANSFER OF WATER RIGHT
PART 1DEPT. OF WATER RESOURCES
Name US Geothermal Inc.

Phone 208-424-1027

Mailing address 1505 Tyrell Boise, ID 83706

Email snichols@usgeothermal.com

- ☐ If applicant is not an individual and not registered to do business in the State of Idaho, attach documentation identifying officers authorized to sign or act on behalf of the applicant. Label it **Attachment #1**.
- ☐ Attach water right ownership documentation if Department records do not show the transfer applicant as the current water right owner. Label it **Attachment #2a**.
- ☐ If the ownership of the water right will change as a result of the proposed transfer to a new place of use, attach documentation showing land and water right ownership at the new place of use. Include documentation for all affected land and owner(s). Label it **Attachment #2b**.
- ☐ Attach documentation of authority to make the proposed change if the applicant is not the water right owner. Label it **Attachment #3**.

Provide contact information below if a consultant, attorney, or any other person is representing the applicant in this transfer process.

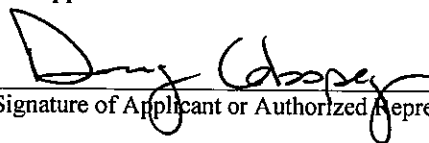
☒ No Representative

Name of Representative _____ Phone _____

Mailing address _____ Email _____

- ☐ Send all correspondence for this application to the representative and not to the applicant.
- OR ☐ Send original correspondence to the applicant and copies to the representative.
- ☐ The representative may submit information for the applicant but is not authorized to sign for the applicant.
- OR ☐ The representative is authorized to sign for the applicant. Attach a Power of Attorney or other documentation providing authority to sign for the applicant and label it **Attachment #4**.

I hereby assert that no one will be injured by the proposed changes and that the proposed changes do not constitute an enlargement in use of the original right(s). The information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in rejection of the application or cancellation of an approval.



Signature of Applicant or Authorized Representative

Doug Glaspey, Chief Operations Officer
Print Name and Title if applicable3-30-10
Date

Signature of Applicant or Authorized Representative

Print Name and Title if applicable

Date

A. PURPOSE OF TRANSFER

1. ☒ Change point of diversion ☐ Add diversion point(s) ☒ Change place of use
☐ Change nature of use ☐ Change period of use ☐ Other _____
2. Describe your proposal in narrative form, including a detailed description of non-irrigation uses to justify amounts transferred (i.e. number of stock, etc.), and provide additional explanation of any other items on the application. Attach additional pages if necessary and label it **Part 1A.2**. US Geothermal Inc is requesting a change in the point of diversion and place of use to allow irrigation and stock watering on US Geothermal owned property located approximately 1.5 miles southwest of the current point of use and point of diversion. No change is requested in the type or time of use or the diversion rate.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT
PART 1 Continued

B. DESCRIPTION OF RIGHTS AFTER THE REQUESTED CHANGES. IF THE RIGHTS ARE BEING SPLIT, DESCRIBE PORTIONS TO BE CHANGED AS THEY WOULD APPEAR AFTER THE REQUESTED CHANGES.

1.	Right Number	Amount (cfs/ac-ft)	Nature of Use	Period of Use	Source & Tributary
All or Part ☒ ☐	43-2347	2.0/544	Irrigation	03/15 to 11/15	Ground Water/Cassia County
☒ ☐	43-2347	.120/87	Stock Water	01/01 to 12/31	Ground Water/Cassia County
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	

Total authorized under rights 2.0 cfs and/or 544 ac-ft

2. Total amount of water proposed to be transferred or changed 2.0 cubic feet per second and/or 544 acre-feet per annum.

3. Point(s) of Diversion:

- ☐ No changes to point(s) of diversion are proposed-the following chart is therefore not completed. (Proceed to #4.)
☐ Attach Eastern Snake Plain Aquifer analysis if this transfer proposes to change a point of diversion affecting the ESPA.
Label it Attachment #5.

New ?	Lot	¼	¼	¼	Sec	Twp	Rge	County	Source	Local name or tag #
Yes		NW	NE	SW	26	15S	26E	Cassia	Ground Water	Cold Well #4

4. Place of use: (If irrigation, identify with number of acres irrigated per ¼ ¼ tract.)

- ☐ No changes to place of use are proposed-the following chart is therefore not completed. (Proceed to #5.)

Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Acre Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
15S	26E	26					5		22	32	11	11							81
15S	26E	27					5								22	29			56

Total Acres (for irrigation use) 137

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT
PART 1 Continued

5. General Information:

- a. Describe the complete diversion system, including how you will accommodate a measuring device and lockable controlling works should they be required now or in the future: The water well and power supply are installed and were utilized for irrigation from this well. The system will be reestablished with a new control system and flow meters. The site is not accessible to the general public but it will be locked within a metal control system panel.

- b. Who owns the property at the point(s) of diversion? US Geothermal Inc; See Attached Deed

If other than the applicant, describe the arrangement enabling the applicant to access the property for the diversion system: _____

- c. Are the lands from which you propose to transfer the water right subject to any liens, deeds of trust, mortgages, or contracts? If yes, ☐ Attach a notarized statement from the holder of the lien, deed of trust, mortgage or contract agreeing to the proposed changes on official letterhead signed by an authorized representative. Label it **Attachment #6**. List the name of the entity and type of lien: No

It is the applicant's responsibility to provide notice to lien holder, trustee, mortgagor, or contract holder of the proposed changes that may impact or change the value of the water rights or affected real property. Any misrepresentation of legal encumbrance on this application may result in rejection of the application or cancellation of an approval.

- d. Describe the effect on the land now irrigated if the place or purpose of use is changed pursuant to this transfer: The land currently under irrigation will be watered with a separate water right owned by the land owner.

- e. Describe the use of any other water right(s) for the same purpose or land, or the same diversion system as right(s) proposed to be transferred at both the existing and proposed point(s) of diversion and place(s) use: The new irrigated pasture is currently fallow and is not cropped. The new diversion point and cropping area is not part of the U.S. Geothermal cooling water system.

- f. To your knowledge, has/is any portion of the water right(s) proposed to be changed:

Yes No

- | | | |
|--------------------------|-------------------------------------|---|
| ☐ | ☒ | undergone a period of five or more consecutive years of non-use, |
| ☐ | ☒ | currently leased to the Water Supply Bank, |
| ☐ | ☒ | currently used in a mitigation plan limiting the use of water under the right, or |
| ☐ | ☒ | currently enrolled in a Federal set-aside program limiting the use of water under the rights? |

If yes, describe: _____

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT
PART 2

A. DESCRIPTION OF RIGHT(S) AS RECORDED

For each water right listed in Part 1B.1 of the application, attach a **Part 2A** report obtained from any Department office or from the Department's website @ <http://www.idwr.idaho.gov/> , Water Right Transfers, Step 1.
Insert Part 2A reports into the application following Part 1.

B. IF ONLY A PORTION OF THE RIGHT IS PROPOSED TO BE CHANGED, DESCRIBE THE PORTION BEING CHANGED AS IT APPEARS BEFORE THE REQUESTED CHANGES

- ☐ Complete and attach one copy of Part 2B for each right for which only a portion is proposed to be changed. If the entire right is proposed to be changed, Part 2B is not applicable. Additional copies of the **Part 2B** form can be obtained from any Department office or from the Department's website @ <http://www.idwr.idaho.gov/>, Water Right Transfers, Step 3, or Water Right Forms, Changes in Use. Insert completed Part 2B forms into the application following Part 2A of the same water right.

Right Number: _____

[illegible]

2. Lands irrigated or place of use: (If irrigation, identify with number of acres irrigated per ¼ ¼ tract.)

[illegible]

Total Acres (for irrigation use)

309447

41162

WARRANTY DEED

FOR VALUE RECEIVED, **WILLIAM WILCOCK** and **SANDRA WILCOCK**, husband and wife ("Grantors") do hereby convey to **U.S. GEOTHERMAL INC., an Idaho corporation ("Grantee")**, whose address is 1509 Tyrell Lane, Suite B, Boise, ID 83706, the following described property situated in Cassia County, Idaho:

TOWNSHIP 15 SOUTH, RANGE 26 EAST OF THE BOISE MERIDIAN, CASSIA COUNTY, IDAHO

Section 26: NW¼, SW¼, W¼SE¼

Section 27: S½NW¼NE¼, SW¼NE¼, E½NE¼, E½SW¼, SW¼SW¼, SE ¼

Section 28: SE¼SE¼

Section 33: NE¼NE¼

Section 34: NW¼NW¼

TOGETHER WITH all water, water rights, water permits, geothermal water, geothermal water rights, geothermal water permits, mineral, oil, gas and geothermal Energy (defined below) rights, ditches and rights of way for ditches appurtenant thereto or in anywise appertaining; together with the buildings, fixtures and other improvements located on the property; together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in any way appertaining and all estate, right, title and interest in and to the said property.

TOGETHER WITH all mineral rights including, without limitation, oil, gas, and geothermal Energy, associated with the following described property situated in Cassia County, Idaho:

TOWNSHIP 15 SOUTH, RANGE 26 EAST OF THE BOISE MERIDIAN, CASSIA COUNTY, IDAHO

Section 27: N½NW¼NE¼

SUBJECT TO: Taxes and assessments for the current year and future years, reservations in patents or state grants or in the laws authorizing the issuance thereof, the bonded debt of all taxing units, any taxes for local improvements not now completed, all zoning requirements and restrictions imposed by any governmental unit, all requirements and restrictions provided by any fire, building, plumbing, electrical, and other similar codes imposed by any governmental unit, the matters listed on **EXHIBIT "A"** attached hereto, and the reservation of royalty set forth below.

WARRANTY DEED - 1
Boise-196922.2 0054156-00001

RECORDED
LAND TITLE & ESCROW

JUL 5 PM 1 25

CASSIA COUNTY, IDAHO
LARRY A. NICKELS
REC-2450
Ben

309447

And Grantors do warrant the title against all persons whomsoever, subject to the matters above set forth.

RESERVING unto grantors a royalty equal to five-tenths percent (0.5%) of the Net Proceeds (defined below) from any Energy (defined below) produced from the subject property, payable annually for the one-year period ending December 31 each year, with payment and accounting to Grantors to be made by January 30 of each following year. The accounting to Grantors shall set forth: (a) the total Energy Produced from the subject property; if any (b) the subject property's percentage of the total Energy delivered to the power generation plant from which electric power is generated by the use, in part, of the Energy produced from the subject property; and (c) the percentage of any Net Proceeds from said power generation plant attributable to the Energy produced from the subject property. The term "Net Proceeds" is defined as proceeds from the sale of generated electric power to a third party, independent of Grantors or Grantee, less deductions of the sum of all direct operating costs, financing costs, interest expense on capital, property taxes, franchise and other taxes, administration and marketing expenses and the depreciation of production wells, reinjection wells, monitoring wells, pipelines, all production facilities, power generation facilities, electrical distribution equipment and power lines through to the sales delivery point. Depreciation shall be on a fifteen (15) year straight-line basis with asset capitalization in accordance with generally accepted accounting principles. Electric power is computed and paid for on the basis of kilowatt- hours ("Kw-h") and the royalty shall be calculated on a basis of cents per Kw-h. The term "Energy" shall mean natural geothermal water and/or steam, and shall also mean the natural heat of the earth and the energy present in, resulting from or created by, or which may be extracted from, the natural heat of the earth or the heat present below the surface of the earth, in whatever form such heat or energy naturally occurs.

IN WITNESS WHEREOF, Grantors have executed this Warranty Deed this 5th day of July, 2006.

GRANTORS:

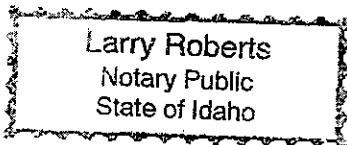
William Wilcock
WILLIAM WILCOCK

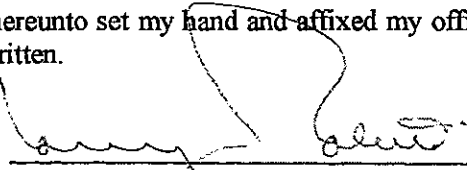
Sandra Wilcock
SANDRA WILCOCK

STATE OF IDAHO)
) ss.
County of Cassia)

On this 5th day of July, 2006, before me, the undersigned, a Notary Public in and for said State, personally appeared **WILLIAM WILCOCK**, known or identified to me to be the person whose name is subscribed to the within and foregoing instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



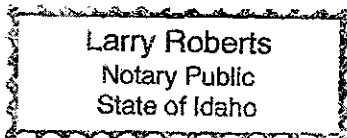


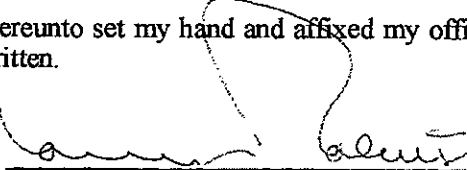
Notary Public for Idaho
Residing at Boise, ID
My commission expires: 6-30-09

STATE OF IDAHO)
) ss.
County of Cassia)

On this 5th day of July, 2006, before me, the undersigned, a Notary Public in and for said State, personally appeared **SANDRA WILCOCK**, known or identified to me to be the person whose name is subscribed to the within and foregoing instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.





Notary Public for Idaho
Residing at Boise, ID
My commission expires: 6-30-09

EXHIBIT "A"

Exceptions

Reservations contained in Warranty Deed from W. Lester Hawkins and Vivian B. Hawkins, his wife, to Ervin T. Hawkins, dated October 15, 1945 and recorded November 29, 1946 as Instrument No. 157170, in Book 52 Page 417, records of Cassia County, Idaho, which reads as follows: "Reserving a right of way for irrigation ditch as now constructed along the North side of said property, and a right of way for ingress and egress along the South bank of said ditch." (Affects Section 26, Township 15 South, Range 26 E.B.M.)

Reservations contained in Warranty Deed from Ervin T. Hawkin and his wife, Brenda S. Hawkins, to Richard H. Smith, dated January 26, 1948, and recorded September 24, 1948, as Instrument No. 163702 in Book 53 of Deeds on Page 599, records of Cassia County, Idaho, which reads as follows: "The parties of the first part except and reserve unto themselves, their successors, or assigns, forever, an undivided one fourth interest in and to all oil, gas, petroleum, naphtha, or other hydrocarbon substances and minerals of whatsoever nature, in, upon, or beneath the property herein above described, including right of entry and all other rights which may be necessary for the development, production, and removal of such products." (Covers the SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ in Section 26; the S $\frac{1}{2}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$ and NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 27; SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 28; NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 33; NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 34, all in Township 15 South, Range 26, East of the Boise Meridian.)

Reservations contained in Quitclaim Deed from Ervin T. Hawkins and his wife, Brenda S. Hawkins, parties of the first part, to Richard H. Smith, party of the second part, dated January 26, 1948, and recorded September 24, 1948, as Instrument No. 163703 in Book 51 of Deeds on Page 399, records of Cassia County, Idaho, which reads as follows: "Excepting and reserving unto themselves, their successors, or assigns, forever, an undivided one fourth interest in and to all oil, gas petroleum, naphtha, or other hydrocarbon substances and minerals of whatsoever nature, in, upon, or beneath the property herein above described, including right of entry and all other rights which may be necessary for the development, production, and removal of such products." (Covers the N $\frac{1}{2}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 26, and the N $\frac{1}{2}$ NE $\frac{1}{4}$ and SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 27, all in Township 15 South, Range 26, East of the Boise Meridian.)

Reservations contained in Warranty Deed from Heleman Stewart and his wife, Sybil S. Stewart, and T. Lynn Stewart, a single man, parties of the first part, to Richard H. Smith, party of the second part, dated October 12, 1951, and recorded November 14, 1951, as Instrument No. 173927 in Book 56 of Deeds, on Page 314, records of Cassia County, Idaho, which reads as follows: "The parties of the first part except and reserve unto themselves, their successors, or assigns, forever, an undivided one fourth interest in and to all oil, gas, petroleum, naphtha, or other hydrocarbon substances and minerals of whatsoever nature, in, upon, or beneath the property herein above described, including right of entry to develop and remove such products." (Covering the SE $\frac{1}{4}$ of Section 27; W $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 26; all in Township 15 South, Range 26 East of the Boise Meridian.)

Reservations contained in Warranty Deed from M. R. Stewart, party of the first part, to Richard H. Smith, party of the second part, dated October 12, 1951, and recorded November 14, 1951, as Instrument No. 173928 in Book 56 of Deeds on Page 315, records of Cassia County, Idaho, which reads as follows: "The part of the first part excepts and reserves unto themselves, their successors, or assigns, forever, an undivided one fourth interest in and to all oil, gas petroleum, naphtha, or other hydrocarbon substances and minerals of whatsoever nature, in, upon, or beneath the property herein above described, including right of entry to develop and remove such products." (Covers NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 26, Township 15 South, Range 26 East of the Boise Meridian.)

Reservation contained in Warranty Deed from Richard H. Smith, a widower, as party of the first part, to Heleman Stewart, T. Lynn Stewart, and M. R. Stewart, as joint tenants and not as tenants in common but to the survivor of them, as parties of the second part, dated October 4, 1951, and recorded May 5, 1953, as Instrument No. 178810 in Book 58 of Deeds, Page 136 records of Cassia County, Idaho, which reads as follows: "The party of the first part excepts and reserves unto themselves, their successors, or assigns, forever, an undivided one fourth interest in and to all oil, gas petroleum, naphtha, or other hydrocarbon substances and minerals of whatsoever nature, in, upon, or beneath the property herein above described, including right of entry to develop, produce and remove such products." (Covers E $\frac{1}{4}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 27, Township 15 South, Range 26, East of the Boise Meridian.)

Reservation contained in Warranty Deed from M. R. Stewart, also known as Mabel R. Stewart; Boyd H. Stewart, also known as Heleman Stewart, and Sybil S. Stewart, husband and wife, and Lynn Stewart, to Richard H. Smith, dated April 5, 1958, and recorded April 15, 1958, as Instrument No. 196831, Book 59 Pages 497-498, records of Cassia County, Idaho, which reads as follows: "Reserving unto Grantors herein an undivided one fourth interest in and to any and all oil and mineral rights and to the right to prospect for, develop and remove them from the premises herein granted, should the same be found to exist therein." (Covers the NE $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$ and E $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 27; SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 28; NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 33; NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 34; all in Township 15 South, Range 26 East of the Boise Meridian.)

Reservation contained in Warranty Deed from Richard H. Smith, a widower, to Vincent P. Tobin and Norma J. Tobin, husband and wife, dated March 15, 1962, and recorded March 19, 1962, as Instrument No. 5806 on Film No. 12, records of Cassia County, Idaho, which reads as follows: "Excepting and reserving to Grantor 85 per cent of all oil and mineral rights." (Covers the NW $\frac{1}{4}$, W $\frac{1}{4}$ SE $\frac{1}{4}$ and W $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 26; SE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 27, all in Township 15 South, Range 26 East of the Boise Meridian.)

ASSIGNED BY: Quitclaim Deed from Richard H. Smith, a widower, to Cache Valley Seed and Produce Company, A Utah Corporation, dated August 29, 1973 and recorded September 10, 1973 as Instrument No. 72315 on Film No. 84, records of Cassia County, Idaho. "An undivided one-half interest and all mineral rights Reserved by Grantor."

CORRECTED BY: Quitclaim Deed dated February 6, 1974 and recorded February 22, 1974 as Instrument No. 75008 on Film No. 87, records of Cassia County, Idaho. "This deed is to correct a deed dated August 29, 1973 which was intended to convey only an undivided one-half interest in all mineral rights."

Agreement for Purchase of Power between Raft River Rural Electric Cooperative, Inc., as Seller, and The Condor Company, as Consumer, dated March 27, 1963, and recorded March 25, 1964, as Instrument No. 17602 on Film No. 26, records of Cassia County, Idaho, covering Section 26, Township 15 South, Range 26 East of the Boise Meridian.

Reservation contained in Warranty Deed from Richard H. Smith, a widower, to Ida E. Tobin, a widow, dated June 7, 1972, and recorded December 31, 1974, as Instrument No. 80384 on Film No. 93, records of Cassia County, Idaho, which reads as follows: "Reserves three fourths of oil, gas and mineral rights on said property." (Covers the E $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 26; NE $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$ and S $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 27; SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 28; NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 33; NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 34; All in Township 15 South, Range 26 East of the Boise Meridian.)

Reservation contained in Warranty Deed from Harlan B. Jensen and Betty J. Jensen, husband and wife, to Reid S. Stewart and Ruth O. Stewart, husband and wife, dated December 29, 1977, and recorded January 9, 1978, as Instrument No. 104032 on Film No. 114, records of Cassia County, Idaho, which reads as follows: "Excepting and reserving unto Grantors and specifically retaining in Grantors any and all mineral, oil, gas, geothermal steam and all other under the surface rights in and to said premises, together with any and all rights and benefits, including, but not limited to, rental payments arising from or growing out of any existing leases, with options to renew, in which said Grantors have any interest." (Affects herein and additional property)

NOTE: DEED OF DISTRIBUTION BY PERSONAL REPRESENTATIVE from Sergene Jensen, as Personal Representative of the Estate of Harlan B. Jensen, deceased, to Helen A. Knapton, dated September 22, 2005 and recorded October 17, 2005 as Instrument No. 304638, records of Cassia County, Idaho.

NOTE: QUITCLAIM DEED from Helen A. Knapton, Grantor, to Jensen Investments, Inc., an Idaho Corporation, Grantee, dated September 29, 2005 and recorded November 22, 2005 as Instrument No. 305329, records of Cassia County, Idaho.

Agreement for Purchase of Power between Raft River Rural Electric Cooperative, Inc., as Seller, and Miller & Coggins, Richard L. Miller, as Consumer, dated March 18, 1978, and recorded May 22, 1978, as Instrument No. 107788 on Film No. 117, records of Cassia County, Idaho, covering the E $\frac{1}{2}$ of Section 27, Township 15 South, Range 26 East of the Boise Meridian.

Agreement for Purchase of Power between Raft River Rural Electric Cooperative, Inc., as Seller and Richard L. Miller, as Consumer, dated March 4, 1977, and recorded June 25, 1979, as Instrument No. 117971 on Film No. 127, records of Cassia County, Idaho, over and across the SE $\frac{1}{4}$ of Section 27, Township 15 South, Range 26 East of the Boise Meridian.

Tax Deed to Cassia County, Idaho, dated March 18, 1982, and recorded March 19, 1982, as Instrument No. 141960 on Film No. 147, records of Cassia County, Idaho, conveying an undivided one-half interest in all mineral rights on said property. (SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 22, SW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 23; N $\frac{1}{2}$, SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$ Section 26; S $\frac{1}{2}$, NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$ Section 27; SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 28; NE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 33; NW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 34; NW $\frac{1}{4}$ NE $\frac{1}{4}$ Section 35, all in Township 15 South, Range 26 East of the Boise Meridian.)

Agreement for Electric Service, between Raft River Rural Electric Cooperative, Inc., an Idaho rural electric cooperative, and Richard L. Miller, dated May 24, 1988 and recorded June 2, 1988 as Instrument No. 195790 on Film No. 199, records of Cassia County, Idaho. NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Sec. 27, Twp. 15 S., Rge. 26, E.B.M.

Agreement for Electric Service, between Raft River Rural Electric Cooperative, Inc., an Idaho rural electric cooperative, and Richard L. Miller, dated May 24, 1988 and recorded June 2, 1988 as Instrument No. 195792 on Film No. 199, records of Cassia County, Idaho. SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Sec. 27, Twp. 15 S., Rge. 26, E.B.M.

Agreement for Electric Service, between Raft River Rural Electric Cooperative, Inc., an Idaho rural electric Cooperative of Malta, and Richard L. Miller, dated May 9, 1994 and recorded June 9, 1994 as Instrument No. 231310 on Film No. 256, records of Cassia County, Idaho, over and across the E $\frac{1}{2}$ of Section 27 Township 15 South, Range 26 East of the Boise Meridian.

Agreement For Electric Service between Raft River Rural Electric Cooperative, Inc., an Idaho rural electric Cooperative of Malta, Seller and Richard Miller, Consumer, dated April 21, 1998 and recorded July 30, 1998 as Instrument No. 257017 on Film No. 301, records of Cassia County, Idaho covering the NE¼NE¼ of Section 33, Township 15 South, Range 26 East of the Boise Meridian.

Agreement For Electric Service between Raft River Rural Electric Cooperative, Inc., an Idaho rural electric Cooperative of Malta, Seller and Richard Miller, Consumer, dated May 22, 1997 and recorded July 30, 1998 as Instrument No. 257018 on Film No. 301, records of Cassia County, Idaho covering the NW¼SW¼ of Section 26, Township 15 South, Range 26 East of the Boise Meridian.

Agreement For Electric Service between Raft River Rural Electric Cooperative, Inc., an Idaho rural electric Cooperative of Malta, Seller and Thayne Mickelson, Consumer, dated June 14, 2000 and recorded June 26, 2000 as Instrument No. 269899, records of Cassia County, Idaho, covering the NW¼NW¼NE¼ of Section 27, Township 15 South, Range 26 East of the Boise Meridian.

Agreement For Electric Service between Raft River Rural Electric Cooperative, Inc., an Idaho Rural electric Cooperative of Malta, Seller and Thayne Mickelson, Consumer, dated June 14, 2000 and recorded June 26, 2000 as Instrument No. 269901, records of Cassia County, Idaho, covering the SW¼SE¼ of Section 27, Township 15 South, Range 26 East of the Boise Meridian.

Agreement For Electric Service between Raft River Rural Electric Cooperative, Inc., an Idaho rural electric Cooperative of Malta, Seller and Thayne Mickelson, Consumer, dated June 14, 2000 and recorded June 26, 2000 as Instrument No. 269902, records of Cassia County, Idaho, covering the N¼NW¼NE¼ of Section 27, Township 15 South, Range 26 East of the Boise Meridian.

Agreement For Electric Service between Raft River Rural Electric Cooperative, Inc., an Idaho rural electric Cooperative of Malta, Seller and Thayne Mickelson, Consumer, dated June 14, 2000 and recorded June 26, 2000 as Instrument No. 269903, records of Cassia County, Idaho, covering the NW¼SW¼ of Section 26, Township 15 South, Range 26 East of the Boise Meridian.

Agreement For Electric Service between Raft River Rural Electric Cooperative, Inc., an Idaho rural electric Cooperative of Malta, Seller and Thayne Mickelson, Consumer, dated June 14, 2000 and recorded June 26, 2000 as Instrument No. 269904, records of Cassia County, Idaho, covering the NE¼NE¼ of Section 33, Township 15 South, Range 26 East of the Boise Meridian.

Agreement For Electrical Service And Easement between Raft River Rural Electric Cooperative, Inc., an Idaho rural electric Cooperative of Malta, Seller and Bill Wilcock and Sandy Wilcock, Consumer, dated October 4, 2001 and recorded October 29, 2001 as Instrument No. 277887, records of Cassia County, Idaho, covering the NE¼ of Section 27, Township 15 South, Range 26 East of the Boise Meridian.

Geothermal Lease and Agreement by and between Jensen Investments Inc. and Raft River Energy I, LLC, an Idaho limited liability company, disclosed by Memorandum of Geothermal Lease and Agreement dated January 30, 2006 and recorded March 13, 2006 as Instrument No. 307174, records of Cassia County, Idaho. (Affects SE $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ NW $\frac{1}{4}$, Section 26, Township 15 South, Range 26 East of the Boise Meridian, and covers additional property not included herein.)

Amended and Restated Geothermal Lease and Agreement by and between Jensen Investments, Inc., as Lessor and U.S. Geothermal Inc., as Lessee, dated January 30, 2006 as disclosed by Memorandum of Amended and Restated Geothermal Lease and Agreement dated January 30, 2006 and recorded March 13, 2006 as Instrument No. 307176, records of Cassia County, Idaho. (Covers additional property not included herein.)



Current use area and diversion point.

Proposed diversion point and use area.

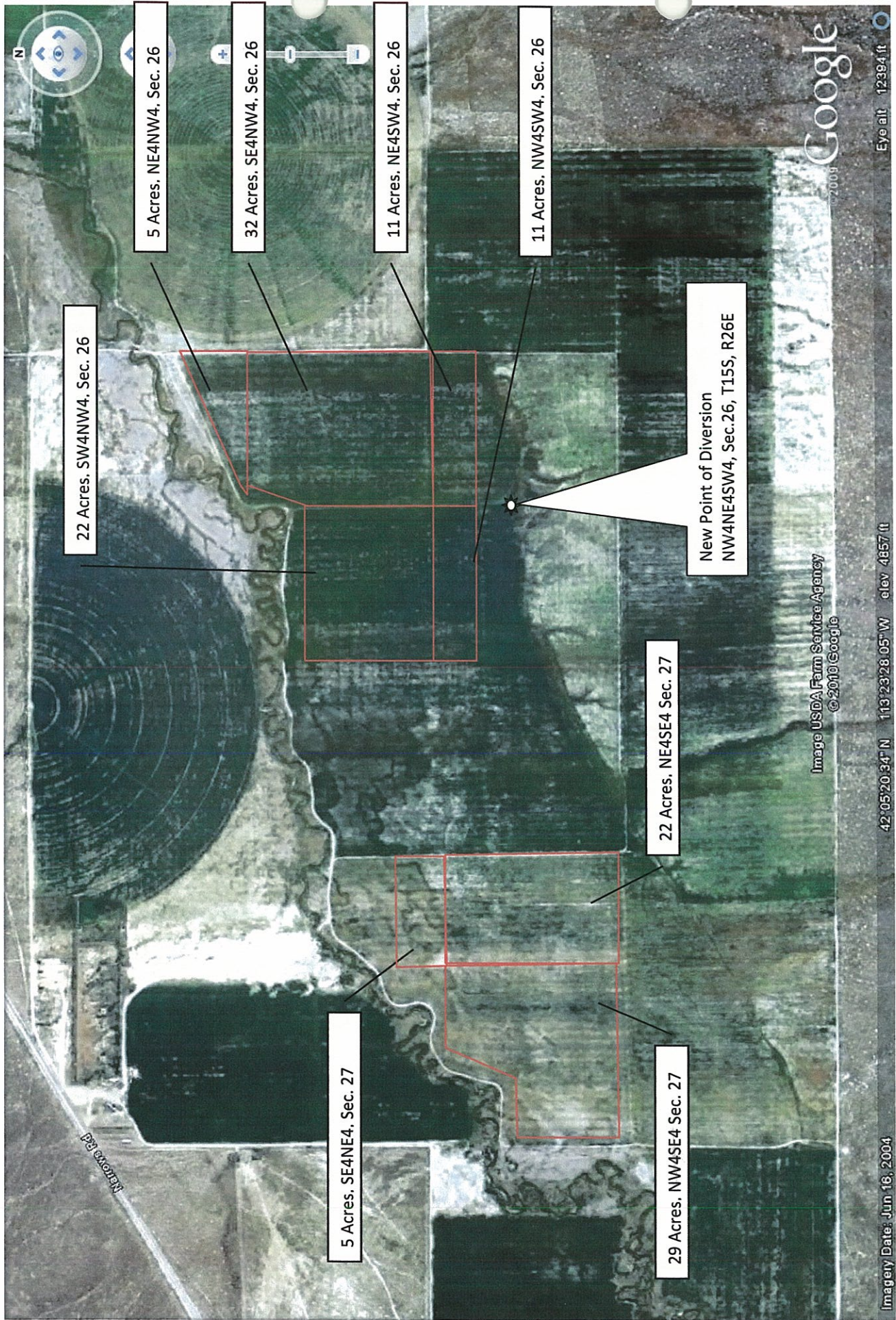
Image USDA Farm Service Agency
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Imagery Date: Jun 16, 2004

42°06'23.42"N 113°21'17.02"W elev 4792 ft

Eye alt 29926 ft



22 Acres, SW4NW4, Sec. 26

5 Acres, NE4NW4, Sec. 26

32 Acres, SE4NW4, Sec. 26

11 Acres, NE4SW4, Sec. 26

11 Acres, NW4SW4, Sec. 26

New Point of Diversion
NW4NE4SW4, Sec.26, T15S, R26E

22 Acres, NE4SE4 Sec. 27

5 Acres, SE4NE4, Sec. 27

29 Acres, NW4SE4 Sec. 27

Image USDA Farm Service Agency
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42°05'20.34"N 113°23'28.05"W elev 4857 ft

Imagery Date: Jun 16, 2004

Eye alt: 12394 ft



44 Acres; SW4SW4 Sec. 7, T15S, R27E

49 Acres; NW4NW4 Sec. 18, T15S, R27E

44 Acres; SW4NW4 Sec. 18, T15S, R27E

Current Point of Diversion
SW4NW4 Sec. 18, T15S, R27E

Image USDA Farm Service Agency
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Imagery Date: Jun 16, 2004

42°07'19.91" N 113°21'00.57" W elev 4767 ft

Eye alt 12161 ft

IDAHO DEPARTMENT OF WATER RESOURCES

Water Right Report 43-2347

WATER RIGHT NUMBER: 43-2347

<u>Owner Type</u>	<u>Name and Address</u>
Previous Owner	COLLIN M BOOTH HC 72 BOX 2282 MALTA, ID 83342 (208)645-2461
Previous Owner	NORMA BOOTH 2263 E 2775 S MALTA, ID 83342 (208)645-2461
Current Owner	U S GEOTHERMAL INC 1509 TYRELL LN STE B BOISE, ID 83706 (208) 424-1027
Previous Owner	CORA LEE KEMPTON 2263 E 2775 S MALTA, ID 83342-8687 (208)645-7420

Priority Date: 09/07/1950

Basis: Decreed

Status: Active

<u>Source</u>	<u>Tributary</u>
GROUND WATER	

<u>Beneficial Use</u>	<u>From</u> <u>To</u>	<u>Diversion Rate</u>	<u>Annual Volume</u>
IRRIGATION	03/15 to 11/15	2.000 CFS	544.00 AF
STOCKWATER	01/01 to 12/31	0.120 CFS	87.00 AF
	<u>Total Diversion:</u>	2.000 CFS	544.00 AF

Location of Point(s) of Diversion

GROUND WATER	L2 (SW1/4NW1/4)	Sec. 18, Twp 15S, Rge 27E, B.M.
CASSIA County		

Place of Use

IRRIGATION

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
15S	27E	7																	44.0
																			L 4
15S	27E	18																	49.0 44.0
																			L 1 L 2

Total Acres: 137

STOCKWATER

IDAHO DEPARTMENT OF WATER RESOURCES

Water Right Report 43-2347

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
15S	27E	7											X L 4						
15S	27E	18						X L 1	X L 2										

Conditions of Approval:

1. THE USE OF WATER FOR IRRIGATION UNDER THIS RIGHT MAY CONTINUE TO AS LATE AS NOVEMBER 15, PROVIDED OTHER ELEMENTS OF THE RIGHT ARE NOT EXCEEDED. THE USE OF WATER AFTER OCTOBER 31 UNDER THIS REMARK IS SUBORDINATE TO ALL WATER RIGHTS HAVING NO SUBORDINATED EARLY OR LATE IRRIGATION USE AND A PRIORITY DATE EARLIER THAN THE DATE A PARTIAL DECREE IS ENTERED FOR THIS RIGHT.
2. STOCKWATER FOR 400 COWS, AND 10 HORSES.
3. C18 THIS PARTIAL DECREE IS SUBJECT TO SUCH GENERAL PROVISIONS NECESSARY FOR THE DEFINITION OF THE RIGHTS OR FOR THE EFFICIENT ADMINISTRATION OF THE WATER RIGHTS AS MAY BE ULTIMATELY DETERMINED BY THE COURT AT A POINT IN TIME NO LATER THAN THE ENTRY OF A FINAL UNIFIED DECREE. SECTION 42-1412(6), IDAHO CODE.
4. C05 RIGHT INCLUDES ACCOMPLISHED CHANGE IN PLACE OF USE PURSUANT TO SECTION 42-1425, IDAHO CODE.