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RECORDING REQUESTED BY,  
AND WHEN RECORDED RETURN TO:

Raser Power Systems, LLC  
5152 North Edgewood Dr., Ste. 375  
Provo, Utah 84604

78  
232  
Ent 237539 Bk 426 Pg 635  
Date: 19-AUG-2008 10:48AM  
Fee: \$55.00 Cash  
Filed By: CP  
BRUCE BROWN, Recorder  
BEAVER COUNTY CORPORATION  
For: RASER TECHNOLOGY

Recorder's Use

## MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE ("**Memorandum**") is executed this 8<sup>th</sup> day of August, 2008, by CIRCLE FOUR, LLC, with an address at 341 S. Main Street, P.O. Box 100, Milford, Utah (collectively, "**Lessor**") and Raser Power Systems, LLC, with an address of 5152 North Edgewood Dr., Ste. 375 Provo, Utah 84604 ("**Lessee**").

A. Lessor and Lessee executed that certain Geothermal Resources Lease dated of even date herewith ("**Lease**"), whereby Lessee has the exclusive right and privilege to drill for, extract, produce, remove, utilize, sell, and dispose of all forms of thermal energy and other associated geothermal resources (as more particularly defined in the Lease, the "**Geothermal Resources**"), produced or generated during all such operations that are contained within the leased lands, said lands being more particularly described in **Exhibit A** (the "**Leased Lands**"). The Lease has an initial term of **FIVE (5) years**, with a Lessee option to extend for an **additional FIVE (5) year term**. The lease may also extend beyond the initial term into perpetuity as long as Geothermal Resources are being produced or generated in commercial quantities from the Leased Lands or from lands pooled or unitized with the Leased Lands, or may be extended as long as certain other conditions are met as required under the Lease.

B. Lessee has the right, in connection with operations on the Leased Lands, to locate and drill wells, whether directional or otherwise, under, through and across the Leased lands, together with the right to develop water resources and to erect and construct those facilities necessary and convenient for the purpose of producing the Geothermal Resources. Lessee has certain rights to construct and maintain rights-of-way and access easements over, across and through the Leased Lands and certain other rights to use the surface in developing the Geothermal Resources whether Lessor owns the geothermal interests in those parcels or not.

C. The terms and conditions of the Lease are hereby incorporated into this Memorandum, as if set forth in full herein, and Lessor hereby consents to the recording of this Memorandum to serve as constructive notice of the terms and conditions of the Lease and Lessee's right to conduct the above described activities on the Leased Lands. Any instrument recorded against the Leased Lands shall be subject to the Lease, and Lessee's lease rights described thereunder. The general terms of the Lease may be obtained by contacting Lessee at the above address, and any assignee of the Lessee's rights hereunder shall maintain a copy of the Lease available for review.

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IN WITNESS WHEREOF, the parties have executed this Memorandum as of the date first above written.

**LESSOR:**

**CIRCLE FOUR, LLC**  
a Delaware limited liability company

By: *Dwight D. Potter*  
Name: Dwight D. Potter  
Title: GM

**LESSEE:**

**RASER POWER SYSTEMS, LLC**  
a Delaware limited liability company

By: *Brent M. Cook*  
Name: Brent M. Cook  
Title: CEO

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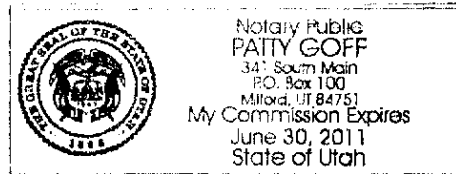
STATE OF UTAH )  
 ) ss.  
COUNTY OF Beaver )

The foregoing instrument was acknowledged before me this 14<sup>th</sup> day of August 2008, by Dwight D. Potter, the General Manager of CIRCLE FOUR, LLC, a Delaware limited liability company, for and on behalf of said company.

Witness my hand and official seal.

My commission expires 6-30-2011

Paty Goff  
Notary Public



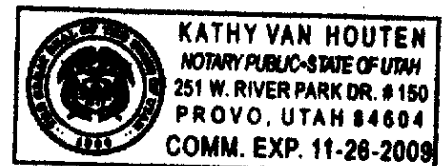
STATE OF UTAH )  
 ) ss.  
COUNTY OF Utah )

The foregoing instrument was acknowledged before me this 8 day of August, 2008, by Brent M Cook, the CEO of RASER POWER SYSTEMS, LLC, a Delaware limited liability company, for and on behalf of said company.

Witness my hand and official seal.

My commission expires 11-26-09

Kathy Van Houten  
Notary Public



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EXHIBIT A

That certain real property located in Beaver County and Iron County, Utah and more particularly described as follows:

<u>LOCATION</u>	<u>ACRES</u>
<b>BEAVER COUNTY:</b>	
NE1/4 SW 1/4 Sec. 24, Twp. 29 S., R. 11 W., SLB&M	40.00
W1/2 Sec. 27, Twp. 29 S., R. 11 W., SLB&M	320.00
N1/2 N1/2 Sec. 28, Twp. 29 S., R. 11 W., SLB&M	160.00
S1/2 N1/2 Sec. 28, Twp. 29 S., R. 11 W., SLB&M	160.00
S1/2 Sec. 28, Twp. 29 S., R. 11 W., SLB&M Less 2750-A (County Road)	310.00
W1/2 Sec. 33, Twp. 29 S., R. 11 W. SLB&M Less 2755-A	319.41
NE1/4 NW1/4 Sec. 34, Twp. 29 S., R. 11 W., SLB&M	40.00
N1/2; SW1/4 Sec. 2, Twp 30 S., R. 11 W. SLB&M	488.20
S1/2 Sec. 3, Twp. 30 S., R. 11 W., SLB&M	320.00
S1/2 Sec. 4, Twp. 30 S., R. 11 W. SLB&M	320.00
SE1/4 Sec. 5, Twp. 30 S., R. 11 W. SLB&M	160.00
NW1/4; W1/2 NE1/4; W1/2 SE1/4; E1/2 SW1/4 Sec. 7, Twp. 30 S., R. 11 W. SLB&M	400.00
E1/2 SE1/4 & S1/2 NE1/4 Sec. 8, Twp. 30 S. R. 11 W. SLB&M	160.00
All Sec. 9, Twp. 30 S., R. 11 W., SLB&M	640.00
W1/2 NW1/4 Sec. 10, Twp. 30 S., R. 11 W., SLB&M	80.00
All Sec. 16, Twp 30 S., R. 11 W., SLB&M	640.00
S1/2 Sec. 19, Twp. 30 S., R. 11 W., SLB&M	320.00

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S1/2SW1/4; Sec. 21, Twp. 29 S., R. 11 W., SLB&M; Also beginning 40 Rds. N. of the S1/4 Corner of Sec. 21, Th. N. 116 Rds.; E. 50 Rds; S. 116 Rds.; W. 50 Rds. to the P.O.B.	116.25
Lots 1,2,3 & S1/2 N1/2 Sec. 3, Twp. 30 S., R. 12 W., SLB&M	312.11
S1/2 Sec. 3, Twp. 30 S., R. 12 W., SLB&M	310.00
SE1/4; Lots 1,2,6 & 7, Sec. 4, Twp. 30 S., R. 12 W., SLB&M	327.43
NE1/4 Sec. 9, Twp. 30 S., R. 12 W., SLBB&M Excepting: 10 Acres Dean Carter Windmill	150.00
N1/2 Sec. 10, Twp. 30 S., R 12 W., SLB&M	320.00
W1/2 Sec. 22, Twp. 30 S., R. 13 W., SLB&M	320.00
All Sec. 23, Twp. 30 S., R. 13 W., SLB&M Excepting: 10 Acres Dean Carter Windmill	630.00
W1/2; SE1/4 Sec. 24 Twp. 30 S., R13 W., SLB&M	480.00
All Sec. 25, Twp. 30 S., R. 13 W., SLB&M Excepting: 10 Acres Dean Carter Windmill	630.00
N1/2 Sec. 26, Twp. 30 S., R. 13 W., SLB&M	320.00
N1/2 Sec. 27, Twp. 30 S., R. 13 W., SLB&M	320.00
NW1/4 SW1/4; W1/2 of the W1/2 of the NE1/4 SW1/4, Sec. 27, Twp. 30 S., R. 13 W., SLB&M.	50.00
S1/2 SW1/4; E. 60 Rds. NE1/4 SW1/4; N1/2 SE1/4; SE 1/4 SE1/4; E1/2 SW1/4 SE1/4, Sec. 27, Twp. 30 S., ^R. 13 W., SLB&M	250.00
W1/2 SW1/4 SE1/4 Sec. 27, Twp. 30 S., R. 13 W., SLB&M	20.00
All Sec. 33, Twp. 30 S., R. 13 W., SLB&M Excepting: 10 Acres Dean Carter Windmill	630.00
W1/2 Sec. 34, Twp. 30 S., R. 13 W., SLB&M	320.00
<u>Total Beaver County properties</u>	<u>10383.40</u>

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<u>LOCATION</u>	<u>ACRES</u>
<b>IRON COUNTY:</b>	
Lots 3,4,5,6,7,8,9,10,11,12,13,14 & E1/2 SW1/4, SE1/4 Sec. 6, Twp. 31 S., R. 13 W., SLB&M (Except. 10 Ac. Dean Carter Windmill)	687.43
E1/2 Sec. 10, & NE1/4 NE1/4, Sec. 27; W1/2 Sec. 20, Twp. 31 S., R. 13 W., SLB&M	680.00
All Sec. 19, Twp. 31 S., R. 13 W., SLB&M (Except the N. 1,500.64 ft. of NW1/4)	520.51
E1/2 Sec. 18, Twp. 31 S., R. 13 W., SLB&M Excluding 3 acres for roads & 10 Ac. Dean Carter	310.00
All Sec. 7, Twp. 31 S., R. 13 W., SLB&M; Excluding 9 acres for roads.	571.88
All Sec. 25, Twp. 31 S., R. 14 W., SLB&M	640.00
Lots 1 to 16 incl.; SW1/4; SE1/4 Sec. 1, (i.e. All Sec. 1)Twp. 31 S., R. 14 W., SLB&M.	887.92
All Sec. 30, Twp. 31 S., R. 13 W., SLB&M Excluding 12 Acres to SL&LARR Right-of-way	628.00
W1/2 NW1/4; NE1/4 NW1/4 Sec. 29, Twp. 31 S., R. 13 W., SLB&M; Excluding 12 acres Railroad Right-of Way	108.00
Lots 5,6,11 & 12, Sec. 4; Lots 7,8,9 & 10 Sec. 5, Twp. 31 S., R. 13 W., SLB&M; Excluding 4 acres for roads & 10 Ac. Dean Carter Windmill	310.00
SW1/4 & the S. 69 acres of the SE1/4, Sec. 30, Twp. 31 S., R. 12 W., SLB&M; Excepting therefrom: Commencing at the SE corner SW1/4; thence N. 1043.55 ft.; W. 1043.55 ft.; S. 1043.55 ft.; E. 1043.55 to POB.	236.00
SE1/4; NW1/4 SW1/4; E1/2 SW1/4, Sec. 17, Twp. 31 S., R. 12 W., SLB&M. Excepting therefrom: Commencing at the SE Corner of the NE1/4 SW1/4, Sec. 17, Th. W. 521.375 ft.; th. N. 1043.55 ft.; th. E. 1043.55 ft.; th. S. 1043.55 ft.; th. W. 521.375 ft. to POB. Subject to R/W for Co. Rd. Also the E1/2NW1/4; SW1/4NW1/4; SW1/4 of	535.00

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Sec. 20, Twp. 31 S., R. 12 W., SLB&M.	
NE1/4 & SE1/4, Sec. 20, Twp. 31 S., R. 12 W. SLB&M	320.00
NW1/4SW1/4, Sec. 9, Twp. 31 S., R. 12 W., SLB&M	40.00
All of Sec. 25, Twp. 31 S., R. 13 W., SLB&M	640.00
NE1/4; SE1/4, Sec. 26, Twp. 31 S., R. 13 W. SLB&M	320.00
NE1/4 & SE1/4, Sec.35, Twp. 31 S., R. 13 W. SLB&M	320.00
NE1/4 & SE1/4 Sec. 7, Twp. 32 S., R. 12 W. SLB&M	320.00
NE1/4 & SE1/4 Sec. 2, Twp. 32 S., R. 13 W. SLB&M	320.00
SE1/4 Sec. 11, Twp. 32 S., R. 13 W., SLB&M	160.00
NW1/4 & SW1/4 Sec. 13, Twp. 32 S., R. 13 W. SLB&M	320.00
S1/2NE1/4SW1/4, Sec. 1, Twp. 32 S., R. 13 W., SLB&M	20.00
S1/2 SW1/4; NW1/4 SW1/4 of Sec. 1, Twp. 32 S., R. 13 W., SLB&M	120.00
Lots 2,3 & 4; E1/2 W1/2 Sec. 31, Twp. 31 S., R. 12 W., SLB&M	329.00
<u>Total Properties for Iron County</u>	<u>9343.74</u>
Total Acreage:	19727.14

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