RELEASE OF WATER WELL AND AGREEMENT

WHEREAS, Northwest Geothermal Corporation, as operator has drilled a geothermal test well on Federal Lease Application No. OR-18112 located 2500 feet from the North line and 1000 feet from the West line of Section 14 in Township 3 South, Range 8 East, and said well being located in SW/4 of the NW/4 of said Section 14, which well appears to contain water of such quantity to be valuable and usable at a reasonable cost for agriculture, domestic, or other purposes; and

WHEREAS, Mt. Hood Kiwanis Camp, Inc, a charitable organization, desires, pursuant to said Lease Application and the provisions of 43 CFR 3242.2-3 to take over said well with the express understanding and agreement that the taking over of such well will not restrict any other operations in the area of said well.

NOW, THEREFORE, in consideration of the premises, Northwest Geothermal Corporation releases, relinquishes, and quit-claims all right, title, and interest in and to said well to the Mt. Hood Kiwanis Camp, Inc. in lieu of plugging same to the surface; and Mt. Hood Kiwanis Camp, Inc. agrees to assume all future responsibility for said well and does relieve the geothermal operator, and the United States Department of Interior, Minerals Management Service, of future liability insofar as authorized by applicable laws and regulations pertaining to such use.

April 5, 1982
(Date)

Northwest Geothermal Corporation

by [Signature]

The Mt. Hood Kiwanis Camp, Inc. assumes all future responsibility for same, thereby relieving and agreeing to indemnify and hold harmless Northwest Geothermal Corporation and the United States Department of the Interior, Minerals Management Service, of any liability and costs whatsoever arising from or in connection with the future operation or use of such well or the failure of Northwest Geothermal Corporation to plug and abandon such well.

[Signature]

MT. HOOD KIWANIS CAMP INC.
Chairman of the Board
(Title)

April 13/82
(Date)