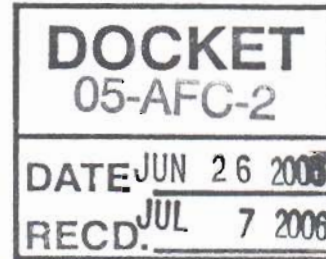


June 26, 2006

Mr. Eric Knight
Project Manager
California Energy Commission
1516 9th Street, MS 15
Sacramento, CA 95814-5512



Dear Mr. Knight

This letter is to inform you that on March 28, 2006 Logistics Terminals, Inc. (LTI) entered into a lease option agreement with Walnut Creek Energy, LLC for the use of property for temporary lay down and access during construction of the proposed Walnut Creek Energy Park (WCEP).

LTI understands the project may need space directly north of the proposed project that is currently being developed by LTI for their trailer and container storage business and will allow WCEP to utilize the needed space on a temporary basis under the terms of the lease option agreement. Upon 7 days written notice by WCEP LTI will make the spaces available and relocate any materials or vehicle equipment stored upon those spaces for a period not to exceed fourteen consecutive months from the effective date. The lease option agreement is valid until December 31, 2011.

Sincerely,



Thomas F. Newcomer
President