

MEMORANDUM OF LEASE AND AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

That ARTHUR O. ROLLINS and DARLENE J. ROLLINS, as Lessor, and MAGMA POWER COMPANY, a corporation, as Lessee, did on the date hereof enter into a Lease and Agreement covering the land situate in the County of EUREKA, State of NEVADA, described in Exhibit "A" attached hereto, for development of natural steam and steam power therefrom, for use as such or for conversion into electric power or for processing to obtain by-products therefrom.

The term of said lease is for twenty-five (25) years from and after the date hereof, (subject to termination as therein provided), and so long thereafter as there is commercial production of steam, electric power, or any by-products from the condensates of steam, derived or produced from the property leased thereunder, and for so long, as well, as Lessee is prevented from producing same, or the obligations of Lessee thereunder are suspended, for the causes as set forth in said Lease and Agreement.

Reference is hereby made to executed copies of said Lease and Agreement in possession of Lessor and Lessee, respectively, for all of the provisions thereof, and by this reference same is incorporated herein and made a part hereof in all respects as though fully set forth herein.

Dated this 24th day of January, 1964.

Arthur O. Rollins
Darlene J. Rollins

LESSOR

MAGMA POWER COMPANY, a corporation
By [Signature] Vice President
By [Signature] Asst. Secretary

LESSEE



EXHIBIT "A"DESCRIPTION OF PROPERTY

Northeast Quarter of Southwest Quarter of Section 9,
Township 31 North, Range 48 East, M.D.B. & M.,
in the County of Eureka, State of Nevada, containing
40 acres, more or less.

COPY

STATE OF California)
COUNTY OF San Diego) SS.

On This 12 day of February, 1964, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Arthur C. Rollins and

Richard Rollins, known to me to be the persons whose names are subscribed to the within Instrument, and acknowledged to me that they executed the same.

WITNESS My hand and official seal.



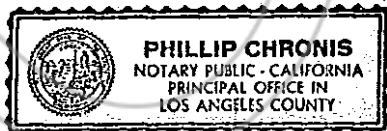
Dorothy M. Nichols
Notary Public in and for said County and State.

DOROTHY M. NICHOLS
My Commission Expires Nov. 6, 1966

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS.

On This 19th day of February, 1964, before me, the undersigned, a Notary Public in and for said County and State, personally appeared B. Sey McGabe, known to me to be the Vice President, and Joseph W. Hayden, known to me to be the Secretary of MAGMA POWER COMPANY, the Corporation that executed the within Instrument, known to me to be the persons who executed the within Instrument, on behalf of the Corporation herein named, and acknowledged to me that such Corporation executed the within Instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS My hand and official seal.



My Commission Expires August 8, 1967

Phillip Chronis
Notary Public in and for said County and State.

39730

FILE NO. _____
Filed for record at the request of Magma Power Company
April 9, 1964, at 17 minutes past 3 P. M. Recorded in
Book 3 of Official Records, page 559-561, Records of EUREKA
COUNTY, NEVADA.
Fee: \$ 3.25

Willis A. Altier, Recorder.