

MEMORANDUM OF LEASE AND AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

That SAMPSON T. FRIEND and LORENE D. FRIEND, joint tenants
~~SAMPSON T. FRIEND and LORENE D. FRIEND, joint tenants~~

_____, 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 there-
from, 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 20 day of January, 1961.SEAL
AffixedMAGMA POWER COMPANY, a
corporationBy [Signature]
PresidentBy [Signature]
Secretary

LESSOR

LESSEE

DESCRIPTION OF PROPERTY

East Half of Southeast Quarter of Northeast
Quarter, Section 9, Township 31 North,
Range 48 East, M.D.B. & M., Eureka County,
Nevada, consisting of 20 acres more or less.

EXHIBIT "A"

STATE OF California)
COUNTY OF Los Angeles) SS.

On This 21st day of February, 1961, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Sampson T. Friend and Lorene D. Friend, 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.



Louise Sharpe
Notary Public in and for said
County and State. LOUISE SHARPE
My Commission Expires March 4 1964

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS.

On This 27th day of March, 1961, before me, the undersigned, a Notary Public in and for said County and State, personally appeared B. C. McCABE, known to me to be the President, and JOSEPH W. AIDLIN, 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.



Lucile I. Lester
Notary Public in and for said
County and State.

LUCILE I. LESTER
MY COMMISSION EXPIRES MARCH 3, 1964

File No. 40815
RECORDED AT THE REQUEST OF
Magma Power Co.
May 10 A. D. 1965
At 48 minutes past 11 AM.
in Book 7 of OFFICIAL RECORDS
Page 281-288 Records of
FOREKA COUNTY, NEVADA
Mills Recorder
Fee \$3.25