

REASSIGNMENT OF SUBLEASES AND AGREEMENTS
AND TERMINATION THEREOF

THIS INSTRUMENT is entered into as of this 1st day of May, 1966 by and between SIERRA PACIFIC POWER COMPANY, a Nevada Corporation, successor in interest to a Maine Corporation, hereinafter referred to as First Party, and MAGMA POWER COMPANY, a Nevada Corporation, hereinafter referred to as Second Party.

WITNESSETH:

WHEREAS the parties did heretofore enter into subleases and agreements as follows, to wit:

(a) As to the Macmillan property, Sublease and Agreement dated November 7, 1963, covering property situated in Lander and Eureka Counties, Nevada, more particularly described in said Sublease and Agreement recorded in Book 4, page 1-11, Official Records of Eureka County and in Book 4, page 111, Official Records of Lander County, Nevada.

(b) As to the Dermengian property, Sublease and Agreement dated November 15, 1963, covering property situated in Lander and Eureka Counties, Nevada, more particularly described in said Sublease and Agreement recorded in Book 4, page 1-14, Official Records of Eureka County and in Book 4, page 121, Official Records of Lander County, Nevada.

(c) As to the Batz property, Sublease and Agreement dated February 26, 1964, covering property situated

in Lander and Eureka Counties, Nevada, more particularly described in said Sublease and Agreement recorded in Book 4, page 170, Official Records of Eureka County and in Book _____, page _____, Official Records of Lander County, Nevada; and

WHEREAS, First Party desires to relinquish and to terminate said agreements as to all of the lands covered thereby, pursuant to the provisions hereof, and Second Party has agreed to accept such reassignments and to terminate said agreements,

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the parties agree as follows, to wit:

First Party hereby reassigns, transfers, and sets over to Second Party all of its right, title, and interest in and to the above described subleases and the parties do hereby terminate the subleases and agreements, as aforesaid, heretofore entered into between the parties; and First Party does hereby release and quitclaim to Second Party all of its right, title, and interest in and to the lands and properties embraced within said subleases and agreements, subject, however, to the reservation that First Party shall receive out of the proceeds from the sale of any geothermal steam to be developed by Second Party or its successors or assigns on said lands and which such geothermal steam may be sold to First Party, the sum of \$309,116 to be paid to First Party at the rate of 1/2 mill per kilowatt hour, such payment to commence after Second Party or its successors or assigns have received out of the sale of any such geothermal steam the cost of developing, producing, and selling same (including leasehold costs and rentals) incurred from this time forward.

For purposes hereof "kilowatt hour" and the manner of determination thereof are as defined and set forth in said respective subleases and agreements reassigned hereby.

EXECUTED by the parties hereto on the 3rd day of January, 1967, to be effective as of the date first above written.

SIERRA PACIFIC POWER COMPANY

By *Neil H. Stots*
President

By *Joe L. Newman*
Secretary

FIRST PARTY

MAGMA POWER COMPANY

By *[Signature]*
President

By *James W. Adkins*
Secretary

SECOND PARTY



STATE OF NEVADA)
) SS
COUNTY OF WASHOE)

On this 3rd day of January, 1967, before me, the undersigned, a Notary Public, personally appeared Neil W. Plath, known to me to be the President, and Joe S. Brumby, known to me to be the Secretary of SIERRA PACIFIC 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.

Lyda Braswell
Notary Public in and for Said
County and State

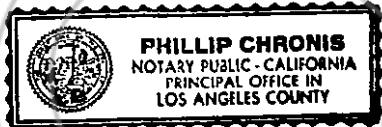


STATE OF CALIFORNIA)
) SS
COUNTY OF LOS ANGELES)

On this 20th day of January, 1967, before me, the undersigned, a Notary Public, 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.

Phillip Chronis
Notary Public in and for Said
County and State



My Commission Expires August 8, 1967

44299

FILED
RECORDED AT THE REQUEST OF
Joseph W. Aidlin
February 20 1967
at 02 o'clock 8 A. M.
in Vol. 18 of OFFICIAL RECORDS
Page 187-190 Records of
BUENA VISTA COUNTY, NEVADA
Phillip A. DeLoe
Recorder
Fee \$ 4.40