

AMENDMENT OF LEASE AND AGREEMENT

THIS INSTRUMENT is entered into this 13th day of May, 1970 between ROBERT L. FRANKLIN and
ARLENE C. FRANKLIN, husband and wife, successors in interest to
HELEN COOPER
 hereinafter referred to as "Lessor", and MAGMA ENERGY, INC.
 hereinafter referred to as "Lessee".

RECITALS

Lessor is lessor under that certain lease and agreement dated June 14, 1960, recorded in Book , Page , Official Records of , wherein Magma Power Company is lessee, which said lease and agreement covers certain lands in Eureka County, Nevada therein particularly described.

Lessee is the successor in interest of Magma Power Company, lessee under the aforesaid lease and agreement.

Said lease and agreement has heretofore been amended by instrument dated May 5, 1965, recorded in Book 7, Page 586, Official Records of Eureka County, Nevada.

Said lease and agreement is valid and subsisting, and the parties desire to amend same in the particulars as herein-after set forth.

AGREEMENT

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

1. Until such time as Lessee shall commence the sale of steam, steam power or by-products of steam condensated from the leased land, or said lease is terminated, Lessee shall pay to Lessor annual rental of eighty dollars (\$80.00), payable in quarterly installments.

2. The period provided for in paragraph 2 (a) of said lease and agreement, as amended, is hereby extended for an additional period of five years. The period provided for in paragraph 2 (b) of said lease and agreement, as amended, is hereby extended for an additional period of five years.

3. The parties do hereby declare that it now is and at all times has been the understanding of the parties that the terms "steam", "steam power", and "thermal energy" shall include and also mean hot water and the energy extracted therefrom.

4. In connection with Lessee's operations on the leased land, Lessee shall have the right to dispose of waste water, waste brine and salts, gases and other waste or residual products by injecting or re-injecting into a well or wells, or by other means, on the leased land, all in accordance with regulations applicable thereto, provided that in so doing Lessee shall not in any way interfere with or contaminate surface waters on the leased land being used or capable of being used by Lessor for other purposes.

5. Said lease and agreement as heretofore amended and as further amended hereby is hereby declared valid and subsisting and in full force and effect, and Lessor does hereby lease to Lessee the above described land together with the sole and exclusive rights with respect thereto as provided by said

lease and agreement as heretofore amended and as amended hereby. The provisions of this instrument shall govern and shall supersede any provisions of said lease and agreement as heretofore amended which may be in conflict herewith.

6. The provisions hereof shall be binding upon and shall inure to the benefit of the respective heirs, successors and assigns of the parties hereto.

Robert L. Franklin
Orlene C. Franklin

Lessor

MAGMA ENERGY, INC.

By Blair J. [unclear] president

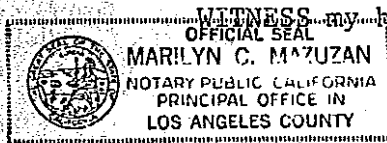
By James W. [unclear] secretary



STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES } SS.

On this 25th day of May, 1970
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 ENERGY, INC.,
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.

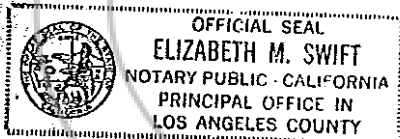


Marilyn C. Mazuzan

STATE OF California }
COUNTY OF Los Angeles } SS.

On this 21st day of May, 1970
before me, the undersigned, a Notary Public, personally appeared
Robert L. Franklin and Arlene C. Franklin
known to me to be the person s whose names are subscribed to
the within instrument and acknowledged that they executed the
same.

WITNESS my hand and official seal.



Elizabeth M. Swift

ELIZABETH M. SWIFT
My Commission Expires April 21, 1971

STATE OF _____ }
COUNTY OF _____ } SS.

On this _____ day of _____, 19____
before me, the undersigned, a Notary Public, personally appeared
_____, known to me to be the _____
_____, known to me to be the _____ Secretary of
the corporation that executed the within Instrument on behalf
of the corporation therein 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.

RECORDED AT THE REQUEST OF Magma Power Co.
on May 26, 1970, at 05 mins. past 11 A. M. In
Book 35 of OFFICIAL RECORDS, page 326-328, RECORDS OF
EURIKA COUNTY, NEVADA. Helene M. Swift Recorder.
FEE \$ 6.00

BOOK 35 PAGE 329