

AMENDMENT OF LEASE AND AGREEMENT

THIS INSTRUMENT is entered into this 18th day of
December, 1970 between _____
SAMPSON T. FRIEND and LORENE D. FRIEND
 hereinafter referred to as "Lessor", and _____
MAGMA ENERGY, INC.
 hereinafter referred to as "Lessee".

RECITALS

Lessor is lessor under that certain lease and agree-
 ment dated January 20, 1961, recorded in Book 7,
 Page 281, Official Records of Eureka County, Nevada,
 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
8, Page 374, 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 condensed from the leased land, or said lease is terminated, Lessee shall pay to Lessor annual rental of TWENTY (\$20.00) DOLLARS, payable in semi-annual 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 (5) 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 (5) 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.

Stephen J. Friend
Loene O. Friend

Lessor

MAGMA ENERGY, INC.

By

[Signature]
President

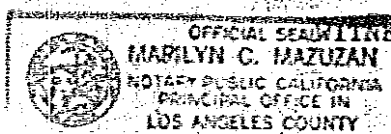
By

[Signature]
Secretary



STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES } SS.

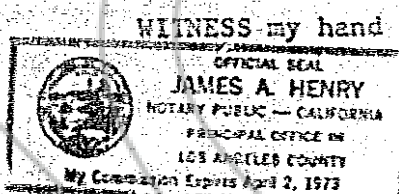
On this 4th day of February, 1971
before me, the undersigned, a Notary Public, personally appeared
B. C. McCABE, known to me to be the President, and JOSEPH W.
AIDLIN, known to me to be the Secretary of MAGMA ENERGY, INC.,
the corporation that executed the within instrument known to
me to be the persons 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 Third day of FEBRUARY, 1971
before me, the undersigned, a Notary Public, personally appeared
SAMPSON T. FRIEND and LORENE D. FRIEND
known to me to be the persons whose names JVC subscribed to
the within instrument and acknowledged that They executed the
same.



WITNESS my hand and official seal.

James A. Henry

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 Energy, Inc.
on Feb. 8 1971 at 02 min. and 8 A. M. in
Book 33 of OFFICIAL RECORDS, page 529-532 RECORDS OF
EMERSON COUNTY, NEVADA William C. McTear Registrar.
File No. 54232 Fee 5.00