

AMENDMENT OF LEASE AND AGREEMENT

This Agreement is entered into the 15th day of July 1975, between MARTIN S. PETERMAN, et al., hereinafter referred to as "Lessor", and MAGMA ENERGY, INC., hereinafter referred to as "Lessee".

RECITALS

Lessor is lessor under that certain unrecorded Lease and Agreement (Lease) dated 25 July 1965, wherein MAGMA POWER COMPANY is Lessee, which said Lease covers certain lands in Eureka County, State of Nevada therein particularly described.

Lessor is successor in interest to EARL BYRAM and JESSE W. BYRAM, Lessor under aforesaid Lease.

Lessee is successor in interest of MAGMA POWER COMPANY, Lessee under aforesaid Lease.

Said Lease as heretofore amended is valid and subsisting and the parties desire to further amend same in the particulars as hereinafter 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 condensates" from the leased land, or land pooled therewith, or said Lease is terminated, Lessee shall pay to Lessor annual rental of One Dollar (\$1.00) per acre, payable in advance.

2. The date, to wit 25 July 1975 provided for (drilling date) in paragraph 2 (a) of said Lease as amended, is hereby extended an additional period of five (5) years to 25 July 1980. The date, to wit 25 July 1980 provided for (the sell date) in paragraph 2 (b) of said Lease as amended, is hereby extended an additional period of five (5) years to 25 July 1985.

3. Said Lease as heretofore and herein amended 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 in said Lease as heretofore and hereby amended. The provisions of this Amendment shall govern and shall supersede any provisions of said Lease or previous Amendment which may be in conflict herewith.

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

MARTIN S. PETERMAN, et al

MAGMA ENERGY, INC.

Martin S. Peterman

[Signature]

President

Raymond P. Lucchesi

[Signature]

Secretary
LESSEE

LESSOR

TO 447 C
(Individual)

STATE OF CALIFORNIA

COUNTY OF Los Angeles } SS.

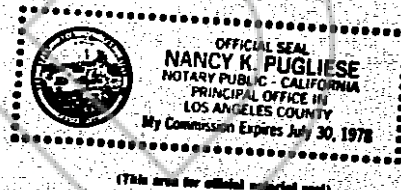
On July 23, 1975

State, personally appeared Martin S. Peterman and Raymond P. Lucchesi

to be the person SS whose name are subscribed to the within instrument and acknowledged that they executed the same.

WITNESS my hand and official seal.

Signature [Signature]
Name (Typed or Printed) Nancy K. Pugliese

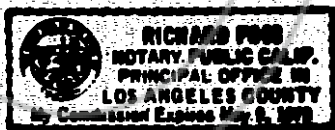


STATE OF California }
COUNTY OF Los Angeles } SS.

RECORDED AT THE REQUEST OF Magma Energy, Inc.
on August 7, 1975 at 55 min. past 10 A.M. in
Book 51 of OFFICIAL RECORDS, page 562-563, RECORDS OF
EUREKA COUNTY, NEVADA. WILLIS A. DePAOLI Recorder
File No. 60124 Fee \$ 4.00

On this 25th day of July, 1975, before me, the undersigned, a Notary Public, personally appeared BC McClellan, known to me to be the President, and Joseph W. Andri..., 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.



[Signature]

BOOK 51 PAGE 563