

MODIFICATION OF LEASE AND AGREEMENT -
GEOTHERMAL STEAM

THIS AGREEMENT is made and entered into this 22 day of July, 1976 by and between DAY CATTLE COMPANY, a Nevada corporation, and WILLAMETTE K. DAY, hereinafter referred to as LESSOR, and MAGMA ENERGY INC., a Nevada corporation, hereinafter referred to as LESSEE.

WITNESSETH

WHEREAS, on November 11, 1974, Lessee and Lessor entered into a Geothermal Lease and Agreement covering lands situate in Eureka County, Nevada; and,

WHEREAS, said lease was recorded September 2, 1975 in Book 52, Page 160 of Official Records of Eureka County, Nevada; and,

WHEREAS, said Lease and Agreement contained a provision whereby certain lands set forth on the Exhibit "A" of said Lease and Agreement could be deleted and other lands set forth on Exhibit "B" of said Lease and Agreement could be substituted therefor; and,

WHEREAS, in accordance with the provisions of said Lease and Agreement, Lessor timely notified Lessee of Lessor's election to delete certain lands set forth on Exhibit "A"; and

WHEREAS, Lessee has selected certain lands described on said Exhibit "B" in lieu of those deleted; and,

WHEREAS, it is now the desire of Lessor and Lessee to modify the description of the lands set forth on Exhibit "A" so as to correctly show the lands subject to said Lease and Agreement,

NOW THEREFORE, in consideration of lease rental heretofore paid by Lessee to Lessor and other valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree the said lease covers all of the following described lands:

Township 31 North, Range 49 East, M.D.B. & M.

Section 1: ALL

Section 3: The South half (S/2) and the Northeast quarter (NE/4)

Section 9: ALL

Township 32 North, Range 48 East, M.D.B. & M.

Section 26: The Northeast quarter of the Northeast quarter (NE/4 NE/4);
The South half of the Northeast quarter (S/2 NE/4); the
Southeast quarter (SE/4); and the East half of the Southwest
quarter (E/2 SW/4)

Section 34: The East half of the East half (E/2 E/2)

Section 35: ALL

Township 32 South, Range 49 East, M.D.B. & M.

Section 25: The South half (S/2) and the Northeast quarter (NE/4)

Section 35: The South half (S/2) and the Northeast quarter (NE/4)

Containing 3,880 acres, more or less.

and the description contained in Exhibit "A" of said Lease and Agreement is hereby
amended and modified as shown above.

Lessor does hereby ratify and confirm said Lease and does grant, lease, let
and demise unto MAGMA ENERGY INC., its successors and assigns, the lands herein
described for those purposes and upon the terms, conditions, provisions and
agreements in such lease contained, and such lease is expressly confirmed, ratified
and declared to be effective and binding for all purposes as of the date of its
execution.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly
executed as of the date first hereinabove written.

MAGMA ENERGY INC.

By: [Signature]

PRESIDENT

By: [Signature]

SECRETARY

DAY CATTLE COMPANY

By: [Signature]

By: [Signature]

[Signature]
WILLAMETTE K. DAY

"LESSEE"

"LESSOR"



STATE OF NEVADA

COUNTY OF ELKO

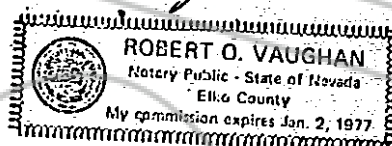
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On This 6th day of August, 1976,
before me, the undersigned, a Notary Public, personally appeared
WILLAMETTE K. DAY

is, known to me to be the person whose
name ~~was~~ subscribed to the within Instrument, and acknowledged
to me that ~~they~~ executed the same.

WITNESS My hand and official seal.

Robert O. Vaughan



STATE OF _____

COUNTY OF _____

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On This _____ day of _____, 19____,
before me, the undersigned, a Notary Public, personally appeared
_____, known to me to be the
President, and _____, known to me to be the
Secretary of DAY CATTLE 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.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

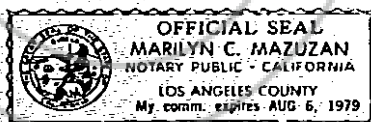
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On This 13th day of August, 1976,
before me, the undersigned, a Notary Public, personally appeared
B. C. McCabe, known to me to be the
President, and Joseph W. Aidlin, known to me to be the

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



5143 Sunset Blvd., Los Angeles, CA 90027

RECORDED AT THE REQUEST OF Vaughan, Hull, Marfisi & Miller
on September 9, 1976, at 59 mins. past 10 A.M. In
Book 56 of OFFICIAL RECORDS, pages 427-429, RECORDS OF
EUREKA COUNTY, NEVADA. WILLIS A. DePAOLI Recorder
File No. 62175 Fee \$ 5.00

BOOK 56 PAGE 429