

## AMENDMENT OF LEASE AND AGREEMENT

THIS INSTRUMENT is entered into this 4th day of May, 1977 between STELLA WREN RADOWSKI, 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 May 5, 1965, recorded in Book 7, Page 421, 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 August 8, 1968, recorded in Book 25, Page 408, Official Records of Eureka County, Nevada; and by instrument dated February 18, 1972, recorded in Book 42, Page 170, 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 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 condensated from the leased land, or said lease is terminated, Lessee shall pay to Lessor annual rental of Eighty Dollars (\$80.00), payable in 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 to 1982. 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 to 1987.

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.

MAGMA ENERGY, INC.



*Stella Wren Badowski*  
Stella Wren Badowski

LESSOR

*Russella Muzick*  
Notary Public

*[Signature]*  
President  
*[Signature]*  
Secretary

LESSEE

DATE: 6/14/77

MY COMMISSION EXPIRES:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE  
MY COMMISSION EXPIRES MAY 27 1981  
BONDED THRU GENERAL INS. UNDERWRITERS

*Palm Beach County  
State of Florida*

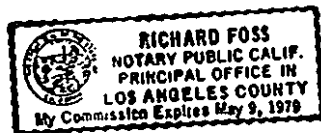
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STATE OF CALIFORNIA )  
 ) SS.  
COUNTY OF LOS ANGELES )

On this 17<sup>th</sup> day of June, 19 77  
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.



Richard Foss

STATE OF \_\_\_\_\_ )  
 ) SS.  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_,  
before me, the undersigned, a Notary Public in and for said  
County and State, personally appeared \_\_\_\_\_,  
known to me to be the \_\_\_\_\_ President, and \_\_\_\_\_,  
known to me to be the \_\_\_\_\_ Secretary of \_\_\_\_\_,  
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.

RECORDED AT THE REQUEST OF Magma Energy, Inc.  
on July 19, 19 77 at 55 mins. past 10 AM. In  
Book 60 of OFFICIAL RECORDS, PAGES 129-131 RECORDS OF  
EUREKA COUNTY, NEVADA WILLIS A. DePAOLI Recorder  
File No. 63232 Fee \$ 5.00

63232

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