

BENJAMIN J. CAYETANO
GOVERNOR OF HAWAII



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STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
LAND DIVISION
ENGINEERING BRANCH
P.O. BOX 373
HONOLULU, HAWAII 96809

July 3, 2001

To: Alyson Yim
Engineering Branch, Honolulu

From: Eric Tanaka
Engineering Branch, Hilo

Re: Attached Draft for the cancellation of Geothermal Leases (Small Parcels)

Attached is a draft of the document for the cancellation of geothermal leases involving small parcels drafted by the Attorney hired by Puna Geothermal Ventures.

Please pass this information on when the meeting with the Bureau personnel involving the small parcel leases.

If there are any questions to any of the above, please feel free to call on me at any time.

Mahalo,

Stephen J. Menezes
ATTORNEY AT LAW

441 Kipuni Street Hilo, Hawaii 96720
Tel (808)934-8916 Fax (808)934-8916
e-mail: menezes@prodigy.net

TRANSMITTAL MEMORANDUM

June 27, 2001

TO: Barry Mizuno
Puna Geothermal Venture
P.O. Box 30
Pahoa, HI 96778

RE: Cancellation of Geothermal Lease: State/PGV

Copies	Date	Description
Original	- - -	Cancellation of Geothermal Lease: State/PGV

TRANSMITTED FOR:

<input type="checkbox"/> Your information and files	<input checked="" type="checkbox"/> Per our conversation
<input type="checkbox"/> Your signature and return	<input type="checkbox"/> Your approval
<input type="checkbox"/> Your signature and forwarding	<input type="checkbox"/> Your review and comment
<input checked="" type="checkbox"/> Your further necessary action	<input type="checkbox"/> Per your request
<input checked="" type="checkbox"/> SEE REMARKS BELOW	<input type="checkbox"/> Filing/Recording

REMARKS:

Barry,

As we discussed, I have prepared the enclosed draft Cancellation of Geothermal Lease between the State of Hawaii and Puna Geothermal Venture.

Please get it in the hands of the DLNR agent that you've been working with and, hopefully, he can do something to get the right DLNR person or Deputy Attorney General to review it and make a decision on signing it.


STEPHEN J. MENEZES

CC: Eric Tanaka

DRAFT

LAND COURT

REGULAR SYSTEM

AFTER RECORDATION, RETURN BY: MAIL (X) PICK-UP ()

Stephen J. Menezes
441 Kipuni Street
Hilo, HI 96720

(Total Document Pages = 4)

Affects TMK: (3)

CANCELLATION OF GEOTHERMAL LEASE AND AGREEMENT

THIS CANCELLATION OF GEOTHERMAL LEASE AND AGREEMENT is entered into as of _____, 2001 by and between the STATE OF HAWAII, as lessor ("Lessor") and PUNA GEOTHERMAL VENTURE, a Hawaii general partnership, whose address is P.O. Box 30, Pahoa, Hawaii 96778, as lessee ("Lessee"), under that certain unrecorded Geothermal Lease and Agreement (the "Geothermal Lease"), a memorandum of which was recorded in the Bureau of Conveyances of the State of Hawaii in Book 19058, Page 188.

RECITALS

WHEREAS, Lessor and Lessee desire to cancel the Geothermal Lease and release each other from any further liability thereunder.

NOW, THEREFORE, Lessor and Lessee hereby agree that the Geothermal Lease is canceled as of the date this Agreement has been signed by all parties. In consideration of the premises, Lessor and Lessee mutually agree that neither party shall thereafter have any rights, obligations, duties or liabilities under the Geothermal Lease; and Lessor and Lessee hereby mutually

release each other from any and all claims either may have against the other arising out of the Geothermal Lease.

AND, further in consideration of the premises, Lessee does hereby release remise and quitclaim unto Lessor and its assigns, all of Lessee's right, title and interest in and to the property described in the Geothermal Lease, and all rights of Lessee under or by virtue of the Geothermal Lease.

IN WITNESS WHEREOF, Lessor and Lessee have executed this instrument as of the date first above written.

STATE OF HAWAII

By _____

Chairperson and Member, Board of Land and Natural Resources

"Lessor"

PUNA GEOTHERMAL VENTURE,
a Hawaii general partnership

By Its General Partners:

CE PUNA LIMITED PARTNERSHIP,
a Maryland limited partnership

By CE PUNA I, INC.,
Its General Partner

By _____

Its _____

AMOR VIII CORPORATION,
a _____ corporation

By _____

Its _____

"Lessee"

STATE OF _____)
) ss.
COUNTY OF _____)

On this _____ day of _____, 2001, before me personally appeared _____, to me known (or who has proven to me on the basis of satisfactory evidence) to be the person described in and who executed the foregoing instrument, who, being by me duly sworn, did say that he/she is the _____ of **CE PUNA L, INC.**, a _____ corporation, the general partner of **CE PUNA LIMITED PARTNERSHIP**, a Maryland limited partnership, one of the general partners of **PUNA GEOTHERMAL VENTURE**, a Hawaii general partnership, and that said instrument was signed in behalf of said corporation by authority of its Board of Directors and in behalf of said partnerships, and said officer acknowledged said instrument to be the free act and deed of said corporation and said partnerships.

(Notary's signature)

(Type/Print clearly notary's name)

Notary Public, State of _____

[Seal]

My commission expires: _____

STATE OF _____)
) ss.
COUNTY OF _____)

On this _____ day of _____, 2001, before me personally appeared _____, to me known (or who has proven to me on the basis of satisfactory evidence) to be the person described in and who executed the foregoing instrument, who, being by me duly sworn, did say that he/she is the _____ of **AMOR VIII CORPORATION**, a _____ corporation, one of the general partners of **PUNA GEOTHERMAL VENTURE**, a Hawaii general partnership, and that said instrument was signed in behalf of said corporation by authority of its Board of Directors and in behalf of said partnership, and said officer acknowledged said instrument to be the free act and deed of said corporation and said partnership.

(Notary's signature)

(Type/Print clearly notary's name)
Notary Public, State of _____

[Seal]

My commission expires: _____