

7/12/01

Dean -

These are copies of all
the stuff Tanaka has sent
me regarding the small parcel.
The one sent last week was
dropped by the attorney. How
do you think we should handle?
If conference call, I want to
work around your ~~st~~ schedule.

Thanks

Reyn

Date: 3/15/2001
Sender: "Engineering Branch Hilo" <hdlog@interpac.net>
To: "Alyson Yim" <alyson_k_yim@exec.state.hi.us>
cc: "Dean Nakano" <dean_a_nakano@exec.state.hi.us>
bcc: Alyson K Yim
Priority: Normal
Subject: Geothermal Leases with small parcels landowners

Author: "Engineering Branch Hilo" <hdlog@interpac.net> at STATEHIUS
Date: 3/15/2001 2:28:05 PM
Priority: Normal
bcc: Alyson K Yim at ~DLNR LAND
To: "Alyson Yim" <alyson_k_yim@exec.state.hi.us> at STATEHIUS
cc: "Dean Nakano" <dean_a_nakano@exec.state.hi.us> at STATEHIUS
Subject: Geothermal Leases with small parcels landowners

Hi Alyson:

Today I spoke to Barry Mizuno and he brought up the subject of the small parcel landowner lease agreements in the R-4 Mining Lease area. A landowner called to ask Barry's help in removing the lease agreement off of the escrow documents at the Bureau. These lease agreements were recorded at the Bureau. Barry also stated that their lawyer looked over the agreement and their portion of the release would not be a problem as long as authorized persons for the listed companies signed off. The lawyer also stated that the State of Hawaii is also listed in the lease agreement and the State would also have to do something to be able to release on the lease agreement.

I already talked to Nakano about this and this should also be passed on to the AG.

If you have any questions to any of the above, please call.

Eric

Identify TIMs:

in R-4 / in subzone (3) 1-4-019:009
out of R-4 / in subzone 1-4-019:004
out of R-4 / out of subzone

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

March 17, 2001

*Jan -
please cc
for Eric Tanaka.
JSM
3/24/01*

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

RE: Memorandum of Geothermal Lease and Agreement

Copies	Date	Description
Copy	June 1, 1985	Memorandum of Geothermal Lease and Agreement: State/PGV, recorded Book 19058, Page 188

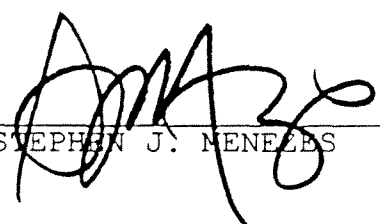
TRANSMITTED FOR:

<input checked="" type="checkbox"/> (x) Your information and files	<input 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 type="checkbox"/> () Your further necessary action	<input type="checkbox"/> () Per your request
<input checked="" type="checkbox"/> (x) SEE REMARKS BELOW	<input type="checkbox"/> () Filing/Recording

REMARKS:

Barry,

Here's the Memorandum of Geothermal Lease and Agreement between the State of Hawaii and Puna Geothermal Venture. Exhibit "A" lists the affected tax map key parcels. Let me know whether you want to obtain cancellation for all the parcels or just for the Mervin Ikeda parcel, TMK:(3)1-4-019-009.


STEPHEN J. MENEZES

80-125689
AFTER RECORDATION RETURN TO:
Thermal Power Company
601 California Street
San Francisco, CA 94103
Attn: Janet A. Wood

(120) (ep)
JUN 5 1985 5 P 3: 04

19058 189
RETURN BY: Mail (X) Pick up ()

MEMORANDUM OF GEOTHERMAL LEASE AND AGREEMENT

THIS MEMORANDUM OF GEOTHERMAL LEASE AND AGREEMENT made effective as of 1st day of June, 1985, by and between the State of Hawaii hereinafter called "Lessor" (whether one or more), and Puna Geothermal Venture, a Hawaii general partnership, hereinafter called "Lessee."

WITNESSETH:

1. For and in consideration of the sum of ten dollars (\$10.00), receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained, Lessor does grant, lease, let and demise exclusively unto Lessee, its successors and assigns the following described land (hereinafter referred to as the "leased land") for the purposes and with the sole and exclusive right of exploring, drilling, mining and operating for geothermal steam, geothermal fluids, or by-products thereof; and taking, storing, removing and disposing of same, whether for the production of energy, hydroponic or other commercial uses, and uses and purposes incidental thereto; together with the right to construct any and all facilities on the leased land as may be necessary for these operations including but not limited to pipelines, power-lines, tanks, power stations, ponds, roads and structures thereon to explore for, produce, save, take care of and dispose of geothermal steam, geothermal fluids, or by-products thereof, on or from the leased land or other land leased by Lessee or in which Lessee may have an interest in the vicinity of the leased land, and the right to use Lessee's wells to inject gas, water, air or other substances into the subsurface zones.

All that certain tract of land situated in the County of Hawaii, State of Hawaii, being, to-wit:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

and containing 279.377 acres, more or less.

2. This Lease Agreement (Short Form) is made upon the terms, covenants and conditions set forth in that certain Geothermal Lease and Agreement bearing even date herewith by and between the said parties hereto, covering the real property above described, which Geothermal Lease and Agreement is by this reference incorporated herein and made a part hereof in all respects as though the same were fully set forth herein.

3. This Lease shall remain in force for a term of 10 years from the date hereof and either as long thereafter as geothermal resources are produced from said land or so long as operations are conducted on said land or so long as this Lease is kept in force under any other provision of said Geothermal Resources Lease, all as particularly set forth therein and subject to termination as therein provided.

4. This Lease and all its terms, conditions and stipulations shall extend to and be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

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

LESSEE:

LESSOR:

PUNA GEOTHERMAL VENTURE, a Hawaii
General Partnership

STATE OF HAWAII

By Thermal Power Company, a California
Corporation, as Operator

By: [Signature]

Its President

By: [Signature]

Chairman and Member,
Board of Natural Resources

By: [Signature]

Its Secretary

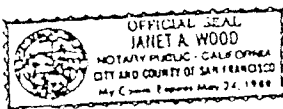
5

19058 180

STATE OF CALIFORNIA)
City and County of San Francisco)

ON September 6, 1985, before me, the undersigned, a Notary Public in and for the said State, personally appeared B. V. Burbank, known to me to be the President, and Jane S. Yumin, known to me to be the Secretary of Thermal Power 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.



Janet A. Wood
Notary Public in and for said State

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Exhibit "A"

THIRD TAXATION DIVISION

All those certain parcels of Land, (portion of the land described in and granted by Royal Patent No. 8177, Land Commission Award No. 877, Apana 5 to C. Kanaina), situate lying and being at Kapoho, District of Puna, County and State of Hawaii more particularly described below:

Tax Map Key

<u>Zone</u>	<u>Section</u>	<u>Plat</u>	<u>Parcel</u>	<u>Acres</u>
1	4	16	11	10.359
1	4	16	9	9.709
1	4	16	10	9.455
1	4	18	10	3.465
1	4	17	12	1.371
1	4	18	9	4.777
1	4	17	8	4.965
1	4	21	4	6.907
1	4	21	2	1.622
1	4	21	3	1.565
1	4	18	3	3.016
1	4	18	4	2.092
1	4	18	1	3.445
1	4	18	2	13.498
1	4	18	13	1.118
1	4	18	5	5.508
1	4	19	3	15.874
1	4	18	7	7.815
1	4	18	8	4.373
1	4	19	1	3.399
1	4	19	2	19.899
1	4	16	2	5.492
1	4	16	8	1.332
1	4	17	6	4.915
Subtotal 1				150.477

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All of those certain parcels of land (a portion of the land described in and covered by Royal Patent No. 8177, Land Commission Award No. 8559, Apana 5 to C. Kanaina, situate at Kapoho, Puna, Hawaii, and Royal Patent No. 7483, Land Commission Award No. 4452, Apana 3 to H. Ka'ama, situate at Halekamahina, Puna, Hawaii more particularly described below:

Tax Map Key

<u>Zone</u>	<u>Section</u>	<u>Plat</u>	<u>Parcel</u>	<u>Acres</u>
1	4	20	7	17.502
1	4	20	8	6.231
Subtotal II				<u>23.733</u>

All of those certain parcels of land (a portion of the land described in and covered by Royal Patent No. 4497, Land Commission Award No. 8559, Land Patent No. 8177, Apana 5 to C. Kanaina, situate at Kapoho, Puna, Hawaii more particularly described below:

Tax Map Key

<u>Zone</u>	<u>Section</u>	<u>Plat</u>	<u>Parcel</u>	<u>Acres</u>
1	4	16	7	6.020
1	4	16	13	2.608
1	4	16	5	4.431
1	4	16	6	8.161
1	4	17	7	5.335
1	4	17	2	4.344
1	4	17	9	4.861
1	4	17	10	4.316
1	4	19	9	1.704
1	4	16	1	17.909
1	4	17	3	32.101
1	4	17	11	7.466
1	4	16	3	6.011

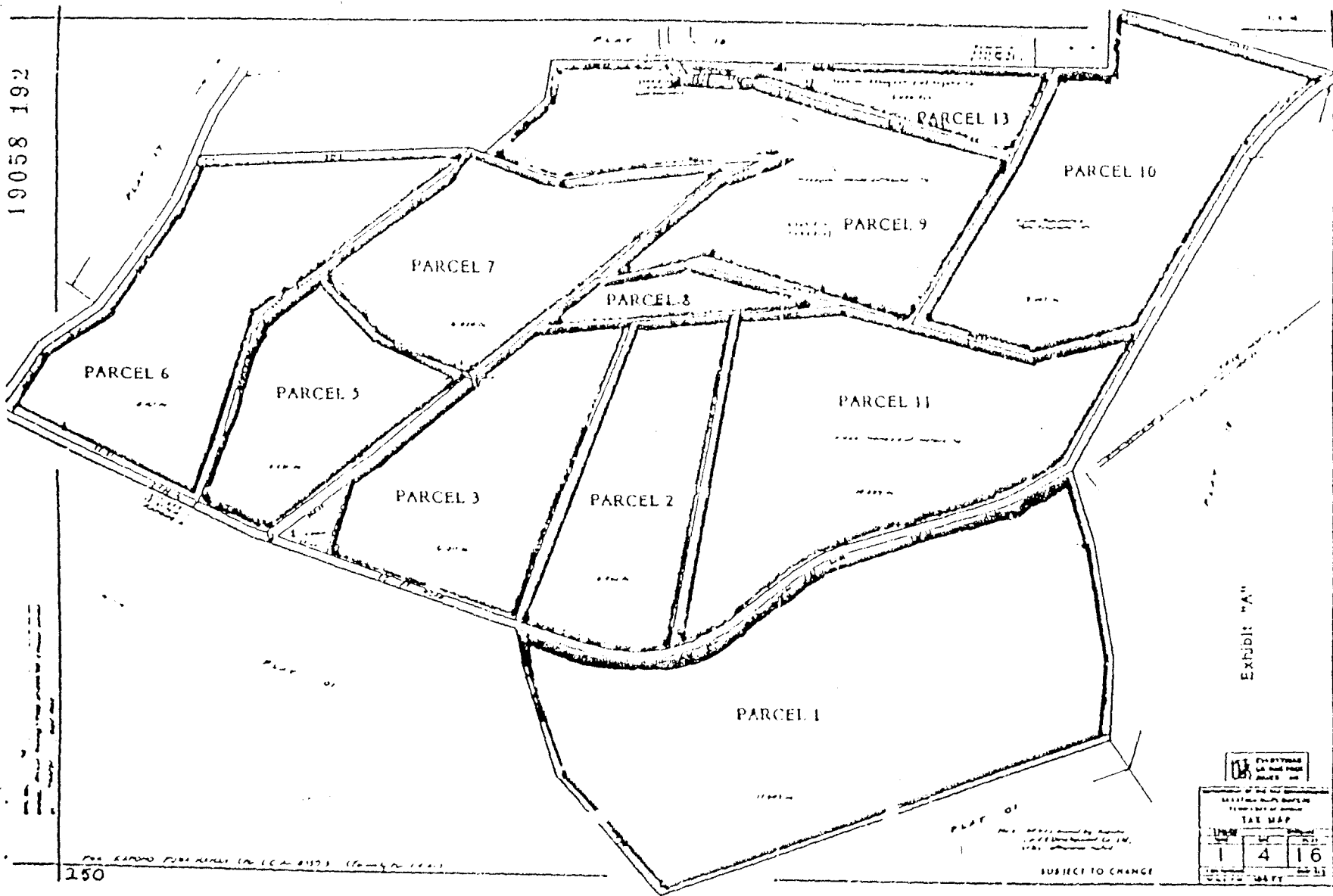
Subtotal III 105.167

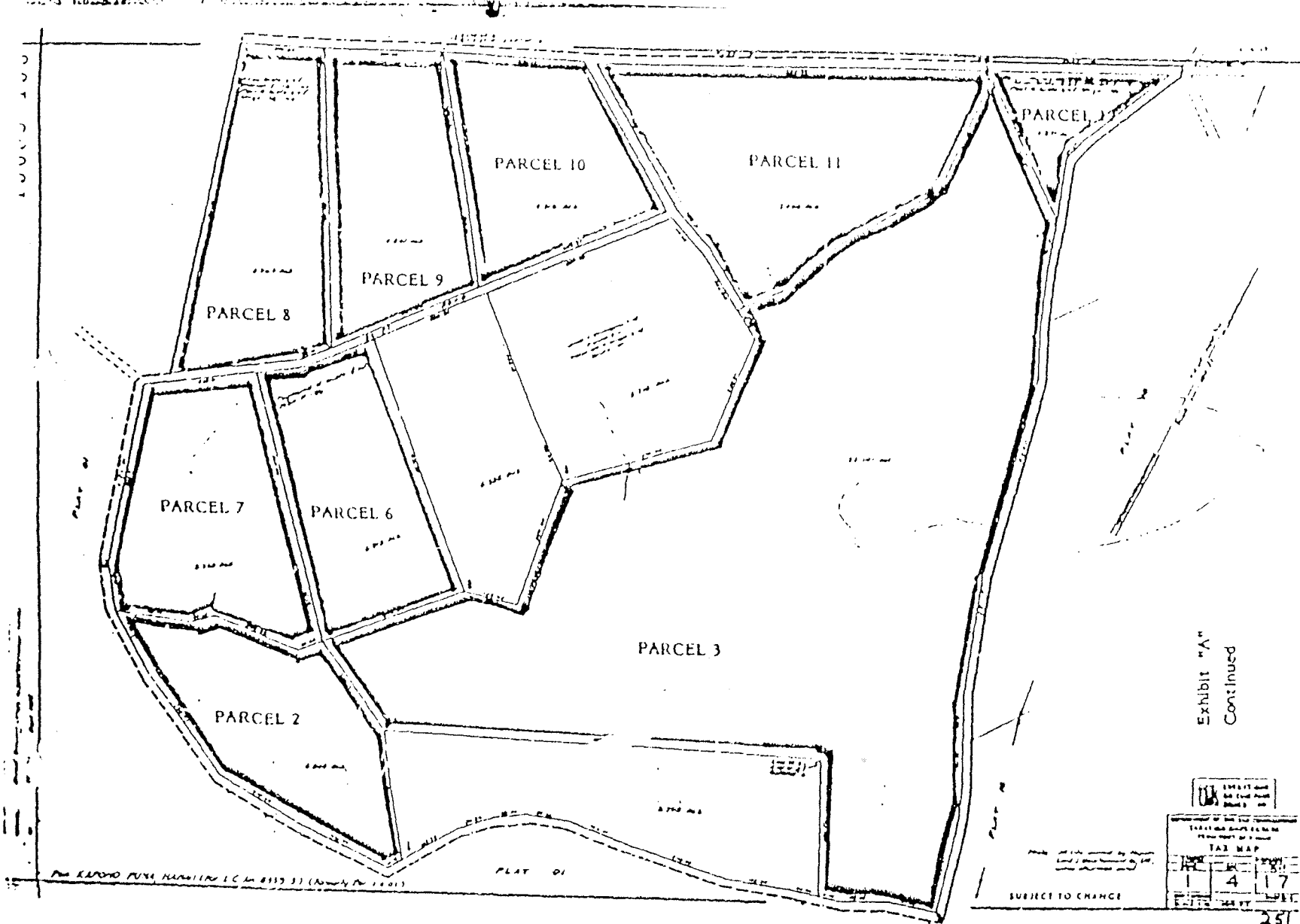
Subtotal I 150.477

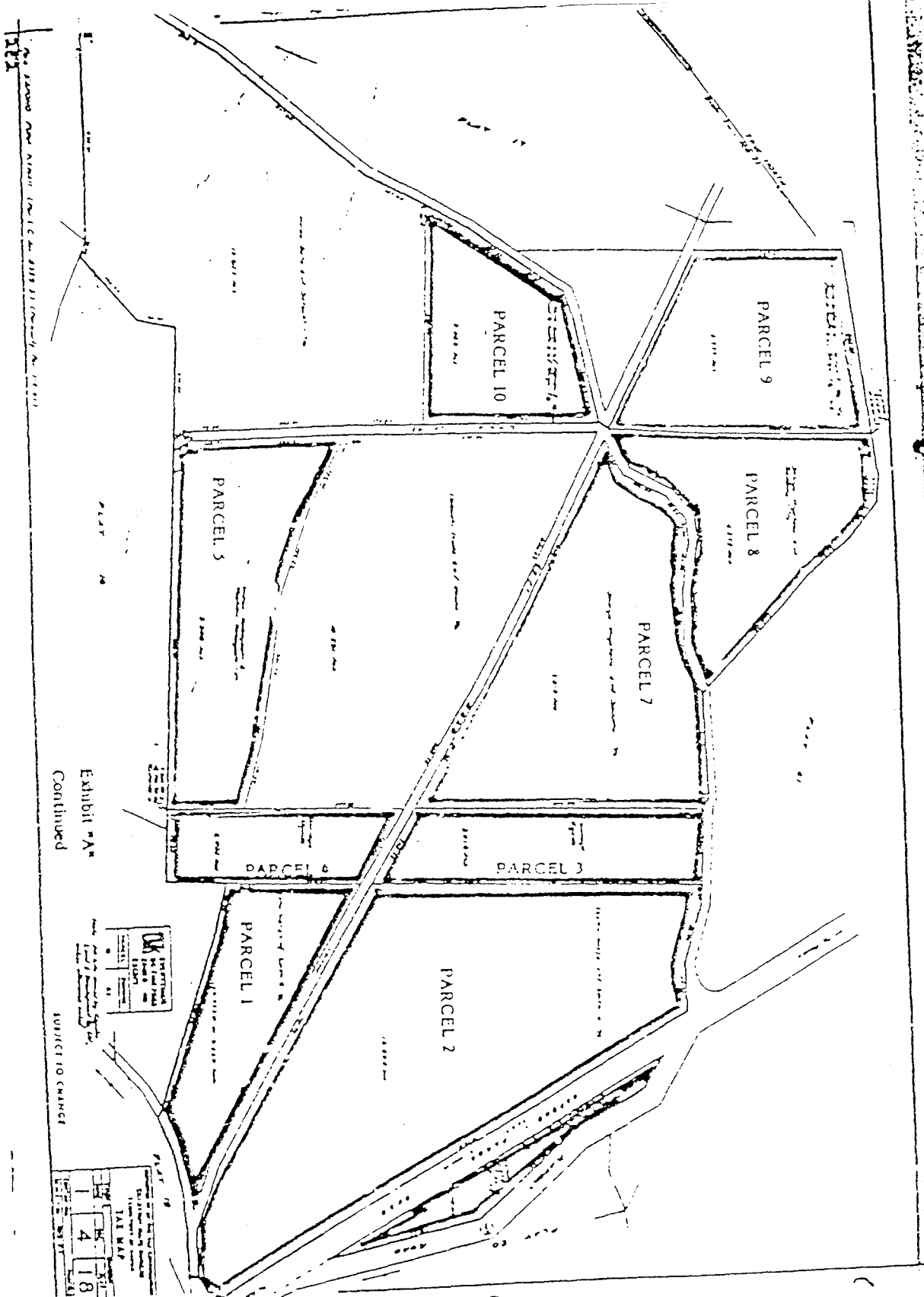
Subtotal II 23.733

Subtotal III 105.167Grand Total 279.377

19058 192







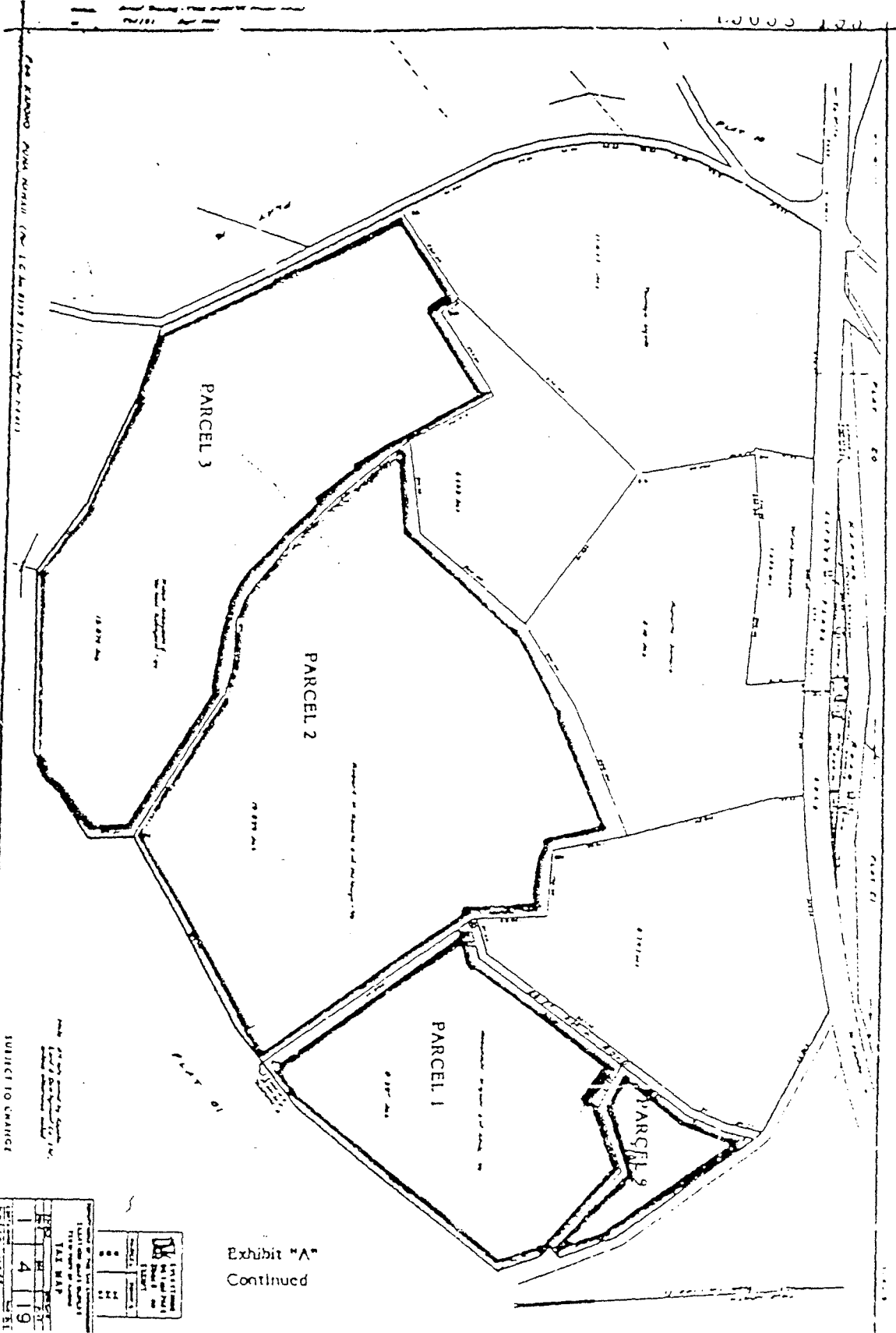


Exhibit "A"
Continued

<input checked="" type="checkbox"/> Investigation <input type="checkbox"/> Inspection <input type="checkbox"/> Interview <input type="checkbox"/> Other	
1	4
19	19

263

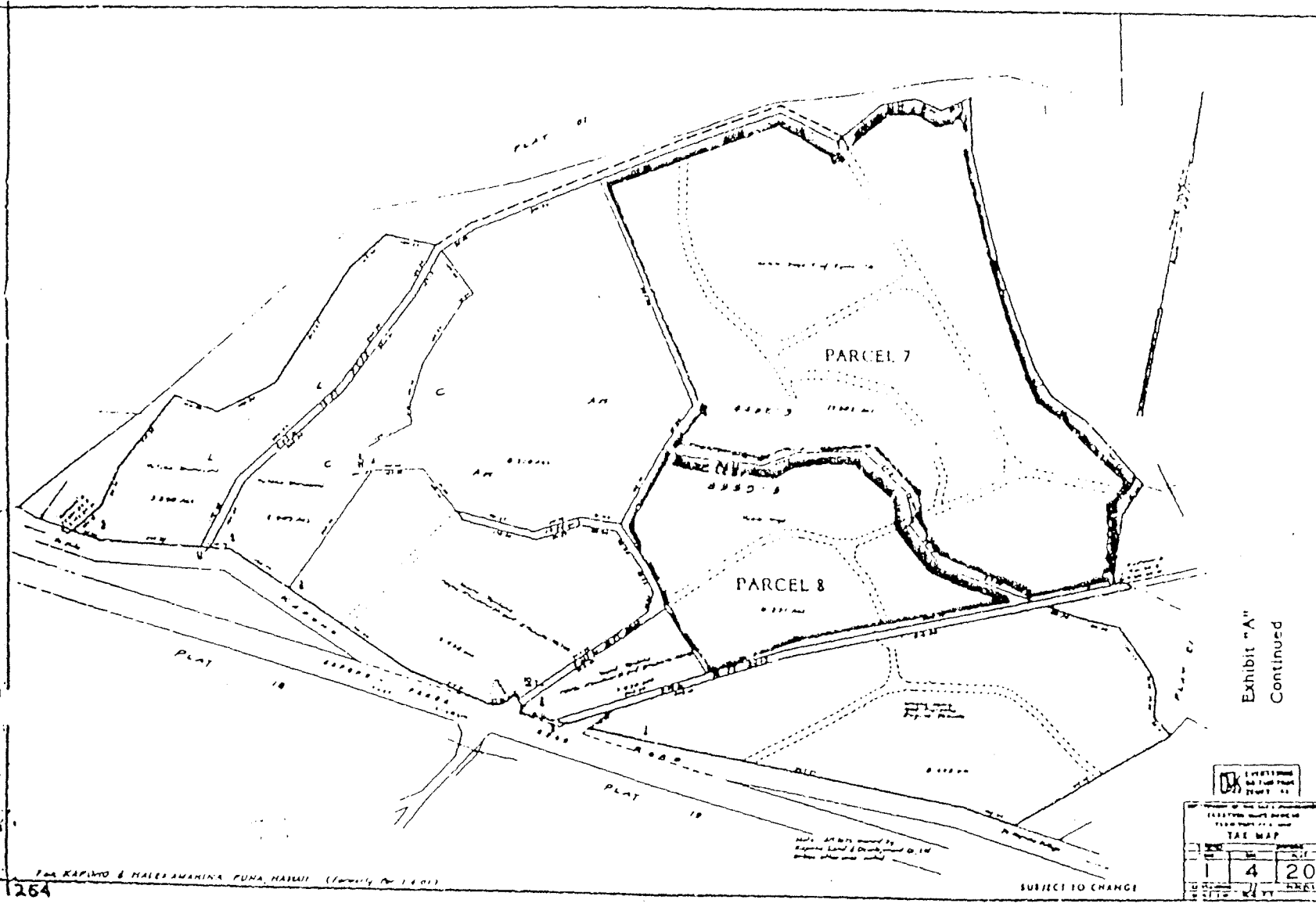


Exhibit "A"
Continued

Recorder's Memo: Legibility of Writing, Typing, or Printing UNSATISFACTORY
in this Document when received

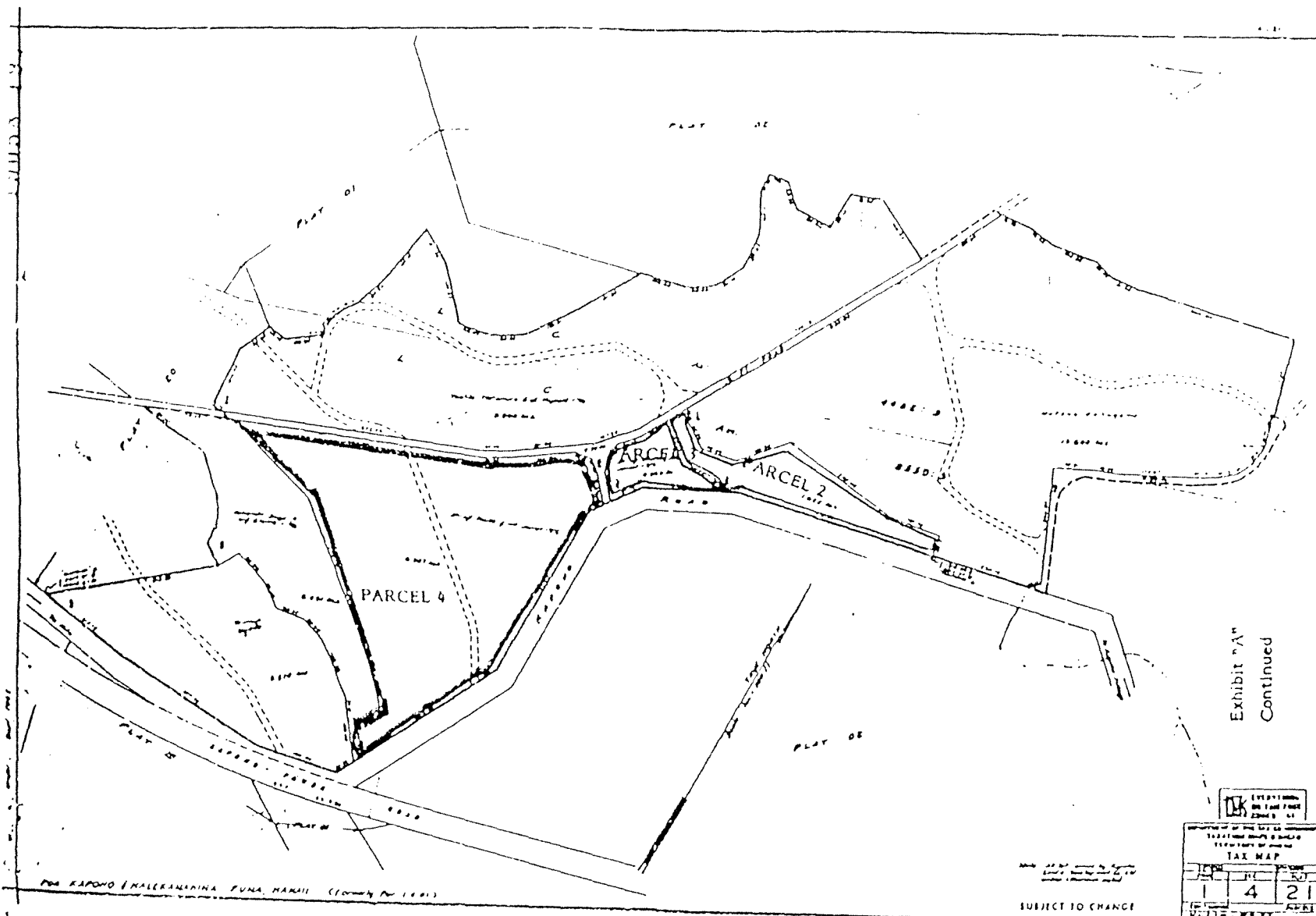


Exhibit "A"
Continued

TAX MAP			
1	4	21	
APR 1			

SUBJECT TO CHANGE

* Recorder's Memo: Legibility of Writing, Typing, or Printing UNSATISFACTORY
in this Document when received