

REA Project Designation:

NEVADA 15B WELLS

AMENDMENT

Dated as of June 14, 1961

to

LOAN CONTRACT

Dated as of May 8, 1959

between

WELLS RURAL ELECTRIC COMPANY

and

UNITED STATES OF AMERICA

Identified as form of document presented to and approved by the board of directors trustees of the above named corporation at a meeting held APRIL 6, 1962.

John W. Monbette
Secretary of Meeting

No. A

AGREEMENT, made as of June 14, 1961 pursuant to the Rural Electrification Act of 1936, as amended, between WELLS RURAL ELECTRIC COMPANY (hereinafter called the "Borrower"), a corporation existing under the laws of the State of Nevada, and UNITED STATES OF AMERICA (hereinafter called the "Government"), acting through the Administrator of the Rural Electrification Administration.

WHEREAS, the Government and the Borrower have heretofore entered into a certain loan contract, dated as of May 8, 1959 (said loan contract being hereinafter called the "Loan Contract"), and intend by this agreement to amend the Loan Contract by increasing the amount of the loan therein provided for by an amount not in excess of \$1,108,000, and in certain other respects;

NOW, THEREFORE, for and in consideration of the mutual agreements herein contained, the Government and the Borrower agree as follows:

SECTION 1. Section 1 of article I of the Loan Contract is amended to read as follows:

SECTION 1. For the purpose of furnishing electric energy to persons in rural areas not receiving central station electric service, the Government shall lend and the Borrower shall borrow an amount not in excess of \$2,762,000, to finance, pursuant to the provisions of the Act, the construction and operation of an electric system (hereinafter called the "System"), consisting of electric generating facilities and electric transmission, distribution and service lines, and all substations, transformers, meters and other equipment necessary for the efficient operation thereof, to be located in the County of Elko in the State of Nevada and in the County of Tooele in the State of Utah and in counties contiguous thereto, in the States of Nevada and Utah.

SEC. 2. The third sentence of section 6 of article I of the Loan Contract is amended to read as follows:

The Refunding Notes shall bear interest at the rate of two (2) per centum per annum and shall otherwise be in form and substance satisfactory to the Administrator.

SEC. 3. Article II of the Loan Contract is amended by adding thereto a new section, numbered and reading as follows:

SEC. 10. Notwithstanding anything contained in this agreement, the Government shall not be obligated to advance any portion of the increase of not in excess of \$1,108,000 in the amount of the Loan (said increase being hereinafter called the "B" Loan), as provided for by that certain agreement dated as of June 14, 1961, made between the Borrower and the Government, unless and until the Borrower, in addition to complying with all other conditions of this agreement precedent to the advance of Loan funds, has also, in respect of the B Loan, delivered to the Administrator, in form and substance satisfactory to him, the following:

(a) a binding sales agreement covering the acquisition by the Borrower of the electric properties (including real estate) owned by the Wendover Light and Power Company, (hereinafter called "Wendover Light") located in and in the vicinity of Wendover, Utah, and presently serving approximately 238 consumers;

(b) all franchises, approvals, licenses and permits required by law from appropriate State or Federal public bodies to permit the acquisition and operation by the Borrower of the properties of Wendover Light, and the extension of facilities to serve all areas for which B Loan funds have been provided, including without limitation, a certain area hereinafter called the "Lee-Jiggs area", located south of Elko Nevada;

(c) a binding agreement between the Borrower and the Bonneville Limited of Wendover, Utah, a large power user, providing for the sale of electric energy by the Borrower to said Booneville Limited;

(d) assurances that the four other industrial and commercial users in the Wendover area will purchase electricity from the Borrower in accordance with a schedule of rates and conditions of service also satisfactory to the Administrator;

(e) collateral or other assurances from the 12 large ranch consumers west of Contact, Nevada, and north and southwest of Deeth, Nevada, insuring the feasibility of the investment by the Borrower of B Loan funds required to serve such consumers; and

(f) any power supply agreements necessary to enable the Borrower to extend service into the Lee-Jiggs area.

SEC. 4. This agreement may be simultaneously executed and delivered in two or more counterparts, each of which so executed and delivered shall be deemed to be an original, and all shall constitute but one and the same instrument.

IN WITNESS WHEREOF the Borrower has caused this agreement to be signed in its corporate name and its corporate seal to be hereunto affixed and attested by its officers thereunto duly authorized, and the Government has caused this agreement to be duly executed, all as of the day and year first above written.

WELLS RURAL ELECTRIC COMPANY

by *Robert L. Wright*

President

UNITED STATES OF AMERICA

by

Administrator

of

Rural Electrification Administration

(Seal)

Attest:

John W. Monbath

Secretary

