

WELL-SITE EASEMENT AND USE AGREEMENT

THIS Agreement, made this 1st day of July, 1982
by and between ROBERT BOGATAY, hereinafter referred to as "BOGATAY,"
and DAVID HENZEL and JOANN HENZEL, husband and wife, hereinafter
referred to as "HENZEL,"

WHEREAS, HENZEL is the owner of the follow described real
property:

The Southeasterly 25 feet of Lot 1; all of Lot 2, less
the Southwesterly 20 feet thereof and the North-
westerly one-half of Lot 3, Less the Southwesterly 20
feet thereof; in Block 43 of HILLSIDE ADDITION to the City
of Klamath Falls, according to the official plat
thereof on file in the office of the County Clerk of
Klamath County, Oregon,

AND WHEREAS, on said property is a well-site on which
an operating hot water well is located which well-site is more
particularly described as a portion of the Southerly 25' of Lot 1,
Block 43, "HILLSIDE ADDITION" to the City of Klamath Falls, Oregon,
more particularly described as follows:

Beginning at a point on the easterly line of said Lot
1, said point being N 21° 14' W., 9.4 feet from the
southeast corner of Lot 1; thence S 68° 46' W., 5.0 feet;
thence N 21° 14' W., 5.0 feet; thence N 68° 46' E., 5.0
feet; thence S 21° 14' E., 5.0 feet to the point of begin-
ning.

AND WHEREAS, BOGATAY is the owner of the following described
real property:

Lot 1, Block 43 HILLSIDE ADDITION to the City of Klamath
Falls, according to the official plat thereof on file
in the office of the County Clerk of Klamath County,
Oregon, saving and excepting the Southerly 25' thereof.

AND WHEREAS, the BOGATAY and HENZEL properties are joining
each other, and whereas the parties have agreed among themselves

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and each with the other that a hot water well located on the HENZEL property will enure to the equal ownership, use, and benefit of the above-mentioned parties to this agreement;

NOW, THEREFORE, the parties hereby agree:

1. PURPOSE OF WELL: The aforementioned hot water or geothermal well was developed and used by the parties as a means of meeting all reasonable needs for space heating, domestic water heat, and such other heating needs of the residences on the properties of the respective party as are common and customary.

2. COST OF MAINTENANCE OF WELL: The parties agree that all costs involved in the maintenance and operation of the pumps, pipes, equipment or other devices necessary to meeting the heating needs of the parties hereto, shall be shared equally. The costs of maintaining the pipe running from the well to the individual properties of the parties hereto shall be the responsibility of the parties being served by such pipe.

3. RIGHT OF USE: The coil system placed in the well is sufficient presently to meet the existing heating needs of the parties hereto. Any expansion of use by a party will be allowed only on written agreement of all the parties. Each party grants to each other party their respective heirs, grantees, executors, and assigns, for the benefit of their respective properties, the perpetual right and easement in and to the hot water well, and of ingress and egress upon the property of the granting party for the purpose of installing, maintaining, repairing, and replacing

the well and casing, the coil system in the well, the well-head pump, and the pipe from the well to the respective residences.

4. GUARANTEE: No party guarantees to any other party the availability, amount, extent or quality of the heat or water to be obtained from the well.

5. ELECTRICAL COST OF THE WELL-HEAD PUMP: Parties agree that they will share equally the yearly electrical costs of the well-head pump.

6. PROPERTY TAXES ON WELL: Parties agree that they will share equally the yearly property taxes on the geothermal well.

7. INCLUDED IN DEED: Parties agree that they will record this instrument in the Deed Records of Klamath County, Oregon and that all rights and easements granted and obligations assumed as a result of this instrument will run with the land.

8. HOLD HARMLESS: If any claims, demands, costs or judgments shall result from the negligence of a party in regard to the ownership or use of the geothermal well, referred to above; the water or heat from said well, or any pipes or devices employed to utilize said well as a heat course, the above-mentioned negligent party shall hold the other parties to this agreement harmless from any and all liability, loss or damage resulting from such claims, demands, costs or judgments.

9. WASTE: The parties hereto agree not to unnecessarily waste or dissipate the water or heat from the well.

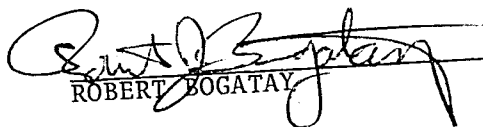
10. BINDING: This agreement is binding upon and shall enure to the benefit of the parties hereto and their heirs, grantees,

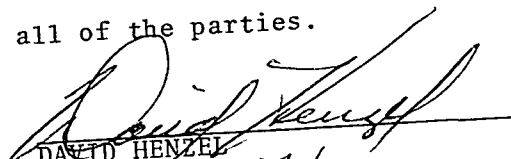
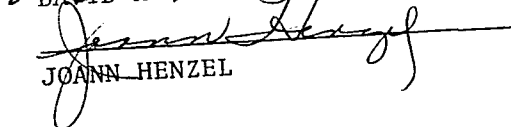
executors, and assigns, as a benefit and burden that runs with the land. The true and actual consideration for this conveyance is \$10, plus other value given or promised between the parties.

11. HENZEL specifically grant to BOGATAY, his heirs, executors, and assigns a non-exclusive perpetual easement to come upon the HENZEL property and specifically to the well-site property for the use, operation, maintenance of the well and the taking of water therefrom and the laying of pipes from the BOGATAY property to the HENZEL property in pursuit of these purposes.

12. ATTORNEY'S FEES: In the event any suit or action is brought to enforce the terms of this agreement, the prevailing party therein shall be entitled to recover from the losing party such sums as may be adjudged reasonable as attorney's fees, in trial Court or on appeal.

13. COMPLETE AGREEMENT: This agreement contains the complete agreement between the parties and may not be modified except by written agreement signed by all of the parties.


ROBERT BOGATAY


DAVID HENZEL

JOANN HENZEL


STATE OF OREGON)

) ss.

County of Klamath)

On this 1st day of July, 1982, personally appeared before me the above-named ROBERT BOGATAY who is known to me to be the individual described herein.

BEFORE ME:


NOTARY PUBLIC FOR OREGON
My Commission expires: 6-15-86

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STATE OF OREGON)
)
County of Klamath) ss.

On this 15th day of July, 1982, personally appeared before me the above-named DAVID HENZEL and JOANN HENZEL, husband and wife, who are known to me to be the individuals described herein.

BEFORE ME:

Sheriden D. Fowler
NOTARY PUBLIC FOR OREGON
My Commission expires: 6-15-86

After recording return to:

Mr. Blair M. Henderson
Attorney at Law
426 Main Street
Klamath Falls, OR 97601

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record . . .

this 19 day of July A.D. 19 82 at 3:05 o'clock P.M., and
duly recorded in Vol. M 82, of Deeds on page 9191

Fee \$20.00

By Evelyn Brehm County Clerk

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