

WATER DEVELOPMENT LOAN FUND

NOTICE OF A LOAN TO A WATER DEVELOPER

(ORS 541.740, Section 4)

On the 24th day of February, 1984,
Pine Grove Irrigation District

as debtors, did execute an agreement of indebtedness for a loan in the amount
 of Thirty-One Thousand One Hundred and 00/100 Dollars (\$31,100.00)

in favor of the State of Oregon, acting by and through the Director, Water
 Resources Department, pursuant to ORS 541.700 to 541.855, as Creditor.

For and in consideration of the aforementioned loan, a lien is
 granted to the State of Oregon pursuant to Sections 1 and 2, ORS 541.740, on
 the real property owned by the following:

Owner: Pine Grove Irrigation District

Said real property described as follows:

Legal Description:

See attached Exhibit A.

William H. Young
 Director, Water Resources Department
 Creditor

Subscribed and sworn to before me this
29 day of March, 1984.

Janeth Shaw
 Notary Public for Oregon

My commission expires: 1-29-86

84 MAR 30 PM 1 17

ok
8.00

EXHIBIT A - SECURITY

Pursuant to ORS 541.700 to 541.855, the State of Oregon has a lien for the amount of the unpaid balance of the loan referred to in this Loan Agreement. The lien attaches to the real property of the water developer, to the user charges, including interest, owed to or received by the water developer. The lien attaches to all real property, whether owned by the water developer or other persons, which is served by the water development project. Except for tax liens, the lien created by law is prior and superior to all other liens, or encumbrances upon the affected real property or user charges, without regard to the date on which the other liens or encumbrances attached to the real property or user charges. The real property subject to the lien established by ORS 541.700 to 541.855 is bounded as follows, to-wit:

Beginning at the northwest corner of the NE 1/4 of the NE 1/4, Section 7, Township 39 South, Range 10 East, W.M., thence due east to northeast corner of northeast quarter of northwest quarter, Section 8, same township and range, thence south to center of said Section 8, thence east to northeast corner of NW 1/4 of SE 1/4, same section, thence south to center of the SE 1/4 of said section 8, thence east to northeast corner of SE 1/4 of SW 1/4 of Section 9, said township and range, thence south to southeast corner of SW 1/4 of Section 9, thence east to the northeast corner of NW 1/4 of the NE 1/4, Section 16, said township and range, thence south to a point intersecting the right-of-way of the United States Reclamation Service Main and East Branch Canal at the southeast corner of the SW 1/4 of the SE 1/4, in said Section 16, same township and range, thence along the northerly limit of said right-of-way, in a westerly direction to a point where said right-of-way intersects the section line between Sections 17 and 20, in said township and range, thence west to the southwest corner of the SW 1/4 of said section 17, thence north to the southwest corner of the NW 1/4 of the NW 1/4, said Section 17, same township and range, thence east to the southwest corner of NE 1/4 of NE 1/4, Section 18, said township and range, thence north to place of beginning, all in Klamath County, State of Oregon.

Return:

Water Resources Department
Water Development Loan Program
555 - 13th Street N.E.
Salem, OR 97310

STATE OF OREGON,
County of Klamath)
Filed for record at request of

on this 30 day of March A.D. 19 84
at 1:17 o'clock P. M. and duly
recorded in Vol. M-84 of Mortgages
Page 5076

EVELYN BIEHN, County Clerk
By Ann Smith, Deputy
Fee 8.00