

KNOW ALL MEN BY THESE PRESENTS: That MID OIL COMPANY, an Oregon corporation \* \* \* \* \*

hereinafter referred to as the Assignor (whether one or more), in consideration of the sum of Ten Dollars (\$10.00) and other valuable considerations paid to the Assignor by UNITED STATES NATIONAL BANK OF OREGON, a national banking association, hereby sells, assigns, transfers and sets over unto said Bank, its successors and assigns,

all of said Assignor's right, title and interest in and to that certain lease dated the 1st day of March, 1983, by and between the Assignor, as Lessor, and FRANKO OIL COMPANY, an

Oregon corporation \* \* \* \* \*

as Lessee, ~~an executed copy of which is attached hereto and made a part hereof~~, covering the following premises in the City of Merrill/Klamath Falls, County of Klamath, State of Oregon, to-wit:

East Front Street, Merrill, Oregon 97633 (Parcel I); Route 5 Box 1325, Klamath Falls, Oregon 97601 (Parcel II) and 2110 Oregon Avenue, Klamath Falls, Oregon 97601 this being a part of the attached Exhibit "A".

This Lease also covers additional property not hereby assigned.

together with the right to collect and receive all moneys due and to become due under the terms of said lease, or any extensions or renewals thereof.

This assignment is executed and delivered to said Bank as additional collateral security for a loan made to said Assignor by said Bank contemporaneously herewith and any renewal or renewals thereof and as security for any further advances made to said Assignor by said Bank, and it is understood and agreed that the Assignor shall continue to perform all of the obligations imposed upon the Assignor as Lessor by the provisions of said lease and that said Bank by its acceptance of this assignment and the receipt of payments from the Lessee assumes no responsibility whatsoever with respect to the performance of such obligations and the Assignor hereby agrees to hold said Bank harmless from any and all claims that may arise as a result of the Assignor's failure to comply with the obligations imposed upon said Assignor as Lessor by the provisions of said lease.

It is further understood and agreed that the Lessee shall continue to make the rental payments to the Lessor strictly at the times and in the amounts specified in said lease until such time as said Bank shall, in writing, notify the Lessee that all further rental payments are to be made to said Bank, and all rental payments made to said Bank after such notice shall constitute payments duly made under the provisions of said lease.

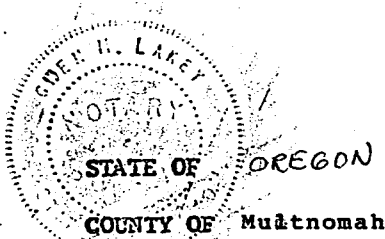
No prepayment of rental whatsoever shall be made by the Lessee to the Lessor nor shall any such prepayment be accepted by the Lessor, at any time without the prior written consent of said Bank.

As a further consideration for the loan hereinabove referred to, the Assignor further covenants and agrees with the Bank that while this assignment is in full force and effect the Assignor, as Lessor, will not exercise any rights to terminate said lease under and by virtue of the provisions thereof or to amend the same without first obtaining the written consent of the Bank so to do.

Executed in triplicate this 13th day of July, 1984.

MID OIL COMPANY, an Oregon corporation

BY: Frank J. Boresek  
Frank J. Boresek, President



BE IT REMEMBERED, THAT ON THIS 13th day of July, 1984, before me, the undersigned, a Notary Public in and for said County and State, appeared FRANK J. BORESEK and                      to me personally known, who being duly sworn, did say that he, the said FRANK J. BORESEK is the PRESIDENT, and he, the said                      is the                      of the within named corporation, and that the seal affixed to said instrument is the corporate seal of said corporation, and that the instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said officers acknowledge said instrument to be the free act and deed of said Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Guen M. Lakey  
Notary Public for Oregon  
My commission expires: 1-10-87

Return: *ATC*

## EXHIBIT "A"

DESCRIPTIONPARCEL 1

All that portion of Section 12, Township 41 South, Range 10 East of the Willamette Meridian, in the County of Klamath, State of Oregon, more particularly described as follows:

Beginning at a point 16' West of a point 1317.36 feet West of the North quarter corner of Section 12, Township 41 South, Range 10 East of the Willamette Meridian; thence West 120 feet to the Northeast corner of Book 176 at page 513, Deed Records, recorded May 29, 1945; thence South to Lost River; thence Southeasterly following the North bank of Lost River to a point due South of the point of beginning; thence North to the point of beginning.

PARCEL 2

A tract of land lying in the North one-half of the SW $\frac{1}{4}$  of Section 7, Township 38 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, more particularly described as follows:

Beginning at an iron pin which lies North 89° 49' West along the quarter line, a distance of 976.04 feet from the iron pin which marks the center of Section 7, Township 38 South, Range 9 East of the Willamette Meridian, and running thence South 6° 02' West a distance of 240.3 feet, to an iron pin which is the true point of beginning; thence continuing South 6° 02' West a distance of 270 feet; thence North 89° 49' West a distance of 625.1 feet, more or less to an iron pin which lies on the Easterly right of way line of the new Dalles-California Highway; thence North 11° 36' West following the Easterly right of way line of the new Dalles-California Highway to an iron pin, which pin lies North 89° 49' West a distance of 708.6 feet from the said true point of beginning; thence South 89° 49' East a distance of 708.6 feet to the said true point of beginning.

PARCEL 3

Lots 1, 2 and 3, Block 66, BUENA VISTA ADDITION TO THE CITY OF KLAMATH FALLS, in the County of Klamath, State of Oregon, EXCEPTING THEREFROM a strip of land one foot in width along the Westerly side of Lot 3, Block 66, Buena Vista Addition to the City of Klamath Falls, Oregon and also lying entirely Westerly of a concrete retaining wall marking the line of possession of said Lot 3 and being more particularly described as follows:

Beginning at a 3/4 inch iron pipe marking the Northwest corner of said Lot 3; thence Southerly along the Westerly line of said Lot 3, 95.00 feet; thence Easterly at right angles to said lot line, 1.00 foot; thence Northerly parallel to said lot line, 95.00 feet; thence Westerly 1.00 foot to the point of beginning.

STATE OF OREGON: COUNTY OF KLAMATH:ss

I hereby certify that the within instrument was received and filed for record on the 24th day of July A.D., 19 84 at 10:40 o'clock A M, and duly recorded in Vol M84, of Mortgages on page 12464.

EVELYN BIEHN, COUNTY CLERK

by: Pam Smith, Deputy

Fee: \$ 8.00