

EASEMENT EXCHANGE

THIS AGREEMENT, made and entered into as of the 8th day of November, 1984, by and between OREGON, CALIFORNIA AND EASTERN RAILWAY COMPANY, an Oregon corporation, hereinafter called "OC&E," LOWELL N. JONES COMPANY, an Oregon corporation, hereinafter called "LNJ Co.," and LOWELL N. JONES and HARMONY JONES, husband and wife, hereinafter called "JONES," WITNESSETH:

I

A. OC&E, for and in consideration of the grants hereinafter received by it, hereby grants and conveys to LNJ Co. a perpetual nonexclusive easement and right-of-way, fifty (50) feet in width, for a road and railroad crossing over and across a portion of the

SE $\frac{1}{4}$ SE $\frac{1}{4}$

Section 15-39S-10E, W.M.,

Klamath County, Oregon; said easement and right-of-way being located approximately as shown in orange on the attached Exhibit A.

Subject as to said lands to all matters of public record.

B. OC&E, for and in consideration of the grants hereinafter received by it, hereby grants and conveys to LNJ Co. a perpetual nonexclusive easement and right-of-way, twenty-five (25) feet in width, for a road over and across portions of the

NE $\frac{1}{4}$ NE $\frac{1}{4}$: S $\frac{1}{2}$ NE $\frac{1}{4}$: N $\frac{1}{2}$ SW $\frac{1}{4}$: SW $\frac{1}{4}$ SW $\frac{1}{4}$
E $\frac{1}{2}$ SE $\frac{1}{4}$ Section 14-39S-10E, W.M.
Section 15-39S-10E, W.M.

Klamath County, Oregon; said easement and right-of-way being located approximately as shown in yellow on the attached Exhibit A.

Subject as to said lands to all matters of public record.

C. OC&E, for and in consideration of the grants hereinafter received by it, hereby grants and conveys to LNJ Co., a perpetual nonexclusive easement and right of way, thirty-five (35) feet in width, for a road over and across a portion of the

SW $\frac{1}{4}$ NE $\frac{1}{4}$: SE $\frac{1}{4}$ NW $\frac{1}{4}$: NE $\frac{1}{4}$ SW $\frac{1}{4}$

Section 14-39S-10E, W.M.

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Klamath County, Oregon; said easement and right-of-way being located approximately as shown in brown on the attached Exhibit A.

Subject as to said lands to all matters of public record.

D. Jones, for and in consideration of benefits received by them, hereby grant and convey to OC&E and LNJ Co. a perpetual nonexclusive easement and right-of-way fifty (50) feet in width, plus such additional widths as are necessary for cuts and fills, for a road over and across a portion of the

SW $\frac{1}{4}$ SE $\frac{1}{4}$

Section 15-39S-10E, W.M.

Klamath County, Oregon; said easement and right-of-way being located approximately as shown in pink on the attached Exhibit A.

Subject as to said lands to all matters of public record.

E. LNJ Co., for and in consideration of the grants hereinbefore received by it, hereby grants and conveys to OC&E a perpetual nonexclusive easement and right-of-way seventy-five (75) feet in width, plus such additional widths as are necessary for cuts and fills, for a road over and across portions of

NE $\frac{1}{4}$ NE $\frac{1}{4}$: S $\frac{1}{2}$ NE $\frac{1}{4}$: N $\frac{1}{2}$ SW $\frac{1}{4}$
SE $\frac{1}{4}$ SE $\frac{1}{4}$

Section 14-39S-10E, W.M.
Section 15-39S-10E, W.M.

Klamath County, Oregon; said easement and right-of-way being located approximately as shown in green on the attached Exhibit A.

Subject as to said lands to all matters of public record.

F. LNJ Co., for and in consideration of the grants hereinbefore received by it, hereby grants and conveys to OC&E a perpetual easement to construct, reconstruct, use and maintain spur tracks over and across portions of

NE $\frac{1}{4}$: N $\frac{1}{2}$ SW $\frac{1}{4}$
SE $\frac{1}{4}$ SE $\frac{1}{4}$

Section 14-39S-10E, W.M.
Section 15-39S-10E, W.M.

Klamath County, Oregon, to provide rail service to adjacent lands; provided, however, that OC&E shall use the most direct and reasonable route in locating any such spur track(s).

Subject as to said lands to all matters of public record.

G. LNJ Co., for and in consideration of the grants hereinbefore received by it, hereby grants and conveys to OC&E the exclusive right to develop, mine and remove rock and gravel from the gravel pit located in a portion of the

NW $\frac{1}{4}$ SW $\frac{1}{4}$

Section 14-39S-10E, W.M.

Klamath County, Oregon; said gravel pit being located approximately as shown on the attached Exhibit A. It is understood and agreed that any such rock and gravel removed by OC&E shall be free of charge and no royalties whatsoever shall be due LNJ Co. therefore.

II

IT IS HEREBY AGREED by and between the parties hereto that the rights hereinabove granted shall be subject to the following terms and conditions:

1. Purpose - The easements hereinabove conveyed in IA., IB., IC., ID. and IE. are for the purposes of construction, reconstruction, use and maintenance of a road for the purpose of industrial development and use of the adjacent lands now owned by each of the parties hereto. The easement hereinabove conveyed in IF. is for the purposes of construction, reconstruction, use and maintenance of spur track(s) for the purpose of providing rail service to adjacent lands.
2. Road Crossing - Each party reserves for itself, its heirs, successors and assigns, the right at all times, to cross and recross, at any place on grade or otherwise, said rights-of-way and to use the road on said rights-of-way in a manner that will not unreasonably interfere with the rights granted the others hereunder.
3. Maintenance - The cost of road maintenance and resurfacing shall be allocated on the basis of respective uses of said road. When any party uses said road, or a portion thereof, that party shall perform or cause to be performed, or contribute or cause to be contributed, that share of the maintenance and resurfacing occasioned by such use as hereinafter provided. During periods when a road or a portion thereof is being used solely by one party, such party shall maintain that portion of said road so used to the standards existing at the time use commenced. During periods when more than one party is using said road, or a portion thereof, each party's share of maintenance and resurfacing shall be pro rata in proportion to its use thereof.

For the purposes of this Agreement, maintenance is defined as the work normally necessary to preserve and keep the roadway, road structure and road facilities as nearly as possible in their present condition or as hereafter improved.

4. Road Damage - Each party using any portion of said road shall repair or cause to be repaired at its sole cost and expense that damage to said road occasioned by it which is in excess of that which it would cause through normal and prudent usage of said road. Should inordinate damage to said road occur which is not caused by an authorized user of said road, the parties hereto shall meet to agree on the cost of replacement, the party to undertake the replacement, and the share of replacement cost to be borne by each user of said road.
5. Road Construction - The initial developer of the road, or any segment thereof, shall bear all expenses of such road development including, but not limited to, road construction, installation of crossing signals, safety devices and signs, fence construction and necessary changes to irrigation facilities, unless prior written agreement is reached regarding the sharing of such road development costs.
6. Minimum Specifications - The road, or any segment thereof, shall be constructed to minimum standards and specifications approved in writing by OC&E.
7. Road Contractor - If the initial developer of the road, or any segment thereof, is other than OC&E, OC&E shall have the right of first refusal to be hired as road contractor; provided it agrees to build the road, or road segment, at a cost not to exceed the most favorable bid received by said initial developer in connection with the contemplated project.
8. Road Improvement - Unless the parties hereto agree in writing to share the cost of improvements to said road in advance of such improvements being made, said improvements shall be solely for the account of the improver.
9. Exercise of Rights - Each party may permit its employees, guests, invitees, contractors, lessees, purchasers of valuable materials, and their agents, hereinafter individually referred to as "Permittee" and collectively referred to as "Permittees," to exercise the rights granted to it herein.

10. Indemnification - Each party shall indemnify and hold harmless the others against all claims or liabilities asserted by third parties resulting directly or indirectly from the indemnifying party's acts or omissions hereunder whether negligent or otherwise.

11. Termination - The rights hereinabove granted shall terminate if the road herein contemplated is not built within five (5) years of the date hereof. In the event of such termination, each party will execute a recordable release of easement upon written request by any other party hereto.

IN WITNESS WHEREOF, the parties hereto have executed this instrument, as of the day and year first above written.

LOWELL N. JONES COMPANY

OREGON, CALIFORNIA AND EASTERN
RAILWAY COMPANY

By

Lowell N. Jones
Pres.

By

J. D. Kauffman
Title Vice President

Attest

Harmony Jones
Sec. Treas.

Attest

Pickie A. Messner
Title Assistant Secretary

Lowell N. Jones
Lowell N. Jones

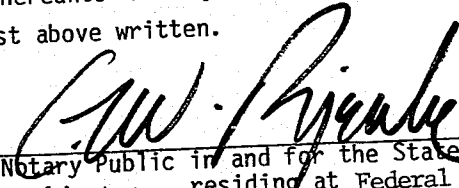
Harmony Jones
Harmony Jones

STATE OF WASHINGTON)
COUNTY OF KING) ss.

On this 8th day of November, 1984, before me personally
appeared J. G. Kauffman and
Vicki A. Merrick, to me known to
be the Vice President and
Assistant Secretary, respectively, of

OREGON, CALIFORNIA AND EASTERN RAILWAY COMPANY, the corporation that
executed the within and foregoing instrument, and acknowledged said
instrument to be the free and voluntary act and deed of said
corporation, for the uses and purposes therein mentioned, and on oath
stated that they were authorized to execute said instrument and that the
seal affixed is the corporate seal of said corporation.

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

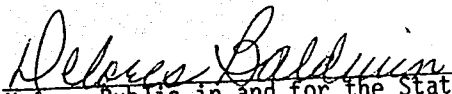

Notary Public in and for the State of
Washington, residing at Federal Way.

My Commission Expires March 20, 1988.

STATE OF OREGON)
COUNTY OF KLAMATH) ss.

On this 16th day of November, 1984, before me personally
appeared LOWELL N. JONES and HARMONY JONES, husband and wife, to me
known to be the individual(s) described in, and who executed the above
and foregoing instrument and acknowledged that they signed the same as
their free and voluntary act and deed, for the uses and purposes therein
mentioned.

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

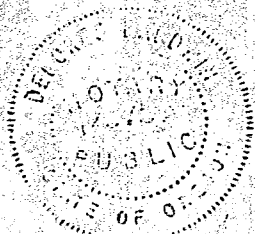

Notary Public in and for the State of
Oregon residing at Klamath Falls, Oregon

My Commission Expires May 13, 1985.

STATE OF OREGON)
COUNTY OF KLAMATH) ss.

On this 16th day of November, 1984, before me personally appeared LOWELL N. JONES and HARMONY HAWKINS JONES, to me known to be the president and secretary-treasurer, respectively, of LOWELL N. JONES COMPANY, the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

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



Delores Baldwin
Notary Public in and for the State of
Oregon, residing at Klamath Falls, Oregon

My Commission Expires May 13, 1985

Please Return to: Weyerhaeuser Co.
Attn: John Monfore
P.O. Box 9
Klamath Falls, OR
97601

10	11	9221
15	14	

N



SCALE: 1" = 400'

LORENZ

LNT CO.

LNT CO.

CROSSING

JONES

GRAN

9222

LUT

FAIRCLO

HIGHWAY 140

O. C. & E. R/W

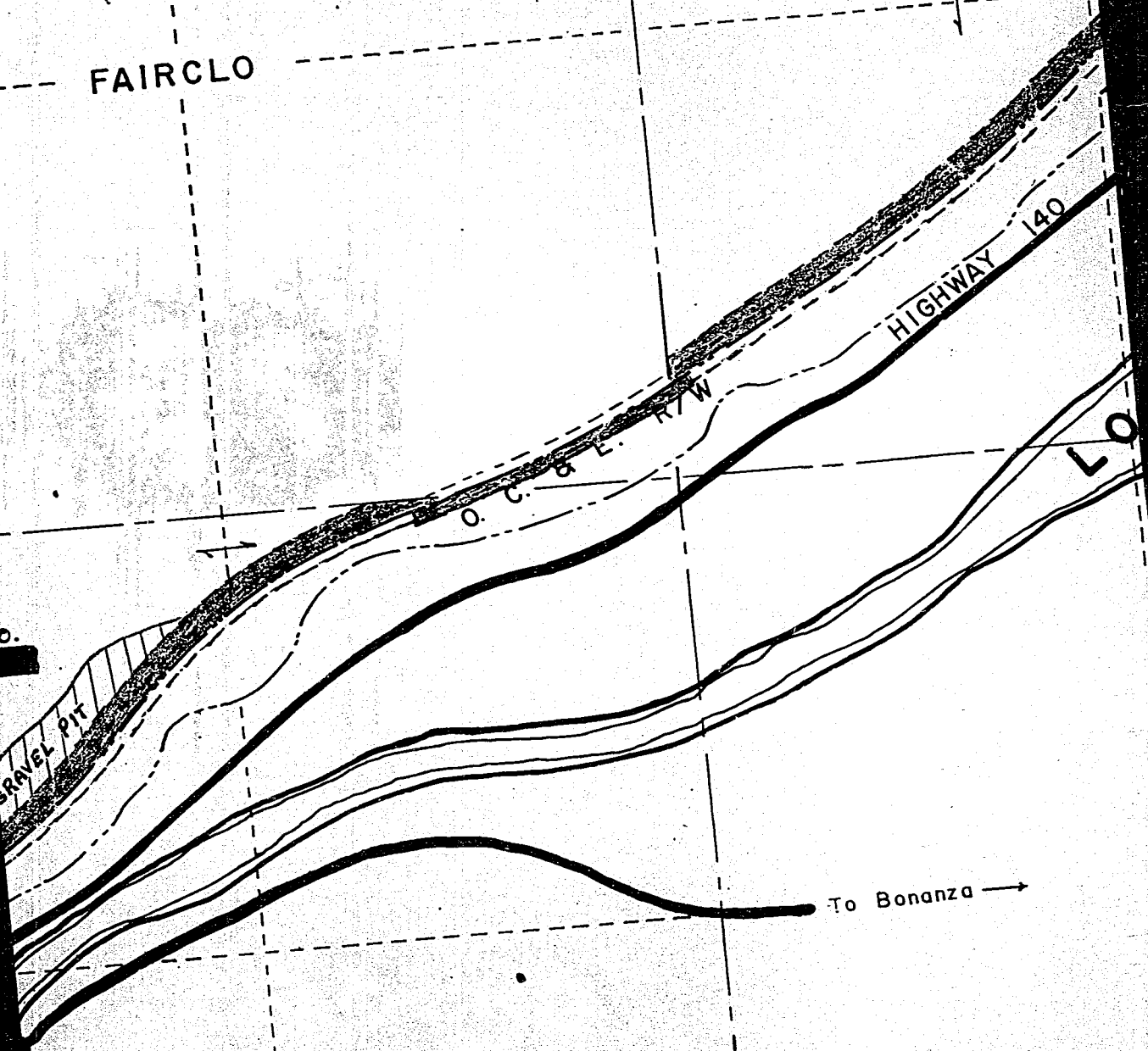
Co.

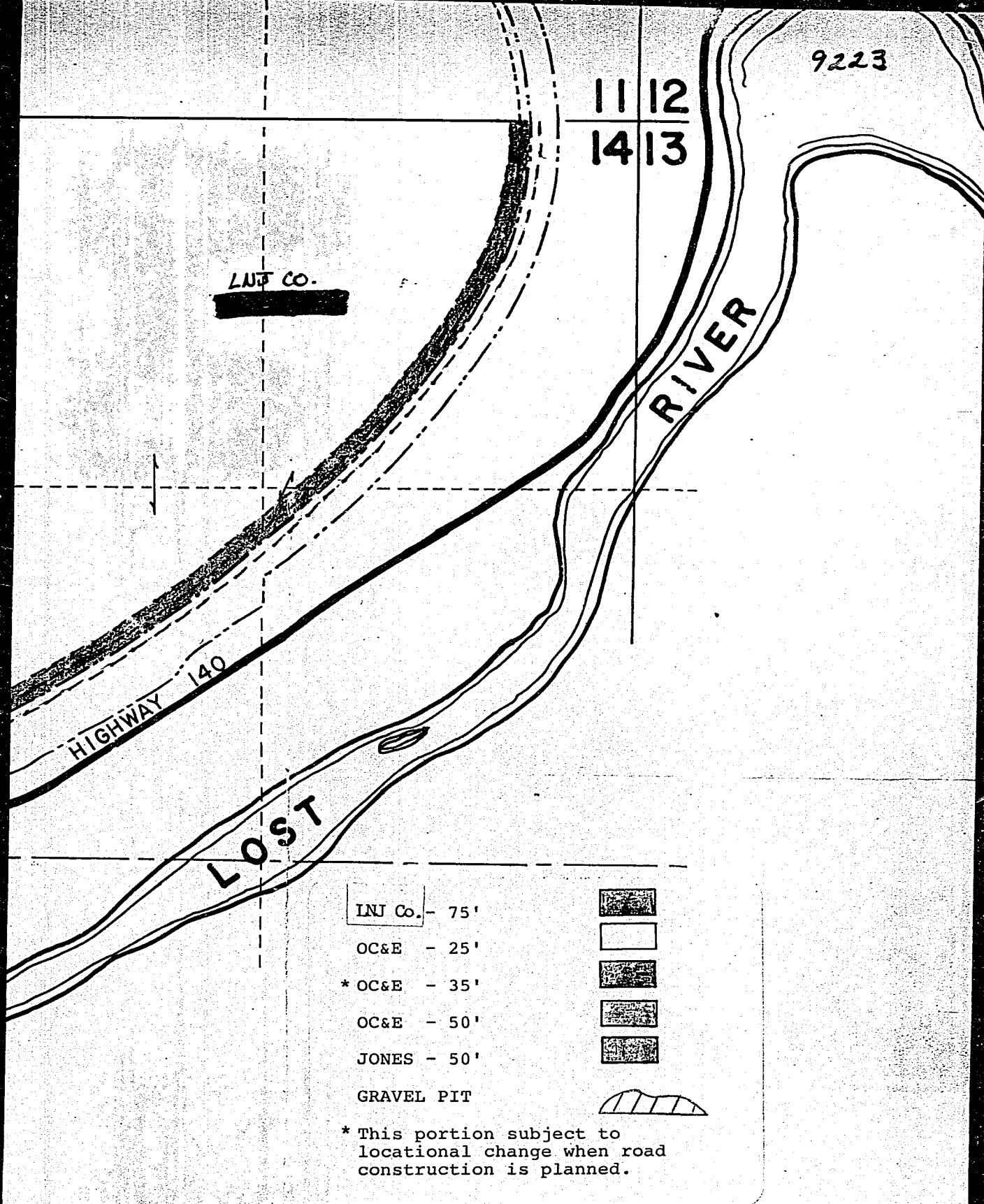
GRAVEL PIT

LO

To Bonanza →

EXHIBIT A





Bonanza →

VICINITY MAP
O.C. & E. R/W
THROUGH "THE GAP"

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

on this 18th day of June A.D. 19 85
at 2:40 o'clock P M, and duly
recorded in Vol. MS5 of Deeds
Page 9214

EVELYN BIEHN, County Clerk

By *[Signature]* Deputy

Fee \$41.00