

SETTLEMENT AGREEMENT  
AND  
CONVEYANCE OF INTERESTS IN REAL PROPERTY

This Settlement Agreement and Conveyance of Interests in Real Property is made by and between KATHE L. G. BYRNES, aka KATHE LILLI GWEEN BYRNES, n.k.a. KATHE L. G. CONE, hereinafter called "Cone" and OTTLAND, INC., an Oregon corporation, hereinafter called "Ottland".

RECITALS:

A. Cone is the fee owner of a parcel of real property situate in Klamath County, Oregon, described as follows:

A tract of land situated in the City of Klamath Falls, Oregon, and being a portion of Lot 8, Section 30, Township 38 South, Range 9 E.W.M., more particularly described as follows: Beginning at an iron pipe on the Southerly right of way line of Front Street, from which an iron pin marking the intersection of the Southerly right of way of said Front Street and the Westerly right of way line of California Avenue bears North 89°06 1/2' East a distance of 370.0 feet; thence South a distance of 100 feet; thence North 89°06-1/2' East 105.0 feet; thence North 100.0 feet to the Southerly right of way of Front Street; thence South 89°06-1/2' West 105.0 feet, more or less, to the point of beginning. Assessed Account No. 3809 030AB 04600

hereinafter called "The Cone Property".

B. Ottland is the fee owner of a parcel of real property situate in Klamath County, Oregon, described as follows:

PARCEL 1:

A tract of land in Government Lot 8, Section 30, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, in the City of Klamath Falls, being more particularly described as follows:

Beginning at an iron pipe on the Southerly right of way of Front Street from which the iron pin marking the intersection of the Southerly right of way of said Front Street and the Westerly right of way of California Avenue bears North 89 degrees 06 1/2' East 370 feet distant; thence South 100 feet to the true point of beginning; thence South 68.29 feet to a point; thence South 60 degrees 04 1/2' East 86.09 feet; thence South 15 degrees 03 1/2' West 84.48 feet more or less to the mean high water line of Upper Klamath Lake; thence Southeasterly along said shore line 97.63 feet, more or less to the Southwesterly corner of that certain tract of land heretofore conveyed by Deed recorded in Volume 233, page 134, Deed Records of Klamath County, Oregon, which said point is 218 feet Northwesterly from the intersection of said shore line and the Westerly line of the West Side Highway; thence North 15 degrees 03 1/2' East 272.61 feet to a point; thence South 89 degrees 06 1/2' West 49.04 feet to a point; thence North 85.0 feet to a point on the Southerly right of way of Front Street; thence South 89 degrees 06 1/2' West along said Front Street right of way 60.0 feet to a point; thence

90 AUG 24 AM 10 35

South 100.0 feet to a point; thence South 89 degrees 06½' West 105.0 feet, more or less to the true point of beginning.

Assessed Account No. 3809 030AB 04700

PARCEL 2:

A tract of land in Government Lot 8, Section 30, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, in the City of Klamath Falls, being more particularly described as follows:

Beginning at an iron pipe on the Southerly right of way of Front Street from which the iron pin marking the intersection of the Southerly right of way of said Front Street and the Westerly right of way of California Avenue bears North 89 degrees 06½' East 370 feet distant; thence South 168.29 feet to the true point of beginning; thence South 60 degrees 04½' East 86.09 feet; thence South 15 degrees 03½' West 84.48 feet more or less to the mean high water line of Upper Klamath Lake; thence Northwesterly 67.57 feet to a point that is South 94.21 feet from the true point of beginning; thence North 94.21 feet, more or less to the true point of beginning.

Assessed Account No. 38009 030AB 04800

hereinafter called "The Ottland Property".

C. An easement for ingress and egress was created over the West 30 feet of The Cone Property, as described in a Deed recorded in Volume 353, page 287, Records of Klamath County, Oregon for the use and benefit of The Ottland Property. An easement for ingress and egress was created over The Ottland Property from The Cone Property to Link River or Upper Klamath Lake, described in a Deed recorded in Volume 353, page 287, Records of Klamath County, Oregon, for the use and benefit of The Cone Property.

D. Prior to the purchase of The Ottland Property by Ottland, Cone had instituted a cause of action in the Circuit Court of the State of Oregon for the County of Klamath against Ottland's predecessors in interest, Lawrence S. Ruiz and Lorita A. Ruiz, Case No. 9001430 CV to Quiet Title to The Cone Property.

E. Cone and Ottland desire to resolve and settle the issues in the litigation and to release the existing easements from the property of the other as follows:

AGREEMENT AND CONVEYANCES:

1. Ottland releases and quitclaims to Cone all right, title and interest in and to The Cone Property.

2. Cone releases and quitclaims to Ottland all right, title and interest in and to The Ottland Property.

3. Ottland grants to Cone a license for purposes of irrigation as follows:

a) The license shall be personal to Cone and shall not run with the land.

000712

16999

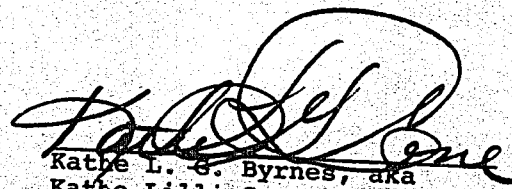
b) The license shall terminate upon a 180 day written notice given by Ottland or its successors or assigns to Cone or her successors or assigns after the sale of The Cone Property by Cone or after her death, whichever event first occurs.

c) The license shall be limited to the most Westerly boundary of The Ottland Property extending from the most Southwesterly corner of The Cone Property to the waters of Link River and Upper Klamath Lake and shall not be more than five (5) feet in width.

d) The license shall only be for pumping and removal of irrigation water from Link River and Upper Klamath Lake for The Cone Property and the maintenance and repair of the pump and irrigation system.

4. Cone agrees to pay Ottland the sum of \$1,250.00 and to dismiss the pending litigation with prejudice and without costs to either party.

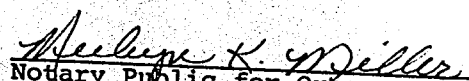
OTTLAND, INC., an Oregon corporation

  
Kathe L. G. Byrnes, aka  
Kathe Lilli Gween Byrnes,  
n.k.a. Kathe L. G. Cone

By:   
L. A. Swetland, President

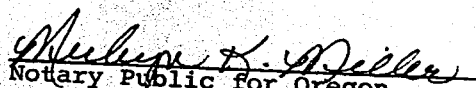
STATE OF OREGON )  
County of Klamath ) ss. August 23, 1990.

Personally appeared L. A. SWETLAND, who, being duly sworn, says that he is the President of Ottland, Inc., and that said instrument was signed in behalf of said corporation by authority of its Board of Directors; and he acknowledged said instrument to be its voluntary act and deed. Before me:

  
Notary Public for Oregon  
My Commission expires: 2-16-93

STATE OF OREGON )  
County of Klamath ) ss. August 23, 1990.

Personally appeared the above-named KATHE L. G. BYRNES, AKA KATHE LILLI GWEEN BYRNES, n.k.a. KATHE L. G. CONE, and acknowledged the foregoing instrument to be her voluntary act. Before me:

  
Notary Public for Oregon  
My Commission expires: 2-16-93

Return to:  
Brandness, Brandness & Davis, P.C.  
411 Pine St.  
Klamath Falls, OR 97601

3. SETTLEMENT AGREEMENT

5) The license shall terminate upon a 180 day written notice given by Ottland or its successors or assigns to Ottland or its successors or assigns after the sale of the property by Ottland or its successors or assigns, whichever event first occurs.

(c) The license shall be limited to the most beneficial use of the Ottland property extending from the most easterly corner of the Ottland property to the waters of the Klamath River and shall not be more than five (5) miles from the Klamath River.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Brandsness, Brandsness, Davis the 24th day of Aug. A.D., 19 90 at 10:35 o'clock AM., and duly recorded in Vol. M90 of Deeds on Page 16997

FEE \$43.00

Evelyn Biehn - County Clerk

By Ruth M. Mueland

OTTLAND, INC., an Oregon corporation

L. A. Swetland, President

Ruth M. Mueland  
County Clerk

STATE OF OREGON  
County of Klamath

Personally appeared L. A. SWETLAND, who, being duly sworn, says that he is the President of Ottland, Inc., and that said instrument was signed in behalf of said corporation by authority of the Board of Directors, and he acknowledged said instrument to be his voluntary act and deed. Before me.

Ruth M. Mueland  
Notary Public for Oregon  
My Commission expires: 8-23-93

STATE OF OREGON  
County of Klamath

Personally appeared the above-named KATHY L. G. EYMER, and JOHN EYMER, who, being duly sworn, say that they are the owners of the foregoing instrument to be their voluntary act.

Ruth M. Mueland  
Notary Public for Oregon  
My Commission expires: 8-23-93

Brandsness & Davis, P.C.  
100 Pine St.  
Klamath Falls, OR 97601