CPR-19-0R-12.136 RC 41360, WO 6662 Proj 301090, Acct 186.1 RELATED TO: CPR-12-OR-01.136 Bill of Sole -

ASSIGNMENT OF EASEMENT AGREEMENT

HDI ASSOCIATES V, an Oregon Limited Partnership, acting by and through its Managing Agent, GRAYCO RESOURCES, INC., an Oregon corporation, successor in interest to Frederick D. Ehlers, does hereby convey, assign, sell, transfer and set over unto PACIFICORP, doing business as Pacific Power & Light Company, an Oregon Corporation, all of its right, title and interest in and to: a) an Agreement dated September 5, 1986, in which Frank W. and Ruth Obenchain granted a non-exclusive, irrevocable, perpetual easement for a width of twenty feet and related rights to Frederick D. Ehlers for the construction, operation, and maintenance of an overhead power line, and b) that certain Easement Agreement dated October 22, 1988, in which Frank Obenchain, Jr., also known as F.W. Obenchain, and Ruth Obenchain, husband and wife, granted a non-exclusive, irrevocable and perpetual twenty-foot wide easement and related rights to HDI Associates V for an overhead or underground power line. Said Easement Agreement is recorded twice in Klamath County, Oregon, Deed Records on November 2, 1988, at Volume M88, Page 18629 and on March 14, 1989, at Volume M89, Page 4273. Both Agreement and one copy of the Easement Agreement are attached hereto as Exhibits "A" and "B" respectively, and by this reference are made a part hereof.

Rights granted to U.S. West Communications, Inc., by said Easement Agreement are retained by U.S. West Communications, Inc., but said rights are subservient to rights herein assigned to PacifiCorp by virtue of said September 5, 1986, Agreement.

Consideration fees and obligations indicated in said Agreement and assumed

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by HDI Associates V in said Easement Agreement shall remain the responsibility PacifiCorp shall be responsible solely for its own of HDI Associates V. negligence in association with its power line activities.

Descriptions contained in said Easement Agreement represent the preliminary intended location of said power line. Attached hereto and made a part hereof is Exhibit "C," entitled "AS BUILT SURVEY FOR FRED EHLERS CO-GENERATION" dated September 1989, which depicts the true location of said power line. Said twentyfoot wide easement measures ten feet on each side of the power line centerline

In witness whereof, HDI ASSOCIATES V, acting by and through its Managing as depicted on Exhibit "C." Agent, GRAYCO RESOURCES, INC., has hereinto set its hand and seal this ______ 15th. day of November, 1991.

GRAYCO RESOURCES, INC., Managing Agent HDI Associates V

Okh Laux Edward L. Allis, President

ACKNOWLEDGEMENT

STATE OF OREGON

Personally appeared Edward L. Allis, who, being duly sworn, stated that he rersonally appeared coward L. Mills, who, being duty sword, stated that he seal affixed hereto is the President of the within named corporation and that the seal affixed hereto County of Multnomah is its seal and that this instrument was voluntarily signed and sealed in behalf of the corporation by authority of its Board of Directors.

Before me:

OFFICIAL SEAL ELANA L. HIRTE NOTAKI PUB'IC - OREGON CO-1MISSION No. 007246 SS ON EXPIRES JUNE 4,1995 Hotary Public for Oregon My Commission expires June 4, 1845

EXHIBIT A

THIS AGREEMENT is made this ____ day of September, 1986, by and between FREDERICK D. EHLERS, hereinafter called "Ehlers", and FRANK W. and RUTH OBENCHAIN, hereinafter called "Obenchain"; and is as follows:

WITNESSETH

- 1. Obenchains agree to grant, and do hereby grant Ehlers, and his heirs, successors, and assigns, a non-exclusive, irrevocable and perpetual easement over the property hereinafter more fully described, for a width of twenty feet, for the construction, operation, and maintenance of an overhead power line of a size which may be reasonably determined necessary by Ehlers to transmit power from his hydroelectric facility upon the North Fork of the Sprague River to the lines of Pacific Power, or its successors.
 - 2. The parties hereto acknowledge that the center line of the aforesaid easement has been staked, the parties have physically reviewed the same, know its location, and agree to the same. Ehlers shall cause the same to be surveyed, within a reasonable amount of time, so that an actual legal description may be prepared, at which time an easement agreement, in conformity with the terms hereof, shall be executed by the parties, to which all of the parties hereupon agree; 19 and to be recorded. 20
 - 3. In addition to the right of way above granted, Obenchain does hereby grant unto Ehlers the right to use any of its existing roadways for egress and ingress and access to said power line for the construction thereof, and repairs, maintenance, and replacement thereof. 3 of 9

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EASEMENT AGREEMENT | Page -11

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- 4. The consideration for this agreement is the sum of \$15,000.00, # of which \$5,000.00 shall be paid upon the completion of the construction of the power line, but no later than December 31, 1986, and \$5,000.0 on each of the next two anniversaries thereof. The unpaid portion of said purchase price shall bear interest at the rate of 12% per annum from the date hereof.
- Obenchain agrees to hold Ehlers harmless from, and indemnify 5. him against, any claim of any other party in and to said easement. Ehlers agrees to indemnify Obenchain against, and hold him harmless from, any damage, loss, or expense which may be incurred by reason of Ehlers use of the property. Ehlers shall, during and after the construction of said line, provide insurance for public liability, naming Obenchain as an additional insured, in an amount not less than \$1,000,000.00 and shall furnish certificates thereof to Obenchain.
- The parties acknowledge that it will be necessary to clear brush and trees to the extent deemed by Ehlers to be reasonably necessary for the purposes of said easement, all of which shall be done by Ehlers, at his expense. Obenchain shall also be entitled to any merchantable timber which may necessarily result from such operations, and shall pile, remove and dispose of all brush and trees in a reasonable and customary manner.
- This agreement is fully assignable and transferrable by any of the parties hereto, without the prior consent of any other party.
- Notwithstanding the perpetual grant of this easement as provided in paragraph 1, in the event said power line is permanently //// 4 of 9

 abandoned, this easement shall cease and terminate with no further action being required by any party.

In the event any suit or action is brought to construe or enforce the terms of this agreement, the prevailing party shall be entitled to its reasonable attorneys fees including those incurred upon appeal, if any,

Dated this ___ day of September, 1986.

FRANK W. OBENCHAIN

Sitt Chareford

RUTH OBENCHAIN

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