

RIGHT OF WAY AGREEMENT

GARRET DEAN HILYARD and BETTY JEAN HILYARD, husband and wife, hereinafter called first party, in consideration of value paid by PACIFIC GAS TRANSMISSION COMPANY, a California corporation, whose address is 213 W. Sisters Avenue, Redmond, OR 97756-0123, hereinafter called second party, the adequacy and receipt where of are hereby acknowledged, hereby grants to second party the right to excavate for, install, replace (of the initial or any other size), maintain, use and remove such pipeline or lines of any size as second party shall from time to time elect for conveying natural and artificial gas and other gaseous or liquid hydrocarbons and any products or by-products thereof, with necessary valves and other such appliances, and fittings, and devices for controlling electrolysis in connection with said pipelines, and such underground wires, cables, conduits, fiber optic lines and other electrical conductors, appliances, fixtures, and appurtenances as second party shall from time to time elect for communication purposes, together with adequate protection therefor, and also a right-of-way thirty-five feet in width within the herein described parcel(s) of land which is/are situated in the County of Klamath, State of Oregon, described as follows, to wit:

A parcel of land in the Northwest Quarter of Section 19, Township 39 South, Range 10 East of the Willamette Meridian, described as: Beginning at a point where the North line of a U. S. Bureau of Reclamation canal intersects the East line of the Klamath Falls-Merrill Highway and from said point the Southwest corner of said Northwest Quarter bears South 06° 37' 03" West 286.70 feet; thence North 00° 36' 45" East on said East line, 870.60 feet; thence North 86° 42' 52" East, 158.29 feet; thence North 88° 59' 57" East, 194.71 feet to the West line of the A-7-N Canal; thence Southerly on said West line the following courses and distances; South 13° 43' West, 22.24 feet; thence on a 522.00 foot radius curve to the left, 148.81 feet; thence South 02° 37' East, 146.90 feet; thence on a 210.50 foot radius curve to the right, 118.18 feet; thence South 29° 33' West, 324.35 feet; thence on a 450.20 foot radius curve to the left, 147.98 feet; thence South 10° 43' West, 34.43 feet to the intersection of the West line of said A-7-N Canal with the North line of first mentioned U. S. Bureau of Reclamation Canal; thence North 89° 37' 22" West on said North line 104.86 feet to the Point of Beginning.

It is agreed between the parties that as soon as second party has completed the installation of the initial pipeline the aforesaid parcel (s) shall be restricted to the following:

That portion of the said lands of first party above described lying between lines parallel to and situate fifteen (15) feet to the north and twenty (20) feet to the south (going in a general westerly direction through the State of Oregon) measured at right angles from the center line (or tangent thereof if a curve) of the initial pipe as actually laid by the second party across the said lands of first party, or adjacent thereto if the initial pipe is not actually laid on the said lands of the first party, such parallel line or lines being extended to the boundary lines of the said lands so as to enclose the right-of-way and easement.

Second party may further define the location of said strip by recording a "Notice of Location" referring to this instrument and setting forth a legal description of the location of said initial pipe or said strip, which description may be set forth by map attached to said Notice. A copy of said Notice shall be delivered to first party.

First party further grants to second party:

- (a) the right to use such portion of said lands adjacent to and along said strip as may be reasonably necessary in connection with the installation, repair and replacement of such pipeline or lines, or any other facilities;
- (b) the right of ingress to and egress from said strip over and across said lands by means of roads and lanes thereon, if such there be, otherwise by such practicable route or routes as shall occasion the least damage and inconvenience to first party;
- (c) the right from time to time to trim and to cut down and to clear away any and all trees and brush now or hereafter on said strip and to trim and to cut down and to clear away any trees on either side of said strip which now or hereafter in the opinion of second party may be a hazard to second party's facilities or may interfere with the exercise of second party's rights hereunder;

(d) the right to install, maintain and use gates in all fences which now cross or shall hereafter cross said strip;

(e) the right to mark the location of said strip by suitable markers set in the ground, provided that said markers shall be placed at fence lines or other locations which will not interfere with any reasonable use first party shall make of said strip.

Second party hereby covenants and agrees:

(a) second party shall pay first party the reasonable amount of actual damages to crops, timber, livestock, fences, buildings, private roads, and other improvements caused by it or its agents or employees on said lands in the construction or reconstruction of the pipeline or lines or in the exercise of the right of ingress or egress;

(b) second party shall promptly backfill any trench made by it on said strip and second party shall restore the surface of the ground, so far as is practicable, to its condition prior to second party's trenching operations.

(c) second party shall indemnify first party against any loss or damage which shall be caused by any wrongful or negligent act or omission of second party or of its agents or employees in the course of their employment.

First party reserves the right to use said strip for purposes which will not interfere with second party's full enjoyment of the rights hereby granted, provided that first party shall not erect or construct any building or other structure, or drill or operate any well, or construct any reservoir or other obstruction on said strip, or diminish or substantially add to the ground cover over said pipelines or any other facilities.

The provisions herein granted shall inure to the benefit of and bind the heirs, successors, and assigns of the respective parties hereto, and all covenants shall apply to and run with the land.

IN WITNESS WHEREOF the parties have executed these presents this Feb. 24th day of February, 1994.

Executed in the presence of:

Kenneth W. Bagley
Subscribing Witness

Kenneth W. Bagley
Subscribing Witness

Garret Dean Hilyard
Garret Dean Hilyard

Betty Jean Hilyard
Betty Jean Hilyard

PACIFIC GAS TRANSMISSION COMPANY

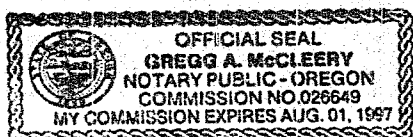
By: W. G. Thomas Gmc
W. G. Thomas, Land Manager

By: _____

STATE OF OREGON)
) ss.
County of Jackson)

On this 24th day of FEB, 1994 before me Gregg A. McCleery Notary Public in and for the said County and State, residing therein, duly commissioned and sworn, personally appeared Kenneth W. Bagley, known to me to be the person whose name is subscribed to the within instrument, as a witness thereto, who being by me duly sworn, deposes and says: THAT HE RESIDES AT 3435 Shasta Way #5, Klamath Falls, Oregon, and that he was present and saw Garret Dean Hilyard AND Betty Jean Hilyard personally known to him to be the same person/s whose name/s is/are subscribed to the foregoing instrument, execute and deliver the same, and acknowledge to said affiant that he/she/they executed the same and that said affiant subscribed his name thereto as a WITNESS.

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



Gregg A. McCleery
GREGG A. MCCLEERY
NOTARY PUBLIC FOR OREGON
My Commission Expires: August 1, 1997

71112

24418

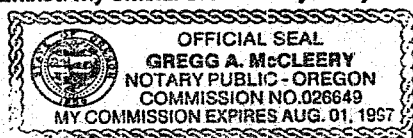
STATE OF OREGON)

) ss.

County of Jackson)

On this 7th day of March, 1994 before me appeared W. G. Thomas, to me personally known, who being duly sworn, did say that he, the said W. G. Thomas is the Land Manager of Pacific Gas Transmission Company, the within named Corporation, and that the said instrument was signed in behalf of said Corporation by authority of its Board of Directors, and W. G. Thomas acknowledges 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.



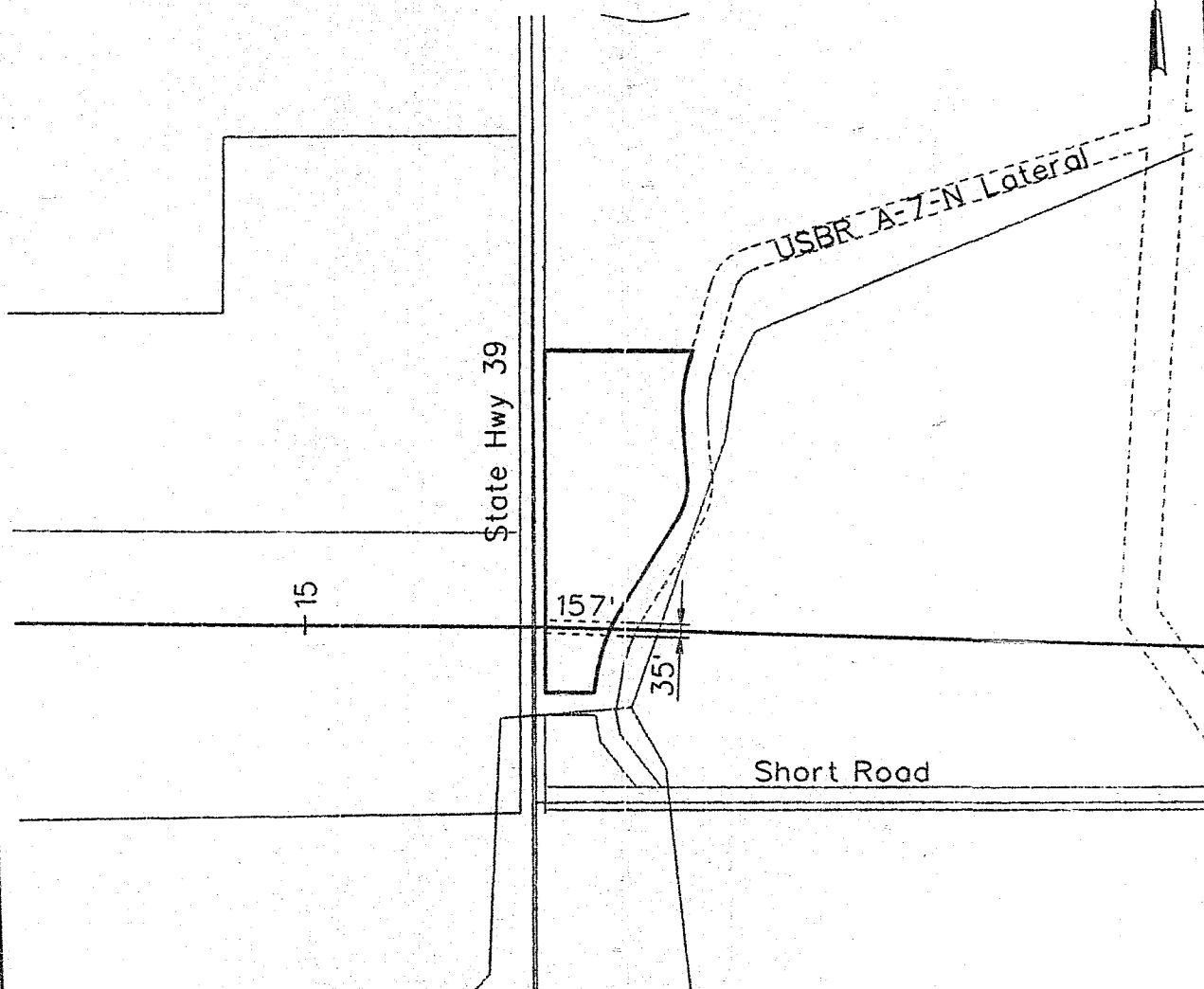
Gregg A. McCleery
GREGG A. MCCLEERY
NOTARY PUBLIC FOR OREGON
My Commission Expires: August 1, 1997

RECEIVED
JAN 10 1995
VIRGIL W. ALBERT
NOTARY PUBLIC - OREGON
COMMISSION NO. 026649
MY COMMISSION EXPIRES AUG. 01, 1997

KLAMATH COUNTY, OREGON

SEC.19, T-39-S, R-10-E

24419



2600

Garrett D. Hilyard c/o Garret D. & Betty J. Hilyard
APN: 3910019B0-00600

NO.	DATE	DESCRIPTION	W.O.	DR.	CH.	APPROVALS																				
RECORD OF APPROVALS AND CHANGES																										
<table border="1"> <tr> <td>W.O.</td> <td></td> </tr> <tr> <td>SUPV</td> <td></td> </tr> <tr> <td>DSGN</td> <td>R.WILKE</td> </tr> <tr> <td>DWN</td> <td>L.McCALL</td> </tr> <tr> <td>CHKD</td> <td></td> </tr> <tr> <td>SCALE</td> <td>1"= 400'±</td> </tr> </table>			W.O.		SUPV		DSGN	R.WILKE	DWN	L.McCALL	CHKD		SCALE	1"= 400'±	PIPELINE RIGHT-OF-WAY PACIFIC GAS TRANSMISSION COMPANY PORTLAND, OREGON		<table border="1"> <tr> <td colspan="2">SUPERSEDES</td> </tr> <tr> <td>SHEET</td> <td>OF</td> </tr> <tr> <td>DRAWING NUMBER</td> <td>CHANGE</td> </tr> <tr> <td colspan="2">M-2600</td> </tr> </table>		SUPERSEDES		SHEET	OF	DRAWING NUMBER	CHANGE	M-2600	
W.O.																										
SUPV																										
DSGN	R.WILKE																									
DWN	L.McCALL																									
CHKD																										
SCALE	1"= 400'±																									
SUPERSEDES																										
SHEET	OF																									
DRAWING NUMBER	CHANGE																									
M-2600																										

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of PGT the 9th day
of Aug A.D., 19 94 at 10:30 o'clock A.M., and duly recorded in Vol. M94,
of Deeds on Page 24416.
By Evelyn Biehn County Clerk
By Pauline M. Mendenhall

FEE \$25.00

Please return to:

Charles Cherry
PGT
48 Hawthorne
Medford, OR 97504