

RIGHT OF WAY AGREEMENT

Aqua Glass West, Inc. a Delaware Corporation, which acquired title as Aqua Glass Western, Inc., hereinafter called first party, in consideration of value paid by PACIFIC GAS TRANSMISSION COMPANY, a California corporation, hereinafter called second party, the adequacy and receipt whereof are hereby acknowledged, hereby grants to second party the non-exclusive 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, fittings, and devices for controlling electrolysis in connection with said pipelines, and such underground wires, cables, conduits, fiber optic line, 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, a maximum of thirty-five (35) 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:

Those strips shown on the attached Map 2350 and located within the parcel(s) of land described on Exhibit "A" attached and made part hereof.

Second party shall 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; provided, however, that said right of way strip shall not extend south of the existing fence line at or near the northerly boundary of first party's land described herein. 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 shall 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, utility lines and facilities, 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 and hold first party harmless from 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;
- (d) second party shall provide a minimum of six feet (6') of earth cover over the pipeline(s) laid through first party's property shown on attached map M2350;
- (e) to assure adequate protection for existing and future utility facilities within the strip, second party shall be subject to the prior approval of the City of Klamath Falls Public Works Department with respect to the vertical and horizontal placement of the pipeline(s) within the strip.

The grant herein is subject to all matters of record. First party reserves the right to use said strip for purposes which will not interfere with second party's full enjoyment of the right 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 pipeline(s) or any other facilities. This provision shall not restrict paving of the strip for parking or access purposes. First party shall be subject to the prior approval of second party with respect to paving the said strip.

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 9th day of August 1994.

Executed in the presence of:

Chris T. [Signature]
Witness

[Signature]
Witness

AQUA GLASS WEST, INC.

By: [Signature]

ATTEST:

29756

PACIFIC GAS TRANSMISSION COMPANY

By: Wil Thomas
Wil Thomas, Land Manager

By: _____

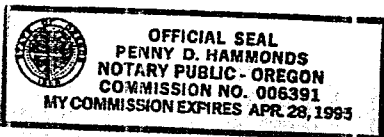
STATE OF OREGON

}
} ss

County of Klamath

On this 9 day of August, 1994, before me appeared STEVE SIMON, to me personally known, who being duly sworn, did say that he, the said signer, is the Vice President of AQUA GLASS WEST, INC., the within named Corporation, and that the said instrument was signed on behalf of said Corporation by authority of its Board of Directors, and STEVE SIMON acknowledged 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.



Penny D. Hammonds
Notary Public for Oregon
My commission expires: 4-28-95

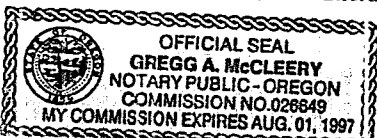
STATE OF OREGON

} ss.

County of Jackson

On this 2nd day of September, 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

EXHIBIT "A"

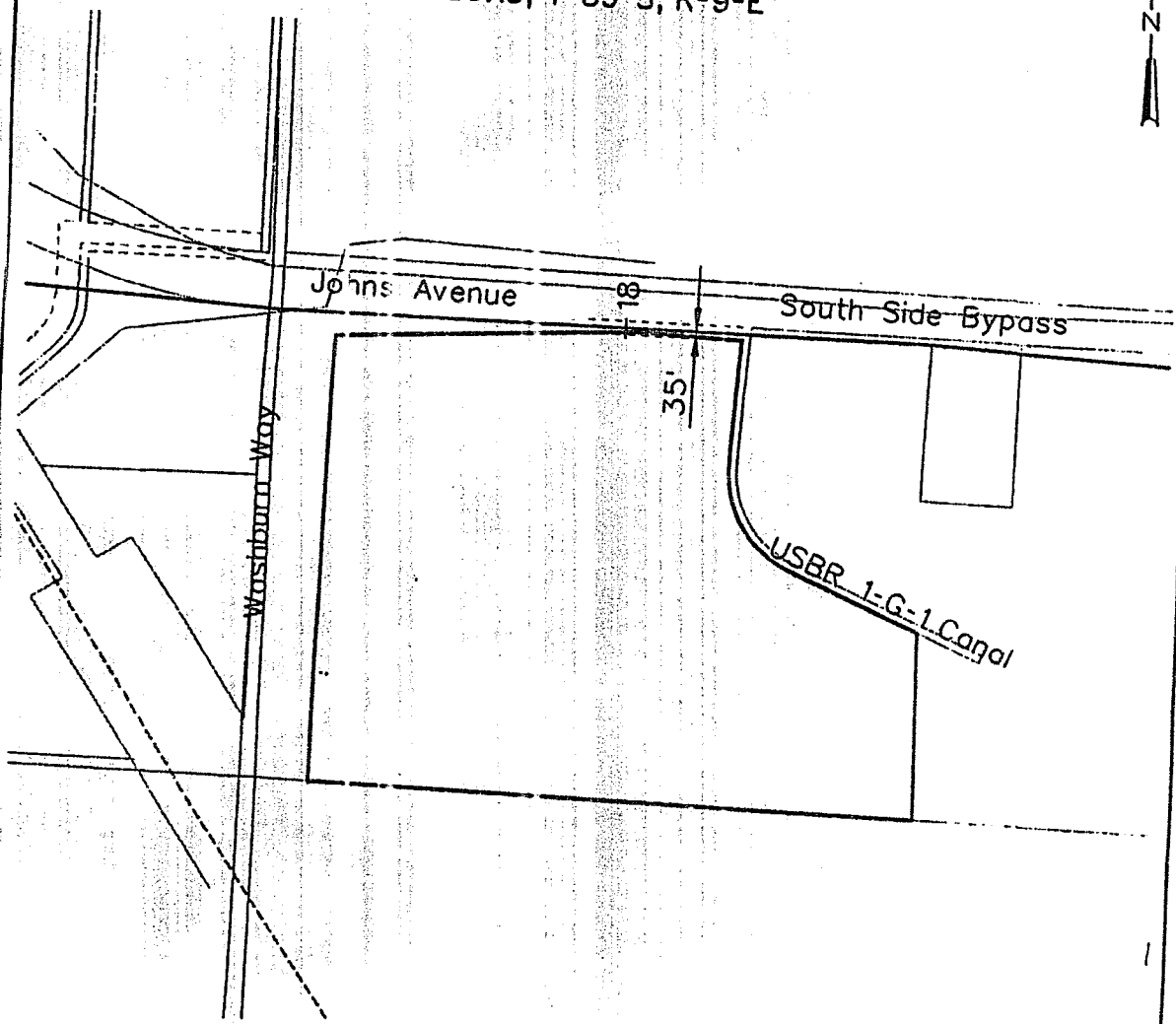
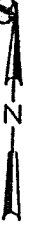
A tract of land situated in the Southwest Quarter of Section 15, and the Northwest Quarter of Section 22, Township 39 South, Range 9 East, Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

Commencing at the Northwest corner of property described in Volume M77, pages 11674 and 11675, Microfilm Records of Klamath County, Oregon, thence Southerly, along the West line of said property and its prolongation, 1475 feet to the true point of beginning; thence Westerly, along a straight line that is perpendicular to the Southerly prolongation of said West line, to the Northeast line of the Southern Pacific Railroad right-of-way; thence Northwesterly, along said Northeast line, to its intersection with a straight line between two points, which first point is at right angles to and Easterly 100 feet from the existing right-of-way centerline of Washburn Way at O.S.H.D. preliminary Engineers Station 115+00 more or less, and the second point being at right angles to and Easterly 150 feet from said existing right-of-way centerline at O.S.H.D. preliminary Engineers Station 101+50 more or less, said straight line being proposed East right-of-way line of Washburn Way; thence Northerly, along said proposed East right-of-way line, to said second point; thence Northerly, along the prolongation of said proposed East right-of-way line, to its intersection with the Westerly prolongation of a straight line between two points, which first point is at right angles to and Southerly 140 feet from the existing right-of-way centerline of the SouthSide ByPass at O.S.H.D. Engineers Station 237+89.38 and the second point being at right angles to and Southerly 110 feet from said existing right-of-way centerline at O.S.H.D. Engineers Station 245+00, said straight line being the proposed South right-of-way line of the SouthSide ByPass; thence Easterly, along said Westerly prolongation, to said first point; thence continuing Easterly, along said proposed South right-of-way line, to said second point; thence Easterly, on a straight line to a point that is Westerly 1 foot from the intersection of said straight line and the West right-of-way line of the U.S.B.R. 1-G-1 Drain Canal (formerly known as the R-D-2 Drain) as described in Volume 26, page 321 of the Klamath County Deed Records, the end point of said straight line being at right angles to and Southerly 90 feet from the existing centerline of the SouthSide ByPass at O.S.H.D. Engineers Station 255+00, said straight line being the proposed South right-of-way line of the SouthSide ByPass; thence Southeasterly, along a line that is parallel and concentric with and 1 foot Southwesterly of the Southwest right-of-way line of said 1-G-1 Drain, to the Southerly prolongation of the West line of property described in Volume M77, pages 11674 and 11675 of the Klamath County Microfilm Records; thence Southerly, along said Southerly prolongation to the true point of beginning.

KLAMATH COUNTY, OREGON

SEC. 15, T-39-S, R-9-E

29758



(2350) Aqua Glass Western Inc.
APN: 390901500-00701

NO	DATE	DESCRIPTION	W.O.	DR.	CH.	APPROVALS
RECORD OF APPROVALS AND CHANGES						

W.O.	PIPELINE RIGHT-OF-WAY PACIFIC GAS TRANSMISSION COMPANY PORTLAND, OREGON	SUPERSEDES	
SUPV		SHEET	OF SHEETS
DSGN R. WILKE		DRAWING NUMBER	CHANGE
DWN L. McCALL		M-2350	
CHKD			
SCALE 1" = 400'			

STATE OF OREGON: COUNTY OF KLAMATH ss.

Filed for record at request of PGT the 21st day
 of Sept A.D., 19 94 at 11:29 o'clock A.M., and duly recorded in Vol. M94
 of 11 leaves on Page 29754

FEE \$30.00

Evelyn Biehn

County Clerk

By Pauline Mullendore