

Return:

Hidders Kerns.
9350
Highway 66
K. Falls, Aug.
97601

LEASE AGREEMENT

Aug 23, 19
93

IT IS HEREBY AGREED THAT MARTIN KERNS AND LOST RIVER LAND & CATTLE FARM HAVE ENTERED INTO A LEASE AGREEMENT FOR THE 1994 FARMING SEASON.

THE TERMS ARE AS FOLLOWS:

DEPOSIT OF \$2500.00 PAID AUG 23, 1993 AND \$5000 PAID APRIL 15TH AND THE BALANCE OF \$5000 DOLLARS PAID NOVEMBER 15TH 1994, TOTALING \$12,500.00 FOR THE YEAR. THE FARM PORTION OF APPROXIMATELY 50± ACRES WILL BE PLANTED TO ALFALFA AND ALL SEED, WORK, MATERIAL PAID FOR BY LESSEE MARTIN KERNS. THE FOLLOWING YEAR 1995 THE TOTAL PAYMENT OF LEASE IS TO BE \$14500.00 TWO PAYMENTS, (APRIL & NOVEMBER)

LOST RIVER LAND & CATTLE FARM AGREE TO LEASE TO MARTIN KERNS THE FOLLOWING YEAR 1994 UNLESS MARTIN KERNS NOTIFIES LOST RIVER LAND & CATTLE OF ABANDONING LEASE AT WHICH TIME HE IS RELEASED FROM ALL OBLIGATION OF SAID LEASE.

LOST RIVER LAND & CATTLE SHALL PAY UTILITY COSTS, PROPERTY TAXES, AND FIXER BUILT PIPE OR PUMP & MOTOR REPAIR.

Lost River Land & Cattle

Lost River Land & Cattle
Farm, Kerns.

Martin Kerns

Aug 19, 1994

31293

LEASE AMMENDMENT

It is agreed THAT MARTIN KERNS & Lost River ARE CHANGING THE TERMS OF LEASE ON AGRICULTURAL 304 ACRES TO THE FOLLOWING TERMS & CONDITIONS. THE 1995 LEASE PAYMENT IS TO BE 12,500.⁰⁰ WITH CREDIT OF 3000.⁰⁰ PAID BY A CHECK OF 8000.⁰⁰ THAT PAID OFF 94 + 3000 CREDIT TOWARD 1995. Balance 1995 is 9500.⁰⁰ LESS MONIES ADVANCED IN REPAIRS & HAY FED TO Lost River Cattle. & GARY HART. All hunting LEASE PAYMENTS FOR 1994 & 1995 ARE TO BE COLLECTED AND KEPT BY KERNS

Lost River Land &
Cattle Inc.
Gary Hart & E. Martin Kerns
E. Martin Kerns

STATE OF OREGON,

County of Klamath

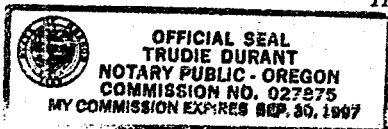
ss.

FORM No. 23—ACKNOWLEDGMENT.
Stevens-New Law Publishing Co., Inc.
Portland, OR 97204 © 1992

BE IT REMEMBERED, That on this 5th day of October, 1994, before me, the undersigned, a Notary Public in and for the State of Oregon, personally appeared the within named E. Martin Kerns

known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that he executed the same freely and voluntarily.

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



Trudie Durant
Notary Public for Oregon
My commission expires

strip of 40.28

conveyed to the State of Oregon, by and through its
Highway Division by Deed recorded May 17, 1989 in Volume M89,
Records of Klamath County, Oregon.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____ A.D., 19 93 at 3:48 o'clock on Page 2280 the 29th day
of January of Deeds Evelyn Biehn County Clerk
By [Signature]

FEE 35.00

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____ A.D., 19 94 at 9:41 o'clock on Page 31292 the 6th day
of Oct of Deeds Evelyn Biehn County Clerk
By [Signature]

FEE \$40.00

EXHIBIT "A"
LEGAL DESCRIPTION

In Township 39 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon.

Section 27: That portion of the W1/2 of E1/2 (which includes Government Lots 3 and 5) lying South of that portion conveyed to Weyerhaeuser Timber Co. by Deed recorded May 5, 1928, Deed Volume 80, page 275, Deed Records of Klamath County, Oregon, and Government Lot 4.

Section 34: Government Lots 1, 2, 3, 4, 5, 6, 7, 8 and 12

Section 35: Government Lot 1

Section 27: Beginning at a point on the center section line of Section 27, Township 39 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon, which point is common with the center section line and the Southeasterly right of way boundary of the Klamath Falls-Ashland Highway (Oregon 66) and bears South a distance of 494.0 feet, more or less, from the quarter section corner common to Section 22 and 27, Township, Range and Meridian aforesaid; thence continuing South along same center section line a distance of 2661.0 feet, more or less to the Northerly right of way boundary of the Weyerhaeuser Timber Company road (Volume 80, page 275, Deed Records of Klamath County, Oregon); thence North 55 degrees 21' East along same, a distance of 36.47 feet; thence North, parallel with the aforesaid center section line a distance of 2667.2 feet, more or less, to the Southeasterly right of way boundary of aforesaid Klamath Falls-Ashland Highway; thence South 48 degrees 08' West along same, a distance of 40.28 feet more or less, to the point of beginning, being a 30 foot strip of land for private road purposes.

EXCEPTING THEREFROM that portion conveyed to the State of Oregon, by and through its Department of Transportation, Highway Division by Deed recorded May 17, 1989 in Volume M89, page 8560, Microfilm Records of Klamath County, Oregon.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____ the 29th day
of January _____ A.D., 19 93 at 3:48 o'clock P. M., and duly recorded in Vol. M93
of _____ Deeds _____ on Page 2200
Evelyn Biehn County Clerk
By Pauline Mullendore

FEE 35.00

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of E. Martin Kerns the 6th day
of Oct _____ A.D., 19 94 at 9:41 o'clock A.M., and duly recorded in Vol. M94
of _____ Deeds _____ on Page 31292
Evelyn Biehn County Clerk
By Pauline Mullendore

FEE \$40.00