

K-47280
ASSIGNMENT OF WATER RIGHTS, EASEMENT AND
FIRST RIGHT OF REFUSAL AGREEMENT

THIS AGREEMENT is entered into this 17 day of November, 1994, by and between Raymond J. Driscoll, Inc. ("RJD"), and Don Davis ("Buyer").

A. RJD is the owner of that real property situated in Klamath County, Oregon, being more particularly described on Exhibit "A" attached hereto and by this reference made a part hereof ("Driscoll Property").

B. Buyer is the owner of adjoining real property, also situated in Klamath County, Oregon, being more particularly described on Exhibit "B" attached hereto and by this reference made a part hereof ("Davis Property").

C. Immediately prior to the transaction which this Agreement is a part of, Driscoll Property and Davis Property were a combined single parcel with certain appurtenant water rights. Driscoll Property and Davis Property have been or soon will be partitioned from one another.

D. RJD wishes to assign certain water rights to Buyer, as well as the rights to use a water transmission system currently existing on Driscoll Property, which carries water to Davis Property.

AGREEMENT

1. RJD hereby assigns the right to withdraw seventy eight million gallons (78,000,000) of water per year from underground the combined Driscoll and Davis Properties to Buyer, which right shall hereafter be appurtenant only to Davis Property.

2. RJD hereby leases to Buyer, for a term of ninety nine (99) years, beginning on the date of execution of this agreement the water transmission system currently carrying water from underground Driscoll Property to Davis Property. Buyer shall pay to RJD one cent (1¢) per gallon as consideration for the use of the water transmission system. Payments shall be made quarterly, beginning the third month after the date of execution of this agreement.

3. RJD further grants and conveys to Buyer a perpetual and exclusive easement for water pipeline purposes over and across Driscoll Property to Davis Property. Such easement shall run generally along the course of the water transmission system now in existence, and shall include the right to go onto Driscoll Property to maintain, repair and/or replace the current water transmission system. The easement shall be appurtenant to Davis Property.

4. Buyer agrees that he shall install a metering system in the water transmission line which will keep track of the amount of water being carried through such system.

5. RJD grants to Buyer a right of first refusal to purchase Driscoll Property for Two Hundred Seventy Five Thousand and 00/100 Dollars (\$275,000.00), plus the cost of any additions made to the house on said property, such right to extend until December 1, 1996.

6. This agreement shall be binding upon the parties hereto, their respective heirs, personal representatives, successors and assigns, and shall run with the land.

IN WITNESS WHEREOF the parties have executed this agreement the date first hereinabove written.

RAYMOND J. DRISCOLL, INC.

By: Raymond J. Driscoll Sr.
Raymond J. Driscoll, Sr.

Don Davis
Don Davis

STATE OF OREGON)
) ss.
County of Jackson)

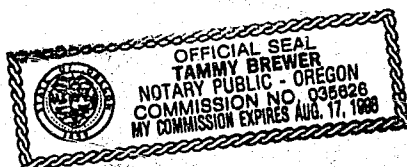
On this 17 day of November, 1994, personally appeared Raymond J. Driscoll, Sr., who did say that he is the President of Raymond J. Driscoll, Inc., an Oregon corporation, and that said instrument was signed on behalf of said corporation by authority of its board of directors; and he acknowledged said instrument to be its voluntary act and deed.



Tammy Brewer
Notary Public for Oregon
My Commission expires: 8-17-98

STATE OF OREGON)
) ss.
County of Jackson)

On this 17 day of November, 1994, personally appeared Don Davis and acknowledged the foregoing instrument to be his voluntary act and deed.



Tammy Brewer
Notary Public for Oregon
My Commission expires: 8-17-98

(A:\WATER.AGR)

Exhibit A

Parcel 2, Partition No. 57-94, Klamath County, Oregon

Exhibit B

Parcel 1, Partition No. 57-94, Klamath County, Oregon
filed January 9, 1995 in records of the Klamath County Clerk, Klamath
County, Oregon, located in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 18, Township 34
South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title Co the 2nd day
of Feb A.D., 19 95 at 10:56 o'clock A M., and duly recorded in Vol. M95
of Deeds on Page 2406
Bernetha G. Letsch County Clerk
By Candace Mullen

FEE \$40.00

Return: Klamath County Title Co