

This financing Statement is presented for filing and will remain effective, with certain exceptions, for five years from the date of filing, pursuant to Section 9403 of the California Uniform Commercial Code.

1. DEBTOR G & G FARMS, A GENERAL PARTNERSHIP		1A. SOCIAL SECURITY OR FEDERAL TAX NO. 93-1037904	
1B. MAILING ADDRESS 8909 SQUAW FLAT ROAD		1C. CITY, STATE BONANZA, OR	1D. ZIP CODE 97623
2. ADDITIONAL DEBTOR		2A. SOCIAL SECURITY OR FEDERAL TAX NO.	
3B. MAILING ADDRESS		2C. CITY, STATE	2D. ZIP CODE
DEBTOR'S TRADE NAMES OR STYLES		3A. FEDERAL TAX NUMBER	
4. SECURED PARTY TRI COUNTIES BANK REDDING HILLTOP BRANCH 1250 HILLTOP DRIVE P.O. BOX 494549 REDDING, CA 96049-4549		4A. FEDERAL TAX NO. 94-2261923	
5. ASSIGNEE OF SECURED PARTY		5A. FEDERAL TAX NO.	

a. This FINANCING STATEMENT covers the following type of property:

All Inventory, Equipment, Crops, Farm Products and Livestock (including all increase and supplies); together with the following specifically described property: Contract Rights; whether any of the foregoing is owned now or acquired later; whether any of the foregoing is now existing or hereafter born, raised or grown; all accessions, additions, replacements, and substitutions relating to any of the foregoing (including all entitlements, rights to payment, and payments, in whatever form received, including but not limited to, payments under any governmental agricultural diversion programs, governmental agricultural assistance programs, the Farm Services Agency Wheat Feed Grain Program, and any other such program of the United States Department of Agriculture, or any other general intangibles or programs); all records of any kind relating to any of the foregoing; all proceeds relating to any of the foregoing (including insurance, general intangibles and accounts proceeds).

This Financing Statement is to be recorded in the real estate records. Some or all of the collateral is located on the following described real estate: See Exhibit "A" attached hereto and made a part hereof

7A. <input checked="" type="checkbox"/> PRODUCTS OF COLLATERAL ARE ALSO COVERED	7B. DEBTOR(S) SIGNATURE NOT REQUIRED IN ACCORDANCE WITH INSTRUCTION 5(a) ITEM: <input type="checkbox"/> (1) <input type="checkbox"/> (2) <input type="checkbox"/> (3) <input type="checkbox"/> (4)	
8. <input type="checkbox"/> DEBTOR IS A "TRANSMITTING UTILITY" IN ACCORDANCE WITH UCC SECTION 9105 (1) (v)		
9. <i>Ken Gorden</i> SIGNATURE(S) OF DEBTOR(S) KEN GORDEN		10. THIS SPACE FOR USE OF FILING OFFICER (DATE, TIME, FILE NUMBER AND FILING OFFICER) C O D E 1 2 3 4 5 6 7 8 9 0
<i>Jeff V. P.</i> SIGNATURE(S) OF SECURED PARTY(IES) TRI COUNTIES BANK		
11. Return copy to:		
TRI COUNTIES BANK LOAN CENTER P.O. BOX 2178 CHICO, CA 95927		

EXHIBIT A

E1/2 of Section 35, Township 38 South, Range 11 1/2 East of the Willamette Meridian, lying South of the Bonanza-Dairy Highway and EXCEPTING THEREFROM that portion conveyed to Richard H. Hovey by deed recorded in Volume 91 at page 539 Deed records of Klamath County, Oregon.

The N1/2 SW1/4 SW1/4, NW1/4 SW1/4, and the SW1/4 NW1/4, lying South of the Dairy-Bonanza Highway and South of the existing Horsefly Irrigation Ditch, AND EXCEPTING FROM THE ENTIRE PARCEL a strip of land 20 feet in width of roadway off the East side, all in Section 36, Township 38 South, Range 11 1/2 East of the Willamette Meridian.

SUBJECT TO reservations and restrictions of record, easements and rights of way of record and those apparent on the land.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of G & G Farms the 18th day
of March A.D., 1996 at 10:20 o'clock A M., and duly recorded in Vol. M96
of Mortgages on Page 7138

FEE \$10.00

By Bernetha G. Letsch, County Clerk