

COMMUNICATIONS LINE RIGHT-OF-WAY EASEMENT

ERNST BROTHERS L.L.C., hereinafter referred to as "Grantor", hereby grants to TELEPHONE UTILITIES OF EASTERN OREGON, INC., dba PTI Communications, its successors and assigns, hereinafter referred to as "PTI", a non-exclusive easement and right to bury and maintain underground telephone and communications facilities, together with all necessary wires and fixtures incidental thereto, under and upon that real property situated in Klamath County, Oregon and more particularly described as follows:

A strip of land ten (10) feet in width, the centerline of said strip being contiguous to the centerline of buried communications cables, as they exist on August 8, 1996, located in Parcel 1 of Minor Partition Plat No. 52-91, according to the official plat thereof on file in the records of Klamath County, Oregon.

It is agreed that the PTI, its successors and assigns, shall have access to said premises for the purposes stated and shall be responsible for any damages to the above described lands of Grantor arising directly from PTI's exercise of the rights granted herein, including, but not limited to, payment to Grantor of the merchantable value of any trees removed hereunder. Said lands of grantor shall be restored by PTI as nearly as reasonably possible to prior condition in a workmanlike manner.

PTI shall indemnify and hold harmless Lessor from and against any and all claims arising solely from PTI's business relative to this grant of easement or from any activity, work or things done or permitted by PTI in or about the premises or elsewhere, provided that said activity, work or things done or permitted arise directly from PTI's exercise of the rights granted under this grant of easement. PTI shall further indemnify and hold harmless Lessor from and against any and all claims arising solely from any breach or default in the performance of any obligation on PTI's part to be performed under the terms of this grant of easement, or arising from any negligence of PTI or any of PTI's agents, contractors or employees, and from and against all costs, attorney's fees, expenses and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon; and in case any such action or proceeding be brought against Grantor by reason of any such claim, PTI, upon notice from Lessor, shall defend the same at PTI's expense.

In the event of abandonment or nonuse of the easement granted to PTI hereunder for a continuous period of two (2) years, all rights granted to PTI herein shall automatically terminate and revert to Grantor, its successors or assigns.

This easement is granted subject to leases and easements of record and those apparent on the ground.

Dated: August 9, 1996

Ernst Brothers L.L.C.,

by: Wayne J. Ernst

Title: Member

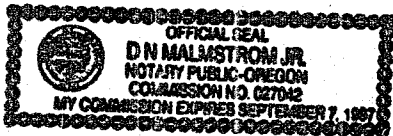
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Federn Tax Assessed Land Services, Inc.
P.O. Box 17035, Salem, OR 97305

STATE OF OREGON)
COUNTY OF KLAMATH) ss.

BE IT REMEMBERED, That on this 9th day of August, 1996, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Wayne B. Ernst, the person who signed as Member of ERNST BROTHERS L.L.C., the limited liability company that executed the within instrument and acknowledged to me that such company executed the same.

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



D.N. Malmstrom Jr.
Notary Public in and for the State of OREGON
My Commission expires: 9-7-97

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Telephone Utilities the 15th day of August A.D., 19 96 at 9:37 o'clock AM., and duly recorded in Vol. M96 of Deeds on Page 25105.

FEE \$15.00

Bernetha G Letsch, County Clerk
By [Signature]