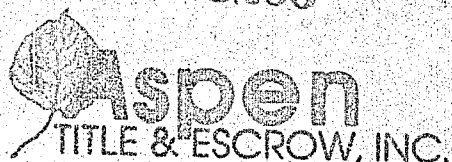


'97 MAR 31 P3:48



WARRANTY DEED

ASPEN ESCROW NO. 01046005

AFTER RECORDING RETURN TO:
MR. AND MRS. PETER O'NEILP.O. Box 124
Midland, OR 97634UNTIL A CHANGE IS REQUESTED ALL TAX
STATEMENTS TO THE FOLLOWING ADDRESS:
SAME AS ABOVECIRCLE DE LUMBER COMPANY, an Oregon Corporation, hereinafter
called GRANTOR(S), convey(s) to PETER R. O'NEIL and ESTHER Y.
O'NEIL, husband and wife hereinafter called GRANTEE(S), all
that real property situated in the County of Klamath, State of
Oregon, described as:SEE LEGAL DESCRIPTION MARKED EXHIBIT "A" ATTACHED HERETO AND BY
THIS REFERENCE MADE A PART HEREOF AS THOUGH FULLY SET FORTH
HEREIN

P.O.D.
E.Y.O.

"THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN
THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND
REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE
PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE
APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY
APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST
FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.390."

and covenant(s) that grantor is the owner of the above described
property free of all encumbrances except covenants, conditions,
restrictions, reservations, rights, rights of way and easements
of record, if any, and apparent upon the land, contracts and/or
liens for irrigation and/or drainage,and will warrant and defend the same against all persons who may
lawfully claim the same, except as shown above.The true and actual consideration for this transfer is
\$273,019.00.In construing this deed and where the context so requires, the
singular includes the plural.IN WITNESS WHEREOF, the grantor has executed this instrument
this 31st day of March, 1997.

CIRCLE DE LUMBER COMPANY

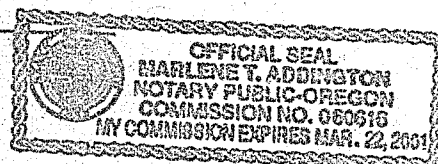
BY: Daniel G. Brown
TITLE: PresSTATE OF OREGON)
) ss.
County of Klamath)The foregoing instrument was acknowledged before me this 31st
day of March, 1997, by Daniel G. Brown of CIRCLE DE
LUMBER COMPANY, an Authorized Officer of the Oregon Corporation,
on behalf of the Corporation.Before me: Harlene T. Addington
Notary Public for Oregon
My commission expires: March 22, 2001

EXHIBIT "A"

PARCEL 1:

That certain parcel of land situated in the NW 1/4 of Section 16, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, described as follows:

Beginning at the point of intersection of a line concentric with and distant 50 feet Southwesterly, measured radially from the original located "D" center line of Southern Pacific Transportation Company's main track (Klamath Falls to Flanigan) with the Easterly line of the United States Reclamation Service Drain Ditch, 1-6-2; thence Southwesterly and Southeasterly along said Easterly line on the courses and curvature thereof as follows: South 23 degrees 09' West 580 feet to a point Southwesterly on a curve to the right, having a radius of 366.84 feet, and a central angle of 17 degrees 55' (tangent to said curve at last mentioned point is last described course), an arc distance of 114.71 feet to a point, South 41 degrees 04' West tangent to said curve at last mentioned point 377 feet, and South 40 degrees 35' 15" East 125 feet to the Northerly line of that certain 60 foot wide, unoccupied County Road (of Record), as said road existed prior to the year of 1929; thence leaving said Easterly line South 89 degrees 43' 15" East along said Northerly line 1305 feet to a line parallel and concentric with and distant 50 feet Southwesterly, measured radially and at right angles, from said center line; thence Northwesterly along said parallel and concentric line 1321 feet to the point of beginning.

Continued on next page

EXHIBIT "A" CONTINUED

PARCEL 2:

That certain parcel of land situated in the NW 1/4 of Section 16, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, described as follows:

Commencing at the point of intersection of a line concentric with and distant 50 feet Southwesterly, measured radially, from the original located "D" center line of Southern Pacific Transportation Company's main track (Klamath Falls to Flanigan) with the Easterly line of the United States Reclamation Service Drain Ditch, 1-G-2; thence Southwesterly and Southeasterly along said Easterly line on the courses and curvature thereof as follows: South 23 degrees 09' West 580 feet to a point, Southwesterly on a curve to the right, having a radius of 366.84 feet, and a central angle of 17 degrees 55' (tangent to said curve at last mentioned point is last described course), an arc distance of 114.71 feet to a point, South 41 degrees 04' West tangent to said curve at last mentioned point 377 feet and South 40 degrees 35' 15" East 205 feet to the Southerly line of that certain 60 foot wide, unoccupied County Road (of Record), as said road existed prior to the year of 1929, and the true point of beginning of the parcel to be described; thence leaving said Easterly line South 89 degrees 43' 15" East along said Southerly line 1305 feet to a line parallel with and distant 50 feet Southwesterly, measured at right angles, from said center line; thence South 40 degrees 35' 15" East along said parallel line 264.47 feet to a line parallel with and distant 200 feet Southerly, measured at right angles, from the Easterly prolongation of said Southerly line; thence North 89 degrees 43' 15" West along last said parallel line and the Westerly prolongation thereof 1305 feet to said Easterly line herein above described as having a bearing of South 40 degrees 35' 15" East; thence North 40 degrees 35' 15" West along said Easterly line, 264.47 feet to the true point of beginning.

PARCEL 3:

A parcel of land situated in the NW 1/4 of Section 16, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, and being a portion of a 60 foot wide strip of land described in Book 79 at Page 145, Deed Records of Klamath County, Oregon. Said parcel being more particularly described as follows:

All of the portion of said 60 foot strip lying between the Easterly line of the United States Reclamation Service Drain, as described in said Deed, and the Westerly right of way of the Southern Pacific Railroad, Bieber Line.

CODE 172 MAP 3909-1680 TL 2000
CODE 172 MAP 3909-1680 TL 2000-A1
CODE 172 MAP 3909-1680 TL 2000-A2

STATE OF OREGON : COUNTY OF KLAMATH: ss.

Filed for record at request of Aspen Title & Escrow the 31st day
of March A.D., 19 97 at 3:48 o'clock PM. and duly recorded in Vol. M97
of Deeds on Page 9384.

FEE \$40.00

Bernetha G. Leisch, County Clerk
by Kathleen Rose