

DAVID MCCARLEY and DIANE MCCARLEY, as tenants by the entirety.

Grantor(s) hereby grant, bargain, sell and convey to:

DARREL BAGLEY,

Grantee(s) and grantee's heirs, successors and assigns the following described real property, free of encumbrances except as specifically set forth herein in the County of Klamath and State of Oregon, to wit:

SEE EXHIBIT A WHICH IS MADE A PART HEREOF BY THIS REFERENCE

SUBJECT TO: all those items of record and those apparent upon the land, if any, as of the date of this deed and those shown below, if any:

and the grantor will warrant and forever defend the said premises and every part and parcel thereof against the lawful claims and demands of all persons whomsoever, except those claiming under the above described encumbrances.

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 30.930.

The true and actual consideration for this conveyance is pursuant to an IRC 1031 exchange on behalf of Grantor and/or Grantee.

Until a change is requested, all tax statements shall be sent to Grantee at the following address: 14575 E. LANGELL VALLEY RD., BONANZA, OR 97623

Dated this 11 day of July, 1997.

David McCarley
DAVID MCCARLEY

Diane McCarley
DIANE MCCARLEY

STATE OF OREGON

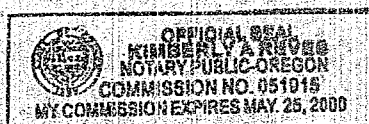
SS. July 11 19 97

COUNTY OF KLAMATH

Personally appeared the above named DAVID MCCARLEY AND DIANE

MCCARLEY

and acknowledged the foregoing instrument to be their voluntary act.



(seal)

Before me:

Kimberly A. Reed
Notary Public for Oregon
My commission expires 5/25/2000

ESCROW NO. MT41922-KA

Return to:

DARREL BAGLEY

14575 E. LANGELL VALLEY RD.

KLAMATH FALLS, OR 97623

EXHIBIT "A" **LEGAL DESCRIPTION**

A piece or parcel of land situate in the Southwest quarter of Section 28, the South half of the Southeast quarter of Section 29, the Northeast quarter of Section 32, and the West half of the Northwest quarter of Section 33, all in Township 40 South, Range 14 East of the Willamette Meridian, in Klamath County, Oregon, and more particularly described as follows:

Beginning at the North quarter corner of the said Section 32 and running thence South 0 degrees 13' East, and along the line marking the Westerly boundary of the North half of the Northeast quarter of the said Section 32, 1303.5 feet, more or less, to the Southwesterly corner thereof; thence South 89 degrees 26' East along the line marking the Southerly boundary of the said North half of the Northeast quarter of the said Section 32, 1430.0 feet to a point in a line parallel with and approximately 25.0 feet Easterly from the center line of the irrigation ditch of the Willow Valley Irrigation District; thence South 10 degrees 34' West following the said parallel line, 180.6 feet; thence South 1 degrees 51' East 248.1 feet; thence South 15 degrees 57' West 94.6 feet; thence South 2 degrees 59 1/2' West 134.2 feet; thence South 6 degrees 02' West 266.5 feet; thence South 34 degrees 59 1/2' East 317.4 feet; thence South 11 degrees 26 1/2' West 137.1 feet, more or less, to a point in the line marking the Southerly boundary of the said Northeast quarter of the said Section 32; thence South 88 degrees 57 1/2' East along the said boundary line 1525.9 feet, more or less, to the East quarter corner of the said Section 32, which marks the southeasterly corner of the said Northeast quarter of the said Section 32; thence North 0 degrees 21' West along the section line marking the Easterly boundary of the said Section 32, 637.00 feet, to a point in the said line parallel with and approximately 25.0 feet Southerly and Easterly from the center line of the irrigation ditch of the Willow Valley Irrigation District; thence South 58 degrees 03 1/2' East along the said parallel line 264.4 feet; thence South 67 degrees 03' East 269.3 feet; thence North 71 degrees 43' East 118.0 feet; thence North 42 degrees 35 1/2' East 218.7 feet; thence North 17 degrees 54' East 201.8 feet; thence North 25 degrees 58 1/2' East 86.8 feet; thence North 50 degrees 43 1/2' East 246.1 feet; thence North 70 degrees 56 1/2' East 116.4 feet; thence North 27 degrees 33' East 129.7 feet; thence North 185.0 feet; thence North 10 degrees 19 1/2' East 343.8 feet; thence North 7 degrees 07 1/2' West 201.6 feet; thence North 3 degrees 17' East 122.2 feet; thence North 5 degrees 41' West 128.9 feet; thence North 17 degrees 21' East 201.2 feet; thence North 3 degrees 43' West 77.2 feet; thence North 16 degrees 23 1/2' West 88.6 feet; thence North 33 degrees 50' West 113.2 feet; thence North 6 degrees 52' East 200.4 feet; thence North 6 degrees 40' West 77.5 feet; thence North 8 degrees 40 1/2' East 238.7 feet; thence North 33 degrees 41 1/2' East 28.8 feet; thence North 64 degrees 57' East 101.6 feet; thence North 87 degrees 21' East 404.4 feet; thence North 12 degrees 12' West 317.2 feet; thence North 17 degrees 36 1/2' East 109.1 feet; thence North 34 degrees 30 1/2' East 174.7 feet; thence North 61 degrees 15' East 128.9 feet; thence North 33 degrees 58 1/2' East 110.9 feet; thence North 81 degrees 15' East 131.5 feet; thence North 88 degrees 20' East 241.1 feet to a point from which the South quarter corner of the said Section 28 bears South 11 degrees 18' East 1304.7 feet distant; thence North 18 degrees 26' West and leaving said parallel line, 94.9 feet; thence North 32 degrees 05 1/2' West 626.8 feet to a point in the relocated center line of the Woolen Canyon Drain; thence North 76 degrees 10 1/2' West along the said relocated center line of the said Woolen Canyon Drain 518.00 feet; thence along the arc of a 20 degree 00' curve to the left to a point which bears South 87 degrees 36 3/4' West 160.8 feet; thence South 71 degrees 24' West 859.5 feet; thence along the arc of a 20 degree 00' curve to the right to a point which bears North 84 degrees 30' West 235.2 feet; thence North 60 degrees 24' West 555.5 feet, to an intersection with the center line of the main drain of the Willow Valley Irrigation District from which the West quarter corner of the said Section 28 bears North 14 degrees 27 1/2' East 632.3 feet; thence South 5 degrees 04' West along the said center line of the Main Drain of the Willow Valley Irrigation District 249.0 feet; thence South 9 degrees 32 1/2' East 114.6 feet; thence South 3 degrees 05' West 167.2 feet; thence South 23 degrees 07' West 96.8 feet; thence South 35 degrees 08 1/2' West 239.4 feet; thence South 72 degrees 01' West, and leaving said drain, 1360.0 feet; thence South 79 degrees 19' West 483.0 feet; thence North 48 degrees 14 1/2' West 243.8 feet; thence South 89 degrees 37 1/2' West 335.5 feet; more or less, to a point in the line marking the Westerly boundary of the said South half of the Southeast quarter of the said Section 29; thence South 0 degrees 22' East, along the said boundary line 872.9 feet, more or less, to the said point of beginning.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____ the _____ day
of _____ July _____ A.D., 19 97 at 11:28 o'clock A. M., and duly recorded in Vol. M97
of _____ Deeds _____ on Page 21926

FEE \$35.00

By Bernetha G. Letsch, County Clerk
Kathleen Rose