

AFTER RECORDING, RETURN TO:

Mr. Mark A. Norby
Stoel Rives LLP
900 SW Fifth Avenue, Suite 2300
Portland, OR 97204-1268

WITH A COPY TO:

Bureau of Reclamation
6600 Washburn Way
Klamath Falls, OR 97601

ASSIGNMENT OF CONTRACT #18r-871

DATED: March 30, 1998

ASSIGNOR: U.S. Timberlands Klamath Falls L.L.C. and U.S. Timberlands Services Company L.L.C.

ASSIGNEE: Collins Products LLC

Reference is made to that certain Contract for Waters Pursuant to the Warren Act dated August 9, 1938 (#18r-871) (the "Contract"). The Contract is attached hereto as Exhibit A. Assignee owns the real property subject to the Contract.

For valuable consideration, the receipt of which is hereby acknowledged, Assignor hereby grants, conveys and assigns to Assignee, all of Assignor's interest under the Contract.

Assignee hereby agrees to assume, and be bound by, the conditions as set forth in the Contract.

IN WITNESS WHEREOF, the parties have executed this Assignment in duplicate as of the date and year first above written.

ASSIGNOR:

U.S. TIMBERLANDS SERVICES
COMPANY L.L.C.

By: [Signature]
Title: President

ASSIGNEE:

COLLINS PRODUCTS LLC

By: [Signature]
Title: Vice President

10575

U. S. TIMBERLANDS KLAMATH FALLS
L.L.C.

By: [Signature]
Title: President

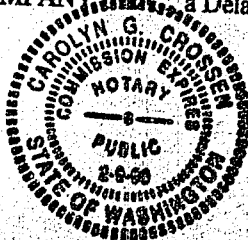
DM

STATE OF WASHINGTON

ss.

County of King

This instrument was acknowledged before me on MARCH 23, 1998, by
Allen E. Spangston, as PRESIDENT, of U. S. TIMBERLANDS
SERVICES COMPANY L.L.C., a Delaware limited liability company.



[Signature]
Notary Public for Washington

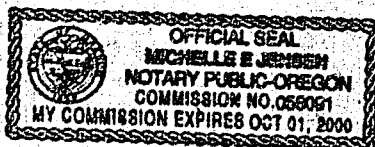
My commission expires: 2/9/99

STATE OF OREGON

ss.

County of Multnomah

This instrument was acknowledged before me on March 26, 1998, by
Jack Sivertson, as Vice President, of COLLINS
PRODUCTS LLC, an Oregon limited liability company



[Signature]
Notary Public for Oregon

My commission expires: October 1, 2000

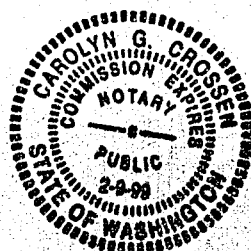
10576

STATE OF WASHINGTON

ss.

County of KING

This instrument was acknowledged before me on MARCH 23, 1998, by
ALLEN E. SYMINGTON, as PRESIDENT, of U.S.
TIMBERLANDS KLAMATH FALLS L.L.C., a Delaware limited liability company.



Carolyn G. Crossen
 Notary Public for Washington
 My commission expires: 2/2/99

For County use:

STATE OF OREGON; COUNTY OF KLAMATH; ss

File for record _____

this _____ day of _____, 1998, at _____ o'clock and

duly recorded in Vol. _____ of _____ on

page _____

Fee _____

By: _____

EXHIBIT A

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
KLAMATH PROJECT

18-871

*Serial 1*CONTRACT OF WILLIAM L. FRAIN AND EFFIE P. FRAIN, HUSBAND AND WIFE,
FOR WATER SUPPLY PURSUANT TO THE WARREN ACT

THIS AGREEMENT, Made this 9th day of August, 1938, in pursuance of the Act of Congress of June 17, 1902 (32 Stat., 308) and acts amendatory thereof or supplementary thereto, and in particular Section 2 of the Act of Congress approved February 21, 1911 (36 Stat., 925) known as the Warren Act, by and between the UNITED STATES OF AMERICA, represented by the contracting officer executing this contract, and hereinafter referred to as the United States, and WILLIAM L. FRAIN and EFFIE P. FRAIN, husband and wife, hereinafter styled the Contractor, their heirs, administrators, executors, successors and assigns.

WITNESSETH, That -

2. WHEREAS, the Contractor proposes to irrigate Fifty-eight (58.0) acres of land, hereinafter described, by utilizing Klamath Project water rights, available in the Klamath River for the use of said Contractor for pumping the same upon lands hereinafter described;

NOW, THEREFORE, It is agreed as follows:

3. The United States shall deliver in Klamath River at the outlet of Upper Klamath Lake, for pumping and distribution to and upon the lands of the Contractor described as follows:

A portion of Lot 2, and the Northwest Quarter ($NW\frac{1}{4}$) of the Southeast Quarter ($SE\frac{1}{4}$) of Section Twenty-three (23), Township Thirty-nine (39) South, Range Eight (8) East, Willamette Meridian, a total of 58.0 acres, as shown on the attached blue print map marked Exhibit "A".

a sufficient quantity of water during the irrigation season of each year hereafter, not exceeding such quantity as may be beneficially used upon said lands, for irrigation of irrigable lands of the Contractor as herein described, and not exceeding Fifty-eight (58.0) acres. The quantity of water sufficient for the irrigation of said Fifty-eight (58.0) acres of land shall be as determined by the Secretary of the Interior of the United States or his duly authorized agent, and his determination shall be conclusive as against the parties hereto.

4. The Contractor will provide themselves with such diversion and pumping equipment as in their judgment may be necessary to divert and distribute the water to be used by the terms of this agreement and shall maintain the same at their own expense. In addition the Contractor will install and maintain at their own expense such metering equipment as in the opinion of said Secretary, or his duly authorized agent, may be necessary to determine the quantity of water diverted to and used upon said land each irrigation season, and shall make meter readings therefor available monthly to the Project Superintendent of the Klamath Project. And shall permit said Superintendent to have access to, and to test and read, said meter to determine the quantity of water delivered under the terms of this agreement.

5. The United States shall not be liable for failure to supply water under the terms of this contract due to hostile diversion, drought, interruption to stream flow in the river made necessary by repairs, damages caused by floods, unlawful acts or unavoidable accidents.

6. The Contractor agrees to pay the United States for the use of said water the sum of Three Hundred and Forty-eight Dollars (\$348.00) in twenty (20)

equal consecutive annual installments, the first of which shall be paid on execution of this agreement, and a like payment on the first day of December of each of the remaining nineteen (19) years thereafter.

7. In addition to the sum agreed to be paid by the Contractor to the United States or to its successors and assigns in the control of the operation and maintenance of the Klamath Project pursuant to the terms of the preceding article, the Contractor agrees to pay the United States, or its successors and assigns, as an operation and maintenance charge their proper proportion of the cost of regulating the water level of Upper Klamath Lake, and any cost incurred by the United States, or its successors and assigns, in delivering to the Contractor any water as provided by the terms of this contract, including such amount for overhead charges as may be fixed by the said Secretary of the Interior whose determination of such operation and maintenance costs shall be conclusive of the rights of the parties hereto. It is further agreed that such operation and maintenance costs shall not be less than five (5) cents per acre per annum upon said Fifty-eight (58.0) acres of irrigable land, and the Contractor hereby agrees to pay \$2.90 upon the execution of this contract for the year 1938 and an operation and maintenance charge on the first day of April of each and every year hereafter commencing with the year 1939. Upon the United States notifying the Contractor (or those then claiming under them) of the relinquishment by the United States of the operation, maintenance and control of the Klamath Project, or the portion thereof on account of which operation and maintenance charges are to be paid to the United States hereunder the United States shall be relieved of all obligations to the Contractor connected with the operation and maintenance of the project and with the

delivery of water to them, and the operation and maintenance charges which the Contractor has agreed in this article to pay to the United States shall thereupon be payable to the successor of the United States in charge of operation, maintenance and control, upon such successor adopting this contract and agreeing to be bound by the terms thereof. A change of project control under the preceding sentence shall not affect the obligation of the contractor under Article 6 hereof.

8. Upon any sum of money due the United States by the terms of the two articles next preceding - not paid at the date of maturity as in said articles provided - the Contractor agrees to pay in addition thereto interest thereon from such maturity date until paid at the rate of six (6) percent per annum.

9. The irrigation season as herein designated shall extend from April 15th to September 30th of each year.

10. For the purpose of securing a satisfactory water supply therefor as provided in this contract and also for the purpose of providing power under the provisions of Article 9 of the contract of February 24, 1917, between the United States and The California Oregon Power Company, the above described lands of the Contractor are hereby designated as a part of the Klamath Project, but the United States is, as against the Contractor, to incur no expense in securing or obligation to secure a seven-mills-per-kilowatt-hour power rate for the Contractor under Article 9 of said contract of February 24, 1917, nor is the United States to be liable for any loss suffered by the Contractor should he fail to secure such seven-mill rate.

11. No member of or Delegate to Congress, or Resident Commissioner, shall be admitted to any share or part of this contract or agreement, or

to any benefits to arise thereupon. Nothing, however, herein contained shall be construed to extend to this contract if made with a corporation for its general benefit.

IN WITNESS WHEREOF, the parties have hereto signed their names the day and year first above written.

UNITED STATES OF AMERICA

AUG 12 1938

By B. E. Hayden
Superintendent
Bureau of Reclamation

William L. Frain
Contractor

Effie P. Frain
Contractor

Ashland Rt., Klamath Falls, Ore.
(Post-office address of Contractor)

STATE OF OREGON)
) SS.
COUNTY OF KLAMATH)

BE IT REMEMBERED, That on this 11th day of August,
A. D., 1938, before me, the undersigned, a Notary Public in and
for the said state and county, personally appeared the within
named William L. Frain and Effie P. Frain, husband and wife,
who are known to me to be the identical individuals des-
cribed in and who executed the within instrument, and acknowledged
to me that they executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have herunto set my hand and official
seal the day and year last above written.

R. S. Hopkins
Notary Public for Oregon

My commission expires Dec. 19, 1941

(SEAL)

29579 Indexed
D x 1 x

STATE OF OREGON)SS
Klamath County)

Filed for Record
by United States

1938 AUG 18 PM 3:57

Recorded in Vol. 117
of Deeds, Page 219

Mae K. Short, County Clerk
H. L. Robertson, Deputy

(SEAL)

7-5276
August 1927
Approved by the Department
January 4, 1927

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION

Project Office Only

Klamath Irrigation Project

RECORD OF EXECUTION OF CONTRACT

IN RE CONTRACT, and bond, if any, relating to above-named project, dated August 9, 1935
symbol and number IBr-871; made by William L. Frain and Effie P. Frain
amount involved, \$ 348.00; authority No. _____ or clearing account _____
purpose Purchase of permanent water right from Klamath River
Reference: Contract draft approved and authority to execute given in Commissioner
letter of May 22, 1935, to the Secretary of the Interior.
Notice of execution of contract to be given Chief Engineer at Denver, Superintendent
ent at Klamath Falls, Oregon, District Counsel at Portland, Oregon
and _____

Place Klamath Falls, Oregon Date AUG 19 1935
1. On this date the above-described contract was executed (or) passed, and bond, if
any, approved (or) passed, by this office, and transmitted to district counsel for legal
approval.
B. E. Hayden, Project Superintendent.

Inclosures:
Original and 3 copies of this form. Statement & Cert. of Award, Orig. & 3
Original and 4 copies of contract. Blue Print, 5 copies

Place Portland, Oregon Date _____
2. On this date the above-described contract, with bond, if any, was given legal
approval by this office, and transmitted to the _____ project (Klamath Falls) office.
E. F. Stoutenmyer, District Counsel.

Inclosures:
Original and 2 copies of this form.
Original and 3 copies of contract.

Denver, Colorado, Date _____
3. On this date the above-described contract was executed, and bond, if any,
approved by this office. _____, Chief Engineer.

Denver, Colorado, Date _____
4. On this date the above-described contract, with bond, if any, was passed by the
office and transmitted to the Washington office.
_____, Chief Engineer.

Inclosures:
Original and _____ copies of this form.
Original and _____ copies of contract.

Washington, D. C., Date _____
5. On this date the above-described contract was executed, and bond, if any,
approved by _____, Commissioner.

STATEMENT AND CERTIFICATE
OF AWARD

THIS STATEMENT OR, IF NOT FURNISHED, ONE PART OF CONTRACT

Date August 9, 1938

DEPARTMENT OF THE INTERIOR
(Department or establishment)

BUREAU OF RECLAMATION
(Bureau or office)

Klamath Falls, Oregon
(Location)

METHOD OF OR ABSENCE OF ADVERTISING

(Section 3709 of the Revised Statutes)

1. After advertising in newspapers.
2. (a) After advertising by circular letters sent to _____ dealers.
(b) And by notices posted in public places.
(If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made. The notation on the certificate below must be "2 (a) (i)" or "2 (a)," depending on whether or not notices were posted.)
3. Without advertising, under an exigency of the service which existed prior to the order and would not admit of the delay incident to advertising.
4. Without advertising in accordance with _____
5. Without advertising, it being impracticable to secure competition because of water supplied to land owner

(Here state circumstances under which the securing of competition was impracticable)

AWARD OF CONTRACT

- A. To lowest bidder as to price (Expenditures).
- B. To other than the lowest bidder as to price (Expenditures).
- C. To highest bidder as to price (Receipts).
- D. To other than the highest bidder as to price (Receipts).

CERTIFICATE

I CERTIFY that the foregoing statement is true and correct; that the agreement was made in consequence of No. 5 of the method of or absence of advertising and in accordance with award of contract lettered _____, as shown above; that where lower bids (expenditure contracts) or higher bids (receipt contracts) as to price were received a statement of reasons for their rejection, together with an abstract of bids received, including all lower than that accepted in case of expenditure contracts and all higher in case of receipt contracts, is given below or on the reverse hereof or on a separate sheet attached hereto; that the articles or services covered by the agreement (expenditure) are necessary for the public service, and that the prices charged are just and reasonable.

D. E. Layden

(Signature of contracting officer)

Superintendent, Bureau of Reclamation

(Title)

NOTE.—This statement and certificate will be used to support all agreements, both formal contracts and less formal agreements of whatever character, involving the expenditure or receipt of public funds. It must be executed and signed by the contracting officer (unless the award is made by or is subject to approval by an officer other than the contracting officer, when execution and signature may be made by such officer). U. S. GOVERNMENT PRINTING OFFICE 6-2000

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Stoel Rives LLP the 1st day of April A.D., 19 98 at 1:12 o'clock P. M., and duly recorded in Vol. M98 of Deeds on Page 10574

FEE \$90.00

By Bernetha G. Lisch, County Clerk
Kathleen Russell