

CONSTRUCTION CLAIM OF LIEN
FOR AN IMPROVEMENT IN THE NATURE OF A WELL

The undersigned, David M. Storey, doing business as Storey Drilling Services ("Claimant") claims a lien created under ORS 87.010 on the real property and improvements in the nature of a agricultural irrigation well described in this document (the "Property") and further claims perfection of such lien under ORS 87.035 by the filing of this Claim of Lien.

1. A true statement of the demand after deducting all just credits and offsets is in the sum of \$10,466.25, together with interest at the rate of 18% per annum from June 1, 1998 until paid, a detailed itemization of the demand is attached hereto as Exhibit A.

2. The name of the owners or reputed owners of the real property and improvements, which are benefitted by the well, are Richard L. Reese and Janice E. Reese, a.k.a. Janice M. Reese.

3. The name of the person by whom the Claimant was employed is Richard L. Reese.

4. A description of the property located in Klamath County, Oregon and by the town of Sprague River, Oregon at an address of P.O. Box 136 Sprague River, Oregon 97639 to be charged with the lien sufficient for identification is as follows:

PARCEL 1:

Government Lot 2 in Section 3, Township 36 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon.

PARCEL 2:

That portion of the SE1/4 that lies South of Cherrywood Lane, a platted road of Juniper Acres in Section 34, Township 35 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon. EXCEPTING THEREFROM the S1/2 SW1/4 NW1/4 SE1/4 and further excepting the N1/2 NW1/4 SW1/4 SE1/4.

The Claimant claims a lien on the property described above, extending to the improvement and its site, and together with the land that may be required for the convenient use and occupancy of the improvement as determined by the court at the time of

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1. Claim of Lien


Back

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foreclosure of this claim.

DATED: June 12, 1998.

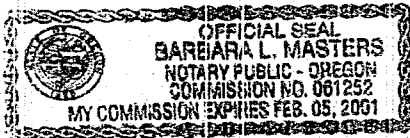

David M. Storey, doing business as
Storey Drilling Services
Oregon Contractors License #601

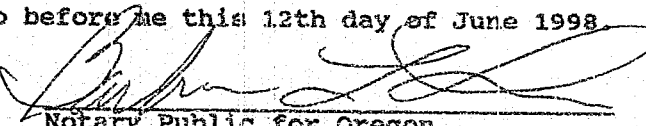
STATE OF OREGON)
)
County of Klamath)

I, David M. Storey, doing business as Storey Drilling Service, being first duly sworn, depose and say that I am the Claimant named in the foregoing instrument; that I have knowledge of the facts set forth in the Claim of Lien; and that all statements made in the Claim of Lien are true and correct as I verily believe.


David M. Storey

Subscribed and sworn to before me this 12th day of June 1998.




Notary Public for Oregon
My commission expires: 2-5-01

After recording, return to:
Brandsness, Brandsness & Rudd, PC
411 Pine Street
Klamath Falls, OR 97601

NOTICE TO THE OWNER of the land described in the attached copy of Claim of Lien:

Please be advised that the original Claim of Lien of which the attached is a true copy was filed and recorded in the office of the recording officer of Klamath County, Oregon on

JUNE 15, 1998


David M. Storey, Claimant

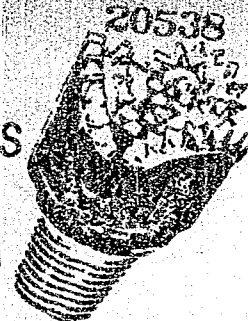
2. Claim of Lien

STOREY DRILLING SERVICES

P.O. Box 98 • MIDLAND, OREGON 97034
 (541) 884-3990 • (800) 245-8122
 Fax #: (530) 528-2562
 22560 ADOBE ROAD • RED BLUFF, CALIFORNIA 96080
 CONTRACTOR'S LICENSES:
 CA #601 • CA #583153 • NV #38179

RECEIVED

JUN - 5 1998



Richard Reese
 P. O. Box 136
 Sprague River, Oregon 97539

START: April 20, 1998
 FINISH: April 29, 1998

WELL LOCATION: ¼ mile north of Sprague River Highway on east side of Sprague River Drive.
 SW¼ NE¼ S3 T36S R10E

LOG

0 - 2	Brown sandy topsoil
2 - 3	Sandy yellow clay with yellow shale
3 - 10	Green clay
10 - 12	Hard green shale
12 - 35	Green shale
35 - 38	Green clay
38 - 42	Hard black sandy shale
42 - 340	Green clay
340 - 487	Black sandstone
487 - 619	Green clay
619 - 632	Black sandy clay
632 - 815	Green clay
815 - 850	Hard grey shale
850 - 874	Black sandstone
874 - 912	Grey shale
912 - 970	Hard black shale
970 - 1035	Black sandstone

21 feet of 12 ¼ inch O. D. x 250 wall steel casing set at 20 feet with high carbon drive shoe;
 Airlifted 400 GPM at 300 feet; Static water level 2 feet; Temperature 71° Fahrenheit;
 12 inch diameter hole from 20 - 219 feet; 8 inch diameter hole from 219 - 1035 feet.

EXPENSES

21 feet of 12 ¼ inch O. D. casing @ \$19.75 per foot	
One 12 inch diameter casing drive shoe	\$ 414.75
12 sacks cement @ \$18.00 per sack	285.00
Cement pumping subcontracted to Bellet Cement Pumping	216.00
65 sacks bentonite @ \$15.00 per sack	197.50
16 ½ hours @ \$220.00 per hour for replacing 8 inch casing with 12 inch casing & reaming 12 inch to 219 ft.	3,630.00
cementing casing, clearing out hole to bottom, & developing well to capacity	
1035 feet of soft drilling @ \$12.30 per foot	
	<u>11,248.00</u>

TOTAL EXPENSES

Less Down Payment	\$18,966.25
Less payment 4/28/98	500.00
	<u>8,000.00</u>

BALANCE DUE UPON RECEIPT

\$10,466.25

STATE OF OREGON: COUNTY OF KLAMATH: ss.

EXHIBIT A

Filed for record at request of David M. Storey
 of June A.D., 19 98 at 11:01 o'clock A M., and duly recorded in Vol. M98
 of Construction Liens on Page 20536

FEE \$15.00

By Bernetha G. Letsch, County Clerk
Kathleen Reese