

After recording, return to: William M. Ganong
Attorney at Law
514 Walnut Avenue
Klamath Falls OR 97601

Send Tax Statements to: Mr. and Mrs. James R. Merrilees
6403 Palomino Court
Klamath Falls OR 97603

BARGAIN AND SALE DEED

Barbara Jean Merrilees conveys to James Merrilees and Barbara J. Merrilees, as Trustees of the Merrilees Family Trust uda July 21, 1998, and their successors in Trust, the property in Klamath County, Oregon more particularly described on Exhibit A attached hereto and incorporated herein by this reference.

This deed is made for estate planning purposes and no consideration has been paid heretofore.

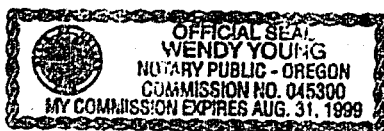
THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930.

Dated this 21st day of July, 1998.

Barbara Jean Merrilees
Barbara Jean Merrilees

STATE OF OREGON, County of Klamath) ss.

On the 21st day of July, 1998, personally appeared the above named Barbara Jean Merrilees and acknowledged the above instrument to be her voluntary act and deed.



Wendy Young
Notary Public for Oregon
My commission expires: 8-31-99

98 JUL 23 P 1:14

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EXHIBIT "A"

27014

Situated in Klamath County, Oregon and more particularly described as:

- Parcel I: An undivided one-half interest in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 26; the SW $\frac{1}{4}$ SW $\frac{1}{4}$ and the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 25; the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 35; and the NW $\frac{1}{4}$ of Section 36, Township 37 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon.
- Parcel II: The S $\frac{1}{2}$ N $\frac{1}{2}$ and the N $\frac{1}{2}$ S $\frac{1}{2}$ of Section 2; the SW $\frac{1}{4}$ NW $\frac{1}{4}$ and the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 3; the N $\frac{1}{2}$ NE $\frac{1}{4}$ and Government Lot 1 of Section 13; that portion of the W $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 12, beginning at a point 861.3 feet West of the Southeast corner of Section 12, thence North parallel to the East boundary of Section 12 to the North Poe Valley County Road, thence West 458.7 feet to the West boundary of the E $\frac{1}{2}$ SE $\frac{1}{4}$, then South on said boundary to the South boundary of Section 12, thence East to the point of beginning; and that portion of Section 12 beginning at a point 201 feet West of the Southeast corner of Section 12, thence North along the West boundary of the U.S.B.R. E-1 lateral and continuing North to the North Poe Valley County Road, thence West 660.3 feet, thence South on a line parallel to the Eastern boundary line of Section 12 to the South boundary of Section 12, thence East to the point of beginning; all in Township 39 South, Range 10, East of the Willamette Meridian, Klamath County, Oregon.
- Parcel III: The NE $\frac{1}{4}$ SE $\frac{1}{4}$, that portion of the NW $\frac{1}{4}$ SE $\frac{1}{4}$ lying North and East of the North Poe Valley County Road, containing 8.5 acres, more or less, and that portion of the SW $\frac{1}{4}$ NE $\frac{1}{4}$ lying North and East of the North Poe Valley County Road, containing 32 acres, more or less, all in Section 18, Township 39 South, Range 11 $\frac{1}{2}$ East of the Willamette Meridian, Klamath County, Oregon.

Klamath County Tax Assessor's Nos: 3910-00000-00900-000
3910-01200-01200-000
3910-01200-01300-000
3910-01300-00100-000
3911-V1800-00200-000
3911-V1800-00400-000
3709-00000-08400-000
3709-00000-08300-000
3709-00000-09600-000
3709-00000-09900-000

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of William M. Ganong the 23rd day
of July A.D., 19 98 at 1:14 o'clock P. M., and duly recorded in Vol. M98
of Deeds on Page 27013.

FEE \$35.00

By Bernetha G. Letsch, County Clerk
Kathleen Rose