

After recording return to:
WHISKEY CREEK TIMBER CO.

TITLE ORDER NO: 46173
KEY ESCROW NO: 22-23620

4764 Glenwood Drive
Klamath Falls, OR 97603
Until a change is requested tax statements
shall be sent to the following address:
SAME AS ABOVE

MTC 46173
WARRANTY DEED -- STATUTORY FORM
(INDIVIDUAL or CORPORATION)

ROSEBURG RESOURCES CO., SUCCESSOR BY MERGER TO DIVIDE RESOURCES CO. Grantor,
conveys and warrants to:
WHISKEY CREEK TIMBER CO., an Oregon Corporation, Grantee,
the following described real property free of encumbrances except as
specifically set forth herein:

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

Tax Account No:

Map No:

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 consideration for this conveyance is \$1,057,105.00. However, if
the actual consideration consists of or includes other property or other
value given or promised, such other property or value was part of the/the
whole of the (indicate which) consideration.

If grantor is a corporation, this has been signed by authority of the Board of
Directors.

Dated this 6th day of JANUARY, 1999.

GRANTOR(S):

ROSEBURG RESOURCES CO.

BY: Allyn C. Ford
PRESIDENT

FORM No. 24--ACKNOWLEDGMENT--CORPORATION

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STATE OF OREGON,

County of Wagles

before me appeared

Allyn C. Ford

On this 6th day of January, 1999,

and both to me personally known, who being

duly sworn, did say that he/she, the said Allyn C. Ford

is the President, and he/she, the said

is the Secretary of Roseburg Resources Co., successor by
the within named Corporation, and that the seal, if any, affixed to said instrument is the corporate seal of said
Corporation, and that the said instrument was executed on behalf of said Corporation by authority of its Board
of Directors, and Allyn C. Ford and
acknowledge said instrument to be the free act and deed of said Corporation.



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

Allyn C. Ford

Notary Public for Oregon.

My commission expires 2/2000

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 1:

Section 35 - SW1/4.

All being in Township 32 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

PARCEL 2:

Section 17 - SE1/4

Section 19 - E1/2 NE1/4 Section 20 - W1/2, NW1/4

Section 35 - SW1/4

All being in Township 33 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

PARCEL 3:

Section 28 - SW1/4 NW1/4

All being in Township 34 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon.

PARCEL 4:

Section 1 - SE1/4

Section 2 - NW1/4

All being in Township 35 South, Range 12 East of the Willamette Meridian, Klamath County, Oregon.

SUBJECT TO:

The premises herein are within and subject to the statutory powers, including the power of assessment of Klamath Lake Timber.

The assessment roll and the tax roll disclose that the premises herein described were specially assessed as Potential Forest Land. If the land becomes disqualified for the special assessment under the statute, an additional tax may be levied.

Rights of the public in and to any portion of said property lying within the limits of public roads, all railroad rights, all unrecorded rights of way and easements, and any discrepancies or conflicts in boundary lines or shortages in area or encroachments, which a correct survey or an inspection of the herein granted premises would disclose.

Reservation of all subsurface rights, excepting water, as disclosed in Deed to Restricted Indian Lands,
 Dated: December 7, 1955
 Recorded: May 14, 1956
 Volume: 283, page 129, AF #10053, Deed Records of Klamath County, Oregon
 Grantor: Harry Elmo Pearson, et ux
 Grantee: Weyerhaeuser Timber Company
 Affects: E1/2 NE1/4 of Section 19, Township 33 South, Range 7 East; S1/2 NW1/4 of Section 20, Township 33 South, Range 7 East
 (Parcel 2)

Subject to such rights as the Pacific Telephone and Telegraph Company may have under the act of March 3, 1901, as contained in Patent recorded October 23, 1955 in Volume 287, page 405, Deed Records of Klamath County, Oregon.
 (Affects Parcel 2)

Reservation of all subsurface rights, except water, as disclosed in Deed to Restricted Indian Land,
 Dated: September 4, 1956
 Recorded: January 7, 1957
 Volume: 289, page 76, Deed Records of Klamath County, Oregon
 Grantor: Helen Lotches Merritt, et al
 Grantee: Weyerhaeuser Timber Company
 Affects: SW1/4 of Section 35, Township 32 South, Range 7 East
 (Parcel 1)

Rights of Bonneville Power Administration as disclosed in Deed to Restricted Indian Land,
 Dated: September 4, 1956
 Recorded: January 21, 1957
 Volume: 289, page 76, Deed Records of Klamath County, Oregon
 Grantor: Helen Lotches Merritt, et al
 Purpose: Transmission line
 Affects: W1/2 SW1/4 of Section 35, Township 32 South, Range 7 East
 NOTE: Rights subsequently transferred to Pacific Power & Light Company
 (Parcel 1)

Reservation or rights of way for ditches and canals as disclosed in Warranty Deed,
 Dated: May 15, 1957
 Recorded: May 16, 1957
 Volume: 291, page 634, Deed Records of Klamath County, Oregon
 Grantor: LeRoy Gienger, et ux
 Grantee: Weyerhaeuser Timber Company
 Affects: SW1/4 NW1/4 of Section 28, Township 34 South, Range 8 East
 (Parcel 3)

Reservation of all subsurface rights, except water, as disclosed in Deed,
 Dated: May 20, 1957
 Recorded: July 5, 1957
 Volume: 292, page 590, Deed Records of Klamath County, Oregon
 Grantor: Bige Archie
 Grantee: Weyerhaeuser Timber Company
 Affects: Fr. NW1/4, Section 2, Township 35 South, Range 12 East
 (Parcel 4)

Rights of Pacific Telephone & Telegraph Company, as disclosed in Warranty Deed;
 Dated: June 29, 1957
 Recorded: July 5, 1957
 Volume: 292, page 599, Deed Records of Klamath County, Oregon
 Grantor: Leroy Gienger et ux
 Grantee: Weyerhaeuser Timber Company
 Affects: SW1/4 of Section 35, Township 33 South, Range 7 East
 (Parcel 2)

Reservation of all subsurface rights, except water, as disclosed in Patent;
 Dated: September 3, 1957
 Recorded: October 7, 1957
 Volume: 294, page 602, Deed Records of Klamath County, Oregon
 Grantor: U. S. Bureau of Land Management
 Grantee: Weyerhaeuser Timber Company
 Affects: Fr. SE1/4, Section 1, Township 35 South, Range 12 East
 (Parcel 4)

Right of Way Deed - Corporation, subject to the terms and provisions thereof;
 Dated: September 27, 1962
 Recorded: October 4, 1962
 Volume: 340, page 518, Deed Records of Klamath County, Oregon
 Grantor: Weyerhaeuser Timber Company
 Grantee: United States of America, Forest Service
 Affects: SW1/4 NW1/4 of Section 28, Township 34 South, Range 8 East
 (Parcel 3)

Consent Agreement, subject to the terms and provisions thereof;
 Recorded: September 12, 1984
 Volume: M84, page 15693, Microfilm Records of Klamath County, Oregon

Reservation of all subsurface rights, except water, as disclosed in Deed to Restricted Indian Land;
 Dated: July 18, 1956
 Recorded: May 15, 1963
 Volume: 345, page 295, Deed Records of Klamath County, Oregon
 Grantor: Ada L. Ball Vasquez et vir
 Grantee: Weyerhaeuser Timber Company
 Affects: SE1/4 of Section 17, Township 33 South, Range 7 East
 (Parcel 2)

-- An easement created by instrument, subject to the terms and provisions thereof,
 Dated: December 28, 1959
 Recorded: January 15, 1960
 Volume: 13, page 594, Miscellaneous Records of Klamath County, Oregon
 In favor of: United States of America, Department of the Interior, Bureau of Indian Affairs
 Affects: SE1/4 SE1/4 of Section 20, Township 35 South, Range 12 East
 W1/2 NW1/4 of Section 28, Township 35 South, Range 12 East
 S1/2 SE1/4 SE1/4 of Section 20, Township 35 South, Range 13 East
 NE1/4 NE1/4, E1/2 W1/2 NE1/4 of Section 29, Township 35 South, Range 13 East
 NW1/4 of Section 33, Township 35 South, Range 12 East
 SE1/4 NE1/4 of Section 31, Township 35 South, Range 13 East
 Section 10, Township 33 South, Range 13 East
 W1/2 SW1/4 of Section 35, Township 32 South, Range 7 East
 Rights subsequently transferred to Klamath County Oregon
 (Parcel 1)

Amendment to Easement, subject to the terms and provisions thereof;
 Recorded: May 2, 1986
 Volume: M86, page 7606, Microfilm Records of Klamath County, Oregon

An easement created by instrument, subject to the terms and provisions thereof,
 Dated: November 15, 1966
 Volume: M67, page 6965, Microfilm Records of Klamath County, Oregon
 In favor of: Pacific Power & Light Company
 For: Electric transmission line
 Affects: NE1/4 SW1/4, S1/2 SW1/4 of Section 35, Township 33 South, Range 7 East
 (Parcel 2)

An easement for created by instrument, subject to the terms and provisions thereof,
 Dated: September 5, 1984
 Recorded: October 3, 1984
 Volume: M84, page 16949, Microfilm Records of Klamath County, Oregon
 Grantor: Weyerhaeuser Company
 Grantee: Telephone Utilities of Eastern Oregon, Inc.
 For: Buried cable
 Affects: SE1/4 SE1/4 of Section 20, Township 35 South, Range 12 East
 SW1/4 SW1/4 of Section 21, Township 35 South, Range 12 East
 W1/2 NW1/4 of Section 28, Township 35 South, Range 12 East
 SW1/4 NW1/4 of Section 28, Township 34 South, Range 8 East
 (Parcel 3)

An easement created by instrument, subject to the terms and provisions thereof,
 Dated: November 19, 1990
 Recorded: November 29, 1990
 Volume: M90, page 25167, Microfilm Records of Klamath County, Oregon
 In favor of: Telephone Utilities of Eastern Oregon, Inc., an Oregon corporation
 For: Telephone facilities
 Affects: SW1/4 of Section 35, Township 33 South, Range 7 East
 (Parcel 2)

An easement created by instrument, subject to the terms and provisions thereof,
 Dated: April 3, 1992
 Recorded: June 19, 1992
 Volume: M92, page 13546, Microfilm Records of Klamath County, Oregon
 Grantor: Weyerhaeuser Company
 Grantee: Wayne Skiles et al
 For: Road easement
 Affects: Fr. E1/2 SE1/4 of Section 1, Township 35 South, Range 12 East
 (Parcel 4)

Reservations in Warranty Deed, subject to the terms and provisions thereof;
 Recorded: July 8, 1993
 Volume: M93, page 16453, Microfilm Records of Klamath County, Oregon AND
 Recorded: August 20, 1993
 Volume: M93, page 20944, Microfilm Records of Klamath County, Oregon AND
 Recorded: August 20, 1993
 Volume: M93, page 20952, Microfilm Records of Klamath County, Oregon AND
 Recorded: December 17, 1993
 Volume: M93, page 33603, Microfilm Records of Klamath County, Oregon AND
 Recorded: December 17, 1993
 Volume: M93, page 33608, Microfilm Records of Klamath County, Oregon
 To wit:

"To the extent not heretofore conveyed, excepted or reserved, the Grantor hereby expressly saves, excepts and reserves out of the the grant hereby made, unto itself, its successors and assigns, forever, all geothermal steam and heat and all metals, ores and minerals of any nature whatsoever in or upon said land including, but not limited to, coal, lignite, peat, oil and gas. including coal seam gas, together with the right to enter upon said land for the purpose of exploring the same for such geothermal resources, metals, ores and minerals, and drilling, opening, developing and working mines and wells thereon and taking out and removing therefrom, including by surface mining methods, all such geothermal resources, metals, ores and minerals, and to occupy and make use of so much of the surface of said land as may be reasonably necessary for said purposes; provided, that Grantee and Grantee's heirs, representatives, successors and assigns, shall be paid just and reasonable compensation for any injury or damage to the surface of said land, to the crops or to the improvements thereon caused by the exercise of any rights herein reserved; provided, further, that the exercise of such rights by Grantor shall not be postponed or delayed pending reasonable efforts to agree upon or have determined such just and reasonable compensation."

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STATE OF OREGON: COUNTY OF KLAMATH: ss

Filed for record at request of Amerititle the 7th day
 of January A.D., 19 99 at 4:00 o'clock P. M., and duly recorded in Vol. M99
 of Deeds on Page 588

FEE \$50.00

Linda Smith, County Clerk
 By Kathleen Rose