

UTILITY EASEMENT AGREEMENT

THIS AGREEMENT, Made and entered into this 22 day of June, 1999, by and between Klamath County School District hereinafter called the first party, and Crescent Water Association, hereinafter called the second party;

WITNESSETH:

WHEREAS: The first party is the record owner of the following described real estate in Klamath County, State of Oregon. The first party does hereby grant, assign and set over to the second party, to-wit:

A PERMANENT EASEMENT, PERPETUAL, AND EXCLUSIVE RIGHT OF WAY, INCLUDING RIGHT TO ENTER UPON THE REAL ESTATE HEREIN AFTER DESCRIBED, AT ANY TIME THAT IT MAY SEE FIT, AND CONSTRUCT, MAINTAIN, AND REPAIR UNDER GROUND PIPELINES AND OR MAINS FOR THE PURPOSE OF CONVEYING WATER OVER, ACROSS, THROUGH, AND UNDER THE LANDS HEREINAFTER DESCRIBED, TOGETHER WITH THE RIGHT TO EXCAVATE AND REFILL DITCHES AND OR TRENCHES FOR THE LOCATION OF SAID PIPELINES AND OR MAINS, AND FURTHER RIGHT TO REMOVE TREES, BUSHES, UNDERGROWTH, AND OTHER OBSTRUCTIONS INTERFERING WITH THE LOCATION, CONSTRUCTION, AND MAINTENANCE OF SAID PIPELINES AND OR MAINS.

THE LAND AFFECTED BY THE GRANT OF THIS EASEMENT AND RIGHT OF WAY IS LOCATED IN KLAMATH COUNTY, STATE OF OREGON, LOCATED ON ASSESSMENT MAP 24 09 30DB AND MORE PARTICULARLY DESCRIBE AS FOLLOWS:

Commencing at a point on Potter and Sixth Street in Northwest one quarter of Southeast one quarter of Section 30 township 24 South Range 9 East W.M. at the Southeast corner of Tax lot 200, Lot 1 Thirty (30) feet wide, west of and parallel to the Western edge of vacated on 10-13-1972 Sixth Street and also described as the East line of Tax Lot 200 (lots 1, 2, 3, 4, 5) and in a Northeasterly manner to the end of vacated street.

The second party shall have the right to immediate possession of property describe in this easement.

The second party shall hold and save the first party harmless from any liability caused by second party's work within the easement on the operation and maintenance of pipelines and or mains.

Except as to the rights herein granted, the first party shall have full use and control of the above described real estate.

This agreement shall bind and inure to the benefit of, as the circumstances may require, not only the immediate parties hereto but also their respective heirs, executors, administrators and successors in interest as well.

In construing this agreement and where the context so requires, words in the singular include the plural; the masculine includes the feminine and the neuter; and generally, all changes shall be made or implied so that this instrument shall apply both to individuals, districts and to corporations.

IN WITNESS WHEREOF, the parties hereto have subscribed this instrument in duplicate on this, the day and year first hereinabove written.

For the first party:

Roger Stevens

Roger Stevens School Board Chairman

For the second party:

Ken Curbow

Ken Curbow President

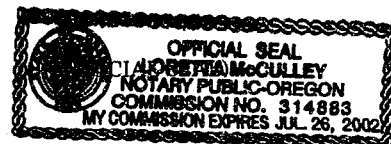
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STATE OF OREGON)
 County of Klamath) ss.
June 22, 1999)

Personally appeared the above named Roger Stevens Board Chairman Klamath County School District and acknowledged the foregoing instrument to be voluntary act and deed in behalf of said District.

Before me:

Roretta McCulley
 Notary Public for Oregon
 My commission expires: 7-26-02

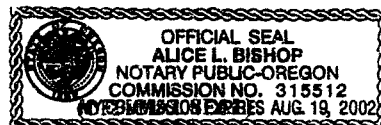


STATE OF OREGON,)
 County of Klamath) ss.
July 9, 1999)

Personally appeared the above named Ken Curbow President of Crescent Water Association a corporation and acknowledged the foregoing instrument to be voluntary act and deed in behalf of said corporation.

Before me:

Alice L. Bishop
 Notary Public for Oregon
 My commission expires: 8-19-2002



STATE OF OREGON,)
 County of Klamath) ss.

I certify that the within instrument was received for record on the _____ day of _____, 1999, at _____ o'clock _____ M., and recorded in Volume No. _____ on page _____ or as document/fee/file instrument/microfilm No. _____, Record of Deeds of Klamath County.

(Space reserved for Recorder's use)

Witness my hand and seal of County affixed.

✓ After Recording return to
 Crescent Water Association
 Box 247
 Crescent, Oregon 97733-0247

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 Name Title
 By _____ Deputy

State of Oregon, County of Klamath
 Recorded 7/13/99, at 11:41 a. m.
 In Vol. M99 Page 27907
Linda Smith,
 County Clerk Fee \$ 15 KR