

ASSIGNMENT OF EASEMENTS AND AGREEMENTS

After recording, this Assignment shall be delivered to:

Ret.
John D. Sorlie
P.O. Box 1151
Bend, OR 97709

DATE: October 21, 1998

PARTIES: ERNST BROTHERS, L.L.C. ASSIGNOR
formerly known as Ernst Brothers Corporation

WAYNE G. ERNST, JAN K. HOUCK,
WILLIAM L. ERNST and JOHN S. ERNST, ASSIGNEES

RECITALS:

A. Assignor is the holder of certain easements and agreements described below (the "Easements and Agreements"):

1. Easement and other rights and obligations identified in that certain Water System Agreement and Easement dated October 4, 1991 between Crown Pacific Limited Partnership, Crown Pacific (Oregon) Limited Partnership, and Ernst Brothers Corporation, recorded at Volume M-91, Page 20345 of the records of Klamath County, Oregon.
2. Easements under, over and upon property in Tract 1318-Gilchrist Townsite, Klamath County, Oregon, as shown on the plat for such property, recorded in Book 23, Pages 67, 67a, and 67b in the records of Klamath County, Oregon, for the operation, maintenance and expansion of the water distribution system and related infrastructure.
3. Easement for certain water lines and pipes reserved by Gilchrist Timber Company, in a deed to the Klamath County School District recorded in Klamath County Deed Records, Vol. M76, Page 11148, as more particularly described therein, including a well, well house

and a tract 25 feet in diameter surrounding the well house.

4. Easement for a water pipeline reserved by Gilchrist Timber Company in a deed to the Roman Catholic Bishop of the Diocese of Baker recorded in the Klamath County Deed Records, Vol. M78, Page 26694.

B. Assignor desires to convey its interest in the Easements to Assignees and Assignees desire to accept such assignment and to assume certain obligations with respect thereto, on the terms and conditions set forth below.

AGREEMENT:

1. **ASSIGNMENT AND CONVEYANCE.** Assignor assigns its interest in the Easements and Agreements to Assignees effective January 1, 1997.

2. **COVENANTS.** Assignor covenants that it is the owner of the Easement and has the right to convey the same.

3. **ASSIGNEE'S ASSUMPTION.** Assignees hereby assume the rights and obligations of the Assignor under the Easements and Agreements and agrees to defend, indemnify and hold Assignor harmless therefrom.

4. **CONSIDERATION.** The true and actual consideration paid for this Assignment is other property, receipt of which is acknowledged by Assignor.

5. **ATTORNEY FEES.** In the event action is instituted to enforce any term of this Assignment, the prevailing party shall recover from the losing party reasonable attorney fees incurred in such action as set by the trial court and, in the event of an appeal, as set by the appellate courts.

6. **BINDING EFFECT.** The provisions of this Agreement shall be binding upon, and

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shall inure to the benefit of, each of the parties and their respective successors and assigns.

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.

ASSIGNOR:

ERNST BROTHERS, L.L.C.

By: William L. Ernst
Its: _____

ASSIGNEES:

Wayne G. Ernst
WAYNE G. ERNST

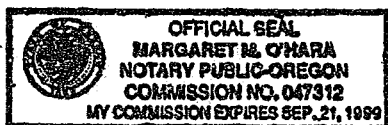
Jan K. Houck
JAN K. HOUCK

William L. Ernst
WILLIAM L. ERNST

John S. Ernst
JOHN S. ERNST

STATE OF OREGON, County of Klamath, ss:

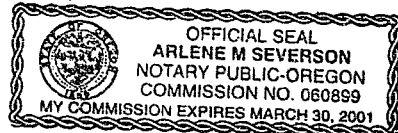
The foregoing instrument was acknowledged before me this 20 day of October, 1998, by William L. Ernst, who stated that he is the member of Ernst Brothers, L.L.C. and that _____ is authorized to execute the foregoing instrument on behalf of the limited liability company.



Margaret M. O'Hara
Notary Public for Oregon
My Commission Expires: Sept 21, 1999

STATE OF OREGON, County of Klamath, ss:

The foregoing instrument was acknowledged before me this 21st day of Oct., 1998, by Wayne G. Ernst.



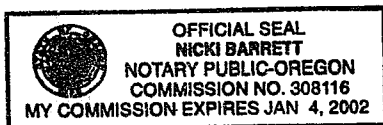
Arlene M. Severson
Notary Public for Oregon
My Commission Expires: 3/30/2001

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STATE OF OREGON, County of Klamath, ss:

The foregoing instrument was acknowledged before me this 29 day of Oct, 1998,
by Jan K. Houck.



Nicki Barrett
Notary Public for Oregon
My Commission Expires: 01/04/2002

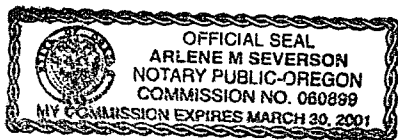
STATE OF OREGON, County of Klamath, ss:

The foregoing instrument was acknowledged before me this 20 day of October, 1998,
by William L. Ernst.

Margaret M. O'Hara
Notary Public for Oregon
My Commission Expires: Sept 21, 1999

STATE OF OREGON, County of Klamath, ss:

The foregoing instrument was acknowledged before me this 21st day of Oct., 1998,
by John S. Ernst.



Arlene M. Severson
Notary Public for Oregon
My Commission Expires: 3/30/2001

State of Oregon, County of Klamath
Recorded 9/24/99, at 2:40 p.m.
In Vol. M99 Page 38078
Linda Smith,
County Clerk Fee\$ 45⁰⁰

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