

AFTER RECORDING, RETURN TO:

William M. Ganong
Attorney at Law
514 Walnut Avenue
Klamath Falls OR 97601

MEMORANDUM OF CONTRACT OF SALE

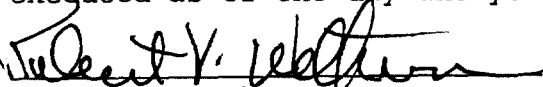
DATED: October 18, 2000

AGREEMENT AMONG: Robert V. Wethern, Bly Mountain Resource
Management Group, LLC. and William M. Ganong
Profit Sharing Plan Trust
514 Walnut Avenue
Klamath Falls OR 97601

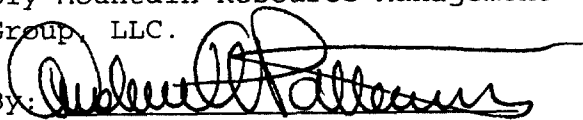
Pursuant to a Contract of Sale dated October 18, 2000, the above-referenced parties have entered into the ownership of the real property described on Exhibit "A" attached hereto as tenants in common and have agreed to the sale of said property as described in said Agreement. Reference is made to said Agreement for the other terms and conditions of the Agreement, all of which bind the Owners and the real property described on Exhibit "A."

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 ANY INTEREST IN OR TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES.

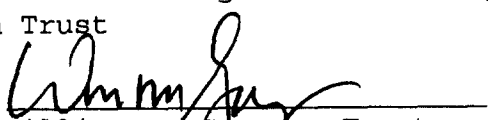
IN WITNESS WHEREOF, the parties have caused this memorandum to be executed as of the day and year first above written.


Robert V. Wethern

Bly Mountain Resource Management
Group, LLC.

By: 
Andrew A. Patterson
Operating Manager

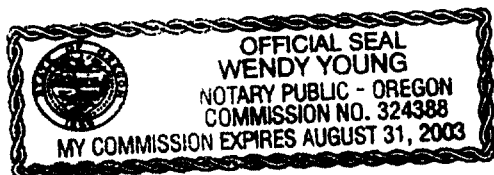
William M. Ganong Profit Sharing
Plan Trust

By: 
William M. Ganong, Trustee

STATE OF OREGON, County of Klamath) ss.

Personally appeared the above-named Robert V. Wethern who acknowledged the foregoing instrument to be his voluntary act and deed.

Before me this 18th day of October, 2000.

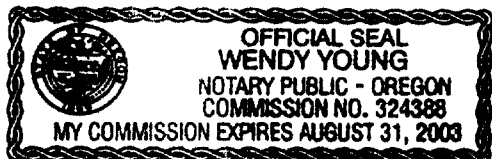


Wendy Young
Notary Public for Oregon
My commission expires: 8-31-2003

STATE OF OREGON, County of Klamath) ss.

Personally appeared the above-named Andrew A. Patterson and acknowledged the foregoing instrument to be his voluntary act and deed as Operating Manager of Bly Mountain Resource Management Group, LLC.

Before me this 18th day of October, 2000.

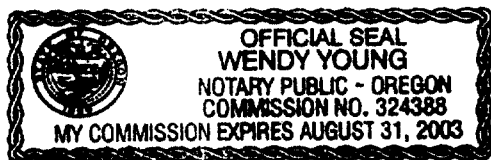


Wendy Young
Notary Public for Oregon
My commission expires: 8-31-2003

STATE OF OREGON, County of Klamath) ss.

Personally appeared the above-named William M. Ganong who acknowledged the foregoing instrument to be his voluntary act and deed as Trustee of the William M. Ganong Profit Sharing Plan Trust.

Before me this 18th day of October, 2000.



Wendy Young
Notary Public for Oregon
My commission expires: 8-31-2003

EXHIBIT "A" to the Memorandum of Contract of Sale

The following-described parcels of real property located in Klamath Falls Forest Estates
Highway 66 Unit, Plat No. 4, Klamath County, Oregon:

<u>Lot and Block</u>	<u>Assessor's Tax Lot No.</u>
Lot 26, Block 97	3711-26B-2700
Lot 6, Block 133	3811-12B-300
Lot 48, Block 91	3711-23D-6200
Lot 49, Block 91	3711-23D-6100
Lot 51, Block 91	3711-23C-600
Lot 17, Block 82	3711-14D-800
Lot 6, Block 84	3711-14D-3400
Lot 7, Block 130	3811-1D-700
Lot 5, Block 133	3811-12B-200
Lot 9, Block 122	3811-11DO-1600
Lot 32, Block 121	3811-11AO-4800
Lot 33, Block 121	3811-11AO-4700
Lot 3, Block 120	3811-11AO-2500
Lot 3, Block 134	3811-12AO-1400
Lot 17, Block 133	3811-12AO-1000
Lot 1, Block 132	3811-1DO-3800
Lot 18, Block 132	3811-1DO-3500
Lot 25, Block 112	3711-36CO-2100
Lot 31, Block 104	3711-36BO-1900
Lot 45, Block 108	3711-36BO-100
Lot 33, Block 108	3711-36AO-1800
Lot 15, Block 104	3711-35AO-800
Lot 10, Block 103	3711-26DO-3500
Lot 9, Block 99	3711-26BO-5300
Lot 52, Block 97	3711-27AO-3200
Lot 19, Block 97	3711-26BO-3400
Lot 25, Block 93	3711-27AO-1100
Lot 5, Block 89	3711-23DO-3700
Lot 56, Block 91	3711-23CO-3100
Lot 9, Block 87	3711-23AO-4600
Lot 32, Block 91	3711-22DO-1900
Lot 6, Block 92	3711-22AO-4000
Lot 18, Block 91	3711-22AO-2300
Lot 12, Block 103	3711-26DO-3300
Lot 20, Block 92	3711-22DO-3000

State of Oregon, County of Klamath
Recorded 03/22/01, at 2:03 p. m.
In Vol. M01 Page 11474
Linda Smith,
County Clerk Fee\$ 31.00