AFTER RECORDING RETURN TO MIDSTATE ELECTRIC COOPERATIVE P.O. BOX 127 LA PINE, OR 97739

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POWER LINE AND RIGHT OF WAY EASEMENT

WITNESSETH:

The parties hereto, each in consideration of the agreements and the performance thereof on the part of the other, do agree:

1. EASEMENT GRANT: Subject to the terms and conditions hereof, the Grantor hereby grants and conveys unto the Grantee a permanent easement on a strip of land 30 feet in width for a right of way, for the purpose of locating, constructing, operating, maintaining and replacing, one or more electric transmission lines, and all necessary appurtenances, upon, over and across those portions of the following described lands now owned by the Grantor in the County of Klamath, State of Oregon:

Township 29 North, Range 8 East, W.M.

Section 7 Section 8 Section 18 Section 30 Section 29 Section 32 Section 33

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Township 30 South, Range 8 East, W.M.

Section 4 Section 9 Section 10 Section 15 Section 14 Section 13

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Township 30 South, Range 9 East, W.M.

Section 18 Section 7

Said 30-foot-wide strip of land being 15 feet in width on each side of the center line which is shown in red on the map marked "Exhibit A" attached hereto and by this reference made a part hereof, SUBJECT to existing rights of way for public high-ways, railroad rights of way and/or easements, which have been legally conveyed or granted, located or established, and not otherwise excepted by legal description or deed reference.

The Grantee is permitted to remove and to keep said easement and right of way clear of all brush, trees and timber, subject, however, to the provisions contained below. The Grantee is also permitted to ingress and egress at convenient points for said purposes, and if such is done by means other than over the right of way hereinabove described or over existing roads, the Grantee hereby agrees to pay the Grantor for any damages which arise from the exercise of the privilege of ingress and egress.

- 2. RESTRICTIONS UPON THE EASEMENT: The Grantee hereby agrees to take the above-described easement subject to the following restrictions and reservations of the Grantor.
- A. The Grantor reserves the right as primary user of said land to employ it for all purposes not inconsistent with the Grantee's use of same as provided herein. In particular the Grantor reserves the right to grow and harvest forest crops on said property, including Christmas trees, and agrees that such use shall not interfere with the Grantee's equipment

or operations; and the Grantor also reserves the right to cross and recross the right of way with truck roads, and with all other ways and means customary to the growing and logging of timber.

- B. The Grantor further reserves the right to all oil, gas and minerals in and/or on said property.
- 3. <u>COMPENSATION AND PAYMENT</u>: As compensation for the removal of timber and the taking of the land, herein described, the Grantee shall pay the Grantor as follows:
- A. For the Lodgepole pine, now standing or lying on the right of way consisting of approximately 75,000 board feet the Grantee shall pay the Grantor the sum of Three Hundred and Seventy-Five (\$375.00) Dollars, payable on or before the date of execution hereof.
- B. For the 32 acres of land, more or less, occupied by the power line the Grantee shall pay the Grantor the sum of Three Hundred Twenty (\$320.00) Dollars, payable on or before the date of execution hereof.
- 4. EXTINGUISHMENT OF THE EASEMENT: Said Easement rights shall exist for as long as said land is used by the Grantee, or its successors or assigns, for the purposes stated herein; provided, however, that in the event the Grantee fails to use said land for said purposes within three years from the date of execution hereof, or abandons said Easement rights as evidenced by the non-use thereof for a continuous period of two years, said Easement rights shall be terminated and unenforceable without any affirmative notice or act on the part of the Grantor.

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- 5. FIRE CONTROL: The Grantee hereby acknowledges that its operations in clearing the land and the construction, maintenance and use of the electric power line, and the incidents thereof, will constitute a fire hazard and, therefore, the Grantee agrees to use every effort to prevent fires from arising on said lands, and will immediately, upon outbreak of any fire upon said land or near-by land, do all things possible to control and suppress said fire or fires. The cost of fires attributable to the Grantee's operations and equipment will be solely its responsibility and expense. Should the Grantee fail to exercise reasonable care to control and suppress any fires on said land it shall be liable to the Grantor for all damage and loss caused as a result thereof.
- 6. <u>DANGER TREES</u>: Should the electric power line which is to be constructed on said land be threatened by so-called "danger trees" being on adjacent land of the Grantor, the Grantee shall have the right to remove such trees provided that they have been marked as such and the Grantor has been notified and compensated for the stumpage value of such trees at the prevailing fair market price.
- 7. SLASH DISPOSAL: The Grantee agrees to dispose of, to the Grantor's satisfaction, all slash, rubbish and debris resulting from such construction and logging operations on the right of way.
- 8. <u>SETTLEMENT OF DAMAGES</u>: The Grantee hereby agrees to pay for any damages which arise to growing crops, pasturage, timber, fences or buildings of the Grantor, now or hereafter found on said land, as a result of its exercise of the Easement rights granted herein; said amount of damages, if not mutually agreed upon, shall be ascertained and determined by three disinterested persons, one to be appointed by the

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Grantor, one by the Grantee, and the third by the two so appointed and the written award of damages by such three persons shall be final and binding upon the parties hereto.

- 9. TAXES: The Grantee hereby agrees to pay for any increase in property taxes and assessments of any kind which may be hereafter levied, or become a lien against said right of way land, provided such increase is levied or assessed by reason of the construction, operation and maintenance of the electric power line thereon.
- 10. <u>INDEMNITY</u>: The Grantee, by its acceptance of this Easement, covenants and agrees to indemnify, save and hold harmless the Grantor, its officers, agents and employees from and against any and all liens, costs, expenses, claims, actions or suits arising or growing out of the Grantee's use of this Easement, including, but not limited to, injury and/or damage arising from the falling and/or breaking of its electric power lines, or of any of the appurtenances thereto, as well as any injury and/or damage arising from the construction, operation or maintenance of said facilities; provided, that the Grantee shall not be liable to save and hold harmless the Grantor from any claims attributable to the Grantor's negligence, or to acts of God.
- 11. ASSIGNMENT: The Grantor shall have the right to assign the use of said land to others provided such use does not interfere with the uses granted herein to the Grantee. The Grantee shall have the right to assign this Easement to

an Assignee who will operate said electric power line for the purposes for which this Easement is granted; subject to the written consent of the Grantor; and provided that said Assignee accepts the obligations of this Easement in writing.

IN WITNESS WHEREOF, the Grantor has caused this Easement

STATE OF CALIFORNIA, City and County of San Francisco On this	day of fine in the year one thousand nine hundred and	
before me,	GERALDINE D. COHEN a Notary Public in and for the City and C of San Francisco, State of California, residing therein, duly commissioned and sworn, pers appeared Commissioned and sworn, pers	
	known to me to be the real Induction and Controloration	. 4 ()
	of the corporation described in and that executed the within instrument, and also known to me the person. who executed the within instrument on behalf of the corporation therein n and acknowledged to me that such corporation executed the within instrument pursuant	name
2	by-laws or a resolution of its board of directors. IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal. City and County of San Francisco the day and year in this certificate first above written.	in t
	GERALDINE D. COHEN, Notary Public in and for the City and County of San Francisco, State of California.	
CORPORATION	My Commission Expires fet Land 1961	
	State of Oregon, County of Klamath	h
	Recorded 06/06/01, at 8:19a m. In Vol. M01 Page 26472 Linda Smith, County Clerk Fee\$ 46 company	a
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By Cliff	We will be the second of the s	