RETURN TO:

Brandsness, Brandsness and Rudd

411 Pine Street

Klamath Falls, Oregon 97601

TAX STATEMENTS TO:

Charles S. Thompson 9606 Highway 39

Klamath Falls, Oregon 97603

State of Oregon, County of Klamath Recorded 10/04/01 at $8:31\alpha$ m. In Vol. M01 Page 50674 Linda Smith, County Clerk Fee\$ $2/\alpha$

-BARGAIN AND SALE DEED-

W. Wallace Thompson, trustee of the Gretchen Thompson Trust, dated February 8, 1991, Grantor, conveys to Charles S. Thompson and Nancy N. Thompson, husband and wife, Grantees, the following described real property situated in the County of Klamath, State of Oregon, to-wit:

Parcel 1. The Northeast Quarter (NE 4) of Section Thirty-six (36) in Township Thirty-nine (39) South, Range 9 E., W.M., in Klamath County, Oregon, containing 128.48 acres more or less.

Parcel 2. Beginning at a point of the line marking the boundary between Sec. 36, Twp. 39 S., R. 9 E., W.M., and Sec.31, Twp. 39 S., R. 10 E., W.M. from which the corner common to Sec. 36, Twp. 39 S., R. 9 E., W.M., Sec. 31, Twp. 39 S., R. 10 E., W.M., Sec. 6, Twp. 40 S., R. 10 E., W.M., Sec. 6, Twp. 40 S., R. 10 E., W.M., and Sec. 1, Twp 40 S., R. 9 E., W.M., bears S.0°14'W. 1908.7 feet distant, and running thence N.89°57'W. 163.4 ft; thence S.0°14'W. 133.4 ft; thence N.89°57'W. 2102.6 ft., more or less to a point in the line marking the Southeasterly boundary of the right-of-way for the U.S. Reclamation Service "South Branch" or "C" Canal and 1-B Drain; thence N.23°27½'E., along the said right-of-way line, 944.4 ft., more or less, to a point on the Southerly boundary of the right-of-way for the U.S. Reclamation Service "C" Lateral; thence S.89°57'E. along the last named right-of-way line, 1893.6 ft., more or less, to a point in the line marking the boundary between the said Secs. 36 and 31; thence S.0°14'W. 733.3 feet, more or less, to the point of beginning, being a portion of the N½ of the SE¼ of the said Section 36, Twp. 39 S., R. 9 E., W.M.

The true and actual consideration for this transfer is as a gift.

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.

DATED this 19/3 day of October, 2001.

W. Wallace Thompson

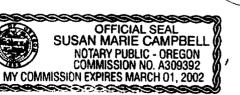
STATE OF OREGON

ss. October 3 , 2001.

County of Klamath

Personally appeared the above-named W. Wallace Thompson, and acknowledged the foregoing instrument to be his voluntary act.

Before me:



Notary Public for Oregon
My Commission expires: 3-0/-02