

| BARGAIN AND SALE DEED   |         |
|---|---------|
| Lower Lake Management, Inc.<br>4650 Lower Klamath Lake Road<br>Klamath Falls, OR 97603  | Grantor |
| Lower Lake Limited Partnership<br>4650 Lower Klamath Lake Road<br>Klamath Falls, OR 97603   | Grantee |
| After recording return to:<br>Hanna Strader, P.C.<br>1300 SW Sixth Avenue, Suite 300<br>Portland, OR 97201  |         |
| Until a change is requested, all tax statements shall be sent to the following address:<br>Lower Lake Limited Partnership<br>4650 Lower Klamath Lake Road<br>Klamath Falls, 97603 |         |

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State of Oregon, County of Klamath  
Recorded 07/30/2002 10:49 a.m.  
Vol M02, Pg 42815  
Linda Smith, County Clerk  
Fee \$ 21.00 # of Pgs 1

**BARGAIN AND SALE DEED - STATUTORY FORM**

Lower Lake Management, Inc., an corporation duly organized and existing under the laws of the State of Oregon, Grantor, conveys an undivided 1% interest in real property to Lower Lake Limited Partnership, Grantee, the following real property situated in Klamath County, Oregon, to-wit:

A piece or parcel of land situate in the Easterly half of Section 33, Township 40 South, Range 9 East of the Willamette Meridian, and being more particularly described as follows:

Beginning at the Bureau of Land Management brass cap marking the quarter section corner on the Southerly boundary of said Section 33; thence North 0° 04' West 5256.6 feet to the quarter section corner on the Northerly boundary of said Section 33; thence North 89° 58' East along the Northerly boundary of said Section 33 for a distance of 1595.8 feet to a point in line with the center-line of a drain; thence South 0° 01' West along the center-line of said drain as the same is now located and constructed for a distance of 5252.2 feet to a point on the Southerly boundary of said Section 33; thence South 89° 48½' West along the Southerly boundary of said Section 33 for a distance of 1588.4 feet more or less to the point of beginning: RESERVING AND EXCEPTING THEREFROM, However, 75% of the mineral rights in the property for the grantors, their heirs, executors and assigns, this reservation being understood to include its terms geothermal resources, oil, gas and other minerals on, in and under the property conveyed.

The true consideration for this conveyance is: \$-0-. However, the actual consideration consists of or includes other property or value given or promised which is the whole consideration.

DATED this 2 day of July, 2002.

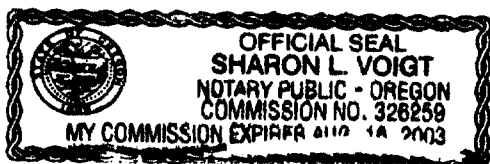
THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930.

LOWER LAKE MANAGEMENT, INC.

By: John M. Liskey  
John M. Liskey  
President

State of Oregon )  
County of Klamath ) ss.

This instrument was acknowledged before me on the 2 day of July, 2002, by John M. Liskey, as President of Lower Lake Management, Inc.



Sharon L. Voigt  
Notary Public for Oregon  
My Commission Expires: 8-16-03