

**WELL AGREEMENT**

AGREEMENT, dated this September 30, 2002, between Victor L. Hobbs and Marcia J. Hobbs (first party), and Michael A. Mauro and Sheree A. Mauro (second parties).

**WITNESSETH:**

First Parties are the owners of the following described real property:

Parcel 1 of Land Partition 21-01, situate in the SE¼ NE¼ SE¼ of Section 12, Township 40 South, Range 7 East of the Willamette Meridian

(Tax Acct# 4007-012DO-00200-000)

Second Parties are the owners of the following described real property:

Parcel 2 of Land Partition 21-01, situate in the SE¼ NE¼ SE¼ of Section 12, Township 40 South, Range 7 East of the Willamette Meridian

(Tax Acct# 4007-012DO-00201-000)

First Parties have upon their property a well which the parties wish to allow Second parties to use for their domestic water supply.

The parties wish to enter into an agreement for the operation, maintenance and repair of said well,

NOW, THEREFORE, in consideration of the premises, the parties covenant and agree to and with each other as follows:

- (1) Each of the parties shall be solely responsible for the maintenance, repair and replacement of the water lines from the shut off valve at the pump house to their own premises, but the cost of all future maintenance, replacements and improvements, and electricity for the pump, of the well and casing shall be born equally by the parties and their heirs and /or assigns. It is agreed that the cost of the electricity for the pump house shall be at the rate of \$6.00 per month per parcel from the time of execution of this document and parties shall have the right to renegotiate this fee annually based on the Pacific Power & Light calculations.
- (2) First Parties grant to Second Parties, their heirs, grantees and/or assigns for the benefit of Second Parties' said property, perpetual right in and to said water well and of ingress and egress upon said property of First Parties for the sole purpose of replacing the pipes from the shut off valve at the pump house to the Second parties premises.
- (3) It is mutually covenanted and hereby agreed by all the parties hereto on behalf of themselves, their heirs, grantees and/or assigns, that in the event that any owner of either of said parcels of land shall at any time hereafter institute any suit, action or proceeding to enforce any of the covenants or agreements herein contained and/or for damages for the breach of same, that the Court may award the prevailing party in such suit, action or proceeding such sums as it may

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adjudge reasonable for said prevailing party's Attorney's fees therein; in addition to the usual costs and disbursements provided by law.

- (4) This Agreement shall bind and inure to each of said parcels of land and be appurtenant thereto and run therewith.

IN WITNESS WHEREOF, the parties hereto have hereunder set their hands and seals the day and year first herein written.

(First Parties)

(Second Parties)

Victor L. Hobbs  
Victor L. Hobbs

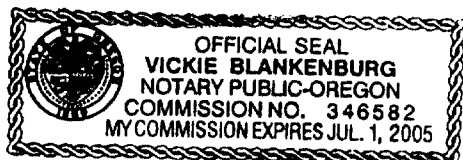
Michael A. Mauro  
Michael A. Mauro

Marcia J. Hobbs  
Marcia J. Hobbs

Sheree A. Mauro  
Sheree A. Mauro

STATE OF OREGON                   )  
  )ss  
County of Klamath                )

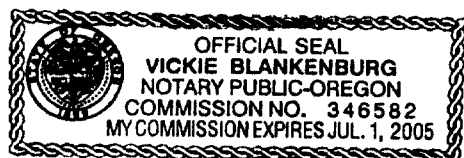
On Sept 30, 2002 personally appeared the above named Michael A. Mauro  
and Sheree A. Mauro who acknowledged the foregoing instrument to be their  
voluntary act and deed.



Before me: Vickie Blankenburg  
Notary Public for: Oregon  
My Comm expires: 7/01/05

STATE OF OREGON                   )  
  )ss  
County of Klamath                )

On Sept 30, 2002 personally appeared the above named Victor L. Hobbs  
and Marcia J. Hobbs who acknowledged the foregoing instrument to be their  
voluntary act and deed.



Before me: Vickie Blankenburg  
Notary Public for: Oregon  
My Comm expires: 7/01/05