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Vol M02 Page 71864

State of Oregon, County of Klamath

Recorded 12/10/2002 3:26 P m.

Vol M02, Pg 71864-80

Linda Smith, County Clerk

Fee \$ 101.00 # of Pgs 17

FIRST SUPPLEMENT TO LEASE

BETWEEN

COLLINS PRODUCTS LLC,
AN OREGON LIMITED LIABILITY COMPANY,

AND

OC
CITY OF KLAMATH FALLS, OREGON,
A MUNICIPAL CORPORATION

(AND CONCURRED IN BY U. S. BANK TRUST NATIONAL
ASSOCIATION, BOND TRUSTEE)

DATED AS OF August 23, 2000

Original Memorandum of Lease recorded April 27, 1999 in M99, Page 21337

FIRST SUPPLEMENT TO LEASE

THIS FIRST SUPPLEMENT TO LEASE is made and entered into as of the 23 day of August, 2000, between **COLLINS PRODUCTS LLC**, an Oregon limited liability company ("Lessor"), and the **CITY OF KLAMATH FALLS, OREGON**, an Oregon municipal corporation, in its capacity as owner of the Klamath Cogeneration Project ("Lessee").

RECITALS

WHEREAS, Lessee, for the benefit and use of its inhabitants and for profit, is constructing a natural-gas fired electricity cogeneration facility (the "Plant") on a parcel of real property in Klamath County, Oregon, adjacent to Lessor's Klamath Falls wood products processing facility (the "Collins Facility"); and

WHEREAS, by that certain Lease dated as of April 1, 1999 (the "Lease"), Lessor has leased to Lessee the parcel of real property on and within which the Plant was proposed to be constructed and operated, as described in Exhibit A to the Lease; and Lessor has provided to Lessee easements needed for such development and operation, as described in Exhibit B to the Lease; and

WHEREAS, Lessee, for use in connection with the Plant, is installing an access roadway including the right to install signs thereon, pipelines for cooling water and wastewater, a pipeline for potable water, railroad spur track access area, and utility services (collectively referred to as the "Exhibit B Facilities"), all of which are described in said Exhibit B to the Lease; and

WHEREAS, Lessor and Lessee, by virtue of their understandings and the terms of the Lease, have contemplated that the boundaries of the Leased Premises and the locations of certain of the Exhibit B Facilities would be modified to conform to the actual surveys thereof as developed during construction of the Plant and installation of the Exhibit B Facilities; and

WHEREAS, the parties hereto wish to supplement the Lease to acknowledge and memorialize such modifications.

NOW, THEREFORE, in consideration of the agreements and covenants hereinafter set forth, the parties hereto hereby covenant and agree as follows:

Section 1. Leased Premises. The Leased Premises, to which the Lease (as supplemented and modified hereby) shall apply, are more particularly described on Exhibit A/S-1 attached hereto and by this reference made a part hereof. Exhibit A to the Lease is hereby rescinded and shall be of no further force and effect. Lessee (with the consent of the Bond Trustee, as evidenced below) hereby releases and relinquishes all of its right, title and interest in and to any portion of the parcel described in Exhibit A to the Lease that is not included within the boundaries of the Leased Premises as described in Exhibit A/S-1 attached hereto. Lessor hereby accepts such relinquishment and releases Lessee from all obligations in connection with the relinquished property.

Section 2. Easements. Attached hereto and made a part hereof, and marked Exhibits B/S-1--Access Road Easement; B/S-2--Cooling Water and Wastewater Pipeline Easement; B/S-3--Potable Water Pipeline Easement; and B/S-4--Railroad Access Easement, are the survey descriptions and location plan maps of the Facilities referred to in Paragraphs A, E and F of Exhibit B. Lessor hereby confirms to Lessee (and to the Bond Trustee) that the grant of Easements set forth in Section 3.1 of the Lease as of the Effective Date is and shall apply to the rights of way as described in Exhibits B/S-1, B/S-2, B/S-3, and B/S-4 attached hereto.

Section 3. Unrequired Easements. The parties acknowledge that the Facilities referred to in Paragraphs B (Sanitary Sewer Lines), C (Storm Sewer Lines), and D (Natural Gas Service) of Exhibit B do not require easements for their operation and installation, and are thus not included herein. The Facilities referred to in Paragraph H (Telephone Lines) of Exhibit B are to be covered in a separate grant from Collins to the telephone service provider.

Section 4. Definitions. Except as otherwise defined herein, capitalized terms shall have the meanings ascribed to them in the Lease.

Section 5. Status of Lease. Except as specifically set forth herein, the Lease shall remain in full force and effect and shall be unchanged hereby.

71867

IN WITNESS WHEREOF, Lessor and Lessee have caused this First Supplement to Lease to be executed, and the Bond Trustee has consented hereto, as of the day and year first above written.

LESSOR:

COLLINS PRODUCTS LLC

By: [Signature]
Name: DALE A. SCATE
Its: VICE PRESIDENT

LESSEE:

CITY OF KLAMATH FALLS, OREGON

By:

Name: [Signature]
Its: Mayor

Approved as to Form: ATTEST:

[Signature]
City Recorder

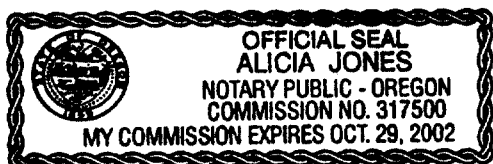
CONSENTED TO BY

BOND TRUSTEE: U. S. BANK TRUST NATIONAL ASSOCIATION

By: [Signature]
Name: Linda A. McConkey
Its: Vice President

STATE OF OREGON)
) ss.
 County of Klamath)

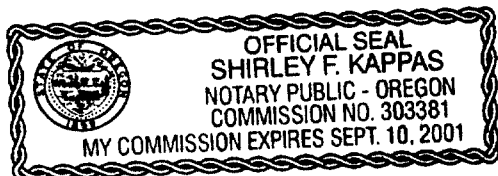
This instrument was acknowledged before me on this 23 day of August, 2000,
 by Alicia Jones, as Notary Public of Collins Products LLC, an
 Oregon limited liability company.



Alicia Jones
 Notary Public for Oregon Lic. exp. 10-29-02

STATE OF OREGON)
) ss.
 County of Klamath)

This instrument was acknowledged before me on this 8th day of September, 2000,
 by Todd Kellstrom, as Mayor of the City of Klamath Falls,
 Oregon, an Oregon municipal corporation.



Shirley F. Kappas
 Notary Public for Oregon

Klamath Cogeneration Project
Cogeneration Plant Site
Exhibit A/S-1

A parcel of land located in the Northwest quarter of the Southwest quarter (NW1/4SW1/4), the Northeast quarter of the Southwest quarter (NE1/4SW1/4), and Government Lots 4 and 5 of Section 18, in Township 39 South, Range 9 East of the Willamette Meridian, in Klamath County Oregon. Said parcel of land is described with reference to the Oregon Coordinate System, South Zone (NAD83/91), more particularly described as follows:

Beginning at a point that bears S.24°28'33"W., 982.35 feet from the Center Quarter Corner of said Section 18, evidenced by a 2" iron pipe; thence S.27°27'32"E., 43.42 feet; thence S.25°16'54"E., 43.00 feet; thence S.15°07'32"E., 44.21 feet; thence S.06°00'20"E., 43.42 feet; thence S.00°08'27"E., 45.59 feet; thence S.09°28'58"W., 45.44 feet; thence S.13°04'36"W., 44.81 feet; thence S.12°02'25"W., 15.30 feet; thence S.81°31'36"W., 735.81 feet; thence S.64°43'42"W., 31.31 feet; thence S.08°40'42"E., 75.42 feet; thence S.87°13'48"W., 660.90 feet; thence N.02°46'12"W., 59.70 feet; thence N.88°37'32"W., 369.12 feet; thence N.75°11'09"W., 141.06 feet; thence N.69°21'26"W., 69.70 feet; thence N.02°45'41"W., 316.88 feet; thence N.87°13'39"E., 19.54 feet; thence N.02°46'12"W., 12.93 feet; thence N.87°13'48"E. 1906.00 feet; thence S.02°46'12"E., 12.84 feet; thence N.87°13'39"E., 36.59 feet to a point that bears S.24°28'33"W., 982.35 feet from the Center Quarter Corner of said Section 18.

Containing 18.922 acres more or less.

NW1/4SW1/4, NE1/4SW1/4, and Gov't Lots 4 & 5 of Section 18, Township 39 South, Range 9 East
Klamath County, Oregon

COGENERATION PLANT SITE

C-11	S 3727137' E	41.47
C-12	S 225154' E	41.00
C-13	S 1302732' E	44.21
C-14	S 080020' E	43.47
C-15	S 0010827' E	45.59
C-16	S 092839' E	45.44
C-17	S 130436' W	44.41
C-18	S 120275' W	73.91
C-19	S 813138' W	31.31
C-20	S 644542' E	75.47
C-21	S 071748' W	66.90
C-22	N 024612' W	59.70
C-23	N 883732' W	36.12
C-24	N 251152' W	14.06
C-25	N 692176' W	69.70
C-26	N 024541' W	316.88
C-27	N 871332' E	19.34
C-28	N 024612' W	12.93
C-29	N 871348' E	1968.00
C-30	S 024612' E	12.84
C-31	N 871332' E	16.59

18.922 Acres

NW 1/4 SW 1/4

500K V Transmission Line Easement

NE 1/4 SW 1/4



REGISTERED PROFESSIONAL LAND SURVEYOR

OREGON
MAY 11 1970
EXPIRES 7/30/70

CEIRA

C.E. Raleigh and Associates, Inc.
CONSULTANTS

Surveying, Right-of-Way, Engineering
Plumbing, Electrical, Mechanical, Civil
Surveying, Mapping, Photogrammetry
P.O. Box 1000, Klamath Falls, Oregon 97603
(503) 868-9900

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City of Klamath Falls
KLAMATH COGENERATION PROJECT
PLANT SITE BOUNDARY
EXHIBIT A-5-1

PACIFIC Klamath Energy, Inc.

DATE	1/17/80
BY	CEIRA
FOR	CEIRA
PROJECT	KLAMATH COGENERATION PROJECT
PLANT SITE BOUNDARY	

Klamath Cogeneration Project
Access Road Easement
Exhibit B/S-1

A parcel of land located in the Northeast quarter of the Southwest quarter (NE1/4SW1/4), Government Lots 2, 3 and 4, and the Southwest quarter of the Northeast quarter (SW1/4NE1/4) of Section 18 in Township 39 South, Range 9 East of the Willamette Meridian, in Klamath County Oregon. Said parcel of land is described with reference to the Oregon Coordinate System, South Zone (NAD83/91), more particularly described as follows:

Beginning at a point that bears S.24°28'33"E., 982.35 feet from the Center Quarter Corner of said Section 18, evidenced by a 2" iron pipe; thence N.37°13'39"E., 33.01 feet; thence S.27°27'32"E., 30.20 feet; thence S.25°16'54"E., 46.24 feet; thence S.15°07'32"E., 49.27 feet; thence S.06°00'20"E., 47.35 feet; thence S.00°08'27"E., 49.65 feet; thence S.09°28'58"W., 48.90 feet; thence S.13°04'36"W., 24.97 feet; thence S.04°53'27"W., 55.90 feet to a point of curvature; thence on a curve to the left, with a radius of 205.93 feet, and an arc distance of 241.39 feet (chord S.28°41'24"E., 227.81 feet); thence S.62°16'16"E., 4.80 feet to a point of curvature; thence on a curve to the left, with a radius of 157.25 feet, and an arc distance of 220.88 feet (chord N.77°29'19"E., 203.16 feet); thence N.37°15'06"E., 83.60 feet to a point of curvature; thence on a curve to the right, with a radius of 1001.89 feet, and an arc distance of 107.42 feet (chord N.40°03'33"E., 107.37 feet) to a point of compound curvature; thence on a curve to the right, with a radius of 1779.19 feet, and an arc distance of 95.58 feet (chord N.50°39'22"E., 95.57 feet) to a point of compound curvature; thence on a curve to the right, with a radius of 934.28 feet, and an arc distance of 96.19 feet (chord N.57°11'42"E., 96.15 feet) to a point of reverse curvature; thence on a curve to the left, with a radius of 175.31 feet, and an arc distance of 90.95 feet (chord N.50°27'12"E., 89.93 feet); thence N.39°06'48"E., 982.11 feet to a point of curvature; thence on a curve to the left, with a radius of 1935.50 feet, and an arc distance of 98.96 feet (chord N.37°38'55"E., 98.94 feet); thence N.36°11'03"E., 158.91 feet to a point of curvature; thence on a curve to the left, with a radius of 481.43 feet, and an arc distance of 235.23 feet (chord N.22°01'11"E., 232.90 feet); thence N.08°11'19"E., 440.87 feet to a point of curvature; thence on a curve to the left, with a radius of 684.88 feet, and an arc distance of 97.00 feet (chord N.04°07'52"E., 96.92 feet); thence N.00°04'26"E., 43.74 feet to a point of curvature; thence on a curve to the left, with a radius of 344.08 feet, and an arc distance of 93.92 feet (chord N.07°44'45"W., 93.62 feet); thence N.15°33'56"W., 133.49 feet to a point of curvature; thence on a curve to the right, with a radius of 70.00 feet, and an arc distance of 75.65 feet (chord N.15°23'41"E., 72.02 feet); thence N.46°21'17"E., 18.08 feet to a point on the westerly right-of-way line of U.S. Highway 97; thence along said U.S. Highway 97 right-of-way S.13°20'54"E., 46.94 feet to a point of curvature; thence leaving said U.S. Highway 97 right-of-way on a curve to the left, with a radius of 30.00 feet, and an arc distance of 26.79 feet (chord S.10°01'16"W., 25.91 feet); thence S.15°33'56"E., 133.49 feet to a point of curvature; thence on a curve to the right, with a radius of 384.08 feet, and

an arc distance of 104.84 feet (chord S.07°44'45"E., 104.51 feet); thence S.00°04'26"W., 43.74 feet to a point of curvature; thence on a curve to the right with a radius of 724.88 feet, and an arc distance of 102.67 feet (chord S.04°07'52"W., 102.58 feet); thence S.08°11'19"W., 440.87 feet to a point of curvature; thence on a curve to the right, with a radius of 521.43 feet, and an arc distance of 254.78 feet (chord S.22°11'11"W., 252.25 feet); thence S.36°11'03"W., 158.91 feet to a point of curvature; thence on a curve to the right, with a radius of 1975.50 feet, and an arc distance of 101.00 feet (chord S.37°38'55"W., 100.99 feet); thence S.39°06'48"W., 982.11 feet to a point of curvature; thence on a curve to the right, with a radius of 213.87 feet, and an arc distance of 21.16 feet (chord S.38°57'08"W., 21.16 feet) to a point of compound curvature; thence on a curve to the right, with a radius of 213.87 feet, and an arc distance of 86.16 feet (chord S.53°19'43"W., 85.58 feet) to a point of compound curvature; thence on a curve to the left, with a radius of 894.28 feet, with an arc distance of 89.66 feet (chord S.57°09'48"W., 89.63 feet) to a point of compound curvature; thence on a curve to the left, with a radius of 1739.19 feet, and an arc distance of 25.98 feet (chord S.51°44'36"W., 25.98 feet) to a point of compound curvature; thence on a curve to the left, with a radius of 1739.19 feet, and an arc distance of 64.63 feet (chord S.50°15'03"W., 64.63 feet) to a point of compound curvature; thence on a curve to the left, with a radius of 961.89 feet, and an arc distance of 101.05 feet (chord S.39°59'49"W., 101.01 feet); thence S.37°15'05"W., 83.78 feet to a point of curvature; thence on a curve to the right, with a radius of 197.25 feet, and an arc distance of 277.06 feet (chord S.77°29'19"W., 254.84 feet); thence N.62°16'16"W., 4.80 feet to a point of curvature; thence on a curve to the right, with a radius of 245.93 feet, and an arc distance of 288.28 feet (chord N.28°41'24"W., 272.06 feet); thence N.04°53'27"E., 23.15 feet; thence N.81°31'36"E., 5.60 feet; thence N.12°02'25"E., 15.28 feet; thence N.13°04'36"E., 44.81 feet; thence N.09°28'58"E., 45.44 feet; thence N.00°08'27"W., 45.59 feet; thence N.06°00'20"W., 43.42 feet; thence N.15°07'32"W., 44.21 feet; thence N.25°16'54"W., 43.00 feet; thence N.27°27'32"W., 43.42 feet to the point of beginning.

Containing 3.329 acres more or less.

Klamath Cogeneration Project
Cooling Water & Wastewater Pipeline Easement
Exhibit B/S-2

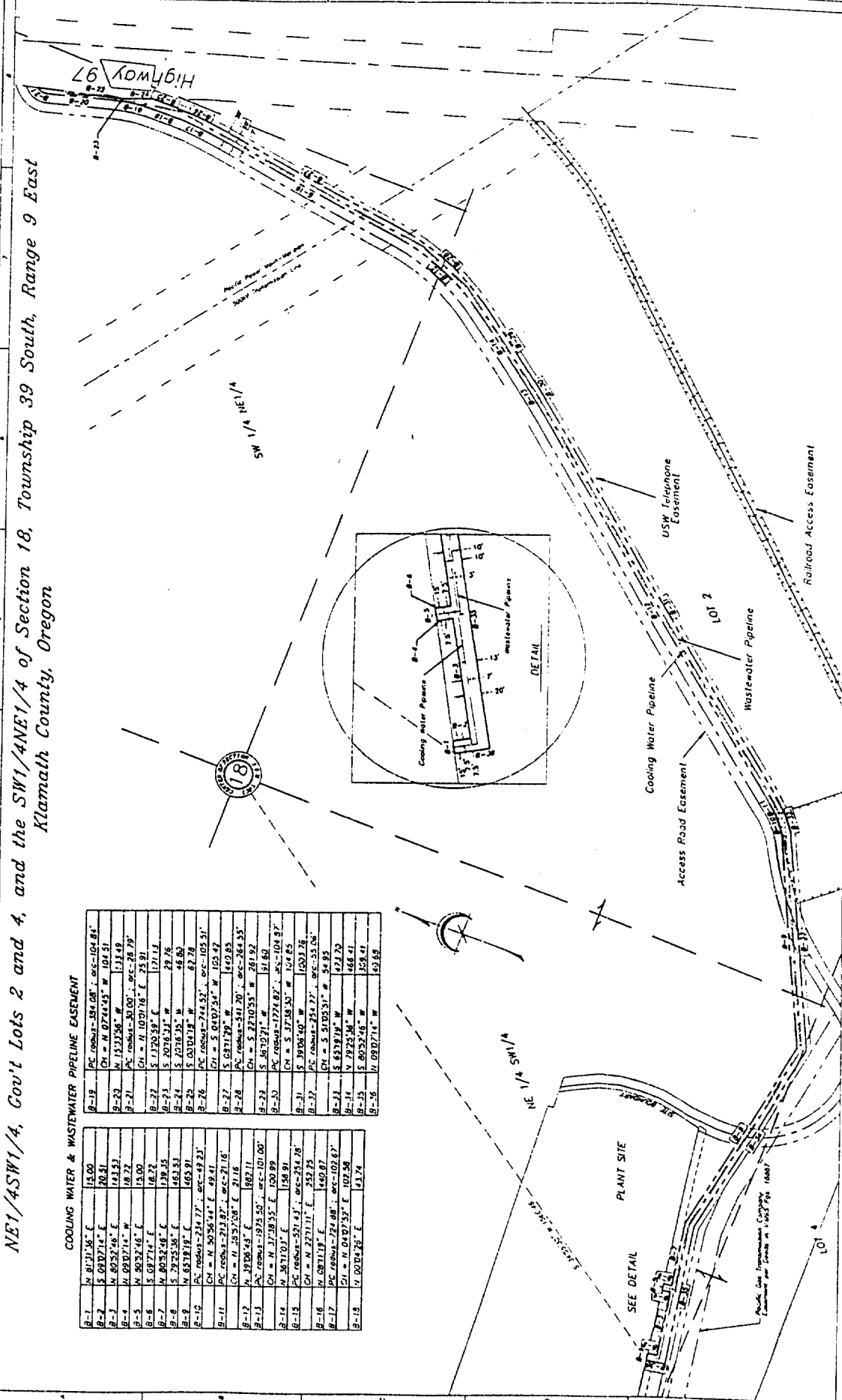
A parcel of land located in the Northeast quarter of the Southwest quarter (NE1/4SW1/4), Government Lots 2 and 4, and the Southwest quarter of the Northeast quarter (SW1/4NE1/4) of Section 18 in Township 39 South, Range 9 East of the Willamette Meridian, in Klamath County Oregon. Said parcel of land is described with reference to the Oregon Coordinate System, South Zone (NAD83/91), more particularly described as follows:

Beginning at a point that bears S.34°55'30"W., 1566.46 feet from the Center Quarter corner of said Section 18, evidenced by a 2" iron pipe; thence N.81°31'36"E., 15.00 feet; thence S.09°07'14"E., 20.51 feet; thence N.80°52'46"E., 143.53 feet; thence N.09°07'14"W., 18.72 feet; thence N.80°52'46"E., 15.00 feet; thence S.09°07'14"E., 18.72 feet; thence N.80°52'46"E., 139.35 feet; thence S.79°25'36"E., 463.53 feet; thence N.65°19'19"E., 465.91 feet to a point of curvature; thence on a curve to the left, with a radius of 234.77 feet, an arc distance of 49.23 feet (chord of N.51°04'11"E., 48.77 feet); thence on a compound curve to the left, with a radius of 232.25 feet, an arc distance of 21.16 feet (chord of N.38°53'06"E., 21.16 feet); thence N.39°06'48"E., 982.11 feet to a point of curvature; thence on a curve to the left, with a radius of 1975.50 feet, and an arc distance of 101.00 feet (chord of N.37°38'55"E., 100.99 feet); thence N.36°11'03"E., 158.91 feet to a point of curvature; thence on a curve to the left, with a radius of 521.43 feet, an arc distance of 254.78 feet (chord of N.22°11'11"E., 252.25 feet); thence N.08°11'19"E., 440.87 feet to a point of curvature; thence on a curve to the left, with a radius of 724.08, an arc distance of 102.67 feet (chord N.04°07'52"E., 102.58 feet); thence N.00°04'26"E., 43.74 feet to a point of curvature; thence on a curve to the right, with a radius of 384.08 feet, an arc distance of 104.84 feet (chord of N.07°44'45"W., 104.51 feet); thence N.15°33'56"W., 133.49 feet to a point of curvature; thence on a curve to the right, with a radius of 30.00 feet, an arc distance of 26.79 feet (chord N.10°01'16"E., 25.91 feet); thence S.13°20'59"E., 171.13 feet; thence S.19°43'27"E., 29.76 feet; thence S.19°43'25"E., 46.80 feet; thence S.00°04'18"W., 62.78 feet to a point of curvature; thence on a curve to the right, with a radius of 744.52 feet, an arc distance of 105.51 feet (chord S.04°07'54"W., 105.42 feet); thence S.08°11'29"W., 440.85 feet to a point of curvature; thence on a curve to the right, with a radius of 541.70 feet, an arc distance of 261.92 feet (chord S.22°10'55"W., 261.92 feet); thence S.36°10'21"W., 157.47 feet to a point of curvature; thence on a curve to the right, with a radius of 17742.82 feet, an arc distance of 104.87 feet (chord S.37°38'30"W., 104.85 feet); thence S.39°06'40"W., 1003.76 feet to a point of curvature; thence on a curve to the right, with a radius of 254.77 feet, an arc distance of 55.06 feet (chord S.51°05'51"W., 54.95 feet); thence S.65°19'19"W., 473.70 feet; thence N. 79°25'36"W., 466.41 feet; thence S.80°52'46"W., 309.41 feet; thence N.09°07'14"W., 40.68 feet to the point of beginning.

Containing 1.637 acres more or less.

NE1/4SW1/4, Gov't Lots 2 and 4, and the SW1/4NE1/4 of Section 18, Township 39 South, Range 9 East
Klamath County, Oregon

B-1	CH = 11.31.38.1°	15.00
B-2	PC recobs = 104.081°	104.881°
B-2	CH = N 07°44.5' W	104.51
B-3	CH = 15.33.58.4°	151.49
B-4	PC recobs = 103.613°	103.613°
B-4	CH = N 08°02.14' W	108.22
B-5	CH = 15.00.02.14°	150.00
B-5	PC recobs = 102.714°	102.714°
B-6	CH = 15.02.17.14°	150.27
B-6	PC recobs = 102.818°	102.818°
B-7	CH = 15.03.19.18°	150.39
B-7	PC recobs = 102.918°	102.918°
B-8	CH = 15.04.21.18°	150.42
B-8	PC recobs = 103.018°	103.018°
B-9	CH = 15.05.23.18°	150.45
B-9	PC recobs = 103.118°	103.118°
B-10	CH = 15.06.25.18°	150.48
B-10	PC recobs = 103.218°	103.218°
B-11	CH = N 30°56.34' W	105.92
B-11	PC recobs = 103.318°	103.318°
B-12	CH = N 25°57.08' E	25.57
B-12	PC recobs = 103.418°	103.418°
B-13	CH = 15.39.04.34°	153.94
B-13	PC recobs = 103.518°	103.518°
B-14	CH = N 27°03.34' W	107.03
B-14	PC recobs = 103.618°	103.618°
B-15	CH = 15.40.06.34°	154.06
B-15	PC recobs = 103.718°	103.718°
B-16	CH = 15.41.08.34°	154.08
B-16	PC recobs = 103.818°	103.818°
B-17	CH = 15.42.10.34°	154.10
B-17	PC recobs = 103.918°	103.918°
B-18	CH = 15.43.12.34°	154.12
B-18	PC recobs = 104.018°	104.018°
B-19	CH = 15.44.14.34°	154.14
B-19	PC recobs = 104.118°	104.118°
B-20	CH = 15.45.16.34°	154.16
B-20	PC recobs = 104.218°	104.218°
B-21	CH = 15.46.18.34°	154.18
B-21	PC recobs = 104.318°	104.318°
B-22	CH = 15.47.20.34°	154.20
B-22	PC recobs = 104.418°	104.418°
B-23	CH = 15.48.22.34°	154.22
B-23	PC recobs = 104.518°	104.518°
B-24	CH = 15.49.24.34°	154.24
B-24	PC recobs = 104.618°	104.618°
B-25	CH = 15.50.26.34°	154.26
B-25	PC recobs = 104.718°	104.718°
B-26	CH = 15.51.28.34°	154.28
B-26	PC recobs = 104.818°	104.818°
B-27	CH = 15.52.30.34°	154.30
B-27	PC recobs = 104.918°	104.918°
B-28	CH = 15.53.32.34°	154.32
B-28	PC recobs = 105.018°	105.018°
B-29	CH = 15.54.34.34°	154.34
B-29	PC recobs = 105.118°	105.118°
B-30	CH = 15.55.36.34°	154.36
B-30	PC recobs = 105.218°	105.218°
B-31	CH = 15.56.38.34°	154.38
B-31	PC recobs = 105.318°	105.318°
B-32	CH = 15.57.40.34°	154.40
B-32	PC recobs = 105.418°	105.418°
B-33	CH = 15.58.42.34°	154.42
B-33	PC recobs = 105.518°	105.518°
B-34	CH = 15.59.44.34°	154.44
B-34	PC recobs = 105.618°	105.618°
B-35	CH = 15.60.46.34°	154.46
B-35	PC recobs = 105.718°	105.718°
B-36	CH = 15.61.48.34°	154.48
B-36	PC recobs = 105.818°	105.818°
B-37	CH = 15.62.50.34°	154.50
B-37	PC recobs = 105.918°	105.918°
B-38	CH = 15.63.52.34°	154.52
B-38	PC recobs = 106.018°	106.018°
B-39	CH = 15.64.54.34°	154.54
B-39	PC recobs = 106.118°	106.118°
B-40	CH = 15.65.56.34°	154.56
B-40	PC recobs = 106.218°	106.218°
B-41	CH = 15.66.58.34°	154.58
B-41	PC recobs = 106.318°	106.318°
B-42	CH = 15.68.00.34°	154.60
B-42	PC recobs = 106.418°	106.418°
B-43	CH = 15.69.02.34°	154.62
B-43	PC recobs = 106.518°	106.518°

[illegible]

REGISTERED
PROFESSIONAL
LAND SURVEYOR

ORLSON
MARK R. INGLEDE
1111

LINCOLN 8/30/00



A surveyor's scale bar with markings for 0, 20, 40, 60, 80, 100, and 120 feet. The bar is divided into 1-foot increments, with every second foot further divided into 12 inches. The text "SURVEYOR'S SCALE" is printed along the top of the bar.

Klamath Cogeneration Project
Potable Water Pipeline Easement
Exhibit B/S-3

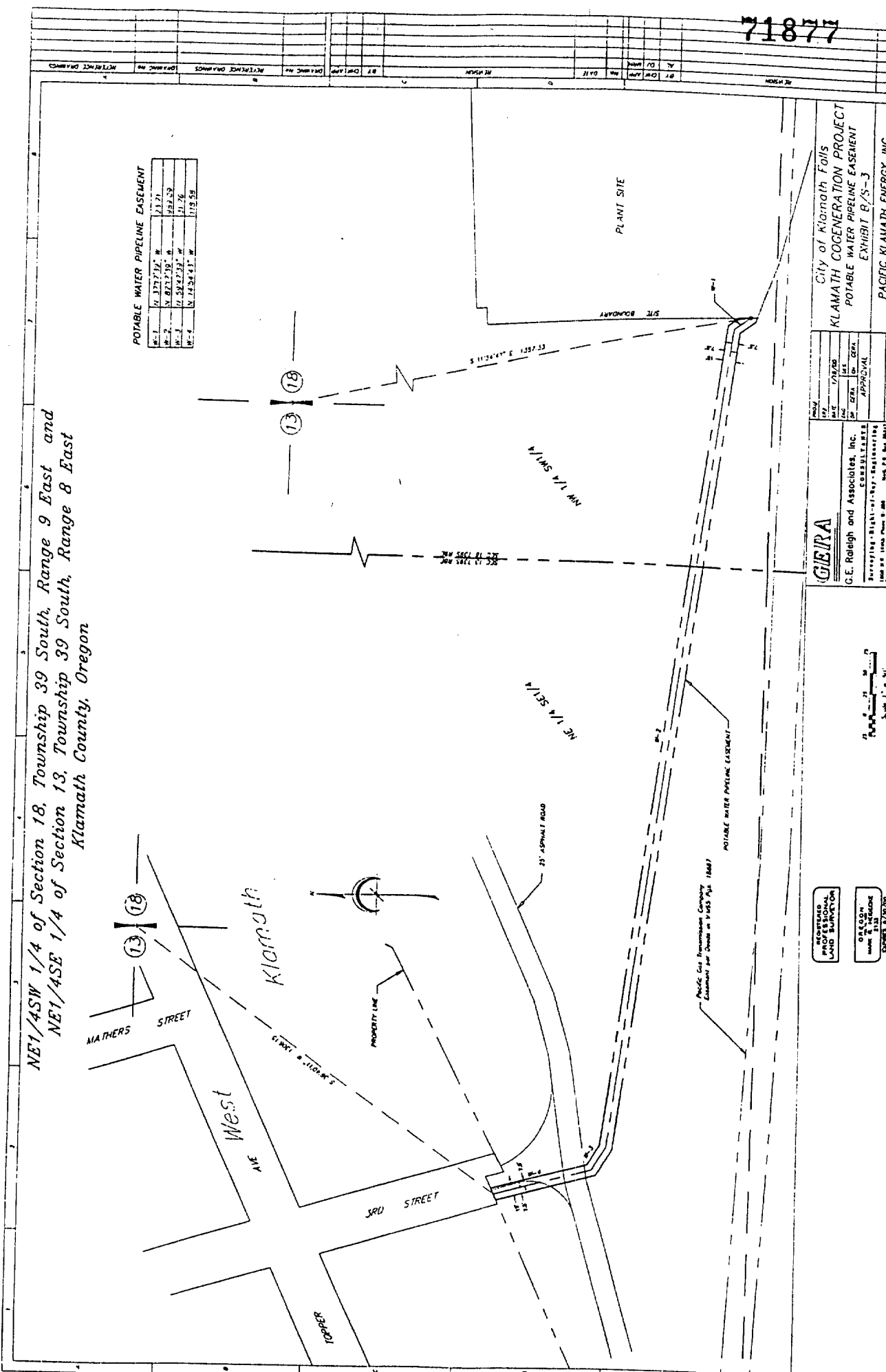
A right-of-way 15 feet wide over and across the Northwest quarter of the Southwest quarter (NW1/4SW1/4) of Section 18 in Township 39 South, Range 9 East and the Northeast quarter of the Southeast quarter (NE1/4SE1/4) of Section 13 in Township 39 South, Range 8 East of the Willamette Meridian, in Klamath County, State of Oregon. The boundaries of said right-of-way lie 7.5 feet each side of, and parallel with, the centerline and are to be extended or shortened to terminate at the Klamath Cogeneration Plant boundary and property lines. The centerline is described with reference to the Oregon Coordinate System, South Zone (NAD83/91), as follows:

Beginning at a point on the west line of the Klamath Cogeneration Plant that bears S.11°34'47"E., 1357.33 feet from the East Quarter Corner of said Section 13, evidenced by a 1-1/2" iron pipe; thence N.37°17'39"W., 23.71 feet; thence N.82°17'39"W., 989.09 feet; thence N.59°47'39"W., 31.76 feet; thence N.14°54'43"W., 118.58 feet to a point that bears S.36°40'11"W., 1306.15 feet from the East Quarter Corner of said Section 13.

Containing 0.400 acres more or less.

NE 1/4 SW 1/4 of Section 18, Township 39 South, Range 9 East and
NE 1/4 SE 1/4 of Section 13, Township 39 South, Range 8 East
Klamath County, Oregon

POTABLE WATER PIPELINE EASEMENT	
N-1	N 32° 17' 12" W 13.71'
N-2	N 87° 22' 19" W 93.29'
N-3	N 58° 47' 32" W 31.76'
N-4	N 74° 54' 43" W 119.58'



REGISTERED
PROFESSIONAL
LAND SURVEYOR

OREGON
NAME & ADDRESS
DATE 10/30/70

GIERA

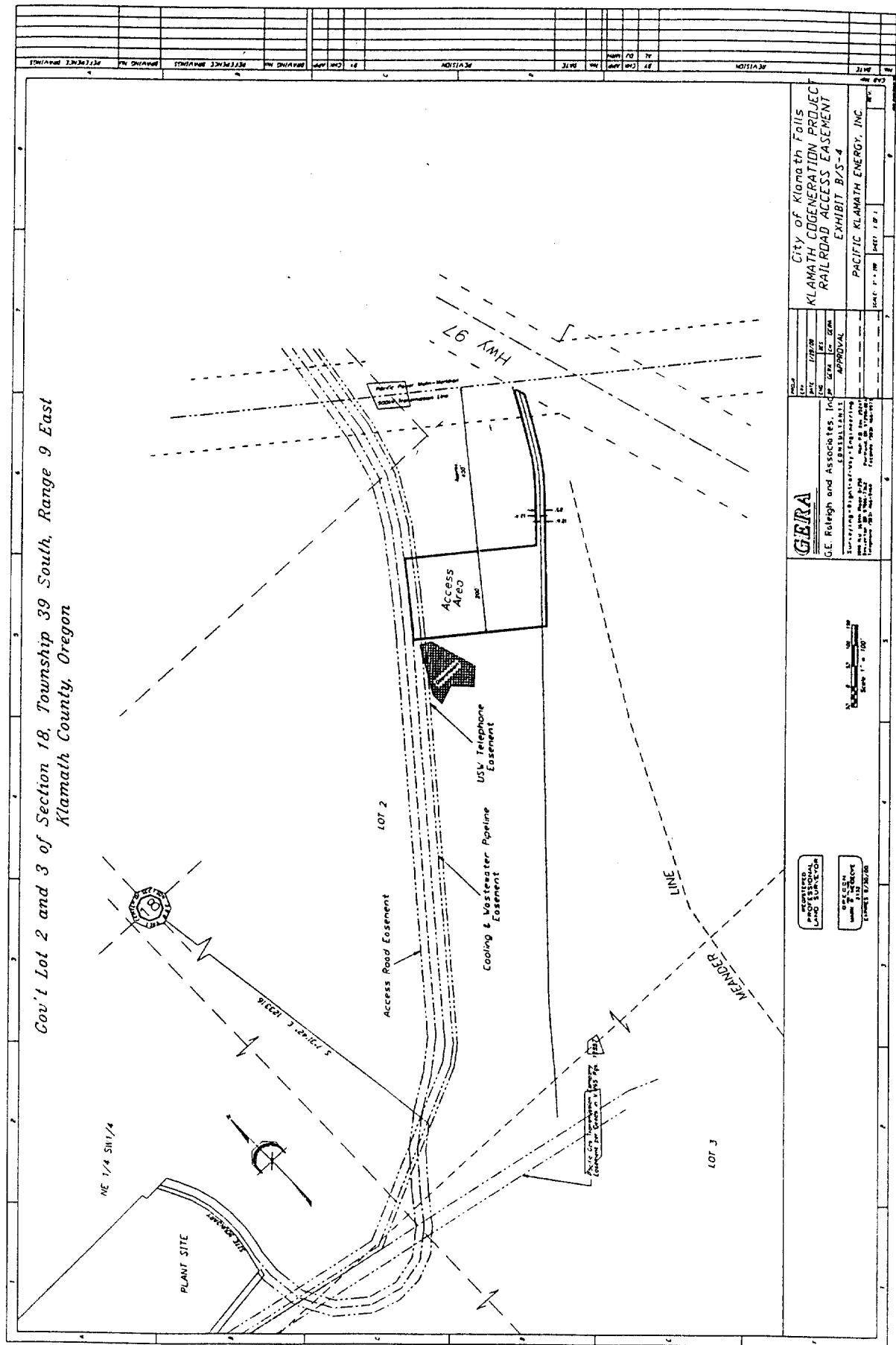
G.E. Raleigh and Associates, Inc.
Surveying, Right-of-Way, Engineering
CONSULTANTS
1000 NE 10th Street, Suite 200
Medford, Oregon 97504
Telephone (408) 866-1000

City of Klamath Falls
KLAMATH COGENERATION PROJECT
POTABLE WATER PIPELINE EASEMENT
EXHIBIT B/S-3
PACIFIC KLAMATH ENERGY, INC.

71878

Klamath Cogeneration Project
Railroad Access Easement
Exhibit B/S-4

A parcel of land located in Government Lot 2 and 3 of Section 18, in Township 39 South, Range 9 East of the Willamette Meridian, in Klamath County Oregon. Said parcel of land is generally shown on the Exhibit B/S-4 sketch attached hereto.



**CERTIFICATE
OF THE
CITY OF KLAMATH FALLS, OREGON**

The undersigned authorized representative of The City of Klamath Falls, Oregon, in its capacity as owner of the Klamath Falls Cogeneration Project, hereby certifies that the attached "First Supplement to Lease" will not, when executed on behalf of the City (as Lessee) and Collins Products LLC (as Lessor), and when consented to by U.S. Bank Trust National Association (as Bond Trustee), be or constitute a material modification of the Lease described therein.

Dated as of this 19 day of Sept, 2000

THE CITY OF KLAMATH FALLS, OREGON
In its capacity as owner of the Klamath
Cogeneration Project

By: [Signature]
(Authorized Representative)
Name: Gregory D. Ball
Title: City Manager

Approved as to form:

[Signature]
(City Attorney)