

AFTER RECORDING RETURN TO:

City Recorder
500 Klamath Avenue
Klamath Falls, OR 97601

State of Oregon, County of Klamath
Recorded 01/12/2004 3:42 p m
Vol M04 Pg 1625-27
Linda Smith, County Clerk
Fee \$ 31.00 # of Pgs 3

GRANTOR:

City of Klamath Falls
500 Klamath Avenue
Klamath Falls, OR 97601

GRANTEE:

Pelican Butte Oil, LLC
191 Bateman Road
Central Point OR 97502

REVOCABLE LICENSE & ENCROACHMENT PERMIT

The City of Klamath Falls, Oregon, an municipal corporation (City), and Pelican Butte Oil, LLC (Grantee) for and in consideration of the covenants and conditions hereinafter set forth, agree as follows:

City hereby gives and grants to Grantee, its successors and assigns, upon the terms and subject to the conditions hereinafter set forth, non-exclusive permission to encroach upon portions of the Oregon Avenue and Biehn Street rights-of-way in the City of Klamath Falls at 2075 Oregon Avenue (as shown on the attached map Exhibit "A"). This license/permit is granted for the limited purpose of placing three landscaping boxes with concrete curbs as required by the City Planning Department and is subject to the following conditions:

- 1) Grantee shall comply with all relevant local, state and federal regulations pertaining to Grantee's use of the area, including but not limited to, City Planning and building regulations;
- 2) Grantee shall submit the as-built construction plans to the City's Public Works Department and shall conform to any modifications or restrictions imposed by the Department; and
- 3) Grantee shall be responsible for the maintenance of the landscaping boxes, for all expenses for removal of the landscaping boxes, if required under this license/permit, and for restoration of the right-of-way damaged by maintenance or removal.

Grantee agrees to pay to the City, as compensation for the privileges herein granted, the sum of Thirty-One Dollars (\$31.00), receipt of which is hereby acknowledged by City.

Grantee shall save and hold harmless the City from, and indemnify the City against, any and all liability for or on account of any death or injury to persons, or damage to property incurred in any manner whatsoever growing out of Grantee's use or the public's loss of the privileges herein granted.

This agreement shall run from year to year unless terminated. It may be terminated upon sixty (60) days written notice by either party. Upon termination, Grantee shall remove all structures herein authorized and restore the public right-of-way in accordance with the directions of the City's Director of Public Works
Encroachment Permit, Page 1

01626

within sixty (60) days. Grantee agrees that City shall not be responsible for damage to any structures within the right-of-way caused by or related to City's legitimate use of the right-of-way.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed this 19 day of Dec, 2003.

CITY OF KLAMATH FALLS

GRANTEE

By: [Signature]
City Manager

By: [Signature]

Attest: [Signature]
City Recorder

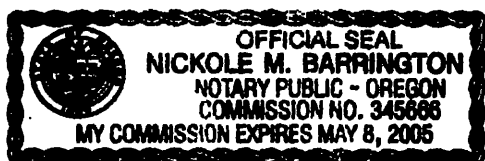
[Signature]
Secretary

STATE OF OREGON } ss.

County of Klamath

On the 30th day of December, 2003, personally appeared Jeffrey D. Ball and Elisa D. Olson, who, each being first duly sworn, did say that the former is the City Manager and the latter is the City Recorder of the City of Klamath Falls, an Oregon municipal corporation, and that the instrument was signed on behalf of said municipal corporation; and each of them acknowledged said instrument to be its voluntary act and deed.

BEFORE ME:



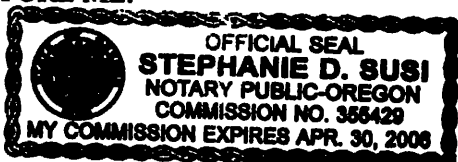
[Signature]
Notary Public for Oregon
My Commission Expires: 5-8-2005

STATE OF OREGON } ss.

County of Klamath [Signature]

On the 19th day of December, 2003, Robert D. George personally appeared and being first duly sworn, did say that he/she was the representative for Elisa D. Olson and that the instrument was signed on behalf of the said company/corporation; and they acknowledged said instrument to be its voluntary act and deed.

BEFORE ME:



[Signature]
Notary Public for Oregon
My Commission Expires: 4/30/06

TOPOGRAPHICAL MAP

CORNER OF OREGON AVENUE AND BIEHN STREET
SURVEYED: NOVEMBER, 2002

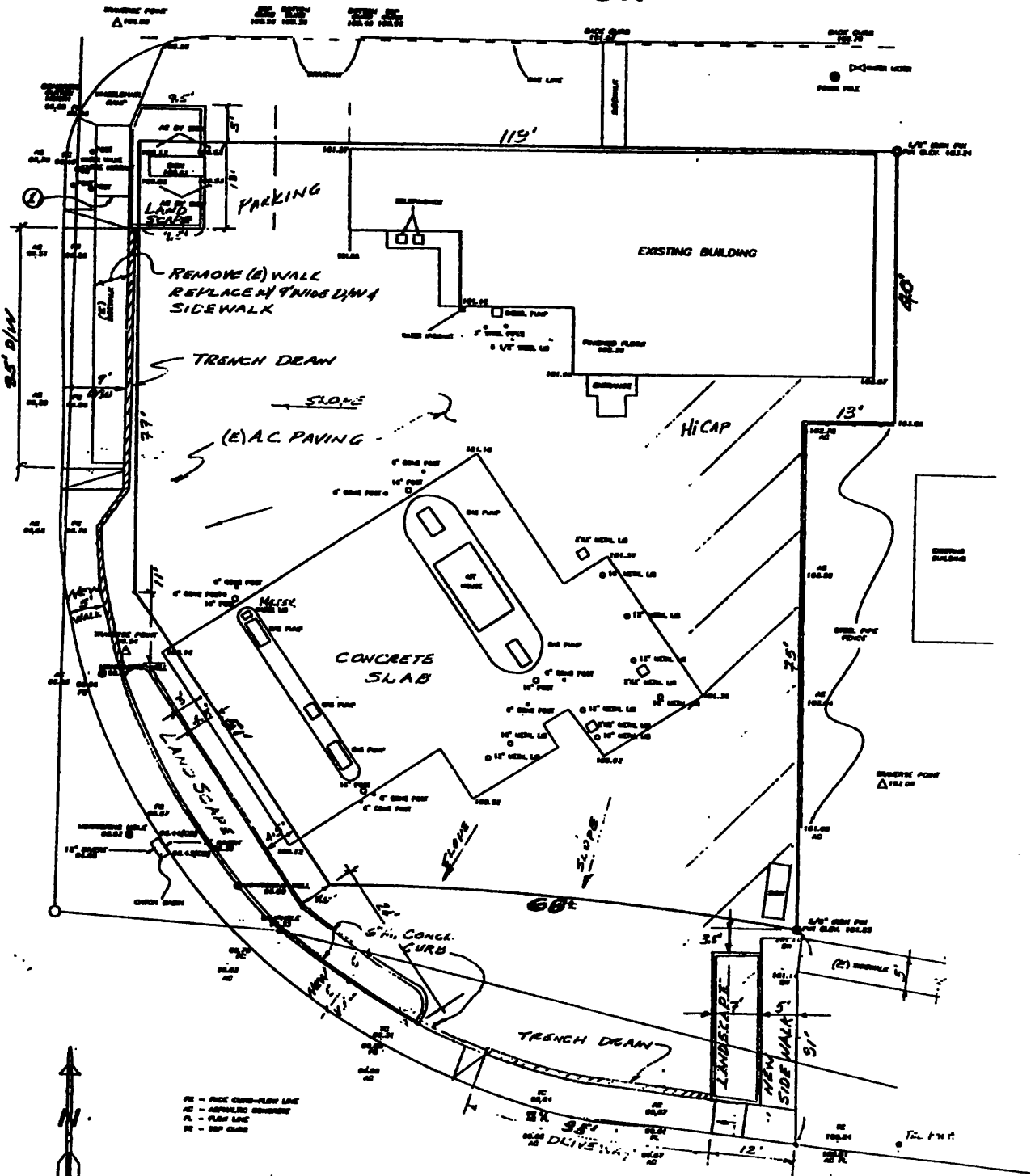
01627

(1) JOINT IN CONC. WALK (HOLD)
REMOVE WALK TO SOUTH

MAP PREPARED FOR
EARL MASON

PRESCOTT ST.

BIEHN ST.



PE - PROPOSED ELEVATION
AS - ADJUSTED ELEVATION
PL - PLANT LINE
CC - CONCRETE CURB

SHELL OIL SITE PLAN

OREGON AVE.

EARL E. MASON
CNS, ONE EIGHTH AVENUE
794 MAIN ST., ROOM 209
KLAMATH FALLS, OREGON 97601

PELICAN BUTTE OIL, L.L.C.
191 BATEMAN RD. CENTRAL POINT, OR.

TRU-LINE SURVEYING, INC.
2333 SUMMERS LANE
KLAMATH FALLS, OREGON 97603

02-27 12-5-02
Rev. 3-5-03

Exhibit "A"