

04 NOV 4 AM 11:22

MEMORANDUM OF LEASE

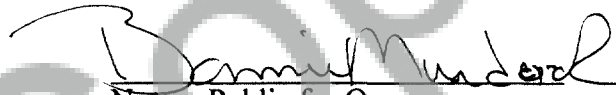
I, Michael Horton, by way of this Memorandum of Lease give notice of the existence of an enforceable lease agreement between myself and the current owner of the property described below, Marianna Garcelon. The terms of the lease include a term running through December 31, 2009 with \$5,000.00 payable by me yearly, \$2,500.00 on May 1st and \$2,500.00 on November 20th. A copy of the written agreement enforceable against the owner of the property is included as Exhibits 1 and 2 to this Memorandum of Lease. The property to which this Memorandum of Lease pertains is described as follows.

The SW1/4 of the NE1/4, the NW1/4 of the SE1/4,
the S1/2 of the SE1/4, the E1/2 of the SW1/4, and the
E1/2 of the NW1/4 of Section 13, Township 41
South, Range 13 East of the Willamette Meridian,

Dated this 4th day of November, 2004.


Michael Horton

SUBSCRIBED AND SWORN TO BEFORE ME this 4th day of
November, 2004.


Notary Public for Oregon
My Commission Expires 2-19-2007



State of Oregon, County of Klamath
Recorded 11/04/04 11:22 a m
Vol M04 Pg 75814-17
Linda Smith, County Clerk
Fee \$ 36⁰⁰ # of Pgs 4

36

Ranch Agreement

75815.

As of January 1, 2000 Mike Horton has rented the ranch from me at 23411 West Langell Valley Road. He has my permission to live there, rent the pasture, irrigate, fix fences and general maintain as he sees fit to do.

We have agreed on a price that pays me per year. Out of that I will pay water taxes & property taxes. I will pay electric bill to run the pump, pay for repair & materials needed to do. This I will do per year as much as I can afford to do.

This contract is to be kept in force for 10 years - If I should die before this 10 years is up he is to stay on the ranch & maintain it. After that he can come to another agreement with the Snells (Farox, Kevin, and Shawn) as to what should be done.

If for some reason Mike wants to move from the ranch before the 10 years he can.

EXHIBIT
PAGE 1

A

2

75816
I would like to have a
reasonable notice so I can
make plans. Especially if
its during summer time when
it needs irrigated.

Marianna Garcelon
31111 Casebeer Rd
Boranga, Oregon
97623

Nov. 19, 2003

Would like my payment
of \$2,000 as soon as possible.

Will have the legit bill figured
up the 1st of Jan.

Also the rent will go up

next year to \$500 per

year. 2500 ¹⁴¹00 1st May

2500.00 30 Nov.

75817

Justin