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AFTER RECORDING, RETURN TO:

Jeffrey H. Keeney, Esq.  
Tonkon Torp LLP  
1600 Pioneer Tower  
888 SW Fifth Avenue  
Portland, OR 97204-2099

UNTIL A CHANGE IS REQUESTED,  
SEND ALL TAX STATEMENTS TO:

Sevenmile Creek Ranch LLC  
c/o Endeavour Capital Fund  
Suite 1400  
920 SW Sixth Avenue  
Portland, OR 97204-1203

State of Oregon, County of Klamath  
Recorded 03/30/2005 3:28 p.m.  
Vol M05 Pg 21646-52  
Linda Smith, County Clerk  
Fee \$ 51.00 # of Pgs 7

**WARRANTY DEED**

DWIGHT MEBANE and HELEN MEBANE, as tenants by the entirety, Grantors, convey and warrant to SEVENMILE CREEK RANCH LLC, an Oregon limited liability company, Grantee, that certain real property located in Klamath County, Oregon, and more particularly described on Exhibit A attached hereto, free of encumbrances except those set forth on Exhibit B attached hereto.

The true consideration for this conveyance is \$6,800,000.

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.

DATED this 30<sup>th</sup> day of March, 2005.

GRANTORS:

  
Dwight Mebane

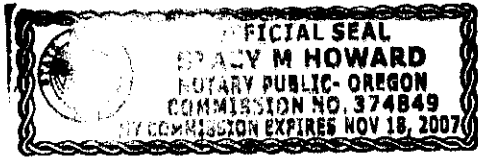
  
Helen Mebane

5100  
Ann

STATE OF OREGON     )  
                                  ) ss.  
County of Klamath     )

21647

The foregoing instrument was acknowledged before me on the 30 day of  
March, 2005, by Dwight Mebane and Helen Mebane.



Stacy M. Howard  
Notary Public for Oregon  
My commission expires: 11/18/2007

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**EXHIBIT A**

**21648**

**Legal Description**

**PARCEL 1:**

Township 33 South, Range 6 East of the Willamette Meridian, Klamath County, Oregon.

Section 25: S 1/2 NE 1/4; E 1/2 SW 1/4; N 1/2 NE 1/4; NW 1/4 and the W 1/2 SW 1/4

Section 36: E 1/2 NW 1/4; NE1/4

Section 26: E 1/2 NE 1/4 NE 1/4; E 1/2 W 1/2 NE 1/4 NE 1/4; SE 1/4 NE 1/4; NE 1/4 SE 1/4 and the S 1/2 SE 1/4

Section 23: E 1/2 SE 1/4 SE 1/4; and the E 1/2 W 1/2 SE 1/4 SE 1/4

Township 33 South, Range 7 1/2 East of the Willamette Meridian, Klamath County, Oregon.

Section 30: SE 1/4 NW 1/4; E 1/2 SW 1/4; NE 1/4 NW 1/4 and Government Lots 1, 2, 3 and 4

Section 31: Government Lots 1 and 2 and the E1/2 NW1/4

**PARCEL 2:**

Township 33 South, Range 6 East of the Willamette Meridian, Klamath County, Oregon:

Section 35: The NE1/4

Section 36: The W1/2 NW1/4

EXCEPTING THEREFROM a road right of way deeded to Klamath County in Deed Volumes 360 at page 541 and Volume 360 at page 656 and Volume 363 at page 178, Deed Records of Klamath County, Oregon.

ALSO EXCEPTING THEREFROM that portion conveyed in Warranty Easement Deed recorded January 6, 1999 in Volume M99, page 346, Microfilm Records of Klamath County, Oregon.

**Permitted Exceptions**

1. The assessment roll and the tax roll disclose that the premises herein described have been specially assessed as Farm Use Land. If the land becomes disqualified for the special assessment under the statute, an additional tax may be levied; in addition thereto a penalty may be levied if notice of disqualification is not timely given.
2. The premises herein described are within and subject to the statutory powers, including the power of assessment and easements of Klamath Lake Timber Fire Patrol.
3. The premises herein described are within and subject to the statutory powers, including the power of assessment and easements of Klamath Lake Grazing Fire Patrol.
4. Rights of the public in and to any portion of the herein described premises lying within the limits of streets, roads or highways.
5. The premises herein described are within and subject to the statutory powers, including the power of assessment, of Meadows Drainage District.
6. Right of way for irrigation laterals as disclosed by Deed from Fort Klamath Meadows Co. to Meadows Drainage District recorded October 25, 1922 in Deed Volume 59 at page 273, Records of Klamath County, Oregon, if the same affects the above described premises or any portion thereof.
7. Right of way, subject to the terms and provisions thereof;  
Dated: November 28, 1939  
Recorded: January 18, 1940  
Volume: 126, page 466, Deed Records of Klamath County, Oregon  
In favor of: The California-Oregon Power Company, a California corporation
8. An easement and right of way granted to The California Oregon Power Company, a California corporation by an instrument including the terms and provisions thereof, dated November 16, 1939, recorded January 18, 1940 in Deed Volume 126, at page 468, Records of Klamath County, Oregon. (Affects S 1/2 SW 1/4 Section 30, Township 33, Range 7 1/2)
9. An easement and right of way granted to The California Oregon Power Company, a California corporation by and an instrument including the terms and provisions thereof, dated December 5, 1939, recorded December 4, 1939 in Deed Volume 126, at page 469, Records of Klamath County, Oregon. (Affects SE 1/4 NW 1/4 Section 36, Township 33, Range 6)
10. An easement and right of way granted to The United States of America acting by and through the Forest Service United States Department of Agriculture by an instrument including the terms and provisions thereof, dated November 20, 1948, recorded February 8, 1949 in Deed Volume 228, at page 419, Records of Klamath County,

Oregon. (Affects a strip of land 66 feet in width in that portion of the property herein described lying in Sections 23 and 26, Township 33, Range 6)

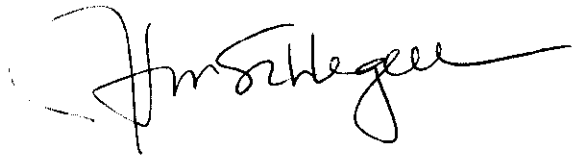
11. An easement created by instrument, subject to the terms and provisions thereof,  
 Dated: February 10, 1988  
 Recorded: May 23, 1988  
 Volume: M88, page 7981, Microfilm Records of Klamath County, Oregon  
 In favor of: Telephone Utilities of Eastern Oregon, Inc., an Oregon corporation  
 For: Rights to bury and maintain underground telephone facilities.
12. Forest Service Roadway Easement granted to United States of America by an instrument, subject to the terms and provisions thereof, dated December 20, 1947 and recorded April \_\_, 1948 in Deed Volume 219, page 237 and corrected in Deed Volume 326, at page 129, Deed Records of Klamath, Oregon. (Affects W1/2 NE1/4 of Section 35, Township 33 South, Range 6 East of the Willamette Meridian)
13. Reservations as set forth in Deed from R.S. Dixon, et ux to Puckett and Scherer, a co-partnership, dated October 17, 1955, recorded May 15, 1957 in Deed Volume 291, page 600, Deed Records of Klamath County, Oregon, to wit:  
  
 "Saving and excepting unto the grantors, their heirs and assigns, an undivided 1/2 interest in and to all oil, gas, and other minerals lying on or under the above described property, and also the perpetual right, privilege and easement to and upon said lands for the purposes of exploring, extracting, taking and carrying away said oil, gas and other minerals, and also the right to possession and use of so much of said premises at all times, as may be necessary to the practical carrying out of the purpose and privileges of this reservation."
14. Right of way 155 feet in width over the E1/2 of Section 35, granted to Klamath County, Oregon, recorded April 9, 1965 in Deed Volume 360, page 541, Deed Records of Klamath County, Oregon.
15. Right of Way 155 feet in width, over the E1/2 of Section 35, granted to Klamath County, recorded April 19, 1965 in Deed Volume 360, page 656, Deed Records of Klamath County, Oregon.
16. Right of Way over Sections 35 and 36, granted to Klamath County, Oregon, and recorded July 14, 1965 in Deed Volume 363, page 178, Deed Records of Klamath County, Oregon.
17. Right of Way Easement Deed, subject to the terms and provisions thereof, in favor of United States of America, for road over W1/2 NE1/4 of Section 35, Township 33 South, Range 6 East of the Willamette Meridian recorded November 17, 1971 in Volume M71, page 12101, Microfilm Records of Klamath County, Oregon.
18. Subject to Reservations as contained in Warranty Easement Deed recorded January 6, 1999 in Volume M99 at page 346, Microfilm Records of Klamath County, Oregon, wherein Sovereign Partners, LLC conveyed to the United States of America by and

**21651**

through the Commodity Credit Corporation.

Modified by Correction Warranty Easement deed recorded August 22, 2001 in  
Volume M01, page 42601, Microfilm Records of Klamath County, Oregon. The term of  
the easement was corrected to be 30 years.

Seller reserves unto his heirs, successors and assigns, an irrigation right of way to enter the real property being conveyed herein to maintain ditches to secure irrigation water rights to the Sonnenberg Ranch, in the event new ditches must be constructed. Sellers, their heirs, successors and assigns, will obtain the approval of the Grantees, their heirs, successors or assigns, prior to construction of said new ditches.

Handwritten signature of Jm Schlegel in cursive script.Handwritten signature of Dwight Melan in cursive script.Handwritten signature of Helen Melan in cursive script.