

IRRIGATION CONTRACT TO SUSPEND
FROM KLAMATH BASIN IMPROVEMENT DISTRICT
AND RELEASE OF WATER RIGHTS

This agreement is by and between KLAMATH BASIN IMPROVEMENT DISTRICT, referred to herein as KBID and Orval J. & Eleanor Ekstrom referred to herein as Owner.

WHEREAS:

Owner owns land more particularly described in Exhibit "A" attached hereto, in Klamath County, Oregon, referred to as Klamath County Tax Lot: 3910-1600-00600

Owner or Owner's predecessors in interest agreed to be included within the KBID for the purposes of receiving services, including delivery of water pursuant to the contracts that KBID has with the United States of America by and through the Bureau of Reclamation, Klamath Irrigation District and other districts located within the Klamath Project. KBID is obligated by contract to the following district or districts, hereinafter referred to as Delivery Districts, regarding water delivery to Owner's land:

N/A

Owner no longer desires to receive water deliveries and pay the costs thereof.

IT IS THEREFORE AGREED:

CONDITIONS

This agreement is conditioned upon Delivery Districts forgiving payments owed by KBID associated with such real property by reason of contractual obligation between KBID and Delivery Districts. It is agreed that KBID will cooperate with Owner as Owner makes such requests upon Delivery Districts.

This agreement is further conditioned upon all mortgage and lienholders consenting and agreeing with this agreement, and such mortgage and lienholders subordinating their interest to KBID herein.

This agreement is further conditioned upon all construction charges owed to the United States, acting by and through the Bureau of Reclamation have been paid in full.

A further condition of this agreement is approval of this agreement, and approval of resolution exempting the subject real property from assessments, by the Board of Directors of KBID.

KBID agrees as follows:

1. Upon properly execution of this agreement by all parties, including Delivery Districts, Mortgage and lienholders, and Owner, and upon conditions to this agreement being met, KBID releases Owner from KBID assessments, lien, collection and foreclosure rights KBID has under Oregon law.

OWNER agrees and represents as follows:

KLAMATH BASIN IMPROVEMENT DISTRICT, by:

Warren Haught

Cindy E Cherry

STATE OF OREGON

County of Klamath

}
} ss.
}

On this 10th day of MAY, 2006, personally appeared WARREN HAUGHT and CINDY E. CHERRY, who, being duly sworn, each for himself and not one for the other, did say that the former is the PRESIDENT and that latter is the secretary of Klamath Basin Improvement District and that said instrument was signed and sealed in behalf of said district by authority of its board of directors; and each of them acknowledged said instrument to be its voluntary act and deed. Before me:



Carol S. Hubbard

Notary Public for Oregon

My Commission expires: 12-29-06

After recording return to: Klamath Basin Improvement District 6640 KID Lane, Klamath Falls, Oregon, 97603

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____ the _____ day
of _____ A.D., 20____ at _____ o'clock ____ M., and duly recorded in Vol. _____,
of _____ on Page _____.

FEE \$ _____

County Clerk

By _____

EXHIBIT "A"

EXHIBIT "A"
LEGAL DESCRIPTION

A tract of land situated in the S1/2 N1/2 NW1/4 NE1/4 of Section 16, Township 39 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

Beginning at a point on the South line of said S1/2 N1/2 NW1/4 NE1/4 (Hereinafter referred to as "parcel") from which the Southwest corner thereof lies Westerly 741.8 feet; thence 1st, Northerly, parallel to the West line of said parcel, 330 feet, more or less, to the North line thereof; thence 2nd, Easterly, along said North line to the Northeast corner of said parcel; thence 3rd, Southerly, along the East line of said parcel, 330 feet, more or less, to the Southeast corner thereof; thence 4th, Westerly along the South line of said parcel, to the point of beginning.

Together with a perpetual nonexclusive easement for road and utility purposes, and purposes incidental thereto for ingress and egress and right of way over the following described property:

The Northerly 30 feet of the S1/2 N1/2 NW1/4 NE1/4 of Section 16, Township 39 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon.

EXCEPTING THEREFROM any portion lying within Parcel 1 as set forth in that Bargain and Sale deed dated January 15, 1979, as more fully set forth in agreement and easement recorded January 15, 1979 in Volume M79 at page 1088 and re-recorded August 25, 1980 in Volume M80 at page 16484, Microfilm Records of Klamath County, Oregon.

Tax Account No: 3510 01600 00600