

2006-022242

Klamath County, Oregon

After recording return to:

Metropolitan Life Insurance Company
Agricultural Investments
8717 West 110th St., Suite 700
Overland Park, KS 66210-2101
Attn: Manager



00008103200600222420050052

11/06/2006 03:46:57 PM

Fee: \$41.00

MTCT77325 KR

**ASSIGNMENT OF BONUSES, RENTALS AND ROYALTIES
-OIL, GAS AND MINERALS-**

KNOW ALL MEN BY THESE PRESENTS:

THAT, WC RANCH, INC., an Oregon corporation, MICHAEL B. WRAY, and JOHN W. DEY and NANCY L. DEY, husband and wife, an Oregon corporation, (collectively "Owner") has executed a Note of even date herewith to METROPOLITAN LIFE INSURANCE COMPANY, 8717 W. 110th Street, Suite 700, Overland Park, Kansas 66210, hereinafter called the "Company," in the amount of ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00), secured by, among other things, a Mortgage from Owner of the even date hereof covering the following described premises located in Klamath County, Oregon:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

AND, WHEREAS, said premises are now leased for oil, gas and mineral development, or are about to be so leased, and the Owner desires to assign to the Company all bonuses, delay rentals, royalties and other benefits accruing under said oil, gas and mineral lease(s), with the right at its option to demand and receive the same at any time and apply same on said Note and Mortgage and for taxes, insurance and repairs.

NOW, THEREFORE, in consideration of the premises and the sum of \$1.00, receipt of which is hereby acknowledged, the Owner assigns to the Company all bonuses, delay rentals, royalties and other benefits accruing under said oil, gas and mineral lease(s) and under all future oil, gas and mineral leases made during the term of the Mortgage with the right at its option to demand and receive the same at any time, and apply the same on said Note and Mortgage and for taxes, insurance and repairs.

PROVIDED, HOWEVER, that all bonuses, delay rentals and royalties and other benefits accruing under any and all oil, gas and mineral leases are to be paid to the Owner unless and until the Company gives written notice of a default by the Owner under the terms of the Mortgage or the Note secured thereby. Once such written notice has been given by the Company, the Company shall be entitled to receive any and all such payments. If any such default is timely cured, all assigned payments shall continue to be paid to the Owner.

The word "Owner" shall be construed to mean the person, or persons, who execute this assignment as owner, whether one or more, and also the heirs, devisees, personal representatives, successors and assigns of the Owner. The word "Company" shall be construed to include the successors and assigns of the Company.

Portlnd1-2239567.4 0049689-00342

41

This assignment may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same instrument.

This assignment is to remain in force during the term of said Note and Mortgage, and any renewal or extension thereof, and is to terminate and become null and void upon the release of said Mortgage.

IN WITNESS WHEREOF, the Owner has signed this instrument this day 2nd of November, 2006.

WC RANCH, INC.
an Oregon Corporation

By: [Signature]
Michael B. Wray, President

[Signature]
Michael B. Wray (individually)

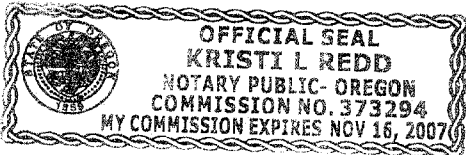
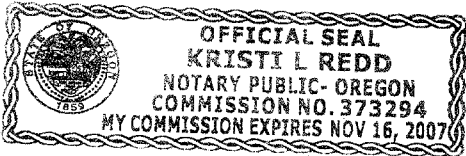
[Signature]
John W. Dey (individually)

[Signature]
Nancy L. Dey (individually)

STATE OF OREGON)
COUNTY OF Klamath) SS.

This instrument was acknowledged before me November 3, 2006, by Michael B. Wray, President of WC Ranch, Inc., an Oregon corporation.

Kristi L. Redd
Notary Public
My commission expires: 11/16/2007
Commission No.: 373294



STATE OF OREGON

COUNTY OF

Klamath

)
) SS.
)

This instrument was acknowledged before me November 3, 2006, by Michael B. Wray.



Kristi L. Redd
Notary Public
My commission expires: 11/16/2007
Commission No.: 373294

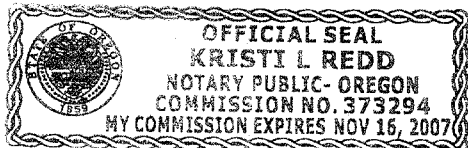
STATE OF OREGON

COUNTY OF

Klamath

)
) SS.
)

This instrument was acknowledged before me November 3, 2006, by John W. Dey.



Kristi L. Redd
Notary Public
My commission expires: 11/16/2007
Commission No.: 373294

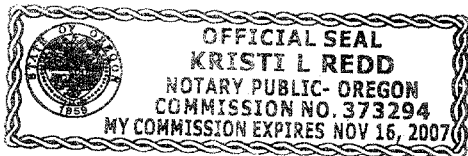
STATE OF OREGON

COUNTY OF

Klamath

)
) SS.
)

This instrument was acknowledged before me November 3, 2006, by Nancy L. Dey.



Kristi L. Redd
Notary Public
My commission expires: 11/16/2007
Commission No.: 373294

EXHIBIT A

LEGAL DESCRIPTION

PARCEL 1

The following described property in Township 40 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon:

Section 21: Government Lot 4

Section 22: NW1/4 NW1/4; S1/2 NW1/4; NW1/4 SW1/4, EXCEPTING that portion Southerly of Hill Road; E1/2 SW1/4; W1/2 SE1/4; SW1/4 SW1/4

Section 23: E1/2 W1/2; W1/2 NE1/4 and NW1/4 SE1/4

Section 26: NE1/4 NW1/4

Section 27: Government Lots 5, 6, 7, 8 and 9; SE1/4 SE1/4; N1/2 NW1/4; SE1/4 NW1/4; W1/2 NE1/4

LESS the following: Beginning at a 5/8 inch iron pin marking the Northeast corner of the NW1/4 NE1/4 of said Section 27; thence South $00^{\circ} 33' 36''$ West, along the East line of said NW1/4 NE1/4 of said Section 27, 1,382.64 feet, more or less, to the Northerly right of way line of Hill Road, a county road; thence Northwesterly along the Northerly right of way line of said Hill Road 1300 feet, more or less, to a one-inch iron pin at the intersection of said right of way line with a fence running Northeast; thence along said fence and the Northeasterly projection thereof North $42^{\circ} 12' 33''$ East 542.46 feet to a one-inch iron pin set in the center of a dirt road; thence leaving said fence line North $35^{\circ} 05' 31''$ East 392.34 feet to a point on the North line of said Section 27, said point being marked by a one-inch iron pin; thence North $89^{\circ} 58' 17''$ East along the said North line of said Section 27, 420.87 feet to the point of beginning.

AND ALSO SAVING AND EXCEPTING THEREFROM a parcel of land situated in the SE1/4 SE1/4, in Lot 5, and in Lot 6 all being in Section 27, Township 40 South, Range 10 East of the Willamette Meridian, and being more particularly described as follows:

Beginning at a point where the South line of said Section 27 intersects the Westerly right of way line of the Burlington Northern Railroad, from which the Southeast corner of said Section 27 bears South $89^{\circ} 38' 24''$ East, 1097.43 feet; thence North $28^{\circ} 45' 24''$ West, along said right of way line, 1029.75 feet; thence South $61^{\circ} 14' 36''$ West 50.00 feet; thence North $28^{\circ} 45' 24''$ West, 655.60 feet; thence along the arc of a 5629.65 foot radius curve to the left (delta equals $01^{\circ} 10' 05''$), 114.77 feet to the South line of a drainage easement; thence South $57^{\circ} 42'$ West along the South line of said drainage easement, 275.64 feet, more or less, to a point on the mean high water line of the left bank of Lost River; thence Southeast along said mean high water line to a point on the South line of said Section 27; thence South $89^{\circ} 38' 24''$ East, along said South line 751.73 feet, more or less, to the point of beginning.

Section 28: Government Lot 4

EXCEPTING FROM the above described lands, Right of Way for Great Northern Railroad as set out in Transcript of Decree dated June 6, 1931, recorded November 2, 1931 in Volume 96, Page 246 Deed Records of Klamath County, Oregon.

ALSO EXCEPTING THEREFROM that portion lying within public roads and highways and within the USBR canals and drains.