



00033531200700180300860868

10/18/2007 01:29:33 PM

Fee: \$446.00

IRRIGATION CONTRACT

(Water Delivery Easement)

This Agreement made April __, 2007, by and between Enterprise Irrigation District, an Oregon municipal corporation, 4806 Highway 39, Klamath Falls, Oregon 97603 (the "District"), Ward Northwest, Inc., an Oregon corporation, and J. Scott McKee, both at PO Box 105 Florence, OR 97439 (together "Ward"), and Aspen Builders & Contractors, LLC, an Oregon limited liability company, 515 SW Cascade Ave., Space # 3, Redmond, Oregon 97756 ("Aspen").

RECITALS

1. The District is an irrigation district organized and operating under Chapter 545 of the Oregon Revised Statutes. The District currently has a pump station commonly known as pump station #2 located on the real property described on Exhibit 1 and hereinafter referred to as Parcel 1.

2. Ward is the fee owner of the real property described on Exhibit 2, hereinafter referred to as Parcel 2, which is served by pump station # 2 and some of the ditches and culverts taking delivery from that pump station # 2. Ward intends to develop Parcel 2 and record a final plat thereon.

3. Aspen is the fee owner of the real property described on Exhibit 3, hereinafter referred to as Parcel 3, which is served by pump station #2 and some of the ditches and culverts taking delivery from that pump station. Aspen intends to develop Parcel 3 and record a final plat thereon.

4. Ward and Aspen have asked the District for permission to improve and reconfigure pump station #2 and the related ditches, flow systems and culverts served by pump station #2. The District has concluded that the requested improvement and reconfiguration would benefit the District and its water users.

AGREEMENT

NOW THEREFORE, in exchange for good and valuable consideration the parties hereby agree as follows:

1. The Project. The District hereby consents to Ward and Aspen improving and reconfiguring pump station #2 and some of the related ditches, flow systems and culverts served by pump

station #2 (the "Project"). The scope of work for the Project shall be consistent with the E.I.D. Pump Station #2, Construction Scope of Work prepared by the Rhine-Cross Group attached as Exhibit 4.

2. The District's Duties and Responsibilities. The District shall hire the Rhine-Cross Group as its engineer to develop the Plans and Specifications for the Project consistent with the Construction Scope of Work (the "Plans and Specifications"). The District represents and warrants that if the construction is consistent with the Plans and Specifications, and any change orders thereto that may arise due to unforeseen circumstances, that the result will be acceptable. The District shall also be responsible for conducting inspections during the construction to verify that the construction is consistent with the Plans and Specifications, and any modifications made thereto. The District shall also cooperate with Aspen and Ward during construction, including but not limited to managing water flows in a manner that accommodates the construction and does not interrupt service to the District's other users. Aspen and Ward acknowledge that a District ditch runs through the Property being developed and there may be areas of uncontrollable seepage that may interfere with their development plans. Aspen and Ward acknowledge that they may need to make special accommodations or improvements to correct such seepage. District shall not be held responsible or liable for the seepage or any damage created thereby.

If during the course of construction, it comes to the attention of any of the parties that the plans and specifications need to be changed or corrected, or change orders made, then appropriate corrections will be made and the Aspen and Ward will be responsible for these changes. Upon completion of the project with such changes the District will accept the project if it is determined that the project operates correctly and adequately.

3. Ward and Aspen's Duties and Responsibilities.

3.1. Prior to recording the final subdivision plat for Parcel 2 or Parcel 3, Ward and Aspen shall complete the construction shown on the Plans and Specifications. The construction shall be done by a registered contractor selected by Ward and Aspen and approved by the District. The District's approval of the contractor selected by Ward and Aspen shall not be unreasonably withheld.

3.2 Ward and Aspen shall be jointly and severally responsible for any and all costs required to complete the construction pursuant to the Plans and Specifications, including but not limited to the cost of permits, materials, supplies, labor, and equipment rental. Ward and Aspen shall also reimburse the District for engineering services the District obtains from the Rhine-Cross Group to prepare the Construction Scope of Work and the plans and specifications.

4. Indemnification. Except as provided herein, Ward and Aspen, jointly and severally, agree to indemnify, defend, and hold the District harmless from any claim made by a third party arising out of or related to the Project. Ward and Aspen shall not and are not required to indemnify, defend, or hold the District harmless from any claim made, whether in tort or in contract, that arises in part or in whole from any act of the District or its officers, directors, employees or agents. This includes but is not limited to any claim that arises in part or in whole from the act of the District's engineering firm, the Rhine-Cross Group.

5. Acceptance of the Project. After Aspen and Ward and their contractors have completed the work, acceptance of the system must be certified by Rhine-Cross Group and the Board of Directors of the District, in writing, indicating that all specifications of the District and its engineers have been met and are satisfactory. The acceptance of the project must also be certified by Rhine-Cross Group, including but not limited to a certification that all materials used in the project are of sufficient quality to meet District standards and specifications.

The existing District ditch on the Property shall not be removed or modified until the completion of the project and the reconfiguration of pump station #2 and the written acceptance of the District has been issued.

6. Liability Insurance. Prior to commencing any work upon the Project, Ward and Aspen shall each procure their own expense public liability, personal injury, and property damage insurance regarding the Project for an amount of not less than \$1,000,000. The insurance policy purchased by Ward and Aspen shall name the District as an additional insured. Owners shall provide evidence of insurance to Contractor within 10 days after this Construction Contract is executed.

7. Default. The following shall be an event of default:

7.1 Ward, Aspen, or both, fail to hire a registered contractor to undertake construction pursuant to the Plans and Specifications, or failure to obtain the District's approval of said contractor, or the failure to perform all construction work consistent with the Plans and Specifications.

7.2 If after written notice and demand, as provided herein, Ward, Aspen, or both, fail to perform any and all construction work consistent with the Plans and Specifications. The written notice and demand required herein shall include the following: (1) a description of each defect; (2) a description of any remediation the District believes is necessary; (3) a description of any incidental damage not curable by remediation; (4) a description of any third party claim; and (5) any report or other document evidencing the existence of the defects and any incidental damage. Ward, Aspen, or both, shall have 10 days from receipt of the District's written notice to correct any defect identified in the notice; however, if the defect is of such a nature that it cannot be completely remedied within the 10 day period, this provision shall be complied with if Tenant begins the correction of the default within the 10 day period and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable.

8. Remedies on Default.

8.1 Termination. In the event of default, the District may terminate this Agreement at its option, by written notice to Ward and Aspen. The District will have no further obligation to modify its pump station #2 or the delivery system serviced therefrom including but not limited to the reconfiguration and the improvements of the ditches and flow systems therefrom. Ward and Aspen shall be responsible to return pump station #2 and the flow system therefrom to its original condition, or to a condition satisfactory to The District and Rhine-Cross Group. Such reconfiguration or replacement shall be done by the District and its contractors and the cost of the same charged to Ward and Aspen, and each of them, and shall accrue interest at the rate of 9% from the date of said construction.

8.2 Damages. In the event of termination or in the event of default and the failure of Ward and Aspen to remedy the same, any consequential damages relating thereto, including but not limited to claims by other the District customers for non-

delivery of water, shall be the responsibility of Ward and Aspen, and each of them.

8.3 Right to Sue More Than Once. The District may sue periodically to recover damages during the period corresponding to the remainder of the term of this Agreement and no action for damage shall bar a later action for damages subsequently accruing.

8.4 Remedies Cumulative. The foregoing remedies shall be in addition to and shall not exclude any other remedy available to The District under applicable law.

9. Miscellaneous.

9.1 Nonwaiver. Waiver by either party of strict performance of any provision of this Agreement shall not be a waiver of or prejudice the party's right to require strict performance of the same provision in the future or of any other provision.

9.2 Attorney Fees. If suit or action is instituted in connection with any controversy arising out of this Agreement, each party shall be responsible for payment of its own as attorney fees at trial, on petition for review and on appeal.

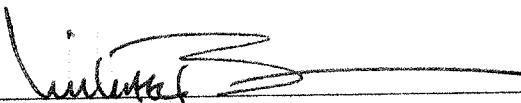
9.3 Notices. Any notice required or permitted under this Agreement shall be given when actually delivered or 48 hours after deposited in the United States mail as certified mail addressed to the address first given in this Agreement or to such other address as may be specified from time to time by either the parties in writing.

9.4 Succession. Subject to the above-stated limitations on transfer of interest, this Agreement shall be binding on and inure to the benefit of the parties and the respective successors and assigns. This Agreement is intended to and does run with the parcels described in this Agreement.

9.5 Venue. Any action brought to enforce the terms or provisions of this Agreement shall be brought in the Circuit Court for the County of Klamath, State of Oregon as the sole and exclusive venue. This Agreement shall be construed under the laws of the State of Oregon.

IN WITNESS WHEREOF, this Agreement is executed as of the date first written above.

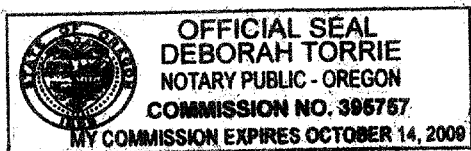
ENTERPRISE IRRIGATION DISTRICT




By: Michael Beeson
Its: Board Chairman

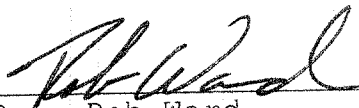
STATE OF OREGON)
) ss.
County of Klamath)

This instrument was acknowledged before me on this 4th day of June, 2007, by Michael Beeson, Board Chairman, Enterprise Irrigation District.




Notary Public for Oregon
My commission expires: Oct. 14, 2009

WARD NORTHWEST, INC.

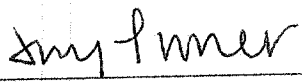


By: Rob Ward
Its: President

STATE OF OREGON)
) ss.
County of Lane)

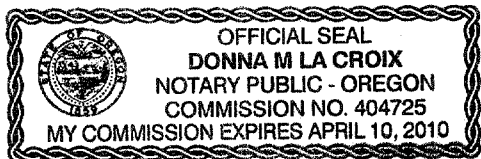
This instrument was acknowledged before me on this 27 day of April, 2007, by Rob Ward, President, Ward Northwest, Inc.





Notary Public for Oregon
My commission expires: 4-18-2010

IN WITNESS WHEREOF, this Agreement is executed as of the date first written above.

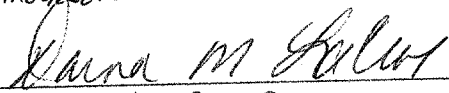
ASPEN BUILDERS & CONTRACTORS, LLC

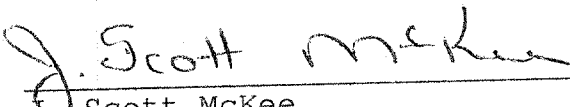



By: ~~Roger Parks~~ GREG ANDERSON
Its: Member

STATE OF OREGON)
) ss.
County of Deschutes)


This instrument was acknowledged before me on this 15th day of JUNE, 2007, by ~~Roger Parks~~, Member, Aspen Builders & Contractors, LLC. GREG ANDERSON


Notary Public for Oregon
My commission expires: 10 APRIL 2010


J. Scott McKee

STATE OF OREGON)
) ss.
County of LANE)

This instrument was acknowledged before me on this 15 day of may, 2007, by J. Scott McKee.


Notary Public for Oregon
My commission expires: July 10, 2009



LEGAL DESCRIPTION

PARCEL 1

A piece or parcel of land described as follows:

Beginning 38 feet South of the Northeast corner of the SW1/4 of the SE1/4 of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon; thence South 75 feet; thence West 118.8 feet; thence North 75 feet to the center of pipe line; thence East along the pipe line 118.8 feet to the place of beginning.

PARCEL 2

A piece or parcel of land described as follows:

From the Northeast corner of the SW1/4 of the SE1/4 of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon; thence South 113 feet; thence West 118.8 feet for a place of beginning; thence South 69° 00' West 312 feet to the center of irrigation canal; thence North 27° 10' West 32 feet to center of Supply canal; thence North 57° 00' East along center line of Supply canal through pump house to center of pipe line; thence South 75 feet to the place of beginning.

PARCEL 3

A piece or parcel of land, located and situate in Klamath County, State of Oregon described as follows:

Beginning at a point 21.5 feet South of the Northeast corner of the SW1/4 of the SE1/4 of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon; thence West 249.8 feet; thence South 53° 45' West 240 feet to the center of irrigation canal; thence South 27° 10' East along canal 44 feet to center of Supply canal; thence North 57° 00' East along center of Supply canal through pump house to center of pipe line; thence East along center of pipe line 118.8 feet; thence North 16.5 feet to the place of beginning.

EXHIBIT " 1 "

EXHIBIT 2

47782

Legal Description for Property 2

A portion of the NW1/2 SE1/4 Section 1, Township 33 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at the Northeast corner of the SW1/4 SE1/4 of Section 1, Township 33 South, Range 9 East of the Willamette Meridian; thence South 38 feet; thence West along the pipe line through the Pump House 136 feet; thence South 59° 00' West 323.6 feet along the center of the supply ditch to the center of the main canal; thence North 45° 38' West along the main canal, 129 feet; thence North to the East and West center line of said Section 1; thence East 490 feet to the Northeast corner of the NW1/4 SE1/4 of said Section 1, thence South 1320 feet to the place of beginning, saving and excepting 0.38 acres deeded to Enterprise Irrigation District off the South end of the above described property as recorded in Book 80, page 452, Deed Records of Klamath County, Oregon

Tax Account No: 3902-001BE-00100-000
Tax Account No: 3902-001BC-00100-000

Key No: 510165
Key No: 510290

PARCEL 5:

A TRACT OF LAND SITUATED IN THE EAST HALF OF SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF SOUTHEAST QUARTER OF SAID SECTION 1; THENCE NORTH $00^{\circ} 50' 00''$ WEST, ALONG THE WEST LINE OF THE EAST HALF OF SOUTHEAST QUARTER OF SAID SECTION 1, 2129.13 FEET; THENCE EAST 16.00 FEET TO A 5/8 INCH IRON PIN; THENCE CONTINUING EAST 356.24 FEET TO A 5/8 INCH IRON PIN BEING THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE CONTINUING EAST 248.25 FEET, MORE OR LESS, TO A 5/8 INCH IRON PIN IN AN OLD FENCE LINE ON THE APPARENT EAST LINE OF THAT TRACT OF LAND DESCRIBED IN VOLUME M71, PAGE 3540, DEED RECORDS OF KLAMATH COUNTY, OREGON, AND THE APPARENT WEST LINE OF PIEDMONT HEIGHTS, A DULY RECORDED SUBDIVISION; THENCE NORTHERLY GENERALLY ALONG SAID FENCE LINE AND ITS EXTENSION 525.36 FEET TO A 5/8 INCH IRON PIN ON THE NORTHERLY LINE OF THE EAST HALF OF SOUTHEAST QUARTER OF SAID SECTION 1; THENCE SOUTH $89^{\circ} 31' 20''$ WEST ALONG SAID NORTHERLY LINE 247.08 FEET TO A 5/8 INCH IRON PIN; THENCE SOUTH 523.30 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 6:

A TRACT OF LAND SITUATED IN THE EAST HALF OF SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST, WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF SOUTHEAST QUARTER OF SAID SECTION 1; THENCE NORTH $00^{\circ} 50' 00''$ WEST, ALONG THE WEST LINE OF THE EAST HALF OF SOUTHEAST QUARTER OF SAID SECTION 1, 2129.13 FEET; THENCE EAST 372.24 FEET TO A 5/8 INCH IRON PIN MARKING THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE NORTH 363.30 FEET TO A POINT 160.00 FEET SOUTH OF THE NORTH LINE OF THE EAST HALF OF SOUTHEAST QUARTER OF SAID SECTION 1; THENCE SOUTH $89^{\circ} 31' 20''$ WEST, PARALLEL TO SAID NORTH LINE, 361.49 FEET TO A POINT 16.00 FEET EAST (MEASURED AT RIGHT ANGLES) TO THE WEST LINE OF THE SAID EAST HALF OF SOUTHEAST QUARTER; THENCE SOUTH $00^{\circ} 50' 00''$ EAST, PARALLEL TO THE WEST LINE OF SAID EAST HALF OF SOUTHEAST QUARTER, 245 FEET, MORE OR LESS, TO THE SOUTHWESTERLY HIGH WATER LINE OF THE ENTERPRISE IRRIGATION DISTRICT HIGH LINE CANAL; THENCE SOUTHEASTERLY ALONG SAID HIGH WATER LINE TO POINT THAT IS WEST OF THE TRUE POINT OF BEGINNING; THENCE EAST 116 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING, WITH BEARINGS BASED ON RECORDED SURVEY NO. 1978, AS RECORDED IN THE KLAMATH COUNTY SURVEYOR'S OFFICE.

PARCEL 7:

A TRACT OF LAND SITUATED IN THE E 1/2 NE 1/4 OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT MARKED BY A 5/8 INCH IRON PIN, WHICH IS NORTH 00°50'00" WEST 2129.13 FEET AND EAST 16.00 FEET FROM THE SOUTHWEST CORNER OF THE SE 1/4 SE 1/4 OF SAID SECTION 1; THENCE NORTH 00°50'00" WEST PARALLEL WITH AND 16.00 FEET EASTERLY, MEASURED AT RIGHT ANGLES TO THE WEST LINE OF THE E 1/2 SE 1/4 OF SAID SECTION 1, 115 FEET, MORE OR LESS, TO THE SOUTHWESTERLY HIGH WATER LINE OF THE ENTERPRISE IRRIGATION DISTRICT HIGHLINE CANAL; THENCE SOUTHEASTERLY ALONG SAID HIGHWATER LINE TO A POINT THAT IS EAST OF THE POINT OF BEGINNING; THENCE WEST 240 FEET, MORE OR LESS, TO THE POINT OF BEGINNING, WITH BEARINGS BASED ON RECORDED SURVEY NO. 1978.

EXHIBIT

2

Page

4

of

8

PARCEL 8:

A TRACT OF LAND SITUATED IN THE E 1/2 SE 1/4 OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT MARKED BY A 5/8 INCH IRON PIN, WHICH IS NORTH 00°50'00" WEST 1929.13 FEET AND EAST 16.00 FEET FROM THE SOUTHWEST CORNER OF THE SE 1/4 SE 1/4 OF SAID SECTION 1; THENCE NORTH 00°50'00" WEST PARALLEL WITH AND 16.00 FEET EASTERLY, MEASURED AT RIGHT ANGLES TO THE WEST LINE OF THE E1/2 SE 1/4 OF SAID SECTION 1, 200.00 FEET TO A 5/8 INCH IRON PIN; THENCE EAST 604.49 FEET TO A 5/8 INCH IRON PIN IN AN OLD FENCE LINE ON THE APPARENT EAST LINE OF THAT TRACT OF LAND DESCRIBED IN DEED VOLUME M-71 AT PAGE 3540, AS RECORDED IN KLAMATH COUNTY DEED RECORDS, AND THE APPARENT WEST LINE OF PIEDMONT HEIGHTS, A DULY RECORDED SUBDIVISION; THENCE ALONG SAID FENCE LINE, SOUTHERLY 361 FEET, MORE OR LESS, AND WESTERLY 191 FEET, MORE OR LESS, TO THE WEST BANK OF THE ENTERPRISE IRRIGATION DISTRICT HIGH LINE CANAL; THENCE NORTHWESTERLY ALONG SAID BANK 179 FEET, MORE OR LESS, TO A 5/8 INCH IRON PIN WHICH IS EAST 330.56 FEET FROM THE POINT OF BEGINNING; THENCE WEST 330.56 FEET TO THE POINT OF BEGINNING.

EXHIBIT " 2 "

Page 5 of 8

PARCEL 9:

A TRACT OF LAND SITUATED IN THE E 1/2 SE 1/4 OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8 INCH IRON PIN WHICH IS NORTH 00°50'00" WEST 1657.12 FEET AND NORTH 88°03'47" EAST 16 FEET FROM THE SOUTHWEST CORNER OF THE SE 1/4 SE 1/4 OF SAID SECTION 1; THENCE NORTH 00°50'00" WEST PARALLEL TO AND 16 FEET EASTERLY, MEASURED AT RIGHT ANGLES TO THE WEST LINE OF THE E 1/2 SE 1/4 OF SAID SECTION 1, 271.46 FEET TO A 5/8 INCH IRON PIN; THENCE EAST 330.56 FEET TO A 5/8 INCH IRON PIN ON THE WESTERLY BANK OF THE ENTERPRISE IRRIGATION DISTRICT HIGHLINE CANAL; THENCE SOUTHEASTERLY ALONG SAID WESTERLY BANK TO THE SOUTHERLY LINE OF THE EASTERLY PORTION OF THAT TRACT OF LAND DESCRIBED IN DEED VOLUME M-71 PAGE 3540, AS RECORDED IN THE KLAMATH COUNTY DEED RECORDS; THENCE WEST ALONG SAID SOUTHERLY LINE TO THE EASTERLY LINE OF THE SOUTHERLY PORTION OF SAID DEED VOLUME M-71 PAGE 3540; THENCE SOUTH ALONG SAID EASTERLY LINE TO A 5/8 INCH IRON PIN WHICH IS SITUATED NORTH 88°03'47" EAST 271.11 FEET FROM THE POINT OF BEGINNING; THENCE SOUTH 88°03'47" WEST 271.11 FEET TO THE POINT OF BEGINNING.

EXHIBIT " 2 ⁵⁵

Page 6 of 8

PARCEL 10:

BEGINNING AT A POINT WHICH IS 16 FEET EAST OF A POINT WHICH IS NORTH 0°50' WEST 1846.4 FEET FROM SOUTHWEST CORNER OF THE SE 1/4 OF THE SE 1/4 OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, OREGON; THENCE EAST 273.7 FEET NORTH 800 FEET; THENCE WEST 273.7 FEET TO A POINT WHICH IS 16 FEET EAST OF THE LINE DIVIDES THE E 1/2 SE 1/4 AND W 1/2 SE 1/4 OF SECTION 1; THENCE SOUTH 800 FEET TO THE POINT OF BEGINNING.

ALSO: BEGINNING AT A POINT 16 FEET EAST OF A POINT WHICH IS NORTH 0°50' WEST 1296 FEET FROM THE SOUTHWEST CORNER OF THE SE 1/4 OF SE 1/4 OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, OREGON; THENCE NORTH 87°20' EAST 266 FEET; THENCE NORTH 468 FEET; THENCE EAST 165 FEET; THENCE NORTH 880 FEET; THENCE WEST 165 FEET THENCE SOUTH 800 FEET; THENCE WEST 273.7 FEET TO A POINT 16 FEET EAST OF LINE WHICH DIVIDES E 1/2 SE 1/4 AND W 1/2 SE 1/4 OF SECTION 1, THENCE SOUTH 0°50' EAST 560.4 FEET TO THE PLACE OF BEGINNING.

LESS AND EXCEPT: THAT PORTION DEEDED TO ROBERT M GION AND VIRGINIA L. GION, MAY 2, 1978 IN VOLUME M78 PAGE 8661, DEED RECORDS OF KLAMATH COUNTY, OREGON.

ALSO LESS AND EXCEPT: THAT PORTION DEEDED TO ROBERT M GION AND VIRGINIA GION, MARCH 19, 1982 IN VOLUME M82 PAGE 3435, DEED RECORDS OF KLAMATH COUNTY, OREGON.

ALSO LESS AND EXCEPT: THAT PORTION DEEDED TO VIRGINIA L. GION AND ROBERT M. GION, JULY 11, 1975 IN VOLUME M75 PAGE 7848, DEED RECORDS OF KLAMATH COUNTY, OREGON.

ALSO LESS AND EXCEPT: THAT PORTION DEEDED TO ROBERT M. GION AND VIRGINIA GION, MAY 2, 1978 IN VOLUME M78 PAGE 8659, RECORDS OF KLAMATH COUNTY, OREGON.

ALSO LESS AND EXCEPT: THAT PORTION DEEDED TO ROBERT M. GION AND VIRGINIA L. GION, JULY 15, 1976 IN VOLUME M76 PAGE 10802, RECORDS OF KLAMATH COUNTY, OREGON.

EXHIBIT "

2

Page

7

of

8

PARCEL 11:

A 16 FOOT ROAD EXTENDING ALONG THE LINE SEPARATING THE E 1/2 SE 1/4 OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON, FROM THE W 1/2 SE 1/4 OF SECTION 1, SAID 16 FOOT ROAD LYING EASTERLY FROM AND ADJOINING SAID LINE AND EXTENDING FROM THE DALLES-CALIFORNIA HIGHWAY NORTHERLY TO NORTH LINE OF SAID SE 1/4 OF SAID SECTION 1, OF SAID TOWNSHIP AND RANGE.

Tax Parcel Number: R510110 and
R510085 and R510094 and R510129 and R510101 and R510138 and R805301

First American Title

EXHIBIT

2

Page

8

of

8

Exhibit 3

PARCEL 1:

Beginning at a point from which the Northeast corner of the Northwest quarter of the Southeast quarter of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, bears East 490 feet distant; thence, South 557 and 114/469ths feet; thence West 469 feet; thence North 557 and 114/469ths feet; thence East 469 feet to the point of beginning.

Tax Account No: 3909-001DB-00200-000

Key No: 510174

PARCEL 2:

The South half of the South half of the Southwest quarter of the Northeast quarter of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, less the Easterly 490 feet thereof.

Tax Account No: 3909-001AC-04700-000

Key No: 504886

PARCEL 3:

A tract of land situated in the SW1/4NE1/4 of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

Beginning at a point on the South line of the SW1/4NE1/4 of said Section 1, said point being Westerly a distance of 490 feet from the Southeast corner of the SW1/4NE1/4 of said Section 1; thence Northerly along a line 490 feet from and parallel to the East line of said SW1/4NE1/4 to a point on the North line of the S1/2S1/2SW1/4NE1/4 of said Section 1; thence Southeasterly on a straight line to the point of intersection of the Northeasterly right of way line of the Enterprise Irrigation District Canal and the South line of the SW1/4NE1/4 of Section 1; thence Westerly to the point of beginning.

Tax Account No: 3909-001AC-04600-000

Key No: 504948

EXHIBIT " 3 "

August 27, 2007

EXHIBIT 4
E.I.D. Pump Station # 2
Construction Scope of Work

Ward Northwest, Inc., an Oregon corporation, J. Scott McKee and Aspen Builders & Contractors, LLC., an Oregon limited liability company, desire to construct, for the benefit of Enterprise Irrigation District and other landowners served by the district, a new irrigation pump station and force main on Unity Street in Klamath Falls, Oregon. All construction shall follow the standards of the Enterprise Irrigation District and the construction plans and specifications to be developed by the District's Engineer. The construction of the new pump station will include the following:

1. Installation of a new "premium efficiency" variable speed pump motor approximately 100hp. Motor is planned to be mounted above ground in fenced area.
2. Installation of a new pump and shaft.
3. Installation of new concrete wet well, size and depth to be determined. Wet well will be connected to the existing irrigation vault with an approximate 30" pipe.
4. Installation of all electrical equipment to run the pump, with connection to Pacific Power service line.
5. Construction of miscellaneous pump station site improvements including minor grading, a gravel pad, and a fence with a gate.
6. Installation of approximately 1730 LF of approximate 24" PVC force main with appropriate thrust blocking.
7. Installation of pipe outlet and anchors into the existing E.I.D. ditch line. Existing ditch will be armored with rip-rap or other means to prevent erosion.
8. Prior to commencement of construction, a final detailed and comprehensive set of plans and specifications will be completed for all parties review and approval.

EXHIBIT " 4 "

CONSENT AGREEMENT

DATED: 9-17, 2007

PARTIES:

Enterprise Irrigation District
3939 South 6th Street, No. 325
Klamath Falls, OR 97603

Hereinafter "District"

And

Patrick F. Golden
2800 Fairmont Boulevard
Eugene, OR 97403

Hereinafter "Golden"

RECITALS:

On or about April 27, 2007, District, Ward Northwest, Inc., an Oregon Corporation, J. Scott McKee and Aspen Builders & Contractors, LLC, an Oregon Limited Liability Company, entered into an Irrigation Contract for a water delivery easement.

As part of said water delivery easement, it was the intent of the parties and their desire to reconfigure, improve and relocate the ditches of the District for water delivery to its customers. A copy of said Agreement is attached hereto and incorporated here as Exhibit "A".

As part of said Agreement, the property of Golden will be affected and the improvements of the District upon Golden's property will be reconfigured, improved and relocated.

In order for the District, Ward and Aspen to move forward, permission of Golden is required so that Golden's property, described on the attached Exhibit "B", shall be committed to the reconfiguration and improvement of the District's water delivery system.

Now therefore and in consideration of the mutual covenants and conditions contained herein, it is hereby agreed as follows:

AGREEMENT:

1. Golden hereby appoints Rob Ward of Ward Northwest Construction, his agent and attorney-in-fact to execute any and all documents necessary to commit Golden's property to the

irrigation project described in the Recitals above and further described in the attached Exhibit "A".

2. By executing this Agreement, Golden hereby consents to the project occurring upon his property.

3. Golden further authorizes Rob Ward to execute any and all documents necessary to effectuate the construction project upon the property.

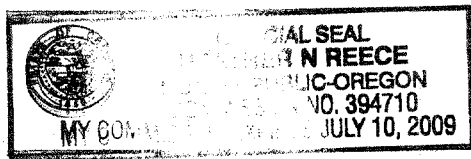
4. This Agreement shall be made a part of and subject to all the terms and conditions of the Irrigation Contract attached hereto as Exhibit "A".

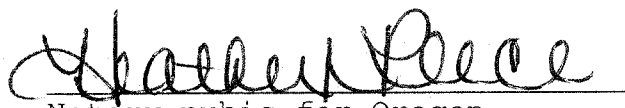
Dated the first date written above.

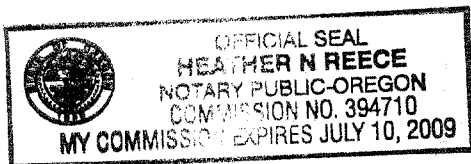

Patrick F. Golden

STATE OF OREGON)
) ss.
County of Lane)

Personally appeared, Patrick F. Golden, and acknowledged the foregoing to be his true act and deed. Before me:




Notary public for Oregon
My commission expires: July 10, 2009



2. CONSENT AGREEMENT

IRRIGATION CONTRACT

(Water Delivery Easement)

This Agreement made April __, 2007, by and between Enterprise Irrigation District, an Oregon municipal corporation, 4806 Highway 39, Klamath Falls, Oregon 97603 (the "District"), Ward Northwest, Inc., an Oregon corporation, and J. Scott McKee, both at PO Box 105 Florence, OR 97439 (together "Ward"), and Aspen Builders & Contractors, LLC, an Oregon limited liability company, 515 SW Cascade Ave., Space # 3, Redmond, Oregon 97756 ("Aspen").

RECITALS

1. The District is an irrigation district organized and operating under Chapter 545 of the Oregon Revised Statutes. The District currently has a pump station commonly known as pump station #2 located on the real property described on Exhibit 1 and hereinafter referred to as Parcel 1.

2. Ward is the fee owner of the real property described on Exhibit 2, hereinafter referred to as Parcel 2, which is served by pump station # 2 and some of the ditches and culverts taking delivery from that pump station # 2. Ward intends to develop Parcel 2 and record a final plat thereon.

3. Aspen is the fee owner of the real property described on Exhibit 3, hereinafter referred to as Parcel 3, which is served by pump station #2 and some of the ditches and culverts taking delivery from that pump station. Aspen intends to develop Parcel 3 and record a final plat thereon.

4. Ward and Aspen have asked the District for permission to improve and reconfigure pump station #2 and the related ditches, flow systems and culverts served by pump station #2. The District has concluded that the requested improvement and reconfiguration would benefit the District and its water users.

AGREEMENT

NOW THEREFORE, in exchange for good and valuable consideration the parties hereby agree as follows:

1. The Project. The District hereby consents to Ward and Aspen improving and reconfiguring pump station #2 and some of the related ditches, flow systems and culverts served by pump

station #2 (the "Project"). The scope of work for the Project shall be consistent with the E.I.D. Pump Station #2, Construction Scope of Work prepared by the Rhine-Cross Group attached as Exhibit 4.

2. The District's Duties and Responsibilities. The District shall hire the Rhine-Cross Group as its engineer to develop the Plans and Specifications for the Project consistent with the Construction Scope of Work (the "Plans and Specifications"). The District represents and warrants that if the construction is consistent with the Plans and Specifications, and any change orders thereto that may arise due to unforeseen circumstances, that the result will be acceptable. The District shall also be responsible for conducting inspections during the construction to verify that the construction is consistent with the Plans and Specifications, and any modifications made thereto. The District shall also cooperate with Aspen and Ward during construction, including but not limited to managing water flows in a manner that accommodates the construction and does not interrupt service to the District's other users. Aspen and Ward acknowledge that a District ditch runs through the Property being developed and there may be areas of uncontrollable seepage that may interfere with their development plans. Aspen and Ward acknowledge that they may need to make special accommodations or improvements to correct such seepage. District shall not be held responsible or liable for the seepage or any damage created thereby.

If during the course of construction, it comes to the attention of any of the parties that the plans and specifications need to be changed or corrected, or change orders made, then appropriate corrections will be made and the Aspen and Ward will be responsible for these changes. Upon completion of the project with such changes the District will accept the project if it is determined that the project operates correctly and adequately.

3. Ward and Aspen's Duties and Responsibilities.

3.1. Prior to recording the final subdivision plat for Parcel 2 or Parcel 3, Ward and Aspen shall complete the construction shown on the Plans and Specifications. The construction shall be done by a registered contractor selected by Ward and Aspen and approved by the District. The District's approval of the contractor selected by Ward and Aspen shall not be unreasonably withheld.

3.2 Ward and Aspen shall be jointly and severally responsible for any and all costs required to complete the construction pursuant to the Plans and Specifications, including but not limited to the cost of permits, materials, supplies, labor, and equipment rental. Ward and Aspen shall also reimburse the District for engineering services the District obtains from the Rhine-Cross Group to prepare the Construction Scope of Work and the plans and specifications.

4. Indemnification. Except as provided herein, Ward and Aspen, jointly and severally, agree to indemnify, defend, and hold the District harmless from any claim made by a third party arising out of or related to the Project. Ward and Aspen shall not and are not required to indemnify, defend, or hold the District harmless from any claim made, whether in tort or in contract, that arises in part or in whole from any act of the District or its officers, directors, employees or agents. This includes but is not limited to any claim that arises in part or in whole from the act of the District's engineering firm, the Rhine-Cross Group.

5. Acceptance of the Project. After Aspen and Ward and their contractors have completed the work, acceptance of the system must be certified by Rhine-Cross Group and the Board of Directors of the District, in writing, indicating that all specifications of the District and its engineers have been met and are satisfactory. The acceptance of the project must also be certified by Rhine-Cross Group, including but not limited to a certification that all materials used in the project are of sufficient quality to meet District standards and specifications.

The existing District ditch on the Property shall not be removed or modified until the completion of the project and the reconfiguration of pump station #2 and the written acceptance of the District has been issued.

6. Liability Insurance. Prior to commencing any work upon the Project, Ward and Aspen shall each procure their own expense public liability, personal injury, and property damage insurance regarding the Project for an amount of not less than \$1,000,000. The insurance policy purchased by Ward and Aspen shall name the District as an additional insured. Owners shall provide evidence of insurance to Contractor within 10 days after this Construction Contract is executed.

7. Default. The following shall be an event of default:

7.1 Ward, Aspen, or both, fail to hire a registered contractor to undertake construction pursuant to the Plans and Specifications, or failure to obtain the District's approval of said contractor, or the failure to perform all construction work consistent with the Plans and Specifications.

7.2 If after written notice and demand, as provided herein, Ward, Aspen, or both, fail to perform any and all construction work consistent with the Plans and Specifications. The written notice and demand required herein shall include the following: (1) a description of each defect; (2) a description of any remediation the District believes is necessary; (3) a description of any incidental damage not curable by remediation; (4) a description of any third party claim; and (5) any report or other document evidencing the existence of the defects and any incidental damage. Ward, Aspen, or both, shall have 10 days from receipt of the District's written notice to correct any defect identified in the notice; however, if the defect is of such a nature that it cannot be completely remedied within the 10 day period, this provision shall be complied with if Tenant begins the correction of the default within the 10 day period and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable.

8. Remedies on Default.

8.1 Termination. In the even of default, the District may terminate this Agreement at its option, by written notice to Ward and Aspen. The District will have no further obligation to modify its pump station #2 or the delivery system serviced therefrom including but not limited to the reconfiguration and the improvements of the ditches and flow systems therefrom. Ward and Aspen shall be responsible to return pump station #2 and the flow system therefrom to its original condition, or to a condition satisfactory to The District and Rhine-Cross Group. Such reconfiguration or replacement shall be done by the District and its contractors and the cost of the same charged to Ward and Aspen, and each of them, and shall accrue interest at the rate of 9% from the date of said construction.

8.2 Damages. In the event of termination or in the event of default and the failure of Ward and Aspen to remedy the same, any consequential damages relating thereto, including but not limited to claims by other the District customers for non-

delivery of water, shall be the responsibility of Ward and Aspen, and each of them.

8.3 Right to Sue More Than Once. The District may sue periodically to recover damages during the period corresponding to the remainder of the term of this Agreement and no action for damage shall bar a later action for damages subsequently accruing.

8.4 Remedies Cumulative. The foregoing remedies shall be in addition to and shall not exclude any other remedy available to The District under applicable law.

9. Miscellaneous.

9.1 Nonwaiver. Waiver by either party of strict performance of any provision of this Agreement shall not be a waiver of or prejudice the party's right to require strict performance of the same provision in the future or of any other provision.

9.2 Attorney Fees. If suit or action is instituted in connection with any controversy arising out of this Agreement, each party shall be responsible for payment of its own as attorney fees at trial, on petition for review and on appeal.

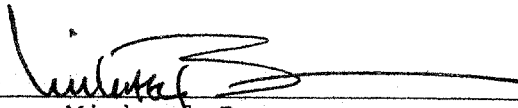
9.3 Notices. Any notice required or permitted under this Agreement shall be given when actually delivered or 48 hours after deposited in the United States mail as certified mail addressed to the address first given in this Agreement or to such other address as may be specified from time to time by either the parties in writing.

9.4 Succession. Subject to the above-stated limitations on transfer of interest, this Agreement shall be binding on and inure to the benefit of the parties and the respective successors and assigns. This Agreement is intended to and does run with the parcels described in this Agreement.

9.5 Venue. Any action brought to enforce the terms or provisions of this Agreement shall be brought in the Circuit Court for the County of Klamath, State of Oregon as the sole and exclusive venue. This Agreement shall be construed under the laws of the State of Oregon.

IN WITNESS WHEREOF, this Agreement is executed as of the date first written above.

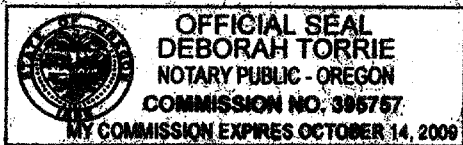
ENTERPRISE IRRIGATION DISTRICT




By: Michael Beeson
Its: Board Chairman

STATE OF OREGON)
) ss.
County of Klamath)

This instrument was acknowledged before me on this 4th day of June, 2007, by Michael Beeson, Board Chairman, Enterprise Irrigation District.





Notary Public for Oregon
My commission expires: Oct. 14, 2009

WARD NORTHWEST, INC.

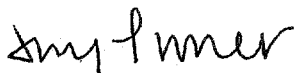


By: Rob Ward
Its: President

STATE OF OREGON)
) ss.
County of Lane)

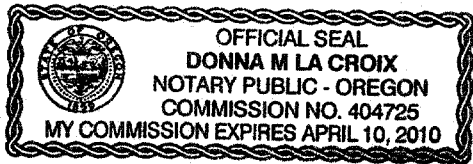
This instrument was acknowledged before me on this 27 day of April, 2007, by Rob Ward, President, Ward Northwest, Inc.





Notary Public for Oregon
My commission expires: 4-18-2010

IN WITNESS WHEREOF, this Agreement is executed as of the date first written above.



ASPEN BUILDERS & CONTRACTORS, LLC

[Signature]
By: ~~Roger Parks~~ GREG ANDERSON
Its: Member

STATE OF OREGON)
) ss.
County of Deschutes)

This instrument was acknowledged before me on this 15th day of JUNE, 2007, by ~~Roger Parks~~, Member, Aspen Builders & Contractors, LLC. GREG ANDERSON

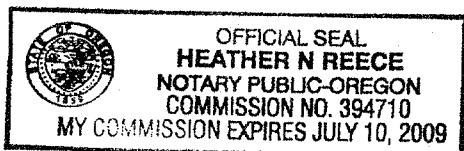
[Signature]
Notary Public for Oregon
My commission expires: 10 APRIL 2010

[Signature]
J. Scott McKee

STATE OF OREGON)
) ss.
County of LANE)

This instrument was acknowledged before me on this 15 day of may, 2007, by J. Scott McKee.

[Signature]
Notary Public for Oregon
My commission expires: July 10, 2009



LEGAL DESCRIPTION

PARCEL 1

A piece or parcel of land described as follows:

Beginning 38 feet South of the Northeast corner of the SW1/4 of the SE1/4 of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon; thence South 75 feet; thence West 118.8 feet; thence North 75 feet to the center of pipe line; thence East along the pipe line 118.8 feet to the place of beginning.

PARCEL 2

A piece or parcel of land described as follows:

From the Northeast corner of the SW1/4 of the SE1/4 of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon; thence South 113 feet; thence West 118.8 feet for a place of beginning; thence South $69^{\circ} 00'$ West 312 feet to the center of irrigation canal; thence North $27^{\circ} 10'$ West 32 feet to center of Supply canal; thence North $57^{\circ} 00'$ East along center line of Supply canal through pump house to center of pipe line; thence South 75 feet to the place of beginning.

PARCEL 3

A piece or parcel of land, located and situate in Klamath County, State of Oregon described as follows:

Beginning at a point 21.5 feet South of the Northeast corner of the SW1/4 of the SE1/4 of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon; thence West 249.8 feet; thence South $53^{\circ} 45'$ West 240 feet to the center of irrigation canal; thence South $27^{\circ} 10'$ East along canal 44 feet to center of Supply canal; thence North $57^{\circ} 00'$ East along center of Supply canal through pump house to center of pipe line; thence East along center of pipe line 118.8 feet; thence North 16.5 feet to the place of beginning.

EXHIBIT 1

EXHIBIT 2

47762

Legal Description for Property 2

A portion of the NW1/2 SE1/4 Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at the Northeast corner of the NW1/4 SE1/4 of Section 1, Township 39 South, Range 9 East of the Willamette Meridian; thence South 38 feet; thence West along the pipe line through the Pump House 136 feet; thence South 59° 00' West 323.6 feet along the center of the supply ditch to the center of the main canal; thence North 45° 30' West along the main canal, 129 feet; thence North to the East and West center line of said Section 1; thence East 490 feet to the Northeast corner of the NW1/4 SE1/4 of said Section 1, thence South 1320 feet to the place of beginning, saving and excepting 0.36 acres deeded to Enterprise Irrigation District off the South end of the above described property as recorded in Book 88, page 452, Deed Records of Klamath County, Oregon

Tax Account No: 3903-00100-00100-000
Tax Account No: 3903-00100-00100-000

Key No: 510165
Key No: 510250

EXHIBIT "

2

Page

1

of

8

PARCEL 5:

A TRACT OF LAND SITUATED IN THE EAST HALF OF SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF SOUTHEAST QUARTER OF SAID SECTION 1; THENCE NORTH $00^{\circ} 50' 00''$ WEST, ALONG THE WEST LINE OF THE EAST HALF OF SOUTHEAST QUARTER OF SAID SECTION 1, 2129.13 FEET; THENCE EAST 16.00 FEET TO A 5/8 INCH IRON PIN; THENCE CONTINUING EAST 356.24 FEET TO A 5/8 INCH IRON PIN BEING THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE CONTINUING EAST 248.25 FEET, MORE OR LESS, TO A 5/8 INCH IRON PIN IN AN OLD FENCE LINE ON THE APPARENT EAST LINE OF THAT TRACT OF LAND DESCRIBED IN VOLUME M71, PAGE 3540, DEED RECORDS OF KLAMATH COUNTY, OREGON, AND THE APPARENT WEST LINE OF PIEDMONT HEIGHTS, A DULY RECORDED SUBDIVISION; THENCE NORTHERLY GENERALLY ALONG SAID FENCE LINE AND ITS EXTENSION 525.36 FEET TO A 5/8 INCH IRON PIN ON THE NORTHERLY LINE OF THE EAST HALF OF SOUTHEAST QUARTER OF SAID SECTION 1; THENCE SOUTH $89^{\circ} 31' 20''$ WEST ALONG SAID NORTHERLY LINE 247.08 FEET TO A 5/8 INCH IRON PIN; THENCE SOUTH 523.30 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 6:

A TRACT OF LAND SITUATED IN THE EAST HALF OF SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST, WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF SOUTHEAST QUARTER OF SAID SECTION 1; THENCE NORTH 00° 50' 00" WEST, ALONG THE WEST LINE OF THE EAST HALF OF SOUTHEAST QUARTER OF SAID SECTION 1, 2129.13 FEET; THENCE EAST 372.24 FEET TO A 5/8 INCH IRON PIN MARKING THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE NORTH 363.30 FEET TO A POINT 160.00 FEET SOUTH OF THE NORTH LINE OF THE EAST HALF OF SOUTHEAST QUARTER OF SAID SECTION 1; THENCE SOUTH 89° 31' 20" WEST, PARALLEL TO SAID NORTH LINE, 361.49 FEET TO A POINT 16.00 FEET EAST (MEASURED AT RIGHT ANGLES) TO THE WEST LINE OF THE SAID EAST HALF OF SOUTHEAST QUARTER; THENCE SOUTH 00° 50' 00" EAST, PARALLEL TO THE WEST LINE OF SAID EAST HALF OF SOUTHEAST QUARTER, 245 FEET, MORE OR LESS, TO THE SOUTHWESTERLY HIGH WATER LINE OF THE ENTERPRISE IRRIGATION DISTRICT HIGH LINE CANAL; THENCE SOUTHEASTERLY ALONG SAID HIGH WATER LINE TO POINT THAT IS WEST OF THE TRUE POINT OF BEGINNING; THENCE EAST 116 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING, WITH BEARINGS BASED ON RECORDED SURVEY NO. 1978, AS RECORDED IN THE KLAMATH COUNTY SURVEYOR'S OFFICE.

PARCEL 7:

A TRACT OF LAND SITUATED IN THE E 1/2 NE 1/4 OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT MARKED BY A 5/8 INCH IRON PIN, WHICH IS NORTH 00°50'00" WEST 2129.13 FEET AND EAST 16.00 FEET FROM THE SOUTHWEST CORNER OF THE SE 1/4 SE 1/4 OF SAID SECTION 1; THENCE NORTH 00°50'00" WEST PARALLEL WITH AND 16.00 FEET EASTERLY, MEASURED AT RIGHT ANGLES TO THE WEST LINE OF THE E 1/2 SE 1/4 OF SAID SECTION 1, 115 FEET, MORE OR LESS, TO THE SOUTHWESTERLY HIGH WATER LINE OF THE ENTERPRISE IRRIGATION DISTRICT HIGHLINE CANAL; THENCE SOUTHEASTERLY ALONG SAID HIGHWATER LINE TO A POINT THAT IS EAST OF THE POINT OF BEGINNING; THENCE WEST 240 FEET, MORE OR LESS, TO THE POINT OF BEGINNING, WITH BEARINGS BASED ON RECORDED SURVEY NO. 1978.

EXHIBIT " 2 ⁵⁵

Page 4 of 8

PARCEL 8:

A TRACT OF LAND SITUATED IN THE E 1/2 SE 1/4 OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT MARKED BY A 5/8 INCH IRON PIN, WHICH IS NORTH 00°50'00" WEST 1929.13 FEET AND EAST 16.00 FEET FROM THE SOUTHWEST CORNER OF THE SE 1/4 SE 1/4 OF SAID SECTION 1; THENCE NORTH 00°50'00" WEST PARALLEL WITH AND 16.00 FEET EASTERLY, MEASURED AT RIGHT ANGLES TO THE WEST LINE OF THE E1/2 SE 1/4 OF SAID SECTION 1, 200.00 FEET TO A 5/8 INCH IRON PIN; THENCE EAST 604.49 FEET TO A 5/8 INCH IRON PIN IN AN OLD FENCE LINE ON THE APPARENT EAST LINE OF THAT TRACT OF LAND DESCRIBED IN DEED VOLUME M-71 AT PAGE 3540, AS RECORDED IN KLAMATH COUNTY DEED RECORDS, AND THE APPARENT WEST LINE OF PIEDMONT HEIGHTS, A DULY RECORDED SUBDIVISION; THENCE ALONG SAID FENCE LINE, SOUTHERLY 361 FEET, MORE OR LESS, AND WESTERLY 191 FEET, MORE OR LESS, TO THE WEST BANK OF THE ENTERPRISE IRRIGATION DISTRICT HIGH LINE CANAL; THENCE NORTHWESTERLY ALONG SAID BANK 179 FEET, MORE OR LESS, TO A 5/8 INCH IRON PIN WHICH IS EAST 330.56 FEET FROM THE POINT OF BEGINNING; THENCE WEST 330.56 FEET TO THE POINT OF BEGINNING.

EXHIBIT "

2

Page

5

of

8

PARCEL 9:

A TRACT OF LAND SITUATED IN THE E 1/2 SE 1/4 OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8 INCH IRON PIN WHICH IS NORTH 00°50'00" WEST 1657.12 FEET AND NORTH 88°03'47" EAST 16 FEET FROM THE SOUTHWEST CORNER OF THE SE 1/4 SE 1/4 OF SAID SECTION 1; THENCE NORTH 00°50'00" WEST PARALLEL TO AND 16 FEET EASTERLY, MEASURED AT RIGHT ANGLES TO THE WEST LINE OF THE E 1/2 SE 1/4 OF SAID SECTION 1, 271.46 FEET TO A 5/8 INCH IRON PIN; THENCE EAST 330.56 FEET TO A 5/8 INCH IRON PIN ON THE WESTERLY BANK OF THE ENTERPRISE IRRIGATION DISTRICT HIGHLINE CANAL; THENCE SOUTHEASTERLY ALONG SAID WESTERLY BANK TO THE SOUTHERLY LINE OF THE EASTERLY PORTION OF THAT TRACT OF LAND DESCRIBED IN DEED VOLUME M-71 PAGE 3540, AS RECORDED IN THE KLAMATH COUNTY DEED RECORDS; THENCE WEST ALONG SAID SOUTHERLY LINE TO THE EASTERLY LINE OF THE SOUTHERLY PORTION OF SAID DEED VOLUME M-71 PAGE 3540; THENCE SOUTH ALONG SAID EASTERLY LINE TO A 5/8 INCH IRON PIN WHICH IS SITUATED NORTH 88°03'47" EAST 271.11 FEET FROM THE POINT OF BEGINNING; THENCE SOUTH 88°03'47" WEST 271.11 FEET TO THE POINT OF BEGINNING.

EXHIBIT

2

Page

6

of

8

PARCEL 10:

BEGINNING AT A POINT WHICH IS 16 FEET EAST OF A POINT WHICH IS NORTH 0°50' WEST 1846.4 FEET FROM SOUTHWEST CORNER OF THE SE 1/4 OF THE SE 1/4 OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, OREGON; THENCE EAST 273.7 FEET NORTH 800 FEET; THENCE WEST 273.7 FEET TO A POINT WHICH IS 16 FEET EAST OF THE LINE DIVIDES THE E 1/2 SE 1/4 AND W 1/2 SE 1/4 OF SECTION 1; THENCE SOUTH 800 FEET TO THE POINT OF BEGINNING.

ALSO: BEGINNING AT A POINT 16 FEET EAST OF A POINT WHICH IS NORTH 0°50' WEST 1296 FEET FROM THE SOUTHWEST CORNER OF THE SE 1/4 OF SE 1/4 OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, OREGON; THENCE NORTH 87°20' EAST 266 FEET; THENCE NORTH 468 FEET; THENCE EAST 165 FEET; THENCE NORTH 880 FEET; THENCE WEST 165 FEET THENCE SOUTH 800 FEET; THENCE WEST 273.7 FEET TO A POINT 16 FEET EAST OF LINE WHICH DIVIDES E 1/2 SE 1/4 AND W 1/2 SE 1/4 OF SECTION 1, THENCE SOUTH 0°50' EAST 560.4 FEET TO THE PLACE OF BEGINNING.

LESS AND EXCEPT: THAT PORTION DEEDED TO ROBERT M GION AND VIRGINIA L. GION, MAY 2, 1978 IN VOLUME M78 PAGE 8661, DEED RECORDS OF KLAMATH COUNTY, OREGON.

ALSO LESS AND EXCEPT: THAT PORTION DEEDED TO ROBERT M GION AND VIRGINIA GION, MARCH 19, 1982 IN VOLUME M82 PAGE 3435, DEED RECORDS OF KLAMATH COUNTY, OREGON.

ALSO LESS AND EXCEPT: THAT PORTION DEEDED TO VIRGINIA L. GION AND ROBERT M. GION, JULY 11, 1975 IN VOLUME M75 PAGE 7848, DEED RECORDS OF KLAMATH COUNTY, OREGON.

ALSO LESS AND EXCEPT: THAT PORTION DEEDED TO ROBERT M. GION AND VIRGINIA GION, MAY 2, 1978 IN VOLUME M78 PAGE 8659, RECORDS OF KLAMATH COUNTY, OREGON.

ALSO LESS AND EXCEPT: THAT PORTION DEEDED TO ROBERT M. GION AND VIRGINIA L. GION, JULY 15, 1976 IN VOLUME M76 PAGE 10802, RECORDS OF KLAMATH COUNTY, OREGON.

EXHIBIT " 2 "

Page 7 of 8

PARCEL 11:

A 16 FOOT ROAD EXTENDING ALONG THE LINE SEPARATING THE E 1/2 SE 1/4 OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON, FROM THE W 1/2 SE 1/4 OF SECTION 1, SAID 16 FOOT ROAD LYING EASTERLY FROM AND ADJOINING SAID LINE AND EXTENDING FROM THE DALLES-CALIFORNIA HIGHWAY NORTHERLY TO NORTH LINE OF SAID SE 1/4 OF SAID SECTION 1, OF SAID TOWNSHIP AND RANGE.

Tax Parcel Number R510110 and
R510085 and R510094 and R510129 and R510101 and R510138 and R805301

First American Title

EXHIBIT

2

Page

8

of

8

Exhibit 3

PARCEL 1:

Beginning at a point from which the Northeast corner of the Northwest quarter of the Southeast quarter of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, bears East 490 feet distant; thence, South 557 and 114/469ths feet; thence West 469 feet; thence North 557 and 114/469ths feet; thence East 469 feet to the point of beginning.

Tax Account No: 3909-001DB-00200-000

Key No: 510174

PARCEL 2:

The South half of the South half of the Southwest quarter of the Northeast quarter of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, less the Easterly 490 feet thereof.

Tax Account No: 3909-001AC-04700-000

Key No: 504886

PARCEL 3:

A tract of land situated in the SW1/4NE1/4 of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

Beginning at a point on the South line of the SW1/4NE1/4 of said Section 1, said point being Westerly a distance of 490 feet from the Southeast corner of the SW1/4NE1/4 of said Section 1; thence Northerly along a line 490 feet from and parallel to the East line of said SW1/4NE1/4 to a point on the North line of the S1/2S1/2SW1/4NE1/4 of said Section 1; thence Southeasterly on a straight line to the point of intersection of the Northeasterly right of way line of the Enterprise Irrigation District Canal and the South line of the SW1/4NE1/4 of Section 1; thence Westerly to the point of beginning.

Tax Account No: 3909-001AC-04600-000

Key No: 504948

EXHIBIT " 3

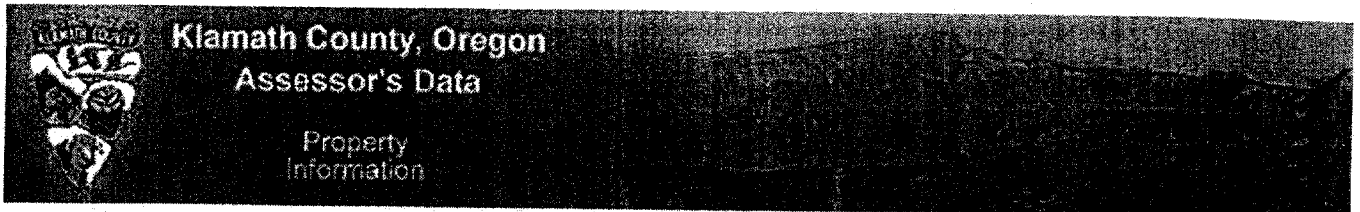
August 27, 2007

EXHIBIT 4
E.I.D. Pump Station # 2
Construction Scope of Work

Ward Northwest, Inc., an Oregon corporation, J. Scott McKee and Aspen Builders & Contractors, LLC., an Oregon limited liability company, desire to construct, for the benefit of Enterprise Irrigation District and other landowners served by the district, a new irrigation pump station and force main on Unity Street in Klamath Falls, Oregon. All construction shall follow the standards of the Enterprise Irrigation District and the construction plans and specifications to be developed by the District's Engineer. The construction of the new pump station will include the following:

1. Installation of a new "premium efficiency" variable speed pump motor approximately 100hp. Motor is planned to be mounted above ground in fenced area.
2. Installation of a new pump and shaft.
3. Installation of new concrete wet well, size and depth to be determined. Wet well will be connected to the existing irrigation vault with an approximate 30" pipe.
4. Installation of all electrical equipment to run the pump, with connection to Pacific Power service line.
5. Construction of miscellaneous pump station site improvements including minor grading, a gravel pad, and a fence with a gate.
6. Installation of approximately 1730 LF of approximate 24" PVC force main with appropriate thrust blocking.
7. Installation of pipe outlet and anchors into the existing E.I.D. ditch line. Existing ditch will be armored with rip-rap or other means to prevent erosion.
8. Prior to commencement of construction, a final detailed and comprehensive set of plans and specifications will be completed for all parties review and approval.

EXHIBIT " 4 "

[Property Information](#)[Tax Summary](#)[Assessment History](#)[Improvement Information](#)[New Search](#)[Search Results](#)[Log Off](#)**Search Results for R510290**

Owner Name

GOLDEN PATRICK F

Property ID Number

R510290

Owner Address

2800 FAIRMONT BLVD
EUGENE, OR 97403

Situation Address

Alternate Account Number

Neighborhood

2G66 - OLENE - HILL ROAD - HENLEY - OUT
MIDLAND

Map Tax Lot

[Previous](#)[Next](#)

R-3909-001DC-00100-000

Levy Code Area

043

Ta

11

Property Description

Property Class

540G (FARM USE NON EFU VACANT)

Zoning

RS

Property Code

Miscellaneous Code

Related Accounts by Map Tax Lot

Linked Accounts

Mortgage Agent-Lender

Mortgage Account Number

Exemption

Expiration Date

Tax Roll Description

TWP 39 RNGE 9, BLOCK SEC 1, TRACT POR SW4SE4, ACRES .77, POTENTIAL ADDITIONAL TA
LIABILITY

Year Built

Acreage

.77

Split/Sub Account

Split/Sub Account Message

Special Account Information - Last Certified Year (2006)

2006 - (F) FARM USE

Sales Information

Buyer (Name & Address)

1 GOLDEN PATRICK F
2800 FAIRMONT BLVD
EUGENE, OR 97403

Seller (Name & Address)

MC'KEE J SCOTT TRUSTEE
&
QUALITY FINANCIAL
PLANNING DEFINED
BENEFIT PLAN
1101 16TH ST
SPRINGFIELD, OR 97477

Sales Info

\$0

Deed Info

04/18/06
M06-07936
05EXHIBIT " B "

2	MC'KEE J SCOTT TRUSTEE & QUALITY FINANCIAL PLANNING DEFINED BENEFIT PLAN 1101 16TH ST SPRINGFIELD, OR 97477	ROSS EUGENE P 2450 VERMONT KLAMATH FALLS, OR 97603	07/15/04 \$385,000 17	07/15/04 M04-47761 05
3	ROSS EUGENE P 2450 VERMONT KLAMATH FALLS, OR 97603	HARRINGTON DOROTHY I	08/01/68 \$26,000 U,WD,V	M8812825
4	HARRINGTON DOROTHY I	Missing Owner Information	\$0	351-99

2007 Land Information (Unedited and Uncertified)

ID	Type	Acres	Sq Ft	Market
L1	66U540 - 66U540 [FARM USE]	0.77		\$
TOTAL				\$

Permits


#	Permit Number	Type	Issue Date	Appraisor	Check Date	% Complete	Act
---	---------------	------	------------	-----------	------------	------------	-----

INFORMATION SUBJECT TO DISCLAIMERS

If you have questions, comments, or suggestions regarding this site, please send e-mail to the Asses

Copyright 2007 © Tyler Technologies. All Rights Reserved.

EXHIBIT B
Page 2 of 6



Klamath County, Oregon
Assessor's Data

Property Information

Property Information Tax Summary Assessment History Improvement Information New Search Search Results Log Off

Search Results for R510165

Owner Name GOLDEN PATRICK F	Property ID Number R510165				
Owner Address 2800 FAIRMONT BLVD EUGENE, OR 97403	Situs Address 2450 VERMONT ST KLAMATH FALLS, OR 97603				
Alternate Account Number	Neighborhood 2G66 - OLENE - HILL ROAD - HENLEY - OUT MIDLAND				
Map Tax Lot R-3909-001DB-00100-000	<table border="0"> <tr> <td><u>Previous</u></td> <td><u>Next</u></td> <td>Levy Code Area 043</td> <td>Ta 11</td> </tr> </table>	<u>Previous</u>	<u>Next</u>	Levy Code Area 043	Ta 11
<u>Previous</u>	<u>Next</u>	Levy Code Area 043	Ta 11		

Property Description

Property Class 541G (FARM USE NON EFU IMPROVED)	Zoning RS
Property Code	Miscellaneous Code
Related Accounts by Map Tax Lot	Linked Accounts

Mortgage Agent-Lender**Mortgage Account Number****Exemption****Expiration Date****Tax Roll Description**

TWP 39 RNGE 9, BLOCK SEC 1, TRACT POR NW4SE4, ACRES 14.85, POTENTIAL ADDITIONAL LIABILITY

Year Built**Acreage**

1959

14.85

Split/Sub Account**Split/Sub Account Message****Special Account Information - Last Certified Year (2006)**

2006 - (F) FARM USE

2006 - (F) FARM USE

Sales Information

#	Buyer (Name & Address)	Seller (Name & Address)	Sales Info	Deed Info
1	GOLDEN PATRICK F 2800 FAIRMONT BLVD EUGENE, OR 97403	MC'KEE J SCOTT TRUSTEE & QUALITY FINANCIAL PLANNING DEFINED BENEFIT PLAN 1101 16TH ST	\$0	04/18/06 M06-07936 05

EXHIBIT " B

SPRINGFIELD, OR 97477				
2	MC'KEE J SCOTT TRUSTEE & QUALITY FINANCIAL PLANNING DEFINED BENEFIT PLAN 1101 16TH ST SPRINGFIELD, OR 97477	ROSS EUGENE P 2450 VERMONT KLAMATH FALLS, OR 97603	07/15/04 \$385,000 17	07/15/04 M04-47761 05
3	ROSS EUGENE P 2450 VERMONT KLAMATH FALLS, OR 97603	HARRINGTON DOROTHY I &	08/01/68 \$26,000 U,WD,I	M8812825
4	HARRINGTON DOROTHY I &	Missing Owner Information	\$0	351-99

2007 Land Information (Unedited and Uncertified)

ID	Type	Acres	Sq Ft	Market
L1	HMS - HOMESITE	1.00		\$1
L2	ONS - ONSITE LAND [FARM USE]			\$2
L3	66U541 - 66U541 [FARM USE]	3.42		\$
L4	66U541 - 66U541 [FARM USE]	10.2		\$1
L5	66U541 - 66U541 [FARM USE]	0.23		
TOTAL				\$5

Permits

#	Permit Number	Type	Issue Date	Appraisor	Check Date	% Complete	Act
---	---------------	------	------------	-----------	------------	------------	-----

INFORMATION SUBJECT TO DISCLAIMERS

If you have questions, comments, or suggestions regarding this site, please send e-mail to the [Asses](#)

Copyright 2007 © [Tyler Technologies](#). All Rights Reserved.

EXHIBIT

B

<http://www.co.klamath.or.us:8008/property.asp?PropertyID=R510165>

Page

4

of

6

PARCEL 4:

A PORTION OF THE WEST HALF OF SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF THE SOUTHWEST QUARTER OF SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN; THENCE SOUTH 38 FEET; THENCE WEST ALONG THE PIPE LINE THROUGH THE PUMP HOUSE 136 FEET; THENCE SOUTH 59° 00' WEST 323.4 FEET ALONG THE CENTER OF THE SUPPLY DITCH TO THE CENTER OF THE MAIN CANAL; THENCE NORTH 45° 30' WEST ALONG THE MAIN CANAL, 129 FEET; THENCE NORTH TO THE EAST AND WEST CENTER LINE OF SAID SECTION 1; THENCE EAST 490 FEET TO THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF SOUTHEAST QUARTER OF SAID SECTION 1, THENCE SOUTH 1320 FEET TO THE PLACE OF BEGINNING, SAVINGS AND EXCEPTING 0.38 ACRES DEEDED TO ENTERPRISE IRRIGATION DISTRICT OFF THE SOUTH END OF THE ABOVE DESCRIBED PROPERTY AS RECORDED IN VOLUME 80, PAGE 452, DEED RECORDS OF KLAMATH COUNTY, OREGON.

EXHIBIT

B

Page

5

of

6



CONSENT AGREEMENT

DATED: September 17, 2007

PARTIES:

Enterprise Irrigation District
3939 South 6th Street, No. 325
Klamath Falls, OR 97603

Hereinafter "District"

And

The Robert and Virginia Family Bypass Trust
Original Trustees: Robert M. Gion and
Virginia L. Gion
c/o US Bank, Successor Trustee
2411 Vermont Avenue
Klamath Falls, OR 97603

Hereinafter "Gion"

RECITALS:

On or about April 27, 2007, District, Ward Northwest, Inc., an Oregon Corporation, J. Scott McKee and Aspen Builders & Contractors, LLC, an Oregon Limited Liability Company, entered into an Irrigation Contract for a water delivery easement.

As part of said water delivery easement, it was the intent of the parties and their desire to reconfigure, improve and relocate the ditches of the District for water delivery to its customers. A copy of said Agreement is attached hereto and incorporated here as Exhibit "A".

As part of said Agreement, the property of Gion will be affected and the improvements of the District upon Gion's property will be reconfigured, improved and relocated.

In order for the District, Ward and Aspen to move forward, permission of Gion is required so that Gion's property, described on the attached Exhibit "B", shall be committed to the reconfiguration and improvement of the District's water delivery system.

Now therefore and in consideration of the mutual covenants and conditions contained herein, it is hereby agreed as follows:

1. CONSENT AGREEMENT

AGREEMENT:

1. Gion hereby appoints Rob Ward of Ward Northwest Construction, his agent and attorney-in-fact to execute any and all documents necessary to commit Gion's property to the irrigation project described in the Recitals above and further described in the attached Exhibit "A".

2. By executing this Agreement, Gion hereby consents to the project occurring upon his property.

3. Gion further authorizes Rob Ward to execute any and all documents necessary to effectuate the construction project upon the property.

4. This Agreement shall be made a part of and subject to all the terms and conditions of the Irrigation Contract attached hereto as Exhibit "A".

Dated the first date written above.

Mark Gibson

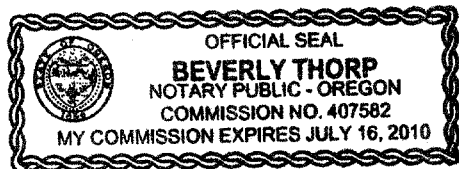
US Bank, Successor Trustee
of the Robert and Virginia
Family Bypass Trust

By: *Mark Gibson*

Its: *AVP & Trust Officer*

STATE OF OREGON)
) ss.
County of Lane)

Personally appeared, *Mark Gibson*, who being duly sworn, stated he/she is a *Officer* of US Bank and that said instrument was signed on behalf of said US Bank by authority of its board of directors; and he/she acknowledged said instrument was its voluntary act and deed. Before me:



Beverly Thorp

Notary public for Oregon

My commission expires: *7/16/2010*

2. CONSENT AGREEMENT

IRRIGATION CONTRACT

(Water Delivery Easement)

This Agreement made April __, 2007, by and between Enterprise Irrigation District, an Oregon municipal corporation, 4806 Highway 39, Klamath Falls, Oregon 97603 (the "District"), Ward Northwest, Inc., an Oregon corporation, and J. Scott McKee, both at PO Box 105 Florence, OR 97439 (together "Ward"), and Aspen Builders & Contractors, LLC, an Oregon limited liability company, 515 SW Cascade Ave., Space # 3, Redmond, Oregon 97756 ("Aspen").

RECITALS

1. The District is an irrigation district organized and operating under Chapter 545 of the Oregon Revised Statutes. The District currently has a pump station commonly known as pump station #2 located on the real property described on Exhibit 1 and hereinafter referred to as Parcel 1.

2. Ward is the fee owner of the real property described on Exhibit 2, hereinafter referred to as Parcel 2, which is served by pump station # 2 and some of the ditches and culverts taking delivery from that pump station # 2. Ward intends to develop Parcel 2 and record a final plat thereon.

3. Aspen is the fee owner of the real property described on Exhibit 3, hereinafter referred to as Parcel 3, which is served by pump station #2 and some of the ditches and culverts taking delivery from that pump station. Aspen intends to develop Parcel 3 and record a final plat thereon.

4. Ward and Aspen have asked the District for permission to improve and reconfigure pump station #2 and the related ditches, flow systems and culverts served by pump station #2. The District has concluded that the requested improvement and reconfiguration would benefit the District and its water users.

AGREEMENT

NOW THEREFORE, in exchange for good and valuable consideration the parties hereby agree as follows:

1. The Project. The District hereby consents to Ward and Aspen improving and reconfiguring pump station #2 and some of the related ditches, flow systems and culverts served by pump

station #2 (the "Project"). The scope of work for the Project shall be consistent with the E.I.D. Pump Station #2, Construction Scope of Work prepared by the Rhine-Cross Group attached as Exhibit 4.

2. The District's Duties and Responsibilities. The District shall hire the Rhine-Cross Group as its engineer to develop the Plans and Specifications for the Project consistent with the Construction Scope of Work (the "Plans and Specifications"). The District represents and warrants that if the construction is consistent with the Plans and Specifications, and any change orders thereto that may arise due to unforeseen circumstances, that the result will be acceptable. The District shall also be responsible for conducting inspections during the construction to verify that the construction is consistent with the Plans and Specifications, and any modifications made thereto. The District shall also cooperate with Aspen and Ward during construction, including but not limited to managing water flows in a manner that accommodates the construction and does not interrupt service to the District's other users. Aspen and Ward acknowledge that a District ditch runs through the Property being developed and there may be areas of uncontrollable seepage that may interfere with their development plans. Aspen and Ward acknowledge that they may need to make special accommodations or improvements to correct such seepage. District shall not be held responsible or liable for the seepage or any damage created thereby.

If during the course of construction, it comes to the attention of any of the parties that the plans and specifications need to be changed or corrected, or change orders made, then appropriate corrections will be made and the Aspen and Ward will be responsible for these changes. Upon completion of the project with such changes the District will accept the project if it is determined that the project operates correctly and adequately.

3. Ward and Aspen's Duties and Responsibilities.

3.1. Prior to recording the final subdivision plat for Parcel 2 or Parcel 3, Ward and Aspen shall complete the construction shown on the Plans and Specifications. The construction shall be done by a registered contractor selected by Ward and Aspen and approved by the District. The District's approval of the contractor selected by Ward and Aspen shall not be unreasonably withheld.

3.2 Ward and Aspen shall be jointly and severally responsible for any and all costs required to complete the construction pursuant to the Plans and Specifications, including but not limited to the cost of permits, materials, supplies, labor, and equipment rental. Ward and Aspen shall also reimburse the District for engineering services the District obtains from the Rhine-Cross Group to prepare the Construction Scope of Work and the plans and specifications.

4. Indemnification. Except as provided herein, Ward and Aspen, jointly and severally, agree to indemnify, defend, and hold the District harmless from any claim made by a third party arising out of or related to the Project. Ward and Aspen shall not and are not required to indemnify, defend, or hold the District harmless from any claim made, whether in tort or in contract, that arises in part or in whole from any act of the District or its officers, directors, employees or agents. This includes but is not limited to any claim that arises in part or in whole from the act of the District's engineering firm, the Rhine-Cross Group.

5. Acceptance of the Project. After Aspen and Ward and their contractors have completed the work, acceptance of the system must be certified by Rhine-Cross Group and the Board of Directors of the District, in writing, indicating that all specifications of the District and its engineers have been met and are satisfactory. The acceptance of the project must also be certified by Rhine-Cross Group, including but not limited to a certification that all materials used in the project are of sufficient quality to meet District standards and specifications.

The existing District ditch on the Property shall not be removed or modified until the completion of the project and the reconfiguration of pump station #2 and the written acceptance of the District has been issued.

6. Liability Insurance. Prior to commencing any work upon the Project, Ward and Aspen shall each procure their own expense public liability, personal injury, and property damage insurance regarding the Project for an amount of not less than \$1,000,000. The insurance policy purchased by Ward and Aspen shall name the District as an additional insured. Owners shall provide evidence of insurance to Contractor within 10 days after this Construction Contract is executed.

7. Default. The following shall be an event of default:

7.1 Ward, Aspen, or both, fail to hire a registered contractor to undertake construction pursuant to the Plans and Specifications, or failure to obtain the District's approval of said contractor, or the failure to perform all construction work consistent with the Plans and Specifications.

7.2 If after written notice and demand, as provided herein, Ward, Aspen, or both, fail to perform any and all construction work consistent with the Plans and Specifications. The written notice and demand required herein shall include the following: (1) a description of each defect; (2) a description of any remediation the District believes is necessary; (3) a description of any incidental damage not curable by remediation; (4) a description of any third party claim; and (5) any report or other document evidencing the existence of the defects and any incidental damage. Ward, Aspen, or both, shall have 10 days from receipt of the District's written notice to correct any defect identified in the notice; however, if the defect is of such a nature that it cannot be completely remedied within the 10 day period, this provision shall be complied with if Tenant begins the correction of the default within the 10 day period and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable.

8. Remedies on Default.

8.1 Termination. In the even of default, the District may terminate this Agreement at its option, by written notice to Ward and Aspen. The District will have no further obligation to modify its pump station #2 or the delivery system serviced therefrom including but not limited to the reconfiguration and the improvements of the ditches and flow systems therefrom. Ward and Aspen shall be responsible to return pump station #2 and the flow system therefrom to its original condition, or to a condition satisfactory to The District and Rhine-Cross Group. Such reconfiguration or replacement shall be done by the District and its contractors and the cost of the same charged to Ward and Aspen, and each of them, and shall accrue interest at the rate of 9% from the date of said construction.

8.2 Damages. In the event of termination or in the event of default and the failure of Ward and Aspen to remedy the same, any consequential damages relating thereto, including but not limited to claims by other the District customers for non-

delivery of water, shall be the responsibility of Ward and Aspen, and each of them.

8.3 Right to Sue More Than Once. The District may sue periodically to recover damages during the period corresponding to the remainder of the term of this Agreement and no action for damage shall bar a later action for damages subsequently accruing.

8.4 Remedies Cumulative. The foregoing remedies shall be in addition to and shall not exclude any other remedy available to The District under applicable law.

9. Miscellaneous.

9.1 Nonwaiver. Waiver by either party of strict performance of any provision of this Agreement shall not be a waiver of or prejudice the party's right to require strict performance of the same provision in the future or of any other provision.

9.2 Attorney Fees. If suit or action is instituted in connection with any controversy arising out of this Agreement, each party shall be responsible for payment of its own as attorney fees at trial, on petition for review and on appeal.

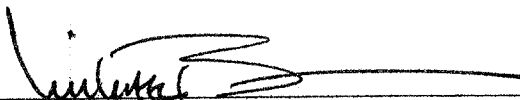
9.3 Notices. Any notice required or permitted under this Agreement shall be given when actually delivered or 48 hours after deposited in the United States mail as certified mail addressed to the address first given in this Agreement or to such other address as may be specified from time to time by either the parties in writing.

9.4 Succession. Subject to the above-stated limitations on transfer of interest, this Agreement shall be binding on and inure to the benefit of the parties and the respective successors and assigns. This Agreement is intended to and does run with the parcels described in this Agreement.

9.5 Venue. Any action brought to enforce the terms or provisions of this Agreement shall be brought in the Circuit Court for the County of Klamath, State of Oregon as the sole and exclusive venue. This Agreement shall be construed under the laws of the State of Oregon.

IN WITNESS WHEREOF, this Agreement is executed as of the date first written above.

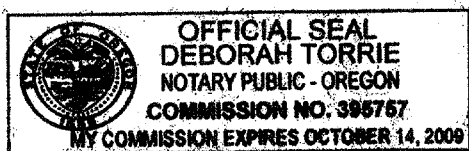
ENTERPRISE IRRIGATION DISTRICT

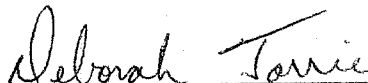


By: Michael Beeson
Its: Board Chairman

STATE OF OREGON)
) ss.
County of Klamath)


This instrument was acknowledged before me on this 4th day of June, 2007, by Michael Beeson, Board Chairman, Enterprise Irrigation District.





Notary Public for Oregon
My commission expires: Oct. 14, 2009

WARD NORTHWEST, INC.




By: Rob Ward
Its: President

STATE OF OREGON)
) ss.
County of Lane)

This instrument was acknowledged before me on this 27 day of April, 2007, by Rob Ward, President, Ward Northwest, Inc.





Notary Public for Oregon
My commission expires: 4-18-2010

IN WITNESS WHEREOF, this Agreement is executed as of the date first written above.



ASPEN BUILDERS & CONTRACTORS, LLC

[Signature]
By: ~~Roger Parks~~ GREG ANDERSON
Its: Member

STATE OF OREGON)
) ss.
County of Deschutes)

This instrument was acknowledged before me on this 15th day of JUNE, 2007, by ~~Roger Parks~~, Member, Aspen Builders & Contractors, LLC. GREG ANDERSON

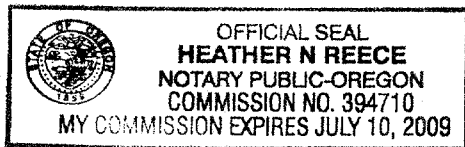
[Signature]
Notary Public for Oregon
My commission expires: 10 APRIL 2010

[Signature]
J. Scott McKee

STATE OF OREGON)
) ss.
County of LANE)

This instrument was acknowledged before me on this 15 day of may, 2007, by J. Scott McKee.

[Signature]
Notary Public for Oregon
My commission expires: July 10, 2009



LEGAL DESCRIPTION

PARCEL 1

A piece or parcel of land described as follows:

Beginning 38 feet South of the Northeast corner of the SW1/4 of the SE1/4 of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon; thence South 75 feet; thence West 118.8 feet; thence North 75 feet to the center of pipe line; thence East along the pipe line 118.8 feet to the place of beginning.

PARCEL 2

A piece or parcel of land described as follows:

From the Northeast corner of the SW1/4 of the SE1/4 of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon; thence South 113 feet; thence West 118.8 feet for a place of beginning; thence South 69° 00' West 312 feet to the center of irrigation canal; thence North 27° 10' West 32 feet to center of Supply canal; thence North 57° 00' East along center line of Supply canal through pump house to center of pipe line; thence South 75 feet to the place of beginning.

PARCEL 3

A piece or parcel of land, located and situate in Klamath County, State of Oregon described as follows:

Beginning at a point 21.5 feet South of the Northeast corner of the SW1/4 of the SE1/4 of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon; thence West 249.8 feet; thence South 53° 45' West 240 feet to the center of irrigation canal; thence South 27° 10' East along canal 44 feet to center of Supply canal; thence North 57° 00' East along center of Supply canal through pump house to center of pipe line; thence East along center of pipe line 118.8 feet; thence North 16.5 feet to the place of beginning.

EXHIBIT " 1 "

EXHIBIT 2

47782

Legal Description for Property 2

A portion of the NW1/4 SE1/4 Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at the Northeast corner of the SW1/4 SE1/4 of Section 1, Township 39 South, Range 9 East of the Willamette Meridian; thence South 38 feet; thence West along the pipe line through the Pump House 136 feet; thence South 59° 00' West 323.4 feet along the center of the supply ditch to the center of the main canal; thence North 45° 38' West along the main canal, 129 feet; thence North to the East and West center line of said Section 1; thence East 490 feet to the Northeast corner of the NW1/4 SE1/4 of said Section 1, thence South 1320 feet to the place of beginning, savings and excepting 0.38 acres deeded to Enterprise Irrigation District off the South end of the above described property as recorded in Book 80, page 452, Deed Records of Klamath County, Oregon

Tax Account No: 3909-00100-00100-000
Tax Account No: 3909-00100-00100-000

Key No: 510165
Key No: 510298

EXHIBIT "

2

Page

1

of

8

PARCEL 5:

A TRACT OF LAND SITUATED IN THE EAST HALF OF SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF SOUTHEAST QUARTER OF SAID SECTION 1; THENCE NORTH $00^{\circ} 50' 00''$ WEST, ALONG THE WEST LINE OF THE EAST HALF OF SOUTHEAST QUARTER OF SAID SECTION 1, 2129.13 FEET; THENCE EAST 16.00 FEET TO A 5/8 INCH IRON PIN; THENCE CONTINUING EAST 356.24 FEET TO A 5/8 INCH IRON PIN BEING THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE CONTINUING EAST 248.25 FEET, MORE OR LESS, TO A 5/8 INCH IRON PIN IN AN OLD FENCE LINE ON THE APPARENT EAST LINE OF THAT TRACT OF LAND DESCRIBED IN VOLUME M71, PAGE 3540, DEED RECORDS OF KLAMATH COUNTY, OREGON, AND THE APPARENT WEST LINE OF PIEDMONT HEIGHTS, A DULY RECORDED SUBDIVISION; THENCE NORTHERLY GENERALLY ALONG SAID FENCE LINE AND ITS EXTENSION 525.36 FEET TO A 5/8 INCH IRON PIN ON THE NORTHERLY LINE OF THE EAST HALF OF SOUTHEAST QUARTER OF SAID SECTION 1; THENCE SOUTH $89^{\circ} 31' 20''$ WEST ALONG SAID NORTHERLY LINE 247.08 FEET TO A 5/8 INCH IRON PIN; THENCE SOUTH 523.30 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 6:

A TRACT OF LAND SITUATED IN THE EAST HALF OF SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST, WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF SOUTHEAST QUARTER OF SAID SECTION 1; THENCE NORTH $00^{\circ} 50' 00''$ WEST, ALONG THE WEST LINE OF THE EAST HALF OF SOUTHEAST QUARTER OF SAID SECTION 1, 2129.13 FEET; THENCE EAST 372.24 FEET TO A 5/8 INCH IRON PIN MARKING THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE NORTH 363.30 FEET TO A POINT 160.00 FEET SOUTH OF THE NORTH LINE OF THE EAST HALF OF SOUTHEAST QUARTER OF SAID SECTION 1; THENCE SOUTH $89^{\circ} 31' 20''$ WEST, PARALLEL TO SAID NORTH LINE, 361.49 FEET TO A POINT 16.00 FEET EAST (MEASURED AT RIGHT ANGLES) TO THE WEST LINE OF THE SAID EAST HALF OF SOUTHEAST QUARTER; THENCE SOUTH $00^{\circ} 50' 00''$ EAST, PARALLEL TO THE WEST LINE OF SAID EAST HALF OF SOUTHEAST QUARTER, 245 FEET, MORE OR LESS, TO THE SOUTHWESTERLY HIGH WATER LINE OF THE ENTERPRISE IRRIGATION DISTRICT HIGH LINE CANAL; THENCE SOUTHEASTERLY ALONG SAID HIGH WATER LINE TO POINT THAT IS WEST OF THE TRUE POINT OF BEGINNING; THENCE EAST 116 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING, WITH BEARINGS BASED ON RECORDED SURVEY NO. 1978, AS RECORDED IN THE KLAMATH COUNTY SURVEYOR'S OFFICE.

EXHIBIT " 2 "

Page 3 of 8

PARCEL 7:

A TRACT OF LAND SITUATED IN THE E 1/2 NE 1/4 OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT MARKED BY A 5/8 INCH IRON PIN, WHICH IS NORTH 00°50'00" WEST 2129.13 FEET AND EAST 16.00 FEET FROM THE SOUTHWEST CORNER OF THE SE 1/4 SE 1/4 OF SAID SECTION 1; THENCE NORTH 00°50'00" WEST PARALLEL WITH AND 16.00 FEET EASTERLY, MEASURED AT RIGHT ANGLES TO THE WEST LINE OF THE E 1/2 SE 1/4 OF SAID SECTION 1, 115 FEET, MORE OR LESS, TO THE SOUTHWESTERLY HIGH WATER LINE OF THE ENTERPRISE IRRIGATION DISTRICT HIGHLINE CANAL; THENCE SOUTHEASTERLY ALONG SAID HIGHWATER LINE TO A POINT THAT IS EAST OF THE POINT OF BEGINNING; THENCE WEST 240 FEET, MORE OR LESS, TO THE POINT OF BEGINNING, WITH BEARINGS BASED ON RECORDED SURVEY NO. 1978.

EXHIBIT " 2

Page 4 of 8

PARCEL 8:

A TRACT OF LAND SITUATED IN THE E 1/2 SE 1/4 OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT MARKED BY A 5/8 INCH IRON PIN, WHICH IS NORTH 00°50'00" WEST 1929.13 FEET AND EAST 16.00 FEET FROM THE SOUTHWEST CORNER OF THE SE 1/4 SE 1/4 OF SAID SECTION 1; THENCE NORTH 00°50'00" WEST PARALLEL WITH AND 16.00 FEET EASTERLY, MEASURED AT RIGHT ANGLES TO THE WEST LINE OF THE E1/2 SE 1/4 OF SAID SECTION 1, 200.00 FEET TO A 5/8 INCH IRON PIN; THENCE EAST 604.49 FEET TO A 5/8 INCH IRON PIN IN AN OLD FENCE LINE ON THE APPARENT EAST LINE OF THAT TRACT OF LAND DESCRIBED IN DEED VOLUME M-71 AT PAGE 3540, AS RECORDED IN KLAMATH COUNTY DEED RECORDS, AND THE APPARENT WEST LINE OF PIEDMONT HEIGHTS, A DULY RECORDED SUBDIVISION; THENCE ALONG SAID FENCE LINE, SOUTHERLY 361 FEET, MORE OR LESS, AND WESTERLY 191 FEET, MORE OR LESS, TO THE WEST BANK OF THE ENTERPRISE IRRIGATION DISTRICT HIGH LINE CANAL; THENCE NORTHWESTERLY ALONG SAID BANK 179 FEET, MORE OR LESS, TO A 5/8 INCH IRON PIN WHICH IS EAST 330.56 FEET FROM THE POINT OF BEGINNING; THENCE WEST 330.56 FEET TO THE POINT OF BEGINNING.

PARCEL 9:

A TRACT OF LAND SITUATED IN THE E 1/2 SE 1/4 OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8 INCH IRON PIN WHICH IS NORTH 00°50'00" WEST 1657.12 FEET AND NORTH 88°03'47" EAST 16 FEET FROM THE SOUTHWEST CORNER OF THE SE 1/4 SE 1/4 OF SAID SECTION 1; THENCE NORTH 00°50'00" WEST PARALLEL TO AND 16 FEET EASTERLY, MEASURED AT RIGHT ANGLES TO THE WEST LINE OF THE E 1/2 SE 1/4 OF SAID SECTION 1, 271.46 FEET TO A 5/8 INCH IRON PIN; THENCE EAST 330.56 FEET TO A 5/8 INCH IRON PIN ON THE WESTERLY BANK OF THE ENTERPRISE IRRIGATION DISTRICT HIGHLINE CANAL; THENCE SOUTHEASTERLY ALONG SAID WESTERLY BANK TO THE SOUTHERLY LINE OF THE EASTERLY PORTION OF THAT TRACT OF LAND DESCRIBED IN DEED VOLUME M-71 PAGE 3540, AS RECORDED IN THE KLAMATH COUNTY DEED RECORDS; THENCE WEST ALONG SAID SOUTHERLY LINE TO THE EASTERLY LINE OF THE SOUTHERLY PORTION OF SAID DEED VOLUME M-71 PAGE 3540; THENCE SOUTH ALONG SAID EASTERLY LINE TO A 5/8 INCH IRON PIN WHICH IS SITUATED NORTH 88°03'47" EAST 271.11 FEET FROM THE POINT OF BEGINNING; THENCE SOUTH 88°03'47" WEST 271.11 FEET TO THE POINT OF BEGINNING.

EXHIBIT

2

Page

6

of

8

PARCEL 10:

BEGINNING AT A POINT WHICH IS 16 FEET EAST OF A POINT WHICH IS NORTH 0°50' WEST 1846.4 FEET FROM SOUTHWEST CORNER OF THE SE 1/4 OF THE SE 1/4 OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, OREGON; THENCE EAST 273.7 FEET NORTH 800 FEET; THENCE WEST 273.7 FEET TO A POINT WHICH IS 16 FEET EAST OF THE LINE DIVIDES THE E 1/2 SE 1/4 AND W 1/2 SE 1/4 OF SECTION 1; THENCE SOUTH 800 FEET TO THE POINT OF BEGINNING.

ALSO: BEGINNING AT A POINT 16 FEET EAST OF A POINT WHICH IS NORTH 0°50' WEST 1296 FEET FROM THE SOUTHWEST CORNER OF THE SE 1/4 OF SE 1/4 OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, OREGON; THENCE NORTH 87°20' EAST 266 FEET; THENCE NORTH 468 FEET; THENCE EAST 165 FEET; THENCE NORTH 880 FEET; THENCE WEST 165 FEET THENCE SOUTH 800 FEET; THENCE WEST 273.7 FEET TO A POINT 16 FEET EAST OF LINE WHICH DIVIDES E 1/2 SE 1/4 AND W 1/2 SE 1/4 OF SECTION 1, THENCE SOUTH 0°50' EAST 560.4 FEET TO THE PLACE OF BEGINNING.

LESS AND EXCEPT: THAT PORTION DEEDED TO ROBERT M GION AND VIRGINIA L. GION, MAY 2, 1978 IN VOLUME M78 PAGE 8661, DEED RECORDS OF KLAMATH COUNTY, OREGON.

ALSO LESS AND EXCEPT: THAT PORTION DEEDED TO ROBERT M GION AND VIRGINIA GION, MARCH 19, 1982 IN VOLUME M82 PAGE 3435, DEED RECORDS OF KLAMATH COUNTY, OREGON.

ALSO LESS AND EXCEPT: THAT PORTION DEEDED TO VIRGINIA L. GION AND ROBERT M. GION, JULY 11, 1975 IN VOLUME M75 PAGE 7848, DEED RECORDS OF KLAMATH COUNTY, OREGON.

ALSO LESS AND EXCEPT: THAT PORTION DEEDED TO ROBERT M. GION AND VIRGINIA GION, MAY 2, 1978 IN VOLUME M78 PAGE 8659, RECORDS OF KLAMATH COUNTY, OREGON.

ALSO LESS AND EXCEPT: THAT PORTION DEEDED TO ROBERT M. GION AND VIRGINIA L. GION, JULY 15, 1976 IN VOLUME M76 PAGE 10802, RECORDS OF KLAMATH COUNTY, OREGON.

EXHIBIT " 2 "

Page 7 of 8

PARCEL 11:

A 16 FOOT ROAD EXTENDING ALONG THE LINE SEPARATING THE E 1/2 SE 1/4 OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON, FROM THE W 1/2 SE 1/4 OF SECTION 1, SAID 16 FOOT ROAD LYING EASTERLY FROM AND ADJOINING SAID LINE AND EXTENDING FROM THE DALLES-CALIFORNIA HIGHWAY NORTHERLY TO NORTH LINE OF SAID SE 1/4 OF SAID SECTION 1, OF SAID TOWNSHIP AND RANGE.

Tax Parcel Number: R510110 and
R510085 and R510094 and R510129 and R510101 and R510138 and R805301

First American Title

EXHIBIT 2

Page 8 of 8

Exhibit 3

PARCEL 1:

Beginning at a point from which the Northeast corner of the Northwest quarter of the Southeast quarter of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, bears East 490 feet distant; thence, South 557 and 114/469ths feet; thence West 469 feet; thence North 557 and 114/469ths feet; thence East 469 feet to the point of beginning.

Tax Account No: 3909-001DB-00200-000

Key No: 510174

PARCEL 2:

The South half of the South half of the Southwest quarter of the Northeast quarter of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, less the Easterly 490 feet thereof.

Tax Account No: 3909-001AC-04700-000

Key No: 504886

PARCEL 3:

A tract of land situated in the SW1/4NE1/4 of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

Beginning at a point on the South line of the SW1/4NE1/4 of said Section 1, said point being Westerly a distance of 490 feet from the Southeast corner of the SW1/4NE1/4 of said Section 1; thence Northerly along a line 490 feet from and parallel to the East line of said SW1/4NE1/4 to a point on the North line of the S1/2S1/2SW1/4NE1/4 of said Section 1; thence Southeasterly on a straight line to the point of intersection of the Northeasterly right of way line of the Enterprise Irrigation District Canal and the South line of the SW1/4NE1/4 of Section 1; thence Westerly to the point of beginning.

Tax Account No: 3909-001AC-04600-000

Key No: 504948

EXHIBIT " 3 "

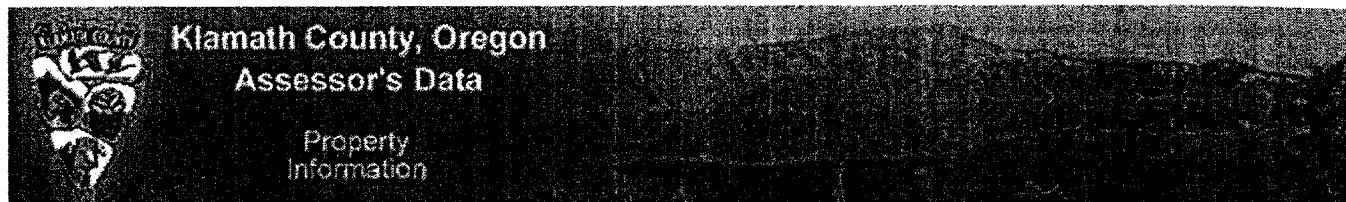
August 27, 2007

EXHIBIT 4
E.I.D. Pump Station # 2
Construction Scope of Work

Ward Northwest, Inc., an Oregon corporation, J. Scott Mckee and Aspen Builders & Contractors, LLC., an Oregon limited liability company, desire to construct, for the benefit of Enterprise Irrigation District and other landowners served by the district, a new irrigation pump station and force main on Unity Street in Klamath Falls, Oregon. All construction shall follow the standards of the Enterprise Irrigation District and the construction plans and specifications to be developed by the District's Engineer. The construction of the new pump station will include the following:

1. Installation of a new "premium efficiency" variable speed pump motor approximately 100hp. Motor is planned to be mounted above ground in fenced area.
2. Installation of a new pump and shaft.
3. Installation of new concrete wet well, size and depth to be determined. Wet well will be connected to the existing irrigation vault with an approximate 30" pipe.
4. Installation of all electrical equipment to run the pump, with connection to Pacific Power service line.
5. Construction of miscellaneous pump station site improvements including minor grading, a gravel pad, and a fence with a gate.
6. Installation of approximately 1730 LF of approximate 24" PVC force main with appropriate thrust blocking.
7. Installation of pipe outlet and anchors into the existing E.I.D. ditch line. Existing ditch will be armored with rip-rap or other means to prevent erosion.
8. Prior to commencement of construction, a final detailed and comprehensive set of plans and specifications will be completed for all parties review and approval.

EXHIBIT " 4 "


[Property Information](#)
[Tax Summary](#)
[Assessment History](#)
[Improvement Information](#)
[New Search](#)
[Search Results](#)
[Log Off](#)

Search Results for R510110

Owner Name

GION ROBERT M & VIRGINIA L TRSTE & ROBERT & VIRGINIA FAMILY BYPASS TRUST

Property ID Number

R510110

Owner Address

 2411 VERMONT AVE
 KLAMATH FALLS, OR 97603

Situs Address
Alternate Account Number
Neighborhood

2G66 - OLENE - HILL ROAD - HENLEY - OUTS MIDLAND

Map Tax Lot

R-3909-001DA-02200-000

Previous
Next
Levy Code Area

043

Ta

11

Property Description

Property Class

540G (FARM USE NON EFU VACANT)

Zoning

RS

Property Code
Miscellaneous Code
Related Accounts by Map Tax Lot
Linked Accounts
Mortgage Agent-Lender
Mortgage Account Number
Exemption
Expiration Date
Tax Roll Description

TWP 39 RNGE 9, BLOCK SEC 1, TRACT POR E2SE4, ACRES 2.98, POTENTIAL ADDITIONAL TAX LIABILITY

Year Built
Acreage

2.98

Split/Sub Account
Split/Sub Account Message
Special Account Information - Last Certified Year (2006)

2006 - (F) FARM USE

Sales Information

#	Buyer (Name & Address)	Seller (Name & Address)	Sales Info	Deed Info
1	GION ROBERT M & VIRGINIA L TRSTE & ROBERT & VIRGINIA FAMILY BYPASS TRUST 2411 VERMONT AVE KLAMATH FALLS, OR 97603	GION ROBERT M & VIRGINIA L 2411 VERMONT AVE KLAMATH FALLS, OR 97603	\$0	12/21/00 M01-705 01

EXHIBIT "

B

2	GION ROBERT M & VIRGINIA L TRSTE & ROBERT & VIRGINIA FAMILY BYPASS TRUST 2411 VERMONT AVE KLAMATH FALLS, OR 97603	GION ROBERT M & VIRGINIA L 2411 VERMONT AVE KLAMATH FALLS, OR 97603	\$0	12/21/00 M01-702 01
3	GION ROBERT M & VIRGINIA L 2411 VERMONT AVE KLAMATH FALLS, OR 97603	Missing Owner Information	\$0	M78-8661
4	GION ROBERT M & VIRGINIA L ,	OWENS JOHN M & OWENS SHELLA M & GION ROBERT M & VIRGINIA L ,	04/09/93 \$17,000 21L	04/09/93 M95-385 05
5	OWENS JOHN M & OWENS SHELLA M & GION ROBERT M & VIRGINIA L ,	Missing Owner Information	\$17,000 R15	M93-7420 02

2007 Land Information (Unedited and Uncertified)

ID	Type	Acres	Sq Ft	Market
L1	66U540 - 66U540 [FARM USE]	0.01		
L2	66U540 - 66U540 [FARM USE]	2.97		\$
TOTAL				\$

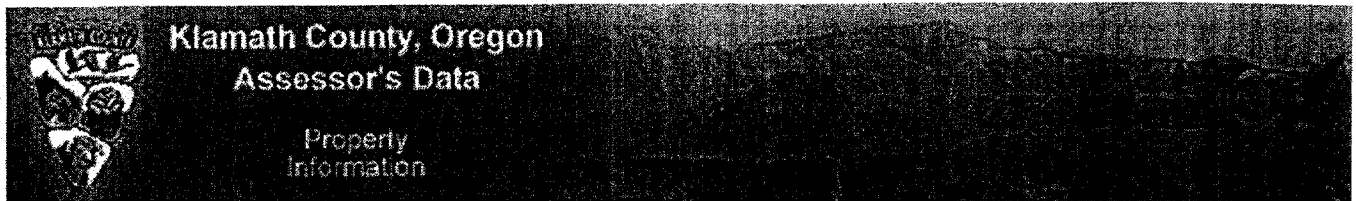
Permits

#	Permit Number	Type	Issue Date	Appraisor	Check Date	% Complete	Act
---	---------------	------	------------	-----------	------------	------------	-----

INFORMATION SUBJECT TO DISCLAIMERS

If you have questions, comments, or suggestions regarding this site, please send e-mail to the [Asses](#)

Copyright 2007 © Tyler Technologies. All Rights Reserved.

[Property Information](#)[Tax Summary](#)[Assessment History](#)[Improvement Information](#)[New Search](#)[Search Results](#)[Log Off](#)**Search Results for R510085****Owner Name**

GION ROBERT M & VIRGINIA L TRSTE & ROBERT & VIRGINIA FAMILY BYPASS TRUST

Property ID Number

R510085

Owner Address2411 VERMONT AVE
KLAMATH FALLS, OR 97603**Situs Address****Alternate Account Number****Neighborhood**

2G66 - OLENE - HILL ROAD - HENLEY - OUT MIDLAND

Map Tax Lot

R-3909-001DA-02300-000

Previous**Next****Levy Code Area**

043

Ta

11

Property Description**Property Class**

540G (FARM USE NON EFU VACANT)

Zoning

RS

Property Code**Miscellaneous Code****Related Accounts by Map Tax Lot****Linked Accounts****Mortgage Agent-Lender****Mortgage Account Number****Exemption****Expiration Date****Tax Roll Description**

TWP 39 RNGE 9, BLOCK SEC 1, TRACT POR NE4SE4, ACRES 1.33, POTENTIAL ADDITIONAL TAX LIABILITY

Year Built**Acreage**

1.33

Split/Sub Account**Split/Sub Account Message****Special Account Information - Last Certified Year (2006)**

2006 - (F) FARM USE

Sales Information

#	Buyer (Name & Address)	Seller (Name & Address)	Sales Info	Deed Info
1	GION ROBERT M & VIRGINIA L TRSTE & ROBERT & VIRGINIA FAMILY BYPASS TRUST 2411 VERMONT AVE KLAMATH FALLS, OR 97603	GION ROBERT M & VIRGINIA L 2411 VERMONT AVE KLAMATH FALLS, OR 97601	\$0	12/21/00 M01-705 01

EXHIBIT -

B

2	GION ROBERT M & VIRGINIA L TRSTE & ROBERT & VIRGINIA FAMILY BYPASS TRUST 2411 VERMONT AVE KLAMATH FALLS, OR 97603	GION ROBERT M & VIRGINIA L 2411 VERMONT AVE KLAMATH FALLS, OR 97601	\$0	12/21/00 M01-702 01
3	GION ROBERT M & VIRGINIA L 2411 VERMONT AVE KLAMATH FALLS, OR 97601	OWENS JOHN M & OWENS SHELLA M & GION ROBERT M & VIRGINIA L 2411 VERMONT ST KLAMATH FALLS, OR 97603	04/09/93 \$17,000	04/09/93 M95-385 05
4	OWENS JOHN M & OWENS SHELLA M & GION ROBERT M & VIRGINIA L 2411 VERMONT ST KLAMATH FALLS, OR 97603	OWENS JOHN M & OWENS SHELLA M & GOODWIN SERENA BEAUTON 6750 SOUTH 6TH ST KLAMATH FALLS, OR 97603	\$17,000	M93-7420 02
5	OWENS JOHN M & OWENS SHELLA M & GOODWIN SERENA BEAUTON 6750 SOUTH 6TH ST KLAMATH FALLS, OR 97603	Missing Owner Information	\$0	M83-2971

2007 Land Information (Unedited and Uncertified)

ID	Type	Acres	Sq Ft	Market
L1	66U540 - 66U540 [FARM USE]	1.33		\$
TOTAL				\$

Permits

#	Permit Number	Type	Issue Date	Appraisor	Check Date	% Complete	Act
---	---------------	------	------------	-----------	------------	------------	-----

INFORMATION SUBJECT TO DISCLAIMERS

If you have questions, comments, or suggestions regarding this site, please send e-mail to the Asses

Copyright 2007 © Tyler Technologies. All Rights Reserved.

- - Ownership, Sales and Deed History Screen - -

Property ID : R510094 R-3909-001DA-02400-000
Legal Description: TWP 39 RNGE 9, BLOCK SEC 1, TRACT POR E2SE4, ACRES
2.66, POTENTIAL ADDITIONAL TAX LIABILITY
Mort Code: Exemptions:
Mort Acct:

ID.	Buyer.....	Seller.....	Sales Info	Deed Info.....
1.	GION ROBERT M & VIRGIN	Missing Owner Informat	02/01/1977	Num.: M82-3435
	2411 VERMONT AVE		\$25,000	Type:
	KLAMATH FALLS, OR 976		, ,	Date:

Missing Ownership Transfer Record

2.	GION ROBERT M & VIRGIN	OWENS JOHN M &	04/09/1993	Num.: M95-385
		OWENS SHELLA M &	\$17,000	Type: 05
		GION ROBERT M & VIRGIN	21L	Date: 04/09/1993

3.	OWENS JOHN M &	Missing Owner Informat	Num.: M93-7420
----	----------------	------------------------	----------------

- - Enter 'C' to Continue Display - -

Enter 'A' for Alternate Display, D# for Display, 'INS' to Insert, ID# of a Deed
Record, or <RET> to Exit: ____

1 3ess-1 172.16.0.1

1 23/27

EXHIBIT " B " 28

Page 5 of 22

*

- - Property Data Selection Menu - -

Prop ID : R510094 (Real Estate) (19321) 2411 VERMONT AVE
Map Tax Lot: R-3909-001DA-02400-000 KLAMATH FALLS, OR 97601
Legal : TWP 39 RNGE 9, BLOCK SEC 1, TRACT
POR E2SE4, ACRES 2.66, POTENTIAL*

Situs : 2411 VERMONT ST Year Built : 1960
KLAMATH FALLS, OR 97603 Living Area: 1580
Name(s) : 2006 Roll Values
Code Area : 043 RMV Land Non-LSU \$ 23,720 (+)
Sale Info : 02/01/77 \$25,000 RMV Land LSU \$ 23,410 (+)
Deed Type : RMV Improvements \$ 117,770 (+)
Instrument: M82-3435 RMV Total \$ 164,900 (=)
2006 Tax Status * No Taxes Due * Land LSU \$ 4,410
Current Levied Taxes : 1,141.39 Total Exemptions \$ 0
Special Assessments : 24.00 M5 Net Value \$ 145,900
2007-08 SB125 Taxes : M50 Assd Value \$ 99,320

(AD) Alt Disp	(Y) primary	(SE) condary	(L) and/Impr
(G) en Appr	(O) wnership	(H) istory	(.) More

Enter Option from Above or <RET> to Exit: _

1 Sess-1 172.16.0.1

1 23/43

EXHIBIT " B "
Page 6 of 22

2	GION ROBERT M & VIRGINIA L TRSTE & ROBERT & VIRGINIA FAMILY BYPASS TRUST 2411 VERMONT AVE KLAMATH FALLS, OR 97603	GION ROBERT M & VIRGINIA L 2411 VERMONT AVE KLAMATH FALLS, OR 97603	\$0	12/21/00 M01-702 01
3	GION ROBERT M & VIRGINIA L 2411 VERMONT AVE KLAMATH FALLS, OR 97603	Missing Owner Information	\$0	M75-7848
4	GION ROBERT M & VIRGINIA L ,	OWENS JOHN M & OWENS SHELLA M & GION ROBERT M & VIRGINIA L ,	04/09/93 \$17,000 21L	04/09/93 M95-385 05
5	OWENS JOHN M & OWENS SHELLA M & GION ROBERT M & VIRGINIA L ,	Missing Owner Information	\$17,000 R15	M93-7420 02

2007 Land Information (Unedited and Uncertified)

ID	Type	Acres	Sq Ft	Market
L1	66U540 - 66U540 [FARM USE]	0.32		

TOTAL

Permits

#	Permit Number	Type	Issue Date	Appraisor	Check Date	% Complete	Act
---	---------------	------	------------	-----------	------------	------------	-----

INFORMATION SUBJECT TO DISCLAIMERS

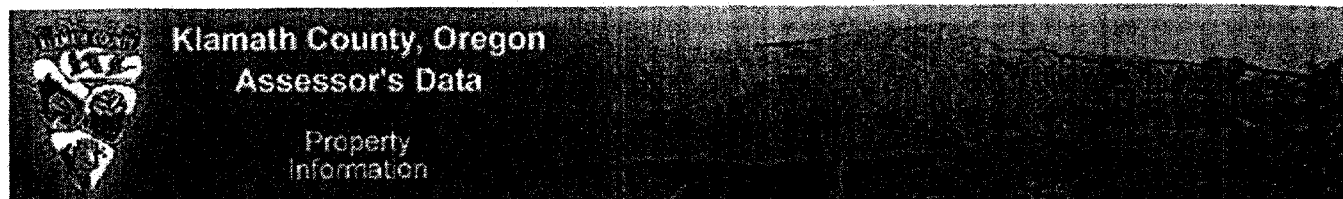
If you have questions, comments, or suggestions regarding this site, please send e-mail to the Asses

Copyright 2007 © Tyler Technologies. All Rights Reserved.

EXHIBIT *

B

27

[Property Information](#)[Tax Summary](#)[Assessment History](#)[Improvement Information](#)[New Search](#)[Search Results](#)[Log Off](#)**Search Results for R510101****Owner Name**

GION ROBERT M & VIRGINIA L TRSTE & ROBERT & VIRGINIA FAMILY BYPASS TRUST

Property ID Number

R510101

Owner Address2411 VERMONT AVE
KLAMATH FALLS, OR 97603**Situs Address****Alternate Account Number****Neighborhood**2G66 - OLENE - HILL ROAD - HENLEY - OUTS
MIDLAND**Map Tax Lot**

R-3909-001DA-02600-000

Previous**Next****Levy Code Area**

043

Ta

11

Property Description**Property Class**

540G (FARM USE NON EFU VACANT)

Zoning

RS

Property Code**Miscellaneous Code****Related Accounts by Map Tax Lot****Linked Accounts****Mortgage Agent-Lender****Mortgage Account Number****Exemption****Expiration Date****Tax Roll Description**

TWP 39 RNGE 9, BLOCK SEC 1, TRACT POR E2SE4, ACRES 3.60, POTENTIAL ADDITIONAL TAX LIABILITY

Year Built**Acreage**

3.60

Split/Sub Account**Split/Sub Account Message****Special Account Information - Last Certified Year (2006)**

2006 - (F) FARM USE

Sales Information

#	Buyer (Name & Address)	Seller (Name & Address)	Sales Info	Deed Info
1	GION ROBERT M & VIRGINIA L TRSTE & ROBERT & VIRGINIA FAMILY BYPASS TRUST 2411 VERMONT AVE KLAMATH FALLS, OR 97603	GION ROBERT M & VIRGINIA L 2411 VERMONT AVE KLAMATH FALLS, OR 97603	\$0	12/21/00 M01-705 01

EXHIBIT

B

2	GION ROBERT M & VIRGINIA L TRSTE & ROBERT & VIRGINIA FAMILY BYPASS TRUST 2411 VERMONT AVE KLAMATH FALLS, OR 97603	GION R M & VIRGINIA L 2411 VERMONT KLAMATH FALLS, OR 97603	\$0	12/21/00 M01-702 01
3	GION R M & VIRGINIA L 2411 VERMONT KLAMATH FALLS, OR 97603	Missing Owner Information	\$0	
4	GION ROBERT M & VIRGINIA L	OWENS JOHN M & OWENS SHELLA M & GION ROBERT M & VIRGINIA L	04/09/93 \$17,000 21L	04/09/93 M95-385 05
5	OWENS JOHN M & OWENS SHELLA M & GION ROBERT M & VIRGINIA L	Missing Owner Information	\$17,000 R15	M93-7420 02

2007 Land Information (Unedited and Uncertified)

ID	Type	Acres	Sq Ft	Market
L1	66U540 - 66U540 [FARM USE]	2.3		\$
L2	66U540 - 66U540 [FARM USE]	1.3		\$

TOTAL \$

Permits

#	Permit Number	Type	Issue Date	Appraisor	Check Date	% Complete	Act
---	---------------	------	------------	-----------	------------	------------	-----

INFORMATION SUBJECT TO DISCLAIMERS

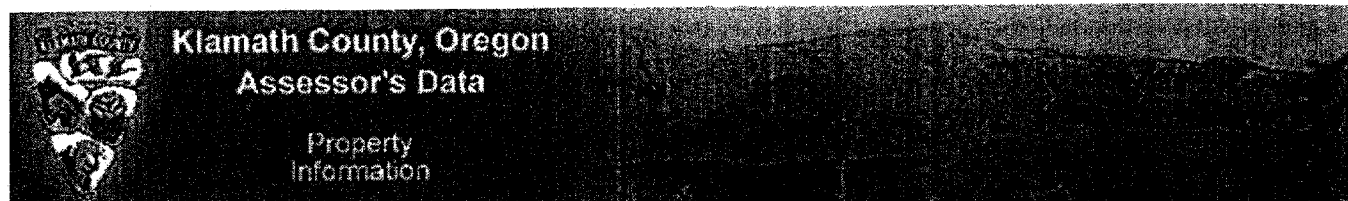
If you have questions, comments, or suggestions regarding this site, please send e-mail to the Asses

Copyright 2007 © Tyler Technologies. All Rights Reserved.

EXHIBIT * B

<http://www.co.klamath.or.us:8008/property.asp?PropertyID=R510101>

Page 10 of 22

[Property Information](#)[Tax Summary](#)[Assessment History](#)[Improvement Information](#)[New Search](#)[Search Results](#)[Log Off](#)**Search Results for R510138****Owner Name**

GION ROBERT M & VIRGINIA L TRSTE & ROBERT & VIRGINIA FAMILY BYPASS TRUST

Property ID Number

R510138

Owner Address2411 VERMONT AVE
KLAMATH FALLS, OR 97603**Situs Address****Alternate Account Number****Neighborhood**2G66 - OLENE - HILL ROAD - HENLEY - OUT
MIDLAND**Map Tax Lot**

R-3909-001DA-02700-000

Previous**Next****Levy Code Area**

043

Ta

11

Property Description**Property Class**

540G (FARM USE NON EFU VACANT)

Zoning

RS

Property Code**Miscellaneous Code****Related Accounts by Map Tax Lot****Linked Accounts****Mortgage Agent-Lender****Mortgage Account Number****Exemption****Expiration Date****Tax Roll Description**TWP 39 RNGE 9, BLOCK SEC 1, TRACT POR NE4SE4, ACRES 2.00, POTENTIAL ADDITIONAL TA
LIABILITY**Year Built****Acreage**

2.00

Split/Sub Account**Split/Sub Account Message****Special Account Information - Last Certified Year (2006)**

2006 - (F) FARM USE

Sales Information

#	Buyer (Name & Address)	Seller (Name & Address)	Sales Info	Deed Info
1	GION ROBERT M & VIRGINIA L TRSTE & ROBERT & VIRGINIA FAMILY BYPASS TRUST 2411 VERMONT AVE KLAMATH FALLS, OR 97603	GION ROBERT M & VIRGINIA L 2411 VERMONT AVE KLAMATH FALLS, OR 97603	\$0	12/21/00 M01-705 01

EXHIBIT - B

2	GION ROBERT M & VIRGINIA L TRSTE & ROBERT & VIRGINIA FAMILY BYPASS TRUST 2411 VERMONT AVE KLAMATH FALLS, OR 97603	GION ROBERT M & VIRGINIA L 2411 VERMONT AVE KLAMATH FALLS, OR 97603	\$0	12/21/00 M01-702 01
3	GION ROBERT M & VIRGINIA L 2411 VERMONT AVE KLAMATH FALLS, OR 97603	Missing Owner Information	\$0	M76-10802
4	GION ROBERT M & VIRGINIA L ,	OWENS JOHN M & OWENS SHELLA M & GION ROBERT M & VIRGINIA L ,	04/09/93 \$17,000 21L	04/09/93 M95-385 05
5	OWENS JOHN M & OWENS SHELLA M & GION ROBERT M & VIRGINIA L ,	Missing Owner Information	\$17,000 R15	M93-7420 02

2007 Land Information (Unedited and Uncertified)

ID	Type	Acres	Sq Ft	Market
L1	66U540 - 66U540 [FARM USE]	0.21		
L2	66U540 - 66U540 [FARM USE]	1.79		\$
TOTAL				\$

Permits

#	Permit Number	Type	Issue Date	Appraisor	Check Date	% Complete	Act
---	---------------	------	------------	-----------	------------	------------	-----

INFORMATION SUBJECT TO DISCLAIMERS

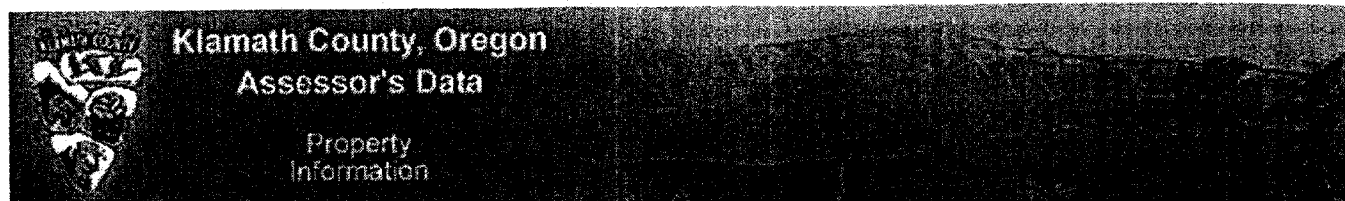
If you have questions, comments, or suggestions regarding this site, please send e-mail to the [Asses](#)

Copyright 2007 © [Tyler Technologies](#). All Rights Reserved.

EXHIBIT " B

<http://www.co.klamath.or.us:8008/property.asp?PropertyID=R510138>

Page 12 of 22

[Property Information](#)[Tax Summary](#)[Assessment History](#)[Improvement Information](#)[New Search](#)[Search Results](#)[Log Off](#)**Search Results for R805301****Owner Name**

GION ROBERT M TRUSTEE & GION VIRGINIA L TRUSTEE & ROBERT & VIRGINIA FAMILY BYPASS TRUST

Property ID Number

R805301

Owner Address2411 VERMONT AVE
KLAMATH FALLS, OR 97603**Situs Address****Alternate Account Number****Neighborhood**

2G66 - OLENE - HILL ROAD - HENLEY - OUT MIDLAND

Map Tax Lot

R-3909-001DA-03000-000

Previous**Next****Levy Code Area**

043

Ta

11

Property Description**Property Class**

100G (RESIDENTIAL VACANT)

Zoning

RS

Property Code**Miscellaneous Code****Related Accounts by Map Tax Lot****Linked Accounts****Mortgage Agent-Lender****Mortgage Account Number****Exemption****Expiration Date****Tax Roll Description**

TWP 39 RNGE 9, BLOCK SEC 1, TRACT POR NE4SE4, ACRES 0.50

Year Built**Acreage**

0.50

Split/Sub Account**Split/Sub Account Message****Special Account Information - Last Certified Year (2006)****Sales Information**

#	Buyer (Name & Address)	Seller (Name & Address)	Sales Info	Deed Info
1	GION ROBERT M TRUSTEE & GION VIRGINIA L TRUSTEE & ROBERT & VIRGINIA FAMILY BYPASS TRUST 2411 VERMONT AVE KLAMATH FALLS, OR 97603	KLAMATH COUNTY 305 MAIN ST KLAMATH FALLS, OR 97601	\$0	02/01/05 M05-07540 03

EXHIBIT " 2

2	KLAMATH COUNTY	UNKNOWN OWNER &	04/22/91	04/22/91
	305 MAIN ST	, 0	\$0	M91-7274
	KLAMATH FALLS, OR 97601		UL	17

2007 Land Information (Unedited and Uncertified)

ID	Type	Acres	Sq Ft	Market
L1	01 - SITE VALUE	0.497	21640	

TOTAL

Permits

#	Permit Number	Type	Issue Date	Appraisor	Check Date	% Complete	Act
---	---------------	------	------------	-----------	------------	------------	-----

INFORMATION SUBJECT TO DISCLAIMERS

If you have questions, comments, or suggestions regarding this site, please send e-mail to the Asses

Copyright 2007 © Tyler Technologies. All Rights Reserved.

PARCEL 5:

A TRACT OF LAND SITUATED IN THE EAST HALF OF SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF SOUTHEAST QUARTER OF SAID SECTION 1; THENCE NORTH $00^{\circ} 50' 00''$ WEST, ALONG THE WEST LINE OF THE EAST HALF OF SOUTHEAST QUARTER OF SAID SECTION 1, 2129.13 FEET; THENCE EAST 16.00 FEET TO A 5/8 INCH IRON PIN; THENCE CONTINUING EAST 356.24 FEET TO A 5/8 INCH IRON PIN BEING THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE CONTINUING EAST 248.25 FEET, MORE OR LESS, TO A 5/8 INCH IRON PIN IN AN OLD FENCE LINE ON THE APPARENT EAST LINE OF THAT TRACT OF LAND DESCRIBED IN VOLUME M71, PAGE 3540, DEED RECORDS OF KLAMATH COUNTY, OREGON, AND THE APPARENT WEST LINE OF PIEDMONT HEIGHTS, A DULY RECORDED SUBDIVISION; THENCE NORTHERLY GENERALLY ALONG SAID FENCE LINE AND ITS EXTENSION 525.36 FEET TO A 5/8 INCH IRON PIN ON THE NORTHERLY LINE OF THE EAST HALF OF SOUTHEAST QUARTER OF SAID SECTION 1; THENCE SOUTH $89^{\circ} 31' 20''$ WEST ALONG SAID NORTHERLY LINE 247.08 FEET TO A 5/8 INCH IRON PIN; THENCE SOUTH 523.30 FEET TO THE TRUE POINT OF BEGINNING.

EXHIBIT

B

Page

15

of

22

PARCEL 6:

A TRACT OF LAND SITUATED IN THE EAST HALF OF SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST, WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF SOUTHEAST QUARTER OF SAID SECTION 1; THENCE NORTH $00^{\circ} 50' 00''$ WEST, ALONG THE WEST LINE OF THE EAST HALF OF SOUTHEAST QUARTER OF SAID SECTION 1, 2129.13 FEET; THENCE EAST 372.24 FEET TO A 5/8 INCH IRON PIN MARKING THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE NORTH 363.30 FEET TO A POINT 160.00 FEET SOUTH OF THE NORTH LINE OF THE EAST HALF OF SOUTHEAST QUARTER OF SAID SECTION 1; THENCE SOUTH $89^{\circ} 31' 20''$ WEST, PARALLEL TO SAID NORTH LINE, 361.49 FEET TO A POINT 16.00 FEET EAST (MEASURED AT RIGHT ANGLES) TO THE WEST LINE OF THE SAID EAST HALF OF SOUTHEAST QUARTER; THENCE SOUTH $00^{\circ} 50' 00''$ EAST, PARALLEL TO THE WEST LINE OF SAID EAST HALF OF SOUTHEAST QUARTER, 245 FEET, MORE OR LESS, TO THE SOUTHWESTERLY HIGH WATER LINE OF THE ENTERPRISE IRRIGATION DISTRICT HIGH LINE CANAL; THENCE SOUTHEASTERLY ALONG SAID HIGH WATER LINE TO POINT THAT IS WEST OF THE TRUE POINT OF BEGINNING; THENCE EAST 116 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING, WITH BEARINGS BASED ON RECORDED SURVEY NO. 1978, AS RECORDED IN THE KLAMATH COUNTY SURVEYOR'S OFFICE.

EXHIBIT "

B

Page

16 of *22*

PARCEL 7:

A TRACT OF LAND SITUATED IN THE E 1/2 NE 1/4 OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT MARKED BY A 5/8 INCH IRON PIN, WHICH IS NORTH 00°50'00" WEST 2129.13 FEET AND EAST 16.00 FEET FROM THE SOUTHWEST CORNER OF THE SE 1/4 SE 1/4 OF SAID SECTION 1; THENCE NORTH 00°50'00" WEST PARALLEL WITH AND 16.00 FEET EASTERLY, MEASURED AT RIGHT ANGLES TO THE WEST LINE OF THE E 1/2 SE 1/4 OF SAID SECTION 1, 115 FEET, MORE OR LESS, TO THE SOUTHWESTERLY HIGH WATER LINE OF THE ENTERPRISE IRRIGATION DISTRICT HIGHLINE CANAL; THENCE SOUTHEASTERLY ALONG SAID HIGHWATER LINE TO A POINT THAT IS EAST OF THE POINT OF BEGINNING; THENCE WEST 240 FEET, MORE OR LESS, TO THE POINT OF BEGINNING, WITH BEARINGS BASED ON RECORDED SURVEY NO. 1978.

EXHIBIT

B

Page

17

of

22

PARCEL 8:

A TRACT OF LAND SITUATED IN THE E 1/2 SE 1/4 OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT MARKED BY A 5/8 INCH IRON PIN, WHICH IS NORTH 00°50'00" WEST 1929.13 FEET AND EAST 16.00 FEET FROM THE SOUTHWEST CORNER OF THE SE 1/4 SE 1/4 OF SAID SECTION 1; THENCE NORTH 00°50'00" WEST PARALLEL WITH AND 16.00 FEET EASTERLY, MEASURED AT RIGHT ANGLES TO THE WEST LINE OF THE E1/2 SE 1/4 OF SAID SECTION 1, 200.00 FEET TO A 5/8 INCH IRON PIN; THENCE EAST 604.49 FEET TO A 5/8 INCH IRON PIN IN AN OLD FENCE LINE ON THE APPARENT EAST LINE OF THAT TRACT OF LAND DESCRIBED IN DEED VOLUME M-71 AT PAGE 3540, AS RECORDED IN KLAMATH COUNTY DEED RECORDS, AND THE APPARENT WEST LINE OF PIEDMONT HEIGHTS, A DULY RECORDED SUBDIVISION; THENCE ALONG SAID FENCE LINE, SOUTHERLY 361 FEET, MORE OR LESS, AND WESTERLY 191 FEET, MORE OR LESS, TO THE WEST BANK OF THE ENTERPRISE IRRIGATION DISTRICT HIGH LINE CANAL; THENCE NORTHWESTERLY ALONG SAID BANK 179 FEET, MORE OR LESS, TO A 5/8 INCH IRON PIN WHICH IS EAST 330.56 FEET FROM THE POINT OF BEGINNING; THENCE WEST 330.56 FEET TO THE POINT OF BEGINNING.

EXHIBIT

B

Page

18

of

22

PARCEL 9:

A TRACT OF LAND SITUATED IN THE E 1/2 SE 1/4 OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8 INCH IRON PIN WHICH IS NORTH 00°50'00" WEST 1657.12 FEET AND NORTH 88°03'47" EAST 16 FEET FROM THE SOUTHWEST CORNER OF THE SE 1/4 SE 1/4 OF SAID SECTION 1; THENCE NORTH 00°50'00" WEST PARALLEL TO AND 16 FEET EASTERLY, MEASURED AT RIGHT ANGLES TO THE WEST LINE OF THE E 1/2 SE 1/4 OF SAID SECTION 1, 271.46 FEET TO A 5/8 INCH IRON PIN; THENCE EAST 330.56 FEET TO A 5/8 INCH IRON PIN ON THE WESTERLY BANK OF THE ENTERPRISE IRRIGATION DISTRICT HIGHLINE CANAL; THENCE SOUTHEASTERLY ALONG SAID WESTERLY BANK TO THE SOUTHERLY LINE OF THE EASTERLY PORTION OF THAT TRACT OF LAND DESCRIBED IN DEED VOLUME M-71 PAGE 3540, AS RECORDED IN THE KLAMATH COUNTY DEED RECORDS; THENCE WEST ALONG SAID SOUTHERLY LINE TO THE EASTERLY LINE OF THE SOUTHERLY PORTION OF SAID DEED VOLUME M-71 PAGE 3540; THENCE SOUTH ALONG SAID EASTERLY LINE TO A 5/8 INCH IRON PIN WHICH IS SITUATED NORTH 88°03'47" EAST 271.11 FEET FROM THE POINT OF BEGINNING; THENCE SOUTH 88°03'47" WEST 271.11 FEET TO THE POINT OF BEGINNING.

EXHIBIT

B

Page

19

of

22

PARCEL 10:

BEGINNING AT A POINT WHICH IS 16 FEET EAST OF A POINT WHICH IS NORTH 0°50' WEST 1846.4 FEET FROM SOUTHWEST CORNER OF THE SE 1/4 OF THE SE 1/4 OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, OREGON; THENCE EAST 273.7 FEET NORTH 800 FEET; THENCE WEST 273.7 FEET TO A POINT WHICH IS 16 FEET EAST OF THE LINE DIVIDES THE E 1/2 SE 1/4 AND W 1/2 SE 1/4 OF SECTION 1; THENCE SOUTH 800 FEET TO THE POINT OF BEGINNING.

ALSO: BEGINNING AT A POINT 16 FEET EAST OF A POINT WHICH IS NORTH 0°50' WEST 1296 FEET FROM THE SOUTHWEST CORNER OF THE SE 1/4 OF SE 1/4 OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, OREGON; THENCE NORTH 87°20' EAST 266 FEET; THENCE NORTH 468 FEET; THENCE EAST 165 FEET; THENCE NORTH 880 FEET; THENCE WEST 165 FEET THENCE SOUTH 800 FEET; THENCE WEST 273.7 FEET TO A POINT 16 FEET EAST OF LINE WHICH DIVIDES E 1/2 SE 1/4 AND W 1/2 SE 1/4 OF SECTION 1, THENCE SOUTH 0°50' EAST 560.4 FEET TO THE PLACE OF BEGINNING.

LESS AND EXCEPT: THAT PORTION DEEDED TO ROBERT M GION AND VIRGINIA L. GION, MAY 2, 1978 IN VOLUME M78 PAGE 8661, DEED RECORDS OF KLAMATH COUNTY, OREGON.

ALSO LESS AND EXCEPT: THAT PORTION DEEDED TO ROBERT M GION AND VIRGINIA GION, MARCH 19, 1982 IN VOLUME M82 PAGE 3435, DEED RECORDS OF KLAMATH COUNTY, OREGON.

ALSO LESS AND EXCEPT: THAT PORTION DEEDED TO VIRGINIA L. GION AND ROBERT M. GION, JULY 11, 1975 IN VOLUME M75 PAGE 7848, DEED RECORDS OF KLAMATH COUNTY, OREGON.

ALSO LESS AND EXCEPT: THAT PORTION DEEDED TO ROBERT M. GION AND VIRGINIA GION, MAY 2, 1978 IN VOLUME M78 PAGE 8659, RECORDS OF KLAMATH COUNTY, OREGON.

ALSO LESS AND EXCEPT: THAT PORTION DEEDED TO ROBERT M. GION AND VIRGINIA L. GION, JULY 15, 1976 IN VOLUME M76 PAGE 10802, RECORDS OF KLAMATH COUNTY, OREGON.

EXHIBIT B

Page 20 of 22

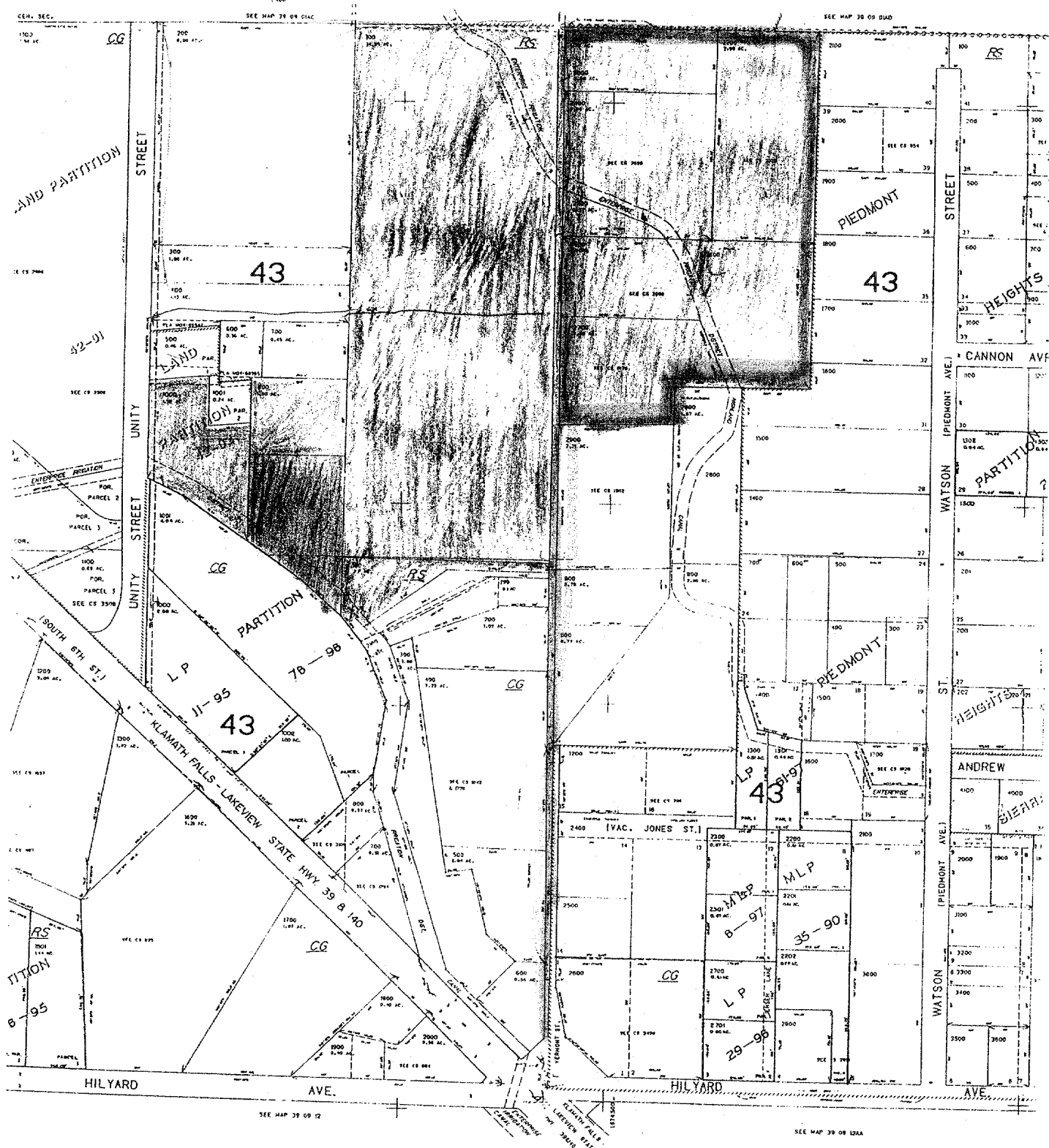
PARCEL 11:

A 16 FOOT ROAD EXTENDING ALONG THE LINE SEPARATING THE E 1/2 SE 1/4 OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON, FROM THE W 1/2 SE 1/4 OF SECTION 1, SAID 16 FOOT ROAD LYING EASTERLY FROM AND ADJOINING SAID LINE AND EXTENDING FROM THE DALLES-CALIFORNIA HIGHWAY NORTHERLY TO NORTH LINE OF SAID SE 1/4 OF SAID SECTION 1, OF SAID TOWNSHIP AND RANGE.

Tax Parcel Number R510110 and
R510085 and R510094 and R510129 and R510101 and R510138 and R805301

First American Title

EXHIBIT B
Page 21 of 22



Jo Duthie and Toby Ross

Scott McKee

Patrick F. Golden

Virginia Gion, Trustee

EXHIBIT

B

Page

22 of 22