

RECORDING COVER SHEET

ORS 205.234

This cover sheet has been prepared by:

2016-012418

Klamath County, Oregon

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Fee: \$67.00



Any error in this cover sheet DOES NOT affect the transaction(s) contained in the instrument itself.

Reference: 128871AM

Please print or type information.

1. AFTER RECORDING RETURN TO –

Required by ORS 205.180(4) & 205.238:

Name: John Bailey and Cristita BaileyAddress: 8331 Prairie Dog DriveCity, ST Zip: Bonanza, OR 97623**2. TITLE(S) OF THE TRANSACTION(S) –** Required by ORS 205.234(1)(a)

Note: "Transaction" means any action required or permitted by law to be recorded, including, but not limited to, any transfer, encumbrance or release affecting title to or an interest in real property. Enter descriptive title for the instrument:

Document Title(s): Shared Well Agreement**3. DIRECT PARTY / GRANTOR Names and Addresses –** Required by ORS 205.234(1)(b)
for Conveyances list Seller; for Mortgages/Liens list Borrower/DebtorGrantor Name: John Bailey and Cristita Bailey

Grantor Name: _____

4. INDIRECT PARTY / GRANTEE Names and Addresses – Required by ORS 205.234(1)(b)
for Conveyances list Buyer; for Mortgages/Liens list Beneficiary/Lender/CreditorGrantee Name: John Bailey and Cristita Bailey

Grantee Name: _____

5. For an instrument conveying or contracting to convey fee title, the information required by ORS 93.260:

**UNTIL A CHANGE IS REQUESTED, ALL
TAX STATEMENTS SHALL BE SENT TO
THE FOLLOWING ADDRESS:**

Name: No Change

Address: _____

City, ST Zip: _____

6. TRUE AND ACTUAL CONSIDERATION –
Required by ORS 93.030 for an instrument conveying or contracting to convey fee title or any memorandum of such instrument:\$ 0**7. TAX ACCOUNT NUMBER OF THE PROPERTY if the instrument creates a lien or other interest that could be subject to tax foreclosure. –** Required by ORS 312.125(4)(b)(B)Tax Acct. No.: N/A

Shared Well Water Agreement

This Agreement, made and entered into this 25 day of Oct 2016 by and between John and Cristita Bailey, who resides at 8331 Prairie Dog Drive Bonanza, OR 97623 (street address, city, county, state, zip code), hereinafter referred to as the "supplying party," and John and Cristita Bailey, who resides at 8225 Prairie Dog Drive Bonanza, OR 97623 (formerly LOT 7) (street address, city, county, state, zip code), hereafter referred to as the "supplied party:"

WHEREAS, the supplying party is the owner of property located at 8331 Prairie Dog Drive, Bonanza, OR 97623 (street address, city, county, state, zip code), which property is hereafter referred to as "Parcel 1" and is more fully described as follows:

LOT 6 IN BLOCK 33 OF KLAMATH FALLS FOREST ESTATES HIGHWAY 66 UNIT PLAT N

(Put Legal Description of Property Here)

WHEREAS, the supplied party is the owner of property located at 8225 Prairie Dog Drive Bonanza, OR 97623 (street address, city, county, state, zip code), which property is hereafter referred to as "Parcel 2" and is more fully described as follows:

LOT 7 IN BLOCK 33 OF KLAMATH FALLS FOREST ESTATES HIGHWAY 66 UNIT PLAT N

(Put Legal Description of Property Here)

WHEREAS, the undersigned parties deem it necessary to provide a well system to service the parcels described herein, and an Agreement has been reached relative to supplying water from the well and sharing the cost of supplying said water; and

WHEREAS, there is located a well upon the above described property of supplying party; together with water distribution facilities, hereinafter referred to as "water distribution system", for the purpose of supplying water to all properties connected to the said water distribution system; and

WHEREAS, it is the intention and purpose of the undersigned parties that the well and water distribution system shall be used and operated to provide an adequate supply of water for each of the properties connected thereto, for the domestic consumption of the occupants of said properties, and to assure the continuous and satisfactory operation and maintenance of the well and water

distribution system for the benefit of the present and future owners, their heirs, successors and assigns of the properties connected thereto; and

WHEREAS, the said well is deemed by the parties hereto to be of adequate capacity to supply a single family dwelling on each of the parcels described herein with water from the well for all domestic uses of a single family residing therein; and

WHEREAS, the water from the well has undergone a water quality analysis from the State of OREGON health authority and has been determined by the authority to supply safe for human consumption; and

WHEREAS, the parties hereto desire to enter this Agreement for the purpose of reducing to writing their respective rights and obligations pertaining to said well and water distribution system.

NOW THEREFORE, in consideration of the promises and covenants herein contained, it is agreed that the well and water distribution system situated on Parcel 1 shall be used by the parties to this Agreement, as well as by all future owners and occupants of said Parcels 1 and 2, upon the following terms and conditions:

1. That until this Agreement is terminated, as hereinafter provided, the parties hereto (and their heirs, successors and assigns, for the exclusive benefit of the respective parcels of said real estate, and for the exclusive use of the households residing thereon), are hereby granted the right in common with the other parties to this Agreement, to draw water from the well located on Parcel 1 for domestic use *excluding* the right to draw water to fill swimming pools of any type.

2. That the owners or residents of the dwellings located on Parcels 2, as of the date of this Agreement shall:

a. Pay or cause to be paid to the supplying party, an annual fee for this use of the well and water distribution system in the amount of \$ 1500.00 on or before the 15th of January each year, with the exception of this year whereby the amount shall be \$ TBD and paid on the execution of this Agreement.

b. Pay or cause to be paid promptly, a proportionate share of all expenses for the operation and maintenance of the well and water distribution system that may become necessary. Each respective share shall be determined by dividing the amount of each expense by two, it being understood that the supplying party and the supplied party shall pay an amount equal to one half of the total of such necessary repair or replacement. Shared expenses include the cost of electricity for pumping, repairs and maintenance on said well and water distribution system.

3. That the cost of any removal or replacement of pre-existing site improvements on an individual

parcel necessary for system operation, maintenance, replacement, improvements, inspection or testing, damaged as a result of repair of the well or water distribution system maintenance will be borne by the owner of the affected parcel, except that costs to remove and replace common boundary fencing or walls damaged as a result of repair shall be shared equally between or among parties so damaged.

4. That each of the parties hereby agrees that they will promptly repair, maintain and replace all water pipes or mains serving their respective dwellings.

5. That the consent of all parties to pay a proportionate share of costs shall be obtained prior to embarking upon expenditures for system maintenance, replacement or improvement, except in emergency situations.

6. That the supplied party shall pay to the supplying party his proportionate share for the cost of energy for the operation of the pumping equipment. This cost shall be determined by a separate meter upon each dwelling and for each parcel.

7. That it is the agreement of the parties hereto that the payment for energy cost shall be made not later than the 15th day of each succeeding month during the term of this Agreement. In the event that any such payment remains unpaid for a period of 30 days, the supplying party may terminate the supply of water to the supplied party until all arrearages in payment are received by the supplying party.

8. That each of the parties to this Agreement does hereby grant to the other, his heirs, successors and assigns, such easements over, across and through the respective parcels as shall be reasonably necessary for the construction of the well, maintenance of water pipes, pumping equipment, mains, electrical wiring and conduit consistent with the purposes of this Agreement. These easements are described below, to wit:

(Describe easements, if any)

10. That no party may install landscaping or improvements that will impair the use of said easements.

11. That each party shall have the right to act to correct an emergency situation and shall have access to the pertinent parcel in the absence of the other. An emergency situation shall be defined as

the failure of any shared portion of the system to deliver water upon demand.

12. That only those parcels of real estate hereinabove described and the dwellings located thereon shall be permitted to receive water from said well and pumping equipment; and each of the parties hereto does hereby covenant and agree that he/she will not allow or permit other persons, other than household guests, to take, draw, use or receive water from the well, nor permit other persons to connect to the pipes or mains serving his/her respective parcel.

13. That in the event the referenced well shall become contaminated and shall no longer supply water suitable for domestic consumption, or shall no longer supply water adequate for the needs of all relevant parties, or in the event that another source of water shall become available to the respective parcels, then the rights and obligations of the parties created by this Agreement shall cease and terminate in accordance with the terms and conditions hereinafter described.

14. That upon the availability of such other source of water, it is contemplated that a reasonable time shall be allowed to effectuate the necessary connections to the new source.

15. That the respective rights and obligations of the parties shall continue until the parties who wish to terminate their participation in the Well Agreement have executed and filed a written statement of termination at the County Clerks Office (*office where deeds in your state are recorded*) of the County of Klamath and the state of Oregon. Upon termination of participation in this Agreement, the owner and occupant of each residence which is terminated from the Agreement shall have no further right to the use of the well. The terminated parties shall disconnect their respective lateral connection from said well system and shall have no further obligation to pay or collect for maintenance and related expenses incurred thereafter. The costs of disconnection from the well and water system shall be borne by the owner of the pertinent parcel.

19. That the term of this Agreement shall be perpetual, except as herein limited.

20. That the benefits and burdens of this Agreement shall constitute a covenant running with the parcels of land herein described and shall be binding upon the heirs, successors in title and assigns of the parties hereto.

21. Any dispute under this Agreement shall be required to be resolved by binding arbitration of the parties hereto. If the parties cannot agree on an arbitrator, each party shall select one arbitrator and both arbitrators shall then select a third. The third arbitrator so selected shall arbitrate said dispute. The arbitration shall be governed by the rules of the American Arbitration Association then in force and effect.

Witness our signatures this the 25 day of October, 2016.

John L. Bailey
John L. Bailey

Cristita S. Bailey
Cristita S. Bailey

(Acknowledgment before a notary public, the form of which will vary by state)

State of Oregon
County of Klamath

Signed before me on Nov 18th, 2016 by
John L. Bailey and Cristita S. Bailey

Stacy Marie Howard
Notary Republic - Oregon (Signature)

