

EASEMENT DEED

THIS DEED, made this 21st day of August, 1964, between BROOKS-SCANLON, INC., a Delaware corporation, hereinafter referred to as Grantor, and GARY VAUGHN, hereinafter referred to as Grantee, WITNESSETH:

WHEREAS, Grantee is the owner of certain property situated in Deschutes County, State of Oregon, described as follows:

West one-half of Northwest Quarter of Northeast Quarter ($W\frac{1}{2}NW\frac{1}{4}NE\frac{1}{4}$) of Section Twenty-seven (27) Township Eighteen (18) South, Range Eleven (11), E. W. M., excepting any portion thereof which may lie on the East side of the Deschutes River, and

In Township Eighteen (18) South of Range Eleven (11) East of the Willamette Meridian; in Section Twenty-two (22), the Southeast Quarter of the Southwest Quarter ($SE\frac{1}{4}SW\frac{1}{4}$) and the Southwest Quarter of the Southeast Quarter ($SW\frac{1}{4}SE\frac{1}{4}$); excepting and reserving, however, a strip of land Sixty (60) feet in width, and containing seven one-hundredths (.07) of an acre, more or less, from said Southeast Quarter of the Southwest Quarter ($SE\frac{1}{4}SW\frac{1}{4}$) for the right of way of the Century Drive Market Road as the same is now laid out and established over and across said Southeast Quarter of the Southwest Quarter ($SE\frac{1}{4}SW\frac{1}{4}$); Also excepting and reserving a strip of land One Hundred (100) feet in width, and containing three and nine one-hundredths (3.09) acres, more or less, in the said Southeast Quarter of the Southwest Quarter ($SE\frac{1}{4}SW\frac{1}{4}$), and one and sixty-five one-hundredths (1.65) acres, more or less, in the said Southwest Quarter of the Southeast Quarter ($SW\frac{1}{4}SE\frac{1}{4}$), for the right of way of the Great Northern Railroad, as the same is now located, maintained and established over and across said premises, the net acreage of the lands hereby conveyed being Seventy-five and 19/100 (75.19) acres, more or less, according to the Government Survey thereof.

WHEREAS, Grantor is the owner of the strip of land 100 feet in width which traverses Grantee's above-described property and which is set forth in the above description as an exception for the right of way of the Great Northern Railroad, and

WHEREAS, Grantor has established and maintained a logging road over said right of way and has granted certain rights therein to the United States of America, and

WHEREAS, Grantee presently maintains an access road running from north to south into his property which crosses Grantor's said road at a point now located in the Northwest Quarter of the Southwest Quarter of the Southeast Quarter of Section 22 above described and wishes to improve the approaches to said crossing and to lay a water pipe under Grantor's road at the location of said crossing,

NOW, THEREFORE, for and in consideration of One Dollar (\$1.00), receipt of which is hereby acknowledged, Grantor does hereby grant and convey unto Grantee, his heirs and assigns, an easement and right of way for a road to be located, constructed, used, repaired and maintained over, upon, along and across the following-described premises situate in Deschutes County, State of Oregon, to wit:

A strip of land thirty (30) feet in width traversing the 100-foot right of way owned by Grantor at the present location where Grantee's access road crosses Grantor's right of way in the Northwest Quarter of the Southwest Quarter of the Southeast Quarter of Section 22, Township 18 South, Range 11 East of the Willamette Meridian, the boundaries of said easement to be located 15 feet on each side of the center line of the present access road.

Grantee shall have the right to construct, improve and maintain said road and approaches to the presently improved roadbed of Grantor's road, but Grantee shall not in any way obstruct, change or damage the presently existing improved roadbed of Grantor.

Grantee shall have the right to trench across the roadbed of Grantor at the site of the easement for the purpose of installing a water line, provided that all work in connection with the excavation, laying and backfilling for the pipeline shall be done in accordance with instructions and specifications to be set down by Grantor and shall be done at such time as not to interfere with Grantor's use of its road.

Grantee shall install and maintain standard state highway stop signs on the approaches to Grantor's road. One sign shall be placed on each side of the crossing approximately 15 feet distant outward from the edge of Grantor's road facing away from said road, and Grantee shall make a reasonable effort to cause all traffic by owners of property benefited by this easement and those having business in connection therewith to stop adjacent to the crossing before proceeding across Grantor's roadway.

Grantee shall have reasonable rights of ingress, egress and regress to and from the above-described right of way for the purpose of constructing and maintaining the road, crossing and water line, but subject to the stipulations set forth herein.

Grantee will, during the period of construction, use and occupancy of said premises, take normal and reasonable precautions to prevent loss and damage to the interest of Grantor.

The rights granted herein are subject to all other existing rights, easements and rights of way, recorded or otherwise, in favor of either the Grantor or Grantee.

Grantee will hold Grantor free and harmless from any claim for damage or loss which may be caused by the pursuit of Grantor's normal business and operations and will save and hold Grantor free and harmless from any claim for loss or damage to Grantee's road, pipeline or other property based upon or arising out of the use, maintenance, construction or reconstruction of Grantor's logging road.

Grantee will indemnify and save Grantor harmless from and against any and all loss, cost, damage or expense for injury to persons or damage to property based upon or arising out of the construction, operation or maintenance and use of said road or the construction of said water line by Grantee, his employees or agents, or other activities of Grantee, his employees or agents, upon Grantor's land.

Grantor reserves to itself, its successors and assign, the right to use, maintain, construct, reconstruct and patrol the road in any manner and for any purpose, provided that such use, maintenance, construction and reconstruction shall not unreasonably interfere with the use of said road by Grantee for the purpose intended.

14: 60

Grantor reserves to itself, its successors and assigns, all trees presently standing or growing in the future upon said lands, provided Grantee shall have the right to cut trees on the right of way to the extent necessary for the construction and betterment of said road, provided further that Grantee pay Grantor the going market price for trees cut and destroyed during said construction or betterment.

The rights, privileges and authorities herein granted shall continue as long as used for the purpose granted, but, if for a period of three years Grantee shall cease to use the rights, privileges and authorities for the purpose granted or shall abandon the use of the easement herein granted, then, in any such event, Grantor may terminate this easement and all rights hereunder shall revert to the holder of the fee title to said lands.

Grantor reserves the right, in the event that Grantee flagrantly fails to comply with the stipulations as set forth, to terminate this easement by giving notice in writing; and in the event of such termination, the rights and privileges granted herein shall be null and void as if said easement had never been granted.

Provided, further, that in the event Grantee wilfully and neglectfully fails to comply with federal, state, county and municipal laws, ordinances, rules and regulations which are applicable, Grantor reserves the right to terminate this easement upon giving written notice to such effect.

IN WITNESS WHEREOF, Grantor has caused the aforesaid to be executed by its duly authorized officers and its corporate seal to be hereunto affixed this 21st day of August, 1964.

BROOKS-SCANLON, INC.

By Freeman Schultz
Sr. Vice-President and General Manager

By D. G. Williams
Assistant General Manager, Treasurer

ATTEST:

By Sean Denny
Assistant Secretary

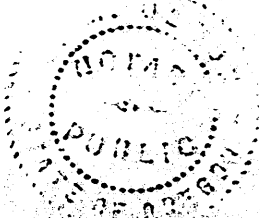
STATE OF OREGON

County of Deschutes

August 21, 1964

Personally appeared Freeman Schultz and D. G. Williams who, being duly sworn, did say that he is the Sr. Vice Pres. & Gen. Mgr. and Asst. Treasurer of Brooks-Scanlon, Inc., a corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its board of directors; and he acknowledged said instrument to be its voluntary act and deed.

Before me:



Ernest Olson
Notary Public for Oregon

My commission expires: My Commission Expires April 28, 1968

Page 3
Easement Deed

MCKAY, PANNER, JOHNSON & MARCEAU
ATTORNEYS AT LAW
BEND, OREGON