

HARDY MYERS  
Attorney General



PETER D. SHEPHERD  
Deputy Attorney General

**DEPARTMENT OF JUSTICE**  
GENERAL COUNSEL DIVISION

April 22, 2005

**ALL PARTIES TO KLAMATH ADJUDICATION CASE 216, CLAIM 102**

Re: Klamath Adjudication – Case No. 216, Claim No. 102, Contest Nos. 3482, 3808  
and 4136  
DOJ File No. 690-600-GN0187-03

Dear Parties:

Enclosed for your records is a fully executed copy of the Stipulation to Resolve Contests, Exhibits A through G, and Certificate of Service in the above-entitled matter. This agreement resolves all the remaining issues in this case.

Since all issues in this case have been resolved, there is no need to hold a hearing. Accordingly, the Oregon Water Resources Department will withdraw this case from the Office of Administrative Hearings, pursuant to OAR 137-033-0515(4).

Thank you very much for your courtesies and cooperation in resolving this matter.

Sincerely,

Jesse D. Ratcliffe  
Assistant Attorney General  
Natural Resources Section

JDR:tmc/GENM4077  
Enclosure  
c: Service List

BEFORE THE OFFICE OF ADMINISTRATIVE HEARINGS  
STATE OF OREGON  
for the  
WATER RESOURCES DEPARTMENT

In the Matter of the Determination of the Relative rights of the Waters of the Klamath River,  
a Tributary of the Pacific Ocean

United States of America; The Klamath Tribes;  
~~Klamath Irrigation District; Klamath Drainage  
District; Tulelake Irrigation District; Klamath Basin  
Improvement District; Ady District Improvement  
Company; Enterprise Irrigation District; Klamath  
Hills District Improvement Co.; Malin Irrigation  
District; Midland District Improvement Co.; Pine  
Grove Irrigation District; Pioneer District  
Improvement Company; Poe Valley Improvement  
District; Shasta View Irrigation District; Sunnyside  
Irrigation District; Don Johnston & Son; Bradley S.  
Luscombe; Randy Walthall; Inter-County Title  
Company; Winema Hunting Lodge, Inc.; Van  
Brimmer Ditch Company; Plevna District  
Improvement Company; Collins Products, LLC,~~  
Contestants,

**STIPULATION TO RESOLVE  
CONTESTS**

Case No. 216  
Claim No. 102  
Contests 3482<sup>1</sup>, 3808 and 4136

v.

Marvin Dean Walker,  
Claimant.

---

<sup>1</sup> Don Vincent voluntarily withdrew from Contest 3482 on November 28, 2000. *See* NOTICE OF WITHDRAWAL OF CLAIMANTS. Berlva Pritchard voluntarily withdrew from Contest 3482 on June 24, 2002. *See* NOTICE OF WITHDRAWAL OF CLAIMANT.

Klamath Hills District Improvement Company voluntarily withdrew, without prejudice, from Contest 3482 on January 16, 2004. *See* VOLUNTARY WITHDRAWAL OF CONTEST BY KLAMATH HILLS DISTRICT IMPROVEMENT COMPANY.

Klamath Irrigation District; Klamath Drainage District; Tulelake Irrigation District; Klamath Basin Improvement District; Ady District Improvement Company; Enterprise Irrigation District; Malin Irrigation District; Midland District Improvement Co.; Pine Grove Irrigation District; Pioneer District Improvement Company; Poe Valley Improvement District; Shasta View Irrigation District; Sunnyside Irrigation District; Don Johnston & Son; Bradley S. Luscombe; Randy Walthall; Inter-County Title Company; Winema Hunting Lodge, Inc.; Reames Golf and Country Club; Van Brimmer Ditch Company; Plevna District Improvement Company; and Collins Products, LLC voluntarily withdrew from Contest 3482 on April 8, 2004. *See* NOTICE OF WITHDRAWAL OF CONTEST NO. 3482.

Claimant Dean Walker (“Claimant”), Contestant United States, and Contestant Klamath Tribes (“Tribes”), collectively referred to as the “Parties,” and the Oregon Water Resources Department (“OWRD”), stipulate and agree as follows.

**A. STIPULATED FACTS**

1. On January 30, 1991, Claimant filed Claim 102 with in the Klamath Basin Adjudication for a Walton water right with a priority of October 14, 1864 for a total rate of 7.2 cubic feet per second from points of diversion located on the Sycan River and Snake Creek, tributary to Sprague River, for irrigation of 280 acres for a season of use of April through October.

2. The United States timely filed a contest to Claim 102. The Klamath Tribes and the Klamath Project Water Users also filed contests against Claim 102 (Contest Nos. 4136 and 3482, respectively). By Notice dated April 8, 2004, the Klamath Project Water Users withdrew Contest 3482 in the above-referenced matter.

3. Claimant, Contestants, and OWRD agree that Contests 3803 and 4136 can be resolved without the need for further proceedings before the Administrative Law Judge pursuant to the terms set forth below.

4. The Parties stipulate that 38 acres of land located in the NE $\frac{1}{4}$  SE $\frac{1}{4}$  of T. 35 S., R. 12 E, Section 34 are irrigated by well water (groundwater), which is not within the scope of the Klamath Basin Adjudication.

5. The Parties also stipulate that the following 26.3 acres were not developed in a sufficiently timely manner after transfer out of Indian ownership in order to qualify for a Walton right:

NE $\frac{1}{4}$  SW $\frac{1}{4}$  10.7 acres  
SE $\frac{1}{4}$  SW $\frac{1}{4}$  13.5 acres  
SW $\frac{1}{4}$  SE $\frac{1}{4}$  2.1 acres

Section 34, Township 35 S, Range 12 East, Willamette Meridian

6. The Parties stipulate that 5.2 acres are unallotted former Klamath Tribal lands. Of these, 4.2 acres are located in the NW1/4 NW1/4, Section 35, Township 35 South, Range 12 East, and 1.0 acre is located in the SW1/4 NW1/4, Section 35, Township 35 South, Range 7 East, Willamette Meridian.

7. The Parties further stipulate that the following 59.5 acres of the claimed place of use receive water from subirrigation:

|             |            |
|-------------|------------|
| NE1/4 NE1/4 | 20.0 acres |
| SE1/4 NE1/4 | 34.3 acres |

Section 34, Township 35 South, Range 12 East, Willamette Meridian

|             |           |
|-------------|-----------|
| NW1/4 NW1/4 | 4.2 acres |
| SW1/4 NW1/4 | 1.0 acre  |

Section 35, Township 35 South, Range 12 East, Willamette Meridian

These subirrigated lands include the 5.2 acres of Tribal lands described in Paragraph A.6., above. The Parties do not agree whether a Walton claim or a Tribal successor (Klamath Termination Act) claim may be based on subirrigation, but do not desire to brief this issue in this Office of Administrative Hearings proceeding as this issue is being briefed elsewhere in the Klamath Adjudication. See Case Nos. 157, 162, 175, and 176. The Parties agree that, as a part of the Findings of Fact and Order of Determination, the Adjudicator may determine whether to award a successor right for subirrigation. However, the Parties reserve the right to file exceptions with the Circuit Court to a finding on this issue.

8. The Parties also agree that for the purposes of resolving this claim only, the Parties will not object to nor file an exception in the Circuit Court to a finding by the

Adjudicator approving a water right on former Klamath Tribal lands transferred pursuant to the Klamath Termination Act (sometimes called Klamath Termination Act water right) to the extent of the right agreed to herein; however, the parties may file exceptions on other bases, such as whether such claim may be based on subirrigation, for example. If the Adjudicator determines otherwise, the Parties reserve the right to file exceptions in Circuit Court as to such a determination.

**B. TERMS AND PROVISIONS**

Except for the Adjudicator's determination as to Paragraphs A.7. and A.8., above, Claimant, Contestants and OWRD agree that Claim 102 should be approved by the Adjudicator as described below:

- Use:** Irrigation of 143.7 acres
- Rate:** 1/40 cfs per acre for a total of 3.59 cfs for Irrigation
- Duty:** 3 acre feet per acre
- Priority Date:** October 14, 1864 (Walton right)
- Season of Use:** April 1 through October 31

**ACREAGE IRRIGATED FROM THE POINT OF DIVERSION ON THE SYCAN RIVER LOCATED IN THE SE1/4 SW1/4, SECTION 34, TOWNSHIP 35 SOUTH, RANGE 12 EAST, WILLAMETTE MERIDIAN**

SE1/4 SW1/4 17.2 acres  
SW1/4 SE1/4 4.7 acres

Section 34, Township 35 South, Range 12 East, Willamette Meridian

- Source:** Sycan River, Tributary to the Sprague River
- Rate:** 0.55 cfs

**ACREAGE IRRIGATED FROM THE POINT OF DIVERSION ON SNAKE CREEK LOCATED IN THE SW1/4 SE1/4, SECTION 34, TOWNSHIP 35 SOUTH, RANGE 12 EAST, WILLAMETTE MERIDIAN**

NW1/4 SE1/4 36.4 acres irrigation

|             |                       |
|-------------|-----------------------|
| SW1/4 SE1/4 | 25.6 acres irrigation |
| SE1/4 SE1/4 | 37.5 acres irrigation |
| NE1/4 SW1/4 | 22.3 acres irrigation |

Section 34, Township 35 South, Range 12 East, Willamette Meridian

**Source:** Snake Creek, Tributary to the Sycan River

**Rate:** 3.04 cfs for Irrigation

This Stipulation is further supported by the documents attached hereto as Exhibits

A through E.

The place of use for Claim 102 is shown more particularly on the maps attached hereto as Exhibits F and G, as described and incorporated by reference herein. Exhibit F, the claim map, shows the place of use's irrigated lands, except the acres in paragraphs A. 4-7, above, are hereby deleted. In addition, the place of use lands irrigated in Section 34, T. 35 S., R. 12 E., W.M., NE1/4 SW1/4 are shown on Exhibit G, the final proof survey map. The remaining acres shown on Exhibit G are not in the place of use.

### **C. RESOLUTION BASED ON TERMS OF AGREEMENT**

1. Claimant Marvin Dean Walker, Contestant United States, and Contestant the Klamath Tribes agree that Claim 102 and the Contests thereto, pursuant to this Stipulation, have been satisfactorily resolved and such resolution vitiates the need for a hearing on Claim 102 before the Office of Administrative Hearings.

2. OWRD Adjudication staff hereby recommends to the Adjudicator that Claim 102 be approved in the Findings of Fact and Order of Determination issued by the Adjudicator in accordance with the terms of the paragraphs above, and the Adjudicator should make a determination as to Paragraphs A.7 and A.8, above. Nothing in this Stipulation limits any recommendation that OWRD staff may make concerning the matters identified in Paragraphs A.7 and A.8, above.

3. If the Findings of Fact and Final Order of Determination issued by the Adjudicator for Claim 102 does not accord with the terms set forth in Paragraph B, the Parties reserve all rights they may have to file exceptions to the Findings of Fact and Order of Determination as to Claim 102 in the Circuit Court for Klamath County, and the Parties reserve all rights they may have to participate in any future proceedings authorized by law.

4. Claimant and Contestants agree not to oppose or object to Paragraph B of this Agreement or any of its terms, provisions, conditions, or covenants and to support Paragraph B of this Agreement if it is challenged in the administrative or judicial phases of the Adjudication or any appeals thereof.

5. This Stipulation is entered into for the purpose of resolving a disputed claim. The signatories to this Stipulation agree that the Stipulation shall not be offered as evidence or treated as an admission regarding any matter herein and may not be used in proceedings on any other claim or contest whatsoever, except that the Stipulation may be used in any future proceeding to interpret and/or enforce the terms of this Stipulation. Further, the signatories to this Stipulation agree that neither the Stipulation nor any of its terms shall be used to establish precedent with respect to any other claim or contest in the Klamath Basin Water Rights Adjudication.

6. This Stipulation shall be binding upon and shall inure to the benefit of the Parties and their respective heirs, executors, administrators, trustors, trustees, beneficiaries, predecessors, successors, affiliated and related entities, officers, directors, principals, agents, employees, assigns, representatives and all persons, firms, associations, and/or corporations connected with them.

7. Each entity or person entering into to this Stipulation represents, warrants, and agrees that the person who executed this Stipulation on its behalf has the full right and authority to enter into this Stipulation on behalf of that entity or person and bind that entity or person to the terms of the Stipulation.

///

8. The terms, provisions, conditions, and covenants of this Stipulation are not severable, except, if any term, provision, condition, or covenant of this Stipulation is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the terms, provisions, conditions, and covenants shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

9. This Stipulation may be executed in several counterparts and all documents so executed shall constitute one Stipulation, binding on the signatories, notwithstanding that the signatories did not sign the same original or the same counterparts. Delivery of an executed signature page to this Stipulation by facsimile transmission shall be as effective as delivery of an original signed counterpart of this Stipulation.

10. This Stipulation comprises the entire agreement and no promise, inducement, or representation other than herein set forth has been made, offered, and/or agreed upon, and the terms of this Stipulation are contractual and not merely a recital.

11. The Parties and OWRD shall each bear their own costs and attorneys' fees.

12. This Stipulation shall be effective as of the date of the last signature hereto.

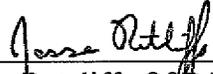
For Claimant Marvin Dean Walter

Marvin Dean Walker  
Marvin Dean Walker

4-18-05  
Date

For the Oregon Water Resources Department

HARDY MYERS  
Attorney General



\_\_\_\_\_  
Jesse Ratcliffe OSB No. 04394  
Assistant Attorney General  
Of Attorneys for the  
Oregon Water Resources Department

4/22/05  
\_\_\_\_\_  
Date



\_\_\_\_\_  
Michael Reynolds  
Agency Representative for the  
Oregon Water Resources Department

4-22-05  
\_\_\_\_\_  
Date

For Contestant the Klamath Tribes



Lorna K. Babby

Montana State Bar No. 89156

Walter Echo-Hawk

Colorado State Bar No. 005216

Native American Rights Fund

Carl Ullman, Oregon State Bar No. 89156

4/8/05  
Date

For Contestant the United States of America  
Assistant Attorney General Thomas Sansonetti

*Barbara Scott-Brier*

Barbara Scott-Brier  
Special Attorney  
United States Department of Justice

*4/18/05*

Date

# **Exhibit**

# **A**

## **Chain of Ownership**

**Case No. 216**

**Claim: 102**



1 DOLLARS (\$127,000.00), payable as follows:-----

2 a. The sum of FIVE THOUSAND and no/100 DOLLARS (\$5,000.00)  
3 has previously been paid as earnest money.

4 b. The sum of SIX THOUSAND and no/100 DOLLARS (\$6,000.00)  
5 which is paid upon the execution hereof.

6 c. The remaining balance of said purchase price in the sum  
7 of ONE HUNDRED SIXTEEN THOUSAND and no/100 DOLLARS (\$116,000.00) shall  
8 be paid in annual installments at the times and in the amounts as  
9 follows: The first annual installment shall be paid on January 1,  
10 1973 in the amount of FOUR THOUSAND ONE HUNDRED and no/100 DOLLARS  
11 (\$4,100.00) and on May 1, 1973 in the amount of FOUR THOUSAND ONE  
12 HUNDRED and no/100 DOLLARS (\$4,100.00); the second annual installment  
13 shall be paid on January 1, 1974 in the amount of TEN THOUSAND and  
14 no/100 DOLLARS (\$10,000.00); and a like payment on January 1 of each  
15 year thereafter until January 1, 1983, at which said time the full  
16 remaining balance of both principal and accrued interest shall be  
17 paid. All deferred balances shall bear interest at the rate of  
18 SEVEN PERCENT (7%) per annum from the date hereof until paid, interest  
19 to be paid annually and being included in the minimum regular  
20 annual installments above required.

21 The purchasers are husband and wife, but do not wish to take  
22 as tenants by the entirety. It is agreed that the interest of Pur-  
23 chaser hereto shall be made as tenants in common and not as tenants  
24 by the entirety.

25 The Purchaser covenants with and warrants to the Vendor that  
26 the real property described in this contract is primarily for Pur-  
27 chaser's personal agricultural purposes.

28 In the event Purchaser fails to pay, when due, any amounts  
29 required by him to pay hereunder, Vendor may pay any or all such  
30 amounts. If Vendor makes any such payments, the amounts thereof  
31 shall be added to the purchase price of the property on the date such  
32 payments are made by Vendor and such amounts shall bear interest at

Page 2 - CONTRACT OF SALE

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ATTORNEYS AT LAW  
MEMPHIS, TENNESSEE

1 the same rate as provided above.

2 All taxes levied against the above described property for  
3 the current tax year shall be prorated between the Vendor and the  
4 Purchaser as of the date hereof. The Purchaser agrees to pay, when  
5 due, all taxes which are hereinafter levied against said property  
6 and all public, municipal and statutory liens which may be hereafter  
7 lawfully imposed upon the premises.

8 Purchaser agrees to keep the buildings on said premises  
9 insured against loss by fire or other casualty in an amount not less  
10 than insurable value in a company or companies satisfactory to the  
11 Vendor, with loss payable to the parties hereto as their interests  
12 appear at the time of the loss, with priority in payment to the  
13 Vendor. Any amount received by Vendor under the insurance in payment  
14 of a loss shall be applied upon the unpaid balance of the purchase  
15 price and shall reduce said unpaid balance to the extent of the amount  
16 of the insurance payment received by Vendor. All uninsured losses  
17 shall be borne by the Purchaser, on or after the date the Purchaser  
18 becomes entitled to possession. The Purchaser shall be entitled to  
19 possession of said lands on May 1, 1972, and may retain such possession  
20 as long as he shall not default under the terms of this agreement.

21 The Purchaser agrees that at all times he will keep the buildings on  
22 said premises or hereafter erected in good condition and repair and  
23 will not suffer or permit any waste or strip thereof; that he will  
24 keep said premises free from all mechanics and all other liens and  
25 save the Vendor harmless therefrom and reimburse the Vendor for all  
26 costs and attorneys fees incurred by him in defending against any  
27 such liens.

28 The Vendor hereby transfers and assigns to the Purchaser all  
29 interests of the Vendor in and to that certain Winema Forest grazing  
30 permit now held by the Vendor.

31 Purchaser agrees that all improvements now located on or  
32 which shall hereafter be placed on the premises shall remain a part

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ATTORNEYS AT LAW  
1000 W. MAIN STREET  
KLANA, ALASKA 99571

EXHIBIT A  
PAGE 1 OF 30

1 of the real property and shall not be removed at any time prior to  
 2 the expiration of this agreement without the written consent of the  
 3 Vendor. The Purchaser shall maintain the property and all improve-  
 4 ments thereon and all alterations thereof in good condition and  
 5 repair. The Purchaser shall not otherwise make or cause to be made  
 6 any improvements or alterations to the property without first ob-  
 7 taining the written consent of the Vendor.

8 The Vendor shall furnish at his expense a Purchaser's title  
 9 insurance policy in the amount of \$110,000.00 within ten days of  
 10 the date hereof insuring Purchaser against loss or damage sustained  
 11 by him by reason of the unmarketability of Vendor's title or liens  
 12 or encumbrances thereon, excepting matters contained in the printed  
 13 exceptions in such title insurance policy, easements, conditions and  
 14 restrictions of record and encumbrances herein specifically mentioned,  
 15 if any, and those apparent upon the land.

16 Contemporaneously herewith, the Vendor has executed a good  
 17 and sufficient warranty deed conveying the above described real estate  
 18 in fee simple unto the Purchaser, his heirs and assigns, free and clear  
 19 of all encumbrances as of the date hereof, excepting the following:

20 1. Taxes for the year 1971-72, which shall be prorated  
 21 by the parties as herein stated.

22 2. Rights of the public in and to any portion of said pre-  
 23 mises lying within the limits of roads and highways.

24 3. Recitals as set forth in deed from David Chocktoot and  
 25 Clara Chocktoot, husband and wife, to John Mills and Lillian Louise  
 26 Mills in Deed recorded June 24, 1955 in Deed Volume 275 at page 330  
 27 as follows: "This document is subject to any existing easements for  
 28 public utilities, and for railroads and pipe lines and for any other  
 29 easements or other rights of way for record. All subsurface rights,  
 30 excepting water, are hereby reserved, in trust for the grantors."

31 4. Application, including the terms and provisions thereof,  
 32 for Right of Way, as disclosed by an instrument recorded June 11, 1958

1 in Miscellaneous Volume 12 at page 573, affecting the SW $\frac{1}{4}$ , from  
2 John Mills and Lillian Louise Mills to the United States of America.

3 5. Application, including the terms and provisions thereof,  
4 for Right of Way, as disclosed by an instrument recorded March 25,  
5 1959 in Miscellaneous Volume 13 at page 400, from John Mills and  
6 Lillian Louise Mills to the United States of America.

7 6. Conditions and restrictions as set forth in that cer-  
8 tain instrument recorded in Deed Volume 305, page 201 (NE $\frac{1}{4}$ SW $\frac{1}{4}$  Sec. 34).

9 7. Conditions and restrictions as set forth in that cer-  
10 tain instrument recorded in Deed Volume 315, page 652 (Pt in Sec. 35).

11 8. Conditions and restrictions as set forth in that cer-  
12 tain instrument recorded in Deed Volume 305, page 643 (SE $\frac{1}{4}$ NE $\frac{1}{4}$  Sec. 34).

13 As soon as practicable following the execution of this  
14 agreement, the Vendor shall deliver in escrow to the United States  
15 National Bank of Oregon, Klamath Falls Branch, Klamath Falls, Oregon:

16 a. A warranty deed to the property free and clear of all  
17 encumbrances except as explicitly specified herein, said deed to be  
18 executed by the Vendor with the Purchaser as the grantee.

19 b. An executed copy of this agreement.

20 c. An unexpired policy or policies of fire insurance on  
21 the described property.

22 d. A bill of sale covering the above described personal  
23 property in attached Schedule "A".

24 e. A policy of title insurance covering the above described  
25 property.

26 f. All expenses of escrow and the attorneys fees involved  
27 in the establishment thereof and of the drafting of all the documents  
28 relating to this transaction shall be shared equally by the parties  
29 hereto.

30 The parties hereto hereby instruct the said escrow agent  
31 to receive for Vendor's account the balance of the instalment pay-  
32 ments provided for herein. Upon full payment of the principal and

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ATTORNEYS AT LAW  
Klamath Falls, Oregon

1 interest provided for herein, the escrow agent shall deliver to the  
2 Purchaser the instruments specified above, except that when the  
3 total payments on the contract herein, including principal and interest,  
4 reach the sum of FORTY-EIGHT THOUSAND TWO HUNDRED and no/100 DOLLARS  
5 (\$48,200.00), said escrow agent shall deliver up to the Purchaser the  
6 bill of sale conveying ownership of the personal property attached to  
7 said contract as Schedule "A". If the Purchaser fails to pay any  
8 installments before the expiration of Thirty (30) days after the due  
9 date hereof, the escrow agent is authorized to surrender to the Vendor,  
10 upon demand and without notice to the Purchaser, all of the documents  
11 specified in the preceding paragraphs thereby terminating the escrow.

12 In the event that Purchaser shall fail to perform any of  
13 the terms of this agreement, time of payment and performance being  
14 of the essence, Vendor shall, at his option, subject to the require-  
15 ments of notice as herein provided, have the following rights:

- 16 a. To foreclose this contract by strict foreclosure in  
17 equity.
- 18 b. To declare the full unpaid balance of the purchase  
19 price immediately due and payable.
- 20 c. To specifically enforce the terms of this agreement by  
21 suit in equity.
- 22 d. To declare this agreement null and void as of the date  
23 of the breach and to retain as liquidated damages the amount of the  
24 payment theretofore made upon said premises. Under this option all of  
25 the right, title and interest of Purchaser shall revert and revest in  
26 Vendor without any act of re-entry or without any other act by Vendor  
27 to be performed, and Purchaser agrees to peaceably surrender the premises  
28 to vendor, or in default thereof Purchaser may, at the option of  
29 Vendor, be treated as a tenant holding over unlawfully after the expira-  
30 tion of a lease and may be ousted and removed as such.
- 31 Purchaser shall not be deemed in default for failure to perform any  
32 covenant or condition of this contract, other than the failure to make

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100 MAIN STREET  
HAWAII PALMS, HONOLULU, HAWAII

1 payments as provided for herein, until notice of said default has  
2 been given by Vendor to Purchaser and Purchaser shall have failed  
3 to remedy said default within 30 days after the giving of the  
4 notice. Notice for this purpose shall be deemed to have been given  
5 by the deposit in the mails of a certified letter containing said  
6 notice and addressed to Purchaser at Beatty, Oregon

7  
8 . If Purchaser shall fail to make  
9 payments as herein provided and said failure shall continue for more  
10 than 30 days after the payment becomes due, Purchaser shall be  
11 deemed in default and Vendor shall not be obligated to give notice to  
12 Purchaser of a declaration of said default.

13 The true and actual consideration paid for this transfer  
14 stated in terms of dollars is \$127,000.00.

15 In case suit is instituted to foreclose this contract or to  
16 enforce any provision hereof, the buyer agrees to pay such sum as the  
17 trial court may adjudge reasonable as attorneys fees to be allowed  
18 plaintiff in said suit and if an appeal is taken from any judgment  
19 or decree of such trial court, the buyer further promises to pay such  
20 sum as the appellate court shall adjudge reasonable as plaintiff's  
21 attorney fees on such appeal.

22 In construing this contract, it is understood that the seller  
23 or the buyer may be more than one person or a corporation; that if  
24 the context so requires, the singular pronoun shall be taken to mean  
25 and include the plural, the masculine, the feminine and the neuter,  
26 and that generally all grammatical changes shall be made, assumed  
27 and implied to make the provisions hereof apply equally to corporations  
28 and to individuals.

29 This agreement shall bind and inure to the benefit of, as  
30 the circumstances may require, not only the immediate parties hereto  
31 but their respective heirs, executors, administrators, successors  
32 in interest and assigns as well.

IN WITNESS WHEREOF, said parties have executed this instrument

Page 7 - CONTRACT OF SALE

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ATTORNEYS AT LAW  
WEAVERVILLE, OREGON

1 in triplicate; if either of the undersigned is a corporation, it has  
2 caused its corporate name to be signed and its corporate seal  
3 affixed hereto by its officers duly authorized thereunto by order  
4 of its board of directors.

5 VENDORS:

John Mills  
Lillian L. Mills

8 STATE OF OREGON )  
9 County of Klamath )

10 On the 2 day of <sup>MAY</sup>~~APRIL~~, 1972, personally appeared the  
11 above named JOHN MILLS and LILLIAN L. MILLS, husband and wife,  
12 and acknowledged the foregoing instrument to be their voluntary  
13 act and deed.

Before Me:

14  
15 LINDA L. PENNEY  
16 Notary Public for Oregon  
17 My commission expires 1-20-76

Linda L. Penney  
Notary Public for Oregon  
My Commission Expires: 1-20-76

18 PURCHASERS:

Leo E. Murrer  
Alice G. Murrer

21 STATE OF OREGON )  
22 County of Klamath ) ss.

23 On the 2 day of <sup>MAY</sup>~~APRIL~~, 1972, personally appeared the  
24 above named LEO E. MURRER and ALICE G. MURRER, husband and wife, and  
25 acknowledged the foregoing instrument to be their voluntary act and  
26 deed.

Before Me:

27  
28 LINDA L. PENNEY  
29 Notary Public for Oregon  
30 My commission expires 1-20-76

Linda L. Penney  
Notary Public for Oregon  
My Commission Expires: 1-20-76

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property from said purchasers in lieu of foreclosure and apply all net proceeds and property so received upon said note after first deducting therefrom all of Assignee's expenses incurred in connection therewith, and Assignors agree to pay any deficiency then remaining. It is further expressly understood and agreed that this assignment shall not be deemed as partial or full payment by Assignors of said note, but only as security for such payment.

Assignee agrees that when and if said note has been fully paid it shall execute proper re-assignment of said agreement to Assignors.

IN WITNESS WHEREOF, Assignors have hereunto set their hand and seal this 21 day of May, 1972.

[Signature] (SEAL)  
[Signature] (SEAL)

STATE OF OREGON )  
                  ) ss.  
County of Klamath)

Personally appeared the within named JOHN MILLS AND LILLIAN L. MILLS, husband and wife, and acknowledged the foregoing instrument to be their voluntary act and deed.

Before me:

[Signature]  
NOTARY PUBLIC FOR OREGON  
My Commission expires: 4-13-75

5792

PARCEL 1: The SE<sup>1</sup> and the SE<sup>1</sup> SW<sup>1</sup> of Section 34, Township 35 South, Range 12 East of the Willamette Meridian. PARCEL 2: The S<sup>1</sup>NE<sup>1</sup>NE<sup>1</sup> of Section 34, Township 35 South, Range 12 East of the Willamette Meridian. PARCEL 3: A parcel of land lying in Section 35, Township 35 South, Range 12 East of the Willamette Meridian described as follows: Those parts of the S<sup>1</sup>S<sup>1</sup>NW<sup>1</sup>NW<sup>1</sup> and of the SW<sup>1</sup>NW<sup>1</sup> lying Northwesterly of Indian Service Road S-65 commonly known as Godowa Springs Road. PARCEL 4: Section 34, Township 35 South, Range 12 East of the Willamette Meridian, SE<sup>1</sup>NE<sup>1</sup>, excepting therefrom that part of the SE<sup>1</sup>NE<sup>1</sup>, (also known as the Clark Chocktoot Allotment No. 1001), lying East of the Klamath County Road, and that portion of said allotment lying West of the Klamath County Road and described by metes and bounds as follows: Beginning on the West boundary of Klamath County Road right of way, which point bears West, 40.0 feet from the quarter section corner common to Sections 34 and 35, Township 35 South, Range 12 East of the Willamette Meridian; thence West 150.0 feet along the South boundary of said SE<sup>1</sup>NE<sup>1</sup>, Section 34; thence North 370.0 feet; thence East, 95.0 feet; thence South 14°46' East, 97.5 feet along said road right of way line; thence 235.8 feet along said road right of way line, being the arc of a 6°16' curve, which long chord bears South 7°23' East, 235.2 feet; thence South 42.4 feet along said road right of way line to a point of beginning. PARCEL 5: The NE<sup>1</sup>SW<sup>1</sup> of Section 34, Township 35 South, Range 12 East of the Willamette Meridian.

STATE OF OREGON, |  
County of Klamath |  
Filed for record at request of  
U. S. National Bank  
on this 1st day of June A. D. 19 72  
at 10:15 o'clock A. M. and duly  
recorded in Vol. N72 of Deeds  
Page 5790  
Wm. D. MILNE, County Clerk  
By Lucia Antolin Deputy  
Fee 36.00

Exhibit A  
Page 11 of 50

24519'

MTC #854-2576

1366

WARRANTY DEED TO CREATE ESTATE BY THE ENTIRETY

Vol. 77 Page

This Indenture Witnesseth, THAT LEO E. MURRER and ALICE G. MURRER, husband and

wife, hereinafter known as grantors, for the consideration hereinafter stated have bargained and sold, and by these presents do grant, bargain, sell and convey unto

KENNETH R. WHEELER and JANET M. WHEELER,

husband and wife, grantees, the following described premises, situated in Klamath County, Oregon, to-wit:

PARCEL 1: SE1/4NE1/4, E1/2SW1/4 and the SE1/4 of Section 34, Township 35 South, Range 12 East of the Willamette Meridian.

PARCEL 2: Section 34, Township 35 South, Range 12 East of the Willamette Meridian, SE1/4NE1/4, EXCEPTING THEREFROM that part of the SE1/4NE1/4, (also known as the Clark Chocktoot Allotment No. 1001) lying East of the Klamath County Road, and that portion of said allotment lying West of the Klamath County Road and described by metes and bounds as follows:

277 JAN 24 PM 3 44

Beginning on the West boundary of Klamath County Road right of way, which point bears West, 40.0 feet from the quarter section corner common to Sections 34 and 35, Township 35 South, Range 12 East of the Willamette Meridian; thence West 150.0 feet along the South boundary of said SE1/4NE1/4, Section 34; thence North 370.0 feet; thence East, 95.0 feet; thence South 14°46' East, 97.5 feet along said road right of way line; thence 235.8 feet along said road right of way line, being the arc of a 6°16' curve, which long chord bears South 7°23' East, 235.2 feet; thence South 42.4 feet along said road right of way line to a point of beginning.

A parcel of land lying in Section 35, Township 35 South, Range 12 East of the Willamette Meridian described as follows: Those parts of the SE1/4SW1/4 and of the SW1/4NE1/4 lying Northwest-erly of Indian Service Road S-65 commonly known as Codowa Springs Road.

SUBJECT TO: Rights of the public in and to any portion of said premises lying within the limits of roads and highways; Recitals as set forth in deed recorded June 24, 1955, in Deed Vol. 275 at page 330; Application for right of way, disclosed by instrument recorded June 11, 1958, in Misc. Vol. 12 at page 573, affecting the SE1/4SW1/4, Sec. 34, from John Mills et ux to the United States of America; Application for right of way, disclosed by instrument recorded March 25, 1959, in Misc. Vol. 13, page 400, from John Mills et ux to the United States of America (affects SE1/4Sec. 34); Easements and rights of way of record or apparent on the land.

NOTE: The above property has been granted special assessments for farm use, and when same is terminated it will be subject to additional ad valorem tax.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$ 175,000.00

However, the actual consideration includes other property which is part of the consideration. (Strike out the above when not applicable)

TO HAVE AND TO HOLD the said premises with their appurtenances unto the said grantees as an estate by the entirety. And the said grantors do hereby covenant, to and with the said grantees, and their assigns, that they are the owners in fee simple of said premises; that they are free from all incumbrances, except those above set forth, and that they will warrant and defend the same from all lawful claims whatsoever, except those above set forth.

IN WITNESS WHEREOF, they have hereunto set their hands and seals this 21st day of November, 1973

(SEAL) Leo E. Murrer (SEAL) Alice G. Murrer (SEAL)

STATE OF OREGON, County of Klamath ) ss. December 10, 1973. Personally appeared the above named Leo E. Murrer and Alice G. Murrer, husband and wife,

and acknowledged the foregoing instrument to be their voluntary act and deed.

Before me:

JAMES W. WESLEY Notary Public for Oregon My commission expires

James W. Wesley Notary Public for Oregon My commission expires 1-20-76

After recording return to:

MTC

STATE OF OREGON, County of Klamath ) ss.

I certify that the within instrument was received for record on the 24th day of JANUARY, 1977, at 3:44 o'clock P. M., and recorded in book 1366 on page 1306 Record of Deeds of said County.

Witness my hand and seal of County affixed.

WM. D. MILNE

County Clerk-Recorder Deputy

By Hazel D. ... Deputy

Exhibit A

Page 12 of 50

From the Office of GANONG, SISEMORE & ZAMSKY 538 Main Street Klamath Falls, Oregon 97601

MIC # 854-2576

Yates Lumber & Millwork Co., Portland, Or. 97208

21530

10701307

THIS AGREEMENT, Made and entered into this day of January, 1977, by and between Klamath Production Credit Association, a corporation, hereinafter called the first party, and State of Oregon, Department of Veterans Affairs, hereinafter called the second party; WITNESSETH:

On or about May 10, 1976, Martin W. (Mac) Carelli and Lozetta C. Carelli, being the owner of the following described property in Klamath County, Oregon, to-wit: husband and wife,

See Attached Exhibit A

977 Jan 21 10 43 AM '77

executed and delivered to the first party his certain Real Estate Mortgage (State whether mortgage, trust deed, contract, security agreement or otherwise) (herein called the first party's lien) on said described property to secure the sum of \$74,245.00, which lien was recorded on May 10, 1976, in the Deed Records of Klamath County, Oregon, in book M76 at page 6971 thereof or as per reel number 84 (indicate which);

Grant and my Indorsement, copy which is not pertinent to this form (initial)

Reference to the document so recorded or filed hereby is made. The first party has never sold or assigned his said lien and at all times since the date thereof has been and now is the owner and holder thereof and the debt thereby secured. The second party is about to loan the sum of \$125,000.00 to the present owner of the property above described, with interest thereon at a rate not exceeding 5.9 % per annum, said loan to be secured by the said present owner's Mortgage (hereinafter called the

second party's lien) upon said property and to be repaid within not more than 35 years from its date.

To induce the second party to make the loan last mentioned, the first party heretofore has agreed and consented to subordinate first party's said lien to the lien about to be taken by the second party as above set forth. NOW, THEREFORE, for value received and for the purpose of inducing the second party to make the loan aforesaid, the first party, for himself, his personal representatives (or successors) and assigns, hereby covenants, consents and agrees to and with the second party, his personal representatives (or successors) and assigns, that the said first party's lien on said described property is and shall always be subject and subordinate to the lien about to be delivered to the second party, as aforesaid, and that second party's said lien in all respects shall be first, prior and superior to that of the first party; provided always, however, that if second party's said lien is not duly filed or recorded or an appropriate financing statement thereon duly filed within days after the date hereof, this subordination agreement shall be null and void and of no force or effect.

It is expressly understood and agreed that nothing herein contained shall be construed to change, alter or impair the first party's said lien, except as hereinabove expressly set forth.

In construing this subordination agreement and where the context so requires, the singular includes the plural; the masculine includes the feminine and the neuter, and all grammatical changes shall be supplied to cause this agreement to apply to corporations as well as to individuals.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand and seal; if the undersigned is a corporation, it has caused its corporate name to be signed and its corporate seal to be affixed hereunto by its officers duly authorized thereunto by order of its board of directors, all on this, the day and year first above written.

Martin W. Carelli Secretary-Treasurer

STATE OF OREGON,

County of \_\_\_\_\_

} ss.

1308

, 19

Personally appeared the above named \_\_\_\_\_  
and acknowledged the foregoing instrument to be \_\_\_\_\_ voluntary act and deed. Before me:

(SEAL)

\_\_\_\_\_  
Notary Public for Oregon.  
My commission expires \_\_\_\_\_

STATE OF OREGON,

County of Klamath

} ss.

January 13

, 19 77

Personally appeared \_\_\_\_\_ DON W. KRIDER \_\_\_\_\_  
who being duly sworn, did say that he is the \_\_\_\_\_ SECRETARY-TREASURER \_\_\_\_\_

of Klamath Production Credit Association, 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:

(SEAL)

\_\_\_\_\_  
Notary Public for Oregon.  
My commission expires 10-18-78

**SUBORDINATION AGREEMENT**

TO \_\_\_\_\_

AFTER RECORDING RETURN TO \_\_\_\_\_

DON'T USE THIS SPACE, RESERVED FOR RECORDING LABEL IN COUNTIES WHERE USED.

STATE OF OREGON

County of \_\_\_\_\_

} ss.

I certify that the within instrument was received for record on the day of \_\_\_\_\_, 19 \_\_\_\_\_,

at \_\_\_\_\_ o'clock \_\_\_\_\_ M., and recorded in book \_\_\_\_\_ on page \_\_\_\_\_ or as file/roll number \_\_\_\_\_

Record of \_\_\_\_\_ of said County.

Witness my hand and seal of County affixed.

\_\_\_\_\_  
Recording Officer.

By \_\_\_\_\_ Deputy.

DESCRIPTION

1309

Parcel 1

$\frac{1}{2}$ SW $\frac{1}{4}$ , E $\frac{1}{2}$ SW $\frac{1}{4}$  and the SE $\frac{1}{4}$  of Section 34, Township 35 South, Range 12, East of the Willamette Meridian.

Parcel 2

Section 34, Township 35 South, Range 12, East of the Willamette Meridian, SE $\frac{1}{4}$  NE $\frac{1}{4}$ ,

EXCEPTING THEREFROM that part of the SE $\frac{1}{4}$  NE $\frac{1}{4}$ , (also known as the Clark Chocktoot Allotment No. 1001) lying East of the Klamath County Road, and that portion of said allotment lying West of the Klamath County Road and described by metes and bounds as follows:

Beginning on the West boundary of Klamath County Road right of way, which point bears West 40.0 feet from the quarter section corner common to Sections 34 and 35, Township 35 South, Range 12 East of the Willamette Meridian; thence West 150.0 feet along the South boundary of said SE $\frac{1}{4}$  NE $\frac{1}{4}$ , Section 34; thence North 370.0 feet; thence East, 95.0 feet; thence South 14° 46' East, 97.5 feet along said road right of way line; thence 235.8 feet along said road right of way line, being the arc of a 6° 16' curve, which long chord bears South 7° 23' East, 235.2 feet; thence South 42.4 feet along said road right of way line to a point of beginning.

Parcel 3

A parcel of land lying in Section 35, Township 35 South, Range 12 East of the Willamette Meridian described as follows:

Those parts of the S $\frac{1}{2}$  S $\frac{1}{2}$  NW $\frac{1}{4}$  NW $\frac{1}{4}$  and of the SW $\frac{1}{4}$  NW $\frac{1}{4}$  lying Northwesterly of Indian Service Road S-65 commonly known as Godowa Springs Road.

EXHIBIT A

*Return to  
MTC  
Attn: Virginia*

CLERK OF DISTRICT COURT, COUNTY OF KLAMATH; ss.  
I do hereby certify that the foregoing is a true and correct copy of the original as the same appears on file for record in the office of MOUNTAIN TITLE CO.  
this 28th day of January, A. D. 1977 at 3:44 o'clock P. M. and  
fully recorded in Vol. M 77 of MORTGAGES on Page 1307  
Feb 9 9.00 Wm D. MILNE, County Clerk  
*Hazel Dwyer*

MTC # 854-2576

24551

Vol. 77 Page 1310

NOTE AND MORTGAGE

THE MORTGAGOR, MARTIN W. CARELLI and LOZETTA C. CARELLI, husband and wife

mortgages to the STATE OF OREGON, represented and acting by the Director of Veterans' Affairs, pursuant to ORS 407.030, the following described real property located in the State of Oregon and County of Klamath

Parcel 1

S½NE¼, E½SW¼ and the SE¼ of Section 34, Township 35 South, Range 12, East of the Willamette Meridian.

Parcel 2

Section 34, Township 35 South, Range 12, East of the Willamette Meridian, SE¼ NE¼,

EXCEPTING THEREFROM that part of the SE¼ NE¼, (also known as the Clark Chocktoot Allotment No. 1001) lying East of the Klamath County Road, and that portion of said allotment lying West of the Klamath County Road and described by metes and bounds as follows:

Beginning on the West boundary of Klamath County Road right of way, which point bears West 40.0 feet from the quarter section corner common to Sections 34 and 35, Township 35 South, Range 12 East of the Willamette Meridian; thence West 150.0 feet along the South boundary of said SE¼ NE¼, Section 34; thence North 370.0 feet; thence East, 95.0 feet; thence South 14° 46' East, 97.5 feet along said road right of way line; thence 235.8 feet along said road right of way line, being the arc of a 6° 16' curve, which long chord bears South 7° 23' East, 235.2 feet; thence South 42.4 feet along said road right of way line to a point of beginning.

Parcel 3

A parcel of land lying in Section 35, Township 35 South, Range 12 East of the Willamette Meridian described as follows:

Those parts of the S½ S½ NW¼ NW¼ and of the SW¼ NW¼ lying Northwesterly of Indian Service Road 8-65 commonly known as Codowa Springs Road.

to secure the payment of One Hundred Twenty Five Thousand and No/100 Dollars (\$125,000.00), and interest thereon, evidenced by the following promissory note:

I promise to pay to the STATE OF OREGON One Hundred Twenty Five Thousand and No/100 Dollars (\$125,000.00), with interest from the date of initial disbursement by the State of Oregon, at the rate of 5.9 percent per annum until such time as a different interest rate is established pursuant to ORS 407.021, principal and interest to be paid in lawful money of the United States at the office of the Director of Veterans' Affairs in Salem, Oregon, as follows: \$8,623.00 on or before December 15, 1977 and \$8,623.00 annually thereafter, plus the ad valorem taxes for each successive year on the premises described in the mortgage, and continuing until the full amount of the principal, interest and advances shall be fully paid, such payments to be applied first as interest on the unpaid balance, the remainder on the principal. The due date of the last payment shall be on or before December 15, 2011. In the event of transfer of ownership of the premises or any part thereof, I will continue to be liable for payment and the balance shall draw interest as prescribed by ORS 407.020 from date of such transfer. This note is secured by a mortgage, the terms of which are made a part hereof. Dated at Klamath Falls, Oregon January 18 1977 MARTIN W. CARELLI LOZETTA C. CARELLI

The mortgagor or subsequent owner may pay all or any part of the loan at any time without penalty.

The mortgagor covenants that he owns the premises in fee simple, has good right to mortgage same, that the premises are free from encumbrance, that he will warrant and defend same forever against the claims and demands of all persons whomsoever, and this covenant shall not be extinguished by foreclosure, but shall run with the land.

MORTGAGOR FURTHER COVENANTS AND AGREES:

- 1. To pay all debts and moneys secured hereby;
2. Not to permit the buildings to become vacant or unoccupied; not to permit the removal or demolition of any buildings or improvements now or hereafter existing; to keep same in good repair; to complete all construction within a reasonable time in accordance with any agreement made between the parties hereto;
3. Not to permit the cutting or removal of any timber except for his own domestic use; not to commit or suffer any waste;
4. Not to permit the use of the premises for any objectionable or unlawful purpose;
5. Not to permit any tax, assessment, lien, or encumbrance to exist at any time;
6. Mortgagee is authorized to pay all real property taxes assessed against the premises and add same to the principal, each of the advances to bear interest as provided in the note;
7. To keep all buildings unceasingly insured during the term of the mortgage, against loss by fire and such other hazards in such company or companies and in such an amount as shall be satisfactory to the mortgagee; to deposit with the mortgagee all such policies with receipts showing payment in full of all premiums; all such insurance shall be made payable to the mortgagee; insurance shall be kept in force by the mortgagor in case of foreclosure until the period of redemption expires;

Exhibit A

Page 16 of 50

1311

together with the tenements, hereditaments, rights, privileges, and appurtenances including roads and easements used in connection with the premises; electric wiring and fixtures; furnace and heating system, water heaters, fuel storage receptacles; plumbing, ventilating, water and irrigating systems, screens, doors; window shades and blinds, shutters, cabinets, built-ins, linoleums and floor coverings; built-in stoves, ovens, electric sinks, air conditioners, refrigerators, freezers, dishwashers; and all fixtures now or hereafter installed in or on the premises; and any shrubbery, trees, or (timber now growing or hereafter planted or growing thereon; and any replacements of any one or more of the foregoing items, in whole or in part, all of which are hereby declared to be appurtenant to the land, and all of the rents, issues, and profits of the mortgaged property;

to secure the payment of One Hundred Twenty Five Thousand and No/100----- Dollars

(\$ 125,000.00---), and interest thereon, evidenced by the following promissory note:

I promise to pay to the STATE OF OREGON One Hundred Twenty Five Thousand and No/100----- Dollars (\$ 125,000.00-----), with interest from the date of initial disbursement by the State of Oregon, at the rate of 5.9----- percent per annum until such time as a different interest rate is established pursuant to ORS 467.072, principal and interest to be paid in lawful money of the United States at the office of the Director of Veterans' Affairs in Salem, Oregon, as follows:

\$ 8,623.00----- on or before December 15, 1977----- and \$ 8,623.00 annually thereafter, plus ----- the ad valorem taxes for each successive year on the premises described in the mortgage, and continuing until the full amount of the principal, interest and advances shall be fully paid, such payments to be applied first as interest on the unpaid balance, the remainder on the principal.

The due date of the last payment shall be on or before December 15, 2011-----

In the event of transfer of ownership of the premises or any part thereof, I will continue to be liable for payment and the balance shall draw interest as prescribed by ORS 467.070 from date of such transfer.

This note is secured by a mortgage, the terms of which are made a part hereof.

Dated at Klamath Falls, Oregon----- MARTIN W. CARELLI  
January 18----- 1977----- LORETTA C. CARELLI

The mortgagor or subsequent owner may pay all or any part of the loan at any time without penalty.

The mortgagor covenants that he owns the premises in fee simple, has good right to mortgage same, that the premises are free from encumbrance, that he will warrant and defend same forever against the claims and demands of all persons whomsoever, and this covenant shall not be extinguished by foreclosure, but shall run with the land.

MORTGAGOR FURTHER COVENANTS AND AGREES:

1. To pay all debts and moneys secured hereby;
2. Not to permit the buildings to become vacant or unoccupied; not to permit the removal or demolition of any buildings or improvements now or hereafter existing; to keep same in good repair; to complete all construction within a reasonable time in accordance with any agreement made between the parties hereto;
3. Not to permit the cutting or removal of any timber except for his own domestic use; not to commit or suffer any waste;
4. Not to permit the use of the premises for any objectionable or unlawful purpose;
5. Not to permit any tax, assessment, lien, or encumbrance to exist at any time;
6. Mortgagee is authorized to pay all real property taxes assessed against the premises and add same to the principal, each of the advances to bear interest as provided in the note;
7. To keep all buildings uncessantly insured during the term of the mortgage, against loss by fire and such other hazards in such company or companies and in such an amount as shall be satisfactory to the mortgagee; to deposit with the mortgagee all such policies with receipts showing payment in full of all premiums; all such insurance shall be made payable to the mortgagee; insurance shall be kept in force by the mortgagor in case of foreclosure until the period of redemption expires;

8. Mortgagor shall be entitled to all compensation and damages received under right of eminent domain, or for any security voluntarily released, same to be applied upon the indebtedness.

9. Not to lease or rent the premises, or any part of same, without written consent of the mortgagee.

10. To promptly notify mortgagee in writing of a transfer of ownership of the premises or any part or interest in same, and to furnish a copy of the instrument of transfer to the mortgagee; a purchaser shall pay interest as prescribed by ORS 407.970 on all payments due from the date of transfer; in all other respects this mortgage shall remain in full force and effect.

The mortgagee may, at his option, in case of default of the mortgagor, perform same in whole or in part and all expenditures made in so doing including the employment of an attorney to secure compliance with the terms of the mortgage or the note shall draw interest at the rate provided in the note and all such expenditures shall be immediately repayable by the mortgagor without demand and shall be secured by this mortgage.

Default in any of the covenants or agreements herein contained or the expenditure of any portion of the loan for purposes other than those specified in the application, except by written permission of the mortgagee given before the expenditure is made, shall cause the entire indebtedness at the option of the mortgagee to become immediately due and payable without notice and this mortgage subject to foreclosure.

The failure of the mortgagor to exercise any options herein set forth will not constitute a waiver of any right arising from a breach of the covenants.

In case foreclosure is commenced, the mortgagor shall be liable for the cost of a title search, attorney fees, and all other costs incurred in connection with such foreclosure.

Upon the breach of any covenant of the mortgage, the mortgagee shall have the right to enter the premises, take possession, collect the rents, issues and profits and apply same, less reasonable costs of collection, upon the indebtedness and the mortgagee shall have the right to the appointment of a receiver to collect same.

The covenants and agreements herein shall extend to and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto.

It is distinctly understood and agreed that this note and mortgage are subject to the provisions of Article XI-A of the Oregon Constitution, ORS 407.010 to 407.210 and any subsequent amendments thereto and to all rules and regulations which have been issued or may hereafter be issued by the Director of Veterans' Affairs pursuant to the provisions of ORS 407.020.

WORDS: The masculine shall be deemed to include the feminine, and the singular the plural where such connotations are applicable herein.

IN WITNESS WHEREOF, The mortgagors have set their hands and seals this 18 day of January 19 77

*Martin W. Carelli* (Seal)  
 MARTIN W. CARELLI  
*Lozetta C. Carelli* (Seal)  
 LOZETTA C. CARELLI (Seal)

ACKNOWLEDGMENT

STATE OF OREGON, }  
 County of Klamath } ss.  
 Before me, a Notary Public, personally appeared the within named Martin W. Carelli and  
Lozetta C. Carelli, his wife, and acknowledged the foregoing instrument to be their voluntary act and deed.

WITNESS by hand and official seal the day and year last above written.

*Mildred J. Spurr*  
 Notary Public for Oregon  
 My Commission expires 7-19-78

MORTGAGE

N58565

FROM TO Department of Veterans' Affairs

STATE OF OREGON, }  
 County of KLAMATH } ss.

I certify that the within was received and duly recorded by me in KLAMATH County Records, Book of Mortgages.

No. M 77, Page 1310 on the 24th day of JANUARY, 1977 WM.D. MILNE, KLAMATH, County CLERK

By *Glazil Draganic* Deputy.

Filed JANUARY 24th 1977 at o'clock 3:44 P.M.

Klamath Falls, Oregon County Clerk By *Glazil Draganic* Deputy.

After recording return to:  
 DEPARTMENT OF VETERANS' AFFAIRS  
 General Services Building  
 Salem, Oregon 97312  
 Form L-4 (Rev. 8-71) FEE \$ 9.00

842

Vol. 74 Page 16381

ASSIGNMENT OF VENDEE'S INTEREST

IN LAND SALE CONTRACT

KNOW ALL MEN BY THESE PRESENTS, that for and in consideration of the sum of Ten and No/100ths (\$10.00) DOLLARS, and other good and valuable consideration, receipt of which is hereby acknowledged, KENNETH R. WHEELER and JANET M. WHEELER, husband and wife, hereinafter called Assignors, do hereby sell, transfer, set over and assign to MARTIN W. CARELLI and LOZETTA C. CARELLI, husband and wife, hereinafter called Assignees, all their right, title and interest in a certain piece of real property and all right, title and interest in a certain contract dealing with said real property entered into on the 2nd day of May, 1972, said contract recorded May 5, 1972 in Book M-72 at Page 4782 Microfilm Records, by and between John Mills and Lillian L. Mills, husband and wife, as Sellers, and Leo E. Murrer and Alice G. Murrer, husband and wife, as Buyers; the Vendee's interest in said contract was assigned by instrument dated June 1, 1972, recorded June 1, 1972 in Book M-72 at page 5790, Microfilm Records, to United States National Bank of Oregon; the Vendee's interest in said contract was assigned by instrument dated November 21, 1973, recorded December 11, 1973 in Book M-73 at page 15929, Microfilm Records, to Kenneth L. Wheeler and Janet M. Wheeler. Assignors are hereby selling, transferring and assigning to the Assignees all of their right, title and interest therein of the following described property situate in the County of Klamath, State of Oregon, to-wit:

PARCEL 1: The S 1/2 NE 1/4 NE 1/4, E 1/2 SW 1/4 and the SE 1/4 of Section 34, Township 35 South, Range 12 East of the Willamette Meridian.

PARCEL 2: Section 34, Township 35 South, Range 12 East of the Willamette Meridian, SE 1/4 NE 1/4. EXCEPTING THEREFROM that part of the SE 1/4 NE 1/4 (also known as the Clark Chocktoot Allotment No. 1001) lying East of the Klamath County Road, and that portion of said allotment lying west of the Klamath County Road and described by metes and bounds as follows: Beginning on the West boundary of Klamath County Road right of way, which point bears West 40.0 feet from the quarter section corner common to Sections 34 and 35, Township 35 South, Range 12 East of the Willamette Meridian, thence West 150.0 feet along the South boundary of said SE 1/4 NE 1/4, Section 34; thence North 370.0 feet; thence East, 95.0 feet; thence South 14° 46' East, 97.5 feet along said road

1. ASSIGNMENT

Exhibit A  
Page 19 of 50

RECEIVED 11/3/74

right of way line, thence continuing on said right of way along the arc of a 60° 16' curve, a distance of 235.8 feet, the long chord bears South 70° 23' East 235.2 feet; thence South 42.4 feet along said road right of way line to a point of beginning.

It is agreed for the consideration above recited by and between Assignors and Assignees, the Assignees assume and agree to pay the balance of said contract as determined by the records of United States National Bank of Oregon, Klamath Falls, Oregon, and to in all ways save the Assignors harmless from any obligation thereon.

DATED this 27<sup>th</sup> day of December, 1974.

*Kenneth R. Wheeler*  
*Janet M. Wheeler*  
Assignors

*Martin W. Carelli*  
*Lozetta C. Carelli*  
Assignees

STATE OF OREGON )  
                  ) ss. 12-27, 1974.  
County of Klamath )

Personally appeared the above-named KENNETH R. WHEELER and JANET M. WHEELER, husband and wife, and acknowledged the foregoing instrument to be their voluntary act. Before me:

*Killian B. Doane*  
Notary Public for Oregon  
My Commission expires: 7-17-78

STATE OF OREGON )  
                  ) ss. 12-27, 1974.  
County of Klamath )

Personally appeared the above-named MARTIN W. CARELLI and LOZETTA C. CARELLI, husband and wife, and acknowledged the foregoing instrument to be their voluntary act. Before me:

*Killian B. Doane*  
Notary Public for Oregon  
My Commission expires: 7-17-78

2. ASSIGNMENT

STATE OF OREGON; COUNTY OF KLAMATH: ss.

Filed for record at request of Trans. Title Ins. Co.  
this 30th day of December A. D., 1974 at 3:50 o'clock P M., and duly recorded in  
Vol. M-74 of Deed on Page 16381

*Wm. D. Milne* Fee \$1.00 by *[Signature]* WM. D. MILNE, County Clerk Deputy

Exhibit A

Page 20 of 30

ASSIGNMENT OF VENDRE'S INTEREST

IN LAND SALE CONTRACT

RECEIVED - 2.50

KNOW ALL MEN BY THESE PRESENTS, that for and in consideration of the sum of Ten and No/100ths (\$10.00) DOLLARS, and other good and valuable consideration, receipt of which is hereby acknowledged, KENNETH R. WHEELER and JANET M. WHEELER, husband and wife, hereinafter called Assignors, do hereby sell, transfer, set over and assign to MARTIN W. CARELLI and LOZETTA C. CARELLI, husband and wife, hereinafter called Assignees, all their right, title and interest in a certain piece of real property, and all right, title and interest in a certain contract dealing with said real property entered into on the 21st day of November, 1973, by and between LEO E. MURRER and ALICE G. MURRER, husband and wife, as Sellers, and KENNETH R. WHEELER and JANET M. WHEELER, husband and wife, as Buyers. Assignors are hereby selling, transferring and assigning to the Assignees all of their right, title and interest therein of the following described property situate in the County of Klamath, State of Oregon, to-wit:

PARCEL 1: The S 1/2 NE 1/4 NW 1/4, E 1/2 SW 1/4 and the SE 1/4 of Section 34, Township 35 South, Range 12 East of the Willamette Meridian.

PARCEL 2: Section 34, Township 35 South, Range 12 East of the Willamette Meridian, SE 1/4 NW 1/4, EXCEPTING THEREFROM that part of the SE 1/4 NE 1/4 (also known as the Clark Cocktoot Allotment No. 1001) lying East of the Klamath County Road, and that portion of said allotment lying West of the Klamath County Road and described by metes and bounds as follows: Beginning on the West boundary of Klamath County Road right of way, which point bears West, 40.0 feet from the quarter section corner common to Section 34 and 35, Township 35 South, Range 12 East of the Willamette Meridian, thence West 150.0 feet along the South Boundary of said SE 1/4 NE 1/4, Section 35; thence North 370.0 feet; thence East, 95.0 feet; thence South 14° 46' East, 97.5 feet along said road right of way line; thence continuing on said right of way along the arc of a 6° 16' curve, a distance of 235.8 feet, the long chord bears South 7° 23' East 235.2 feet; thence South 42.4 feet along said road right of way line to a point of beginning.

A parcel of land lying in Section 35, Township 35 South, Range 12 East of the Willamette Meridian, described as follows:

Those parts of the S 1/2 S 1/2 NW 1/4 NW 1/4 lying Northwesterly of Indian Service commonly known as Godowa Springs Road. S-65

1. ASSIGNMENT

Exhibit A  
Page 21 of 50

It is agreed for the consideration above recited by and between Assignors and Assignees, the Assignees assume and agree to pay the balance of said contract as determined by the records of United States National Bank of Oregon, Klamath Falls, Oregon, and to in all ways save the Assignors harmless from any obligation thereon.

DATED this 27<sup>th</sup> day of December, 1974.

Kenneth R. Wheeler  
Janet M. Wheeler  
Assignors

Martin W. Carelli  
Lozetta C. Carelli  
Assignees

STATE OF OREGON )  
County of Klamath ) ss. 12/27, 1974.

Personally appeared the above-named KENNETH R. WHEELER and JANET M. WHEELER, husband and wife, and acknowledged the foregoing instrument to be their voluntary act. Before me:

William B. Doane  
Notary Public for Oregon  
My Commission expires: 7-17-78

STATE OF OREGON )  
County of Klamath ) ss. 12/27, 1974.

Personally appeared the above-named MARTIN W. CARELLI and LOZETTA C. CARELLI, husband and wife, and acknowledged the foregoing instrument to be their voluntary act. Before me:

William B. Doane  
Notary Public for Oregon  
My Commission expires: 7-17-78

STATE OF OREGON; COUNTY OF KLAMATH; ss.  
Filed for record at request of Trans. Title Ins. Co.  
this 30th day of December A. D., 19 74 at 1:50 o'clock P.M., and duly recorded in  
Vol. M-74 of Dead on Page 16383

Ret. Trans

WM. D. MILNE, County Clerk

Fee \$11.00

By Hayden Magill Deputy

Exhibit A

Page 22 of 30

5 9 72 - WARRANTY DEED -

KENNETH R. WHEELER and JANET M. WHEELER, husband and wife, grantors, convey to MARTIN W. CARELLI and LOZETTA C. CARELLI, husband and wife, all that real property situate in the County of Klamath, State of Oregon, described as:

PARCEL 1: The S 1/2 NE 1/4 NE 1/4, E 1/2 SW 1/4 and the SE 1/4 of Section 34, Township 35 South, Range 12 East of the Willamette Meridian.

RECORDED  
5.9.72

PARCEL 2: Section 34, Township 35 South, Range 12 East of the Willamette Meridian, SE 1/4 NE 1/4, EXCEPTING THEREFROM that part of the SE 1/4 NE 1/4, (also known as the Clark Chocktoot Allotment No. 1001), lying East of the Klamath County Road, and that portion of said allotment lying West of the Klamath County Road and described my betes and bounds as follows: Beginning on the West boundary of Klamath County Road right of way, which point bears, 40.0 feet from the quarter section corner common to Sections 34 and 35, Township 35 South, Range 12 East of the Willamette Meridian; thence West 150.0 feet along the South boundary of said SE 1/4 NE 1/4, Section 34; thence North 370.0 feet; thence East, 95.0 feet, thence South 140' 46" East 97.5 feet along said road right of way line; thence continuing on said right of way along the arc of a 60' 16" curve, a distance of 235.8 feet, the long chord bears South 70' 23" East 235.2 feet; thence South 42.4 feet along said road right of way line to a point of beginning.

A parcel of land lying in Section 35, Township 35 South, Range 12 East of the Willamette Meridian, described as follows: Those parts of the S 1/2 S 1/2 SW 1/4 and of the SW 1/4 NW 1/4 lying Northwesterly of Indian Service Road S-65 commonly known as Godowa Springs Road

SUBJECT TO: That certain Contract, including the terms and provisions thereof, dated May 2, 1972, recorded May 5, 1972 in Book M-72 at page 4782, Microfilm records between John Mills and Lillian L. Mills, husband and wife, vendors and Leo E. Murrer and Alice G. Murrer, husband and wife, vendees. (Covers additional property) The Vendors interest in said contract as assigned by instrument dated June 1, 1972, recorded June 1, 1972 in Book M-72 at page 5790 Microfilm Records, to United States National Bank of Oregon; The Vendees interest in said contract was assigned by instrument dated November 21, 1973, recorded December 11, 1973 in Book M-73 at page 15929, Microfilm Records to Kenneth L. Wheeler and Janet M. Wheeler, which Contract the Grantees herein assume and agree to pay.

SUBJECT TO: An Agreement, including the terms and provisions thereof, dated November 21, 1973, recorded December 11, 1973 in Book M-73 at page 15931, Microfilm Records, between Leo E. Murrer and Alice G. Murrer, husband and wife, vendors, and Kenneth R. Wheeler and Janet M. Wheeler, husband and wife, vendee, which Agreement Grantees herein assume and agree to pay.

and covenant that grantor is the owner of the above-described property free of all encumbrances, except reservations, restrictions, easements and rights of way of record and those apparent upon the land; the assessment roll and the tax roll disclose that the within described premises were specially assessed as farm land. If the land becomes disqualified for the special assessment under the statute an additional tax may be

VANDENBERG AND BRANDENBERG  
ATTORNEYS AT LAW  
411 PINE STREET  
KLAMATH FALLS, OREGON 97601  
1. WARRANTY DEED

levied for the last five years or lesser number of years, in which the land was subject to the special land use assessments; and will warrant and defend the same against all persons who may lawfully claim the same, except as shown above.

The true and actual consideration for this transfer is One Hundred Eighty-Five Thousand and No/100ths (\$185,000.00) DOLLARS.

DATED this 27<sup>th</sup> day of December, 1974.

*Kenneth R. Wheeler*  
*Janet M. Wheeler*

STATE OF OREGON )  
                  ) ss.  
County of Klamath)  
12/27, 1974.

Personally appeared the above-named KENNETH R. WHEELER and JANET M. WHEELER, husband and wife, and acknowledged the foregoing instrument to be their voluntary act. Before me:

*William B. Dorn*  
Notary Public for Oregon  
My Commission expires: 7-17-78

Until a changes is requested all tax staments shall be mailed to the following address: Rt. 1, Bx. 582 - Klamath Falls, Ore.

*Return to: Transamerica*

VANDENBERG AND BRANDNESS  
ATTORNEYS AT LAW  
411 PINE STREET  
KLAMATH FALLS, OREGON 97601  
2. WARRANTY DEED

STATE OF OREGON, )  
County of Klamath )  
Filed for record at request of  
Trans. Title Ins. Co.  
on the 30th of December, A.D. 1974  
at 3:50 P.M. and duly  
recorded in Vol. M-74 Deed  
Page 16385  
Wm D. MILNE, County Clerk  
By *Hazel D. Dorn*  
Fm \$1.00

28-8127

THIS INDENTURE WITNESSETH: That MARTIN W. CARELLI and LOZETTA C. CARELLI, husband and wife, of the County of Klamath State of Oregon for and in consideration of the sum of Fourteen Thousand Seven Hundred Eleven & 79/100ths (\$14,711.79), to them in hand paid, the receipt whereof is hereby acknowledged, have granted, bargained, sold and conveyed, and by these presents do grant bargain, sell and convey unto KENNETH R. WHEELER and JANET M. WHEELER, husband and wife,

of the County of Klamath State of Oregon, the following described premises situated in Klamath County, State of Oregon, to-wit:

PARCEL 1: The S 1/2 NE 1/4 NE 1/4, E 1/2 SW 1/4 and the SE 1/4 of Section 34, Township 35 South, Range 12 East of the Willamette Meridian.  
 PARCEL 2: Section 34, Township 35 South, Range 12 East of the Willamette Meridian, SE 1/4 NE 1/4, EXCEPTING THEREFROM that part of SE 1/4 NE 1/4 (also known as the Clark Chocktoot Allotment No. 1001) lying East of the Klamath County Road, and that portion of said allotment lying West of the Klamath County Road and described by metes and bounds as follows: Beginning on the West boundary of Klamath County Road right of way, which point bears West 40.0 feet from the quarter section corner common to Sections 34 and 35, Township 35 South, Range 12 East of the Willamette Meridian; thence West 150.0 feet along the South Boundary of said SE 1/4 NE 1/4, Section 34; thence North 370.0 feet; thence East, 95.0 feet; thence South 14°46' East, 97.5 feet along said road right of way line; thence continuing on said right of way along the arc of a 6°16' curve, a distance of 235.8 feet, the long chord bears South 7°23' East 235.2 feet; thence South 42.4 feet along said road right of way line to a point of beginning. A parcel of land lying in Section 35, Township 35 South, Range 12 East of the Willamette Meridian, described as follows: Those parts of the S 1/2 S 1/2 NW 1/4 NW 1/4 and the SW 1/4 NW 1/4 lying Northwesterly of Indian Service Road S-65 commonly known as Godowa Springs Road

RECEIVED

DEC 30 1974

Together with the tenements, hereditaments and appurtenances thereto belonging, or in anywise appertaining. To have and to hold the same with the appurtenances, unto the said KENNETH R. WHEELER and JANET M. WHEELER, Husband and wife,

their heirs and assigns forever.

THIS CONVEYANCE is intended as a Mortgage to secure the payment of the sum of Fourteen Thousand Seven Hundred Eleven and 79/100ths (\$14,711.79) Dollars in accordance with the terms of that certain promissory note of which the following is a substantial copy:

\$ 14,711.79 Klamath Falls, Oregon . 19  
 I (or if more than one maker) we, jointly and severally, promise to pay to the order of KENNETH R. WHEELER and JANET M. WHEELER, husband and wife, at Klamath Falls, Oregon Fourteen Thousand Seven Hundred Eleven & 79/100ths (\$14,711.79) DOLLARS, with interest thereon at the rate of 7 percent per annum from December 15, 1974 until paid, payable in annual installments of not less than \$ 3,677.95 in any one payment; interest shall be paid annually and in addition to the minimum payments above required; the first payment to be made on the 1st day of February 1976 and a like payment on the 1st day of each February thereafter, until the whole sum, principal and interest has been paid; if any of said installments is not so paid, all principal and interest to become immediately due and collectible at the option of the holder of this note. If this note is placed in the hands of an attorney for collection, I/we promise and agree to pay holder's reasonable attorney's fees and collection costs, even though no suit or action is filed hereon; however, if a suit or an action is filed, the amount of such reasonable attorney's fees shall be fixed by the court, or courts in which the suit or action, including any appeal therein, is tried, heard or decided.  
 \* Links words not applicable.

/s/ MARTIN W. CARELLI  
 /s/ LOZETTA C. CARELLI

FORM No. 217—INSTALLMENT NOTE.      SN Stevens-Tess Law Publishing Co., Portland, Ore.

Exhibit A Page 15



M58565

23553

TA-M-38-26003-1

ASSUMPTION AGREEMENT

Vol. 483 Page

7571

WHEREAS

DEPARTMENT OF VETERANS' AFFAIRS

holds a loan secured by mortgage executed by Martin W. Carelli and Lozetta C. Carelli, husband and wife for the sum of One Hundred Twenty-Five Thousand and no/100--

evidenced by Note and Mortgage, Trust Deed, Security Agreement, or Assumption Agreement dated 1/18/77 and recorded Volume/Sheet 5/25/77 re-recorded M77 M77 Page 1310 9093-9096 Dollars \$ 125,000.00--

Mortgage Records for Klamath County, Oregon the following described premises included therein, to-wit:

PARCEL 1

SW1/4, ESW1/4 and the SW1/4 of Section 34, Township 35 South, Range 12, East of the Willamette Meridian.

PARCEL 2

Section 34, Township 35 South, Range 12, East of the Willamette Meridian, SE1/4.

EXCEPTING THEREFROM that part of the SE1/4, (also known as the Clark Chocktoot Allotment No. 1001) lying East of the Klamath County Road, and that portion of said allotment lying West of the Klamath County Road and described by metes and bounds as follows:

Beginning on the West boundary of Klamath County Road right of way, which point bears West 40.0 feet from the quarter-section corner common to Sections 34 and 35, Township 35 South, Range 12 East of the Willamette Meridian; thence West 150.0 feet along the South boundary of said SE1/4, Section 34; thence North 370.0 feet; thence East, 95.0 feet; thence South 142.46' East, 97.5 feet along said road right of way line; thence 235.8 feet along said road right of way line, being the arc of a 6° 16' curve, which long chord bears South 7° 23' East, 235.2 feet; thence South 42.4 feet along said road right of way line to a point of beginning.

PARCEL 3

A parcel of land lying in Section 35, Township 35 South, Range 12 East of the Willamette Meridian described as follows:

Those parts of the SW1/4, SW1/4 and of the SW1/4 lying Northwesterly of Indian Service Road 8-65 commonly known as Codova Springs Road.

SUBJECT TO:

- 1. Taxes for the fiscal year 1978-79, due and payable
2. The assessment roll and the tax roll disclose that the premises herein described have been specially assessed as Farm Use Land.
3. Rights of the public in and to any portion of the herein described premises lying within the limits of streets, roads or highways.
4. Reservations as set forth in Deed from David Chocktoot and Clara Chocktoot, husband and wife recorded June 24, 1955 in Deed Volume 275, page 330.
5. Application for right of way, as disclosed by instrument recorded June 11, 1958, in Miscellaneous Volume 12, page 573.
6. Application for right of way, as disclosed by instrument recorded March 24, 1958, in Miscellaneous Volume 13, page 400.
7. Conditions and restrictions as set forth in that certain instrument recorded in Deed Volume 105, page 201.
8. Conditions and restrictions as set forth in that certain instrument recorded in Deed Volume 115, page 652.
9. Conditions and restrictions as set forth in that certain instrument recorded in Deed Volume 105, page 643.
10. Reservations as contained in Deed recorded August 5, 1968, in Volume M68, page 7077.
11. Right of way recorded May 14, 1962 in Deed Volume 317, page 383.
12. Mortgage in favor of the State of Oregon, represented and acting by the Director of Veterans Affairs, recorded January 24, 1977 in Volume M77, page 1310, which the grantee herein agrees to assume and pay according to the terms contained therein.

WHEREAS, said Borrower obligations under it

THEREFORE, in compliance with

- 1. The Deed
2. The Purchase

and undersigned

and 66

Director, of

15th

periodically

3. The Borrower understood amortization

This assumption by

PURCHASERS

STATE OF OREGON

COUNTY OF Marion

On this 13th

1983

and acknowledge

Before me:

Notary Public for OREGON

My commission expires: 11-2-86

DEPARTMENT OF VETERANS' AFFAIRS

BY Shari Grimes

STATE OF OREGON

COUNTY OF Marion

On this 29th day of April

1983

Shari Grimes, Manager Mortgage Loan Servicing

Before me:

Notary Public for OREGON

My commission expires: 3/16/87

Before me:

Notary Public for OREGON

My commission expires:

I certify that the within was received and duly recorded by me in

Klamath

County Records, Book of Mortgages, No. M83

Page 7571 on the 16 day of May

By

Deputy

Filed:

16th May 83

County

Klamath County Clerk, Evelyn Btehn

By

Deputy

After recording return to: DEPARTMENT OF VETERANS' AFFAIRS 1225 FERRY STREET S.E. Exhibit A SALEM, OREGON 97310

M58565  
Loan No.

7571

WHEREAS

holds a loan secure

One Hundred

evidenced by Note

Mortgage Records

for the sum of

00.00--

1310

9093-9096

7572

(Attach legal description)

WHEREAS, said Borrowers are selling said property and Borrowers and Purchasers desire that Purchasers be permitted to assume and agree to pay said indebtedness and perform all the obligations under said Loan Contract, and said Department of Veterans' Affairs is willing to consent to said transfer of title and assumption of said indebtedness;

- HEREFORE, in consideration of the mutual covenants and agreements herein contained IT IS HEREBY AGREED AS FOLLOWS:
1. The Department of Veterans' Affairs does hereby consent to the sale and conveyance of said premises by the aforesaid Borrowers to said Purchasers.
  2. The Purchasers do hereby assume and agree to pay said indebtedness evidenced by said note and security instrument, and to perform all of the obligations provided, it being agreed

and understood that as of \_\_\_\_\_ said indebtedness is One Hundred Twenty-Two Thousand Nine Hundred Fifty-One and 66/100 Dollars (\$ 122,951.66) and that the interest rate is Fixed and shall be 8.8 % per annum; however, the

Director, during the term of the loan, may periodically adjust the interest rate if variable, to be paid by the transferee, and that annual payments shall be made beginning the 15th day of December 1983 in the sum of \$ 13,018.00 which will increase, if this is a variable interest rate loan and if the Director periodically adjusts the variable interest rate, if there is an increase in property tax, or if there is an increase in the insurance premium, if applicable.

|                                       |                   |
|---------------------------------------|-------------------|
| Principal and interest:               | <u>11,847.00</u>  |
| Tax (est. 1/3 of annual):             | <u>1,171.00</u>   |
| Insurance:                            | <u>          </u> |
| <b>annual</b><br>TOTAL ANNUAL PAYMENT | <u>13,018.00</u>  |

3. The Borrowers understand that their present liability under said loan shall be terminated by this Agreement and by the assumption by the Purchasers of said loan. It is expressly understood that this agreement is for the mutual benefit of Borrowers and Purchasers to consummate said sale of said property. This loan may be reamortized annually to assure amortization in accordance with the final due date on the security instrument, ORIS 407 020(4), 407 000, 407 020
- \*This assumption by said Purchasers is joint and several and shall bind them, their heirs, personal representatives, successors, and assigns.

PURCHASERS Donald Manning  
Lillian V. Manning  
STATE OF OREGON Lillian V. Manning  
COUNTY OF Klamath ss.  
On this 13th day of May 1983  
I, 83 personally appeared the above named Donald Manning & Lillian V. Manning and acknowledge the foregoing instrument to be his (their) voluntary act and deed.  
Before me: Sustan C. Ratzke  
Notary Public for OREGON  
My commission expires: 11-2-86

BORROWER \_\_\_\_\_  
STATE OF OREGON \_\_\_\_\_  
COUNTY OF \_\_\_\_\_ } ss.  
On this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_ personally appeared the above named \_\_\_\_\_ and acknowledge the foregoing instrument to be his (their) voluntary act and deed.  
Before me: \_\_\_\_\_  
Notary Public for OREGON  
My commission expires: \_\_\_\_\_

DEPARTMENT OF VETERANS' AFFAIRS  
By: Shari Grimes  
STATE OF OREGON \_\_\_\_\_  
COUNTY OF Marion } ss.  
On this 29th day of April 1983  
I, 83 personally appeared the above named

I certify that the within was received and duly recorded by me in \_\_\_\_\_  
Klamath County Records, Book of Mortgages, No. M83  
Page 7571 on the 16 day of May \_\_\_\_\_  
County Klamath  
By: Sue Lewis Deputy.  
Filed 16th May 83 at o'clock A M

Shari Grimes, Managers Mortgage Loan Servicing  
and acknowledge the foregoing instrument to be his (their) voluntary act and deed.  
Before me: Ernest A. Rooney  
Notary Public for OREGON  
My commission expires: 3/16/87

County Klamath County Clerk, Evelyn Biehn  
By: Sue Lewis Deputy.  
After recording return to: DEPARTMENT OF VETERANS' AFFAIRS

1225 FERRY STREET S.E. Exhibit A  
SALEM, OREGON 97310 Page 28 of 50

59346

MT 7007  
WARRANTY DEED

Vol. 1178 Page 27874

KNOW ALL MEN BY THESE PRESENTS, That MARTIN W. CARELLI and LOZETTA C. CARELLI,  
husband and wife  
hereinafter called the grantor, for the consideration hereinafter stated, to grantor paid by DONALD R. MANNING  
and LILLIAN V. MANNING, husband and wife, hereinafter called  
the grantee, does hereby grant, bargain, sell and convey unto the said grantee and grantee's heirs, successors and  
assigns, that certain real property, with the tenements, hereditaments and appurtenances thereunto belonging or ap-  
pertaining, situated in the County of KLAMATH and State of Oregon, described as follows, to-wit:

78 DEC 5 PM 3 27

LEGAL DESCRIPTION SET FORTH ON REVERSE

(IF SPACE INSUFFICIENT, CONTINUE DESCRIPTION ON REVERSE SIDE)  
To Have and to Hold the same unto the said grantee and grantee's heirs, successors and assigns forever.  
And said grantor hereby covenants to and with said grantee and grantee's heirs, successors and assigns, that  
grantor is lawfully seized in fee simple of the above granted premises, free from all encumbrances

and that grantor will warrant and forever defend the said premises and every part and parcel thereof against the lawful claims  
and demands of all persons whomsoever, except those claiming under the above described encumbrances.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$ 330,000.00  
However, the actual consideration consists of or includes other property or value given or promised which is  
the whole part of the consideration (indicate which). (The sentence between the symbols @, if not applicable, should be deleted. See ORS 93.030.)  
In construing this deed and where the context so requires, the singular includes the plural and all grammatical  
changes shall be implied to make the provisions hereof apply equally to corporations and to individuals.

In Witness Whereof, the grantor has executed this instrument this 18th day of October, 1978;  
if a corporate grantor, it has caused its name to be signed and seal affixed by its officers, duly authorized thereto by  
order of its board of directors.

(If executed by a corporation,  
affix corporate seal)

Martin W. Carelli  
Martin W. Carelli  
Lozetta C. Carelli  
Lozetta C. Carelli

STATE OF OREGON, )  
County of Klamath ) ss.  
October 18, 1978

STATE OF OREGON, County of \_\_\_\_\_ ) ss.  
Personally appeared \_\_\_\_\_, 19\_\_\_\_

Personally appeared the above named Martin W. Carelli and Lozetta C. Carelli  
and acknowledged the foregoing instru-  
ment to be voluntary act and deed.

Personally appeared \_\_\_\_\_, and  
\_\_\_\_\_ who, being duly sworn,  
each for himself and not one for the other, did say that the former is the  
\_\_\_\_\_ president and that the latter is the  
\_\_\_\_\_ secretary of \_\_\_\_\_

(OFFICIAL SEAL)  
James P. Suban  
Notary Public for Oregon  
My commission expires: 8-23-81

and that the seal affixed to the foregoing instrument is the corporate seal  
of said corporation and that said instrument was signed and sealed in be-  
half of said corporation by authority of its board of directors; and each of  
them acknowledged said instrument to be its voluntary act and deed.  
Before me:  
(OFFICIAL SEAL)  
Notary Public for Oregon  
My commission expires:

GRANTOR'S NAME AND ADDRESS

GRANTEE'S NAME AND ADDRESS

After recording return to:  
Donald R. & Lillian V. Manning  
Route 1 Box 842  
Romania, Oregon  
NAME, ADDRESS, ZIP

Until a change is requested all tax statements shall be sent to the following address:  
no change requested  
NAME, ADDRESS, ZIP

STATE OF OREGON, ) ss.  
County of \_\_\_\_\_ )  
I certify that the within instru-  
ment was received for record on the  
day of \_\_\_\_\_, 19\_\_\_\_  
at \_\_\_\_\_ o'clock \_\_\_\_\_ M., and recorded  
in book \_\_\_\_\_ on page \_\_\_\_\_ or as  
file/reel number \_\_\_\_\_  
Record of Deeds of said county.  
Witness my hand and seal of  
County affixed.  
By \_\_\_\_\_ Recording Officer  
Exhibit A Deputy  
Page 29 of 50

MOUNTAIN TITLE COMPANY

MOUNTAIN TITLE COMPANY

DESCRIPTION

27375

PARCEL 1

S $\frac{1}{2}$ NE $\frac{1}{4}$ , E $\frac{1}{2}$ S $\frac{1}{2}$  and the SE $\frac{1}{4}$  of Section 34, Township 35 South, Range 12, East of the Willamette Meridian.

PARCEL 2

Section 34, Township 35 South, Range 12, East of the Willamette Meridian, SE $\frac{1}{4}$ NE $\frac{1}{4}$ ,

EXCEPTING THEREFROM that part of the SE $\frac{1}{4}$ NE $\frac{1}{4}$ , (also known as the Clark Chocktoot Allotment No. 1001) lying East of the Klamath County Road, and that portion of said allotment lying West of the Klamath County Road and described by metes and bounds as follows:

Beginning on the West boundary of Klamath County Road right of way, which point bears West 40.0 feet from the quarter section corner common to Sections 34 and 35, Township 35 South, Range 12 East of the Willamette Meridian; thence West 150.0 feet along the South boundary of said SE $\frac{1}{4}$ NE $\frac{1}{4}$ , Section 34; thence North 370.0 feet; thence East, 95.0 feet; thence South 14° 46' East, 97.5 feet along said road right of way line; thence 235.8 feet along said road right of way line, being the arc of a 6° 16' curve, which long chord bears South 7° 23' East, 235.2 feet; thence South 42.4 feet along said road right of way line to a point of beginning.

PARCEL 3

A parcel of land lying in Section 35, Township 35 South, Range 12 East of the Willamette Meridian described as follows:

Those parts of the S $\frac{1}{2}$  S $\frac{1}{2}$  NW $\frac{1}{4}$  NW $\frac{1}{4}$  and of the SW $\frac{1}{4}$  NW $\frac{1}{4}$  lying Northwesterly of Indian Service Road S-65 commonly known as Godova Springs Road.

SUBJECT TO:

1. Taxes for the fiscal year 1978-79, due and payable.
2. The assessment roll and the tax roll disclose that the premises herein described have been specially assessed as Farm Use Land.
3. Rights of the public in and to any portion of the herein described premises lying within the limits of streets, roads or highways.
4. Reservations as set forth in Deed from David Chocktoot and Clara Chocktoot, husband and wife recorded June 24, 1955 in Deed Volume 275, page 330.
5. Application for right of way, as disclosed by instrument recorded June 11, 1958, in Miscellaneous Volume 12, page 573.
6. Application for right of way, as disclosed by instrument recorded March 24, 1959, in Miscellaneous Volume 13, page 400.
7. Conditions and restrictions as set forth in that certain instrument recorded in Deed Volume 305, page 201.
8. Conditions and restrictions as set forth in that certain instrument recorded in Deed Volume 315, page 652.
9. Conditions and restrictions as set forth in that certain instrument recorded in Deed Volume 305, page 643.
10. Reservations as contained in Deed recorded August 5, 1968, in Volume M68, page 7077.
11. Right of way recorded May 14, 1962 in Deed Volume 337, page 383.
12. Mortgage in favor of the State of Oregon, represented and acting by the Director of Veterans Affairs, recorded January 24, 1977 in Volume M77, page 1310, which the grantee herein agrees to assume and pay according to the terms contained therein.

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Mountain Title Co.  
 on the 5th day of December A. D. 1978 at 3:27 o'clock P. M., and  
 duly recorded in Vol. M78, of Deeds on Page 27374

Wm. D. MILNE, County Clerk  
 by Russell H. Helwick

Fee \$6.00

MOUNTAIN TITLE COMPANY

MT 7000 WARRANTY DEED

Vol. 78 Page 27376

59347

KNOW ALL MEN BY THESE PRESENTS, That DONALD R. MANNING and LILLIAN V. MANNING, husband and wife hereinafter called the grantor, for the consideration hereinafter stated, to grantor paid by MARTIN W. CARELLI and LOZETTA C. CARELLI, husband and wife, hereinafter called the grantee, does hereby grant, bargain, sell and convey unto the said grantee and grantee's heirs, successors and assigns, that certain real property, with the tenements, hereditaments and appurtenances thereunto belonging or appertaining, situated in the County of Klamath and State of Oregon, described as follows, to-wit:

LEGAL DESCRIPTION SET FORTH ON REVERSE

178 Dec 5 PM 3 28

(IF SPACE INSUFFICIENT, CONTINUE DESCRIPTION ON REVERSE SIDE)

To Have and to Hold the same unto the said grantee and grantee's heirs, successors and assigns forever. And said grantor hereby covenants to and with said grantee and grantee's heirs, successors and assigns, that grantor is lawfully seized in fee simple of the above granted premises, free from all encumbrances

and that grantor will warrant and forever defend the said premises and every part and parcel thereof against the lawful claims and demands of all persons whomsoever, except those claiming under the above described encumbrances.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$202,300.00. However, the actual consideration consists of or includes other property or value given or promised which is the whole consideration (indicate which). (The sentence between the symbols @, if not applicable, should be deleted. See ORS 93.030.)

In construing this deed and where the context so requires, the singular includes the plural and all grammatical changes shall be implied to make the provisions hereof apply equally to corporations and to individuals.

In Witness Whereof, the grantor has executed this instrument this 17th day of November, 1978; if a corporate grantor, it has caused its name to be signed and seal affixed by its officers, duly authorized thereto by order of its board of directors.

Donald R. Manning
Lillian V. Manning

(If executed by a corporation, affix corporate seal)

STATE OF OREGON, County of Klamath, November 17, 1978

STATE OF OREGON, County of ss. Personally appeared and

Personally appeared the above named Donald R. Manning and Lillian V. Manning

who, being duly sworn, each for himself and not one for the other, did say that the former is the president and that the latter is the secretary of

and acknowledged the foregoing instrument to be their voluntary act and deed.

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 in behalf of said corporation by authority of its board of directors; and each of them acknowledged said instrument to be its voluntary act and deed.

OFFICIAL SEAL

Notary Public for Oregon My commission expires: 8-23-81

Notary Public for Oregon My commission expires:

OFFICIAL SEAL

GRANTOR'S NAME AND ADDRESS
GRANTEE'S NAME AND ADDRESS
Martin W & Lozetta C Carelli
2520 Old Midland Road
Klamath Falls, Oregon

STATE OF OREGON, County of I certify that the within instrument was received for record on the day of 19 at o'clock M., and recorded in book on page or as file/reel number Record of Deeds of said county. Witness my hand and seal of County affixed.

Recording Officer
Exhibit A Deputy
Page 31 of 50

MOUNTAIN TITLE COMPANY

MOUNTAIN TITLE COMPANY

SW $\frac{1}{4}$  of Section 21, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon lying Westerly of the Easterly right of way line of the U.S.B.R. C-4-E-1 lateral.

EXCEPTING THEREFROM that portion lying Southwesterly of the C-4-E laterals.

ALSO EXCEPTING THEREFROM that portion of said SW $\frac{1}{4}$  within the rights of way of the U.S.B.R. C-4-E lateral, the C-4-E-1 lateral and the 1-N drain and Tingley Lane, a county road.

ALSO EXCEPTING THEREFROM a tract of land situated in the S $\frac{1}{2}$ SW $\frac{1}{4}$  of Section 21, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a point on the Easterly right of way of the U.S.B.R. C-4-E. Lateral and the South line of said Section 21, said point being North 88° 04' 48" East 849.39 feet from the Southwest corner of said Section 21; thence Northerly along the Easterly right of way of said lateral the following courses: North 28° 15' West 133.37 feet, along the arc of a curve to the right (radius = 118.24 feet) 48.84 feet, North 04° 35' West 438.30 feet, along the arc of a curve to the left (radius = 168.24 feet) 113.05 feet, North 43° 05' West 181.79 feet; thence leaving said right of way, East 1191.46 feet to the Westerly right of way of the U.S.B.R. 1-N Drain; thence Southerly along said right of way the following courses: South 04° 04' East 318.00 feet, South 09° 32' East, 326.46 feet, South 10° 02' East, 164.45 feet to the South line of said Section 21; thence South 88° 04' 48" West 1016.46 feet to the point of beginning, with bearings based on Survey No. 1681 as recorded in Klamath County Surveyor's office.

SUBJECT TO:

1. Taxes for the fiscal year 1978-79.
2. The assessment roll and the tax roll disclose that the premises herein described have been specially assessed as Farm Use Land.
3. Regulations of Klamath Irrigation District.
4. Rights of the public in and to any portion of the herein described premises lying within the limits of streets, roads or highways.
5. Agreement between Clara A. Dicken and the United States of America, recorded April 10, 1906, in Volume 19, page 636.
6. Easement for road purposes 60 feet wide as described in deed recorded February 20, 1975 in Volume M75, page 2064.

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Mountain Title Co.

on the 5th day of December A. D. 1978 at 3:28 clock P. M. and

is recorded in Vol. M78, of Deeds on Page 27376

Wm D. MILNE, County Clerk

*Richard S. Felick*

Fee \$6.00

TN

23554

Vol. MP3 Page 7573

THIS MORTGAGE, Made this 4th day of May, 19 83, by DONALD R. MANNING and LILLIAN MANNING, husband and wife

Mortgagor, to LOWELL SHARP & MARY JO SHARP, husband & wife, as to an un-divided 1/3 interest, MYREL R. MOORE & SONDRAN. MOORE, husband & wife, as to an un-divided 1/3 interest \*\*\*Mortgagee.

WITNESSETH, That said mortgagor, in consideration of THE SUM OF ONE HUNDRED SIXTY THOUSAND AND NO/100s Dollars, to him paid by said mortgagee, does hereby grant, bargain, sell and convey unto said mortgagee, his heirs, executors, administrators and assigns, that certain real property situated in Klamath County, State of Oregon, bounded and described as follows, to-wit:

See Attached Exhibit "A"

\*\*\* JAMES P. MC GOWN, JR. & BETTY J. MC GOWN, husband and wife, as to an un-divided 1/3 interest.

THIS MORTGAGE IS A SECOND MORTGAGE AND IS BEING RECORDED JUNIOR AND SECOND TO A FIRST MORTGAGE IN FAVOR OF DEPARTMENT OF VETERANS' AFFAIRS.

103 MAY 15 1983

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and which may hereafter thereto belong or appertain, and the rents, issues and profits therefrom, and any and all fixtures upon said premises at the time of the execution of this mortgage or at any time during the term of this mortgage.

TO HAVE AND TO HOLD the said premises with the appurtenances unto the said mortgagee, his heirs, executors, administrators and assigns forever.

This mortgage is intended to secure the payment of.....a..... promissory note. . . of which the following is a substantial copy:

See Attached Exhibit "B"

The date of maturity of the debt secured by this mortgage is the date on which the last scheduled principal payment becomes due, to-wit. May 13, 19 85.

And said mortgagor covenants to and with the mortgagee, his heirs, executors, administrators and assigns, that he is lawfully seized in fee simple of said premises and has a valid, unencumbered title thereto

and will warrant and forever defend the same against all persons; that he will pay said note, principal and interest, according to the terms thereof, that while any part of said note remains unpaid he will pay all taxes, assessments and other charges of every nature which may be levied or assessed against said property, or this mortgage or the note above described, when due and payable and before the same may become delinquent; that he will promptly pay and satisfy any and all liens or encumbrances that now on or which hereafter may be erected on the said premises superior to the lien of this mortgage; that he will keep the buildings now on or which hereafter may be erected on the said premises continuously insured against loss or damage by fire and such other hazards as the mortgagee may from time to time require, in an amount not less than the original principal sum of the note or obligation secured by this mortgage, in a company or companies acceptable to the mortgagee, with loss payable first to the mortgagee and then to the mortgagor as their respective interests may appear; all policies of insurance shall be delivered to the mortgagee as soon as insured. Now if the mortgagor shall fail for any reason to procure any such insurance and to deliver said policies to the mortgagee at least fifteen days prior to the expiration of any policy of insurance now or hereafter placed on said buildings, the mortgagee may procure the same at mortgagor's expense; that he will keep the buildings and improvements on said premises in good repair and will not commit or suffer any waste of said premises. At the request of the mortgagee, the mortgagor shall join with the mortgagee in executing one or more financing statements pursuant to the Uniform Commercial Code, in turn satisfactory to the mortgagee, and will pay for filing the same in the proper public office or offices, as well as the cost of all lien searches made by filing officers or searching agencies as may be deemed desirable by the mortgagee.

Exhibit Page 31

The mortgagor warrants that the proceeds of the loan represented by the above described note and this mortgage are: (a) primarily for mortgagor's personal, family, household or agricultural purposes (see Important Notice below), (b) for an organization or (even if mortgagor is a natural person) are for business or commercial purposes other than agricultural purposes.

Now, therefore, if said mortgagor shall keep and perform the covenants herein contained and shall pay said note according to its terms, this conveyance shall be void, but otherwise shall remain in full force as a mortgage to secure the performance of all of said covenants and the payment of said note; it being agreed that a failure to perform any covenant herein, or if a proceeding of any kind be taken to foreclose any lien on said premises or any part thereof, the mortgagee shall have the option to declare the whole amount unpaid on said note or on this mortgage at once due and payable, and this mortgage may be foreclosed at any time thereafter. And if the mortgagor shall fail to pay any taxes or charges or any lien, encumbrance or insurance premium as above provided for, the mortgagee may at his option do so, and any payment so made shall be added to and become a part of the debt secured by this mortgage, and shall bear interest at the same rate as said note without waiver, however, of any right arising to the mortgagee for breach of covenant. And this mortgage may be foreclosed for principal, interest and all sums paid by the mortgagee at any time while the mortgagor neglects to repay any sums so paid by the mortgagee. In the event of any suit or action being instituted to foreclose this mortgage, the mortgagor agrees to pay all reasonable costs incurred by the mortgagee for title reports and title search, all statutory costs and disbursements and such further sum as the trial court may adjudge therein mortgagor further promises to pay such sum as the appellate court shall adjudge reasonable as plaintiff's attorney's fees on such appeal, all sums to be secured by the lien of this mortgage and included in the decree of foreclosure.

Each and all of the covenants and agreements herein contained shall apply to and bind the heirs, executors, administrators and assigns of said mortgagor and of said mortgagee respectively.

In case suit or action is commenced to foreclose this mortgage, the Court, may upon motion of the mortgagee, appoint a receiver to collect the rents and profits arising out of said premises during the pendency of such foreclosure, and apply the same, after first deducting all of said receiver's proper charges and expenses, to the payment of the amount due under this mortgage.

In construing this mortgage, it is understood that the mortgagor or mortgagee may be more than one person; that if the context so requires, the singular pronoun shall be taken to mean and include the plural, the masculine, the feminine and the neuter, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

IN WITNESS WHEREOF, said mortgagor has hereunto set his hand the day and year first above written.

*Donald R. Manning*  
*Lillian V. Manning*

\*IMPORTANT NOTICE: Delete, by lining out, whichever warranty (a) or (b) is not applicable; if warranty (a) is applicable and if the mortgagee is a creditor, as such word is defined in the Truth-in-Lending Act and Regulation Z, the mortgagee MUST comply with the Act and Regulation by making required disclosures for this purpose, if this instrument is to be a FIRST lien in finance the purchase of a dwelling, use Stevens-Ness Form No. 1301 or equivalent; if this instrument is NOT to be a first lien, use Stevens-Ness Form No. 1306, or equivalent.

STATE OF OREGON,

County of Klamath } ss.

May 13, 1983

Personally appeared the above named Donald R. Manning & Lillian V. Manning

and acknowledged the foregoing instrument to be their voluntary act and deed.

(OFFICIAL SEAL)

Before me:  
*Susan C. Satyke*  
Notary Public for Oregon  
My commission expires: 11-2-86

MORTGAGE

(FORM No. 185A)

STEVENS-NESS LAW PUB. CO., PORTLAND, ORE

TO

SPACE RESERVED FOR RECORDER'S USE

AFTER RECORDING RETURN TO

TA

STATE OF OREGON,

County of        } ss.

I certify that the within instrument was received for record on the day of       , 19      , at        o'clock        M., and recorded in book/reel/volume No.        on page        or as document fee/file/instrument/microfilm No.        Record of Mortgages of said County.

Witness my hand and seal of County affixed.

By        Deputy

Exhibit A

PARCEL 1

The S $\frac{1}{2}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ , E $\frac{1}{2}$ SW $\frac{1}{4}$  and the SE $\frac{1}{4}$  of Section 34, Township 35 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

PARCEL 2

Section 34, Township 35 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon, the SE $\frac{1}{4}$ NE $\frac{1}{4}$ ,

EXCEPTING THEREFROM that portion of the SE $\frac{1}{4}$ NE $\frac{1}{4}$ , (also known as the Clark Chocktoot Allotment #1001), lying East of the Klamath County Road, and that portion of said allotment lying West of the Klamath County Road and described by metes and bounds as follows:

Beginning on the West boundary of Klamath County Road right of way, which point bears West, 40.0 feet from the quarter section corner common to Sections 34 and 35, Township 35 South, Range 12 East of the Willamette Meridian; thence West 150.0 feet along the South boundary of said SE $\frac{1}{4}$ NE $\frac{1}{4}$ , Section 34; thence North 370.0 feet; thence East, 25.0 feet; thence South 14° 46' East, 97.5 feet along said road right of way line; thence continuing on said right of way along the arc of a 6° 16' curve, a distance of 235.8 feet, the long chord bears South 7° 23' East 235.2 feet; thence South 42.4 feet along said road right of way line to a point of beginning.

PARCEL 3

A parcel of land lying in Section 35, Township 35 South, Range 12 East of the Willamette Meridian, described as follows:

Those parts of the S $\frac{1}{2}$ S $\frac{1}{2}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$  and of the SW $\frac{1}{4}$ NW $\frac{1}{4}$  lying Northwesterly of Indian Service Road S-65 commonly known as Godowa Springs Road.

## PROMISSORY NOTE

\$160,000.00

Klamath Falls, Oregon

May 4, 1983

ON OR BEFORE May 13, 1985, or upon the sale of Payors' property located on Teare Road near Bonanza, Oregon, whichever occurs first, we jointly and severally promise to pay to the order of LOWELL SHARP and MARY JO SHARP, husband and wife, as to an undivided 1/3 interest and MYREL R. MOORE and SONDR A. MOORE, husband and wife, as to an undivided 1/3 interest and JAMES P. MCGOWN, JR. and BETTY J. MCGOWN, husband and wife, as to an undivided 1/3 interest, at Klamath Falls, Oregon, or as directed, ONE HUNDRED SIXTY THOUSAND and No/100-----DOLLARS with interest thereon at the rate of Eight (8%) per cent per annum from May 13, 1983 until paid; interest to be paid at maturity and if not so paid, all principal and interest, at the option of the holder of this note, to become immediately due and collectible. Any part hereof may be paid at any time. If this note is placed in the hands of an attorney for collection, we promise and agree to pay holder's reasonable attorney's fees and collection costs, even though no suit or action is filed hereon; if a suit or action is filed, the amount of such reasonable attorney's fees shall be fixed by the court or courts in which the suit or action, including any appeal therein, is tried, heard or decided.

In addition to the payment date on which all sums of principal and interest are due and payable, there are two balloon payments due as follows: \$5,000.00 is due and payable on or before July 1, 1983 and \$4,000.00 is due and payable on or before December 1, 1983.

*Lowell Sharp*  
*Mary Jo Sharp*  
*Myrel R. Moore*  
*Sondra A. Moore*  
*James P. McGown, Jr.*  
*Betty J. McGown*

THIS NOTE IS SECURED BY A MORTGAGE OF EVEN DATE.

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record . . .

this 16th day of May A.D. 19 83 at 10:56'clock A.M. and  
 duly recorded in Vol. M83, of mtges on page 7573

16.00 fee

By *Evelyn Biern*  
 EVELYN BIEHN, County Clerk

Exhibit A  
 Page 36 of 50

DONALD R. MANNING and LILLIAN V. MANNING, husband and wife  
hereinafter called grantor, convey(s) to  
LOWELL R. SHARP and MARY JO SHARP, husband and wife  
all that real property situated in the County  
of Klamath, State of Oregon, described as:

See Attached Exhibit "A"

and covenant(s) that grantor is the owner of the above described property free of all encumbrances except Rights of the public in and to any portion of said premises lying with the limits of roads and highways.  
and will warrant and defend the same against all persons who may lawfully claim the same, except as shown above.

The true and actual consideration for this transfer is \$ 50,000.00.

Dated this 4th day of May 19 83.

Donald R. Manning  
Lillian V. Manning

STATE OF OREGON, County of Klamath ) ss.

On this 13<sup>th</sup> day of May, 19 83 personally appeared the above named Donald R. Manning & Lillian V. Manning and acknowledged the foregoing instrument to be their voluntary act and deed.

Before me:  
Susan C. Patzke  
Notary Public for Oregon:  
My commission expires: 11-2-86

- \* The dollar amount should include cash plus all encumbrances existing against the property to which the property remains subject or which the purchaser agrees to pay or assume.
- \*\* If consideration includes other property or value, add the following: "However, the actual consideration consists of or includes other property or value given or promised which is part of the/the whole consideration." (Indicate which)

WARRANTY DEED (INDIVIDUAL)

STATE OF OREGON, )  
 ) ss.

County of \_\_\_\_\_ )  
I certify that the within instrument was received for record  
on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_  
at \_\_\_\_\_ o'clock \_\_\_\_\_ M. and recorded in book \_\_\_\_\_  
on page \_\_\_\_\_ Records of Deeds of said County.

Exhibit A  
Page 37 of

After Recording Return to:

TAX STATEMENTS TO:  
MR. & MRS. LOWELL R. SHARP  
6520 CLIMAX  
KLAMATH FALLS, OREGON 97601

By \_\_\_\_\_ Title \_\_\_\_\_  
Deputy \_\_\_\_\_

83 MAY 15 AM 10 56

A tract of land situated in Government Lot 3, being the NW $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 31, Township 37 South, Range 11 East of the Willamette Meridian, in the County of Klamath, State of Oregon, being more particularly described as follows:

Beginning at a point on the West line of said Government Lot 3, said point being South 00° 05' 06" East, 900.00 feet from the brass cap monument marking the W $\frac{1}{4}$  corner of said Section 31; thence South 89° 55' 49" East, 484.00 feet; thence North 00° 05' 06" West, 343.16 feet; thence South 89° 57' 09" East, 792.41 feet to the East line of said Government Lot 3; thence South 00° 31' 12" East, 40.00 feet; thence North 89° 57' 09" West, 560.29 feet; thence South 00° 31' 12" East, 724.00 feet to the South line of said Government Lot 3; thence North 89° 57' 09" West, 721.92 feet to the Southwest corner of said Government Lot 3; thence North 00° 05' 06" West, 420.99 feet to the point of beginning.

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record . . .

this 16th day of May, A. D. 19 83 at 10:56 o'clock A. M., and  
duly recorded in Vol. M83, of deeds on Page 7577

8.00 fee

By EVELYN BIEHN, County Clerk  
[Signature]

WARRANTY DEED (INDIVIDUAL)

LOWELL SHARP & MARY JO SHARP, husband and wife, MYREL R. MOORE & SONDR  
N. MOORE, husband and wife, JAMES P. MC GOWN, hereinafter called grantor, convey(s) to  
DONALD R. MANNING and LILLIAN MANNING, husband and wife  
all that real property situated in the County  
of Klamath, State of Oregon, described as:

See Attached Exhibit "A"

JR. and BETTY J. MC GOWN, husband and wife

and covenant(s) that grantor is the owner of the above described property free of all encumbrances except  
See Attached Exhibit "A"  
and will warrant and defend the same against all persons who may lawfully claim the same, except as shown above.

The true and actual consideration for this transfer is \$ 160,000.00

Dated this 4th day of May, 1983

*James P. McGown, Betty J. McGown, Myrel R. Moore, Mary Jo Sharp, Sandra Sharp, James P. McGown, Jr.*

STATE OF OREGON, County of Klamath ) ss.

On this 13th day of May, 1983, personally appeared the above named  
Lowell Sharp, Mary Jo Sharp, James P. McGown, Jr. & \*\* and acknowledged the foregoing  
instrument to be their voluntary act and deed. \*\*Betty J. McGown.

Before me:

*Susan C. Patzke*  
Notary Public for Oregon  
My commission expires: 11.2.86

The dollar amount should include cash plus all encumbrances existing against the property to which the  
property remains subject or which the purchaser agrees to pay or assume.

If consideration includes other property or value, add the following: "However, the actual consideration  
consists of or includes other property or value given or promised which is part of the whole  
consideration." (Indicate which)

WARRANTY DEED (INDIVIDUAL)

STATE OF OREGON, ) ss.

County of \_\_\_\_\_  
I certify that the within instrument was received for record  
on the \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_  
at \_\_\_\_\_ o'clock \_\_\_\_\_ AM and recorded in book \_\_\_\_\_  
on page \_\_\_\_\_ Records of Deeds of said County.

Witness my hand and seal of County affixed.

Exhibit A  
Page 39 of

After Recording Return to:

TAX STATEMENTS TO:  
MR & MRS DONALD R MANNING  
Rt 1 Box 18  
BONANZA, OREGON 97423

By:

Title

Deputy

PARCEL 1

The S½NE½NE½, E½SW½ and the SE½ of Section 34, Township 35 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

PARCEL 2

Section 34, Township 35 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon, the SE½NE½,

EXCEPTING THEREFROM that portion of the SE½NE½, (also known as the Clark Chocktoot Allotment #1001), lying East of the Klamath County Road, and that portion of said allotment lying West of the Klamath County Road and described by metes and bounds as follows:

Beginning on the West boundary of Klamath County Road right of way, which point bears West, 40.0 feet from the quarter section corner common to Sections 34 and 35, Township 35 South, Range 12 East of the Willamette Meridian; thence West 150.0 feet along the South boundary of said SE½NE½, Section 34; thence North 370.0 feet; thence South 25.0 feet; thence South 14° 46' East, 97.5 feet along said road right of way line; thence continuing on said right of way along the arc of a 6° 16' curve, a distance of 235.8 feet, the long chord bears South 7° 23' East 235.2 feet; thence South 42.4 feet along said road right of way line to a point of beginning.

PARCEL 3

A parcel of land lying in Section 35, Township 35 South, Range 12 East of the Willamette Meridian, described as follows:

Those parts of the S½S½NW½NW½ and of the SW½NW½ lying Northwesterly of Indian Service Road S-65 commonly known as Godowa Springs Road.

SUBJECT TO:

1. Rights of the public in and to any portion of said premises lying within the limits of roads and highways.
  2. Recitals as set forth in deed from David Chocktoot and Clara Chocktoot, husband and wife, to John Mills and Lillian Louise Mills in Deed recorded June 24, 1955 in Deed Volume 275 at page 330 as follows: "This document is subject to any existing easements for public utilities, and for railroads and pipe lines and for any other easements or other rights of way for record. All subsurface rights, excepting water, are hereby reserved, in trust for the grantors."
  3. Application, including the terms and provisions thereof, for right of way, as disclosed by an instrument recorded June 11, 1958 in Miscellaneous Volume 12 at page 573, affecting the SE½SW½ Section 34, from John Mills and Lillian Louise Mills to the United States of America.
  4. Application, including the terms and provisions thereof, for right of way, as disclosed by an instrument recorded March 25, 1959 in Miscellaneous Volume 13 at page 400, from John Mills and Lillian Louise Mills to the United States of America. (Affects SE½ Sec. 34)
  5. Right of way to Klamath County for Godowa Springs Road across SE½NE½ Section 34 as disclosed by Land Status Report recorded November 3, 1958 in Book 305 at page 643, Deed Records.
  6. Mortgage, including the terms and provisions thereof, with interest thereon and such future advances as may be provided therein, given to secure the payment of \$125,000.00
 

|           |   |                       |
|-----------|---|-----------------------|
| Dated     | : January 18, 1977  | Book: M-77 Page: 1310 |
| Recorded  | : January 24, 1977  |                       |
| Mortgagor | : Martin W. Carelli and Lozetta C. Carelli, husband and wife  |                       |
| Mortgagee | : State of Oregon, represented and acting by the Director of Veterans' Affairs, and re-recorded May 25, 1977 in Book: M-77 at page: 9093, which Mortgage the grantees | Exhibit A Page 40     |
- herein assume and agree to pay according to the terms contained therein.

7. As disclosed by the assessment and tax roll, the premises herein have been specially assessed for farm use. If the land becomes disqualified for this special assessment under the statutes, an additional tax, plus interest and penalty, will be levied for the number of years in which this special assessment was in effect for the land.

8. Rights of the public and of governmental bodies in that portion of the above described property lying below the high water mark of Sycan River, and the ownership of the State of Oregon in that portion lying below the water mark thereof.

9. Rights of the public and of governmental bodies in that portion of the above described property lying within the marsh or dry lake area.

STATE OF OREGON, *Clatsop* }  
County of *Clatsop* }

BE IT REMEMBERED, That on this *7* day of *May*, 1983, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named *MYREL R. MOORE and SONDR A. MOORE, Husband and wife*

known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that *they* executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

*Jolanda R. Shelton*  
Notary Public for Oregon, *Clatsop*  
My Commission expires *9.1.85*

GENERAL ACKNOWLEDGMENT  
Form No. 9-16

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record  
this *16th* day of *May* A.D. 1983 at *10:56* clock A.M.

duly recorded in Vol. *MB3*, of *deeds* on a *756B*.

12.00 fee  
By *Evelyn Behn*, Clerk

36439 Aspen 32392 Vol. m89 Page 1463  
ESTOPPEL DEED

Retain

THIS INDENTURE between DONALD R. MANNING AND LILLIAN MANNING hereinafter called the first party, and THE STATE OF OREGON ACTING BY AND THROUGH THE DIRECTOR hereinafter called the second party; WITNESSETH: OF VETERANS' AFFAIRS

Whereas, the title to the real property hereinafter described is vested in fee simple in the first party, subject to the lien of a mortgage or trust deed recorded in the mortgage records of the county hereinafter named, in book/reel/volume No. \*\* at page \*\* thereof be as fee/file/instrument/microfilm/reception No. (state which), reference to said records hereby being made, and the notes and indebtedness secured by said mortgage or trust deed are now owned by the second party, on which notes and indebtedness there is now owing and unpaid the sum of \$153,833.00, the same being now in default and said mortgage or trust deed being now subject to immediate foreclosure, and whereas the first party, being unable to pay the same, has requested the second party to accept an absolute deed of conveyance of said property in satisfaction of the indebtedness secured by said mortgage and the second party does now accede to said request.

NOW, THEREFORE, for the consideration hereinafter stated (which includes the cancellation of the notes and indebtedness secured by said mortgage or trust deed and the surrender thereof marked "Paid in Full" to the first party), the first party does hereby grant, bargain, sell and convey unto the second party, his heirs, successors and assigns, all of the following described real property situate in KLAMATH County, State of OREGON, to-wit:

- \*\* ORIGINAL NOTE AND MORTGAGE RECORDED IN BOOK M-77 PAGE 1310  
RE-RECORDED IN BOOK M-77 PAGE 9093  
ASSUMPTION AGREEMENT RECORDED IN BOOK M-83 PAGE 7571

SEE ATTACHED EXHIBIT "B" FOR LEGAL DESCRIPTION

- (ACCOUNT NUMBERS: 0290447 R (CODE 8 MAP 3512-3400 TL 200)  
0290474 R (CODE 8 MAP 3512-3400 TL 800)  
0290483 R (CODE 8 MAP 3512-3400 TL 700)  
0290456 R (CODE 8 MAP 3512-3400 TL 500)

together with all of the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining; (CONTINUED ON REVERSE SIDE)

DONALD R. MANNING  
Rt 1, Box 18  
Bonanza, OR 97623  
GRANTOR'S NAME AND ADDRESS

Department of Veterans' Affairs  
700 Summer St. NE  
Salem, OR 97310-1201  
GRANTOR'S NAME AND ADDRESS

After recording return to:  
Department of Veterans' Affairs  
700 Summer St. NE  
Salem, OR 97310-1201  
NAME, ADDRESS, ZIP

Until a change is requested all tax statements shall be sent to the following address:  
Department of Veterans' Affairs  
700 Summer St. NE  
Salem, OR 97310-1201  
NAME, ADDRESS, ZIP

WVN/KCP

STATE OF OREGON,  
County of } ss.

I certify that the within instrument was received for record on the ..... day of ..... 19....., at ..... o'clock .....M., and recorded in book/reel/volume No. .... on page ..... or as fee/file/instrument/microfilm/reception No. ...., Record of Deeds of said county.

Witness my hand and seal of County affixed.

By ..... Deputy

Exhibit A  
Page 42 of 50

rec'd 1-19-89 RP

51 1101 37 JAN 23 1989

TO HAVE AND TO HOLD the same unto said second party, his heirs, successors and assigns forever. And the first party, for himself and his heirs and legal representatives, does covenant to and with the second party, his heirs, successors and assigns, that the first party is lawfully seized in fee simple of said property, free and clear of incumbrances except said mortgage or trust deed and further except NONE

that the first party will warrant and forever defend the above granted premises, and every part and parcel thereof against the lawful claims and demands of all persons whomsoever, other than the liens above expressly excepted; that this deed is intended as a conveyance, absolute in legal effect as well as in form, of the title to said premises to the second party and all redemption rights which the first party may have therein, and not as a mortgage, trust deed or security of any kind; that possession of said premises hereby is surrendered and delivered to said second party; that in executing this deed the first party is not acting under any misapprehension as to the effect thereof or under any duress, undue influence, or misrepresentation by the second party, or second party's representatives, agents or attorneys; that this deed is not given as a preference over other creditors of the first party and that at this time there is no person, co-partnership or corporation, other than the second party, interested in said premises directly or indirectly, in any manner whatsoever, except as aforesaid.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$ NONE. However, the actual consideration consists of or includes other property or value given or promised which is part of the consideration (indicate which).

In construing this instrument, it is understood and agreed that the first party as well as the second party may be more than one person; that if the context so requires, the singular shall be taken to mean and include the plural; that the singular pronoun means and includes the plural, the masculine, the feminine and the neuter and that, generally, all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

IN WITNESS WHEREOF, the first party above named has executed this instrument; if first party is a corporation, it has caused its corporate name to be signed hereto and its corporate seal affixed by its officers duly authorized thereunto by order of its Board of Directors.

Dated . 19

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES.

Donald R. Manning
DONALD R. MANNING
Lillian Manning
LILLIAN MANNING

(If the signer of the above is a corporation, use the form of acknowledgment opposite.)

STATE OF OREGON, County of Clatsop. The foregoing instrument was acknowledged before me this 19th day of 19 by DONALD R. MANNING AND LILLIAN MANNING

My commission expires: 3-28-93
Notary Public for Oregon

STATE OF OREGON, County of . The foregoing instrument was acknowledged before me this 19th day of 19 by president, and by secretary of

Notary Public for Oregon
My commission expires:
(SEAL)

NOTE-The sentence between the symbols (S), if not applicable, should be deleted. See ORS 93.036.

(If executed by a corporation, affix corporate seal)

## EXHIBIT "B"

Retain  
w/MSFS65PARCEL 1

The ~~SE1/4NE1/4~~, ~~E1/2SW1/4~~ and the ~~SE1/4~~ of Section 34, Township 35 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

PARCEL 2

Section 34, Township 35 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon, the ~~SE1/4NE1/4~~,

EXCEPTING THEREFROM that portion of the ~~SE1/4NE1/4~~, (also known as the Clark Chockfoot Allotment #1001), lying East of the Klamath County Road, and that portion of said allotment lying West of the Klamath County Road and described by metes and bounds as follows:

Beginning on the West boundary of Klamath County Road right of way, which point bears West, 40.0 feet from the quarter section corner common to Sections 34 and 35, Township 35 South, Range 12 East of the Willamette Meridian; thence West 150.0 feet along the South boundary of said ~~SE1/4NE1/4~~, Section 34; thence North 370.0 feet; thence East, 99.0 feet; thence South 14° 46' East, 97.5 feet along said road right of way line; thence continuing on said right of way along the arc of a 6° 16' curve, a distance of 235.8 feet, the long chord bears South 7° 23' East 235.2 feet; thence South 42.4 feet along said road right of way line to a point of beginning.

PARCEL 3

A parcel of land lying in Section 35, Township 35 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon, described as follows:

Those parts of the ~~S1/2S1/2NW1/4NW1/4~~ and of the ~~SW1/4NW1/4~~ lying Northwesterly of Indian Service Road S-65 commonly known as Godowa Springs Road.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Aspen Title Co. the 25th day  
of Jan. A.D. 19 89 at 11:15 o'clock A.M., and duly recorded in Vol. 889  
of Deeds on Page 1463.

FEE \$18.00

Evelyn Biehn, County Clerk

By Pauline McClenahan

Exhibit A  
Page 44 of 50

As per 92332  
M-58565 ED

96430

Volume 87 Page 1466

KNOW ALL MEN BY THESE PRESENTS, That Lowell Sharp and Mary Jo Sharp, husband and wife in consideration of the sum of None DOLLARS does hereby release from the lien of a certain mortgage executed by Donald R. Manning and Lillian Manning, husband and wife dated May 4, 19 83, in favor of Lowell Sharp and Mary Jo Sharp, husband and wife, dated May 4, 19 83, in favor of Lowell Sharp and Mary Jo Sharp, husband and wife, dated May 16, 19 83, and recorded in the mortgage records of Klanath County, Oregon on May 16, 19 83 in book 100998 No. M-83 at page 7573 thereof or as not recorded thereof (indicate which); the following described premises therein described, viz:

See Exhibit "B"

1989 JUN 25 AM 11 15

In construing this instrument and whenever the context so requires, the singular includes the plural.  
 IN WITNESS WHEREOF, the undersigned has hereunto set his hand; if the undersigned is a corporation, it has caused its corporate name to be signed and its corporate seal to be affixed hereunto by its officers duly authorized thereunto by order of its board of directors.

Dated May 16, 19 83.

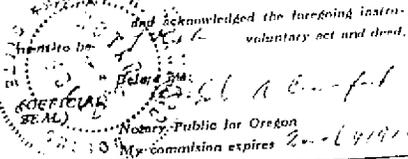
Lowell Sharp  
Lowell Sharp

Mary Jo Sharp  
Mary Jo Sharp

If the signer of the above is a corporation, use the form of acknowledgment opposite.

STATE OF OREGON, } ss.  
 County of CLATSOP, }  
Lowell Sharp, }  
 Personally appeared the above named }  
Lowell Sharp }  
 and acknowledged the foregoing instru- }  
 ment to be his }  
 voluntary act and deed. }  
 Before me: }  
Robert A. Campbell }  
 Notary Public for Oregon }  
 My commission expires 2-14-91 }

STATE OF OREGON, County of \_\_\_\_\_, ss.  
 Personally appeared \_\_\_\_\_, 19\_\_\_\_, and \_\_\_\_\_, 19\_\_\_\_, each for himself and not one for the other, did say that the former is the \_\_\_\_\_, being duly sworn, president and that the latter is the secretary of \_\_\_\_\_, 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 in behalf of said corporation by authority of its board of directors; and each of them acknowledged said instrument to be its voluntary act and deed.  
 Before me:  
 \_\_\_\_\_  
 Notary Public for Oregon  
 My commission expires: \_\_\_\_\_  
 (OFFICIAL SEAL)



**RELEASE OF MORTGAGE WITHOUT WAIVER OF DEBT**  
 Lowell & Mary Jo Sharp  
 TO  
 State of Oregon, Dept. of Veterans' Affairs  
 AFTER RECORDING RETURN TO  
 Department of Veterans' Affairs  
 700 Sumner St. NE  
 Salem, OR 97310-1201

DO NOT USE THIS SPACE HEREIN FOR RECORDING LABEL IN COUNTIES WHERE USED.

STATE OF OREGON, } ss.  
 County of \_\_\_\_\_, }  
 I certify that the within instrument was received for record on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M., and recorded in book \_\_\_\_\_ of volume No. \_\_\_\_\_ on page \_\_\_\_\_ or as fee/file/instrument/microfilm/reception No. \_\_\_\_\_ Record of Mortgages of said County.  
 Witness my hand and seal of County affixed.

By \_\_\_\_\_ Deputy

Exhibit A  
 Page 45 of 50

OCT 06 1988

EXHIBIT "B"

PARCEL 1

The S½NE½NE½, E½SW½ and the SE½ of Section 34, Township 35 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

PARCEL 2

Section 34, Township 35 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon, the SE½NE½,

EXCEPTING THEREFROM that portion of the SE½NE½, (also known as the Clark Chocktoot Allotment #1001), lying East of the Klamath County Road, and that portion of said allotment lying West of the Klamath County Road and described by metes and bounds as follows:

Beginning on the West boundary of Klamath County Road right of way, which point bears West, 40.0 feet from the quarter section corner common to Sections 34 and 35, Township 35 South, Range 12 East of the Willamette Meridian; thence West 150.0 feet along the South boundary of said SE½NE½, Section 34; thence North 370.0 feet; thence East, 95.0 feet; thence South 14° 46' East, 97.5 feet along said road right of way line; thence continuing on said right of way along the arc of a 6° 16' curve, a distance of 235.8 feet, the long chord bears South 7° 23' East 235.2 feet; thence South 42.4 feet along said road right of way line to a point of beginning.

PARCEL 3

A parcel of land lying in Section 35, Township 35 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon, described as follows:

Those parts of the S½S½NW½NW½ and of the SW½NW½ lying Northwesterly of Indian Service Road S-65 commonly known as Godowa Springs Road.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Aspen Title Co. the 25th day of Jan. A.D. 19 89 at 11:15 o'clock AM. and duly recorded in Vol. M89 of Mortgages on Page 1466.  
Evelyn Biehn County Clerk  
By Dorothy Bullinger

FEE \$13.00

OL

96431

Vol. 1468 Page 1468

KNOW ALL MEN BY THESE PRESENTS, That James P. McGown, Jr. and Betty J. McGown, husband and wife in consideration of the sum of None DOLLARS does hereby release from the lien of a certain mortgage executed by Donald R. Manning and Lillian Manning, husband and wife mortgagee dated May 4, 19 83, in favor of James P. McGown, Jr. and Betty J. McGown, husband and wife mortgagee; and recorded in the mortgage records of Klamath County, Oregon on May 16, 19 83, in book/160700000 No. M-83 at page 7573 thereof or as best described on the attached page(s) (indicate which); the following described premises therein described, viz:

See Exhibit "B"

In construing this instrument and whenever the context so requires, the singular includes the plural.  
 IN WITNESS WHEREOF, the undersigned has hereunto set his hand; if the undersigned is a corporation, it has caused its corporate name to be signed and its corporate seal to be affixed hereunto by its officers duly authorized thereunto by order of its board of directors.  
 Dated Oct. 6, 19 88

James P. McGown, Jr.

Betty J. McGown  
Betty McGown

(If the signer of the above is a corporation, use the term of acknowledgment appropriate.)

STATE OF OREGON,

County of Klamath  
Oct. 6, 19 88

Personally appeared the above named Betty J. McGown

and acknowledged the foregoing instrument to be her voluntary act and deed.

Before me, Marie Campbell  
(OFFICIAL SEAL) Notary Public for Oregon  
My commission expires 6.25.89

ORS 73.490

STATE OF OREGON, County of \_\_\_\_\_, 19 \_\_\_\_\_

Personally appeared \_\_\_\_\_ and \_\_\_\_\_ who, being duly sworn, each for himself and not one for the other, did say that the former is the president and that the latter is the secretary of \_\_\_\_\_ 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 in behalf of said corporation by authority of its board of directors; and each of them acknowledged said instrument to be its voluntary act and deed.

Before me: \_\_\_\_\_ Notary Public for Oregon  
My commission expires: \_\_\_\_\_

(OFFICIAL SEAL)

RELEASE OF MORTGAGE WITHOUT WAIVER OF DEBT

James P. McGown, Jr. & Betty J. McGown

State of Oregon, Dept of Veterans' Affairs

AFTER RECORDING RETURN TO

Department of Veterans' Affairs  
700 Summer St. NE  
Salem, OR 97310-1201

No.

160

STATE OF OREGON,

County of \_\_\_\_\_ ss.

I certify that the within instrument was received for record on the \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_ at \_\_\_\_\_, \_\_\_\_\_, and recorded in book \_\_\_\_\_ volume No. \_\_\_\_\_ page \_\_\_\_\_ or as fee/file/instrument/microfilm/reception No. \_\_\_\_\_ Record of Mortgages of said County. Witness my hand and seal of County affixed.

NAME

TITLE

By \_\_\_\_\_ Deputy

OCT 07 1988

Exhibit A  
Page 47 of 50

## EXHIBIT "B"

PARCEL 1

The S½NE¼NE¼, E½SW¼ and the SE¼ of Section 34, Township 35 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

PARCEL 2

Section 34, Township 35 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon, the SE¼NE¼,

EXCEPTING THEREFROM that portion of the SE¼NE¼, (also known as the Clark Chocktoot Allotment #1001), lying East of the Klamath County Road, and that portion of said allotment lying West of the Klamath County Road and described by metes and bounds as follows:

Beginning on the West boundary of Klamath County Road right of way, which point bears West, 40.0 feet from the quarter section corner common to Sections 34 and 35, Township 35 South, Range 12 East of the Willamette Meridian; thence West 150.0 feet along the South boundary of said SE¼NE¼, Section 34; thence North 370.0 feet; thence East, 95.0 feet; thence South 14° 46' East, 97.5 feet along said road right of way line; thence continuing on said right of way along the arc of a 6° 16' curve, a distance of 235.8 feet, the long chord bears South 7° 23' East 235.2 feet; thence South 42.4 feet along said road right of way line to a point of beginning.

PARCEL 3

A parcel of land lying in Section 35, Township 35 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon, described as follows:

Those parts of the S½S¼NW¼NW¼ and of the SW¼NW¼ lying Northwesterly of Indian Service Road S-65 commonly known as Godowa Springs Road.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Aspen Title Co. the 25th day  
of Jan. A.D. 19 89 at 11:15 o'clock AM., and duly recorded in Vol. M89  
of Mortgages on Page 1468  
FEE \$13.00 Evelyn Biehn County Clerk  
By Ruth M. Biehn

Exhibit A  
Page 48 of 50

Aspen 32332  
M58565

Vol. m89 Page 1470

96432

KNOW ALL MEN BY THESE PRESENTS, That Myrel R. Moore and Sondra N. Moore, in consideration of the sum of None DOLLARS does hereby release from the lien of a certain mortgage executed by Donald R. Manning and Lillian Manning, Husband and wife dated May 4, 1983 in favor of Myrel R. Moore and Sondra N. Moore, mortgagee; Husband and wife County, Oregon on May 16, 1983 and recorded in the mortgage records of Klamath thereof or as None in book/None No. M-83 at page 7573 (indicate which); the following described premises therein described, viz:

See Exhibit "B"

In construing this instrument and whenever the context so requires, the singular includes the plural. IN WITNESS WHEREOF, the undersigned has hereunto set his hand; if the undersigned is a corporation, it has caused its corporate name to be signed and its corporate seal to be affixed hereunto by its officers duly authorized thereunto by order of its board of directors.

Dated October 31, 1988

Myrel R. Moore  
Myrel R. Moore  
Sondra N. Moore  
Sondra N. Moore

If the signer of the above is a corporation, use the form of acknowledgment opposite.  
STATE OF OREGON,  
County of Denver,  
October 31, 1988.

Personally appeared the above named Myrel R. Moore and Sondra N. Moore

and acknowledged the foregoing instrument to be their voluntary act and deed.  
Notary Public for Oregon  
My commission expires Nov. 5, 1991

STATE OF OREGON, County of \_\_\_\_\_, 19\_\_\_\_ ss.  
Personally appeared \_\_\_\_\_, who, being duly sworn, each for himself and not one for the other, did say that the latter is the president and that the latter is the secretary of \_\_\_\_\_ 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 in the full of said corporation by authority of its board of directors; and each of them acknowledged said instrument to be its voluntary act and deed.  
Before me:  
Notary Public for Oregon  
My commission expires: \_\_\_\_\_

RELEASE OF MORTGAGE WITHOUT WAIVER OF DEBT

Myrel R. & Sondra N. Moore  
TO  
State of Oregon, Dept of  
Veterans' Affairs  
AFTER RECORDING RETURN TO  
Department of Veterans' Affairs  
700 Summer St. NE  
Salem, OR 97310-1201

STATE OF OREGON, County of \_\_\_\_\_, ss.  
I certify that the within instrument was received for record on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_ at \_\_\_\_\_ o'clock M. and recorded in book/reel volume No. \_\_\_\_\_ page \_\_\_\_\_ or as fee/title/instrument/microfilm/reception No. \_\_\_\_\_ Record of Mortgages of said County.  
Witness my hand and seal of County affixed.

By \_\_\_\_\_ Deputy

88 JAN 25 4 11 PM '88

## EXHIBIT "B"

PARCEL 1

The S½NE½NE½, E½SW½ and the SE½ of Section 34, Township 35 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

PARCEL 2

Section 34, Township 35 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon, the SE½NE½,

EXCEPTING THEREFROM that portion of the SE½NE½, (also known as the Clark Chocktoot Allotment #1001), lying East of the Klamath County Road, and that portion of said allotment lying West of the Klamath County Road and described by metes and bounds as follows:

Beginning on the West boundary of Klamath County Road right of way, which point bears West, 40.0 feet from the quarter section corner common to Sections 34 and 35, Township 35 South, Range 12 East of the Willamette Meridian; thence West 150.0 feet along the South boundary of said SE½NE½, Section 34; thence North 370.0 feet; thence East, 95.0 feet; thence South 14° 46' East, 97.5 feet along said road right of way line; thence continuing on said right of way along the arc of a 6° 16' curve, a distance of 235.8 feet, the long chord bears South 7° 23' East 235.2 feet; thence South 42.4 feet along said road right of way line to a point of beginning.

PARCEL 3

A parcel of land lying in Section 35, Township 35 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon, described as follows:

Those parts of the S½S½NW½NW½ and of the SW½NW½ lying Northwesterly of Indian Service Road S-65 commonly known as Godowa Springs Road.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Aspen Title Co. the 25th day  
of Jan. A.D. 19 89 at 11:15 o'clock AM. and duly recorded in Vol. 389  
of Mortgages on Page 1470  
Evelyn Biehn County Clerk  
By [Signature]

FEE \$13.00

Exhibit A  
Page 50 of 50

# **Exhibit**

# **B**

## **Fuel and Pipe Documents**

**Case No. 216**

**Claim: 102**

Highlighted lines are related to the Irrigation Questions

Automobile 1989 cost

| Check No. | Date | Description                | Amount | Check No. | Date  | Description              | Amount |
|-----------|------|----------------------------|--------|-----------|-------|--------------------------|--------|
| 6824      | 5/5  | Mary Ford                  | 222.53 | 1992      | 8/14  | Payless Oil              | 111.88 |
|           |      | Tractor                    | 92.30  | 1999      | 8/18  | Hornest Ford Door Handle | 15.75  |
|           |      | Truck                      | 60.22  | 1014      | 9/30  | Payless Oil              | 21.36  |
| 6859      | 5/28 | Nova's Volatiles Regulator | 27.53  | 779       | 8/6   | Express Low Gas          | 119.50 |
| 744       | 5/24 | Specialized Batteries      | 48.74  | 784       | 8/27  | Beatty's Store           | 16.49  |
|           |      | Kemper Ins.                | 29.00  |           |       |                          |        |
|           |      | June                       |        | 7631      | 9/8   | Clough Ford Tractor      | 132.50 |
| 6886      | 6/6  | Ford Tractor               | 199.03 |           |       |                          | 93.71  |
|           |      | Orville                    | 163.79 | 917       |       | Kemper Ins.              | 28.20  |
| 764       | 6/22 | Kemper Ins.                | 74.72  |           |       |                          | 18.00  |
|           |      | July                       | 29.00  |           |       |                          |        |
|           |      | July                       |        | 7576      | 10/7  | Clough Toyota Ford       | 163.09 |
| 6931      | 7/16 | Clough Oil Ford Tractor    | 171.78 |           |       |                          | 88.51  |
|           |      | Tractor                    | 90.94  | 7573      | 10/7  | Beatty's Stone Gas       | 31.36  |
| 771       | 7/16 | Beatty's Stone Gas         | 11.38  | 794       | 10/17 | Big-R Oil Truck          | 5.00   |
|           |      |                            |        | 1012      |       | Kemper Ins.              | 7.92   |
|           |      | August                     |        |           |       |                          | 37.00  |
| 6982      | 8/4  | Clough Ford Tractor        | 106.61 |           |       |                          |        |
|           |      | Oil                        | 79.03  | 1009      | 11/2  | Kemper Ins.              | 62.00  |

Automobile Expense 1991 amt

| CK No | Date | Description           | Amount | Month               | Year | Amount |
|-------|------|-----------------------|--------|---------------------|------|--------|
| 7367  | 4/16 | Ten Minute Oil Change | 21 95  | August              | 1991 | 159 71 |
| 7382  | 4/25 | Summit Toyota         | 19 20  | Clough Oil Co.      | 1991 | 77 00  |
| 814   | 4/21 | Basin Tire            | 146 30 | Kemper Ins          | 1991 | 21 95  |
|       |      |                       | 315 88 | Ten Minute Car      | 1991 | 21 00  |
|       |      |                       |        | Beatty Store fuel   | 1991 | 19 00  |
|       |      |                       |        | Beatty Store fuel   | 1991 | 20 30  |
|       |      |                       |        | Beatty Store fuel   | 1991 | 318 96 |
| 7390  | 5/4  | Clough Oil            | 141 20 | September           | 1991 |        |
| 7401  | 5/9  | Beatty Fuel           | 21 95  | Clough Oil          | 1991 | 115 35 |
| 7391  | 5/4  | Kemper Ins            | 29 00  | Kemper Ins          | 1991 | 45 00  |
|       |      |                       | 192 20 | Ten Minute Car      | 1991 | 21 95  |
|       |      |                       |        | Beatty Store fuel   | 1991 | 22 00  |
|       |      |                       |        | Beatty Store fuel   | 1991 | 9 50   |
| 7432  | 6/5  | Clough Oil            | 133 75 | October             | 1991 | 213 80 |
| 7437  | 6/5  | Kemper Ins            | 67 00  | Clough Oil          | 1991 | 180 96 |
| 822   | 6/2  | Beatty Store fuel     | 16 00  | Kemper Ins          | 1991 | 90 00  |
| 7469  | 6/2  | Ten Minute Toyota     | 21 95  | Beatty Stor         | 1991 | 25 00  |
|       |      |                       | 238 68 | Ten Minute Car      | 1991 | 21 95  |
|       |      |                       |        | Bly Service Station | 1991 | 21 69  |
|       |      |                       |        |                     | 1991 | 339 60 |
| 7478  | 7/5  | Clough Oil            | 105 01 |                     |      |        |
| 7482  | 7/5  | Kemper Ins            | 79 00  |                     |      |        |
| 847   | 7/20 | Beatty Store fuel     | 14 00  |                     |      |        |
|       | 7/2  |                       | 198 01 |                     |      |        |

Equipment 1991

| Month    | Item  | Amount |
|----------|---|--------|
| January  |   |        |
| February |   |        |
| March    |   |        |
| April    |   |        |
| 1603     | 4/10 Herman Anderson<br>Pipe Rental           | 75000  |
| 1606     | 4/8 Wisema Electric<br>Panel Safety Motor Box | 76000  |
| 1609     | 4/9 J.W. Kerns<br>Pump hook-ups               | 30100  |
|          |   | 191100 |
| May      |   |        |
| 1617     | 5/3 J.W. Kerns<br>Pipe Parts                  | 5355   |
| 1619     | 5/3 J.W. Kerns<br>Irrigation                  | 17810  |
| 1620     | 5/16 James Murphy<br>Pump Basket              | 4000   |
|          |   | 27105  |



Equipment 1992

Equipment 1991

| Year | Month    | Item Description      | Quantity           | Value  |       |
|------|----------|-----------------------|--------------------|--------|-------|
| 1991 | January  |                       |                    |        |       |
|      | February | Herman Anderson Pipes | 360                | 50000  |       |
|      | March    |                       |                    |        |       |
|      | April    | Herman Anderson Pipes | 430                | 135000 |       |
|      | May      | J.W. Kerns Value      | 5/14               | 470    |       |
|      | June     | Kerns Plugs           | 6/5                | 5560   |       |
|      | 1992     | June                  | Kerns Value        | 4/25   | 895   |
|      |          | July                  | Winema Elec. Pined | 7/2    | 20500 |
|      |          | November              | Big-R Gates        | 8991   | 18500 |
|      |          |                       |                    |        |       |
|      |          |                       |                    |        |       |

DEAN WALKER  
CHLOE WALKER  
PO BOX 190 533-2246  
BEATTY, OREGON 97621

6DL# 1707912 De 18600.00  
19-7085/3250 2098

APR 9 1995

PAY TO THE ORDER OF Herman Anderson

One Thousand Eight Hundred Fifty Dollars

WASHINGTON MUTUAL  
A Federal Savings Bank  
Klamath Falls Financial Center 253  
2655 Shasta Way  
Klamath Falls, OR 97603

FOR 1850 Spic rent Adam Walker

1850.00

CHARLAND 1992

DEAN WALKER  
CHLOE WALKER  
PO BOX 190 533-2246  
BEATTY, OREGON 97621

1750.00 2052  
19-7085/3250

APR 24 1994

PAY TO THE ORDER OF Herman Anderson

One Thousand Eight Hundred Fifty Dollars

WASHINGTON MUTUAL  
A Federal Savings Bank  
Klamath Falls Financial Center 253  
2655 Shasta Way  
Klamath Falls, OR 97603

FOR Spic Rent - 94 Adam Walker

1850.00

CHARLAND 1992

DEAN WALKER  
CHLOE WALKER  
PO BOX 190 533-2246  
BEATTY, OREGON 97621

1862  
19-7155/3250

APR 13 1994

PAY TO THE ORDER OF Herman Anderson

One Thousand Eight Hundred Fifty Dollars

WASHINGTON MUTUAL  
A Federal Savings Bank  
Klamath Falls Branch  
PO Box 3935  
Klamath Falls, OR 97603

FOR Spic Rent Adam Walker

1850.00

PROCESSED 041493 014020100120

CHARLAND 1992

DEAN WALKER  
CHLOE WALKER  
PO BOX 190 533-2246  
BEATTY, OREGON 97621

005# 1707912  
9-3-91 March 13 1998

PAY TO THE ORDER OF Herman Anderson

One Thousand Eight Hundred Fifty and 00/100

WASHINGTON MUTUAL  
A Federal Savings Bank  
Klamath Falls Financial Center 253  
2655 Shasta Way  
Klamath Falls, OR 97603

FOR Pipe Rental 1998 To Spic Adam Walker

CHARLAND 1992

DEAN WALKER  
CHLOE WALKER  
PO BOX 190 533-2246  
BEATTY, OREGON 97621

8x 100 1200  
2 April 11 1997

PAY TO THE ORDER OF Herman Anderson

One Thousand Eight Hundred Fifty and 00/100

WASHINGTON MUTUAL  
A Federal Savings Bank  
Klamath Falls Financial Center 253  
2655 Shasta Way  
Klamath Falls, OR 97603

FOR Pipe Rental Adam Walker

CHARLAND 1992

DEAN WALKER  
CHLOE WALKER  
PO BOX 190 533-2246  
BEATTY, OREGON 97621

May 13 1996

PAY TO THE ORDER OF Herman Anderson

One Thousand Eight Hundred Fifty and 00/100

WASHINGTON MUTUAL  
A Federal Savings Bank  
Klamath Falls Financial Center 253  
2655 Shasta Way  
Klamath Falls, OR 97603

FOR Adam Walker

CHARLAND 1992





1997

Animals  
~~MOVING EXPENSES~~

Animals  
~~CASUALTY LOSSES AND THEFTS~~

| DESCRIPTION                             | AMOUNT     | TO WHOM PAID                             | AMOUNT     |
|---|------------|--|------------|
| 1/5 - 11468 - Washington Mutual         | 60.00      | 5/60 J.W. Kerns speaker Repair           | 109.70     |
| 1/29 11508 - Beatty Stone meal          | 11.50      | 5/22 Sway Tamer Trailer Htd              | 115.00     |
| 3/6 11517 - [REDACTED]                  | [REDACTED] | 5/22 [REDACTED]                          | [REDACTED] |
| 2/6 11521 - Baumann Vet<br>Tug & Smoky  | 60.00      | 6/5 - 11789 - Valley Ramp                | 200.00     |
| 2/6 11522 - Washington Mutual           | 60.00      | [REDACTED]                               | [REDACTED] |
| 3/6 11517 - [REDACTED]                  | [REDACTED] | 6/5 - 11727 - Washington Mutual          | 100.00     |
| 3/7 11578 Washington Mutual             | 100.00     | 6/5 - 11729 - Pacific Power              | 683.9      |
| 3/10 11591 Linda Bagley paym<br>Tractor | 200.00     | 6/6 - 11740 Woolery Trans.<br>vins stans | 55.94      |
| 3/3 2173 Klamath County<br>Dog Tags     | 28.00      | [REDACTED]                               | [REDACTED] |
| [REDACTED]                              | [REDACTED] | 6/7 - 11746 Baumann Vet (Dogs)           | 20.00      |
| 3/15 11599 Rod Lyon 72<br>Haley         | 288.00     | [REDACTED]                               | [REDACTED] |
| [REDACTED]                              | [REDACTED] | 7/3 11772 Valley Ramp                    | 210.00     |
| [REDACTED]                              | [REDACTED] | [REDACTED]                               | [REDACTED] |
| 4/11 2176 Herman Anderson Repa          | 1850.00    | 7/3 11776 Pacific Power                  | 684.0      |
| [REDACTED]                              | [REDACTED] | 7/3 11779 Baumann Vet<br>weedmaster      | 50.00      |
| [REDACTED]                              | [REDACTED] | 7/3 11796 Big-B                          | 34.95      |
| [REDACTED]                              | [REDACTED] | 7/7 11799 Valley Ramp                    | 12.23      |
| <b>TOTAL</b>                            |            | <b>TOTAL</b>                             |            |

| Animals CASUALTY LOSSES AND THEFTS 1908 |            | Animals MOVING EXPENSES      |         |
|---|------------|------------------------------|---------|
| DESCRIPTION                             | AMOUNT     | TO WHOM PAID                 | AMOUNT  |
| [REDACTED]                              | [REDACTED] | 5/5 12266 Washington Mutual  | 100 00  |
| 12087 Breat Hill Payment                | 200 00     | 5/6 12281 Big R Vet          | 14 70   |
| [REDACTED]                              | [REDACTED] | 5/15 2232 Fodder Cattle      | 1500 00 |
| [REDACTED]                              | [REDACTED] | 6/5 12309 Breat Hill vet     | 200 00  |
| 2/6 12124 Breat Hill Payment            | 200 00     | 6/5 12327 Pacific Power      | 68 40   |
| 2/6 12135 Baumann Vet Smoky             | 25 00      | 6/5 12327 Big R Salt - 2970  | 33 70   |
| 2/6 12137 Klamath County TAGS           | 21 00      | 6/5 12331 Washington Mutual  | 100 00  |
| 2/28 12170 Big-R Chainsaw               | 3 97       | [REDACTED]                   | 80 00   |
| 2/28 12174 Breat Hill                   | 200 00     | 6/22 12113 John Fairclb Stud | 800 00  |
| 3/5 12180 Baumann Vet Smoky             | 40 70      | 7/2 2355 Washington Mutual   | 100 00  |
| 3/5 12188 Washington Mutual             | 100 00     | [REDACTED]                   | 800 00  |
| 3/7 12196 American Feed Boots           | 12 99      | 7/5 2357 Pacific Power Pumps | 102 40  |
| 4/3 12216 Breat Hill                    | 200 00     | 7/6 2361 Smoky Baumann       | 50 68   |
| 4/3 12220 Washington Mutual             | 100 00     | 7/2 2361 Smoky Watha Pasture | 100 00  |
| 3/3 2220 Herman Anderson                | 1850 00    | 7/2 2244 Floyd A Boyd Parts  | 100 00  |
| 3/3 2219 Scott McKay                    | 200 00     | 7/6 12378 Basin Tire         | 17 00   |
| 5/1 12264 Breat Hill                    | 200 00     | 7/7 12381 Floyd A Boyd parts | 1 00    |
| <b>TOTAL</b>                            |            | <b>TOTAL</b>                 |         |

For free booklet on Disasters, Casualties and Thefts, write to Internal Revenue Service, Washington, D. C. 20224. Ask for Publication No. 547.

For free booklet on Moving Expenses, write to Internal Revenue Service, Washington, D. C. 20224. Ask for Publication No. 521.

7076/3250  
2590016937  
DATE April 12 2002

DEAN WALKER  
CHLOE WALKER  
42021 DREWS RD. 541-533-2246  
P.O. BOX 190  
BEATTY, OR 97621

PAY TO THE ORDER OF Herman Anderson \$ 1

One thousand Eight hundred fifty and 00/100

**WASHINGTON MUTUAL**  
A Federal Savings Bank  
Klamath Falls Financial Center 253  
2655 Shasta Way  
Klamath Falls, OR 97603  
1-800-786-7000  
24 hour Customer Service

MEMO Pipe Rental Chloe Walker 10000

DEAN WALKER  
CHLOE WALKER  
PO BOX 190 533-2246  
BEATTY, OREGON 97621

PAY TO THE ORDER OF Herman Anderson \$ 2003

One thousand Eight hundred fifty and 00/100

**WASHINGTON MUTUAL**  
A Federal Savings Bank  
Klamath Falls Financial Center 253  
2655 Shasta Way  
Klamath Falls, OR 97603

FOR Pipes Chloe Walker

DEAN WALKER  
CHLOE WALKER  
PO BOX 190 533-2246  
BEATTY, OREGON 97621

PAY TO THE ORDER OF Herman Anderson \$ 1

One thousand Eight hundred fifty and 00/100

**WASHINGTON MUTUAL**  
A Federal Savings Bank  
Klamath Falls Financial Center 253  
2655 Shasta Way  
Klamath Falls, OR 97603

FOR Pipe Rent Chloe Walker

2 JO  
19-7085/3250

DEAN WALKER  
CHLOE WALKER  
PO BOX 190 533-2246  
BEATTY, OREGON 97621

PAY TO THE ORDER OF Herman Anderson \$ 1850.00

One thousand Eight hundred fifty and 00/100 DOLLARS

**WASHINGTON MUTUAL**  
A Federal Savings Bank  
Klamath Falls Financial Center 253  
2655 Shasta Way  
Klamath Falls, OR 97603

FOR Pipe Rental Chloe Walker

DEAN WALKER  
CHLOE WALKER  
PO BOX 190 533-2246  
BEATTY, OREGON 97621

PAY TO THE ORDER OF Herman Anderson \$ 1850.00

One thousand Eight hundred fifty and 00/100 DOLLARS

**WASHINGTON MUTUAL**  
A Federal Savings Bank  
Klamath Falls Financial Center 253  
2655 Shasta Way  
Klamath Falls, OR 97603

FOR Pipe Rental 2000 Chloe Walker

DEAN WALKER  
CHLOE WALKER  
PO BOX 190 533-2246  
BEATTY, OREGON 97621

PAY TO THE ORDER OF Herman Anderson \$ 1850.00

One thousand Eight hundred fifty and 00/100 DOLLARS

**WASHINGTON MUTUAL**  
A Federal Savings Bank  
Klamath Falls Financial Center 253  
2655 Shasta Way  
Klamath Falls, OR 97603

FOR Pipe Rental Chloe Walker

**Profit or Loss From Farming**  
▶ Attach to Form 1040, Form 1041, or Form 1065, or Form 1065-B.  
▶ See instructions for Schedule F (Form 1040).

OMB No. 1545-0074  
**1999**  
Attachment  
Sequence No. 14

Name of proprietor: **DEAN AND CHLOE E. WALKER**

Social security number (SSN): **541-74-0462**

Principal product. Describe in one or two words your principal crop or activity for the current tax year:  
**CATTLE**

Enter code from Part IV: **112111**

Employer ID number (EIN), if any:

|                              |   |     |        |     |                                      |     |        |
|------------------------------|---|-----|--------|-----|--------------------------------------|-----|--------|
| repairs, etc., on your home. |   |     |        |     |                                      |     |        |
| 12                           | Car and truck expenses (see page F-4 - also attach Form 4562)                       | 12  | 3,169. | 25  | Pension and profit-sharing plans     | 25  |        |
| 13                           | Chemicals   | 13  |        | 26  | Rent or lease (see page F-6):        |     |        |
| 14                           | Conservation expenses (see page F-4)  | 14  |        | 26a | a Vehicles, machinery, and equipment | 26a | 1,850. |
| 15                           | Custom hire (machine work)  | 15  |        | 26b | b Other (land, animals, etc.)        | 26b | 6,272. |
| 16                           | Depreciation and section 179 expense deduction not claimed elsewhere (see page F-4) | 16  | 2,179. | 27  | Repairs and maintenance              | 27  | 100.   |
| 17                           | Employee benefit programs other than on line 25                                     | 17  |        | 28  | Seeds and plants purchased           | 28  |        |
| 18                           | Feed purchased  | 18  | 6,472. | 29  | Storage and warehousing              | 29  |        |
| 19                           | Fertilizers and lime  | 19  | 1,291. | 30  | Supplies purchased                   | 30  | 204.   |
| 20                           | Freight and trucking  | 20  |        | 31  | Taxes                                | 31  | 911.   |
| 21                           | Gasoline, fuel, and oil   | 21  | 85.    | 32  | Utilities                            | 32  | 838.   |
| 22                           | Insurance (other than health)   | 22  | 2,043. | 33  | Veterinary, breeding, and medicine   | 33  | 2,241. |
| 23                           | Interest:   |     |        | 34  | Other expenses (specify):            |     |        |
| a                            | Mortgage (paid to banks, etc.)  | 23a | 8,814. | a   | <b>LEGAL AND</b>                     | 34a |        |
| b                            | Other   | 23b | 456.   | b   | <b>ACCOUNTING FEES</b>               | 34b | 325.   |
| 24                           | Labor hired (less employment credits)   | 24  | 1,368. | c   | <b>STOCK SALE</b>                    | 34c |        |
|                              |   |     |        | d   | <b>EXPENSES</b>                      | 34d | 130.   |
|                              |   |     |        | e   | <b>BRAND RENEWAL</b>                 | 34e | 111.   |
|                              |   |     |        | f   |                                      | 34f |        |

|    | 1                                | 2     | 3     | 4     | 5        | 6      | 7     | 8             | 9        |
|----|----------------------------------|-------|-------|-------|----------|--------|-------|---------------|----------|
|    | Fertilizer                       | Vet   | Hay   | Labor | handbook | Pipe   | Power | Miscellaneous | Supplies |
|    |                                  |       |       |       |          | Cent   | Amper |               |          |
| 1  | April 2000                       |       |       |       |          |        |       |               |          |
| 2  | 4/2 2350 Jim Gould               |       |       | 10000 |          |        |       |               |          |
| 3  | 4/7 2550 American Feed           | 5533  |       |       |          |        |       |               |          |
| 4  | 4/20 13414 Basin Fert. liner     | 10000 |       |       |          |        |       |               |          |
| 5  | 4/11 2555 Chuck Reed             |       |       |       |          |        |       |               |          |
| 6  | 4/13 1555 Juniper Large Animal   | 15000 |       |       |          |        |       |               |          |
| 7  | 4/13 3559 Big-R Salt             | 1990  |       |       |          |        |       |               |          |
| 8  | 4/19 13406 Big-R (Horses)        | 1591  |       |       |          |        |       |               |          |
| 9  | 4/19 13403 Big-R                 |       |       |       |          |        |       |               |          |
| 10 | 4/26 13410 Juniper Large Animal  | 21130 |       |       |          |        |       |               |          |
| 11 | 4/28 2550 Hyde Vet               | 15500 |       |       |          |        |       |               |          |
| 12 | 4/11 2554 Gary Derry             |       | 65275 | 6000  |          |        |       |               |          |
| 13 |                                  | 10000 | 60744 |       |          |        |       |               |          |
| 14 |                                  |       |       |       |          |        |       |               |          |
| 15 | May                              |       |       |       |          |        |       |               |          |
| 16 | 5/5 2559 Tien haara (Sengal)     |       |       |       | 50000    |        |       |               |          |
| 17 | 5/10 2552 Joe Villagrana (Horse) |       |       | 8000  |          |        |       |               |          |
| 18 | 5/12 13430 Basin Fert. liner     | 10000 |       |       |          |        |       |               |          |
| 19 | 5/15 13445 Joe Villagrana        |       |       | 4000  |          |        |       |               |          |
| 20 | 5/26 13467 Juniper Large Animal  | 7160  |       |       |          |        |       |               |          |
| 21 | 5/26 13465 Facetic Power 4924924 |       |       |       |          |        |       |               |          |
| 22 | 5/19 2550 Herman Anderson        |       |       |       |          | 185000 | 154   |               |          |
| 23 | 5/23 2561 Jeld-Wen lease         |       |       |       | 216000   |        |       |               |          |
| 24 | 5/23 2563 Dave Fairclough        |       |       |       | 290000   |        |       |               |          |
| 25 | 5/23 2564 Claire Shields         |       |       |       | 210000   |        |       |               |          |
| 26 | 5/25 2568 Staples                |       |       |       |          |        |       |               |          |
| 27 | 5/25 2569 Kern's Irrigation      |       |       |       |          | 110730 |       |               |          |
| 28 | 5/26 2570 Kern's Irrigation      |       |       |       |          | 3050   |       |               |          |
| 29 | 5/26 2571 Big-R - Salt           | 3022  |       |       |          |        |       |               |          |
| 30 |                                  | 10000 | 10128 | 18000 | 800000   | 98780  | 154   |               | 6276     |
| 31 |                                  |       |       |       |          |        |       |               |          |
| 32 |                                  |       |       |       |          |        |       |               |          |





|    | May 2003  | H199A<br>9/9/97D | NET<br>USD \$1-0- | Labor   | Pipes, Km<br>Fittings | Power<br>Kilowatts | Supplies | Food | Smoking Co. |
|----|-----------|------------------|-------------------|---------|-----------------------|--------------------|----------|------|-------------|
| 1  | 2062 2/3  |                  |                   |         | 1950.00               |                    |          |      |             |
| 2  | 5172 5/9  |                  |                   |         |                       |                    |          |      |             |
| 3  | 5179 1/2  |                  |                   |         |                       |                    |          |      |             |
| 4  | 2680 5/1  |                  | 2530              |         |                       |                    |          |      |             |
| 5  | 2081 5/3  |                  |                   |         |                       |                    |          | 2347 |             |
| 6  | 0665 5/4  |                  |                   | 156.00  |                       |                    |          |      |             |
| 7  | 2686 5/9  |                  | 462.23            |         |                       |                    |          |      |             |
| 8  | 0000 5/3  |                  | 200               |         |                       |                    |          |      |             |
| 9  | 5172 5/9  |                  |                   |         |                       |                    |          |      |             |
| 10 | 5179 5/2  |                  |                   |         |                       |                    |          |      |             |
| 11 | 687 5/9   |                  | 178.00            |         |                       |                    |          |      |             |
| 12 | 688 5/2   |                  |                   | 2600.00 |                       |                    |          |      |             |
| 13 | 5184 5/16 |                  |                   |         |                       |                    |          | 1394 |             |
| 14 | 840 5/20  |                  |                   |         |                       |                    |          |      |             |
| 15 | 693 5/4   |                  |                   | 505.00  |                       |                    |          |      |             |
| 16 | 695 5/2   |                  |                   | 2900.00 |                       |                    |          |      |             |
| 17 | 697 5/2   |                  |                   |         | 2500                  |                    |          |      |             |
| 18 | 698 5/2   |                  |                   |         | 5055                  |                    |          |      |             |
| 19 | 200 5/3   |                  |                   |         |                       |                    |          |      |             |
| 20 | 210 5/8   |                  |                   |         |                       |                    |          |      |             |
| 21 | 689 5/2   |                  |                   |         |                       |                    | 7.40     |      |             |
| 22 | 670 1/4   |                  |                   |         |                       |                    |          | 2185 |             |
| 23 | 702 5/6   |                  |                   | 2000.00 |                       |                    |          |      |             |
| 24 | 732 5/11  |                  |                   |         |                       |                    |          |      |             |
| 25 | 682 1/2   |                  |                   |         |                       |                    |          |      |             |
| 26 | 5142 1/11 |                  |                   |         |                       |                    |          |      |             |
| 27 | 518 5/2   |                  |                   |         |                       |                    |          |      |             |
| 28 | 5146 5/5  |                  |                   |         |                       |                    |          |      |             |
| 29 | 703 5/16  |                  |                   |         |                       |                    |          |      |             |
| 30 | 704 5/7   |                  |                   |         |                       |                    |          |      |             |
| 31 | 623 4/5   |                  | 1395              |         |                       |                    |          |      |             |
| 32 | 8708 7/3  |                  |                   |         |                       |                    |          |      |             |
|    |           |                  | 1331.97           | 8005.00 |                       |                    |          |      | 7.40        |

# **Exhibit**

# **C**

## **Forest Service Grazing Permit**

**Case No. 216**

**Claim: 102**

## **Grazing Permit History of the Coyote-Bucket Allotment**

Brent Frazier, October 2004.

February 27, 1998. Decision notice to close the Coyote-Bucket C&H Allotment. Decision based primarily on cost to maintain the allotment "as-is" considering riparian concerns. Decision did not preclude grazing on the land under a different grazing system.

February 23, 1998. Final Environmental Assessment to terminate several vacant allotments including the Coyote-Bucket C&H Allotment.

October 5, 1993. Letter to Donald R. and Lillian V. Manning from Bob Castaneda, Forest Supervisor canceling the term grazing permit on the Coyote Bucket allotment due to failure to comply with the terms and conditions of the permit, specifically, to perform maintenance and stock the allotment. Permittees had 45 days to appeal, no appeal received.

May 3, 1993. Letter to Donald R. and Lillian V. Manning from District Ranger Gene Klingler denying request for non-use for personal convenience based on the fact that the Mannings had not stocked the allotment since 1987.

Annual management plans 1984 – 1988. Permittee: Donald Manning.

January 1979. Mac Carelli waives permit to Donald R. and Lillian V. Manning.

October 18, 1978. Martin W. Carelli and Lozetta C. Carelli sell parcels of land to Donald R. and Lillian V. Manning.

May 2, 1978. District Ranger Stan Kunzman approves nonuse (80 cattle) for Mac Carelli (permittee) on the Coyote-Bucket Allotment.

August 30, 1977. Letter to Mac Carelli about removing cattle from the allotment because of the lack of feed and water on the allotment.

May 16, 1977. Letter to Mac Carelli with annual plan of use for the Coyote-Bucket allotment.

May 13, 1975. Kenneth R. and Janet M. Wheeler waive term grazing permit to Martin W. and Lozetta C. Carelli.

December 27, 1974. Kenneth R. and Janet M. Wheeler sell parcels of land to Martin W. Carelli and Lozetta C. Carelli.

April 3, 1974. Kenneth R. and Janet M. Wheeler receive permit for 33 head of cattle.

May 2, 1972. John Mills and Lillian L. Mills sell parcel of land to Leo E. Murrer and Alice G. Murrer.

April 4, 1972. John & Lillian Mills waive to government grazing privileges for 33 head of cattle (Escrow Waiver of Term Permit Privileges signed by them April 4, 1972 ).

May 19, 1967. John & Lillian Mills receive permit for 33 head of cattle.

February 8, 1966. Approved Commensurability Rating and Ownership Check for applicants John & Lillian Mills.

December 16, 1966. Date List of stockholders of property owned by John & Lillian Mills received by Chiloquin Ranger District.

September 28, 1965. Warranty Deed signed by Vina Walker, a single woman, conveyed the NW1/2 of Sec. 12, T. 36 S., R 11 E.W.M to John Mills and Lillian L. Mills for the sum of ten dollars with exceptions. Notarized September 28, 1965, filed with Klamath Co. September 30, 1965.

September 15, 1965. Warranty Deed signed by Vina Walker, a single woman, conveyed the NE1/4 and E1/2E1/2NW1/4 of Sec. 6, T. 36 S., R 12 E.W.M to John Mills and Lillian L. Mills for the sum of ten dollars with exceptions. Notarized December 9, 1965, filed with Klamath Co. December 13, 1965.

Following is a retyping of a faded transcript in the permit record of a description of the grazing history on former tribal lands that are now part of the Coyote-Bucket Allotment:

MARVIN WALKER AND EFFIE DROSCOLL (SOUTH CALIMUS C & H)

*In 1959 Walker held a BIA permit for 80 head and Effie Driscoll a permit for 25 head of cattle. In 1960 their use was combined in one permit and the number increased to 260 head. In 1961 they applied singly again with Walker receiving a permit for 65 cattle and 20 horses and Droscoll receiving a permit for 50 cattle. In 1962 the permit was combined again and for 115 head of cattle and 20 horses.*

*There is a great deal of speculation as to whether or not the number of cattle permitted on this allotment actually used the area which is now National Forest, or ran in an area between what is now the Forest boundary and the Sprague River (the Sprague River common range). The only clue we have at the present time is contained in a letter written by Mr. R. C. Holts to Supervisor Smith on November 23, 1962, in which he states "Edwin Walker, Marvin Walker and Effie Driscoll ran their livestock together primarily on the South Calimus sustained yield unit, and on fringe areas immediately south. They also used other private lands in the Sprague River valley. While their permits in 1959 authorized 113 cattle, they undoubtedly had well over 300 head. They were among the few that obtained permits in 1959, the first year all Indians were required to pay grazing fees. Prior to this time Indians were permitted 100 head free. Season of use was about April 15 to October 15 for the entire area, but it is probable that the equivalent of not less than four months use for the entire herd was on the South Calimus sustained yield*

unit." *The South Calimus unit is now within the National Forest boundary and Walker and Driscoll would meet our prior use standards on the strength of the 105 head permitted in 1959 and 260 head permitted in 1960.*

*According to the record, Walker and Driscoll's past use qualifies them as prior users, and it is recommended that they be accepted as such. The maximum number to be considered for Walker and Driscoll will be 182 head.*

The signatures and dates on the document are illegible.

Prior to the formation of the Winema National Forest from former tribal lands the lands that are now part of the Coyote-Bucket Allotment were part of the Sprague River Indian Common Range. A 1959 Range Management Map indicates that the northern part of the allotment was in Sustained Yield Forest Unit 6 (Fivemile East Calimus) for which John Singleton was the grazing permittee. The southern and largest portion of the allotment was in Sustained Yield Forest Unit 25 (South Calimus) for which Effie Driscoll had a permit for 25 cattle and Marvin Walker had a permit for 80 head of cattle.

Permit records indicate that John and Lillian Mills purchased the Marvin Walker property and a permit waiver in 1966, had a permit to graze the Coyote-Bucket allotment in 1967 (33 head term and 32 head temporary). The 65 head were converted to term in 1967. In 1968 the permit was adjusted to 33 head term and 47 temporary. The Mills waived the permit to Leo E. and Alice G. Murrer in 1973. A Mr. Fairclo had a permit for 15 head during the same period as the Mills. The Murrers waived the permit to Kenneth R. and Janet M. Wheeler in 1974 and they in turn waived the permit to Martin W. and Lozetta C. Carelli in 1975. The Carellis waived a permit for 80 head to Donald R. and Lillian V. Manning in 1978. Prior to the Carellis the allotment was under two permits, one for 33 head and the other for 47 head.

The allotment was in non-use from 1986 until 1993 at which time the permit was cancelled. The allotment was vacant from 1994 until it was closed in 1998.

|   |  |
|---|--|
|   | <b>Brent D. Frazier</b><br>Wildlife Program Coordinator            |
| <b>USDA FOREST SERVICE</b>  |  |
|  | 2819 Dahlia<br>Klamath Falls, OR 97601                             |
| <b>Fremont-Winema<br/>National Forests</b>  | ph: 541-883-6732<br>fax: 541-883-6709<br>email: bfrazier@fs.fed.us |

# **Exhibit**

# **D**

## **Lillian Mills Statement**

**Case No. 216**

**Claim: 102**

November 20 2004

In 1966 we purchased the NE1/4 of the SW1/4 of S34 T35S R12E from Watah. We began irrigating this piece in 1967 by running a pipe across the river from our pump on the other side of the river to the high point in this field.

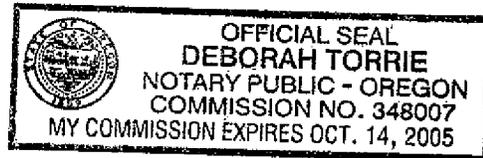
*Lillian Mills*  
Lillian Mills

*Nov. 20 - 04*  
November 20 2004

State of Oregon

County of Klamath

Notary: *Deborah Torrie*



SECTION 34 T 35S. R.12E. W.M.  
KLAMA COUNTY

1"-400'

THIS MAP WAS PREPARED FOR  
ASSESSMENT PURPOSE ONLY.

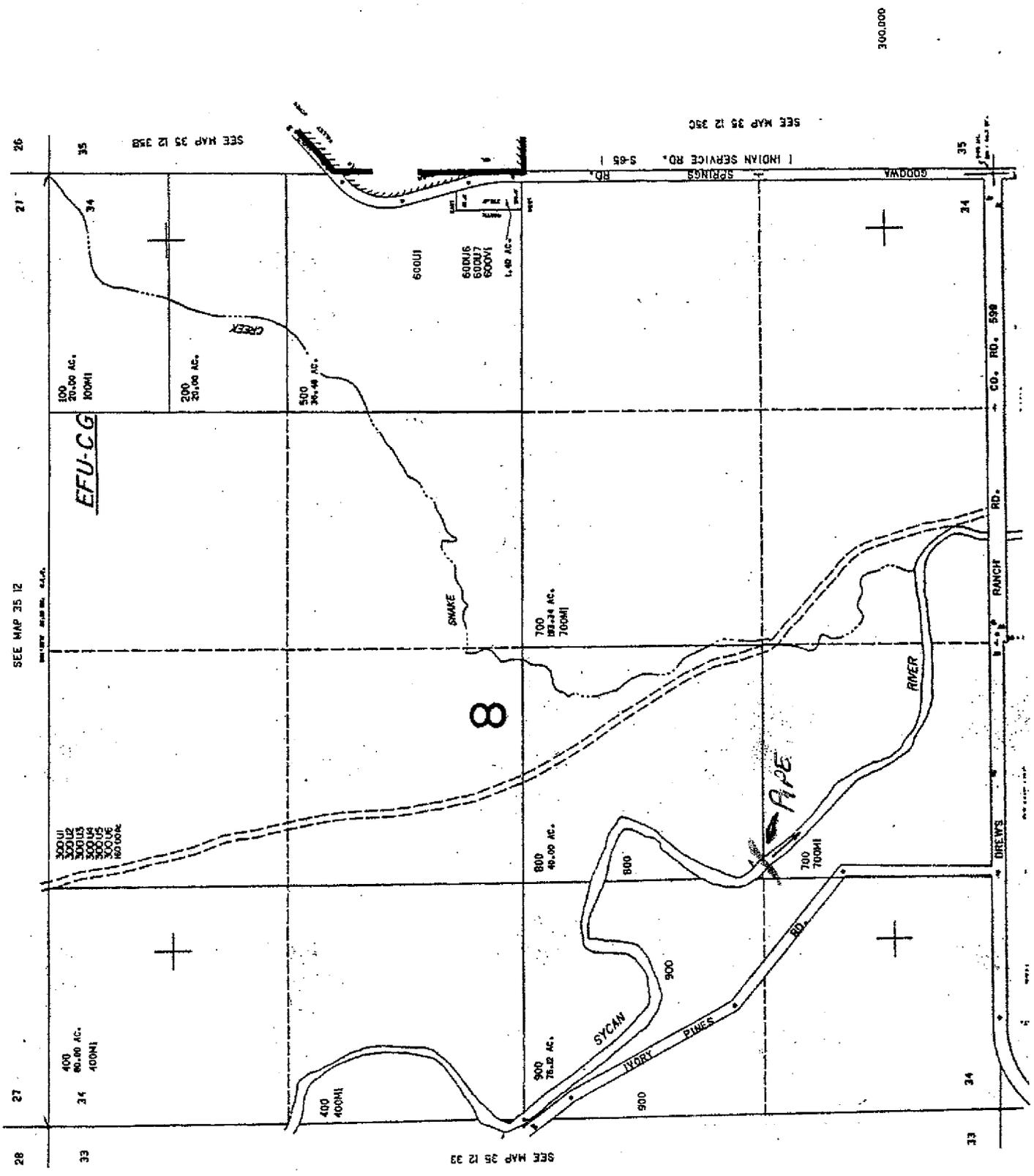
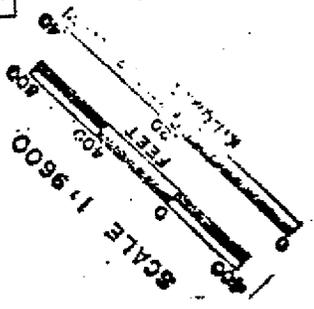


Exhibit D  
Page 3 of 3

**STATE OF OREGON WATER RESOURCES DEPARTMENT** RECEIVED

**Application for Permit to Appropriate Surface Water** MAY 10 1982

WATER RESOURCES DEPT  
SALEM, OREGON

I, Lowell R. Sharp  
(Name of Applicant)

of 3879 Redondo Wy. (503) 437-4371 Klamath Falls, Or. 97601  
(Mailing Address) (City)

State of Oregon, 97601 Phone No. 882-3564 do hereby  
(Zip Code)

make application for a permit to appropriate the following described waters of the State of Oregon:

1. The source of the proposed appropriation is Snake Creek

\_\_\_\_\_, a tributary of Sycan River

2. The point of diversion is to be located 530 ft. N and 2110 ft. W  
(N. or S.) (E. or W.)

from the SE corner of Sec. 34  
(Public Land Survey Corner)

(If there is more than one point of diversion, each must be described)

\_\_\_\_\_ being within the SW  $\frac{1}{4}$  of the SE  $\frac{1}{4}$  of  
Sec. 34 Tp. 35S R. 12E, W. M., in the county of Klamath  
(N. or S.) (E. or W.)

3. Location of area to be irrigated, or place of use if other than irrigation.

| Township | Range | Section | List $\frac{1}{4}$ $\frac{1}{4}$ of Section | List use and/or number of acres to be irrigated |
|----------|-------|---------|---|---|
| 35S      | 12E   | 34      | NE $\frac{1}{4}$ SW $\frac{1}{4}$           | 35.0  |
| 35S      | 12E   | 34      | SE $\frac{1}{4}$ SW $\frac{1}{4}$           | 15.1  |
| 35S      | 12E   | 34      | SW $\frac{1}{4}$ SE $\frac{1}{4}$           | 3.0   |
|          |       |         |   | 53.1  |
|          |       |         |   |   |
|          |       |         |   |   |
|          |       |         |   |   |
|          |       |         |   |   |
|          |       |         |   |   |

4. The amount of water which the applicant intends to apply to beneficial use is ..... 1.34 .....  
cubic feet per second.....  
(If water is to be used from more than one source, give quantity from each)

5. The use to which the water is to be applied is ..... irrigation .....

6. DESCRIPTION OF WORKS

Include dimensions and type of construction of diversion dam and headgate, length and dimensions of supply ditch or pipeline, size and type of pump and motor, type of irrigation system to adequately describe the proposed distribution system.

Existing pond on Snake Creek. Existing 25 HP. Electric motor with  
centrifugal pump. Approximately 500 Ft. of 5 In. main line from  
pump to mile wheel line. All above are existing and no additional  
dam, diversion or head gate needed.

If for domestic use state number of families to be supplied.....

7. Construction work will begin on or before..... completed .....

8. Construction work will be completed on or before..... completed .....

9. The water will be completely applied to the proposed use on or before..... has been applied .....

Application No. 63521.....

Permit No. ....

Remarks:.....

This permit, when issued, is for the beneficial use of water. By law, the land use associated with this water use must be in compliance with statewide land-use goals and any local acknowledged land-use plan. It is possible that the land use you propose may not be allowed if it is not in keeping with the goals and the acknowledged plan. Your city or county planning agency can advise you about the land-use plan in your area.

*Lester R. Sharp*  
Signature of Applicant

*This is to certify that I have examined the foregoing application, together with the accompanying maps and data, and return the same for.....*

*In order to retain its priority, this application must be returned to the Water Resources Director with corrections on or before ....., 19.....*

*WITNESS my hand this ..... day of....., 19.....*

*Water Resources Director*

*By .....*

*This instrument was first received in the office of the Water Resources Director at Salem, Oregon, on the*

*10<sup>th</sup> day of May, 1982, at 8:15 o'clock  
A.M.*

*Application No. 63521*

*Permit No. ....*

SECTION 34, T.35S., R.12E., WM.  
KLAMATH COUNTY OREGON  
Scale 1 in. = 400 ft.

RECEIVED

MAY 10 1982  
WATER RESOURCES DEPT  
SALEM, OREGON

TRIBUTARY  
CREEK

SNAKE

34

Application No. 63521  
Permit No. 46826

Diversion Point Located: 530 ft. North  
and 2110 ft. West from the SE corner  
Section 34

38 9

15

19.6 AC

POND

P.P.D.

3%  
RIVER

47 AC.

Drews Rd

CAMPING  
FLINT  
DRI

DITCH

**MAP TO ACCOMPANY  
STATEMENT AND PROOF OF CLAIM  
TO USE OF WATER OF THE  
KLAMATH RIVER AND ITS TRIBUTARIES**

SITUATED IN THE SE1/4, E1/2 SW1/4 AND  
THE E1/2 NE1/4 OF SECTION 34 AND THE W1/2 NW1/4  
OF SECTION 35, T35S, R12EWM,  
KLAMATH COUNTY, OREGON

MAP PREPARED FOR -- MARVIN DEAN WALKER

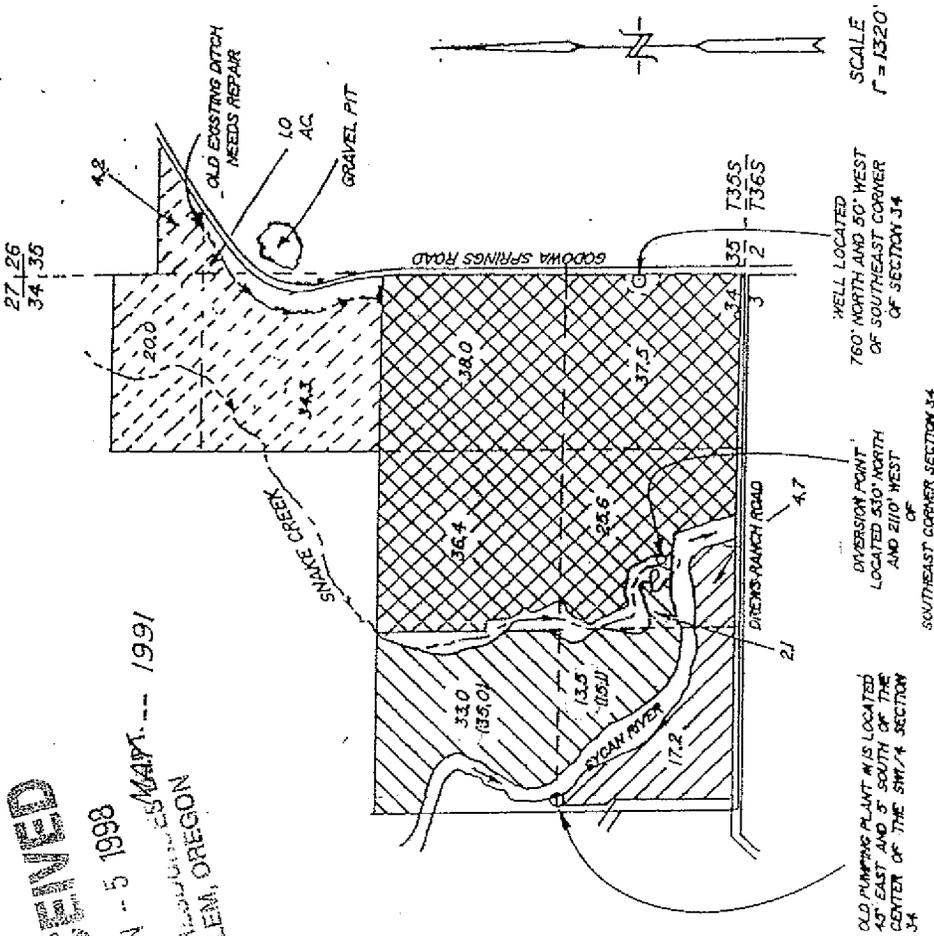
- ① ABSTRACT OF PERMIT #29711 CERTIFICATE #33929
- ② ABSTRACT OF PERMIT #G-1763 CERTIFICATE #33928
- ③ APPLICATION #63521 PERMIT #46826
- ④ ABSTRACT OF PERMIT #29710 CERTIFICATE #34901

LANDS THAT ARE NATURAL MARSH AND SPRINGS

KLAMATH ADJUDICATION  
 00075  
 02

MAP PREPARED FROM ASC AERIAL  
PHOTO, FINAL PROOF SURVEY MAP OF  
PERMITS G-1763 AND 29711,  
APPLICATION MAP FOR APPLICATION  
63521 AND FIELD INSPECTION.

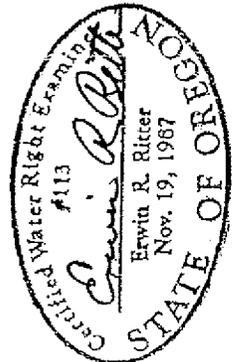
THE PURPOSE OF THIS MAP IS TO IDENTIFY THE LOCATION  
OF THE WATER RIGHT. IT IS NOT INTENDED TO PROVIDE  
INFORMATION RELATIVE TO THE LOCATION OF PROPERTY  
OWNERSHIP BOUNDARY LINES.



NOTE -- APPLICATION 63521 CALLS FOR  
SAME DIVERSION POINT AS CERTIFICATE  
33929.

**RECEIVED**

JUN 27 1991  
 WATER RESOURCES DEPT.  
 SALEM, OREGON



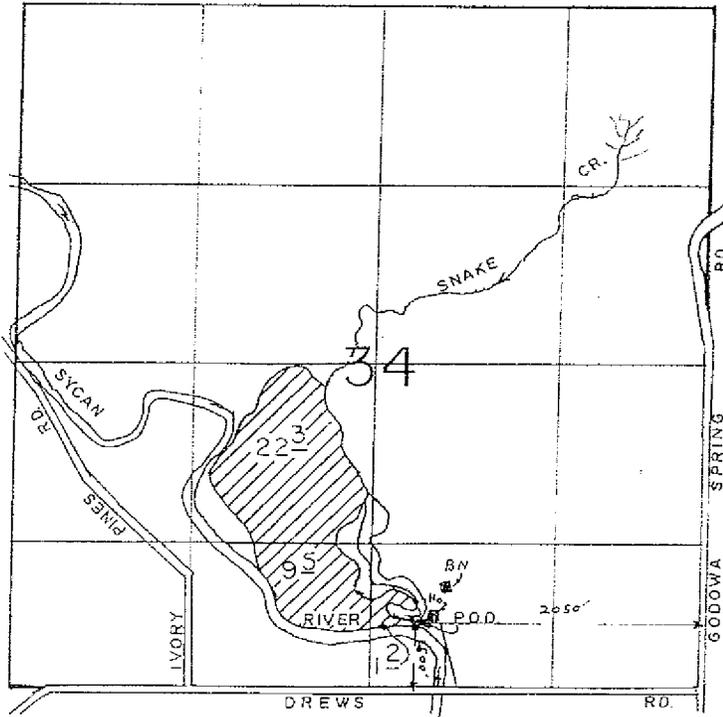
TRU-LINE SURVEYING  
 2333 SUMMERS LANE  
 KLAMATH FALLS, OR. 97603

T. 35 S., R. 12 E., W.M.

WIP FILE

PAGE

00102 00011



*No Cert Issued  
as of 10/14/98*

SCALE 1"=1320'

### FINAL PROOF SURVEY

UNDER

Application No. 63521 Permit No. 46826  
IN NAME OF

WALKER, MARVIN & CHLOE

Surveyed JULY 12, 1994, by R.M.SUTTERFIELD

PHOTO SURVEY 6160-289-134L

1/20/95

R.M.S.

## CERTIFICATE OF SERVICE

I hereby certify that on the 22nd day of April 2005, I served the within LETTER, STIPULATION TO RESOLVE CONTESTS, AND EXHIBITS A THROUGH G, on the parties hereto by e-mail, and by regular first class mail, a true, exact and full copy thereof to:

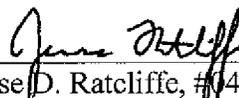
**VIA STATE SHUTTLE MAIL**  
Dwight W. French / Teri Hranac  
Oregon Water Resources Dept.  
725 Summer Street NE, Suite A  
Salem, OR 97301-1271  
[dwight.w.french@state.or.us](mailto:dwright.w.french@state.or.us)  
[teri.k.hranac@wrdd.state.or.us](mailto:teri.k.hranac@wrdd.state.or.us)

Barbara Scott-Brier  
U.S. Department of Justice  
Environment & Natural Resources Div.  
500 NE Multnomah Street, Suite 607  
Portland, OR 97232

Carl V. Ullman  
Water Adjudication Project  
The Klamath Tribes  
P.O. Box 957  
Chiloquin, OR 97624  
[bullman3@earthlink.net](mailto:bullman3@earthlink.net)

Walter Echo-Hawk / Lorna K. Babby  
Native American Rights Fund  
1506 Broadway  
Boulder, CO 80302  
[wechohwk@narf.org](mailto:wechohwk@narf.org)  
[babby@narf.org](mailto:babby@narf.org)

Marvin Dean Walker  
PO Box 190  
Beatty, OR 97621

  
\_\_\_\_\_  
Jesse D. Ratcliffe, #04394  
Stephen E.A. Sanders, #85321  
Assistant Attorneys General