# STATE OF OREGON DEPARTMENT OF STATE LANDS

# AGRICULTURAL LEASE NO. AL-11753

The State of Oregon, acting by and through the Department of State Lands (LESSOR), hereby leases to FARRELL V. LARSON, LONEY LARSON, RACHELLE LARSON, OLIVER LARSON, and ASHLEY LARSON, an Oregon general partnership, doing business under the assumed business name of:

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Larson Skyline Farms 4395 Heinz Blvd Ontario, OR 97914 (LESSEE)

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DEPARTMENT OF STATE LANDS

the following described lands located in the State of Oregon, County of <u>Malheur</u>, (the "Premises"):

\*Township 17 South, Range 46 East Willamette Meridian,

Section 22, NW1/4, N1/2SW1/4, SE1/4SW1/4, SE1/4SE1/4 320-acres

Section 23, SE 1/4, SW 1/4

33-acres (west of irrigation ditch)

Section 26, NE<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub>

34-acres (north & west of irrigation ditch)

Section 27, NW1/4

160-acres

Section 34, SE¼NW¼, N½SW¼, SW¼SW¼

160-acres

\*As identified in map Addendum 1

The Premises are depicted in Addendum 1 and consist of approximately 707 agricultural acres classified as follows: 510 are Class I, 160 are Class IV, and 37 are non-cropped. (Ref. OAR Chapter 660 Division 33).

LESSOR leases the Premises to LESSEE on the following terms and conditions:

# **SECTION 1 – TERM**

# 1.1 Term

This lease shall continue for a period of ten (10) years commencing on the <u>1st</u> day of <u>January</u>, 2007 and expiring on the <u>31st</u> day of <u>December</u>, 2016 unless sooner terminated as provided below.

### **SECTION 2 - USE OF PREMISES**

### 2.1 General Usage

LESSEE may use the Premises for agricultural production and grazing purposes only. In addition, LESSEE's use of the Premises is subject to terms and conditions that LESSOR may impose on the Premises from time to time under a written farm plan, a copy of which will be provided to LESSEE. LESSEE may not use the Premises for residential purposes. LESSEE may not use the Premises for livestock feedyards, or storage facilities (except for temporarily stacked hay), or for other

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intensive use facilities unless LESSEE obtains written authorization from LESSOR.

# 2.2 Reseeding of Premises

At the expiration or termination of the lease or upon removal of any portion of the Premises from agricultural production, LESSEE shall reseed at its own expense all disturbed areas as prescribed by LESSOR.

# 2.3 State Access to Property

LESSOR shall have access to the Premises at all times for the purpose of securing compliance with the terms and conditions of this lease.

# 2.4 Easements, Other Uses

At any time during the term of this Lease, LESSOR may sell all or any part of the Premises, and may grant rights of way in and over the Premises, or any part of them, for any purpose. LESSOR may also at any time during the term of this Lease, lease all or any part of the Premises for discovery, development, production and storage of petroleum or minerals of any nature, including geothermal resources.

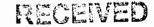
If LESSOR sells, grants rights of way, or leases any of the Premises for the purposes described above, LESSOR may terminate this lease as to any or all of the Premises effective December 31 of that year upon 45 days written notice to the LESSEE. If this lease is terminated under this section, LESSOR shall refund to LESSEE the unearned portion of any rent that LESSEE has paid, the reasonable value of work and labor on crops then growing on the Premises, and the reasonable value of LESSEE'S interest in the crops. If LESSOR and LESSEE are unable to agree on the amount to be paid to LESSEE, the amount must be determined by three arbitrators, one of whom is to be appointed by LESSOR, one by LESSEE, and the third by the two arbitrators so appointed. The determination of the arbitrators of the amount to be paid to LESSEE will be final and binding upon both parties.

# 2.5 Public Use

LESSOR'S lands leased for agricultural and grazing purposes must be open and available to the public for recreational uses unless closed by LESSOR to public entry pursuant to applicable Oregon Administrative Rules. LESSEE may request that LESSOR close all or portions of the Premises to public entry or restrict their recreational uses by the public in order to protect: (a) crops; (b) other land cover; (c) improvements on the Premises; (d) livestock; (e) LESSEE; or (f) the general public. Public use must be compatible with lease purpose and shall not interfere with LESSEE operations.

### 2.6 Restrictions on Use

In connection with its use of the Premises, LESSEE shall:



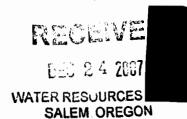
- (a) Comply with all applicable local, state and federal laws and regulations affecting the Premises and their use, and correct at LESSEE's expense any failure of compliance caused by LESSEE.
- (b) Not remove gravel or other valuable material without prior written authorization of LESSOR.
- (c) Take all reasonable precautions to protect the Premises from fire, report any fires on or adjacent to the Premises to LESSOR as soon as possible and be prepared to make reasonable efforts to contain or suppress the fire if requested.
- (d) Properly dispose of all waste pesticides and other pollutants and not allow debris, garbage or other refuse to accumulate on the Premises. If LESSEE allows debris, garbage, refuse, pesticides or other pollutants to accumulate on the Premises, LESSOR may remove them and collect the cost of removal from LESSEE. In addition, if LESSEE does not promptly remove debris, garbage, refuse, pesticides or other pollutants or cooperate with LESSOR in the removal of such materials LESSOR may terminate the lease as stated under Section 6.
- (e) Conduct all operations on the Premises in a manner which protects long term soil fertility, forage production and water quality, and which does not contribute to soil erosion or noxious weeds.
- (f) Abide by rules adopted by the Oregon Department of Agriculture and any local weed control district relating to control of noxious weeds or a weed management area and undertake all noxious weed treatment required on the Premises.

# 2.7 Water Rights

LESSEE shall initiate or establish all underground water rights on the Premises in the name of the STATE OF OREGON. All such rights will be an appurtenance of the Premises, and upon the termination of the lease the rights will belong exclusively to LESSOR. LESSEE shall report any water rights that are developed on the Premises in the name of the STATE OF OREGON to the LESSOR by November 1st of every year. LESSOR acknowledges that the LESSEE owns water rights drawn from the Snake River and the LESSEE also owns the pumping plants and irrigation pipelines that deliver this water to Larson Skyline Farms. LESSOR also acknowledges that some of the Snake River water may be used to irrigate the Premises. LESSOR makes no claim of ownership of LESSEE's existing water rights and delivery system.

# 2.8 Maintenance of Fences and Improvements

LESSEE shall not remove, alter or destroy any state-owned structures or improvements without written consent from LESSOR having been first obtained.



# **SECTION 3 – RENTAL**

# 3.1 Rent Payment

LESSEE shall pay rent annually. Rent for the current year is due and payable on May 1st of each year.

# 3.2 Rent Determination

Rent for the Premises leased under this lease is based on Oregon Administrative Rule 141-125-0160. LESSEE shall pay as rent for the Premises (check and complete one or both):

■ Fair Market Rental Value of \$50 per acre for class I (510-acres)
\$25 per acre for class IV (160-acres)
\$10 per acre for non-cropped areas (37-acres)
With a \_1\_ percent increase annually.

(\*See map Addendum 2)

or

□ 25% crop share with a \_\_\_\_ percent increase annually.

#### SECTION 4 – ASSIGNMENT

# 4.1 Assignment and Sublease

LESSEE may not assign, mortgage, sublet, offer for any United States Department of Agriculture program, or otherwise transfer this lease or the Premises or any portion of either without the prior written consent of LESSOR. LESSOR may not unreasonably withhold such consent. LESSOR reserves the right to condition its consent upon acceptance by the assignee, mortgagee or other transferee of changes to the terms and conditions of this lease. Further, if LESSEE is a corporation or partnership and if at any time during the term of this lease any part or all of the corporate shares or partnership interest of LESSEE are transferred by sale, assignment, bequest, inheritance, operation of law, or other disposition so as to result in any change in the present control of the corporation by the person or persons now owning a majority of the corporate shares or change in the holding of the partnership interests, the transfer will be deemed an assignment requiring LESSOR's consent.

### SECTION 5 - GENERAL OBLIGATIONS

### 5.1 Taxes and Assessments

LESSEE shall pay all taxes and assessments that may be legally charged on public lands or related improvements which are levied against the Premises, whether or not such taxes or assessments have been levied against the leasehold or LESSOR by the assessing agency.

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# 5.2 <u>Liability Insurance</u>

LESSEE, at its own expense and at all times during the term of this Lease, shall maintain in force for the joint benefit of LESSOR and LESSEE a comprehensive general liability policy of public liability insurance in connection with Lessee's operation under this lease. LESSOR must be named as an additional insured. LESSEE's insurance policy must be maintained in the minimum amount of \$1,000,000.00 Combined Single Limit. LESSEE shall cause to be delivered to LESSOR a certificate of insurance evidencing such insurance and evidencing the insurer's agreement to provide 30 days notice of cancellation to LESSOR.

# 5.3 Indemnification

LESSEE shall indemnify and hold LESSOR harmless from any claims suffered or alleged to be suffered on the Premises or arising out LESSEE's operations on the Premises, including claims arising from the use of "hazardous substances" as defined in federal or state law. LESSEE shall be responsible for and shall pay the costs of remediation or clean-up of any hazardous substance and shall pay when due any fines or penalties charged against the Premises as a result of LESSEE's failure to comply with any laws or regulations affecting the Premises.

# 5.4 Lease Bond

On receipt of written request from LESSOR not later than 12 months after a default by LESSEE of any term or condition of the lease, LESSEE shall post a lease bond or certificate of deposit with a corporate surety in the amount of \$35,000 insuring faithful performance by LESSEE of all obligations arising under the lease, including payment of rent. LESSOR's decision to require a bond under this section is in its discretion and in addition to any other remedy available to LESSOR. LESSOR may increase the required coverage of the bond by reasonable amounts sufficient to cover LESSEE's obligations under the lease. Upon written notification to LESSEE by LESSOR of the additional required amount, LESSEE shall cause its performance bond to be increased in such amount.

# SECTION 6 – DEFAULT, REMEDIES, TERMINATION

### 6.1 Default

The occurrence of any one or more of the following events will be a default of this lease by LESSEE and may lead to termination of the lease:

(a) Failure to Pay Rent or Other Charges. Failure to pay rent or other sums due under this lease within the later of 30 days after they become due and payable or 10 days after LESSOR provides written notice of payment default. In addition to other remedies provided below, if LESSEE fails to make payments within the time designated above, the amounts owing under the Lease will accrue interest thereafter at the rate provided in Section 7.2 until they have been fully paid.

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- (b) <u>Failure to Perform Other Obligations</u>. Failure to perform or observe any other term, condition, covenant or obligation required to be performed or observed by LESSEE under this Lease for a period of 30 days (or such shorter time as provided in this Lease) after delivery of notice from LESSOR; except that LESSOR may designate a shorter time period for the performance of the obligation if LESSOR in good faith believes that failure to perform constitutes an immediate threat to persons or property.
- (c) <u>Abandonment</u>. Abandonment or failure to occupy the Premises or any substantial portion of them.
- (d) <u>Bankruptcy</u>. The filing of a petition in bankruptcy, insolvency or for protection from creditors, reorganization or rearrangement pursuant to any federal or state statue, and with respect to such petition filed against it, LESSEE fails to secure a stay or discharge within 60 days after filing.
- (e) <u>Assignment or Subletting</u>. Any assignment or subletting or other transfer for which the prior written consent of LESSOR has not been obtained, which default shall occur immediately upon such event and shall not be curable by LESSEE without written waiver by LESSOR.

# 6.2 LESSOR's Remedies Upon Default

- (a) <u>LESSOR'S Remedies</u>. Upon the occurrence of any event of default LESSOR may terminate this lease upon written notice to LESSEE and LESSOR may recover damages or any other remedy provided by applicable law. In addition to other remedies, LESSOR may elect to perform LESSEE's obligation and recover from LESSEE the costs thereof plus interest at the rate specified in Section 7.2. In the event of a termination pursuant to this section, LESSEE will not be entitled to any payment described in Section 2.5 above.
- (b) Remedies Cumulative. Any termination of this lease under this section will not relieve LESSEE from the obligation to pay any sums that then or thereafter are due and payable to LESSOR under the Lease, and any such termination will not prevent LESSOR from enforcing the obligation to pay such sums by any means provided by law. All rights, options and remedies of LESSOR contained in this lease are to be construed and held to be cumulative and not exclusive, and LESSOR may pursue any one or all of such remedies, or any other remedy or relief which may be provided by law, whether or not stated in this lease.

# 6.3 Removal of Structural Improvements:

Any structural improvements LESSEE is authorized to remove must be removed within 60 days following termination of the lease unless otherwise agreed by the parties. LESSEE is responsible for any damage done to the Premises as a result of the removal of the structural improvements. Any structural improvements remaining on the Premises after the 60 day period may at the option of LESSOR become the property of LESSOR, unless otherwise agreed by the parties.

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### SECTION 7 – MICELLANEOUS PROVISIONS

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# 7.1 Successors and Assigns.

Subject to the provisions restricting assignment and subleasing, this lease and the respective rights and obligations of the parties will inure to the benefit of and be binding upon the successors and assigns of the parties as well as the parties themselves.

# 7.2 <u>Late Charges and Interest</u>

LESSEE acknowledges that late payments of rent and other charges due under the lease will cause LESSOR to incur costs and other damages not otherwise addressed in this Lease, the exact amount of which will be difficult to ascertain, including costs associated with administrative processing and accounting. Therefore, notwithstanding and in addition to any other remedies permitted under the lease, if LESSEE has not made full payment of amounts due within 30 days of the date the payment is due, LESSEE shall pay an additional charge equal to five percent of the amount due. In addition, all amounts due and owing under this lease, including late charges, will bear interest at the highest interest rate allowable by law.

# 7.3 <u>Authorized Signatory</u>.

If LESSEE is a corporation, each person executing this lease on behalf of LESSEE hereby covenants and warrants that LESSEE is a duly authorized and existing corporation, that LESSEE has and is qualified to do business in Oregon, that the corporation has full right and authority to enter into this lease, that each person executing the lease on behalf of the corporation is authorized to do so, and that execution is fully binding on the corporation.

# 7.4 Reserved.

# 7.5 Waiver

No delay or omission by LESSOR in the exercise of any right or remedy in response to a default by LESSEE will impair such right or remedy, nor may it be construed as a waiver. No waiver by LESSOR of any default by LESSEE under any of the covenants or conditions of this lease may be construed or held to be a waiver of any succeeding or preceding default under the same or any other covenant or condition contained in the lease. Any waiver by LESSOR of any default must be in writing in order to be valid.

### 7.6 Interpretation

This lease is to be construed fairly as to all parties and not in favor of or against any party regardless of which party prepared this lease. This lease and the rights of the parties under it are to be interpreted in accordance with the laws of the State of Oregon. In the event of any dispute, the sole and exclusive venue will be in a

court of competent jurisdiction in the county in which Premises are located and the parties shall submit to the jurisdiction of that court.

# 7.7 Amendment

No amendment or addition, modification of or alteration of any provision of this lease will be effective unless fully set forth in writing and executed by LESSOR and LESSEE.

# 7.8 Liens

- (a) No person may file or place any lien of any kind or character upon the land or improvements within the Premises without the prior written consent of LESSOR. LESSOR may not unreasonably withhold such consent.
- (b) If any lien or other charge is placed on the Premises, including land or improvements, arising directly or indirectly out of LESSEE'S actions, LESSEE shall immediately cause the lien or charge to be discharged. LESSOR may cancel this lease if LESSEE fails to discharge the lien or charge after 30 days notice to do so by LESSOR. LESSEE shall pay and indemnify LESSOR for all costs, damages or charges of whatsoever nature, including attorneys' fees, necessary to discharge the lien or charge, whether such costs, damages or charges are incurred prior or subsequent to any cancellation of this lease.

# 7.9 Non-waiver

Waiver by either party of strict performance of any provisions of this lease will not be a waiver nor prejudice the party's right to require strict performance of the same provision in the future or of any other provisions.

# 7.10 No Partnership or Joint Venture

LESSOR is not a partner nor in a joint venture with LESSEE in connection with the business carried on under this lease and has no obligation for LESSEE'S debts or other liabilities.

### 7.11 Notices

Any notice required or permitted under this lease will be deemed given when actually delivered or when deposited in the U. S. Postal Service as follows:

To the LESSOR:

Department of State Lands

Eastern Region

1645 NE Forbes Road, Suite 112

Bend, OR 97701

To the LESSEE:

At the address given by the LESSEE

in the signature block of this

lease.

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# 7.12 Entire Agreement

This lease, together with the attached exhibits and attachments, constitutes the entire agreement between the parties. No waiver, consent, modification or change of terms of this lease will bind either party unless in writing. Such waiver, consent, modification or change, if made, will be effective only in the specific instance and for the specific purpose given, and will be valid and binding only if it is signed by each party. There are no understandings, agreements or representations, oral or written, not specified herein regarding this lease. LESSEE, by the signature below of its authorized representative, hereby acknowledges that LESSEE read this lease, understands it and agrees to be bound by its terms and conditions. This lease supersedes all prior or existing lease or rental agreements between the parties.

LESSEE expressly agrees to all covenants contained in this lease and binds LESSEE for the payment of the rental specified above.

# LESSOR:

The State of Oregon, acting by and through the Department of State Lands

By: Stephen J. Purchase Date

Assistant Director

Land Management Division

Department of State Lands 1645 NE Forbes Rd, Suite 112 Bend OR 97701 (541) 388:6112 LESSEE:

Farrell V. Larson, Loney Larson, Rachelle Larson, Oliver Larson, and Ashley Larson, partners, doing business as Larson Skyline Farms, an Oregon general partnership

Mailing Address:

4395 HEINZ Blyd.

ONTORIO ORGAN

(54) 889 -6332

Approved for legal sufficiency Stephanie Any me 5/24/07

Stephanle Smythe Attorney In Charge

Business Transactions Section

Oregon Department of Justice

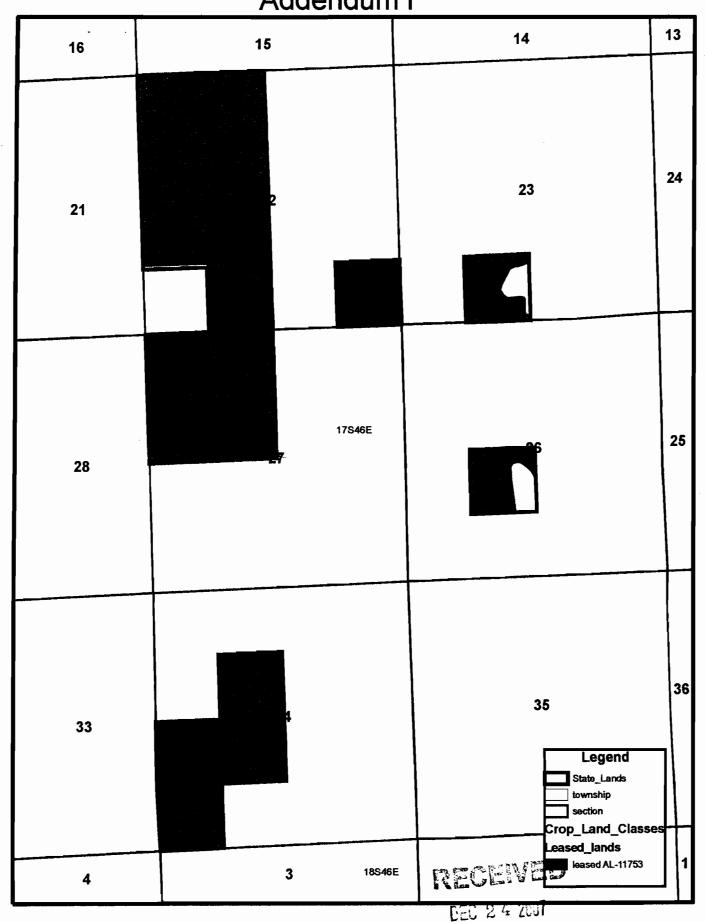
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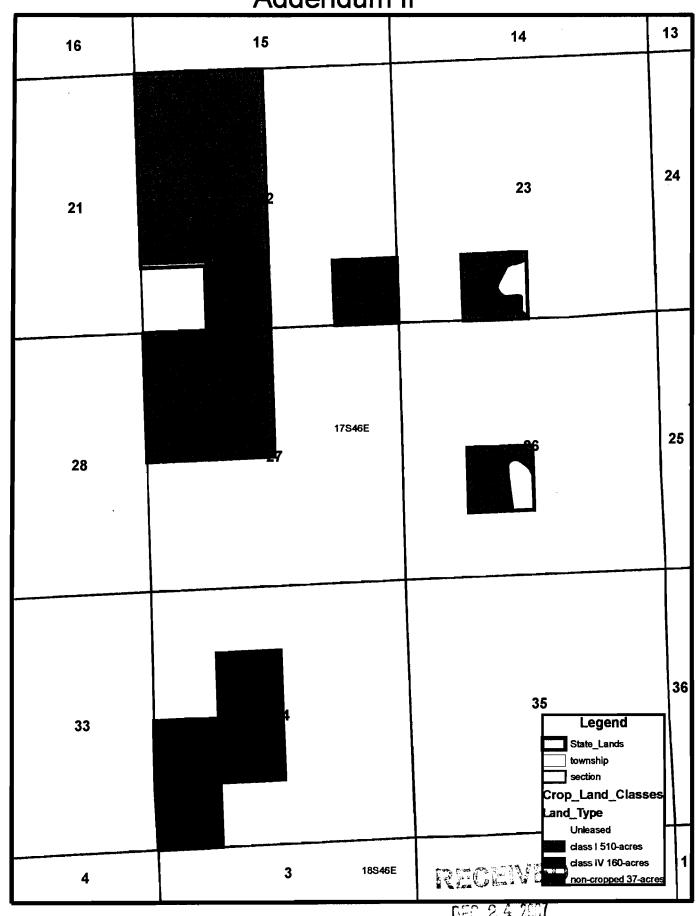
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AL-11753 Addendum I



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AL-11753 Addendum II



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### **EXHIBIT "A"**

### PARCEL NO. 1:

Land in Malheur County, Oregon, as follows:

A

In Twp. 17 S., R. 46 E., W.M.:

Secs. 3, 4, 9 and 10: Beginning at a point on the East line of said Sec. 10, 745.4 feet South of the East quarter corner of said Sec. 10;

thence S. 89 degrees 33' W., 1601.4 feet;

thence S. 60 degrees 30' W., 509.2 feet;

thence N. 36 degrees 22' W., 325.0 feet;

thence N. 31 degrees 43' W., 921.0 feet;

thence N. 16 degrees 53' W., 894.0 feet;

thence N. 24 degrees 33' W., 492.0 feet;

thence N. 14 degrees 50' W., 762.0 feet;

thence N. 44 degrees 00' W., 694.0 feet;

thence N. 31 degrees 01' W., 599.0 feet;

thence N. 41 degrees 48' W., 538.0 feet;

thence N. 73 degrees 22' W., 645.0 feet;

thence S. 68 degrees 22' W., 876.0 feet;

thence S. 71 degrees 54' W., 357.0 feet;

thence S. 63 degrees 24' W., 925.0 feet;

thence S. 87 degrees 06' W., 409.0 feet;

thence S. 86 degrees 35' W., 695.0 feet;

thence S. 81 degrees 52' W., 531.0 feet;

thence N. 82 degrees 34' W., 945.0 feet;

thence S. 00 degrees 26' W., 2414.0 feet;

thence S. 89 degrees 50' E., 719.0 feet;

thence N. 89 degrees 55' E., 1623.0 feet;

thence S. 24 degrees 52' E., 515.0 feet;

thence N. 89 degrees 30' E., 426.0 feet;

thence S. 01 degrees 16' E., 970.0 feet;

thence S. 00 degrees 46' E., 1051.0 feet;

thence S. 00 degrees 12' E., 609.0 feet;

thence S. 89 degrees 53' E., 1504.0 feet;

thence S. 89 degrees 54' E., 5259.5 feet along the South line of Sec. 10 to the Southeast corner of said Section;

thence N. 00 degrees 01' W., 1887.3 feet along the East line of said Sec. 10 to the Point of Beginning.

EXCEPTING THEREFROM the following parcels of land:

PARCEL NO. 1: NW1/4 NE1/4 of Sec. 9, and that portion of the SW1/4 NE1/4 of Sec. 9, lying within the above described tract of land and more particularly described

as follows:

(Continued)



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Beginning at the Northwest corner of said SW1/4 NE1/4;

thence East along the North line of said SW1/4 NE1/4 to the Northeast corner;

thence South along the East line of said SW1/4 NE1/4 to the Southeast corner;

thence West along the South line of said SW1/4 NE1/4, 683.0 feet;

thence N. 24 degrees 52' W., 515.0 feet;

thence West 420 feet;

thence North along the West line of said SW1/4 NE1/4, 853.0 feet to the Point of Beginning.

PARCEL NO. 2: SE1/4 SE1/4 of Sec. 10.

B.

Land in Malheur County, Oregon, as follows:

In Twp. 17 S., R. 46 E., W.M.:

Sec. 11: PARCEL NO. 1: Beginning at a point South 591.5 feet from the Northeast corner of the W1/2 W1/2 of said Sec. 11;

thence West 312 feet;

thence S. 00 degrees 58' W., 2787.0 feet;

thence N. 89 degrees 57' E., 351.0 feet;

thence North 2787.0 feet to the Point of Beginning.

PARCEL NO. 2: Beginning at a point 745.4 feet South of the Northwest corner of the NW1/4 SW1/4 of said Sec. 11:

thence South 571.0 feet;

thence East 1330.6 feet;

thence North 571.0 feet;

thence West 1330.6 feet to the Point of Beginning.

C.

Sec. 14: PARCEL NO. 1: Beginning at the Southeast corner of the SW1/4 NE1/4 of said Sec. 14;

thence S. 89 degrees 49' W., 700 feet along the South line of said SW1/4 NE1/4;

thence North 250 feet;

thence N. 89 degrees 49' E., 900 feet;

thence South 250 feet;

thence S. 89 degrees 49' W., 200 feet to the Point of Beginning.

PARCEL NO. 2: Beginning at the Northeast corner of the SW1/4 NE1/4 of said Sec. 14;

thence S. 89 degrees 57' W., 1992.8 feet;

thence South 260.0 feet;

thence N. 89 degrees 07' E., 1993.0 feet;

thence North 229.0 feet to the Point of Beginning.

D.

Sec. 15: NW1/4 NE1/4.

PARCEL NO. 1: Beginning at a point N. 00 degrees 13' W., 791.1 feet from the center quarter corner of said Sec. 15;

thence N. 00 degrees 13' W., 591 feet;

thence S. 89 degrees 56' E., 1142.7 feet;

thence South 167 feet;

thence West 401 feet;

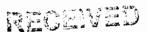
thence South 258 feet;

thence West 379 feet;

thence South 96 feet;

thence West 362.5 feet to the Point of Beginning.

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PARCEL NO. 2: Beginning at the Southeast corner of the SW1/4 NW1/4 of said Sec. 15;
            thence N. 06 degrees 18' W., 360 feet;
           thence S. 87 degrees 32' W., 963 feet:
           thence S. 02 degrees 53' E., 317 feet;
           thence S. 89 degrees 59' E., 985.7 feet to the Point of Beginning.
    PARCEL NO. 3: Beginning at the Northeast corner of the NW1/4 NW 1/4 of said Sec. 15:
           thence West 969.5 feet;
           thence S. 33 degrees 56' E., 206 feet;
           thence S. 04 degrees 47' E., 475 feet;
           thence S. 29 degrees 49' E., 223 feet;
           thence S. 88 degrees 38' E., 313 feet;
           thence S. 88 degrees 56' E., 391.2 feet;
           thence North 850.2 feet to the Point of Beginning.
    PARCEL NO. 4: Beginning at a point 149 feet S. 89 degrees 49' W., from the East quarter
                   corner of said Sec. 15;
           thence N. 05 degrees 42' W., 345 feet;
           thence S. 88 degrees 51' W., 1302 feet;
           thence S. 07 degrees 36' E., 320 feet;
           thence N. 89 degrees 59' E., 1293.3 feet to the Point of Beginning.
Secs. 15, 16 and 17: Beginning at a point N. 00 degrees 03' W., 670.9 feet from the East quarter
                   corner of said Sec. 16:
           thence N. 86 degrees 58' W., 29.2 feet;
           thence S. 47 degrees 38' W., 564.0 feet;
           thence S. 83 degrees 57' W., 1147.0 feet;
           thence N. 77 degrees 47' W., 1600.0 feet;
           thence N. 87 degrees 27' W., 800.0 feet;
           thence N. 79 degrees 31' W., 1030.0 feet;
           thence S. 57 degrees 28' W., 340.0 feet;
           thence S. 85 degrees 33' W., 193.0 feet;
           thence N. 63 degrees 44' W., 173.0 feet;
           thence N. 29 degrees 05' W., 404.0 feet;
           thence S. 89 degrees 56' W., 155.0 feet;
           thence N. 62 degrees 53' W., 273.0 feet;
           thence S. 87 degrees 41' W., 271.0 feet;
           thence N. 60 degrees 43' W., 240.0 feet;
           thence S. 55 degrees 46' W., 141.0 feet;
           thence N. 75 degrees 03' W., 267.0 feet;
           thence N. 83 degrees 19' W., 187.0 feet;
           thence N. 00 degrees 33' E., 1149.5 feet;
           thence S. 80 degrees 51' E., 192.0 feet;
           thence S. 73 degrees 22' E., 800.0 feet;
           thence S. 85 degrees 35' E., 615.0 feet;
           thence S. 84 degrees 37' E., 445.0 feet;
           thence S. 82 degrees 20' E., 950.0 feet;
           thence S. 80 degrees 24' E., 985.0 feet;
           thence N. 89 degrees 29' E., 615.0 feet;
           thence S. 88 degrees 37' E., 274.2 feet;
           thence S. 66 degrees 27' E., 301.0 feet;
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E.

thence S. 56 degrees 53' E., 626.0 feet; thence S. 81 degrees 02' E., 199.0 feet; thence S. 87 degrees 21' E., 275.0 feet; thence N. 79 degrees 41' E., 199.0 feet; thence N. 56 degrees 30' E., 438.0 feet; thence N. 79 degrees 29' E., 575.0 feet; thence N. 86 degrees 41' E., 635.0 feet; thence S. 02 degrees 12' E., 577.8 feet; thence S. 36 degrees 35' W., 490.0 feet; thence N. 87 degrees 10' W., 355.0 feet to the Point of Beginning.

F.

Sec. 20: SE1/4 SE1/4, E1/2 SW1/4 SE1/4.

### PARCEL NO. 2:

Land in Malheur County, Oregon, as follows:

In Twp. 17 S., R. 46 E., W.M.:

Sec. 9: W1/2 NE1/4,

EXCEPTING THEREFROM the following described parcel:

Beginning at the center quarter corner of Sec. 9;

thence North 467.3 feet;

thence N. 89 degrees 55' E., 460.5 feet;

thence S. 24 degrees 52' E., 515.0 feet;

thence West 677.4 feet to the Point of Beginning.

### PARCEL NO. 3:

Land in Malheur County, Oregon, as follows:

In Twp. 17 S., R. 46 E., W.M.:

Sec. 11: That portion of the E1/2 NW1/4 and of the S1/2 NE1/4 lying West of U.S. Highway 84 right of way.

NE1/4 SW1/4, NW1/4 SE1/4,

EXCEPTING THEREFROM that portion of the North 591 feet of the NE1/4 NW1/4 and NW1/4 NE1/4 of Sec. 11, lying South and West of Southerly right of way of U.S. Highway 84.

#### PARCEL NO. 4:

Land in Malheur County, Oregon, as follows:

In Twp. 17 S., R. 46 E., W.M.:

A. Sec. 11: SE1/4 SE1/4.

B. Sec. 12: SW1/4 SW1/4,

EXCEPTING THEREFROM right of way 100 feet in width for Highway as conveyed to the State of Oregon by Deed recorded August 25, 1954, Book 96, Instrument No. 10416, Deed Records.

C. Sec. 13: NW1/4 NW1/4.

D. Sec. 14: NE1/4 NE1/4.

(Continued)



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#### PARCEL NO. 5:

Land in Malheur County, Oregon, as follows:

In Twp. 17 S., R. 46 E., W.M.:

Sec. 12: A parcel of land in the SE1/4 SW1/4 more particularly described as follows:

Beginning at a point on the Northeasterly right-of-way line of U.S. Highway 84, which point is opposite and at right angles to Station 940;

thence Southeasterly along said right of way, 100 feet;

thence N. 44 degrees 56' E., 100 feet;

thence Northwesterly, parallel with the center line of said Highway, 750 feet to a point opposite Station 933+50;

thence S. 44 degrees 56' W., 50 feet;

thence Southeasterly along the Highway right-of-way line, 650 feet;

thence S. 44 degrees 56' W., 50 feet to the Point of Beginning.

### PARCEL NO. 6:

Land in Malheur County, Oregon, as follows:

In Twp. 17 S., R. 46 E., W.M.:

A. Sec. 11: S1/2 SW1/4, SW1/4 SE1/4.

B. Sec. 14: NW1/4 NE1/4. C. Sec. 23: SW1/4 SW1/4.

Land in Malheur County, Oregon, as follows:

In Twp. 18 S., R. 46 E., W.M.:

D. Sec. 4: S1/2 SE1/4.

### PARCEL NO. 7:

Land in Malheur County, Oregon, as follows:

In Twp. 17 S., R. 46 E., W.M.:

A. Sec. 21: S1/2 SW1/4.

B. Sec. 28: N1/2 NE1/4, SW1/4 NE1/4, NW1/4 SE1/4.

#### PARCEL NO. 8:

Land in Malheur County, Oregon, as follows:

In Twp. 17 S., R. 46 E., W.M.:

Sec. 15: E1/2 NW1/4,

EXCEPTING THEREFROM the following parcel:

Beginning at the center quarter corner of Sec. 15;

thence S. 89 degrees 59' W., 1310.1 feet;

thence N. 00 degrees 07' W., 1775.6 feet;

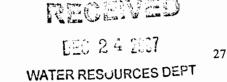
thence S. 88 degrees 56' E., 719.8 feet;

thence S. 00 degrees 06' E., 1075.4 feet;

thence East 590.1 feet;

thence S. 00 degrees 13' E., 687.1 feet to the Point of Beginning.

(Continued)



SALEM OREGON

#### PARCEL NO. 9:

Land in Malheur County, Oregon, as follows:

In Twp. 17 S., R. 46 E., W.M.:

A. Sec. 21: S1/2 SE1/4.

B. Sec. 22: SW1/4 SW1/4.

#### PARCEL NO. 10:

Land in Malheur County, Oregon, as follows:

In Twp. 17 S., R. 46 E., W.M.:

A. Sec. 23: All that part of the SW1/4 SE1/4 lying South of the Main Owyhee Canal.

B. Sec. 26: NE1/4 NW1/4, and all that part of the W1/2 NE1/4 lying West of the Main Owyhee Canal.

### PARCEL NO. 11:

Land in Malheur County, Oregon, as follows:

In Twp. 17 S., R. 46 E., W.M.:

A. Sec. 26: SW1/4 SW1/4,

EXCEPTING THEREFROM all that portion lying southeasterly of the easterly bank of the right of way of the Main Owyhee Canal.

B. Sec. 34: NE1/4 NE1/4.

C. Sec. 35: All that portion of the NW1/4 NW1/4 lying West of the right of way of the Main Owyhee Canal.

#### PARCEL NO. 12:

Land in Malheur County, Oregon, as follows:

In Twp. 17 S., R. 46 E., W.M.:

A. Sec. 26: SW1/4 NW1/4, NW1/4 SW1/4.

B. Sec. 27: SE1/4 NE1/4, NE1/4 SE1/4.

### PARCEL NO. 13:

Land in Malheur County, Oregon, as follows:

In Twp. 17 S., R. 46 E., W.M.:

A. Sec. 29: SE1/4 SW1/4.

B. Sec. 32: E1/2 NW1/4, NE1/4 SW1/4, SE1/4 SE 1/4, NE 1/4 NE 1/4,

EXCEPTING THEREFROM PARCEL NO. 2 of Partition Plat No. 98-14, recorded September 24, 1998, Instrument No. 98-7477, Malheur County, Deed Records.

### PARCEL NO. 14:

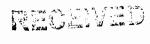
Land in Malheur County, Oregon, as follows:

In Twp. 17 S., R. 46 E., W.M.:

A. Sec. 29: SW1/4 SE1/4.

B. Sec. 33: SE1/4 SE1/4.

(Continued)



In Twp. 18 S., R. 46 E., W.M.:

C. Sec. 4: N1/2, E1/2 SW1/4, N1/2 SE1/4,

EXCEPTING THEREFROM the following described parcel:

Beginning at a point located N. 65 degrees 15' W., 1241.73 feet from the Southeast corner of the NE1/4 SE1/4 of Sec. 4;

thence N. 00 degrees 19' E., 200 feet;

thence N. 89 degrees 41' W., 200 feet to a point on the West line of said NE1/4 SE1/4;

thence S. 00 degrees 19' W., along the West line of the NE1/4 SE1/4 of Sec. 4, 200 feet;

thence S. 89 degrees 41' E., 200 feet to the Point of Beginning.

# PARCEL NO. 15:

Land in Malheur County, Oregon, as follows:

In Twp. 17 S., R. 46 E., W.M.:

A. Sec. 34: All that portion of the E1/2 SE1/4 lying above and being West of the Owyhee Canal right of way.

B. Sec. 35: All land in the SW1/4 SW1/4 lying and being West of the Owyhee Canal right of way.

#### PARCEL NO. 16:

Land in Malheur County, Oregon, as follows:

In Twp. 17 S., R. 46 E., W.M.:

Sec. 35: SW1/4 NW1/4 and NW1/4 SW1/4 lying North and West of the Owyhee Main Canal.

#### PARCEL NO. 17:

Land in Malheur County, Oregon, as follows:

In Twp. 17 S., R. 47 E., W.M.:

Sec. 21: A parcel of land located along the bank of the Snake River in Government Lot 1 (NE1/4 NW1/4) more particularly described as follows:

Beginning at a point 318.9 feet South of the G.L.O. meander corner of the North line of Lot 1 (NE1/4 NW1/4) of Sec. 21, said meander corner being 574.2 feet East of the Northwest corner of said Lot 1;

thence S. 73 degrees 44' W., 93 feet;

thence S. 03 degrees 40' E., 135 feet;

River:

thence S. 87 degrees 00' E., 170 feet to the West water line of the Snake River; thence Northerly 212 feet, more or less, along the West water line of the Snake

thence S. 73 degrees 44' W., 126.8 feet to the Point of Beginning.

EXCEPTING THEREFROM a parcel of land located in Lot 1 more particularly described as follows:

Commencing at the meander corner on the West bank of the Snake River on the section line between Secs. 16 and 21;

thence West along said section line, 100.7 feet;

thence S. 03 degrees 13' E., 362.2 feet to a point which is the POINT OF BEGINNING;

thence S. 03 degrees 13' E., 88.0 feet;

thence N. 86 degrees 47' E., 50.0 feet;

thence N. 03 degrees 13' W., 88.0 feet;

thence S. 86 degrees 47' W., 50.0 feet to the Point of Beginning.

(Continued)

#### PARCEL NO. 18:

Land in Malheur County, Oregon, as follows:

In Twp. 18 S., R. 46 E., W.M.:

Sec. 3: S1/2 NE1/4 lying North and West of North Canal right of way.

EXCEPTING THEREFROM a parcel of land in the SW1/4 NE1/4 more particularly described as follows:

Beginning at the Southeast corner of the SW1/4 NE1/4;

thence S. 89 degrees 18' W., 685 feet along the South line of said SW1/4 NE1/4; thence N. 00 degrees 30' E., 225 feet;

thence N. 89 degrees 18' E., 685 feet to a point on the East line of said SW1/4 NE1/4:

thence S. 00 degrees 30' W., 225 feet along said East line of the SW1/4 NE1/4 to the Point of Beginning.

SE1/4 NW1/4, SW1/4,

EXCEPTING FROM the SE1/4 SW1/4 canal right of way conveyed to United States of America by Deed dated January 14, 1935, recorded May 29, 1935, Book 39, Pages 113-115, inclusive, Deed Records.

NW1/4 SE1/4 lying West of the North Canal right of way,

EXCEPTING THEREFROM the following two parcels:

PARCEL NO. 1: Beginning at the Southeast corner of the NW1/4 SE1/4;

thence S. 89 degrees 16' W., 595.6 feet along the South line of said NW1/4 SE1/4;

thence N. 70 degrees 09' E., 320.0 feet;

thence N. 28 degrees 17' E., 620.1 feet to a point on the East line of said NW1/4 SE1/4;

thence South 644.5 feet along said East line of the NW1/4 SE1/4 to the Point of Beginning.

PARCEL NO. 2: Beginning at the Northeast corner of said NW1/4 SE1/4;

thence South 480.0 feet along the East line of the NW1/4 SE1/4;

thence N. 54 degrees 39' W., 836.4 feet to a point on the North line of said NW1/4 SE1/4;

thence N. 89 degrees 18' E., 685.0 feet along said North line of said NW1/4 SE1/4 to the Point of Beginning.

#### PARCEL NO. 19:

Land in Malheur County, Oregon, as follows:

In Twp. 18 S., R. 46 E., W.M.:

Sec. 10: A tract of land more particularly described as follows:

Beginning at a point S. 89 degrees 16' W., 754.4 feet and S. 00 degrees 46' E., 406.2 feet from the Northeast corner of said Sec. 10;

thence S. 00 degrees 46' E., 207.7 feet;

thence N. 89 degrees 16' E., 207.7 feet;

thence N. 00 degrees 46 W., 207.7 feet;

thence S. 89 degrees 16' W., 207.7 feet to the Point of Beginning.

TOGETHER WITH a perpetual easement and right of way over and across the NE1/4 NE1/4 of Sec. 10 and the S1/2 SE1/4 of Sec. 3 in Twp. 18 S., R. 46 E., W.M., to construct, maintain, inspect, operate, protect, repair, replace, alter or remove a 36 inch pipe line for the transportation of water on, over and through the above described real property, to be used for irrigation purposes on lands owned by the Grantee, or lands owned by other persons to whom the Grantee desires to furnish water, said easement to be 50 feet in width and to extend 25 feet on either side of the following described center line, to-wit:

(Continued)

Beginning at a point S. 62 degrees 40' W., 810.9 feet from the Northeast corner of said Sec. 10;

thence N. 39 degrees 37' W., 1349.8 feet;

thence N. 51 degrees 56' W., 598.4 feet to a point on the Northerly property line, said point being S. 66 degrees 17' W., 807.2 feet from the Northeast corner of the SW1/4 SE1/4 of said Sec. 3.

SUBJECT TO existing County road right of way.

#### PARCEL NO. 20:

Land in Malheur County, Oregon, as follows:

In Twp. 17 S., R. 46 E., W.M.:

Sec. 26: All that portion of the SE1/4 SW1/4 lying North and West of the North Canal of the Owyhee Irrigation District.

#### PARCEL NO. 21:

Land in Malheur County, Oregon, as follows:

In Twp. 17 S., R. 46 E., W.M.:

A. Sec. 22: SW1/4 SE1/4.

B. Sec. 26: NW1/4 NW1/4, SE1/4 NW1/4.

### PARCEL NO. 22:

Land in Malheur County, Oregon, as follows:

In Twp. 17 S., R. 46 E., W.M.:

A. Sec. 27: N1/2 NE1/4, NW1/4 SE1/4, SW1/4 NE1/4, SW1/4, S1/2 SE1/4.

B. Sec. 28: W1/2, SE1/4 NE1/4, E1/2 SE1/4, SW1/4 SE1/4.

C. Sec. 29: W1/2 NE1/4, NW1/4 SE1/4, E1/2 E1/2.

D. Sec. 33: All,

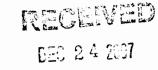
EXCEPTING THEREFROM, PARCEL NO. 2 of Partition Plat No. 98-14 recorded September 24, 1998, Instrument No. 98-7477, Malheur County, Deed Records. ALSO, EXCEPTING THEREFROM the NE1/4 NE1/4 of Sec. 33 the following described parcel, to-wit:

Beginning at the Northeast corner of said NE1/4 NE1/4; thence South along the East boundary thereof, 225 feet; thence South 88 degrees 41' 30" W., 175 feet;

thence North 225 feet;

thence North 88 degrees 41' 30" E., 175 feet to the Point of Beginning.

E. Sec. 34: W1/2 E1/2, SE1/4 NE1/4, N1/2 NW1/4, SW1/4 NW1/4, SE1/4 SW1/4.



#### PARCEL NO. 23:

Land in Malheur County, Oregon, as follows:

In Twp. 17 S., R. 46 E., W.M.:

A. Sec. 10: SE1/4 SE1/4.

B. Sec. 11: That portion of the NE1/4 SE1/4 and NW1/4 NE1/4 lying Southwest of Interstate Highway right of way.

C. Sec. 12: NW1/4 SW1/4 lying Southwest of Interstate Highway right of way.

D. Sec. 13: N1/2 NE1/4, NE1/4 NW1/4, SW1/4 NW1/4.

EXCEPTING FROM THE ABOVE DESCRIBED LAND, PARCEL NO. 3 of Partition Plat No. 2006-5, recorded March 29, 2006, Instrument No. 2006-2050, Deed Records. FURTHER EXCEPTING the following described parcel:

Beginning at the North 1/16<sup>th</sup> Corner common to Section 13, Twp. 17 S., R. 46 E., W.M., Malheur County, Oregon;

Thence along the Southerly boundary of said N ½ NE ¼, S. 89 degrees 42' 31" W., 1271.88 feet, to the Easterly right of way of Interstate No. 84;

Thence along said Easterly right of way, N. 45 degrees 13' 07" W., 1854.79 feet, to the Northerly boundary of said N ½ NE ¼;

Thence along said Northerly boundary N. 89 degrees 46' 23" E., 2594.24 feet, to the Easterly boundary of said N ½ NE ¼;

Thence departing said Northerly boundary, S. 00 degrees 15' 17" W., 1310.34 feet to the Point of Beginning.

E. Sec. 14: N1/2 NW1/4. F. Sec. 15: NE1/4 NE1/4,

EXCEPTING FROM the above lands that portion conveyed to the State of Oregon by and through its State Highway Commission, in Deed dated October 8, 1954, recorded October 21, 1954, Instrument No. 11760 and dated May 18, 1972, recorded June 30, 1972, Instrument No. 135793, for Highway right of way.

FURTHER EXCEPTING that portion of the North 591 feet of the NW1/4 NE1/4 of Sec. 11, lying South and West of Interstate Highway 84 right of way.

### PARCEL NO. 24:

Land in Malheur County, Oregon, as follows:

In Twp. 18 S., R. 46 E., W.M.:

Sec. 3: Government Lot(s) 2, 3 and 4, SW1/4 NW1/4 and all that portion of Government Lot 1, lying and being North and West of the right of way of the North Canal of the Owyhee Irrigation District.

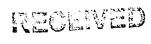
### PARCEL NO. 25:

Land in Malheur County, Oregon, as follows:

In Twp. 17 S., R. 46 E., W.M.:

Sec. 12: All that portion of the SE1/4 SW1/4 lying South and West of the right of way of the relocated Old Oregon Trail Highway.

\* \* \* \* \* \* \* \*



TOGETHER with those certain Easements described as follows:

#### EASEMENT "A":

1. Easement as granted by instrument dated May 19, 1967, from Charlie A. Crabb and Marthy E. Crabb, husband and wife, unto Skyline Farms, Inc., a corporation, as Grantee of record in said County, Instrument No. 81639. An easement across a parcel of land located in Lot 1 (NE1/4 NW1/4) of Sec. 21, Twp. 17 S., R. 47 E., W.M., State of Oregon, more particularly described as follows:

Beginning at a meander corner on the left (West) bank of the Snake River on the section line between Secs. 16 and 21, Twp. 17 S., R. 47 E., W.M.;

thence South 318.9 feet;

thence S. 73 degrees 44' W., 93.0 feet to the POINT OF BEGINNING;

thence from the Point of Beginning S. 03 degrees 44' E., 135.0 feet;

thence N. 40 degrees 25' 15" W., 83.12 feet;

thence N. 04 degrees 55' 45" W., 25.0 feet;

thence N. 45 degrees 32' 40" E., 66.42 feet to the Point of Beginning.

2. Easement as granted by instrument dated November 8, 1966, from Charlie A. Crabb and Marthy E. Crabb, husband and wife, unto Skyline Farms, Inc., a corporation, as Grantee of record in said County, Instrument No. 76736. An easement across a parcel of land located in Lot 1 (NE1/4 NW1/4) of Sec. 21, Twp. 17 S., R. 47 E., W.M., Malheur County, State of Oregon, more particularly described as follows: A parcel 12.5 feet either side of the following described centerline:

Beginning at a point 393.11 feet South and 27.21 feet West of the meander corner, said meander corner being 574.2 feet East of the Northwest corner of said Lot 1;

thence S. 86 degrees 20' W., 270.0 feet;

thence N. 76 degrees 21' W., 194.0 feet more or less, to the East right-of-way line of said Highway 201.

# EASEMENT "B":

Easement as granted by instrument dated September 9, 1966, from Phoebe W. White, a widow; Joseph Lewis White and Flora F. White, husband and wife, unto Skyline Farms, Inc., a corporation, as Grantee of record in said County, Instrument No. 76656.

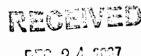
An easement across the following: An easement 20 feet in width located in the NW1/4 NW1/4 of Sec. 21, Twp. 17 S., R. 47 E., W.M., more particularly described as being 10 feet on either side of the following described center line:

Beginning at a point 348.9 feet South of the Northeast corner of the NW1/4 NW1/4 of said Sec. 21;

thence N. 76 degrees 21' W., 39.95 feet;

thence N. 89 degrees 48' W., 1281.6 feet to a point on the West line of said NW1/4 NW1/4 of Sec. 21, said point being 336.3 feet South of the Northwest corner of said NW1/4 NW1/4.

SUBJECT to existing easement to the State Highway and Idaho Power.



#### EASEMENT "C":

Easement as granted by instrument dated September 25, 1966, from Lois B. McDaniel and O.E. McDaniel, husband and wife, unto Skyline Farms, Inc., a corporation, as Grantee of record in said County, Instrument No. 76658. An easement 25 feet in width located in the NE1/4 NE1/4 of Sec. 20, Twp. 17 S., R. 47 E., W.M., being described as 15 feet North and 10 feet South of the following described center line:

Beginning at a point 336.3 feet South of the Northeast corner of said Sec. 20;

thence N. 76 degrees 21' W., 475.11 feet;

thence S. 85 degrees 03' W., 368.25 feet;

thence S. 82 degrees 18' W., 512.3 feet to a point on the West line of said NE1/4 NE1/4, said point being South 435.1 feet from the Northwest corner of said NE1/4 NE1/4.

SUBJECT to existing lateral right of way or other visible easements.

#### EASEMENT "D":

Easement as granted by instrument dated September 28, 1966, from Oliver Burris and Myrtle Burris, husband and wife, unto Skyline Farms, Inc., a corporation, as Grantee of record in said County, Instrument No. 76662. An easement 25 feet in width located in the NW1/4 NE1/4 of Sec. 20, Twp. 17 S., R. 47 E., W.M., more particularly described as being 15 feet North and 10 feet South of the following described centerline:

Beginning at a point on the East line of said NW1/4 NE1/4, Sec. 20,

435.1 feet South of the Northeast corner of said NW1/4 NE1/4;

thence S. 82 degrees 18' W., 172.5 feet;

thence N. 66 degrees 37' W., 1131.0 feet;

thence N. 89 degrees 58' W., 145.31 feet to a point on the West line of said NW1/4 NE1/4 of Sec. 20, said point being 20 feet South of the Northwest corner of said NW1/4 NE1/4.

# EASEMENT "E" and part of EASEMENT "D":

Easement as granted by instrument dated September 28, 1966, from Oliver Burris and Myrtle Burris, husband and wife, unto Skyline Farms, Inc., a corporation, as Grantee of record in said County, Instrument No. 76663. An easement along the North line of NE1/4 NW1/4 of Sec. 20, Twp. 17 S., R. 47 E., W.M., more particularly described as follows:

Beginning at the Northeast corner of said NE1/4 NW1/4 of Sec. 20;

thence South 25 feet;

thence N. 89 degrees 51' W., 1320.0 feet;

thence North 25 feet;

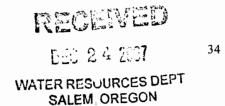
thence S. 89 degrees 51' E., 1320 feet to the Point of Beginning.

SUBJECT to existing pipeline lateral and road easements.

#### EASEMENT "F":

Easement as granted by instrument dated October 6, 1966, from William L. Doman and Jewel Doman, husband and wife, unto Skyline Farms, Inc., a corporation, as Grantee of record in said County, Instrument No. 76660. An easement across the North 25 feet of the NW1/4 NW1/4 of Sec. 20, Twp. 17 S., R. 47 E., W.M.

SUBJECT to existing ditch, road and gas line easements.



#### EASEMENT "G":

Easement as granted by instrument dated October 21, 1966, from Vernon Casterlane and Jane M. Casterlane, husband and wife, unto Skyline Farms, Inc., a corporation, as Grantee of record in said County, Instrument No. 76661. An easement across the North 25 feet of the N1/2 NE1/4 of Sec. 19, Twp. 17 S., R. 47 E., W.M.

SUBJECT to existing lateral and county road easement.

EXCEPTING easement to State of Oregon Highway Commission for Highway 30 and overpass along Stanton Boulevard in the NW1/4 NE1/4 of said Sec. 19.

### EASEMENT "H":

Easement as granted by instrument dated November 11, 1966, from Floyd A. Hager and Helen D. Hager, husband and wife, unto Skyline Farms, Inc., a corporation, as Grantee of record in said County, Instrument No. 80104. An easement across a parcel of land located in the SW1/4 SE1/4 of Sec. 18, Twp. 17 S., R. 47 E., W.M., being 12.5 feet wide on either side of the following described centerline:

Beginning at a point on the West line of said SW1/4 SE1/4, 513.15 feet North of the South quarter corner of said Sec. 18;

thence S. 42 degrees 23' E., 190.62 feet;

thence S. 51 degrees 02' E., 234.0 feet, more or less, to the North right-of-way fence along the Northerly Frontage Road of U.S. Highway 30 North.

#### EASEMENT "I":

Easement as granted by instrument dated December 13, 1966, from Calvin Hughes and Shirley Hughes, husband and wife, unto Skyline Farms, Inc., a corporation, as Grantee of record in said County, Instrument No. 80103. An easement across a parcel of land located in Sec. 18, Twp. 17 S., R. 47 E., W.M., being 12.5 feet wide on either side of the following described centerline:

Beginning at a point on the East line of the SE1/4 SW1/4 of said Sec. 18, said point being 513.15 feet North of the South quarter corner of Sec. 18;

thence N. 42 degrees 23' W., 283.98 feet;

thence N. 25 degrees 07' W., 729.70 feet;

thence N. 28 degrees 50' W., 1091.45 feet;

thence N. 59 degrees 27' W., 489.08 feet;

thence S. 89 degrees 06' W., 681.9 feet to the East line of the State Highway Stockpile Site.

#### EASEMENT "J":

Easement as granted by instrument dated November 8, 1966, from Eugene W. Wynn and Edith Wynn, husband and wife, unto Skyline Farms, Inc., a corporation, as Grantee of record in said County, Instrument No. 80102. An easement 12.5 feet wide on either side of the following described centerline, located in Sec. 13, Twp. 17 S., R. 46 E., W.M.:

Beginning at a point on the West line of the SE1/4 NW1/4 of Sec. 13,

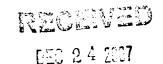
said point being 68.4 feet North of the Southwest corner of the said SE1/4 NW1/4;

thence N. 79 degrees 01' E., 1603.88 feet;

thence S. 76 degrees 02' E., 2187.07 feet;

thence N. 58 degrees 46' W., 3.0 feet to the Southerly right of way of the U.S. Highway 84 North.

EXCEPTING existing Canal right of way.



#### EASEMENT "K":

Easement as granted by instrument dated January 24, 1967, from C. H. Thayer and Hazel E. Thayer, husband and wife, unto Skyline Farms, Inc., a corporation, as Grantee of record in said County, Instrument No. 80101. An easement across a parcel of land in the S1/2 N1/2 of Sec. 14, Twp.

17 S., R. 46 E., W.M., described as follows:

The South 25 feet of the S1/2 NE1/4;

The South 25 feet of the SE1/4 NW1/4;

The East 25 feet of the SW1/4 NE1/4.

EXCEPTING THEREFROM the following two parcels:

PARCEL NO. 1: Beginning at the Southeast corner of said SW1/4 NE1/4;

thence S. 89 degrees 49' W., 700 feet along the South line of said SW1/4 NE1/4;

thence North 250 feet:

thence N. 89 degrees 49' E., 900 feet;

thence South 250 feet;

thence S. 89 degrees 49' W., 200 feet to the Point of Beginning.

PARCEL NO. 2: Beginning at the Northeast corner of said SW1/4 NE1/4;

thence S. 89 degrees 57' W., 1992.8 feet;

thence South 260 feet;

thence N. 89 degrees 07' E., 1993.0 feet;

thence North 229.0 feet to the Point of Beginning.

### EASEMENT "L" and "M":

Easement as granted by instrument dated April 7, 1978, from C. H. Thayer, et al, unto Skyline Farms, Inc., a corporation, Grantee of record in said County, Instrument No. 43578.

PARCEL NO. 1: A strip of land 25.0 feet in width being 12.5 feet on each side of an existing irrigation pipeline located in Sec. 16, Twp. 17 S., R. 46 E., W.M., Malheur County, Oregon, and being more particularly described as follows:

Commencing at a brass cap marking the Northeast section corner of Sec. 16, Twp. 17 S., R. 46 E., W.M.;

thence S. 00 degrees 03' 52" E., 2633.39 feet along the East line of said Sec. 16, to the East quarter corner of Sec. 16;

thence West 26.18 feet along the South line of the NE1/4 of Sec. 16 to the POINT OF BEGINNING;

thence N. 01 degree 38' 19" E., 671.50 feet along the centerline of a 25 foot wide strip of land to a point which marks the end of this irrigation pipeline easement.

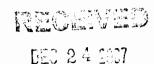
PARCEL NO. 2: A strip of land 25 feet in width being 12.5 feet on each side of an existing irrigation pipeline located in Sec. 16, Twp. 17 S., R. 46 E., W.M., Malheur County, Oregon, and being more particularly described as follows:

Commencing at a brass cap marking the Northeast section corner of Sec. 16, Twp. 17 S., R. 46 E., W.M.;

thence S. 00 degrees 03' 52" E., 1045.44 feet along the East line of said Sec. 16, to a point;

thence S. 86 degrees 41' 00" W., 6.02 feet to the POINT OF BEGINNING;

thence N. 00 degrees 10' 25" W., 1045.79 feet along the centerline of a 25 foot wide strip of land to a point on the North line of Sec. 16, and which point also marks the end of this irrigation pipeline easement.



PARCEL NO. 3: A strip of land 25 feet in width being 12.5 feet on each side of an existing irrigation pipeline located in Sec. 15, Twp. 17 S., R. 46 E., W.M., Malheur County, Oregon and being more particularly described as follows:

Commencing at a brass cap marking the Northwest section corner of Sec. 15, Twp. 17 S., R. 46 E., W.M.;

thence S. 00 degrees 03' 52" E., 1045.44 feet along the West line of said Sec. 15, to a point;

thence N. 86 degrees 31' 00" E., 626.5 feet to a point;

thence S. 02 degrees 12' 00" E., 23.95 feet to the POINT OF BEGINNING;

thence along the centerline of a 25 foot wide strip of land the following courses and distances:

N. 86 degrees 41' 00" E., 27.95 feet to a point;

thence N. 40 degrees 22' 46" E., 246.98 feet to a point which marks the end of this irrigation pipeline easement.

PARCEL NO. 4: A strip of land 25 feet in width lying along and adjacent to a Southerly boundary line of Skyline Farms property located in Sec. 15, Twp. 17 S., R. 46 E., W.M., Malheur County, Oregon, and being more particularly described as follows:

Commencing at a brass cap marking the Northwest section corner of Sec. 15, Twp. 17 S., R. 46 E., W.M.;

thence S. 89 degrees 53' 51" E., 339.61 feet along the North line of said Sec. 15, to a point;

thence S. 33 degrees 56' 00" E., 206 feet to a point;

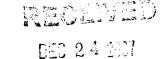
thence S. 04 degrees 47' 00" E., 475 feet to a point;

thence S. 29 degrees 49' 00" E., 223 feet to a point;

thence S. 88 degrees 38' 00" E., 185.42 feet to the POINT OF BEGINNING;

thence along the Northerly line of a 25 foot wide strip of land which is adjacent and Southerly boundary line of Skyline Farms property, the following courses and distances:

- S. 88 degrees 38' 00" E., 115.08 feet to a point;
- S. 88 degrees 46' 00" E., 393.14 feet to a point;
- S. 00 degrees 07' 59" E., 6.30 feet to a point;
- S. 88 degrees 56' 00" E., 600.42 feet to a point which marks the end of this irrigation pipeline easement.



#### EASEMENT "N":

Easement as granted by instrument dated September 16, 1998, from the City of Ontario, Oregon, a Municipal Corporation organized and existing under and by virtue of the laws of the State of Oregon, unto Farrell V. Larson and Irene C. Larson, as Grantee of record in said County, Instrument No. 98-7481. An easement, permanent ingress/egress access easement over and across a portion of Section 32 and 33, Twp. 17 S., R. 46 E., W.M., Malheur County, Oregon, more particularly described as follows:

The South 20 feet of the North 1/2 of the South 1/2 of said Sec. 33;

and the South 20 feet of the North 1/2 of the Southeast 1/4 of said Section 32. Said easement, also being subject to any rights of way or other easements of record or in use.

ALSO the following described property:

An existing road right of way being 20 feet wide and lying South of the following described line, to-wit:

Beginning at an Iron Pin marking the 1/4 corner common to Secs. 33 and 34, Twp. 17 S., R. 46 E., W.M.;

thence along the section line common to said Secs. 33 and 34, N. 01 degrees 14' 54" E., a distance of 1491.54 feet to a point, being the POINT OF BEGINNING;

thence leaving said section line N. 88 degrees 45' 06" W., a distance of 27.04 feet to a point on an existing fence line;

thence along the existing fence line S. 42 degrees 03' 58" W., a distance of 188.81 feet to a point;

thence S. 82 degrees 50' 55" W., 170.33 feet;

thence S. 42 degrees 19' 10" W., 377.90 feet;

thence S. 65 degrees 57' 04" W., 202.72 feet;

thence S. 82 degrees 57' 12" W., 851.67 feet;

thence N. 37 degrees 33' 39" W., 1325.50 feet;

thence S. 76 degrees 04' 02" W., 617.17 feet;

thence N. 82 degrees 03' 21" W., 336.52 feet;

thence N. 77 degrees 37' 55" W., 913.63 feet;

thence S. 62 degrees 35' 40" W., 1067.94 feet;

thence N. 68 degrees 51' 03" W., 577.54 feet;

thence Southwesterly approximately a distance of 700 feet;

thence Westerly a distance of approximately 1600 feet to the West boundary of the NE1/4 of Sec. 32, Twp. 17 S., R. 46 E., W.M.

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#### EXHIBIT "B"

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Land in Malheur County, Oregon, as follows:
In Twp. 17 S., R. 46 E., W.M.:
A. Sec. 1: A parcel of land in the S1/2 SW1/4 more particularly described as follows, to-wit:
               Beginning at the South quarter corner of said Section 1;
               thence N. 00 degrees 04' W., 586 feet;
               thence N. 56 degrees 12' W., 158.0 feet;
               thence N. 84 degrees 06' W., 486.0 feet;
               thence N. 48 degrees 39' W., 111.0 feet;
               thence S. 81 degrees 23' W., 345.0 feet;
              thence N. 58 degrees 11' W., 589.0 feet;
              thence N. 83 degrees 16' W., 354.0 feet;
              thence S. 85 degrees 30' W., 524.0 feet;
              thence N. 59 degrees 53' W., 231.6 feet to a point on the West line of said S1/2 SW1/4;
              thence S. 00 degrees 14' E., 1177.2 feet to the Southwest corner of said S1/2 SW1/4;
              thence N. 89 degrees 54' E., 2609.6 feet to the Point of Beginning.
       ALSO all that portion of the SW1/4 SE1/4 lying South of the center line of North Jacobson
       Gulch more particularly described as follows:
               Beginning at the South quarter corner of said Section 1;
              thence N. 00 degrees 03' W., 586.0 feet;
              thence S. 35 degrees 50' E., 87.0 feet;
              thence S. 55 degrees 26' E., 252.0 feet;
              thence S. 47 degrees 36' E., 68.0 feet;
              thence S. 66 degrees 06' E., 89.0 feet;
              thence S. 87 degrees 42' E., 193.0 feet;
              thence S. 41 degrees 54' E., 181.0 feet;
              thence S. 18 degrees 27' E., 301.0 feet;
              thence S. 89 degrees 53' W., 802.0 feet to the Point of Beginning.
B. Sec. 2: That portion of the E1/2 SW1/4 and S1/2 SE1/4 lying Northeasterly of Interstate Highway
              No. 84 right of way.
       ALSO the following 4 described parcels, to-wit:
       PARCEL NO. 1:
              Beginning at the Southeast corner of said SE1/4 NW1/4;
              thence N. 00 degrees 03' E., 142.4 feet;
              thence N. 65 degrees 36' W., 449.0 feet;
              thence N. 55 degrees 55' W., 426.0 feet;
              thence N. 87 degrees 09' W., 357.0 feet;
              thence S. 74 degrees 02' W., 210.0 feet to a point on the West line of the SE1/4 NW1/4;
              thence S. 00 degrees 12' W., 533.4 feet to the South line of the SE1/4 NW1/4:
              thence N. 89 degrees 39' E., 1321.9 feet to the Point of Beginning.
       PARCEL NO. 2:
               Beginning at the Southwest corner of the SW1/4 NE1/4;
              thence N. 00 degrees 03' E., 142.4 feet;
              thence S. 29 degrees 34' E., 162.7 feet;
               thence S. 89 degrees 39' W., 80.8 feet to the Point of Beginning.
                                                      (Continued)
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### PARCEL NO. 3:

Beginning at a point S. 89 degrees 43' W., 244.1 feet from the Southeast corner of the N1/2 SE1/4;

thence N. 59 degrees 34' W., 235.4 feet;

thence N. 34 degrees 27' W., 624.0 feet;

thence N. 68 degrees 05' W., 507.0 feet;

thence N. 58 degrees 43' W., 187.0 feet;

thence S. 85 degrees 53' W., 274.0 feet;

thence N. 66 degrees 36' W., 905.0 feet;

thence N. 28 degrees 14' W., 59.4 feet to the North line of said N1/2 SE1/4;

thence S. 89 degrees 39' W., 80.8 feet to the Northwest corner of the N1/2 SE1/4;

thence S. 00 degrees 03' W., 1315.4 feet to the Southwest corner of the N1/2 SE1/4;

thence N. 89 degrees 43' E., 2401.3 feet to the Point of Beginning.

#### PARCEL NO. 4:

Beginning at the Southeast corner of said SW1/4 NW1/4;

thence N. 00 degrees 12' E., 91.4 feet;

thence N. 44 degrees 37' W., 415.0 feet;

thence S. 44 degrees 39' W., 167.0 feet;

thence S. 43 degrees 49' W., 865.0 feet;

thence S. 45 degrees 58' E., 602.0 feet;

thence S. 45 degrees 12' E., 828.2 feet to the intersection of the East line of the SW1/4 SW1/4 with the Northern boundary R.O.W. of Interstate Highway 80;

thence N. 00 degrees 12' E., 1374.5 feet to the Point of Beginning.

C. Sec. 11: All that portion of the N1/2 NE1/4 lying Northeasterly of the Interstate 84 right of way.

D. Sec. 12: W1/2 NE1/4, N1/2 NW1/4, SE1/4 NW1/4, NE1/4 SW1/4, and that portion of the SW1/4 NW1/4 and NW1/4 SW1/4 lying Northeasterly of the Interstate 84 right of way.

E. Sec. 14: W1/2 SW1/4,

EXCEPTING THEREFROM that portion conveyed to the State of Oregon Department of Transportation, recorded January 30, 1991, Instrument No. 91-561, Deed Records, for right of way.

F. Sec. 15: S1/2, and the following described parcel:

Beginning at the Southeast corner of said SW1/4 NW1/4 of Sec. 15;

thence N. 06 degrees 18' W., 360 feet;

thence S. 87 degrees 32' W., 963 feet;

thence S. 02 degrees 53' E., 317 feet;

thence S. 89 degrees 59' E., 985.7 feet to the Point of Beginning.

ALSO the following described parcel:

Beginning at a point 149 feet S. 89 degrees 49' W., from the East quarter corner of said Sec. 15;

thence N. 05 degrees 42' W., 345 feet;

thence S. 88 degrees 51' W., 1302 feet;

thence S. 07 degrees 36' E., 320 feet;

thence N. 89 degrees 59' E., 1293.3 feet to the Point of Beginning.

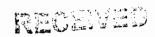
G. Sec. 16: S1/2.

H. Sec. 17: SE1/4 SE1/4.

I. Sec. 20: NE1/4 NE1/4, E1/2 SE1/4 NE1/4, E1/2 NE1/4 SE1/4.

J. Sec. 21: N1/2, N1/2 S1/2.

(Continued)



#### EXHIBIT "C"

Land in Malheur County, Oregon, as follows:

In Twp. 17 S., R. 46 E., W.M.:

Sec. 13: SE1/4, S1/2 NE1/4, SE1/4 NW1/4, NE1/4 SW1/4;

EXCEPTING THEREFROM the following described parcels, to-wit:

PARCEL NO. 1:

A parcel of land in the S1/2 NE1/4 and the NE1/4 SE1/4, said parcel being that portion lying Northeasterly of a line which is parallel with and 100 feet Southwesterly of the center line of the Old Oregon Trail Highway as said highway has been relocated, which center line is described as follows:

Beginning at Engineer's center line Station 960+10.01, said Station being 86.59 feet North and 350.34 feet West of the Northeast corner of the SW1/4 NE1/4 of said Sec. 13:

thence S. 45 degrees 07' E., 2489.99 feet to Engineer's center line Station 985+00,, said center line crossing the North line of said S1/2 NE1/4 and the East line of said Sec. 13, approximately at Station 961+35 and 983+37, respectively.

#### PARCEL NO. 2:

A parcel of land lying in the SE1/4 NE1/4 and the NE1/4 SE1/4 being described as follows:

Beginning at the East quarter corner of said Sec. 13;

thence N. 0 degrees 19' E., along the East line of said Sec. 13, 150 feet;

thence N. 89 degrees 41' W., 30 feet;

thence S. 0 degrees 19' W., 700 feet;

thence S. 89 degrees 41' E., 30 feet to the East line of said Sec. 13;

thence N. 0 degrees 19' E., along said East line, 550 feet to the Point of Beginning.

EXCEPTING that portion lying within Parcel No. 1 above.

#### PARCEL NO. 3:

A parcel of land in the SE1/4 SE1/4 described as follows:

Commencing at the Southeast corner of said Sec. 13;

thence West, along the South boundary thereof, 447.38 feet to the POINT OF BEGINNING;

thence North 197.60 feet;

thence West 220.45 feet;

thence South 197.60 feet;

thence East 220.45 feet to the Point of Beginning.

#### PARCEL NO. 4:

All that portion of raod right of way conveyed to the State of Oregon, Department of Transportation, as contained in Deed recorded January 22, 1991, Instrument No. 91-392, Deed Records.

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#### PARCEL NO. 5:

A parcel of land in the S1/2 SE1/4 more particularly described as follows, to-wit:

Beginning at the Southwest corner of the SE1/4 of said Sec. 13;

thence North 891.5 feet along the midsection line;

thence S. 76 degrees 00' E., 207 feet;

thence S. 63 degrees 30' E., 224 feet;

thence S. 72 degrees 00' E., 324 feet;

thence S. 20 degrees 30' E., 107 feet;

thence S. 58 degrees 45' E., 193 feet;

thence S. 23 degrees 30' E., 109 feet;

thence S. 38 degrees 45' E., 128 feet;

thence S. 47 degrees 30' E., 148 feet;

thence S. 33 degrees 30' E., 160 feet, more or less, to a point on the South line of said Sec. 13;

thence West along the South line of said Sec. 13 to the Point of Beginning.

\* \* \* \* \* \* \* \* \* \* \* \*

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