



Oregon Water Resources Department 725
Summer Street NE, Suite A
Salem Oregon 97301-1271
(503) 986-0900
www.wrd.state.or.us

Application for a Permit to Use Ground Water

Please type or print in dark ink. If your application is found to be incomplete or inaccurate, we will return it to you. If any requested information does not apply to your application, insert "n/a." Please read and refer to the instructions when completing your application. A summary of review criteria and procedures that are generally applicable to these applications is available at www.wrd.state.or.us/OWRD/PUBS/forms.shtml.

1. APPLICANT INFORMATION

A. Individuals

Applicant: Stephen Eraker
First Last

Mailing Address: 69550 NW 83rd. St., PO 1745
Redmond Oregon 97756
City State Zip

Phone: 541-923-5061 503-347-8626
Home Work Other

*Fax: _____ *Email Address: steve.eraker@gmail.com

B. Organizations

(Corporations, associations, firms, partnerships, joint stock companies, cooperatives, public and municipal corporations)

Name of Organization: _____

Name and Title of Person Applying: _____

Mailing Address or Organization: _____

City State Zip

Phone : _____
Day Evening

*Fax: _____ *Email Address: _____

*Optional

For Department Use		
App. No. <u>G-17292</u>	Permit No. _____	Date _____

Last Updated: 3/31/2009

WR

2. PROPERTY OWNERSHIP

☒ Yes (Please check appropriate box below then skip to section 3 'Ground Water Development')

☐ There are no encumbrances

☒ This land is encumbered by easements, rights of way, roads or other encumbrances
(please provide a copy of the recorded deed(s))

☐ No (Please check the appropriate box below)

☐ I have a recorded easement or written authorization permitting access.

☐ I do not currently have written authorization or easement permitting access.

☐ Written authorization or an easement is not necessary, because the only affected lands I do not own are state-owned submersible lands, and this application is for irrigated and/or domestic use only (ORS 274.040).

You must provide the legal description of: (1) the property from which the water is to be diverted, (2) any property crossed by the proposed ditch, canal or other work, and (3) any property on which the water is to be used as depicted on the map.

List the names and mailing addresses of all affected landowners.

David Chapman Gem Development LLC PO Box 264 Bend, OR 97709	(20 foot driveway access easement on North property line)
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3. GROUND WATER DEVELOPMENT**A. Well Information**

Number of well(s): 1

Name of nearest surface water body: Deschutes River

Distance from well(s) to nearest stream or lake:

1) 1/4 mile 2) _____ 3) _____ 4) _____

If distance from surface water is less than one mile, indicate elevation difference between nearest surface water and well head:

1) Deschutes River 70 feet below 2) _____ 3) _____ 4) _____

B. Well Characteristics

Wells must be constructed according to standards set by the Department for the construction and maintenance of water wells. If the well is already constructed, please enclose a copy of the well constructor's log and the well ID number, if available, for each well with this application. Identify each well with a number corresponding to the wells designated on the map and proceed to section 4 of the form. If the well has not been constructed, or if you do not have a well log, please complete the following:

Well(s) will be constructed by:

completed, see log

Mailing Address: _____

City

State

Zip

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Completion Date: _____

Please provide a description of your well development. (*Attach additional sheets if needed.*)

Well No.	Diameter	Type and size of casing	No. of feet of casing	Intervals casing is perforated (in feet)	Seal depth	Est. depth to water	Est. depth to water bearing stratum	Type of access port or measuring device	Total well depth
1	8"	Steel welded	1.5to34.5	232-252	36'	140	140-265	-	265

Note: Well numbers in this listing must correspond to well locations(s) shown on accompanying map.

If well log is not available, or well is not yet constructed, you must provide: proposed total depth, depth of casing and seal, and the anticipated perforation and open intervals.

C. Artesian Flows

If your water well is flowing artesian, describe your water control and conservation works:

4. WATER USE

Please read the instruction booklet for more details on "type of use" definitions, how to express how much water you need and how to identify the water source you propose to use. You must fill out a supplemental form for some uses as they require specific information for that type of use.

A. Type(s) of Use(s)

See list of beneficial uses provided in the instructions.

- If your proposed use is **domestic**, indicate the number of households to be supplied with water: _____
- If your proposed use is **irrigation**, please attach **Form I**
- If your proposed use is **mining**, attach **Form R**
- If your proposed use is **municipal or quasi-municipal**, attach **Form M**
- If your proposed use is **commercial/industrial**, attach **Form Q**

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B. Amount of Water

Provide the production rate in gallons per minute (gpm) and the total annual amount of water you need from each well, from each source or aquifer, for each use. You do not need to provide source information if you are submitting a well log with your application.

Well No.	Source or aquifer	Type of use	Total rate of water requested (in gpm)	Total annual quantity (in gallons)	Production rate of well (in gpm)
I (see well log)		irrigation	56.1 gpm	3,258,510	60 gpm

C. Maximum Rate of Use Requested

What is the maximum, instantaneous rate of water that will be used? 0.125 cfs

(The fees for your application will be based on this amount.)

D. Period of Use

Indicate the time of year you propose to use the water: April 1 - October 31

(For seasonal uses like irrigation give dates when water use would begin and end, e.g. March 1-October 31.)

E. Acreage

If you will be applying water to land, indicate the total number of acres where water will be applied or used: 10

(This number should be consistent with your application map.)

5. WATER MANAGEMENT**A. Diversion**

What method will you use to divert water from the source?

☒ Pump (give horsepower and pump type): (existing well/pump) 5 H.P. electric

☐ other means (describe): _____

B. Transport

How will you transport water to your place of use?

☐ Ditch or canal (give average width and depth):

Width _____ Depth _____

Is the ditch or canal to be lined? ☐ Yes ☐ No

☒ Pipe (give diameter and total length):

Diameter 3" Length to be determined

☐ other, describe: _____

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C. Application/Distribution Method

What equipment will you use to apply water to your place of use?

Will pump from well with ____ HP into pond and then pump to irrigation center pivot system, sprinkler, wheel lines or drip (for grapes).

Irrigation or land application method (check all that apply):

- | | | |
|--|---|---|
| ☐ Flood | ☒ High pressure sprinkler | ☐ Low pressure sprinkler |
| ☒ Drip | ☐ Water Cannons | ☒ Center pivot system |
| ☐ Hand Lines | ☒ Wheel Lines | |
| ☐ Siphon tubes or gated pipe with furrows | | |
| ☐ other, describe: _____ | | |

Distribution method

- | | | |
|--|--|-------------------------------------|
| ☐ Direct pipe from source | ☒ In-line storage (tank or pond) | ☐ Open Canal |
|--|--|-------------------------------------|

E. Conservation

What methods will you use to conserve water? Why did you choose this distribution or application method? Have you considered other methods to transport, apply, distribute or use water? For example, if you are using sprinkler irrigation rather than drip irrigation, explain. If you need additional space, attach a separate sheet.

Sprinkler will use small sized nozzles, and drip system will be used for grapes when planted. Anticipate moving to drip system for grapes as planted.

6. PROJECT SCHEDULE

Indicate the anticipated dates that the following construction tasks should begin. If construction has already begun, or is completed, please indicate that date.

Proposed date construction will begin: 4/1/2010

Proposed date construction will be completed: when permit is issued

Proposed date beneficial water use will begin: when permit is issued

Is this project fully or partially funded by the American Recovery and Reinvestment Act? (Federal dollars) ☐ Yes ☒ No

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7. REMARKS

If you would like to clarify any information you have provided in the application, please do so here and reference the specific application question you are addressing.

Pending irrigation credits.

8. MAP REQUIREMENTS

The Department cannot process your application without accurate information showing the source of water and location of water use. You must include a map with this application form that clearly indicates the township, range, section, and quarter/quarter section of the proposed well location and place of use. The map must provide tax lot numbers. See the map guidelines sheet for detailed map specifications.

9. SIGNATURE

By my signature below I confirm that I understand:

- I am asking to use water specifically as described in this application.
- Evaluation of this application will be based on information provided in the application packet.
- I cannot legally use water until the Water Resources Department issues a permit to me.
- If I get a permit, I must not waste water.
- If development of the water use is not according to the terms of the permit, the permit can be canceled.
- The water use must be compatible with local comprehensive land use plans.
- Even if the Department issues a permit, I may have to stop using water to allow senior water right holders to get water to which they are entitled.

I swear that all information provided in this application is true and correct to the best of my knowledge:

Signature of Applicant *(If more than one applicant, all must sign.)*

Date

Stephen Enake

11/09/09

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Before you submit your application be sure you have:

- Answered each question completely.
- Attached a legible map which includes township, range, section, quarter/quarter and tax lot number.
- Included a Land Use Information Form or receipt stub signed by a local official.
- Included the legal description of all the property involved with this application. You may supply a copy of the deed, land sales contract, or title insurance policy, to meet this requirement.
- Included a check payable to the Oregon Water Resources Department for the appropriate amount. The Department's fee schedule can be found at www.wrd.state.or.us or call (503) 986-0900.

WRD on the web:

www.wrd.state.or.us

Oregon Water Resources Department

FORM I
FOR IRRIGATION USE

1. Please indicate whether you are requesting a primary or supplemental water right, as well as the number of acres that will be irrigated for each type. The acreages must match those shown on the map submitted with your application.

☒ Primary: 10 Acres

☐ Supplemental: _____ Acres (supplemental irrigation can be used only when the primary right is not available, and must match the season of the primary right)

List the permit or certificate number of the primary water right that underlies each supplemental right.

Circle one

Season Allowed

Permit/Certificate # _____	_____
Permit/Certificate # _____	_____
Permit/Certificate # _____	_____
Permit/Certificate # _____	_____

2. Indicate the maximum number of acre-feet of water you expect to use in an irrigation season:

3 acre feet _____ acre-feet (typically 2.5 or 3.0 acre-feet per acre)
(1 acre-foot equals 12 inches of water spread over 1 acre, or 43,560 cubic feet, or 325,851 gallons)

3. **For Limited License applications proposing to use water for irrigation.** If for use of stored water, a limited license may be issued for up to one year with a valid contract for stored water per ORS 537.143(9). A limited license may also be issued for irrigation from live flow or groundwater, if the sole purpose is to establish a crop for which no further irrigation will be required after the crop is established per ORS 537.143(6)(a). Please describe the proposed project and indicate if stored water, live flow, or groundwater is to be used. When irrigation is needed to establish a crop, you must justify why more than one year is required.

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STATE OF OREGON
WATER WELL REPORT 02 WATER RESOURCES DEPT.
(as required by ORS 537.765) SALEM, OREGON

(START CARD) # 18301

(1) OWNER:

Name Phil Larson Well Number _____
Address 735 NW GREENWOOD #15
City REDMOND State OR Zip 97756

(2) TYPE OF WORK:

☒ New Well ☐ Deepen ☐ Recondition ☐ Abandon

(3) DRILL METHOD

☒ Rotary Air ☐ Rotary Mud ☐ Cable
☐ Other _____

(4) PROPOSED USE:

☒ Domestic ☐ Community ☐ Industrial ☐ Irrigation
☐ Thermal ☐ Injection ☐ Other _____

(5) BORE HOLE CONSTRUCTION:

Special Construction approval Yes ☐ No ☒ Depth of Completed Well 265 ft.
Explosives used Yes ☐ No ☒ Type _____ Amount _____

HOLE		SEAL		Amount	
Diameter	From To	Material	From To	sacks or pounds	
12	0	36 CEMENT	0	36	18

How was seal placed: Method ☐ A ☐ B ☐ C ☐ D ☒ E
☐ Other _____

Backfill placed from _____ ft. to _____ ft. Material _____
Gravel placed from _____ ft. to _____ ft. Size of gravel _____

(6) CASING/LINER:

	Diameter	From	To	Gauge	Steel	Plastic	Welded	Threaded
Casing:	8"	+1 1/2	34	.250	☒	☐	☒	☐
					☐	☐	☐	☐
					☐	☐	☐	☐
Liner:	6"	-5	259	.188	☒	☐	☒	☐
					☐	☐	☐	☐

Final location of shoe(s) _____

(7) PERFORATIONS/SCREENS:

☒ Perforations Method FACTORY
☐ Screens Type _____ Material _____

From	To	Slot size	Number	Diameter	Tele/pipe size	Casing	Liner
232	252					☐	☒
						☐	☐
						☐	☐
						☐	☐

(8) WELL TESTS: Minimum testing time is 1 hour

☐ Pump ☐ Bailer ☒ Air ☐ Flowing
Yield gal/min 60 gpm Drawdown 0 Drill stem at 250 Time 1 hr.
Temperature of water 53 Depth Artesian Flow Found _____

Was a water analysis done? No ☐ Yes By whom _____
Did any strata contain water not suitable for intended use? ☐ Too little
☐ Salty ☐ Muddy ☐ Odor ☐ Colored ☐ Other _____

(9) LOCATION OF WELL by legal description:

County Deschutes Latitude _____ Longitude _____
Township 145 N or S Range 12E E or W, WM.
Section 35 NW 1/4 NE 1/4
Tax Lot 4303 Lot _____ Block _____ Subdivision _____
Street Address of Well (or nearest address) 69550 NW 83rd
REDMOND, OR

(10) STATIC WATER LEVEL:

140 ft. below land surface. Date 4-18-90
Artesian pressure _____ lb. per square inch. Date _____

(11) WATER BEARING ZONES:

From	To	Estimated Flow Rate	SWL
140	265		140

(12) WELL LOG:

- Ground elevation _____

Material	From	To	SWL
SANDY TOP SOIL	0	6	
COARSE GRAVEL	6	30	
GRAY LAVA	30	43	
BROWN SANDSTONE & RED LINDERS	43	140	140
FRACTURED BASALT WATER B.	140	250	
RED CINDER WATER BEARING	250	265	

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(unbonded) Water Well Constructor Certification:

I certify that the work I performed on the construction, alteration, or abandonment of this well is in compliance with Oregon well construction standards. Materials used and information reported above are true to my best knowledge and belief.

Signed Jack Abbas (helper) WWC Number _____
Date _____

(bonded) Water Well Constructor Certification:

I accept responsibility for the construction, alteration, or abandonment work performed on this well during the construction dates reported above. all work performed during this time is in compliance with Oregon well construction standards. This report is true to the best of my knowledge and belief.

Signed A. I. Y. P. (helper) WWC Number 1255

PUC 11 APR 06-5-5 PUC 5-3-90 WDAH JMS



Oregon Water Resources Department Land Use Information Form

THIS FORM IS NOT REQUIRED IF: 1) water is to be diverted, conveyed, and/or used only on federal lands; or 2) the application is for a water-right transfer, allocation of conserved water, exchange, permit amendment, or ground water registration modification, and all of the following apply: a) only the place of use is proposed for change, b) there are no structural changes, c) the use of water is for irrigation, and d) the use is located in an irrigation district or exclusive farm-use zone.

Applicant Name: Stephen Eraker
 Mailing Address: 69550 NW 83rd St., PO 1745
 City: Redmond State: OR Zip: 97756 Day Phone: 503-347-8626

A. Land and Location

Please include the following information for all tax lots where water will be diverted (taken from its source), conveyed (transported), or used. Applicants for municipal use, or irrigation uses within irrigation districts may substitute existing and proposed service-area boundaries for the tax-lot information requested below.

Township	Range	Section	1/4 1/4	Tax Lot #	Plan Designation (e.g. Rural Residential/RR-5)	Water to be:	Proposed Land Use:
14	12E	35A	NW 1/4 NE 1/4	100	EFU 20	☒ Diverted ☒ Conveyed ☒ Used	Farm
						☐ Diverted ☐ Conveyed ☐ Used	
						☐ Diverted ☐ Conveyed ☐ Used	
						☐ Diverted ☐ Conveyed ☐ Used	

List all counties and cities where water is proposed to be diverted, conveyed, or used. _____

B. Description of Proposed Use

Type of application to be filed with the Water Resources Department:

- ☒ Permit to Use or Store Water ☐ Water-Right Transfer ☐ Exchange of Water
☐ Allocation of Conserved Water ☐ Limited Water Use License
☐ Permit Amendment or Ground Water Registration Modification

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Source of water: Reservoir/Pond ☒ Ground Water ☐ Surface Water (name) _____

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Estimated quantity of water needed: 56.1 ☐ cubic feet per second ☒ gallons per minute ☐ acre-feet

Intended use of water: ☒ Irrigation ☐ Commercial ☐ Industrial ☐ Domestic for _____ household(s)
☐ Municipal ☐ Quasi-municipal ☐ Instream ☐ Other _____

Briefly describe: irrigate crops, grasses, grapes,
ranching (cattle, horses)

Note to applicant: If the Land Use Information Form cannot be completed while you wait, please have a local government representative sign the receipt below and include it with the application filed with the Water Resources Department.

Receipt for Request for Land Use Information

State of Oregon Water
Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301-1266

For Local Government Use Only

The following section must be completed by a planning official from each county and city listed unless the project will be located entirely within the city limits. In that case, only the city planning agency must complete this form.

This deals only with the local land-use plan. Do not include approval for activities such as building or grading permits.

Please check the appropriate box below and provide the requested information

Land uses to be served by proposed water uses (including proposed construction) are allowed outright or are not regulated by your comprehensive plan. Cite applicable ordinance section(s): DCC Section 18.16.020(A).

Land uses to be served by proposed water uses (including proposed construction) involve discretionary land-use approvals as listed in the table below. (Please attach documentation of applicable land-use approvals which have already been obtained. Record of Action/land-use decision and accompanying findings are sufficient.)

If approvals have been obtained but all appeal periods have not ended, check "Being pursued".

Type of Land-Use Approval Needed (e.g. plan amendments, rezones, conditional-use permits, etc.)	Cite Most Significant, Applicable Plan Policies & Ordinance Section References	Land-Use Approval:	
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued

Local governments are invited to express special land-use concerns or make recommendations to the Water Resources Department regarding this proposed use of water below, or on a separate sheet.

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SALEM, OREGON

Name: KEVIN HARRISON Title: PRINCIPAL PLANNER
 Signature: [Signature] Phone: (541) 385-1401 Date: 11/30/09
 Government Entity: DESCHUTES COUNTY

Note to local government representative: Please complete this form or sign the receipt below and return it to the applicant. If you sign the receipt, you will have 30 days from the Water Resources Department's notice date to return the completed Land Use Information Form or WRD may presume the land use associated with the proposed use of water is compatible with local comprehensive plans.

Receipt for Request for Land Use Information

Applicant name: _____

City or County: _____ Staff contact: _____

Signature: _____ Phone: _____ Date: _____

VOL 41 PAGE 81

IN THE CIRCUIT COURT OF THE STATE OF OREGON
FOR THE COUNTY OF DESCHUTES

FREDERICK P. RAWSON,

Plaintiff,

No. 11720

vs.

OLIVER R. JONES and
JOAN E. JONES,
husband and wife,

Defendants.

D E C R E E

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SALEM, OREGON

Based on Stipulation of the parties, the court being advised,
it is

ORDERED, ADJUDGED AND DECREED:

1. That Plaintiff be and hereby is decreed to be the owner,
free and clear of any claim or interest on the part of Oliver R.
Jones and Joan E. Jones, his wife, and any and all persons claim-
ing by, through or under them, of the lands described in Plain-
tiff's complaint, to-wit:

The N.W. 1/4; the W 1/2 of the N.E. 1/4 and the
North 1/2 of the S.W. 1/4, all in Section 35,
Township 14 S, Range 12 E, W.M., in Deschutes
County, Oregon, except as hereinafter provided.

2. That Oliver R. Jones and Joan E. Jones, his wife, and
their heirs, successors and assigns be and are declared to be
owners of a perpetual easement for joint user in and to that cer-
tain irrigation ditch, as now located and in use, said ditch run-
ning in, on and across the NE 1/4 of the NW 1/4 and the NW 1/4 of
the NW 1/4 of Section 35, Township 14 S, Range 12 E. W.M., together
with right of reasonable access thereto for the purpose of main-
tenance and operation of said ditch.

3. That Oliver R. Jones and Joan E. Jones, husband and wife,
their heirs, successors and assigns, be and are declared owners
of a perpetual easement for joint user of that certain roadway

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SALEM, OREGON

VOL 41 PAGE 82

1 as now constructed and in use, lying in an area 20 feet wide,
2 parallel with and 20 feet southerly from the Northerly line of
3 said Section 35, Township 14 S., Range 12 E., W.M., beginning
4 at intersection of the Westerly boundary of the Cline Falls Road
5 with the Northerly line of said Section, Township and Range, and
6 extending Westerly to the N. W. Corner of said Section 35.

7 4. That Oliver R. Jones and Joan E. Jones, husband and wife,
8 their heirs, successors and assigns, be and are declared owners
9 of a perpetual easement in and to that roadway, generally known
10 as Cline Falls Ranch Road, as the same is now located and in use,
11 and running in a generally North-South direction, in and across
12 the West half of the NE 1/4 of said Section 35, Township 14 S.,
13 Range 12 E., W.M., said easement being joint with Plaintiff, his
14 heirs, successors and assigns and the rights of the public therein.

15 5. That Plaintiff, his heirs, successors and assigns be and
16 are declared owners of perpetual easement and right of joint user
17 in and to the two (2) roadways above described and the irrigation
18 ditch above described, but Plaintiff shall not interfere with
19 Defendants' present quantity or flow therein, and should Plaintiff,
20 his heirs, successors and assigns hereafter utilize said irriga-
21 tion ditch, the expense to enlarge, widen or relocate said ditch,
22 shall be borne by Plaintiff, his heirs, successors and assigns.

23 6. That Oliver R. Jones and Joan E. Jones and all persons
24 claiming by, through and under them be and are declared to have
25 no right, title, equity or interest whatever in and to that certain
26 roadway, as now located and in use, in, on and across the N.W. 1/4
27 of the N.E. 1/4 and the N 1/2 of the N.W. 1/4 of said Section 35,
28 Township 14 S., Range 12 E., W.M., except a revocable permit to
29 continue using the same as provided in the Stipulation of the
30 parties, which stipulation is approved and by this reference in-
31 corporated in and made a part of this decree.

32 7. That neither party have or recover any court costs or

1 attorney's fees from the other.

2 Dated this 13 day of November, 1962.

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Robert H. Jones
JUDGE

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WATER RESOURCES DEPT
SALEM, OREGON

IN THE CIRCUIT COURT OF THE STATE OF OREGON
FOR THE COUNTY OF DESCHUTES

FREDERICK P. RAWSON,
Plaintiff,

vs.

OLIVER R. JONES and
JOAN E. JONES,
husband and wife,

Defendants.

NOV 8 1962
WILLIAM M. DACEY, CLERK

No. 11720

STIPULATION **RECEIVED**

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It is hereby STIPULATED between the parties that decree enter in the above entitled case which shall contain the following provisions:

1. The title to the properties described in Plaintiff's complaint, to-wit:

The N.W. 1/4 of the W. 1/2 of the N.E. 1/4, and the N. 1/2 of the S.W. 1/4, all in Section 35, Township 14 S., Range 12 E. W.M., Deschutes County, Oregon, be quieted in Frederick P. Rawson, Plaintiff,

subject to the following exceptions:

1. That Oliver R. Jones and Joan E. Jones, husband and wife, their heirs, successors and assigns be and hereby are granted permanent easement in the joint use in and to that certain irrigation ditch as now located and in use, in, on and across the N.E. 1/4 of the N.W. 1/4 and N.W. 1/4 of the N.W. 1/4 of said Section 35, Township 14 S., Range 12 E., W.M., with reasonable access thereto for the purpose of maintenance and operation thereof, and

2. That said Oliver R. Jones and Joan E. Jones, husband and wife, their heirs, successors and assigns, hereby are granted permanent easement to joint use of the present roadway as now located and in use upon an area 20 feet wide, beginning at the Cline Falls Road, where the same intersects the North line of

1. Stipulation

1 the N.W. 1/4 of the N.E. 1/4 of said Section, Township and
2 Range, running thence westerly 20 feet South and parallel with
3 the North line ^{to THE NORTHWEST CORNER} of Section 35, T. 14 S. R. 12 E, W.M.;

4 3. It is jointly stipulated that the road presently running
5 in a general North-South direction through the West 1/2 of the
6 Northeast 1/4 of said Section 35, in said Township and Range,
7 may be continued to be used by Oliver R. Jones and wife, their
8 heirs, successors and assigns, and Frederick P. Rawson hereby
9 gives and grants to said Oliver R. Jones and wife perpetual
10 permanent use of said road as now located;

11 4. Should Rawson desire to utilize the irrigation ditch
12 described in paragraph 1 above, any expenses of deepening and
13 widening the same to allow the added flow of water, should be
14 borne soley by Rawson;

15 5. Oliver R. Jones and Joan E. Jones, his wife, hereby waive
16 any right, title or interest in and to the presently existing
17 roadway running in a generally East-West direction through the
18 Northwest 1/4 of the Northeast 1/4 and the ^{NORTH} 1/2 of the Northwest
19 1/4 of said Section, Township and Range, by way of ownership
20 or title by adverse possession. Rawson does, however, hereby
21 grant to the said Oliver R. Jones and his wife, their heirs,
22 successors and assigns exclusive, irrevocable permit to continue
23 to use said roadway, without charge, until such future time as
24 Rawson, his heirs, successors and assigns may need the area for
25 the development program.

26 Dated this 5th day of November, 1962.

27
28 APPROVED:
29 Frank L. [Signature]
30 Attorney for Plaintiff

[Signature]
OLIVER R. JONES
Frederick P. Rawson
FREDERICK P. RAWSON

31 [Signature]
32 Attorney for Defendant.

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DEC 07 2009

VOL 40 PAGE 540

IN THE CIRCUIT COURT OF THE STATE OF OREGON
FOR THE COUNTY OF DESCHUTES

FREDERICK P. RAWSON,
Plaintiff

Vs.

OLIVER R. JONES and
JOAN E. JONES,
husband and wife,
Defendants.

No. 11720
ORDER

SEP 17 1962

This matter came on to be heard upon the Motion of the defendants for an order extending the time in which to further plead herein by the defendants through and including October 8, 1962.

It appearing from the reading of the Motion, and the reasons set out asking for such extension are reasonable and the Motion should be allowed.

It is, therefore, HEREBY ORDERED that the defendant have and they are hereby granted through and including the 8th day of October, 1962 within which to file an answer or further plead herein.

DATED this 17 day of September, 1962

Robert H. Foley
Circuit Judge

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WATER RESOURCES DEPT
SALEM, OREGON

1 IN THE CIRCUIT COURT OF THE STATE OF OREGON
2 FOR THE COUNTY OF DESCHUTES

3
4 FREDERICK P. RAWSON,)
5 Plaintiff)
6 Vs.) No.
7 OLIVER R. JONES and) M O T I O N
8 JOAN E. JONES;)
9 husband and wife,)
 Defendants.)

SEP 17 1962

10
11 Come now the defendants and move the Court for an Order allowing
12 the defendants to and including the 8th day of October, 1962 within which
13 to file their answer herein.

14 This Motion is based upon the following facts: That on the 31st
15 day of August, 1962, I, as Attorney for the defendants, received from
16 Mr. Frank L. Whitaker, attorney for plaintiff, a copy of an Order
17 purporting to allow the demurrer filed by the defendants and giving the
18 defendants ten days in which to further plead and making certain amend-
19 ments to his complaint. That I thereupon requested the Court to allow us
20 twenty days in which to further plead and on the 31st day of August, 1962
21 the Court returned the proposed order to plaintiff's attorney in Portland with
22 suggested changes; that thereafter the suggested changes were made and the
23 order filed in this Court on the 5th day of September, 1962; that no copy of
24 said order as changed or corrected was furnished to the defendants or their
25 attorney and that I, H. H. De Armond, defendants' attorney, did not learn
26 that a corrected order had been filed until the 17th day of September, 1962,
27 and, therefore, it is necessary that the defendants have further time in which
28 to plead.

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WATER RESOURCES DEPT
SALEM, OREGON

De ARMOND, GOODRICH, GRAY & FANCHE

By H. H. De Armond
Of Attorneys for Defendants.

32 MOTION

Law Offices
De Armond, Goodrich, Gray & Fancher
1044 Bond Street - P. O. Box 1151
BEND, OREGON

VOL 40 PAGE 482

ONE HUNDRED TWELVIETH JUDICIAL DAY--Sept. 5, 1962
IN THE CIRCUIT COURT OF THE STATE OF OREGON
FOR THE COUNTY OF DESCHUTES

SEP 5 1962
HELEN M. DACEY, CO. CLERK

FREDERICK P. RAWSON,
Plaintiff,
vs.
OLIVER R. JONES and
JOAN E. JONES,
husband and wife,
Defendants.

No. 11720
O R D E R

Defendants having demurred to Plaintiff's complaint on the grounds of defect of Parties Plaintiff by failure to join wife of Plaintiff as a Party Plaintiff, but having alleged that both Plaintiff and his wife are owners of the lands in question, and Plaintiff having filed his motion requesting authority to amend by deleting the name of Plaintiff's wife in Paragraph I of Plaintiff's complaint by striking and initialing this name and the court being advised, it is

ORDERED that Defendants' demurrer be and is allowed and it is FURTHER ORDERED that Plaintiff be and is permitted to amend by striking and initialing the name of Grace F. Rawson in Paragraph I of Plaintiff's complaint and no other amended complaint need be filed, and it is

FINALLY ORDERED that Defendants be and hereby are allowed to 20 days from date hereof to answer or otherwise appear.

Dated this 31 day of Aug, 1962.

Robert H. Foley
JUDGE

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WATER RESOURCES DEPT
SALEM, OREGON

IN THE CIRCUIT COURT OF THE STATE OF OREGON
FOR THE COUNTY OF DESCHUTES

FILED
SEP 5 1962
HELEN M. DACEY, CO. CLERK

FREDERICK P. RAWSON,
Plaintiff,
vs.
OLIVER R. JONES and
JOAN E. JONES,
husband and wife,
Defendants.

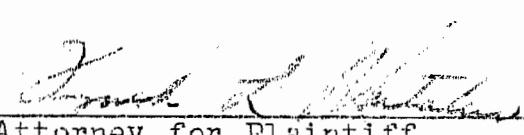
No. 11720

M O T I O N

Plaintiff moves the court for an Order allowing Defendant's Demurrer to Plaintiff's complaint on the grounds of defect of parties Plaintiff by failure to join Mrs. Rawson as a Plaintiff, on condition the court allow Plaintiff to amend by striking out of Paragraph I the name of Grace F. Rawson.

Plaintiff relies on the fact that the legal title to the lands in question derived from a patent from the United States to Frederick P. Rawson only, and that the only interest of his wife, Grace F. Rawson, is an inchoate right of dower and as she is still living she is not a necessary party.

Dated this 30 day of August, 1962.


Attorney for Plaintiff

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WATER RESOURCES DEPT
SALEM, OREGON

7024

IN THE CIRCUIT COURT OF THE STATE OF OREGON
FOR THE COUNTY OF DESCHUTES

FREDERICK P. RAWSON,

Plaintiff,

vs.

OLIVER R. JONES and
JOAN E. JONES,
husband and wife,

Defendants.

No. 11720

DEMURRER

Come now the Defendants and demurs to Plaintiff's complaint upon
the grounds and for the reason that there is a defect of parties plaintiff.

DeARMOND, GOODRICH, GRAY & FANCHER

by John H. DeArmond
of Attorneys for Defendants

I, H. H. DeARMOND, hereby certify that the foregoing Demurrer is
well founded in law and is not made for the purpose of delay in the trial
of this case.

Dated: August 23, 1962

John H. DeArmond
of Attorneys for Defendants

The Defendants rely on the following in connection with this Demurrer:
That the Complaint is filed in the name of FREDERICK P. RAWSON and that Para-
graph I of Plaintiff's Complaint alleges that Plaintiff's wife, Grace F.
Rawson, together with himself are the owners of the land described in the
Complaint and that therefore the Grace F. Rawson is the necessary party
plaintiff.

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WATER RESOURCES DEPT
SALEM, OREGON

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FILED
DESCHUTES COUNTY,
OREGON

JUN 28 8 30 AM '82

HELEN M. DACEY
COUNTY CLERK
DEPUTY

IN THE CIRCUIT COURT OF THE STATE OF OREGON
FOR THE COUNTY OF DESCHUTES

FREDERICK P. RAWSON,

Plaintiff,

No. 1773.

vs.

COMPLAINT

OLIVER R. JONES and
JOAN E. JONES,
husband and wife,

Suit to Quiet Title

Defendants.

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SALEM, OREGON

Plaintiff alleges:

I.

Plaintiff and his wife, Grace F. Rawson, are owners
in fee simple of the following described real property, located
in Deschutes County, Oregon, to-wit:

NW⁴, W² NE⁴, N² SW⁴ of Sec. 35, T. 14 S.R. 12E,
W. M.

II.

Said real property is not in actual physical possession of
any person, but is in constructive possession of Plaintiff by
reason of a patent from the United States of America and paying
of taxes.

III.

Defendants claim some right, title or interest in and to
said real property or some part thereof but in truth and in fact
Defendants have no right, title or interest therein nor to any
part thereof.

IV.

Plaintiff has no plain, speedy and adequate remedy at law.

WHEREFORE, Plaintiff prays that Defendants be required to
set forth the nature of their claim and that all adverse claims
of Defendants be determined by Decree of this court and that by

Page

1. Complaint
Suit to Quiet Title

1 said decree it be declared and adjudged that Defendants have
2 no estate or interest whatever in said lands or any part thereof
3 and that Plaintiff's title is good and valid against Defendants'
4 and that Defendants be forever barred from asserting any right
5 or claim whatever in and to said lands adverse to Plaintiff
6 and that Plaintiff have and recover judgment for his costs and
7 disbursements and for such other, different or further relief
8 as to the court may seem meet and equitable in the premises.

9
10 
11 Attorney for Plaintiff
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WATER RESOURCES DEPT
SALEM, OREGON

STATE OF OREGON, } ss.
County of Multnomah }
I, Frederick P. Rawson,
being first duly sworn, say that I am the Plaintiff
in the within entitled suit
and that the foregoing complaint is true as I verily believe



Subscribed and sworn to before me this 25th day of June, 1962
Notary Public for Oregon.
My Commission expires 4/29/64

STATE OF OREGON, } ss.
County of }
I hereby certify that I have prepared the foregoing copy of
and have carefully compared the same with the original thereof; and that it is a correct copy therefrom and of the whole thereof.
That the said in my opinion is well founded in law.
Dated , 19
Attorney for

STATE OF OREGON, } ss.
County of }
Due service of the within
is hereby accepted in County, this day of
19, by receiving a copy thereof, duly certified to as such by
of Attorneys for
Attorney for

WATER RESOURCES DEPT
SALEM, OREGON
DEC 07 2009

No.	In the Circuit Court OF THE STATE OF OREGON FOR Deschutes County	RECEIVED	Plaintiff FREDERICK P. RAWSON,	vs. OLIVER R. JONES and JOAN E. JONES, Husband and Wife, Defendants	COMPLAINT SUIT TO QUIET TITLE	FRANK L. WHITAKER EQUITABLE BUILDING PORTLAND 4, OREGON CAPITOL B-9495	Attorney for Plaintiff
-----	---	----------	-----------------------------------	---	----------------------------------	---	------------------------

I hereby certify that I served the foregoing on
attorney for the, on the
day of, 19, by mailing to him a true and correct copy thereof, certified by me as such.
I further certify that said copy was placed in a sealed envelope addressed to
at, his last known
address, and deposited in the Post Office at, Oregon, on the day of
19, and that the postage thereon was prepaid.
Attorney for

After Recording Return To:
WASHINGTON FEDERAL SAVINGS
West Bend Office
560 SW Columbia
Bend OR 97702
Attn: _____

_____[Space Above This Line For Recording Data]_____

DEED OF TRUST

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated November 6th 2006, together with all Riders to this document.

(B) "Borrower" is STEPHEN A ERAKER AND SARAH J ERAKER, AS HUSBAND AND WIFE. Borrower is the trustor under this Security Instrument.

(C) "Lender" is Washington Federal Savings. Lender is a Federally Chartered Savings and Loan Association organized and existing under the laws of The United States of America. Lender's mailing address is 300 Ellsworth SW, Albany, Oregon 97321. Lender is the beneficiary under this Security Instrument.

(D) "Trustee" is TRANSNATION TITLE INSURANCE COMPANY.

(E) "Note" means the promissory note signed by Borrower and dated November 6th 2006. The Note states that Borrower owes Lender SIX HUNDRED THIRTEEN THOUSAND AND NO/100S

Dollars (U.S. \$613,000.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than August 1st 2037.

(F) "Property" means the property that is described below under the heading "Transfer of Rights in the Property".

(G) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(H) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

- | | | |
|--|---|---|
| ☐ Adjustable Rate Rider | ☐ Condominium Rider | ☐ Second Home Rider |
| ☐ Balloon Rider | ☐ Planned Unit Development Rider | ☐ Other(s) [specify] _____ |
| ☐ 1-4 Family Rider | ☒ Addendum to Uniform Deed of Trust | |

(I) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(J) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(K) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(L) "Escrow Item" means those items that are described in Section 3.

(M) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

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Borrower's Initials

WATER RESOURCES DEPT
SALEM, OREGON

(N) "Mortgage Insurance" means insurance protecting Lender against the non payment of, or default on, the Loan.

(O) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.
(P) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. §2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, RESPA refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.
(Q) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in _____ County, Oregon.

DESCRIPTIES

PARCEL 1 OF PARTITION PLAT NO. 2004-43, LOCATED IN THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER (NW1/4 NE1/4) OF SECTION 35, TOWNSHIP 14 SOUTH, RANGE 12 EAST, OF THE WILLAMETTE MERIDIAN, DESCHUTES COUNTY, OREGON;

which currently has the address of 69550 83RD ST
[Street] REDMOND, Oregon 97756 ("Property Address") [Zip Code]

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. **Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges.** Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentally, or entity; or (d) Electronic Funds Transfer. Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section

15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

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Borrower's Initials _____

**WATER RESOURCES CENTER
SALEM, OREGON**

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this loan.

5. Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage", and any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or

other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

7. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

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10. **Mortgage Insurance.** If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance. Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

11. **Assignment of Miscellaneous Proceeds; Forfeiture.** All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds

partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

14. Loan Charges. Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

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15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

17. Borrower's Copy. Borrower shall be given one copy of the Note and of this Security Instrument.

18. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. Sale of Note; Change of Loan Servicer; Notice of Grievance. The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of

information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by Applicable Law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender shall execute or cause Trustee to execute a written notice of the occurrence of an event of default and of Lender's election to cause the Property to be sold and shall cause such notice to be recorded in each county in which any part of the Property is located. Lender or Trustee shall give notice of sale in the manner prescribed by Applicable Law to Borrower and to other persons prescribed by Applicable Law. After the time required by Applicable Law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any

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Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

23. Reconveyance. Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs. Lender may charge such person or persons a fee for reconveying the Property, but only if the fee is paid to a third party (such as the Trustee) for services rendered and the charging of the fee is permitted under Applicable Law.

24. Substitute Trustee. Lender may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by Applicable Law.

25. Attorneys' Fees. As used in this Security Instrument and in the Note, attorneys' fees shall include those awarded by an appellate court.

26. Protective Advances. This Security Instrument secures any advances Lender, at its discretion, may make under Section 9 of this Security Instrument to protect Lender's interest in the Property and rights under this Security Instrument.

27. Required Evidence of Property Insurance.

WARNING

Unless you provide us with evidence of the insurance coverage as required by our contract or loan agreement, we may purchase insurance at your expense to protect our interest. This insurance may, but need not, also protect your interest. If the collateral becomes damaged, the coverage we purchase may not pay any claim you make or any claim made against you. You may later cancel this coverage by providing evidence that you have obtained property coverage elsewhere.

You are responsible for the cost of any insurance purchased by us. The cost of this insurance may be added to your contract or loan balance. If the cost is added to your contract or loan balance, the interest rate on the underlying contract or loan will apply to this added amount. The effective date of coverage may be the date your prior coverage lapsed or the date you failed to provide proof of coverage. The coverage we purchase may be considerably more expensive than insurance you can obtain on your own and may not satisfy any need for property damage coverage or any mandatory liability insurance requirements imposed by Applicable Law.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider(s) executed by Borrower and recorded with it.

STEPHEN A ERAKER

SARAH J ERAKER

STATE OF)
) ss.
 COUNTY OF)

I certify that I know or have satisfactory evidence that _____

 [Name(s) of person(s)]

is/are the person(s) who appeared before me, and said person(s) acknowledged that (he/she/they) signed this instrument and acknowledged it to be (his/her/their) free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: _____

(Seal or Stamp)

 (Signature)

Notary Public in and for the State of _____ ,

residing at _____

My commission expires _____

STATE OF)
) ss.
 COUNTY OF)

I certify that I know or have satisfactory evidence that _____

 [Name(s) of person(s)]

is/are the person(s) who appeared before me, and said person(s) acknowledged that (he/she/they) signed this instrument, on oath stated that (he/she/they) was/were authorized to execute the instrument and acknowledged it as the _____

 (Type of Authority, e.g., Officer, Trustee)

of _____

(Name of the Party on Behalf of Whom the Instrument was Executed)

to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____

(Seal or Stamp)

 (Signature)

Notary Public in and for the State of _____ ,

residing at _____

My commission expires _____

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VOL 275 PAGE 3 (10)

33086

WARRANTY DEED

Until a change is requested,
all tax statement shall be
sent to the following address:

7064 624
Bend, Ore

BILL MAYFIELD, Grantor, conveys and warrants to CONNIE HYATT,
a 20% interest, REED A. BASTIAN, a 20% interest, RICHARD R.
SCHNEIBEL and CHRISTINE N. SCHNEIBEL, husband and wife, a 13 $\frac{1}{3}$ %
interest, DAVID HAWKINS and LANI HAWKINS, husband and wife, a
13 $\frac{1}{3}$ % interest, RICK W. COWAN and ROSALIE A. COWAN, husband and
wife, a 13 $\frac{1}{3}$ % interest, and HERBERT E. HARTMANN, a 20% interest,
as tenants in common, Grantees, the property described on
Exhibit "A" attached hereto and hereby incorporated by reference,
free of encumbrances except as specifically set forth herein:

SUBJECT TO the following:

1. As disclosed by the tax roll, the property herein described has been zoned or classified for farm use. At any time that said land is disqualified for such use, the property will be subject to additional taxes or penalties and interest, the full amount of which shall be paid by Grantee.
2. The existence of roads, railroads, irrigation ditches and canals, telephone, telegraph and power transmission facilities.
3. Mortgage dated April 19, 1978 from Bill Mayfield, Mortgagor, to Deschutes Odin Falls, a partnership, Mortgagee, recorded April 26, 1978 at Book 242, Page 346, Mortgage Records of Deschutes County, Oregon.
- ★ 4. Joint usage of easements for irrigation ditch and roads according to the terms and provisions in the decree filed November 13, 1962, in Case No. 11720, Circuit Court of the State of Oregon for the County of Deschutes, Frederick P. Rawson vs. Oliver E. Jones and Joan E. Jones, husband and wife.

BEND TITLE COMPANY
1125 N.W. WALL, BEND, OR 97701

WARRANTY DEED

PANNER, JOHNSON, MARCEAU, KARNOPP & KENNEDY
ATTORNEYS AT LAW
1036 N.W. BOND STREET
BEND, OREGON 97701

RECEIVED

DEC 07 2009

WATER RESOURCES DEPT
SALEM, OREGON

The property excepted on Exhibit "A" has been reserved for purposes of ingress and egress and for purposes of power lines. The property excepted may be dedicated or conveyed to appropriate governmental authority for road purposes, or conveyed to appropriate utility companies for utility purposes, but cannot otherwise be conveyed by Grantor except to Grantee or Grantee's successors and assigns. Grantor shall have no obligation to either dedicate such roads, build or maintain the same, convey such lands to utility companies or install or maintain power lines. Grantee shall have the right to use the property excepted for road purposes and for power line purposes.

The true consideration for this conveyance is \$90,000.

DATED this 1 day of June, 1978.

Bill Mayfield
Bill Mayfield

RECEIVED
DEC 07 2009

WATER RESOURCES DEPT
SALEM, OREGON

STATE OF OREGON)
County of Deschutes) ss.

The foregoing instrument was acknowledged before me this 1 day of June, 1978 by BILL MAYFIELD.

Donald Yeager
Notary Public for Oregon
My Commission expires: 2/12/82

PANNER, JOHNSON, MARDEAU, KARNOPP & KENNEDY
ATTORNEYS AT LAW
1026 N.W. BOND STREET
SEASIDE, OREGON 97138

The West Half of the Northeast Quarter (W1/2NE1/4);
and the East Half of the Northwest Quarter (E1/2NW1/4)
and the Southwest Quarter of the Northwest Quarter
(SW1/4NW1/4) of Section Thirty-five (35), Township
Fourteen (14) South, Range Twelve (12), East of the
Willamette Meridian, Deschutes County, Oregon.

EXCEPTING THEREFROM a strip of land 60' in width, the
centerline of which is described as follows: The West
line of Section 35, Township 14 South, Range 12 E.W.M.

ALSO EXCEPTING THEREFROM a strip of land 60' in width,
the centerline of which is described as follows: The
South line of the NE1/4NW1/4 and the South line of the
NW1/4NE1/4 of Section 35, Township 14 South, Range
12 E.W.M.

ALSO EXCEPTING THEREFROM a strip of land 60' in width,
the centerline of which is described as follows:
Beginning at a point which is 30' West of the SE corner
of the NW1/4NE1/4 of Section 35, Township 14 South,
Range 12 E.W.M., thence North to the North line of
said Section 35.

ALSO EXCEPTING THEREFROM a strip of land 60' in width, the center-
line of which is described as follows: The South line of the NW1/4
NW1/4 of Section 35, Township 14 South, Range 12 E.W.M.

RECEIVED

DEC 07 2009

33088 WATER RESOURCES DEPT
SALEM, OREGON

STATE OF OREGON

County of Deschutes

I hereby certify that the within instru-
ment of writing was received for Record
the 2 day of June A.D. 1978
at 3:00 o'clock A M., and recorded
in Book 275 on Page 3 Records
of Deschutes

ROSEMARY PATTERSON

County Clerk

By G. J. Adams Deputy

PANNER, JOHNSON, MARCEAU, KARNOPP & KENNEDY

ATTORNEYS AT LAW
1026 N.W. BOND STREET
SEASIDE, OREGON 97138
EXHIBIT "A"

47909

VOL 275

G-172892
3 (10)

33066

WARRANTY DEED

Until a change is requested,
all tax statement shall be
sent to the following address:

70 Box 624
Bend, Ore

BILL MAYFIELD, Grantor, conveys and warrants to CONNIE HYATT,
a 20% interest, REED A. BASTIAN, a 20% interest, RICHARD R.
SCHNEIBEL and CHRISTINE N. SCHNEIBEL, husband and wife, a 13 $\frac{1}{3}$ %
interest, DAVID HAWKINS and LANI HAWKINS, husband and wife, a
13 $\frac{1}{3}$ % interest, RICK W. COWAN and ROSALIE A. COWAN, husband and
wife, a 13 $\frac{1}{3}$ % interest, and HERBERT E. HARTMANN, a 20% interest,
as tenants in common, Grantees, the property described on
Exhibit "A" attached hereto and hereby incorporated by reference,
free of encumbrances except as specifically set forth herein:

SUBJECT TO the following:

1. As disclosed by the tax roll, the property herein described has been zoned or classified for farm use. At any time that said land is disqualified for such use, the property will be subject to additional taxes or penalties and interest, the full amount of which shall be paid by Grantee.
2. The existence of roads, railroads, irrigation ditches and canals, telephone, telegraph and power transmission facilities.
3. Mortgage dated April 19, 1978 from Bill Mayfield, Mortgagor, to Deschutes Odin Falls, a partnership, Mortgagee, recorded April 26, 1978 at Book 242, Page 346, Mortgage Records of Deschutes County, Oregon.
- ★ 4. Joint usage of easements for irrigation ditch and roads according to the terms and provisions in the decree filed November 13, 1962, in Case No. 11720, Circuit Court of the State of Oregon for the County of Deschutes, Frederick P. Rawson vs. Oliver E. Jones and Joan E. Jones, husband and wife.

BEND TITLE COMPANY

1195 N.W. WALL BEND, OR 97701

WARRANTY DEED

PANNER, JOHNSON, MARCEAU, KARNOFF & KENNEDY

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1036 N.W. BOND STREET
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DATED this 1 day of June, 1978.

Bill Mayfield
Bill Mayfield

STATE OF OREGON)
) ss.
County of Deschutes)

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Donald Yeager
Notary Public for Oregon
My Commission expires: 2/12/82

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WATER RESOURCES DEPT
SALEM, OREGON

PANNER, JOHNSON, MARDELL, KARNOPP & KENNEDY
ATTORNEYS AT LAW
1086 N.W. BEND STREET
BEND, OREGON 97701

WARRANTY DEED

PAGE 2

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SALEM, OREGON

STATE OF OREGON

County of Deschutes

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EXHIBIT "A"