



Oregon Water Resources Department
 725 Summer Street NE, Suite A
 Salem Oregon 97301-1266
 (503) 986-0900
 www.wrd.state.or.us

Certificate of Water Right Ownership Update

NOTICE TO SELLERS & BUYERS:

By law, all water belongs to the public (ORS 537.110). In almost every instance, a permit or water right certificate from the Water Resources Department is needed before using, diverting or storing water (ORS 537.130). However, most domestic wells do not require water rights. A certificate of water right stays with the land. In order to keep track of water right ownership, the Department requests that this form be submitted to the Department. ***If for multiple rights, a separate form for each right will be required.***

Water that has been used for a long time in one place or that involves a water structure (like a dam) that already exists is no guarantee that there is a water right which would allow the water use to continue.

If you have any questions about this form or water right requirements, please contact your local watermaster or call the Water Resources Department at 503-986-0900.

Note: Please type or print legibly when filling in the following information. Use additional paper if necessary.

PROPERTY SELLER INFORMATION

RECEIVED
 DEC 27 2011

Applicant(s): Kenneth and Jeanette Knott
First Last
 Mailing Address: 59926 Comstock Road
Cove OR 97824
City State Zip
 Phone: 541-568-4730
Home Work Other

WATER RESOURCES DEPT
 SALEM, OREGON

PROPERTY BUYER INFORMATION

Applicant(s): KJK Ranch, LLC c/o Tina R. Hurst, Manager
First Last
 Mailing Address: 69733 Highway 237
Cove OR 97824
City State Zip
 Phone: 208-761-4843
Home Work Other

PROPERTY DESCRIPTION (attach additional pages if necessary):

County: Union Township: 3 South Range: 40 East Section: 26

Tax Lot Number(s): 701, 702, 703, 1000

Street address of water right property: 59926 Comstock Rd., Cove OR 97824

Water Right Information (*attach copy of water right permit or certificate & final proof map*):

Application #: S-61282 Permit #: S-45651 Certificate or Page #: 58455

Will all the lands associated with this water right be owned by the buyer? Yes No

Name of individual completing this form: Shonee D. Langford Phone: 503-540-4261

Signature: *Shonee D. Langford* Date: 12/21/2011

Please be sure to attach a copy of your property deed or legal description of the property.



SCHWABE, WILLIAMSON & WYATT
ATTORNEYS AT LAW

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DEC 22 2011

WATER RESOURCES DEPT
SALEM, OREGON

Equitable Center, 530 Center St., NE, Suite 400, Salem, OR 97301 | Phone 503.540.4262 | Fax 503.399.1645 | www.schwabe.com

SHONEE D. LANGFORD

Direct Line: Salem 503-540-4261; Portland 503-796-2896

E-Mail: slangford@schwabe.com

December 21, 2011

Oregon Water Resources Department
725 Summer St NE Ste A
Salem, OR 97301-1271

Re: Certificate Ownership Update Forms (KJK Ranch, LLC)
Our File No.: 122483/177210

To Whom it May Concern:

Enclosed for filing on behalf of KJK Ranch, LLC are certificate ownership update forms with supporting documentation. Please send all future correspondence pertaining to these water rights to KJK Ranch, LLC.

Thank you for your assistance. Feel free to call me if you have any questions.

Sincerely,

Shonee D. Langford

SDL:kdo
Enclosures

STATE OF OREGON
COUNTY OF UNION
CERTIFICATE OF WATER RIGHT

RECEIVED

DEC 22 2011

WATER RESOURCES DEPT
SALEM, OREGON

THIS CERTIFICATE ISSUED TO

KENNETH D. AND JEANETTE S. KNOTT
ROUTE 1, BOX 31D
COVE, OREGON 97824

confirms the right to use the waters of MILLARD BRANCH AND A RESERVOIR CONSTRUCTED UNDER PERMIT R-8254, a tributary of MILL CREEK, for the purpose of FISH ENHANCEMENT AND LIVESTOCK WATER.

The right has been perfected under Permit 45651. The date of priority is FEBRUARY 26, 1981. The right is limited to not more than 0.03 CUBIC FOOT PER SECOND, BEING 0.025 CFS FOR FISH ENHANCEMENT AND 0.005 CFS FOR STOCK or its equivalent in case of rotation, measured at the point of diversion from the source.

The point of diversion is located as follows:

NW 1/4 NW 1/4, SECTION 26, T 3 S, R 40 E, W.M.;
1250 FEET SOUTH & 700 FEET EAST FROM NW CORNER SECTION 26.

The right shall conform to such reasonable rotation system as may be ordered by the proper state officer.

A description of the place of use under the right, and to which such right is appurtenant, is as follows:

NW 1/4 NW 1/4
SECTION 26
TOWNSHIP 3 SOUTH, RANGE 40 EAST, W.M.

The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described. The right is subject to minimum flows established by the Water Resources Commission with an effective date prior to this right.

WITNESS the signature of the Water Resources Director,
affixed this date NOVEMBER 28, 1988.

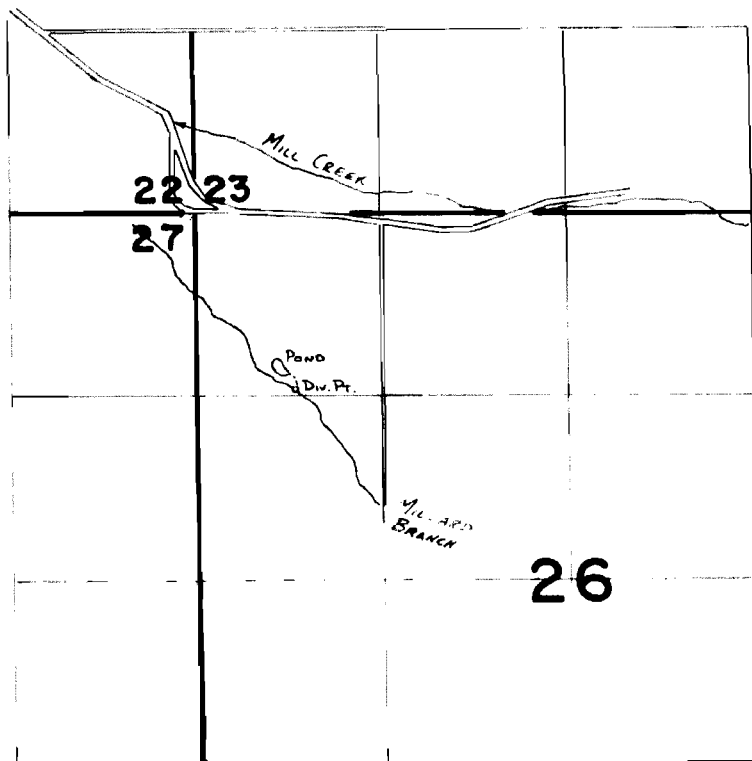
/s/ WILLIAM H. YOUNG

Water Resources Director

Recorded in State Record of Water Right Certificates numbered 58455

61282

T. 3S., R. 40E., W. M.



Div. Pt. loc: 1250'S. & 700'E. From NW Cor. Sec. 26

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WATER RESOURCES DEPT
SALEM, OREGON



SCALE 1" = 1320'

FINAL PROOF SURVEY
UNDER

Application No. **61282** Permit No. **45651**
R-61439 **R-8254**
IN NAME OF

KENNETH D. & JEANETTE S. KNOTT

Surveyed 7-11 1984, by V.L. Church

RECEIVED

20113762

After recording return to:

DEC 22 2011

Peter L. Osborne
Schwabe, Williamson & Wyatt, P.C.
1211 SW 5th Avenue, Suite 1800
Portland, OR 97204

WATER RESOURCES DEPT
SALEM, OREGON

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

Parcel A
(see attached tax map)

Tina R. Hurst
KJK Ranch, LLC
59926 Comstock Road
Cove, OR 97824

WARRANTY DEED

Kenneth D. Knott and Jeanette S. Knott, as Trustees of the KJK Trust, dated June 30, 1994, Grantor, convey and warrant to KJK Ranch, LLC, an Oregon limited liability company, Grantee, the following described real property free of encumbrances except as specifically set forth herein:

the real property located in Union County, Oregon, described on the attached Exhibit A

Grantor conveys the property to Grantee subject to the exceptions to title set forth on the attached Exhibit A.

Other property or value was either part or the whole consideration for this conveyance.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009.

RECEIVED

DEC 22 2011

WATER RESOURCES DEPT
SALEM, OREGON

Dated: November 28, 2011

Grantor:

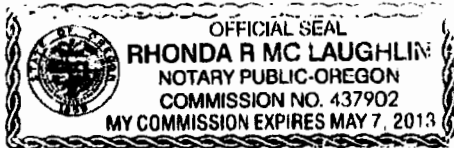
KJK TRUST

Kenneth D. Knott
By: Kenneth D. Knott, Trustee

Jeanette S. Knott
By: Jeanette S. Knott, Trustee

State of Oregon)
County of Union) ss.

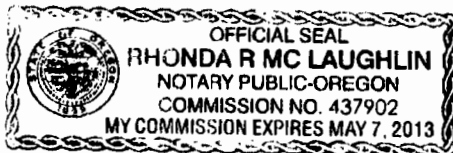
This instrument was acknowledged before me on November 28, 2011 by Kenneth D. Knott as Trustee of the KJK Trust.



Rhonda R McLaughlin
Notary Public for Oregon
Commission No.: 437902
My Commission Expires: May 7, 2013

State of Oregon)
County of Union) ss.

This instrument was acknowledged before me on November 28, 2011 by Jeanette S. Knott as Trustee of the KJK Trust.



Rhonda R McLaughlin
Notary Public for Oregon
Commission No.: 437902
My Commission Expires: May 7, 2013

RECEIVED

DEC 22 2011

WATER RESOURCES DEPT
SALEM, OREGON

EXHIBIT A

A portion of Lot 3 of VISTA ACRES subdivision, Section 26, Township 3 South, Range 40 East of the Willamette Meridian, Union County, Oregon, more particularly described as follows, with reference to the plat of Vista Acres as recorded in the office of the Union County Clerk:

Beginning at the southeast corner of lot 3 Vista Acres subdivision, said point being on the west line of Comstock Road (County Road No. 84), said line also being on the east line of said subdivision; thence North 00°06'02" West along said east line of Lot 3, 512.86 feet; thence North 48°33'27" West 1329.73 feet to the west line of lot 3; thence South 00°16'47" East along said west line of lot 3, 463.00 feet to the southwest corner of said lot 3; thence along the south line of said lot 3 South 56°12'31" East 567.67 feet; thence South 37°59'29" East 764.61 feet; and thence South 77°35'59" East 54.28 feet to the point of beginning of this description.

Subject to all easements as same may exist over and across said parcel.

Situate in the County of Union, State of Oregon. Subject to and excepting:

1. The land use and zoning laws of the State of Oregon and County of Union, now or hereafter in effect.
2. EASEMENTS, given by former owners to Eastern Oregon Light and Power Company (now CP National), a corporation; by instrument dated January 28, 1935 (deed book 94 page 555).
3. GEOTHERMAL LEASE, given by Darrell E. Valade and Irene M. Valade, husband and wife, to R.E. HUBER, dated February 14, 1974, recorded as Microfilm Document No. 49593, deed records of Union County, Oregon.

ASSIGNMENT of said lease by R.E. Huber to INTERCONTINENTAL ENERGY CORPORATION, as Program Manager for Thermex Company, by instrument dated March 26, 1974, recorded as Microfilm Document No. 53666, deed records of Union County, Oregon.

MEMORANDUM OF AGREEMENT by and between Western Steam Company, a general partnership, with HUNT OIL COMPANY, a Delaware corporation, by instrument dated June 4, 1979, recorded as Microfilm Document No. 86070, deeds (Union County).
4. SUBJECT TO easement for existing water line as shown on the Plat of Vista Acres (Plat book 3, page 92, Union County), and as granted to John Robinson in deed recorded as Microfilm Document No. 85813, Union County.
5. DECLARATION OF EASEMENT AND COVENANT appears executed by Darrell E. Valade dated July 13, 1979, recorded July 13, 1979 (Microfilm No. 85922) and corrected and re-recorded July 17, 1979 (Microfilm No. 86002, deeds, Union County).
6. Rights of the public in and to that portion lying below the high water mark of Millard Creek, as it crosses this property.

7. Right-of-way for Union County Road No. 84 (Comstock Road) across the east side of the property.

8. The fenceline on the east side of the property encroaches onto Comstock Road, as shown on Union County Survey No. 29-80.

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DEC 22 2011

WATER RESOURCES DEPT
SALEM, OREGON

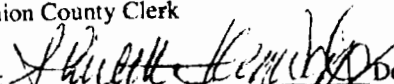
STATE OF OREGON

County of Union

} SS

I certify that this instrument was received and recorded in the book of records of said county.

ROBIN A. CHURCH
Union County Clerk

by:  Deputy.

DOC#: 20113762

RCPT: 153730 60.00

12/02/2011 10:08 AM

REFUND: .00

RECEIVED

20113763

After recording return to:

Peter L. Osborne
Schwabe, Williamson & Wyatt, P.C.
1211 SW 5th Avenue, Suite 1800
Portland, OR 97204

REC 22 2011
WATER RESOURCES DEPT
SALEM, OREGON

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

Tina R. Hurst
KJK Ranch, LLC
59926 Comstock Road
Cove, OR 97824

Parcel B
(see attached tax map)

WARRANTY DEED

Kenneth D. Knott and Jeanette S. Knott, as Trustees of the KJK Trust, dated June 30, 1994, Grantor, convey and warrant to KJK Ranch, LLC, an Oregon limited liability company, Grantee, the following described real property free of encumbrances except as specifically set forth herein:

the real property located in Union County, Oregon, described on the attached Exhibit A

Grantor conveys the property to Grantee subject to the exceptions to title set forth on the attached Exhibit A.

Other property or value was either part or the whole consideration for this conveyance.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009.

RECEIVED

Dated: November 28, 2011

DEC 2 2011

WATER RESOURCES DEPT
SALEM, OREGON

RECEIVED

DEC 2 2 2011

WATER RESOURCES DEPT
SALEM, OREGON

Grantor:

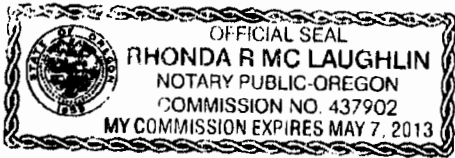
KJK TRUST

Kenneth D. Knott
By: Kenneth D. Knott, Trustee

Jeanette S. Knott
By: Jeanette S. Knott, Trustee

State of Oregon)
County of Union) ss.

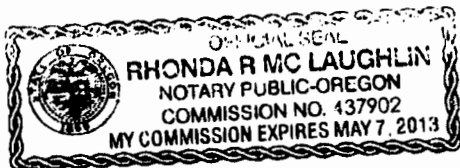
This instrument was acknowledged before me on November 28, 2011 by Kenneth D. Knott as Trustee of the KJK Trust.



Rhonda R McLaughlin
Notary Public for Oregon
Commission No.: 437902
My Commission Expires: May 7, 2013

State of Oregon)
County of Union) ss.

This instrument was acknowledged before me on November 28, 2011 by Jeanette S. Knott as Trustee of the KJK Trust.



Rhonda R McLaughlin
Notary Public for Oregon
Commission No.: 437902
My Commission Expires: May 7, 2013

RECEIVED

DEC 22 2011

WATER RESOURCES DEPT
SALEM, OREGON

EXHIBIT A

A portion of Lot 3 of VISTA ACRES subdivision, Section 26, Township 3 South, Range 40 East of the Willamette Meridian, Union County, Oregon, more particularly described as follows, with reference to the plat of Vista Acres as recorded in the office of the Union County Clerk:

Beginning at a point on the west line of Comstock Road (County Road No. 84) said point being North 0°06'02" West 512.86 feet from the southeast corner of Lot 3 VISTA ACRES subdivision; thence North 48°33'27" West 629.38 feet to the intersection with the westerly extension of the south line of the property conveyed to John Robinson by Deed Microfilm Document No. 85813 (Union County); thence North 88°59'57" East along said extended line and the south line of said Robinson land 471.13 feet to the west line of said Comstock Road; thence South 0°06'02" East along said Comstock Road 424.80 feet to the point of beginning of this description.

Subject to easements as same may now exist or appear of record over and across said premises.

Situate in the County of Union, State of Oregon. Subject to and excepting:

1. The land use and zoning laws of the State of Oregon and County of Union, now or hereafter in effect.
2. EASEMENTS, given by former owners to Eastern Oregon Light and Power Company (now CP National), a corporation; by instrument dated January 28, 1935 (deed book 94 page 555), being for right of way 8 feet in width for electric distribution line across part of the premises covered herein.
3. GEOTHERMAL LEASE, given by Darrell E. Valade and Irene M. Valade, husband and wife, to R.E. HUBER, dated February 14, 1974, recorded as Microfilm Document No. 49593, deed records of Union County, Oregon.

ASSIGNMENT of said lease by R.E. Huber to INTERCONTINENTAL ENERGY CORPORATION, as Program Manager for Thermex Company, a joint venture consisting of Geosystems Corporation, Intercontinental Energy Corporation and Bradley Resources Corporation, by instrument dated March 26, 1974, recorded as Microfilm Document No. 53666, deed records of Union County, Oregon.

MEMORANDUM OF AGREEMENT by and between Western Steam Company, general partnerships consisting of Bradley Resources Corporation, a New York corporation, Intercontinental Energy Corporation, a Delaware corporation and Geosystems Corporation, a Delaware corporation with HUNT OIL COMPANY a Delaware corporation by instrument dated June 4, 1979, recorded as Microfilm Document No. 86070, deeds (Union County).

4. SUBJECT TO easement for existing water line as shown on the Plat of Vista Acres (Plat book 3, page 92, Union County), and as granted to John Robinson in deed recorded as Microfilm Document No. 85813, Union County.
5. DECLARATION OF EASEMENT AND COVENANT appears executed by Darrell E. Valade dated July 13, 1979, recorded July 13, 1979 (Microfilm No. 85922) and corrected and re-recorded July 17, 1979 (Microfilm No. 86002, deeds, Union County).

6. Right-of-way for Union County Road No. 84 (Comstock Road) across the east side of the property.

7. The fenceline on the east side of this property encroaches onto Comstock Road, as shown on Union County Survey No. 29-80.

RECEIVED

DEC 22 2011

WATER RESOURCES DEPT
SALEM, OREGON

STATE OF OREGON

County of Union

} SS

I certify that this instrument was received and recorded in the book of records of said county.

ROBIN A. CHURCH
Union County Clerk

by: *Robin A. Church* Deputy.

DOC#: 20113763

RCPT: 153731 60.00

12/02/2011 10:08 AM

REFUND: .00

RECEIVED

DEC 22 2011
WATER RESOURCES DEPT
SALEM, OREGON

20113704

After recording return to:

Peter L. Osborne
Schwabe, Williamson & Wyatt, P.C.
1211 SW 5th Avenue, Suite 1800
Portland, OR 97204

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

Tina R. Hurst
KJK Ranch, LLC
59926 Comstock Road
Cove, OR 97824

Parcel C

(see attached tax map)

WARRANTY DEED

Kenneth D. Knott and Jeanette S. Knott, as Trustees of the KJK Trust, dated June 30, 1994, Grantor, convey and warrant to KJK Ranch, LLC, an Oregon limited liability company, Grantee, the following described real property free of encumbrances except as specifically set forth herein:

the real property located in Union County, Oregon, described on the attached Exhibit A

Grantor conveys the property to Grantee subject to the exceptions to title set forth on the attached Exhibit A.

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Dated: November 28, 2011

RECEIVED

DEC 22 2011

Grantor:

WATER RESOURCES DEPT
SALEM, OREGON

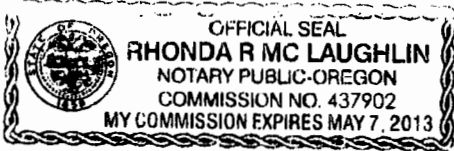
KJK TRUST

Kenneth D. Knott
By: Kenneth D. Knott, Trustee

Jeanette S. Knott
By: Jeanette S. Knott, Trustee

State of Oregon)
County of Union) ss.

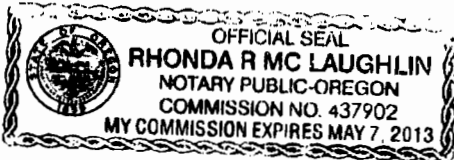
This instrument was acknowledged before me on November 28, 2011 by Kenneth D. Knott as Trustee of the KJK Trust.



Rhonda R Mc Laughlin
Notary Public for Oregon
Commission No.: 437902
My Commission Expires: May 7, 2013

State of Oregon)
County of Union) ss.

This instrument was acknowledged before me on November 28, 2011 by Jeanette S. Knott as Trustee of the KJK Trust.



Rhonda R Mc Laughlin
Notary Public for Oregon
Commission No.: 437902
My Commission Expires: May 7, 2013

RECEIVED

DEC 22 2011

WATER RESOURCES DEPT
SALEM, OREGON

EXHIBIT A

That portion of lot 3 of VISTA ACRES SUBDIVISION particularly described as follows, with reference to survey of Bagett, Griffith & Associates dated January, 1983, to-wit:

Beginning at the northwest corner of said lot 3 and running thence South 0°16'47" East along the west line of said lot 3 a distance of 630.13 feet to the north line of property conveyed to Kenneth Knott and wife by deed recorded as Microfilm Document No. 92286; thence South 48°33'27" East along the north line of said Knott land 700.34 feet to the intersection with the north line of land conveyed to Kenneth Knott and wife by deed recorded as Microfilm Document No. 98239; thence North 88°59'57" East along said north line 51.13 feet to the southwest corner of land conveyed to John Robinson by deed recorded as Microfilm document No. 85813; thence North 0°06'02" West along the west line of said Robinson land 827.62 feet; thence North 87°27'43" West a distance of 459.37 feet; thence North 2°37'39" East a distance of 230.76 feet to the south line of Mill Creek County Road, being the north line of said lot 3; thence along said north line northwesterly on a curve to the right (long chord bears North 83°42'18" West 130.19 feet) a distance of 130.21 feet) to the point of beginning.

Situate in the County of Union, State of Oregon.

Subject to and excepting:

1. RIGHT OF WAY for water ditch, including the terms and provisions thereof, as granted by Jacob Conner (the then owner of a part of the land in Section 26) dated May 17, 1895, recorded in book "B" at pages 159 and 160, miscellaneous records of Union County, Oregon.
2. RIGHT OF WAY for irrigation ditch, including the terms and provisions thereof, granted by Alice C. Corpe and husband (the then owners of a part of the land in Section 26) by instrument dated January 13, 1902 (deed book 47, page 285).
3. EASEMENT, including the terms and provisions thereof, given by former owners to Eastern Oregon Light and Power company (now CP NATIONAL), a corporation; by instrument dated January 28, 1935 (deed book 94 page 555), being for right of way 8 feet in width for electric distribution line across part of the premises covered herein.
4. GEOTHERMAL LEASE, including the terms and provisions thereof, given by Darrell E. Valade and Irene M. Valade, husband and wife (former owners), to R.E. HUBER; dated February 14, 1974, recorded as Microfilm Document No. 49593, deed records of Union County, Oregon. Leases the premises covered herein for the purpose of exploring and drilling for and producing and handling geothermalresources on terms and conditions as therein set forth and provided. Said lease to be for a term of twenty years from date.

AGREEMENT and ASSIGNMENT by R. E. Huber to INTERCONTINENTAL ENERGY CORPORATION (hereinafter called I.E.C.), as Program Manager for Thermex Company, a joint venture consisting of Geosystems Corporation, Intercontinental Energy Corporation and Bradley Resources Corporation; dated April 15, 1974, recorded as Microfilm Document No. 53666 deeds (Union County). Assigns above lease and indemnifies the original lessee from any liability thereunder.

MEMORANDUM OF AGREEMENT by and between Western Steam Company, general partnerships consisting of Bradley Resources Corporation, a New York corporation, Intercontinental

Energy Corporation, a Delaware corporation, with HUNT OIL COMPANY, a Delaware corporation, by instrument dated June 4, 1979, recorded as Microfilm Document No. 86070, deeds (Union County). Agree that Hunt Oil Company shall have the exclusive right and privilege of exploring for geothermal resources on property subject to lease, on terms and conditions as therein set forth and provided.

5. DECLARATION OF EASEMENT AND COVENANT appears executed by Darrell E. Valade; dated July 13, 1979, recorded July 13, 1979 (Microfilm No. 85922) and corrected and re-recorded July 17, 1979 (Microfilm No. 86002, deeds, Union County). Shows that said Darrell E. Valade is owner of easement for use and maintenance of existing pipeline across the lots in said Vista Acres and adjoining property. Sets forth the provisions for use and maintenance of said pipeline, etc.

6. Right-of-way for Union County Road No. 65 (Mill Creek Lane) across the North side of the property.

RECEIVED

DEC 22 2011

WATER RESOURCES DEPT
SALEM, OREGON

STATE OF OREGON

County of Union

} SS

I certify that this instrument was received and recorded in the book of records of said county.

ROBIN A. CHURCH
Union County Clerk

by: *Shirley K. Kennedy* Deputy.

DOC#: 20113764

RCPT: 153732

50.00

12/02/2011 10:08 AM

REFUND:

.00

RECEIVED

DEC 22 2011

20113705

After recording return to:

Peter L. Osborne
Schwabe, Williamson & Wyatt, P.C.
1211 SW 5th Avenue, Suite 1800
Portland, OR 97204

WATER RESOURCES DEPT
SALEM, OREGON

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

Tina R. Hurst
KJK Ranch, LLC
59926 Comstock Road
Cove, OR 97824

Parcel D
(see attached tax map)

WARRANTY DEED

Kenneth D. Knott and Jeanette S. Knott, as Trustees of the KJK Trust, dated June 30, 1994, Grantor, convey and warrant to KJK Ranch, LLC, an Oregon limited liability company, Grantee, the following described real property free of encumbrances except as specifically set forth herein:

the real property located in Union County, Oregon, described on the attached Exhibit A

Grantor conveys the property to Grantee subject to the exceptions to title set forth on the attached Exhibit A.

Other property or value was either part or the whole consideration for this conveyance.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009.

RECEIVED

DEC 22 2011

WATER RESOURCES DEPT
SALEM OREGON

Dated: November 28, 2011

Grantor:

KJK TRUST

Kenneth D. Knott
By: Kenneth D. Knott, Trustee

Jeanette S. Knott
By: Jeanette S. Knott, Trustee

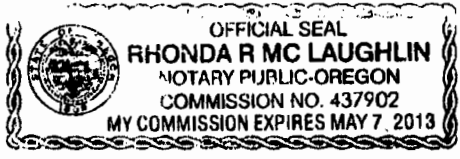
RECEIVED

DEC 22 2011

WATER RESOURCES DEPT
SALEM, OREGON

State of Oregon)
County of Union) ss.

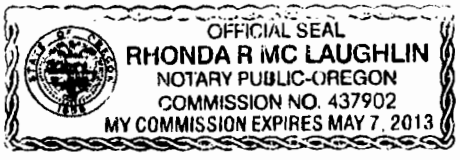
This instrument was acknowledged before me on November 28, 2011 by Kenneth D. Knott as Trustee of the KJK Trust.



Rhonda R Mc Laughlin
Notary Public for Oregon
Commission No.: 437902
My Commission Expires: May 7, 2013

State of Oregon)
County of Union) ss.

This instrument was acknowledged before me on November 28, 2011 by Jeanette S. Knott as Trustee of the KJK Trust.



Rhonda R Mc Laughlin
Notary Public for Oregon
Commission No.: 437902
My Commission Expires: May 7, 2013

EXHIBIT A

Lot number four (4) of VISTA ACRES, Union County, Oregon according to the plat filed July 13, 1979, in Book 3 at page 92, plat records of Union County, Oregon.

ALSO TO INCLUDE an undivided one-fifth (1/5) interest in the existing water line, as shown in the plat of VISTA ACRES, filed July 13, 1979, in Book 3 at page 92, plat records of Union County, Oregon, and as described in the Declaration of Easement and Covenant for Domestic Water Pipeline Use, recorded July 17, 1979, as Microfilm Document No. 86002, Union County, Oregon.

Subject to and excepting:

1. The land use and zoning laws of the State of Oregon and County of Union, now or hereafter in effect.
2. RIGHT OF WAY for water ditch as granted by Jacob Conner, dated May 17, 1895, recorded in Book "B" at pages 159 and 160, Miscellaneous Records of Union County, Oregon.
3. RIGHT OF WAY FOR FENCE, given by Irene M. Valade and D.E. Valade, her husband, to COVE CO-OP CHERRY GROWERS, dated February 6, 1954, (deed book 132, page 174).
4. DECLARATION OF EASEMENT AND COVENANT executed by Darrell E. Valade, dated July 13, 1979, recorded July 13, 1979, (microfilm No. 85922) and corrected and re-recorded July 17, 1979 (microfilm Document No. 86002), deeds, Union County, Oregon.
5. SUBJECT to easement for existing water line, as shown on the plat of Vista Acres (Plat book 3 page 92, Union County), and as granted to John Robinson in deed recorded as Microfilm Document No. 85813, Union County.
6. Rights of the public in and to that portion of this property lying below the high water mark of Millard Creek, as it crosses this property.
7. Right-of-way for Union County Road No. 84 (Comstock Road) across the east side of the property.

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DEC 22 2011

WATER RESOURCES DEPT
SALEM, OREGON

STATE OF OREGON

County of Union

} SS

I certify that this instrument was received and recorded in the book of records of said county.

ROBIN A. CHURCH
Union County Clerk

by: *Shelton Kennedy* Deputy.

DOC#: 20113765
RCPT: 153733 55.00
12/02/2011 10:08 AM
REFFIND: .00

EOT

EASTERN OREGON TITLE, INC.

1601 Adams Avenue, P.O. Box 1084

La Grande, OR 97850

Phone: (541) 963-8561 Fax: (541) 963-2391

TITLE INSURANCE

ESCROW CLOSING

ESCROW COLLECTION

THIS MAP IS FURNISHED ONLY AS A CONVIENCE IN LOCATING THE PROPERTY. THE COMPANY ASSUMES NO RESPONSIBILITY FOR ANY VARIATION THAT MAY BE DISCLOSED BY A SURVEY.

ORDER NO.: 11-219.56

