

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.

	PROPERT	Y SELLER	INFORM	ATION		RECEIL	/_
Applicant(s):	Kenneth and Jeanette		Kn	ott		ULIA	
. , ,	First 59926 Comstock Road				Last		
	Cove		OR		97	SALEM, OREGO	, DE V
	City		State			Zip	
Phone: 541-568	3-4730						
	Home		Work			Other	
	PROPER	TY BUYER	INFORM	ATION			
Applicant(s): KJK	Ranch, LLC c/o Tina R.	Hurst, Mana	ager	La	st		
Mailing Address: _	69733 Highway 237						
(<u>Cove</u>)R		9782	24	
C	City		State			Zip	
Phone: 208-761							
	Home		Work			Other	
	PROPERTY DESCRIPT	FION (attac	h addition	al pages if ne	cessary):		
County: Union	Township:	3 South	Range: _	40 East	Sect	ion: <u>26</u>	_
Tax Lot Number(s)	: <u>701, 702, 703, 1000</u>						_
Street address of w	ater right property: 59926	Comstock R	d., Cove C	DR 97824			
Water Right Inform	nation (attach copy of water i	right permit o	certificate	& final proof n	nap):		
Application #: G-1	4374 Permit #	e: G-13250		Certificate	or Page #:	85866	_
Will <u>all</u> the lands a	ssociated with this water ri	ght be owned	d by the bu	yer? (X Yes	() No		
Name of individual	completing this form: St	nonee D. Lai	ngford		Phone:	503-540-4261	_
Signature:	Some D Dong	2-2		Date:/	2/21	12011	-

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



DEC 2 2 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

22 Doge

SDL:kdo Enclosures

STATE OF OREGON

COUNTY OF UNION

RECEIVED

CERTIFICATE OF WATER RIGHT

DEC 2 2 2011

THIS CERTIFICATE ISSUED TO

WATER RESOURCES DEPT SALEM, OREGON

KENNETH D. AND JEANETTE S. KNOTT 59926 COMSTOCK RD COVE OR 97824

confirms the right to use the waters of A WELL in the MILLARD BRANCH Basin for IRRIGATION of 16.0 ACRES and SUPPLEMENTAL IRRIGATION of 17.9 ACRES.

This right was perfected under Permit G-13250. The date of priority is SEPTEMBER 6, 1996. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 0.36 CUBIC FOOT PER SECOND (CFS), being 0.20 CFS for irrigation and 0.22 CFS for supplemental irrigation, or its equivalent in case of rotation, measured at the well.

The period of allowed use is March 1 through October 31 for irrigation and March 1 through October 1 for supplemental irrigation.

The well is located as follows:

Twp	Rng	Mer	Sec	Q-Q	GLot	DLC	Measured Distances
3 S	40 E	WM	26	SW NW			2007 FEET SOUTH & 1216 FEET EAST FROM
1			\				NW CORNER, SECTION 26

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 3.0 acre-feet per acre for each acre irrigated during the irrigation season of each year.

A description of the place of use to which this right is appurtenant is as follows:

IRRIGATION								
Twp Rng Mer Sec Q-Q GLot DLC Acre							Acres	
3 S	40 E	WM	26	NWNW			15.2	
3 S	40 E	WM	26	SW NW			0.8	

NOTICE OF RIGHT TO PETITION FOR RECONSIDERATION OR JUDICIAL REVIEW

This is an order in other than a contested case. This order is subject to judicial review under ORS 183.484. Any petition for judicial review must be filed within the 60 day time period specified by ORS 183.484(2). Pursuant to ORS 536.075 and OAR 137-004-0080, you may either petition for judicial review or petition the Director for reconsideration of this order. A petition for reconsideration may be granted or denied by the Director, and if no action is taken within 60 days following the date the petition was filed, the petition shall be deemed denied. In addition, under ORS 537.260 any person with an application, permit or water right certificate subsequent in priority may jointly or severally contest the issuance of the certificate at any time before it has issued, and after the time has expired for the completion of the appropriation under the permit, or within three months after issuance of the certificate.

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WATER RESOURCES DEPT SALEM, OREGON

SUPPLEMENTAL IRRIGATION								
Twp	Rng	Mer	Sec	Q-Q	GLot	DLC	Acres	
3 S	40 E	WM	26	NW NW			1.9	
3 S	40 E	WM	26	SW NW			16.0	

Measurement, recording and reporting conditions:

- A. The water user shall maintain the meter or measuring device in good working order.
- B. The water user shall allow the watermaster access to the meter or measuring device; provided however, where the meter or measuring device is located within a private structure, the watermaster shall request access upon reasonable notice.
- C. The Director may require the water user to keep and maintain a record of the amount (volume) of water used and may require the water user to report water use on a periodic schedule as established by the Director. In addition, the Director may require the water user to report general water use information, the periods of water use and the place and nature of use of water under the right. The Director may provide an opportunity for the water user to submit alternative reporting procedures for review and approval.

This right is limited to any deficiency in the available supply of any prior right existing for the same land.

Use of water under authority of this right may be regulated if analysis of data available discloses that the appropriation will measurably reduce the surface water flows necessary to maintain the free-flowing character of a scenic waterway in quantities necessary for recreation, fish and wildlife in effect as of the priority date of the right or as those quantities may be subsequently reduced.

If substantial interference with a senior water right occurs due to withdrawal of water from any well listed on this right, then use of water from the well(s) shall be discontinued or reduced and/or the schedule of withdrawal shall be regulated until or unless the Department approves or implements an alternative administrative action to mitigate the interference. The Department encourages junior and senior appropriators to jointly develop plans to mitigate interference.

The well shall be maintained in accordance with the General Standards for the Construction and Maintenance of Water Wells in Oregon. The works shall be equipped with a usable access port, and may also include an air line and pressure gauge adequate to determine water level elevation in the well at all times.

The Director may require water level or pump tests every ten years.

Failure to comply with any of the provisions of this right may result in action including, but not limited to, restrictions on the use, civil penalties, or cancellation of the right.

This right is for the beneficial use of water without waste. The water user is advised that new regulations may require the use of best practical technologies or conservation practices to achieve this end.

By law, the land use associated with this water use must be in compliance with statewide land-use goals and any local acknowledged land-use plan.

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.

Application G-14374. Page 2 of 3 Certificate 85866

The use of water shall be limited when it interferes with any prior surface or ground water rights.

Issued _____NOV 1 3 2009

Phillip C. Ward Director Water Resources Department **RECEIVED**

DEC 2 2 2011

WATER RESOURCES DEPT SALEM, OREGON

AUG 2 0 1998

WATER RESOURCES DEPT.

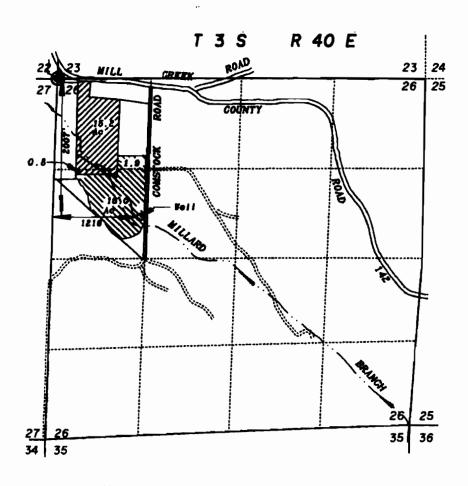
SALEM, OREGON

SCALE 1" - 1320 '

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WATER RESOURCES DEPT SALEM, OREGON



Primary lands being irrigated from well.

Supplementary lands being irratated from well.

Mainiine



NOTE: The preparation of this map was for the purpose of identifying the location of the proposed water right and has no intent to provide dimensions or location of property ownership lines. Location information shown hereon was furnished by the applicant.

FINAL PROOF OF WATER RIGHTS KENNETH D. & JEANETTE S. KNOTT BY

BAGETT - GRIFFITH & BLACKMAN 2006 ADAMS AVENUE LAGRANDE, OREGON 97850

JULY 29. 1998

G-14374 APPLICATION NO.

PERMIT NUMBER

G-13250

20113762

After recording return to:

DEC 2 2 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:

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

Dated: Movember 28	, 2011	DEC 2 2 2011
,	Grantor:	WATER RESOURCES DEPT SALEM. OREGON
	By: Kenneth D. Knott, Trustee By: Jeanette S. Knott, Trustee	Tee
State of Oregon)		
County of Union) ss.		
This instrument was acknowledged be Knott as Trustee of the KJK Trust.	efore me on Movember 28,2011	by Kenneth D.
OFFICIAL SEAL RHONDA R MC LAUGHLIN NOTARY PUBLIC-OREGON COMMISSION NO. 437902 MY COMMISSION EXPIRES MAY 7, 2013	Notary Public for Oregon Commission No.: 437902 My Commission Expires: 77447	1, 3 013
	,	
State of Oregon) ss. County of Union)		
This instrument was acknowledged be Knott as Trustee of the KJK Trust.	efore me on Ylovembu 28,2011	by Jeanette S.
OFFICIAL SEAL RHONDA R MC LAUGHLIN NOTARY PUBLIC-OREGON COMMISSION NO. 437902 MY COMMISSION EXPIRES MAY 7, 2013	Notary Public for Oregon Commission No.: 437902 My Commission Expires: May	<u>C:</u> 7,2013

DEC 2 2 2011

EXHIBIT A

WATER RESOURCES DEPT SALEM, OREGON

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 Λeres 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 rerecorded 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.

DEC 2 2 2011

WATER RESOURCES DEPT SALEM, OREGON

STATE OF OREGON

SS

County of Union

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

ROBIN A. CHURCH

Union County Clerk

DOC#: 20113762

60.00

RCPT:

153730

12/02/2011 10:08 AM

REFUND:

.00

After recording return to:

DEC 2 2 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:

Tina R. Hurst KJK Ranch, LLC 59926 Comstock Road Cove, OR 97824 Yarcel B (constaded tox 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.

		RECEIVE.
Dated: Movember 28	, 2011	DE(5 %
,	Grantor:	WATER RESCONCES SEALEM, OREGON
RECEIVED	KJK TRUST	
DEC 2 2 2011	Tom All	A-Trostae
WATER RESOURCES DEPT	By: Kenneth D. Know, Tr	rustee
SALEM, OREGON	Py: Jeanette S. Knott, Tru	Tie ustee
State of Oregon)		
County of Unin)	SS.	
This instrument was acknowled Knott as Trustee of the KJK Trust.	lged before me on November 28	by Kenneth D.
OFFICIAL SEAL RHONDA R MC LAUGHLIN NOTARY PUBLIC-OREGON COMMISSION NO. 437902 MY COMMISSION EXPIRES MAY 7, 2013	Notary Public for Oregon Commission No.: 43 My Commission Expires:	1902

SS.



Notary Public for Oregon
Commission No.: 437901
My Commission Expires: 17744 7,2013

State of Oregon

DEC 2 2 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 rerecorded July 17, 1979 (Microfilm No. 86002, deeds, Union County).

- 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.

DEC 2 2 2011

WATER RESOURCES DEPT SALEM, OREGON

STATE OF OREGON

County of Union

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

ROBIN A. CHURCH

Union County Clerk

RCPT: 153731

60.00

.00

12/02/2011 10:08 AM REFUND:

DEC 2 2 2011

20113764

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 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.

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.

Dated: Movember o	, 201

DEC 2 2 2011

Grantor:

WATER RESOURCES DEPT SALEM, OREGON

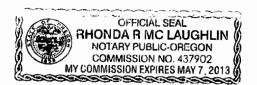
KJK TRUST

By: Kenneth D.Knott, Trustee

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.



Notary Public for Oregon

Commission No.: 437902

My Commission Expires: 77247,2013

State of Oregon) ss.

This instrument was acknowledged before me on 1 trember 28, 2011 by Jeanette S. Knott as Trustee of the KJK Trust.

OFFICIAL SEAL
RHONDA R MC LAUGHLIN
NOTARY PUBLIC-OREGON
COMMISSION NO. 437902
MY COMMISSION EXPIRES MAY 7, 2013

Notary Public for Oregon

Commission No.: 43760

My Commission Expires: 1744742013

DEC 2 2 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 rerecorded 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.
- Right-of-way for Union County Road No. 65 (Mill Creek Lane) across the North side of 6. the property.

RECEIVED

WATER RESOURCES DEPT SALEM. OREGON

STATE OF OREGON

County of Union

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

ROBIN A. CHURCH

Union County Clerk

20113764 153732

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RCPT:

DOC#:

12/02/2011 10:08 AM

REFUND:

After recording return to:

DEC 2 2 2011

20113765

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 WATER RESOURCES DEPT SALEM. OREGON

(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.

DEC 2 2 3

Dated: November 28

WATER RESOURCES DEP SALEM ORFGON

Grantor:

KJK TRUST

RECEIVED

DEC 2 2 2011

State of Oregon

SS.

WATER RESOURCES DEPT SALEM, OREGON

This instrument was acknowledged before me on 1 overward 28,2011 by Kenneth D. Knott as Trustee of the KJK Trust.

OFFICIAL SEAL RHONDA R MC LAUGHLIN MOTARY PUBLIC-OREGON COMMISSION NO. 437902 MY COMMISSION EXPIRES MAY 7, 2013 Notary Public for Oregon Commission No.: 437902

My Commission Expires: 17447,2013

State of Oregon

SS.

County of Uni

County of Union

This instrument was acknowledged before me on November 38 30 11 by Jeanette S. Knott as Trustee of the KJK Trust.

Commission No.: 43790 \(\text{Y}\)
My Commission Expires: \(\text{Type J}\)

RHONDA R MC LAUGHLIN NOTARY PUBLIC-OREGON COMMISSION NO. 437902 MY COMMISSION EXPIRES MAY 7, 2013

OFFICIAL SEAL

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.

RECEIVED

DEC 2 2 2011

WATER RESOURCES DEPT SALEM, OREGON STATE OF OREGON

County of Union

SS

I certify that this

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

ROBIN A. CHURCH

Union County Clerk

DOC#: 20113765

RCPT: 153733

55.00

12/02/2011 10:08 AM

REFLIND:

1 – EXHIBIT A PDX/073199/050939/PLO/8345883.1

EASTERN DREGON 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

