

THIS AGREEMENT made this 27 day of August, 1962, by and between GLENN E. PAULSON and INA LOUISE PAULSON, husband and wife, and ROY SJOSTROM and DOROTHY SJOSTROM, husband and wife, of Lincoln County, Cregon, hereinafter referred to as "Grantors", and ALSEA RIVER ENTERPRISES, a California Limited Partnership of Beverly Hills, California, hereinafter referred to as "Grantee",

WITNESSETH:

RECITALS: The Paulson Grantors have this date entered into an agreement with the Grantee whereby the Paulson Grantors agreed to sell and Grantee agreed to buy a certain tract of land consisting of approximately twenty-nine (29) acres situated in Section 27 and 28, Township 13 South, Range 10 West of the Willamette Heridian in Lincoln County, Oregon, which tract of land is located across the Alsea Highway from another parcel of land owned by the Grantors upon which there is located a large undeveloped spring.

Simultaneously, the Sjostrom Grantors and the Grantee similarly contracted in regard to another tract of land in the same general area.

As a part of the consideration for the sale and purchase of the two respective tracts of land which Grantee agreed to purchase as above described, Grantors agreed to convey to Grantee the right to use the water from the spring on the property located across the Alsea Highway, and the right to place and maintain thereon necessary water works, devices, and pipelines and water conduits so that the Grantee could properly develop and subdivide the tracts so purchased from Grantors.

MOW THEREFORE, in consideration of the foregoing and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt whereof is hereby acknowledged by the Grantors, the Grantors and each of them do hereby grant; hergain and sell unto the Grantes, its

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successors and assigns, a permanent easement and exclusive right to draw and use from that certain spring located upon the following described property, situated in Lincoln County, State of Oregon, to-wit:

That part of the south half of the west half of the northwest nat part of the South nail of the West half of the northwest quarter of Section 27, Township 13 South, Range 10 West of the Willamette Meridian in Lincoln County, Oregon, lying northeasterly of the Alsea Highway right of way in Lincoln County, Oregon,

any and all the water, to the full extent it may need at any time or times whatsoever hereafter in connection with the use, enjoyment, development and sale or other disposition of its real property as herein described; and Grantee shall have the exclusive right to install and maintain on, under, across and above said property all necessary water works, devices and pipelines and water conduits needed to filter, pump, transfer and carry such water from the above described property to Grantee's property situated across the Alsea Highway and the right of ingress and egress over said property for the purpose of inspecting, operating, maintaining and keeping in repair said water works, devices, pipelines and water conduits.

The within easement and exclusive right shall be owned exclusively by the Grantee herein, or by any person, persons, entity or entities to whom or to which Grantce, in its sole discretion, may expressly assign the within casement and exclusive right, or any part thereof. Grantee, in its sole discretion, shall have the right to retain said easement and exclusive right in whole or in part, or to bargain, sell, license or lease the same. or any part thereof, to any person, persons, entity or entities.

Reserving, Lowever, unto the Granters the right to use water from said spring to supply, for domestic purposes only, a single dwelling house to be constructed by the Grantors on said property herein described.

IN WITHESS WHEREOF, the Grantors have hereunto placed their signatures the day and year first above written.

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Dorothy Sjostrom STATE OF OREGON COUNTY OF LINCOLN) This Thaday of September, 1962, personally appeared the above named GLENN E. PAULSON, INA LOUISE PAULSON, ROY SJOSTROM and DOROTHY SJOSTROM and acknowledged the foregoing instrument to be their followed at and deed. Before me: