

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

BRIAN J. BOYLE, Commissioner of Public Lands

Olympia, Washington 98504

NOTE CAREFULLY

The Commissioner of Public Lands will not approve or enter any assignment unless the lease or contract is in good standing. The original lease or contract must be submitted along with three (3) copies of this assignment form and a \$25.00 fee.

that certain Compromise and
Assignment Settlement Agreement dated Jan.
26, 1987 between Assignor and Assignee's
incorporators, a copy of which is attached
hereto as Appendix A,

For and in consideration of the sum of _____
the hereinafter named assignor hereby assigns set s over and transfers all of his or their right,
title, and interest in and to that portion of the lease or contract No. 37057 herein described:

An easement for a right of way for the construction, operation, use
and maintenance of a domestic water well site, over and across a location as
shown on Plat No. 37057, filed in the office of the Commissioner of Public
Lands at Olympia, Washington, a reduction of which is attached as Exhibit A,
indicating said right of way in red, and by this reference made a part hereof,
all in Skamania County, Washington.

unto: DUGGAN FALLS WATER SYSTEM, a Washington non-profit corporation

whose address is: c/o Jan C. Kielpinski, Registered Agent, 27 Russell St.,
(P. O. Box - Route - Street)

PO Box 510, Stevenson, Washington 98648

(City)

(State)

(Zip Code)

, and said assignee hereby binds and
obligates himself (or themselves) to perform all the conditions and covenants of said lease or contract.
Said assignee further agrees to assume total liability for all terms, conditions and obligations of the
contract or lease from the date of execution of said document.

In the event the assignee is a corporation, and if at any time during the term of this lease any
part or all of the corporate shares of the assignee be transferred by sale, assignment, bequest, inheri-
tance, operation of law, or other disposition so as to result in a change in the present control of the
assignee by the person or persons now owning a majority of the corporate shares, such change shall
be deemed an assignment of this lease, which, to become legally effective, requires the prior written
approval of the Department of Natural Resources.

Approval of this assignment by the Department is
not a discharge of the assignor or his surety from
any or all liabilities, obligations, or duties incurred
under the contract or lease prior to the date of
consent of this assignment.

Assignment Approved:

Date November 16, 1987

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

By Brian J. Boyle
BRIAN J. BOYLE
Commissioner of Public Lands

Dated this 13th day
of April, A.D. 19 87

Rhonda Palmer
RHONDA PALMER, Personal Representative
of the Estate of H. Robert Cole

DUGGAN FALLS WATER SYSTEM Assignor 1/16/87
By: Larry Hule Assignee
BJS. PCN

FILED FOR RECORD
SKAMANIA CO. WASH
BY JAN C. KIELPINSKI

Dec 29 10 50 AM '87
Auditor
CABY side: 30N

The Assignor's signature must be notarized. Use appropriate form on reverse side.
Assignee's signature, other than corporations, does not need to be notarized. If Assignee is a corporation, complete appro-

CERTIFICATE OF ASSIGNOR'S ACKNOWLEDGMENT
(If a corporation, use "Certificate of Corporate Acknowledgment" below.)

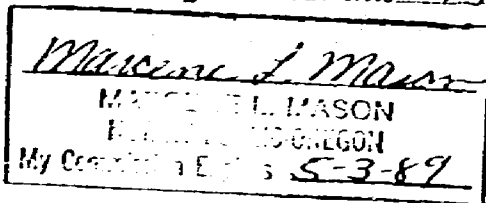
STATE OF Oregon }
WASHINGTON, }
County of Wasco } ss.

On this day personally appeared before me RHONDA PALMER, Personal Representative
of the Estate of H. Robert Cole,

_____ to me known to be the individual(s) described in and who executed the
within and foregoing instrument, and acknowledged that she

signed the same as her free and voluntary act and deed, for the uses and purposes therein
mentioned.

Given under my hand and official seal this 13th day of April, 19 87



Notary Public in and for the State of Washington, Oregon
residing at The Dalles

CERTIFICATE OF CORPORATE ACKNOWLEDGMENT

STATE OF WASHINGTON, }
County of _____ } ss. **ASSIGNOR**

On this _____ day of _____, 19____, before me personally appeared

_____ to me known to be the
of the corporation that executed the within and foregoing instrument, and acknowledged said
instrument to be the free and voluntary act and deed of the corporation, for the uses and purposes
therein mentioned, and on oath stated that he was authorized to execute said instrument and that
the seal affixed is the corporate seal of the corporation.

Given under my hand this _____ day of _____, 19_____

Signature

Title

CERTIFICATE OF CORPORATE ACKNOWLEDGMENT

STATE OF WASHINGTON, }
County of _____ } ss. **ASSIGNEE**

On this _____ day of _____, 19____, before me personally appeared

_____ to me known to be the
of the corporation that executed the within and foregoing instrument, and acknowledged said
instrument to be the free and voluntary act and deed of the corporation, for the uses and purposes
therein mentioned, and on oath stated that he was authorized to execute said instrument and that
the seal affixed is the corporate seal of the corporation.

Given under my hand this _____ day of _____, 19_____

Signature

Title

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES
BERT L. COLE, Commissioner of Public Lands

Agreement No. 37057

THIS AGREEMENT, made and entered into this 9th day of October, 1973, by and between H. ROBERT COLE, herein called the "Grantee," and the STATE OF WASHINGTON, acting by and through the Department of Natural Resources, herein called the "State," WITNESSETH:

The State, for and in consideration of the terms and conditions specified herein, hereby grants and conveys to the Grantee, its successors and assigns:

An easement for a right of way for the construction, operation, use and maintenance of a domestic water well site, over and across a location as shown on Plat No. 37057, filed in the office of the Commissioner of Public Lands at Olympia, Washington, a redaction of which is attached as Exhibit A, indicating said right of way in red, and by this reference made a part hereof, all in Skamania County, Washington.

This Agreement is subject to the terms and conditions hereinafter set out.

Consideration

The consideration paid by the Grantee to the State is as follows:

Damages:	\$360.00
Statutory Fee:	5.00
Total:	\$365.00

Assignment

This Agreement, or any of the rights granted herein, shall not be assigned without prior written consent of the State, except that said rights granted herein may be used by any employee, contractor, or representative of the Grantee, hereinafter collectively referred to as "Permittee," while engaged in the Grantee's operations.

Term

Should the Grantee, or its assigns, cease to use this easement for the purposes specified herein for a period of two (2) years, it shall notify the State of such nonuse; and the rights granted herein shall revert to the State, its successors or assigns.

Forfeiture

In the event that any portion of the right of way as shown on attached Exhibit A is not used by the Grantee, or its assigns, for the purpose for which it was granted, within a period of five (5) years, the rights of the Grantee within said portion of the right of way shall revert to the State, its successors or assigns; and said portion of the right of way shall be freed from the easement as fully and completely as if this Agreement had not been entered into; provided, however, an extension of time may be granted upon written request prior to the expiration date of said 5-year period and upon the terms and conditions as specified by the State; such terms and conditions shall be limited to the State's right to extend said period and modify the considerations due the State which shall include, but not be limited to, additional charges for administrative costs and appreciation of land and valuable material.

The Grantee shall, upon the termination or forfeiture of the rights granted herein, convey to the State all water rights and permits pertaining to wells on the lands described herein.

App. No. 37057

Reservations to State

State reserves for itself, its successors and assigns, the right at all times and for any purpose to cross and recross said right of way at any place on grade or otherwise, and to use said right of way for road purposes, insofar as is compatible with Grantee's operation, and provided such reserved rights shall be exercised in a manner that will not unreasonably interfere with the rights of the Grantee hereunder.

The State reserves to itself, its successors and assigns, the right to develop, improve, and utilize the land and natural resources thereon, within the limits of the right of way granted herein, insofar as such reservations are compatible with the Grantee's operation and insofar as such action will not unreasonably interfere with the rights of the Grantee;

In the event the State, its successors or assigns elects to act within the reservation, it shall give written notice to the Grantee of such election and will then assume responsibility for allowing no growth or obstruction on the right of way that will be incompatible or interfere with the Grantee's use thereof.

When so notified, Grantee will not eradicate by broadcast brush spraying, or other methods of removal, any growth on the portion of the right of way being so used by the State. In the event the Grantee injures or damages growth while responding to an emergency such as, but not limited to, a fire, flood, or facility failure, or necessary repair to such facility, the State shall have no recourse or cause of action against the Grantee for or on account of such injury.

Furthermore, the State shall notify the Grantee in writing of any cessation of any management plan enacted, and such notice will relieve the State of growth and obstruction control; provided, upon such notice of cessation, the State shall remove or cause to be removed, all growth and obstruction exceeding ten (10) feet in height.

The State may grant to third parties, upon such terms as it chooses, any or all of the rights reserved by it herein; provided that use by such third party shall be subject to the terms and conditions of this easement and shall not unreasonably interfere with the rights granted hereunder.

Compliance with Laws and Regulations

The Grantee shall comply with all applicable laws to the extent that it can legally do so, including all Department of Natural Resources regulations, county and municipal laws, ordinances, or regulations in effect and authorized by law or laws of the State of Washington.

The Grantee shall cause its Permittee to comply with those requirements and conditions set forth hereinafter which are applicable to the Permittee's operation.

In addition to compliance with those laws of the State of Washington pertaining to forest protection, the Grantee shall contact the State's Area Manager at Castle Rock, Washington, who shall determine any extra requirements pertaining to burning procedures, blasting, watchmen, extra patrol, pumps, tankers, fire hose, fire tools, etc., which are deemed necessary for prevention and suppression of fire resulting from construction operations. Such requirements will be included in the Grantee's invitation to bid and will be made part of the contract with the successful bidder.

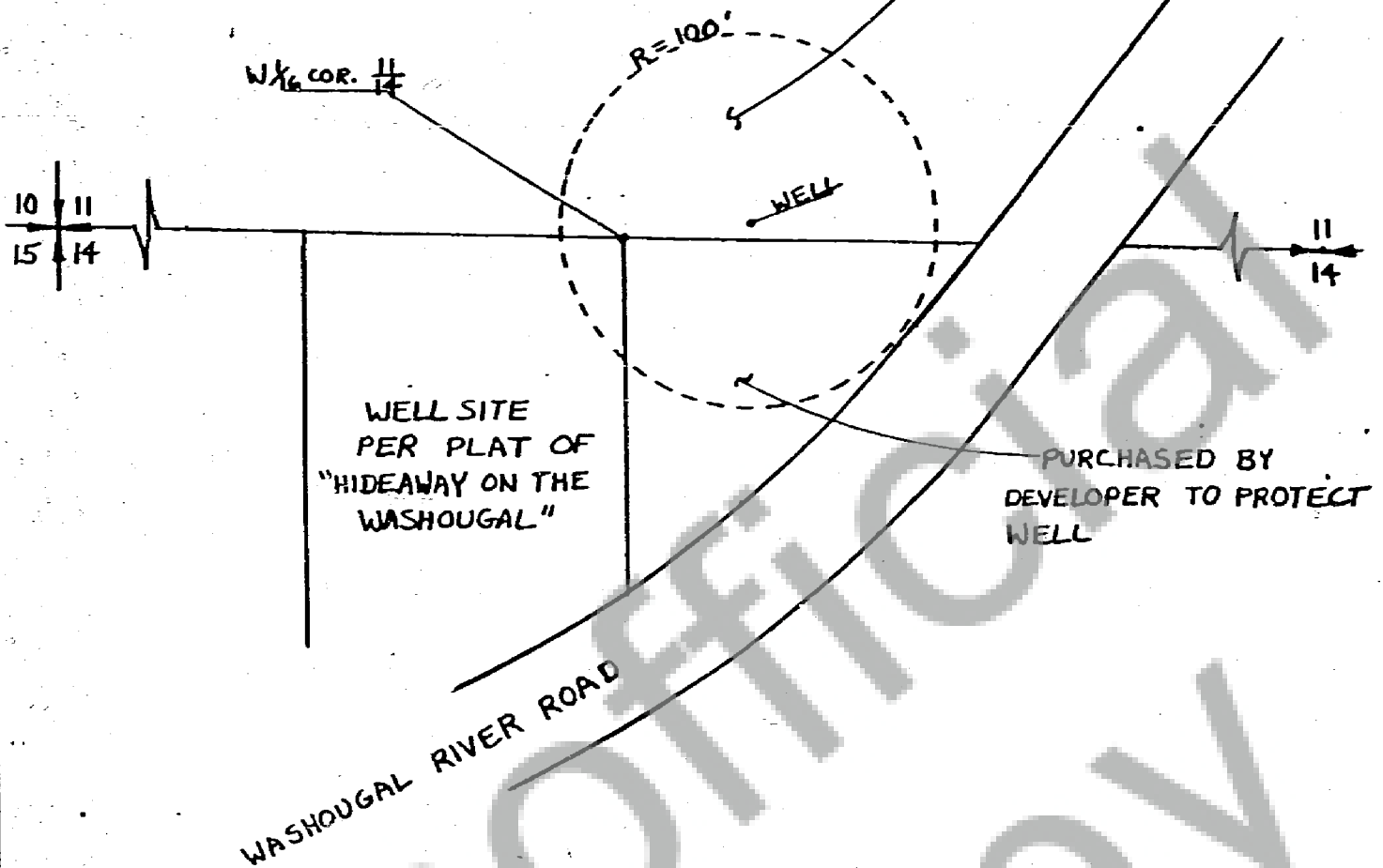
Damage and Protection from Damage

Grantee, when using the rights granted herein, shall repair or cause to be repaired, at its sole cost and expense, all damage to improvements on State lands occasioned by it, which is in excess of that which it would cause through normal and prudent use of such rights.

During operations under this agreement, including the construction of roads and facilities, the Grantee shall take such precautions as necessary to minimize, insofar as possible, soil erosion and damage to the soil. Equipment will not be operated when ground conditions are such that excessive damage will result.

PLOT PLAN OF WELL SITE
FOR
HIDEAWAY ON WASHOUGAL & HIDEAWAY II

PROTECTED BY D.N.R.
AGREEMENT NO. 37057



LACY ENGINEERING
CONSULTING ENGINEERS
112 E. 13TH STREET
VANCOUVER, WASHINGTON 98660
BY : B.E.H.
JOB NO. : E-223
DATE : 7/1/75

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES
BERT L. COLE, Commissioner of Public Lands

Agreement No. 37057

THIS AGREEMENT, made and entered into this 9th day of October, 19 73, by and between H. ROBERT COLE, herein called the "Grantee," and the STATE OF WASHINGTON, acting by and through the Department of Natural Resources, herein called the "State," WITNESSETH:

The State, for and in consideration of the terms and conditions specified herein, hereby grants and conveys to the Grantee, its successors and assigns:

An easement for a right of way for the construction, operation, use and maintenance of a domestic water wall site, over and across a location as shown on Plat No. 37057, filed in the office of the Commissioner of Public Lands at Olympia, Washington, a reduction of which is attached as Exhibit A, indicating said right of way in red, and by this reference made a part hereof, all in Skamania County, Washington.

This Agreement is subject to the terms and conditions hereinafter set out.

Consideration

The consideration paid by the Grantee to the State is as follows:

Damages:	\$360.00
Statutory Fee:	5.00
Total:	\$365.00

Assignment

This Agreement, or any of the rights granted herein, shall not be assigned without prior written consent of the State, except that said rights granted herein may be used by any employee, contractor, or representative of the Grantee, hereinafter collectively referred to as "Permittee," while engaged in the Grantee's operations.

Term

Should the Grantee, or its assigns, cease to use this easement for the purposes specified herein for a period of two (2) years, it shall notify the State of such demise; and the rights granted herein shall revert to the State, its successors or assigns.

Forfeiture

In the event that any portion of the right of way as shown on attached Exhibit A is not used by the Grantee, or its assigns, for the purpose for which it was granted, within a period of five (5) years, the rights of the Grantee within said portion of the right of way shall revert to the State, its successors or assigns; and said portion of the right of way shall be freed from the easement as fully and completely as if this Agreement had not been entered into; provided, however, an extension of time may be granted upon written request prior to the expiration date of said 5-year period and upon the terms and conditions as specified by the State; such terms and conditions shall be limited to the State's right to extend said period and modify the considerations due the State which shall include, but not be limited to, additional charges for administrative costs and appreciation of land and valuable material.

The Grantee shall, upon the termination or forfeiture of the rights granted herein, convey to the State all water rights and permits pertaining to wells on the lands described herein.

App. No. 37057

RECORDER'S NOTE: PORTIONS OF THIS
DOCUMENT POOR QUALITY FOR FILING

Reservations to State

State reserves for itself, its successors and assigns, the right at all times and for any purpose to cross and recross said right of way at any place on grade or otherwise, and to use said right of way for road purposes, insofar as is compatible with Grantee's operation, and provided such reserved rights shall be exercised in a manner that will not unreasonably interfere with the rights of the Grantee hereunder.

The State reserves to itself, its successors and assigns, the right to develop, improve, and utilize the land and natural resources thereon, within the limits of the right of way granted herein, insofar as such reservations are compatible with the Grantee's operation and insofar as such action will not unreasonably interfere with the rights of the Grantee;

In the event the State, its successors or assigns elects to act within the reservation, it shall give written notice to the Grantee of such election and will then assume responsibility for allowing no growth or obstruction on the right of way that will be incompatible or interfere with the Grantee's use thereof.

When so notified, Grantee will not eradicate by broadcast brush spraying, or other methods of removal, any growth on the portion of the right of way being so used by the State. In the event the Grantee injures or damages growth while responding to an emergency such as, but not limited to, a fire, flood, or facility failure, or necessary repair to such facility, the State shall have no recourse or cause of action against the Grantee for or on account of such injury.

Furthermore, the State shall notify the Grantee in writing of any cessation of any management plan enacted, and such notice will relieve the State of growth and obstruction control; provided, upon such notice of cessation, the State shall remove or cause to be removed, all growth and obstruction exceeding ten (10) feet in height.

The State may grant to third parties, upon such terms as it chooses, any or all of the rights reserved by it herein; provided that use by such third party shall be subject to the terms and conditions of this easement and shall not unreasonably interfere with the rights granted hereunder.

Compliance with Laws and Regulations

The Grantee shall comply with all applicable laws to the extent that it can legally do so, including all Department of Natural Resources regulations, county and municipal laws, ordinances, or regulations in effect and authorized by law or law of the State of Washington.

The Grantee shall cause its Permittee to comply with these requirements and conditions set forth hereinafter which are applicable to the Permittee's operation.

In addition to compliance with these laws of the State of Washington pertaining to forest protection, the Grantee shall contact the State's Area Manager at Castle Rock, Washington, who shall determine any extra requirements pertaining to burning procedure, blasting, watchmen, extra patrol, pumps, tankers, fire hose, fire tools, etc., which are deemed necessary for prevention and suppression of fire resulting from construction operations. Such requirements will be included in the Grantee's invitation to bid and will be made part of the contract with the successful bidder.

Damage and Protection from Damage

Grantee, when using the rights granted herein, shall repair or cause to be repaired, at its sole cost and expense, all damage to improvements on State lands occasioned by it, which is in excess of that which it would cause through normal and prudent use of such rights.

During operations under this Agreement, including the construction of roads and facilities, the Grantee shall take such precautions as necessary to minimize, insofar as possible, soil erosion and damage to the soil. Equipment will not be operated when ground conditions are such that excessive damage will result.

Grantee shall take all reasonable precautions to protect the State-owned crops and trees.

Any damage to trees and/or reproduction deemed by the State to be excessive or unnecessary shall be paid for by the Grantee at triple the bid price or at triple the appraised value as determined by the State. The Grantee may have the right to remove such trees upon payment therefor if such removal is authorized in writing by the State.

All legal subdivision survey corners and witness objects are to be preserved. If such are destroyed or disturbed, the Grantee shall re-establish same in accordance with the U. S. General Land Office standards at his own expense. These corners that must be necessarily disturbed or destroyed in process of construction must be adequately referenced prior to removal of the corner and/or witness object. The Grantee shall record these references in the respective offices of the local county engineer and the Commissioner of Public Lands.

Response to an Emergency

Nothing contained herein shall prevent the Grantee from responding to an emergency relating to the facilities on the right of way.

Notice of Noncompliance

The State shall notify the Grantee by United States mail, addressed to the address shown on the application for this easement on file in the office of the Commissioner of Public Lands in Olympia, Washington, of any instance of noncompliance with any of the terms and conditions hereof. Such notice will specifically identify the manner of noncompliance herewith. Upon receipt of such notice the Grantee shall immediately take or cause to be taken effective remedial action.

In the event the Grantee does not undertake, or cause to be undertaken, remedial action within fifteen (15) days following receipt of said notice, the State, acting by and through its Area Manager at Castle Rock, Washington, may suspend the Grantee's operations on State lands until such time as effective remedial action is taken.

IN WITNESS WHEREOF, the parties hereto have executed this instrument, in duplicate, as of the day and year first above written.

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

By *Bert E. Cole*
BERT E. COLE
Commissioner of Public Lands

H. Robert Cole
H. ROBERT COLE
Lessee

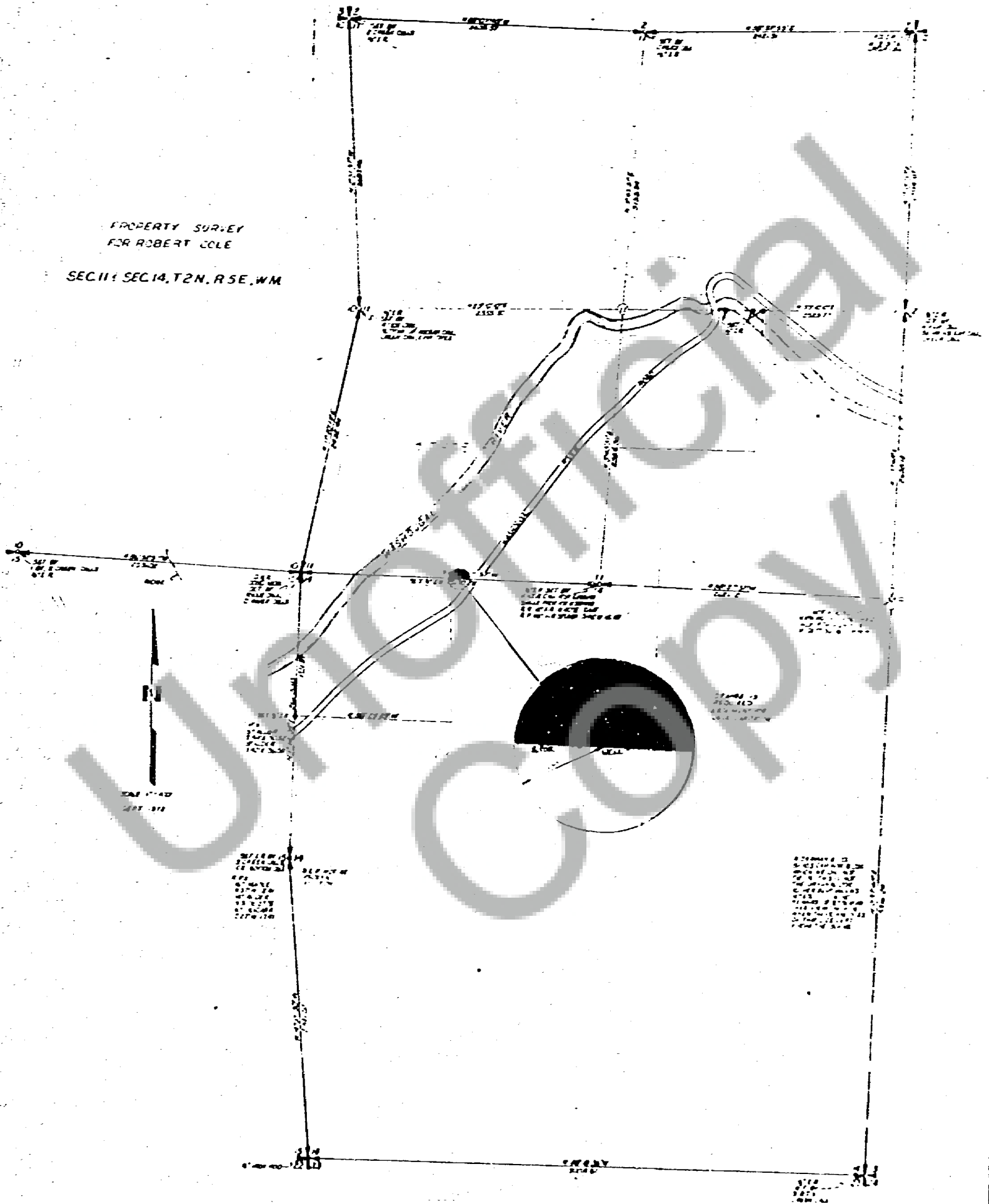
Star Route 302
Lyle, WA 98635

App. No. 37057
cmf

PROOF READ *W. J. Sear*
W. J. Sear 10-5-73

PROOFED	<input checked="" type="checkbox"/>
CHECK LIST	<input checked="" type="checkbox"/>
DATE	2-1-73

PROPERTY SURVEY
FOR ROBERT COLE
SEC 11, SEC 14, T2N, R5E, WM



THIS DOCUMENT ILLEGIBLE AT
TIME OF RECORDING

EXHIBIT A