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FILED
SPRINGFIELD
BY Steel Rives
Feb 21 5:00 PM '03
J. MICHAEL JESON

Return to:
Steel Rives LLP
900 SW Fifth Avenue, Suite 2600
Portland, OR 97204
Attention: Mr. Samuel J. Panarella

Document Title: Nondisturbance Agreement
Name Of Owner: Broughton Lumber Co.
Name of Lessee: S.D.S. Co., L.L.C.
Additional Names: On page 1
Abbreviated Legal Description: NW¼, Section 6, Government Lots 1, 2, and 4,
SE¼NW¼ and E¼SW¼, T3N, R10E, W.M.
Complete legal description on page 6
Assessor's Property Tax
Parcel Account Numbers: 03-10-00000400 and a portion of 03-10-00000800

After Recording, Return To:
Stoel Rives LLP
900 SW 5th Ave., Suite 2600
Portland, OR 97204
Attention: Mr. Samuel J. Panarella

NONDISTURBANCE AGREEMENT

THIS NONDISTURBANCE AGREEMENT (this "Agreement") is made this 29th day of January, 2003, by and among BROUGHTON LUMBER CO., a Washington corporation ("Owner"), S.D.S. CO., L.L.C., a Washington limited liability company ("Lessee"), and PACIFICORP POWER MARKETING, INC., an Oregon corporation ("PPM").

RECITALS

- A. Owner owns certain real property located in Skamania County, Washington, more particularly described on the attached Exhibit A (the "Property").
- B. Owner and Lessee entered into a Master Lease dated January 7th, 2003, and recorded on January 8th, 2003 in the Official Records of Skamania County, Washington at Reel/Volume 235, Page 204 (the "Master Lease").
- C. Pursuant to the Master Lease, Owner leased the Property to Lessee for wind energy conversion, the collection and transmission of electric power, and related activities, including without limitation the right to assign or sublease all or any portion of the Property and the rights and obligations of Lessee under the Master Lease, with respect to all or any portion of the Property.
- D. Lessee and PPM entered into a Wind Energy Lease Agreement dated January 29th, 2003, a short form of which was recorded on February 7th, 2003 in the Official Records of Skamania County, Washington at Reel/Volume 236, Page 933 (the "Wind Lease").
- E. Pursuant to the Wind Lease, Lessee leased the Property to PPM for wind energy conversion, the collection and transmission of electric power, and related activities.
- F. The parties hereto desire to enter into this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Owner, Lessee, and PPM hereby covenant and agree as follows:

1. **NONDISTURBANCE.** Owner has reviewed and consents to the terms and conditions of the Wind Lease. Owner acknowledges that Lessee is and was at the time of its execution of the Wind Lease, entitled to grant the rights, interests, and privileges granted to PPM pursuant to the Wind Lease, and Owner shall not disturb PPM in PPM's exercise of any and all of the rights, interests, and privileges granted to PPM pursuant to the Wind Lease, and Owner agrees that PPM shall continue to be entitled to all of the rights, interests, and privileges specified in the Wind Lease for the duration of the term specified in the Wind Lease, and upon the same terms and conditions specified therein.

2. **POST-TERMINATION RELATIONSHIP.** From and after the date of any termination of the Master Lease, the Wind Lease shall continue as an agreement between Owner and PPM, with the same force and effect as if Owner and PPM had entered into a wind lease agreement containing the same terms, covenants, and conditions as those contained in the Wind Lease at the time of such termination. In such event, PPM shall pay to Owner and perform for the benefit of Owner all obligations required to be paid and performed by PPM under the Wind Lease, and Owner shall pay to PPM and perform for the benefit of PPM all obligations required to be paid and performed by Owner under the Wind Lease.

3. **RELATIONSHIP BETWEEN PARTIES.** Nothing herein shall be construed to give Owner, or its successors and assigns, any interest in casualty insurance maintained by PPM or proceeds to which PPM is entitled under the Wind Lease, nor will it be construed to modify any of the provisions of the Wind Lease or of the parties' obligations under the Wind Lease.

4. **LEASE PAYMENTS.** Until such time as PPM is otherwise notified in writing by Owner, it shall make all payments under the Wind Lease to Lessee as provided therein.

5. **GOVERNING LAW.** This Agreement will be governed and construed in accordance with the laws of the State of Washington.

6. **SUCCESSORS AND ASSIGNS.** The terms and conditions of this Agreement shall be binding upon and shall inure to the benefit of Owner, Lessee, and PPM, respectively.

7. **NOTICES.** Any notice or demand which under the terms of this Agreement must or may be given or made by either party shall be in writing and shall be effective when delivered or when deposited in the mail, certified and addressed to the respective address as follows:

If to Owner:

Broughton Lumber Company
PO Box 266
Bingen, WA 98605

If to Lessee:

SDS Lumber Company
PO Box 266
Bingen, WA 98605

If to Tenant:

PacifiCorp Power Marketing, Inc.
Attn: Mid-Office
650 NE Holladay, Suite 700
Portland, Oregon 97232
Telephone No. (503) 813-6191
Facsimile No. (503) 813-5707
E-Mail: Donna.Foy@pacificorp.com

Any party may change its address for purposes of this section by giving written notice of such change to the other parties in the manner provided in this section.

8. **MODIFICATIONS.** This Agreement may not be modified or amended except in writing signed by all parties hereto.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and delivered by their duly authorized representatives as of the date first shown above.

"PPM"

PacifiCorp Power Marketing, Inc.,
an Oregon corporation

By: Peter C. van Alderwerelt
Its: Vice President

"LESSEE"

S.D.S. CO., L.L.C.,
a Washington limited liability company

By: Jason S. Spadaro
Its: President

"OWNER"

Broughton Lumber Co.,
a Washington corporation

By: Rees A. Stevenson
Its: President

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STATE OF Washington
County of Klickitat ss.

On this 2nd day of January, 2003 before me personally appeared Jason S. Spadaro, to me personally known to be the President of S.D.S. CO., L.L.C., a Washington limited liability company, the company that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said company, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.



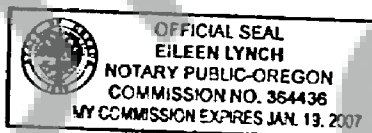
Signature: Dorothy M. Henkle

Name (Print): Dorothy M. Henkle

NOTARY PUBLIC in and for the State of
Washington, residing at White Salmon
My appointment expires: 11-19-2006

STATE OF OREGON)
County of MULTNOMAH) ss.

This instrument was acknowledged before me this 29th day of JANUARY, 2003, by Peter C. van Alderwerelt, Vice President of PacifiCorp Power Marketing, Inc., an Oregon corporation, on its behalf.



Eileen Lynch
Notary Public for Oregon
My commission expires: January 19, 2007
Commission No.: 364436

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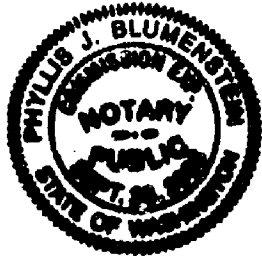
STATE OF WASHINGTON

ss.

County of Klickitat

On this 7th day of January, 2003 before me personally appeared Rees A. Stevenson, to me personally known to be the President of Broughton Lumber Co., a Washington corporation, the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said 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, if any, is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.



Signature: Phyllis J Blumenstein

Name (Print): Phyllis J Blumenstein

NOTARY PUBLIC in and for the State of
Washington, residing at White Salmon
My appointment expires: 9-28-06

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EXHIBIT A

Description of Property

Real property situated in the County of Skamania, State of Washington, hereby described as follows:

SKAMANIA COUNTY, WASHINGTON

PARCEL I: The Northwest Quarter of Section 6, Township 3 North, Range 10 East of the Willamette Meridian, in the County of Skamania, State of Washington.

PARCEL II: Government Lots, 1, 2 & 4, the Southeast Quarter of the Northwest Quarter and the East Half of the Southwest Quarter all in Section 7, Township 3 North, Range 10 East of the Willamette Meridian, in the County of Skamania, State of Washington.