AGREEMENT

Between

OREGON-WASHINGTON RAILROAD & NAVIGATION COMPANY

UNION PACIFIC RAILROAD COMPANY

And

STATE OF OREGON, by and through its
State Highway Commission

DATED: MAY 22, 1961

(Relocation Sherman Highway, Biggs Junction-
Mud Hollow Section, in Sherman County, Ore.)
THIS AGREEMENT made this 12th day of May 1961, by and between OREGON-WASHINGTON RAILROAD & NAVIGATION COMPANY, an Oregon corporation, and its lessee UNION PACIFIC RAILROAD COMPANY, a Utah corporation (hereinafter collectively called "Railroads"), parties of the first part, and the STATE OF OREGON, by and through its State Highway Commission (hereinafter called "State"), party of the second part,

WITNESSETH:

RECATALS:

1. The State is improving and relocating that part of Sherman Highway (hereinafter called "highway") designated as Biggs Junction-Hud Hollow Section, in Sherman County, Oregon. Said highway as relocated will cross the Railroads' main line and Cross Valley Branch at locations hereinafter described, above grade.

2. The State intends to finance said project (including crossings) with Federal funds under the Federal-Aid Highway Act (hereinafter called "Federal Act") and the rules and regulations promulgated by federal authority thereunder (hereinafter collectively called "Federal Regulations").

3. In conformity with Oregon law the State has applied to the Public Utility Commissioner of Oregon and said Commissioner has granted by his Order No. 37095 dated February 20, 1961, and his Order No. 37095 dated February 17, 1961, authority for construction of said overcrossings, subject to the terms, provisions and conditions stated in said orders, which said orders designate said main-line crossing as No. 2A-104.3-A and said branch-line crossing as 29-0.85-A.

4. The State has requested the Railroads to grant easements as hereinafter described, and the Railroads are willing to grant said easements upon and subject to the terms, provisions and conditions hereinafter stated. This agreement is made pursuant to CRS § 366.335 for the purpose of granting to the State the easements hereinafter described and for the purpose of providing for the construction and maintenance of said highway (including crossings) and related matters.

NOW, THEREFORE, it is agreed by and between the parties as follows:

Section 1. EASEMENTS GRANTED.

(a) So far as they lawfully may do so, the Railroads hereby grant to the State, subject to each and all of the terms, provisions, conditions, covenants, reservations and exceptions contained in this agreement, easements:
First. To construct and thereafter maintain, repair, renew and use said highway as a state public highway upon, across and above the grade of the Railroads' main line within the area described as Parcel A in Schedule 1, hereeto attached and hereby made a part hereof, and represented by yellow color and designated "Parcel A" on map Exhibit A dated March 15, 1931, hereeto attached and by this reference made part hereof.

Second. To construct and thereafter maintain, repair, renew and use said highway as a state public highway upon, across and above the grade of the Railroads' Grass Valley Franch line within the area described as Parcel B in said Schedule 1 and represented by yellow color and designated "Parcel B" on said map Exhibit A.

Third. To change and relocate the channel of Spanish Hollow Creek upon and along the Railroads' said Grass Valley Franch line within the property described as Parcels Nos. 1 to 5 both inclusive, in said Schedule 1 and represented by green color on said map Exhibit A, which said channel changes shall conform substantially with the typical section shown on said map Exhibit A.

Fourth. To occupy and use temporarily during and for the purpose of construction of said highway, viaducts and channel changes, the property described as Parcels Nos. 6, 7 and 8 in said Schedule 1 and represented by orange color and designated Parcels 6, 7 and 8 on said Exhibit A. The Railroads' property referred to in this subparagraph Fourth shall be used by the State only during the construction period and for the purposes aforesaid and no longer. Unless sooner terminated as provided in paragraph (f) of this section, the easement referred to in this subparagraph Fourth shall terminate two (2) years from the effective date of this agreement.

(b) In consideration for the easements granted as aforesaid, the State shall and will do, keep, observe and perform each and all of the terms, provisions, conditions and covenants of this agreement, and as consideration for the easement granted in subparagraph Third of paragraph (a) of this section, the State also shall and will pay to the Railroads the sum of One Hundred Dollars ($100.00) upon execution and delivery of this agreement.

(c) The Railroads grant the State only easements for the purposes aforesaid and no other or greater estate. Said easements are granted only in so far as the Railroads lawfully may grant the same, and the Railroads make no covenant or warranty of title, for quiet possession or against encumbrances. Said easements include
only the Railroads’ property described in said Schedule 1 and no other property, and the State shall not encroach upon, occupy or use any other property of the Railroads.

(c) The State’s right to use the railroad property described in said Schedule 1 is limited strictly to the purposes described in this agreement; and the State shall not use or permit use of said property or any part thereof for any other purposes, except use by the Railroads and by others heretofore or hereafter admitted by the Railroads to the use thereof. Without limiting the foregoing, the State shall not use or permit use of said property or any part thereof (except by the Railroads and by others heretofore or hereafter admitted by the Railroads to the use thereof) for railroad purposes, or for gas, oil or gasoline pipeline lines. Any lines constructed on the Railroads’ property by or under authority of the State for the purpose of conveying electric power shall be constructed in accordance with specifications and requirements of the Railroads, and in such manner as not adversely to affect communication or signal lines of the Railroads or their licensees now or hereafter located upon said property. No non-party shall be admitted by the State to use or occupy any part of the Railroads’ property without the Railroads’ consent, nor unless such non-party shall make a satisfactory written agreement with the Railroads therefor. Nothing herein shall obligate the Railroads to give such consent.

(c) The easements hereby granted are subject to any and all encumbrances and rights (whether public or private), irrespective of whether or not they are recorded, existing at the time of granting said easements, and also to any and all extensions and renewals of said existing encumbrances and rights. The State shall not damage, destroy or interfere with the property or rights of non-parties in, upon or relating to the railroad property described in Schedule 1, unless the State at its own expense settles with and obtains release from such non-party or parties on mutually satisfactory terms.

(f) The Railroads’ property described in Schedule 1 shall be used by the State only for the purposes aforesaid and not otherwise, and if at any time said property of the Railroads, or any part thereof, shall permanently cease to be used for the purposes aforesaid or shall be used for purposes unauthorized hereby, then the easements hereby granted as to such property or parts thereof shall cease and terminate.

(g) The Railroads reserve the right to use said railroad property for any and all purposes not inconsistent with the easements hereby granted, including, but not by way of limitation, the right to construct, reconstruct, maintain, operate, repair, alter, renew and replace existing tracks, facilities and appurtenances.
and additional tracks, facilities and appurtenances, located or to be located either wholly or partly within said property; in such manner, however, as not to damage the highway facilities located on said property.

(h) The State will assume, bear and pay all taxes and assessments of whatsoever kind or nature (whether general, local or special) levied or assessed upon or against the railroad property described in said Schedule 1, excepting taxes levied upon and against said property as a component part of the Railroads' operating property in the State of Oregon as a whole, and further excepting the property described as Parcels 6, 7 and 8 in said Schedule 1.

(i) If any property or rights other than the easements hereby granted are necessary for the construction, maintenance and use of the highway and its appurtenances, or for the performance of any work contemplated by this agreement, the State will acquire all such other property and rights at its own expense and without expense to the Railroads.

(j) Under Contract DA-35-026-eng-20445 between the United States of America and the Railroads, dated June 27, 1953 (supplemented February 14, 1955), Oregon-Washington Railroad & Navigation Company has the present right to possession of the real property described as Parcel A in said Schedule 1, together with the present right to acquire from the United States title to said property upon and subject to the terms and conditions and subject to the reservations and exceptions stated in said agreement. Although said title has not been conveyed by the United States to said Company, it is expected that said conveyance will be made. This agreement is made and entered into with the foregoing understanding and is subject to the aforesaid agreement between the United States and the Railroads, all rights of the United States thereunder, and any and all reservations and exceptions which may be contained in said conveyance from the United States to Oregon-Washington Railroad & Navigation Company and to encumbrances, if any, to which said conveyance may be subject.

Section 2. CONSTRUCTION WORK.

(a) The State at its own expense will apply for and obtain all public authority required by law, ordinance, rule or regulation, for the project contemplated by this agreement and each and every part thereof (including but not limited to the channel changes herein mentioned), and will furnish the Railroads upon request with satisfactory evidence that such authority has been obtained.
(b) Said highway shall cross over the Railroads' right-of-way and tracks, above the grade thereof, upon and by means of viaducts in substantially the locations described in Schedule 1 as Parcels A and B and indicated by yellow color on map Exhibit A.

(c) The State, at its own expense and without expense to the Railroads, will furnish all labor, material and equipment necessary for and shall and will construct and complete said highway, viaducts and channel changes and all appurtenances, including necessary and proper drainage facilities and necessary and proper guard rails or barriers between the highway and the Railroads' tracks, which guard rails or barriers shall be of suitable design and size adequate to confine highway traffic. Upon completion of the work, the State will remove from the Railroads' property all temporary structures and falsework and leave said property in a condition satisfactory to the Railroads.

(d) All construction work of the State shall be performed in accordance with the Federal Act and Federal Regulations, the said orders of the Public Utility Commissioner of Oregon and this agreement; and the construction of the highway, viaducts, channel changes and all appurtenances, upon the property described in Schedule 1, shall be performed and completed in accordance with detailed plans and specifications prepared by and at the expense of the State and approved in writing by the Railroads' Chief Engineer. On all slopes disturbed by said channel changes the State at its own expense will place a covering of rock two (2) feet in depth.

(e) All construction work of the State shall be performed diligently and completed within a reasonable time and in any event within two (2) years from the effective date of this agreement, unless completion within said period is prevented by causes beyond control of the State. No part of said work shall be suspended, discontinued or unduly delayed without the Railroads' written consent and subject to such reasonable conditions as the Railroads may specify. It is understood that the Railroads' tracks at and in the vicinity of the work will be in constant or frequent use during progress of the work, and that movement or stoppage of trains, engines or cars may cause delays in the work of the State and its contractors. The State, for itself and its contractors, hereby assumes the risk of any and all such delays and agrees that no claims for damage shall be made against the Railroads because thereof.

(f) The Railroads may make any and all changes, alterations or relocations whether temporary or permanent, which in their judgment may be or become necessary or expedient because of said project, and the State will reimburse the Railroads for the expense of so doing, as hereinafter provided. The Railroads (subject to such reimbursement) shall and will perform the following work and furnish the labor, material and equipment necessary therefor:
First. Installation of track guard rail at each of the said overcrossing sites.

Second. Temporary and permanent rearrangement of signal and communication lines.

Third. Removal and restoration of railroad right-of-way fences.

Fourth. Furnishing such engineering, inspection, watchman and flagman service as in the opinion of the Railroads may be necessary to protect their property and operations.

Attached hereto, marked "Exhibit E" and by this reference made part of this agreement, is an estimate of the cost of the work to be performed by the Railroads at the expense of the State as described in this paragraph.

(g) The State will reimburse the Railroads for the expense of performing the work described and mentioned in paragraph (f) of this section, in accordance with and to the extent permitted by Policy and Procedure Memorandum 30-3 of the United States Bureau of Public Roads dated August 15, 1955, and any amendments thereof and supplements thereto. Bills for such reimbursement shall be paid in the manner and at the time provided therein.

Section 3. MAINTENANCE. The State, at its own expense and without expense to the Railroads, shall and will at all times keep and maintain in good condition and repair so as not to jeopardize, damage or interfere with railroad property, facilities or operations, said highway, viaducts and channel changes (including but not limited to slopes and rock covering thereof) and all appurtenances thereof (including but not limited to drainage facilities).

Section 4. SAFETY MEASURES. All work of the State contemplated by this agreement (whether within or outside of railroad property) shall be performed and accomplished without interruption to or delay of operations of the Railroads or of others lawfully occupying or using their property or facilities, and without interruption to or delay of continuous railroad traffic. It is understood and recognized that safety and continuity of railroad operations and communications are of utmost importance, and in order that same may be adequately safeguarded, protected and assured and in order that accidents may be prevented and avoided, it is agreed with respect to all of said work of the State (whether within or outside of railroad property) that:

(a) The State shall not do, suffer or permit anything which will or may obstruct, endanger, interfere with, hinder or delay maintenance or operation of the Railroads' tracks or facilities or any communication or signal lines or appurtenances of any thereof.
(b) The State, at its own expense, shall adequately police and supervise all work to be performed by it; shall regulate the conduct thereof in such manner that the prosecution thereof will not endanger, interfere with, hinder or delay operations of the Railroads or of others lawfully using or occupying railroad property or facilities, and shall not inflict injury to persons or damage to property for the safety of whom or of which the Railroads or such others may be responsible, or to property of the Railroads or such others.

(c) If at any time the State Highway Engineer of Oregon and the Chief Engineer of the Railroads or their respective representatives shall be of the opinion that any work of the State is being or is about to be done or prosecuted without due regard and precaution for safety and security, the State shall cause such work to be suspended until suitable, adequate and proper protective measures are adopted and provided.

(d) The State shall not cause, suffer or permit material or debris to be deposited on or cast upon, or to slide or fall upon any property or facilities of the Railroads (whether or not described in this agreement) in connection with or as a result of the project or any work contemplated by this agreement; and any such material and debris shall be promptly removed from the Railroads' property by the State at its own expense or by the Railroads at the expense of the State, and any damage caused thereby shall be promptly restored and repaired by the State at its own expense, or by the Railroads at the expense of the State.

(e) The State shall not place or discharge explosives upon railroad property or in such close proximity thereto as to cause injury or damage to facilities or operations thereon. If the State uses any explosives in the vicinity of railroad property or operations, the said explosives shall be discharged only after the giving of adequate notice to the Railroads and at such times as will not endanger railroad property and operations. Without limiting the foregoing, it is agreed that the State shall not discharge any explosives in the vicinity of the railroad tracks at any time when in the judgment of the Railroads such discharge would be dangerous or would interfere with railroad operations; and with respect to any blasting in the vicinity of the railroad tracks, the State, at its own expense, shall take all measures and precautions necessary to guard and protect railroad facilities against danger of damage, destruction or interference.

(f) The State shall not place any combustible material upon or about the premises of the Railroads, nor erect any structure thereon (except as herein otherwise provided), nor cause or permit the view along the tracks of the Railroads to be obstructed, nor obstruct or interfere with the drainage ditches, drainage facilities or water facilities of the Railroads.
(c) If the State shall excavate from existing slopes adjacent to the tracks of the Railroads or create new slopes in the performance of any work contemplated hereby, the State shall so excavate from existing slopes and construct new slopes that the pitch of same shall not be excessive, nor create undue hazards of slides or falling rock, nor impair or endanger the clearance between said existing or new slopes and the tracks of the Railroads.

(h) The State, at its own expense, shall provide and maintain suitable facilities for draining the highway and appurtenances, and shall not suffer or permit drainage water therefrom to flow or collect upon property of the Railroads. The State at its own expense shall provide adequate passageway for the waters of any streams, bodies of water and drainage facilities (either natural or artificial, and including water from railroad culverts and drainage facilities), so that said waters may not because of any facilities or work of the State be impeded, obstructed, diverted or caused to back up, overflow or damage the property of the Railroads or any part thereof, or property of others.

(i) Before commencing any construction or other substantial work contemplated by this agreement, the State or those acting under its authority shall give reasonable notice of the time when such work shall commence, to the Superintendent of the Railroads, and shall cooperate with the Railroads in every reasonable way for the adequate protection of railroad facilities and operations during progress of the work.

(j) The State shall not do or cause to be done in the performance of any work contemplated hereby, anything which will or may disturb the stability of any area so as to affect adversely the tracks or facilities of the Railroads.

(k) The State at its own expense shall and will install and maintain adequate shoring and cribbing for all excavation and/or trenching performed by it in connection with construction, maintenance or other work of any kind contemplated by this agreement. Said shoring and cribbing shall be constructed and maintained with such materials and in such manner as to withstand all stresses likely to be encountered, including but not by way of limitation, any stresses resulting from vibration caused by railroad operations at or in the vicinity of such work; and such shoring and cribbing shall be installed and maintained in a manner satisfactory to the Chief Engineer of the Railroads or his authorized representative.

(l) The responsibility of the State for safe conduct and adequate policing and supervision of the project shall not be lessened or otherwise affected by the Railroads' approval of plans and specifications, or by the Railroads' collaboration in performance of any work, or by the presence at the work site of railroad
representatives, or by compliance by the State with any requests or recommendations made by such representatives. If a railroad representative is assigned to the project, the State will give due consideration to suggestions and recommendations made by such representative for safety and protection of railroad property and operations.

(c) All references in this section to the State and its work shall include besides the State, its contractors, subcontractors, officers, agents and employees, and others acting under its or their authority.

Section 5. INJURY AND DAMAGE. If the State or its contractors, subcontractors, officers, agents or employees, or others acting under its or their authority, shall in the performance of any work contemplated by this agreement injure, damage or destroy any property of the Railroads or of any other corporation, person or firm lawfully occupying or using the property of the Railroads, such damage shall be restored by the State at its own expense or by the Railroads at the expense of the State.

Section 6. INSURANCE.

(a) Before work is commenced on the project, the State without expense to the Railroads shall furnish and deliver to the Railroads, or shall require each of its contractors to furnish and deliver to the Railroads, a public liability and property damage insurance policy or policies in favor of the Railroads; and the State without expense to the Railroads, at all times during the progress of and until final completion of the project, shall keep and maintain, or cause its contractors to keep and maintain, such policy or policies in full force and effect.

(b) Said public liability insurance shall provide for a maximum limit of not less than Two Hundred Thousand Dollars ($200,000) for all damages arising out of bodily injuries to or death of one person, and subject to that limit for each person, a total maximum limit of Five Hundred Thousand Dollars ($500,000) for all damages arising out of bodily injuries to or death of more than one person in any one occurrence. Said property damage insurance shall provide for a maximum limit of not less than Two Hundred Thousand Dollars ($200,000) for all damages arising out of injury to or destruction of property in any one occurrence, and subject to that limit, a total (or aggregate) maximum limit of Five Hundred Thousand Dollars ($500,000) for all damages arising out of injury to or destruction of property during the period of work.

(c) The terms "person" or "persons" as herein used shall include employees and passengers of the Railroads as well as other persons; and the term "property" as herein used shall include as well as other property, property owned by and property in the care, custody or control of the Railroads.
(d) Each such insurance policy shall be issued by a reliable insurer authorized to do business in the State of Oregon and satisfactory to the Railroads, and each such policy shall be in form and substance satisfactory to the Railroads. Said policy or policies shall be delivered to and remain in the possession of the Railroads.

(e) Each such policy or policies shall conform substantially with the Public Liability and Property Damage Policy provided for in U.S. Bureau of Public Roads Memorandum No. 20-12 dated March 5, 1959. Each such policy or policies shall cover all work to be performed and all operations to be conducted under this agreement.

Section 7. BENEFIT. It is hereby agreed that the project contemplated in this agreement constitutes establishment and construction of new highway crossings of existing railroad tracks, and that the Railroads will receive no benefit therefrom and shall not be required to pay or contribute any part of the cost thereof.

Section 6. DEFAULT. If the State shall fail, refuse or neglect to do, keep, observe and perform each and all of the terms, provisions, conditions and covenants of this agreement, the Railroads in addition to any other rights and remedies they may have, may perform any work which in the judgment of the Railroads is necessary to place said highway, crossings, slopes and appurtenances in such condition as will not menace, endanger or interfere with railroad facilities or operations or jeopardize railroad passengers or employees; and the State will reimburse the Railroads for the expense thereof.

Section 9. NO PERSONAL LIABILITY. Nothing contained in this agreement shall impose any personal financial responsibility upon any member of the Oregon State Highway Commission, or upon said Commission's officers, agents or employees, nor relieve any of them from any obligations for which they would otherwise be liable.

Section 10. EFFECTIVE DATE. This agreement shall become effective as of the 26th day of MAY, 1961.

Section 11. SUCCESSIONS AND ASSIGNS. This agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns.
IN WITNESS WHEREOF, the parties have executed this agreement as of the day and year first herein stated.

OREGON-WASHINGTON RAILROAD & NAVIGATION COMPANY,
UNION PACIFIC RAILROAD COMPANY

By

President

Attest:

[Signature]

Assistant Secretary

STATE OF OREGON, by and through its State Highway Commission

By

As Chairman

[Signature]

As Commissioner

[Signature]

As Commissioner

APPROVED:

[Signature]

Chief Counsel

[Signature]

Assistant Counsel

ATTEST:

[Signature]

Secretary
SCHEDULE 1

Description of crossing area on main line and crossing area and easement areas on Grass Valley Branch upon which rights are to be granted to State of Oregon for relocation of Sherman Highway (Biggs Junction - Mud Hollow Road Section) near Biggs, Sherman County, Oregon.

CROSSING AREAS

PARCEL A (Across Main Line)

A tract of land 150.0 feet wide extending across the 200-foot right of way of the Oregon-Washington Railroad & Navigation Company in Government Lot 1 of Section 8, Township 2 North, Range 16 East of the Willamette Meridian, in Sherman County, Oregon, said right of way being 50.0 feet in width, measured at right angles on the north and 150.0 feet in width, measured at right angles, on the south from the center line of the main track of said Railroad Company as now constructed and operated, said tract lying between lines that are parallel with and 75.0 feet distant, measured at right angles, on each side of a straight line that forms an angle of 99° 39' 26" from southwest to north with said center line of main track and intersects said center line at Railroad Survey Station 3½25+57.94 which is a point in said center line that is 355.08 feet distant westerly from the east line of said Section 8, measured along said center line of main track.

As shown tinted yellow on print dated March 15, 1961, marked Exhibit "A", attached hereto, and made a part hereof.

PARCEL B (Across Grass Valley Branch)

All that portion of the 100-foot right of way of said Oregon-Washington Railroad & Navigation Company in the E½ of SW¼ of Section 9, of said Township 2 North, Range 16 East, in Sherman County, Oregon, which right of way is 50.0 feet in width, measured at right angles and/or radially on each side of the center line of the main track of the Grass Valley Branch of said Railroad Company as now constructed and operated, lying easterly of Railroad Survey Station 223+46.0 and between lines parallel with and 85.0 feet distant northerly and 60.0 feet distant southerly, measured at right angles, from a straight line which intersects said center line of main track of Grass Valley Branch at Railroad Survey Station 219+43.5, which is a point in said center line that is 2372.31 feet distant southeasterly from the west line of Said Section 9, measured along said center line of main
track and which forms an angle of 38° 15' from northwest
to west with a straight line drawn tangent to the curve in
said center line of main track at said Railroad Survey Station
219+43.5.

As shown tinted yellow on said Exhibit "A".

PERMANENT EASEMENT AREAS FOR CHANNEL CHANGES

PARCEL NO. 1

A strip of land situate in the NE² of SW¹ of said
Section 9, Township 2 North, Range 16 East, in Sherman County,
Oregon, being all that part of the right of way of said
Oregon-Washington Railroad & Navigation Company lying between
lines parallel with and 20.0 feet and 50.0 feet distant
southerly, measured at right angles and/or radially,
from said center line of main track of Grass Valley Branch
as now constructed and operated, said strip extending southeasterly
from a straight line drawn at right angles to said
center line of main track from Railroad Survey Station
225+25.0 to the northerly and westerly lines of Parcel "B",
crossing area as described above.

As shown tinted green on said Exhibit "A".

PARCEL NO. 2.

A strip of land 30.0 feet wide situate in the SE¹
of SW¹ and the SW¹ of SE¹ of said Section 9, Township 2
North, Range 16 East, in Sherman County, Oregon, being all
that part of the right of way of said Oregon-Washington Rail-
road & Navigation Company lying between lines parallel with
and 20.0 feet and 50.0 feet distant northeasterly, measured
at right angles and/or radially, from said center line of
main track of Grass Valley Branch as now constructed and
operated, said strip extending southeasterly from a straight
line drawn radially to said center line of main track from
Railroad Survey Station 209+25.0 which is a point in said
center line that is 3370.81 feet distant southeasterly from the
west line of said Section 9, measured along said center line
of main track, to a straight line drawn at right angles to
said center line of main track from Railroad Survey Station
206+00.0.

As shown tinted green on said Exhibit "A".

PARCEL NO. 3

A strip of land 30.0 feet wide situate in the
NW¹ of NE¹ of Section 16, of said Township 2 North, Range 16
East, in Sherman County, Oregon, being all that part of the

Schedule 1; Page 2.
right of way of said Oregon-Washington Railroad & Navigation Company lying between lines concentric with and 20.0 feet and 50.0 feet distant northeasterly, measured radially, from said center line of main track of Grass Valley Branch as now constructed and operated, said strip extending southeasterly from a straight line drawn radially to said center line of main track from Railroad Survey Station 198+10.0 to a straight line drawn radially to said center line of main track from Railroad Survey Station 195+30.0.

Also, a strip of land 20.0 feet wide situate in said NW\(\frac{1}{4}\) of NE\(\frac{1}{4}\) of Section 16, Township 2 North, Range 16 East, in Sherman County, Oregon, being all that part of the right of way of said Oregon-Washington Railroad & Navigation Company lying between lines concentric with and 30.0 feet and 50.0 feet distant northeasterly, measured radially, from said center line of main track of Grass Valley Branch, said strip extending southeasterly from said straight line drawn radially to center line of main track from Railroad Survey Station 195+30.0 to a straight line drawn radially to said center line of main track from Railroad Survey Station 194+60.0.

As shown tinted green on said Exhibit "A".

PARCEL NO. 4

A strip of land 30.0 feet wide situate in the SW\(\frac{1}{4}\) of NE\(\frac{1}{4}\) of said Section 16, Township 2 North, Range 16 East, in Sherman County, Oregon, being all that part of the right of way of the Oregon-Washington Railroad & Navigation Company lying between lines parallel with and 20.0 feet and 50.0 feet distant easterly, measured at right angles and/or radially, from said center line of main track of Grass Valley Branch as now constructed and operated, said strip extending southerly from a straight line drawn radially to said center line of main track from Railroad Survey Station 184+00.0 to a straight line drawn at right angles to said center line of main track from Railroad Survey Station 182+00.0.

Also, a strip of land 20.0 feet wide situate in said SW\(\frac{1}{4}\) of NE\(\frac{1}{4}\) of Section 16, Township 2 North, Range 16 East, in Sherman County, Oregon, being all that part of the right of way of said Oregon-Washington Railroad & Navigation Company lying between lines parallel with and 30.0 feet and 50.0 feet distant easterly, measured at right angles, from said center line of main track of Grass Valley Branch, said strip extending southerly from said straight line drawn at right angles to center line of main track from Railroad Survey Station 182+00.0 to a straight line drawn at right angles to said center line of main track from Railroad Survey Station 180+50.0.

As shown tinted green on said Exhibit "A".

Schedule 1, Page 3.
PARCEL NO. 5

A strip of land 15.0 feet wide situate in the NE\(\frac{1}{4}\)
of SE\(\frac{1}{4}\) of said Section 16, Township 2 North, Range 16 East, in Sherman County, Oregon, being all that part of the right of way of the Oregon-Washington Railroad & Navigation Company lying between lines concentric with and 35.0 feet and 50.0 feet distant northeasterly, measured radially, from said center line of main track of Grass Valley Branch as now constructed and operated, said strip extending southeasterly from a straight line drawn radially to said center line of main track from Railroad Survey Station 165+14.0 to a straight line drawn radially to said center line of main track from Railroad Survey Station 163+75.0.

As shown tinted green on said Exhibit "A".

TEMPORARY CONSTRUCTION EASEMENT AREAS

PARCEL NO. 6

A strip of land 5.0 feet wide situate in the NE\(\frac{1}{4}\)
of SW\(\frac{1}{4}\) of said Section 9, Township 2 North, Range 16 East, in Sherman County, Oregon, being all that part of the right of way of said Oregon-Washington Railroad & Navigation Company lying between lines parallel with and 15.0 feet and 20.0 feet distant southwesterly, measured radially, from said center line of main track of Grass Valley Branch as now constructed and operated, said strip extending southeasterly from a straight line drawn radially to said center line of main track from Railroad Survey Station 223+35.0 to a straight line drawn radially to said center line of main track from Railroad Survey Station 222+30.0.

As shown tinted orange on said Exhibit "A".

PARCEL NO. 7

A strip of land 10.0 feet wide situate in the SE\(\frac{1}{4}\) of SW\(\frac{1}{4}\) and the SW\(\frac{1}{4}\) of SE\(\frac{1}{4}\) of said Section 9, Township 2 North, Range 16 East, in Sherman County, Oregon, being all that part of the right of way of said Oregon-Washington Railroad & Navigation Company lying between lines parallel with and 10.0 feet and 20.0 feet distant northeasterly, measured at right angles and/or radially, from said center line of main track of Grass Valley Branch as now constructed and operated, said strip extending southeasterly from a straight line drawn radially to said center line of main track from Railroad Survey Station 209+25.0 to a straight line drawn at right angles to said center line of main track from Railroad Survey Station 206+20.0.

As shown tinted orange on said Exhibit "A".

Schedule 1, Page 4.
PARCEL NO. 8

A strip of land 10.0 feet wide situate in the NW¼ of NE¼ of Section 16, of said Township 2 North, Range 16 East, in Sherman County, Oregon, being all that part of the right of way of said Oregon-Washington Railroad & Navigation Company lying between lines concentric with and 10.0 feet and 20.0 feet distant northeasterly, measured radially, from said center line of main track of Grass Valley Branch as now constructed and operated, said strip extending southeasterly from a straight line drawn radially to said center line of main track from Railroad Survey Station 197+60.0 to a straight line drawn radially to said center line of main track from Railroad Survey Station 195+50.0.

As shown tinted orange on said Exhibit "A".
EXHIBIT "B"

Estimated Cost of Work to be Performed by the Railroads at the Expense of the State of Oregon, Account Relocation of Sherman Highway near Biggs, Oregon.

1. Furnish labor and material for installation of track guard rail at Main Line M. P. 104.02 and Grass Valley Branch M. P. 0.81. $ 680.

2. Furnish labor and material for temporary and permanent rearrangement of signal and communication lines. 13,930.

3. Remove and rearrange right-of-way fences. 400.

4. Furnish such engineering, inspection, watchman and flagman service as in the opinion of the Railroads is necessary to protect their property and operations. 26,240.

Total Estimated Cost

$41,250.

Less Credit for Estimated Salvage

180.

Net Estimated Cost

$41,070.
STATE OF OREGON

County of Marion

On this 22nd day of May, 1961, before me a Notary Public, appeared M. K. McIver, K. N. Fridley, and Glenn L. Jackson, to me personally known, who, each being duly sworn, did say that he, the said M. K. McIver, is Chairman of the State Highway Commission of the State of Oregon, and that he, the said K. N. Fridley, and he, the said Glenn L. Jackson, is State Highway Commissioner of the State of Oregon; that the seal affixed to said instrument is the seal of the State Highway Commission, and that the said instrument is signed and sealed in behalf of said State by said Commission, and that the said Chairman and the said Commissioners acknowledge the said instrument to be the free act and deed of said State, by said State Highway Commission.

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

Cecil A. Head
Notary Public for Oregon
My commission expires: Nov 5 1962