After Recording Return To: Larry and Candace Hardman 11350 SE Davis Loop Prineville, OR 97754

AMENDED SHARED WELL AGREEMENT AND EASEMENT

This Amended Shared Well Agreement amends, replaces, and fully restates that Shared Well Agreement recorded between Larry Hardman and Jacob Hardman, as set forth in Instrument No. 2016-272458 on or about February 3, 2016 in Crook County Records and also that shared well agreement recorded by Larry Hardman on or about January 13, 2013, in Crook County Records as Instrument No. 2013-256108.

RECITALS

- 1. BACKGROUND. This was created as a three party well system and will continue to be ran so, in the manner as set forth herein, except that the third hook-up is not designated, but the right of Grantors to so designate is expressly reserved to the Grantors, and at Grantors' election. The rights and duties of the parties are provided for under a two party or three party well hook-up system, and all provisions will apply accordingly.
- 2. WHEREAS, Larry and Candace Hardman own real property commonly known as 11350 SE Davis Loop, Prineville, OR 97754, upon which is located the well and well system that is the subject of this Agreement. The real property was recently partitioned and the resulting parent parcel is 8.29 acres more or less. For purposes of this Agreement, Larry and Candace Hardman are referred to as "Grantors" herein and any reference to "Grantors" shall mean Larry and Candace Hardman, and their heirs, successors, and assigns, unless specifically stated otherwise.

This real property is located in the NW ¼ of Section 9, Township 16 South, Range 16 East of the Willamette Meridian, Crook County, Oregon, and formerly known as Parcel 2 of Partition Plat No. 2013-01:

Current legal description of subject real property:

Parcel 1 of Partition Plat No. 2021-12, a Partition Plat of Parcel 2 of PP No. 2013-01, located in the NW ¼ of Section 9, Township 16 South, Range 16 East of the Willamette Meridian, Crook County, OR.

- 3. WHEREAS, Jacob and Diana Hardman own real property now known as 2100 SE Maphet Rd., formerly known as 11368 SE Davis Loop, Prineville, OR 97754. They have recently partitioned their real property into two parcels, retaining Parcel 1 for themselves and conveying Parcel 2 to Kyle Graham. For purposes of this Agreement, Jacob and Diana Hardman are referred hereafter as "Grantees" unless specifically stated otherwise.
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Legal Description of real property currently owned by Grantees:

Parcels 1 and 2 of Partition Plat No. 2022-04, recorded February 1, 2022, as Instrument No. 2022-314669 in Crook County Records.

WHEREAS, Kyle Graham is in the process of purchasing Parcel 2 of Partition Plat 2022-04, the east parcel of the two parcels currently owned by Grantees. For purposes of this Agreement, Kyle Graham is referred to herein as "Parcel 2 owner" unless specifically stated otherwise. The real property is more specifically described as:

Parcel 2 of Partition Plat No. 2022-04, recorded February 1, 2022, as Instrument No. 2022-314669 in Crook County Records.

WHEREAS, the well and well system currently serves two households, Grantors' and Parcel 2 owner. It is contemplated and expressly agreed by all undersigned parties that Grantors, by this instrument, reserves the right to grant, transfer, and assign the third well hook-up, at Grantors' discretion, but subject to the provisions herein generally and relating to cost and maintenance for three connected (hooked-up) systems.

NOW THEREFORE, in consideration of the promises, covenants, and agreements herein contained to be kept by the parties, the parties do hereby agree as follows:

1. **Right To and Use of Water.** This is a three-party well system which currently only serves two parcels – Grantors and Parcel 2 owner. Parcel 2 owner is granted to right to draw water from the well and use of the well system located on Grantors' servient property. In decreasing priority, water will be made available for the following purposes: household use, lawn and garden watering, livestock animals, and pets.

Until this Agreement is terminated, the parties hereto, together with their respective heirs, successors and assigns, for the exclusive benefit of the single family dwellings of the respective Parcels of real property, and for the exclusive use of the household residing thereon, are hereby granted the right in common with the other parties, to draw water from the well located on Grantors' real property. At no time may any party construct, excavate, erect, or otherwise frustrate the purpose of the well easement or pipeline distribution from the well and pumphouse to the properties served by the well or any drainfield serving Grantors' real property.

2. Scope of Access to Well system/conduit - Easements. Grantors' grant to Parcel 2 owner (Assignee) a right to enter upon Grantors' property for purposes of accessing the well system and performing necessary repairs, maintenance, inspection, replacement, and operation of the water well, pump, pumping equipment, pump house, pressure tanks, and distribution lines to the well and conduit serving Parcel 2, respectively.

The scope of access granted to Parcel 2 will be of the minimum reasonable length and width necessary to accomplish its stated purpose, but in no event to exceed the following: an area of a fifteen (15) foot circumference around the well located on Grantors' property, together with an easement not to exceed ten (10) feet in width traversing the distance of the easement

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from the wellhouse to point of termination at the property line of Parcel 2. The buried line is located adjacent to the right of the 60 foot nonexclusive access as mapped on Partition Plat No. 2021-12 and Partition Plat Map. 2013-01. A copy of the 2013-01 plat map is attached hereto and incorporated herein fully as **Exhibit "A."** Said platted access has been or will be terminated as to Parcel 2 prior to execution of this agreement and is not included in this Agreement except as a point of reference for location of the buried conduit and resulting scope of easement.

Any easements granted herein are perpetual, run with the land, and are binding on the owners, their successors in interest and assigns.

- 3. Water Deliver Lines. It is understood and agreed between the parties hereto and their successors that the owners of each lot shall be responsible for the costs incurred in the maintenance of the water delivery lines from the well to the point of use, and the owner of each lot shall maintain at their own expense the water line from the well to the point of use.
- **4. Duties of Maintenance and Repair:** The well pump, well house, and essential piping and fixtures are located on Grantors' property, the servient tenement. Grantor will be primarily responsible for overseeing the maintenance and repair of the system, as necessary, to provide sufficient availability of water for domestic household purposes consistent with the terms of this agreement.
- 5. Costs of Maintenance and Repair to Well System. The use of the term "costs" shall be used in the ordinary sense, and includes, but is not necessarily limited to: expenses, purchases, invoices, reimbursements, and other out-of-pocket liabilities incurred or to be incurred as it relates to the maintenance and repair of the well system. As used in this Agreement, the "well system" includes but is not necessarily limited to: the pump, well house, pipes, fixtures connected thereto but does not include the piping, fixtures, pressure tanks that are not part of the common well area.

A property owner may, at their own expense, install separate water usage and electrical usage meters. It is not separately metered currently and there are no provisions by this agreement mandating that the separate meters be installed. In the event a property owner does install a separate meter, the parties hereby agree said owner's liability for electricity will be limited to actual usage as registered by the meter. The remaining owners will be liable for their proportionate interest in the remainder cost unless and until the remaining owners also install separate meters.

In the event of emergency, any Owner described herein may make, or cause to be made, emergency repairs which are reasonable and necessary for the continued operation of the water system and the other parties or owners of the parcels described herein shall pay their share forthwith, but in no event later than 30 days from the date the invoice(s) have been provided to them, via mail or hand-delivery. No major alterations to this water system exclusive of delivery pipe shall be undertaken except by unanimous agreement of the parties or their successors and assigns. For purposes of this agreement, an "emergency" shall be defined as the failure of any shared portion of the system to deliver water upon demand.

Any property owner seeking to make a non-emergency access to the well or pumphouse shall provide Grantors with 48 hour advance notice.

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6. Proportionate Burden of Costs. Grantors and Parcel 2 owner will equally share (50/50) the cost of maintenance and repair to the well system and electrical costs for so long as they are the only two parties connected to the well system. At such time a third hook-up is completed, connects, the costs for maintenance and repair to the well system and the electrical costs will apportioned as one-third (1/3) liability of said costs to each of the three property owners.

7. Method of Payment and Notice.

Electricity costs:

Each connected party agrees to pay \$20.00 per month to the party responsible for paying the monthly electrical bill. The amount per month may increase to reflect increased electrical costs, from time to time, upon reasonable notice of the increase in rates, which the accountholder will provide to the other owners. Grantors are and will continue to be the accountholder for the electrical costs for the well. The accountholder will maintain the account for electrical service and invoice the other property owners on a quarterly or more frequent (monthly) basis, at the discretion of the accountholder. The account holder may require the other owners pay, in advance, based on projected costs for that installment period. The accountholder may request a different installment time period, but not to exceed an annual period. The account holder will provide timely invoices to the other property owners and will provide an accounting at least once annually of the funds expended and any remaining funds balance.

All other costs:

Operational and maintenance expenses incurred for costs other than electricity will be submitted to the other connected owners for reimbursement within thirty days of receipt of invoice. All connected owners are responsible for promptly paying their portion of the expense. Payment must be made within thirty days unless required sooner per the terms of the vendor invoice.

Notice and late payments: Any notice between and among the Owners shall be provided by first class mail to the recipient's Parcel last known mailing address. Any payment not made timely shall be subject to 18% simple interest, per annum.

8. Default in Payment/Contribution to Operational or Maintenance Expense
In the event any party hereto, or their successors, do not pay their respective liability in the maintenance or operating expenses, including ordinary and emergency repairs, within the time required by this agreement, the non-offending owners will provide to the delinquent owner thirty(30) days advance written notice of a right to cure. The parties, and each of them, will communicate and work in good faith to resolve the dispute. A 30-day right to cure is presumed to be a reasonable opportunity to cure the default. The parties also have a right to lien the non-paying party and apply a default rate of 18% simple interest per annum and to charge the delinquent party for any and all additional costs of disconnection and reconnection. The non-offending parties may, as a condition of granting continued use to the delinquent party, require the delinquent party deposit reasonably sufficient funds in an account to be held by the Account holder owner for future electrical and maintenance expenses. The owners shall have all other

In addition to the remedies for a monetary default, every act or omission whereby any one or more of the covenants and restrictions herein is violated in whole or part, where such violation

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rights and remedies available at law or equity.

continues for a period of 60 or more days from the date of written notice to the parcel owner, is hereby declared to be a nuisance and may be enjoined or abated, whether or not the relief sought is for negative or affirmative action, and in the event of any violation or threatened violation of any one or more of the restrictions set forth herein, a parcel owner may enforce these covenants and restrictions by seeking injunctive relief, or monetary damages, but nothing contained herein shall be construed to mean that damages are an adequate remedy where equitable relief is sought.

9. Duration of Agreement

The term of this Agreement shall be limited to the life of said well and if said well should fail to produce water or become irreparable, then this Agreement and any easements shall terminate. The Grantors' or their successors or assigns, may not be compelled to undertake restoration of the well system by re-drilling. In the event this Agreement terminates due to well system failure, each property owner herein shall be equally liable for the costs to dismantle, retire the well equipment and properly cap the well head as required by any local or state laws.

- 10. Good Faith and Fair Dealing; Reasonableness. The Parties agree to act reasonably and in accordance with the principles of good faith and fair dealing in the performance of this Agreement. Unless expressly provided otherwise in this Agreement, (i) wherever the Agreement requires the consent, approval, or similar action by a Party, such consent, approval, or similar action shall be in writing and not be unreasonably withheld, conditioned, delayed or denied, and (ii) wherever this Agreement gives a party a right to determine, require, specify or take similar action with respect to matters, such determination, requirement, specification or similar action shall be reasonable. The parties agree to reasonably cooperate with each other in the implementation and performance of this Agreement. Such duty to cooperate shall not require any party to act in a manner inconsistent with their rights under this Agreement.
- 11. No Waiver. The failure of any party to insist upon strict performance of any of the terms and conditions of this Agreement or to exercise any of its rights under this Agreement shall not waive such rights and such party shall have the right to enforce such rights at any time and take such action as may be lawful and authorized under this Agreement, either in law or equity. No waiver of any right under this Agreement shall be effective for any purpose unless it is in writing and is signed by the party hereto possessing the right, nor shall any such waiver be construed to be a waiver of any subsequent right, term or provision of this Agreement.

12. Attorney Fees

In the event that it is necessary to turn any matter contained herein over to an attorney for collection or enforcement, then the defaulting or breaching party shall pay reasonable attorney's fees for the collection and litigation costs. In case suit or action shall be instituted on account of this Agreement or any provision or provisions thereof, including an action at law to enforce contribution of costs and expenses, the prevailing party shall recover such sum as the Court may adjudge reasonable as attorney's fees in such suit or action. The parties agree to first submit themselves to mediation and/or arbitration to enforce the terms of this Agreement prior to filing a suit with the Circuit Court. Venue for any dispute or request for interpretation or enforcement shall be Crook County.

13. Effect of Agreement

This Agreement shall become effective upon recording, with the condition precedent that the sales transactions giving rise to ownership and the need for said easements are duly

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consummated and not rescinded or revoked. In the event the sale between Jacob and Diana Hardman and Kyle Graham is not closed, this easement agreement shall be of no further binding effect. It is agreed that the covenants, burdens, and benefits of this Agreement shall be covenants running with and burdening the lands of the respective parties herein described and their respective heirs, executors, administrators, successors, and assigns and all covenants, conditions and terms hereto shall extend to and be binding upon and inure to the benefit of the assigns, heirs and personal representatives of the owners herein. In the event that any terms in this Agreement shall be deemed unenforceable, all other terms shall remain in full force and effect.

The parties shall seek their own counsel prior to signing this Agreement and respectively determine their legal rights and duties herein.

This document is effective when it is signed by all parties. This document may be signed in counterpart. In construing this instrument and whenever the context hereof so requires the singular includes the plural.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as set forth herein.

Larry Hardman – Grantor

Jacob Hardman - Grantee

Candace Hardman - Grantor

Diana Hardman - Grantee

Kyle Graham – Parcel 2 Owner

STATE OF OREGON, County of Crook)ss.

Personally appeared the above named Larry and Candace Hardman and acknowledged the foregoing instrument to be their voluntary act and deed, before me this ____ day of April, 2022.

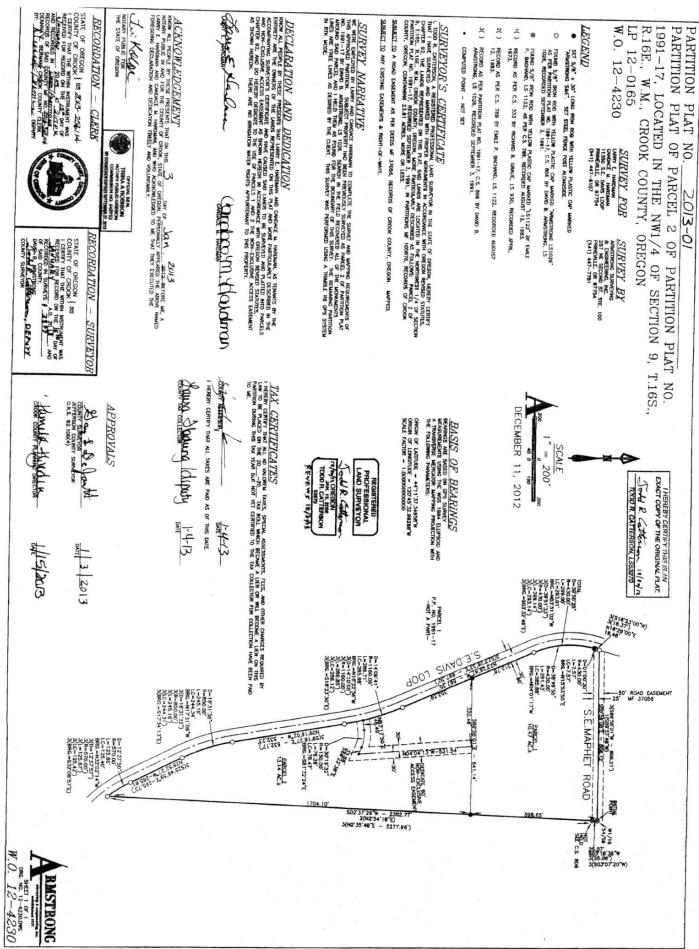
May

OFFICIAL STAMP
RONDA BROOK WIEDERHOLT
NOTARY PUBLIC - OREGON
COMMISSION NO. 1005654
MY COMMISSION EXPIRES NOVEMBER 01, 2024

NOTARY PUBLIC FOR OREGON Commission Exp:

STATE OF OREGON, County of Crook)ss.

Personally appeared the above named Jacob Hardman and acknowledged the foregoing instrument to be his voluntary act and deed, before me this 20 day of April, 2022. NOTARY PUBLIC FOR OREGON Commission Exp: OFFICIAL STAMP RONDA BROOK WIEDERHOLT NOTARY PUBLIC - OREGON COMMISSION NO. 1005654 MY COMMISSION EXPIRES NOVEMBER 01, 2024 STATE OF OREGON, County of Crook)ss. Personally appeared the above named Diana Hardman and acknowledged the foregoing instrument to be her voluntary act and deed, before me this day of April, 2022. NOTARY PUBLIC FOR OREGON OFFICIAL STAMP Commission Exp: ___ \(\lambda / \(\lambda \) RONDA BROOK WIEDERHOLT NOTARY PUBLIC - OREGON COMMISSION NO. 1005654 MY COMMISSION EXPIRES NOVEMBER 01, 2024 STATE OF OREGON, County of Crook)ss. Personally appeared the above named Kyle Graham and acknowledged the foregoing instrument to be his voluntary act and deed, before me this _____ day of April, 2022. NOTARY PUBLIC FOR OREGON Commission Exp:



EXMBIT A