PROMISSORY NOTE NEWBERG, OREGON

\$1,684.66

August 7, 1989

Sub-Terra Ground Heat Systems, Inc., an Oregon Corporation, hereinafter designated as "Sub-Terra", promise to pay to the City of Newberg, Yamhill County, Oregon, the sum of One Thousand, Six Hundred Eighty Four Dollars and Sixty Six Cents (\$1,684.66) as follows:

Sub-Terra shall make the first monthly payment in the sum of One Hundred Ninety Two Dollars and Sixty Nine Cents, (\$192.69), on August 25, 1989, including principal and interest at the rate of seven percent (7%) per annum amortized over a nine month period; said sum to be paid on the like day of each following month for eight (8) months.

While Sub-Terra may pre-pay the loan at anytime, in whole or in part, without penalty, final payment in full shall be due and payable on April 25, 1990.

By signing this note, Sub-Terra agrees to pay a late charge of \$50.00 on any payment secured by this note which is more than ten (10) days past due. Sub-Terra also agrees to pay an additional late charge of \$50.00 for every month the payment secured by this note is past due.

If any of said installments is not so paid, and after ten (10) days written notice, all principal and interest shall become immediately due and collectible at the option of the holder of this note. If this note is placed in the hands of an attorney for collection, I/we promise and agree to pay the reasonable attorney's fees and collection costs of the holder thereof, and said fees to be fixed by trial court and if appealed, by the appellate court.

Sub-Terra Ground Heat Systems, Inc., An Oregon Corporation

(Seal)

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Evelyn Janqueith, Seasetary

\$ 15,000. Newberg, Oregon , October 11 , 1985 with interest thereon at the rate of 6 percent per annum from October 11, 1985 until paid, payable in 36 Installments of not less than \$ 456.33 in any one payment; interest shall be paid monthly to be made on the 11th hereafter, whil the whole sum, principal and interest, has been paid; if any of said day of each month hereafter, until the whole sum, principal and interest, has been paid; if any of said installments is not so paid, it willows am of both principal and interest to become immediately due and collectible at the option of the holder of this note. If this note is placed in the hands of an attorney for collection, the undersigned promises and agrees to pay the reasonable collection costs of the holder hereof; and if suit or action is filed hereon, also promises to pay (1) holder's reasonable attorney's fees to be fixed by the trial court and (2) if any appeal is taken. From any decision of the trial court, such further sum as may be fixed by the appellate court, as the holder's reasonable attorney's fees in the appellate court. Sub-Terra Ground Heat Systems, Inc. By Enelyn M. Junquitt By No.....

* Strike words not applicable.

FORM No. 101-INSTALLMENT NOTE-CORPORATION (Oregon UCC).

STEVENS-NESS LAW PUB. CO., PORTLAND

Presented in triplicate	e to: Secretary of State; Co	ounty Cler	k or Recorder of	County, Oregon
Debtor(s) (Last Name First) and Address(es) walkin (Sub-Terra Ground Heat etc.)		. 0	Party Making Request and Address City of Newberg 414 E. First St. Newberg, OR 97132	007 16 2 16 PM '85 Z 3 3 8 5 7
(1) INFORMATION R and statements of assign	EQUEST: Filing Officer: Please fur iment relating thereto naming the above	nish certifi ve debtor, i	n which we are not the secured party; statuto	ry fee of \$3.75 per debtor enclosed. Signature of Requesting Party
File No.	Date and Hour of Filing		Name and Address of Secured Party; Assignees Are So Designated	
1 name	2.75			
1 сору	1.50	1.	Paid by Hero Log 12	Result hollos
the party making the rec	r certifies that the above listing shows quest is not the secured party which ar	e on file in	tly effective financing statements and statem my office as of this date and hour.	ents of assignment narring the above obtor in which Signature of Filing Officer
(2) COPY REQUEST:	Filing Officer: If you find any finan	cing staten	ly one page; if any such statement or assigni	in the foregoing Information Request, please provide a ment consists of more than one page, please provide a pies, we agree to pay you \$1.50 for each page thereof Signature of Requesting Party
assignment consisting of	certifies that the attachedf one page only and excerpts of others	as requeste	copies are true and exact copies of all pressed above on file in my office as of this date ar	ently effective financing statements and statements of id hour. Signature of Filing Officer
Required fee \$ Amount Received \$ Add'l fee required \$	4.25 4.25 0.00 If additional fee is return green copy form with remit	s required y of this	TO BE RETURNE	FORM UCC-25R— Rev. 9-1-84 D WITH COPIES OR INFORMATION

This FINANCING STATEMENT is presented to filing officer pur	AND DESCRIPTION OF THE PARTY OF	CONDITION OF THE PARTY OF THE P			
1A. Debtor(s.:	2A. Secured Party(ies):	1 500 AM 11 - 376 KS			
		APR 29 3 10 PM '85			
Sub Terra Ground Heat Systems, Inc.	The Commercial Bank	APR 23 3 10 111 03			
18. Mailing Address(es):	28. Address of Secured Party from which security information obtainable:	J85696 4			
Rt. 5 Box 677	112 N. College St.	000000			
Newberg, Oregon 97132	P.O. Box 391	SECY OF STATE ORF.			
3. This financing statement covers the following types (or item					
All accounts, contract rights, chattel paper, documents, instruments and general intangibles now owned or hereafter acquired and the proceeds thereof.					
		4A. Assignee of Secured Party(les) if any:			
All inventory now owned or hereafte	r acquired together with all				
exchanges, substitutions, additions thereto:	or accessions thereof or	48. Address of Assignee from which security information obtainable:			
Brown on Accounts	io. of additional sheets attached	activity information obtainable			
*Signature(s) of Dobtos(s) required in most cases.					
Signature(s) of Secured Party(les) in cases covered by ORS 79.402 This form of Financing STANDARD FORM-UNIFORM COMMERCIAL CODE-FORM UCC-1	Statement approved by the Geretary of State. 27. 8 STEVENS-NESS LAW PUBLISHING US. PORTLAND. OR FILING OFFICER ALPHABETICAL	bnature(s) of Debtor(s)* of journed Porty(in) or Assignments Ling (Line Line) -3(37 9/1/81			

This FINANCING STATEMENT is presented to filing officer	pursuant to the Uniform Commercial Code.	
1A. Debtor(s,: Sub-Terra Ground Heat Systems, Inc. 1B. Mailing Address(es): P.O. Box 934 Newberg, Oregon 97132	2A. Secured Party(ies): City of Newberg 2B. Address of Secured Party from which security information obtainable: 414 E. First St. Newberg, Oregon 97132	Get 16 2 11 FN *85 K 1 2 6 6 7
		COOV OF COLOR
3. This financing statement covers the following types (or	items) of collateral (ORS 79.4020):	THE STATE ORE
Hydra-Core 28 Drill Serial Number 256		
		4A. Assignee of Secured Party(ies) if any:
		4B. Address of Assignee from which security information obtainable:
	4 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -	
	A Comment of the second	
Check box if produgts of collateral are also covered	No. of additional sheets attached	
TERMINATION STATEMENT—This statement of terminal Party certifies that the Secured Party no longer claims a secu	tion of financing is presented to a filing officer for rity interest under the financing statement bearing	filing pursuant to the Uniform Commercial Code. The Secured the file number shown above. (Fee \$3.75)
*Signature(s) of Debtor(s) required in most cases.	Ву:	0. (2.6)
Signature(s) of Secured Party(ies) in cases covered by ORS 79	P.4020.	Signature(s) of Debtor(s)* Signature(s) of Secured Party(ies) or Assignee(s)
This form of Fina	ancing Statement approved by the Secretary of State	е.
STANDARD FORM-UNIFORM COMMERCIAL CODE-FORM U	CC-1 STEVENS-NESS LAW PUBLISHING CO., PO	RTLAND, OR. 97204
	FILING OFFICER - ACKNOWLEDGEM	ENT 9/1/81

This FINANCING STATEMENT is presented to filing office	r pursuant to the Uniform Commercial Code.	
1A. Debtor(s,:	2A. Secured Party(ies):	Filing Officer Use Only
Systems, Inc.		Office of Parts
1B. Mailing Address(es): Newberg, Oregon 973.32	2B. Address of Secured Party from which security information obtainable:	
3. This financing statement covers the following types (or	items) of collateral (ORS 79 4020).	
Nydra-Core 28 Drill Serial Rumber 256	Hells) of Collateral (OKO 77,4020).	
		4A. Assignee of Secured Party(ies) if any:
		4B. Address of Assignee from which security information obtainable:
City of Ne	w Cheny Copy	
Check box if products of collateral are also covered	No. of additional sheets attached	
X While I Warren		
The second of th		. /
*Signature(s) of Debtor(s) required in most cases.	By:	Secretary
Signature(s) of Secured Party(ies) in cases covered by ORS 7	9.4020. Signal	Signature(s) of Debtor(s)* ture(s) of Secured Party(ies) or Assignee(s)
This form of Fin	ancing Statement approved by the Secretary of State.	
STANDARD FORM-UNIFORM COMMERCIAL CODE-FORM L	ICC-1 STEVENS-NESS LAW PUBLISHING CO., PORTLA	ND, OR. 97204
	FILE COPY - SECURED PARTY(IES)	9/1/81

POLICY NUMBER 2137 645-E15-37

POLICY EFFECTIVE NOV-15-85 UNTIL TERMINATED

NAMED INSURED

SUB TERRA GROUND HEAY SYSTEMS INC 212 E 1ST NEWBERG OR 97132

ADDRESSEE

CITY OF NEWBERG 414 E FIRST STREET NEWBERG OR 97132

COVERAGES COMPREHENSIVE \$100 DED. COLL.

CAR DESCRIPTION (MAKE-YEAR-BODY STYLE) FORD 79 1T VIN E37HHEF8163

AGENT M.F. OLBERDING 1547 29 NOTICE OF LIENHOLDERS (ADDRESSEES) COVERAGE

THE POLICY INCLUDES A LOSS PAYABLE CLAUSE PROTECTING THE LIENHOLDERS INTEREST IN THE DESCRIBED CAR TO THE EXTENT OF THE INSURANCE PROVIDED.

THE ADDRESSEE WILL BE GIVEN DAYS NOTICE IF THE POLICY IS TERMINATED. UNTIL SUCH NOTICE IS RECEIVED, IT SHALL BE PRESUMED THAT THE REQUIRED RENEWAL PREMIUMS HAVE BEEN PAID.

ADDRESSEE MUST NOTIFY US WITHIN 10 DAYS OF ANY CHANGE OF INTEREST OR OWNERSHIP COMING TO THEIR ATTENTION. FAILURE TO DO SO WILL RENDER THIS POLICY NULL AND VOID.

STATE FARM MUTUAL AUTOMOBILE INSURANCE CO. NORTHWEST OFFICE SALEM OR 97313

POLICY NUMBER 2137 645-E15-37

ADDRESSEE

NOV-15-85 UNTIL TERMINATED

NOTICE OF LIENHOLDERS (ADDRESSEES) COVERAGE

THE POLICY INCLUDES A LOSS

LIENHOLDERS INTEREST IN THE

THE INSURANCE PROVIDED.

PAYABLE CLAUSE PROTECTING THE

DESCRIBED CAR TO THE EXTENT OF

NAMED INSURED SUB TERRA GROUND HEAT SYSTEMS INC 212 E 1ST NEWBERG OR 97132 COVERAGES COMPREHENSIVE \$100 DED. COLL.

POLICY EFFECTIVE

FORD

CAR DESCRIPTION (MAKE-YEAR-BODY STYLE) 79 1T

VIN E37HHEF8163 AGENT M.F. OLBERDING

1547 29

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CITY OF NEWBERG 414 E FIRST STREET NEWBERG OR 97132

ADDRESSEE MUST NOTIFY US WITHIN 10 DAYS OF ANY CHANGE OF INTEREST OR OWNERSHIP COMING TO THEIR ATTENTION. FAILURE TO DO SO WILL RENDER THIS POLICY NULL AND VOID.

STATE FARM MUTUAL AUTOMOBILE INSURANCE CO. 15193 NORTHWEST OFFICE SALEM OR 97313

OREGON CERTIFICATE OF TITLE TO A VEHICLE MOTOR VEHICLES DIVISION OF OREGON CERTIFIES THAT THE APPLICANT HAS BEEN REGISTERED AS OWNER OF DESCRIBED VEHICLE AND DOCUMENTS FILED WITH THE DIVISION SHOW THE VEHICLE TO BE SUBJECT TO OWNERSHIP AND INTEREST SPECIFIED. TITLE NUMBER LICENSE DATE | PROCESS DATE CONTROL NUMBER PLATE NUMBER 2266045 120385 111985 T406638 8533708117 LENGTH EQUIP. NO. VEHICLE IDENTIFICATION NUMBER WEIGHT MAKE 1979 FORD E37HHEF8163 10000 OWNER/LESSEE SUB-TERRA GROUND HEAT SYSTEM INC 212 EAST FIRST PO BOX 934 NEWBERG DR 97132 SIGN HERE WHEN VEHICLE IS SOLD. (EACH OWNER MUST RELEASE INTEREST BY WRITTEN SIGNATURE) SIGNATURE OF OWNER RELEASING INTEREST DATE OF RELEASE DATE OF RELEASE SIGNATURE OF OWNER RELEASING INTEREST SIGNATURE OF OWNER/LESSEE RELEASING INTEREST DATE OF BELFASE 3 SECURITY INTEREST HOLDER/LESSOR CITY OF NEWBERG 414 E FIRST ST NEWBERG OR 97132 SECURITY INTEREST HOLDER / LESSOR MUST RELEASE INTEREST BY AUTHORIZED WRITTEN SIGNATURE DATE OF RELEASE SIGNATURE OF SECURITY INTEREST HOLDER OR LESSOR RELEASING INTEREST SIGNATURE OF SECURITY INTEREST HOLDER OR LESSOR RELEASING INTEREST DATE OF RELEASE DATE OF RELEASE SIGNATURE OF SECURITY INTEREST HOLDER OR LESSOR RELEASING INTEREST KEEP IN SAFE PLACE - ANY ALTERATION OR ERASURE VOIDS THIS FOR OFFICE USE ONLY 8533708117 T406638 E37HHEF8163 X 2012 013 12 VT T2 03 S8 M1 P5 E0 M0 36

V	V	EN VEHICLE IS SOLD BY DEALER-C	OMDI ETE THIS	SECTION	l v
DEALER NAME			DEALER LICENSE NO.	DATE	SHADED AREA FOR OFFICE
ODOMETER READING (TO BE ENTERED BY SELLER) DATE OF READING					USE ONLY
	STICKER NUMBER				
		CATION FOR TRANSFER OF TITLE MUST BE SUBMITTED			EXPIRATION DATE
THIRTY (30) DAYS OF PURCHASE. TAKE THIS APPLICATION TO A MOTOR VEHICLES OFFICE OR MAIL TO MOTOR VEHICLES DIVISION, SALEM, OREGON 97314.					TITLE FEE
OR	EGC	ON LAW REQUIRES MOTOR VEHICLES TO BE COVERED	BY LIABILITY INSURAN	NCE.	REGISTRATION FEE
100	- ·	DO NOT USE THIS SECTION TO R		OF OUR ITY IN	TOTAL FEES
		MAKE APPLICATION FOR TITLE SUBJECT TO THE ST HOLDER OR LESSOR SHOWN ON LINES 17-22		SECURITY IN-	TOTAL PEES
	7	NAME OF OWNER OR LESSEE (LAST, FIRST, MIDDLE) PRINT OR TYPE			ENTRY CODES
	8	NAME OF JOINT OWNER OR LESSEE (LAST, FIRST, MIDDLE) P	PRINT OR TYPE	DATE OF BIRTH	VEHICLE TYPE
REGISTERED OWNER	9	NAME OF JOINT OWNER OR LESSEE (LAST, FIRST, MIDDLE) P	DATE OF BIRTH	COUNTY	
	10	STREET ADDRESS	IFFERENT)	LEGAL/CLEAR	
	11	CITY, STATE, ZIP	COUNTY		TRANS
	12	DO YOU INTEND THAT THE TITLE TO THIS VEHICLE BE ISSUE SHOW JOINT OWNERSHIP WITH THE RIGHT OF SURVIVORSH	YES NO	STATUS	
GIST	13	VEHICLE LOCATION ADDRESS OR COUNTY OF USE (IF DIFFE	OWNER		
RE	14	SIGNATURE OF OWNER OR LESSEE AS SHOWN ABOVE	-	DATE	MOTIVE POWER
	15	SIGNATURE OF JOINT OWNER OR LESSEE AS SHOWN ABOVE	E	DATE	PROCESSING
	16	SIGNATURE OF JOINT OWNER OR LESSEE AS SHOWN ABOVE		DATE	EXEMPT
SECURITY INTEREST HOLDER	17	SECURITY INTEREST HOLDER (BANK, FINANCE CO. ETC.)	DATE	INITIALS/CTR DT STAMP	
	18	ADDRESS (STREET, CITY, STATE, ZIP)			
	19	SECONDARY INTEREST HOLDER (BANK, FINANCE CO. ETC.)	DATE		
	20	ADDRESS (STREET, CITY, STATE, ZIP)			
	21	1 LESSOR'S NAME/SIGNATURE DATE			
	22	ADDRESS (STREET, CITY, STATE, ZIP)			
		ANY ALTERATION OR ERASUR	E VOIDS THIS APPLICAT	ION	



NEWBERG, OREGON 97132 • ROUTE 5, BOX 677 • [503] 538-0980

October 11, 1985

Mr. Clay Moorhead, City Planner 414 East First Street Newberg, Oregon 97132

Dear Mr. Moorhead:

In return for a loan of \$25,000 for 36 months at six percent, Sub-Terra agrees to accomplish the following:

- 1. Pay 12% loan fee to be deducted from the amount of the loan.
- 2. Purchase one Hydra-Core 28 core drill and accomplish a Uniform Commercial Code filing on same.
- 3. Construct a trailer to transport drill and originate a title with the City of Newberg as the legal owner.
- 4. Purchase a vehicle to be designated as primary tow vehicle and register the City of Newberg as the legal owner.
- 5. Invest at least \$25,000 from private sources for equipment.
- 6. Create at least three additional full time jobs within 12 months.

Thank you for your cooperation and assistance.

Sincerely,

James J. Jungwirth

President

JJJ/1c

STATE OF OREGON

INSTRUCTIONS:

*Signature(s) of Deptor(s) required is

Signature(s) of Secured Party(ies) in cases covered by ORS 79.4020.

STANDARD FORM-UNIFORM COMMERCIAL CODE-FORM UCC-1

President

This form of Financing Statement approved by the Secretary of State.

STEVENS-NESS LAW PUBLISHING CO., PORTLAND, OR. 97204

FILING OFFICER - ALPHABETICAL

9/1/81

PLEASE TYPE THIS FORM. Enclose fee of \$3.75 per name listed plus \$2.00 per trade name. This form is to be filed only with the Secretary of State. Send the Alphabetical, Numerical and Acknowledgment copies with interleaved carbon paper intact to the filing officer. The Debtor(s) and Secured Party(ies) copies are retained by party making the filing. If the space provided for any item(s) on the form is inadequate, the item(s) should be continued on additional sheets, size 5" x 8". Only one copy of such additional sheets need be presented to the filing officer. Long schedules of collateral, indentures, etc. may be on any size paper that is convenient for the secured party. DO NOT STAPLE OR TAPE ANYTHING TO LOWER PORTION OF THIS FORM. At the time of original filing, filing officer will return acknowledgment copy to the assignee if noted on form or secured party. If secured party requires acknowledgment of long schedules of collateral, two copies should be presented and one will be returned. When a copy of the security agreement is used as a financing statement, it is requested that it be accompanied by a completed UCC-21 form. Enclose \$5.00 plus \$3.75 per debtor more than one, and \$2.00 per trade name. When filing is to be terminated the acknowledgment copy may be sent to the filing officer signed by the secured party or assignee or he may use Form UCC-3 as a Termination Statement. UNIFORM COMMERCIAL CODE-FINANCING STATEMENT-FORM UCC-1 6 This FINANCING STATEMENT is presented to filing officer pursuant to the Uniform Commercial Code. 1A. Debtor(s.: Filing Officer Use Only 2A. Secured Party(ies): Sub-Terra Ground Heat City of Newberg Systems, Inc. 2B. Address of Secured Party from which security information obtainable: 1B. Mailing Address(es): P.O. Box 934 414 E. First St. Newberg, Oregon 97132 Newberg, Oregon 97132 3. This financing statement covers the following types (or items) of collateral (ORS 79.4020): Hydra-Core 28 Drill Serial Number 256 4A. Assignee of Secured Party(ies) if any: Address of Assignee from which security information obtainable: No. of additional sheets attached Check box if products of collateral are also covered