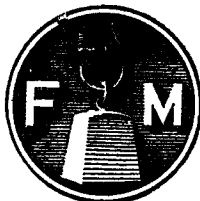


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Fairbanks, Morse & Co.

GENERAL PROPOSAL

Place TWIN FALLS, IDAHODate April 12, 19 39To M CHARLES KRENGEL PurchaserTWIN FALLS, IDAHO1. We hereby propose to furnish and deliver F. O. B. cars at factory

the following as per specifications below:

1 - #7- 31 stage Fairbanks-Morse Deep Well Turbine Pump

ITEMS

and one (1) 60 HP, 4 1/2 x 6, 6-cylinder, Model 36 Fair-banks-Morse, Full Diesel Engine, per specifications page2 of this contract.Pump to deliver 150 GPM against total pumping head of 558 ft.while operating at a speed of 1750 RPM.to be shipped to Chas. Kregel at Beowawe, Nev.

DELIVERY

about soon as possible but said date of delivery is not guaranteed by us.

Additional equipment may be listed on the back of this sheet under heading "Additional Equipment" and will then be furnished by us under this proposal.

2. The machinery herein specified as manufactured by the Company is guaranteed to be well made of good material and in a workmanlike manner. If any parts of said machinery herein proposed to be furnished or hereafter furnished in compliance with the provisions of this paragraph, fail, through defect in workmanship or material, and specific written notice of such failure be given to the Company within one year from the date of shipment, thereof respectively, the Company shall replace such defective parts, free of charge, F.O.B. cars its factory, but the Company shall not be liable for repairs or alterations unless the same are made with its written consent and approval. This guarantee does not extend to accessories, materials and supplies not manufactured by the Company in which cases the guarantee of the manufacturer will apply. The Company shall not be liable for damages or delays caused by such defective material or workmanship and it is agreed that, excepting its obligation to remove said machinery in the event of its inability to make said machinery operate at the test as hereinabove described according to said Guarantees of Duty, the liability of the Company under all guarantees either expressed or implied, is specifically limited to the replacement free of charge, F.O.B. its factory of parts failing through defect in workmanship or materials within the time and in the manner aforesaid. Parts claimed to be defective are to be returned by the Purchaser to the Company at its option, transportation prepaid.

GUARANTY

ADDITIONAL EQUIPMENT

3. The following equipment is included in the purchase price of this proposal, and shall be considered a part thereof.

1 - #7 - 31 stage Fairbanks Morse Deep Well Turbine

pump bowls with Bronze impellers and stainless steel

shaft.

1 - Set II Leather seals.

10-Ft. 5" OD Suction pipe and Galv. Strainer.

130-Ft. -5" OD x 2" x 1 $\frac{1}{2}$ " Deep Well Column.

150-Ft. -1/4" Detector Line Gauge and Fittings.

1 - PB-1, Johnson, Right Angle Drive Gear Discharge

head complete with Watson Spicer shaft and flanges

for direct connecting to:-

1 - 60 HP, 4 $\frac{1}{2}$ " x 6", 6-cylinder, Model 36 Power Unit equipped

with Clutch Drive, Exhaust Manifold, Recommended Exhaust

Pipe, American Oil Bath Air Filter, Lubricating oil pump,

lubricating oil filter cooler with connections, 24 volt

starting motor, 24 volt generator, fuel supply pump, clean-

able type oil filter, 120 gal. fuel tank, water circulation

pump, cooling water thermometer, engine sub-base.

4. We propose to furnish the property as specified herein for the sum of Thirty three
hundred twenty seven Dollars (\$ 3327.00) to be paid at the Company's office
 shown herein as follows:

PRICES

TERMS

\$ cash with order,
 when ready to ship notify customer.
 \$ 1200.00 ~~upon shipment, sight draft with bill of lading attached.~~

Balance \$ 2127.00 payable in two notes bearing 7% per annum.

First note \$1064.00 maturing August 12th. 1939 after shipment.

Second note amounting to \$1063.00 due and payable December 12, 1939

5. All deferred payments are to be evidenced by negotiable notes payable to the order of this Company, dated and delivered as of date of shipment and to bear interest from said date at the rate of 7% per cent per annum, and eight per cent per annum after maturity. If payments are contingent upon erection purchaser agrees not to delay installation longer than days from shipment. The above payments represented by This contract notes are to be secured by

6. This proposal is made upon the following conditions:

TITLE

(a) That the title and ownership of the machinery or materials herein specified shall remain in the Company until final payment therefor has been made in full as above provided and until final payment has been made of any other sums that may be due the Company by the Purchaser, and in the event that notes are taken at any time representing deferred payments or any sum that may be due, or in the event that any judgment is taken on account of all or any part of the said sums, the title to the machinery or materials shall not pass until such notes so given, or extensions thereof, or such judgment taken, are fully paid in money and satisfied. The Company shall have the right to discount or transfer any of said notes, and the title or right of possession in and to said machinery or materials shall pass thereby to the legal holder of such notes.

(b) The Purchaser shall take all such legal steps as may be required by law for the preservation of the Company's title as herein provided, and in the event of default by the Purchaser in making any of said payments when due, as above provided, the full amount of the said sums shall, at the election of the Company, become immediately due and payable, in which event the Company, or its Agents or Representatives, shall have the right to take possession of said machinery or materials, wherever found, without process of law, and shall not be held liable for such seizure, and the Company shall seize and retake possession of said machinery or materials or any part thereof and shall sell the same or otherwise and account for the proceeds thereof all upon such notices and at such times as may be required by the provisions of any statutes of the state where said machinery or material may then be located relating to the conditional sale of personal property applicable thereto and the respective rights and interests of the Company and the Purchaser in and to said machinery or materials or any part thereof so seized shall be determined by the provisions of said statutes then in force. Should there be in force in the State where said machinery or material so seized may then be located, no statute relating to the conditional sales of personal property, then the Company may, at its election, upon written notice to the Purchaser, deposited in the mails ten (10) days prior thereto, addressed to the Purchaser at his last known address, sell said machinery or materials or any part thereof, at public or private sale, and at which sale it shall be optional with the Company to bid for and purchase said machinery or materials or any part thereof. The Company shall retain so much of the proceeds of such sale necessary to satisfy any balance remaining due it as aforesaid, together with the cost of such removal and sale, and any excess shall be paid to the Purchaser. Should the proceeds of such sale not cover the balance remaining due the Company, together with the cost of removal and sale, the Purchaser shall pay the deficiency to the Company forthwith after such sale.

(c) The said machinery or materials shall be and remain strictly personal property and retain its character as such, no matter whether on permanent foundation or in what manner affixed or attached to any building or structure, or what may be the consequences of its being disturbed on such foundation, building or structure, or for what purpose the machinery or materials may be used. If the Company finds it necessary to place the balance of the sums due and unpaid in the hands of an attorney for collection, the Purchaser shall pay, in addition to said balance remaining unpaid, ten per cent (10%) thereof for the cost of the collection thereof.

STATE OF CALIFORNIA,

City and County of San Francisco

On this 21st day of July in the year one thousand nine hundred and thirty nine
before me, C. J. DORAN, a Notary Public in and for the City and County of San
Francisco, State of California, residing therein, duly commissioned and sworn, personally appeared
Roger M. Murray
known to me to be the Manager
of the corporation described in and that executed the within instrument, and also known to me to
be the person who executed the within instrument on behalf of the corporation therein named,
and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, in
the City and County of San Francisco, the day and year in this certificate first above written.

Notary Public in and for the City and County of San Francisco, State of California.

Crocker's Blank No. 123
Acknowledgment—Corporation.

~~My Commission Expires April 28, 1939~~
My commission expires May 19, 1943

7. The Purchaser shall receive the machinery or materials herein specified promptly and pay all freight or other charges thereon. The Purchaser shall promptly on arrival insure such machinery or materials against loss or damage by fire in an amount and in such manner as may be necessary sufficiently to protect the interest of the Company, in companies and under policies satisfactory to the Company, and will continue such insurance in force until the amount of all indebtedness to the Company is fully paid, loss, if any, being made payable to the Company as its interest may appear. Said policies shall be delivered to the Company at its election. Should the Purchaser fail to do so, the Company may obtain such insurance at the Purchaser's expense. In case of loss or damage by fire, such loss or damage shall have the effect of immediately assigning said insurance to the Company, whether or not taken out for its benefit. The Purchaser shall make good any loss to the Company by reason of any damage to said machinery or materials caused by fire, carelessness, or other injuries, and shall be responsible for and promptly pay and discharge any and all taxes, liens, or other charges which may, for any reason, be levied or attach to or upon said machinery and/or materials, to the end that Company shall not suffer any loss or expense by reason thereof.

8. The Company shall not be liable for any damage due to delay in transportation or delay in shipment caused by strikes, fires, floods, combination of labor, or other causes beyond its control and the receipt of said machinery or materials by the Purchaser shall constitute a waiver of any claim for damage due to delay. Should the Purchaser decline to receive said machinery or materials upon arrival, the damages for delay in filling or shipping the same shall in no event exceed in amount the rental value of similar machinery or materials for the period of such delay which is agreed to be the sole measure of such damage. The Purchaser shall pay to the Company, not as a penalty but as agreed liquidated damages, Twenty per cent (20%) of the net amount of the purchase price stated in this proposal, together with freight charges paid or incurred, in the event that the Purchaser should refuse to receive the said machinery or materials when delivered or in the event of this proposal being countermanded after having been accepted by the Purchaser.

9. The Company shall not be held responsible for damages of any character arising out of the use of said machinery or materials, either original or consequential, it being specifically agreed that the liability of the Company is specifically limited as hereinabove set forth.

10. It is expressly understood this proposal made in duplicate contains all agreements pertaining to property herein specified, there being no verbal understanding whatsoever, and when signed by Purchaser and approved by an Executive Officer or Local Manager of Fairbanks, Morse & Co., becomes a contract binding parties hereto, which cannot be altered or amended except with approval of such local manager or officer.

INSURANCE,
ETC.

RESPONSI-
BILITY FOR
DELAYS

Respectfully submitted,

Salesman—FAIRBANKS, MORSE & CO.

The above proposal is hereby accepted this 17
day of July 1939 Charles H. Krengel (L. S.)
Purchaser

Witness _____ By _____ (L. S.)

Witness _____ Title of person signing.

All parties to this order, and securities, must sign it. Also give postoffice of each signer.

Approved April 20 19 39
FAIRBANKS, MORSE & CO., (a corporation)
By Roger M. Murray Manager.

Send settlement papers to _____ Bank at _____

Description of land upon which machinery specified herein is to be located is as follows:

Subscribed and sworn to before me, by Charles H. Krengel,
this 17th day of July, 1939

Thomas T. White
Notary Public, Residing at
Twin Falls, Idaho.