STATE OF OREGON

COUNTY OF DOUGLAS

CERTIFICATE OF WATER RIGHT

THIS IS TO CERTIFY, that WALTER L. AND MARY B. MCGREW, of 15218 TYEE ROAD, UMPQUA, OREGON 97486, has a right to the use of the waters of UMPQUA RIVER AND SPRING STREAM, TRIBUTARY OF PACIFIC OCEAN, for the purpose of DOMESTIC USE FOR ONE FAMILY AND IRRIGATING 5.5 ACRES.

The right has been perfected under Permit 37687. The date of priority is MARCH 16, 1973. The right is limited to not more than 0.055 CUBIC FOOT PER SECOND, BEING 0.04 CFS FROM UMPQUA RIVER FOR IRRIGATION, IF AVAILABLE AT THE OLD POINTS OF DIVERSION, NW1/4 NE1/4, SE1/4 NE1/4, SECTION 32, T 24 S, R 7 W, WM; 870 FEET NORTH AND 700 FEET EAST, 290 FEET SOUTH AND 1800 FEET EAST, BOTH FROM SW CORNER LOT 1 (NW1/4 NE1/4), SECTION 32, AND 0.005 CFS FOR DOMESTIC AND 0.01 CFS FOR IRRIGATION FROM SPRING STREAM or its equivalent in case of rotation, measured at the point of diversion from the source.

The points of diversion are located as follows:

LOT 2 (SE1/4 NE1/4), SW1/4 NE1/4, SECTION 32, T 24 S, R 7 W, WM; RIVER - 185 FEET SOUTH AND 340 FEET EAST; STREAM - 860 FEET SOUTH AND 50 FEET WEST, BOTH FROM THE NW CORNER LOT 2 (SE1/4 NE1/4), SECTION 32.

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, shall be limited to ONE-EIGHTIETH of one cubic foot per second per acre, or its equivalent for each acre irrigated and shall be further limited to a diversion of not to exceed 2.5 acre-feet per acre for each acre irrigated during the irrigation season of each year.

The right shall conform to such reasonable rotation system as may be ordered by the proper state officer.

SEE NEXT PAGE

PAGE TWO

A description of the place of use under the right, and to which such right is appurtenant, is as follows:

SPRING STREAM

UMPQUA RIVER

DOMESTIC & 1.0 ACRE SW1/4 NE1/4

0.9 ACRE SW1/4 NE1/4 3.6 ACRES LOT 2 (SE1/4 NE1/4)

SECTION 32

TOWNSHIP 24 SOUTH, RANGE 7 WEST, W.M.

The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described.

This certificate is issued so as to correctly describe the spring stream point of diversion and supersedes certificate 56467.

The issuance of this superseding certificate does not confirm the status of the water right in regard to the provisions of ORS 540.610 pertaining to forfeiture or abandonment.

The right is subject to minimum flows established by the Water Resources Commission with an effective date prior to this right.

WITNESS the signature of the Water Resources Director, affixed this date AUGUST 18, 1988.

/s/ WILLIAM H. YOUNG

Water Resources Director

Recorded in State Record of Water Right Certificates numbered 57565

T-4255