STATE OF OREGON

COUNTY OF JACKSON

CERTIFICATE OF WATER RIGHT

THIS IS TO CERTIFY, that JERRY E. MERCER, of 1179 SLAGLE CREEK ROAD, GRANTS PASS, OREGON 97526, has a right to the use of ONE WELL in the APPLEGATE RIVER BASIN for the purpose of IRRIGATION OF 9.12 ACRES AND SUPPLEMENTAL IRRIGATION OF 5.6 ACRES.

The right has been perfected under Permit G-9266. The date of priority is MARCH 23, 1981. The right is limited to not more than 0.13 CUBIC FOOT PER SECOND or its equivalent in case of rotation, measured at the well. The well is located as follows:

NW1/4 NE1/4, SECTION 5, T38S, R4W, W.M.; 110 FEET SOUTH & 1380 FEET WEST FROM NE CORNER SECTION 5.

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.

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

PRIMARY 9.12 ACRES NW1/4 NE1/4
SUPPLEMENTAL 5.6 ACRES NW1/4 NE1/4
SECTION 5
TOWNSHIP 38 SOUTH, RANGE 4 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. 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 OCTOBER 21, 1988.

/s/ WILLIAM H. YOUNG

Water Resources Director

Recorded in State Record of Water Right Certificates numbered 57870

G-10225