STATE OF OREGON

COUNTY OF DOUGLAS

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

DAVID KENNADAY P.O. BOX 520 GLIDE, OREGON 97443

confirms the right to use the waters of AN UNNAMED STREAM, a tributary of NORTH UMPQUA RIVER, for the purpose of DOMESTIC USE FOR TWO FAMILIES INCLUDING THE IRRIGATION OF LAWN AND GARDEN NOT TO EXCEED 1/2 ACRE IN AREA FOR EACH FAMILY.

The right has been perfected under Permit 44991. The date of priority is DECEMBER 28, 1979. The right is limited to not more than 0.01 CUBIC FOOT PER SECOND or its equivalent in case of rotation, measured at the point of diversion from the source.

The point of diversion is located as follows:

NE 1/4 SE 1/4, SECTION 3, T 26 S, R 3 W, W.M.; 2200 FEET NORTH & 1220 FEET WEST FROM NE CORNER SECTION 10.

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:

NE 1/4 NE 1/4
SE 1/4 NE 1/4
SECTION 10
TOWNSHIP 26 SOUTH, RANGE 3 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 DECEMBER 9, 1988.

/s/ WILLIAM H. YOUNG

Water Resources Director

Recorded in State Record of Water Right Certificates numbered 58722

59182