STATE OF OREGON

COUNTY OF YAMHILL

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

PHIL DARLING ROUTE 1, BOX 514 SALEM, OREGON 97304

confirms the right to use the waters of AN UNNAMED STREAM AND A RESERVOIR CONSTRUCTED UNDER PERMIT R-7709, a tributary of PALMER CREEK, for the purpose of IRRIGATING 13.8 ACRES.

The right has been perfected under Permit 43563. The date of priority is APRIL 13, 1978. The right is limited to not more than 0.17 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:

SE 1/4 SW 1/4, SECTION 31, T 5 S, R 3 W, W.M.; 790 FEET NORTH & 1750 FEET EAST FROM THE SW CORNER SECTION 31.

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:

NE 1/4 SW 1/4 1.8 ACRES SE 1/4 SW 1/4 12.0 ACRES SECTION 31 TOWNSHIP 5 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 FEBRUARY 9, 1989.

/s/ WILLIAM T. YOUNG

Water Resources Director

Recorded in State Record of Water Right Certificates numbered 60070

57289.SB