

STATE OF OREGON  
COUNTY OF YAMHILL  
CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

BAILEY NURSERIES, INCORPORATED  
9855 NW PIKE ROAD  
YAMHILL, OREGON 97148

confirms the right to use the waters of BRYAN CREEK AND A RESERVOIR CONSTRUCTED UNDER PERMITS R-1407, ENLARGED UNDER PERMITS R-1560 AND R-1761, a tributary of CHEHALEM CREEK, for the purpose of IRRIGATING 87.3 ACRES.

The right has been perfected under Permit 49264. The date of priority is MARCH 12, 1985. The right is limited to not more than 1.09 CUBIC FEET PER SECOND or its equivalent in case of rotation, measured at the point of diversion from the source.

The points of diversion are located as follows:

NW 1/4 SW 1/4, AS PROJECTED WITHIN DLC 41, SECTION 2, SE 1/4 NE 1/4, AS PROJECTED WITHIN DLC 45, SECTION 10, T 3 S, R 3 W, W.M.; RES - 1750 FEET NORTH AND 1240 FEET EAST; CREEK - 1950 FEET SOUTH AND 240 FEET WEST, BOTH FROM SW CORNER SECTION 2.

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 from direct flow 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 from direct flow and storage.

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 0.2 ACRE  
AS PROJECTED WITHIN DLC 41  
NE 1/4 NE 1/4 10.3 ACRES  
NW 1/4 NE 1/4 0.5 ACRE  
SW 1/4 NE 1/4 4.2 ACRES  
SE 1/4 NE 1/4 33.2 ACRES  
NE 1/4 SE 1/4 29.6 ACRES  
NW 1/4 SE 1/4 3.8 ACRES  
SE 1/4 SE 1/4 5.5 ACRES  
ALL AS PROJECTED WITHIN DLC 45  
SECTION 10  
TOWNSHIP 3 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 JULY 21, 1989.

/s/ WILLIAM H. YOUNG

Water Resources Director

Recorded in State Record of Water Right Certificates numbered 61978

68296.BWB