STATE OF OREGON

COUNTY OF WALLOWA

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

TIM J. MELVILLE STAR ROUTE, BOX 4 ENTERPRISE, OREGON 9782

confirms the right to use the waters of PRAIRIE CREEK, a tributary of WALLOWA RIVER, for the purpose of IRRIGATING 376.9 ACRES.

The right has been perfected under Permit 40577. The date of priority is JUNE 9, 1976. The right is limited to not more than 8.2 CUBIC FEET 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:

SW 1/4 NE 1/4, SECTION 5, T 2 S, R 45 E, W.M.; 580 FEET NORTH AND 510 FEET EAST FROM C 1/4 CORNER OF 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-FORTIETH 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 3.5 acre-feet per acre for each acre irrigated during the irrigation season of each year. IN THE EVENT OF A REQUEST FOR A CHANGE IN POINT OF DIVERSION, ADDITIONAL POINT OF DIVERSION, CHANGE IN PLACE OR CHARACTER OF USE, THE QUANTITY OF WATER ALLOWED HEREIN TOGETHER WITH ANY OTHER RIGHT FROM THIS POINT OF DIVERSION SHALL NOT EXCEED 8.2 CFS.

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:

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NE 1/4 SW 1/4 40.3 ACRES LOT 3 (NW 1/4 SW 1/4) 44.3 ACRES LOT 4 (SW 1/4 SW 1/4) 44.3 ACRES SE 1/4 SW 1/4 41.5 ACRES 20.6 ACRES NW 1/4 SE 1/4 SW 1/4 SE 1/4 20.6 ACRES SECTION 31 TOWNSHIP 1 SOUTH, RANGE 45 EAST, W.M. LOT 3 (NE 1/4 NW 1/4) 44.2 ACRES LOT 4 (NW 1/4 NW 1/4) 44.2 ACRES LOT 5 (SW 1/4 NW 1/4) 36.9 ACRES 40.0 ACRES SE 1/4 NW 1/4 SECTION 6 TOWNSHIP 2 SOUTH, RANGE 45 EAST, 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 AUGUST 31, 1989.

/s/ WILLIAM H. YOUNG

Water Resources Director

Recorded in State Record of Water Right Certificates numbered 62262

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