STATE OF OREGON

COUNTY OF WALLOWA

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

CANCELED

ARNOLD J. SCHAEFFER ROUTE 1, BOX 55 WALLOWA, OREGON 97885

confirms the right to use the waters of WALLOWA RIVER, a tributary of GRANDE RONDE RIVER, for the purpose of IRRIGATING 128.3 ACRES.

The right has been perfected under Permit 40889. The date of priority is JULY 16, 1976. The right is limited to not more than 1.04 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 NW 1/4, SECTION 11, T 1 N, R 42 E, W.M.; 860 FEET NORTH AND 800 FEET EAST FROM W 1/4 CORNER, SECTION 11.

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.

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:

SE 1/4 SW 1/4 30.3 ACRES SW 1/4 SE 1/4 40.0 ACRES SECTION 27

NE 1/4 NW 1/4 20.0 ACRES NW 1/4 NE 1/4 38.0 ACRES SECTION 34 TOWNSHIP 2 NORTH, RANGE 42 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 13, 1990.

Canceled Sp. Or. Vol. 51 P. 398

/s/ WILLIAM H. YOUNG

Water Resources Director

Recorded in State Record of Water Right Certificates numbered 64462.

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