STATE OF OREGON

COUNTY OF POLK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

LYLE SCHMIDT 1320 FIR VILLA ROAD DALLAS, OREGON 97338

confirms the right to store the waters of AN UNNAMED INTERMITTENT STREAM, a tributary of RICKREALL CREEK, in SCHMIDT RESERVOIR, for the purpose of STOCK WATER.

The right to store these waters has been perfected under Reservoir Permit R-10887. The date of priority is AUGUST 21, 1987. The amount of water entitled to be stored each year under such right is not more than 1.1 ACRE-FEET ANNUALLY DURING THE NON-IRRIGATION SEASON OR WHEN EXCESS WATER IS OTHERWISE AVAILABLE.

The reservoir is located as follows:

NW 1/4 NW 1/4
AS PROJECTED WITHIN DLC 62
SECTION 23
TOWNSHIP 7 SOUTH, RANGE 5 WEST, W.M.

The right to store and use the water for the above purpose is restricted to beneficial use at the place of use described.

WITNESS the signature of the Water Resources Director, affixed this date AUGUST 14, 1990.

/s/ WILLIAM H. YOUNG

Water Resources Director

Recorded in State Record of Water Right Certificates numbered 64704.

R-69245.JCL