STATE OF OREGON

COUNTY OF BAKER

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

JAMES DALTON NORTH POWDER, OREGON 97867

confirms the right to use the waters of the NORTH POWDER RIVER, a tributary of the POWDER RIVER, for the purpose of IRRIGATING 661.1 ACRES, DOMESTIC AND STOCK USE.

The right has been confirmed by decree of the Circuit Court of the State of Oregon for UNION County. The decree is of record at Salem, in the Order Record of the WATER RESOURCES DIRECTOR, in Volume 3, at page 252. The date of priority is 1888 FOR 325.1 ACRES AND 1893 FOR 336.0 ACRES.

The right is limited to not more than 16.53 CUBIC FEET PER SECOND FROM MARCH 1 TO JULY 1 AND 8.27 CFS FROM JULY 1 TO OCTOBER 1 OF EACH YEAR.

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 from March 1 to July 1 and ONE-EIGHTIETH of one cubic foot per second per acre from July 1 to October 1, 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.

A description of the place of use under the right, and to which such right is appurtenant, is as follows:

NW 1/4 NE 1/4 40.0 ACRES
SW 1/4 NE 1/4 40.0 ACRES
SECTION 2

NE 1/4 NW 1/4 17.0 ACRES
NW 1/4 NW 1/4 40.0 ACRES
SW 1/4 NW 1/4 40.0 ACRES

SE 1/4 NW 1/4 39.0 ACRES
NE 1/4 SW 1/4 40.0 ACRES
NW 1/4 SW 1/4 40.0 ACRES
SW 1/4 SW 1/4 40.0 ACRES
SW 1/4 SW 1/4 40.0 ACRES

SE 1/4 SW 1/4 40.0 ACRES SECTION 3

SW 1/4 NE 1/4 16.0 ACRES SE 1/4 NE 1/4 15.6 ACRES NE 1/4 SE 1/4 8.0 ACRES SECTION 4

NW 1/4 NW 1/4 38.0 ACRES SW 1/4 NW 1/4 37.0 ACRES NW 1/4 SW 1/4 38.0 ACRES SECTION 6

NE 1/4 NW 1/4 40.0 ACRES NW 1/4 NW 1/4 34.0 ACRES SW 1/4 NW 1/4 18.5 ACRES SE 1/4 NW 1/4 40.0 ACRES SECTION 10

TOWNSHIP 7 SOUTH, RANGE 39 EAST, W.M.

This certificate describes that portion of the water right confirmed by certificate 1460, State Record of Water Right Certificates, NOT modified by the provisions of an order of the Water Resources Director entered December 26, 1990, approving transfer application T-6365.

The issuance of this superseding certificate does not confirm the status of the water right in regard to the provisions of ORS 540.610 pertaining to forfeiture or abandonment.

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 and shall be subject to all other conditions and limitations contained in said decree.

WITNESS the signature of the Water Resources Director, affixed January 3, 1991.

/s/ WILLIAM H. YOUNG

William H. Young

Recorded in State Record of Water Right Certificates numbered 65136

T-6365.ORD