STATE OF OREGON

COUNTY OF JACKSON

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

PALMER CORPORATION MEDFORD, OREGON 97501

confirms the right to use the waters of ROGUE RIVER, a tributary of the PACIFIC OCEAN, for DOMESTIC, STOCK, AND THE IRRIGATION OF 416.2 ACRES.

This right was confirmed by decree of the Circuit Court of the State of Oregon for JACKSON County. The decree is of record at Salem, in the Order Record of the WATER RESOURCES DIRECTOR, in Volume 16, at Page 523. The date of priority is SEPTEMBER 22, 1888.

The use is limited to 5.206 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:

LOT 7 (NE 1/4 NW 1/4), SECTION 6, T 36 S, R 1 W, W.M.; TABLE ROCK DITCH - 333 FEET SOUTH AND 1987 FEET EAST FROM THE NW CORNER OF SECTION 6.

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second (or its equivalent) for each acre irrigated during the irrigation season of each vear.

A description of the place of use to which this right is appurtenant is as follows:

- 22.2 acres in Lot 1 (SE 1/4 NE 1/4)
- 0.8 acre in the NE corner of Lot 12 (SE 1/4 NE 1/4)
- 35.4 acres within that part of DLC 37 (SE 1/4 NE 1/4, NE 1/4 SE 1/4) 13.7 acres within that part of DLC 38 (SE 1/4 SE 1/4)
- SECTION 11
- 16.0 acres in Lot 6 (NE 1/4 NE 1/4) 16.0 acres in the NW 1/4 NE 1/4
- 19.4 acres in Lot 9 (SW 1/4 NE 1/4)
- 2.0 acres in Lot 10 (NW 1/4 SE 1/4)
- 18.0 acres in Lot 7 (SW 1/4 NW 1/4)
- 23.2 acres in Lot 8 (SE 1/4 NW 1/4)
 114.0 acres within that part of DLC 37
 - 77.9 acres within that part of DLC 38 SECTION 12
- 17.8 acres within that part of DLC 38 28.9 acres within that part of DLC 41
- 10.9 acres in Lot 8 (NE 1/4 NW 1/4)

SECTION 13

TOWNSHIP 36 SOUTH, RANGE 2 WEST, W.M.

This certificate describes that portion of the water right confirmed by Certificate 32743, State Record of Water Right Certificates, NOT modified by the provisions of an order of the Water Resources Director entered January 24, 1991, approving Transfer Applications 6293 and 6426.

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

WITNESS the signature of the Water Resources Director, affixed JANUARY 24, 1991.

/s/ WILLIAM H. YOUNG

William H. Young

Recorded in State Record of Water Right Certificates numbered 65148.

T-6426.JW