STATE OF OREGON

COUNTY OF MARION

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

KLUPENGER'S NURSERY AND GREENHOUSES, INC. 24075 KLUPENGER ROAD N.E. AURORA, OREGON 97002

confirms the right to use the waters of WELLS 1 AND 2 in the WILLAMETTE RIVER BASIN for the purpose of NURSERY OPERATION ON 43.0 ACRES.

This right has been perfected under Permit G-10851. The date of priority is MARCH 30, 1987 FOR 1000 GPM AND MAY 18, 1987 FOR 300 GPM. This right is limited to 1300 GALLONS PER MINUTE, or its equivalent in case of rotation, measured at the wells.

The wells are located as follows:

SE 1/4 NE 1/4, SECTION 33, T 3 S, R 1 W, W.M.; WELL 1 - 260 FEET NORTH AND 30 FEET WEST, WELL 2 - 150 FEET NORTH AND 190 FEET WEST BOTH FROM THE E 1/4 CORNER SECTION 33.

The amount of water used for NURSERY OPERATIONS (OAR 690-11-110 (14)) is limited to a diversion of 0.15 cubic foot per second per acre. For the irrigation of containerized nursery plants, the amount of water diverted is limited to ONE-EIGHTIETH of one cubic foot per second (or its equivalent) and 5.0 acre feet per acre per year. For the irrigation of in ground nursery plants the amount of water diverted is limited to ONE-EIGHTIETH of one cubic foot per second (or its equivalent) and 2.5 acre feet per acre per year. The use of water for NURSERY OPERATIONS may be made at anytime of the year that the use is beneficial. For the irrigation of any other crop, the amount of water diverted is limited to ONE-EIGHTIETH of one cubic foot per second (or its equivalent) and 2.5 acre feet per acre during the irrigation season of each year. The right shall be limited to appropriation of water only to the extent that it does not impair or substantially interfere with prior surface water rights as well as prior ground water rights of others.

This right shall conform to any reasonable rotation system ordered by the proper state officer.

If used for field irrigation for nursery stock, such use is not restricted to the defined agricultural irrigation season.

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

NE 1/4 NW 1/4 0.2 ACRE
 AS PROJECTED WITHIN DLC 48

LOT 2 (NE 1/4 NW 1/4) 10.3 ACRES
 SE 1/4 NW 1/4 24.0 ACRES
 NE 1/4 SE 1/4 8.5 ACRES
 SECTION 33

TOWNSHIP 3 SOUTH, RANGE 1 WEST, W.M.

The right to use water for the above purpose is restricted to beneficial

use on the lands or place of use described.

WITNESS the signature of the Water Resources Director, affixed FEBRUARY 25, 1991.

/s/ WILLIAM H. YOUNG

William H. Young

Recorded in State Record of Water Right Certificates numbered 65251. G-11637.JCL