STATE OF OREGON

COUNTY OF CLACKAMAS

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

HOWARD J. SMITH (FOUR MILE NURSERY) 27027 SOUTH HIGHWAY 170 CANBY, OREGON 97013

confirms the right to use the waters of A WELL in the MOLALLA RIVER BASIN for the purpose of PRIMARY IRRIGATION OF 80.2 ACRES, SUPPLEMENTAL IRRIGATION OF 21.3 ACRES, CONTAINERIZED STOCK USE, GREENHOUSE USE, AND RELATED NURSERY USE.

The right has been perfected under Permit G-9800. The date of priority is JUNE 4, 1980. The right is limited to not more than 500.0 GALLONS PER MINUTE, BEING 500.0 GPM FOR IRRIGATION, 95.0 GPM FOR CONTAINERIZED STOCK USE, 75.0 GPM FOR GREENHOUSE USE, AND 500.0 GPM FOR RELATED NURSERY USE or its equivalent in case of rotation, measured at the well.

The well is located as follows:

SW 1/4 SW 1/4, AS PROJECTED WITHIN DLC 38, SECTION 15, T 4 S, R 1 E, W.M.; 1300 FEET SOUTH AND 1180 FEET WEST FROM THE NE CORNER OF DLC 38.

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-EIGHTIETH 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 2.5 acre-feet per acre for each acre irrigated during the irrigation season of each year.

This right is limited to any deficiency in the available supply of any prior right existing for the same land.

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:

PRIMARY SUPPLEMENTAL
SW 1/4 SW 1/4 9.2 ACRES 7.0 ACRES *
SW 1/4 SW 1/4 CONTAINERIZED STOCK USE *
SW 1/4 SW 1/4 GREENHOUSE USE *
SE 1/4 SW 1/4 10.7 ACRES *
ALL AS PROJECTED WITHIN DLC 38
SECTION 15

SW 1/4 SE 1/4 4.7 ACRES *
SE 1/4 SE 1/4 22.8 ACRES 8.6 ACRES *
ALL AS PROJECTED WITHIN DLC 38
SECTION 16
TOWNSHIP 4 SOUTH, RANGE 1 EAST, W.M.

* AND RELATED NURSERY USES

SEE NEXT PAGE

NE 1/4 NE 1/4 23.7 ACRES 1.4 ACRES * NW 1/4 NE 1/4 7.2 ACRES * ALL AS PROJECTED WITHIN DLC 38 SECTION 21

NE 1/4 NW 1/4 0.5 ACRE 0.4 ACRE *
NW 1/4 NW 1/4 1.4 ACRES 3.9 ACRES *
ALL AS PROJECTED WITHIN DLC 38
SECTION 22
TOWNSHIP 4 SOUTH, RANGE 1 EAST, W.M.

* AND RELATED NURSERY USES

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.

WITNESS the signature of the Water Resources Director, affixed MAY 31, 1991.

/s/ WILLIAM H. YOUNG William H. Young

Recorded in State Record of Water Right Certificates numbered 65874.

G-9767.JW