STATE OF OREGON

COUNTY OF HOOD RIVER

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

FARMERS IRRIGATION DISTRICT 1185 TUCKER ROAD HOOD RIVER, OREGON 97031

confirms the right to use the waters of DEAD POINT CREEK, SOUTH FORK PINE CREEK, NORTH FORK PINE CREEK, DITCH CREEK AND HOOD RIVER, tributaries of HOOD RIVER, for DEVELOPMENT OF 4885 THEORETICAL HORSEPOWER AT FARMERS IRRIGATION DISTRICT HYDROELECTRIC GENERATION PLANT

This right was perfected under Permit 48576. The date of priority is FEBRUARY 11, 1981. This right is limited to 108.0 CUBIC FEET PER SECOND, BEING 20.0 CFS FROM DEAD POINT CREEK; 5.0 CFS EACH FROM NORTH AND SOUTH FORKS OF PINE CREEK; 20.0 CFS FROM DITCH CREEK, BEING A MAXIMUM OF 35.0 CFS FROM ALL SOURCES AT ANY ONE TIME, AND 73.0 CFS FROM HOOD RIVER or its equivalent in case of rotation, measured at the point of diversion from the source.

The points of diversion are located as follows:

DEAD POINT CREEK - NE 1/4 NW 1/4, SECTION 2, T 1 N, R 9 E, W.M.; 330 FEET SOUTH AND 1650 FEET EAST FROM THE NORTHWEST CORNER OF SECTION 2;

SOUTH PINE CREEK - SW 1/4 SE 1/4, SECTION 25, T 2 N, R 9 E, W.M.; 550 FEET NORTH AND 1400 FEET WEST FROM THE SOUTHEAST CORNER OF SECTION 25;

NORTH PINE CREEK - NW 1/4 SE 1/4, SECTION 25, T 2 N, R 9 E, W.M.; 1650 FEET NORTH AND 1600 FEET WEST FROM THE SOUTHEAST CORNER OF SECTION 25;

DITCH CREEK - LOT 2, (SW 1/4 NW 1/4), SECTION 19, T 2 N, R 10 E, W.M.; 680 FEET NORTH AND 211 FEET WEST FROM THE SOUTHEAST CORNER OF LOT 2, SECTION 19;

HOOD RIVER - NW 1/4 SW 1/4, SECTION 31, T 2 N, R 10 E, W.M.;2250 FEET NORTH AND 470 FEET EAST FROM THE SOUTHWEST CORNER OF SECTION 31.

SEE NEXT PAGE

The right granted herein is expressly made inferior in right and subsequent in time to any appropriation of water from these sources which may hereafter be made for domestic, municipal, irrigation or any other beneficial consumptive use, or for storage for such purposes, provided further that the project shall be operated and maintained according to the approved plans and specifications, provided further that the water user shall comply with the provisions of the order of the Water Policy Review Board dated FEBRUARY 24, 1983, and by reference herein made part of this right. Provided further that the user shall, during the operational lifetime of the project, perform or allow the Water Resources Department to perform any tests or studies required by the department to evaluate the effectiveness of measures for the protection of fish; provided further that this right may not be assigned to any non-municipal entity so as to result in a loss of ownership of the right by a municipal corporation or district and that the holder of the right must remain qualified as a municipal applicant under ORS 537.285 and 537.287. If the municipal corporation or district proposes to generate hydroelectric power jointly with a non-municipal entity, that any proposed changes in the agreement between the municipal corporation or district and the non-municipal entity must be reviewed by the Water Resources Commission to determine whether or not the user remains qualified as a municipal applicant.

The use shall conform to such reasonable rotation system as may be ordered by the proper state officer.

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

SE 1/4 SE 1/4 HYDROELECTRIC GENERATION SECTION 11
TOWNSHIP 2 NORTH, RANGE 10 EAST, W.M.

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. The use confirmed herein may be made only at times when sufficient water is available to satisfy all prior rights, including rights for maintaining instream flows.

WITNESS the signature of the Water Resources Director, affixed APRIL 14, 1992.

/s/ WILLIAM H. YOUNG
William H. Young

Recorded in State Record of Water Right Certificates numbered 67266.

64061.JS