

STATE OF OREGON
COUNTY OF DOUGLAS
CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

GERALD AND ANNA LU RANNELLS
16870 SOUTHWEST MATADOR
KING CITY, OREGON 97224

confirms the right to use the waters of QUARTZ CREEK, a tributary of SOUTH UMPQUA RIVER, for INDUSTRIAL USE FOR WASHING QUARTZ AND SILICA.

This right was perfected under Permit 27142. The date of priority is JANUARY 13, 1961. This right is limited to 10,000 GALLONS PER DAY FOR SEVEN MONTHS EACH YEAR or its equivalent in case of rotation, measured at the point of diversion from the source.

The point of diversion is located as follows:

SE 1/4 SE 1/4, SECTION 35, T 27 S, R 1 E, W.M.; 240 FEET NORTH AND 1300 FEET WEST FROM THE NORTHEAST CORNER OF SECTION 2.

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:

SW 1/4 NW 1/4
SE 1/4 NW 1/4
SECTION 2
TOWNSHIP 28 SOUTH, RANGE 1 EAST, W.M.

This right is subject to the maintenance and use of adequate treatment facilities to remove the sediment before returning the water to the stream; provided further that the right to the use of water is limited to the period when the flow of the South Umpqua River is more than 60 cfs at its mouth.

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 SEPTEMBER 8, 1992.

/s/ MARTHA O. PAGEL

Martha O. Pagel

Recorded in State Record of Water Right Certificates numbered 67734.

34558.LMS