STATE OF OREGON

COUNTY OF UMATILLA

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

DANIEL SHAW PENDLETON, OREGON 97801

confirms the right to use the waters of MCKAY CREEK, a tributary of the UMATILLA RIVER, for IRRIGATION OF 85.0 ACRES, DOMESTIC AND STOCK USE.

This right was confirmed by decree of the Circuit Court of the State of Oregon for UMATILLA County. The decree is of record at Salem, in the Order Record of the WATER RESOURCES DIRECTOR, in Volume 3, at Page 127. The date of priority is 1892 FOR 45.0 ACRES AND 1904 FOR 40.0 ACRES.

The use is limited to 1.08 CUBIC FOOT 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:

NW 1/4 NE 1/4, SECTION 23, T 1 N, R 32 E, W.M.; NORTH 44 DEGREES 58 MINUTES WEST, 2100 FEET FROM THE EAST 1/4 CORNER OF SAID SECTION 23.

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

NE 1/4 NE 1/4 40.0 ACRES NW 1/4 NE 1/4 7.0 ACRES SW 1/4 NE 1/4 8.0 ACRES SE 1/4 NE 1/4 30.0 ACRES

SECTION 23

TOWNSHIP 1 NORTH, RANGE 32 EAST, W.M.

This certificate describes that portion of the water right confirmed by Certificate 17240, State Record of Water Right Certificates, NOT canceled by the provisions of an order of the Water Resources Director entered JANUARY 13, 1993, canceling a portion of said water right.

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 13, 1993.

Martha O. Pagel

Recorded in State Record of Water Right Certificates numbered 68115.

17240.VRG