STATE OF OREGON

COUNTY OF GRANT

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

R.T. McHALEY P.O. BOX 176 PRAIRIE CITY, OREGON 97869

confirms the right to use the waters of DIXIE CREEK, a tributary of the JOHN DAY RIVER, for PRIMARY IRRIGATION OF 73.1 ACRES.

This right was confirmed by decree of the Circuit Court of the State of Oregon for GRANT County. The decree is of record at Salem, in the Order Record of the WATER RESOURCES DIRECTOR, in Volume 15, at Page 461. The date of priority is 1868.

The use is limited to ONE-FORTIETH of one cubic foot per second per acre irrigated to June 1 and ONE-EIGHTIETH of one cubic foot per second per acre thereafter; further limited to one acre foot per acre per calendar month to June 1 and 4 acre feet per acre during the irrigation season of April 1 to September 30, measured at the point of diversion.

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

NE 1/4 NE 1/4 2.9 ACRES NW 1/4 NE 1/4 16.5 ACRES SW 1/4 NE 1/4 33.5 ACRES SE 1/4 NE 1/4 20.2 ACRES SECTION 10

TOWNSHIP 13 SOUTH, RANGE 33 EAST, W.M.

This certificate describes that portion of the water right confirmed by Certificate 55425, State Record of Water Right Certificates, NOT modified by the provisions of an order of the Water Resources Director entered FEBRUARY 19, 1993, amending the order at Volume 41, Page 501 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 FEBRUARY 19, 1993.

/s/ MARTHA O. PAGEL

Martha O. Pagel

Recorded in State Record of Water Right Certificates numbered 68129.

55425.VRG