STATE OF OREGON COUNTY OF Douglas

CERTIFICATE OF WATER RIGHT (HB - 2153)

THIS CERTIFICATE ISSUED TO

RUEDNA RANCH CORP. 8690 LOOKINGGLASS RD ROSEBURG, OR 97470

confirms the right to store the waters of RUNOFF, TRIBUTARIES OF OLALLA CREEK IN TWO RESERVOIRS for LIVESTOCK.

The right to store and use these waters was perfected under Reservoir Application R-75469. The date of priority is January 1, 1993. The amount of water entitled to be stored and used each year under this right is not more than 0.037 ACRE-FOOT, BEING 0.03 AF IN RESERVOIR 1 AND 0.007 AF IN RESERVOIR 2

Located as follows:

SW 1/4 NE 1/4 SECTION 1, TOWNSHIP 28 SOUTH, RANGE 7 WEST WM. NW 1/4 SE 1/4 SECTION 1, TOWNSHIP 28 SOUTH, RANGE 7 WEST WM.

ORS 498.351 and ORS 509.605 through 509.625 provides that no person shall construct an artificial obstruction across a waterway in which anadromous, game or food fish exist unless that person provides a fishway deemed adequate by the Oregon Department of Fish and Wildlife (ODFW). If the subject pond is in-channel and fish are present, the certificate holder is directed to contact the ODFW Fish Passage Program Coordinator, P.O. Box 59, Portland, OR. 97207. If fish presence is in question, the certificate holder should contact the nearest ODFW Fish District office for a determination.

If water is to be diverted from an in-channel pond where fish are present, the certificate holder shall install, maintain and operate fish screening and by-pass devices as required by ORS 498.306 through ORS 498.346 and approved by ODFW. Contact the ODFW Fish Screening Program Coordinator, P.O. Box 59, Portland, OR. 97207. If fish presence is in question, the certificate holder should contact the nearest ODFW Fish District office for a determination.

The storage of water allowed herein is subject to the installation and maintenance of an outlet pipe, with a minimum diameter of 8", or the provision of other means to evacuate water when determined necessary for public safety or to satisfy prior downstream rights as determined by the Water Resources Director.

The right to store and use the water for the above purpose is restricted to beneficial use at the place of use listed above.

WITNESS the signature of the Water Resources Director, affixed FEBRUARY 27, 1996.

Martha O. Pagel

Martha V. B

Recorded in State Record of Water Right Certificates numbered 69587