STATE OF OREGON

COUNTY OF DOUGLAS

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

STATE OF OREGON DEPARTMENT OF FORESTRY 2424 WELLS ROAD ELKTON, OREGON 97436

confirms the right to use the waters of THE UMPQUA RIVER AND GALESVILLE RESERVOIR CONSTRUCTED UNDER PERMIT R-9964, a tributary of the PACIFIC OCEAN, for COMMERCIAL NURSERY USES ON 234.4 ACRES, TO INCLUDE IRRIGATION DURING THE PERIOD OCTOBER 1 THROUGH MARCH 31 OF EACH YEAR WHEN WATER CAN BE PUT TO BENEFICIAL USE FOR IMMEDIATE CROP GROWTH OR TO RAISE THE SOIL MOISTURE CONTENT TO BE UTILIZED BY PLANT GROWTH AND TO INCLUDE USE FOR TEMPERATURE CONTROL, FERTILIZATION, PESTICIDE APPLICATIONS, HARVESTING, TRANSPORTING, ROOT CULTURE AND DUST ABATEMENT.

This right was perfected under Permit 50154. The date of priority is OCTOBER 7, 1987. The amount of water to which this right is entitled is limited to an amount actually beneficially used and shall not exceed 4.8 CUBIC FEET PER SECOND, or its equivalent in case of rotation, measured at the point of diversion from the source.

The points of diversions are located as follows:

DIVERSION POINT 1 - SW 1/4 SE 1/4, SECTION 2, T 23 S, R 8 W, W.M.; 324.45 FEET NORTH AND 2164.25 FEET WEST FROM THE SE CORNER OF SECTION 2.

DIVERSION POINT 2 - NE 1/4 NE 1/4, SECTION 11, T 23 S, R 8 W, W.M.; 251.99 FEET SOUTH AND 476.49 FEET WEST FROM THE NE CORNER OF SECTION 11.

DIVERSION POINT 3 - NE 1/4 NE 1/4, SECTION 11, T 23 S, R 8 W, W.M.; 447.5 FEET SOUTH AND 37.5 FEET WEST FROM THE NE CORNER OF SECTION 11.

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

3.0 ACRES

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

NW 1/4 SW 1/4

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SW	1/4	SW	1/4	32.0	ACRES
SE	1/4	SW	1/4	3.0	ACRES
			SECTION	1	
SW	1/4	NE	1/4	3.5	ACRES
NE	1/4	NW	1/4	13.5	ACRES
SE	1/4	NW	1/4	34.1	ACRES
NE	1/4	SW			ACRES
SE	1/4	SW	1/4	2.4	ACRES
NE	1/4	SE	1/4	5.6	ACRES
NW	1/4	SE	1/4	30.0	ACRES
SW	1/4	SE	1/4	24.4	ACRES
SE	1/4	SE	1/4	38.1	ACRES
			SECTION	2	

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NE 1/4 NE 1/4 1.5 ACRES SECTION 11

NW 1/4 NW 1/4 12.2 SECTION 12 ALL PROJECTED WITHIN DLC 38 TOWNSHIP 23 SOUTH, RANGE 8 WEST, W.M.

This right is issued subject to the terms and conditions of an agreement between the State of Oregon, Department of Forestry and Douglas County, or a satisfactory replacement, a copy of which is on file in the records of the Water Resources Director.

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 FEBRUARY $\stackrel{>}{\sim}$ O , 1996.

Steven P. Applegate

Martha O. Pagel