STATE OF OREGON

COUNTY OF YAMHILL

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

LOUIS SCALVINI 13665 SE AMITY-DAYTON HIGHWAY DAYTON, OREGON 97114

confirms the right to use the waters of A WELL in the PALMER CREEK BASIN for NURSERY OPERATION ON 49.4 ACRES.

This right was perfected under Permit G-11556. The date of priority is APRIL 23, 1990. The amount of water to which this right is entitled is limited to an amount actually beneficially used and shall not exceed 0.33 CUBIC FOOT PER SECOND, or its equivalent in case of rotation, measured at the point of diversion from the source.

USE IS LIMITED TO THE PERIOD FROM NOVEMBER 1 THROUGH APRIL 30 OF EACH YEAR.

The well is located as follows:

NW 1/4 SE 1/4, SECTION 19, TOWNSHIP 4 SOUTH, RANGE 3 WEST, W.M.; 3190 FEET SOUTH AND 1930 FEET WEST FROM THE NE CORNER OF SECTION 19.

The amount of water used for NURSERY OPERATIONS is limited to a diversion of 0.15 cubic foot per second per acre. For the irrigation of containerized nursery plants, the amount of water diverted is limited to ONE-FORTIETH of one cubic foot per second (or its equivalent) and 5.0 acre feet per acre per year. For the irrigation of in ground nursery plants the amount of water diverted is limited to ONE-EIGHTIETH of one cubic foot per second (or its equivalent) and 2.5 acre feet per acre per year. The use of water for NURSERY OPERATIONS may be made at anytime of the year that the use is beneficial. For the irrigation of any other crop, the amount of water diverted is limited to ONE-EIGHTIETH of one cubic foot per second (or its equivalent) and 2.5 acre feet per acre during the irrigation season of each year.

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:

NW 1/4 NE 1/4 13.83 ACRES
SW 1/4 NE 1/4 25.95 ACRES
SE 1/4 NW 1/4 0.20 ACRE
NW 1/4 SE 1/4 9.42 ACRES
ALL AS PROJECTED WITHIN DLC 48
SECTION 19
TOWNSHIP 4 SOUTH, RANGE 3 WEST, W.M.

The well shall be maintained in accordance with the General Standards for the Construction and Maintenance of Water Wells in Oregon.

When required by the department, the user shall install and maintain a weir, meter or other suitable measuring device and shall keep a complete record of the amount of ground water withdrawn.

The Director may require water level or pump test results every ten years.

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The use of water shall be limited when it interferes with prior water rights of others.

This right is for beneficial use of water without waste. The water user is advised that new regulations may require use of best practical technologies or conservation practices to achieve this end.

Failure to comply with any of the provisions of this right may result in action including, but not limited to, restricting on the use, civil penalties, or cancellation of the right.

The right to use water for the above purpose is restricted to beneficial use on the lands or place of use described.

WITNESS the signature of the Water Resources Director, affixed JULY 8, 1996.

\s\ Steven P. Applegate

Martha O. Pagel

Recorded in State Record of Water Right Certificates numbered 72404.

BASIN 2

VOLUME 12A YAMHILL RIVER MISC. WELLS MGMT.CODE 3EW, 3HW, XXW

DISTRICT 16

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