STATE OF OREGON

COUNTY OF BAKER

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

PHILLIPS RANCH, INC. HCR 88 BOX 127 BAKER CITY, OREGON 97814

confirms the right to use the waters of POWDER RIVER, a tributary of SNAKE RIVER for IRRIGATION of 120.0 acres of land.

This right was confirmed by decree of the Circuit Court of the State of Oregon for BAKER County. The decree is of record at Salem, in the Order Record of the WATER RESOURCES DIRECTOR, in Volume 6, at Page 291. The date of priority is 1869.

The use is limited to 3.0 CUBIC FEET PER SECOND or its equivalent in case of rotation.

The point of diversion is located as follows:

SETTLERS SLOUGH DITCH - NW $\frac{1}{4}$ SW $\frac{1}{4}$, SECTION 21, 2160 FEET NORTH AND 30 FEET EAST FROM SW CORNER SECTION 21, T 9S, R 40E, W.M.

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-FORTIETH of one cubic foot per second for each acre irrigated during the irrigation season of each year.

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

NW 1/4 NW 1/4 40.0 acres SW 1/4 NW 1/4 40.0 acres SE 1/4 NW 1/4 40.0 acres

Section 36
TOWNSHIP 8 SOUTH, RANGE 39 EAST,

The issuance of this superseding certificate does not confirm the status of the water right in reference to ORS 540.610 pertaining to forfeiture or abandonment.

The right to the use of the water for the above purposes 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 FEB $2.5\ 1997$

Martha O. Pagel, Director

Recorded in State Record of Water Right Certificates numbered 73544. 4022.VC