

STATE OF OREGON
COUNTY OF YAMHILL
CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

C. CLAVERT KNUDSEN
DBA KNUDSEN VINEYARDS
17000 NE KNUDSEN LANE
DUNDEE, OREGON 97115

confirms the right to use the waters of AN UNNAMED STREAM AND KNUDSEN RESERVOIR CONSTRUCTED UNDER PERMIT R-11192, a tributary of HESS CREEK, for RECREATION.

This right was perfected under Permit 50837. The date of priority is AUGUST 21, 1989. The amount of water to which this right is entitled is limited to an amount actually beneficially used and shall not exceed 0.05 CUBIC FOOT PER SECOND, or its equivalent in case of rotation, measured at the point of diversion from the source.

The point of diversion is located as follows:

NW 1/4 SE 1/4, SECTION 28, T 3 S, R 3 W, W.M.; 1690 FEET NORTH AND 1775 FEET WEST FROM THE SE CORNER OF SECTION 28.

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 SE 1/4
SECTION 28
TOWNSHIP 3 SOUTH, RANGE 3 WEST, W.M.

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

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

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 18, 1997.

/S/ Richard D. Bailey

Martha O. Pagel

Recorded in State Record of Water Right Certificates numbered 74125.

BASIN 2

VOLUME 17 HESS CREEK & MISC.

DISTRICT 18

70041.JT