STATE OF OREGON

COUNTY OF UMATILLA

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

ANDERSON LAND & LIVESTOCK, INC. 49603 MCKAY CREEK ROAD PILOT ROCK, OR 97868

confirms the right to use the waters of MCKAY CREEK, a tributary of the UMATILLA RIVER, for SUPPLEMENTAL IRRIGATION OF 21.0 ACRES.

This right was perfected under Permit 6683. The date of priority is MARCH 11, 1925. The amount of water to which this right is entitled is limited to an amount actually beneficially used and shall not exceed 0.26 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 within the NW¼ NW¼ of SECTION 18, T 1 S, R 34 E, W M.

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

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to ONE-EIGHTIETH of one cubic foot per second per acre, or its equivalent in case of rotation, for each acre irrigated.

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

SW¼ NW¼ 8.0 ACRES SECTION 7 TOWNSHIP 1 SOUTH, RANGE 34 EAST, W.M.

SE¼ NE¼ 3.0 ACRES NE¼ NE¼ 10.0 ACRES SECTION 12 TOWNSHIP 1 SOUTH, RANGE 33 EAST, W.M.

This certificate is issued to correctly describe the place of use and to confirm the right modified by provisions of an order diminishing the right recorded at Special Order Volume 51 Page 1315, and supersedes Certificate 8784, State Record of Water Right Certificates.

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

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 JUN 12 1997

/s/ MARTHA O. PAGEL

Martha O. Pagel, Director

Recorded in State Record of Water Right Certificates numbered 74637.

S 10025.GLB