

STATE OF OREGON
COUNTY OF DESCHUTES
CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

BLACK BUTTE RANCH PROPERTY MANAGEMENT CORPORATION
P.O. BOX 8000
BLACK BUTTE RANCH, OREGON 97759

confirms the right to store the waters of INDIAN FORD CREEK, a tributary of SQUAW CREEK, in CINNAMON AND PHALAROPE RESERVOIRS, appropriated under Permit 44270, for SUPPLEMENTAL IRRIGATION.

The right to store these waters was perfected under Reservoir Permit R-7836. The date of priority is OCTOBER 9, 1978 FOR 13.4 ACRE-FEET (AF) AND JULY 25, 1979 FOR 8.8 AF. The amount of water entitled to be stored each year under this right is 22.2 AF, BEING 2.0 ACRE-FEET IN CINNAMON RESERVOIR AND 20.2 AF IN PHALAROPE RESERVOIR, PROVIDED THAT THE AMOUNT STORED IN PHALAROPE RESERVOIR TOGETHER WITH THE AMOUNT SECURED UNDER PERMIT R-8253 SHALL NOT EXCEED 20.2 AF.

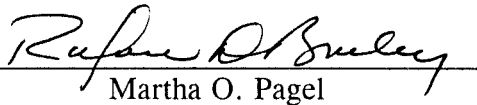
The reservoirs are located as follows:

E 1/2 NE 1/4
SW 1/4 NE 1/4
SE 1/4 NW 1/4
NE 1/4 SW 1/4
NW 1/4 SE 1/4
SECTION 9

W 1/2 NW 1/4
SECTION 10
TOWNSHIP 14 SOUTH, RANGE 9 EAST W.M.

The right to store and use the water for the above purpose is restricted to beneficial use at the place of use described.

WITNESS the signature of the Water Resources Director, affixed FEBRUARY 24, 1999.


Martha O. Pagel

Recorded in State Record of Water Right Certificates numbered 76003.

R-53360.BB