

STATE OF OREGON

COUNTY OF MARION

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

WINEMAKERS LLC
3131 ELLIOT AVE, SUITE 500
SEATTLE, WASHINGTON 98121

confirms the right to use the waters of A WELL in the BATTLE CREEK BASIN for IRRIGATION OF 70.0 ACRES.

This right was perfected under Permit G-11363. The date of priority is APRIL 5, 1991. The amount of water to which this right is entitled is limited to an amount actually beneficially used and shall not exceed 35.0 GALLONS PER MINUTE, or its equivalent in case of rotation, measured at the well.

The well is located as follows:

SE 1/4 NW 1/4, SECTION 25, TOWNSHIP 8 SOUTH, RANGE 3 WEST, W.M.; 620 FEET SOUTH AND 1230 FEET WEST FROM THE NE CORNER OF THE SE 1/4 NW 1/4 OF SECTION 25.

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 for each acre irrigated and shall be further limited to a diversion of not to exceed 2.5 acre-feet per acre for each acre irrigated 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:

SW 1/4 NW 1/4	18.4 ACRES
SE 1/4 NW 1/4	16.8 ACRES
NE 1/4 SW 1/4	20.8 ACRES
NW 1/4 SW 1/4	14.0 ACRES
SECTION 25	
TOWNSHIP 8 SOUTH, RANGE 3 WEST, W.M.	

The water user shall report a March static water level in the well to the Groundwater/Hydrology Section of the Water Resources Department by April 15 of each year. The measurement shall be made and calculations detailed by a certified water rights examiner, registered professional geologist, certified engineering geologist, or professional engineer.

Use of water from the well shall not be allowed if the well displays an (A) average water level decline of 3 or more feet per year for 5 consecutive years, or (B) a water level decline of 15 or more feet in fewer than 5 consecutive years, or (C) a water level decline of 25 or more feet, or (D) a hydraulic interference decline of 25 or more feet in any neighboring well with senior priority which provides water for an authorized use.

The Water Resources Department has determined that the initial water level in the well is that of the initial March report. That is the level from which the cited declines in (A), (B) and (C) above will be referenced.

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

The right to the use of the water for the above purpose is restricted to beneficial use without waste on the lands or place of use described. The water user is advised that new regulations may require the use of best practical technologies or conservation practices to achieve this end.

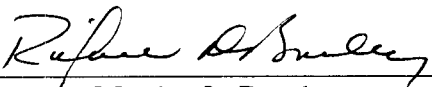
The use confirmed herein may be made only at times when sufficient water is available to satisfy all prior rights, including rights for maintaining instream flows.

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 water 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 Department may require the water user to submit the results of a pump test every ten years.

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 16, 1999.



Martha O. Pagel

Recorded in State Record of Water Right Certificates numbered 76257.