STATE OF OREGON

COUNTY OF WASHINGTON

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

MIDWAY NURSERY, INC. 14900 SW HILLSBORO HWY HILLSBORO, OREGON 97123

confirms the right to use the waters of AN UNNAMED STREAM AND MIDWAY NURSERY RESERVOIR, tributaries of McFEE CREEK, for PRIMARY NURSERY OPERATIONS ON 20.0 ACRES AND SUPPLEMENTAL NURSERY OPERATIONS ON 38.0 ACRES.

This right was perfected under Permit 51137. The date of priority is MAY 3, 1990. The amount of water to which this right is entitled is limited to an amount actually beneficially used and shall not exceed 6.24 CUBIC FEET PER SECOND, or its equivalent in case of rotation, measured at the point of diversion from the source. The use of water from direct flow under this right from the stream is not allowed during the period from May 1 through October 31 of each year. In the interest of conserving groundwater, this right may be exercised to satisfy the primary rights provided that the total quantity of water diverted from all sources does not exceed the limitations allowed herein.

The point of diversion is located as follows:

SE 1/4 SW 1/4, SECTION 8, TOWNSHIP 2 SOUTH, RANGE 2 WEST, W.M.; 1140 FEET NORTH AND 2325 FEET EAST FROM THE SW CORNER OF SECTION 8.

The amount of water used for NURSERY OPERATIONS is limited to a diversion of 0.15 cubic foot per second per acre. For the irrigation of **containerized nursery plants**, the amount of water diverted is limited to ONE-FORTIETH of one cubic foot per second (or its equivalent) and 5.0 acre feet per acre per year. For the irrigation of **in ground nursery plants** the amount of water diverted is limited to ONE-EIGHTIETH of one cubic foot per second (or its equivalent) and 2.5 acre feet per acre per year. The use of water for NURSERY OPERATIONS may be made at anytime, during the period of allowed use specified above, that the use is beneficial. For the irrigation of **any other crop**, the amount of water diverted is limited to ONE-EIGHTIETH of one cubic foot per second (or its equivalent) and 2.5 acre feet per acre 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:

PRIMARY

NE 1/4 SW 1/4 13.6 ACRES SE 1/4 SW 1/4 6.4 ACRES SECTION 8
TOWNSHIP 2 SOUTH, RANGE 2 WEST, W.M.

SUPPLEMENTAL

SW 1/4 NE 1/4 19.2 ACRES
SE 1/4 NW 1/4 18.8 ACRES
SECTION 8
TOWNSHIP 2 SOUTH, RANGE 2 WEST, W.M.

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

The right to use 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 use of best practical technologies or conservation practices to achieve this end.

By law, the land use associated with this water use must be in compliance with statewide land-use goals and any local acknowledged land-use plan.

The use of water allowed 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 NOVEMBER 30, 2000.