

STATE OF OREGON

COUNTY OF WASHINGTON

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

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

confirms the right to use the waters of AN UNNAMED STREAM AND MIDWAY NURSERY RESERVOIR ENLARGEMENT CONSTRUCTED UNDER PERMIT R-11266, tributaries of McFEE CREEK, for NURSERY OPERATIONS ON 45.1 ACRES.

This right was perfected under Permit 51390. The date of priority is June 17, 1991. The amount of water to which this right is entitled is limited to an amount actually beneficially used and shall not exceed 2.23 CUBIC FEET PER SECOND, or its equivalent in case of rotation, measured at the point of diversion from the source. USE OF WATER FROM DIRECT FLOW FROM THE STREAM IS NOT ALLOWED DURING THE PERIOD FROM APRIL 1 THROUGH NOVEMBER 30 EACH YEAR. This limitation does not apply to the waters legally stored in Midway Nursery Reservoir.

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:

SW 1/4 NE 1/4	8.4 ACRES
NE 1/4 SW 1/4	19.7 ACRES
NW 1/4 SW 1/4	8.7 ACRES
SE 1/4 SW 1/4	8.3 ACRES

SECTION 8
TOWNSHIP 2 SOUTH, RANGE 2 WEST, W.M.

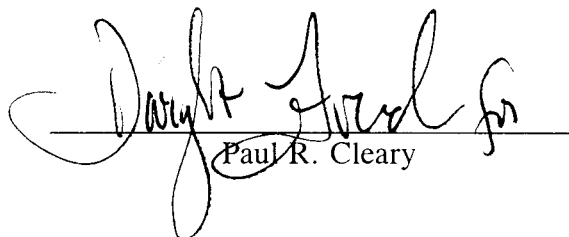
Failure to comply with any of the provision of this right may result in action including, but not limited to, restrictions on the use, civil penalties, or cancellation of the right.

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.



Paul R. Cleary

Recorded in State Record of Water Right Certificates numbered 76649.