STATE OF OREGON

COUNTY OF MALHEUR

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

RESERVOIR LAND COMPANY OF OREGON, INC. 1050 SANSOME STREET, SUITE 300 SAN FRANCISCO, CA 94111

confirms the right to use the waters of ONE WELL in the WILLOW CREEK BASIN for SUPPLEMENTAL IRRIGATION OF 157.0 ACRES.

This right was perfected under Permit G-11713. The date of priority is JUNE 24, 1991. The amount of water to which this right is entitled is limited to an amount actually beneficially used and shall not exceed 1.50 CUBIC FOOT PER SECOND, or its equivalent in case of rotation, measured at the well.

The well is located as follows:

NW 1/4 SE 1/4, SECTION 14, TOWNSHIP 14 SOUTH, RANGE 39 EAST, W.M.; 2040 FEET NORTH AND 2580 FEET WEST FROM THE SE CORNER OF SECTION 14.

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 3.0 acre-feet per acre for each acre irrigated during the irrigation season of each year. This right is limited to any deficiency in the available supply of any prior right existing for the same land.

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:

NW 1/4 SW 1/4 14.7 ACRES SW 1/4 SW 1/4 8.7 ACRES SECTION 13

SW 1/4 NE 1/4 2.5 ACRES SE 1/4 NE 1/4 0.7 ACRE NE 1/4 SE 1/4 38.5 ACRES NW 1/4 SE 1/4 39.6 ACRES SW 1/4 SE 1/4 23.2 ACRES SE 1/4 SE 1/4 29.1 ACRES

SECTION 14

TOWNSHIP 14 SOUTH, RANGE 39 EAST, W.M.

The well shall be maintained in accordance with the General Standards for the Construction and Maintenance of Water Wells in Oregon.

Measurement, recording and reporting conditions:

A. The water user shall install a meter or other suitable measuring device as approved by the Director. The water user shall maintain the meter or measuring device in good working order, shall keep a complete record of the amount of water used each month and shall submit a report which includes the recorded water use measurements to the Department annually or more frequently as may be required by the Director. Further, the Director may require the water user to report general water use information, including the place and nature of use of water under the right.

B. The water user shall allow the watermaster access to the meter or measuring device; provided however, where the meter or measuring device is located within a private structure, the watermaster shall request access upon reasonable notice.

The Director may require water level or pump test results every ten years.

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 shall be limited when it interferes with any prior surface or ground water rights.

The Director of the Water Resources Department finds the use of water described by this right, as conditioned, will not impair or be detrimental to the public interest.

WITNESS the signature of the Water Resources Director, affixed JUNE 29, 2001.

Wight Struct for Paul R. Cleary