

STATE OF OREGON

COUNTY OF LANE

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

DR. KENNETH SKAAR AND RUTH M. SKAAR
C/O CINDY CANNON
48560 McKENZIE HWY
VIDA, OR 97488

confirms the right to use the waters of WILLAMETTE BASIN PROJECTS RESERVOIRS
CONSTRUCTED UNDER PERMIT R-5363 UPSTREAM FROM THE POINT OF RE-DIVERSION
(BLUE RIVER AND COUGAR RESERVOIRS), tributaries of McKENZIE RIVER, for
IRRIGATION OF 0.71 ACRE.

This right was perfected under Permit 51639. The date of priority is SEPTEMBER 3, 1991. The
amount of water to which this right is entitled is limited to an amount actually beneficially used and
shall not exceed 1.78 ACRE-FEET STORED WATER ONLY, or its equivalent in case of rotation,
measured at the point of diversion from the source. The period of the allowed use under this right is
limited to **April 1 through September 30 of each year.**

The points of diversion are located as follows:

BLUE RIVER RESERVOIR - SE 1/4 SE 1/4, SECTION 16, TOWNSHIP 16 SOUTH, RANGE 4
EAST, W.M.;

COUGAR RESERVOIR - SW 1/4 NW 1/4, SECTION 32, TOWNSHIP 16 SOUTH, RANGE 5
EAST, W.M.; AND

McKENZIE RIVER RE-DIVERSION - SE 1/4 SW 1/4, SECTION 4, TOWNSHIP 17 SOUTH,
RANGE 3 EAST, W.M.; 570 FEET NORTH AND 1384 FEET WEST OF THE SOUTH 1/4
CORNER, SECTION 4.

The amount of water used for irrigation, together with the amount secured under any other right
existing for the same lands, is limited to 2.5 acre-feet per acre for each acre irrigated during the
irrigation season of each year from stored water only.

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:

SE 1/4 SW 1/4 0.71 ACRE
SECTION 4
TOWNSHIP 17 SOUTH, RANGE 3 EAST, W.M.

Measurement, recording and reporting conditions:

- A. The Director may require the water user to install a meter or other suitable measuring device
as approved by the Director. If the Director notifies the water user to install a meter or other
measuring device, the water user shall install such device within the period stated in the notice.
Such installation period shall not be less than 90 days unless special circumstances warrant a
shorter installation period. Once installed, the water user shall maintain the meter or
measuring device in good working order and shall allow the watermaster access to the meter or
measuring device. The Director may provide an opportunity for the water user to submit
alternative measuring procedures for review and approval.

- B. The Director may require the water user to keep and maintain a record of the amount (volume) of water used and may require the water user to report water use on a periodic schedule as established by the Director. In addition, the Director may require the water user to report general water use information, the periods of water use and the place and nature of use of water under the right. The Director may provide an opportunity for the water user to submit alternative reporting procedures for review and approval.

The water user shall comply with the terms and conditions of Water Service Contract No. 2-07-10-W0917, dated July 23, 1992, or a satisfactory replacement, between the Bureau of Reclamation and the water user, a copy of which is on file in the records of the Water Resources Department.

Diversion screening or fish passage facilities shall be designed, installed, and operated to Oregon Department of Fish and Wildlife specifications.

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.

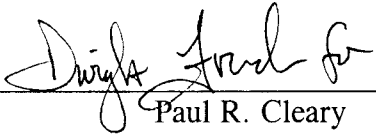
The right to use water for the above purpose is restricted to beneficial use, without waste, on the lands or place of use described. The water user is advised that new regulations may require use of best practical technologies or conservation practices to achieve this end.

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 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 Director 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.


Paul R. Cleary

Recorded in State Record of Water Right Certificates numbered 76990.