STATE OF OREGON

COUNTY OF JACKSON

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

FAYDREX, INC. C/O SHERRILL ROWBOTHAM P.O. BOX 568 PLEASANT HILL, OREGON 97455

confirms the right to use the waters of the ROGUE RIVER, a tributary of the PACIFIC OCEAN, for IRRIGATION OF 31.3 ACRES.

This right was confirmed by decree of the Circuit Court of the State of Oregon for JACKSON County. The decree is of record at Salem, in the Order Record of the WATER RESOURCES DIRECTOR, in Volume 16, at Page 523. The date of priority is 1898.

The amount of water to which this right is entitled is limited to an amount actually beneficially used and shall not exceed 0.782 CUBIC FOOT PER SECOND or its equivalent in case of rotation, measured at the point of diversion from the source.

The point of diversion is located as follows:

LOT 2 (SW% NW%), SECTION 32, T 35 S, R 1 W, W.M.; 1720 FEET SOUTH AND 270 FEET EAST FROM THE NW CORNER, SECTION 32.

A description of the place of use to which this right is appurtenant is as follows:

Cancelled due to LOT 2 (SW% NW%) 17.1 ACRES T- 2731; Sp. Or. NW1/ SW1/ 14.2 ACRES vol. SHIPPRSEDED BY SECTION 32

CERT NO 88648 TOWNSHIP 35 SOUTH, RANGE 1 WEST, W.M.

The issuance of this superseding certificate does not confirm the status of the water right in regard to the provisions of ORS 540.610 pertaining to forfeiture or abandonment.

The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described and is subject to all other conditions and limitations contained in said decree.

This certificate describes that portion of the water right confirmed by Certificate 57596, State Record of Water Right Certificates, NOT modified by the provisions of an order of the Water Resources Director entered ________, approving Transfer Application 8665.

WITNESS the signature of the Water Resources Director,

affixed _____OCT 1 5 2001

Paul R. Cleary, Director

"uncelled due to

Recorded in State Record of Water Right Certificates numbered 77750.

T-8665.TRV