

STATE OF OREGON
COUNTY OF MALHEUR
CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

U.S. BUREAU OF LAND MANAGEMENT
100 OREGON STREET
VALE, OREGON 97918

BLM No. 5592

confirms the right to store the waters from PALOMINO CREEK, a tributary of the OWYHEE RIVER in PALOMINO CREEK RESERVOIR #2 for LIVESTOCK and WILDLIFE.

The right to store these waters was perfected under Reservoir Permit R-8687. The date of priority is AUGUST 6, 1979. The amount of water entitled to be stored each year under this right is not more than 3.10 ACRE-FEET.

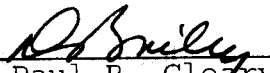
The reservoir is located as follows:

NE 1/4 NW 1/4
SECTION 13
TOWNSHIP 31 SOUTH, RANGE 38 EAST, W.M.

The storage of water allowed herein is subject to the installation and maintenance of an outlet pipe, or the provisions of other means to evacuate water when determined necessary by the Water Resources Director to satisfy prior downstream rights.

The right to store and use the water for the above purpose is restricted to beneficial use at the place of use described.

WITNESS the signature of the Water Resources Director, affixed February 1, 2002.


Paul R. Cleary

Recorded in State Record of Water Right Certificates numbered 79106.

R-59037.GB