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

confirms the right to enlarge LOWER DUGOUT CREEK RESERVOIR constructed under PERMIT R-3368 and storage of water from DUGOUT CREEK, a tributary of the MALHEUR RIVER for LIVESTOCK and WILDLIFE.

The right to store these waters was perfected under Reservoir Permit R-8730. 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 1.37 ACRE-FEET.

The reservoir is located as follows:

SE 1/4 NW 1/4
SECTION 22
TOWNSHIP 21 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 79122.

R-59090.GB