STATE OF OREGON

COUNTY OF UMATILLA

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

B&G RESOURCES, INC. 18270 SW BOONES FERRY ROAD PORTLAND, OREGON 97227

confirms the right to use the waters of the UMATILLA RIVER and McKAY RESERVOIR, constructed under Application R-7526 and Permit R-584, tributary of the COLUMBIA RIVER, for IRRIGATION OF 26.2 ACRES.

This right was perfected under Permit 16393. The date of priority is JULY 3, 1945. The amount of water to which this right is entitled is limited to an amount actually beneficially used and shall not exceed 0.655 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:

SE% NE%, SECTION 12, TOWNSHIP 2 NORTH, RANGE 30 EAST, W.M..

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-FORTIETH 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 4.5 acre-feet for each acre irrigated during the irrigation season of each year.

The use shall conform to such reasonable rotation system as may be ordered by the proper state officer.

The use of water shall be subject to Contract Number 14-06-100-1336, or successor contract, with the Bureau of Reclamation.

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

SW¼ SE¼ 6.1 ACRES SECTION 1

NE¼ NE¼ 11.1 ACRES NW¼ NE¼ 8.9 ACRES SE¼ NE¼ 0.1 ACRE

SECTION 12

TOWNSHIP 2 NORTH, RANGE 30 EAST, W.M.

This certificate describes that portion of the water right confirmed by Certificate 76631, State Record of Water Right Certificates, NOT modified by the provisions of an order of the Water Resources Director entered ______, approving Transfer Application 8718.

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.

WITNESS the signature of the Water Resources ${\sf JAN~2~0~2004}$

Director, affixed

Paul R. Cleary, Director

Recorded in State Record of Water Right Certificates numbered 80564.

T-8718.KDD