STATE OF OREGON

COUNTY OF MARION

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

MILLER FORESTS, INC. P.O. BOX 12395 SALEM, OREGON 97309

confirms the right to use the waters of CLEAR LAKE, a tributary of the WILLAMETTE RIVER, for SUPPLEMENTAL IRRIGATION OF 36.4 ACRES.

This right was perfected under Permit 27951. The date of priority is MARCH 28, 1962. The amount of water to which this right is entitled is limited to an amount actually beneficially used and shall not exceed 0.53 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:

NW% NE%, AS PROJECTED WITHIN SMITH DLC 69, SECTION 27, T 6 S, R 3 W, W.M.; 700 FEET SOUTH AND 1960 FEET WEST FROM THE NE CORNER OF SMITH DLC 69.

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-EIGHTIETH 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 2% 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.

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

NW¼ NW¼ 0.4 ACRE
AS PROJECTED WITHIN SMITH DLC 69
SECTION 26

NE% NE% 10.4 ACRES
NW% NE% 1.2 ACRES
SW% NE% 6.2 ACRES
SE% NE% 18.2 ACRES
ALL AS PROJECTED WITHIN SMITH DLC 69
SECTION 27

TOWNSHIP 6 SOUTH, RANGE 3 WEST, W.M.

This certificate describes that portion of the water right confirmed by Certificate 35020, State Record of Water Right Certificates, NOT modified by the provisions of an order of the Water Resources Director entered ________, approving Transfer Application 9377.

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

Director, affixed MARCH 10, 2004.

Paul R. Cleary, Director

Recorded in State Record of Water Right Certificates numbered 80640.