STATE OF OREGON

COUNTY OF HOOD RIVER

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

TALLMAN ORCHARDS INC. 3322 THOMSEN ROAD HOOD RIVER, OREGON 97031

confirms the right to use the waters of NEAL CREEK, a tributary of HOOD RIVER, for the purpose of IRRIGATION OF 27.0 ACRES.

The right has been confirmed by decree of the Circuit Court of the State of Oregon for HOOD RIVER County. The decree is of record at Salem, in the Order Record of the WATER RESOURCES DIRECTOR, in Volume 1, at page 464. The date of priority is 1871.

The amount of water to which this right is entitled is limited to an amount actually beneficially used and shall not exceed 0.34 CUBIC FOOT PER SECOND (IF AVAILABLE AT THE ORIGINAL POINT OF DIVERSION LOCATED WITHIN THE SW 1/4 SE 1/4, SECTION 25, TOWNSHIP 2 NORTH, RANGE 10 EAST, W.M.; 80 FEET NORTH AND 880 FEET EAST FROM THE SOUTH 1/4 CORNER OF SECTION 25), or its equivalent in case of rotation, measured at the points of diversion from the source.

The points of diversion are located as follows:

LOT 5, SW 1/4 NW 1/4, SECTION 6, TOWNSHIP 1 NORTH, RANGE 11 EAST, W.M.; 200 FEET NORTH AND 750 FEET EAST FROM THE W 1/4 CORNER OF SECTION 6; AND

SW 1/4 NE 1/4, SECTION 25, TOWNSHIP 2 NORTH, RANGE 10 EAST, W.M.; 30 FEET NORTH AND 160 FEET WEST FROM THE SOUTHEAST CORNER OF THE SW 1/4 NE 1/4, SECTION 25.

A description of the place of use under the right, and to which such right is appurtenant, is as follows:

NE 1/4 SE 1/4 27.0 ACRES SECTION 25

TOWNSHIP 2 NORTH, RANGE 10 EAST, W.M.

This is a final order in other than contested case. This order is subject to judicial review under ORS 183.484. Any petition for judicial review of the order must be filed within the 60 days of the date of service.

When in the judgment of the Watermaster it becomes necessary to install headgates and measuring devices:

The diversion works shall include an in-line flow meter, a weir, or other suitable device for measuring the water to which the water user is entitled; and

The type and plans of the measuring device be approved by the Watermaster before the beginning of construction work and that the weir or measuring device be installed under the general supervision of said Watermaster.

This certificate is issued to confirm a additional point of diversion approved by an order of the Water Resources Director entered February 17, 1987, and together with Certificate 55867, supersedes Certificate 43959, State Record of Water Right Certificates.

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 shall be subject to all other conditions and limitations contained in said decree.

THIS CERTIFICATE IS ISSUED TO CORRECTLY DESCRIBE THE RIGHT PERFECTED UNDER THE TERMS AND CONDITIONS OF THE SPECIAL ORDER RECORDED IN VOLUME 41, PAGE 79, SPECIAL ORDER RECORDS OF THE WATER RESOURCES DEPARTMENT APPROVING TRANSFER APPLICATION NO. T-5886 AND SUPERSEDES CERTIFICATE 80636.

Issued APRIL 22, 2004.

Paul R. Cleary, Director

Water Resources Department

Recorded in State Record of Water Right Certificates Number 80701.