

STATE OF OREGON
 COUNTY OF WASHINGTON
 CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

HERTEL AND HERB FARMS, INC.
 33670 NW HORNECKER ROAD
 HILLSBORO OREGON 97124

confirms the right to use the waters of DAIRY CREEK, a tributary of the TUALATIN RIVER, for IRRIGATION OF 43.8 ACRES AND SUPPLEMENTAL IRRIGATION OF 39.8 ACRES

This right was perfected under Permit S-18583. The date of priority is NOVEMBER 15, 1948. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 1.04 CUBIC FEET PER SECOND (CFS), BEING 0.54 CFS FOR IRRIGATION AND 0.50 CFS FOR SUPPLEMENTAL IRRIGATION, or its equivalent in case of rotation, measured at the point of diversion.

The point of diversion is located as follows:

| Twp | Rng | Mer | Sec | Q-Q | DLC |
|-----|-----|-----|-----|-------|-----|
| 1 N | 3 W | WM | 26 | SE SW | 49 |

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 2.5 acre-feet per acre 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:

| IRRIGATION | | | | | | |
|------------|-----|-----|-----|-------|-----|-------|
| Twp | Rng | Mer | Sec | Q-Q | DLC | Acres |
| 1 N | 3 W | WM | 26 | SW NE | 49 | 3.9 |
| 1 N | 3 W | WM | 26 | NE SW | 49 | 0.2 |
| 1 N | 3 W | WM | 26 | SE SW | 49 | 3.2 |
| 1 N | 3 W | WM | 26 | NW SE | 49 | 19.8 |
| 1 N | 3 W | WM | 26 | SW SE | 49 | 16.7 |

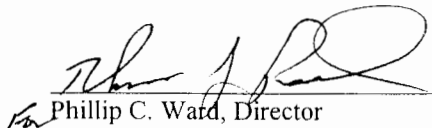
| SUPPLEMENTAL IRRIGATION | | | | | | |
|-------------------------|-----|-----|-----|-------|-----|-------|
| Twp | Rng | Mer | Sec | Q-Q | DLC | Acres |
| 1 N | 3 W | WM | 26 | SW NE | 49 | 15.5 |
| 1 N | 3 W | WM | 26 | SE NW | 49 | 5.1 |
| 1 N | 3 W | WM | 26 | NE SW | 49 | 8.2 |
| 1 N | 3 W | WM | 26 | NW SE | 49 | 11.0 |

This certificate is issued to confirm the right modified by provisions of an order recorded at Special Order Volume 63, Page 403, diminishing the right evidenced by Certificate 37496. This certificate supersedes Certificate 37496.

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 FEB 22 2005.


Phillip C. Ward, Director