

STATE OF OREGON

COUNTY OF GRANT

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

CLAUDIA HANHI AND GARY LAMBETH  
PO BOX 546  
CANYON CITY OR 97820

confirms the right to use the waters of LITTLE PINE CREEK, a tributary of JOHN DAY RIVER for MINING.

This right was perfected under Permit S-40285. The date of priority is MARCH 29, 1976. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 1.00 CUBIC FOOT PER SECOND or its equivalent in case of rotation, measured at the point of diversion.

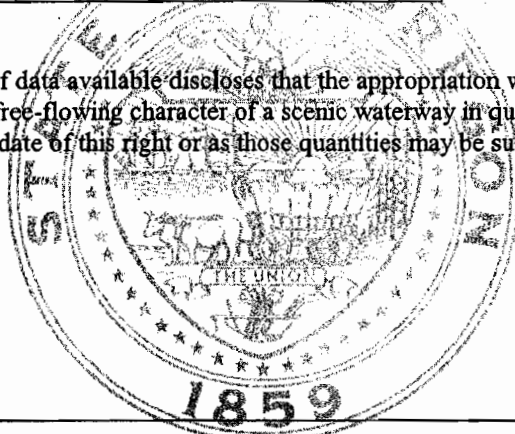
The point of diversion is located as follows:

Twp	Rng	Mer	Sec	Q-Q	GLot	DLC	Survey Coordinates
14 S	32 E	WM	5	NW SW			1350 FEET NORTH & 30 FEET EAST FROM SE CORNER, SECTION 6

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

MINING							
Twp	Rng	Mer	Sec	Q-Q	GLot	DLC	Acres
14 S	32 E	WM	6	SE NE	1		
14 S	32 E	WM	6	NE SE			

This use may be regulated if analysis of data available discloses that the appropriation will measurably reduce the surface water flows necessary to maintain the free-flowing character of a scenic waterway in quantities necessary for recreation, fish and wildlife in effect as of the priority date of this right or as those quantities may be subsequently reduced.

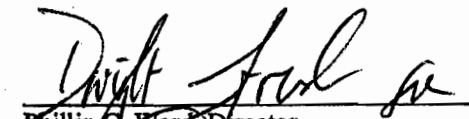


**NOTICE OF RIGHT TO PETITION FOR RECONSIDERATION OR JUDICIAL REVIEW**

This is an order in other than a contested case. This order is subject to judicial review under ORS 183.484. Any petition for judicial review must be filed within the 60-day time period specified by ORS 183.484(2). Pursuant to ORS 536.075 and OAR 137-004-0080, you may either petition for judicial review or petition the Director for reconsideration of this order. A petition for reconsideration may be granted or denied by the Director, and if no action is taken within 60 days following the date the petition was filed, the petition shall be deemed denied. In addition, under ORS 537.260 any person with an application, permit or water right certificate subsequent in priority may jointly or severally contest the issuance of the certificate at any time before it has issued, and after the time has expired for the completion of the appropriation under the permit, or within three months after issuance of the certificate.

The water user shall maintain and use adequate treatment facilities to remove sediments before returning the water to the stream.

WITNESS the signature of the Water Resources Director, affixed May 19 2006.

  
Phillip C. Ward, Director  
Water Resources Department