STATE OF OREGON

COUNTY OF KLAMATH

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

ALMEYDE RESOURCES INC. PO BOX 899 COTTAGE GROVE OR 97424

confirms the right to use the waters of SELLERS CREEK, a tributary of WILLIAMSON RIVER, for IRRIGATION of 131.9 ACRES.

This right was perfected under Permit S-34558. The date of priority is JULY 28, 1969. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 1.65 CUBIC FEET 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		
26 S	9 E	WM	11	SE NW			2000 FEET SOUTH & 1780 FEET EAST FROM		
					•		NW CORNER, SECTION 11		

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 3.0 acre-feet per acre for each acre irrigated during the irrigation season of each year. 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.

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

IRRIGATION								
Twp	Rng	Mer	Sec	Q-Q	GLot	DLC	Acres	
26 S	9 E	WM	11	SWNW			6.4	
26 S	9 E	WM	11	SENW	Martin Inc. Scale	Maria Lac	9.4	
26 S	9 E	WM	11	NE SW			40.0	
26 S	9 E	WM	11	NW SW			11.7	
26 S	9 E	WM	11	SW SW			6.0	
26 S	9 E	WM	11	SE SW	3		28.8	

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.

IRRIGATION										
Twp	Rng	Mer	Sec	Q-Q	GLot	DLC	Acres			
26 S	9 E	WM	11	NW SE			13.6			
26 S	9 E	WM	11	SW SE			16.0			

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.

WITNESS the signature of the Water Resources Director, affixed SEP 0 1 2006

Phillip Ward, Director Water Resources Department