This is a final 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.

STATE OF OREGON

COUNTY OF MORROW

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

FRITZ CUTSFORTH LAND COMPANY ROUTE 2 BOX 2225 HEPPNER, OREGON 97836

confirms the right to use the waters of MILK CANYON, a tributary of SAND HOLLOW CREEK, for SUPPLEMENTAL IRRIGATION OF 67.1 ACRES.

This right was perfected under Permit 49456. The date of priority is JUNE 21, 1985. This right is limited to 0.84 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:

NE 1/4 SE 1/4, SECTION 1, T 1 S, R 26 E, W.M.; 840 FEET SOUTH AND 1790 FEET EAST FROM THE CENTER 1/4 CORNER, SECTION 1.

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) and 3 acre-feet for each acre irrigated during the irrigation season of each year, provided further that although declared herein to be for supplemental irrigation the right allowed may, in the interest of conserving the ground water provided that the total quantity diverted from all sources of supply does not exceed the limitation allowed herein.

S-68404.JWG

Certificate Number 82209

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

NW 1/4 SE 1/4 14.0 ACRES SW 1/4 SE 1/4 18.3 ACRES SE 1/4 SE 1/4 3.8 ACRES

SECTION 35

TOWNSHIP 1 NORTH, RANGE 26 EAST, W.M.

NW 1/4 NE 1/4 9.8 ACRES NE 1/4 NW 1/4 1.1 ACRES SW 1/4 NE 1/4 16.1 ACRES NW 1/4 SE 1/4 4.0 ACRES SECTION 1

TOWNSHIP 1 SOUTH, RANGE 26 EAST, W.M.

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. The use confirmed herein may be made only at times when sufficient water is available to satisfy all prior rights, including rights for maintaining instream flows.

WITNESS the signature of the Water Resources Director, affixed

SEP 0 1 2006

Phillip C. Ward, Director Water Resources Department

Recorded in State Record of Water Right Certificates Number 82209.