

STATE OF OREGON

COUNTY OF LAKE

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

THOMAS A MACDONALD
PO BOX 87
SUMMER LAKE OR 97640

NORTHWEST FARM CREDIT SERVICES FLCA/PCA
PO BOX 148
KLAMATH FALLS OR 97601

confirms the right to use the waters of UNNAMED STREAM, a tributary of ANA RIVER, for IRRIGATION of 570.5 ACRES.

This right was perfected under Permit S-43260. The date of priority is MAY 24, 1978. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 14.3 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 | Survey Coordinates |
|------|------|-----|-----|-------|--|
| 30 S | 17 E | WM | 8 | NE NW | 780 FEET SOUTH AND 170 FEET WEST FROM N1/4 CORNER, SECTION 8 |

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-FORTIETH 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:

| Twp | Rng | Mer | Sec | Q-Q | Acres |
|------|------|-----|-----|-------|-------|
| 30 S | 17 E | WM | 4 | NW SW | 2.60 |
| 30 S | 17 E | WM | 4 | SW SW | 21.20 |
| 30 S | 17 E | WM | 4 | SE SW | 0.50 |
| 30 S | 17 E | WM | 5 | SW NE | 8.50 |
| 30 S | 17 E | WM | 5 | SE NE | 22.80 |
| 30 S | 17 E | WM | 5 | SE NW | 9.60 |
| 30 S | 17 E | WM | 5 | NE SW | 0.50 |

NOTICE OF RIGHT TO PETITION FOR RECONSIDERATION OR JUDICIAL REVIEW

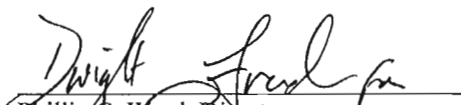
This is an order in other than a contested case. This order is subject to judicial review under ORS 183.484. Any petition for judicial review must be filed within the 60-day time period specified by ORS 183.484(2). Pursuant to ORS 536.075 and OAR 137-004-0080, you may either petition for judicial review 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.

| Twp | Rng | Mer | Sec | Q-Q | Acres |
|------|------|-----|-----|-------|-------|
| 30 S | 17 E | WM | 5 | NE SE | 37.60 |
| 30 S | 17 E | WM | 5 | NW SE | 36.80 |
| 30 S | 17 E | WM | 5 | SW SE | 29.60 |
| 30 S | 17 E | WM | 5 | SE SE | 35.80 |
| 30 S | 17 E | WM | 8 | NE NE | 40.00 |
| 30 S | 17 E | WM | 8 | NW NE | 30.00 |
| 30 S | 17 E | WM | 8 | SW NE | 8.80 |
| 30 S | 17 E | WM | 8 | SE NE | 19.40 |
| 30 S | 17 E | WM | 9 | SW NE | 1.60 |
| 30 S | 17 E | WM | 9 | NE NW | 10.80 |
| 30 S | 17 E | WM | 9 | NW NW | 39.50 |
| 30 S | 17 E | WM | 9 | SW NW | 32.00 |
| 30 S | 17 E | WM | 9 | SE NW | 27.30 |
| 30 S | 17 E | WM | 9 | NE SW | 40.00 |
| 30 S | 17 E | WM | 9 | NW SW | 15.60 |
| 30 S | 17 E | WM | 9 | SW SW | 5.40 |
| 30 S | 17 E | WM | 9 | SE SW | 9.60 |
| 30 S | 17 E | WM | 9 | NW SE | 28.00 |
| 30 S | 17 E | WM | 9 | SW SE | 40.00 |
| 30 S | 17 E | WM | 9 | SE SE | 17.00 |

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

JAN 26 2007

WITNESS the signature of the Water Resources Director, affixed _____.


 Phillip C. Ward, Director
 Water Resources Department