

STATE OF OREGON
 COUNTY OF MARION
 CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

TERRACE LAKE INC.
 2120 ROBINS LANE SE
 SALEM OR 97306

confirms the right to use the waters of A WELL in the Willamette Basin for IRRIGATION OF 1.4 ACRES AND POND MAINTENANCE OF A RESERVOIR, CONSTRUCTED UNDER PERMIT R-8098.

This right was perfected under Permit G-8792. The date of priority is JANUARY 16, 1979. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 0.038 CUBIC FOOT PER SECOND (CFS), BEING 0.018 CFS FOR IRRIGATION AND 0.02 CFS FOR POND MAINTENANCE, or its equivalent in case of rotation, measured at the well.

The well is located as follows:

Twp	Rng	Mer	Sec	Q-Q	Survey Coordinates
8 S	3 W	WM	23	NE SE	160 FEET SOUTH AND 730 FEET WEST FROM E1/4 CORNER, SECTION 23

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 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	Acres
8 S	3 W	WM	23	SE NE	0.1
8 S	3 W	WM	23	NE SE	1.3

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.

POND MAINTENANCE				
Twp	Rng	Mer	Sec	Q-Q
8 S	3 W	WM	23	NE SE

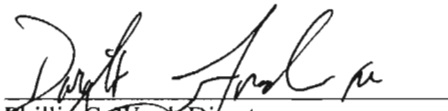
The well shall be maintained in accordance with the General Standards for the Construction and Maintenance of Water Wells in Oregon.

The works constructed shall include an air line and pressure gauge or an access port for measuring line, adequate to determine water level elevation in the well at all times.

The water user shall install and maintain a weir, meter, or other suitable measuring device and keep a complete record of the amount of ground water withdrawn.

The use of water shall be limited when it interferes with any prior surface or ground water rights.

WITNESS the signature of the Water Resources Director, affixed APR 27 2007.



Phillip E. Ward, Director
Water Resources Department