

STATE OF OREGON
 COUNTY OF DESCHUTES
 CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

STATE OF OREGON
 WATER RESOURCES DEPARTMENT

confirms the right to use the waters of DESCHUTES RIVER, a tributary of the COLUMBIA RIVER, for instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values.

This right was confirmed by decree of the Circuit Court of the State of Oregon for DESCHUTES COUNTY. The decree is of record at Salem, in the Order Record of the Water Resources Director, in Volume 12 at Page 282 and Volume 16 at Pages 148 and 396. The date of priority is September 1, 1899. The amount of water to which this right is entitled is limited to an amount actually beneficially used and shall not exceed the quantities described below:

| Season | Instream Water Right | |
|--|----------------------|---------|
| | Reach 1 | Reach 2 |
| Season 1 Rate (cfs): April 1 through 30, and October 1 through 31 | 0.384 | 0.209 |
| Season 2 Rate (cfs): May 1 through 14, and September 15 through 30 | 0.529 | 0.294 |
| Season 3 Rate (cfs): May 15 through September 14 | 0.967 | 0.532 |

The description of the stream reach in which flows are to be maintained is as follows:

Reach 1: From the location of the diversion authorized previously under Certificate 74145, being Swalley Main Canal (RM 165) located at:

| Twp | Rng | Mer | Sec | Q-Q | Survey Coordinates |
|------|------|-----|-----|-------|---|
| 17 S | 12 E | WM | 29 | SE NE | POD #3, SWALLEY MAIN CANAL: 985 FEET NORTH AND 617 FEET WEST FROM THE E1/4 CORNER OF SECTION 29 |

to the Deschutes River Ranch Direct Diversion POD #2 located at:

| Twp | Rng | Mer | Sec | Q-Q | Survey Coordinates |
|------|------|-----|-----|-------|--|
| 16 S | 12 E | WM | 17 | SW SE | POD 2: 1053 FEET NORTH AND 396 FEET EAST FROM THE SOUTH ¼ CORNER OF SECTION 17 |

Reach 2: From Deschutes River Ranch Direct Diversion POD #2 located at:

| Twp | Rng | Mer | Sec | Q-Q | Survey Coordinates |
|------|------|-----|-----|-------|--|
| 16 S | 12 E | WM | 17 | SW SE | POD 2: 1053 FEET NORTH AND 396 FEET EAST FROM THE SOUTH ¼ CORNER OF SECTION 17 |

to Lake Billy Chinook (RM 120) . .

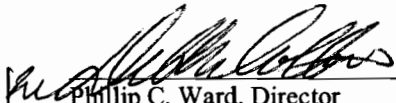
This is a final order in other than a contested case. This order is subject to judicial review under ORS 183.484. Any petition for judicial review must be filed within the 60 day time period specified by ORS 183.484(2). Pursuant to ORS 536.075 and OAR 137-004-0080 you may either petition for judicial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

The instream right established by this allocation of conserved water shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and shall be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise specified by a subsequent order establishing a new instream water right.

This certificate is issued to confirm an ALLOCATION OF CONSERVED WATER approved by an order of the Water Resources Director recorded in Special Order Volume 73, Page 212, approving Conserved Water Application CW-43, and together with the inchoate right created by the transfer which was part of CW-43 and the remaining right from Conserved Water Application CW-43, supercedes Certificate 74145, State Record of Water Right Certificates.

The right is subject to all other terms and conditions of Certificate 74145, and any related decree.

WITNESS the signature of the Water Resources Director, affixed 11 day of September, 2007.



Phillip C. Ward, Director