STATE OF OREGON

COUNTY OF GRANT

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

RUSSELL RICCO, President- Elmwood Ranch, Inc. 66886 Hwy 26 Prairie City, OR 97869

Confirms the right to use the waters of REYNOLDS CREEK, tributary to JOHN DAY RIVER for IRRIGATION of 66.9 ACRES.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Grant County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 15, at Page 461. The date of priority is 1868.

The amount of water to which such right is entitled, for the purposes aforesaid, is limited to an amount actually beneficially used for said purposes, and shall not exceed ONE-FORTIETH of one cubic foot per second per acre irrigated to June 1 and ONE-EIGHTIETH of one cubic foot per second per acre thereafter; further limited to 1.0 acre-foot per calendar month to June 1 and 4.0 acre-feet per acre during the season April 1 to September 30, measured at the point of diversion from the source.

Authorized Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Survey Coordinates
13 S	34 E	WM	26	SW NE	LATITUDE: NORTH 44 DEGREES 24 MINUTES 36.7 SECONDS LONGITUDE: WEST 118 DEGREES 33 MINUTES 56.5 SECONDS

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

Twp	Rng	Mer	Sec	Q-Q	Acres
13 S	34 E	WM	26	NE SW	7.1
13 S	34 E	WM	26	NE SE	0.3
13 S	34 E	WM	26	NW SE	37.7
13 S	34 E	WM	26	SW SE	21.8

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 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.

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Prior to October 1, 2010, the water user shall install and maintain an in-line flow meter, weir, or other suitable device for measuring and recording the quantity of water diverted. The type and plans of the measuring device must be approved by the Department prior to beginning construction and shall be installed under the general supervision of the Department. The water user shall maintain the existing headgate and shall make such improvements as may be required by the Department.

The water user shall maintain and operate a fish screening and/or by-pass device, as appropriate, at the point of diversion consistent with the Oregon Department of Fish and Wildlife's operational and maintenance standards.

And said right shall be subject to all other conditions and limitations contained in said decree. The right to the use of the water for the purposes aforesaid is restricted to the lands or place of use herein described.

The issuance of this superseding certificate does not confirm the status of the water right in regard to the provisions of ORS 540.610 pertaining to forfeiture or abandonment.

WITNESS the signature of the Water Resources Director, affixed

JAN 1 8 2008

Phillip C. Ward, Director