STATE OF OREGON

COUNTY OF LANE

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

MORSE BROS INC. DBA KNIFE RIVER CORPORATION AND MDU RESOURCES COMPANY 32260 OLD HWY 34
TANGENT OR 97389

confirms the right to the use of water perfected under the terms of Permit S-29217. The amount of water used to which this right is entitled is limited to the amount used beneficially, and shall not exceed the amount specified, or its equivalent in the case of rotation, measured at the point(s) of diversion from the source. The specific limits and conditions of the use are listed below.

SOURCE OF WATER: MIDDLE FORK WILLAMETTE RIVER THROUGH GEORGIA PACIFIC MILL RACE,

TRIBUTARY TO WILLAMETTE RIVER

PURPOSE OR USE: INDUSTRIAL AND MINING

MAXIMUM RATE: 1.3 CUBIC FEET PER SECOND

DATE OF PRIORITY: OCTOBER 16, 1963

The points of diversion/re-diversion are located as follows:

Twp	Rng	Mer	Sec	Q-Q	DLC	Measured Distances
18 S	2 W	WM	8	NW NE		RIVER DIVERSION - 450 FEET SOUTH AND 2150 FEET WEST FROM NE CORNER, SECTION 8
18 S	3 W	WM	1	NE NW	39	MILL RACE RE-DIVERSION - 370 FEET SOUTH AND 2370 FEET EAST FROM NW CORNER, SECTION 1

A description of the place of use is as follows:

Twp	Rng	Mer	Sec	Q-Q	GLot	DLC
18 S	3 W	WM	1	NE NW	11	
18 S	3 W	WM	1	NE NW		39
18 S	3 W	WM	1	NW NW	12	
18 S	3 W	WM	1	NW SW		
18 S	3 W	WM	2	NE NE	10	
18 S	3 W	WM	2	SE NE	11	
18 S	3 W	WM	2	NE SE	12	

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 183.482. Any petition for judicial review must be filed within the 60-day time period specified by ORS 183.482. Pursuant to ORS 183.482, ORS 536.075 and OAR 137-003-0675, you may petition for judicial review and 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 quantity of water diverted at the new points of diversion shall not exceed the quantity of water lawfully available at the

original points of diversion as follows:

Twp	Rng	Mer	Sec	Q-Q	DLC	Measured Distances
18 S	2 W	WM	8	NW NW	50	RIVER – 1150 FEET SOUTH AND 400 FEET WEST FROM SW CORNER OF ARTHUR DLC 63
18 S	3 W	WM	1	NE NW	39	MILL RACE RE-DIVERSION – NORTH 38 DEGREES 3 MINUTES 55 SECONDS EAST 3032 FEET FROM W1/4 CORNER OF SECTION 1

The water user shall collect any excess or return flow from the water diverted under this right in the existing settling basins located in NENW, Section 1, T18S, R3W, W.M. Any water discharged from the settling basins shall be discharged into the overflow channel of the Mill Race (also known as Quarry Creek) at the same location as the water user had discharged water prior to filing transfer application T-10968.

The Director may require the water user to install a totalizing flow meter or other suitable measuring devices at each point of diversion. If the Director notifies the water user to install totalizing flow meters or other measuring devices, the water user shall install such devices specified by the Director within the period allowed in the notice. Once installed, the water user shall maintain the meters or measuring devices in good working order and shall allow the Watermaster access to the meters or measuring devices.

When required by the Department, the water user shall install, maintain and operate a headgate to control and regulate the quantity of water diverted. The type and plans of the headgate 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 and operate a fish screen at the point of diversion consistent with the Oregon Department of Fish and Wildlife's operational and maintenance standards.

The right to the use of the water for the above purpose is restricted to beneficial use on the place of use described.

This certificate is issued to confirm changes in CHARACTER OF USE, PLACE OF USE, AND POINTS OF DIVERSION approved by an order of the Water Resources Director entered AUGUST 16, 2011, at Special Order Volume 85, Page 194, approving Transfer Application 10968, supersedes Certificate 35753, State record of Water Right Certificates.

Issued JUN **0 3** 2016

Water Right Services Division Administrator, for

Thomas M. Byler, Director Oregon Water Resources Department