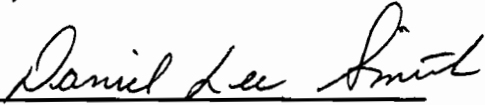


ASSIGNMENT OF WATER RIGHTS

I, Daniel Lee Smith of P. O. Box 884, Chiloquin, Oregon 97624, do hereby assign all my interest in and to water right permit #37151 as filed in the office of the Water Resources Director, to CARTER AIR BALANCE, INC. and JEFFREY CARTER and TAMI CARTER at P. O. Box 179, Napa, CA 94559.

Witness my hand this 17 day of August, 1988.



Daniel Lee Smith

To: Water Resources Director
3850 Portland Rd. N. E.
Salem, OR 97310

Attn: Thomas E. Shook

STATE OF OREGON, } ss
County of Marion.

I certify that the within was received by me on the 19th day of Aug., 1988, at 8 o'clock a.m., and was recorded in Miscellaneous Records, Vol. 7 Page 2041.

Water Resources Director

RECEIVED

AUG 19 1988

WATER RESOURCES DEPT.
SALEM, OREGON