



WATER RIGHT OWNERSHIP UPDATE FORM

STATE OF OREGON
WATER RESOURCES DEPT
158 12TH STREET N.E.
SALEM OREGON 97301-4172

RECEIVED
MAR 06 2003
WATER RESOURCES DEPT
SALEM, OREGON

NOTICE TO SELLERS & BUYERS:

By law, all water belongs to the public [ORS 537.110]. In almost every instance, a permit ("water right") from the **Water Resources Department** is needed before using, diverting; or storing water [ORS 537-130]. However, most domestic wells do not require water rights. A water right stays with the land. In order to keep track of water right ownership, ORS 537.330 requires persons selling property that has water right to: 1) provide evidence of the water right to the buyer and 2) notify the Water Resources Department of the water right involved with the real estate transaction. Sellers are exempted from this requirement if the water uses are served by a water district or a city.

Water that has been used for along time in one place or that involves a water structure (like a dam) that already exists is no guarantee that there is a water right which would allow the water use to continue.

If you have any questions about this form or water right requirements, please contact your local watermaster or call the **Water Resources Department at 503-378-8455**.

Note: Please type or print legibly when filling in the following information. Use additional paper if necessary.

Property Seller Information:

Applicant: Pioneer Resources
Mailing address: 19245 Tenth Avenue, NE
City: Poulsbo State: Oregon WA Zip: 98370
Phone: (360) 697-6626
Home Work Other

Property Buyer Information:

Applicant: Morrow County
Mailing address: P.O. Box 428
City: Lexington State: Oregon Zip: 97839
Phone: (541) 989-9500
Home Work Other

Property Description (attach additional pages if necessary):

County: Morrow Township: 6S Range: 25/26 E Section: See attached
Tax lot number(s): See attached

Metes & bounds description (or attach a copy of your property deed & tax lot map with the parcels highlighted):

Water Right Information (attach copy of water right permit or certificate & final proof map if available):

Application #: R-75924 Permit #: _____ Certificate #: 69915
Will all the lands associated with this water right be owned by the buyer? Yes No _____

Name of individual completing this form: Ember D. Krumwied Signature: _____

Phone: (360) 394-0689 Date: _____

STATE OF OREGON
COUNTY OF Morrow

CERTIFICATE OF WATER RIGHT (HB - 2153)

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SALEM, OREGON

THIS CERTIFICATE ISSUED TO

MARK E RIETMANN
KINZUA RESOURCES LLC
RT 1 BOX 3116
HEPPNER, OR 97836

confirms the right to store the waters of
JOHNSON CREEK AND UNNAMED STREAMS, TRIBUTARIES OF WILSON CREEK IN
FIVE RESERVOIRS
for LIVESTOCK AND WILDLIFE.

The right to store and use these waters was perfected under Reservoir Application R-75924.
The date of priority is January 1, 1993. The amount of water entitled to be stored and
used each year under this right is not more than 0.2175 ACRE-FOOT, BEING
0.022 AF IN RESERVOIR 1, 0.0661 AF IN RESERVOIR 2, 0.0275 AF IN
RESERVOIR 3, 0.0248 AF IN RESERVOIR 4 AND 0.0771 AF IN RESERVOIR 5

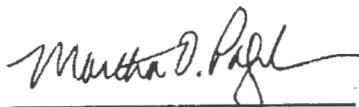
Located as follows:

NW 1/4 NW 1/4 SECTION 28, TOWNSHIP 6 SOUTH, RANGE 26 EAST WM. ✓
NW 1/4 NW 1/4 SECTION 33, TOWNSHIP 6 SOUTH, RANGE 26 EAST WM.
NE 1/4 NE 1/4 SECTION 33, TOWNSHIP 6 SOUTH, RANGE 26 EAST WM.
NE 1/4 NW 1/4 SECTION 27, TOWNSHIP 6 SOUTH, RANGE 26 EAST WM. ✓
NW 1/4 NE 1/4 SECTION 27, TOWNSHIP 6 SOUTH, RANGE 26 EAST WM. ✓

The storage of water allowed herein is subject to the installation and maintenance of an outlet pipe, with a minimum diameter of 8", or
the provision of other means to evacuate water when determined necessary for public safety or to satisfy prior downstream rights as
determined by the Water Resources Director.

The right to store and use the water for the above purpose is restricted to beneficial use at the place of use listed above.

WITNESS the signature of the Water Resources Director, affixed **FEBRUARY 27, 1996**.



Martha O. Pagel

Recorded in State Record of Water Right Certificates numbered **69915**

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SALEM, OREGON

EXHIBIT "A" LEGAL DESCRIPTION

TRACT I:

A portion of Sections 24, 25, 26, 34, & 35 all located in Township 6 South, Range 25, East of the Willamette Meridian, in the County of Morrow, and State of Oregon more particularly described as follows:

COMMENCING at the Southeast corner of Section 36 being the corner in common to Township 6 South Range 25 East and Township 6 South Range 26 East; thence North along the East line of Section 36 to the Southeast corner of Section 25 and the True Point of Beginning of this description; thence continuing North along the East line of Section 25 to the Northeast corner of said Section 25, said point being also the intersection of the centerline of Forest Service Road No. 21, AKA Kinzua Road No. S518 and Kinzua Cutoff Road N. S 518 J as recorded in Book 73, Page 135 of Morrow County Deed Records; thence along the center line of Kinzua Road No. S518 and Kinzua Cutoff Road No. S 518 J (AKA Forest Service Road No. 21) Westerly as described in Exhibit A of the Easement filed in Book 73, Page 139, through the Northeast Half of the Northeast Quarter of Section 25, the Southwest Quarter of the Southeast Quarter of Section 24, and the Southeast Quarter of the Southwest Quarter of Section 24 of Township 6 South, Range 25 East, W.M. to the Easterly right of way of Oregon State Highway No. 207; thence Southwesterly along the Easterly right of way of State Highway No. 207 to the intersection of the South Line of Section 34; thence East along the South line of Sections 34 & 35, said line being also the South line of Township 6 South, Range 25 East and the South line of Morrow County to the Southeast corner of Section of 35; Thence North along the East line of Section 35 to the Southwest corner of Section 25; thence East along the South line of Section 25 to the Southeast corner of Section 25 and Point of Beginning of this description. All being located in Township 6 South, Range 25, East of the Willamette Meridian, Morrow County, State of Oregon.

Parcel being subject to all roads and rights of way and subject to a 66 foot wide Easement for Forest Service Road No. 21 being 33 feet on each side of the centerline of said Road No. 21.

TRACT II:

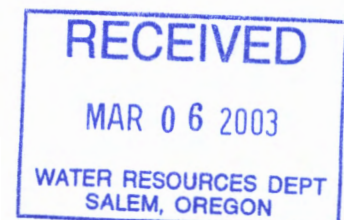
All or portions of Sections 19, 20, 21, 22, 23, 27, 28, 29, 30, 31, 32, 33, & 34 all located in Township 6 South, Range 26, East of the Willamette Meridian, in the County of Morrow, State of Oregon, more particularly described as follows:

BEGINNING at the Southwest corner of Section 31 being the corner in common to Township 6 South Range 25 East and Township 6 South Range 26 East and the True Point of Beginning of this description; thence East along the South line of Section 31, said line being the South line of Township 6 South Range 26 East and the South line of Morrow County, to the Southeast corner of said Section 31; thence North along the East line of Section 31 to the East Quarter corner, common to Sections 31 and 32; thence East along the Center line of Section 32 to the East Quarter corner, common to Sections 32 and 33; thence South along the East line of Section 32 to the Southeast corner of Section 32; thence East along the South line of Sections 33 and 34, said line being the South line of Township 6 South Range 26 East and the South line of Morrow County, to the Southeast corner of Section 34; thence North along the East line of Sections 34 and 27 to the Northeast corner of Section 27; thence East along the South line of Section 23 to the South Quarter, common to Sections 23 and 26; thence North along the Center line of Section 23 to the intersection of the center line of Kinzua Road No. S516 (Western Route), AKA Forest Service Road No. 21, as described in Book 69, Page 310, and microfilm No. M-9644 of the Morrow County Deed Records; thence Westerly along the center line Kinzua Road No.

S516, AKA Forest Service Road No. 21, through the East Half of the Northwest Quarter and the North Half of the Southwest Quarter of Section 23, the North Half of the Southeast Quarter, the Southeast Quarter of the Northwest Quarter and the Northwest Quarter of the Southwest Quarter of Section 22, the Northeast Quarter and the Southwest Quarter of the Southeast Quarter and the South Half of the Southwest Quarter of Section 21, the South Half of the South Half of Section 20, the Northeast Quarter of the Northeast Quarter of Section 30, and the South Half of the South Half of Section 19 to the intersection of the West line of Section 19, said point being also the Southeast corner of Section 24 of Township 6 South Range 25 East; Thence South along the West line of Sections 19, 30, and 31 to the Southwest corner of Section 31 and Point of Beginning of this description.

All being located in Township 6 South, Range 26, East of the Willamette Meridian, Morrow County, State of Oregon.

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PIONEER RESOURCES I

A LIMITED LIABILITY COMPANY

Olympic Resource Management, LLC - Manager for Pioneer Resources I

March 4, 2003

State of Oregon
Water Resource Department
158 12th Street NE
Salem, OR 97301-4172

RE: Water Right Ownership Update Form

Enclosed please find several update forms concerning a large tract of land that Pioneer Resources has recently sold. The new land owner is:

Morrow County
P.O. Box 428
Lexingotn, OR 97839

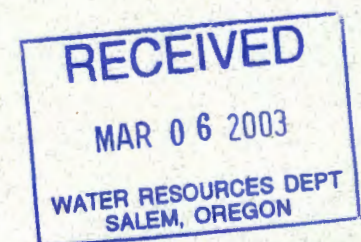
Please review the enclosed documents and feel free to contact me at (360) 394-0689 should you have any questions or require any additional information.

Sincerely,

Ember D. Krumwied
Land Records

cc: Morrow County
File

Enclosures

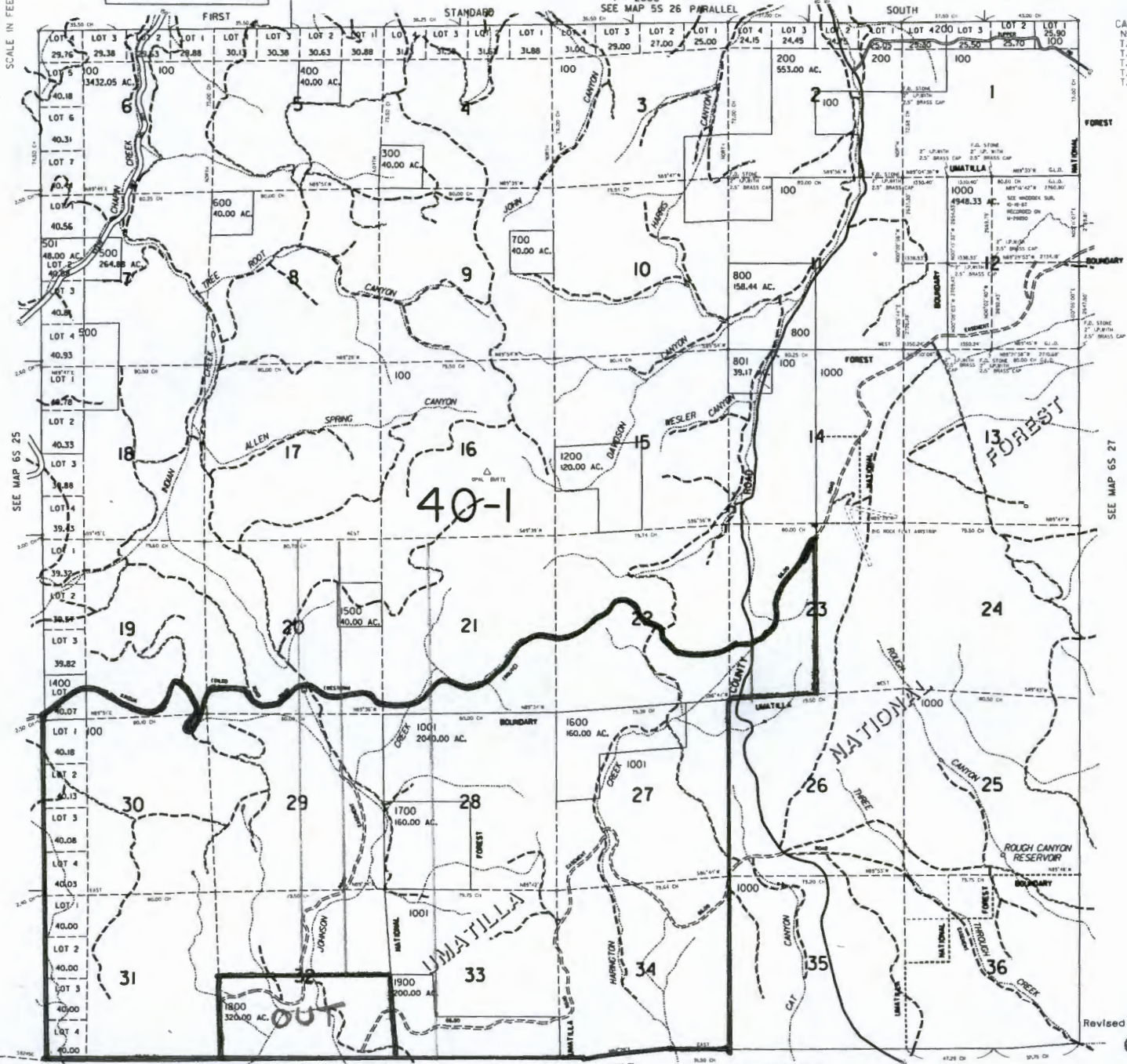


T.6S. R.26E. W.M.
MORROW COUNTY

6S 26

THIS MAP WAS PREPARED FOR
ASSESSMENT PURPOSE ONLY

1" = 2000'
SEE MAP 55 26 PARALLEL



CANCELLED NUMBERS
T.L. 900
T.L. 1100
T.L. 1500
T.L. 2000
T.L. 2100

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SALEM, OREGON

Revised 10/27/99, 9C

6S 26

GRANT

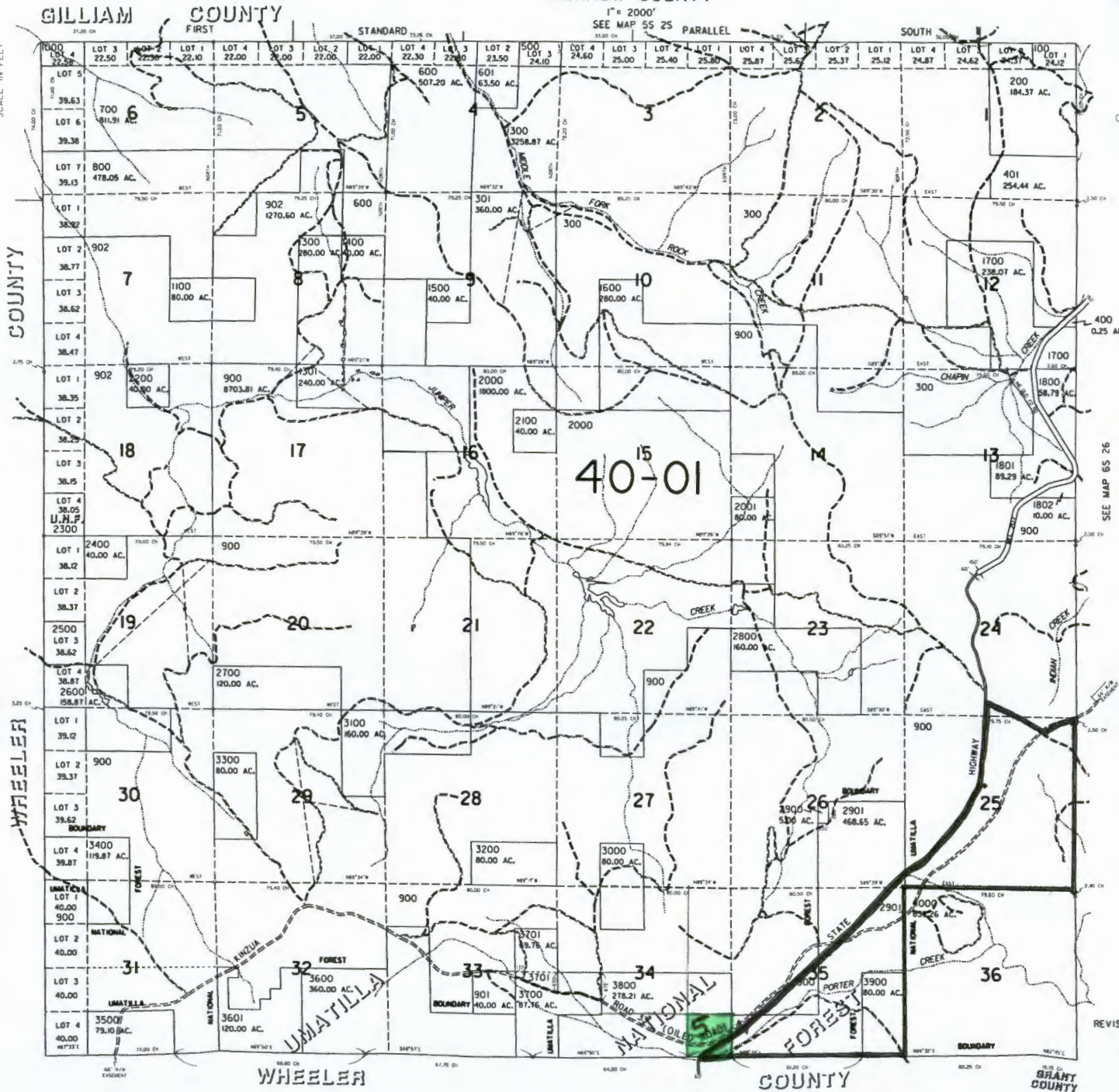
COUNTY

THIS MAP WAS PREPARED FOR
ASSESSMENT PURPOSE ONLY

T.6S. R.25E. W.M.
MORROW COUNTY

6S 25

0 2000 4000
SCALE IN FEET



CANCELLED
NUMBERS
T.L. 1900
T.L. 1200
T.L. 2000A1

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WATER RESOURCES DEPT
SALEM, OREGON

REVISED 8-13-98, CS

6S 25

WHEELER COUNTY

WHEELER COUNTY

WHEELER COUNTY

WHEELER COUNTY

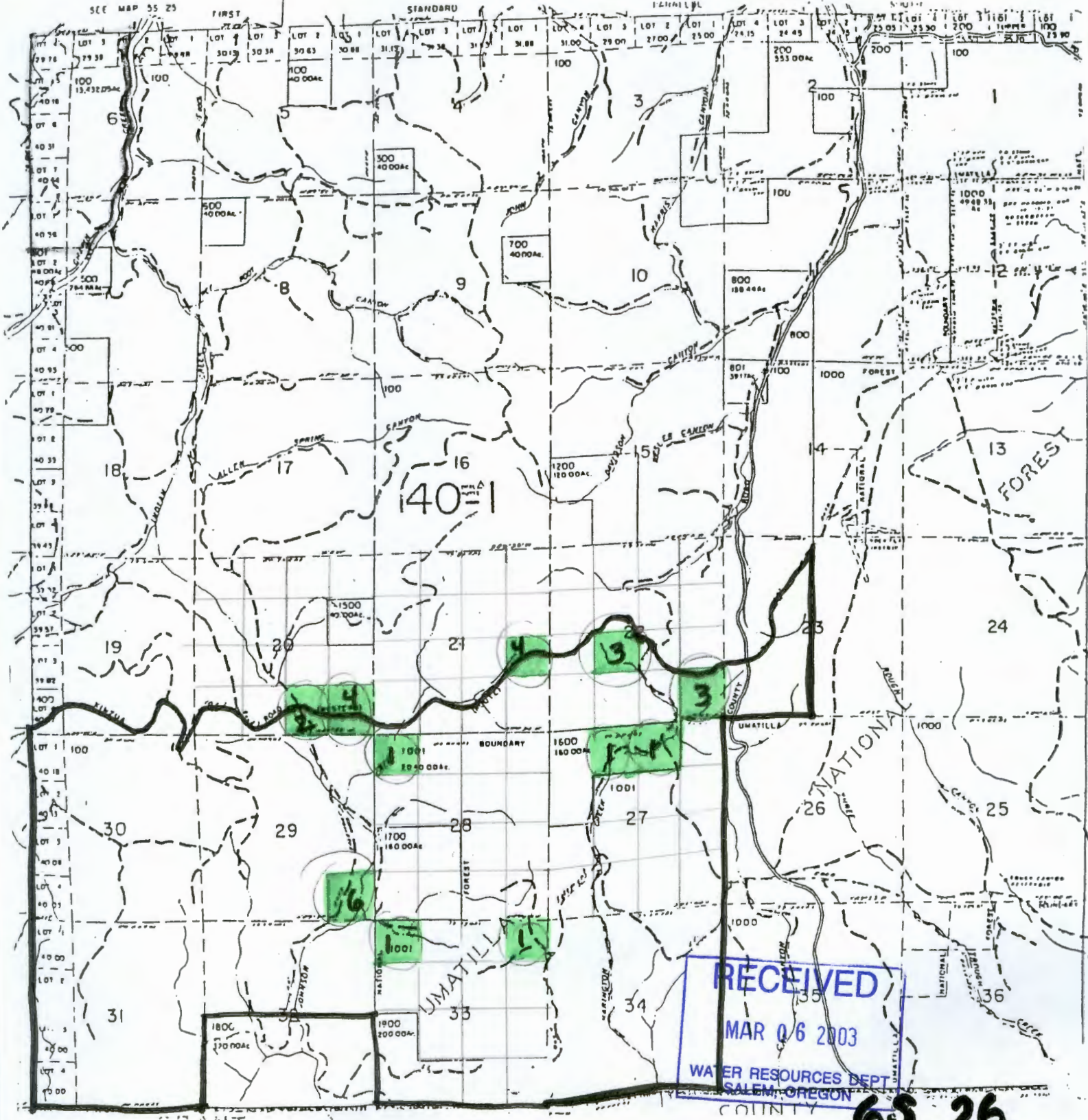
GRAHAM COUNTY

MTC Mid-Columbia Title Company

205 E. BOARDMAN AVE. / P.O. BOX 290 • BOARDMAN, OR 97818
 (541) 481-2280 • FAX (541) 481-3280

sketch is furnished as a courtesy only by Mid-Columbia Title Company and First American Title Company, and it is not a part of any Title Commitment or Policy of Title Insurance. This is furnished solely for the purpose of assisting in locating the premises and does not purport to show all highways, roads, or easements affecting the property. No reliance should be placed upon this sketch for location or dimensions of the property and no liability is assumed for the correctness thereof.

PTNTRACT I



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