STATE OF OREGON

COUNTY OF JACKSON

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

JAMES C. MILLER 3003 COVE ROAD ASHLAND, OREGON 97520

confirms the right to use the waters of A WELL in the BEAR CREEK BASIN for GENERAL INDUSTRIAL USES ASSOCIATED WITH QUARRY OPERATIONS TO INCLUDE WASHING OF CRUSHED ROCK, DUST ABATEMENT FOR HAUL ROADS, AND ROCK CRUSHER, EMISSION CONTROL FOR SCRUBBERS AT ASPHALT PLANT AND PRODUCTION OF CONCRETE.

This right was perfected under Permit G-10809. The date of priority is APRIL 13, 1988. This right is limited to 100.0 GALLONS PER MINUTE or its equivalent in case of rotation, measured at the well.

The well is located as follows:

SE 1/4 NE 1/4, SECTION 7, T 39 S, R 2 E, W.M.; 630 FEET SOUTH AND 794 FEET WEST FROM THE NE CORNER OF THE SE 1/4 NE 1/4 OF SECTION 7.

The use shall conform to such reasonable rotation system as may be ordered by the proper state officer.

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

SW 1/4 NW 1/4 NE 1/4 SW 1/4 NW 1/4 SW 1/4 SECTION 4

SE 1/4 SW 1/4 SECTION 6

W 1/2 NE 1/4 SE 1/4 NE 1/4 NE 1/4 NW 1/4 SECTION 7

N 1/2 NW 1/4 SW 1/4 NW 1/4 SECTION 8

TOWNSHIP 39 SOUTH, RANGE 2 EAST, W.M.

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The use of water under this right shall be further limited to appropriation of water only to the extent that it does not impair or substantially interfere with prior ground water rights of others, and limited to the appropriation of water only to the extent that such appropriation does not interfere with or deplete the flow of Bear Creek or any tributary thereof; any depletion of surface waters will require the well to be shut down, since use of the waters of Bear Creek and tributaries thereof have been withdrawn from further appropriation except for beneficial uses involving water legally stored in excess of the amount necessary for existing rights.

This right is issued subject to the maintenance and use of adequate treatment facilities to remove the sediment before returning water to any stream.

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

WITNESS the signature of the Water Resources Director, affixed JULY 24, 1992.

ISL MARTHA O. PAGEL

Martha O. Pagel

Recorded in State Record of Water Right Certificates numbered 67585.

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