STATE OF OREGON

COUNTY OF JOSEPHINE

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

MICHAEL R. GALLAGHER 6968 NEW HOPE ROAD GRANTS PASS, OREGON 97527

confirms the right to use the waters of SUMP WELL 1 WHEN AVAILABLE WITH ANY DEFICIENCY IN THE AVAILABLE SUPPLY FROM SUMP WELL 1 TO BE MADE UP BY APPROPRIATION FROM SUMP WELL 2 in the APPLEGATE RIVER BASIN for the purpose of IRRIGATION OUTSIDE THE ESTABLISHED IRRIGATION SEASON, SUPPLEMENTAL IRRIGATION DURING THE ESTABLISHED IRRIGATION SEASON AND FOR FROST CONTROL OF 10.9 ACRES. THE USE ALLOWED HEREIN FOR IRRIGATION PURPOSES MAY BE MADE ANY TIME WHEN WATER CAN BE PUT TO BENEFICIAL USE FOR IMMEDIATE CROP GROWTH OR FOR FORECAST REQUIREMENTS TO RAISE SOIL MOISTURE TO FIELD CAPACITY IN THE SOIL PROFILE TO BE UTILIZED BY PLANT GROWTH IN THE SUBSEQUENT GROWING SEASON.

The right has been perfected under Permit G-9652. The date of priority is FEBRUARY 24, 1980 FOR THE USE OF 49.0 GALLONS PER MINUTE (GPM) FOR IRRIGATION AND JULY 10, 1981 FOR THE USE OF 12.0 GPM FOR IRRIGATION AND 150.0 GPM FOR FROST CONTROL. The amount of water to which this right is entitled is limited to an amount actually beneficially used and shall not exceed 61.0 GPM FOR IRRIGATION AND 150.0 GPM FOR FROST CONTROL, or its equivalent in case of rotation, measured at the point of diversion from the source.

The wells are located as follows:

NE 1/4 NW 1/4, SECTION 24, T 37 S, R 6 W, W.M.; SUMP WELL 1 - 240 FEET SOUTH AND 1500 FEET EAST, FROM THE NW CORNER OF SECTION 24.

NE 1/4 NW 1/4, SECTION 24, T 37 S, R 6 W, W.M.; SUMP WELL 2 - 650 FEET SOUTH AND 1380 FEET EAST, FROM THE NW CORNER OF SECTION 24.

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, shall be limited to ONE-EIGHTIETH of one cubic foot per second per acre, and shall be further limited to a diversion of not to exceed 2.5 acre-feet per acre for each acre irrigated during the period from April 1 to November 1 and shall be further limited to a diversion of not to exceed 0.7 acre-foot per acre for each acre irrigated during the period from November 2 to March 31, provided further that the right allowed herein shall not exceed 2.5 acre-feet for each acre irrigated in any one year, provided further that the right allowed herein for supplemental irrigation shall be limited to any deficiency in the available supply of any prior right existing for the same lands and shall not exceed the limitation allowed herein.

THE HOLDER OF THIS RIGHT SHALL RECORD AND SUBMIT ANNUALLY TO THE WATER RESOURCES DEPARTMENT ALL PERTINENT DATA PERTAINING TO USE OF WATER FOR FROST CONTROL ON FORMS FURNISHED.

THE USE OF WATER IS SUBJECT TO THE INSTALLATION AND MAINTENANCE OF A WEIR, METER, OR OTHER SUITABLE MEASURING DEVICE, AND SHALL KEEP A COMPLETE RECORD OF THE AMOUNT OF GROUNDWATER WITHDRAWN.

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

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A description of the place of use under the right, and to which such right is appurtenant, is as follows:

NE 1/4 NW 1/4 10.9 ACRES SECTION 24 TOWNSHIP 37 SOUTH, RANGE 6 WEST, W.M.

The right to the use of the 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 22, 1998.

Martha O. Pagel

Recorded in State Record of Water Right Certificates numbered 75741.

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