STATE OF OREGON

COUNTY OF LINCOLN

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

JOHN KENNETH SMITH AND PEGGY DIANE SMITH 5139 SILETZ HWY LINCOLN CITY, OREGON 97367

confirms the right to use the waters of AN UNNAMED STREAM, a tributary of BARHAVEN CREEK, for DOMESTIC USE EXPANDED FOR ONE HOUSEHOLD LIMITED TO HUMAN CONSUMPTION ONLY DURING THE PERIOD OF AUGUST 1 THOUGH OCTOBER 31 OF EACH YEAR.

This right was perfected under Permit 52729. The date of priority is AUGUST 10, 1995. The amount of water to which this right is entitled is limited to an amount actually beneficially used and shall not exceed 0.01 CUBIC FOOT PER SECOND (CFS) NOVEMBER 1 THROUGH JULY 31 FOR DOMESTIC USE EXPANDED AND 0.005 CFS AUGUST 1 THROUGH OCTOBER 31 FOR HUMAN CONSUMPTION, or its equivalent in case of rotation, measured at the point of diversion from the source.

The point of diversion is located as follows:

NE 1/4 NW 1/4, SECTION 16, TOWNSHIP 8 SOUTH, RANGE 10 WEST, W.M.; 63 FEET NORTH AND 96 FEET WEST FROM THE NE CORNER OF LOT 2.

The water user may be required to install, maintain, and operate fish screening and by-pass devices as required by the Oregon Department of Fish and Wildlife to prevent fish from entering the diversion.

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:

LOT 2 (SE 1/4 NW 1/4) SECTION 16 TOWNSHIP 8 SOUTH, RANGE 10 WEST, W.M.

Measurement, recording and reporting conditions:

A. The Director may require the water user to install a meter or other suitable measuring device as approved by the Director. If the Director notifies the water user to install a meter or other measuring device, the water user shall install such device within the period stated in the notice. Such installation period shall not be less than 90 days unless special circumstances warrant a shorter installation period. Once installed, the water user shall maintain the meter or measuring device in good working order and shall allow the watermaster access to the meter or measuring device. The Director may provide an opportunity for the water user to submit alternative measuring procedures for review and approval.

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B. The Director may require the water user to keep and maintain a record of the amount (volume) of water used and may require the water user to report water use on a periodic schedule as established by the Director. In addition, the Director may require the water user to report general water use information, the periods of water use and the place and nature of use of water under the permit. The Director may provide an opportunity for the water user to submit alternative reporting procedures for review and approval.

Failure to comply with any of the provision of this right may result in action including, but not limited to, restrictions on the use, civil penalties, or cancellation of the right.

The right to use water for the above purpose is restricted to beneficial use, without waste, on the lands or place of use described. The water user is advised that new regulations may require use of best practical technologies or conservation practices to achieve this end.

The use confirmed herein may be made only at times when sufficient water is available to satisfy all prior rights, including rights for maintaining instream flows.

WITNESS the signature of the Water Resources Director, affixed NOVEMBER 25, 1998.

Martha O. Pagel