STATE OF OREGON

COUNTY OF MARION

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

LORENZO GHIGLIERI P.O. BOX 656 WILSONVILLE, OR 97070

confirms the right to store the waters of RUNOFF, a tributary of DEER CREEK, in RESERVOIRS 1, 2, 3 AND 4 RESERVOIR for AESTHETICS, RECREATION AND FISH USE.

The right to store these waters was perfected under Reservoir Permit R-11570. The date of priority is JUNE 4, 1993. The amount of water entitled to be stored each year under this right is not more than 13.09 ACRE-FEET(AF); BEING 8.5 AF IN RESERVOIR 1, 0.77 AF IN RESERVOIR 2, 0.41 AF IN RESERVOIR 3 AND 3.41 AF IN RESERVOIR 4. Water may be appropriated for storage during the period of November 1 through June 30 of each year.

The reservoirs are located as follows:

SE 1/4 SW 1/4 SW 1/4 SE 1/4 SECTION 10 TOWNSHIP 4 SOUTH, RANGE 1 WEST, W.M.

The storage of water allowed herein is subject to the installation and maintenance of an outlet pipe, or the provision of other means to evacuate water when determined necessary by the Water Resources Director to satisfy prior downstream rights.

Measurement, recording and reporting conditions:

- A. The water user shall install a meter or other suitable measuring device as approved by the Director. The water user shall maintain the meter or measuring device in good working order.
- B. The water user shall allow the watermaster access to the meter or measuring device; provided however, where the meter or measuring device is located within a private structure, the watermaster shall request access upon reasonable notice.
- C. 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 right. The Director may provide an opportunity for the water user to submit alternative reporting procedures for review and approval.

Use under this right is limited to the reservoir area. This right does not provide for the appropriation of water for maintaining the water level or maintaining a suitable fresh water condition.

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

PAGE 1 OF 2

R-73431.SB

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

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

WITNESS the signature of the Water Resources Director, affixed SEPTEMBER 30, 1999.

Martha O. Pagel