

STATE OF OREGON

COUNTY OF KLAMATH

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

JOHN & MARGIE DARK AND THOMAS & KATHY SILBERNAGEL
DBA D & S FARMS
28289 PICKETT ROAD
MALIN, OR 97632

confirms the right to use the waters of A WELL in the LOST RIVER BASIN for SUPPLEMENTAL IRRIGATION OF 293.0 ACRES.

This right was perfected under Permit G-12432. The date of priority is MAY 26, 1992. The amount of water to which this right is entitled is limited to an amount actually beneficially used and shall not exceed 3.66 CUBIC FEET PER SECOND, or its equivalent in case of rotation, measured at the well. The period of the allowed use of water under this right is limited to April 15 through October 15 of each year.

The well is located as follows:

SW 1/4 NW 1/4, SECTION 32, TOWNSHIP 40 SOUTH, RANGE 12 EAST, W.M.; SOUTH 71 DEGREES 27 MINUTES EAST 4564 FEET FROM THE NW CORNER OF SECTION 31.

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to ONE-EIGHTIETH of one cubic foot per second per acre, or its equivalent for each acre irrigated and shall be further limited to a diversion of not to exceed 2.5 acre-feet per acre for each acre irrigated during the irrigation season of each year. This right is limited to any deficiency in the available supply of any prior right existing for the same land.

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:

NE 1/4 NE 1/4	37.7 ACRES
NW 1/4 NE 1/4	40.1 ACRES
SW 1/4 NE 1/4	21.0 ACRES
SE 1/4 NE 1/4	38.8 ACRES
NE 1/4 NW 1/4	0.6 ACRE

SECTION 31

NE 1/4 NW 1/4	39.0 ACRES
NW 1/4 NW 1/4	39.4 ACRES
SW 1/4 NW 1/4	38.1 ACRES
SE 1/4 NW 1/4	38.3 ACRES

SECTION 32

TOWNSHIP 40 SOUTH, RANGE 12 EAST, W.M.

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, shall keep a complete record of the amount of water used each month and shall submit a report which includes the recorded water use measurements to the Department annually or more frequently as may be required by the Director. Further, the Director may require the water user to report general water use information, including the place and nature of use of water under the right.

- 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.

The well shall be maintained in accordance with the General Standards for the Construction and Maintenance of Water Wells in Oregon. The works shall be equipped with a usable access port, and may also include an air line and pressure gauge adequate to determine water level elevation in the well at all times.

The water user shall obtain a static water-level measurement for the well during March and October of each year and report the measurements to the Department. The measurement shall be made by a certified water rights examiner, registered geologist, licensed and surveyor or registered professional engineer, licensed water well constructors, licensed water well drillers or the landowner/water user. Water levels shall be reported as depth-to-water below ground level in feet and inches or to one-hundredth of a foot and shall be accompanied by supporting calculations. The water user shall report the static water level in the well to the Groundwater/Hydrology Section of the water Resources Department by April 15 and November 15 respectively, of each year.

If substantial interference with a senior surface or ground water right occurs due to withdrawal of water from the well listed on this right, then use of water from the well shall be discontinued, reduced or the schedule of withdrawal shall be regulated until the Department approves or implements an alternative administrative action to mitigate such interference. The use of water shall be limited when it interferes with any prior surface or ground water rights.

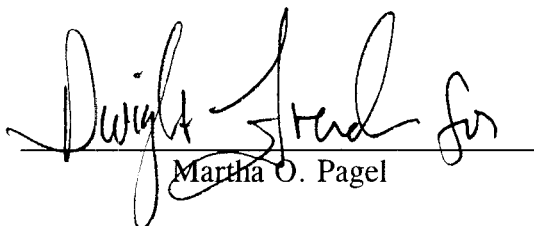
Failure to comply with any of the provision of this right may result in action including, but not limited to, restrictions on the use, civil penalties, or cancellation of the right.

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 Director may require water level or pump test results every ten years.

By law, the land use associated with this water use must be in compliance with statewide land-use goals and any local acknowledged land-use plan.

WITNESS the signature of the Water Resources Director, affixed JANUARY 25, 2000.


Martha O. Pagel

Recorded in State Record of Water Right Certificates numbered 76381.