

STATE OF OREGON

COUNTY OF COOS

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

BRIAN C. AND AMY J. ARRIOLA AND NORTHWEST FARM CREDIT SERVICES, FLCA  
TONY K. AND STEPHANIE J. ARRIOLA PO BOX 1490  
1365 NUTMEG STREET ROSEBURG, OR 97470-0356  
COQUILLE, OR 97423

confirms the right to use the waters of WELLS NO. 1 AND NO. 2 in the CROFT LAKE BASIN for NURSERY OPERATIONS ON 2.3 ACRES AND CRANBERRY OPERATIONS ON 12.0 ACRES.

This right was perfected under Permit G-11826. The date of priority is OCTOBER 4, 1991. The amount of water to which this right is entitled is limited to an amount actually beneficially used and shall not exceed 0.356 CUBIC FOOT PER SECOND(CFS); BEING 0.178 CFS FOR CRANBERRY OPERATIONS AND 0.008 CFS FOR NURSERY OPERATIONS FROM WELL NO. 1 AND 0.178 CFS FOR CRANBERRY OPERATIONS FROM WELL NO. 2 PROVIDED THE TOTAL QUANTITY OF WATER DIVERTED SHALL NOT EXCEED 0.356 CFS, or its equivalent in case of rotation, measured at the well.

The wells are located as follows:

WELL NO. 1 - SE 1/4 SE 1/4, SECTION 11, TOWNSHIP 30 SOUTH, RANGE 15 WEST, W.M.; 1100 FEET NORTH AND 660 FEET WEST FROM THE SE CORNER OF SECTION 11; AND

WELL NO. 2 - SE 1/4 SE 1/4, SECTION 11, TOWNSHIP 30 SOUTH, RANGE 15 WEST, W.M.; 5 FEET NORTH AND 20 FEET WEST FROM THE SE CORNER OF SECTION 11.

The amount of water diverted for CRANBERRY OPERATIONS, together with amounts secured under any other rights existing for the same lands, is limited as follows: For temperature control, 0.15 cubic foot per second per acre; For flood harvesting or pest control, 0.05 cubic foot per second per acre; For irrigation of cranberries, ONE-FORTIETH of one cubic foot per second and 3.0 acre-feet per acre for each acre irrigated during the irrigation season of each year. For the irrigation of any other crop, ONE-EIGHTIETH of one cubic foot per second and 2.5 acre-feet per acre for each acre irrigated during the irrigation season of each year.

The amount of water used for NURSERY OPERATIONS is limited to a diversion of 0.15 cubic foot per second per acre. For the irrigation of **containerized nursery plants**, the amount of water diverted is limited to ONE-FORTIETH of one cubic foot per second (or its equivalent) and 5.0 acre feet per acre per year. For the irrigation of **in ground nursery plants** the amount of water diverted is limited to ONE-EIGHTIETH of one cubic foot per second (or its equivalent) and 2.5 acre feet per acre per year. The use of water for NURSERY OPERATIONS may be made at anytime, during the period of allowed use specified above, that the use is beneficial. For the irrigation of **any other crop**, the amount of water diverted is limited to ONE-EIGHTIETH of one cubic foot per second (or its equivalent) and 2.5 acre feet per acre during the irrigation season of each year.

If substantial interference with a senior water right occurs due to withdrawal of water from any well listed on this permit, then use of water from the wells shall be discontinued or reduced and/or the schedule of withdrawal shall be regulated until or unless the Department approves or implements an alternative administrative action to mitigate the interference. The Department encourages junior and senior appropriators to jointly develop plans to mitigate interferences.

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:

	<u>Cranberry Operations</u>	<u>Nursery Operations</u>
SE 1/4 SE 1/4 SECTION 11	10.3 ACRES	2.3 ACRES
NE 1/4 NE 1/4 NW 1/4 NE 1/4 SECTION 13	0.1 ACRE 1.6 ACRES	
TOWNSHIP 30 SOUTH, RANGE 15 WEST, 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.

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.

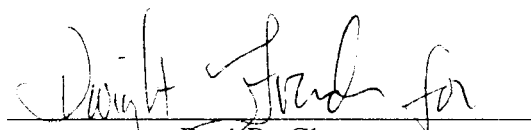
By law, the land use associated with this water use must be in compliance with statewide land-use goals and any local acknowledged land-use plan.

The use of water shall be limited when it interferes with any prior surface or ground water rights.

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

The Director finds the use of water described by this right, as conditioned, will not impair or be detrimental to the public interest.

WITNESS the signature of the Water Resources Director, affixed FEBRUARY 22, 2001.

  
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 Paul R. Cleary

Recorded in State Record of Water Right Certificates numbered 76791.