STATE OF OREGON

COUNTY OF LINN

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

ORSON GREENHOUSES, INC
31820 NORTH LAKE CREEK DRIVE
TANGENT, OREGON 97389

NW FARM CREDIT SERVICES, FLCA P.O. BOX 13309 SALEM, OREGON 97309

confirms the right to use the waters of WELL NO.'s 1 AND 2 in the CALAPOOIA RIVER BASIN for IRRIGATION OF 6.1 ACRES, INCLUDING 1.0 ACRES COVERED UNDER THE AGRICULTURAL USE PORTION OF THIS RIGHT AND AGRICULTURAL USE ON 2.84 ACRES INCLUDING 1.84 ACRES OF GREENHOUSES IRRIGATED UNDER PERMIT G-10964.

This right was perfected under Permit G-11965. The date of priority is DECEMBER 22, 1993. The amount of water to which this right is entitled is limited to an amount actually beneficially used and shall not exceed 0.0808 CUBIC FOOT PER SECOND, or its equivalent in case of rotation, measured at the wells.

The wells are located as follows:

WELL NO. 1 - SW 1/4 NE 1/4, AS PROJECTED WITHIN SETTLEMIRE DLC 63, SECTION 12, TOWNSHIP 12 SOUTH, RANGE 4 WEST, W.M.; 1370 FEET SOUTH AND 1360 FEET WEST OF THE NE CORNER OF SECTION 12; AND

WELL NO. 2 - SW 1/4 NE 1/4, AS PROJECTED WITHIN SETTLEMIRE DLC 63, SECTION 12, TOWNSHIP 12 SOUTH, RANGE 4 WEST, W.M.; 1640 FEET SOUTH AND 1690 FEET WEST OF THE NE CORNER OF SECTION 12.

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:

SW 1/4 NE 1/4

IRRIGATION
3.8 ACRES

AGRICULTURAL USE

SE 1/4 NE 1/4

2.3 ACRES

2.84 ACRES

BOTH AS PROJECTED WITHIN SETTLEMIRE DLC 63 SECTION 12

TOWNSHIP 12 SOUTH, RANGE 4 WEST, W.M.

This is a final order in other than contested case. This order is subject to judicial review under ORS 183.484. Any petition for judicial review of the order must be filed within the 60 days of the date of service.

G-13586.SB

Certificate Number 80985

The amount of water used for AGRICULTURAL USE 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 AGRICULTURAL USE may be made at anytime 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.

The well shall be maintained in accordance with the General Standards for the Construction and Maintenance of Water Wells in Oregon.

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

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.
- 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 right. The Director may provide an opportunity for the water user to submit alternative reporting procedures for review and approval.

In the event of a request for a change in point of appropriation, an additional point of appropriation or alteration of the appropriation facility associated with this authorized diversion, the quantity of water allowed herein, together with any other right, shall not exceed the capacity of the facility at the time of perfection of this right.

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If substantial interference with a senior water right occurs due to withdrawal of water from any well listed on this right, then use of water from the well(s) 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.

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.

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

THIS CERTIFICATE IS ISSUED TO CORRECT A CLERICAL ERROR DISCOVERED BY THE DEPARTMENT AND SUPERSEDES CERTIFICATE 80867 ISSUED AUGUST 25, 2004. THIS CERTIFICATE IS ISSUED TO CORRECTLY DESCRIBE THE TOTAL NUMBER OF ACRES IRRIGATED, TO CLARIFY THE LANDS INCLUDED UNDER THE AGRICULTURAL USE, AND TO CORRECTLY DESCRIBE THE LOCATION OF THE POINT OF APPROPRIATION.

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

Issued October 21, 2004.

Phillipe. Ward, Acting Director

Water/Resources Department

Recorded in State Record of Water Right Certificates Number 80985.

G-13586.SB