

STATE OF OREGON

COUNTY OF MULTNOMAH

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

MORSE BROTHERS INC.
32260 HWY 34
TANGENT OR 97389

confirms the right to use the waters of A WELL in the Multnomah Channel, in the Willamette Basin for INDUSTRIAL USE.

This right was perfected under Permit G-13515. The date of priority is AUGUST 18, 1997. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 0.10 CUBIC FOOT PER SECOND, measured at the well.

The well is located as follows:

Twp	Rng	Mer	Sec	Q-Q	GLot	DLC	Measured Distances
2 N	1 W	WM	28	SW NW	2		1930 FEET SOUTH & 560 FEET EAST FROM NW CORNER, SECTION 28

A description of the place of use to which this right is appurtenant is as follows:

Twp	Rng	Mer	Sec	Q-Q	GLot	DLC
2 N	1 W	WM	28	NW NW	1	
2 N	1 W	WM	28	SW NW	2	
2 N	1 W	WM	28	SE NW		
2 N	1 W	WM	29	NE NE		
2 N	1 W	WM	29	NW NE		
2 N	1 W	WM	29	SW NE		
2 N	1 W	WM	29	SE NE		
2 N	1 W	WM	29	SE NW		
2 N	1 W	WM	29	NE SW		
2 N	1 W	WM	29	SE SW		
2 N	1 W	WM	29	NE SE		
2 N	1 W	WM	29	NW SE		
2 N	1 W	WM	29	SW SE		
2 N	1 W	WM	29	SE SE		

NOTICE OF RIGHT TO PETITION FOR RECONSIDERATION OR JUDICIAL REVIEW

This is an order in other than a contested case. This order is subject to judicial review under ORS 183.484. Any petition for judicial review must be filed within the 60 day time period specified by ORS 183.484(2). Pursuant to ORS 536.075 and OAR 137-004-0080, you may either petition for judicial review or petition the Director for reconsideration of this order. A petition for reconsideration may be granted or denied by the Director, and if no action is taken within 60 days following the date the petition was filed, the petition shall be deemed denied. In addition, under ORS 537.260 any person with an application, permit or water right certificate subsequent in priority may jointly or severally contest the issuance of the certificate at any time before it has issued, and after the time has expired for the completion of the appropriation under the permit, or within three months after issuance of the certificate.

Measurement, recording and reporting conditions:

- A. 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.

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 interference.

Use of water from the well, as allowed herein, shall be controlled or shut off if the well displays:

- (A) An average water level decline of three or more feet per year for five consecutive years; or
- (B) A total water level decline of fifteen or more feet; or
- (C) A hydraulic interference decline of fifteen or more feet in any neighboring well providing water for senior exempt uses or wells covered by prior rights.

The water user shall install a meter or other suitable measuring device suitable to the Director, and shall submit an annual report of water used to the Department by December 1 of each year.

- (A) A water level measurement shall be made each year during the period March 1 through March 31.
- (B) All water level measurements shall be made by a qualified individual. Qualified individuals are certified water rights examiners, registered geologists, registered professional engineers, licensed land surveyors, licensed water well contractor, licensed pump installer, or the water user/appropriator.
- (C) Any qualified individual measuring a well shall use standard methods of procedure and equipment designed for the purpose of well measurement. The equipment used shall be well suited to the conditions of construction at the well. A list of standard methods of procedure and suitable equipment shall be available from the Department.
- (D) The water user/appropriator shall submit a record of the measurement to the Department on a form available from the Department. The record of measurement shall include both measurements and calculations, shall include a certification as to their accuracy signed by the individual making the measurements, and shall be submitted to the Department within 90 days from the date of measurement. The Department shall determine when any of the declines cited above are evidenced by the well measurement required herein.

The water user shall maintain adequate treatment facilities meeting current DEQ requirements to remove sediment before returning the water to the stream.

This right does not allow for water to be used for heap leach mining.

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

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.

This right is for the beneficial use of water without waste. The water user is advised that new regulations may require the use of best practical technologies or conservation practices to achieve this end.

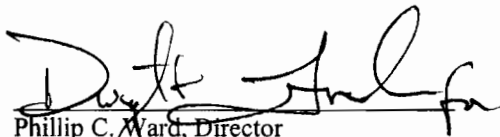
By law, the land use associated with this water use must be in compliance with statewide land-use goals and any local acknowledged land-use plan.

This certificate is issued to correctly identify the place of use and supersedes Certificate 85263, state record of water right certificates.

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

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

Issued FEB 18 2009.



Phillip C. Ward, Director
Water Resources Department