

STATE OF OREGON

COUNTY OF YAMHILL

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

BAILEY NURSERIES INC.
9855 NW PIKE RD
YAMHILL, OREGON 97148

confirms the right to use the waters of NORTH YAMHILL RIVER, a tributary of the YAMHILL RIVER for AGRICULTURAL USE FOR NURSERY OPERATIONS on 127.0 ACRES.

This right was perfected under Permit 51848. The date of priority is MARCH 2, 1990. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 1.75 CUBIC FEET PER SECOND or its equivalent in case of rotation, measured at the point of diversion.

The period of allowed use is November 1 through April 30.

The point of diversion is located as follows:

Twp	Rng	Mer	Sec	Q-Q	GLot	DLC	Measured Distances
3 S	4 W	WM	16	SW NW		54	380 FEET SOUTH & 2240 FEET WEST FROM NE CORNER, DLC 54

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 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. 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 each year.

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

NURSERY USES							
Twp	Rng	Mer	Sec	Q-Q	GLot	DLC	Acres
3 S	4 W	WM	16	SW NW		54	16.7
3 S	4 W	WM	16	SE NW		54	26.0
3 S	4 W	WM	16	NE SW		54	34.8
3 S	4 W	WM	16	NW SW		54	30.1

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.

NURSERY USES							
Twp	Rng	Mer	Sec	Q-Q	GLot	DLC	Acres
3 S	4 W	WM	16	SW SW		54	2.7
3 S	4 W	WM	16	SE SW		54	12.0
3 S	4 W	WM	17	SE NE		54	1.4
3 S	4 W	WM	17	NE SE		54	3.3

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.

The water user shall maintain and operate fish screening and by-pass devices as required by the Oregon Department of Fish and Wildlife to prevent fish from entering the diversion.

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.

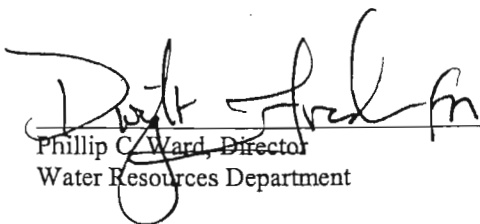
This right is limited to any deficiency in the available supply of any prior right existing for the same land.

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 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 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.

Issued MAY 08 2009


 Phillip C. Ward, Director
 Water Resources Department