STATE OF OREGON

COUNTY OF DESCHUTES

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

CLINE BUTTE UTILITY CO. 1230 GOLDEN PHEASANT DRIVE REDMOND OR 97756

confirms the right to use the waters of THREE WELLS (WELLS 6, 7 AND 8) in the Deschutes Basin for QUASI-MUNICIPAL USE.

This right was perfected under Permit G-11762. The date of priority is MAY 4, 1992. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 3.0 CUBIC FEET PER SECOND or its equivalent in case of rotation, measured at the well:

The wells are located as follows:

Well	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
8	15 S	12 E	WM	14	NW SW	1404 FEET NORTH & 281 FEET EAST FROM SW CORNER, SECTION 14
6	15 S	12 E	WM	15	SW SE	966 FEET NORTH & 1817 FEET WEST FROM SE CORNER, SECTION 15
7	15 S	12 E	WM	15	SW SE	930 FEET NORTH &1819 FEET WEST FROM SE CORNER, SECTION 15

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

Twp	Rng	Mer	Sec	Q-Q
15 S	12 E	WM	13	SW SW
15 S	12 E	WM	14	NE NW
15 S	12 E	WM	14	NWNW
15 S	12 E	WM	14	SWNW
15 S	12 E	WM	14	SE NW
15 S	12 E	WM	14	NE SW
15 S	12 E	WM	14	NW SW
15 S	12 E	WM	14	SW SW
15 S	12 E	WM	14	SE SW

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.

Twp	Rng	Mer	Sec	Q-Q
15 S	12 E	WM	14 .	NE SE
15 S	12 E	WM	14	NW SE
15 S	12 E	WM	14	SW SE
15 S	12 E	WM	14	SE SE
15 S	12 E	WM	15	SW NE
15 S	12 E	WM	15	SE NE
15 S	12 E	WM	15	NE SE
15 S	12 E	WM	15	NW SE
15 S	12 E	WM	15	SW SE
15 S	12 E	WM	15	SE SE
15 S	12 E	WM	22	NE NE
15 S	12 E	WM	22	NW NE
15 S	12 E	WM	22	SE NE
15 S	12 E	WM	23	NE NE
15 S	12 E	WM	23	NW NE
15 S	12 E	WM	23	SW NE
15 S	12 E	WM	23	SE NE
15 S	12 E	WM	23	NE NW
15 S	12 E	WM	23	NW NW
15 S	12 E	WM	23	SW NW
15 S	12 E	WM	23	SE NW
15 S	12 E	WM	23	NE SE
15 S	12 E	WM	23	NW SE
15 S	12 E	WM	24	NW NW
15 S	12 E	WM	24	SW NW
15 S	12 E	WM	24	NW SW
15 S	12 E	WM	24	SW SW

The wells 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 wells at all times.

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 Department requires the water user to measure and report annual static water levels for each well on the right. Or the water user can measure other wells in close proximity to the wells, if the Department's Groundwater Staff determines that the substitute observation wells will provide adequate data to assess the impacts from the wells. The static water level shall be measured in the month of March. Reports shall be submitted to the Department within 30 days of measurement.

The water user shall submit annual measurements. Annual measurements are required whether or not the well is used.

Reference water-level measurements for determining water level declines on this right are as follows: Well #6: 518 feet;

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Well #7: 518 feet; and Well #8: 312 feet. Or, the first annual measurement at the substitute observation wells will establish the reference levels against which future measurements will be compared. The Director may require the user to measure and report additional water levels each year if more data is needed to evaluate the aquifer system.

All measurements shall be made by a certified water rights examiner, registered professional geologist, registered professional engineer, licensed well constructor, or pump installer licensed by the Construction Contractors Board. Measurements shall be submitted on forms provided by, or specified by, the Department. Measurements shall only be made using an electric tape or steel tape that is accurate to at least the standards specified in OAR 690-217-0045. The Department requires the individual performing the measurement to:

- A. Associate each measurement with an owner's well name or number and a Department well log: and
- B. Report water levels to at least the nearest tenth of a foot as depth-to-water below ground surface: and
- C. Specify the method of measurement: and
- D. Certify the accuracy of all measurements and calculations submitted to the Department.

The water user shall discontinue use of, or reduce the rate of volume of withdrawal from the wells if annual water-level measurements decline of 10 or more feet.

The period of restricted use shall continue until the water level rises above the decline level which triggered the action or the Department determines, based on the water user's and/or the Department's data and analysis, that no action is necessary because the aquifer in question can sustain the observed declines without adversely impacting the resource or causing substantial interference with senior water rights. The water user shall not allow excessive decline, as defined in Commission rules, to occur within the aquifer as a result of use under this permit.

In the event of a request for a change in point of appropriation, an additional point of appropriation or alternation 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.

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

The Director may require water level or pump tests 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.

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.

Water may be applied to lands which are not specifically described above, provided the holder of this right complies with ORS 540.510(3).

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

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Phillip C. Ward Director

Water Resources Department