

STATE OF OREGON  
COUNTY OF UMATILLA  
CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

SEVEN HILLS PROPERTIES LLC  
83501 LOWER DRY CREEK RD  
MILTON FREEWATER OR 97862

confirms the right to use the waters of WELL 3A (UMAT 55526), WELL 4A (UMAT 55523), WELL UMAT 50516, AND WELL 4D (UMAT 56382) in the Dry Creek Basin for IRRIGATION of 1528.0 ACRES.

This right was perfected under Permit G-15883. The date of priority is OCTOBER 8, 2004. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 16.82 CUBIC FEET PER SECOND (CFS) IN ANY COMBINATION, BEING NO MORE THAN 5.1 CFS FROM WELL 3A, 6.7 CFS FROM WELL 4A, 7.8 CFS FROM WELL 4D, AND 1.5 CFS FROM WELL UMAT 50516, or its equivalent in case of rotation, measured at the wells.

The period of allowed use is March 1 through October 31 of each year.

The wells are located as follows:

Well	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
3A	5 N	35 E	WM	3	SW SE	1156 FEET NORTH AND 314 FEET EAST FROM S1/4 CORNER, SECTION 3
4A	5 N	35 E	WM	4	NE SW	415 FEET SOUTH AND 500 FEET WEST FROM C1/4, SECTION 4
4D	5 N	35 E	WM	4	NE SW	375 FEET SOUTH AND 940 FEET WEST FROM C1/4 CORNER, SECTION 4
UMAT 50516	5 N	35 E	WM	4	NE NW	930 FEET SOUTH AND 1355 FEET EAST FROM NW CORNER, SECTION 4

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 3.0 acre-feet per acre for each acre irrigated during the irrigation season of each year.

**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.

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

IRRIGATION					
Twp	Rng	Mer	Sec	Q-Q	Acres
5 N	35 E	WM	3	SW NE	5.4
5 N	35 E	WM	3	SE NE	1.0
5 N	35 E	WM	3	SE NW	7.0
5 N	35 E	WM	3	NE SW	38.8
5 N	35 E	WM	3	SE SW	34.7
5 N	35 E	WM	3	NE SE	17.8
5 N	35 E	WM	3	NW SE	35.9
5 N	35 E	WM	3	SW SE	31.2
5 N	35 E	WM	3	SE SE	17.9
5 N	35 E	WM	4	SW NW	25.7
5 N	35 E	WM	4	NE SW	18.9
5 N	35 E	WM	4	NW SW	12.7
5 N	35 E	WM	4	SW SW	27.8
5 N	35 E	WM	4	SE SW	1.5
5 N	35 E	WM	4	NE SE	34.8
5 N	35 E	WM	4	NW SE	36.8
5 N	35 E	WM	4	SW SE	19.2
5 N	35 E	WM	4	SE SE	32.5
5 N	35 E	WM	5	NE NE	25.3
5 N	35 E	WM	5	NW NE	30.7
5 N	35 E	WM	5	SW NE	40.6
5 N	35 E	WM	5	SE NE	26.8
5 N	35 E	WM	5	NE NW	35.4
5 N	35 E	WM	5	NW NW	6.8
5 N	35 E	WM	5	SW NW	9.2
5 N	35 E	WM	5	SE NW	32.8
5 N	35 E	WM	5	NE SW	26.0
5 N	35 E	WM	5	NW SW	12.3
5 N	35 E	WM	5	SW SW	1.3
5 N	35 E	WM	5	SE SW	20.1
5 N	35 E	WM	5	NE SE	36.8
5 N	35 E	WM	5	NW SE	31.4
5 N	35 E	WM	5	SW SE	29.3
5 N	35 E	WM	5	SE SE	31.4
5 N	35 E	WM	8	NE NE	32.4
5 N	35 E	WM	8	NW NE	25.5
5 N	35 E	WM	8	SW NE	33.0
5 N	35 E	WM	8	SE NE	16.5
5 N	35 E	WM	8	NE NW	31.1
5 N	35 E	WM	8	SE NW	31.3
5 N	35 E	WM	8	NE SW	23.9
5 N	35 E	WM	8	NW SW	4.2
5 N	35 E	WM	8	SW SW	2.3
5 N	35 E	WM	8	SE SW	31.2
5 N	35 E	WM	8	NE SE	13.5
5 N	35 E	WM	8	NW SE	25.7
5 N	35 E	WM	8	SW SE	37.0
5 N	35 E	WM	8	SE SE	36.9

IRRIGATION					
Twp	Rng	Mer	Sec	Q-Q	Acres
5 N	35 E	WM	9	NE NE	26.8
5 N	35 E	WM	9	NW NE	1.5
5 N	35 E	WM	9	SE NE	9.6
5 N	35 E	WM	9	NE NW	26.2
5 N	35 E	WM	9	NW NW	19.6
5 N	35 E	WM	9	SW NW	20.1
5 N	35 E	WM	9	SE NW	7.9
5 N	35 E	WM	9	NW SW	10.7
5 N	35 E	WM	9	SW SW	2.9
5 N	35 E	WM	10	NE NE	12.8
5 N	35 E	WM	10	NW NE	34.0
5 N	35 E	WM	10	SW NE	39.1
5 N	35 E	WM	10	SE NE	18.3
5 N	35 E	WM	10	NE NW	22.9
5 N	35 E	WM	10	NW NW	29.2
5 N	35 E	WM	10	SW NW	32.0
5 N	35 E	WM	10	SE NW	30.3
5 N	35 E	WM	17	NE NE	1.4
5 N	35 E	WM	17	NW NE	2.1
5 N	35 E	WM	17	NE NW	0.9
6 N	35 E	WM	31	SE SE	15.9
6 N	35 E	WM	32	SW SW	15.5
6 N	35 E	WM	32	SE SW	8.0

Measurement, recording and reporting conditions:

A. The water user shall maintain the meters or measuring devices 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 meters or measuring devices; provided however, where the meter or measuring device is located within a private structure, the watermaster shall request access upon reasonable notice.

To monitor the effect of water use from the wells authorized under this right, the Department requires the water user to make and report annual static water level measurements. The static water levels shall be measured in the month of March. Reports shall be submitted to the Department within 30 days of measurement.

Measurements must be made according to the following schedule:

Following the first year of water use, the user shall submit seven consecutive annual reports of static water level measurements. The first of these seven annual measurements will establish the reference level against which future annual measurements will be compared. Based on an analysis of the data collected, the Director may require that the user obtain and report additional annual static water level measurements beyond the seven year minimum reporting period. The additional measurements may be required in a different month. If the measurement requirement is stopped, the Director may restart it at any time.

All measurements shall be made by a certified water right examiner, registered professional geologist, registered professional

engineer, licensed well constructor or pump installer licensed by the Construction Contractors Board and be submitted to the Department on forms provided by the Department. The Department requires the individual performing the measurement to:

- (A) Identify each well with its associated measurement; and
- (B) Measure and report water levels to the nearest tenth of a foot as depth-to-water below ground surface; and
- (C) Specify the method used to obtain each well 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 or volume of withdrawal from, the well(s) if annual water level measurements reveal any of the following events:

- (A) An average water level decline of three or more feet per year for five consecutive years; or
- (B) A water level decline of 15 or more feet in fewer than five consecutive years; or
- (C) A water level decline of 25 or more feet; or
- (D) Hydraulic interference leading to a decline of 25 or more feet in any neighboring well with senior priority.

The reference level against which any future measurements will be compared is shown below:

Well Number	Feet Below Land Surface
3A	359.80
4A	416.13
4D	419.30
UMAT 50516	192.50

The period of non-use or restricted use shall continue until the water level rises above the decline level which triggered the action or until 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 senior water rights. The water user shall in no instance allow excessive decline, as defined in Commission rules, to occur within the aquifer as a result of use under this right. If more than one well is involved, the water user may submit an alternative measurement and reporting plan for review and approval by the Department.

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.

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.

Where two or more water users agree among themselves as to the manner of rotation in the use of water and such agreement is placed in writing and filed by such water users with the watermaster, and such rotation system does not infringe upon such prior rights of any water user not a party to such rotation plan, the watermaster shall distribute the water according to the agreement.

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.

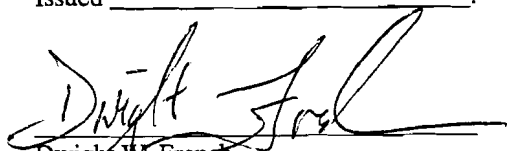
This right is for the beneficial use of water without waste. The water user is advised that new regulations may require the use of best practical technologies or conservation practices to achieve this end.

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.

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           AUG 27 2010          



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Administrator Water Rights and Adjudications, for  
Phillip C. Ward, Director  
Water Resources Department