STATE OF OREGON

COUNTY OF JACKSON

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

FRED T OWEN 10 SOUTH FOOTHILL RD MEDFORD OR 97504

confirms the right to use the waters of APPLEGATE LAKE RESERVOIR, CONSTRUCTED UNDER PERMIT R-7810, A TRIBUTARY OF APPLEGATE RIVER for SUPPLEMENTAL IRRIGATION of 16.1 ACRES.

This right was perfected under Permit S-51072. The date of priority is APRIL 6, 1988. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 40.0 ACRE FEET ANNUALLY OF STORED WATER ONLY, measured at the point of diversion.

The points of diversion (POD) are located as follows:

| POD | Twp | Rng | Mer | Sec | Q-Q | GLot | DLC | Survey Coordinates | |
|------------------------|------|-----|-----|-----|-------|------|-----|--|--|
| APPLEGATE RIVER | 38 S | 3 W | WM | 30 | SE SW | | 39 | 2510 FEET SOUTH & 3370 FEET WEST FROM NE CORNER, DLC 39 | |
| APPLEGATE RESERVOIR | 40 S | 4 W | WM | 25 | S½ SE | | | NONE GIVEN | |

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, shall be limited to a diversion of not to exceed 4.5 acre-feet per acre for each acre irrigated during the irrigation season of each year.

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

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

| SUPPLEMENTAL IRRIGATION | | | | | | | | | | | | |
|-------------------------|-----|-----|-----|-------|------|-----|-------|--|--|--|--|--|
| Twp | Rng | Mer | Sec | Q-Q | GLot | DLC | Acres | | | | | |
| 38 S | 4 W | WM | 14 | SESW | | | 1.1 | | | | | |
| 38 S | 4 W | WM | 23 | NE NW | | | 10.5 | | | | | |
| 38 S | 4 W | WM | 23 | NWNW | 1 | | 4.5 | | | | | |

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.

Application S-69583.jwg

Page 1 of 2

Certificate 86632

The use of water under this right is subject to the terms and conditions of Contract 8-07-10-W0717 between the Bureau of Reclamation and the water user, or a satisfactory replacement, a copy of which is on file in the records of the Water Resources Director.

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 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.

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.

Issued

NOV 192010

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