

STATE OF OREGON
COUNTY OF UMATILLA
CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

KELTIC PRIDE DAIRY, LLC
P.O. BOX 1751
HERMISTON OR 97838

FARM CREDIT SERVICES SOUTHWEST, FLCA
P.O. BOX 24138
TEMPE AZ 85282

confirms the right to use the waters of THREE WELLS in the COLD SPRINGS RESERVOIR BASIN for IRRIGATION of 595 ACRES OR AS LIMITED TO SUPPLEMENTAL IRRIGATION.

This right was perfected under Permit G-14042. The date of priority is APRIL 27, 2000. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 7.44 CUBIC FEET PER SECOND in any combination from: West Well, New Well, and the East Well, or its equivalent in case of rotation, measured at the wells.

The period of use is: March 1 through October 31.

The combined quantity of water appropriated at the new points of appropriation shall not exceed the quantity of water lawfully available at the original points of appropriation.

The wells are located as follows:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
4 N	30 E	WM	3	SW NW	WEST WELL - 1840 FEET SOUTH & 150 FEET EAST FROM NW CORNER, SECTION 3
4 N	30 E	WM	3	SE NW	NEW WELL - 2165 FEET SOUTH & 1755 FEET EAST FROM NW CORNER, SECTION 3
4 N	30 E	WM	3	NE SE	EAST WELL - 2435 FEET SOUTH & 80 FEET WEST FROM NE CORNER, SECTION 3

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 acre-feet per acre for each acre irrigated during the irrigation season of each year.

A description of the place of use is as follows:

Twp	Rng	Mer	Sec	Q-Q	Acres
5 N	30 E	WM	34	SW SW	21.18

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 and ORS 536.075. Any petition for judicial review must be filed within the 60-day time period specified by ORS 183.484(2). Pursuant to ORS 183.484, ORS 536.075 and OAR 137-004-0080, you may petition for judicial review and 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 within three months after issuance of the certificate.

Twp	Rng	Mer	Sec	Q-Q	Acres
5 N	30 E	WM	34	SE SW	19.59
5 N	30 E	WM	34	SW SE	20.12
5 N	30 E	WM	34	SE SE	12.82
4 N	30 E	WM	3	NE NE	27.68
4 N	30 E	WM	3	NW NE	28.56
4 N	30 E	WM	3	SW NE	23.03
4 N	30 E	WM	3	SE NE	33.32
4 N	30 E	WM	3	NE NW	29.00
4 N	30 E	WM	3	NW NW	29.48
4 N	30 E	WM	3	SW NW	26.56
4 N	30 E	WM	3	SE NW	21.89
4 N	30 E	WM	3	NE SW	31.50
4 N	30 E	WM	3	NW SW	40.65
4 N	30 E	WM	3	SW SW	39.97
4 N	30 E	WM	3	SE SW	39.56
4 N	30 E	WM	3	NE SE	38.27
4 N	30 E	WM	3	NW SE	33.39
4 N	30 E	WM	3	SW SE	39.46
4 N	30 E	WM	3	SE SE	38.97

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 use of water under this right is supplemental to any permit issued under Application S-81070 for the same use, the same lands, and the same period.

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 wells 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.

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 level shall be measured between the period February 15 through March 15. 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 rights 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 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.

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 to determine the water level elevation in the well at all times.

The Director may require water level or pump tests every ten years.

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

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 FEB 15 2012

A handwritten signature in cursive script, reading "Dwight French", written over a horizontal line.

Dwight W. French
Water Right Services Administrator, for
Phillip C. Ward, Director
Water Resources Department