STATE OF OREGON

COUNTY OF DESCHUTES

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

ROATS WATER SYSTEM INC. 61147 HAMILTON LANE BEND OR 97702

confirms the right to use the waters of WELL 3, WELL 4, WELL 9, AND NEW WELL 10 within the Deschutes Basin for OUASI-MUNICIPAL USE.

This right was perfected under Permit G-12526. The date of priority is AUGUST 10, 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 (CFS), being 0.25 CFS from Well #3, 0.85 CFS from Well #4, 0.95 CFS from Well #9 and 0.95 CFS from Well #10, or its equivalent in case of rotation, measured at the wells.

The period of allowed use is year round.

The wells are located as follows:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances		
18 S	12 E	WM	7	SE SE	WELL 9 - 160 FEET NORTH AND 630 FEET WEST FROM		
					NW CORNER, SECTION 17		
18 S	12 E	WM	18	NE NE	WELL 3 - 140 FEET SOUTH AND 820 FEET WEST FROM		
					THE NW CORNER, SECTION 17		
18 S	12 E	WM	18	NE NE	WELL 4 - 55 FEET SOUTH AND 835 FEET WEST FROM NW		
					CORNER, SECTION 17		
18 S	12 E	WM	30	SW NW	NEW WELL 10 - 2445 FEET SOUTH AND 1200 FEET EAST		
					FROM NW CORNER, SECTION 30		

The combined quantity of water diverted at the new point of appropriation (New Well 10), together with that diverted at the old points of appropriation, shall not exceed the quantity of water available from the original Well 10 described as follows:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances	
18 S	12 E	WM	17	SW SW	ORIGINAL WELL 10 - 1060 FEET NORTH AND 1200 FEET	
					EAST FROM SW CORNER, SECTION 17	

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.

A description of the place of use is as follows:

Twp	Rng	Mer	Sec	Q-Q
18 S	12 E	WM	7	SE SE
18 S	12 E	WM	8	NE NE
18 S	12 E	WM	8	NW NE
18 S	12 E	WM	8	SW NE
18 S	12 E	WM	8	SE NE
18 S	12 E	WM	8	NENW
18 S	12 E	WM	8	NW NW
18 S	12 E	WM	8	SWNW
18 S	12 E	WM	8	SE NW
18 S	12 E	WM	8	NE SW
18 S	12 E	WM	8	NW SW
18 S	12 E	WM	8	SW SW
18 S	12 E	WM	8	SE SW
18 S	12 E	WM	. 8	NE SE
18 S	12 E	WM	8	NW SE
18 S	12 E	WM	8	SW SE
18 S	12 E	WM	8	SE SE
18 S	12 E	WM	9	NWNW
18 S	12 E	WM	9	SW NW
18 S	12 E	WM	16	NW NW
18 S	12 E	WM	16	SW NW
18 S	12 E	WM	17	NE NE
18 S	12 E	WM	17	NW NE
18 S	12 E	WM	17	SW NE
18 S	12 E	WM	17	SE NE
18 S	12 E	WM	17	NENW
18 S	12 E	WM	17	NWNW
18 S	12 E	WM	17	SW NW
18 S	12 E	WM	17	SE NW
18 S	12 E	WM	17	NE SW
18 S	12 E	WM	17	NW SW
18 S	12 E	WM	17	NE SE
18 S	12 E	WM	18	NE NE

Measurement, recording and reporting conditions:

- A. The water user shall maintain the meter or other suitable 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 reference level against which any future measurements will be compared is 400.00 feet below land surface.

If a well listed on this right (or replacement well) displays a total static water-level decline of 25 or more feet over any period of years, as compared to the reference level, then the water user shall discontinue use of, or reduce the rate or volume of

of years, as compared to the reference level, then the water user shall discontinue use of, or reduce the rate or volume of withdrawal from, the well(s). Such action shall be taken until the water level recovers to above the 25-foot decline level 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 to occur within the aquifer as a result of use under this right.

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 interferences.

Use of water under authority of this right may be regulated if analysis of data available after the right is issued discloses that the appropriation will measurably reduce the surface water flows necessary to maintain the free-flowing character of a scenic waterway in quantities necessary for recreation, fish and wildlife in effect as of the priority date of the right or as those quantities may be subsequently reduced.

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.

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; however, 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.

Issued JUNE 29 2012.

Dwight W. French

Water Right Services Administrator, for

Phillip C. Ward, Director

Water Resources Department