STATE OF OREGON

COUNTY OF KLAMATH

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

DONALD J AND HELEN E HORSLEY PO BOX 8 BONANZA OR 97623

confirms the right to use the waters of TWO WELLS in the Lost River Basin for PRIMARY IRRIGATION of 48.1 ACRES AND SUPPLEMENTAL IRRIGATION of 191.5 ACRES.

This right was perfected under Permit G-12445. The date of priority is DECEMBER 31, 1991. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 2.99 CUBIC FEET PER SECOND (CFS), BEING NOT MORE THAN 2.72 CFS FROM WELL 1 AND 0.27 CFS FROM WELL 2, or its equivalent in case of rotation, measured at the wells.

The period of allowed use is from April 15 through October 15 of each year.

The wells are located as follows:

Twp	Rng	Mer	Sec	Q-Q	Survey Coordinates
39 S	11 E	WM	2	SE SE	WELL 2 - 964.00 FEET NORTH & 1341.12 FEET EAST FROM N ¼ CORNER, SECTION 11
39 S	11 E	WM	11	SENW	WELL 1 - 2117.93 FEET SOUTH & 308.76 FEET WEST FROM N ¼ CORNER, SECTION 11

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 2.50 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:

IRRIGATION							
Well	Тwp	Rng	Mer	Sec	Q-Q	Acres	
1	39 S	11 E	WM	2	NE SW	0.9	
2	39 S	11 E	WM	2	NE SW	18.9	
1	39 S	11 E	WM	2	SE SW	13.0	
2	39 S	11 E	WM	2	SE SW	2.8	

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.

Application G-12746.jwg

Page 1 of 3

Certificate 87823

IRRIGATION							
Well	Twp	Rng	Mer	Sec	Q-Q	Acres	
1	39 S	11 E	WM	11	NW NE	2.1	
1	39 S	11 E	WM	11	SW NE	10.4	

SUPPLEMENTAL IRRIGATION FROM WELL 1

Twp	Rng	Mer	Sec	Q-Q	Acres
39 S	11 E	WM	2	NE SW	5.1
39 S	11 E	WM	2	NW SW	35.7
39 S	11 E	WM	2	SE SW	9.6
39 S	11 E	WM	2	SW SE	0.6
39 S	11 E	WM	11	NE NE	13.3
39 S	11 E	WM	11	NW NE	20.5
39 S	11 E	ŴM	11	SW NE	23.5
39 S	11 E	WM	11	SE NE	38.7
39 S	11 E	WM	11	NENW	11.8
39 S	11 E	WM	11	SENW	32.7

Ground water use under this right can occur only when:

- A. Use is consistent with a critical ground water area order that has been issued by the Oregon Water Resources Department; or
- B. Unless use is made consistent with a critical ground water area order, use occurs only when the ground water elevation at Bonanza Big Springs Park well KLAM 50318 (well tag number 101119) as constructed in June 1996 is greater than or equal to 0.50 feet higher than the Lost River surface water elevation as measured at the stilling well at Bonanza Big Springs Park; or
- C. Unless use is made consistent with a critical ground water area order, the Department, using available data, shows ground water use does not reduce Bonanza Big Springs flow.

Any use of water under the terms and conditions of this right shall continue to be subject to regulation in favor of senior surface or ground water rights.

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 by April 15, 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 this water 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 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 well at all times.

If substantial interference with a senior surface or ground water right occurs due to withdrawal of water from the well(s) 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 the Department approves or implements an alternative administrative action to mitigate the interference. The water user shall obtain a static water-level measurement for each well during March and October of each year and report the measurements to the Department. The measurement shall be made by a certified water rights examiner, registered geologist, licensed land surveyor or registered professional engineer, licensed water well constructors, licensed water well drillers or the water user/appropriators. Water levels shall be reported as depth-to-water below ground level in feet and inches or to one-hundredth of a foot and shall be accompanied by supporting calculations. The water user shall report the static water level(s) in the well(s) to the Groundwater/Hydrology Section of the Water Resources Department by April 15 and November 15, respectively, of each year.

Failure to comply with any 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 Director may require water level or pump test results every ten years.

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

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.

DEC 1 4 2012 Issued Øwight. French

Water Right Services Administrator, for Phillip O. Ward, Director Water Resources Department

Application G-12746.jwg

Page 3 of 3

Recorded in State Record of Water Right Certificates numbered 87823.