

STATE OF OREGON
 COUNTY OF YAMHILL
 CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

KCK FARMS
 11483 SE AMITY-DAYTON HIGHWAY
 DAYTON OR 97114

confirms the right to use the waters of THREE WELLS in the PALMER CREEK Basin for IRRIGATION AND AGRICULTURAL USE FOR NURSERY OPERATIONS of 114.98 ACRES.

This right was perfected under Permit G-13597. The date of priority is JANUARY 12, 1998. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 3.02 CUBIC FEET PER SECOND (CFS), BEING 0.49 CFS FROM WELL 1, 1.34 CFS FROM WELL 3 AND 1.19 CFS FROM WELL 4 as measured at the well.

The period of use is March 1 through October 31.

The wells are located as follows:

Twp	Rng	Mer	Sec	Q-Q	GLot	DLC	Measured Distances
4 S	4 W	WM	36	SW SE		91	WELL 1 - 495 FEET NORTH & 625 FEET WEST FROM SE CORNER, DLC 91
4 S	4 W	WM	36	NE SW		91	WELL 3 - 1429 FEET NORTH & 1828 FEET WEST FROM SE CORNER, DLC 91
4 S	4 W	WM	36	NW SW	3		WELL 4 - 1100 FEET NORTH & 3200 FEET WEST FROM SE CORNER, DLC 91

The amount of water used for NURSERY OPERATIONS is limited to a diversion of 0.15 cubic foot per second. For the irrigation of containerized nursery plants, the amount of water diverted is limited to ONE-FORTIETH of one cubic foot per second (or its equivalent) and 5.0 acre feet per acre per year. For irrigation of in ground nursery plants the amount of water diverted is limited to ONE-EIGHTIETH of one cubic foot per second (or its equivalent) and 2.5 acre feet per acre per year. The use of water for NURSERY OPERATIONS may be made at anytime of the year that the use is beneficial. For the irrigation of any other crop, the amount diverted is limited to ONE-EIGHTIETH of one cubic foot per second (or its equivalent) and 2.5 acre feet per acre 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 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:

NURSERY USES							
Twp	Rng	Mer	Sec	Q-Q	GLot	DLC	Acres
4 S	4 W	WM	35	NE SE	1		0.03
4 S	4 W	WM	35	SE SE	1		1.52
4 S	4 W	WM	36	SW NE		91	0.85
4 S	4 W	WM	36	SW NW	2		0.29
4 S	4 W	WM	36	SW NW		91	0.20
4 S	4 W	WM	36	SE NW		91	1.54
4 S	4 W	WM	36	NE SW		91	29.90
4 S	4 W	WM	36	NW SW		91	4.93
4 S	4 W	WM	36	SW SW		91	2.02
4 S	4 W	WM	36	NW SW	3		27.69
4 S	4 W	WM	36	SW SW	10		14.74
4 S	4 W	WM	36	SE SW		91	16.05
4 S	4 W	WM	36	NW SE		91	15.22

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.

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 well 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 test results every ten years.

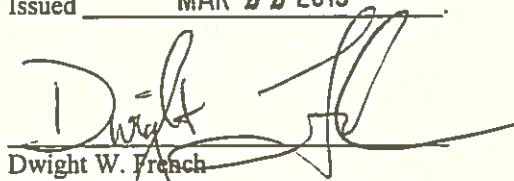
Failure to comply with any of the provisions of this right may result in action including, but not limited to, restrictions on the use, civil penalties, or cancellation of the right.

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

Issued MAR 22 2013



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