STATE OF OREGON

COUNTY OF JACKSON

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

GREGORY LAYTON 950 ROGUEWOODS DR WHITE CITY OR 97503

confirms the right to store water perfected under the terms of Permit R-14829. The amount of water used to which this right is entitled is limited to the amount used beneficially, and shall not exceed the amount specified, or its equivalent in the case of rotation, measured at the point of diversion from the source. The specific limits and conditions of the use are listed below.

APPLICATION NUMBER: R - 87451

SOURCE: RUNOFF, TRIBUTARY TO ROGUE RIVER

STORAGE FACILITY: A RESERVOIR

PURPOSE or USE: MULTIPLE PURPOSE

MAXIMUM STORAGE VOLUME: 2.0 ACRE FEET

WATER MAY BE APPROPRIATED FOR STORAGE DURING THE PERIOD: DECEMBER 1 THROUGH MAY 31

DATE OF PRIORITY: MAY 4, 2009

Dam Location/Authorized Point of Diversion

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
35 S	1 W	WM	31 ,	NE NE	1075 FEET SOUTH AND 350 FEET WEST FROM
32 B	1 **	44 141	31 ,	NENE	NE CORNER, SECTION 31

The area submerged by this reservoir is as follows:

Twp	Rng	Mer	Sec	Q-Q
35 S	I W	WM	31	NE NE

CONDITIONS OF USE

Measurement, recording and reporting:

A. The Director may require the water user to install a staff gage or other suitable measuring device(s) as approved by the Director. If the Director notifies the water user to install a measuring device(s), the water user shall install such device within the period stated in the notice. Such installation period shall not be less than 90 days unless special circumstances warrant a shorter installation period. Once installed, the water user shall maintain the devices in good working order, and shall allow the watermaster access to the devices. The Director may provide an opportunity for the water user to submit alternative measuring procedures for review and approval.

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 R-87451.jme

Page 1 of 3

Certificate 88500

B. The Director may require the water user to keep and maintain a record of the amount (volume) of water used, and may require the water user to report water use on a periodic schedule as established by the Director. In addition, the Director may require the water user to report general water-use information, the periods of water use, and the place and nature of use of water under the right. The Director may provide an opportunity for the water user to submit alternative reporting procedures for review and approval.

The storage of water allowed herein is subject to the maintenance of an outlet pipe (with a minimum diameter of 8" for any inchannel reservoir), or the provision of other means to evacuate water when determined necessary by the Director to satisfy prior downstream rights.

The water user shall pass all live flow outside the storage season described above.

The Director may require the user to measure inflow and outflow, above and below the reservoir respectively, to ensure that live flow is not impeded outside the storage season. Measurement devices and their implementation must be acceptable to the Director, and the Director may require that data be recorded on a specified periodic basis and reported to the Department annually or more frequently.

The water user shall not construct, operate or maintain any dam or artificial obstruction to fish passage in the channel of the subject stream without providing a fishway to ensure adequate upstream and downstream passage for fish, unless the water user has requested and been granted a fish passage waiver by the Oregon Fish and Wildlife Commission. The water user is hereby directed to contact an Oregon Department of Fish and Wildlife Fish Passage Coordinator, before beginning construction of any in-channel obstruction.

Notwithstanding that ODFW has made a determination that fish screens and/or by-pass devices are not necessary at the time of permit issuance, the water user may be required in the future to install, maintain, and operate fish-screening and by-pass devices to prevent fish from entering the proposed diversion, and to provide adequate upstream and downstream passage for fish.

This right allows an annual appropriation (not to exceed the specified volume). This right does not provide for the appropriation of water for any out-of-reservoir uses, the maintenance of the water level, or maintaining a suitable freshwater condition. If any water is to be used for out-of-reservoir purposes, a secondary water right is required. If any additional live flow is to be appropriated to maintain either the water level or a suitable freshwater condition, an additional water right is required.

Use of water is contingent on designated scenic waterway flows being met downstream. The user is required to monitor streamflow at Rogue River near Agness, OR, gage 14372300, and discontinue diversion when the flows specified below are unmet. At the discretion of the Director, the location and nature of streamflow monitoring required to protect scenic waterway flows is subject to change. In addition, the Watermaster may regulate diversion under this right if it is determined by the Department that the flows listed below are unmet.

Rogue Scenic Waterway					
Month	Minimum Bypass Flow (cfs)				
December	3500				
January	3500				
February	3500				
March	3500				
April	3500				
May	3500				

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 use may be restricted if the quality of downstream waters decreases to the point that those waters no longer meet existing state or federal water quality standards due to reduced flows.

This right does not authorize the water user to interfere with or affect adjacent property not under the ownership of the water user.

[ssued __

NOV 2 2 2013

Dwight W. Fr

Administrator Water Right Services, for

Phillip C. Ward, Director