STATE OF OREGON

COUNTY OF DOUGLAS

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

BLUE HERON LAND COMPANY, LLC 560 CURRY RD ROSEBURG, OR 97471

NORTHWEST FARM CREDIT SERVICES, FLA ATTN: AGRIBUSINESS 1515 S TECHNOLOGY BLVD STE B SPOKANE, WA 99224

confirms the right to use the waters of SOUTH UMPQUA RIVER, TRIBUTARY OF UMPQUA RIVER, AND STORED WATER FROM GALESVILLE RESERVOIR, CONSTRUCTED UNDER PERMIT R-9964, for PRIMARY IRRIGATION OF 38.6 ACRES AND SUPPLEMENTAL IRRIGATION of 154.4 ACRES.

This right was perfected under Permit S-52774. The date of priority is JULY 12, 1994. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 0.48 CUBIC FOOT PER (CFS) FROM LIVE FLOW, AND 206.45 ACRE-FEET (AF) OF STORED WATER FROM GALESVILLE RESERVOIR PER YEAR, BEING 86.1 AF FOR PRIMARY IRRIGATION OF 38.6 ACRES AND SHALL NOT EXCEED 2.23 AF PER ACRE PER IRRIGATION SEASON, 12.9 AF FOR SUPPLEMENTAL IRRIGATION OF 9.1 ACRES AND SHALL NOT EXCEED 1.5 AF PER ACRE PER IRRIGATION SEASON, AND 106.7 AF FOR SUPPLEMENTAL IRRIGATION OF 106.7 ACRES AND SHALL NOT EXCEED 1.0 AF PER ACRE PER IRRIGATION SEASON, or its equivalent in case of rotation, measured at the point of diversion.

The period of use is MARCH 1 THROUGH APRIL 30 FROM LIVE FLOW; MARCH 1 THROUGH OCTOBER 31, OR AS FURTHER LIMITED PER CONTRACT, FROM STORED WATER ONLY

The points of diversion are located as follows:

Twp	Rng	Mer	Sec	Q-Q	DLC	Measured Distances
27 S	6 W	WM	4	SW NE	51	POD 2 - 1890 FEET SOUTH AND 2410 FEET WEST FROM NE CORNER, SECTION 4
27 S	6 W	WM	4	NE NW	51	POD 1 - 810 FEET SOUTH AND 2990 FEET WEST FROM NE CORNER, SECTION 4

The amount of water used for irrigation under this right, 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) per acre and 2.5 acre-feet for each acre irrigated 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.

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A description of the place of use is as follows:

	PRIMARY IRRIGATION								
FI	FROM LIVE FLOW – MARCH 1 THROUGH APRIL 30								
Twp	Twp Rng Mer Sec Q-Q DLC Acres								
26 S	6 W	WM	33	NE SW	41	2.2			
26 S	6 W	WM	33	NW SW	41	0.2			
26 S	6 W	WM	33	SW SW	41	0.6			
26 S	6 W	WM	33	SE SW	41	17.0			
26 S	6 W	WM	33	NW SE	41	3.6			
26 S	6 W	WM	33	SW SE	41	15.0			

FROM	PRIMARY IRRIGATION FROM STORED WATER – MAY 1 THROUGH OCTOBER 31								
Twp	Twp Rng Mer Sec Q-Q DLC Acres								
26 S	6 W	WM	33	NE SW	41	2.2			
26 S	6 W	WM	33	NW SW	41	0.2			
26 S	6 W	WM	33	SW SW	41	0.6			
26 S	6 W	WM	33	SE SW	41	17.0			
26 S	6 W	WM	33	NW SE	41	3.6			
26 S	6 W	WM	33	SW SE	41	15.0			

FRO	SUPPLEMENTAL IRRIGATION FROM STORED WATER – MARCH 1 THROUGH APRIL 30								
Twp	Twp Rng Mer Sec Q-Q DLC Acres								
26 S	6 W	WM	33	NE SW	41	2.2			
26 S	6 W	WM	33	NW SW	41	0.2			
26 S	6 W	WM	33	SW SW	41	0.6			
26 S	6 W	WM	33	SE SW	41	17.0			
26 S	6 W	WM	33	NW SE	41	3.6			
26 S	6 W	WM	33	SW SE	41	15.0			

SUPPLEMENTAL IRRIGATION							
FROM STORED WATER – MARCH 1 THROUGH OCTOBER 31							
Twp	Rng	Mer	Sec	Q-Q	DLC	Acres	
27 S	6 W	WM	3	NE NW	51	1.0	
27 S	6 W	WM	3	NW NW	51	7.6	
27 S	6 W	WM	3	SWNW	51	24.3	
27 S	6 W	WM	3	SE NW	51	10.5	
27 S	6 W	WM	3	NE SW	51	0.2	
27 S	6 W	WM	3	NW SW	51	11.6	
27 S	6 W	WM	4	SW NE	51	15.2	
27 S	6 W	WM	4	SE NE	51	23.5	
27 S	6 W	WM	4	NE SE	51	15.7	
27 S	6 W	WM	4	NW SE	51	6.2	

Measurement, recording and reporting conditions:

- A. The water user shall maintain the meter or other suitable measuring device in good working order.
- 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.
- C. 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 use of water under this right is subject to the terms and conditions of contract I-94-8 between Douglas County and the water user dated July 8, 1994, or a satisfactory replacement, a copy of which is to be maintained in the records of the Water Resources Department.

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

The water user shall maintain and operate fish screening as required by the Oregon Department of Fish and Wildlife to prevent fish from entering the diversion. 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.

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 right to the use of the water for the above purpose is restricted to beneficial use on the place of use described.

Issued

MAR 1 3 2015

Dwight French

Water Right Services Division Administrator, for

Thomas MyByler, Director

Oregon Water Resources Department

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Recorded in State Record of Water Right Certificates numbered 89952.