STATE OF OREGON

COUNTY OF CURRY

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

PARADISE LODGE, LLC 3140 JUANIPERO WAY MEDFORD, OR 97504

confirms the right to use the waters of JOHNSON CREEK, WITH ANY DEFICIENCIES TO BE MADE UP BY PARADISE CREEK, TRIBUTARIES OF ROGUE RIVER, for IRRIGATION OF 29.0 ACRES, DOMESTIC USE FOR ONE MOTEL (INCLUDING DWELLING AND LODGE OPERATION), AND LIVESTOCK USE.

This right was perfected under Permit S-52720. The date of priority is JANUARY 7, 1981. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 0.465 CUBIC FOOT PER SECOND (CFS) TOTAL, BEING 0.05 CFS FOR DOMESTIC USE, 0.41 CFS FOR IRRIGATION, AND 0.005 CFS FOR LIVESTOCK or its equivalent in case of rotation, measured at the point of diversion.

The period of allowed use is year round for domestic and livestock; March 1 through October 31 for irrigation.

The points of diversion are located as follows:

| Twp | Rng | Mer | Sec | Q-Q | Measured Distances |
|------|------|-----|--|-------|---|
| 33 S | | | PARADISE CREEK (POD 2) - 1657 FEET NORTH AND | | |
| 33 S | 11 W | WM | 24 | SW SE | 950 FEET EAST FROM SE CORNER, SECTION 24 JACKSON CREEK (POD 1) - 220 FEET NORTH AND 2376 |
| | | | | | FEET WEST FROM SE CORNER, SECTION 24 |

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-FORTIETH of one cubic foot per second (or its equivalent) and 4.5 acre-feet for each acre irrigated during the irrigation season of each year.

A description of the place of use is as follows:

| DOMESTIC | | | | | | | | |
|----------|------|-----|-----|-------|------|--|--|--|
| Twp | Rng | Mer | Sec | Q-Q | GLot | | | |
| 33 S | 10 W | WM | 18 | SW SW | 11 | | | |

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 S-57186.cc

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| IRRIGATION AND LIVESTOCK | | | | | | | | | |
|--------------------------|------|-----|-----|-------|------|-------|--|--|--|
| Twp | Rng | Mer | Sec | Q-Q | GLot | Acres | | | |
| 33 S | 10 W | WM | 18 | NE SW | 16 | 1.6 | | | |
| 33 S | 10 W | WM | 18 | NW SW | 18 | 20.5 | | | |
| 33 S | 10 W | WM | 18 | SW SW | 11 | 0.5 | | | |
| 33 S | 11 W | WM | 24 | SE SE | | 1.2 | | | |
| 33 S | 11 W | WM | 25 | NE NE | 1 | 5.2 | | | |

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.

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

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

2EP 1 8 2013

Water Right Services Division Administrator, for

Thomas M. Byler, Director

Oregon Water Resources Department