STATE OF OREGON

COUNTY OF DESCHUTES

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

BLACK BUTTE RANCH CORPORATION PO BOX 8000 BLACK BUTTE RANCH OR 97759

confirms the right to the use of water perfected under the terms of Permit G-17023. 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 FILE NUMBER: G-7017

SOURCE OF WATER: BLACK BUTTE RANCH WELL 2 AND BLACK BUTTE RANCH WELL 5

PURPOSE OR USE: GROUP DOMESTIC USE

MAXIMUM RATE: 2.9 CUBIC FEET PER SECOND

DATE OF PRIORITY: JUNE 25, 1975

The wells are located as follows:

| Twp | Rng | Mer | Sec | Q-Q | Measured Distances | | |
|------|-----|-----|-----|-------|--|--|--|
| 14 S | 9 E | WM | 16 | SE NE | WELL 2 (ORIGINAL) - 1530 FEET SOUTH AND 1236 FEET WEST FROM NE CORNER, SECTION 16 | | |
| 14 S | 9 E | WM | 16 | SE NE | WELL 5 (ADDITIONAL) - 1570 FEET SOUTH AND 1292 FEET WEST FROM NE CORNER, SECTION 16 | | |

A description of the place of use is as follows:

| Twp | Rng | Mer | Sec | Q-Q |
|------|-----|-----|-----|-------|
| 14 S | 9 E | WM | 9 | NE NE |
| 14 S | 9 E | WM | 9 | NW NE |
| 14 S | 9 E | WM | 9 | SW NE |
| 14 S | 9 E | WM | 9 | SE NE |
| 14 S | 9 E | WM | 9 | NE NW |
| 14 S | 9 E | WM | 9 | NWNW |
| 14 S | 9 E | WM | 9 | SWNW |
| 14 S | 9 E | WM | 9 | SE NW |
| 14 S | 9 E | WM | 9 | NE SW |
| 14 S | 9 E | WM | 9 | NW SW |

| Twp | Rng | Mer | Sec | Q-Q |
|------|-----|-----|-----|-------|
| 14 S | 9 E | WM | 9 | SW SW |
| 14 S | 9 E | WM | 9 | SE SW |
| 14 S | 9 E | WM | 9 | NE SE |
| 14 S | 9 E | WM | 9 | NW SE |
| 14 S | 9 E | WM | 9 | SW SE |
| 14 S | 9 E | WM | 9 | SE SE |
| 14 S | 9 E | WM | 10 | NW NE |
| 14 S | 9 E | WM | 10 | SW NE |
| 14 S | 9 E | WM | 10 | NE NW |
| 14 S | 9 E | WM | 10 | NWNW |

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.

| Twp | Rng | Mer | Sec | Q-Q |
|------|-----|-----|-----|-------|
| 14 S | 9 E | WM | 10 | SW NW |
| 14 S | 9 E | WM | 10 | SE NW |
| 14 S | 9 E | WM | 10 | NE SW |
| 14 S | 9 E | WM | 10 | NW SW |
| 14 S | 9 E | WM | 10 | SWSW |
| 14 S | 9 E | WM | 15 | NE NW |
| 14 S | 9 E | WM | 15 | NW NW |
| 14 S | 9 E | WM | 15 | SW NW |
| 14 S | 9 E | WM | 15 | SE NW |
| 14 S | 9 E | WM | 15 | NE SW |
| 14 S | 9 E | WM | 15 | NW SW |

| Twp | Rng | Mer | Sec | Q-Q |
|------|-----|-----|-----|-------|
| 14 S | 9 E | WM | 15 | SW SW |
| 14 S | 9 E | WM | 15 | SE SW |
| 14 S | 9 E | WM | 16 | NE NE |
| 14 S | 9 E | WM | 16 | SE NE |
| 14 S | 9 E | WM | 21 | NE NE |
| 14 S | 9 E | WM | 22 | NE NE |
| 14 S | 9 E | WM | 22 | NW NE |
| 14 S | 9 E | WM | 22 | NE NW |
| 14 S | 9 E | WM | 22 | NWNW |
| 14 S | 9 E | WM | 23 | NW NW |

The combined quantity of water diverted at the new additional point of appropriation, Well 5, together with that diverted at the old point of appropriation, Well 2, shall not exceed the quantity of water lawfully available from the original point of appropriation, Well 2.

Black Butte Ranch Water Management and Conservation Plan shall remain in effect until December 1, 2021, unless approval is rescinded pursuant to OAR 690-086-0920.

Black Butte Ranch shall submit an updated plan meeting the requirements of OAR Chapter 690, Division 086 within 10 years (of the plan approval date) and no later than December 1, 2020.

The wells shall be maintained in accordance with the General Standards for the Construction and Maintenance of Water Wells in Oregon.

The works constructed shall include an air line and pressure gauge or an access port for measuring line, adequate to determine water level elevation in the wells at all times.

The water user shall install and maintain a weir, meter, or other suitable measuring device and keep a complete record of the amount of ground water withdrawn.

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

Water Right Services Division Administrator, for

Thomas MyByler, Director

Oregon Water Resources Department