

STATE OF OREGON
 COUNTY OF KLAMATH
 CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

HOLLANDS DAIRY INC.
 19000 S POE VALLEY RD
 KLAMATH FALLS OR 97603

confirms the right to the use of water perfected under the terms of Permit G-15934. 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 well(s). The specific limits and conditions of the use are listed below.

SOURCE OF WATER: TWO WELLS IN LOST RIVER BASIN

PURPOSE OR USE: SUPPLEMENTAL IRRIGATION OF 300.3 ACRES

MAXIMUM RATE: 3.75 CUBIC FEET PER SECOND

PERIOD OF USE: MARCH 1 THROUGH OCTOBER 31

DATE OF PRIORITY: MAY 17, 2001

The wells are located as follows:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
39 S	11.5 E	WM	29	SE SW	WELL 1 (ORIGINAL) - 394 FEET NORTH AND 3094 FEET WEST FROM SE CORNER, SECTION 29
39 S	11.5 E	WM	33	SW NW	WELL 2 (NEW) - 380 FEET SOUTH AND 75 FEET EAST FROM NW CORNER, SWNW, SECTION 33

The amount of water used for irrigation, 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 for each acre irrigated, and shall be further limited to a diversion of not to exceed 3.0 acre-feet per acre for each acre irrigated during the irrigation season of each year.

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

A description of the place of use is as follows:

Twp	Rng	Mer	Sec	Q-Q	Acres
39 S	11.5 E	WM	29	NE SE	24.8
39 S	11.5 E	WM	29	SE SE	34.6
39 S	11.5 E	WM	32	NE NE	37.5
39 S	11.5 E	WM	32	NW NE	26.8
39 S	11.5 E	WM	32	SW NE	0.9
39 S	11.5 E	WM	32	SE NE	24.5

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 183.482. Any petition for judicial review must be filed within the 60-day time period specified by ORS 183.482. Pursuant to ORS 183.482, ORS 536.075 and OAR 137-003-0675, 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.

Twp	Rng	Mer	Sec	Q-Q	Acres
39 S	11.5 E	WM	33	NE NW	36.4
39 S	11.5 E	WM	33	NW NW	37.7
39 S	11.5 E	WM	33	SW NW	37.7
39 S	11.5 E	WM	33	SE NW	39.4

Measurement, recording and reporting conditions:

- A. The water user shall maintain the totalizing flow meters or other suitable measuring devices in good working order at each point of appropriation, 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.
- B. The water user shall allow the watermaster access to the meters or measuring devices; provided however, where the meters or measuring devices are located within a private structure, the watermaster shall request access upon reasonable notice.

To monitor the effect of water use from the wells authorized under this right, the Department requires the water user to make and report annual static water level measurements from each well. The static water level shall be measured in the month of March. Reports shall be submitted to the Department within 30 days of measurement.

Measurements must be made according to the following schedule:

Following the first year of water use, the user shall submit seven consecutive annual reports of static water level measurements. Based on an analysis of the data collected, the Director may require that the user obtain and report additional annual static water level measurements beyond the seven year minimum reporting period. The additional measurements may be required in a different month. If the measurement requirement is stopped, the Director may restart it at any time.

All measurements shall be made by a certified water rights examiner, registered professional geologist, registered professional engineer, licensed well constructor or pump installer licensed by the Construction Contractors Board and be submitted to the Department on forms provided by the Department. The Department requires the individual performing the measurement to:

- (A) Identify each well with its associated measurement; and
- (B) Measure and report water levels to the nearest tenth of a foot as depth-to-water below ground surface; and
- (C) Specify the method used to obtain each well measurement; and
- (D) Certify the accuracy of all measurements and calculations submitted to the Department.

The water user shall discontinue use of, or reduce the rate or volume of withdrawal from, the well(s) if annual water level measurements reveal any of the following events:

- (A) An average water level decline of three or more feet per year for five consecutive years; or
- (B) A water level decline of 15 or more feet in fewer than five consecutive years; or
- (C) A water level decline of 25 or more feet; or
- (D) Hydraulic interference leading to a decline of 25 or more feet in any neighboring well with senior priority.

The reference levels against which any future measurements will be compared are 74.17 feet below land surface for Well 1 and 28.00 feet below land surface for Well 2.

The period of non-use or restricted use shall continue until the water level rises above the decline level which triggered the action or until the Department determines, based on the water user's and/or the Department's data and analysis, that no action is necessary because the aquifer in question can sustain the observed declines without adversely impacting the resource or senior water rights. The water user shall in no instance allow excessive decline, as defined in Commission

rules, to occur within the aquifer as a result of use under this right. If more than one well is involved, the water user may submit an alternative measurement and reporting plan for review and approval by the Department.

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 wells 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.

Where two or more water users agree among themselves as to the manner of rotation in the use of water and such agreement is placed in writing and filed by such water users with the watermaster, and such rotation system does not infringe upon such prior rights of any water user not a party to such rotation plan, the watermaster shall distribute the water according to the agreement.

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.

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

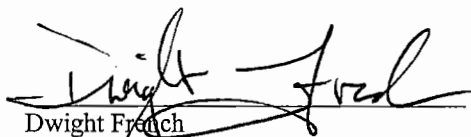
The quantity of water diverted at the new point of appropriation, together with that diverted at the original point of appropriation, shall not exceed the quantity of water available from the original point of appropriation.

Water shall be acquired from the same aquifer (water source) as the original point of appropriation.

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

This certificate is issued to confirm an ADDITIONAL POINT OF APPROPRIATION approved by an order of the Water Resources Director entered APRIL 15, 2014, at Special Order Volume 92, Page 185, approving Transfer Application 11587 supersedes Certificate 87917, State record of Water Right Certificates.

Issued MAR 27 2017



Dwight French
Water Right Services Division Administrator, for
Thomas M. Byler, Director
Oregon Water Resources Department