

STATE OF OREGON  
 COUNTY OF HARNEY  
 CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

GOLDEN RULE FARMS INC.  
 PO BOX 255  
 CHRISTMAS VALLEY, OR 97641

confirms the right to use the waters of WELL 1 (HARN 1495) AND WELL 3 (HARN 51851) A WELL in the SOUTH FORK MALHEUR RIVER BASIN for IRRIGATION OF 28.7 ACRES.

This right was perfected under Permit G-17183. The date of priority is SEPTEMBER 27, 2012. 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 SECOND or its equivalent in case of rotation, measured at the wells.

The wells are located as follows:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
27 S	34 E	WM	9	NE NE	WELL 1 (HARN 1495) - 1302 FEET SOUTH AND 1302 FEET WEST FROM THE NE CORNER OF SECTION 9
27 S	34 E	WM	9	SE SE	WELL 3 (HARN 51851) - 505 FEET NORTH AND 730 FEET WEST FROM THE SE CORNER OF SECTION 9

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-SIXTIETH of one cubic foot per second, and 3.0 acre-feet per acre for each acre irrigated during the irrigation season of each year.

A description of the place of use is as follows:

IRRIGATION					
Twp	Rng	Mer	Sec	Q-Q	Acres
27 S	34 E	WM	9	SW SE	28.7

Measurement, recording and reporting conditions:

- A. The water user shall maintain, in good working order, a totalizing flow meter or other suitable measuring device as approved by the Director at each point of appropriation.
- B. The water user 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.
- C. The water user shall allow the watermaster access to the meter or measuring device; provided however, where any meter or measuring device is located within a private structure, the watermaster shall request access upon reasonable notice.
- D. The Director may provide an opportunity for the water user to submit alternative measuring and reporting procedures for review and approval.

The Director requires the water user to obtain, from a qualified individual (see below), and report annual static water levels for each well on this right. The static water level shall be measured in the month of March. Reports shall be submitted to the Department within 30 days of measurement. The Director may require the user to obtain and report additional water levels each year if more data are needed to evaluate the aquifer system.

The reference levels against which any future measurements will be compared are 20.0 feet below land surface for Well 1 (HARN 1495) and 30.9 feet below land surface for Well 3 (HARN 51851).

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. Measurements shall be submitted on forms provided by, or specified by, the Department. Measurements shall be made with equipment that is accurate to at least the standards specified in OAR 690-217-0045. The Department requires the individual performing the measurement to:

- (A) Associate each measurement with an owner's well name or number a Department well log ID; and
- (B) Report water levels to at least the nearest tenth of a foot as depth-to-water below ground surface; and
- (C) Specify the method of 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) Annual water-level measurements reveal an average water-level decline of three or more feet per year for five consecutive years; or
- (B) Annual water-level measurements reveal a water-level decline of 15 or more feet in fewer than five consecutive years; or
- (C) Annual water-level measurements reveal 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 period of 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 not 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.

The OWRD Well identification Number (Well ID tag) L-119823 shall be permanently attached to Well 1 (HARN 1495) and Well ID tag L-119839 shall be permanently attached to Well 3 (HARN 51851). Well ID tags L-119823 and L-119839, respectively, shall be referenced in any correspondence regarding the wells, including any reports of water use, water level, or pump test data.

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

If substantial interference with surface water or 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 well(s) 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 airline and pressure gauge adequate to determine the water level elevation in the well at all times.

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

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.

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.

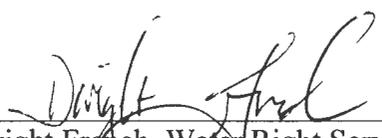
The use of water shall be limited when it interferes with any prior surface or ground water rights.

This certificate describes that portion of the water right confirmed by Certificate 91368, State Record of Water Right Certificates, NOT modified by the provisions of an order of the Water Resources Director entered JUN 27 2017, approving Transfer Application T-12387.

The issuance of this superseding certificate does not confirm the status of the water right in regard to the provisions of ORS 540.610 pertaining to forfeiture or abandonment.

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.

WITNESS the signature of the Water Resources Director, affixed JUN 27 2017.



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