

February 8, 2023

Ms. Mary Bjork
Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301-1266

Re: SOLV Energy, LLC Application for Limited Water Use License

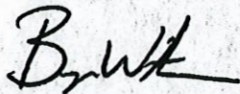
Dear Ms. Bjork:

Please find the enclosed Application for Limited Water Use License on behalf of SOLV Energy, LLC, related application materials, and required processing fee.

The OWRD local Watermaster statement provided by Jeremy Giffin identifies the need for the use to be offset. The applicant has entered into a Water Rights Forbearance Agreement with the holder of Oregon Water Right Certificate 91585 (specifically a 36.1 acre portion of Irrigation Use – the rate being 0.45 cfs, the volume being 108.3 Acre-feet per year), which will provide an offset for a comparable amount of water requested by this application from the same groundwater source aquifer, during the time of the requested Limited License period proposed. A copy of the Water Rights Forbearance Agreement identifying the offset lands has been provided to the local Watermaster as requested.

If you have any questions regarding the Application, please contact me at 541-408-1400 or brycewrs@gmail.com.

Sincerely,



Bryce M. Withers
Water Right Services, LLC

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P.O. Box 1830
Bend, OR 97709

Water Right Services, LLC

John A. Short CCB# 197121
541-389-2837

johnshort@usa.com
www.oregonwater.us

LL-1947



Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, Oregon 97301-1266
503-986-0900
www.oregon.gov/OWRD

Application for Limited Water Use License

License No.: LL-1947

Applicant Information

NAME SOLV ENERGY, LLC		PHONE (HM)	
PHONE (WK)	CELL 503-501-8624	FAX	
ADDRESS 16680 W BERNARDO DR			
CITY SAN DIEGO	STATE CA	ZIP 92127	E-MAIL * KMOORE@OBSIDIANRENEWABLES.COM

Agent Information

AGENT / BUSINESS NAME JOHN A. SHORT / WATER RIGHT SERVICES, LLC		PHONE 541-389-2837	FAX
ADDRESS PO BOX 1830		CELL	
CITY BEND	STATE OR	ZIP 97709	E-MAIL * JOHNSHORT@USA.COM

I (We) make application for a Limited License to use or store the following described surface water or groundwater – not otherwise exempt, or to use stored water for a use of a short-term or fixed-duration:

- SOURCE(S) OF WATER:** 2 Proposed Wells a tributary of _____
- AMOUNT OF WATER TO BE DIVERTED;**
Maximum and instantaneous rate (cubic feet or gallons per minute): 0.45 cfs
Total volume (gallons or acre-feet): 108.3 AF/YR If water is to be used from more than one source, give the quantity from each: Up to 0.45 cfs per well, not to be exceeded together
- INTENDED USE(S) OF WATER:** (check all that apply)
☒ Road construction or maintenance
☒ General Construction
☐ Forestland and rangeland management; or
☒ Other: Dust control, soil management, fire suppression, re-seeding, & re-vegetation
- DESCRIPTION OF PROPOSED PROJECT:** Include a description of the place of use as shown on the accompanying site map, the method of water diversion, the type of equipment to be used (including pump horsepower, if applicable), length and dimensions of supply ditches and pipelines: (see attached)
- PROJECT SCHEDULE:** (List day, month, and year)
Date water use will begin: March 1, 2023, or upon issuance if later
Date water use will be completed: 5 years after issuance
Months of the year water would be diverted and used: Year-round
If for other than irrigation from stored water, how and where will water be discharged after use:
Water will evaporate and infiltrate

[Signature]
Applicant Signature

David Grubbs COO
Print Name and Title if applicable.

3/14/23
Date

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PLEASE READ CAREFULLY

NOTE: A completed water availability statement from the local watermaster, Land Use Information Form completed by the local Planning Department, fees and site map meeting the requirements of OAR 690-340-030 must accompany this request. The fee for this request is **\$280** for the first point of diversion plus **\$30** for each additional point of diversion. Please review the Department's fee schedule to view fees required to request a limited license for Aquifer Storage and Recovery testing purposes or for Artificial Groundwater Recharge testing purposes.

Failure to provide any of the required information will result in return of your application. The license, if granted, will not be issued or replaced by a new license for a period of more than five consecutive years. The license, if granted, will be subordinate to all other authorized uses that rely upon the same source, or water affected by the source, and may be revoked at any time it is determined the use causes injury to any other water right or minimum perennial streamflow.

If water source is well, well logs or adequate information for the Department to determine aquifer, well depth, well seal and open interval, etc. are required. The licensee shall indicate the intended aquifer. If for multiple wells, each map location shall be clearly tied to a well log.

If a limited license is approved, the licensee shall give notice to the Department (Watermaster) at least 15 days in advance of using the water under the Limited License and shall maintain a record of use. The record of use shall include, but need not be limited to, an estimate of the amount of water used, the period of use and the categories of beneficial use to which the water is applied. During the period of the Limited License, the record of use shall be available for review by the Department upon request.

**A summary of review criteria and procedures that are generally applicable to these applications is available at:
<http://www.oregon.gov/owrd/pages/pubs/forms.aspx>*

Mapping Requirements (OAR 690-340-0030):

- (1) A request for a limited license shall be submitted on a form provided by the Water Resources Department, and shall be accompanied by the following:
 - a. A site map of reproducible quality, drawn to a standard, even scale of not less than 2 inches = 1 mile, showing:
 - i. The locations of all proposed points of diversion referenced by coordinates or by bearing and distance to the nearest established or projected public land survey corner;
 - ii. The general course of the source for the proposed use, if applicable;
 - iii. Other topographical features such as roads, streams, railroads, etc., which may be helpful in locating the diversion points in the field.

REMARKS:

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For WRD Use Only

This page to be completed by the local Watermaster.

SOLV Energy, LLC **WATER AVAILABILITY STATEMENT**

Name of Applicant: Obsidian Solar, LLC Limited License Number: LL-1947

1. To your knowledge, has the stream or basin that is the source for this application ever been regulated for prior rights?

☐ Yes

☒ No

If yes, please explain:

The basin has been in a watershed for over 30 years.

2. Based on your observations, would there be water available in the quantity and at the times needed to supply the use proposed by this application?

☒ Yes

☐ No

As long as the use is offset.

3. Do you observe this stream system during regular fieldwork?

☒ Yes

☐ No

If yes, what are your observations for the stream?

Steady multi-decadal decline.

4. If the source is a well and if WRD were to determine that there is the potential for substantial interference with nearby surface water sources, would there still be ground water and surface water available during the time requested and in the amount requested without injury to existing water rights?

☒ Yes

☐ No

☐ N/A

What would you recommend for conditions on a limited license that may be issued approving this application?

The offset lands must remain off for the term of the limited license. must measure usage.

5. Any other recommendations you would like to make? Flow meter access by watermaster

Signature [Signature]

WM District #: 11

Date: 1-3-23

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Application for Limited Water Use License/3

WTR

Land Use Information Form



Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, Oregon 97301-1266
(503) 986-0900
www.oregon.gov/OWRD

NOTE TO APPLICANTS

In order for your application to be processed by the Water Resources Department (WRD), this Land Use Information Form must be completed by a local government planning official in the jurisdiction(s) where your water right will be used and developed. The planning official may choose to complete the form while you wait, or return the receipt stub to you. Applications received by WRD without the Land Use Form or the receipt stub will be returned to you. Please be aware that your application will not be approved without land use approval.

This form is NOT required if:

- 1) Water is to be diverted, conveyed, and/or used only on federal lands; OR
- 2) The application is for a water right transfer, allocation of conserved water, exchange, permit amendment, or ground water registration modification, and **all** of the following apply:
 - a) The existing and proposed water use is located entirely within lands zoned for exclusive farm-use or within an irrigation district;
 - b) The application involves a change in place of use only;
 - c) The change does not involve the placement or modification of structures, including but not limited to water diversion, impoundment, distribution facilities, water wells and well houses; and
 - d) The application involves irrigation water uses only.

NOTE TO LOCAL GOVERNMENTS

The person presenting the attached Land Use Information Form is applying for or modifying a water right. The Water Resources Department (WRD) requires its applicants to obtain land-use information to be sure the water rights do not result in land uses that are incompatible with your comprehensive plan. Please complete the form or detach the receipt stub and return it to the applicant for inclusion in their water right application. You will receive notice once the applicant formally submits his or her request to the WRD. The notice will give more information about WRD's water rights process and provide additional comment opportunities. You will have 30 days from the date of the notice to complete the land-use form and return it to the WRD. If no land-use information is received from you within that 30-day period, the WRD may presume the land use associated with the proposed water right is compatible with your comprehensive plan. Your attention to this request for information is greatly appreciated by the Water Resources Department. If you have any questions concerning this form, please contact the WRD's Customer Service Group at 503-986-0801.

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Land Use Information Form

OREGON Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, Oregon 97301-1266
(503) 986-0900
www.oregon.gov/OWRD
WATER RESOURCES
DEPARTMENT

Applicant(s): SOLV ENERGY, LLC

Mailing Address: 16680 W BERNARDO DR

City: SAN DIEGO

State: CA

Zip Code: 92127

Daytime Phone: _____

A. Land and Location

Please include the following information for all tax lots where water will be diverted (taken from its source), conveyed (transported), and/or used or developed. Applicants for municipal use, or irrigation uses within irrigation districts may substitute existing and proposed service-area boundaries for the tax-lot information requested below.

Township	Range	Section	¼ ¼	Tax Lot #	Plan Designation (e.g., Rural Residential/RR-5)	Water to be:	Proposed Land Use:
<u>26S</u>	<u>15E</u>	<u>13</u>	_____	<u>1800</u>	<u>FARM USE</u>	☐ Diverted ☒ Conveyed ☒ Used	<u>INDUSTRIAL</u>
<u>26S</u>	<u>16E</u>	<u>5,8</u>	_____	<u>1900</u>	<u>FARM USE</u>	☐ Diverted ☒ Conveyed ☒ Used	"
"	"	<u>8</u>	_____	<u>2700</u>	<u>FARM USE</u>	☐ Diverted ☒ Conveyed ☒ Used	"
"	"	<u>15,</u> <u>17,</u> <u>20,</u> <u>21, 22</u>	_____	<u>2702</u>	<u>FARM USE</u>	☒ Diverted ☒ Conveyed ☒ Used	"
"	"	<u>9</u>	_____	<u>2708</u>	<u>FARM USE</u>	☒ Diverted ☒ Conveyed ☒ Used	"
"	"	<u>17</u>	_____	<u>2709</u>	<u>FARM USE</u>	☐ Diverted ☒ Conveyed ☒ Used	"
"	"	<u>16</u>	_____	<u>4600</u>	<u>FARM USE</u>	☐ Diverted ☒ Conveyed ☒ Used	"
"	"	<u>18</u>	_____	<u>4700</u>	<u>FARM USE</u>	☐ Diverted ☒ Conveyed ☒ Used	"
"	"	<u>19</u>	_____	<u>5700</u>	<u>FARM USE</u>	☐ Diverted ☒ Conveyed ☒ Used	"

List all counties and cities where water is proposed to be diverted, conveyed, and/or used or developed:

LAKE COUNTY.

B. Description of Proposed Use

Type of application to be filed with the Water Resources Department:

- ☐ Permit to Use or Store Water ☐ Water Right Transfer ☐ Permit Amendment or Ground Water Registration Modification
☒ Limited Water Use License ☐ Allocation of Conserved Water ☐ Exchange of Water

Source of water: ☐ Reservoir/Pond ☒ Ground Water ☐ Surface Water (name) _____

Estimated quantity of water needed: 0.45 ☒ cubic feet per second ☐ gallons per minute ☐ acre-feet

Intended use of water: ☐ Irrigation ☐ Commercial ☒ Industrial ☐ Domestic for _____ household(s)
☐ Municipal ☐ Quasi-Municipal ☐ Instream ☐ Other _____

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Briefly describe:

Limited License Application to temporarily use water for general construction, road construction, dust control, soil management, fire suppression, re-seeding, and re-vegetation during the construction phase of a solar project in Lake County.

Note to applicant: If the Land Use Information Form cannot be completed while you wait, please have a local government representative sign the receipt at the bottom of the next page and include it with the application filed with the Water Resources Department.

See bottom of Page 4. →

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For Local Government Use Only

The following section must be completed by a planning official from each county and city listed unless the project will be located entirely within the city limits. In that case, only the city planning agency must complete this form. This deals only with the local land-use plan. Do not include approval for activities such as building or grading permits.

Please check the appropriate box below and provide the requested information

- ☒ Land uses to be served by the proposed water uses (including proposed construction) are allowed outright or are not regulated by your comprehensive plan. Cite applicable ordinance section(s): Yashe County Zoning Ordinance Art. 3 - R-2 Zone.
- ☐ Land uses to be served by the proposed water uses (including proposed construction) involve discretionary land-use approvals as listed in the table below. (Please attach documentation of applicable land-use approvals which have already been obtained. Record of Action/land-use decision and accompanying findings are sufficient.) If approvals have been obtained but all appeal periods have not ended, check "Being pursued."

Type of Land-Use Approval Needed (e.g., plan amendments, rezones, conditional-use permits, etc.)	Cite Most Significant, Applicable Plan Policies & Ordinance Section References	Land-Use Approval:	
		☐ Obtained ☐ Denied	☐ Being Pursued ☐ Not Being Pursued
		☐ Obtained ☐ Denied	☐ Being Pursued ☐ Not Being Pursued
		☐ Obtained ☐ Denied	☐ Being Pursued ☐ Not Being Pursued
		☐ Obtained ☐ Denied	☐ Being Pursued ☐ Not Being Pursued
		☐ Obtained ☐ Denied	☐ Being Pursued ☐ Not Being Pursued
		☐ Obtained ☐ Denied	☐ Being Pursued ☐ Not Being Pursued

Local governments are invited to express special land-use concerns or make recommendations to the Water Resources Department regarding this proposed use of water below, or on a separate sheet.

RESC APPROVED SOLAR PROJECT, WITH COUNTY APPROVAL FILE # 22-053-CLUP.

Name: Doreen Jefferson Title: Planning Director

Signature: [Signature] Phone: 501-947-6036 Date: 3 Jan 2023

Government Entity: LAKE COUNTY PLANNING DEPARTMENT

Note to local government representative: Please complete this form or sign the receipt below and return it to the applicant. If you sign the receipt, you will have 30 days from the Water Resources Department's notice date to return the completed Land Use Information Form or WRD may presume the land use associated with the proposed use of water is compatible with local comprehensive plans.

Receipt for Request for Land Use Information

Applicant name: _____

City or County: _____ Staff contact: _____

Signature: _____ Phone: _____ Date: _____

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**Application for Limited Water Use License
Attachment**

4. Description of Proposed Project: This application requests a limited license to provide water for general construction, road construction, dust control, soil management, fire suppression, re-seeding, and re-vegetation during the construction phase of a solar project in Lake County. The wells are proposed and appropriately sized turbine pumps will be used upon construction. Water will be pumped from wells into water trucks and/or storage tanks and will be delivered to the place of use with water trucks and portable temporary piping and sprinklers (length and type of piping t.b.d.). The portion of the place of use shown in T.26S. R.15E, Section 13 is included for the planned construction of a substation, the final site to be determined within the portion of Tax Lot 1800 shown on the attached map.

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7451-77

Well Table for Limited License Application Obsidian Solar Center, LLC

OWNER WELL NAME OR NO.	PROPOSED	EXISTING	WELL ID (WELL TAG) NO.* OR WELL LOG ID	FLOWING ARTESIAN	CASING DIAMETER	CASING INTERVALS (IN FEET)	PERFORATED OR SCREENED INTERVALS (IN FEET)	SEAL INTERVAL S (IN FEET)	MOST RECENT STATIC WATER LEVEL & DATE (IN FEET)	SOURCE AQUIFER	TOTAL WELL DEPTH	PUMP (HP)
1	☒	☐		☐	14" STEEL	+2-18.5'		0-18.5'		BASALT	1000'	TBD
2	☒	☐		☐	14" STEEL	+2-18.5'		"		BASALT	"	"

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Oregon Water Resources Department
Apply for a Limited License

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[Return](#) [Contact Us](#)

Today's Date: Wednesday, January 4, 2023

☒ Base Application ☐ Aquifer Storage and Recovery ☐ Artificial Groundwater Recharge

Base Application Fee.		\$280.00
Proposed number of Surface Water diversions.	2	\$30.00
Subtotal:		\$310.00
	Recalculate	
Estimated cost of Limited License Application		\$310.00

Disclaimer: This Web-based fee calculator is provided by the Oregon Water Resources Department for the convenience of applicants. Considerable effort has been expended to ensure it's accuracy, however by proceeding users acknowledge that application fees are set by Oregon Revised Statutes, and that the Department reserves the right to correct any error in calculated fees during processing of an application.

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LL-1947

WATER RIGHTS FORBEARANCE AGREEMENT

THIS WATER RIGHTS FORBEARANCE AGREEMENT ("Agreement") is made and entered into this 19 day of April, 2022 (the "Effective Date") by and between Obsidian Solar Center, LLC, an Oregon limited liability company ("Obsidian"), and Richard Morehouse, an individual ("Morehouse"), each of which may be referred to herein as a "Party," and both of whom may be together referred to herein as the "Parties."

RECITALS

A. Obsidian is developing a solar energy project in Lake County, Oregon, within the boundaries shown on the map in **Exhibit A** attached to this Agreement (the "Project"). Project construction will be managed by SOLV Energy, Obsidian's Engineering, Procurement, and Construction Contractor ("EPC Contractor").

B. Morehouse owns real property in Lake County, Oregon described in **Exhibit B** attached hereto (the "Property"). The Property includes appurtenant groundwater rights identified in Water Right Certificate No. 91585 in the records of the Oregon Water Resources Department ("OWRD"), a copy of which certificate is attached hereto as **Exhibit C** (the "Water Right"). The Water Right authorizes withdrawal of groundwater from two wells for irrigation up to an annual maximum use of 3.0 acre-feet ("AF") per acre on specified acreage of the Property.

C. Obsidian's EPC Contractor will require water for construction of the Project. Morehouse desires to make a portion of the Water Right available to the EPC Contractor and the Project for those purposes, in exchange for payment by Obsidian.

D. The EPC Contractor intends to apply to OWRD for a five-year Limited License ("License") to use a portion of Morehouse's Water Right for Project construction needs, including general construction, road construction, dust control, soil management, fire suppression, re-seeding, revegetation, and other construction-related water uses.

E. Morehouse has agreed to forbear use of a portion of his Water Right to provide water required for the Project during the term of the License, and Obsidian has agreed to pay Morehouse for that forbearance.

F. The Parties enter into this Agreement to memorialize their obligations with respect to the forbearance of a portion of the Water Right.

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AGREEMENT

NOW THEREFORE, in consideration of the foregoing recitals, and the payments, obligations, covenants, and agreements hereinafter set forth, the legal sufficiency of which the Parties hereby acknowledge, Obsidian and Morehouse agree as follows:

1. **TERM.** This Agreement shall be in full force and effect on and from the Effective Date and shall terminate on the date of expiration or revocation of any Final License, as defined below, issued by OWRD to the EPC Contractor for use of water to construct the Project, unless terminated sooner pursuant to Section 4.7 of this Agreement (the "Term").

2. WATER USE FORBEARANCE.

2.1. Mitigation of Construction Use of Water Under Limited License. During the Forbearance Period, Morehouse agrees to forgo from irrigating 36.1 acres authorized for irrigation under the Water Right and to forgo from appropriating that amount of water to mitigate in time and place the amount of groundwater to be appropriated by the EPC Contractor for Project construction ("Forbearance Water Right"), as shown in **Exhibit D**. The Forbearance Period shall begin on the date that any appeal periods have run or any appeals have been finally concluded on the License issued by OWRD to the EPC Contractor ("Final License"), and shall end on the expiration or revocation of such Final License.

2.2. Resumption of Irrigation. Obsidian will provide notice to Morehouse of the expiration or revocation of the Final License. Morehouse's forbearance obligation will then terminate and Morehouse may then resume irrigation with the Forbearance Water Right to the extent allowed by law.

2.3. Compensation for Water Use Forbearance. Following issuance by OWRD of the Final License to the EPC Contractor:

2.3.1. Obsidian will transfer the properties listed on **Exhibit F** to Morehouse;

2.3.2. Morehouse will reduce the purchase price of Parcels 1 and 2 subject to that certain Second Option Agreement between Morehouse and Obsidian entered into on April 1, 2021, as further extended or amended, by the sum of Fifty Thousand Dollars (\$50,000) or if such Parcels 1 and 2 have already been purchased by Obsidian, pay Obsidian the sum of Fifty Thousand Dollars (\$50,000);

2.3.3. Obsidian, or its assigns, shall retain the right to use the Two Mules Property, as described on **Exhibit F**, during the Forbearance Period.

2.4. Cooperation. Morehouse agrees to cooperate with the EPC Contractor in applying for a License and obtaining a Final License, including providing an affidavit in a form substantially similar to **Exhibit E** and any other necessary documents or consents.

3. **DEFAULT.** The occurrence of any one or more of the following events will constitute a default of this Agreement:

3.1. Failure to Perform. The failure by either of the Parties to observe or perform any of the covenants, conditions, or provisions of this Agreement to be observed or performed by that Party, where such failure shall continue for a period of thirty (30) days after written notice thereof by the non-breaching party; provided, however, that if the nature of said breach is such that more than thirty (30) days are reasonably required for such cure, then the breaching party shall not be deemed to be in default if said party commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion.

3.2. No Liens or Encumbrances. Obsidian covenants and agrees that it shall neither mortgage nor pledge nor otherwise place, or allow to be placed, a lien or any other form of encumbrance on the Forbearance Water Right.

3.3. Remedies on Default. In the event of any alleged default or failure to perform any obligation under this Agreement, the non-defaulting Party shall give the alleged defaulting party written notice thereof, which notice shall include the acts required to cure the same with reasonable specificity. Each Party shall have the right to recover its actual damages as a result of any default under this Agreement which is not cured within the applicable cure period. Any prohibited conduct under this Agreement may be enjoined and this Agreement shall be specifically enforceable, but Morehouse's remedies shall not include the unilateral right to terminate this Agreement or deny Obsidian the benefits of the Forbearance Water Right as provided under this Agreement, unless Obsidian fails to make payment as required by Section 2.3 of this Agreement. Notwithstanding the foregoing, in no event, whether based on contract, indemnity, warranty, tort (including negligence), strict liability, or otherwise, shall Obsidian or Morehouse or their affiliates, subcontractors, or suppliers, or any of their officers, directors, employees, agents, or authorized representatives be liable for special, incidental, exemplary, punitive, indirect, or consequential damages.

4. **DISPUTE RESOLUTION.** Any dispute arising out of or relating to this Agreement shall be resolved in accordance with the procedures specified in this Section 4, which shall be the sole and exclusive procedures for the resolution of any such disputes.

4.1. Negotiation between Parties. The Parties shall attempt in good faith to resolve any dispute arising out of or relating to this Agreement promptly by negotiation between the appointed representatives of the Parties.

Any Party may give the other Party written notice of any dispute not resolved in the ordinary course of business. Within seven (7) business days after delivery of the notice, the receiving Party shall submit to the other a written response. The notice and response shall include (a) a statement of each Party's position, and (b) the name and title of the executive who will accompany the representative. Within ten (10) days after delivery of the disputing Party's notice, the representatives of the Parties shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary to attempt to resolve the dispute. All reasonable requests for information made by one Party to the other will be honored.

4.1.1. If the matter has not been resolved by these persons within thirty (30) days of the disputing Party's notice, or if the Parties fail to meet within ten (10) days, either Party may initiate litigation as provided hereinafter.

4.1.2. All negotiations pursuant to this clause are confidential and shall be treated as compromise and settlement negotiations for purposes of the Federal Rules of Evidence and State Rules of Evidence.

4.2. Litigation. If the dispute has not been resolved by non-binding means as provided herein within thirty (30) days of the initiation of the negotiations under Section 4.1, either Party may initiate litigation (upon 30 days written notice to the other Party); provided, however, that if one Party has requested the other to participate in a non-binding procedure and the other has failed to participate, the requesting Party may initiate litigation before expiration of the above period.

4.3. Waiver of Jury Trial. EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY THAT MAY ARISE UNDER THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER TRANSACTION DOCUMENT, OR THE TRANSACTIONS.

4.4. Provisional Remedies. The procedures specified in this Section shall be the sole and exclusive procedures for the resolution of disputes between the Parties arising out of or relating to this Agreement; provided, however, that either Party, without prejudice to the above procedures, may seek preliminary injunction or other provisional judicial relief, if in its sole judgment, such action is necessary to avoid irreparable damage or to preserve the status quo. Despite such action the Parties will continue to participate in good faith in the procedures specified in this Section.

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4.5. Tolling Statute of Limitations. All applicable statutes of limitation and defenses based upon the passage of time shall be tolled while the procedures specified in this Section are pending. The Parties will take such action, if any, required to effectuate such tolling.

4.6. Performance to Continue. Each Party is required to continue to perform its obligations under this Agreement pending final resolution of any dispute arising out of or relating to this Agreement.

4.7. Termination. This Agreement may be terminated only by mutual written agreement of the Parties.

5. MISCELLANEOUS.

5.1. Successors or Assigns. All of the terms, conditions, covenants, and agreements of this Agreement shall extend to and be binding upon the Parties and their respective successors and assigns, as applicable, and upon any person or persons or entities coming into ownership or possession of any interest in the Project or the Property by operation of law or otherwise.

5.2. Interpretation. Whenever required by the context of this Agreement, the singular shall include the plural and the plural shall include the singular. The term "and/or" means all and each of the persons, words, or provisions connected by said term. In any provision relating to the conduct, acts, or omissions of the Parties, the term "Morehouse" includes Morehouse's employees, contractors, invitees, heirs, successors, and assigns, and the term "Obsidian" includes Obsidian's agents, employees, contractors, invitees, heirs, successors, and assigns.

5.3. Partial Invalidity. If any term, covenant, or condition of this Agreement or the application thereof to any person or circumstance is, to any extent, invalid or unenforceable, the remainder of this Agreement, or the application of such term, covenant, or condition to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant, or condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

5.4. Notices. Any notices required or permitted to be given in accordance with any of the provisions herein or desired to be given hereunder, if to Obsidian or Morehouse, must all be in writing and delivered personally, or if mailed then mailed by registered or certified mail or by overnight mail and addressed to the address of Obsidian or Morehouse as set forth below, or at such other place as either of them may in writing from time to time direct. Notices shall be deemed given when delivered, if delivered personally; the next business day following mailing if sent by

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overnight mail; or three (3) business days after deposit in the United States mail as set forth above. The addresses for notice purposes are set forth below.

To Obsidian:
Obsidian Solar Center, LLC
5 Centerpointe Drive, Suite 255
Lake Oswego, OR 97035
Attention: Michelle Slater

With a Copy to:
Janet Neuman
Tonkon Torp LLP
888 SW 5th Avenue, Suite 1600
Portland, OR 97204

To Morehouse:
Richard Morehouse
Star Route
Silver Lake, OR 97638

Any notice under or pursuant to this Agreement may be given on behalf of a Party by the attorney for such Party.

5.5. Waiver. A Party's failure, at any time or times, to require strict performance by the other Party of any provision of this Agreement will not waive, affect, or diminish any right of such Party thereafter to demand strict compliance and performance herewith or therewith. Any suspension or waiver of an Event of Default will not suspend, waive, or affect any other Event of Default whether the same is prior or subsequent thereto and whether the same or of a different type.

5.6. Marginal Headings. The marginal headings and the section titles to the Sections and Subsections of this Agreement are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part hereof.

5.7. Time of the Essence. Time is of the essence with respect to the performance of the obligations of the Parties as set forth herein.

5.8. Choice of Law, Jurisdiction and Venue. This Agreement shall be governed by the Laws of the State of Oregon without regard to conflict of laws principles. Jurisdiction and venue for any suit, action, arbitration or other legal proceeding relating to this Agreement shall be in the state court in Lake County, Oregon.

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5.9. Authority to Execute. The individuals signing this Agreement on behalf of each of the Parties hereto hereby represent and warrant that they have full authority to execute and deliver this Agreement on behalf of such Party.

5.10. Attorney Fees. In the event that any Party to this Agreement institutes a suit, action, arbitration, or other legal proceeding of any nature whatsoever, relating to this Agreement or to the rights or obligations of the Parties with respect thereto, the prevailing Party shall be entitled to recover from the losing Party its reasonable attorney, paralegal, accountant, expert witness (whether or not called to testify at trial or other proceeding), and other professional fees and all other fees, costs, and expenses actually incurred and reasonably necessary in connection therewith, including, but not limited to, deposition transcript and court reporter costs, as determined by the judge or arbitrator at trial or other proceeding, and including such fees, costs, and expenses incurred in any appellate or review proceeding, or in collecting any judgment or award, or in enforcing any decree rendered with respect thereto, in addition to all other amounts provided for by law. This cost and attorneys fee provision shall apply with respect to any litigation or other proceedings in bankruptcy court, including litigation or proceedings related to issues unique to bankruptcy law. This Section shall survive the termination of this Agreement.

5.11. Entire Agreement. This Agreement and any attachments hereto and forming a part hereof set forth all of the covenants, promises, agreements, conditions, and understandings between the Parties concerning the Forbearance Water Right and there are no covenants, promises, agreements, conditions, or understandings, either oral or written, other than as herein set forth relating to the Forbearance Water Right.

5.12. Amendment. No subsequent alteration, amendment, change, or addition to this Agreement will be binding upon either Party until reduced to writing and signed by the Parties.

5.13. Security Interest and Recording. Morehouse grants a security interest to Obsidian in the rights granted under this Agreement. Neither Party shall record this Agreement. However, both Parties will execute a memorandum of this Agreement for the purpose of recordation in a form agreed upon by the Parties, which memorandum will identify the Forbearance Water Right and the portion of the Property to which it is appurtenant. In the event of termination of this Agreement, the Parties may execute and record individually or together a termination statement with respect to such memorandum.

5.14. Execution. This Agreement may be executed in counterparts, each of which shall be deemed an original hereof and will together constitute one and the same document. The Parties agree that delivery by email of a signed counterpart of this Agreement will be deemed the same as delivery of the original

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counterpart. Upon the request of the other Party, a Party delivering a counterpart of this Agreement by email will provide to the requesting Party a signed original of this Agreement.

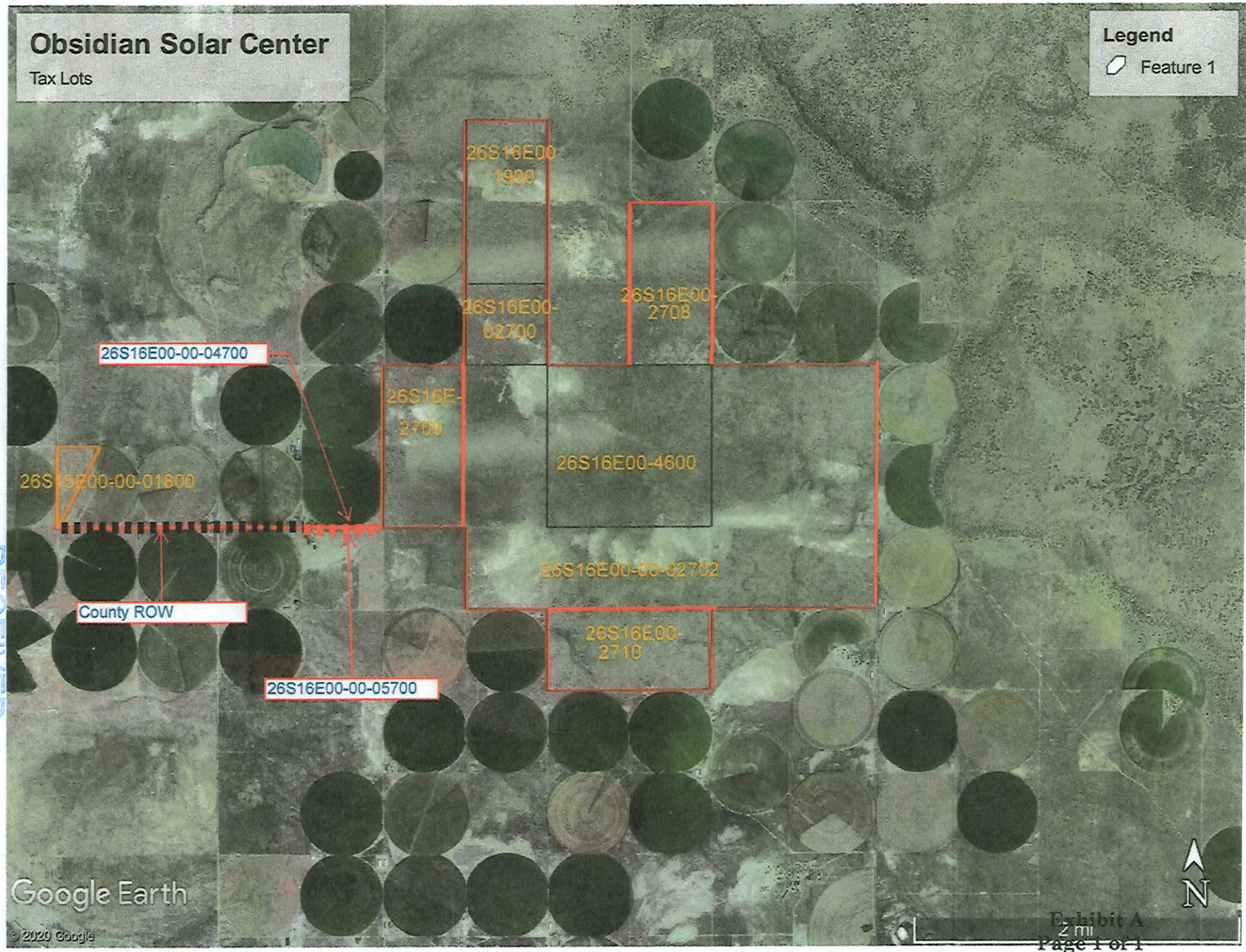
IN WITNESS WHEREOF, the Parties have executed this Agreement on the Effective Date.

OBSIDIAN SOLAR CENTER, LLC, an Oregon Limited Liability Company,	RICHARD MOREHOUSE, by Janice Hamlington, acting by Power of Attorney
By: <u>David W. Tom</u>	<u>Richard Morehouse, by Janice</u>
Its: <u>Manager</u>	<u>Hamlington, acting by</u> <u>Power of Attorney</u>

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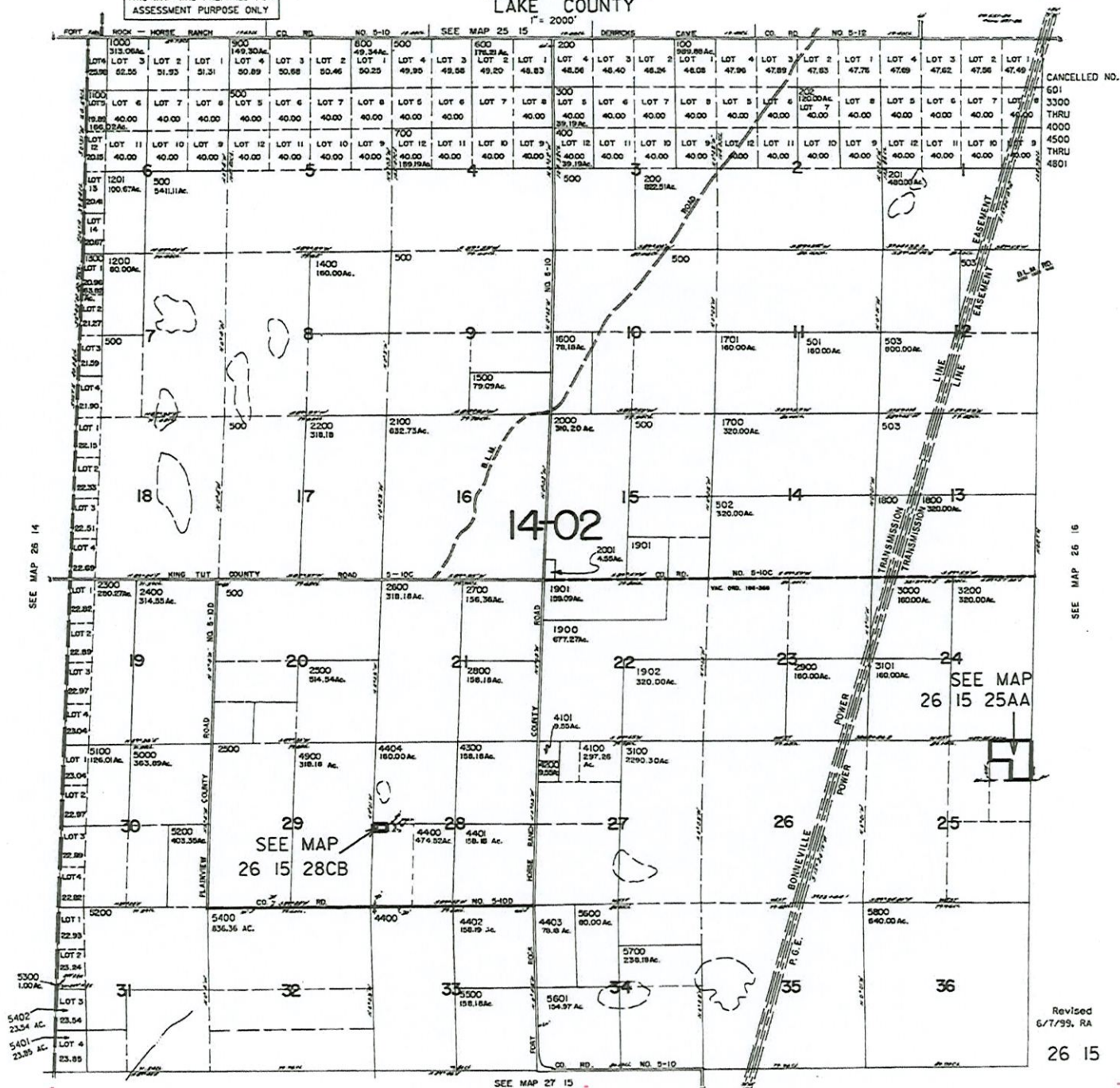
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**MOREHOUSE
PROPERTY**
Tax lot 2000,
Section 15,
Township 26
South, Range 15
East, Willamette
Meridian, Lake
County, Oregon
(consisting of
310.20 acres)

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Revised
6/7/99. RA

26 15

STATE OF OREGON

COUNTY OF LAKE

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

RICHARD MOREHOUSE
STAR ROUTE
SILVER LAKE, OR 97638

confirms the right to use the waters of WELL A and WELL B for IRRIGATION OF 276.1 ACRES.

This right was perfected under Permit G-7996. The date of priority is JANUARY 19, 1978. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 3.45 CUBIC FEET PER SECOND (CFS), further limited to 1.93 CFS from WELL A and 2.89 CFS from WELL B, in any combination, 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
26 S	15 E	WM	15	SW NW	WELL A - 1340 FEET SOUTH AND 1340 FEET WEST FROM THE N1/4 CORNER OF SECTION 15
26 S	15 E	WM	15	SW SW	WELL B - 4020 FEET SOUTH AND 1330 FEET WEST FROM THE N1/4 CORNER OF SECTION 15

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.

A description of the place of use to which this right is appurtenant is as follows:

IRRIGATION					
Twp	Rng	Mer	Sec	Q-Q	Acres
26 S	15 E	WM	15	NE NW	30.0
26 S	15 E	WM	15	NW NW	30.0
26 S	15 E	WM	15	SW NW	30.0
26 S	15 E	WM	15	SE NW	30.0
26 S	15 E	WM	15	NE SW	40.0
26 S	15 E	WM	15	NW SW	40.0
26 S	15 E	WM	15	SW SW	36.1
26 S	15 E	WM	15	SE SW	40.0

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SALEM, OREGONExhibit C
Page 1 of 2

LL-1947

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 access port for measuring line, adequate to determine water level elevation in the wells at all times.

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

The use 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 90627, State Record of Water Right Certificates, NOT modified by the provisions of an order of the Water Resources Director entered JUN 27 2016, approving Transfer Application T-12186, approving a change in point of appropriation and place of use..

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 2016.

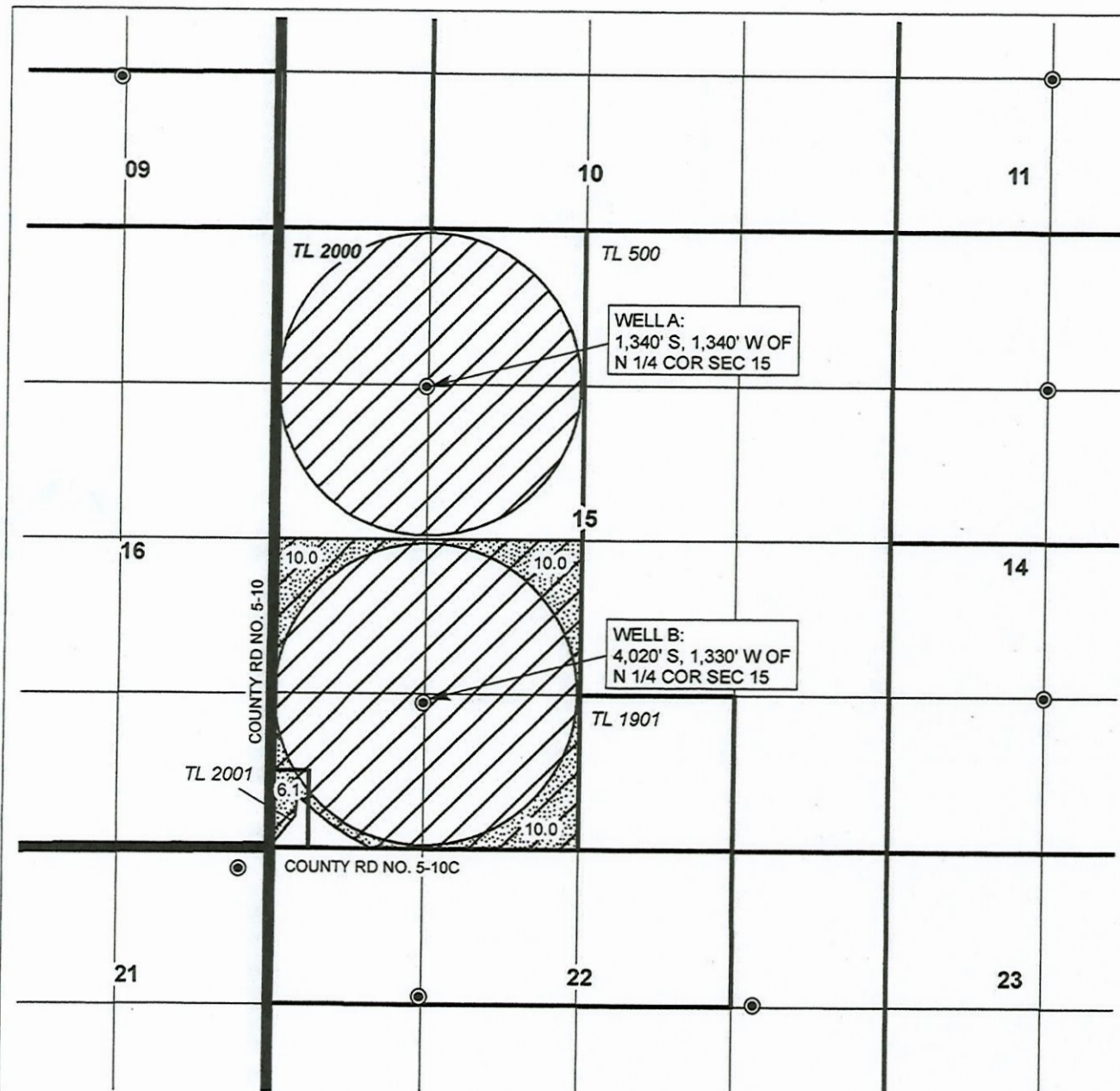

Dwight French, Water Right Services Administrator, for
Thomas M. Byler, Director
Oregon Water Resources Department

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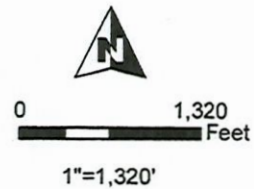
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SALEM, OREGON

LA-1947



**T26S, R15E
SECTION 15, WM**

LAKE COUNTY, OREGON



- Well
- ▨ Forbearance Acres - 36.1
- ▧ Water Right Certificate 91585
- QQ
- ▭ Tax Lots
- ▭ Sections

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FORBEARANCE MAP

NOTE: THIS MAP IS NOT INTENDED TO
PROVIDE LEGAL DIMENSIONS OR LOCATIONS
OF PROPERTY OWNERSHIP LINES.

Date: 3/28/22

WATER RIGHT SERVICES, LLC

PO BOX 1830, BEND, OR 97709
CCB# 197121 www.oregonwater.us
541-389-2837 JOHNSHORT@USA.COM

**AFFIDAVIT OF CONSENT TO FORBEARANCE
OF RICHARD MOREHOUSE**

STATE OF OREGON)
) ss.
County of Lake)

I, Richard Morehouse, do hereby swear, under penalty of perjury, that the assertions of this affidavit are true to the best of my knowledge and belief:

1. I am the owner of the property described in **Attachment 1** to this Affidavit (the "Property").
2. I am the holder and owner of the water right authorized under, and identified in, the records of Oregon Water Resources Department as Water Right Certificate 91585 (the "Water Right"), included here as **Attachment 2**.
3. The Water Right is appurtenant to the Property and, pursuant to the terms and conditions of the Water Right, can only be used for irrigation purposes during the irrigation season.
4. I submit this Affidavit to confirm my consent to forbear from appropriation and application to beneficial use for irrigation of that portion of the Water Right described in **Attachment 3** attached hereto and incorporated herein (the "Forbearance Water Right"), in order that the Forbearance Water Right can be made available to offset in time, place, and amount those appropriations of groundwater requested under Limited License Application LL-____ (dated _____) filed by SOLV Energy, the Engineering, Procurement, and Construction Contractor ("EPC Contractor") for the construction of the Obsidian Solar Center Project in Lake County, Oregon (the "Project"), which application seeks the right to use up to 108.3 acre feet ("AF") annually during the license term for the Project's construction.
5. I have executed with Obsidian (a) a Water Rights Forbearance Agreement affirming my obligation to forbear appropriation and use of the Forbearance Water Right during the period of time that water is used pursuant to any license issued by OWRD on Application LL-____; and (b) a Memorandum of Forbearance Agreement to be recorded against all affected portions of my Property and the Forbearance Water Right in the records of Lake County, Oregon.

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Exhibit E
Page 1 of 6

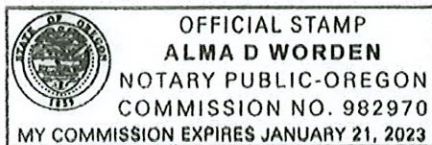
LL-1947

6. Upon the completion of the recording of the Memorandum of Forbearance Agreement, I will provide a copy of said document to OWRD for maintenance in its files concerning the Water Right.

DATED this 19 day of April, 2022.

Richard Morehouse by Janice Hamilton power of Attorney
Richard Morehouse

SUBSCRIBED AND SWORN to before me by Richard Morehouse this 19th day of April, 2022.



Alma D Worden
NOTARY PUBLIC FOR OREGON
My Commission Expires: Jan 21, 2023

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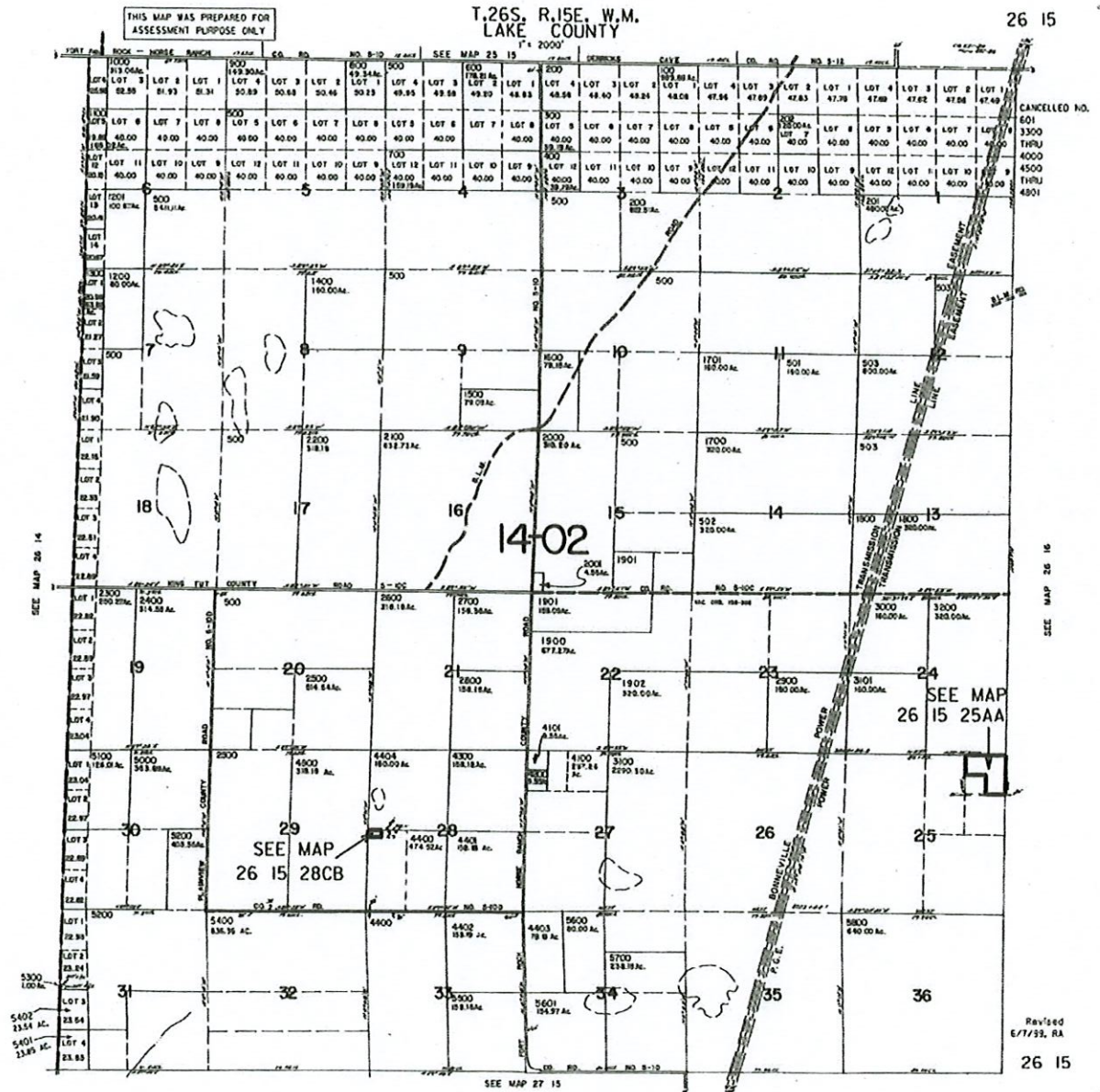
MAR 20 2023

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Exhibit E
Page 2 of 6

22-1947

MOREHOUSE
PROPERTY
Tax lot 2000,
Section 15,
Township 26
South, Range 15
East, Willamette
Meridian, Lake
County, Oregon
(consisting of
310.20 acres)



Attachment 1
Page 1 of 1

Exhibit E
Page 3 of 6

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SALEM, OREGON

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STATE OF OREGON

COUNTY OF LAKE

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

RICHARD MOREHOUSE
STAR ROUTE
SILVER LAKE, OR 97638

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26 S	15 E	WM	15	SW NW	30.0
26 S	15 E	WM	15	SE NW	30.0
26 S	15 E	WM	15	NE SW	40.0
26 S	15 E	WM	15	NW SW	40.0
26 S	15 E	WM	15	SW SW	36.1
26 S	15 E	WM	15	SE SW	40.0

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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 access port for measuring line, adequate to determine water level elevation in the wells at all times.

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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 2016.


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

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OWRD
SALEM, OREGON

LA-1947

T26S, R15E SECTION 15, WM

LAKE COUNTY, OREGON



0 1,320 Feet
1"=1,320'

- Well
- Forbearance Acres - 36.1
- Water Right Certificate 91585
- QQ
- Tax Lots
- Sections

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SALEM, OREGON



FORBEARANCE MAP

NOTE: THIS MAP IS NOT INTENDED TO
PROVIDE LEGAL DIMENSIONS OR LOCATIONS
OF PROPERTY OWNERSHIP LINES.

Date: 3/28/22

WATER RIGHT SERVICES, LLC

PO BOX 1830, BEND, OR 97709

CCB# 197121 www.oregonwater.us

541-389-2837 JOHNSHORT@USA.COM

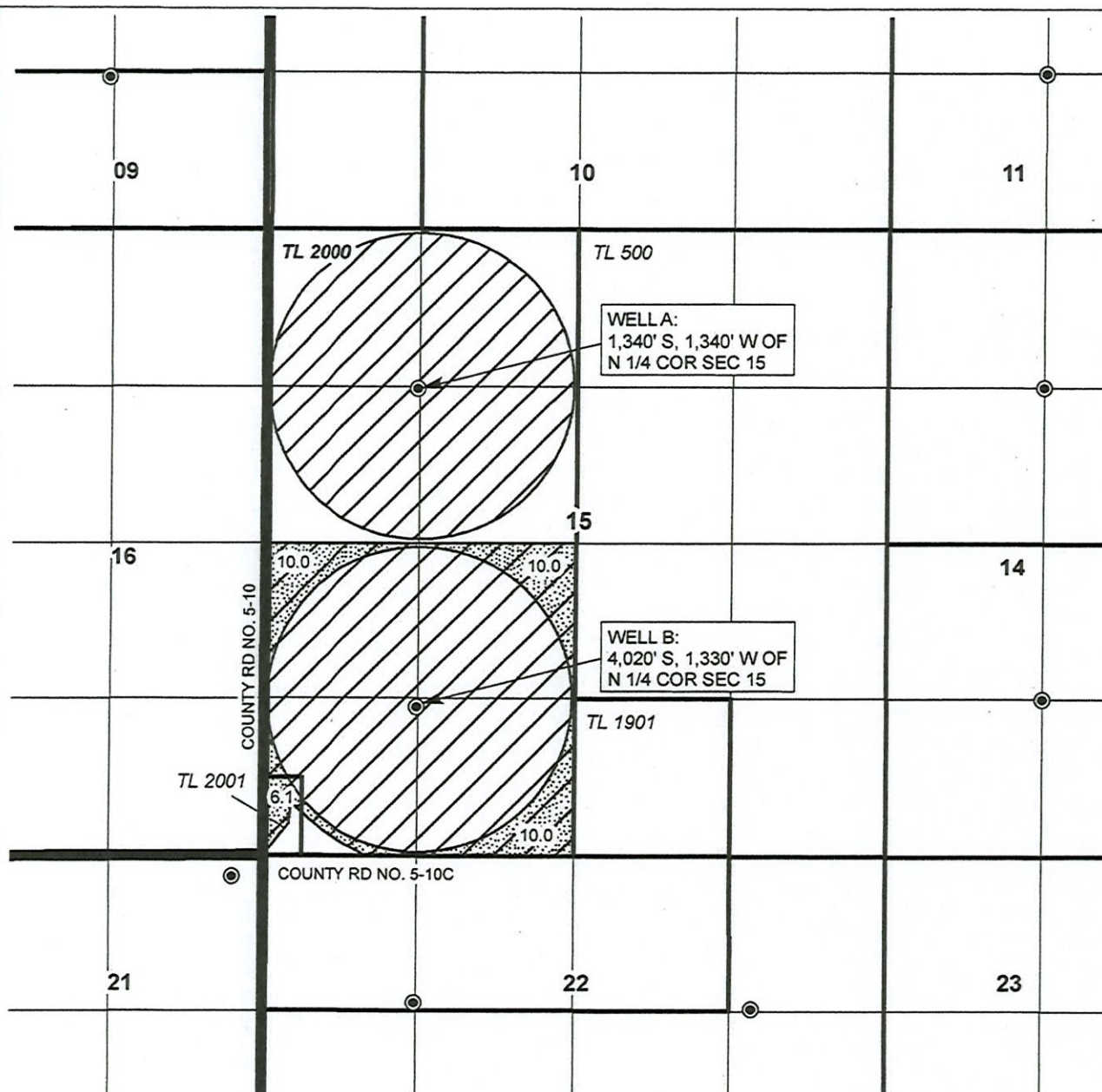


EXHIBIT F
PROPERTIES TO BE TRANSFERRED TO MOREHOUSE FROM OBSIDIAN

1. Two Mules Property:

In the County of Lake, State of Oregon, as follows:

Parcel 1

Township 27 South, Range 16 East of the Willamette Meridian
Section 11: The W1/2 of the SE1/4 of the SW1/4.

Parcel 2

Township 27 South, Range 16 East of the Willamette Meridian
Section 11: The E1/2 of the SE1/4 of the SW1/4.

Parcel 3

Township 27 South, Range 16 East of the Willamette Meridian
Section 11: The E1/2 of the NE1/4 of the SW1/4.

2. Crane Property:

In the County of Lake, State of Oregon, as follows:

Parcel 1

Township 26 South, Range 19 East of the Willamette Meridian,
Section 32: The N1/2 of the SE1/4.

Parcel 2

Township 26 South, Range 19 East of the Willamette Meridian,
Section 32: The S1/2 of the SE1/4.

3. Lost Forest Property:

In the County of Lake, State of Oregon, as follows:

Parcel 1

Township 26 South, Range 19 East of the Willamette Meridian,
Section 31: The E1/2 of the SE1/4 of the NE1/4.

Parcel 2

Township 26 South, Range 19 East of the Willamette Meridian,
Section 32: The SW1/4 of the NW1/4.

Parcel 3

Township 26 South, Range 19 East of the Willamette Meridian,
Section 32: The SE1/4 of the NW1/4.

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