

Application for a Permit to Use Groundwater

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

SECTION 1: APPLICANT INFORMATION AND SIGNATURE**Applicant**

NAME OROZCO LLC, C/O JUAN OROZCO			PHONE (HM) (971) 272-9450 FOR LUPITA CERVANTES, JUAN'S DAUGHTER	
PHONE (WK)	CELL		FAX	
ADDRESS 35725 S. Hwy 213				
CITY MOLALLA	STATE OR	ZIP 97038	E-MAIL* LUPITACERVANTEZ@YAHOO.COM (HIS DAUGHTER)	

Organization

NAME			PHONE	FAX
ADDRESS				CELL
CITY	STATE	ZIP	E-MAIL*	

Agent – The agent is authorized to represent the applicant in all matters relating to this application.

AGENT / BUSINESS NAME Doann Hamilton / Pacific Hydro-Geology, Inc.			PHONE (503) 632-5016	FAX (503) 632-5983
ADDRESS 18487 S. Valley Vista Road				CELL (503) 349-6946
CITY Mulino	STATE OR	ZIP 97042	E-MAIL* phgdmh@gmail.com	

Note: Attach multiple copies as needed

* By providing an e-mail address, consent is given to receive all correspondence from the Department electronically. (Paper copies of the proposed and final order documents will also be mailed.)

By my signature below I confirm that I understand:

- I am asking to use water specifically as described in this application.
- Evaluation of this application will be based on information provided in the application.
- I cannot use water legally until the Water Resources Department issues a permit.
- Oregon law requires that a permit be issued before beginning construction of any proposed well, unless the use is exempt. Acceptance of this application does not guarantee a permit will be issued.
- If I get a permit, I must not waste water.
- If development of the water use is not according to the terms of the permit, the permit can be cancelled.
- The water use must be compatible with local comprehensive land-use plans.
- Even if the Department issues a permit, I may have to stop using water to allow senior water-right holders to get water to which they are entitled.

I (we) affirm that the information contained in this application is true and accurate.

 John M. Orozco John M. Orozco J. M. O. 6-3-20
Applicant Signature Print Name and Title if applicable Date

Applicant Signature

Print Name and Title if applicable

Date

SECTION 2: PROPERTY OWNERSHIP

Please indicate if you own all the lands associated with the project from which the water is to be diverted, conveyed, and used. **RECEIVED**

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- ☒ YES, there are no encumbrances.
☐ YES, the land is encumbered by easements, rights of way, roads or other encumbrances. **OWRD**
☐ NO, I have a recorded easement or written authorization permitting access.
☐ NO, I do not currently have written authorization or easement permitting access.
☐ NO, written authorization or an easement is not necessary, because the only affected lands I do not own are state-owned submersible lands, and this application is for irrigation and/or domestic use only (ORS 274.040).
☐ NO, because water is to be diverted, conveyed, and/or used only on federal lands.

Affected Landowners: List the names and mailing addresses of all owners of any lands that are not owned by the applicant and that are crossed by the proposed ditch, canal or other work, even if the applicant has obtained written authorization or an easement from the owner. (Attach additional sheets if necessary).

NA

Legal Description: You must provide the legal description of: 1. The property from which the water is to be diverted, 2. Any property crossed by the proposed ditch, canal or other work, and 3. Any property on which the water is to be used as depicted on the map.

SECTION 3: WELL DEVELOPMENT

WELL NO.	NAME OF NEAREST SURFACE WATER	IF LESS THAN 1 MILE:	
		DISTANCE TO NEAREST SURFACE WATER	ELEVATION CHANGE BETWEEN NEAREST SURFACE WATER AND WELL HEAD
WELL 1	TRIBUTARY TO GARRET CREEK TO THE NORTH EAST	APPROX. 1,450 FEET	APPROX. 40 FEET
WELL 2	TRIBUTARY TO GARRET CREEK TO THE NORTH WEST	APPROX. 1,800 FEET	APPROX. 40 FEET

Please provide any information for your existing or proposed well(s) that you believe may be helpful in evaluating your application. For existing wells, describe any previous alteration(s) or repair(s) not documented in the attached well log or other materials (attach additional sheets if necessary).

Well 1 and 2 specifications provided in the table below are estimates and subject to change based on actual conditions encountered in the field. The objective will be to construct the well to develop water from the sedimentary aquifer (see nearby CLAC 19980).

SECTION 3: WELL DEVELOPMENT, continued

Total maximum rate requested: 0.30 CFS (each well will be evaluated at the maximum rate unless you indicate well-specific rates and annual volumes in the table below).

The table below must be completed for each source to be evaluated or the application will be returned. If this is an existing well, the information may be found on the applicable well log. *(If a well log is available, please submit it in addition to completing the table.)* If this is a proposed well, or well-modification, consider consulting with a licensed well driller, geologist, or certified water right examiner to obtain the necessary information.

OWNER'S 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 INTERVALS (IN FEET)	MOST RECENT STATIC WATER LEVEL & DATE (IN FEET)	PROPOSED USE			
										SOURCE AQUIFER***	TOTAL WELL DEPTH	WELL- SPECIFIC RATE (GPM)	ANNUAL VOLUME (ACRE-FEET)
WELL 1	☒	☐	NA	☐	8 INCH	0 TO 100	TBD	0 TO 100	NA	MARINE SEDIMENTS	200 FEET		
WELL 2	☒	☐	NA	☐	8 INCH	0 TO 100	TBD	0 TO 100	NA	MARINE SEDIMENTS	200 FEET		
	☐	☐		☐									
	☐	☐		☐						TOTAL:		134.6 GPM	60 AF
	☐	☐		☐									
	☐	☐		☐									
	☐	☐		☐									
	☐	☐		☐									
	☐	☐		☐									

* Licensed drillers are required to attach a Department-supplied Well Tag, with a unique Well ID or Well Tag Number to all new or newly altered wells. Landowners can request a Well ID for existing wells that do not have one. The Well ID is intended to serve as a unique identification number for each well.

** A well log ID (e.g. MARI 1234) is assigned by the Department to each log in the agency's well log database. A separate well log is required for each subsequent alteration of the well.

*** Source aquifer examples: Troutdale Formation, gravel and sand, alluvium, basalt, bedrock, etc.

For Department Use: App. Number: _____

SECTION 4: SENSITIVE, THREATENED OR ENDANGERED FISH SPECIES PUBLIC INTEREST INFORMATION

This information must be provided for your application to be accepted as complete. The Water Resources Department will determine whether the proposed use will impair or be detrimental to the public interest with regard to sensitive, threatened or endangered fish species if your proposed groundwater use is determined to have the potential for substantial interference with nearby surface waters.

To answer the following questions, use the map provided in Attachment 3 or the link below to determine whether the proposed point of appropriation (POA) is located in an area where the Upper Columbia, the Lower Columbia, and/or the Statewide public interest rules apply.

For more detailed information, click on the following link and enter the TRSQQ or the Lat/Long of a POA and click on "Submit" to retrieve a report that will show which section, if any, of the rules apply:
https://apps.wrd.state.or.us/apps/misc/lkp_trsqq_features/

If you need help to determine in which area the proposed POA is located, please call the customer service desk at (503) 986-0801.

Upper Columbia - OAR 690-033-0115 thru -0130

Is the well or proposed well located in an area where the Upper Columbia Rules apply?

☐ Yes ☒ No

If yes, you are notified that the Water Resources Department will consult with numerous federal, state, local and tribal governmental entities so it may determine whether the proposed use is consistent with the "Columbia River Basin Fish and Wildlife Program" adopted by the Northwest Power Planning Council in 1994 for the protection and recovery of listed fish species. The application may be denied, heavily conditioned, or if appropriate, mitigation for impacts may be needed to obtain approval for the proposed use.

If yes, and if the Department determines that proposed groundwater use has the potential for substantial interference with nearby surface waters:

- I understand that the permit, if issued, will not allow use during the time period April 15 to September 30, except as provided in OAR 690-033-0140.
- I understand that the Department of Environmental Quality will review my application to determine if the proposed use complies with existing state and federal water quality standards.
- I understand that I will install and maintain water use measurement and recording devices as required by the Water Resources Department, and comply with recording and reporting permit condition requirements.

Lower Columbia - OAR 690-033-0220 thru -0230

Is the well or proposed well located in an area where the Lower Columbia rules apply?

☒ Yes ☐ No

If yes, and the proposed groundwater use is determined to have the potential for substantial interference with nearby surface waters you are notified that the Water Resources Department will determine, by reviewing recovery plans, the Columbia River Basin Fish and Wildlife Program, and regional restoration programs applicable to threatened or endangered fish species, in coordination with state and federal agencies, as

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appropriate, whether the proposed use is detrimental to the protection or recovery of a threatened or endangered fish species and whether the use can be conditioned or mitigated to avoid the detriment.

If a permit is issued, it will likely contain conditions to ensure the water use complies with existing state and federal water quality standards; and water use measurement, recording and reporting required by the Water Resources Department. The application may be denied, or if appropriate, mitigation for impacts may be needed to obtain approval of the proposed use.

If yes, you will be required to provide the following information, if applicable.

☐ Yes ☒ No The proposed use is for more than one cubic foot per second (448.8 gpm) and is not subject to the requirements of OAR 690, Division 86 (Water Management and Conservation Plans).

If yes, provide a description of the measures to be taken to assure reasonably efficient water use:

NA.

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Statewide - OAR 690-033-0330 thru -0340

Is the well or proposed well located in an area where the Statewide rules apply?

☒ Yes ☐ No

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If yes, and the proposed groundwater use is determined to have the potential for substantial interference with nearby surface waters you are notified that the Water Resources Department will determine whether the proposed use will occur in an area where endangered, threatened or sensitive fish species are located. If so, the Water Resources Department, Department of Fish and Wildlife, Department of Environmental Quality, and the Department of Agriculture will recommend conditions required to achieve "no loss of essential habitat of threatened and endangered (T&E) fish species," or "no net loss of essential habitat of sensitive (S) fish species." If conditions cannot be identified that meet the standards of no loss of essential T E fish habitat or no net loss of essential S fish habitat, the agencies will recommend denial of the application unless they conclude that the proposed use would not harm the species.

SECTION 5: WATER USE

USE	PERIOD OF USE	ANNUAL VOLUME (ACRE-FEET)
Irrigation	March 1 through October 31	60 AF

For irrigation use only:

Please indicate the number of primary and supplemental acres to be irrigated (*must match map*).

Primary: 24.0 Acres Supplemental: NA Acres

If you listed supplemental acres, list the Permit or Certificate number of the underlying primary water right(s):

NA

Indicate the maximum total number of acre-feet you expect to use in an irrigation season: 60 AF

- If the use is **municipal or quasi-municipal**, attach Form M
- If the use is **domestic**, indicate the number of households: NA (Exempt Uses: Please note that 15,000 gallons per day for single or group domestic purposes and 5,000 gallons per day for a single industrial or commercial purpose are exempt from permitting requirements.)
- If the use is **mining**, describe what is being mined and the method(s) of extraction (*attach additional sheets if necessary*): NA

SECTION 6: WATER MANAGEMENT

A. Diversion and Conveyance

What equipment will you use to pump water from your well(s)?

- ☒ Pump (give horsepower and type): Both wells will have submersible pumps with 3.5 to 5 Hp
☐ Other means (describe): _____

Provide a description of the proposed means of diversion, construction, and operation of the diversion works and conveyance of water. Water will be pumped from the wells through portable mainlines with hydrants to attach laterals with impact sprinklers

B. Application Method

What equipment and method of application will be used? (e.g., drip, wheel line, high-pressure sprinkler) *(attach additional sheets if necessary)*
Impact sprinklers

C. Conservation

Please describe why the amount of water requested is needed and measures you propose to: prevent waste; measure the amount of water diverted; prevent damage to aquatic life and riparian habitat; prevent the discharge of contaminated water to a surface stream; prevent adverse impact to public uses of affected surface waters *(attach additional sheets if necessary)*.
Water will be applied to crops when needed. The most water efficient method of irrigation will be used for the crop being irrigated

SECTION 7: PROJECT SCHEDULE

- a) Date construction will begin: Within three years after the permit is issued
b) Date construction will be completed: Within five years after the permit has been issued
c) Date beneficial water use will begin: Within five years after the permit has been issued

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SECTION 8: RESOURCE PROTECTION

In granting permission to use water the state encourages, and in some instances requires, careful control of activities that may affect adjacent waterway or streamside area. See instruction guide for a list of possible permit requirements from other agencies. Please indicate any of the practices you plan to undertake to protect water resources.

- ☒ Water quality will be protected by preventing erosion and run-off of waste or chemical products.
Describe: Water will be applied at rate and duration to avoid excess watering
- ☒ Excavation or clearing of banks will be kept to a minimum to protect riparian or streamside areas.
Note: If disturbed area is greater than one acre, applicant should contact the Oregon Department of Environmental Quality to determine if a 1200C permit is required.
Describe planned actions and additional permits required for project implementation:
There are no streams located near Proposed Wells 1 and 2, or any other location requiring ground disturbance; therefore, no banks will need clearing.

- ☒ Other state and federal permits or contracts required and to be obtained, if a water right permit is granted:
List: NA

SECTION 9: WITHIN A DISTRICT

- ☐ Check here if the point of appropriation (POA) or place of use (POU) are located within or served by an irrigation or other water district.

Irrigation District Name NA	Address	
City	State	Zip

SECTION 10: REMARKS

Use this space to clarify any information you have provided in the application (*attach additional sheets if necessary*).

None

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Minimum Requirements Checklist

Minimum Requirements (OAR 690-310-0040, OAR 690-310-0050 & ORS 537.140)

Include this checklist with the application

Check that each of the following items is included. The application will be returned if all required items are not included. If you have questions, please call the Water Rights Customer Service Group at (503) 986-0900.

Please submit the original application and signatures to the Water Resources Department. Applicants are encouraged to keep a copy of the completed application.

- ☒ SECTION 1: Applicant Information and Signature
- ☒ SECTION 2: Property Ownership
- ☒ SECTION 3: Well Development
- ☒ SECTION 4: Sensitive, Threatened or Endangered Fish Species Public Interest Information
- ☒ SECTION 5: Water Use
- ☒ SECTION 6: Water Management
- ☒ SECTION 7: Project Schedule
- ☒ SECTION 8: Resource Protection
- ☐ SECTION 9: Within a District
- ☒ SECTION 10: Remarks

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Include the following additional items:

- ☒ Land Use Information Form with approval and signature of local planning department (*must be an original*) or signed receipt.
- ☒ Provide the legal description of: (1) the property from which the water is to be diverted, (2) any property crossed by the proposed ditch, canal or other work, and (3) any property on which the water is to be used as depicted on the map.
- ☒ Fees - Amount enclosed: \$ 2,040
See the Department's Fee Schedule at www.oregon.gov/owrd or call (503) 986-0900.
- ☒ Map that includes the following items:
 - ☒ Permanent quality and drawn in ink
 - ☒ Even map scale not less than 4" = 1 mile (example: 1" = 400 ft, 1" = 1320 ft, etc.)
 - ☒ North Directional Symbol
 - ☒ Township, Range, Section, Quarter/Quarter, Tax Lots
 - ☒ Reference corner on map
 - ☒ Location of each diversion, by reference to a recognized public land survey corner (distances north/south and east/west)
 - ☒ Indicate the area of use by Quarter/Quarter and tax lot identified clearly.
 - ☒ Number of acres per Quarter/Quarter and hatching to indicate area of use if for primary irrigation, supplemental irrigation, or nursery
 - ☐ Location of main canals, ditches, pipelines or flumes (if well is outside of the area of use)

Note: In addition to a groundwater application, a standard reservoir application is required to store groundwater in a reservoir. If an applicant proposes to divert water from a reservoir, a surface water application is also required.

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Attachment 2: Land Use Information Form

Land Use Information Form

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

Applicant

NAME OROZCO LLC, C/O JUAN OROZCO		PHONE (HM) 971) 272-9450 FOR LUPITA CERVANTES HIS DAUGHTER	
PHONE (WK)	CELL	FAX	
ADDRESS 35725 S. HWY 213			
CITY MOLALLA	STATE OR	ZIP 97038	E-MAIL*

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	1/4 1/4	Tax Lot #	Plan Designation (e.g., Rural Residential/RR-5)	Water to be:			Proposed Land Use:
5S	1E	34		1300	EFU	☒ Diverted	☒ Conveyed	☒ Used	IR
						☐ Diverted	☐ Conveyed	☐ Used	
						☐ Diverted	☐ Conveyed	☐ Used	
						☐ Diverted	☐ Conveyed	☐ Used	

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

Clackamas 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 Groundwater Registration Modification
☐ Limited Water Use License ☐ Allocation of Conserved Water ☐ Exchange of Water

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

Estimated quantity of water needed: 0.30 ☒ 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 _____

Briefly describe:

New groundwater permit to irrigate row crops and hay

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.

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): ZDO Section 401 (EFU).

☐ 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
	RECEIVED	☐ Obtained ☐ Denied	☐ Being Pursued ☐ Not Being Pursued
	JUN 22 2020	☐ Obtained ☐ Denied	☐ Being Pursued ☐ Not Being Pursued
	OWRD	☐ 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.

Irrigation for Farming allowed outright in EFU zones- BB

NAME Ben Blessing, CFM		TITLE: Planner 2
SIGNATURE	PHONE: 503-742-4521	DATE: June 17, 2020
GOVERNMENT ENTITY Clackamas County		

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: _____

Clackamas County Official Records
Sherry Hall, County Clerk

2018-000445

01/03/2018 09:55:01 AM

M-TD Cnt=1 Sin=75 CONNIE
\$50.00 \$16.00 \$10.00 \$22.00

\$98.00

After Recording Return To:
Orozco Farm, LLC
35725 S Hwy. 213
Molalla, OR 97362

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After Recording, Send Tax
Statements To:
Orozco Farm, LLC
35725 S Hwy. 213
Molalla, OR 97362

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TRUST DEED

THIS TRUST DEED, is made this 29 day of December, 2017, between Orozco Farm, LLC, as Grantor, Wesley A. Hill, a licensed Oregon attorney in good standing, as Trustee, and Juan Diego Almaral Sanchez as Beneficiary.

WITNESSETH:

Grantor irrevocably grants, bargains, sells and conveys to Trustee in trust, with power of sale, the property in Clackamas County, Oregon, legally described as:

See Exhibit A attached hereto and incorporated herein.

together with all and singular the tenements, hereditaments and appurtenances and all other rights thereunto belonging or in anywise now or hereafter attached to or used in connection with said real estate.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of Grantor herein contained and further securing:

- (a) Payment of the sum of Two Hundred Ninety-Five Thousand and No/100 Dollars (\$295,000.00), with interest thereon according to the terms of a Promissory Note of even date herewith, which is incorporated herein by this reference, payable to Beneficiary or order and made by Grantor, the final payment of principal and interest thereof to be due and payable on November 1, 2032;
- (b) All amendments, renewals, extensions and modifications of the aforesaid Promissory Note;
- (c) Repayment of any additional sums loaned to or advanced on behalf of Grantor by Beneficiary in addition to the sums stated in the aforesaid Promissory Note, it being the express agreement of the parties that any such loan or expenditure of

FATCO 2978762

E-RECORDING ORIGINAL

After Recording Return To:
Orozco Farm, LLC
35725 S Hwy. 213
Molalla, OR 97362

After Recording, Send Tax
Statements To:
Orozco Farm, LLC
35725 S Hwy. 213
Molalla, OR 97362

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- (b) All amendments, renewals, extensions and modifications of the aforesaid Promissory Note;
- (c) Repayment of any additional sums loaned to or advanced on behalf of Grantor by Beneficiary in addition to the sums stated in the aforesaid Promissory Note, it being the express agreement of the parties that any such loan or expenditure of

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additional funds as new debt will nevertheless be secured by this Trust Deed with the same priority as of the date of execution and recordation of this Trust Deed; and

- (d) Any amounts expended or advanced by Beneficiary to discharge obligations of Grantor or expenses incurred by Beneficiary or Trustee to enforce the obligations of Grantor, as permitted under this Trust Deed, with interest thereon.

The date of maturity of the debt secured by this instrument is the date stated above on which the final payment on said note becomes due and payable.

To protect the security of this Trust Deed, Grantor agrees:

1. That all improvements now on or hereafter placed on the premises shall remain a part of the real property and shall not be removed at any time prior to the expiration of this agreement without the written consent of the Beneficiary. Grantor shall not commit or suffer any waste of the property or any improvements hereafter placed thereon, or any landscaping of the subject property, and shall maintain the property and all improvements now on or hereafter placed thereon and alterations thereof in good repair and condition. Grantor shall promptly comply with all laws, ordinances, regulations, directions, rules and requirements of all governmental authorities applicable to the use or occupancy of the property, and in this connection, promptly make all required repairs, alterations and additions.

2. To keep all improvements now existing or which shall hereafter be placed on the subject real property insured against fire and other casualties covered by standard policy of fire, hazard and casualty insurance with extended coverage endorsements. The policy shall be written to the full replacement value with loss payable to the parties hereto as their interests appear at the time of loss, with priority in payment to the Beneficiary. Existing insurance policies shall be prorated as of the date of closing. Insurance proceeds paid as a result of any casualty or hazard shall be used to repair, rebuild or replace the improvements situated upon the subject real property. All repairs, replacement or rebuilding shall be done in a good and workmanlike manner by a licensed building contractor. All plans, specifications, work orders, bids and proposals for any such repair, replacement or rebuilding shall be first approved by Beneficiary in writing, and the beneficiary's approval shall not be unreasonably withheld. No casualty or loss sustained shall operate to abate any payments required to be made under the terms of this Trust Deed. All insurance policies shall be deposited with the Beneficiary and shall contain a stipulation providing that coverage will not be canceled or diminished without a minimum of ten (10) days prior written notice to the Beneficiary. Grantor shall, on demand, furnish to the Beneficiary written proof that all insurance premiums have been paid and are current. In the event of loss, the Grantor shall give immediate notice to the Beneficiary. The Beneficiary may make proof of all uninsured losses if Grantor fails to do so within 15 days of the casualty. All uninsured losses shall be borne by the Grantor on or after the date Grantor took possession of the property.

Any such insurance policy shall provide for a standard mortgage clause, as well as an additional insured provision naming Juan Diego Almaral Sanchez as an additional insured.

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3. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; if the Beneficiary so requests, to join in executing such financing statements pursuant to the Uniform Commercial Code as the Beneficiary may require and to pay for filing same in the proper public office, or offices, as well as the cost of all lien searches made by filing officers or searching agencies as may be deemed desirable by the Beneficiary. The parties agree that this Trust Deed shall also constitute a security agreement under the Uniform Commercial Code.

4. To keep said premises free from construction liens and to pay all taxes, assessments and other charges that may be levied or assessed upon or against said property before any part of such taxes, assessments and other charges become past due or delinquent and promptly deliver receipts there for to Beneficiary; should Grantor fail to make payment of any taxes, assessments, insurance premiums, liens or other charges payable by Grantor, either by direct payment or by providing Beneficiary with funds with which to make such payment, Beneficiary may, at his option, make payment thereof, and the amount so paid, with interest at the rate set forth in the note secured hereby, together with the obligations described in paragraphs 5, 6 and 7 of this Trust Deed, shall be added to and become a part of the debt secured by this Trust Deed, without waiver of any rights arising from breach of any of the covenants hereof and for such payments, with interest as aforesaid, the property hereinbefore described, as well as the Grantor, shall be bound to the same extent that they are bound for the payment of the obligation herein described, and all such payments shall be immediately due and payable without notice, and the nonpayment thereof shall, at the option of the Beneficiary, render all sums secured by this Trust Deed immediately due and payable and constitute a breach of this Trust Deed.

5. Grantor shall pay all real property taxes for each fiscal tax year in full no later than December 1st of each fiscal tax year. Said payments shall be made monthly in 1/12th increments through Santiam Escrow unless or until instructed otherwise by Beneficiary or Beneficiary's agent or assigns.

6. To pay all costs, fees and expenses of this trust, including the cost of title search, as well as the other costs and expenses of the Trustee incurred in connection with or in enforcing this obligation and Trustee's attorney's fees actually incurred, either in enforcement hereof by private advertisement and sale or in any suit or action filed hereon or in any appeal therefrom.

7. To appear and defend any action or proceeding purporting to affect the security rights or powers of Beneficiary or Trustee; and in any suit, action or proceeding in which the Beneficiary or Trustee may appear, including any suit for the foreclosure of this Trust Deed, to pay all costs and expenses, including evidence of title and the Beneficiary's or Trustee's attorney's fees; the amount of attorney's fees mentioned in this paragraph 7 in all cases shall be fixed by the trial court, and in the event of an appeal from any judgment or decree of the trial court, Grantor further agrees to pay such sum as the appellate court shall adjudge reasonable as the Beneficiary's or Trustee's attorney's fees on such appeal.

8. This Trust Deed and the Promissory Note secured thereby are personal to the Beneficiary and the Grantor herein, and the Grantor shall not assign this agreement, sell this property on contract or transfer its rights herein or in the property covered hereby, or lease, rent or demise the subject property or

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any portion thereof to any other third party without the written consent of the Beneficiary first had and obtained, which such consent shall not be unreasonably withheld. Beneficiary may require such personal information concerning any buyer, assignee or grantee as a prudent lender would require of a prospective borrower. It is specifically understood and agreed that this transaction is personal between the parties hereto and that the Beneficiary's desire to accept Grantor's personal responsibility is a material inducement to Beneficiary in executing this transaction. Grantor agrees to pay Beneficiary all costs associated with reviewing the qualifications of any prospective Grantor or assignee including, but not limited to, legal fees incurred for such review.

9. The Beneficiary may, at his option, declare the full unpaid balance of the Promissory Note secured by this Trust Deed, including accrued interest, immediately due and payable in the event the Grantor assigns, sells this property on contract, leases, or otherwise transfers any rights herein without Beneficiary's prior written consent thereto.

10. As a condition for granting its consent to any such assignment, lease, sale or transfer, Beneficiary may require an increase in the interest rate charged under this agreement and the aforesaid Promissory Note, as well as require that all the net proceeds of any such assignment, lease, sale or transfer be paid to Beneficiary to reduce or pay in full the balance of this Trust Deed and the Promissory Note secured thereby.

11. Grantor shall indemnify and defend the Beneficiary from any claim, loss or liability arising out of or related to any activity of Grantor on the property or any condition of the property.

12. In the event of a default hereunder, the Beneficiary shall be entitled to the appointment of a receiver as a matter of right whether or not the apparent value of the property exceeds the amount of the balance due hereunder, and any receiver appointed may serve without bond. Employment by Beneficiary shall not disqualify a person from serving as receiver. Upon taking possession of all or any part of the property, the receiver may:

- (a) Use, operate, manage, control and conduct the rental business on the property and make expenditures for all maintenance and improvements as in the receiver's judgment are proper;
- (b) Collect all rents, revenues, income, issues and profits from the property and apply such sums to the expenses of use, operation and management;
- (c) At receiver's option, complete any construction in progress on the property, and in that connection pay bills, borrow funds, employ contractors and make any changes in plans or specifications as the receiver deems appropriate.

13. If the revenues produced by the property are insufficient to pay expenses, the receiver may borrow from the Beneficiary or otherwise such sums as receiver deems necessary for the purposes stated in this paragraph, and repayment of such sums shall be secured by this Trust Deed. The amount borrowed

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or advanced shall bear interest at the same rate as the balance of the Promissory Note from the date of expenditure until repaid and shall be payable by the Grantor on demand.

It is mutually agreed that:

14. In the event that any portion or all of said property shall be taken under the right of eminent domain or condemnation Beneficiary shall have the right, if he so elects, to require that all or any portion of the monies payable as compensation for such taking, which are in excess of the amount required to pay all reasonable costs, expenses and attorney's fees necessarily paid or incurred by Grantor in such proceedings, shall be paid to Beneficiary and applied by Beneficiary first upon any reasonable costs, expenses and attorney's fees, both in the trial and appellate courts, necessarily paid or incurred by Beneficiary in such proceedings, and the balance applied upon the indebtedness secured hereby; and Grantor agrees, at Grantor's own expense, to take such actions and execute such instruments as shall be necessary in obtaining such compensation, promptly upon Beneficiary's request.

15. At any time and from time to time upon written request of Beneficiary, payment of its fees and presentation of this Trust Deed and the note for endorsement (in case of full reconveyance, for cancellation), without affecting the liability of any person for the payment of the indebtedness, Trustee may:

- (a) Consent to the making of any map or plat of said property;
- (b) Join in granting any easement or creating any restriction thereon;
- (c) Join in any subordination or other agreement affecting this Trust Deed or the lien or charge thereof;
- (d) Reconvey, without warranty, all or any part of the property.

16. The Grantee in any reconveyance may be described as the "person or persons legally entitled thereto," and the recitals therein of any matters or facts shall be conclusive proof of the truthfulness thereof. Trustee's fees for any of the services mentioned in this paragraph shall be not less than Two Hundred Fifty Dollars (\$250.00) for each conveyance or act.

17. Upon any default by Grantor hereunder, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property of any part thereof, in Beneficiary's own name sue or otherwise collect the rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees upon any indebtedness secured hereby, and in such order as Beneficiary may determine.

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18. The entering upon and taking possession of said property, the collection of such rents, issues and profits, or the proceeds of fire and other insurance policies or compensation or awards for any taking or damage of the property, and the application or release thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

19. Upon default by Grantor in payment of any indebtedness secured hereby or in Grantor's performance of any agreement hereunder, the Beneficiary may declare all sums secured hereby immediately due and payable. In such an event, the Beneficiary, at his election, may proceed to foreclose this Trust Deed in equity as a mortgage or direct the Trustee to foreclose this Trust Deed by advertisement and sale. In the latter event, the Beneficiary or the Trustee shall fix the time and place of sale, give notice thereof as then required by law and proceed to foreclose this Trust Deed in the manner provided in ORS 86.735 to 86.795.

20. Should the Beneficiary elect to foreclose by advertisement and sale, then after default at any time prior to five (5) days before the date set by the Trustee for the Trustee's sale, the Grantor or other person so privileged by ORS 86.753, may pay to the Beneficiary or his successor in interest, respectively, the entire amount then due under the terms of the Trust Deed and any obligation secured thereby (including costs and expenses actually incurred in enforcing the terms of the obligation and Trustee's attorney's fees not exceeding the amounts provided by law) other than such portion of the principal as would not then be due had no default occurred, and thereby cure the default, in which event all foreclosure proceedings shall be dismissed by the Trustee.

21. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale, or the time to which said sale may be postponed as provided by law. The Trustee may sell said property, either in one parcel or in separate parcels, and shall sell the parcel or parcels at auction to the highest bidder for cash, payable at the time of sale. Trustee shall deliver to Grantor a deed in form as required by law conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters of fact shall be conclusive proof of the truthfulness thereof. Any person, excluding the Trustee, but including the Grantor and Beneficiary, may purchase at the sale.

22. When the Trustee sells pursuant to the powers provided herein, Trustee shall apply the proceeds of sale to payment of:

- (1) The expenses of sale, including the compensation of the Trustee and a reasonable charge by Trustee's attorney;
- (2) To the obligation secured by this Trust Deed;
- (3) To all persons having recorded liens subsequent to the interest of the Trustee in this Trust Deed as their interests may appear in the order of their priority; and
- (4) The surplus, if any, to the Grantor or to its successor in interest entitled to such surplus.

JUN 22 2020

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23. For any reason permitted by law, Beneficiary may, from time to time, appoint a successor or successors to any Trustee named herein or to any Successor Trustee appointed hereunder. Upon such appointment, and without conveyance to the Successor Trustee, the latter shall be vested with all title, powers and duties conferred upon any Trustee herein named or appointed hereunder. Each appointment and substitution shall be made by written instrument executed by Beneficiary, containing reference to this Trust Deed and its place of record, which, when recorded in the office of the County Clerk or Recorder of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the Successor Trustee.

24. Trustee accepts this trust when this deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other deed of trust or of any action or proceeding in which Grantor, Beneficiary or Trustee shall be a party unless such action or proceeding is brought by Trustee.

25. The Grantor covenants and agrees to and with the Beneficiary and those claiming under the Beneficiary, that the Grantor is lawfully seized in fee simple of said described real property and has a valid, unencumbered title thereto, and that the Grantor will warrant and forever defend the same against all persons whomsoever.

26. This Trust Deed applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, personal representatives, successors and assigns. The term "Beneficiary" shall mean the holder and owner, including pledgee, of the Promissory Note secured hereby, whether or not named as a Beneficiary herein. In construing this Trust Deed and whenever the context so requires, the masculine gender includes the feminine and the neuter, and the singular number includes the plural.

27. No work of visual art shall be installed in or on the premises without Beneficiary's prior written consent. Beneficiary may condition its consent to installation of a work of visual art in the Premises, as defined in the Visual Artists Rights Act of 1990 VARA at 17 USC §101, on Grantor's delivery to Beneficiary of a written waiver of moral rights under the VARA executed by the artist and to be executed by Beneficiary acknowledging that the work may be subject to destruction upon removal.

28. No Liens Against Real Property. Grantor agrees that Grantor will not permit nor suffer any liens to be filed against the above-described real property.

29. **PROHIBITION ON USE OF THE PROPERTY FOR HAZARDOUS SUBSTANCES**

As used in this paragraph: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health,

JUN 22 2020

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safety or environmental protect; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Grantor shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the property. Grantor shall not do, nor allow anyone else to do, anything affecting the property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the property. The preceding two sentences shall not apply to the presence, use, or storage on the property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential and farm uses and to maintenance of the property (including, but not limited to, hazardous substances in consumer products).

Grantor shall promptly give Beneficiary written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the property and any Hazardous Substance or Environmental Law of which Grantor has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the property. If Grantor learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the property is necessary, Grantor shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create an obligation on Beneficiary for an Environmental Cleanup.

30. This document is the result of a cooperative negotiation between the parties, and the parties acknowledge that this document shall not be construed against the draft person for any purpose.

IN WITNESS WHEREOF, said Grantor has hereunto set its hand the day and year first above written.

Orozco Farm, LLC

By: Juan M. Orozco
Juan Orozco
Its: Member

NOTARIAL SIGNATURES CONTINUE ON FOLLOWING PAGE

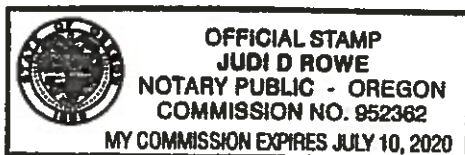
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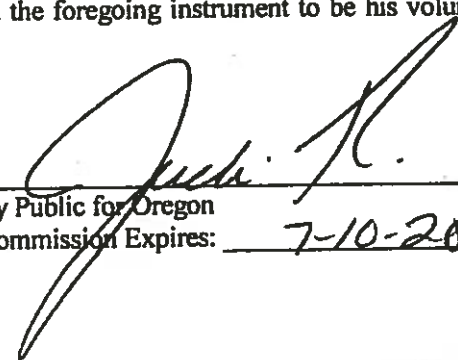
JUN 22 2020

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STATE OF OREGON)
) ss.
County of Marion)

On this 29 day of December, 2017, personally appeared before me the above-named Juan Orozco, member of Orozco Farm, LLC and acknowledged the foregoing instrument to be his voluntary act and deed.




Notary Public for Oregon
My Commission Expires: 7-10-20

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Exhibit "A"

Real property in the County of Clackamas, State of Oregon, described as follows:

BEGINNING AT THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 34, TOWNSHIP 5 SOUTH, RANGE 1 EAST OF THE WILLAMETTE MERIDIAN IN THE COUNTY OF CLACKAMAS AND STATE OF OREGON; THENCE EAST ON QUARTER SECTION LINE TO THE CENTER OF MARKET ROAD NO. 5; THENCE SOUTHWESTERLY FOLLOWING THE CENTER LINE OF SAID ROAD TO THE MOST EASTERLY CORNER OF A TRACT OF LAND CONVEYED TO L. H. JONES BY DEED RECORDED OCTOBER 14, 1903, IN BOOK 85, PAGE 190, DEED RECORDS; THENCE NORTHWESTERLY FOLLOWING THE NORTHERLY LINE OF SAID JONES TRACT TO THE WEST LINE OF THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 34; THENCE NORTH TO THE PLACE OF BEGINNING.

EXCEPTING FROM SAID PARCEL THAT PORTION CONVEYED TO THE STATE OF OREGON BY DEED RECORDED APRIL 20, 1953, IN BOOK 468, PAGE 3, DEED RECORDS.

NOTE: This Legal Description was created prior to January 01, 2008.