

DRAFT Water Mitigation Allotment CS4-84594-J

| Chiawana Orchards 3107 River Road Yakima, WA 98902 | | | | |
|--|---|----------------------------|---------|--|
| Grantor: | Selah-Moxee Irrigation District (SMID) | Certificate Number: | 2025-10 | |
| Grantee: | Chiawana Orchards | Date Issued: | 6/24/25 | |
| Parcel Number(s): | 952675 | | | |
| Site Address: | NE of NW Sec 02 T 16N R 19E (Kittitas County) | | | |
| Proposed Project Description: | 2025 Emergency Drought Well Lease is offered at 5 years @ 20% of mitigation quantity. | | | |
| Water use on these parcels is from: | | Mitigation Quantity: 51 AF | Y | |
| ⊠ groundwater well(s) | | Duration: ☐ Purchase | | |
| □ surface water | | □ Lease: 1 years | | |
| Abbreviated Legal Description: (see page 2 for full legal description, if needed) | | | | |
| See Ecology Application for Emergency Authorization to use Supplemental Water in the Yakima River Basin G4-35034-25. | | | | |

Terms and Conditions:

- 1. This Mitigation Allotment is for use on the above-mentioned parcel(s) and legal description only and is not transferable for use at other locations or for any other uses without SMID concurrence.
- 2. Grantee is required to independently develop its source of water and obtain permit approval from Ecology.
- 3. SMID agrees it will reserve water authority for this Draft Mitigation Allotment for a period allotted in the "2025 Water Right Short-Term Lease Agreement".
- 4. SMID may cancel this Draft Mitigation Allotment if the applicant is unable to obtain required authorizations within the time periods allotted.
- 5. If Ecology grants permit authority for this project, then following payment of remaining required fees, that include, but are not limited to closing costs and the remaining balance of the purchase price, SMID will issue a Final Mitigation Allotment to Grantee.
- 6. Grantee shall provide the Final Mitigation Allotment to Ecology and record it with the County Auditor.
- 7. If Ecology or a Court determines that any water use authorized by this Mitigation Allotment has been abandoned, relinquished, cancelled, or otherwise forfeited, then such quantity of water reverts to SMID without compensation to the Grantee. The applicant has a duty to use and protect such water for its own use.
- 8. SMID is pledging senior water rights held in the Ecology Trust Water Right Program to offset the Grantee's project. However, all water rights, even senior water rights held by SMID to offset this mitigation allotment, may be subject to curtailment due to drought, lack of water, or other reasons. SMID makes no guarantee against such future curtailment or of any future Department of Ecology regulation, Court adjudication, or other legal action as to the validity or use of the water right.

| Issued By | | 11 |
|-----------|------------------|-------------------|
| | Nathan Draper | Hatte Dun |
| SMID | District Manager | Manager Signature |