EXHIBIT "C"





State of Utah

DEPARTMENT OF NATURAL RESOURCES Division of Water Rights

MICHAEL R. STYLER Executive Director KENT L. JONES State Engineer/Division Director

September 2, 2009

THE RED CANYON ESTATES WATER USERS ASSOC. A UTAH NON-PROFIT CORPORATION PO BOX 1054 PAROWAN UT 84761

Dear Applicant(s):

RE: Water Right Number 75-1782 (A26807)

Enclosed is the Certificate of Beneficial Use issued by the State Engineer as the final step in completing the appropriation relating to the above-numbered water right. If you do not agree with any item of the water right awarded to you by the Certificate, you have rights of recourse as listed in the following paragraph.

If proof of appropriation or permanent change of water was submitted on or after January 1, 1988, this Certificate is subject to the provisions of Rule R655-6-17 (formerly Rule R625-6-17) of the Division of Water Rights and to Sections 63-46b-13 and 73-3-14 of the Utah Code Annotated, 1953, which provide for the filing of either a Request for Reconsideration with the State Engineer or an appeal with the appropriate District Court. A Request for Reconsideration must be filed with the State Engineer within 20 days of the date of this letter. However, a Request for Reconsideration is not a prerequisite to filing a court appeal. A Court appeal must be filed within 30 days after the date of this letter, or if a Request for Reconsideration has been filed, within 30 days after the Request for Reconsideration is denied. A Request for Reconsideration is considered denied when no action is taken 20 days after the Request is filed.

Under the law this Certificate must be recorded in the office of the County Recorder in the county where the water is diverted, within thirty (30) days from the receipt hereof. You should attend to this matter at once.

If you have questions or if we can assist you, we will be happy to do so. Your contact with this office, should you need it, is with the Cedar City Regional Office. The telephone number is 435-586-4231.

Sincerely,

Kent L. Jones, P.E. State Engineer

CERTIFICATE OF BENEFICIAL USE

CONDITIONAL SEE EXPLANATORY

STATE OF UTAH

WATER RIGHT No: 75 - 1782 CHANGE APPLICATION No: a21496

WHEREAS, it has been made to appear to the satisfaction of the State Engineer that a permanent change of water has been perfected under the above numbered change application in accordance with the Laws of Utah; THEREFORE, be it known that the State Engineer hereby certifies that the owner of the water right represented by this certificate has the right to the use of the water in the quantity, for the purpose, at the place, and during the time specified herein, subject to prior rights, if any.

ATTENTION: In the event that ownership of the water right evidenced by this certificate is transferred, it is the responsibility of the new owner to update the State Engineer's records by submittal of an appropriate report of conveyance.

WATER RIGHT AND OWNERSHIP INFORMATION:

A. NAME: The Red Canyon Estates Water Users Assoc.

ADDRESS: a Utah Non-Profit Corporation

PO Box 1054

Parowan UT 84761

B. RIGHT EVIDENCED BY: 75-1782 (a portion of 75-1733)

C. PRIORITY DATE: March 30. 1955 PRIORITY OF CHANGE a21496: September 3, 1997

2. SOURCE INFORMATION:

A. QUANTITY OF WATER: 28.0 acre-feet

B. DIRECT SOURCE: Underground Water Well

C. POINT OF DIVERSION -- UNDERGROUND: (1) N 1,156 feet W 18 feet from the S¼ corner, Section 20, T 34S, R 9W, SLBM WELL DIAMETER: 12 inches WELL DEPTH: 395 feet

D. COUNTY: Iron

WATER USE INFORMATION:

IRRIGATION: from Apr 1 to Oct 31. SOLE SUPPLY: 4.6410 acres

STOCKWATER: from Jan 1 to Dec 31. SOLE SUPPLY: 112.0000 units

DOMESTIC: from Jan 1 to Dec 31. SOLE SUPPLY: 14.0000 families

PLACE OF USE: (which includes all or part of the following legal subdivisions:)

Korthwest Quarter* Northeast Quarter* Southwest Quarter* Southeast Quarter	Section
BS TOWN RANG SC NW NE SW SE * NW NE SW SE * NW NE SW SE * NW NE SW SE	Totals
SL 34S 9W 20 * * X *X	0.0000
SL 34S 9W 29] X 1 *X 1 * 1 *	0.0000]
Group Total:	0.0000

LIMITATION(S) -- Water Right 75 - 1782 is limited to: the irrigation requirements of 4.6410 acres, an annual diversion for IRRIGATION of 18.5640 acre-feet, an annual diversion for STOCKWATERING of 3.1360 acre-feet, an annual diversion for DOMESTIC purposes of 6.3000 acre-feet.

4. EXPLANATORY:

This water right is certificated for the purpose of providing water to the Red Canyon Estates Subdivision. Information submitted under the proof of beneficial use indicates that, while this subdivision is not fully occupied at this time, a complete system has been constructed to distribute water to the subdivision under this water right. The applicant and proof engineer have stated that the quantity of water and uses described in the proof documents are the amounts required to satisfy final project development. No portion of the water right represented by this certificate is permitted to be changed or moved to any other beneficial use outside of this subdivision until complete occupancy and water use as described in the proof documents has occurred.

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SIGNATURE OF STATE ENGINEER & ACKNOWLEDGMENT OF NOTARY PUBLIC:

The right evidenced by this certificate is restricted to the change described herein, and the certificate in no way establishes nor validates the water right claimed by the applicant, and the change is to in no way enlarge the original right or rights. This certificate entitles the holder to use only sufficient water from all rights combined to constitute an economic duty without waste of water. The works used in this change are to be operated and maintained in such a manner and condition as will prevent waste of water.

In Witness Whereof. I have hereunto set my hand and affixed the seal of my office this

ma day of <u>September</u>, 20 09

STATE OF UTAH

COUNTY OF SALT LAKE)

SAITE OF UTIN The foregoing instrument was acknowledged before me this

SION OF WATER

and day of September, 20 09 KENT L. JONES, P.E., State Engineer of Utah.

NOTARY PUBLIC JUDY AUSICK 1594 W. No. Temple #220 Sait Lake City, Utah 84116 My Commission Expires April 30, 2010 STATE OF UTAIL