

STATE OF OREGON  
COUNTY OF DOUGLAS  
CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

INTERNATIONAL PAPER COMPANY  
GARDINER MILL  
P.O. BOX 854  
GARDINER, OR 97441

confirms the right to use the waters of TAHKENITCH LAKE AND TAHKENITCH RESERVOIR, CONSTRUCTED UNDER PERMIT NO. R-2342, tributary of the PACIFIC OCEAN for MANUFACTURING; and SILTCOOS LAKE AND SILTCOOS RESERVOIR, CONSTRUCTED UNDER PERMIT NO. R-2341, tributary of the PACIFIC OCEAN for SUPPLEMENTAL MANUFACTURING. The Siltcoos source is only to be diverted to make up a deficiency in supply from the Tahkenitch source.

This right was perfected under Permit 26724. The date of priority is MARCH 16, 1955 FOR 12.42 CUBIC FEET PER SECOND (CFS) FROM SILTCOOS LAKE AND SILTCOOS RESERVOIR AND 6.65 CFS FROM TAHKENITCH LAKE AND TAHKENITCH RESERVOIR AND NOVEMBER 9, 1955 FOR 19.65 CFS FROM TAHKENITCH LAKE AND TAHKENITCH RESERVOIR. The amount of water to which this right is entitled is limited to an amount actually beneficially used and shall not exceed 26.30 CFS and not exceed a maximum duty of 17,374 acre-feet in a 365-day calendar year and 17,422 acre-feet in a 366-day calendar year, or its equivalent in case of rotation, measured at the point of diversion from the source.

The points of diversion are located as follows:

SILTCOOS DAM: LOT 4 (SW 1/4 NE 1/4), SECTION 33, TOWNSHIP 19 SOUTH, RANGE 12 WEST, W.M.;

SILTCOOS LAKE DIVERSION: LOT 5 (NW 1/4 NE 1/4), SECTION 14, TOWNSHIP 20 SOUTH, RANGE 12 WEST, W.M., 100 FEET SOUTH AND 2580 FEET WEST FROM THE NE CORNER OF SECTION 14;

TAHKENITCH DAM: LOT 2 (NE 1/4 NW 1/4), SECTION 29, TOWNSHIP 20 SOUTH, RANGE 12 WEST, W.M.; AND

TAHKENITCH LAKE DIVERSION: LOT 5 (SE 1/4 SE 1/4), SECTION 4, TOWNSHIP 21 SOUTH, RANGE 12 WEST, W.M.; 860 FEET NORTH AND 200 FEET WEST FROM THE SE CORNER OF SECTION 4.

This is a final order in other than contested case. This order is subject to judicial review under ORS 183.484. Any petition for judicial review of the order must be filed within the 60 days of the date of service.

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

S 1/2 NW 1/4  
LOT 3 (NE 1/4 SW 1/4)  
LOT 2 (NW 1/4 SW 1/4)  
SW 1/4

SW 1/4 SE 1/4

BOTH AS PROJECTED WITHIN ADDISON GIBBS DLC 37

SECTION 15

TOWNSHIP 21 SOUTH, RANGE 12 WEST, W.M.

The use shall conform to such reasonable rotation system as may be ordered by the proper state officer.

Diversion and use of water under this certificate is subject to the terms and conditions contained in certificates 80657 and 80658 for storage of waters of Siltcoos and Tahkenitch Lakes.

The certificate holder shall install and maintain adequate screens at the intakes to pumping plants in accordance with plans approved by ODFW or its successor.

The certificate holder shall maintain continuous daily records of lake elevations referred to mean sea level and shall furnish such records to the OWRD or its successor at the close of each month and at such other times as requested by OWRD.

The certificate holder shall install and maintain a totalizing flow meter at the point(s) of diversion from Tahkenitch Lake. The certificate holder shall also install and maintain a totalizing flow meter at times of actual diversion at the point(s) of diversion from Siltcoos Lake. The totalizing flow meter must be installed and maintained in good working order as identified in OAR 690-507-0645.

The certificate holder shall maintain continuous daily records of the rate of diversions and shall furnish records showing the rate and duty of diversions to the OWRD or its successor at the close of each year and at such other times as requested by the OWRD or its successor.

All or any portion of this certificate for diversion from Tahkenitch Lake and Tahkenitch Reservoir may be used for another manufacturing or industrial use, provided the new certificate(s), if any, contains the conditions contained in this certificate. If a new manufacturing or industrial use requires a transfer of a portion of the right, the maximum annual volume of diversion for the portion of the right to be transferred shall be proportionate to the maximum rate of diversion transferred. For example: if 13 cfs were transferred to a new industrial use at a new location, the maximum annual volume of diversion for the 13 cfs being transferred shall be no more than 8,588 acre-feet in a 365-day year (with an 8,786 acre-feet limit remaining

with the untransferred portion of the right) and 8,612 in a 366-day year (with an 8,810 acre-feet limit remaining with the untransferred portion of the right).

All or any portion of this certificate for diversion from Tahkenitch Lake and Tahkenitch Reservoir may be transferred to a use other than a manufacturing or industrial use, subject to the following conditions and provided the new certificate(s) contains the conditions contained in this certificate:

(i) Maximum Rate of Diversion: Any such transfer in use is limited to a maximum rate of diversion of 26.30 cfs from Tahkenitch Lake and Tahkenitch Reservoir, being 6.65 cfs (with a priority date of March 16, 1955) and 19.65 cfs (with a priority date of November 9, 1955).

(ii) Maximum Annual Volume of Diversion: Any such transfer is limited to a maximum annual volume of diversion as follows: not more than 13,031 acre-feet in a 365-day calendar year, and not more than 13,067 acre-feet in a 366-day calendar year. For transfers of a portion of the right to a use other than industrial or manufacturing, the maximum annual volume of diversion shall be calculated as 68.44% of the total amount of the maximum rate transferred to any other use (using a full 19,040 acre-feet maximum annual volume of diversion in a 365-day calendar year, and a full 19,092 acre-feet maximum annual volume of diversion in a 366-day calendar year, as the baseline for the calculation). For example: if 13 cfs were transferred to municipal use, the maximum annual volume of diversion for the 13 cfs being transferred shall be no more than 6,441 acre-feet in a 365-day year (with an 8,786 acre-feet limit remaining with the untransferred manufacturing or industrial use portion of the right) and 6,459 acre-feet in a 366-day year (with an 8,810 acre-feet limit remaining with the untransferred manufacturing or industrial use portion of the right).

(iii) The portion of this right for the diversion of water from Siltcoos Lake and Siltcoos Reservoir may not be transferred to any use other than supplemental manufacturing or industrial use and any new certificate(s) must contain the conditions contained in this certificate. Upon approval of, and the conclusion of any appeals of, a permanent transfer of all or a portion of the Tahkenitch diversion right to any use other than manufacturing or industrial, the certificate holder shall submit to OWRD an affidavit to cancel an amount of the Siltcoos supplemental diversion right proportional to the amount of the transferred Tahkenitch diversion right.

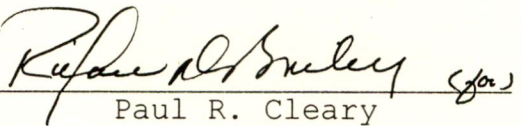
Transfers contemplated in the above paragraphs must be consistent with the process and limitations contained in ORS chapter 540 and applicable administrative rules.

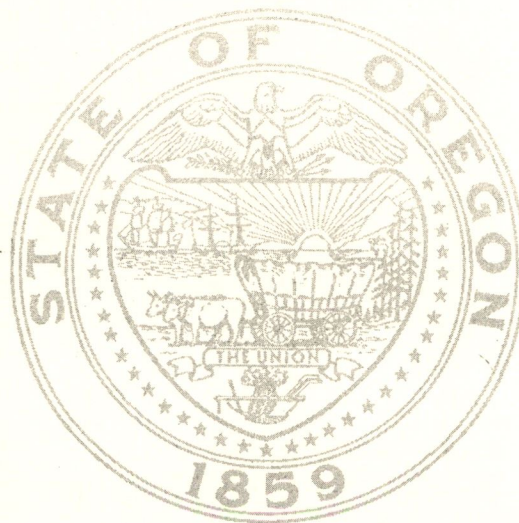
29820.SB

Certificate Number 80656

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. The use confirmed herein may be made only at times when sufficient water is available to satisfy all prior rights, including rights for maintaining instream flows.

WITNESS the signature of the Water Resources Director, affixed April 13, 2004.

  
Paul R. Cleary



Recorded in State Record of Water Right Certificates Number 80656.

29820.SB