

STATE OF OREGON  
COUNTIES OF LANE AND DOUGLAS  
CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

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

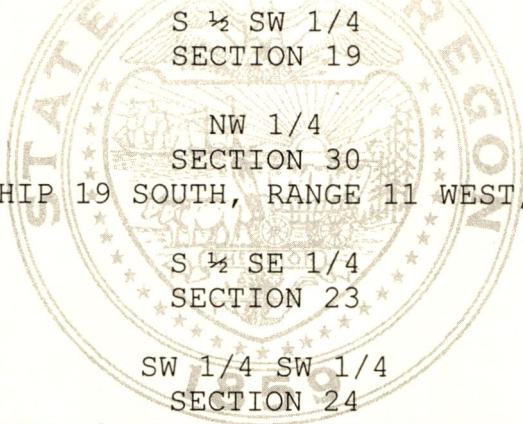
confirms the right to store the waters of SILTCOOS RIVER, a tributary of PACIFIC OCEAN, in SILTCOOS LAKE RESERVOIR, appropriated under Permit 26724, for MANUFACTURING.

The right to store these waters was perfected under Reservoir Permit R-2341. The date of priority is JUNE 20, 1955. The amount of water entitled to be stored each year under this right is not more than 15,070 ACRE-FEET.

The dam is located as follows:

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

The area inundated by the reservoir is located within:



S ½ SW 1/4  
SECTION 19  
  
NW 1/4  
SECTION 30  
TOWNSHIP 19 SOUTH, RANGE 11 WEST, W.M.  
  
S ½ SE 1/4  
SECTION 23  
  
SW 1/4 SW 1/4  
SECTION 24  
TOWNSHIP 19 SOUTH, RANGE 12 WEST, W.M.

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.

S ½ NE 1/4  
SE 1/4 NW 1/4  
NE 1/4 SW 1/4  
S ½ SW 1/4  
SE 1/4  
SECTION 25  
E ½  
S ½ NW 1/4  
SW 1/4  
SECTION 26

E ½ SE 1/4  
SECTION 27

N ½ NE 1/4  
SW 1/4 NE 1/4  
SECTION 33

E ½  
N ½ NW 1/4  
SE 1/4 NW 1/4  
SECTION 34

ALL  
SECTION 35

N ½  
SW 1/4  
NW 1/4 SE 1/4  
SECTION 36  
TOWNSHIP 19 SOUTH, RANGE 12 WEST, W.M.

N ½ SW 1/4  
SW 1/4 SW 1/4  
SECTION 6  
NW 1/4 NW 1/4  
SECTION 7  
TOWNSHIP 20 SOUTH, RANGE 11 WEST, W.M.

N ½ NW 1/4  
SW 1/4 NW 1/4  
SW 1/4  
W ½ SE 1/4  
SE 1/4 SE 1/4  
SECTION 1  
ALL  
SECTION 2  
TOWNSHIP 20 SOUTH, RANGE 12 WEST, W.M.

NE 1/4  
NE 1/4 SE 1/4  
S ½ SE 1/4  
SECTION 3

NE 1/4  
SECTION 10

W ½ NE 1/4  
N ½ NW 1/4  
SE 1/4 NW 1/4  
NE 1/4 SW 1/4  
W ½ SE 1/4  
SECTION 11

NE 1/4  
NW 1/4 NW 1/4  
SECTION 12

NW 1/4 NE 1/4  
SECTION 14

TOWNSHIP 20 SOUTH, RANGE 12 WEST, W.M.

The right to store and use the water for the above purpose is restricted to beneficial use at the place of use described.

The dam constructed in Siltcoos River shall be a gated structure so designed that when the gates are fully opened or removed the water passage areas shall be approximately equal to the areas and dimensions of the channel at the dam site as they existed prior to dam construction. The floor elevation of the structure is and shall remain at or near the bottom elevation of the channel at the dam site as it existed prior to dam construction. The dam shall include a fish ladder designed to pass fish upstream or downstream at any time when the gates of the dam are closed and at such times said ladder shall carry not less than 12.5 cubic feet per second of water. The ladder shall be constructed and maintained in accordance with plans approved by the Oregon Department of Fish and Wildlife ("ODFW") or its successor. Plans and specifications for the dam shall be approved by OWRD or its successor.

The gates in the Siltcoos dam shall be fully opened on November first of each year and shall remain open until April first of the following year, or until Siltcoos Lake level has fallen to elevation 8.0 mean sea level ("M.S.L.").

During the period of March 15 to November 1 of each year when the Siltcoos Lake level is rising due to excess of inflow over outflow and when said lake level reaches 8.0 M.S.L., the gates in the dam shall be opened or partially opened so as to pass all excess water and maintain

lake level at 8.0 M.S.L.; if the lake level continues to rise above 8.0 M.S.L., all gates shall be completely opened and shall not be closed until the lake level has again fallen to 8.0 M.S.L. During said period when the lake level is falling and reaches 8.0 M.S.L., the gates in the dam shall be partially closed as necessary to maintain lake level at 8.0 M.S.L. as nearly as may be possible while an outflow of not less than 50 cfs at low tide is maintained. Of the 50 cfs, not less than 12.5 cfs shall be discharged through the fish ladder.

The level of Siltcoos Lake shall not be lowered below elevation 3.0 M.S.L. Insofar as possible while maintaining the authorized diversion of 12.42 cfs and minimum flows in Siltcoos River, the lake level shall not be lowered below elevation 5.0 M.S.L. before September first. During September, October, and November, the outflow through Siltcoos River shall be increased in consultation with and agreement by ODFW or its successor with the objective of furnishing more than normal flows in the interest of anadromous fish and maintaining an open channel through the bar which forms at the mouth of the river; the lake will be lowered to elevation 6 M.S.L. during this three-month period. These dates may be temporarily modified based upon the interests of anadromous fish in consultation with the certificate holder and ODFW and agreement by ODFW that the proposed changes are in the interest of improving values for fish. Temporary modifications must maintain the Siltcoos diversion authorized under this certificate and minimum flows in the Siltcoos River. These dates may not be permanently modified except by order of the OWRD as follows.

The three previous provisions above shall be subject to review from time to time and may be modified by order of the OWRD or its successor in consultation with, and written agreement by, the ODFW or its successor that the modification is in the interest of improving values for fish. OWRD may issue an order approving modifications only after notice of the proposed changes in OWRD's weekly public notice and the certificate holder or proponent of the modifications has held a public meeting in the general vicinity of the Siltcoos and Tahkenitch lakes with an opportunity for public comment on the proposed changes. The certificate holder or proponent of the changes shall provide public notice of the public meeting in the form of publication in a local newspaper once a week for at least three weeks prior to the public meeting. Modifications may only be made as necessary or desirable in the interests of improving values for fish and recreation, provided that such order shall not reduce the quantity of water that the certificate holder may appropriate for beneficial use.

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.

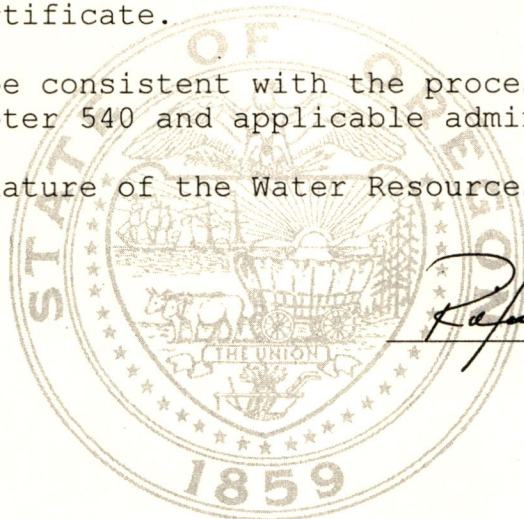
The certificate holder shall install and maintain in accordance with plans approved by the OWRD or its successor a continuous water stage recorder on Siltcoos River within the first quarter mile below the dam.

The certificate holder shall 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 a portion of the storage of waters of Siltcoos Lake under this certificate for manufacturing purposes may be transferred from manufacturing use to aquatic life, fish and wildlife, and/or recreation that is compatible with aquatic life, fish and wildlife, use only, provided the new certificate(s) contains the conditions contained in this certificate.

Such transfers must be consistent with the process and limitations contained in ORS chapter 540 and applicable administrative rules.

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



*Paul R. Cleary* (for)  
Paul R. Cleary

Recorded in State Record of Water Right Certificates Number 80657.