

STATE OF OREGON

COUNTY OF MORROW

ORDER APPROVING A CHANGE IN PLACE OF USE
AND CHANGE IN POINT OF DIVERSION

Pursuant to ORS 540.510 to 540.530, after notice was given and no objections were filed, and finding that no injury to existing water rights would result, this order approves, as conditioned or limited herein, TRANSFER 8617 submitted by

POTLATCH CORPORATION
P.O. BOX 38
73669 HOMESTEAD LANE
BOARDMAN, OREGON 97818.

The right to be modified, as evidenced by Certificate 68445, was perfected under Permit 37150 with a date of priority of JULY 25, 1973. The right allows the use of the COLUMBIA RIVER, a tributary of the PACIFIC OCEAN, for IRRIGATION OF 594.5* ACRES. The amount of water to which this right is entitled is limited to an amount actually beneficially used and shall not exceed 14.86 CUBIC FEET PER SECOND, provided the total quantity diverted under the rights perfected under Permit 37150 does not exceed 140.1 cfs, if available at the authorized point of diversion: LOT 7 (NE¼ NW¼), SECTION 2, T 4 N, R 25 E, W.M.; 150 FEET SOUTH AND 2990 FEET WEST FROM THE NE CORNER, SECTION 2, or its equivalent in case of rotation, measured at the point of diversion from the source.

NOTICE OF RIGHT TO PETITION FOR RECONSIDERATION OR JUDICIAL REVIEW

This is an order in other than a contested case. This order is subject to judicial review under ORS 183.484. Any petition for judicial review must be filed within the 60 day time period specified by ORS 183.484(2).

Pursuant to ORS 536.075 and OAR 137-004-080 and OAR 690-01-005, you may either petition for judicial review or petition the Director for reconsideration of this order.

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to ONE-FORTIETH of one cubic foot per second per acre or its equivalent for each acre irrigated and shall be further limited to a diversion of not to exceed 4½ acre-feet for each acre irrigated during the irrigation season of each year. The use shall conform to any reasonable rotation system ordered by the proper state officer.

The authorized place of use is located as follows:

NE¼ NE¼	7.0 ACRES	SE¼ SW¼	6.5 ACRES
NW¼ NE¼	7.8 ACRES	NE¼ SE¼	6.9 ACRES
SW¼ NE¼	8.0 ACRES	NW¼ SE¼	7.6 ACRES
SE¼ NE¼	7.1 ACRES	SW¼ SE¼	6.4 ACRES
NE¼ NW¼	7.5 ACRES	SE¼ SE¼	6.6 ACRES
NW¼ NW¼	7.8 ACRES		
SW¼ NW¼	7.5 ACRES		SECTION 2
SE¼ NW¼	7.9 ACRES	NE¼ NE¼	5.9 ACRES
NE¼ SW¼*	7.7 ACRES	NW¼ NE¼	6.3 ACRES
NW¼ SW¼*	6.2 ACRES	SW¼ NE¼	7.5 ACRES
SW¼ SW¼	5.6 ACRES	SE¼ NE¼	6.5 ACRES
SE¼ SW¼	6.6 ACRES	NE¼ NW¼	6.4 ACRES
NE¼ SE¼	6.8 ACRES	NW¼ NW¼	6.4 ACRES
NW¼ SE¼	7.4 ACRES	SW¼ NW¼	6.6 ACRES
SW¼ SE¼	5.8 ACRES	SE¼ NW¼	7.7 ACRES
SE¼ SE¼	6.7 ACRES	NE¼ SW¼*	7.9 ACRES
	SECTION 1	NW¼ SW¼	7.6 ACRES
		SW¼ SW¼	7.8 ACRES
NE¼ NE¼	7.5 ACRES	SE¼ SW¼	7.3 ACRES
NW¼ NE¼	7.5 ACRES	NE¼ SE¼	6.0 ACRES
SW¼ NE¼	7.8 ACRES	NW¼ SE¼	7.4 ACRES
SE¼ NE¼	7.4 ACRES	SW¼ SE¼	6.3 ACRES
NE¼ NW¼	7.6 ACRES	SE¼ SE¼	6.1 ACRES
NW¼ NW¼	7.3 ACRES		SECTION 3
SW¼ NW¼	7.2 ACRES		
SE¼ NW¼	8.0 ACRES	NE¼ NE¼	7.5 ACRES
NE¼ SW¼	7.7 ACRES	NW¼ NE¼	7.6 ACRES
NW¼ SW¼	6.4 ACRES	SW¼ NE¼	7.3 ACRES
SW¼ SW¼	6.2 ACRES	SE¼ NE¼	7.1 ACRES

NE¼ NW¼ 7.5 ACRES
 NW¼ NW¼ 7.4 ACRES
 SW¼ NW¼ 7.4 ACRES
 SE¼ NW¼ 7.4 ACRES
 NE¼ SW¼ 6.0 ACRES
 NW¼ SW¼ 6.4 ACRES
 SW¼ SW¼ 6.3 ACRES
 SE¼ SW¼ 6.0 ACRES
 NE¼ SE¼ 6.3 ACRES
 NW¼ SE¼ 6.6 ACRES
 SW¼ SE¼ 5.8 ACRES
 SE¼ SE¼ 5.6 ACRES

SECTION 11

NW¼ NW¼ 2.5 ACRES

SECTION 12

TOWNSHIP 3 NORTH, RANGE 26
EAST, W.M.

NE¼ SW¼ 5.9 ACRES
 NW¼ SW¼ 6.0 ACRES
 SW¼ SW¼ 6.0 ACRES
 SE¼ SW¼ 5.8 ACRES
 NE¼ SE¼ 5.9 ACRES
 NW¼ SE¼ 6.5 ACRES
 SW¼ SE¼ 5.8 ACRES
 SE¼ SE¼ 5.4 ACRES

SECTION 5

NE¼ NE¼ 5.2 ACRES
 NW¼ NE¼ 6.2 ACRES
 SW¼ NE¼ 7.1 ACRES
 SE¼ NE¼ 5.4 ACRES
 NE¼ NW¼ 5.4 ACRES
 NW¼ NW¼ 5.4 ACRES
 SW¼ NW¼ 6.4 ACRES
 SE¼ NW¼ 7.4 ACRES
 NE¼ SW¼ 7.5 ACRES
 NW¼ SW¼ 5.8 ACRES
 SW¼ SW¼ 6.0 ACRES
 SE¼ SW¼ 6.2 ACRES
 NE¼ SE¼ 6.2 ACRES
 NW¼ SE¼ 7.3 ACRES
 SW¼ SE¼ 5.7 ACRES
 SE¼ SE¼ 5.6 ACRES

SECTION 6

TOWNSHIP 3 NORTH, RANGE 27
EAST, W.M.

* correction of scrivener's errors

The right to use the water for the above purpose is restricted to beneficial use on the lands or place of use described.

The applicant proposes to PERMANENTLY CHANGE THE PLACE OF USE to:

NE $\frac{1}{4}$ NE $\frac{1}{4}$	7.5 ACRES	NW $\frac{1}{4}$ SW $\frac{1}{4}$	7.5 ACRES
NW $\frac{1}{4}$ NE $\frac{1}{4}$	7.4 ACRES	SW $\frac{1}{4}$ SW $\frac{1}{4}$	7.6 ACRES
SW $\frac{1}{4}$ NE $\frac{1}{4}$	7.7 ACRES	SE $\frac{1}{4}$ SW $\frac{1}{4}$	7.6 ACRES
SE $\frac{1}{4}$ NE $\frac{1}{4}$	8.0 ACRES	NE $\frac{1}{4}$ SE $\frac{1}{4}$	0.1 ACRE
NE $\frac{1}{4}$ SW $\frac{1}{4}$	7.6 ACRES	NW $\frac{1}{4}$ SE $\frac{1}{4}$	0.1 ACRE
NW $\frac{1}{4}$ SW $\frac{1}{4}$	7.4 ACRES	SECTION 3	
SW $\frac{1}{4}$ SW $\frac{1}{4}$	7.3 ACRES	NE $\frac{1}{4}$ NW $\frac{1}{4}$	6.2 ACRES
SE $\frac{1}{4}$ SW $\frac{1}{4}$	7.7 ACRES	NW $\frac{1}{4}$ NW $\frac{1}{4}$	9.0 ACRES
NW $\frac{1}{4}$ SE $\frac{1}{4}$	0.9 ACRE	SW $\frac{1}{4}$ NW $\frac{1}{4}$	9.0 ACRES
SW $\frac{1}{4}$ SE $\frac{1}{4}$	0.8 ACRE	SE $\frac{1}{4}$ NW $\frac{1}{4}$	6.0 ACRES
SECTION 1		NE $\frac{1}{4}$ SW $\frac{1}{4}$	6.1 ACRES
NW $\frac{1}{4}$ NE $\frac{1}{4}$	0.2 ACRE	NW $\frac{1}{4}$ SW $\frac{1}{4}$	8.9 ACRES
SW $\frac{1}{4}$ NE $\frac{1}{4}$	0.1 ACRE	SW $\frac{1}{4}$ SW $\frac{1}{4}$	8.5 ACRES
NE $\frac{1}{4}$ NW $\frac{1}{4}$	7.6 ACRES	SE $\frac{1}{4}$ SW $\frac{1}{4}$	5.9 ACRES
NW $\frac{1}{4}$ NW $\frac{1}{4}$	7.4 ACRES	SECTION 7	
SW $\frac{1}{4}$ NW $\frac{1}{4}$	7.7 ACRES	NE $\frac{1}{4}$ NE $\frac{1}{4}$	0.1 ACRE
SE $\frac{1}{4}$ NW $\frac{1}{4}$	8.0 ACRES	SE $\frac{1}{4}$ NE $\frac{1}{4}$	0.2 ACRE
NE $\frac{1}{4}$ SW $\frac{1}{4}$	7.8 ACRES	NE $\frac{1}{4}$ SE $\frac{1}{4}$	0.3 ACRE
NW $\frac{1}{4}$ SW $\frac{1}{4}$	7.4 ACRES	SE $\frac{1}{4}$ SE $\frac{1}{4}$	0.1 ACRE
SW $\frac{1}{4}$ SW $\frac{1}{4}$	7.4 ACRES	SECTION 8	
SE $\frac{1}{4}$ SW $\frac{1}{4}$	7.8 ACRES	NE $\frac{1}{4}$ NW $\frac{1}{4}$	7.5 ACRES
NW $\frac{1}{4}$ SE $\frac{1}{4}$	0.3 ACRE	NW $\frac{1}{4}$ NW $\frac{1}{4}$	7.7 ACRES
SW $\frac{1}{4}$ SE $\frac{1}{4}$	0.3 ACRE	SW $\frac{1}{4}$ NW $\frac{1}{4}$	7.7 ACRES
SECTION 2		SE $\frac{1}{4}$ NW $\frac{1}{4}$	7.5 ACRES
NE $\frac{1}{4}$ NE $\frac{1}{4}$	6.7 ACRES	NE $\frac{1}{4}$ SW $\frac{1}{4}$	7.5 ACRES
NW $\frac{1}{4}$ NE $\frac{1}{4}$	7.8 ACRES	NW $\frac{1}{4}$ SW $\frac{1}{4}$	7.7 ACRES
SW $\frac{1}{4}$ NE $\frac{1}{4}$	7.9 ACRES	SW $\frac{1}{4}$ SW $\frac{1}{4}$	6.2 ACRES
SE $\frac{1}{4}$ NE $\frac{1}{4}$	7.5 ACRES	SE $\frac{1}{4}$ SW $\frac{1}{4}$	6.0 ACRES
NE $\frac{1}{4}$ NW $\frac{1}{4}$	7.8 ACRES	SECTION 9	
NW $\frac{1}{4}$ NW $\frac{1}{4}$	7.7 ACRES	NE $\frac{1}{4}$ SW $\frac{1}{4}$	8.0 ACRES
SW $\frac{1}{4}$ NW $\frac{1}{4}$	7.7 ACRES	NW $\frac{1}{4}$ SW $\frac{1}{4}$	7.1 ACRES
SE $\frac{1}{4}$ NW $\frac{1}{4}$	7.9 ACRES		
NE $\frac{1}{4}$ SW $\frac{1}{4}$	7.6 ACRES		

SW¼ SW¼ 7.4 ACRES
SE¼ SW¼ 7.7 ACRES
NW¼ SE¼ 0.1 ACRE
SW¼ SE¼ 0.1 ACRE

SECTION 11

NE¼ NW¼ 7.6 ACRES
NW¼ NW¼ 9.2 ACRES
SW¼ NW¼ 9.3 ACRES
SE¼ NW¼ 7.6 ACRES

SECTION 7

NW¼ NE¼ 0.7 ACRE
SW¼ NE¼ 0.6 ACRE
NE¼ NW¼ 7.8 ACRES
NW¼ NW¼ 6.9 ACRES
SW¼ NW¼ 7.4 ACRES
SE¼ NW¼ 7.8 ACRES

SECTION 12

NE¼ SE¼ 6.1 ACRES
NW¼ SE¼ 6.2 ACRES

SECTION 9

TOWNSHIP 3 NORTH, RANGE 27
EAST, W.M.

NE¼ NE¼ 7.6 ACRES
NW¼ NE¼ 7.4 ACRES
SW¼ NE¼ 7.5 ACRES
SE¼ NE¼ 7.5 ACRES
NE¼ SW¼ 8.0 ACRES
NW¼ SW¼ 6.5 ACRES
SW¼ SW¼ 7.6 ACRES
SE¼ SW¼ 7.7 ACRES
NE¼ SE¼ 7.8 ACRES
NW¼ SE¼ 7.9 ACRES
SW¼ SE¼ 7.7 ACRES
SE¼ SE¼ 6.5 ACRES

SECTION 13

TOWNSHIP 3 NORTH, RANGE 26
EAST, W.M.

NE¼ NW¼ 6.3 ACRES
NW¼ NW¼ 8.9 ACRES
SW¼ NW¼ 9.4 ACRES
SE¼ NW¼ 6.6 ACRES
NE¼ SW¼ 7.3 ACRES
NW¼ SW¼ 9.2 ACRES
SW¼ SW¼ 8.7 ACRES
SE¼ SW¼ 6.9 ACRES

SECTION 6

The location of the place of use will be the irrigation of the 2 foot wide strips, in between the 8 foot wide strip/tree rows, which are currently being irrigated. This transfer will provide water to enhance root development between the tree rows to grow more firmly rooted trees to better resist wind throw.

The applicant also proposes to PERMANENTLY change the point of diversion for the above described lands to:

LOT 7 (NE¼ NW¼), SECTION 2, T 4 N, R 25 E, W.M.; SOUTH 86 DEGREES 22 MINUTES 46 SECONDS WEST, 2829 FEET FROM THE NE CORNER, SECTION 2.

THESE CHANGES TO AN EXISTING WATER RIGHT MAY BE MADE PROVIDED THE FOLLOWING CONDITIONS ARE MET BY THE WATER USER:

1. The proposed changes shall be completed on or before October 1, 2005.
2. The quantity of water diverted at the new point of diversion shall not exceed the quantity of water lawfully available at the original point of diversion.
3. The former place of use shall no longer be irrigated as a part of this water right.
4. The water user shall install and maintain headgates, in-line flow meters, weirs, or other suitable devices for controlling, measuring and recording the quantity of water diverted. The type and plans of the headgates and measuring devices must be approved by the Department prior to beginning construction and shall be installed under the general supervision of the Department.
5. The water user shall install and maintain a soil moisture monitoring program. The monitoring shall include the Gro-Point Sensor data (or other or other monitoring data of similar or superior accuracy) at 1, 3, and 5 foot depths, at a minimum of weekly intervals, beginning one week prior to

the irrigation season and continuing one week past the end of the irrigation season. The monitoring program and the location of the monitoring sites shall be approved by the Watermaster. Review of the monitoring program can occur at any time with a formal request from the water user or the Watermaster. Modification to the monitoring program could occur if approved by the Watermaster.

Monitoring shall include one paired data sampling site with access tubes between adjacent tree rows for every 1000 acres of each major soil type in each age class. Each paired site shall consist of a pair of access tubes located on the outer edge of the irrigated strip between the tree rows such that the outer edge of the sphere of influence is at the edge of the dry zone. (In this description, outer means area farthest away from the tree). Major soil types with less than 1000 acres in a given age class will have one paired site. Monitoring shall include one access tube for each soil type located outside the planted area to be used as a control for each major soil type. Soil types are as identified in the attached soil classification map dated 12/2/2000. This data will be supplemented with other ongoing monitoring data from tubes in the tree rows as normally required by Potlatch for accurate irrigation scheduling and as reasonably approved by the Watermaster.

6. Monitoring sites, monitoring data and flow data, including access to real time data on an internal web site, shall be available to the Watermaster promptly upon request.
7. The water user shall supply, to the Watermaster, bi-annual reports of water use and monitoring data. The first report will cover the period though June of each year and the second report will cover the remainder of the growing season. Monitoring equipment, monitoring sites and monitoring data in a reasonable summary format as approved by the Watermaster shall be available to the Watermaster promptly upon request. The water user shall promptly inform the Watermaster of encroachment events into any areas without water rights including the areas between tree rows

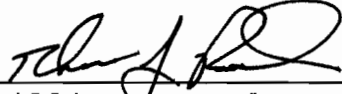
and inform the Watermaster of the course of action to correct the problem.

If water use under the irrigation system delivers water to areas without water rights including the area between the tree rows, the Watermaster may regulate the water use until the soil moisture and flow data demonstrate that the areas without water rights are no longer receiving water.

Certificate 68445 is canceled. When satisfactory proof of the completed changes are received, a new certificate confirming this water right will be issued.

WITNESS the signature of the Water Resources

Director, affixed August 11, 2004.



Phillip C. Ward, Acting Director