STATE OF OREGON

COUNTY OF POLK

PERMIT TO APPROPRIATE THE PUBLIC WATERS

LINCOLN HORIZONS, INC. 2064 SE LAURA LANE DALLAS, OREGON 97338 503-623-5089

is hereby issued a permit to use the waters from A WELL WITHIN RICKREALL CREEK BASIN for SUPPLEMENTAL IRRIGATION OF 39.2 ACRES AND MAINTENANCE OF PONDS CONSTRUCTED UNDER APPLICATION R-69324, PERMIT R-10894, FOR RECREATION (AESTHETICS). The permit to the use of these waters has been issued under Application G-11927 with a date of priority of MAY 24, 1989. The permit is limited to not more than 80.0 GALLONS PER MINUTE, BEING 80.0 GPM FOR EACH USE or its equivalent in case of rotation, measured at the well.

The well is located as follows:

NE 1/4 SW 1/4, Section 35, T 7 S, R 5 W, WM; 185 FEET SOUTH & 1390 FEET EAST FROM NE CORNER, DLC 66.

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, shall be limited to ONE-EIGHTIETH 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 2.5 acre-feet per acre for each acre irrigated during the irrigation season of each year.

The permit shall be limited to appropriation of water only to the extent that it does not impair or substantially interfere with prior surface water rights as well as prior ground water rights of others.

It is provided further that the right allowed herein shall be limited to any deficiency in the available supply of any prior right existing for the same land and shall not exceed the limitation allowed herein.

Use of water under this permit is further limited during the period of August 1 through September 30 of each year to the pumping schedule as follows:

Pumping can only occur for one hour during each four-hour period. After each one-hour pumping period, three hours must elaspe before the next one-hour pumping period can occur. The amount of water that can be pumped during this one-hour period is limited to 80 gallons per minute or 4800 gallons per hour.

A time meter will be installed on the pump to monitor the timed pumping period. The permittee will install the meter under the supervision of the watermaster.

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The use of water allowed under this permit shall conform to such reasonable rotation system as may be ordered by the proper state officer.

The place of use is as follows:

-	ACRES	1/41/4	SECTION	TOWNSHIP	RANGE, WM
RECREATION		SE NE	34	7 S	5 W
SUPPLEMENTAL	4.60	SE NE	34	7 S	5 W
SUPPLEMENTAL	1.00	NE SE	34	7 S	5 W
RECREATION		SW NW	35	7 S	5 W
SUPPLEMENTAL	21.20	SW NW	35	7 S	5 W
SUPPLEMENTAL	1.40	SE NW	35	7 S	5 W
RECREATION		SE NW	35	7 S	5 W
SUPPLEMENTAL	0.60	NE SW	35	7 S	5 W
SUPPLEMENTAL	10.40	NW SW	35	7 S	5 W
RECREATION		NW SW	35	7 S	5 W

Total:

39.20 acres supplemental irrigation

The well shall be constructed in accordance with the General Standards for the Construction and Maintenance of Water Wells in Oregon. The works constructed shall include an air line and pressure gauge or an access port for measuring line, adequate to determine water level elevation in the well at all times. The permittee shall install and maintain a weir, meter, or other suitable measuring device, and shall keep a complete record of the amount of ground water withdrawn.

Actual construction work shall begin on or before AUGUST 2, 1990, and shall be completed on or before October 1, 1991. Complete application of the water to the use shall be made on or before October 1, 1992.

This permit is for the beneficial use of water. By law, the land use associated with this water use must be in compliance with statewide land-use goals and any local acknowledged land-use plan.

Issued this date, AUGUST 2, 1989.

/s/ WILLIAM H. YOUNG

Water Resources Department William H. Young Director