STATE OF OREGON

COUNTY OF GRANT

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

BLUE MOUNTAIN FOREST PRODUCTS, INC. J. BORGENSONS RANCH PO BOX 518 LONG CREEK, OREGON 97856

503-421-5143

to use the waters of ONE WELL in the LONG CREEK BASIN for IRRIGATION OF 32.0 ACRES AND INDUSTRIAL USES.

This Permit is issued approving Application G-11851. The date of priority is SEPTEMBER 6, 1988. The use is limited to not more than 0.45 CUBIC FOOT PER SECOND, BEING 0.45 CFS FOR INDUSTRIAL USES OR 0.4 CFS FOR IRRIGATION, or its equivalent in case of rotation, measured at the well.

The well is located as follows:

NE 1/4 NE 1/4, SECTION 9, T 10 S, R 30 E, W.M.; 700 FEET SOUTH AND 1320 FEET WEST FROM NE CORNER, SECTION 9.

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 3.0 acre-feet per acre for each acre irrigated during the irrigation season of each year.

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

A description of the proposed place of use under the permit is as follows:

NE 1/4 NE 1/4 16.0 ACRES
NW 1/4 NE 1/4 16.0 ACRES
S 1/2 NE 1/4 INDUSTRIAL
SECTION 9
TOWNSHIP 10 SOUTH, RANGE 30 EAST, W.M.

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a weir, meter, or other suitable measuring device, and shall keep a complete record of the amount of ground water withdrawn.

Prior to receiving a certificate of water right, the permit holder shall submit the results of a pump test meeting the Department's standards, to the Water Resources Department. The Director may require water level or pump test results every ten years thereafter.

Actual construction work shall begin on or before JUNE 18, 1991, and shall be completed on or before October 1, 1992. Complete application of the water shall be made on or before October 1, 1993.

Failure to comply with any of the provisions of this permit may result in action including, but not limited to, restrictions on the use, civil penalties, or cancellation of the permit.

This permit is for beneficial use of water without waste. The water user is advised that new regulations may require use of best practical technologies or conservation practices to achieve this end.

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.

The use of water shall be limited when it interferes with any prior surface or ground water rights.

Issued this date, JUNE 18, 1990.

/s/ WILLIAM H. YOUNG

Water Resources Department William H. Young Director

