STATE OF OREGON

COUNTY OF CROOK

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

FIRST INTERSTATE BANK, PRINEVILLE BRANCH PO BOX 520 PRINEVILLE, OREGON 97754

503-447-6121

to use the waters of ONE WELL in the OCHOCO CREEK BASIN for HEATING.

This Permit is issued approving Application G-11689. The date of priority is AUGUST 13, 1987. The use is limited to not more than 0.111 CUBIC FOOT PER SECOND or its equivalent in case of rotation, measured at the well.

The well is located as follows:

NE 1/4 NE 1/4, SECTION 6, T 15 S, R 16 E, W.M.; 970 FEET SOUTH AND 380 FEET WEST FROM NE CORNER, SECTION 6.

The use allowed herein is subject to reinjection of all water back to the same aquifer from which it was appropriated.

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 SECTION 6 TOWNSHIP 15 SOUTH, RANGE 16 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a weir, meter, or other suitable measuring device, and shall keep a complete record of the amount of ground water withdrawn.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 JULY 27, 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.

PAGE TWO

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 granted herein may be made only at times when sufficient water is available to satisfy all prior rights.

Issued this date, JULY 27, 1990.

/s/ WILLIAM H. YOUNG

Water Resources Department William H. Young Director

