STATE OF OREGON

COUNTY OF LINN

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

OREGON METALLURGICAL CORPORATION 530 WEST 34TH AVEUNE P. O. BOX 580 ALBANY, OREGON 97321

503-926-4281

to use the waters of TEN WELLS in the OAK CREEK BASIN for INDUSTRIAL USE and EFFLUENT DILUTION.

This permit is issued approving Application G-12277. The date of priority is OCTOBER 30, 1990. The use is limited to not more than 6.12 CUBIC FEET PER SECOND (cfs), being 3.45 cfs for industrial use and 2.67 cfs for effluent dilution, or its equivalent in case of rotation, measured at the wells.

The wells are located as follows:

SW 1/4 SW 1/4, SE 1/4 SW 1/4, SECTION 18, NE 1/4 NW 1/4, NW 1/4 NW 1/4, SECTION 19, T 11 S, R 3 W, W.M.; WELL 1- 1190 FEET SOUTH AND 165 FEET WEST; WELL 2- 1190 FEET SOUTH AND 180 FEET WEST; WELL 3- 1640 FEET SOUTH AND 110 FEET WEST; WELL 4- 1370 FEET SOUTH AND 60 FEET EAST; WELL 5- 1760 FEET SOUTH AND 50 FEET EAST; WELL 6- 990 FEET SOUTH AND 630 FEET WEST; WELL 7- 2330 FEET SOUTH AND 50 FEET EAST; WELL 8- 1760 FEET SOUTH AND 525 FEET WEST; WELL 9- 2170 FEET SOUTH AND 230 FEET EAST; WELL 10-2270 FEET SOUTH AND 570 FEET WEST; ALL FROM THE SE CORNER, HUTCHINS DLC 70.

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:

SW 1/4 SW 1/4 SE 1/4 SW 1/4 SECTION 18 NE 1/4 NW 1/4 NW 1/4 NW 1/4 SECTION 19

TOWNSHIP 11 SOUTH, RANGE 3 WEST, W.M.

This development was reviewed and approved by the Water Resources Commission on July 19, 1991.

The wells 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 elevation in the wells 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a weir, meter, or other suitable measuring device, and shall keep a complete record of the amount of ground water withdrawn.

No water shall be used for effluent dilution except in compliance with the terms and conditions of any National Pollutant Discharge Elimination System (NPDES) waste discharge permit as issued by the Oregon Department of Environmental Quality. A copy of the NPDES permit is in Application File #G-12277 at the Water Resources Department.

The use of water allowed herein for effluent dilution shall be subordinate to all subsequent water rights, except other rights issued specifically for effluent dilution.

Application G-12277 Water Resources Department

PERMIT G-11308

T-8244

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 29, 1992, and shall be completed on or before October 1, 1993. Complete application of the water shall be made on or before October 1, 1994.

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, JULY 29, 1991.

/s/ WILLIAM H. YOUNG

Water Resources Department William H. Young Director

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