STATE OF OREGON

COUNTY OF DESCHUTES

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

CITY OF BEND PO BOX 431 BEND, OREGON 97701

503-388-5540

to use the waters of THREE WELLS in the DESCHUTES RIVER BASIN for MUNICIPAL USE.

This permit is issued approving Application G-11942. The date of priority is JUNE 30, 1989. The use is limited to not more than 8.0 CUBIC FEET PER SECOND, or its equivalent in case of rotation, measured at the wells.

The wells are located as follows:

NW 1/4 SE 1/4, SECTION 7, T 18 S, R 12 E, W.M.; WELL 1 - 555.6 FEET SOUTH AND 1676.5 FEET WEST; WELL 2 - 555.6 FEET SOUTH AND 1916.5 FEET WEST; WELL 3 - 555.6 FEET SOUTH AND 1436.5 FEET WEST, ALL FROM E 1/4 CORNER, SECTION 7.

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 S 1/2 NE 1/4 E 1/4 SW 1/4 SE 1/4 SECTION 13

S 1/2 NE 1/4 E 1/2 SW 1/4 SE 1/4 SECTION 23

ALL SECTIONS 24, 25, 35 AND 36

NE 1/4 NE 1/4 NW 1/4 S 1/2 NW 1/4 S 1/2 SECTION 26

TOWNSHIP 17 SOUTH, RANGE 11 EAST, W.M.

E 1/2 SW 1/4 SE 1/4 SECTION 7

S 1/2 SECTION 8

SE 1/4 NE 1/4 S 1/2 SECTION 9 AMENDED by special order v. _______pg. _____19

T- 8342 PERMIT G-11379

Application G-11942

Water Resources Department

W 1/2 NE 1/4 W 1/2 SECTION 14

ALL

SECTIONS 15 THROUGH 22 AND 27 THROUGH 34

W 1/2 NE 1/4 W 1/2 W 1/2 SE 1/4 SECTION 23

W 1/2 NE 1/4 W 1/2 W 1/2 SE 1/4 SECTION 26

W 1/2 NE 1/4 W 1/2 NW 1/4 SE 1/4 SECTION 35

TOWNSHIP 17 SOUTH, RANGE 12 EAST, W.M.

ALL SECTIONS 1, 2, 12 AND 13

> E 1/2 NE 1/4 E 1/2 SE 1/4 SECTION 11

TOWNSHIP 18 SOUTH, RANGE 11 EAST, W.M.

N 1/2 NW 1/4 SW 1/4 NW 1/4 W 1/2 SW 1/4 SECTION 2

ALL

SECTIONS 3 THROUGH 10 AND 15 THROUGH 18

NW 1/4 NW 1/4 SECTION 11

W 1/2 NW 1/4 W 1/2 SW 1/4 SECTION 14

E 1/2 NE 1/4 SECTION 19

N 1/2 N 1/2 SE 1/4 SECTION 20

NW 1/4 NE 1/4 NW 1/4 SECTION 21

TOWNSHIP 18 SOUTH, RANGE 12 EAST, W.M.

If substantial interference with a senior water right occurs due to withdrawal of water from any well listed on this permit, then use of water from the well(s) shall be discontinued or reduced and/or the schedule of withdrawal shall be regulated until or unless the Department approves or implements an alternative administrative action to mitigate the interference. The Department encourages junior and senior appropriators to jointly develop plans to mitigate interferences.

The city shall develop a plan to monitor and report the impact of water use under this permit on water levels within the aquifer that provides water to the permitted wells. The plan shall be submitted to the Department within one year of the date the permit is issued and shall be subject to the approval of the Department. At a minimum, the plan shall include a program to periodically measure static water levels within the permitted well(s) or an adequate substitute such as water levels in nearby wells. The plan shall also stipulate a reference water level against which any water-level declines will be compared. If a well listed on this permit displays a total static water-level decline of 25 or more feet over any period of years, as compared to the reference level, then the city shall discontinue use of, or reduce the rate or volume of withdrawal from, the well(s). Such action shall be taken until the water level recovers to above the 25-foot decline level or until the Department determines, based on the city's or the Department's data and analysis, that no action is necessary because the aquifer in question can sustain the observed declines without adversely impacting the resource or senior water rights. The city shall in no instance allow excessive decline to occur within the aquifer as a result of use under this permit.

Within one year from the date the Water Resources Commission adopts rules describing the schedules, standards and procedures for water conservation management plans by water suppliers, the city shall submit a plan which is consistent with said rules.

Within one year of permit issuance, the city shall prepare a plan/timetable for the Water Resources Commission which shall indicate the steps which the City intends to pursue to obtain a long-term water supply.

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 elevation in the well at all times. The permittee shall install and maintain a weir, meter, or other suitable measuring device, and shall keep and submit to the department on an annual basis, 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.

This development was reviewed and approved by the Water Resources Commission on November 15, 1991.

Actual construction work shall begin on or before November 18, 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. 6+C+o-10-1-9

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.

PAGE FOUR

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

Issued this date, NOVEMBER 18, 1991.

/s/ WILLIAM H. YOUNG

Water Resources Department William H. Young Director