STATE OF OREGON

COUNTY OF MORROW

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

LORRAINE M. LADD P.O. BOX 197 IONE, OREGON 97843

503-422-7513

to use the waters of WELL 3 in the WILLOW CREEK BASIN for IRRIGATION OF 49.9 ACRES AND SUPPLEMENTAL IRRIGATION OF 120.3 ACRES.

This permit is issued approving Application G-12467. The date of priority is APRIL 3, 1991. The use is limited to not more than 955 GALLONS PER MINUTE, or its equivalent in case of rotation, measured at the well.

Well 3 is located as follows:

NW 1/4 NW 1/4, SECTION 7, T 1 S, R 24 E, W.M.; 640 FEET SOUTH AND 1100 FEET EAST FROM NW CORNER, SECTION 7.

The amount of water used for irrigation under this right, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second (or its equivalent) and 3.0 acre-feet for each acre irrigated during the irrigation season of each year. This right is limited to any deficiency in the available supply of any prior right existing for the same land.

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 this permit is as follows:

PRIMARY	SUPPLEMENTAL							
NE 1/4 NE 1/4 5.7 ACRES								
SE 1/4 NE 1/4 1.7 ACRES								
SECTION 12								
TOWNSHIP 1 SOUTH, RANGE 23 EAST	r, w.m.							

NW	1/4	NE	1/4	0.4	ACRE		
SE	1/4	NE	1/4	3.6	ACRES		
NE	1/4	NW	1/4	12.4	ACRES		
NW	1/4	NW	1/4	1.8	ACRES	21.0	ACRES
SW	1/4	NW	1/4				ACRES
SE	1/4	NW	1/4	19.0	ACRES		
				ON 7			
NE	1/4	NE	1/4			22.0	ACRES
SE	1/4	NE	1/4	5.3	ACRES		ACRES
			SECTI	ON 8			
NW	1/4	NW	1/4			27.3	ACRES
SW	1/4	NW	1/4			4.5	ACRES
			SECTI	ON 9			

TOWNSHIP 1 SOUTH, RANGE 24 EAST, W.M.

The water user shall report a March static water level in the well(s) to the Groundwater/Hydrology Section of the Water Resources Department by April 15 of each year. The measurement shall be made and calculations detailed by a certified water rights examiner, registered professional geologist, certified engineering geologist, or professional engineer.

Application G-12467

Water Resources Department

PERMIT G-11413

Use of water from the well(s) shall not be allowed if the well(s) displays an (A) average water level decline of 3 or more feet per year for 5 consecutive years, or (B) a water level decline of 15 or more feet in fewer than 5 consecutive years, or (C) a water level decline of 25 or more feet, or (D) a hydraulic interference decline of 25 or more feet in any neighboring well with senior priority which provides water for an authorized use.

The Water Resources Department has determined that the initial water level in the well(s) are those of the initial March report. That is the level from which the cited declines in (A), (B) and (C) above will be referenced.

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. 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 February 3, 1993, and shall be completed on or before October 1, 1994. Complete application of the water shall be made on or before October 1, 1995.

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, FEBRUARY 3, 1992.

/s/ WILLIAM H. YOUNG

Water Resources Department William H. Young Director "B" Ext to: 10-1-2001

"C" Ext to: 10-1-2001