STATE OF OREGON

COUNTY OF LANE

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

FLORENCE RESORT COMMUNITY, INC. 1050 OAK STREET FLORENCE, OREGON 97439

503-997-1937

to use the waters of FIVE WELLS in the SIUSLAW RIVER BASIN for IRRIGATION OF 230.5 ACRES AND MAINTAINING LANDSCAPE PONDS FOR RECREATION.

This permit is issued approving Application G-12823. The date of priority is MARCH 17, 1992. The use is limited to not more than 2.50 CUBIC FEET PER SECOND (CFS), BEING 2.50 CFS FOR IRRIGATION AND 0.64 CFS FOR MAINTAINING PONDS PROVIDED THE TOTAL QUANTITY OF WATER DOES NOT EXCEED 2.50 CFS, or its equivalent in case of rotation, measured at the wells.

The wells are located as follows:

NW 1/4 SE 1/4, SW 1/4 SE 1/4, SECTION 5, T 18 S, R 12 W, W.M.; NORTH 36 DEGREES 27 MINUTES 39 SECONDS WEST 2694 FEET, NORTH 41 DEGREES 24 MINUTES 37 SECONDS WEST 2458 FEET, NORTH 52 DEGREES 15 MINUTES 17 SECONDS WEST 2085 FEET, NORTH 71 DEGREES 29 MINUTES 24 SECONDS WEST 2020 FEET, NORTH 89 DEGREES 53 MINUTES 40 SECONDS EAST 1971 FEET, ALL FROM SE CORNER, SECTION 15.

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 2.5 acre-feet for each acre irrigated each year. The use of water for irrigation may be made at any time of the year that water can be put to beneficial use.

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:

NE 1/4 SW 1/4 37.0 ACRES

SE 1/4 SW 1/4 16.2 ACRES POND

NE 1/4 SE 1/4 38.5 ACRES POND

NW 1/4 SE 1/4 37.8 ACRES POND

SW 1/4 SE 1/4 35.8 ACRES POND

SE 1/4 SE 1/4 38.4 ACRES POND

SECTION 15

NW 1/4 NE 1/4 26.8 ACRES

SECTION 22

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

ABSIGNIED, See Mica Crus. Vol. 7 Pena 3115

Application G-12823

Water Resources Department PERMIT G-11600

The appropriator/permittee shall develop a plan to monitor and report the impact of water use under this permit on water levels and the permittee's use within the aquifer that provides water to the permitted well(s). The plan shall be submitted to the Department within 60 days of issuance of the permit 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 and the criteria used to select that reference level. The reference water level selected shall reflect the groundwater elevation prior to disturbance by the permittee. 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 appropriator/permittee 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 appropriator/permittee 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 appropriator/permittee shall in no instance allow excessive decline to occur within the aquifer as a result of use under this permit.

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. The permittee shall install totalizing flow meters and keep a complete record of water use.

The water user shall comply with the terms and conditions of Sandpines Golf Course Water, Nutrients and Pesticides Management Plan received August 28, 1992, or as such plan is replaced or amended with approval of the Director. An approved copy of the plan shall be kept on file in the office of the Water Resources Department in Salem, Oregon.

The permittee shall submit to the watermaster quantity and water levels measurements each month.

This development was reviewed and approved by the Water Resources Commission on August 28, 1992.

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 September 28, 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.

The Commission finds that the proposed use(s) of water described by this permit, as conditioned, would not impair or be detrimental to the public interest.

This permit is issued to supersede permit G-11594 which is of no further force or effect.

Issued this date, January 25, 1993.

/s/ MARTHA O. PAGEL

Water Resources Department Martha O. Pagel Director