STATE OF OREGON

COUNTY OF UMATILLA

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

SUNRIDGE WATER SYSTEMS, INC. C/O LEROY G. HAAGEN 8326 MIDDLEWAY VANCOUVER, WASHINGTON 98684

206-694-7084

to use the waters of EIGHT WELLS in the UMATILLA RIVER BASIN for IRRIGATION OF 250.4 ACRES.

This permit is issued approving Application G-12754. The date of priority is JANUARY 7, 1992. The use is limited to not more than 1405 GALLONS PER MINUTE, or its equivalent in case of rotation, measured at the wells.

The wells are located as follows:

NE 1/4 NE 1/4, NW 1/4 NE 1/4, SW 1/4 NE 1/4, SE 1/4 NE 1/4, NE 1/4 NW 1/4, NW 1/4 NW 1/4, SW 1/4 NW 1/4, SE 1/4 NW 1/4, SECTION 35, T 5 N, R 28 E, W.M.; WELL A1 - 70 FEET SOUTH AND 760 FEET EAST FROM THE NW CORNER OF SECTION 35, WELL A2 - 450 FEET NORTH AND 70 FEET EAST FROM THE W 1/4 CORNER OF SECTION 35, WELL A3 - 1500 FEET SOUTH AND 1400 FEET EAST FROM THE NW CORNER OF SECTION 35, WELL A4 - 710 FEET SOUTH AND 644 FEET WEST, WELL B1 - 2310 FEET SOUTH AND 710 FEET EAST, WELL B2 - 1030 FEET SOUTH AND 330 FEET EAST, ALL FROM THE N 1/4 CORNER OF SECTION 35, WELL B3 - 50 FEET SOUTH AND 710 WEST, WELL B4 - 1340 FEET SOUTH AND 710 FEET WEST, BOTH FROM THE NE CORNER OF SECTION 35.

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. The irrigation season is March 1 to October 31 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:

> NE 1/4 NE 1/4 19.5 ACRES

> NW 1/4 NE 1/4 38.2 ACRES SW 1/4 NE 1/4 38.2 ACRES

38.2 ACRES 19.5 ACRES

SE 1/4 NE 1/4

NE 1/4 NW 1/4 38.2 ACRES

NW 1/4 NW 1/4 38.2 ACRES

SW 1/4 NW 1/4 SE 1/4 NW 1/4 29.3 ACRES 29.3 ACRES

SECTION 35

TOWNSHIP 5 NORTH, RANGE 28 EAST, W.M.

The wells shall be constructed in accordance with the General Standards for the Construction and Maintenance of Water Wells in Oregon. 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.

Application G-12754

Water Resources Department **PERMIT G-11623**

MEASUREMENT, RECORDING AND REPORTING CONDITIONS:

- A. Before water use may begin under this permit, the permittee shall install a meter or other suitable measuring device as approved by the Director. The permittee shall maintain the meter or measuring device in good working order, shall keep a complete record of the amount of water used each month and shall submit a report which includes the recorded water use measurements to the Department annually or more frequently as may be required by the Director. Further, the Director may require the permittee to report general water use information, including the place and nature of use of water under the permit.
- B. The permittee shall allow the watermaster access to the meter or measuring device; provided however, where the meter or measuring device is located within a private structure, the watermaster shall request access upon reasonable notice.

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.

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.

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 October 15, 1994 and shall be completed on or before October 1, 1995. Complete application of the water shall be made on or before October 1, 1996.

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.

PAGE THREE

The Director of the Water Resources Department has found that the proposed use of water described by this permit, as conditioned, will not impair or be detrimental to the public interest.

Issued this date, October 15, 1993.

/s/ A. REED MARBUT

B2 Colate 9x7 to 10-1-00

Water Resources Department Co. Pagel
Director

"B" Ext to: 10-1-2002

"c" Ext to: 10-1-2003