

STATE OF OREGON

COUNTY OF MALHEUR

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

LEE FARMS, INC.
1144 HIGHWAY 20-26
ONTARIO, OREGON 97914

503-889-6857

to use the waters of TWO WELLS in the MALHEUR RIVER BASIN for SUPPLEMENTAL IRRIGATION OF 140.3 ACRES.

This permit is issued approving Application G-12620. The date of priority is JULY 22, 1991. The use is limited to not more than 1.6 CUBIC FEET PER SECOND (CFS), or its equivalent in case of rotation, measured at the wells.

The wells are located as follows:

NE 1/4 SE 1/4, SECTION 20, T 18 S, R 46 E, W.M.; WELL 1 - 1094.5 FEET NORTH AND 646.4 WEST, WELL 2 - 1098.8 FEET NORTH AND 1258.3 FEET WEST, BOTH FROM THE S 1/16 CORNER OF SECTIONS 20 AND 21.

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 period of allowed use is March 1 through October 31.

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	34.6 ACRES
NW 1/4 NE 1/4	24.9 ACRES
SW 1/4 NE 1/4	32.9 ACRES
SE 1/4 NE 1/4	37.7 ACRES
NW 1/4 SE 1/4	4.0 ACRES
NE 1/4 SE 1/4	6.2 ACRES

SECTION 20
TOWNSHIP 18 SOUTH, RANGE 46 EAST, W.M.

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.

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.

This right is limited to any deficiency in the available supply of any prior right existing for the same land and will be limited to a total of 3 acre feet of water per acre per irrigation season from all sources.

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 April 15, 1995 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.

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, April 15, 1994.

/s/ A. REED MARBUT

Water Resources Department
Martha O. Pagel
Director