STATE OF OREGON

COUNTY OF MALHEUR

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

SCOTT LIVESTOCK COMPANY 4876 NORTH ROAD H VALE, OREGON 97918

503-473-3246

to use the waters of THREE WELLS in the WILLOW CREEK BASIN for SUPPLEMENTAL IRRIGATION OF 219.6 ACRES.

This permit is issued approving Application G-12773. The date of priority is JANUARY 23, 1992. The use is limited to not more than 2.72 CUBIC FOOT PER SECOND, or its equivalent in case of rotation, measured at the wells. The use of water for supplemental irrigation is limited to the period of February 15 through September 1 of each year.

The wells are located as follows:

SW 1/4 SW 1/4, SW 1/4 SE 1/4, SECTION 30, NW 1/4 NW 1/4, SECTION 31, T 16 S, R 44 E, W.M.; WELL 1 - 3 FEET NORTH AND 41 FEET EAST FROM SW CORNER SECTION 30, WELL 2 - 10 FEET NORTH AND 20 FEET WEST FROM SW CORNER, SE 1/4 SE 1/4, SECTION 30, WELL 3 - 1284 FEET SOUTH AND 205 FEET EAST FROM NW CORNER, SECTION 31.

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:

> NE 1/4 SW 1/4 2.0 ACRES NW 1/4 SW 1/4 32.5 ACRES NW 1/4 SW 1/4 35.2 ACRES SW 1/4 SE 1/4 39.0 ACRES SECTION 30 NE 1/4 NW 1/4 38.7 ACRES NW 1/4 NW 1/4 37.0 ACRES

SECTION 31

TOWNSHIP 16 SOUTH, RANGE 44 EAST, W.M...

Measurement, recording and reporting conditions:

Before water use may begin under this permit, 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 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 well at all times.

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 JANUARY 13, 1996 and shall be completed on or before October 1, 1997. Complete application of water shall be made on or before October 1, 1998.

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, January 13, 1995.

/S/ A. REED MARBUT

Water Resources Department
Martha O. Pagel
Director