STATE OF OREGON

COUNTY OF HARNEY

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

3 D RANCHES
HC 73 162 BUCHANAN RD
BURNS, OREGON 97720

503-493-2851

to use the waters of A WELL IN HOT SPRINGS SLOUGH BASIN for IRRIGATION OF 182.6 ACRES.

This permit is issued approving APPLICATION G-13373. The date of priority is April 23, 1993. The use is limited to not more than 2.28 CUBIC FOOT PER SECOND, or its equivalent in case of rotation, measured at the well.

The well is located as follows:

SW 1/4 SW 1/4, SECTION 30, T 24 S, R 34 E, W.M.; 1310 FEET NORTH AND 153 FEET EAST FROM THE SW CORNER OF SECTION 30.

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 SW 1/4 30.8 ACRES NW 1/4 SW 1/4 27.2 ACRES SW 1/4 SW 1/4 29.2 ACRES SE 1/4 SW 1/4 35.2 ACRES NW 1/4 SE 1/4 33.9 ACRES SW 1/4 SE 1/4 24.1 ACRES SECTION 30

NW 1/4 NE 1/4 1.4 ACRES NE 1/4 NW 1/4 0.6 ACRES NW 1/4 NW 1/4 0.2 ACRES

SECTION 31

TOWNSHIP 24 SOUTH, RANGE 34 EAST, W.M.

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.

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.

Application G-13373 Water Resources Department

PERMIT G-12027

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, professional engineer, licensed well constructor or pump installer licensed by the Construction Contractors Board. Measurements and calculations shall be provided to the Department on forms provided by the Department and shall be certified as to their accuracy by the individual making the measurements.

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.

If substantial interference with a senior water right occurs due to withdrawal of water from any well listed on this permit, then use of water from the well(s) shall be discontinued or reduced and/or the schedule of withdrawal shall be regulated until or unless the Department approves or implements an alternative administrative action to mitigate the interference. The Department encourages junior and senior appropriators to jointly develop plans to mitigate interferences.

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 24, 1996 and shall be completed on or before October 1, 1997. Complete application of the 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.

PAGE THREE

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

Issued this date, April 24, 1995.

/s/ MARIHA O. EAGEL

Water Resources Department Martha O. Pagel Director BC 99 BC 03