STATE OF OREGON

COUNTY OF HARNEY

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

V BOX LAND & LIVESTOCK, INC. PO BOX 761 CRANE, OREGON 97732

(541) 493-2006

The specific limits for the use are listed below along with conditions of use.

APPLICATION FILE NUMBER: G-13650

SOURCE OF WATER: TWO WELLS IN SOUTH FORK MALHEUR RIVER BASIN

PURPOSE OR USE: IRRIGATION OF 32.8 ACRES

RATE OF USE: 0.41 CUBIC FOOT PER SECOND (CFS), BEING 0.24 CFS FROM WELL 1 AND 0.17 CFS FROM WELL 2

PERIOD OF ALLOWED USE: MARCH 1 THROUGH OCTOBER 31

DATE OF PRIORITY: MARCH 28, 1994

POINT OF APPROPRIATION LOCATION: NW 1/4 SW 1/4, SECTION 19, T27S, R35E, W.M.; WELL 1 - 575 FEET SOUTH AND 175 FEET EAST, WELL 2 - 90 FEET SOUTH AND 1240 FEET EAST, BOTH FROM THE W 1/4 CORNER OF SECTION 19

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 PLACE OF USE IS LOCATED AS FOLLOWS:

SE 1/4 NE 1/4 15.5 ACRES NE 1/4 SE 1/4 3.7 ACRES SECTION 24 TOWNSHIP 27 SOUTH, RANGE 34 EAST, W.M.

NE 1/4 SW 1/4 2.8 ACRES SE 1/4 SW 1/4 10.8 ACRES SECTION 19 TOWNSHIP 27 SOUTH, RANGE 35 EAST, W.M. 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.
- 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.
- C. The Director may require the permittee to keep and maintain a record of the amount (volume) of water used and may require the permittee to report water use on a periodic schedule as established by the Director. In addition, the Director may require the permittee to report general water use information, the periods of water use and the place and nature of use of water under the permit. The Director may provide an opportunity for the permittee to submit alternative reporting procedures for review and approval.

In the event of a request for a change in point of appropriation, an additional point of appropriation or alteration of the appropriation facility associated with this authorized diversion, the quantity of water allowed herein, together with any other right, shall not exceed the capacity of the facility at the time of perfection of this right.

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.

STANDARD CONDITIONS

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.

The use shall conform to such reasonable rotation system as may be ordered by the proper state officer.

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.

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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 the beneficial use of water without waste. The water user is advised that new regulations may require the 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 finds that the proposed use(s) of water described by this permit, as conditioned, will not impair or be detrimental to the public interest.

Actual construction of the wells shall begin within one year from permit issuance and shall be completed on or before October 1, 1998. Complete application of the water to the use shall be made on or before October 1, 1999.

Issued June /9, 1996

Martha O. Pagel

Water Resources Department