STATE OF OREGON

COUNTY OF DESCHUTES

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

Avion Water Co. Inc. 60813 PARRELL RD BEND, OREGON 97702

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

APPLICATION FILE NUMBER:

SOURCE OF WATER: 39 WELLS TRIBUTARY TO DRY RIVER IN DESCHUTES RIVER BASIN

PURPOSE OR USE: QUASI-MUNICIPAL USE

RATE OF USE: Not to exceed 11,305 Gallons Per Minute (GPM). This use is further limited to the appropriation of 6,400 GPM until the applicant submits a Water Management and Conservation Plan (Plan) consistent with OAR-690-86 which substantiates the need for water in addition to 6,400 gallons per day. The Plan shall be submitted within 3 years. Upon approval of the plan, the permit shall allow the quantity of water demonstrated to be necessary by the applicant but not exceeding 11,305 gallons per minute.

PERIOD OF ALLOWED USE: YEAR ROUND

DATE OF PRIORITY: 5/18/92 for 11,210 GPM and 12/4/92 for 95 GPM

POINT OF DIVERSION LOCATION:

WELLS RELATED TO AVION WATER APPLICATION G-12924			
Well Name	Location	Production/ Reserve	
A	2400 FEET SOUTH AND 1800 FEET WEST FROM THE NE CORNER OF SECTION 13, T 18 S, R 11 E, W.M. (SW 1/4 NE 1/4),	Production well	
B-1	1380' SOUTH, 1500' WEST FROM THE NE CORNER, SECTION 19, T 18 S, R 12 E, W.M.(SW 1/4 NE 1/4)	Production well	

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WELLS RELATED TO AVION WATER APPLICATION G-12924			
Well Name	Location	Production/ Reserve	
B-2	1360' SOUTH AND 1490' WEST FROM THE NE CORNER OF SECTION 19, T 18 S, R 12 E, W.M. (SW1/4, NE 1/4)	Production well	
C-1	225' SOUTH AND 315' WEST FROM THE NE CORNER OF SECTION 21, T 18 S, R 12 E, W.M. (SE 1/4 NE 1/4)	Production well	
C-2	2260' SOUTH AND 315' WEST FROM THE NE CORNER OF SECTION 21, T 18 S, R 12 E, W.M. (SE 1/4 NE 1/4)	Production well	
C-3	2240' SOUTH AND 310' WEST FROM THE NE CORNER OF SECTION 21, T 18 S, R 12 E, W.M. (SE 1/4 NE 1/4)	Production well	
D-1	1550' SOUTH AND 1700' EAST FROM THE NW CORNER OF SECTION 8, T 17 S, R 12 E, W.M. (SE 1/4 NW 1/4)	Production well	
D-2	1600' SOUTH AND 1680' EAST OF NW CORNER OF SECTION 8, T 17 S, R 12 E, W.M. (SE 1/4 NW 1/4)	Production well	
D-3	1700' SOUTH AND 1780' EAST FROM THE NW CORNER OF SECTION 8, T 17 S, R 12 E, W.M. (SE 1/4 NW 1/4)	Production well	
E-1	1019' NORTH AND 640' WEST FROM THE SE CORNER OF SECTION 18, T 18 S, R 12 E, W.M. (SE 1/4 SE 1/4)	Production well	
E-2	1020' North and 640' WEST FROM THE SE CORNER OF SECTION 18, T 18 S, R 12 E, W.M. (SE 1/4 OF SE 1/4)		
F-1	75' NORTH AND 100' WEST FROM THE SE CORNER OF SECTION 6, T 18 S, R 12 E, W.M. (SE 1/4 SE 1/4)	Production well	

Well Name	Location	Production/ Reserve
F-2	30 11011111 1212 12	Production well
G-1	264' NORTH AND 947' WEST FROM THE SE CORNER OF SECTION 3, T 18 S, R 12 E, W.M. SE 1/4 SE 1/4,	Production well
G-2	274' NORTH AND 937' WEST FROM THE SE CORNER OF SECTION 3, T 18 S, R 12 E, W.M. SE 1/4 SE 1/4,	Production well
H-1	400' SOUTH AND 200' WEST FROM THE NORTH QUARTER CORNER OF SECTION 3, T 18 S, R 12 E, W.M. (NE 1/4 NW 1/4),	Production well
H-2	400' SOUTH AND 86' WEST FROM THE NORTH QUARTER CORNER OF NE SECTION 3, T 18 S, R 12 E, W.M. (1/4 NW 1/4),	Production well
I	868' SOUTH AND 116' EAST FROM THE CENTER QUARTER CORNER OF SECTION 26, T 17 S, R 12 E, W.M. (NW 1/4 SE 1/4),	Production well
J	343' NORTH AND 892' EAST FROM THE SOUTH WEST CORNER OF SECTION 14, T 17 S, R 12 E, W.M. (SW 1/4 SW 1/4),	Production well
K	1973' SOUTH AND 575' WEST FROM THE CENTER QUARTER CORNER OF SECTION 16, T 17 S, R 12 E, W.M. (SE 1/4 SW 1/4)	Production well
L	1425' SOUTH AND 1950' WEST FROM THE NORTHEAST CORNER OF SECTION 16, T 17 S, R 12 E, W.M. SW 1/4 NE 1/4, G-10378	Production well
M	312' NORTH AND 12' WEST FROM THE SOUTHEAST CORNER OF SECTION 9, T 17 S, R 12 E, W.M. (SE 1/4 SE 1/4), G-10378	Production well

WELLS RELATED TO AVION WATER APPLICATION G-12924			
Well Name	Location	Production/ Reserve	
0	340' NORTH AND 796' WEST FROM THE SOUTHEAST CORNER OF SECTION 33, T 17 S, R 13 E, W.M. (SW 1/4 SW 1/4),	Production well	
P	455' NORTH AND 1263' EAST FROM THE WEST QUARTER CORNER OF SECTION 33, T 17 S, R 13 E, W.M. (SW 1/4 NW 1/4),	Production well	
Q	644' SOUTH AND 1826' WEST FROM THE NORTHEAST CORNER OF SECTION 19, T 17 S, R 13 E, W.M. (NW 1/4 NE 1/4),	Production well	
S	20' NORTH AND 20' WEST FROM THE SOUTH EAST CORNER OF SECTION 21, T 16 S, R 12 E, W.M. (SE 1/4 SE 1/4),	Production well	
Т	137' NORTH AND 2290' WEST FROM THE SOUTH EAST CORNER OF SECTION 21, T 16 S, R 12 E, W.M. (SW 1/4 SE 1/4),	Production well	
V	140' SOUTH AND 950' EAST FORM THE NORTH WEST CORNER OF SECTION 33, T 16 S, R 12 E, W.M. (NW 1/4 NW 1/4)	Production well	
Х	894' SOUTH AND 708' WEST FROM THE NORTH QUARTER CORNER OF SECTION 36, T 16 S, R 12 E, W.M. (NE 1/4 NW 1/4),	Production well	
Y	400' NORTH 155' WEST FROM THE EAST QUARTER CORNER OF SECTION 36, T 16 S, R 12 E, W.M. (SE 1/4 NE 1/4)	Production well	
Z-1	131' NORTH AND 693' WEST FROM THE SOUTHEAST CORNER OF SECTION 36, T 16 S, R 12 E, W.M. (SE 1/4 SE 1/4)	Production well	
Z-2	160' NORTH AND 796' WEST FROM THE SOUTHEAST CORNER OF SECTION 36, T 16 S, R 12 E, W.M. (SE 1/4 SE 1/4)	Production well	

WELLS RELATED TO AVION WATER APPLICATION G-12924			
Well Name	Location	Production/ Reserve	
A-1	726 FEET NORTH & 1210 FEET WEST FROM SE CORNER, SECTION 26, T 16 S, R 12 E, W.M.;SE (1/4 SE 1/4)	Reserve well	
A-2	868 SOUTH AND 368 FEET EAST FROM THE NORTH QUARTER CORNER OF SECTION 20, T 18 S, R 13 E, W.M. (NW 1/4 NE 1/4),	Reserve well	
N-1	1225' SOUTH AND 2105' WEST OF SECTION 31, T 18 S, R 13 E, W.M. (NW 1/4 NE 1/4)	Reserve well	
N-2	1225' SOUTH AND 1985' FROM THE NORTHEAST CORNER OF SECTION 31, T 18 S, R 13 E, W.M. (NW 1/4 NE 1/4)	Reserve well	
R	283' SOUTH 3240' WEST FROM THE NORTH QUARTER CORNER OF SECTION 22, T 18 S, R 13 E, W.M. (NE 1/4 NW 1/4)	Reserve well	
U	55' SOUTH AND 42' WEST FROM THE EAST QUARTER CORNER OF SECTION 23, T 17 S, R 12 E, W.M. (NE 1/4 SE 14)	Reserve well	
W	885' NORTH AND 1395 WEST FROM THE SOUTH 1/4 CORNER OF SECTION 28, T 16 S, R 12 E, W.M. (SW 1/4 SW 1/4)	Reserve well	

THE PLACE OF USE IS LOCATED AS FOLLOWS:

SW 1/4 SW 1/4 SE 1/4 SW 1/4 SECTION 14

> S 1/2 SECTION 15

> E 1/2 SECTION 21

W 1/2SECTION 23

SW 1/4 SW 1/4 SECTION 25

W 1/2 NE 1/4W 1/2SE 1/4 SECTION 26

ALLSECTION 27

NE 1/4 E 1/2 NW 1/4 S 1/2 SECTION 28

ALL SECTION 32

ALL SECTION 33

NE 1/4 NE 1/4 W 1/2 NE 1/4 W 1/2 NW 1/4 SE 1/4 SECTION 34

E 1/2E 1/2 W 1/2 SECTION 35

ALL SECTION 36 TOWNSHIP 16 SOUTH, RANGE 12 EAST, W.M.

> E 1/2 E 1/2 W 1/2 SW 1/4 SW 1/4 SECTION 2

> NW 1/4 NW 1/4 SW 1/4 SECTION 3

ALL SECTION 5

S 1/2 S 1/2 SECTION 6

N 1/2 SECTION 7

N 1/2 SECTION 8

ALL SECTION 9

ALL SECTION 11

W 1/2 W 1/2 SE 1/4 SW 1/4 NE 1/4 SE 1/4 S 1/2 SE 1/4

> ALL SECTION 14

ALL SECTION 15

E 1/2 E 1/2 W 1/2 NW 1/4 NW 1/4 SECTION 16

N 1/2 N 1/2 SE 1/4 NE 1/4 E 1/2 SE 1/4 SECTION 22

> ALL SECTION 23

ALL SECTION 24

ALL SECTION 25

E 1/2 NW 1/4 E 1/2 SW 1/2 SECTION 26 SE 1/4 SW 1/4 S 1/2 SE 1/4 SECTION 34

E 1/2 NE 1/4 S 1/2 SW 1/4 E 1/2 SE 1/4 SW 1/4 SE 1/4 SECTION 35

ALL SECTION 36 TOWNSHIP 17 SOUTH, RANGE 12 EAST, W.M.

> SW 1/4 NW 1/4 SE 1/4 S 1/2 SE 1/4 SECTION 18

> > ALL SECTION 19

S 1/2 SW 1/4 SECTION 29

N 1/2 N 1/2 SW 1/4 NW 1/4 NW 1/4 SW 1/4 S 1/2 S 1/2 SECTION 30

> ALLSECTION 31

> ALL SECTION 32

> ALL SECTION 33

S 1/2 SW 1/4 SECTION 34 TOWNSHIP 17 SOUTH, RANGE 13 EAST, W.M.

> NE 1/4 NE 1/4 S 1/2 NE 1/4 S 1/2 SW 1/4 SE 1/4 SECTION 13

NE 1/4 E 1/2 NW 1/4 NE 1/4 SW 1/4 N 1/2 SE 1/4 SECTION 23

N 1/2 N 1/2 S 1/2 SECTION 24 TOWNSHIP 18 SOUTH, RANGE 11 EAST, W.M.

> ALL SECTION 1

ALL SECTION 2

E 1/2 E 1/2 NW 1/4 S 1/2 SW 1/4 SECTION 3

SE 1/4 SW 1/4 S 1/2 SE 1/4 SECTION 4

SW 1/4 SW 1/4 SECTION 5

SE 1/4 SE 1/4 SECTION 6

NE 1/4 NE 1/4 S 1/2 N 1/2 S 1/2 SECTION 7

NE 1/4 NW 1/4 W 1/2 W 1/2 SECTION 8

N 1/2 NE 1/4 SE 1/4 NE 1/4 NE 1/4 NW 1/4 NE 1/4 SE 1/4 SECTION 9

NE 1/4 NE 1/4 W 1/2 E 1/2 W 1/2 SECTION 11

> ALL SECTION 12

E 1/2 NE 1/4 S 1/2 SW 1/4 NE 1/4 SE 1/4 S 1/2 SE 1/4 SECTION 13

W 1/2 NE 1/4 W 1/2 NE 1/4 SE 1/4 S 1/2 SE 1/4 SECTION 14

> ALL SECTION 15

S 1/2 S 1/2 SECTION 16

SW 1/4 SECTION 17

ALL SECTION 18

N 1/2 N 1/2 S 1/2 SECTION 19

S 1/2 NE 1/4 W 1/2 N 1/2 SE 1/4 SW 1/4 SE 1/4 SECTION 20

N 1/2 N 1/2 SW 1/4 SE 1/4 SECTION 21

ALL SECTION 23

ALL SECTION 24

ALL SECTION 25

N 1/2 NE 1/4 SE 1/4 SECTION 26

N 1/2 N 1/2 SW 1/4 NW 1/4 SECTION 27

E 1/2 NE 1/4 SECTION 28

N 1/2 N 1/2 SECTION 29 TOWNSHIP 18 SOUTH, RANGE 12 EAST, W.M.

> N 1/2 NW 1/4 SECTION 3

> NE 1/4 N 1/2 NW 1/4 SECTION 4

> N 1/2 NE 1/4 NW 1/4 W 1/2 SW 1/4 SECTION 5

N 1/2 N 1/2 SW 1/4 SE 1/4 SECTION 6

S 1/2 NW 1/4 SW 1/4 S 1/2 SE 1/4 SECTION 7

S 1/2 S 1/2 SECTION 8

S 1/2 SW 1/4 SECTION 9 SW 1/4 NE 1/4 W 1/2W 1/2 SE 1/4 SECTION 16

> ALL SECTION 17

ALLSECTION 18

ALL SECTION 19

ALL SECTION 20

NW 1/4 NE 1/4 S 1/2 NE 1/4 N 1/2 NW 1/4 N 1/2 SE 1/4 SE 1/4 SE 1/4 SECTION 21

> NW 1/4 S 1/2SECTION 22

N 1/2 NE 1/4 SE 1/4 NE 1/4 SECTION 28

> W 1/2SECTION 29

> ALLSECTION 30

N 1/2 NE 1/4 NE 1/4 NW 1/4 SECTION 31

NW 1/4 NW 1/4 s 1/2 NW 1/4 SW 1/4 SECTION 32

TOWNSHIP 18 SOUTH, RANGE 13 EAST, W.M.

The quantity of water allowed herein, together with any prior right from the same wells, shall not exceed the maximum rate allowed by this permit.

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.

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.

The PERMIT HOLDER shall develop a plan to monitor and report the impact of water use under this permit on water levels within the aquifer that provides water to the permitted well(s). The plan shall be submitted to the Department within one year of the date the permit is issued and shall be subject to the approval of the Department. a minimum, the plan shall include a program to periodically measure static water levels within the permitted well(s) or an adequate substitute such as water levels in nearby wells. The plan shall also stipulate a reference water level against which any water-level declines will be compared. If a well listed on this permit displays a total static water-level decline of 25 or more feet over any period of years, as compared to the reference level, then the PERMIT HOLDER shall discontinue use of, or reduce the rate or volume of withdrawal from, the well(s). Such action shall be taken until the water level recovers to above the 25-foot decline level or until the Department determines, based on the PERMIT HOLDER'S or the Department's data and analysis, that no action is necessary because the aquifer in question can sustain the observed declines without adversely impacting the resource or senior water rights. The PERMIT HOLDER shall in no instance allow excessive decline to occur within the aquifer as a result of use under this permit.

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

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to mitigate the interference. The Department encourages junior and senior appropriators to jointly develop plans to mitigate interferences.

Use of water under authority of this (permit or certificate) may be regulated if analysis of data available after the (permit or certificate) is issued discloses that the appropriation will measurably reduce the surface water flows necessary to maintain the free-flowing character of a scenic waterway in quantities necessary for recreation, fish and wildlife in effect as of the priority date of the right or as those quantities may be subsequently reduced.

Use of water authorized by this permit shall not occur until the applicant obtains all required land use approvals.

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.

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 work shall begin within one year from permit issuance, and shall be completed on or before October 1, 1997. Complete application of the water to the use shall be made on or before October 1, 1999.

Issued August 31, 1996

Water Resources Department Martha O Pagel, Director

AMENDED by special order

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