

STATE OF OREGON

COUNTY OF MARION

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

BLUE SKY FARM
PO BOX 217
WOODBURN, OREGON 97071

(503) 982-4225

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

APPLICATION FILE NUMBER: G-13389

SOURCE OF WATER: A WELL IN PUDDING RIVER BASIN

PURPOSE OR USE: IRRIGATION OF 78.3 ACRES

RATE OF USE: 0.97 CFS

PERIOD OF ALLOWED USE: MARCH 1 THROUGH OCTOBER 31

DATE OF PRIORITY: MAY 3, 1993

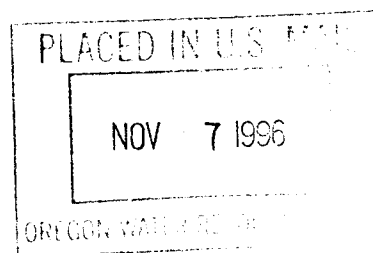
POINT OF DIVERSION LOCATION: SW 1/4 NE 1/4, SECTION 23, T5S, R2W, W.M.;
10 FEET NORTH & 360 FEET EAST FROM NW CORNER, DLC 93

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 2.5 acre-feet for each acre irrigated during the irrigation season of each year.

THE PLACE OF USE IS LOCATED AS FOLLOWS:

NE 1/4 NE 1/4 16.3 ACRES
NW 1/4 NE 1/4 12.6 ACRES
SW 1/4 NE 1/4 9.9 ACRES
SE 1/4 NE 1/4 15.3 ACRES
SECTION 23
NW 1/4 NW 1/4 12.5 ACRES
SW 1/4 NW 1/4 11.7 ACRES
SECTION 24

TOWNSHIP 5 SOUTH, RANGE 2 WEST, 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.

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- 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.

The well shall be cased and sealed to a minimum depth of 80 feet below land surface.

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.

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.

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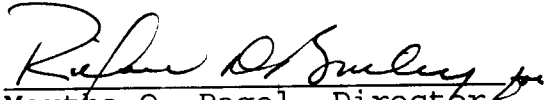
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The use of water shall be limited when it interferes with any prior surface or ground water rights.

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 well 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 this date, October 29, 1996



Martha O. Pagel, Director
Water Resources Department