

STATE OF OREGON

COUNTY OF CURRY

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

MCKENZIE CRANBERRIES INCORPORATED
92619 AIRPORT ROAD
SIXES, OREGON 97476

(541) 348-2217

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

APPLICATION FILE NUMBER: G-14187

SOURCE OF WATER: FOUR WELLS IN FLORAS LAKE BASIN

PURPOSE OR USE: CRANBERRY OPERATIONS ON 100.0 ACRES

MAXIMUM RATE ALLOWED: 1.07 CUBIC FEET PER SECOND (CFS), BEING 0.267 CFS FROM EACH WELL

PERIOD OF USE: YEAR ROUND

DATE OF PRIORITY: OCTOBER 20, 1995

POINT OF DIVERSION LOCATION: SW 1/4 SE 1/4, SECTION 29, NW 1/4 NE 1/4, SECTION 32, TOWNSHIP 31 SOUTH, RANGE 15 WEST, W.M.; WELL 1 - 10 FEET NORTH & 3812 FEET EAST; WELL 2 - 580 FEET SOUTH & 3780 FEET EAST; WELL 3 - 530 FEET SOUTH & 2640 FEET EAST; WELL 4 - 690 FEET NORTH & 2630 FEET EAST; ALL FROM NORTHWEST CORNER, SECTION 32

The amount of water diverted for CRANBERRY OPERATIONS, together with amounts secured under any other rights existing for the same lands, is limited as follows: For temperature control, 0.15 cubic foot per second per acre; For flood harvesting or pest control, 0.05 cubic foot per second per acre; For irrigation of cranberries, ONE-FORTIETH of one cubic foot per second and 3.0 acre-feet per acre for each acre irrigated during the irrigation season of each year. For the irrigation of any other crop, ONE-EIGHTIETH of one cubic foot per second and 2.5 acre-feet per acre for each acre irrigated during the irrigation season of each year.

THE PLACE OF USE IS LOCATED AS FOLLOWS:

NW 1/4 SE 1/4 10.0 ACRES

SW 1/4 SE 1/4 30.0 ACRES

SECTION 29

NE 1/4 NE 1/4 30.0 ACRES

NW 1/4 NE 1/4 30.0 ACRES

SECTION 32

TOWNSHIP 31 SOUTH, RANGE 15 WEST, W.M.

Application G-14187 Water Resources Department

PERMIT G-13032

Measurement, recording and reporting conditions:

- A. Before water use may begin under this permit, a totalizing flow meter or other suitable measuring device(s) as approved by the watermaster must be installed at each diversion point. The totalizing flow meter must be installed and maintained as identified in OAR 690-507-645. The permittee shall keep a complete record of the amount of water used each month. The permittee shall submit a report which includes the recorded water use measurements to the Department at its request. The permittee may be required to report 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.

If 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.

Diversion and use of water under this permit must comply with the Clean Water Act and utilize best management practices as identified in the plan developed as specified in the New River Alternative Dispute Resolution Team Agreement on file with the Department.

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.

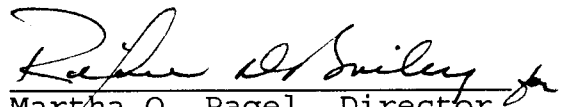
By law, the land use associated with this water use must be in compliance with statewide land-use goals and any local acknowledged land-use plan.

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 of the well shall begin within one year from permit issuance, and shall be completed on or before October 1, 1999. Complete application of the water to the use shall be made on or before October 1, 2000.

Issued January 31, 1997



Martha O. Pagel, Director
Water Resources Department