

STATE OF OREGON

COUNTY OF KLAMATH

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

SAND CREEK RANCH
C/O STEVE KOON
PO BOX 922
CHILOQUIN, OREGON 97624

(541)885-5797

The specific limits and conditions of the use are listed below.

APPLICATION FILE NUMBER: G-14325.

SOURCE OF WATER: A WELL IN WILLIAMSON RIVER BASIN within the Klamath basin.

PURPOSE OR USE: IRRIGATION OF 133.9 ACRES

MAXIMUM RATE: 1.674 CUBIC FEET PER SECOND (CFS), BEING 1.15 CFS WITH A PRIORITY DATE OF JUNE 7, 1996, AND 0.524 CFS WITH A PRIORITY DATE OF SEPTEMBER 30, 1996

PERIOD OF USE: The period of allowed use is MARCH 1 THROUGH OCTOBER 31 OF EACH YEAR

DATE OF PRIORITY: June 7, 1996 FOR 1.15 CFS AND SEPTEMBER 30, 1996 FOR 0.524 CFS

POINT OF DIVERSION LOCATION: NW 1/4 SW 1/4, SECTION 8, T 32 S, R 11 E, W.M.; 1400 FEET NORTH & 20 FEET EAST FROM SW CORNER, SECTION 8.

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:

SW 1/4 NW 1/4	25.0 ACRES
SE 1/4 NW 1/4	24.1 ACRES
NE 1/4 SW 1/4	29.0 ACRES
NW 1/4 SW 1/4	40.0 ACRES
SE 1/4 SW 1/4	15.8 ACRES

SECTION 8

TOWNSHIP 32 SOUTH, RANGE 11 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, 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.

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.

Use of water under authority of this permit may be regulated if analysis of data available after the permit 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.

This right is limited to any deficiency in the available supply of any prior right existing for the same land.

The permit shall not allow groundwater production from any shallow, unconfined aquifer.

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.

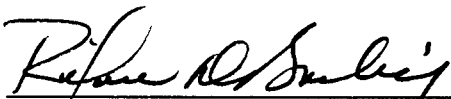
By law, the land use associated with this water use must be in compliance with statewide land-use goals and any local acknowledged land-use plan.

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 March 3, 1997



for Martha O. Pagel, Director
Water Resources Department