

STATE OF OREGON

COUNTY OF HARNEY

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

DENNY LAND AND CATTLE CO. LLC  
GEORGE P. DENNY III  
500 BOYLSTON STREET SUITE 1880  
BOSTON, MA 2116

PHONE: (617)536-6602

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

APPLICATION FILE NUMBER: G-14798

SOURCE OF WATER: THREE WELLS IN SILVER CREEK BASIN

PURPOSE OR USE: IRRIGATION OF 492.6 ACRES

MAXIMUM RATE: 6.16 CUBIC FEET PER SECOND

PERIOD OF USE: MARCH 1 THROUGH OCTOBER 31

DATE OF PRIORITY: JULY 6, 1998

POINT OF DIVERSION LOCATION: NE 1/4 NE 1/4, SECTION 22, SW 1/4 NW 1/4, SECTION 23, SW 1/4 NW 1/4, SECTION 24, T24S, R27E, W.M.; WELL 1V - 120 FEET SOUTH AND 275 FEET WEST FROM NE CORNER, SECTION 22; WELL 3M - 1585 FEET SOUTH & 120 FEET EAST FROM NW CORNER, SECTION 23; WELL 2U - 2360 FEET SOUTH AND 350 FEET EAST FROM NW CORNER, SECTION 24

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:

NE 1/4 NE 1/4 29.3 ACRES  
NW 1/4 NE 1/4 29.3 ACRES

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SW 1/4 NE 1/4 29.3 ACRES  
 SE 1/4 NE 1/4 29.3 ACRES  
 SECTION 22

SE 1/4 NE 1/4 0.5 ACRE  
 NE 1/4 NW 1/4 29.3 ACRES  
 NW 1/4 NW 1/4 29.3 ACRES  
 SW 1/4 NW 1/4 29.3 ACRES  
 SE 1/4 NW 1/4 29.3 ACRES  
 NE 1/4 SE 1/4 28.0 ACRES  
 SE 1/4 SE 1/4 21.6 ACRES  
 SECTION 23

NE 1/4 NW 1/4 29.4 ACRES  
 NW 1/4 NW 1/4 29.4 ACRES  
 SW 1/4 NW 1/4 35.2 ACRES  
 SE 1/4 NW 1/4 32.0 ACRES  
 NE 1/4 SW 1/4 4.7 ACRES  
 NW 1/4 SW 1/4 38.4 ACRES  
 SW 1/4 SW 1/4 35.9 ACRES  
 SE 1/4 SW 1/4 3.1 ACRES

## SECTION 24

TOWNSHIP 24 SOUTH, RANGE 27 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.

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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.

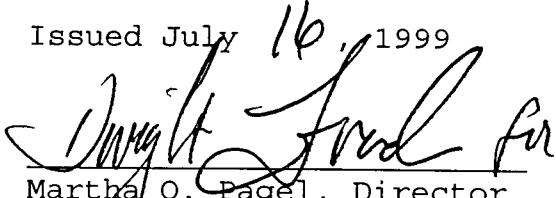
By law, the land use associated with this water use must be in compliance with statewide land-use goals and any local acknowledged land-use plan.

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 by May 14, 2000. Complete application of water to the use shall be made on or before October 1, 2003. Within one year after complete application of water to the proposed use, the permittee shall submit a claim of beneficial use, which includes a map and report, prepared by a Certified Water Rights Examiner (CWRE).

Issued July 16, 1999

  
Martha O. Pagel, Director  
Water Resources Department

Application G-14798  
Basin 12  
RWK

Water Resources Department  
Volume 1A SILVER CR  
MGMT.CODES 7BG 7BR

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District 10