

STATE OF OREGON

COUNTY OF HARNEY

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

CARPENTER RANCH LLC
JIM HALL
1930 LEWIS ST SE
SALEM, OREGON 97302

(503)375-9939

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

APPLICATION FILE NUMBER: G-15118

SOURCE OF WATER: THREE WELLS IN MALHEUR LAKE BASIN

PURPOSE OR USE: IRRIGATION OF 596.6 ACRES

MAXIMUM RATE: 7.45 CUBIC FEET PER SECOND

PERIOD OF USE: MARCH 1 THROUGH OCTOBER 31

DATE OF PRIORITY: APRIL 5, 2000

WELL LOCATIONS:

WELL #15 SE 1/4 SE 1/4, SECTION 36, T25S, R30E, W.M.; 30 FEET NORTH & 20 FEET WEST FROM SE CORNER, SECTION 36

WELL #16 SW 1/4 NW 1/4, SECTION 1, T26S, R30E, W.M.; 25 FEET NORTH & 1300 FEET EAST, FROM THE W 1/4 CORNER, SECTION 1

WELL #17 SW 1/4 NW 1/4, SECTION 1, T26S, R30E, W.M.; 16 FEET NORTH & 100 FEET EAST, FROM THE W 1/4 CORNER, SECTION 1

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

THE PLACE OF USE IS LOCATED AS FOLLOWS:

NE 1/4 SW 1/4 31.4 ACRES
NW 1/4 SW 1/4 31.4 ACRES
SW 1/4 SW 1/4 31.4 ACRES

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SE 1/4 SW 1/4 31.4 ACRES
NE 1/4 SE 1/4 31.4 ACRES
NW 1/4 SE 1/4 31.4 ACRES
SW 1/4 SE 1/4 31.4 ACRES
SE 1/4 SE 1/4 31.4 ACRES

SECTION 36

TOWNSHIP 25 SOUTH, RANGE 30 EAST, W.M.

NE 1/4 NW 1/4 31.4 ACRES
LOT 1 (NW 1/4 NW 1/4) 31.4 ACRES
LOT 2 (SW 1/4 NW 1/4) 31.4 ACRES
SE 1/4 NW 1/4 31.4 ACRES
NE 1/4 SW 1/4 31.4 ACRES
LOT 3 (NW 1/4 SW 1/4) 31.4 ACRES
LOT 4 (SW 1/4 SW 1/4) 31.4 ACRES
SE 1/4 SW 1/4 31.4 ACRES

SECTION 31

TOWNSHIP 25 SOUTH, RANGE 31 EAST, W.M.

LOT 3 (NE 1/4 NW 1/4) 31.4 ACRES
LOT 4 (NW 1/4 NW 1/4) 31.4 ACRES
SW 1/4 NW 1/4 31.4 ACRES

SECTION 1

TOWNSHIP 26 SOUTH, RANGE 30 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.

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.

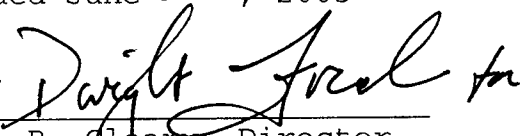
The use of water shall be limited when it interferes with any prior surface or ground water rights.

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.

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Complete application of the water to the use shall be made on or before October 1, 2007. 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 June 20, 2003


Paul R. Cleary, Director
Water Resources Department

REAL ESTATE TRANSACTIONS: Pursuant to ORS 537.330, in any transaction for the conveyance of real estate that includes any portion of the lands described in this permit, the seller of the real estate shall, upon accepting an offer to purchase that real estate, also inform the purchaser in writing whether any permit, transfer approval order, or certificate evidencing the water right is available and that the seller will deliver any permit, transfer approval order or certificate to the purchaser at closing, if the permit, transfer approval order or certificate is available.

CULTURAL RESOURCES PROTECTION LAWS: Permittees involved in ground-disturbing activities should be aware of federal and state cultural resources protection laws. ORS 358.920 prohibits the excavation, injury, destruction or alteration of an archeological site or object, or removal of archeological objects from public and private lands without an archeological permit issued by the State Historic Preservation Office. 16 USC 470, Section 106, National Historic Preservation Act of 1966 requires a federal agency, prior to any undertaking to take into account the effect of the undertaking that is included on or eligible for inclusion in the National Register. For further information, contact the State Historic Preservation Office at 503-378-4168, extension 232.

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