

STATE OF OREGON

COUNTY OF LINN

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

SILVERWAY DEVELOPMENT, LLC
PO BOX 387
OREGON CITY, OR 97470

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

APPLICATION FILE NUMBER: G-16641

SOURCE OF WATER: WELL 1 (LINN 56953) AND WELL 2 (LINN 56955) IN LAKE CREEK BASIN

PURPOSE OR USE: IRRIGATION USE ON 4.5 ACRES

MAXIMUM RATE: 0.056 CUBIC FOOT PER SECOND

PERIOD OF USE: APRIL 15 THROUGH OCTOBER 31

DATE OF PRIORITY: MARCH 16, 2006

WELL LOCATIONS:

WELL 1 (LINN 56953) - SW $\frac{1}{4}$ NE $\frac{1}{4}$, DLC: 42 SECTION 7, T12S, R3W, W.M.; 1375 FEET SOUTH & 2420 FEET WEST FROM NE CORNER, SECTION 7

WELL 2 (LINN 56955) - SW $\frac{1}{4}$ NE $\frac{1}{4}$, DLC: 42 SECTION 7, T12S, R3W, W.M.; 1890 FEET SOUTH & 2200 FEET WEST FROM NE CORNER, SECTION 7

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

THE PLACE OF USE IS LOCATED AS FOLLOWS:

NW $\frac{1}{4}$ NE $\frac{1}{4}$ DLC: 42, 2.0 ACRES
SW $\frac{1}{4}$ NE $\frac{1}{4}$ DLC: 42, 2.5 ACRES
SECTION 7
TOWNSHIP 12 SOUTH, RANGE 3 WEST, W.M.

Measurement, recording and reporting conditions:

- A. The Director may require the permittee to install a meter or other suitable measuring device(s) as approved by the Director. If the Director notifies the permittee to install a meter or other measuring device, the permittee shall install such device within the period stated in the notice. Such installation period shall not be less than 90 days unless special circumstances warrant a shorter installation period. Once installed, the permittee shall maintain the meter or measuring device in good working order and shall allow the watermaster access to the meter or measuring device. The Director may provide an opportunity for the permittee to submit alternative measuring procedures for review and approval.
- B. 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 wells shall produce ground water only from the alluvial ground water reservoir.

STANDARD CONDITIONS

If the number, location, source, or construction of any well deviates from that proposed in the permit application or required by permit conditions, this permit may not be valid, unless the Department authorizes the change in writing.

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.

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.

Where two or more water users agree among themselves as to the manner of rotation in the use of water and such agreement is placed in writing and filed by such water users with the watermaster, and such rotation system does not infringe upon such prior rights of any water user not a party to such rotation plan, the watermaster shall distribute the water according to such agreement.

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.

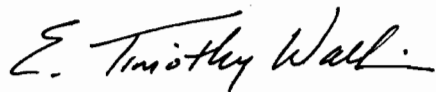
By law, the land use associated with this water use must be in compliance with statewide land-use goals and any local acknowledged land-use plan.

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

Completion of construction and complete application of the water to the use shall be made on or before October 1, 2011. If the water is not completely applied before this date, and the permittee wishes to continue development under the permit, the permittee must submit an application for extension of time, which may be approved based upon the merit of the application.

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 November 9, 2006



Phillip C. Ward, Director *for*
Water Resources Department