

STATE OF OREGON

COUNTY OF JACKSON

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

SHADY COVE WATER WORKS, LLC  
10 CRATER LAKE AVE, SUITE 21  
MEDFORD, OR 97504

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

APPLICATION FILE NUMBER: G-16710

SOURCE OF WATER: WELL 1, WELL 2, AND WELL 3 (JACK 32812) IN ROGUE RIVER BASIN

PURPOSE OR USE: QUASI-MUNICIPAL USE

MAXIMUM RATE: 0.17 CUBIC FOOT PER SECOND

PERIOD OF USE: YEAR ROUND FOR EMERGENCY PURPOSES; HOWEVER, THE WELLS CANNOT BE USED MORE THAN 30 DAYS EACH CALENDAR YEAR

DATE OF PRIORITY: AUGUST 21, 2006

WELL LOCATION:

WELL 1: NE  $\frac{1}{4}$  NW  $\frac{1}{4}$ , SECTION 16, T34S, R1W, W.M.; 490 FEET SOUTH AND 1525 FEET EAST FROM NW CORNER, SECTION 16

WELL 2: NW  $\frac{1}{4}$  NE  $\frac{1}{4}$ , SECTION 16, T34S, R1W, W.M.; 735 FEET SOUTH AND 2745 FEET EAST FROM NW CORNER, SECTION 16

WELL 3 (JACK 32812): NW  $\frac{1}{4}$  NE  $\frac{1}{4}$ , SECTION 16, T34S, R1W, W.M.; 1030 FEET SOUTH AND 3210 FEET EAST FROM NW CORNER, SECTION 16

THE PLACE OF USE IS LOCATED AS FOLLOWS:

ALL  
SECTION 8

SE  $\frac{1}{4}$  NE  $\frac{1}{4}$   
NW  $\frac{1}{4}$  SW  $\frac{1}{4}$   
SW  $\frac{1}{4}$  SW  $\frac{1}{4}$   
NE  $\frac{1}{4}$  SE  $\frac{1}{4}$   
SW  $\frac{1}{4}$  SE  $\frac{1}{4}$   
SE  $\frac{1}{4}$  SE  $\frac{1}{4}$   
SECTION 9

TOWNSHIP 34 SOUTH, RANGE 1 WEST, W.M.

## PLACE OF USE (CONT.):

SW  $\frac{1}{4}$  NW  $\frac{1}{4}$   
 SW  $\frac{1}{4}$   
 NW  $\frac{1}{4}$  SE  $\frac{1}{4}$   
 SECTION 10

NW  $\frac{1}{4}$  NE  $\frac{1}{4}$   
 SW  $\frac{1}{4}$  NE  $\frac{1}{4}$   
 NW  $\frac{1}{4}$   
 SW  $\frac{1}{4}$   
 NW  $\frac{1}{4}$  SE  $\frac{1}{4}$   
 SECTION 15

NE  $\frac{1}{4}$   
 NE  $\frac{1}{4}$  NW  $\frac{1}{4}$   
 SE  $\frac{1}{4}$  NW  $\frac{1}{4}$   
 NE  $\frac{1}{4}$  SW  $\frac{1}{4}$   
 SW  $\frac{1}{4}$  SW  $\frac{1}{4}$   
 SE  $\frac{1}{4}$  SW  $\frac{1}{4}$   
 SE  $\frac{1}{4}$   
 SECTION 16

NE  $\frac{1}{4}$   
 NE  $\frac{1}{4}$  NW  $\frac{1}{4}$   
 SW  $\frac{1}{4}$  NW  $\frac{1}{4}$   
 SE  $\frac{1}{4}$  NW  $\frac{1}{4}$   
 SE  $\frac{1}{4}$   
 SECTION 21

NW  $\frac{1}{4}$  NW  $\frac{1}{4}$   
 SECTION 22

NE  $\frac{1}{4}$  NE  $\frac{1}{4}$   
 NW  $\frac{1}{4}$  NE  $\frac{1}{4}$   
 SECTION 28

TOWNSHIP 34 SOUTH, RANGE 1 WEST, W.M.

## Measurement, recording and reporting conditions:

- A. Before water use may begin under this permit, the permittee shall install a totalizing flow meter at each point of appropriation. The permittee shall maintain the meter(s) in good working order. The permittee 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. This report shall also include the dates when water was used during a given event and the total volume of water used per event. 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(s); provided however, where any meter is located within a private structure, the watermaster shall request access upon reasonable notice.

The Department requires the water user to obtain, from a qualified individual (see below), and report annual static water levels for each well on the permit. The static water level shall be measured in the month of March. Reports shall be submitted to the Department within 30 days of measurement.

The permittee shall submit an initial March static water-level measurement once well construction is complete and annual measurements thereafter. Annual measurements are required whether or not the well is used. The first annual measurement will establish a reference level against which future measurements will be compared. However, the Director may establish the reference level based on an analysis of other water-level data. The Director may require the user to measure and report additional water levels each year if more data are needed to evaluate the aquifer system.

All measurements shall be made by a certified water rights examiner, registered professional geologist, registered professional engineer, licensed well constructor or pump installer licensed by the Construction Contractors Board. Measurements shall be submitted on forms provided by, or specified by, the Department. Measurements shall be made with equipment that is accurate to at least the standards specified in OAR 690-217-0045. The Department requires the individual performing the measurement to:

- A. Associate each measurement with an owner's well name or number and a Department well log ID; and
- B. Report water levels to at least the nearest tenth of a foot as depth-to-water below ground surface; and
- C. Specify the method of measurement; and
- D. Certify the accuracy of all measurements and calculations submitted to the Department.

The water user shall discontinue use of, or reduce the rate or volume of withdrawal from, the well(s) if any of the following events occur:

- A. Annual water-level measurements reveal an average water-level decline of three or more feet per year for five consecutive years; or
- B. Annual water-level measurements reveal a water-level decline of 15 or more feet in fewer than five consecutive years; or
- C. Annual water-level measurements reveal a water-level decline of 25 or more feet; or
- D. Hydraulic interference leads to a decline of 25 or more feet in any neighboring well with senior priority.

The period of restricted use shall continue until the water level rises above the decline level which triggered the action or the Department determines, based on the permittee's and/or the Department's data and analysis, that no action is necessary because the aquifer in question can sustain the observed declines without adversely impacting the resource or causing substantial interference with senior water rights. The water user shall not allow excessive decline, as defined in Commission rules, to occur within the aquifer as a result of use under this permit. If more than one well is involved, the water user may submit an alternative measurement and reporting plan for review and approval by the Department.

The wells shall produce ground water only from the fractured bedrock ground water reservoir.

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.

#### 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, 2012. 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 January 17, 2008



for Phillip C. Ward, Director  
Water Resources Department