

STATE OF OREGON

COUNTY OF WALLOWA

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

COUNTY OF WALLOWA HEALTH CARE DISTRICT
401 NE 1ST
ENTERPRISE, OR 97828

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

APPLICATION FILE NUMBER: G-16757

SOURCE OF WATER: WELL 1, WELL 2, AND WELL 3 IN TROUT CREEK BASIN

PURPOSE OR USE: COMMERCIAL USE (GEOTHERMAL HEATING/COOLING)

MAXIMUM RATE: 1.0 CUBIC FOOT PER SECOND

PERIOD OF USE: YEAR ROUND

DATE OF PRIORITY: NOVEMBER 29, 2006

WELL LOCATIONS:

WELL 1 - NE $\frac{1}{4}$ SW $\frac{1}{4}$, SECTION 35, T1S, R44E, W.M.; 355 FEET SOUTH AND 510 FEET WEST FROM C1/4 CORNER, SECTION 35

WELL 2 - NE $\frac{1}{4}$ SW $\frac{1}{4}$, SECTION 35, T1S, R44E, W.M.; 85 FEET SOUTH AND 1190 FEET WEST FROM C1/4 CORNER, SECTION 35

WELL 3 - NE $\frac{1}{4}$ SW $\frac{1}{4}$, SECTION 35, T1S, R44E, W.M.; 50 FEET SOUTH AND 575 FEET WEST FROM C1/4 CORNER, SECTION 35

THE PLACE OF USE IS LOCATED AS FOLLOWS:

NE $\frac{1}{4}$ SW $\frac{1}{4}$
SECTION 35
TOWNSHIP 1 SOUTH, RANGE 44 EAST, W.M.

Measurement, recording and reporting conditions:

- A. Before water use may begin under this permit, the permittee shall install a totalizing flow meter as described in OAR 690-085-0015(5). The permittee shall maintain the meter in good working order, shall keep a complete record of the amount of water used each month, and shall submit an annual water use report meeting the requirements of OAR 690-085-

0010. 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.

Prior to use of ground water under this permit, the water user must receive a permit for the proposed discharge activity, if required, by the Oregon Department of Environmental Quality.

Return flow temperatures shall not exceed stream temperatures.

The water user shall discharge all ground water appropriated from Well 1, Well 2, and Well 3 into the ditch located along the northern boundary of the property.

Water may not be used under this permit during any period when water is being used otherwise under the hospital's commercial exemption.

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.

Prior to using water from any well listed on this permit, the permittee shall ensure that the well has been assigned an OWRD Well Identification Number (Well ID tag), which shall be permanently attached to the well. The Well ID shall be used as a reference in any correspondence regarding the well, including any reports of water use, water level, or pump test data.

STANDARD CONDITIONS

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.

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 well(s) 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.

If the riparian area is disturbed in the process of developing a point of appropriation, the permittee shall be responsible for restoration and enhancement of such riparian area in accordance with ODFW's Fish and Wildlife Habitat Mitigation Policy OAR 635-415. For purposes of mitigation, the ODFW Fish and Wildlife Habitat Mitigation Goals and Standards, OAR Chapter 635, Division 415, shall be followed.

The use may be restricted if the quality of the source stream or downstream waters decreases to the point that those waters no longer meet existing state or federal water quality standards due to reduced flows.

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.

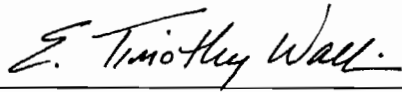
This permit is for the beneficial use of water without waste. The water user is advised that new regulations may require the use of best practical technologies or conservation practices to achieve this end.

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.

Completion of construction and complete application of the water to the use shall be made on or before October 1, 2013. 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 March 5, 2009



for Phillip C. Ward, Director
Water Resources Department