

STATE OF OREGON

COUNTY OF MULTNOMAH

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

HERITAGE BUILDING, LLC.
1628 N COLUMBIA BLVD.
PORTLAND, OR 97217

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

APPLICATION FILE NUMBER: G-16835

SOURCE OF WATER: A WELL (MULT 86584) (P-2) IN WILLAMETTE RIVER BASIN

PURPOSE OR USE: COMMERCIAL USES (GEOTHERMAL HEATING AND COOLING).

MAXIMUM RATE: 0.33 CUBIC FOOT PER SECOND

PERIOD OF USE: YEAR ROUND

DATE OF PRIORITY: APRIL 19, 2007

WELL LOCATIONS:

PRODUCTION WELL (MULT 86584) (P-2): SW $\frac{1}{4}$ SW $\frac{1}{4}$, SECTION 23, T1N,
R1E, W.M.; 1039 FEET NORTH AND
154 FEET EAST FROM SW CORNER,
SECTION 23

INJECTION WELL (I-1): SW $\frac{1}{4}$ SW $\frac{1}{4}$, SECTION 23, T1N,
R1E, W.M.; 1210 FEET NORTH AND
188 FEET EAST FROM SW CORNER,
SECTION 23

THE PLACE OF USE IS LOCATED AS FOLLOWS:

SW $\frac{1}{4}$ SW $\frac{1}{4}$
SECTION 23
TOWNSHIP 1 NORTH, RANGE 1 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 or other suitable measuring device as approved by the Director at each point of appropriation and Injection Well (I-1). The permittee shall maintain the meter or measuring device in good working order.

- 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.
- C. 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 production well(s) shall allow ground water only from the Troutdale Gravel ground water reservoir between 180 feet and 400 feet below land surface.

Prior to use of water under this permit, the permittee must register its injection activity with the Oregon Department of Environmental Quality's Underground Injection Control (UIC) Program. The program coordinator is Barbara Priest, 811 SW 6th, Portland, OR 97204, phone: 503-229-5945.

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 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.

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.

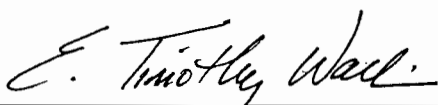
By law, the land use associated with this water use must be in compliance with statewide land-use goals and any local acknowledged land-use plan.

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, 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 JUNE 4, 2009



for Phillip C. Ward, Director
Water Resources Department