STATE OF OREGON

COUNTY OF WASCO

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

A AND K RANCHES 3633 WASHINGTON ST SAN FRANCISCO, CA 94118

This superseding permit is issued to describe an amendment for an additional point of appropriation proposed under Permit Amendment Application T-11871 and approved by Special Order Vol. 93, Page (44), entered December (1) (2014), and to describe an extension of time for complete application of water approved March 21, 2014. This permit supersedes Permit G-16127.

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

APPLICATION FILE NUMBER: G-16492

SOURCE OF WATER: MAIN WELL (WASC 51103) AND NEW WELL (WASC 52152), IN DEAD DOG CANYON BASIN

PURPOSE OR USE: IRRIGATION USE ON 125.7 ACRES; POND MAINTENANCE FOR SIX RESERVOIRS, CONSTRUCTED UNDER PERMITS R-14228, R-14229, R-14230, R-14231, R-14232, AND R-14233

MAXIMUM RATE: 0.22 CUBIC FOOT PER SECOND (CFS), BEING NO MORE THAN 0.22 CFS FOR IRRIGATION, AND 0.11 CFS FOR POND MAINTENANCE

PERIOD OF USE: MARCH 1 THROUGH OCTOBER 31 FOR IRRIGATION AND YEAR ROUND FOR POND MAINTENANCE

DATE OF PRIORITY: JULY 1, 2005

THE WELLS ARE LOCATED AS FOLLOWS:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
5 S	15 E	WM	2	NE SE	NEW WELL: 1580 FEET NORTH AND 270 FEET WEST FROM THE SE CORNER OF SECTION 2
5 S	15 E	WM	2	SE SE	MAIN WELL: 928 FEET NORTH AND 680 FEET WEST FROM THE SE CORNER OF SECTION 2

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

Application G-16492

Water Resources Department

Permit G-17321

THE PLACE OF USE IS LOCATED AS FOLLOWS:

IRRIGATION								
Twp	Rng	Mer	Sec	Q-Q	Acres			
5 S	15 E	WM	1	NW SW	17.60			
5 S	15 E	WM	1	SW SW	15.50			
5 S	15 E	WM	1	SE SW	22.30			
5 S	15 E	WM	1	SW SE	2.30			
5 S	15 E	WM	2	SE SE	15.70			
5 S	15 E	WM	11	NE NE	2.40			
5 S	15 E	WM	11	NW NE	3.60			
5 S	15 E	WM	11	SW NE	1.20			
5 S	15 E	WM	11	SW NW	11.50			
5 S	15 E	WM	11	SE NW	3.70			
5 S	15 E	WM	11	NW SW	4.80			
5 S	15 E	WM	12	NW NE	0.30			
5 S	15 E	WM	12	SW NE	9.20			
5 S	15 E	WM	12	NE NW	4.40			
5 S	15 E	WM	12	NW NW	7.30			
5 S	S 15 E		12	SW NW	0.20			
5 S	15 E	WM	12	SE NW	3.70			

POND MAINTENANCE								
Twp	Rng	Mer	Sec	Q-Q				
5 S	15 E	WM	1	SW SW				
5 S	15 E	WM	11	NE NE				
5 S	15 E	WM	11	SW NE				
5 S	15 E	WM	11	SW NW				
5 S	15 E	WM	12	NE NW				
5 S	15 E	WM	12	NW NW				

Transfer Review Conditions:

The combined quantity of water diverted at the new point of diversion, together with that diverted at the old point of diversion, shall not exceed the quantity of water lawfully available at the original point of diversion.

Water use measurement conditions:

Before water use may begin under this permit, the permittee shall install a totalizing flow meter, on each well. The totalizing flow meter must be installed and maintained in good working order consistent with those standards identified in OAR 690-507-645(1) through (3). 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. 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.

The permittee shall allow the Watermaster access to the meters; provided however, where the meters are located within a private structure, the Watermaster shall request access upon reasonable notice.

Water shall be acquired from the same aquifer as the original point of appropriation.

Extension Order Conditions:

Checkpoint Condition

The permit holder must submit a completed Progress Report Form to the Department by October 1, 2018.

- (a) At each checkpoint, the permit holder shall submit and the Department shall review evidence of the permit holder's diligence towards completion of the project and compliance with terms and conditions of the permit and extension. If, after this review, the Department determines the permit holder has not been diligent in developing and perfecting the water use permit, or complied with all terms and conditions, the Department shall modify or further condition the permit or extension to ensure future compliance, or begin cancellation proceedings on the undeveloped portion of the permit pursuant to ORS 537.260 or 537.410, or require submission of a final proof survey pursuant to ORS 537.250;
- (b) The Department shall provide notice of receipt of progress reports in its weekly notice and shall allow a 30 day comment period for each report. The Department shall provide notice of its determination to anyone who submitted comments.

Existing Permit Conditions:

Measurement, recording and reporting conditions:

- A. Before water use may begin under this permit, the permittee shall install a totalizing flow meter. The totalizing flow meter must be installed and maintained in good working order consistent with those standards identified in OAR 690-507-645(1) through (3). 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. 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; provided however, where the meter is located within a private structure, the watermaster shall request access upon reasonable notice.

The well shall produce groundwater only from the basalt groundwater 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.

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To monitor the effect of water use from the well(s) authorized under this permit, the Department requires the water user to make and report annual static water level measurements. The static water level shall be measured in the month of March. Reports shall be submitted to the Department within 30 days of measurement.

Measurements must be made according to the following schedule:

Before Use of Water Takes Place

Initial and Annual Measurements

The Department requires the permittee to submit an initial water level measurement in the month specified above once well construction is complete and annually thereafter until use of water begins; and

After Use of Water has Begun

Reference Water Level Determination

Following the first year of water use, the user shall submit one static water level measurement in the month specified above which will establish the reference level against which future annual measurements will be compared. The water user is not required to measure additional water levels after the reference level has been determined unless required by the Director. The additional measurements may be required in a different month. If the measurement requirement is stopped, the Director may restart it at any time.

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 and be submitted to the Department on forms provided by the Department. The Department requires the individual performing the measurement to:

- A. Identify each well with its associated measurement; and
- B. Measure and report water levels to the nearest tenth of a foot as depth-to-water below ground surface; and
- C. Specify the method used to obtain each well 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 non or restricted use shall continue until the water level rises above the decline level which triggered the action or until 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 senior water rights. The water user shall in no instance 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.

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 shall be made on or before October 1, 2021. 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 December (\), 2014

Dwight French, Water Right Services Administrator, for

Thomas M. Byler, Director Water Resources Department