

STATE OF OREGON

COUNTY OF BAKER

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

SULLIVAN Z RANCH INC.
25475 HIGHWAY 245
HEREFORD, OR 97837

U.S. BUREAU OF LAND MANAGEMENT
100 OREGON ST
VALE, OR 97918

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

APPLICATION FILE NUMBER: G-18947

SOURCE OF WATER: WELL 3 (BAKE 52494/L117886) IN PINE CREEK BASIN

PURPOSE OR USE: MINING USE

MAXIMUM RATE: 0.45 CUBIC FOOT PER SECOND

PERIOD OF USE: JANUARY 1 THROUGH DECEMBER 31

DATE OF PRIORITY: MARCH 31, 2020

AUTHORIZED POINT OF APPROPRIATION:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
12 S	39 E	WM	26	SW NW	900 FEET NORTH AND 100 FEET EAST FROM W1/4 CORNER, SECTION 26

AUTHORIZED PLACE OF USE:

Twp	Rng	Mer	Sec	Q-Q
12 S	39 E	WM	9	SW SE
12 S	39 E	WM	9	SE SE
12 S	39 E	WM	10	NE NE
12 S	39 E	WM	10	NW NE
12 S	39 E	WM	10	SW NE
12 S	39 E	WM	10	SE NE
12 S	39 E	WM	10	NE NW
12 S	39 E	WM	10	NW NW
12 S	39 E	WM	10	SW NW
12 S	39 E	WM	10	SE NW
12 S	39 E	WM	10	NE SW
12 S	39 E	WM	10	NW SW
12 S	39 E	WM	10	SW SW
12 S	39 E	WM	10	SE SW
12 S	39 E	WM	10	NE SE
12 S	39 E	WM	10	NW SE
12 S	39 E	WM	10	SW SE

Twp	Rng	Mer	Sec	Q-Q
12 S	39 E	WM	10	SE SE
12 S	39 E	WM	14	NE SW
12 S	39 E	WM	14	NW SW
12 S	39 E	WM	14	SW SW
12 S	39 E	WM	14	SE SW
12 S	39 E	WM	15	NE NE
12 S	39 E	WM	15	NW NE
12 S	39 E	WM	15	SW NE
12 S	39 E	WM	15	SE NE
12 S	39 E	WM	15	NE NW
12 S	39 E	WM	15	NW NW
12 S	39 E	WM	15	SW NW
12 S	39 E	WM	15	SE NW
12 S	39 E	WM	15	NE SW
12 S	39 E	WM	15	NW SW
12 S	39 E	WM	15	SW SW
12 S	39 E	WM	15	SE SW

Twp	Rng	Mer	Sec	Q-Q
12 S	39 E	WM	15	NE SE
12 S	39 E	WM	15	NW SE
12 S	39 E	WM	15	SW SE
12 S	39 E	WM	15	SE SE
12 S	39 E	WM	16	NE NE
12 S	39 E	WM	16	NW NE
12 S	39 E	WM	16	SW NE
12 S	39 E	WM	16	SE NE
12 S	39 E	WM	16	NE NW
12 S	39 E	WM	16	NW NW
12 S	39 E	WM	16	SW NW
12 S	39 E	WM	16	SE NW
12 S	39 E	WM	16	NE SW
12 S	39 E	WM	16	NW SW
12 S	39 E	WM	16	SW SW
12 S	39 E	WM	16	SE SW
12 S	39 E	WM	16	NE SE
12 S	39 E	WM	16	NW SE
12 S	39 E	WM	16	SW SE
12 S	39 E	WM	16	SE SE
12 S	39 E	WM	22	NE NE
12 S	39 E	WM	22	NW NE

Twp	Rng	Mer	Sec	Q-Q
12 S	39 E	WM	22	SW NE
12 S	39 E	WM	22	SE NE
12 S	39 E	WM	22	NE SE
12 S	39 E	WM	22	NW SE
12 S	39 E	WM	22	SW SE
12 S	39 E	WM	22	SE SE
12 S	39 E	WM	23	NE NW
12 S	39 E	WM	23	NW NW
12 S	39 E	WM	23	SW NW
12 S	39 E	WM	23	SE NW
12 S	39 E	WM	23	NW SW
12 S	39 E	WM	23	SW SW
12 S	39 E	WM	26	NW NW
12 S	39 E	WM	26	SW NW
12 S	39 E	WM	27	NE NE
12 S	39 E	WM	27	NW NE
12 S	39 E	WM	27	SW NE
12 S	39 E	WM	27	NE NW
12 S	39 E	WM	27	NW NW
12 S	39 E	WM	27	SW NW
12 S	39 E	WM	27	SE NW
12 S	39 E	WM	27	NE SE

PERMIT SPECIFIC CONDITIONS

1. 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.
2. **Water Use Measurement, Recording, and Reporting:**
 - 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 device in good working order.
 - B. The permittee shall allow the watermaster access to the device; provided however, where any device is located within a private structure, the watermaster shall request access upon reasonable notice.
 - C. The permittee shall keep a complete record of the volume of water used each month, and shall submit an annual 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.
 - D. The Director may provide an opportunity for the permittee to submit alternative measuring and reporting procedures for review and approval.

3. Static Water Level Measurement:

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 report 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 obtain 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 reported 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.

4. Well Identification Tag:

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.

5. Any effluents or return flows from use under this permit shall not interfere with other beneficial uses of water.
6. The water use shall install and maintain adequate treatment facilities meeting current Department of Environmental Quality requirements to remove any sediment before returning water to any stream.
7. The reservoir used as a bulge-in-the-system shall not intersect the groundwater table. If groundwater is encountered during construction of the storage reservoir, excavation shall be back-filled above the water table and sealed with an impermeable barrier approved by the Department.
8. This permit does not allow for water to be used for heap leach mining operations.

STANDARD CONDITIONS

1. 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 be subject to cancellation, unless the Department authorizes the change in writing.
2. If substantial interference with surface water or 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.
3. The well(s) shall be constructed and maintained in accordance with the General Standards for the Construction and Maintenance of Water Supply Wells in Oregon. The works shall be equipped with a usable access port adequate to determine water-level elevation in the well at all times.
4. 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.

5. 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.
6. 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.
7. Additional conditions may be added to the use of water when a water right certificate is issued, or when the use of water is changed pursuant to ORS 540.520 and 540.530 to use for a mine.

DEVELOPMENT AND COMPLETION TIMELINE REQUIREMENTS

1. Prior to receiving a certificate of water right, the permit holder shall submit to the Water Resources Department the results of a pump test meeting the Department's standards for each point of appropriation (well), unless an exemption has been obtained in writing under OAR 690-217. The Director may require water-level or pump-test data every ten years thereafter.
2. Construction of the well shall begin within five years of the date of permit issuance. The deadline to begin construction may not be extended. This permit is subject to cancellation proceedings if the construction deadline to begin is missed.
3. Complete application of the water shall be made within five years of the date of permit issuance. If beneficial use of permitted water has not been made before this date, the permittee may submit an application for extension of time, which may be approved based upon the merit of the application.
4. 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.

Issued APR 26 2022



Dwight French
Water Right Services Division Administrator, for
Thomas M. Byler, Director
Oregon Water Resources Department

