STATE OF OREGON

COUNTY OF YAMHILL

PERMIT TO CONSTRUCT A RESERVOIR AND TO STORE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

BENJAMIN A. AND REBECCA L. FLUGSTAD 2700 SW REDMOND HILL ROAD McMINNVILLE, OREGON 97128

503-472-2674

to construct FLUGSTAD RESERVOIR and store the waters of AN UNNAMED STREAM, a tributary of COZINE CREEK, to be appropriated under Application 70227, Permit 51038, for IRRIGATION.

This Permit to store waters is issued approving Reservoir Application R-70226. The date of priority is MARCH 8, 1990. The amount of water entitled to be stored each year is not more than 7.2 ACRE-FEET.

The reservoir will be located as follows:

SE 1/4 SE 1/4, SECTION 27, T 4 S, R 5 W, W.M.

The area submerged by the reservoir, when full, will be 0.77 acre and the maximum depth of water will be 12.0 feet.

The area to be submerged by the reservoir is located within

SE 1/4 SE 1/4 SECTION 24 TOWNSHIP 4 SOUTH, RANGE 5 WEST, W.M.

The storage of water allowed herein is subject to the installation and maintenance of an outlet pipe, or the provision of other means to evacuate water when determined necessary by the Water Resources Director to satisfy prior downstream rights.

Actual construction work shall begin on or before AUGUST 6, 1991, and shall be completed on or before October 1, 1992. The reservoir shall be filled, and complete application of the stored water to the use shall be made on or before October 1, 1993.

This permit is for the storage of water for future beneficial use 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.

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

The storage of water allowed herein may be made only at times when sufficient water is available to satisfy all prior rights, including rights for maintaining instream flows.

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.

Issued this date, AUGUST 6, 1990.

/s/ WILLIAM H. YOUNG

Water Resources Department William H. Young Director

IRRIGNED, See MIEC. Rec., Vol. 7

Application R-70226 Water Resources Department PERMIT R-11239 Volume 11 South Yamhill River Misc. District 16

Basin 2 R-70226.WJO