STATE OF OREGON

COUNTY OF CLACKAMAS

PERMIT TO CONSTRUCT A RESERVOIR AND TO STORE FOR BENEFICIAL USE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

ISHIHARA USA CORPORATION 121 SW SALMON STREET, SUITE 1100 PORTLAND, OREGON 97204

503-228-6300

to construct RESERVOIRS 1 THROUGH 8 and store the waters of UNNAMED STREAM 1 FOR RESERVOIRS 1 AND 2, UNNAMED STREAM 2 FOR RESERVOIRS 3 AND 4 AND BEAVER CREEK FOR RESERVOIRS 5 THROUGH 8 AND, tributaries of WILLAMETTE RIVER, to be appropriated under Application 70118, Permit 51274, for IRRIGATION AND RECREATION.

This Permit to store waters is issued approving Reservoir Application R-70117. The date of priority is NOVEMBER 9, 1989 FOR 18.9 ACRE-FEET (AF) AND JUNE 27, 1991 FOR 29.5 AF. The amount of water entitled to be stored each year is not more than 48.4 AF, BEING 6.4 AF in RESERVOIR 1, 0.3 AF in RESERVOIR 2, 6.2 AF in RESERVOIR 3, 0.6 AF in RESERVOIR 4, 6.4 AF in RESERVOIR 5, 5.8 AF in RESERVOIR 6, 0.3 AF in RESERVOIR 7, 1.5 AF in RESERVOIR 8 FOR IRRIGATION AND 2.7 AF IN RESERVOIR 1, 1.2 AF IN RESERVOIR 2, 2.7 AF IN RESERVOIR 3, 2.2 AF IN RESERVOIR 4, 2.7 AF IN RESERVOIR 5, 2.5 AF IN RESERVOIR 6, 1.0 AF IN RESERVOIR 7 AND 5.9 AF IN RESERVOIR 8 FOR RECREATION.

The dams will be located as follows:

DAM 1 - NW 1/4 NE 1/4, SECTION 21, T 3 S, R 2 E, W.M.
The area submerged by the reservoir, when full, will be 1.3 acre and the maximum depth of water will be 10.0 feet.

DAM 2 - NW 1/4 NE 1/4, SECTION 21, T 3 S, R 2 E, W.M. The area submerged by the reservoir, when full, will be 0.2 acre and the maximum depth of water will be 10.0 feet.

DAM 3 - NE 1/4 NW 1/4, SECTION 21, T 3 S, R 2 E, W.M.
The area submerged by the reservoir, when full, will be 1.2 acre and the maximum depth of water will be 10.0 feet.

DAM 4 - NW 1/4 NE 1/4, SECTION 21, T 3 S, R 2 E, W.M.

The area submerged by the reservoir, when full, will be 0.3 acre and the maximum depth of water will be 10.0 feet.

DAM 5 - NE 1/4 NW 1/4, SECTION 21, T 3 S, R 2 E, W.M. The area submerged by the reservoir, when full, will be 1.8 acre and the maximum depth of water will be 10.0 feet.

DAM 6 - NE 1/4 NW 1/4, SECTION 21, T 3 S, R 2 E, W.M. The area submerged by the reservoir, when full, will be 1.1 acre and the maximum depth of water will be 10.0 feet.

DAM 7 - NW 1/4 NE 1/4, SECTION 21, T 3 S, R 2 E, W.M. The area submerged by the reservoir, when full, will be 0.2 acre and the maximum depth of water will be 10.0 feet.

DAM 8 - NW 1/4 NW 1/4, SECTION 21, T 3 S, R 2 E, W.M. The area submerged by the reservoir, when full, will be 0.9 acre and the maximum depth of water will be 10.0 feet.

The area to be submerged by the reservoirs is located within:

NW 1/4 NE 1/4 NE 1/4 NW 1/4 NW 1/4 NW 1/4 SECTION 21

TOWNSHIP 3 SOUTH, RANGE 2 EAST, W.M.

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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.

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 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.

Issued this date, AUGUST 12, 1991.

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/s/ WILLIAM H. YOUNG

Water Resources Department William H. Young Director

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