STATE OF OREGON

COUNTY OF COOS

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

THIS PERMIT IS HEREBY ISSUED TO

HOWARD W. HOFFER 946 SOUTH 10TH STREET COOS BAY, OREGON 97420

503-267-2218

to construct TWO RESERVOIRS and store the waters of AN UNNAMED STREAM, a tributary of TWOMILE CREEK, to be appropriated under Application 70337, Permit 51287, for CRANBERRY OPERATIONS.

This Permit is issued approving Reservoir Application R-70336. The date of priority is MAY 8, 1990. The amount of water entitled to be stored each year is not more than 1.26 ACRE-FEET, BEING 1.00 AF IN RESERVOIR 1 AND 0.26 AF IN RESERVOIR 2.

The dams will be located as follows:

SE 1/4 NE 1/4, SECTION 25, T 29 S, R 15 W, W.M.; RESERVOIR 1 - 1150 FEET NORTH AND 495 FEET WEST FROM E 1/4 CORNER SECTION 25; RESERVOIR 2 - SE 1/4 NE 1/4, SECTION 25, T 29 S, R 15 W, W.M.

The area submerged by the reservoirs, when full, will be 0.14 ACRE IN RESERVOIR 1 AND 0.05 ACRE IN RESERVOIR 2. The maximum depth of water will be 8.0 FEET IN EACH RESERVOIR.

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

SE 1/4 NE 1/4 SECTION 25 TOWNSHIP 29 SOUTH, RANGE 15 WEST, W.M.

The storage of water allowed herein is subject to the installation and maintenance of an outlet pipe, or the provisions 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 September 3, 1992, and shall be completed on or before October 1, 1993. The reservoir shall be filled, and complete application of the stored water to the use shall be made on or before October 1, 1994.

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.

The 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.

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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, SEPTEMBER 3, 1991.

/s/ WILLIAM H. YOUNG

Water Resources Department William H. Young Director