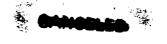
STATE OF OREGON

COUNTY OF WASCO

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

THIS PERMIT IS HEREBY ISSUED TO:

SHANIKO RANCH P.O. BOX 6712 PORTLAND, OREGON 97228



503-283-6712

to construct AN UNNAMED RESERVOIR and to store the waters of BIG PINE HOLLOW, a tributary of JOHN DAY RIVER, for RECREATION.

This permit is issued approving Reservoir Application R-71751. The date of priority is JULY 10, 1991. The amount of water entitled to be stored each year is not more than 32.0 ACRE-FEET.

The dam will be located as follows:

NE 1/4 NW 1/4, SECTION 6, T 7 S, R 17 E, W.M.

The area submerged by the reservoir, when full, will be 2.3 acres and the maximum depth of water will be 32.0 feet.

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

NE 1/4 NW 1/4 NW 1/4 NW 1/4 SECTION 6 TOWNSHIP 7 SOUTH, RANGE 17 EAST, W.M.

This development was reviewed and approved by the Water Resources Commission on October 4, 1991.

The permittee shall install, operate and maintain all fish screening devices as required by the Oregon Department of Fish and Wildlife to prevent fish from escaping from this reservoir and entering Big Pine Hollow.

The permittee shall appropriate water from Big Pine Hollow December 1 to March 15 each year only.

If the permittee drains the reservoir, the permittee shall drain the reservoir so that sediments are not carried downstream into Big Pine Hollow.

If sediment removal from the reservoir is necessary, sediments shall be removed mechanically and all sediments removed shall be carefully transported away from the stream so that no sediments are allowed to reenter Big Pine Hollow.

The outlet gate shall be cycled at least once each year and shall be fully operational. The embankment and spillway shall be kept clear of brush, debris, and burrowing animals.

The dam shall be constructed, operated, and maintained according to the approved plans and specifications dated August 16, 1991, on file with the Water Resources Department.

No water shall be stored until this department receives written certification from the engineer that construction has been completed in accordance with the approved plans and specifications, and written authorization for storage is received from this department.

CANCELED

Application R-71751 Water Resources Department

PERMIT R-11411

The structure shall be constructed under the supervision of a registered engineer licensed in Oregon.

Actual construction work shall begin on or before October 10, 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.

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, OCTOBER 10, 1991.

/s/ WILLIAM H. YOUNG

Water Resources Department William H. Young Director

