

STATE OF OREGON

COUNTY OF POLK

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

THIS PERMIT IS HEREBY ISSUED TO:

LARRY LYON, JOHN D AND LEONA LYON
12480 ANDERSON ROAD
INDEPENDENCE, OREGON 97351

503-838-2352

to construct A RESERVOIR and to store the waters of AN UNNAMED STREAM
(RUN-OFF WATER) for WILDLIFE HABITAT.

This permit is issued approving Reservoir Application R-73302. The date
of priority is MARCH 26, 1993. The amount of water entitled to be
stored each year is not more than 4.4 ACRE-FEET. Water may be
appropriated for storage during the period November 1 through April 30.

The dam will be located as follows:

NE 1/4 NE 1/4, SECTION 34, T 9 S, R 4 W, W.M.

The total area proposed to be submerged by the reservoir, when full, is
1.3 acres; the proposed maximum depth of water is 9.0 feet. The maximum
height of the dam shall not exceed 4.0 feet.

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

NE 1/4 NE 1/4
SECTION 34
TOWNSHIP 9 SOUTH, RANGE 4 WEST, W.M.

The dam hereby permitted may be constructed without inclusion of an
outlet conduit. However, if at any time the Director determines the
provided alternative for passing flow is not adequate, the Director
reserves the right to require installation of an outlet conduit at any
time in the future if the Director finds that the conduit is needed for
dam safety, to pass flow for the benefit of other water rights, or to
pass flow for the benefit of minimum perennial streamflows.
Measurement recording and reporting conditions:

- A. The Director may require the permittee to install a meter
or other suitable measuring device as approved by the
Director. If the Director notifies the permittee to
install a meter or other measuring device, the permittee
shall install such device within the period stated in the
notice. Such installation period shall not be less than
90 days unless special circumstances warrant a shorter
installation period. Once installed, the permittee shall
maintain the meter or measuring device in good working
order and shall allow the watermaster access to the meter
or measuring device. The Director may provide an
opportunity for the permittee to submit alternative
measuring procedures for review and approval.
- B. The Director may require the permittee to keep and
maintain a record of the amount (volume) of water used
and may require the permittee to report water use on a
periodic schedule as established by the Director. In
addition, the Director may require the permittee to
report general water use information, the periods of
water use and the place and nature of use of water under
the permit. The Director may provide an opportunity for
the permittee to submit alternative reporting procedures
for review and approval.

Use under this permit is limited to the reservoir area. This permit does not provide for the appropriation of water for maintaining the water level or maintaining a suitable fresh water condition.

Actual construction work shall begin on or before April 24, 1996, and shall be completed on or before October 1, 1997. The reservoir shall be filled and complete application of the stored water to the use shall be made on or before October 1, 1998.

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 prior rights for maintaining instream flows.

The Director finds that the proposed use(s) of water described by this permit, as conditioned, would not impair or be detrimental to the public interest.

Issued this date, April 24, 1995.

/s/ MARTHA O. PAGEL

Water Resources Department
Martha O. Pagel
Director