STATE OF OREGON

COUNTY OF CURRY

PERMIT TO STORE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

MCKENZIE CRANBERRIES INCORPORATED 92619 AIRPORT ROAD SIXES, OREGON 97476

(541)348-2217

The specific limits and conditions of the use are listed below.

APPLICATION FILE NUMBER: R-80646

SOURCE OF WATER: FOUR WELLS AND AN UNNAMED STREAM, TRIBUTARIES OF FLORAS LAKE

STORAGE FACILITY: SEVEN UNNAMED RESERVOIRS

PURPOSE OR USE OF THE STORED WATER: TO BE APPROPRIATED UNDER APPLICATION S-80645, PERMIT 53011 FOR CRANBERRY OPERATIONS

MAXIMUM VOLUME ALLOWED: 63.7 ACRE-FEET (AF) PER YEAR, BEING 9.1 AF IN EACH OF SEVEN UNNAMED RESERVOIRS

PERIOD OF ALLOWED STORAGE: WATER MAY BE APPROPRIATED FOR STORAGE FROM NOVEMBER 1 THROUGH APRIL 30

DATE OF PRIORITY: OCTOBER 20, 1995

The area submerged by Reservoirs 1, 2, 3, and 4, when full, will be 1.7 acres and the maximum depth of water will be 10.0 feet. The maximum height of the dams shall not exceed 6.0 feet.

The area submerged by Reservoirs 5, 6 and 7, when full, will be 3.0 acres and the maximum depth of water will be 10.0 feet. The maximum height of the dam shall not exceed 9.9 feet.

DAM LOCATION: NE 1/4 SE 1/4, SW 1/4 SE 1/4, SE 1/4 SE 1/4, SECTION 29, NW 1/4 NE /14, SECTION 32, TOWNSHIP 31 SOUTH, RANGE 15 WEST, W.M.; RESERVOIR 1 - 200 FEET NORTH & 3640 FEET EAST; RESERVOIR 2 - 110 FEET NORTH & 4780 FEET EAST; RESERVOIR 3 - 200 FEET SOUTH & 2900 FEET EAST; RESERVOIR 4 - 1110 FEET NORTH & 2880 FEET EAST; RESERVOIR 5 - 1540 FEET NORTH & 3980 FEET EAST; RESERVOIR 6 - 2070 FEET NORTH & 4200 FEET EAST; RESERVOIR 7 - 2550 FEET NORTH & 4270 FEET EAST; ALL FROM NORTHWEST CORNER, SECTION 32

THE AREA TO BE SUBMERGED BY THE RESERVOIR IS LOCATED AS FOLLOWS:

NE 1/4 SE 1/4 SW 1/4 SE 1/4 SE 1/4 SE 1/4 SECTION 29

Application R-80646 Water Resources Department

PERMIT R-12114

NW 1/4 NE 1/4 SECTION 32 TOWNSHIP 31 SOUTH, RANGE 15 WEST, W.M.

Measurement, recording and reporting conditions:

A. Before water use may begin under this permit, a totalizing flow meter or other suitable measuring device(s) as approved by the watermaster must be installed at each diversion point. The totalizing flow meter must be installed and maintained as identified in OAR 690-507-645. The permittee shall keep a complete record of the amount of water used each month. The permittee shall submit a report which includes the recorded water use measurements to the Department at its request. The permittee may be required to report annually or more frequently as may be required by the Director. Further, the Director may require the permittee to report general water use information, including the place and nature of use of water under the permit.

Weirs must be installed and maintained to the Watermaster's specifications above and below the reservoirs.

STANDARD CONDITIONS

The storage of water allowed herein is subject to the installation and maintenance of an outlet pipe, with a minimum diameter of eight inches, or the provision of other means to evacuate water when determined necessary for public safety, to satisfy prior downstream users rights, or pass natural inflow as determined by the Water Resources Director.

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 use 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, will not impair or be detrimental to the public interest.

Actual construction work shall begin within one year from permit issuance and shall be completed on or before October 1, 1999. The reservoir shall be filled and complete application of the stored water to the use shall be made on or before October 1, 2000.

Issued January 3/, 1997

Martha O. Pagel, Director Water Resources Department