

STATE OF OREGON

COUNTY OF CROOK

PERMIT TO CONSTRUCT A RESERVOIR AND STORE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

ESTATE OF ROBERT L. COATS
C/O SCOTT BOWLES
PO BOX 1008
BEND, OREGON 97701

(541) 382-5368

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

APPLICATION FILE NUMBER: R-83756

SOURCE OF WATER: SPRINGS AND RUNOFF, TRIBUTARIES OF DESERT CREEK

STORAGE FACILITY: DESERT CREEK

PURPOSE OR USE OF THE STORED WATER: FISH, LIVESTOCK, AND RECREATION

MAXIMUM VOLUME: 318.0 AF PER YEAR EACH YEAR, BEING 208.0 AF RECREATION,
100.0 AF FISH USE, AND 10.0 AF LIVESTOCK

PERIOD OF ALLOWED USE: WATER MAY BE APPROPRIATED FOR STORAGE FEBRUARY 1
THROUGH APRIL 30

DATE OF PRIORITY: JANUARY 22, 1998

The area submerged by the reservoir, when full, will be 32 acres and the
maximum depth of water will be 36 feet. The maximum height of the dam
shall not exceed 46 feet.

DAM LOCATION: NW 1/4 SW 1/4, SECTION 18, T21S, R21E, W.M.; 3290 FEET
SOUTH AND 1140 FEET EAST FROM THE NW CORNER OF SECTION 18.

RESERVOIR AREA SUBMERGED:

SE 1/4 NE 1/4
SECTION 13

NW 1/4 NW 1/4
SW 1/4 NW 1/4
NE 1/4 SW 1/4
NW 1/4 SW 1/4
SECTION 18

TOWNSHIP 21 SOUTH, RANGE 21 EAST, W.M.

Application R-83756 Water Resources Department

PERMIT R-12756

Measurement, recording and reporting conditions:

- A. Before water use may begin under this permit, the permittee shall install a meter or other suitable measuring device as approved by the Director. The permittee shall maintain the meter or measuring device in good working order, shall keep a complete record of the amount of water used each month and shall submit a report which includes the recorded water use measurements to the Department 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.
- B. The permittee shall allow the watermaster access to the meter or measuring device; provided however, where the meter or measuring device is located within a private structure, the watermaster shall request access upon reasonable notice.

The outlet gate shall be cycled at least once each year and shall be fully operational at all times.

Routine maintenance of the dam, its spillway and all appurtenant structures shall be performed as necessary to remove trees, brush and debris, and to repair slumps, areas of erosion, or defective equipment.

No water shall be stored until the Water Resources Department receives written certification from the engineer of record that construction has been completed in accordance with the approved plans and specifications. If final construction deviates from the approved design a set reproducible asbuilt drawings, including a revised reservoir capacity graph/table, must accompany the engineer's written certification of completion.

The completed structure shall not be enlarged, modified, altered or otherwise changed without the prior written approval of the Director of the Water Resources Department or the Director's authorized representative. Except for routine repair and maintenance, plans and specifications prepared by an Oregon licensed engineer are required for any significant modification, alteration, or rehabilitation of the dam, spillway or appurtenant structures.

STANDARD CONDITIONS

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.

The storage of water allowed herein is subject to the installation and maintenance of a fully functional conduit/gate assembly having a minimum diameter of 8 inches.

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.

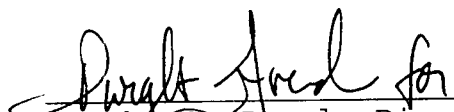
By law, the land use associated with this water use must be in compliance with statewide land-use goals and any local acknowledged land-use plan.

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 by December 24, 1999. The reservoir(s) shall be filled and complete application of water shall be made on or before October 1, 2003. Within one year after complete application of water to the proposed use, the permittee shall submit a claim of beneficial use, which includes a map and report, prepared by a Certified Water Rights Examiner (CWRE).

Issued December 13, 1999


Martha O. Pagel, Director
Water Resources Department

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AMH

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District 11

NOTE: Pursuant to ORS 537.330, in any transaction for the conveyance of real estate that includes any portion of the lands described in this permit, the seller of the real estate shall, upon accepting an offer to purchase that real estate, also inform the purchaser in writing whether any permit, transfer approval order, or certificate evidencing the water right is available and that the seller will deliver any permit, transfer approval order or certificate to the purchaser at closing, if the permit, transfer approval order or certificate is available.