STATE OF OREGON

COUNTY OF BAKER

PERMIT TO CONSTRUCT A RESERVOIR AND STORE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

BALDOCK SLOUGH LLC 2790 MAIN ST BAKER CITY, OREGON 97814

(541)523-4471

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

APPLICATION FILE NUMBER: R-84544

SOURCE OF WATER: RUNOFF FROM PERKINS EAST 2 DITCH, A TRIBUTARY OF POWDER RIVER

STORAGE FACILITY: RESERVOIR B

PURPOSE OR USE OF THE STORED WATER: WILDLIFE

MAXIMUM STORAGE VOLUME: 41.0 ACRE-FEET EACH YEAR

WATER MAY BE APPROPRIATED FOR STORAGE DURING THE PERIOD: OCTOBER 1 THROUGH AFRIL 14 OF EACH YEAR

DATE OF PRIORITY: SEPTEMBER 18, 2000

THE MAXIMUM HEIGHT OF THE DAM SHALL NOT EXCEED 4.00 FEET.

DAM LOCATION: NE 1/4 SE 1/4 SECTION 9 OF TOWNSHIP 8 SCUTH, RANGE 40 EAST, W.M.

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 9 SW 1/4 SW 1/4 SECTION 10

TOWNSHIP 8 SOUTH, RANGE 40 EAST, W.M.

Application R-84544 Water Resources Department

PERMIT R-13080

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.
- 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.
- C. 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.

The storage of water allowed herein is subject to the installation and maintenance of an outlet pipe, or the provision of other means to evacuate water when determined necessary by the Water Resources Director to satisfy prior downstream rights.

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.

If the riparian area is disturbed in the process of developing a point of diversion, the permittee shall be responsible for restoration and enhancement of such riparian area.

The use may be restricted if the quality of the source stream or downstream waters decrease to the point that those waters no longer meet existing state or federal water quality standards due to reduced flows.

The permittee shall install, maintain, and operate fish screening to prevent fish from entering the proposed diversion. The permittee shall also install a fishway at the obstruction that will provide adequate upstream and downstream passage for fish. The permittee may submit evidence that the Oregon Department of Fish and Wildlife (ODFW) has determined screens and/or fishways are not necessary. The required

screens and fishways are to be in place, functional, and approved by ODFW before diversion of any water.

STANDARD CONDITIONS

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.

This permit does not authorize the permit holder to pursue this right in such a way as to interfere with or affect adjacent property not under the ownership of the permit holder.

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. The reservoir shall be filled and complete application of the stored water to the use shall be made on or before October 1, 2005.

Within one year after complete application of water to the proposed use, the permittee shall submit a claim of beneficial use to the Oregon Water Resources Department.

If no secondary permit for the use of water stored under this permit exists, the claim of beneficial use shall include the following

- (a) the dimensions of the reservoir;
- (b) the maximum capacity of the reservoir in acre-feet; and

(c) a map identifying the location of the reservoir prepared in compliance with Water Resources Department standards. The map does not need to be prepared by a Certified Water Right Examiner (CWRE).

A claim of beneficial use shall be prepared by a CWRE in conformance with the requirements of OAR 690-014 if: an associated secondary permit exists for the use of stored water under this permit; live flow is used to maintain the reservoir; or the reservoir stores 9.2 or more acre-feet of water.

Issued September Z^0 , 2001

Paul R. Cleary, Director Water Resources Department

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.