

STATE OF OREGON

COUNTY OF LAKE

PERMIT TO CONSTRUCT A RESERVOIR AND STORE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO:

O MOUNTAINAIR LTD
35 SOUTH G ST
LAKEVIEW OR 97630

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

APPLICATION FILE NUMBER: R-86357

SOURCE OF WATER: RUNOFF AND SPRINGS, TRIBUTARY TO LA SERE CREEK

STORAGE FACILITY: FISH LAKE

MAXIMUM VOLUME: 13.6 ACRE FEET

DATE OF PRIORITY: JUNE 30, 2005

WATER MAY BE APPROPRIATED DURING THE PERIOD: NOVEMBER 1 THROUGH JUNE 15

USE: MULTIPLE PURPOSE

Dam Location/Authorized Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
38 S	18 E	WM	32	NW NE	1200 FEET SOUTH AND 2050 FEET WEST FROM NE CORNER, SECTION 32

The Area To Be Submerged:

Twp	Rng	Mer	Sec	Q-Q
38 S	18 E	WM	32	NW NE

Measurement, recording and reporting conditions:

- A. Before water is legally stored under this permit, the permittee shall install a staff gage capable of measuring the lake level. The staff gage shall be viewable from the bank of the reservoir and shall be able to measure the full range of the reservoir level. The permittee shall maintain the measuring device in good working order and keep a record of monthly lake elevations May 1st through Nov 1st and shall submit a report that includes the 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 or be required to make lake elevations more frequently as needed by the Watermaster for regulation purposes.
- B. The permittee shall allow the watermaster access to the devices; provided however, where any device is located within a private structure, the watermaster shall request access upon reasonable notice.

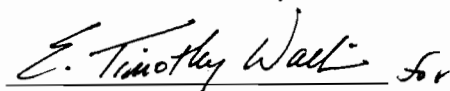
The permittee shall improve the outlet control works so they can be accessed from the bank of the reservoir at full pool and be approved by the watermaster. The improved outlet control works shall be maintained in good working order. The permit holder/landowner must keep the works and the spillway channel clear of any man made or animal caused obstructions.

This permit allows an annual appropriation (not to exceed the specified volume). This permit does not provide for the appropriation of water for out-of-reservoir uses, the maintenance of the water level or maintaining a suitable freshwater condition. If any water is to be used for out-of-reservoir purposes, a secondary water right is required. If any additional live flow is to be appropriated to maintain either the water level or a suitable freshwater condition, an additional water right is required.

STANDARD CONDITIONS

1. 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.
2. 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.
3. 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.
4. 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.
5. If the volume of the completed reservoir is 9.2 acre feet or more and a dam is used to impound the water, the height of the dam shall be less than 10.0 feet.
6. Construction shall be completed and up to the permitted volume of water shall be stored within five years of the date of permit issuance.
7. Within one year after storage of water, the permittee shall submit a claim of beneficial use to the Oregon Water Resources Department.
8. The claim of beneficial use shall be prepared by a Certified Water Right Examiner in conformance with the requirements of OAR 690-014 if an associated secondary permit exists for the use of stored water under this permit, or if the reservoir capacity is equal to or greater than 9.2 acre-feet.
9. If no secondary permit exists and the reservoir capacity is less than 9.2 acre-feet of water, the claim of beneficial use need not be prepared by a Certified Water Right Examiner. The information submitted to the Oregon Water Resources Department shall include:
 - 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 Resource Department standards.

Issued MAY 27 20 10 .

 *Phillip C. Ward* for

Phillip C. Ward, Director
Water Resources Department