STATE OF OREGON

COUNTY OF MULTNOMAH

PERMIT TO CONSTRUCT A RESERVOIR AND STORE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

HOLLOW GOOSE FARM LLC 2467 NW SAVIER ST PORTLAND, OR 97210

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

APPLICATION FILE NUMBER: R-87807

SOURCE OF WATER: RUNOFF AND A DITCH, TRIBUTARIES OF GILBERT RIVER

STORAGE FACILITY: RESERVOIR 1 AND RESERVOIR 2

PURPOSE OR USE OF THE STORED WATER: WETLAND ENHANCEMENT AND WILDLIFE

MAXIMUM VOLUME: 11.3 ACRE FEET (AF) EACH YEAR, BEING 4.3 AF IN RESERVOIR 1 AND 7.0 AF IN RESERVOIR 2

WATER MAY BE APPROPRIATED FOR STORAGE DURING THE PERIOD: OCTOBER 1 THROUGH JUNE 30

DATE OF PRIORITY: MAY 18, 2012

POINT OF DIVERSION LOCATION: SW 1/4 NE 1/4, SECTION 32, T3N, R1W, W.M.; 800 FEET NORTH AND 220 FEET EAST FROM C1/4 CORNER, SECTION 32

RESERVOIR 1: SW ¼ NE ¼, SECTION 32, T3N, R1W, W.M.; 810 FEET NORTH AND 120 FEET EAST FROM C1/4 CORNER, SECTION 32

RESERVOIR 2: SW 1/4 NE 1/4, SECTION 32, T3N, R1W, W.M.; 720 FEET NORTH AND 170 FEET EAST FROM C1/4 CORNER, SECTION 32

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

SW 1/4 NE 1/4 SE ¼ NW ¼ SECTION 32

TOWNSHIP 3 NORTH, RANGE 1 WEST, W.M.

Measurement, recording and reporting conditions:

Before water use may begin under this permit, a staff gage that measures the entire range and stage between full reservoir level and dead-pool storage must be installed in each reservoir.

- B. The permittee shall maintain all required devices in good working order.
- C. 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.
- D. The Director may require the permittee to keep and maintain a record of the amount (volume) of water stored, and may require the permittee to report water storage 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.
- E. The Director may provide an opportunity for the permittee to submit alternative measuring and reporting procedures for review and approval.

The storage of water allowed herein is subject to the installation and maintenance of an outlet pipe (with a minimum diameter of 8" for any inchannel reservoir) in each reservoir. This requirement may be waived if the Department determines other means have been provided to evacuate water when necessary.

The permittee shall pass all live flow outside the storage season described above.

The Director may require the user to measure inflow and outflow, above and below the reservoirs respectively, to ensure that live flow is not impeded outside the storage season. Measurement devices and their implementation must be acceptable to the Director, and the Director may require that data be recorded on a specified periodic basis and reported to the Department annually or more frequently.

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.

The permittee shall not construct, operate or maintain any dam or artificial obstruction to fish passage in the channel of the subject stream without providing a fishway to ensure adequate upstream and downstream passage for fish, unless the permittee has requested and been granted a fish passage waiver by the Oregon Fish and Wildlife

Commission. The permittee is hereby directed to contact an Oregon Department of Fish and Wildlife Fish Passage Coordinator, before beginning construction of any in-channel obstruction.

Not withstanding that Oregon Department of Fish and Wildlife has made a determination that fish screens and/or by-pass devices are not necessary at the time of permit issuance, the permittee may be required in the future to install, maintain, and operate fish screening and/or by-pass devices to prevent fish from entering the proposed diversion, and to provide adequate upstream and downstream passage for fish.

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.

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 in accordance with ODFW's Fish and Wildlife Habitat Mitigation Policy OAR 635-415. For purposes of mitigation, the ODFW Fish and Wildlife Habitat Mitigation Goals and Standards, OAR 635-415, shall be followed.

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

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.

Construction shall be completed and the permitted volume of water shall be stored within five years of the date of permit issuance. If additional time is needed, the permittee may submit an application for extension of time, which may be approved based upon the merit of the application.

Within one year after storage of water, the permittee shall submit a claim of beneficial use, which includes a map and report, prepared by a Certified Water Rights Examiner.

Permit R-15006, dated February 28, 2013, is superseded by this instrument and is of no further force or effect.

Issued March 2/, 2013

E. Timothy Wallin, Water Rights Program Manager

for Phillip C. Ward, Director