STATE OF OREGON

COUNTY OF HARNEY

PERMIT TO CONSTRUCT A RESERVOIR AND STORE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

BO THORENFELDT 885 HILLSBOROUGH BLVD HILLSBOROUGH, CA 94010

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

APPLICATION FILE NUMBER: R-87822

SOURCE OF WATER: ROCK CREEK, A TRIBUTARY OF COW CREEK

STORAGE FACILITY: ROCK CREEK RESERVOIR (ENLARGEMENT OF RESERVOIR CONSTRUCTED UNDER PERMIT R-7989)

PURPOSE OR USE OF THE STORED WATER: TO BE APPROPRIATED UNDER APPLICATION S-87823 FOR SUPPLEMENTAL IRRIGATION

MAXIMUM VOLUME: 1000.0 ACRE FEET EACH YEAR

WATER MAY BE APPROPRIATED FOR STORAGE DURING THE PERIOD: NOVEMBER 1 THROUGH APRIL 30

DATE OF PRIORITY: JULY 23, 2012

DAM LOCATION: SE ¼ SW ¼, SECTION 16, T22S, R33E, W.M.; 210 FEET NORTH AND 1340 FEET EAST FROM SW CORNER, SECTION 16

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

NE 1/4 SW 1/4 SW 1/4 SW 1/4 SE 1/4 SW 1/4 SW 1/4 SE 1/4 SECTION 16

NW 1/4 NE 1/4 NE ¼ NW ¼ SECTION 21

TOWNSHIP 22 SOUTH, RANGE 33 EAST, W.M.

Application R-87822 Water Resources Department PERMIT R-15042

Measurement, recording and reporting conditions:

- A. Before water use may begin under this permit, the permit holder shall either install a staff gage in the reservoir or other suitable measuring device as approved by the Director. The staff gage shall measure the entire range and stage between full reservoir level and dead pool storage.
- B. The permittee shall maintain all required devices in good working order.
- C. The permittee shall allow the watermaster access to the device; provided however, where any device is located within a private structure, the watermaster shall request access upon reasonable notice.
- D. The permittee shall keep a complete record of the amount of water stored each month, and shall submit a report which includes the recorded report water-storage 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.
- 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). 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 reservoir 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.

DAM CONDITIONS

All construction shall be performed under the supervision by the engineer of record. If the engineer of record cannot supervise construction, the Water Resources Department dam safety engineer must be notified in writing, prior to construction activity, with the name of the engineer supervising construction.

No embankment fill shall be placed until preparation of the foundation and the excavation of the core trench has been completed and examined in entirety by the engineer of record, or by the Water Resources Dam Safety Engineer, or both.

The constructed works shall conform to the approved plans and specifications on file with the Water Resources Dam Safety program. The engineer of record shall notify the Water Resources Dam Safety program before making any significant change to the approved design prior to or during construction.

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 of "asbuilt" drawings, including a revised reservoir capacity graph or table, must accompany the engineer's letter of completion.

Application R-87822 Water Resources Department

PERMIT R-15042

Routine maintenance or repair of the dam, its spillway and all appurtenant structures shall be performed to include, but not limited to, removal of woody or high vegetation from the embankment, abutments and spillway, removal of debris from the reservoir, and annual or more frequent cycling of the valve or gate for the low level conduit. Repair or replacement of defective equipment (including but not limited to gates, valves, and conduits) shall be completed as needed to keep the dam safe.

Except for routine repair and maintenance, design plans and specifications must be prepared by an Oregon licensed professional engineer and approved by the Water Resources Dam Safety program prior to any enlargement, modification, or alteration of the dam, its spillway or any appurtenant structure.

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.

Issued November /4, 2013

E. Timothy Wall.

E. Timothy Wallin, Water Rights Program Manager

for Phillip C. Ward, Director