STATE OF OREGON

COUNTY OF CROOK

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

BANEY CORPORATION SOUTH FORK RANCH, LLC 475 NE BELLEVUE DRIVE, SUITE 210 BEND, OR 97701

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

APPLICATION FILE NUMBER: R-88155

SOURCE OF WATER: SARVIS CREEK, TRIBUTARY TO CROOKED RIVER

STORAGE FACILITY: SARVIS CREEK RESERVOIR, ENLARGEMENT OF PERMIT R-5534

MAXIMUM DAM HEIGHT: 46.0 FEET

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

MAXIMUM VOLUME: 108.0 ACRE-FEET

WATER MAY BE APPROPRIATED FOR STORAGE DURING THE PERIOD: MARCH 1 THROUGH APRIL 14

DATE OF PRIORITY: DECEMBER 17, 2015

AUTHORIZED POINT OF DIVERSION:

Twp	Rng	Mer			Measured Distances	
17 S	21 E	WM	9	NE SW	90 FEET SOUTH AND 1620 FEET EAST FROM W1/4 CORNER, SECTION 9	

DAM LOCATION:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances	Dam Height	Area Acres
17 S	21 E	WM	9	NE SW	90 FEET SOUTH AND 1620 FEET EAST FROM W1/4 CORNER, SECTION 9	46.0	14.8

THE AREA TO BE SUBMERGED BY THE RESERVOIR:

Twp	Rng	Mer	Sec	Q-Q
17 S	21 E	WM	9	SE NW
175	21 E	WM	9	NE SW
175	21 E	WM	9	NW SW

PERMIT SPECIFIC 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.

2. Water Use Measurement, Recording, and Reporting:

- A. 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 shall be installed in the reservoir. If no dead-pool, the gage must measure the full depth of the reservoir. The permittee shall maintain the device in good working order.
- B. 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.
- C. The permittee shall keep a complete record of the volume of water stored each month, and shall submit a report which includes 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.
- D. The Director may provide an opportunity for the permittee to submit alternative measuring and reporting procedures for review and approval.
- 3. 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 in-channel reservoir). This requirement may be waived if the Department determines other means have been provided to evacuate water when necessary.
- 4. The permittee shall pass all live flow outside the storage season described above. In addition, the permittee shall release all water stored under this permit and bypass all inflow if Prineville Reservoir is not filled to 148,640 AF by April 15th of each year.
- 5. The permittee shall maintain a vegetated buffer strip above the reservoir to trap sediment, nutrients, and other pollutants before they enter the reservoir.
- 6. The permittee shall limit polluting activities near the reservoir or in areas that drain into the reservoir.
- 7. The permittee shall exclude livestock from the reservoir.
- 8. The permittee shall carefully read and follow label directions when using aquatic herbicides.

- 9. 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.
- 10. A fishway to ensure adequate upstream and downstream passage for fish is required for any inchannel obstruction, unless the permittee has requested and been granted a fish passage waiver by the Oregon Fish and Wildlife Commission.
- 11. Notwithstanding that Oregon Department of Fish and Wildlife (ODFW) has made a determination that fish screens are not necessary at the time of permit issuance, the permittee may be required in the future to install, maintain, and operate fish-screening devices to prevent fish from entering the proposed diversion.

STANDARD CONDITIONS

- 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 existing 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.
- 4. 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.
- 5. 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.

DEVELOPMENT AND COMPLETION TIMELINE REQUIREMENTS

- 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.

JUL 0 7 2923 Issued _____

Natherine Potelife

Katherine Ratcliffe Water Rights Section Manager, for Douglas E. Woodcock, Acting Director Oregon Water Resources Department