STATE OF OREGON

COUNTY OF CLACKAMAS

PERMIT TO APPROPRIATE THE PUBLIC WATERS

SMURFIT NEWSPRINT CORPORATION 419 MAIN STREET OREGON CITY, OREGON 97045

503-650-4211

is hereby issued a permit to use the waters from WILLAMETTE RIVER, A TRIBUTARY OF COLUMBIA RIVER, for INDUSTRIAL USE TO INCLUDE WASH WATER FOR WASTE TREATMENT EQUIPMENT CLEANING. The permit to the use of these waters has been issued under Application 69865 with a date of priority of APRIL 10, 1989. The permit is limited to not more than 0.9 CUBIC FOOT PER SECOND, or its equivalent in case of rotation, measured at the point of diversion.

The point of diversion is located as follows: NW 1/4 NW 1/4, Section 1, T 3 S, R 1 E, WM; 1143 FEET SOUTH & 93 FEET EAST FROM NW CORNER, SECTION 1.

The permittee shall provide that the pump intake be screened to meet Oregon Department of Fish and Wildlife's fish screening criteria in compliance with the law (ORS 498.248).

The use of water allowed under this permit shall conform to such reasonable rotation system as may be ordered by the proper state officer.

The place of use is as follows:

1/ 41/4	SECTION	TOWNSHIP	RANGE, WM
NW NW	1	3 S	1 E
ne ne	2	3 S	1 E
SE NE	2	3 S	1 E

This permit is subject to the maintenance and use of adequate treatment facilities to remove pollutants and sediments before returning waters to the stream.

Actual construction work shall begin on or before June 20, 1990, and shall be completed on or before October 1, 1991. Complete application of the water to the use shall be made on or before October 1,1992.

"CERTIFICATE NO. 6865

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This permit is for the beneficial use of water. 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. It is possible that the land use you propose may not be allowed if it is not in keeping with the goals and the acknowledged plan. Your city or county planning agency can advise you about the land-use plan in your area.

The right is subject to minimum flows established by the Water Resources Commission with an effective date prior to this right.

Issued this date, June 20, 1989.

/s/ WILLIAM H. YOUNG

Water Resources Department William Fl. Young Director