STATE OF OREGON

COUNTY OF DOUGLAS

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

JOHN R. MORTON 21034 NORTH UMPQUA HIGHWAY GLIDE, OREGON 97443

to use the waters of NORTH UMPQUA RIVER, a tributary of UMPQUA RIVER, for IRRIGATION OF 18.4 ACRES.

This Permit is issued approving Application 70346. The date of priority is MAY 10, 1990. The use is limited to not more than 0.23 CUBIC FOOT PER SECOND, or its equivalent in case of rotation, measured at the point of diversion from the source.

The point of diversion is located as follows:

NW 1/4 NW 1/4, SECTION 16, T 26 S, R 3 W, W.M.; 150 FEET SOUTH AND 1390 FEET WEST FROM N 1/4 CORNER, SECTION 16.

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, shall be limited to ONE-EIGHTIETH of one cubic foot per second per acre, or its equivalent for each acre irrigated and shall be further limited to a diversion of not to exceed 2.5 acre-feet per acre for each acre irrigated during the irrigation season of each year.

The use shall conform to such reasonable rotation system as may be ordered by the proper state officer.

A description of the proposed place of use under this Permit is as follows:

SW 1/4 SW 1/4 14.2 ACRES SECTION 9

NW 1/4 NW 1/4 4.2 ACRES SECTION 16 TOWNSHIP 26 SOUTH, RANGE 3 WEST, W.M.

Actual construction work shall begin on or before AUGUST 6, 1991, and shall be completed on or before October 1, 1992. Complete application of the water to the use shall be made on or before October 1, 1993.

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.

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.

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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 rights for maintaining instream flows.

Issued this date, AUGUST 6, 1990.

/s/ WILLIAM H. YOUNG

Water Resources Department William H. Young Director