STATE OF OREGON

COUNTY OF YAMHILL

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

STEVEN E. RICE PO BOX 329 McMINNVILLE, OREGON 97128

503-472-4350

to use the waters of AN UNNAMED STREAM WITH ANY DEFICIENCY IN THE AVAILABLE SUPPLY TO BE APPROPRIATED FROM THE SOUTH YAMHILL RIVER, tributaries of YAMHILL RIVER, to MAINTAIN RESERVOIR, to be constructed under Application R-70675, Permit R-11368, for WILDLIFE ENHANCEMENT.

This Permit is issued approving Application 70676. The date of priority is SEPTEMBER 21, 1990. The use is limited to the period from November 1 through May 31 of each year and not more than 0.096 CUBIC FOOT PER SECOND, or its equivalent in case of rotation, measured at the point of diversion from the source. The right allowed herein shall be subordinate and inferior to all future rights for beneficial consumptive uses.

The point of diversion is located as follows:

NE 1/4 SW 1/4, NE 1/4 SE 1/4, SECTION 12, T 5 S, R 5 W, W.M.; STREAM - 288 FEET SOUTH AND 2417 FEET EAST; RIVER - 82 FEET NORTH AND 31 FEET WEST; BOTH FROM SW CORNER, NORTH 1/2 DLC 74.

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:

N 1/2 SE 1/4
SECTION 12
TOWNSHIP 5 SOUTH, RANGE 5 WEST, W.M.

Actual construction work shall begin on or before April 22, 1992, and shall be completed on or before October 1, 1993. Complete application of the water to the use shall be made on or before October 1, 1994.

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.

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.

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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, APRIL 22, 1991.

/s/ WILLIAM H. YOUNG

Water Resources Department William H. Young Director