STATE OF OREGON

COUNTY OF CLACKAMAS

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

ISHIHARA USA CORPORATION
121 SW SALMON STREET, SUITE 1100
PORTLAND, OREGON 97204

503-228-6300

to use the waters of BEAVER CREEK, AN UNNAMED STREAM AND RESERVOIRS 1 THROUGH 8 TO BE CONSTRUCTED UNDER APPLICATION R-70117, PERMIT R-11390, tributaries of WILLAMETTE RIVER, for IRRIGATION OF 176.2 ACRES AND RECREATION (golf hazards and aesthetic value).

This Permit is issued approving Application 70118. The date of priority is NOVEMBER 9, 1989. The use is limited to not more than 2.22 CUBIC FEET PER SECOND, being 2.20 cfs from BEAVER CREEK for irrigation and 0.01 CFS FROM UNNAMED STREAM 1 AND 0.01 CFS FROM UNNAMED STREAM 2 for maintaining reservoirs for RECREATION, or its equivalent in case of rotation, measured at the point of diversion from the source.

The points of diversion are located as follows:

BEAVER CREEK - SW 1/4 SE 1/4, SECTION 16, T 3 S, R 2 E, W.M.; 235 FEET NORTH AND 815 FEET EAST FROM N 1/4 CORNER, SECTION 21.

RESERVOIR 1 AND UNNAMED STREAM 1 - NW 1/4 NE 1/4, SECTION 21, T 3 S, R 2 E, W.M.; 1225 FEET SOUTH AND 980 FEET EAST FROM N 1/4 CORNER, SECTION 21.

RESERVOIR 2 AND UNNAMED STREAM 1 - NW 1/4 NE 1/4, SECTION 21, T 3 S, R 2 E, W.M.; 925 FEET SOUTH AND 750 FEET EAST FROM N 1/4 CORNER, SECTION 21.

RESERVOIR 3 AND UNNAMED STREAM 2 - NE 1/4 NW 1/4, SECTION 21, T 3 S, R 2 E, W.M.; 950 FEET SOUTH AND 200 FEET WEST FROM N 1/4 CORNER, SECTION 21.

RESERVOIR 4 AND UNNAMED STREAM 2 - NW 1/4 NE 1/4, SECTION 21, T 3 S, R 2 E, W.M.; 650 FEET SOUTH AND 150 FEET EAST FROM N 1/4 CORNER, SECTION 21.

RESERVOIR 5 - NE 1/4 NW 1/4, SECTION 21, T 3 S, R 2 E, W.M.; 1020 FEET SOUTH AND 50 FEET WEST FROM N 1/4 CORNER, SECTION 21.

RESERVOIR 6 - NE 1/4 NW 1/4, SECTION 21, T 3 S, R 2 E, W.M.; 1050 FEET SOUTH AND 550 FEET WEST FROM N 1/4 CORNER, SECTION 21.

RESERVOIR 7 - NW 1/4 NE 1/4, SECTION 21, T 3 S, R 2 E, W.M.; 650 FEET SOUTH AND 600 FEET EAST FROM N 1/4 CORNER, SECTION 21.

RESERVOIR 8 - NW 1/4 NW 1/4, SECTION 21, T 3 S, R 2 E, W.M.; 220 FEET SOUTH AND 1450 FEET WEST FROM N 1/4 CORNER, SECTION 21.

The permittee shall install, operate and maintain all fish screening and bypass devices required by the Oregon Department of Fish and Wildlife to prevent fish entering any diversion of water created by this appropriation.

The permittee shall not install, operate or maintain any barrier to fish passage.

The permittee shall only divert water from Beaver Creek when flow is sufficient to maintain a flow of 1.5 cubic feet per second (cfs) in Beaver Creek past the point of diversion for this appropriation.

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DEPOMITY 5127/

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 from direct flow and storage.

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 the Permit is as follows:

> SW 1/4 SW 1/4 1.5 ACRES SE 1/4 SW 1/4 6.0 ACRES SECTION 16

NE 1/4 NE 1/4 2.2 ACRES & RECREATION NW 1/4 NE 1/4 29.6 ACRES & RECREATION SW 1/4 NE 1/4 37.1 ACRES

SE 1/4 NE 1/4 3.4 ACRES

38.5 ACRES & RECREATION 15.1 ACRES & RECREATION NE 1/4 NW 1/4

NW 1/4 NW 1/4

SW 1/4 NW 1/4 8.8 ACRES

SE 1/4 NW 1/4 32.3 ACRES

NE 1/4 SE 1/4 0.1 ACRE

1.6 ACRES NW 1/4 SE 1/4

SECTION 21 TOWNSHIP 3 SOUTH, RANGE 2 EAST, W.M.

Actual construction work shall begin on or before August 12, 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.

B+C ext to 10-1-96

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.

The use granted herein may be made only at times when sufficient water is available to satisfy all prior rights, including rights maintaining instream flows.

Issued this date, AUGUST 12, 1991.

BCCH

/s/ WILLIAM H. YOUNG

Water Resources Department William H. Young Director

APPLICATION 70118 BASIN 2 70118.SCB

WATER RESOURCES DEPARTMENT VOLUME 16 Beaver Creek & Misc. MGMT.CODE 5AW, 3AW

PERMIT 51274 DISTRICT 16