STATE OF OREGON

COUNTY OF WALLOWA

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

THE ASSOCIATED DITCH COMPANIES, CORP. C/O DARRELL MCFETRIDGE 66855 CROW CREEK RD ENTERPRISE, OREGON 97828

The specific limits for the use are listed below along with conditions of use.

APPLICATION FILE NUMBER: S-72268

SOURCE OF WATER: WALLOWA RIVER AND WALLOWA LAKE RESERVOIR, CONSTRUCTED UNDER PERMIT NUMBERS R-347 AND R-5018, TRIBUTARIES OF GRANDE RONDE RIVER

PURPOSE OR USE: IRRIGATION OF 20.0 ACRES

RATE/VOLUME: 0.368 CUBIC FOOT PER SECOND FROM LIVE FLOW, AND NOT MORE THAN 70.0 ACRE-FEET FROM WATER LEGALLY STORED

PERIOD OF ALLOWED USE: MAY 1 THROUGH JUNE 30 FOR WATER FROM LIVE FLOW AND MAY 1 TO OCTOBER 1 FOR.WATER LEGALLY STORED

DATE OF PRIORITY: MARCH 20, 1992

POINT OF DIVERSION LOCATION: NE 1/4 SE 1/4, SECTION 26, T2S, R45E, NE 1/4 NW 1/4, SECTION 5, T3S, R45E, W.M.; WALLOWA LAKE - 880 FEET SOUTH AND 1550 FEET EAST FROM THE NW CORNER OF SECTION 5; SILVER LAKE DITCH - 2300 FEET NORTH AND 1320 FEET WEST FROM THE SE CORNER OF SECTION 26

The amount of water used for irrigation under this right, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-FORTIETH of one cubic foot per second (or its equivalent) and 3.5 acre-feet for each acre irrigated during the irrigation season of each year.

THE PLACE OF USE IS LOCATED AS FOLLOWS:

SE 1/4 NE 1/4 20.0 ACRES SECTION 26 TOWNSHIP 2 SOUTH, RANGE 45 EAST, W.M.

Measurement, recording and reporting conditions:

A. Before water use may begin under this permit, the permittee shall install a meter or other suitable measuring device as approved by the Director. The permittee shall maintain the meter or measuring device in good working order.

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- B. The permittee shall allow the watermaster access to the meter or measuring device; provided however, where the meter or measuring device is located within a private structure, the watermaster shall request access upon reasonable notice.
- C. The Director may require the permittee to keep and maintain a record of the amount (volume) of water used and may require the permittee to report water use on a periodic schedule as established by the Director. In addition, the Director may require the permittee to report general water use information, the periods of water use and the place and nature of use of water under the permit. The Director may provide an opportunity for the permittee to submit alternative reporting procedures for review and approval.

The permittee shall install, maintain, and operate fish screening and by-pass devices as required by the Oregon Department of Fish and Wildlife to prevent fish from entering the proposed diversion. The required screens and by-pass devices are to be in place, functional and approved by an ODFW representative prior to diversion of any water.

STANDARD CONDITIONS

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

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 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.

The Director finds that the proposed use of water described by this permit, as conditioned, will not impair or be detrimental to the public interest.

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Actual construction work shall begin within one year from permit issuance and shall be completed on or before October 1, 1998. Complete application of the water to the use shall be made on or before October 1, 1999.

Issued April //, 1996

Martha O. Pagel Director Water Rescurces Department