STATE OF OREGON

COUNTY OF LINN

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

NORPAC FOODS, INC.
PO BOX 458   (503) 769-2101
SALEM, OREGON 97383

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

APPLICATION FILE NUMBER: S-80504

SOURCE OF WATER: EFFLUENT FROM FOOD PROCESSING PLANT, WITHIN THE
SANTIAM RIVER BASIN

PURPOSE OR USE: IRRIGATION AND SUPPLEMENTAL IRRIGATION OF 197.6 ACRES
(PRECISE DELINEATION OF PRIMARY AND SUPPLEMENTAL ACREAGES WILL BE AT
TIME OF PROOF AND CLAIM OF BENEFICIAL USE)

RATE OF ALLOWED USE: 2.47 CUBIC FEET PER SECOND FROM WASTE WATER ONLY

THE PERIOD OF ALLOWED USE: YEAR ROUND WHEN WASTE WATER IS AVAILABLE

DATE OF PRIORITY: JUNE 26, 1995

POINT OF DIVERSION LOCATION: NW 1/4 SE 1/4, SECTION 16, T 9 S, R 1 W,
W.M.; 120 FEET SOUTH & 420 FEET EAST FROM CENTER, SECTION 16

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-EIGHTIETH of one cubic foot per second (or
its equivalent) and 2.5 acre-feet for each acre irrigated during the
irrigation season of each year.

THE PLACE OF USE IS LOCATED AS FOLLOWS:

                    SE 1/4 SW 1/4   17.8 ACRES
                    NE 1/4 SE 1/4   7.9 ACRES
                    NW 1/4 SE 1/4   2.0 ACRES
                    SW 1/4 SE 1/4   40.2 ACRES
                    SE 1/4 SE 1/4   37.0 ACRES
                         SECTION 20
                    NE 1/4 NE 1/4   35.2 ACRES
                    NW 1/4 NE 1/4   38.3 ACRES
                    NE 1/4 NW 1/4   19.2 ACRES
                         SECTION 29
            TOWNSHIP 9 SOUTH, RANGE 1 WEST, W.M.

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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, shall keep a complete record of the amount of water used each month and shall submit a report which includes the recorded water use measurements to the Department annually or more frequently as may be required by the Director. Further, the Director may require the permittee to report general water use information, including the place and nature of use of water under the permit.

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.

The use of water shall be limited to the water available at the proposed point of diversion, and shall not carry with it the right to compel the continuance of the waste water.

This right is limited to any deficiency in the available supply of any prior right existing for the same land.

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(s) 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 26 , 1996

[signature]

Water Resources Department
Martha O. Pagel
Director

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            MGMT.CODES 3BW, 3KW