STATE OF OREGON

COUNTY OF JACKSON

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

MARTIN C. AND KATHLEEN M. MORSE 154 EASTSIDE RD. JACKSONVILLE, OREGON 97530

PHONE: (541) 899-1077

The specific limits and conditions of the use are listed below.

APPLICATION FILE NUMBER: S-84076

SOURCE OF WATER: APPLEGATE LAKE RESERVOIR, CONSTRUCTED UNDER PERMITS R-7829 AND R-7810, TRIBUTARY TO APPLEGATE RIVER

PURPOSE OR USE: IRRIGATION OF 0.8 ACRES AND SUPPLEMENTAL IRRIGATION OF 1.2 ACRES

MAXIMUM RATE/VOLUME ALLOWED: 8.0 ACRE-FEET PER YEAR

PERIOD OF USE: APRIL 1 THROUGH OCTOBER 31, OR AS FURTHER LIMITED BY CONTRACT WITH BUREAU OF RECLAMATION

DATE OF PRIORITY: FEBRUARY 25, 1999

POINT OF DIVERSION LOCATION: NE 1/4 SW 1/4, SECTION 15, T39S, R3W, W.M.; 1850 FEET NORTH & 540 FEET WEST FROM S1/4 CORNER, SECTION 15

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 4.5 acre-feet for each acre irrigated during the irrigation season of each year.

THE PLACE OF USE IS LOCATED AS FOLLOWS:

NE 1/4 SW 1/4 0.8 ACRE

NE 1/4 SW 1/4 1.2 ACRES

SECTION 15

TOWNSHIP 39 SOUTH, RANGE 3 WEST, W.M.

Measurement, recording and reporting conditions:

A. The Director may require the permittee to install a meter or other suitable measuring device as approved by the Director.

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If the Director notifies the permittee to install a meter or other measuring device, the permittee shall install such device within the period stated in the notice. Such installation period shall not be less than 90 days unless special circumstances warrant a shorter installation period. Once installed, the permittee shall maintain the meter or measuring device in good working order and shall allow the watermaster access to the meter or measuring device. The Director may provide an opportunity for the permittee to submit alternative measuring procedures for review and approval.

B. 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 use of water under this right is subject to the terms and conditions of contract No. 9-07-W1250, or a satisfactory replacement, between the Bureau of Reclamation and the applicant, a copy of which is on file in the records of the Water Resources Department.

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.

The permittee shall not construct, operate or maintain any dam or artificial obstruction to fish passage in the channel of the subject stream without providing a fishway to ensure adequate upstream and downstream passage for fish. The applicant is hereby directed to contact an Oregon Department of Fish and Wildlife Fish Passage Coordinator, Portland, Oregon, before beginning construction of any inchannel obstruction.

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.

Actual construction work shall begin by December **23**, 2000. Complete application of the water to the use shall be made on or before October 1, 2004. Within one year after complete application of water to the proposed use, the permittee shall submit a claim of beneficial use, which includes a map and report, prepared by a Certified Water Rights Examiner (CWRE).

Issued December 23 , 1999

Martha 6. Pagel, Director Water Resources Department

NOTE: Pursuant to ORS 537.330, in any transaction for the conveyance of real estate that includes any portion of the lands described in this permit, the seller of the real estate shall, upon accepting an offer to purchase that real estate, also inform the purchaser in writing whether any permit, transfer approval order, or certificate evidencing the water right is available and that the seller will deliver any permit, transfer approval order or certificate to the purchaser at closing, if the permit, transfer approval order or certificate is available.

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