

STATE OF OREGON

COUNTY OF JACKSON

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

JAMES BAYER
PHEASANTBROOK LLC
12155 AGATE RD
EAGLE POINT, OR 97524

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

APPLICATION FILE NUMBER: S-87244

SOURCE OF WATER: LOST CREEK RESERVOIR UNDER PERMITS R-8141 AND R-8142,
A TRIBUTARY OF ROGUE RIVER

PURPOSE OR USE: IRRIGATION USE ON 72.2 ACRES, AND SUPPLEMENTAL
IRRIGATION USE ON 3.6 ACRES

MAXIMUM VOLUME: 341.1 ACRE FEET EACH YEAR

PERIOD OF USE: IRRIGATION - MARCH 1 THROUGH OCTOBER 31
SUPPLEMENTAL IRRIGATION - APRIL 2 THROUGH OCTOBER 31

DATE OF PRIORITY: JULY 25, 2008

POINT OF RE-DIVERSION LOCATION: SW ¼ NW ¼, SECTION 32, T35S, R1W, W.M.;
670 FEET NORTH AND 60 FEET EAST FROM W1/4 CORNER, SECTION 32

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

THE PLACE OF USE IS LOCATED AS FOLLOWS:

	<u>PRIMARY</u>	<u>SUPPLEMENTAL</u>
NW ¼ NW ¼	30.9 ACRES	
SW ¼ NW ¼	34.9 ACRES	3.6 ACRES
	SECTION 5	
NE ¼ NE ¼	0.3 ACRE	
SE ¼ NE ¼	6.1 ACRES	
	SECTION 6	
	TOWNSHIP 36 SOUTH, RANGE 1 WEST, W.M.	

Measurement, recording and reporting conditions:

- A. Before water use may begin under this permit, the permittee shall install a totalizing flow meter or other suitable measuring device as approved by the Director at each point of diversion. 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 permittee shall install, maintain, and operate fish screening and by-pass devices consistent with current Oregon Department of Fish and Wildlife (ODFW) standards. Fish screening is to prevent fish from entering the proposed diversion while by-pass devices provide adequate upstream and downstream passage for fish. The required screen and by-pass devices are to be in place and functional, and approved in writing by ODFW prior to diversion of any water. The permittee may submit evidence in writing that ODFW has determined screens and/or by-pass devices are not necessary.

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, unless the permittee has requested and been granted a fish passage waiver by the Oregon Fish and Wildlife Commission. The permittee is hereby directed to contact an Oregon Department of Fish and Wildlife Fish Passage Coordinator, before beginning construction of any in-channel obstruction.

The use of water under this right is subject to the terms and conditions of contract No. 099E101692, 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.

STANDARD CONDITIONS

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.

Where two or more water users agree among themselves as to the manner of rotation in the use of water and such agreement is placed in writing and filed by such water users with the watermaster, and such rotation system does not infringe upon such prior rights of any water user not a party to such rotation plan, the watermaster shall distribute the water according to such agreement.

If the riparian area is disturbed in the process of developing a point of diversion, the permittee shall be responsible for restoration and enhancement of such riparian area in accordance with ODFW's Fish and Wildlife Habitat Mitigation Policy OAR 635-415. For purposes of mitigation, the ODFW Fish and Wildlife Habitat Mitigation Goals and Standards, OAR Chapter 635, Division 415, Section 030 adopted November 13, 1991 shall be followed.

The use may be restricted if the quality of the source stream or downstream waters decreases to the point that those waters no longer meet existing state or federal water quality standards due to reduced flows.

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.

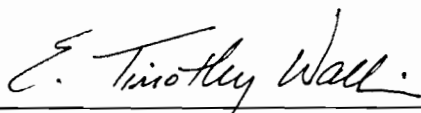
By law, the land use associated with this water use must be in compliance with statewide land-use goals and any local acknowledged land-use plan.

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.

Completion of construction and application of the water shall be made within five years of the date of permit issuance. If beneficial use of permitted water has not been made before this date, the permittee may submit an application for extension of time, which may be approved based upon the merit of the application.

Within one year after making beneficial use of water, the permittee shall submit a claim of beneficial use, which includes a map and report, prepared by a Certified Water Rights Examiner.

Issued May 21, 2009



for Phillip C. Ward, Director
Water Resources Department