

STATE OF OREGON

COUNTY OF YAMHILL

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

PALMER CREEK WATER DISTRICT IMPROVEMENT COMPANY
PO BOX 152
DAYTON, OREGON 97114

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

APPLICATION FILE NUMBER: S-72555

SOURCE OF WATER: WILLAMETTE RIVER BASIN PROJECT RESERVOIR,
CONSTRUCTED UNDER PERMIT R-1625, A TRIBUTARY OF WILLAMETTE RIVER

PURPOSE OR USE: IRRIGATION OF 48.0 ACRES

VOLUME OF USE: 48 ACRE-FEET STORED WATER ONLY

PERIOD OF ALLOWED USE: MARCH 1 THROUGH OCTOBER 31 OR AS MAY BE FURTHER LIMITED BY THE BUREAU OF RECLAMATION WATER SUPPLY CONTRACT

DATE OF PRIORITY: JULY 13, 1992

POINT OF DIVERSION LOCATION: NW 1/4 SW 1/4, SECTION 4, T 6S, R3W,
W.M.; 4700 FEET NORTH & 1290 FEET EAST FROM SE CORNER, DLC 58, T6S,
R3W

THE PLACE OF USE IS LOCATED AS FOLLOWS:

SW 1/4 NE 1/4	9.8 ACRES
SE 1/4 NW 1/4	0.2 ACRE
NE 1/4 SW 1/4	1.0 ACRES
SE 1/4 SW 1/4	0.9 ACRE
NW 1/4 SE 1/4	26.9 ACRES
SW 1/4 SE 1/4	9.2 ACRES

SECTION 8

TOWNSHIP 5 SOUTH, RANGE 3 WEST, 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, 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 under this right is subject to the terms and conditions of contract No. 119E101760, 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.

In the event of a request for a change in point of appropriation, an additional point of appropriation or alteration of the appropriation facility associated with this authorized diversion, the quantity of water allowed herein, together with any other right, shall not exceed the capacity of the facility at the time of perfection of this right.

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.

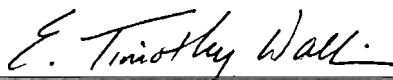
The use of water allowed herein may be made only at times when sufficient water is available to satisfy all prior rights, including prior rights for maintaining instream flows.

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.

Actual construction work shall begin within one year from permit 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 10, 2012



E. Timothy Wallin, Water Rights Program Manager
for Phillip C. Ward, Director
Water Resources Department