

Pauletto Ranch LLC
844 Joelson Rd.
Umpqua, OR 97486

June 11, 2009

Water Resources Department
North Mall Office Building
725 Summer Street NE, Suite A
Salem, OR 97301-1271

Attention: Herb Mosgar,

Dear Herb,

We resubmitted the land use form to Douglas County Planning Dept.
We gave Jeff Lehrbach your name and phone number and we hope you
can discuss the matter with him. The other corrections or additions were
made as you requested.

Thank you for bring these matters to our attention.

Sincerely,

Mary Anne Pauletto
Mary Anne Pauletto
Pauletto Ranch LLC

RECEIVED

JUN 12 2009

WATER RESOURCES DEPT
SALEM, OREGON



Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem Oregon 97301-1266
(503) 986-0900
www.wrd.state.or.us

Application for a Permit to Use Surface Water

Please type or print in dark ink. If your application is found to be incomplete or inaccurate, we will return it to you. If any requested information does not apply to your application, insert "n/a." Please read and refer to the instructions when completing your application. A summary of review criteria and procedures that are generally applicable to these applications is available at www.wrd.state.or.us/OWRD/PUBS/forms.shtml.

1. APPLICANT INFORMATION

A. Applicants

Applicant: N/A
First Last

Mailing Address: _____

City State Zip

Phone: _____
Home Work Other

*Fax: _____ *Email Address: _____

B. Organizations

(Corporations, associations, firms, partnerships, joint stock companies, cooperatives, public and municipal corporations)

Name of Organization: PAULETTO RANCH LLC

Name and Title of Person Applying: MARY ANNE PAULETTO, MANAGER

Mailing Address or Organization: 844 JOELSON RD

UMPQUA OREGON 97486
City State Zip

Phone : 541-673-6719 541-673-6719
Day Evening

*Fax: _____ *Email Address: _____

*Optional

RECEIVED

JUN 12 2009

WATER RESOURCES DEPT
SALEM, OREGON

For Department Use

App. No. S-87470

Permit No. _____ Date _____

Last Updated: 3/31/2009

Surface Water/1

RECEIVED WR

MAY 22 2009

WATER RESOURCES DEPT
SALEM, OREGON

2. SOURCE AND PROPERTY OWNERSHIP

A. The Proposed Source of Water

Provide the commonly used name of the water body from which water will be diverted, and the name of the stream or lake it flows into. If unnamed, say so:

Source 1: UNNAMED RESERVOIR Tributary to: COLES VALLEY CREEK

Source 2: _____ Tributary to: _____

Source 3: _____ Tributary to: _____

Source 4: _____ Tributary to: _____

If any source listed above is stored water that is authorized under a water right permit, certificate, or decree, attach a copy of the document or list the document number (for decrees, list the volume, page and/or decree name).

PERMIT R-14720

B. Applications to Use Stored Water

Complete this section if any source listed in item 2A above is stored water.

Do you, or will you, own the reservoir(s) described in item 2A above?

☒ Yes

☐ No. (Please enclose a copy of your written notification to the operator of the reservoir of your intent to file this application, which you should have already mailed or delivered to the operator.)

If *all* sources listed in item 2A are stored water, the Department will review your application using the expedited process provided in ORS 537.147, unless you check the box below. Please see the instruction booklet for more information.

☐ By checking this box, you are requesting that the Department process your application under the standard process outlined in ORS 537.150 and 537.153, rather than the expedited process provided by ORS 537.147. To file an application under the standard process, you must enclose the following:

- A copy of a signed non-expired contract or other agreement with the owner of the reservoir (if not you) to impound the volume of water you propose to use in this application.
- A copy of your written agreement with the party (if any) delivering the water from the reservoir to you.

RECEIVED

JUN 12 2009

WATER RESOURCES DEPT
Surface Water/SALEM, OREGON

RECEIVED

MAY 22 2009

WATER RESOURCES DEPT
SALEM, OREGON

C. Property Ownership

Do you own all the land where you propose to divert, transport, and use water?

☒ Yes (Please check appropriate box below then skip to section 3 'Water Use')

☒ There are no encumbrances

☐ This land is encumbered by easements, rights of way, roads or other encumbrances
(please provide a copy of the recorded deed(s))

☐ No (Please check the appropriate box below)

☐ I have a recorded easement or written authorization permitting access.

☐ I do not currently have written authorization or easement permitting access.

☐ Written authorization or an easement is not necessary, because the only affected lands I do not own are state-owned submersible lands, and this application is for irrigated and/or domestic use only (ORS 274.040).

You must provide the legal description of: (1) the property from which the water is to be diverted, (2) any property crossed by the proposed ditch, canal or other work, and (3) any property on which the water is to be used as depicted on the map.

List the names and mailing addresses of all affected landowners.

3. WATER USE

Please read the instruction booklet for more details on "type of use" definitions, how to express how much water you need and how to identify the water source you propose to use. You must fill out a supplemental form for some uses as they require specific information for that type of use.

A. Type(s) of Use(s)

See list of beneficial uses provided in the instructions.

- If your proposed use is **domestic**, indicate the number of households to be supplied with water: _____
- ☒ • If your proposed use is **irrigation**, please attach **Form I**
- If your proposed use is **mining**, attach **Form R**
- If your proposed use is **municipal or quasi-municipal**, attach **Form M**
- If your proposed use is **commercial/industrial**, attach **Form Q**

RECEIVED

MAY 22 2009

WATER RESOURCES DEPT
SALEM, OREGON**RECEIVED**

JUN 12 2009

WATER RESOURCES DEPT
SALEM, OREGON

B. Amount of Water

Provide the amount of water you propose to use from each source, for each use, in cubic feet-per-second (cfs) or gallons-per-minute (gpm). If the proposed use is from storage, provide the amount in acre-feet (af):

(1 cfs equals 448.8 gpm. 1 acre-foot equals 325,851 gallons or 43,560 cubic feet)

Source	Type of use	Amount
UNNAMED RESERVOIR	MULTIPURPOSE USE	1.5 ☐ cfs ☐ gpm ☒ af
		☐ cfs ☐ gpm ☐ af
		☐ cfs ☐ gpm ☐ af
		☐ cfs ☐ gpm ☐ af

C. Period of Use

Indicate the time of year you propose to use the water: MAY 1 - OCTOBER 31
(For seasonal uses like irrigation give dates when water use would begin and end, e.g. March 1-October 31.)

If you will be applying water to land, indicate the total number of acres where water will be applied or used: 1.5 ACRES
(This number should be consistent with your application map.)

4. WATER MANAGEMENT**A. Diversion**

What method will you use to divert water from the source?

☐ Pump (give horsepower and pump type): _____

☐ Head-gate (give dimensions): _____

☒ other means (describe): 2" DIA. PIPE WILL SIPHON WATER FROM THE ELEVATED RESERVOIR.

B. Monitoring

How will you monitor your diversion to be sure you are within the limits of your water right (allowed rate and duty) and you are not wasting water?

☐ Weir

☐ Meter

☐ Periodic Sampling

☒ other means (describe): OBSERVATION OF RESERVOIR LEVEL

RECEIVED

RECEIVED

Surface Water/4

JUN 1 2 2009

MAY 22 2009

WATER RESOURCES DEPT
SALEM, OREGON

WATER RESOURCES DEPT
SALEM, OREGON

C. Transport

How will you transport water to your place of use?

☐ Ditch or canal (give average width and depth):

Width _____ Depth _____

Is the ditch or canal to be lined? ☐ Yes ☐ No☒ Pipe (give diameter and total length):Diameter 2 INCHES Length 2,350 FEET☐ other, describe: _____**D. Application/Distribution Method**

What equipment will you use to apply water to your place of use?

ELEVATED RESERVOIR FEEDS GRAVITY PRESSURIZED WATER TO SPRINKLERS, DRIP LINES, + GARDEN HOSES. A 2500 GAL TREATMENT TANK USES A 1/2 HP PUMP TO FEED TREATED WATER TO GARDEN.

Irrigation or land application method (check all that apply):

- ☐ Flood ☐ High pressure sprinkler ☒ Low pressure sprinkler
☒ Drip ☐ Water Cannons ☐ Center pivot system
☒ Hand Lines ☐ Wheel Lines
☐ Siphon tubes or gated pipe with furrows
☐ other, describe: _____

Distribution method

- ☒ Direct pipe from source ☐ In-line storage (tank or pond) ☐ Open Canal

E. Conservation

What methods will you use to conserve water? Why did you choose this distribution or application method? Have you considered other methods to transport, apply, distribute or use water? For example, if you are using sprinkler irrigation rather than drip irrigation, explain. If you need additional space, attach a separate sheet.

WE WILL USE DRIP LINES OR MONITORED HAND LINES WHEREVER POSSIBLE. LOW PRESSURE SPRINKLERS ARE USED FOR GRASSY AREAS. DAY TIME WATERING (SEE FORM I) ALLOWS US TO BEST MONITOR OUR WATER USAGE.

RECEIVED

JUN 12 2009

Surface Water

WATER RESOURCES DEPT

SALEM, OREGON

RECEIVED

MAY 22 2009

WATER RESOURCES DEPT
SALEM, OREGON

5. RESOURCE PROTECTION

A. Protection Practices

In granting permission to use water from a stream or lake, the state encourages, and in some instances requires, careful control of activities that may affect the waterway or streamside area. See instruction guide for a list of possible permit requirements from other agencies. Please indicate any of the practices you plan to undertake to protect water resources.

- ☒ Diversion will be screened to prevent uptake of fish and other aquatic life. Describe planned actions:

WATER SOURCE IS A MAN MADE, PLASTIC LINED POND THAT CONTAINS NO FISH. THE 2 INCH DIAMETER SIPHON PIPE IS SCREENED TO PREVENT OTHER FORMS OF WILDLIFE FROM BEING SUCKED INTO IT.

- ☒ Excavation or clearing of banks will be kept to a minimum to protect riparian or streamside areas. Describe planned actions:

BRUSHING OUT THE EDGES OF THIS MAN MADE, PLASTIC LINED, POND IS RARE AND MOSTLY DONE BY HAND METHODS.

- ☐ Operating equipment in a water body will be managed and timed to prevent damage to aquatic life. Describe:

N/A

- ☒ Water quality will be protected by preventing erosion and run-off of waste or chemical products. Describe:

NO SPRAYING OF AGRICULTURAL CHEMICALS ARE ALLOWED NEAR THE POND.

- ☐ Other:

RECEIVED

JUN 12 2009

Surface Water/6
WATER RESOURCES DEPT
SALEM, OREGON

RECEIVED

MAY 22 2009

WATER RESOURCES DEPT
SALEM, OREGON

6. PROJECT SCHEDULE

Indicate the anticipated dates that the following construction tasks should begin. If construction has already begun, or is completed, please indicate that date.

Proposed date construction will begin: CIRCA 1980 — SEE (1) BELOW

Proposed date construction will be completed: 2 MONTHS AFTER PERMIT IS GRANTED

Proposed date beneficial water use will begin: AS SOON AS PERMIT IS GRANTED (2)

Is this project fully or partially funded by the American Recovery and Reinvestment Act? (Federal stimulus dollars) ☐ Yes ☒ No

7. REMARKS

If you would like to clarify any information you have provided in the application, please do so here and reference the specific application question you are addressing.

FROM 6. PROJECT SCHEDULE ABOVE.
 (1) THIS PERMIT WILL USE AN EXISTING RESERVOIR AND PIPELINE FROM A PREVIOUS WATER RIGHT.
 (2) EXISTING PIPELINE IS ADJACENT TO SOME AREAS TO BE WATERED UNDER THIS PERMIT. IF PERMIT IS GRANTED AFTER OCT 31ST, THEN USE WILL BEGIN THE FOLLOWING MAY 1ST.

8. MAP REQUIREMENTS

The Department cannot process your application without accurate information showing the source of water and location of water use. You must include a map with this application form that clearly indicates the township, range, section, and quarter/quarter section of the proposed points of diversion and place of use. The map must provide tax lot numbers. See the map guidelines sheet for detailed map specifications.

RECEIVED

JUN 12 2009

WATER RESOURCES DEPT
SALEM, OREGON

RECEIVED

MAY 22 2009

WATER RESOURCES DEPT
SALEM, OREGON

9. SIGNATURE

By my signature below I confirm that I understand:

- I am asking to use water specifically as described in this application.
- Evaluation of this application will be based on information provided in the application packet.
- I cannot legally use water until the Water Resources Department issues a permit to me.
- If I get a permit, I must not waste water.
- If development of the water use is not according to the terms of the permit, the permit can be canceled.
- The water use must be compatible with local comprehensive land use plans.
- Even if the Department issues a permit, I may have to stop using water to allow senior water right holders to get water to which they are entitled.

I swear that all information provided in this application is true and correct to the best of my knowledge:

Mary Anne Puletti May 14, 09
Signature of Applicant (If more than one applicant, all must sign.) Date

Before you submit your application be sure you have:

- Answered each question completely.
- Attached a legible map which includes township, range, section, quarter/quarter and tax lot number.
- Included a Land Use Information Form or receipt stub signed by a local official.
- Included the legal description of all the property involved with this application. You may supply a copy of the deed, land sales contract, or title insurance policy, to meet this requirement.
- Included a check payable to the Oregon Water Resources Department for the appropriate amount. The Department's fee schedule can be found at www.wrd.state.or.us or call (503) 986-0900.

WRD on the web:
www.wrd.state.or.us

RECEIVED

JUN 12 2009

WATER RESOURCES DEPT
SALEM, OREGON

RECEIVED

MAY 22 2009

WATER RESOURCES DEPT
SALEM, OREGON



Oregon Water Resources Department

FORM I

FOR IRRIGATION WATER USE

1. Please indicate whether you are requesting a primary or supplemental irrigation water right.

☒ Primary ☐ Supplemental

If supplemental, please indicate the number of acres that will be irrigated for each type of use.

Primary: _____ Acres

Secondary: _____ Acres

List the permit or certificate number of the primary water right: _____

No. _____

RECEIVED

MAY 22 2009

WATER RESOURCES DEPT
SALEM, OREGON

2. Please list the anticipated crops you will grow and whether you will be irrigating them for a full or partial season:

1. GARDEN ☒ Full season ☐ Partial season (from: _____ to _____)
2. GRASS ☒ Full season ☐ Partial season (from: _____ to _____)
3. _____ ☐ Full season ☐ Partial season (from: _____ to _____)
4. _____ ☐ Full season ☐ Partial season (from: _____ to _____)

3. Indicate the maximum total number of acre-feet you expect to use in an irrigation season:

1.5 acre-feet

(1 acre-foot equals 12 inches of water spread over 1 acre, or 43,560 cubic feet, or 325,851 gallons.)

4. How will you schedule your applications of water? Will you be applying water in the evenings, twice a week, daily?

☒ Daily during daytime hours

☐ Daily during nighttime hours

☐ Two or three times weekly during daytime

☐ Two or three times weekly during nighttime

☐ Weekly, during daytime hours

☐ Weekly, during nighttime hours

☐ Other, explain: _____

RECEIVED

JUN 12 2009

WATER RESOURCES DEPT
SALEM, OREGON



Oregon Water Resources Department
Land Use Information Form

WIS 09-0355

RCI # P06627

S-87470

THIS FORM IS NOT REQUIRED IF: 1) water is to be diverted, conveyed, and/or used only on federal lands; or 2) the application is for a water-right transfer, allocation of conserved water, exchange, permit amendment, or ground water registration modification, and all of the following apply: a) only the place of use is proposed for change, b) there are no structural changes, c) the use of water is for irrigation, and d) the use is located in an irrigation district or exclusive farm-use zone.

Applicant Name: Pavletto Ranch LLC
Mailing Address: 874 Soelson Rd
City: Umatilla State: OR Zip: 97486 Day Phone: 541 673-6719

This application is related to a Measure 37 claim. ☐ Yes ☒ No

A. Land and Location

Please include the following information for all tax lots where water will be diverted (taken from its source), conveyed (transported), or used. Applicants for municipal use, or irrigation uses within irrigation districts may substitute existing and proposed service-area boundaries for the tax-lot information requested below.

Township	Range	Section	NESE	Tax Lot #	Plan Designation (e.g. Rural Residential/RR-5)	Water to be:	Proposed Land Use:
26S	7W	3		1800		☒ Diverted ☒ Conveyed ☒ Used	
26S	7W	3		1400		☒ Diverted ☒ Conveyed ☐ Used	
						☐ Diverted ☐ Conveyed ☐ Used	
						☐ Diverted ☐ Conveyed ☐ Used	

List all counties and cities where water is proposed to be diverted, conveyed, or used. DOUGLAS CO.

B. Description of Proposed Use

Type of application to be filed with the Water Resources Department:

- ☒ Permit to Use or Store Water ☐ Water-Right Transfer ☐ Exchange of Water
☐ Allocation of Conserved Water ☐ Limited Water Use License
☐ Permit Amendment or Ground Water Registration Modification

RECEIVED

MAY 22 2009

WATER RESOURCES DEPT
SALEM, OREGON

Source of water: ☒ Reservoir/Pond ☐ Ground Water ☐ Surface Water (name) _____

Estimated quantity of water needed: 1.5 ☐ cubic feet per second ☐ gallons per minute ☒ acre-feet

Intended use of water: ☒ Irrigation ☐ Commercial ☐ Industrial ☐ Domestic for _____ household(s)
☐ Municipal ☐ Quasi-municipal ☐ Instream ☐ Other _____

Briefly describe: WE PLAN TO USE WATER FROM AN EXISTING RESERVOIR TO WATER GARDEN AND GRASS.

Note to applicant: If the Land Use Information Form cannot be completed while you wait, please have a local government representative sign the receipt below and include it with the application filed with the Water Resources Department.

Receipt for Request for Land Use Information

State of Oregon
Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301-1266

RECEIVED

JUN 12 2009

WATER RESOURCES DEPT
SALEM, OREGON

For Local Government Use Only

The following section must be completed by a planning official from each county and city listed unless the project will be located entirely within the city limits. In that case, only the city planning agency must complete this form.

This deals only with the local land-use plan. Do not include approval for activities such as building or grading permits.

... requested information

THIS RESPONSE IS NOT A LAND USE DECISION; IT IS INFORMATIONAL ONLY:

- ☐ This is a permitted use.
- ☒ This project is not regulated by Douglas County.
- ☐ This project has been approved by Planning Department File _____.
- ☐ This project will require a local land use review.
- ☐ This project is a pre-existing non-conforming use.
- ☐ See attached informational memo.

Jeff Lehrbach Planner

Jeff Lehrbach 6/10/09

_____ Denied _____ Not being pursued

Local governments are invited to express special land-use concerns or make recommendations to the Water Resources Department regarding this proposed use of water below, or on a separate sheet.

RECEIVED

MAY 22 2009

WATER RESOURCES DEPT
SALEM, OREGON

Name: JONATHAN WRIGHT Title: PLANNER
Signature: _____ Phone: 440-4289 Date: 5-15-09
Government Entity: _____

**DOUGLAS COUNTY PLANNING DEPARTMENT
ROOM 106, JUSTICE BUILDING
DOUGLAS COUNTY COURTHOUSE
ROSEBURG, OR 97470**

Note to local government representative: Please complete this form or sign the receipt below and return it to the applicant. If you sign the receipt, you will have 30 days from the Water Resources Department's notice date to return the completed Land Use Information Form or WRD may presume the land use associated with the proposed use of water is compatible with local comprehensive plans.

RECEIVED

Receipt for Request for Land Use Information

JUN 12 2009

WATER RESOURCES DEPT
SALEM, OREGON

Applicant name: _____
City or County: _____ Staff contact: _____
Signature: _____ Phone: _____ Date: _____



DOUGLAS COUNTY PLANNING & BUILDING

Room 106, Justice Building
Douglas County Courthouse, Roseburg, Oregon 97470
Planning - (541) 440-4289
Building - (541) 440-4559

.S-87470

5/15/2009
11:06 am

Permit Number: WS09-0355
Job Address: 804 JOELSON RD, UMPQUA

Receipt: P06627

Fee Description

R 56237

Fee Amount

LAND USE COMPATABILITY STATEME

\$40.00

Total Fees Paid:

\$40.00

Paid By: **Pauletto Ranch LLC**

Pay Method: **Check 1092**

Received By: **Debbi Garris**

RECEIVED

MAY 22 2009

**WATER RESOURCES DEPT
SALEM, OREGON**

RECEIVED

JUN 12 2009

**WATER RESOURCES DEPT
SALEM, OREGON**

BARGAIN AND SALE DEED

KNOW ALL MEN BY THESE PRESENTS, That MARY ANNE PAULETTO, TRUSTEE OF THE MARY ANNE PAULETTO REVOCABLE LIVING TRUST DATED OCTOBER 11, 1991; TRUSTEE OF THE JOE B. PAULETTO REVOCABLE LIVING TRUST DATED OCTOBER 11, 1991; and MARY ANNE PAULETTO hereinafter called the GRANTOR, for the consideration hereinafter stated does hereby grant, bargain, sell and convey unto PAULETTO RANCH, L.L.C., hereinafter called GRANTEE, and unto GRANTEE'S successors and assigns, all of that certain real property, with the tenements, hereditaments and appurtenances thereunto belonging or appertaining, more particularly described by Exhibit "A", attached hereto and by this reference incorporated herein.

NOTICE

THIS INSTRUMENT DOES NOT GUARANTEE THAT ANY PARTICULAR USE MAY BE MADE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT. A BUYER SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES.

TO HAVE AND TO HOLD the above-described and granted premises unto the said GRANTEE, and GRANTEE'S successors and assigns forever.

The true and actual consideration paid for this transfer, stated in terms of dollars is \$-0-. However, the actual consideration consists of or includes other property or value given or promised which is the whole consideration.

IN WITNESS WHEREOF, the GRANTOR has executed this instrument this 30 day of Nov., 1995.

Mary Anne Pauletto
Grantor: MARY ANNE PAULETTO,
Individually; as Trustee of the Joe B. Pauletto Revocable Living Trust, dtd Oct. 11, 1991, and as Trustee of the Mary Anne Pauletto Revocable Living Trust, dtd Oct. 11, 1991

STATE OF OREGON,)
) ss.
COUNTY OF DOUGLAS)

Nov 30, 1995
(Date)

BEFORE ME PERSONALLY APPEARED the above-named MARY ANNE PAULETTO, Individually and as Trustee of the Joe B. Pauletto Revocable Living Trust, dtd Oct. 11, 1991, and as Trustee of the Mary Anne Pauletto Revocable Living Trust, dtd Oct. 11, 1991 and acknowledged the foregoing instrument to be her voluntary act and deed.



Janna White
Notary Public for Oregon
My Commission expires: 9-13-96

Until a change is requested, all tax statements shall be sent to the following address:

Mary Anne Pauletto
844 Joelson Road
Umpqua, OR 97486

RECEIVED

JUN 12 2009

WATER RESOURCES DEPT
SALEM, OREGON

After recording, return to:
Wallace D. Cegavske
P.O. Box 218
Roseburg, OR 97470
w93138a.008

HANDED

EXHIBIT A

BOOK 1384 PAGE 209

PARCEL I

The Donation Land Claim of David Ridenour and wife, being Claim No. 42, Lots 4 and 5, and the Southwest quarter of Section 3; the Southeast quarter of the Southeast quarter of Section 4; the North half of section 10; also the following described parcel of land in Section 10, to-wit: Beginning at the Northwest corner of the Southwest quarter of Section 10; thence running South 29 rods; thence East 160 rods; thence North 29 rods to the Northeast corner of said quarter section; thence West 160 rods to the place of beginning, in Township 26 South, Range 7 West, Willamette Meridian, Douglas County, Oregon.

Excepting therefrom the following: Beginning at the quarter section corner between Sections 10 and 11, Township 26 South, Range 7 West, Willamette Meridian, Douglas County, Oregon, running thence North 9.69 chains along the section line; thence North 78°33' West 1.37 chains; thence North 80°07' West 2.78 chains; thence South 57°48' West 20.19 chains to the east and west quarter section line through Section 10; thence North 89°28' East 21.11 chains along said quarter section line to the place of beginning.

Also excepting therefrom: Beginning at the Northeast corner of the David Ridenour Donation Land Claim No. 42 in Township 26 South, Range 7 West, Willamette Meridian, Douglas County, Oregon; thence South 01°30'47" East 1864.65 feet to a 3/4 inch iron pipe; thence South 00°47'36" East 2363.91 feet to a 3/4 inch iron pipe, said 3/4 inch iron pipe being South 89°39'07" West, a distance of 2469.30 feet from the Southeast corner of the Henry C. Strucker Claim No. 43; thence South 89°39'07" West 1375.00 feet to a 3/4 inch iron pipe; thence North 01°07'12" West 4215 feet, more or less, to the point in the northerly line of said Donation Land Claim No. 42; thence Easterly along said Northerly line 1376 feet, more or less, to the place of beginning.

PARCEL II

Real property located in Douglas County, Willamette Meridian, Oregon Township 26 S., Range 7 W., Section 3, Lot 6, containing approximately 4.9 acres, previously deeded to the grantors by the United States of America, pursuant to a deed, reception number 84-1471 in book 898, page 903, Douglas County, Oregon deed records.

STATE OF OREGON]
COUNTY OF DOUGLAS] SS.
I, GAY FIELDS, COUNTY CLERK AND RECORDER OF
CONVEYANCES, DO HEREBY CERTIFY THAT THIS
INSTRUMENT WAS RECORDED

95 DEC 18 PM 3:21

GAY FIELDS
DOUGLAS COUNTY CLERK

IN THE OFFICIAL RECORDS OF DOUGLAS COUNTY

BY

Gay Fields
DEPUTY

FEE

95-23319

RECEIVED

JUN 12 2009

WATER RESOURCES DEPT
SALEM, OREGON

STATE OF OREGON

COUNTY OF DOUGLAS

PERMIT TO CONSTRUCT A RESERVOIR AND STORE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO:

PAULETTO RANCH, LLC
844 JOELSON RD
UMPQUA OR 97486

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

APPLICATION FILE NUMBER: R-87307

SOURCE OF WATER: A SPRING, TRIBUTARY TO COLES VALLEY CREEK

STORAGE FACILITY: A RESERVOIR

MAXIMUM VOLUME: 1.5 ACRE FEET

DATE OF PRIORITY: OCTOBER 17, 2008

WATER MAY BE APPROPRIATED DURING THE PERIOD: NOVEMBER 1 THROUGH
SEPTEMBER 30

USE: MULTIPLE PURPOSE

	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
Point of Diversion	26 S	7 W	WM	3	NE SW	10 FEET SOUTH AND 420 FEET WEST FROM CENTER, SECTION 3
Reservoir Location	26 S	7 W	WM	3	NW SE	350 FEET SOUTH AND 280 FEET EAST FROM CENTER, SECTION 3

The Area To Be Submerged:

Twp	Rng	Mer	Sec	Q-Q
26 S	7 W	WM	3	NW SE

Measurement, recording and reporting conditions:

- A. The Director may require the permittee to install a totalizing flow meter or other suitable measuring device as approved by the Director at each point of diversion. 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 device(s). 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 storage of water allowed herein is subject to the installation and maintenance of an outlet pipe, or the provision of other means to evacuate water when determined necessary by the Water Resources Director to satisfy prior downstream rights.

The permittee shall pass all live flow outside the storage season described above.

This permit allows an annual appropriation (not to exceed the specified volume). This permit does not provide for the appropriation of water for out-of-reservoir uses, the maintenance of the water level or maintaining a suitable freshwater condition. If any water is to be used for out-of-reservoir purposes, a secondary water right is required. If any additional live flow is to be appropriated to maintain either the water level or a suitable freshwater condition, an additional water right is required.

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.

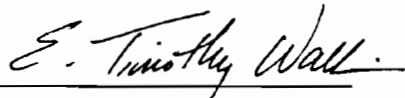
Notwithstanding that Oregon Department of Fish and Wildlife has made a determination that fish screens and/or by-pass devices are not necessary at the time of permit issuance, the permittee may be required in the future to install, maintain, and operate fish screening and/or by-pass devices to prevent fish from entering the proposed diversion, and to provide adequate upstream and downstream passage for fish.

STANDARD CONDITIONS

1. 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.
2. 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.
3. 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.
4. 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.
5. 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 shall be followed.
6. 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.
7. If the volume of the completed reservoir is 9.2 acre feet or more and a dam is used to impound the water, the height of the dam shall be less than 10.0 feet.

8. Construction shall be completed and up to the permitted volume of water shall be stored within five years of the date of permit issuance.
9. Within one year after storage of water, the permittee shall submit a claim of beneficial use to the Oregon Water Resources Department.
10. The claim of beneficial use shall be prepared by a Certified Water Right Examiner in conformance with the requirements of OAR 690-014 if an associated secondary permit exists for the use of stored water under this permit, or if the reservoir capacity is equal to or greater than 9.2 acre-feet.
11. If no secondary permit exists and the reservoir capacity is less than 9.2 acre-feet of water, the claim of beneficial use need not be prepared by a Certified Water Right Examiner. The information submitted to the Oregon Water Resources Department shall include:
 - a. the dimensions of the reservoir;
 - b. the maximum capacity of the reservoir in acre-feet; and
 - c. a map identifying the location of the reservoir prepared in compliance with Water Resource Department standards.

Issued April 3, 2009.



for Phillip C. Ward, Director
Water Resources Department