AFTER RECORDING, RETURN TO: Brandsness, Brandsness & Rudd, P.C. 411 Pine Street

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12/21/2023 01:14:29 PM

2023-010908

Klamath County, Oregon

Fee: \$167.00

GRANTOR:

Sukraw Properties, LLC 1881 Lower Klamath Lake Road Klamath Falls, OR 97603

Klamath Falls, OR 97601

GRANTEE:

Chevne Brothers, LLC 9049 Buesing Road Klamath Falls, OR 97603

GRANT OF EASEMENT AND WELL MAINTENANCE AGREEMENT

 $\frac{12}{14}$, 2023 DATE:

(Effective Date)

PARTIES:

Sukraw Properties, LLC,

("Sukraw")

an Oregon Limited Liability Company

1881 Lower Klamath Lake Road

Klamath Falls, OR 97603

Cheyne Brothers, LLC, an

("Cheyne")

Oregon Limited Liability Company

9049 Buesing Road

Klamath Falls, OR 97603

RECITALS

- Sukraw is the deeded owner of the real property in Klamath County, Oregon further described on the attached Exhibit "A" (the "Sukraw Property").
- В. Cheyne is the deeded owner of the real property in Klamath County, Oregon further described on the attached Exhibit "B" (the "Cheyne Property").
- C. There is one (1) irrigation well and one (1) irrigation pump located on the Cheyne Property and two (2) irrigation wells located on the Sukraw Property, as depicted on the attached Exhibit "C." It is the intent of parties hereto that the cost of construction and equipping the wells and pump shall be paid 70% by Cheyne and 30% by Sukraw. The water produced by the wells shall be applied to both the Sukraw property and the Cheyne property, as authorized under the Permit to Appropriate the Public Waters, a copy of which is attached hereto and incorporated herein, as Exhibit "D." Both Cheyne and Sukraw shall have the right to the full production of the wells and the water, so long as the other party does not have a current need for the water. When

the demand of production of the water by both Sukraw and Cheyne exceeds the capacity of the wells, Cheyne shall be guaranteed no less than 70% of the capacity and Sukraw is guaranteed no less than 30% of the capacity. The cost of operating the wells shall be paid by Sukraw and Cheyne by the above noted percentage of the water pumped for use by both parties, as well as the cost of maintaining the wells, well casing, pump, and electrical systems, and all other costs associated with the maintenance operation of the well system (hereinafter the "Well System"). The costs of maintenance of the Well System shall exclude any personal lines and systems to the individual properties.

- D. The parties shall cooperate in transferring water via the North Canal, however, if the North Canal cannot be used to transfer the water, the parties shall cooperate in constructing temporary irrigation structures that irrigation season to move water for both properties.
- E. Neither Sukraw nor Cheyne may transfer water or the beneficial use of the wells to any other properties or sell the same without the other party's written consent.

AGREEMENT

THEREFORE, for valuable consideration receipt to which is hereby acknowledged and subject to the conditions and the condition set forth herein, the parties agree as follows.

- 1. **Grant of Easement by Sukraw.** Sukraw does hereby grant, sell, and convey to Cheyne an undivided 70% of the water produced from the above-described wells, Well System, and the agricultural irrigation water produced therefrom and grants to Cheyne, the right to take the water from the wells and to convey such water from the wells to the Cheyne Property. Cheyne may use the water to benefit its property described on the attached Exhibit "D." The well location, easement center line, transmission lines and maps are further delineated and described on the attached Exhibit "C."
- 2. **Grant of Easement by Cheyne.** Cheyne does hereby grant, sell and convey to Sukraw an undivided 30% of the water produced from the above-described wells, Well System, and the agricultural irrigation water produced therefrom and grants to Sukraw, the right to take the water from the wells and to convey such water from the wells to the Sukraw Property. Sukraw may use the water to benefit its property described on the attached Exhibit "D." The well location, easement center line, transmission lines and maps are further delineated and described on the attached Exhibit "C."
- 3. **Grant of Easement by Sukraw.** Sukraw hereby further grants to Cheyne, its heirs, successors and assigns a perpetual non-exclusive 20-foot-wide easement across the Sukraw Property to access the well and water delivery system as described on the attached Exhibit "C."
- 4. **Grant of Easement by Cheyne.** Cheyne hereby grants to Sukraw, its heirs, successors and assigns a perpetual non-exclusive 20-foot-wide easement across the Cheyne Property to access the well and water delivery system as described on the attached Exhibit "C."

- 5. Repair and Maintenance of Well System. Sukraw and Cheyne hereby further agree to share in the maintenance repair of the Well System, as delineated in Recitals Section C above, (70% Cheyne, 30% Sukraw). In the event any repair or replacement of the Well and Water System is needed, the parties expressly agree to cooperate fully in allowing said repair or replacement to be made as soon as necessary equipment, contractors, and supplies can be obtained to make such repair or replacement. The parties further agree to pay for and arrange for payment of their respective percentages share of the costs of said repair or replacement as soon as reasonably possible. Should either party fail to pay their percentage of share of such repair or replacement of the Well System, the other party may pay the non-paying parties percentage interest at which point such an amount shall be a debt by the non-paying party to the paying party and shall become immediately due and payable, accruing interest at 9 percent per annum until paid.
- 6. **Notice of Repair and Maintenance.** If the opinion of either Sukraw or Cheyne on the repair or replacement of the Well System is necessary, written notice shall be provided to the other responsible party or parties, describing the maintenance of repair or replacement to be undertaken and cost thereof, if known. If either party receiving the notice does not object, in writing, within 10 days of receipt of the notice, then the cost of said repair or replacement shall be divided in each party's percentage ownership interest.

7. Miscellaneous.

- 7.1 This Agreement may be amended only by an instrument in writing executed by all the parties.
- 7.2 **Counterparts**. This Agreement may be executed in counterparts, each of which will be considered an original and all of which together will constitute one and the same agreement.
- 7.3 **Electronic and Facsimile Signatures.** This Agreement may be executed via electronic or facsimile transmission in accordance with the provisions of the Uniform Electronic Transactions Act ("UETA") as codified in ORS Chapter 84 and of any signed original document, and retransmission of any signed electronic or facsimile transmission (including pdf or any electronic signature complying with the U.S. Federal E-Sign Act of 2000, e.g.
- 7.4 **Further Assurances**. Each party agrees (a) to execute and deliver such other documents and (b) to do and perform such other acts and things, as any other party may reasonably request, to carry out the intent and accomplish the purposes of this Agreement.
- 7.5 **Waiver**. Any provision or condition of this Agreement may be waived at any time, in writing, by the party entitled to the benefit of such provision or condition. Waiver of any breach of any provision will not be a waiver of any succeeding breach of the provision or a waiver of the provision itself or any other provision.
- 7.6 **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the state of Oregon, without regard to conflict-of-laws principles.
- 7.7 **Attorney Fees**. If any arbitration, suit, or action is instituted to interpret or enforce the provisions of this Agreement, to rescind this Agreement, or otherwise with respect to the subject matter of this Agreement, the party prevailing on an issue will be entitled to recover with respect to such issue, in addition to costs, reasonable attorney fees incurred in the preparation, prosecution, or defense of such arbitration, suit, or action as determined by the arbitrator or trial

court, and if any appeal is taken from such decision, reasonable attorney fees as determined on appeal.

- 7.8 **Injunctive and Other Equitable Relief.** The parties agree that the remedy at law for any breach or threatened breach by a party may, by its nature, be inadequate, and that the other parties will be entitled, in addition to damages, to a restraining order, temporary and permanent injunctive relief, specific performance, and other appropriate equitable relief, without showing or proving that any monetary damage has been sustained.
- 7.9 **Exhibits.** The exhibits referenced in this Agreement are part of this Agreement as if fully set forth in this Agreement.
- 7.10 **Severability.** If any provision of this Agreement is invalid or unenforceable in any respect for any reason, the validity and enforceability of such provision in any other respect and of the remaining provisions of this Agreement will not be in any way impaired.

Sukraw Properties, LLC

By: Lee Sukraw

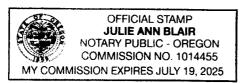
Its: Authorized Member

Cheyne Brothers, LLC By: Janelle M. Fenters Its: Authorized Member

Notarial Certificate to Follow

STATE OF OREGON)
) ss.
County of Klamath
)

Personally appeared before me this 14th day of December, 2023, the above-named Lee Sukraw, Authorized Member of Sukraw Properties, LLC, Grantor, and acknowledge the foregoing instrument to be his voluntary act.



Notary Public for Oregon
My commission expires: 07/15/2025

STATE OF OREGON)
) ss
County of Klamath)

Personally appeared before me this 14th day of December, 2023, the above-named Janelle M. Fenters, Authorized Member of Cheyne Brothers, LLC, Grantee, and acknowledge the foregoing instrument to be her voluntary act.

OFFICIAL STAMP

JULIE ANN BLAIR

NOTARY PUBLIC - OREGON

COMMISSION NO. 1014455

MY COMMISSION EXPIRES JULY 19, 2025

Notary/Public for Oregon
My commission expires: 0119/2025

Exhibit A

A parcel of land situated in the NE I/4 and NW I/4 of Section 28, Township 40 South, Range 9 East, Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

Beginning at a point that bears South 00°03'43" West a distance of 859.26 feet from the North 1/4 corner of said Section 28; thence South 00°03'43" West a distance of 25.70 feet; thence North 89°44'28" West a distance of 941.86 feet to the center line of lower Klamath Lake Road; thence along said centerline South 64°41'00" East a distance of 1451.84 feet; thence continuing on said centerline South 69°30'01" East a distance 117.24 feet; thence leaving said centerline North 04°13'32" East a distance of 31.25 feet; thence North 04°33'29" East a distance of 650.42; thence North 89°53'01" West a distance of 50.00 feet; thence North 89°29'40" West a distance of 484.35 feet, to the point of beginning containing 11.55 acres, more or less.

The basis of bearings for this legal description is Klamath County Survey #6901.

Parcel 8:

The Southwest Quarter (SW1/4) of the Southeast Quarter (SE1/4) and the Southeast Quarter (SE1/4) of the Southeast Quarter (SE1/4) and Lots four (4) and ten (10) of Section 28; all in Township 40 South, Range 9 East of the Willamette Meridian.

Portions of Lots 2, 5, 8 and 9, Section 28, Township 40 South, Range 9 East of the Willamette Meridian in Klamath County, Oregon, being more particularly described as follows: Beginning at a point on the North-South center line of Section 28, Township 40 South, Range 9 East of the Willamette Meridian, from which the quarter-section corner common to Sections 21 and 28, Township 40 South, Range 9 East of the Willamette Meridian bears North 0° 06 1/4' East 1839.0 feet distant; thence North 68° 30 34' West 34.7 feet to an iron pipe reference monument; thence North 68° 30 34' West 25.6 feet to the center line of the Klamath Drainage District North Canal as the same is presently located and constructed; thence, following the center line of said canal, South 0° 06' West 198.5 feet to a point; thence South 89° 54 1/2' East 130.0 feet to a point; thence South 59° 06' East 1039.6 feet to a point; thence South 72° 54 ½' East 309.7 feet to a point where the center line of said canal intersects the Southerly line of Lot 9 of said Section 28; thence, leaving the center line of said canal, South 89° 48 ½' East along the Southerly line of said Lot 9 51.0 feet to the Southeast corner of said Lot 9; thence North 0° 02 1/4' West 788.3 feet to a point in the center line of the lower Klamath Lake County Road as the same is presently located and constructed; thence North 69° 35' West along the center line as said County Road 533.5 feet to a point; thence, leaving said County Road center line, South 0° 09 1/4' West 31.12 feet to an iron pipe reference monument; thence South 0° 09 1/41 West 400.0 feet to an iron pipe; thence North 74° 59 1/41 West 502.5 feet to an iron pipe; thence North 68° 30 ¾' West 351.1 feet more or less to the point of beginning.

Exhibit B

PARCEL 4: A piece or parcel of land situated in the NW l/4 of Section 28, Township 40 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

Beginning at an intersection of the North line of said Section 28 and the center line of the lower Klamath Lake Road as presently located and constructed; thence Southeasterly along the center line of said road to its intersection with the North-South center line of said Section 28; thence Southerly along said North-South center line 221.4 feet, more or less, to a point on the center line of the Klamath Drainage District North Canal extended Easterly; thence Westerly 58.9 feet to the centerline of the Klamath Drainage District North Canal; thence Northerly along said North Canal center line extended and along the North Canal center line to its intersection with the Northerly line of said Section 28; thence Easterly along the section line to the point of beginning.

TRU SURVEYING LINE

2333 SUMMERS LANE KLAMATH FALLS, OREGON 97603 PHONE: (541) 884-3691



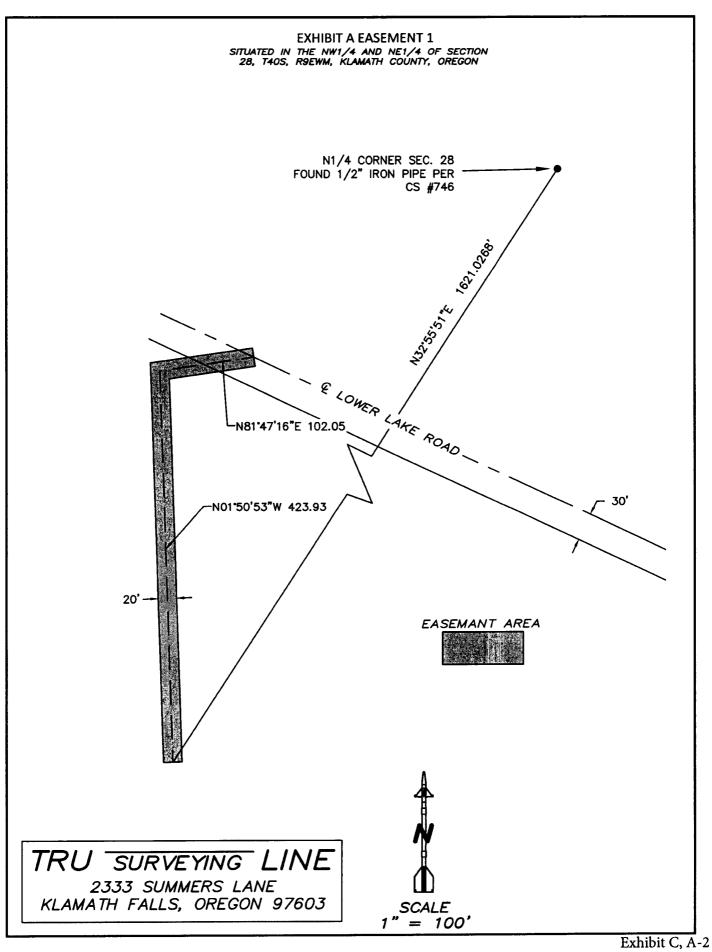
APRIL 13, 2022

LEGAL DESCRIPTION OF 20 FOOT WIDE IRRIGATION EASEMENT

A 20 FOOT WIDE IRRIGATION EASEMENT SITUATED IN THE NW1/4 OF SECTION 28, T40S, R9EWM, KLAMATH COUNTY, OREGON, THE CENTERLINE OF WHICH BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTH CANAL RIGHT OF WAY, FROM WHICH THE NORTH 1/4 CORNER OF SAID SECTION 28 BEARS N32°55′51″E 1621.03 FEET; THENCE N01°50′53″W 423.93 FEET; THENCE N81°47′16″E 102.05 FEET TO THE NORTHEASTERLY RIGHT OF WAY LINE OF LOWER KLAMATH LAKE ROAD, WITH BEARINGS BASED ON THE OREGON COORDINATE REFERENCE SYSTEM FOR THE BEND - KLAMATH FALLS ZONE.

DANIEL J. O'CONNOR P.L.S. 90081



TRU SURVEYING LINE

2333 SUMMERS LANE KLAMATH FALLS, OREGON 97603 PHONE: (541) 884-3691



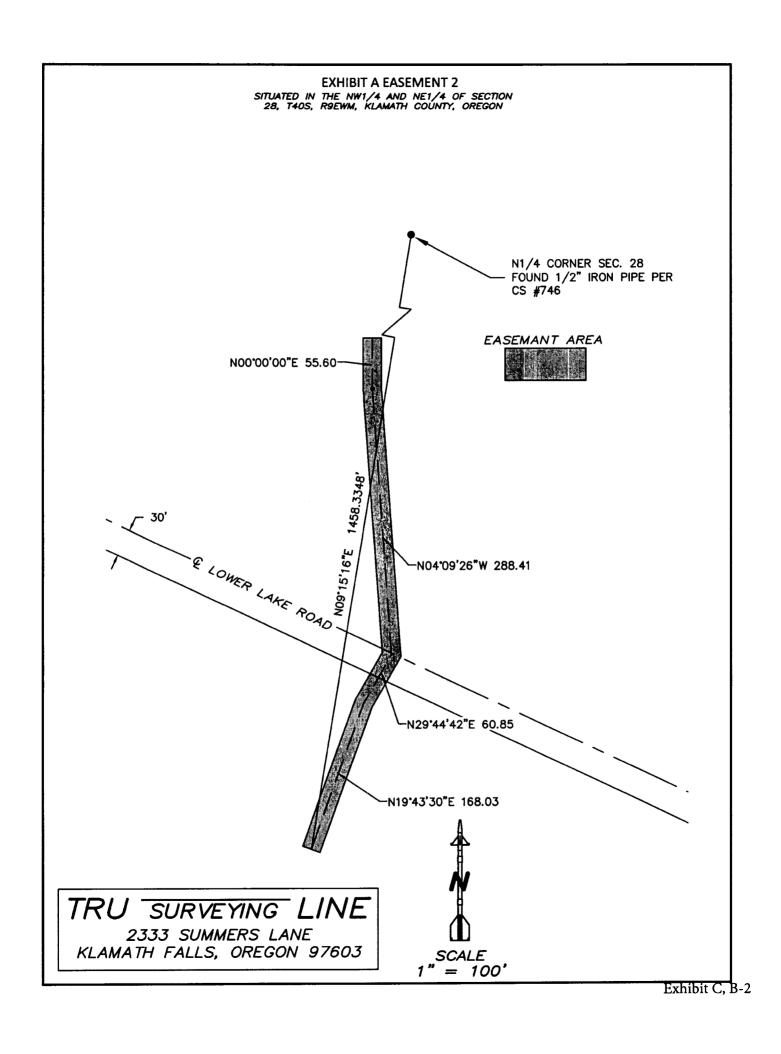
APRIL 13, 2022

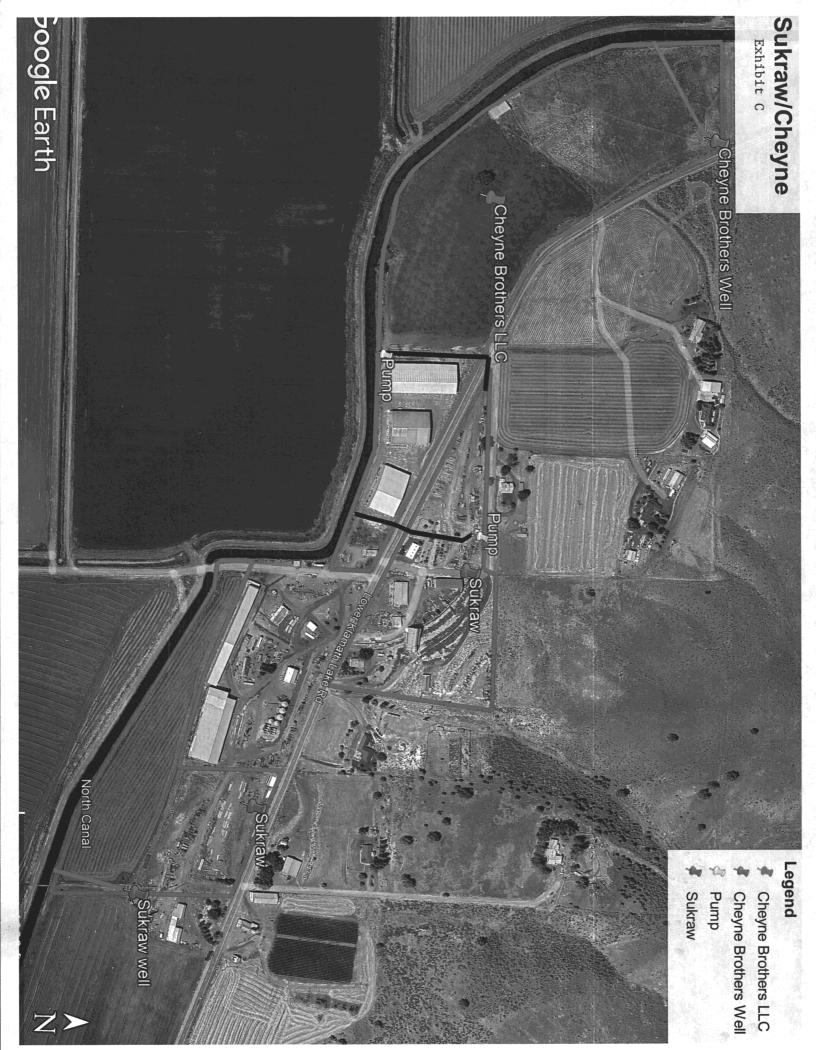
LEGAL DESCRIPTION OF 20 FOOT WIDE IRRIGATION EASEMENT

A 20 FOOT WIDE IRRIGATION EASEMENT SITUATED IN THE NW1/4 OF SECTION 28, T40S, R9EWM, KLAMATH COUNTY, OREGON, THE CENTERLINE OF WHICH BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTH CANAL RIGHT OF WAY, FROM WHICH THE NORTH 1/4 CORNER OF SAID SECTION 28 BEARS NO9°15′16″E 1458.33 FEET; THENCE N19°43′30″E 168.03 FEET; THENCE N29°44′42″E 60.85 FEET; THENCE N04°09′26″W 288.41 FEET; THENCE NORTH 55.60 FEET TO THE NORTH LINE OF THAT TRACT OF LAND DESCRIBED IN DEED VOLUME 2015 AT PAGE 12476 OF THE KLAMATH COUNTY DEED RECORDS, WITH BEARINGS BASED ON THE OREGON COORDINATE REFERENCE SYSTEM FOR THE BEND - KLAMATH FALLS ZONE.

DANIEL J. O'CONNOR P.L.S. 90081





STATE OF OREGON

COUNTY OF KLAMATH

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

LEE R. SUKRAW 1881 LOWER KLAMATH LAKE RD KLAMATH FALLS, OREGON 97603

This superseding permit is issued to correctly describe an amendment for an additional point of appropriation proposed under Permit Amendment Application T-12319 and approved by Special Order Vol. 103, Page 329, entered October 21, 2016, and a correcting order approved by Special Order Vol. 103, Page 552, entered December 7, 2016 and to describe an extension of time for complete application of water approved September 15, 2009. This permit supersedes Permit G-17641.

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

APPLICATION FILE NUMBER: G-15315

SOURCE OF WATER: NINE WELLS IN KLAMATH RIVER BASIN

PURPOSE OR USE: SUPPLEMENTAL IRRIGATION OF 1166.59 ACRES

MAXIMUM RATE: 14.58 CUBIC FEET PER SECOND

PERIOD OF USE: YEAR ROUND

DATE OF PRIORITY: MARCH 9, 2001

WELL LOCATIONS:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
40 S	9 E	WM	28	SE NE	WELL 1 - 2200 FEET SOUTH AND 1300 FEET WEST FROM THE NE CORNER OF SECTION 28
40 S	9 E	WM	29	SW SE	WELL 2 - 1380 FEET WEST FROM THE SE CORNER OF SECTION 29
40 S	9 E	WM	29	NE SW	WELL 3 - 2635 FEET NORTH AND 2933 FEET WEST FROM THE SE CORNER OF SECTION 29
40 S	9 E	WM	28	NWNW	WELL 4 - 800 FEET SOUTH AND 650 FEET EAST FROM THE NW CORNER OF SECTION 28
40 S	9 E	WM	27	SE SW	WELL 5 - 1200 FEET NORTH AND 2600 FEET EAST FROM THE SW CORNER OF SECTION 27
40 S	9 E	WM	27	SE SW	WELL 6 - 1150 FEET NORTH AND 2600 FEET EAST FROM THE SW CORNER OF SECTION 27

Application G=15315/T=12319 alh

Water Resources Department

Permit G-17708

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
39 S	9 E	WM	28	SE NE	WELL 7 - 2520 FEET SOUTH AND 46 FEET WEST FROM THE NE CORNER OF SECTION 28
39 S	9 E	WM	28	SE NE	WELL 8 - 2324 FEET SOUTH AND 22 FEET WEST FROM THE NE CORNER OF SECTION 28
40 S	9 E	WM	28	NE NW	WELL 9 - 960 FEET SOUTH AND 222 FEET WEST FROM THE NORTH 1/4 CORNER OF SECTION 28

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 3.0 acre-feet for each acre irrigated during the period from March 1 to September 30 and further limited to 1 acre foot per acre for each acre irrigated during the period from October 1 to March 1, not to exceed 3 acre feet per acre in any year.

THE PLACE OF USE IS LOCATED AS FOLLOWS:

Twp	Rng	Mer	Sec	Q-Q	GLot	Acres
40 S	9 E	WM	27	SW NW		5.00
40 S	9 E	WM	27	NE SW	2	15.00
40 S	9 E	WM	27	NW SW	1	20.00
40 S	9 E	WM	27	NW SW	5	8.06
40 S	9 E	WM	27	NW SW	6	11.53
40 S	9 E	WM	27	SW SW	7	49.00
40 S	9 E	WM	27	SE SW	3	23.00
40 S	9 E	WM	27	SE SW	4	9.78
40 S	9 E	WM	28	SW NE	5	4.86
40 S	9 E	WM	28	SW NE	9	15.00
40 S	9 E	WM	28	SW NE	2	2.70
40 S	9 E	WM	28	SE NE	3	20.10
40 S	9 E	WM	28	SE NE	4	8.36
40 S	9 E	WM	28	NE NW	1	9.70
40 S	9 E	WM	28	NW NW	1	8.30
40 S	9 E	WM	28	NW NW	6	8.42
40 S	9 E	WM	28	SW NW		38.83
40 S	9 E	WM	28	SE NW	8	31.29
40 S	9 E	WM	28	SE NW	1	0.20
40 S	9 E	WM	28	NE SE	10	36.23
40 S	9 E	WM	28	NW SE		39.49
40 S	9 E	WM	28	SW SE		39.82
40 S	9 E	WM	28	SE SE		39.77
40 S	9 E	WM	29	SW NE		39.93
40 S	9 E	WM	29	SE NE		40.79
40 S	9 E	WM	29	SW NW		41.51
40 S	9 E	WM	29	SE NW		40.66
40 S	9 E	WM	29	NE SW		38.63
40 S	9 E	WM	29	NW SW		41.32
40 S	9 E	WM	29	SW SW		37.96
40 S	9 E	WM	29	SE SW		37.20
40 S	9 E	WM	29	NW SE		40.87

40 S	9 E	WM	29	SW SE	40.36
40 S	9 E	WM	32	NE NE	40.92
40 S	9 E	WM	32	NW NE	41.00
40 S	9 E	WM	32	SW NE	40.89
40 S	9 E	WM	32	SE NE	40.75
40 S	9 E	WM	32	NE SE	40.56
40 S	9 E	WM	32	NW SE	40.77
40 S	9 E	WM	32	SW SE	39.15
40 S	9 E	WM	32	SE SE	38.88
		Total	1166.59		

Permit Amendment T-12319 Conditions

The combined quantity of water diverted at the new point of appropriation, together with that diverted at the old points of appropriation, shall not exceed the quantity of water lawfully available at the original point of appropriation.

Water use measurement conditions:

- a. Before water use may begin under this order, the water user shall install a totalizing flow meter, or, with prior approval of the Director, another suitable measuring device at each point of appropriation, new and existing.
- b. The water user shall maintain the meters or measuring devices in good working order.
- c. The water user shall allow the Watermaster access to the meters or measuring devices; provided however, where the meters or measuring devices are located within a private structure, the Watermaster shall request access upon reasonable notice.

Water shall be acquired from the same aquifer as the original points of appropriation.

Extension of Time Conditions

Checkpoint Condition

The permit holder must submit a completed Progress Report Form to the Department by October 1, 2012 and 2017.

- a. At each checkpoint, the permit holder shall submit and the Department shall review evidence of the permit holder's diligence towards completion of the project and compliance with terms and conditions of the permit and extension. If, after this review, the Department determines the permit holder has not been diligent in developing and perfecting the water use permit, or complied with all terms and conditions, the Department shall modify or further condition the permit or extension to ensure future compliance, or begin cancellation proceedings on the undeveloped portion of the permit pursuant to ORS 537.260 or 537.410, or require submission of a final proof survey pursuant to ORS 537.250;
- b. The Department shall provide notice of receipt of progress reports in its weekly notice and shall allow a 30 day comment period for each report. The Department shall provide notice of its determination to anyone who submitted comments.

Existing Permit Conditions

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.

To monitor the effect of water use from the well(s) authorized under this permit, the Department requires the water user to make and report annual static water level measurements. The static water level shall be measured in the month of March. Reports shall be submitted to the Department within 30 days of measurement.

Measurements must be made according to the following schedule:

Before Use of Water Takes Place

Initial and Annual Measurements

The Department requires the permittee to submit an initial water level measurement in the month specified above once well construction is complete and annually thereafter until use of water begins; and

After Use of Water has Begun

Seven Consecutive Annual Measurements

Following the first year of water use, the user shall submit seven consecutive annual reports of static water level measurements. The first of these seven annual measurements will establish the reference level against which future annual measurements will be compared. Based on an analysis of the data collected, the Director may require that the user obtain and report additional annual static water level measurements beyond the seven year minimum reporting period. The additional measurements may be required in a different month. If the measurement requirement is stopped, the Director may restart it at any time.

All measurements shall be made by a certified water rights examiner, registered professional geologist, registered professional engineer, licensed well constructor or pump installer licensed by the Construction Contractors Board and be submitted to the Department on forms provided by the Department. The Department requires the individual performing the measurement to:

- A. Identify each well with its associated measurement; and
- B. Measure and report water levels to the nearest tenth of a foot as depth-to-water below ground surface; and
- C. Specify the method used to obtain each well measurement; and

D. Certify the accuracy of all measurements and calculations submitted to the Department.

The water user shall discontinue use of, or reduce the rate or volume of withdrawal from, the well(s) if annual water level measurements reveal any of the following events:

- A. An average water level decline of three or more feet per year for five consecutive years; or
- B. A water level decline of 15 or more feet in fewer than five consecutive years; or
- C. A water level decline of 25 or more feet; or
- D. Hydraulic interference leading to a decline of 25 or more feet in any neighboring well with senior priority.

The period of non or restricted use shall continue until the annual water level rises above the decline level which triggered the action or until the Department determines, based on the permittee's and/or the Department's data and analysis, that no action is necessary because the aquifer in question can sustain the observed declines without adversely impacting the resource or senior water rights. The water user shall in no instance allow excessive decline, as defined in Commission rules, to occur within the aquifer as a result of use under this permit. If more than one well is involved, the water user may submit an alternative measurement and reporting plan for review and approval by the Department.

STANDARD CONDITIONS

If substantial interference with a senior water right occurs due to withdrawal of water from any well listed on this permit, then use of water from the well(s) shall be discontinued or reduced and/or the schedule of withdrawal shall be regulated until or unless the Department approves or implements an alternative administrative action to mitigate the interference. The Department encourages junior and senior appropriators to jointly develop plans to mitigate interferences.

The wells shall be constructed in accordance with the General Standards for the Construction and Maintenance of Water Wells in Oregon. The works shall be equipped with a usable access port, and may also include an air line and pressure gauge adequate to determine water level elevation in the well at all times.

The use shall conform to such reasonable rotation system as may be ordered by the proper state officer.

Prior to receiving a certificate of water right, the permit holder shall submit the results of a pump test meeting the department's standards, to the Water Resources Department. The Director may require water level or pump test results every ten years thereafter.

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 shall be limited when it interferes with any prior surface or ground water rights.

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.

Complete application of the water to the use was to be made on or before October 1, 2007. By extension of Time Final Order dated September 15, 2009, the deadline for complete application of water to use was extended to October 1, 2017. 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 **DEC 07 2016** , 2016

Dwight French Water Right Services Division Administrator, for

Thomas M. Byler, Director

Oregon Water Resources Department

REAL ESTATE TRANSACTIONS: 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.

CULTURAL RESOURCES PROTECTION LAWS: Permittees involved in ground-disturbing activities should be aware of federal and state cultural resources protection laws. ORS 358.920 prohibits the excavation, injury, destruction or alteration of an archeological site or object, or removal of archeological objects from public and private lands without an archeological permit issued by the State Historic Preservation Office. 16 USC 470, Section 106, National Historic Preservation Act of 1966 requires a federal agency, prior to any undertaking to take into account the effect of the undertaking that is included on or eligible for inclusion in the National Register. For further information, contact the State Historic Preservation Office at 503-378-4168, extension 232.