

boundary between the States of California and Oregon and the closed basins of Butte Valley, Red Rock Valley, Lost River Valley, Swan Lake Valley and Crater Lake, as delineated on the official map of the Upper Klamath River Basin approved on September 6, 1956, by the commissions negotiating this compact and filed with the Secretaries of State of the two states and the General Services Administration of the United States, which map is incorporated by reference and made a part hereof.

C. "Commission" shall mean the Klamath River Compact Commission as created by Article IX of this compact.

D. "Klamath Project" of the Bureau of Reclamation of the Department of the Interior of the United States shall mean that area as delineated by appropriate legend on the official map incorporated by reference under subdivision B of this Article.

E. "Person" shall mean any individual or any other entity, public or private, including either state, but excluding the United States.

F. "Keno" shall mean a point on the Klamath River at the present needle dam, or any substitute control dam constructed in section 36, township 39 south, range 7 east, Willamette Base and Meridian.

G. "Water" or "waters" shall mean waters appearing on the surface of the ground in streams, lakes or otherwise, regardless of whether such waters at any time were or will become ground water, but shall not include water extracted from underground sources until after such water is used and becomes surface return flow or waste water.

H. "Domestic use" shall mean the use of water for human sustenance, sanitation and comfort; for municipal purposes; for livestock watering; for irrigation of family gardens; and for other like purposes.

I. "Industrial use" shall mean the use of water in manufacturing operations.

J. "Irrigation use" shall mean the use of water for production of agricultural crops, including grain grown for feeding wildfowl.

ARTICLE III DISTRIBUTION AND USE OF WATER

A. There are hereby recognized vested rights to the use of waters originating in the Upper Klamath River Basin validly established and subsisting as of the effective date of this compact under the laws of the state in which the use or diversion is made, including rights to the use of waters for domestic and irrigation uses within the Klamath Project. There are also hereby recognized rights to the use of all waters reasonably required for domestic and irrigation

uses which may hereafter be made within the Klamath Project.

B. Subject to the rights described in subdivision A of this Article and excepting the uses of water set forth in subdivision E of Article XI, rights to the use of unappropriated waters originating within the Upper Klamath River Basin for any beneficial use in the Upper Klamath River Basin, by direct diversion or by storage for later use, may be acquired by any person after the effective date of this compact by appropriation under the laws of the state where the use is to be made, as modified by the following provisions of this subdivision B and subdivision C of this Article, and may not be acquired in any other way:

1. In granting permits to appropriate waters under this subdivision B, as among conflicting applications to appropriate when there is insufficient water to satisfy all such applications, each state shall give preference to applications for a higher use over applications for a lower use in accordance with the following order of uses:

- (a) Domestic use,
- (b) Irrigation use,
- (c) Recreational use, including use for fish and wildlife,
- (d) Industrial use,
- (e) Generation of hydroelectric power,
- (f) Such other uses as are recognized under the laws of the state involved.

These uses are referred to in this compact as uses (a), (b), (c), (d), (e) and (f), respectively. Except as to the superiority of rights to the use of water for use (a) or (b) over the rights to the use of water for use (c), (d), (e) or (f), as governed by subdivision C of this Article, upon a permit being granted and a right becoming vested and perfected by use, priority in right to the use of water shall be governed by priority in time within the entire Upper Klamath River Basin regardless of state boundaries. The date of priority of any right to the use of water appropriated for the purposes above enumerated shall be the date of the filing of the application therefor, but such priority shall be dependent on commencement and completion of construction of the necessary works and application of the water to beneficial use with due diligence and within the times specified under the laws of the state where the use is to be made. Each state shall promptly provide the commission and the appropriate official of the other state with complete information as to such applications and as to all actions taken thereon.

2. Conditions on the use of water under this subdivision B in Oregon shall be: