

STATE OF OREGON  
COUNTY OF YAMHILL  
CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

C. CALVERT KNUDSEN  
DBA KNUDSEN VINEYARDS  
17000 NE KNUDSEN LANE  
DUNDEE, OREGON 97115

confirms the right to store the waters of AN UNNAMED STREAM, a tributary of HESS CREEK, in KNUDSEN RESERVOIR, appropriated under Permit 50837, for RECREATION.

The right to store these waters was perfected under Reservoir Permit R-11192. The date of priority is AUGUST 21, 1989. The amount of water entitled to be stored each year under this right is not more than 2.7 acre-feet.

The reservoir is located as follows:

NW 1/4 SE 1/4  
SECTION 28  
TOWNSHIP 3 SOUTH, RANGE 3 WEST, W.M.

This right is subject to conditions as follows:

1. The structure shall be operated and maintained in accordance with the approved plans and specifications and with the design intent.
2. The outlet gate shall be cycled at least once each year in order to assure smooth operation.
3. The embankment and spillway shall be kept clear of trees, brush and other debris.
4. The embankment shall be kept free of burrowing animals.

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

Failure to comply with any of the provisions of this right may result in action including, but not limited to restrictions on the use, civil penalties, or cancellation of the right.

This right 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.

SEE NEXT PAGE

The right to store and use the water for the above purpose is restricted to beneficial use at the place of use described.

WITNESS the signature of the Water Resources Director, affixed FEBRUARY 18, 1997.

**/S/ Richard D. Bailey**

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Martha O. Pagel

Recorded in State Record of Water Right Certificates numbered 74124.

BASIN 2

VOLUME 17 HESS CREEK & MISC.

DISTRICT 18

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