STATE OF OREGON

COUNTY OF YAMHILL

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

KNUDSEN VINEYARDS PO BOX 280 DUNDEE OR 97115

confirms the right to store water perfected under the terms of Permit R-13491. The amount of water used to which this right is entitled is limited to the amount used beneficially, and shall not exceed the amount specified, or its equivalent in the case of rotation, measured at the point of diversion from the source. The specific limits and conditions of the use are listed below.

APPLICATION NUMBER: R-84809

SOURCE: AN UNNAMED STREAM, A TRIBUTARY OF HESS CREEK

STORAGE FACILITY: KNUDSEN POND # 2

PURPOSE or USE: APPROPRIATED UNDER PERMIT S-53871 FOR PRIMARY IRRIGATION OF 2.27 ACRES AND

SUPPLEMENTAL IRRIGATION OF 123.91 ACRES

MAXIMUM STORAGE VOLUME: 12.2 ACRE FEET EACH YEAR (ENLARGEMENT OF KNUDSEN POND # 2

ORIGINALLY CONSTRUCTED UNDER PERMIT R-11455)

WATER MAY BE APPROPRIATED FOR STORAGE DURING THE PERIOD: NOVEMBER 1 THROUGH MARCH 31

DATE OF PRIORITY: JULY 23, 2001

DAM LOCATION / POINT OF DIVERSION:

Twp	Rng	Mer	Sec	Q-Q	DLC	Measured Distances	
3 S	3 W	WM	33	NW NE	55	176 FEET SOUTH & 1647 FEET WEST FROM NE CORNER, SECTION 33	

The area submerged by this reservoir is as follows:

Twp	Rng	Mer	Sec	Q-Q	DLC
3 S	3_W	WM	33	NW NE	55

Measurement, recording and reporting conditions:

A. The water user shall maintain the meter or measuring device in good working order.

NOTICE OF RIGHT TO PETITION FOR RECONSIDERATION OR JUDICIAL REVIEW

This is an order in other than a contested case. This order is subject to judicial review under ORS 183.484. Any petition for judicial review must be filed within the 60-day time period specified by ORS 183.484(2). Pursuant to ORS 536.075 and OAR 137-004-0080, you may either petition for judicial review or petition the Director for reconsideration of this order. A petition for reconsideration may be granted or denied by the Director, and if no action is taken within 60 days following the date the petition was filed, the petition shall be deemed denied. In addition, under ORS 537.260 any person with an application, permit or water right certificate subsequent in priority may jointly or severally contest the issuance of the certificate at any time before it has issued, and after the time has expired for the completion of the appropriation under the permit, or within three months after issuance of the certificate.

- B. The water user 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.
- C. The Director may require the water user to keep and maintain a record of the amount (volume) of water used and may require the water user to report water use on a periodic schedule as established by the Director. In addition, the Director may require the water user to report general water use information, the periods of water use and the place and nature of use of water under the right. The Director may provide an opportunity for the water user to submit alternative reporting procedures for review and approval.

The outlet gate shall be cycled at least once each year and shall be fully operational at all times.

Routine maintenance of the dam, its spillway and appurtenant structures shall be performed as necessary to remove trees, brush and debris, or to repair slumps, areas of erosion, or defective equipment.

The earthen dam, the resultant reservoir, and the emergency spillway, shall be maintained according to the approved plans and specifications on file with the Oregon Water Resources Dam Safety program.

The completed structure shall not be enlarged, modified, altered or reconfigured without the prior written approval of the Director of the Water Resources Department or the Director's authorized representative. Except for routine maintenance, plans and specifications prepared by an Oregon licensed engineer are required for any enlargement, significant modification, alteration, or rehabilitation of the dam, spillway or appurtenant structures.

Use under this right is limited to the reservoir area. This right does not provide for the appropriation of water for maintaining the water level or maintaining a suitable fresh water condition.

The storage of water allowed herein is subject to the maintenance of a fully functional conduit/gate assembly have a minimum diameter of 8 inches.

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.

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 storage 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.

Issued

AUG 1 9 2010

Dwight W. French

Administrator Water Rights and Adjudications, for

Phillip C. Ward, Director

Water Resources Department