

STATE OF OREGON
 COUNTY OF YAMHILL
 CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

PINE RIDGE WINERY
 PO BOX 85
 DUNDEE OR 97115

confirms the right to the use of water perfected under the terms of Permit G-11888. 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 FILE NUMBER: G-13643

SOURCE OF WATER: A WELL IN THE WILLAMETTE RIVER BASIN

PURPOSE or USE: IRRIGATION OF 15.0 ACRES

MAXIMUM RATE: 0.166 CUBIC FOOT PER SECOND

PERIOD OF USE: MARCH 1 THROUGH OCTOBER 31 OF EACH YEAR

DATE OF PRIORITY: MARCH 23, 1994

The well is located as follows:

| Twp | Rng | Mer | Sec | Q-Q | Measured Distances |
|-----|-----|-----|-----|-------|---|
| 4 S | 3 W | WM | 3 | NE NW | 770 FEET SOUTH AND 1200 FEET WEST FROM N1/4 CORNER, SECTION 3 |

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 2.5 acre-feet for each acre irrigated during the irrigation season of each year.

A description of the place of use is as follows:

| Twp | Rng | Mer | Sec | Q-Q | GLot | DLC | Acres |
|-----|-----|-----|-----|-------|------|-----|-------|
| 3 S | 3 W | WM | 34 | SE SW | 7 | | 0.6 |
| 4 S | 3 W | WM | 3 | NE NW | | 62 | 14.4 |

The well shall be maintained 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 the water level elevation in the well at all times.

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 and ORS 536.075. Any petition for judicial review must be filed within the 60-day time period specified by ORS 183.484(2). Pursuant to ORS 183.484, ORS 536.075 and OAR 137-004-0080, you may petition for judicial review and 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 within three months after issuance of the certificate.

Measurement, recording and reporting conditions:

- A. The water user shall maintain the meter or other suitable measuring device approved by the Director in good working order.
- 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 water user shall report a March static water level in the well(s) to the Groundwater /Hydrology Section of the Water Resources Department by April 15 of each year. The measurement shall be made and calculations detailed by a certified water rights examiner, registered professional geologist, certified engineering geologist, registered professional engineer, registered land surveyor, licensed well constructor, pump installer licensed by the Construction Contractors Board or the appropriator. Measurements and calculations shall be provided to the Department on forms provided by the Department and shall be certified as to their accuracy by the individual making the measurements.

Use of water from the well(s) shall not be allowed if the well(s) displays an (A) average water level decline of 3 or more feet per year for 5 consecutive years; or (B) a water level decline of 15 or more feet in fewer than 5 consecutive years; or (C) a water level decline of 25 or more feet; or (D) a hydraulic interference decline of 25 or more feet in any neighboring well with senior priority which provides water for an authorized use.

The Water Resources Department has determined that the initial water level in the well is those of the initial March report. That is the level from which the cited declines in (A), (B) and (C) above will be referenced. The reference level is 174.2 below land surface.

The Director may require water level or pump test results every ten years.

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.

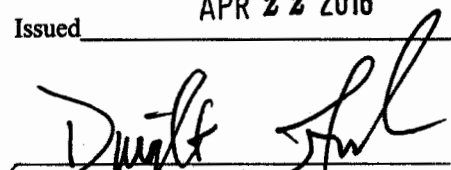
This right is for the beneficial use of water without waste. The water user is advised that new regulations may require the use of best practical technologies or conservation practices to achieve this end.

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

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

Issued APR 22 2016


Dwight French
Water Right Services Division Administrator, for
Thomas M. Byler, Director
Oregon Water Resources Department