STATE OF OREGON

COUNTY OF YAMHILL

ORDER APPROVING CHANGES IN USE AND PLACE OF USE

Pursuant to ORS 540.510 to 540.530, after notice was given and no objections were filed, and finding that no injury to existing water rights would result, this order approves, as conditioned or limited herein, TRANSFER 7181 submitted by

PEKKOLA FARMS, INC. 11501 NW MCBRIDE CEMETERY ROAD CARLTON, OREGON 97111.

The first right to be modified, as evidenced by a portion of Certificate 42983, was perfected under Permit R-5592 with a date of priority of JUNE 25, 1970. The right allows the storage of water from an UNNAMED STREAM, a tributary of the YAMHILL RIVER, for RECREATION AND FISH CULTURE. The amount of water to which this right is entitled is limited to an amount actually beneficially stored and shall not exceed 50.0 acrefeet, if available, or its equivalent in case of rotation, measured from the source.

The second right to be modified, as evidenced by a portion of Certificate 42984, was perfected under Permit 34938 with a date of priority of JUNE 25, 1970. The right allows the use of an UNNAMED STREAM and OBERG RESERVOIR CONSTRUCTED UNDER PERMIT R-5592, tributary of the YAMHILL RIVER, for RECREATION AND FISH CULTURE. The amount of water to which this right is entitled is limited to an amount actually beneficially used and shall not exceed 0.20 cubic foot per second, if available at the authorized point of diversion: SE½ NE½, SECTION 19, AS PROJECTED WITHIN McBRIDE DLC 57, T 3 S, R 4 W, WM; 1660 FEET SOUTH AND 1260 FEET WEST FROM THE NE CORNER, SECTION 19, or its equivalent in case of rotation, measured at the point of diversion from the source.

The use shall conform to any reasonable rotation system ordered by the proper state officer.

The location of record of the reservoir is as follows:

SW¼ NE¼ SE¼ NE¼

as projected within McBRIDE DLC 57
SECTION 19

TOWNSHIP 3 SOUTH, RANGE 4 WEST, W.M.

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

Bruce Estes, a certified Water Right Examiner hired by the applicant, has provided evidence that the locations of record for these water rights are in error.

The correct location for the point of diversion is:

NE% NE%, SECTION 19, as projected within McBRIDE DLC 57, T 3 S, R 4 W, WM; 1600 FEET NORTH AND 940 FEET WEST FROM THE E% CORNER, SECTION 19.

The correct location of the reservoir is:

SECTION 18

NE% NE% SE% NE%

as projected within McBRIDE DLC 57 SECTION 19 TOWNSHIP 3 SOUTH, RANGE 4 WEST, W.M.

The locations of record for these rights, including the portions of the rights not involved in this transfer, should be corrected.

The applicant proposes to change the purpose of the storage and the use of water to NURSERY OPERATIONS ON 121.8 ACRES. The applicant also proposes to change the place of use to:

SW1/4 SW1/4 5.6 ACRES	NE¼ NE¼	30.7 A	CRES
as projected within	NW¼ NE¼	21.0 A	CRES
McBRIDE DLC 57	SE% NE%	7.6 AG	CRES
SECTION 17	NE¼ NW¼	3.8 A	CRES
	all as proje	cted wi	lthin
SW¼ SE¼ 13.6 ACRES	McBRIDE DLC 57		
SE¼ SE¼ 23.0 ACRES	SECTI	ON 19	
both as projected within			
McBRIDE DLC 57	NW¼ NW¼	10.3 A	CRES

NW% NW% 10.3 ACRES
SW% NW% 6.2 ACRES
both as projected within
McBRIDE DLC 57
SECTION 20

TOWNSHIP 3 SOUTH, RANGE 4 WEST, W.M.

THESE CHANGES TO EXISTING WATER RIGHTS MAY BE MADE PROVIDED THE FOLLOWING CONDITIONS ARE MET BY THE WATER USER:

1. The proposed changes shall be completed on or before October 1, 1998.

2. The amount of water used for NURSERY OPERATIONS is limited to a diversion of 0.15 cubic foot per second per acre. For the irrigation of containerized nursery plants, the amount of water diverted is limited to ONE-FORTIETH of one cubic foot per second (or its equivalent) and 5.0 acre feet per acre per year. For the irrigation of in ground nursery plants the amount of water diverted is limited to ONE-EIGHTIETH of one cubic foot per second (or its equivalent) and 2.5 acre feet per acre per year. The use of water for NURSERY OPERATIONS may be made at anytime of the year that the use is beneficial. For the irrigation of any other crop, the amount of water diverted is limited to ONE-EIGHTIETH of one cubic foot per second (or its equivalent) and 2.5 acre feet per acre during the irrigation season of each year.

Certificates 42983 and 42984 are cancelled. New certificates will be issued to correct and confirm those portions of the rights NOT involved in this transfer. When satisfactory proof of the completed changes is received, new certificates confirming these water rights will be issued.

WITNESS the signature of the Water Resources Director, affixed <u>April 8, 1997</u>.

Martha O. Pagel, Director