STATE OF OREGON

COUNTY OF MARION

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

VERL L. HOLDEN and FLORENCE F. HARDESTY 10374 HAZEL GREEN ROAD NE SILVERTON, OREGON 97381

503-873-5940

to use the waters of ONE WELL in the LITTLE PUDDING RIVER BASIN for NURSERY OPERATIONS ON 20.9 ACRES.

This permit is issued approving Application G-12244. The date of priority is SEPTEMBER 26, 1990. The use is limited to not more than 2.0 CUBIC FEET PER SECOND, or its equivalent in case of rotation, measured at the well.

The well is located as follows:

SE 1/4 SW 1/4, SECTION 10, T 7 S, R 2 W, W.M.; 380 FEET NORTH AND 530 FEET EAST FROM SW CORNER, DLC 60.

The amount of water used for Nursery Operations (OAR 690-11-010(17)) 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 at any time 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.

The use shall conform to such reasonable rotation system as may be ordered by the proper state officer.

A description of the proposed place of use under the permit is as follows:

NE 1/4 SW 1/4 0.3 ACRE SE 1/4 SW 1/4 20.6 ACRES SECTION 10 TOWNSHIP 7 SOUTH, RANGE 2 WEST, W.M.

The well shall be constructed 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 water level elevation in the well at all times. When required by the department, the permittee shall install and maintain a weir, meter, or other suitable measuring device, and shall keep a complete record of the amount of ground water withdrawn.

Prior to receiving a certificate of water right, the permit holder shall submit the results of a pump test meeting the department's standards, to the Water Resources Department. The Director may require water level or pump test results every ten years thereafter.

Actual construction work shall begin on or before September 3, 1992, and shall be completed on or before October 1, 1993. Complete application of the water shall be made on or before October 1, 1994.

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

This permit is for beneficial use of water without waste. user is advised that new regulations may require 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.

Issued this date, SEPTEMBER 3, 1991.

/s/ WILLIAM H. YOUNG

Water Resources Department William H. Young Director