STATE OF OREGON

COUNTY OF CLACKAMAS

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

J FRANK SCHMIDT & SON CO PO BOX 189 BORING, OREGON 97009

(503) 663-4128

The specific limits for the use are listed below along with conditions of use.

APPLICATION FILE NUMBER: G-13043

SOURCE OF WATER: WELLS #1, #3, #4, AND #7

PURPOSE OR USE: NURSERY OPERATIONS ON 395.7 ACRES AND

IRRIGATION OF 24.0 ACRES

RATE OF USE: NOT TO EXCEED 4.0 CUBIC FEET PER SECOND, BEING 4.0 CFS FOR NURSERY OPERATIONS AND 0.3 CFS FOR IRRIGATION

PERIOD OF ALLOWED USE: NURSERY OPERATIONS ON 395.7 ACRES: JANUARY 1 THROUGH DECEMBER 31; IRRIGATION OF 24.0 ACRES: MARCH 1 THROUGH OCTOBER 31

DATE OF PRIORITY: JULY 24, 1992 FOR 0.89 CFS AND DECEMBER 15, 1992 FOR 3.11 CFS

POINT OF DIVERSION LOCATIONS: NE 1/4 NW 1/4, NE 1/4 SW 1/4, SE 1/4 SW 1/4, SECTION 17, T4S, R1E, W.M.; WELL #1 - 3280 FEET SOUTH AND 3410 FEET EAST; WELL #3 - 5180 FEET SOUTH AND 2620 FEET EAST; WELL #4 - 2860 FEET SOUTH AND 2660 FEET EAST; WELL #7 - 760 FEET SOUTH AND 2580 FEET EAST; ALL FROM THE NW CORNER OF SECTION 17, T4S, R1E, W.M.

THE PLACE OF USE IS LOCATED AS FOLLOWS:

NURSERY OPERATIONS

SW 1/4 NE 1/4 28.8 ACRES

SE 1/4 NE 1/4 3.1 ACRES

NE 1/4 NW 1/4 39.0 ACRES

NW 1/4 NW 1/4 38.0 ACRES

SW 1/4 NW 1/4 9.4 ACRES

SE 1/4 NW 1/4 33.8 ACRES

NE 1/4 SW 1/4 32.4 ACRES

NW 1/4 SW 1/4 2.0 ACRES

SW 1/4 SW 1/4 37.6 ACRES

SE 1/4 SW 1/4 40.1 ACRES

SEE NEXT PAGE

Application G-13043 Water Resources Department PERMIT G-12282

NE 1/4 SE 1/4 4.5 ACRES NW 1/4 SE 1/4 38.6 ACRES SW 1/4 SE 1/4 40.0 ACRES SE 1/4 SE 1/4 12.6 ACRES SECTION 17

NE 1/4 NE 1/4 3.5 ACRES NW 1/4 NE 1/4 11.6 ACRES NE 1/4 NW 1/4 10.7 ACRES NW 1/4 NW 1/4 10.0 ACRES SECTION 20

IRRIGATION

NE 1/4 SW 1/4 0.4 ACRES NW 1/4 SW 1/4 2.0 ACRES SW 1/4 SW 1/4 17.2 ACRES SE 1/4 SW 1/4 2.5 ACRES SECTION 17

NW 1/4 NW 1/4 1.9 ACRES
SECTION 20
TOWNSHIP 4 SOUTH, RANGE 1 EAST, W.M.

Measurement, recording and reporting conditions:

- A. Before water use may begin under this permit, the permittee shall install a meter or other suitable measuring device as approved by the Director. The permittee shall maintain the meter or measuring device in good working order, shall keep a complete record of the amount of water used each month and shall submit a report which includes the recorded water use measurements to the Department annually or more frequently as may be required by the Director. Further, the Director may require the permittee to report general water use information, including the place and nature of use of water under the permit.
- B. The permittee 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.

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

SEE NEXT PAGE

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.

In the event of a request for a change in point of appropriation, an additional point of appropriation or alteration of the appropriation facility associated with this authorized diversion, the quantity of water allowed herein, together with any other right, shall not exceed the capacity of the facility at the time of perfection of this right.

This right is limited to any deficiency in the available supply of any prior right existing for the same land.

The permittee shall obtain a static water-level measurement for each well during March of each year and report the measurement to the Department within thirty days. The measurement shall be made by a certified water rights examiner, licensed water well driller, registered geologist, registered professional engineer, registered land surveyor, licensed well constructor, pump installer licensed by the Construction Contractor's Board, or the permittee/ appropriator. Water levels shall be reported as depth-to-water below ground level and shall be accompanied by supporting calculations. If a well listed on this permit displays a total static water-level decline of 25 or more feet over any period of years, as compared to the reference level, then the permittee shall discontinue use of, or reduce the rate or volume of withdrawal from, the well(s). Such action shall be taken until the water level recovers to above the 25-foot decline level or until the Department determines, based on the permittee's or the Department's data and analysis, that no action is necessary because the aquifer in question can sustain the observed declines without adversely impacting the resource or senior water rights. The reference level for water-level declines shall be the second annual measurement taken after water use begins under the terms of this permit. The permittee shall in no instance allow excessive decline to occur within the aquifer as a result of use under this permit.

Groundwater production can occur from no shallower than 50 feet below land surface.

STANDARD CONDITIONS

The wells 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.

SEE NEXT PAGE

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

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.

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 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 Director finds that the proposed use(s) of water described by this permit, as conditioned, will not impair or be detrimental to the public interest.

Actual construction of the well shall begin within one year from permit issuance, and shall be completed on or before October 1, 1998. Complete application of the water to the use shall be made on or before October 1, 1999.

Issued February 21, 1996

Martha O. Pagel Director
Water Resources Department