

STATE OF OREGON

COUNTY OF LANE

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

KING ESTATE WINERY, INC.
80854 TERRITORIAL HWY
EUGENE, OREGON 97405

(541) 942-9874

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

APPLICATION FILE NUMBER: G-13645

SOURCE OF WATER: FIVE WELLS AND A SUMP/RESERVOIR IN NORTH FORK SIUSLAH RIVER BASIN

PURPOSE OR USE: AGRICULTURAL USE, IRRIGATION ON 412.0 ACRES, AND INDUSTRIAL USE

MAXIMUM RATE OF USE: NOT TO EXCEED A CUMULATIVE TOTAL OF 1.27 CUBIC FEET PER SECOND AT ANY ONE TIME FOR IRRIGATION, AGRICULTURAL USE AND INDUSTRIAL USE

PERIOD OF USE: MARCH 1 THROUGH OCTOBER 31 FOR IRRIGATION; YEAR ROUND FOR AGRICULTURAL USE AND INDUSTRIAL USE

DATE OF PRIORITY: MARCH 17, 1994

POINT OF DIVERSION LOCATIONS: SW 1/4 SW 1/4, SE 1/4 SW 1/4, SECTION 1, SE 1/4 NE 1/4, SE 1/4 SE 1/4, SECTION 2, T20S, R5W, W.M.; WELL #1 - 4587 FEET SOUTH AND 1679 FEET EAST; WELL #2 - 4263 FEET SOUTH AND 1014 FEET EAST, BOTH FROM THE NW CORNER OF SECTION 1; WELL #3 - 2555 FEET SOUTH AND 60 FEET WEST FROM THE NE CORNER OF SECTION 2; WELL #4 - 4346 FEET SOUTH AND 715 FEET EAST FROM THE NW CORNER OF SECTION 1; WELL #5 - 4982 FEET SOUTH AND 312 FEET WEST; SUMP/RESERVOIR - 4982 FEET SOUTH AND 312 FEET WEST, BOTH FROM THE NE CORNER OF SECTION 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.

Application G-13645 Water Resources Department

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PERMIT G-12896

THE PLACE OF USE IS LOCATED AS FOLLOWS:

SE 1/4 SW 1/4	4.6 ACRES
NE 1/4 SE 1/4	11.8 ACRES
NW 1/4 SE 1/4	12.9 ACRES
SW 1/4 SE 1/4	36.7 ACRES
SE 1/4 SE 1/4	7.9 ACRES

SECTION 35

TOWNSHIP 19 SOUTH, RANGE 5 WEST, W.M.

NW 1/4 NW 1/4	2.4 ACRES
SW 1/4 NW 1/4	2.4 ACRES
NW 1/4 SW 1/4	2.4 ACRES
SW 1/4 SW 1/4	37.8 ACRES
SE 1/4 SW 1/4	17.9 ACRES
SW 1/4 SE 1/4	0.2 ACRE

SECTION 1

NE 1/4 NE 1/4	38.2 ACRES
NW 1/4 NE 1/4	35.6 ACRES
SW 1/4 NE 1/4	15.2 ACRES
SE 1/4 NE 1/4	30.5 ACRES
NE 1/4 NW 1/4	8.3 ACRES
NE 1/4 SE 1/4	27.8 ACRES
NW 1/4 SE 1/4	10.9 ACRES
SW 1/4 SE 1/4	0.2 ACRE
SE 1/4 SE 1/4	28.1 ACRES

SECTION 2

NE 1/4 NE 1/4	6.6 ACRES
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SECTION 11

NE 1/4 NW 1/4	15.0 ACRES
NW 1/4 NW 1/4	40.0 ACRES
SW 1/4 NW 1/4	12.3 ACRES
SE 1/4 NW 1/4	6.3 ACRES

SECTION 12

TOWNSHIP 20 SOUTH, RANGE 5 WEST, 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.
- 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.

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

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.

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.

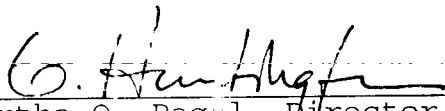
The use of water shall be limited when it interferes with any prior surface or ground water rights.

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.

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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 October 28, 1996


Martha O. Pagel, Director
Water Resources Department