

STATE OF OREGON

COUNTY OF YAMHILL

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

KCK FARMS
15150 SE LOWER ISLAND ROAD
DAYTON, OREGON 97114

PHONE: (503) 868-7671

The specific limits and conditions of the use are listed below.

APPLICATION FILE NUMBER: G-14663

SOURCE OF WATER: WELLS 1,2,3 AND 4 IN PALMER CREEK BASIN

PURPOSE OR USE: IRRIGATION AND AGRICULTURAL USE FOR NURSERY OPERATIONS ON 155.5 ACRES

MAXIMUM RATE: 4.01 CUBIC FOOT PER SECOND (CFS), BEING 0.89 CFS FROM WELL 1, 0.44 CFS FROM WELL 2, AND 1.34 CFS FROM EACH OF WELLS 3 AND 4 EACH

PERIOD OF USE: MARCH 1 THROUGH OCTOBER 31

DATE OF PRIORITY: JANUARY 12, 1998

POINT OF DIVERSION LOCATION: NE 1/4 SW 1/4, NW 1/4 SW 1/4, NW 1/4 SE 1/4, SW 1/4 SE 1/4, SECTION 36, T4S, R4W, W.M.; WELL 1- 510 FEET NORTH & 560 FEET WEST; WELL 2- 1500 FEET NORTH & 330 FEET WEST; WELL 3- 1150 FEET NORTH & 1800 FEET WEST; WELL 4- 1100 FEET NORTH & 3200 FEET WEST, ALL FROM THE FROM SE CORNER, DLC 91

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.

THE PLACE OF USE IS LOCATED AS FOLLOWS:

NE 1/4 SE 1/4 0.3 ACRE
SE 1/4 SE 1/4 2.0 ACRES
SECTION 35

Application G-14663

Water Resources Department

PERMIT G-13597

SW 1/4	NE 1/4	3.0 ACRES
SW 1/4	NW 1/4	1.6 ACRES
SE 1/4	NW 1/4	4.5 ACRES
NE 1/4	SW 1/4	41.9 ACRES
NW 1/4	SW 1/4	36.0 ACRES
SW 1/4	SW 1/4	15.2 ACRES
SE 1/4	SW 1/4	15.2 ACRES
NW 1/4	SE 1/4	29.8 ACRES
SW 1/4	SE 1/4	6.0 ACRES

SECTION 36

TOWNSHIP 4 SOUTH, RANGE 4 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, 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.

If substantial interference with a senior water right occurs due to withdrawal of water from any well listed on this permit, then use of water from the well(s) shall be discontinued or reduced and/or the schedule of withdrawal shall be regulated until or unless the Department approves or implements an alternative administrative action to mitigate the interference. The Department encourages junior and senior appropriators to jointly develop plans to mitigate interferences.

Groundwater for use under this permit shall be produced from no shallower than 100 feet below land surface for all four wells. Wells 1 and 2 must be reconstructed to prevent groundwater production from shallower than 100 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.

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.

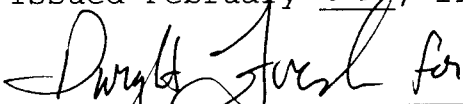
By law, the land use associated with this water use must be in compliance with statewide land-use goals and any local acknowledged land-use plan.

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 by September 24, 1999. Complete application of water to the use shall be made on or before October 1, 2002. Within one year after complete application of water to the proposed use, the permittee shall submit a claim of beneficial use, which includes a map and report, prepared by a Certified Water Rights Examiner (CWRE).

Issued February 23, 1999


Martha O. Pagel, Director
Water Resources Department

Application G-14663
Basin 02
LKS

Water Resources Department
Volume 11 S YAMHILL R
MGMT.CODES 7BG 7BR

PERMIT G-13597
District 16