

STATE OF OREGON

COUNTY OF MULTNOMAH

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

SESTER FARMS INC.
GORDON H. AND FAITH M. SESTER
33205 SE OXBOW DR
GRESHAM, OREGON 97080

(503) 663-4844

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

APPLICATION FILE NUMBER: G-15623

SOURCE OF WATER: THREE WELLS IN NORTH FORK BEAVER CREEK BASIN

PURPOSE OR USE: NURSERY USE ON 300.35 ACRES

MAXIMUM CUMULATIVE TOTAL: 4.01 CUBIC FEET PER SECOND (CFS); BEING NO MORE THAN 0.67 CFS FROM WELL #1, 1.67 CFS FROM WELL #2, AND 1.67 CFS FROM WELL #3.

PERIOD OF USE: YEAR ROUND

DATE OF PRIORITY: OCTOBER 5, 2001

WELL LOCATIONS:

WELL #1: NW ¼ SE ¼, SECTION 16, T1S, R4E, W.M.; 1070 FEET SOUTH & 50 FEET EAST FROM C1/4 CORNER, SECTION 16

WELL #2: NE ¼ SE ¼, SECTION 16, T1S, R4E, W.M.; 1140 FEET SOUTH & 1415 FEET EAST FROM C1/4 CORNER, SECTION 16

WELL #3: SE ¼ SE ¼, SECTION 16, T1S, R4E, W.M.; 2175 FEET SOUTH & 1415 FEET EAST FROM C1/4 CORNER, SECTION 16

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, during the period of allowed use specified above, 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:

NW ¼ NE ¼ 20.00 ACRES
 SW ¼ NE ¼ 24.75 ACRES
 NE ¼ NW ¼ 20.00 ACRES
 NW ¼ NW ¼ 18.00 ACRES
 SW ¼ NW ¼ 18.75 ACRES
 SE ¼ NW ¼ 19.50 ACRES
 NE ¼ SW ¼ 38.50 ACRES
 SE ¼ SW ¼ 38.50 ACRES
 NE ¼ SE ¼ 37.60 ACRES
 NW ¼ SE ¼ 36.50 ACRES
 SW ¼ SE ¼ 8.00 ACRES
 SE ¼ SE ¼ 20.25 ACRES

SECTION 16

TOWNSHIP 1 SOUTH, RANGE 4 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 well(s) shall produce groundwater from the deep Troutdale groundwater reservoir between approximately 300 feet and 500 feet below land surface.

The use of water under terms of this permit or certificate is subject to regulation concurrent with or prior to regulation of a senior right competing for water from the same source when regulation is the result of water level declines that exceed limits specified in the senior right.

Use of water under authority of this permit may be regulated if analysis of data available after the permit is issued discloses that the appropriation will measurably reduce the surface water flows necessary to maintain the free-flowing character of a scenic waterway in quantities necessary for recreation, fish and wildlife in effect as of the priority date of the right or as those quantities may be subsequently reduced.

If the number, location, or construction of any well deviates from that proposed in the permit application or permit conditions, the conclusions of the Proposed Final Order and Final Order under which this permit was granted may be revised, conditions may be appropriately revised, or this permit may not be valid.

- (1) Use of water from the well, as allowed herein, shall be regulated if the well displays:
 - (a) An average water level decline of three or more feet per year for five consecutive years; or
 - (b) A total water level decline of fifteen or more feet; or
 - (c) A hydraulic interference decline of fifteen or more feet in any neighboring well providing water for senior exempt uses or wells covered by prior rights.
- (2) The permittee/appropriator shall install a meter or other measuring device suitable to the Director, and shall keep a complete record of water uses.
- (3) The permittee/appropriator shall be responsible for complying with each of the following requirements for measuring water levels in the well.
 - (a) Use of water from a new well shall not begin until the initial water level in the well has been measured. A measurement of initial water level shall be made at the time a pump is installed, but before pumping begins.
 - (b) In addition to the measurement required in subsection (a) of this section, a water level measurement shall be made each

year at the time of spring high water during the period March 15 through April 15.

- (c) All water level measurements shall be made by a qualified individual. Qualified individuals include certified water rights examiners, licensed water well drillers, registered geologists, registered professional engineers, registered land surveyors, licensed well constructor, pump installer licensed by the Construction Contractors Board, or the permittee/appropriator.
- (d) Any qualified individual measuring a well shall use standard methods of procedure and equipment designed for the purpose of well measurement. The equipment used shall be well suited to the conditions of construction at the well. A list of standard methods of procedure and suitable equipment shall be available from the Department.
- (e) The permittee/appropriator shall submit a record of the measurement to the Department on a form available from the Department. The record of measurement shall include both measurements and calculations, shall include a certification as to their accuracy signed by the individual making the measurements, and shall be received not later than 30 days from the date of measurement. The Department shall determine when any of the declines cited in section (1) are evidenced by the well measurement required in section (3).

STANDARD CONDITIONS

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.

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.

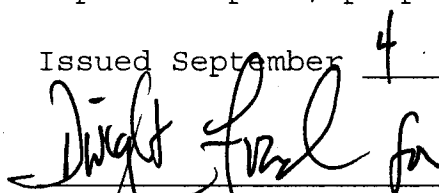
The use of water shall be limited when it interferes with any prior surface or ground water rights.

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.

Complete application of the water to the use shall be made on or before October 1, 2006. If the water is not completely applied before this date, and the permittee wishes to continue development under the permit, the permittee must submit an application for extension of time, which may be approved based upon the merit of the application.

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 September 4, 2002


Paul R. Cleary, Director
Water Resources Department

Application G-15623
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PERMIT G-15196
District 20