STATE OF OREGON

COUNTY OF CLACKAMAS

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

RHOADS RHODIE RANCH INC 2797 N LOCUST CANBY, OR 97013

(503)266-2470

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

APPLICATION FILE NUMBER: G-16465

SOURCE OF WATER: WELL 1, WELL 2, WELL 3, AND WELL 4 IN WILLAMETTE RIVER

BASIN

PURPOSE OR USE: NURSERY USE ON 17.88 ACRES

MAXIMUM RATE: 0.45 CUBIC FOOT PER SECOND

PERIOD OF USE: YEAR ROUND

DATE OF PRIORITY: MAY 23, 2005

WELL LOCATIONS:

WELL 1: NE 1/4 NW 1/4, SECTION 28, T3S, RIE, W.M.; 375 FEET SOUTH & 528

FEET WEST FROM N 1/2 CORNER, SECTION 28

WELL 2: NE 1/2 NW 1/4, SECTION 28, T38, R1E, W.M.; 550 FEET SOUTH & 575

FEET WEST FROM N % CORNER, SECTION 28

WELL 3: NE 1/2 NW 1/2, SECTION 28, T3S, R1E, W.M.; 850 FEET SOUTH & 514 FEET WEST FROM N / CORNER, SECTION 28

WELL 4: NE 1/2 NW 1/2 SECTION 28 T3S RIE, W.M.; 870 FEET SOUTH & 465

FEET WEST FROM N % CORNER SECTION 28

The amount of water used for hursery use is limited to a maximum of 5.0 acre feet per acre and a diversion of 0.15 gubic foot per second per acre. For irrigation of containerized nursery plants, the amount of water diverted is limited to one fortieth of one cubic foot per second and 5.0 acre feet per acre per year. For irrigation of in-ground nursery plants the amount of water diverted is limited to one eightieth of one cubic foot per second and 2.5 acre feet per acre per year. The use of water for nursery use may be made at any time, during the period of allowed use specified above, that the use is beneficial. For irrigation of any other crop, the amount of water diverted is limited to one eightieth of one cubic foot per second and 2.5 acre feet per acre during the irrigation season of each year.

THE PLACE OF USE IS LOCATED AS FOLLOWS:

NE ¼ NW ¼ 17.88 ACRES
SECTION 28
TOWNSHIP 3 SOUTH, RANGE 1 EAST, W.M.

Measurement, recording and reporting conditions:

- A. Before water use may begin under this permit, the water user shall install a meter or other suitable measuring device as approved by the Director. The water user 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 water user to report general water use information, including the place and nature of use of water under the permit.
- B. The water user 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.

STANDARD CONDITIONS

If the number, location, source, or construction of any well deviates from that proposed in the permit application or required by permit conditions, this permit may not be valid, unless the Department authorizes the change in writing.

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.

Where two or more water users agree among themselves as to the manner of rotation in the use of water and such agreement is placed in writing and filed by such water users with the watermaster, and such rotation system does not infringe upon such prior rights of any water user not a party

to such rotation plan, the watermaster shall distribute the water according to such agreement.

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.

Completion of construction and complete application of the water to the use shall be made on or before October 1, 2010. 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 January /2

2 , 2006

Phillip C. Ward, Director

Water Resources Department