

STATE OF OREGON

COUNTY OF YAMHILL

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

FOXGLOVE PROPERTIES LLC
DOMAINE SERENE VINEYARD
6555 NE HILLTOP LANE
DAYTON, OR 97114

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

APPLICATION FILE NUMBER: G-18079

SOURCE OF WATER: WELL 7 IN HESS CREEK BASIN

PURPOSE OR USE: COMMERCIAL USES; PRIMARY IRRIGATION OF 34.2 ACRES;
PRIMARY IRRIGATION OF 30.9 ACRES TO MAKE UP A DEFICIENCY IN RATE;
SUPPLEMENTAL IRRIGATION OF 6.9 ACRES

MAXIMUM RATE: 0.17 CUBIC FOOT PER SECOND, FURTHER LIMITED TO 0.17 CFS FOR
PRIMARY IRRIGATION OF 34.2 ACRES, AND 0.12 CFS FOR PRIMARY IRRIGATION TO
MAKE UP A DEFICIENCY IN RATE ON 30.9 ACRES, AND 0.09 CFS FOR SUPPLEMENTAL
IRRIGATION OF 6.9 ACRES

PERIOD OF USE:

YEAR-ROUND COMMERCIAL USE

MARCH 1 THROUGH OCTOBER 31 PRIMARY AND SUPPLEMENTAL IRRIGATION

DATE OF PRIORITY: MAY 13, 2015

WELL LOCATION: NE ¼ NW ¼ SECTION 33, T3S, R3W, W.M.; 1074 FEET SOUTH AND
1642 FEET EAST FROM NW CORNER, SECTION 33

The amount of water used for irrigation under this right, together with
the amount secured under any other right existing for the same lands, is
limited to a diversion of ONE-EIGHTIETH of one cubic foot per second and
2.5 acre-feet for each acre irrigated during the irrigation season of
each year.

THE PLACE OF USE IS LOCATED AS FOLLOWS:

OO	PRIMARY	PRIMARY DEFICIENCY	SUPPLEMENTAL	COMMERCIAL
NE¼ NW¼	16.3 ACRES			X
NW¼ NW¼	12.4 ACRES	5.0 ACRES		X
SW¼ NW¼	0.3 ACRE	20.3 ACRES		X
SE¼ NW¼	5.2 ACRES	5.6 ACRES	6.9 ACRES	X
		SECTION 33		
		TOWNSHIP 3 SOUTH, RANGE 3 WEST, W.M.		

Measurement devices, and recording/reporting of annual water use conditions:

- A. Before water use may begin under this permit, the permittee shall install a totalizing flow meter at each point of appropriation. The permittee shall maintain the device in good working order.
- B. The permittee shall allow the watermaster access to the device; provided however, where any device is located within a private structure, the watermaster shall request access upon reasonable notice.
- C. The permittee shall keep a complete record of the volume of water diverted each month, and shall submit a report which includes 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.
- D. The Director may provide an opportunity for the permittee to submit alternative measuring and reporting procedures for review and approval.

Static Water Level Conditions:

Use of water from any well, as allowed herein, shall be controlled or shut off 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 15 or more feet; or
- C. A hydraulic interference decline of 15 or more feet in any neighboring well providing water for senior exempt uses or wells covered by prior rights.

The permittee/appropriator shall be responsible for complying with each of the following requirements for measuring water levels in the well(s).

- A. Use of water from a new well shall not begin until an initial static water level in the well has been measured and reported to the Department in writing.
- B. In addition to the measurement required in subsection (A) of this section, a water-level measurement shall be made each year during the period March 1 through March 31.
- C. All water-level measurements shall be made by a qualified individual. Qualified individuals are certified water rights examiners, registered geologists, registered professional

engineers, licensed land surveyors, licensed water well constructor, or licensed pump installer.

- 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 is available from the Department.
- E. The permittee/appropriator shall report the record of 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 submitted to the Department within 90 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 (2).

Dedicated Measuring Tube Condition:

Wells with pumps shall be equipped with a minimum 3/4-inch diameter, unobstructed, dedicated measuring tube pursuant to figure 200-5 in OAR 690-200. If a pump has been installed prior to the issuance of this permit, and if static water levels and pumping levels can be measured using an electrical tape, then the installation of the measuring tube can be delayed until such time that water levels cannot be measured or the pump is repaired or replaced.

Well Construction Conditions:

The well shall be open to a single aquifer in the Grande Ronde Basalt Formation in the Columbia River Basalt Group and shall meet applicable well construction standards (OAR 690-200 and OAR 690-210). In addition, the open interval shall be no greater than 50 feet. However, a larger open interval may be approved by the Department if the applicant can demonstrate to the satisfaction of the Department that the well is only open to a single aquifer. Following well completion, the well shall be thoroughly developed to remove cuttings and drilling fluids. Substantial evidence of a single aquifer completion may be collected by video log, downhole flowmeter, water chemistry and temperature, or other downhole geophysical methods approved by the Department. These methods shall characterize the nature of the basalt rock and assess whether water is moving in the borehole. Any discernable movement of water within the well bore when the well is not being pumped shall be assumed as evidence of the presence of multiple aquifers in the open interval.

Drill cuttings shall be collected at 10-foot intervals and at changes in lithology in the well, and a split of each sampled interval shall be provided to the Department.

Well Identification Tag Condition

Prior to using water from any well listed on this permit, the permittee shall ensure that the well has been assigned an OWRD Well Identification

Number (Well ID tag), which shall be permanently attached to the well. The Well ID shall be used as a reference in any correspondence regarding the well, including any reports of water use, water level, or pump test data.

STANDARD CONDITIONS

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.

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 be subject to cancellation, unless the Department authorizes the change in writing.

If substantial interference with surface water or 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 well(s) shall be constructed and maintained in accordance with the General Standards for the Construction and Maintenance of Water Supply Wells in Oregon. The works shall be equipped with a usable access port adequate to determine water-level elevation in the well at all times.

If the riparian area is disturbed in the process of developing a point of appropriation, the permittee shall be responsible for restoration and enhancement of such riparian area in accordance with ODFW's Fish and Wildlife Habitat Mitigation Policy OAR 635-415. For purposes of mitigation, the ODFW Fish and Wildlife Habitat Mitigation Goals and Standards, OAR 635-415, shall be followed.

The use may be restricted if the quality of downstream waters decreases to the point that those waters no longer meet state or federal water quality standards due to reduced flows.

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 to the Water Resources Department the results of a pump test meeting the Department's standards for each point of appropriation (well), unless an exemption has been obtained in writing under OAR 690-217. The Director may require water-level or pump-test data every ten years thereafter.

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.

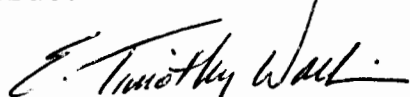
By law, the land use associated with this water use must be in compliance with statewide land-use goals and any local acknowledged land-use plan.

Construction of the well shall be made within five years of the date of permit issuance. The deadline to begin construction may not be extended. This permit is subject to cancellation proceedings if the begin construction deadline is missed.

Complete application of the water shall be made within five years of the date of permit issuance. If beneficial use of permitted water has not been made before this date, the permittee may submit an application for extension of time, which may be approved based upon the merit of the application.

Within one year after making beneficial use of water, the permittee shall submit a claim of beneficial use, which includes a map and report, prepared by a Certified Water Rights Examiner.

Issued *OCTOBER 14 2016*



E. Timothy Wallin, Water Rights Program Manager
for Thomas M. Byler, Director