

STATE OF OREGON

COUNTY OF MORROW

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

THREEMILE FARMS LLC
75906 THREEMILE ROAD
BOARDMAN, OREGON 97818

WELLS FARGO BANK; NATIONAL ASSOCIATION
1201 PACIFIC AVENUE, 17TH FLOOR
TACOMA, WA 98402

This superseding permit is issued to describe an amendment for an additional point of appropriation proposed under Permit Amendment Application T-12421 and approved by Special Order Vol. 103, Page 532, entered December 2, 2016, and to describe an extension of time for complete application of water approved October 21, 2011 and assignments to new permittees approved January 30, 2013 and December 8, 2015. This permit supersedes Permit G-17343.

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

APPLICATION FILE NUMBER: G-15210

SOURCE OF WATER: SIX WELLS IN WILLOW CREEK BASIN

PURPOSE OR USE: AGRICULTURAL USE

MAXIMUM RATE: 2.67 CUBIC FEET PER SECOND

PERIOD OF USE: YEAR ROUND

DATE OF PRIORITY: SEPTEMBER 6, 2000

WELL LOCATION:

| Twp | Rng | Mer | Sec | Q-Q | Measured Distances |
|-----|------|-----|-----|-------|---|
| 3 N | 23 E | WM | 26 | SE NE | WELL 2 - 1845 FEET SOUTH AND 990 FEET WEST FROM THE NE CORNER OF SECTION 26 |
| 3 N | 23 E | WM | 24 | NE SE | WELL 3 - 1955 FEET NORTH AND 510 FEET WEST FROM THE SE CORNER OF SECTION 24 |
| 3 N | 23 E | WM | 24 | NE NE | WELL 4 - 1020 FEET SOUTH AND 80 FEET WEST FROM THE NE CORNER OF SECTION 24 |

| Twp | Rng | Mer | Sec | Q-Q | Measured Distances |
|-----|------|-----|-----|-------|--|
| 3 N | 23 E | WM | 27 | NW SE | WELL 5 - 3075 FEET SOUTH AND 2600 FEET WEST FROM THE NE CORNER OF SECTION 27 |
| 3 N | 23 E | WM | 26 | SW NE | WELL 6 - 1800 FEET SOUTH AND 2575 FEET WEST FROM THE NE CORNER OF SECTION 26 |
| 3 N | 24 E | WM | 19 | SW SW | WELL 7 - 1100 FEET NORTH AND 58 FEET EAST FROM THE SW CORNER OF SECTION 19 |

THE PLACE OF USE IS LOCATED AS FOLLOWS:

| Twp | Rng | Mer | Sec | Q-Q |
|-----|------|-----|-----|-------|
| 3 N | 23 E | WM | 13 | SW NE |
| 3 N | 23 E | WM | 13 | SE NE |
| 3 N | 23 E | WM | 13 | NE SE |
| 3 N | 23 E | WM | 13 | NW SE |
| 3 N | 23 E | WM | 13 | SW SE |
| 3 N | 23 E | WM | 13 | SE SE |
| 3 N | 23 E | WM | 24 | NE NE |
| 3 N | 23 E | WM | 24 | NW NE |
| 3 N | 23 E | WM | 24 | SW NE |
| 3 N | 23 E | WM | 24 | SE NE |
| 3 N | 23 E | WM | 25 | NW NW |
| 3 N | 23 E | WM | 25 | SW NW |
| 3 N | 23 E | WM | 25 | NW SW |
| 3 N | 23 E | WM | 25 | SW SW |
| 3 N | 23 E | WM | 26 | NE NE |
| 3 N | 23 E | WM | 26 | NW NE |
| 3 N | 23 E | WM | 26 | SW NE |
| 3 N | 23 E | WM | 26 | SE NE |
| 3 N | 23 E | WM | 26 | NE NW |
| 3 N | 23 E | WM | 26 | NW NW |
| 3 N | 23 E | WM | 26 | SW NW |
| 3 N | 23 E | WM | 26 | SE NW |
| 3 N | 23 E | WM | 26 | NE SW |
| 3 N | 23 E | WM | 26 | NW SW |
| 3 N | 23 E | WM | 26 | SW SW |
| 3 N | 23 E | WM | 26 | SE SW |
| 3 N | 23 E | WM | 26 | NE SE |
| 3 N | 23 E | WM | 26 | NW SE |
| 3 N | 23 E | WM | 26 | SW SE |
| 3 N | 23 E | WM | 26 | SE SE |
| 3 N | 24 E | WM | 18 | NE SW |
| 3 N | 24 E | WM | 18 | NW SW |
| 3 N | 24 E | WM | 18 | SW SW |
| 3 N | 24 E | WM | 18 | SE SW |
| 3 N | 24 E | WM | 19 | NE NW |
| 3 N | 24 E | WM | 19 | NW NW |
| 3 N | 24 E | WM | 19 | SW NW |

Permit Amendment T-12421 Conditions

The combined quantity of water diverted at the new point of appropriation, together with that diverted at the old points of appropriation, shall not exceed the quantity of water lawfully available at the original points of appropriation.

Water use measurement conditions:

- a. Before water use may begin under this order, the water user shall install totalizing flow meters, or, with prior approval of the Director, another suitable measuring devices at each point of appropriation, new and existing.
- b. The water user shall maintain the meters or measuring devices in good working order.
- c. The water user shall allow the Watermaster access to the meters or measuring devices; provided however, where the meters or measuring devices are located within a private structure, the Watermaster shall request access upon reasonable notice.

Water shall be acquired from the same aquifer as the original points of appropriation.

Extension of Time ConditionCheckpoint Condition

The permit holder must submit completed Progress Report Forms to the Department by **October 1, 2016 and October 1, 2020.**

- (a) At each checkpoint, the permit holder shall submit and the Department shall review evidence of the permit holder's diligence towards completion of the project and compliance with terms and conditions of the permit and extension. If, after this review, the Department determines the permit holder has not been diligent in developing and perfecting the water use permit, or complied with all terms and conditions, the Department shall modify or further condition the permit or extension to ensure future compliance, or begin cancellation proceedings on the undeveloped portion of the permit pursuant to ORS 537.260 or 537.410, or require submission of a final proof survey pursuant to ORS 537.250;
- (b) The Department shall provide notice of receipt of progress reports in its weekly notice and shall allow a 30 day comment period for each report. The Department shall provide notice of its determination to anyone who submits comments.

Existing Permit Conditions

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 water user shall develop a plan to monitor and report the impact of water use under this permit on water levels within the aquifer that provides water to the permitted well(s). The plan shall be submitted to the Department within one year of the date the permit is issued and shall be subject to the approval of the Department. At a minimum, the plan shall include a program to periodically measure static water levels within the permitted well(s) or an adequate substitute such as water levels in nearby wells. The plan shall also stipulate a reference water level against which any water-level declines will be compared. If a well listed on this permit (or replacement well) displays a total static water-level decline of 25 or more feet over any period of years, as compared to the reference level, then the water user shall discontinue use of, or reduce the rate or volume of withdrawal from, the well(s). Such action shall be taken until the water level recovers to above the 25-foot decline level or until the Department determines, based on the water user's and/or the Department's data and analysis, that no action is necessary because the aquifer in question can sustain the observed declines without adversely impacting the resource or senior water rights. The water user shall in no instance allow excessive decline, as defined in Commission rules, to occur within the aquifer as a result of use under this permit.

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 landuse 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, 2021. 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 December 2, 2016



Dwight French, Water Right Services Division Administrator, for
Thomas M. Byler, Director
Oregon Water Resources Department

NOTE: Pursuant to ORS 537.330, in any transaction for the conveyance of real estate that includes any portion of the lands described in this permit, the seller of the real estate shall, upon accepting an offer to purchase that real estate, also inform the purchaser in writing whether any permit, transfer approval order, or certificate evidencing the water right is available and that the seller will deliver any permit, transfer approval order or certificate to the purchaser at closing, if the permit, transfer approval order or certificate is available.