

STATE OF OREGON

COUNTY OF YAMHILL

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

RED HILLS FARM LLC
15909 NE MCDOUGALL RD
DAYTON, OR 97114

This superseding permit is issued to describe an amendment for additional points of appropriation proposed under Permit Amendment Application T-13630 and approved by Special Order 121, Page 335 entered ~~September 15, 2011~~ ^{AUG 04 2021}, and to describe extension of time for complete application of water approved on September 15, 2011. This permit superseded Permit G-15661.

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

APPLICATION FILE NUMBER: G-16016

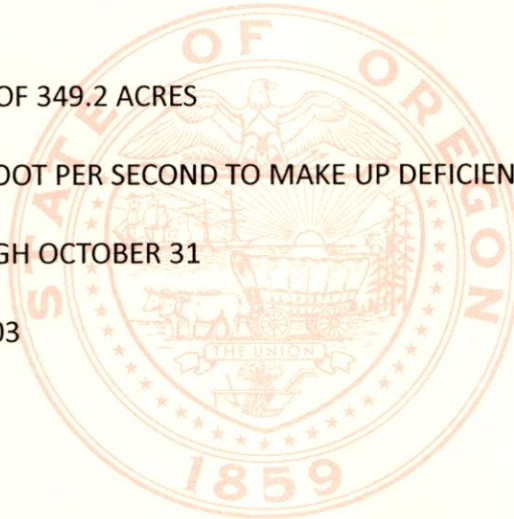
SOURCE OF WATER: WELL 8, DRAIN TILE, WELL 2, WELL 5, WELL 6A, WELL 6, AND WELL 7 IN MILLER CREEK BASIN

PURPOSE OR USE: IRRIGATION OF 349.2 ACRES

MAXIMUM RATE: 0.14 CUBIC FOOT PER SECOND TO MAKE UP DEFICIENCY IN RATE

PERIOD OF USE: MAY 1 THROUGH OCTOBER 31

DATE OF PRIORITY: MAY 23, 2003



WELL AND DRAIN TILE LOCATIONS:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
4 S	3 W	WM	8	NW NE	DRAIN TILE (DT) - 85 FEET SOUTH AND 60 FEET EAST FROM N1/4 CORNER, SECTION 8
4 S	3 W	WM	8	NW NE	WELL 2 – 150 FEET SOUTH AND 2010 FEET WEST FROM THE NE CORNER OF SECTION 8
4 S	3 W	WM	8	NE NE	WELL 5 – 1075 FEET SOUTH AND 30 FEET WEST FROM THE NE CORNER OF SECTION 8
4 S	3 W	WM	9	NW NW	WELL 8 - 540 FEET SOUTH AND 680 FEET EAST FROM NW CORNER, SECTION 9
4 S	3 W	WM	9	NW NW	WELL 6A – 1030 FEET SOUTH AND 497 FEET EAST FROM THE NEW CORNER OF SECTION 9
4 S	3 W	WM	9	NW NW	WELL 6 – 1070 FEET SOUTH AND 500 FEET EAST FROM THE NW CORNER OF SECTION 9
4 S	3 W	WM	9	NW NW	WELL 7 - 415 FEET SOUTH AND 1140 FEET EAST FROM THE NW CORNER OF SECTION 9

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:

IRRIGATION					
Twp	Rng	Mer	Sec	Q-Q	Acres
4 S	3 W	WM	4	NW SW	30.1
4 S	3 W	WM	4	SW SW	36.4
4 S	3 W	WM	5	SW NE	1.8
4 S	3 W	WM	5	NE SW	0.4
4 S	3 W	WM	5	SE SW	7.3
4 S	3 W	WM	5	NE SE	29.8
4 S	3 W	WM	5	NW SE	27.0
4 S	3 W	WM	5	SW SE	40.9
4 S	3 W	WM	5	SE SE	40.5
4 S	3 W	WM	8	NE NE	40.6
4 S	3 W	WM	8	NW NE	16.8
4 S	3 W	WM	8	SW NE	2.7
4 S	3 W	WM	8	SE NE	14.7
4 S	3 W	WM	9	NW NW	38.7
4 S	3 W	WM	9	SW NW	21.5
TOTAL					349.2

Permit Amendment T-13630 Conditions:

The combined quantity of water diverted at the new points of appropriation (Wells 2, 5, 6A, 6 and 7), together with that diverted at the old points of appropriation (Well 8 and DT), shall not exceed the quantity of water lawfully available at the original points of appropriation (Well 8 and DT).

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

Extension of Time Conditions:

Checkpoint Condition

The permit holder must submit a completed Progress Report Form to the Department by October 1, 2016 and October 1, 2021. *A form will be enclosed with your Final Order.*

- (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 submitted comments.

Original 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.
- 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.

- C. The Director may require the permittee to keep and maintain a record of the amount (volume) of water used and may require the permittee to report water use on a periodic schedule as established by the Director. In addition, the Director may require the permittee to report general water use information, the periods of water use and the place and nature of use of water under the permit. The Director may provide an opportunity for the permittee to submit alternative reporting procedures for review and approval.

Limited Water Level Decline/Interference Condition

To monitor the effect of water use from the well authorized under this permit, the Department requires the water user to make and report annual static water level measurements. The static water level shall be measured in the month of **March**. Reports shall be submitted to the Department within 30 days of measurement.

Measurements must be made according to the following schedule:

Before Use of Water Takes Place

Initial and Annual Measurements

The Department requires the permittee to submit an initial water level measurement in the month specified above once well construction is complete and annually thereafter until use of water begins; and

After Use of Water has Begun

Seven Consecutive Annual Measurements

Following the first year of water use, the user shall submit seven consecutive annual reports of static water level measurements. The first of these seven annual measurements will establish the reference level against which future annual measurements will be compared. Based on an analysis of the data collected, the Director may require that the user obtain and report additional annual static water level measurements beyond the seven year minimum reporting period. The additional measurements may be required in a different month. If the measurement requirement is stopped, the Director may restart it at any time.

All measurements shall be made by a certified water rights examiner, registered professional geologist, registered professional engineer, licensed well constructor or pump installer licensed by the Construction Contractors Board and be submitted to the Department on forms provided by the Department. The Department requires the individual performing the measurement to:

- (A) Identify each well with its associated measurement; and
- (B) Measure and report water levels to the nearest tenth of a foot as depth-to-water below ground surface; and
- (C) Specify the method used to obtain each well measurement; and
- (D) Certify the accuracy of all measurements and calculations submitted to the Department.

The water user shall discontinue use of, or reduce the rate or volume of withdrawal from, the well(s) if annual water level measurements reveal any of the following events:

- (A) An average water level decline of 3 or more feet per year for five consecutive years; or
- (B) A water level decline of 5 or more feet in fewer than five consecutive years; or
- (C) A water level decline of 5 or more feet; or
- (D) Hydraulic interference leading to a decline of 15 or more feet in any neighboring well with senior priority.

The period of non or restricted use shall continue until the annual water level rises above the decline level which triggered the action or until the Department determines, based on the permittee'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. If more than one well is involved, the water user may submit an alternative measurement and reporting plan for review and approval by the Department.

STANDARD CONDITIONS

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.

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 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.

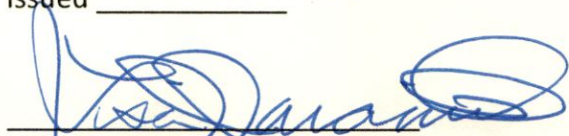
The use of water shall be limited when it interferes with any prior surface or ground water rights.

The Director finds that the proposed use of water described by this permit, as conditioned, will not impair or be detrimental to the public interest.

The original permit was issued July 1, 2004. Actual construction work was to begin on or before July 1, 2004, and be complete on or before October 1, 2008. By an Extension of Time issued September 15, 2011, the deadline for completing construction and application of water to beneficial use was extended to October 1, 2021.

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 AUG 04 2021



Lisa J. Jaramillo, Transfer and Conservation Section Manager for
THOMAS M. BYLER, DIRECTOR
Oregon Water Resources Department

ASSIGNMENT OF PERMIT: Pursuant to ORS 537.220, this permit may be assigned to a party other than the permittee named hereon, if the land the permit is associated with changes ownership, or if the permittee is an organization whose name changes as a result of sale or merger. Request for Assignment forms are available from the Oregon Water Resources Department web site at <http://www.wrd.state.or.us/>, or may be requested from the Department at 503-986-0801 or Water Right Application Section, Oregon Water Resources Department, 725 Summer St NE Ste A, Salem OR 97301-1271.

MAILING ADDRESS CHANGES: If the mailing address of the permittee named hereon changes, it is important that the Oregon Water Resources Department be informed of the change. Address changes must be submitted in writing with the permittee's signature to Water Right Application Section, Oregon Water Resources Department, 725 Summer St NE Ste A, Salem OR 97301-1271.

REAL ESTATE TRANSACTIONS: 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.

CULTURAL RESOURCES PROTECTION LAWS: Permittees involved in ground-disturbing activities should be aware of federal and state cultural resources protection laws. ORS 358.920 prohibits the excavation, injury, destruction or alteration of an archeological site or object, or removal of archeological objects from public and private lands without an archeological permit issued by the State Historic Preservation Office. 16 USC 470, Section 106, National Historic Preservation Act of 1966 requires a federal agency, prior to any undertaking to take into account the effect of the undertaking that is included on or eligible for inclusion in the National Register. For further information, contact the State Historic Preservation Office at 503-378-4168, extension 232.

