STATE OF OREGON

COUNTY OF YAMHILL

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

C. CALVERT KNUDSEN dba KNUDSEN VINEYARDS 17000 NE KNUDSEN LANE DUNDEE, OREGON 97115

503-538-3318

to use the waters of AN UNNAMED STREAM AND KNUDSEN RESERVOIR, to be constructed under Application R-70040, Permit R-11192, a tributary of HESS CREEK, for RECREATION.

This Permit is issued approving Application 70041. The date of priority is AUGUST 21, 1989. The use is limited to not more than 0.05 CUBIC FOOT PER SECOND or its equivalent in case of rotation, measured at the point of diversion from the source.

The point of diversion is located as follows:

NW 1/4 SE 1/4, SECTION 28, T 3 S, R 3 W, W.M.; 1750 FEET NORTH AND 1825 FEET WEST FROM SE CORNER, SECTION 28.

The use shall conform to such reasonable rotation system as may be ordered by the proper state officer.

A description of the proposed place of use under the Permit is as follows:

NW 1/4 SE 1/4 SECTION 28 TOWNSHIP 3 SOUTH, RANGE 3 WEST, W.M.

Actual construction work shall begin on or before JANUARY 17, 1991, and shall be completed on or before October 1, 1991. Complete application of the water to the use shall be made on or before October 1, 1992.

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 granted herein may be made only at times when sufficient water is available to satisfy all prior rights, including rights for maintaining instream flows.

Issued this date, JANUARY 17, 1990.

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/s/ WILLIA

M. YOUNG

"B" Extended to (ictober 1, 1992

Water Resources Department William H. Young Director

"CONTROL 14/2."

Application 70041. Water Resources Department Basin 2 Volume 17 Hess Creek & Misc.

PERMIT 50837 District 18

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