STATE OF OREGON

COUNTY OF POLK

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

BROADMEAD TRUST
HEIDI HARPER, TRUSTEE
3250 MARY ST., SUITE 206
COCONUT GROVE, FL 33133-5232

PHONE: (305)361-1099

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

APPLICATION FILE NUMBER: S-81522

SOURCE OF WATER: SALT CREEK AND AN UNNAMED RESERVOIR, TO BE CONSTRUCTED UNDER PERMIT R-12635, TRIBUTARIES OF SOUTH YAMHILL RIVER

PURPOSE OR USE: NURSERY OPERATIONS ON 70.0 ACRES

MAXIMUM RATE/VOLUME ALLOWED: 41.0 ACRE-FEET (AF) OF WATER FROM THE UNNAMED RESERVOIR AND & 1.0 CUBIC FEET PER SECOND FROM SALT CREEK

PERIOD OF USE: STORED WATER - YEAR ROUND

LIVE FLOW - NOVEMBER 1 THROUGH APRIL 30

DATE OF PRIORITY: SEPTEMBER 10, 1996 FOR 1.0 CFS AND 20.4 AF; JUNE 27, 1997 FOR 20.6 AF

POINT OF DIVERSION LOCATION: SW 1/4 SW 1/4, SECTION 11, T6S, R5W, W.M.; RESERVOIR- 400 & NORTH AND 1100 FEET EAST FROM THE SW CORNER SECTION 11; SALT CREEK- 3138 FEET SOUTH & 1420 FEET EAST FROM NW CORNER, DLC 47

The amount of water used for NURSERY OPERATIONS is limited to a diversion of 0.15 cubic foot per second per acre. For the irrigation of containerized nursery plants, the amount of water diverted is limited to ONE-FORTIETH of one cubic foot per second (or its equivalent) and 5.0 acre feet per acre per year. For the irrigation of in ground nursery plants the amount of water diverted is limited to ONE-EIGHTIETH of one cubic foot per second (or its equivalent) and 2.5 acre feet per acre per year. The use of water for NURSERY OPERATIONS may be made at anytime of the year that the use is beneficial. For the irrigation of any other

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crop, the amount of water diverted is limited to ONE-EIGHTIETH of one cubic foot per second (or its equivalent) and 2.5 acre feet per acre during the irrigation season of each year.

THE PLACE OF USE IS LOCATED AS FOLLOWS:

NE 1/4 SW 1/4 19.5 ACRES
NW 1/4 SW 1/4 9.5 ACRES
SW 1/4 SW 1/4 7.3 ACRES
SE 1/4 SW 1/4 23.2 ACRES
NW 1/4 SE 1/4 1.5 ACRES
SW 1/4 SE 1/4 1.5 ACRES
SECTION 11
NW 1/4 NW 1/4 7.5 ACRES
SECTION 14

TOWNSHIP 6 SOUTH, RANGE 5 WEST, W.M.

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.

The permittee shall install, maintain, and operate fish screening to prevent fish from entering the proposed diversion. The permittee shall also install a fishway at the obstruction that will provide adequate upstream and downstream passage for fish. The permittee may submit

evidence that the Oregon Department of Fish and Wildlife (ODFW) has determined screens and/or fishways are not necessary. The required screens and fishways are to be in place, functional, and approved by ODFW before diversion of any water.

If the riparian area is disturbed in the process of developing a point of diversion, the permittee shall be responsible for restoration and enhancement of such riparian area.

The use may be restricted if the quality of the source stream, namely the Yamhill River, decreases to the point that it no longer meets state and federal water quality standards due to reduced flows.

This right is limited to any deficiency in the available supply of any prior right existing for the same land.

STANDARD CONDITIONS

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

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

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.

Actual construction work shall begin by April 6, 2000. Complete application of water to the use shall be made on or before October 1, 2003. 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 April / , 1999

Martha O. Pagel, Director Water Resources Department