

STATE OF OREGON

COUNTY OF YAMHILL

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

PREMIER PACIFIC VINEYARDS INC.
ROB deOCAMPO
PO BOX 3989
NAPA, CALIFORNIA 94558

(707) 224-6565

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

APPLICATION FILE NUMBER: S-84646

SOURCE OF WATER: A RESERVOIR CONSTRUCTED UNDER PERMIT R-13129, A
TRIBUTARY OF ASH SWALE

PURPOSE OR USE: IRRIGATION OF 170.0 ACRES AND SUPPLEMENTAL IRRIGATION
OF 47.1 ACRES

MAXIMUM RATE/VOLUME ALLOWED: 125.0 ACRE-FEET PER YEAR

PERIOD OF USE: MARCH 1 THROUGH OCTOBER 31

DATE OF PRIORITY: JANUARY 26, 2001

POINT OF DIVERSION LOCATION: SE 1/4 NW 1/4, SECTION 22, TOWNSHIP 5
SOUTH, RANGE 4 WEST, W.M.; 1000 FEET SOUTH AND 1100 FEET EAST FROM THE
NW CORNER OF DLC 72.

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 2.5 acre-feet for each acre irrigated during the
irrigation season of each year.

THE PLACE OF USE IS LOCATED AS FOLLOWS:

	<u>PRIMARY</u>	<u>SUPPLEMENTAL</u>
NW 1/4 NE 1/4	27.7 ACRES	
SW 1/4 NE 1/4	27.8 ACRES	5.2 ACRES
NE 1/4 NW 1/4	19.2 ACRES	
NW 1/4 NW 1/4	2.5 ACRES	
SW 1/4 NW 1/4	3.2 ACRES	
SE 1/4 NW 1/4	18.8 ACRES	8.0 ACRES
NE 1/4 SW 1/4	17.8 ACRES	17.5 ACRES
NW 1/4 SW 1/4	6.1 ACRES	
SW 1/4 SW 1/4	0.7 ACRES	
SE 1/4 SW 1/4	11.5 ACRES	
NW 1/4 SE 1/4	23.1 ACRES	16.4 ACRES
SW 1/4 SE 1/4	11.6 ACRES	

SECTION 22

TOWNSHIP 5 SOUTH, RANGE 4 WEST, W.M.

Measurement, recording and reporting conditions:

- A. Before water use may begin under this permit, the applicant shall install a meter or other suitable measuring device as approved by the Director. The applicant 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 applicant to report general water use information, including the place and nature of use of water under the permit.
- B. The applicant 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.

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

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

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

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.

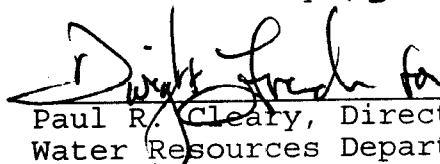
The use of water allowed herein may be made only at times when sufficient water is available to satisfy all prior rights, including prior rights for maintaining instream flows.

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.

Complete application of the water to the use shall be made on or before October 1, 2006. If the water is not completely applied before this date, and the applicant wishes to continue development under the permit, the applicant 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 applicant shall submit a claim of beneficial use, which includes a map and report, prepared by a Certified Water Rights Examiner (CWRE).

Issued February 13, 2002


Paul R. Cleary, Director
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.

Application S-84646
Basin 02
DIP WEEK 325

Water Resources Department
Volume 11A ASH SWALE MISC

PERMIT S-53768
District 16