

STATE OF OREGON

COUNTY OF YAMHILL

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

CARLTON NURSERY COMPANY, LLC.
PO BOX 398
DAYTON, OR 97114

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

APPLICATION FILE NUMBER: S-87564

SOURCE OF WATER: PALMER CREEK, A TRIBUTARY OF YAMHILL RIVER, AND GORDON FARM IRRIGATION RESERVOIR, CONSTRUCTED UNDER PERMIT R-14933, A TRIBUTARY OF PALMER CREEK

PURPOSE OR USE: NURSERY USE ON 261.8 ACRES

MAXIMUM RATE AND VOLUME: 1.0 CUBIC FOOT PER SECOND (CFS) FROM PALMER CREEK, AND 60.0 ACRE-FEET (AF) FROM GORDON FARM IRRIGATION RESERVOIR

PERIOD OF USE:

PALMER CREEK	NOVEMBER 1 THROUGH MARCH 31
GORDON FARM IRRIGATION RESERVOIR	YEAR ROUND

DATE OF PRIORITY: DECEMBER 28, 2009

POINT OF DIVERSION LOCATIONS:

PALMER CREEK: NE $\frac{1}{4}$ NW $\frac{1}{4}$, SECTION 8, T5S, R3W, W.M.; 4020 FEET SOUTH AND 1350 FEET EAST FROM SE CORNER, DLC 42

GORDON FARM IRRIGATION RESERVOIR: SW $\frac{1}{4}$ NW $\frac{1}{4}$, SECTION 5, T5S, R3W, W.M.; 780 FEET SOUTH FROM SE CORNER, DLC 42

The amount of water used for nursery use under this right, together with the amount secured under any other right existing for the same lands, is limited to 0.15 cubic foot per second per acre and 5.0 acre feet per acre per year. For irrigation of containerized nursery plants, the amount of water diverted under this right, together with the amount secured under any other right existing for the same lands, is limited to one-fortieth of one cubic foot per second and 5.0 acre feet per acre per year. For irrigation of in-ground nursery plants, the amount of water diverted under this right, together with the amount secured under any other right existing for the same lands, is limited to one-eightieth of one cubic foot per second and 2.5 acre feet per acre per year. The use

of water for nursery use may be made at any time, during the period of allowed use specified above, that the use is beneficial. For irrigation of any other crop, the amount of water diverted under this right, together with the amount secured under any other right existing for the same lands, is limited to one-eightieth of one cubic foot per second and 2.5 acre feet per acre during the irrigation season of each year.

THE PLACE OF USE IS LOCATED AS FOLLOWS:

SW $\frac{1}{4}$ NW $\frac{1}{4}$ 3.0 ACRES
 NW $\frac{1}{4}$ SW $\frac{1}{4}$ 27.4 ACRES
 SW $\frac{1}{4}$ SW $\frac{1}{4}$ 10.2 ACRES
 SECTION 4

SW $\frac{1}{4}$ NE $\frac{1}{4}$ 11.5 ACRES
 SE $\frac{1}{4}$ NE $\frac{1}{4}$ 7.1 ACRES
 SW $\frac{1}{4}$ NW $\frac{1}{4}$ 1.3 ACRES
 SE $\frac{1}{4}$ NW $\frac{1}{4}$ 29.8 ACRES
 NE $\frac{1}{4}$ SW $\frac{1}{4}$ 37.7 ACRES
 NW $\frac{1}{4}$ SW $\frac{1}{4}$ 3.5 ACRES
 SW $\frac{1}{4}$ SW $\frac{1}{4}$ 0.5 ACRE
 SE $\frac{1}{4}$ SW $\frac{1}{4}$ 6.6 ACRES
 NE $\frac{1}{4}$ SE $\frac{1}{4}$ 40.0 ACRES
 NW $\frac{1}{4}$ SE $\frac{1}{4}$ 37.7 ACRES
 SW $\frac{1}{4}$ SE $\frac{1}{4}$ 32.7 ACRES
 SE $\frac{1}{4}$ SE $\frac{1}{4}$ 12.4 ACRES
 SECTION 5

NW $\frac{1}{4}$ NE $\frac{1}{4}$ 0.2 ACRE
 NE $\frac{1}{4}$ NW $\frac{1}{4}$ 0.2 ACRE
 SECTION 8

TOWNSHIP 5 SOUTH, RANGE 3 WEST, W.M.

Measurement, recording and reporting conditions:

- A. Before water use may begin under this permit, the permittee shall install a totalizing flow meter or other suitable measuring device as approved by the Director at each point of diversion. The permittee shall maintain the meters or measuring devices in good working order.
- B. The permittee shall keep a complete record of the amount of water diverted each month, and shall submit a report which includes the recorded report 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.

- C. The permittee shall allow the watermaster access to the meters or measuring devices; provided however, where any meter or measuring device is located within a private structure, the watermaster shall request access upon reasonable notice.
- D. The Director may provide an opportunity for the permittee to submit alternative measuring and reporting procedures for review and approval.

The permittee shall install, maintain, and operate fish screening and by-pass devices consistent with current Oregon Department of Fish and Wildlife (ODFW) standards. Fish screening is to prevent fish from entering the proposed diversion while by-pass devices provide adequate upstream and downstream passage for fish. The required screen and by-pass devices are to be in place and functional, and approved in writing by ODFW prior to diversion of any water. The permittee may submit evidence in writing that ODFW has determined screens and/or by-pass devices are not necessary.

STANDARD CONDITIONS

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.

Where two or more water users agree among themselves as to the manner of rotation in the use of water and such agreement is placed in writing and filed by such water users with the watermaster, and such rotation system does not infringe upon such prior rights of any water user not a party to such rotation plan, the watermaster shall distribute the water according to such agreement.

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 in accordance with ODFW's Fish and Wildlife Habitat Mitigation Policy OAR 635-415. For purposes of mitigation, the ODFW Fish and Wildlife Habitat Mitigation Goals and Standards, OAR 635-415, shall be followed.

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

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.

Completion of construction and application of the water shall be made within five years of the date of permit issuance. If beneficial use of permitted water has not been made before this date, the permittee may submit an application for extension of time, which may be approved based upon the merit of the application.

Within one year after making beneficial use of water, the permittee shall submit a claim of beneficial use, which includes a map and report, prepared by a Certified Water Rights Examiner.

Issued January 5, 2012



E. Timothy Wallin, Water Rights Program Manager
for Phillip C. Ward, Director
Water Resources Department