

STATE OF OREGON

COUNTY OF POLK

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

CFRI-HWKD MIDDLE ZENA LLC
PO BOX 3989
NAPA, CA 94558

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

APPLICATION FILE NUMBER: S-87342

SOURCE OF WATER: UNNAMED STREAM; ZENA EAST (BETHEL HILLS) RESERVOIR (CONSTRUCTED UNDER PERMIT R-14053); MIDDLE ZENA (RICE) RESERVOIR (CONSTRUCTED UNDER PERMIT R-8132); ZENA WEST RESERVOIR 1 (1A AND 1B - CONSTRUCTED UNDER PERMIT R-5384); ZENA WEST RESERVOIR 2 (CONSTRUCTED UNDER PERMIT R-5384, ENLARGED UNDER PERMIT R-14144); ZENA WEST RESERVOIR 3 (CONSTRUCTED UNDER PERMIT R-5384); ZENA WEST RESERVOIR 4 (CONSTRUCTED UNDER PERMIT R-5384, ENLARGED UNDER PERMIT R-14145); ZENA WEST RESERVOIR 5 (CONSTRUCTED UNDER PERMIT R-14146); AND ZENA WEST RESERVOIR 6 (CONSTRUCTED UNDER PERMIT R-14147), TRIBUTARIES OF SPRING VALLEY CREEK

PURPOSE OR USE: IRRIGATION OF 98.86 ACRES; POND MAINTENANCE

MAXIMUM RATE FROM LIVE FLOW DIVERSION: 0.245 CUBIC FOOT PER SECOND (CFS), BEING 0.223 CFS FOR IRRIGATION OF 98.86 ACRES AND 0.022 CFS FOR POND MAINTENANCE OF ZENA EAST (BETHEL HILLS) RESERVOIR AND MIDDLE ZENA (RICE) RESERVOIR

MAXIMUM VOLUME FOR IRRIGATION OF 98.86 ACRES FROM LIVE FLOW DIVERSION: 41.14 ACRE FEET (AF)

MAXIMUM VOLUME FOR IRRIGATION OF 98.86 ACRES FROM STORED WATER: 45.83 ACRE FEET (AF), BEING 8.0 AF FROM MIDDLE ZENA (RICE) RESERVOIR (CONSTRUCTED UNDER PERMIT R-8132), 13.10 AF FROM ZENA EAST (BETHEL HILLS) RESERVOIR (CONSTRUCTED UNDER PERMIT R-14053), 2.21 AF FROM ZENA WEST RESERVOIR 1 (1A AND 1B - CONSTRUCTED UNDER PERMIT R-5384), 8.70 AF FROM ZENA WEST RESERVOIR 2 (CONSTRUCTED UNDER PERMIT R-5384, ENLARGED UNDER PERMIT R-14144), 1.18 AF FROM ZENA WEST RESERVOIR 3 (CONSTRUCTED UNDER PERMIT R-5384), 9.93 AF FROM ZENA WEST RESERVOIR 4 (CONSTRUCTED UNDER PERMIT R-5384, ENLARGED UNDER PERMIT R-14145), 1.71 AF FROM ZENA WEST RESERVOIR 5 (CONSTRUCTED UNDER PERMIT R-14146), AND 1.0 AF FROM ZENA WEST RESERVOIR 6 (CONSTRUCTED UNDER PERMIT R-14147)

Application S-87342 Water Resources Department

PERMIT S-54798

MAXIMUM VOLUME FOR POND MAINTENANCE FROM LIVE FLOW DIVERSION: 9.34 AF

PERIOD OF USE:

IRRIGATION FROM LIVE FLOW - MARCH 1 THROUGH JUNE 1
IRRIGATION FROM STORED WATER - MARCH 1 THROUGH OCTOBER 31
POND MAINTENANCE - NOVEMBER 1 THROUGH JUNE 1

DATE OF PRIORITY: NOVEMBER 19, 2008

POINTS OF DIVERSION LOCATIONS:

UNNAMED STREAM - SWSE, SECTION 23, T6S, R4W, W.M.; 4 FEET NORTH AND 178 FEET EAST FROM S1/4 CORNER, SECTION 23

ZENA EAST (BETHEL HILLS) RESERVOIR - SWSE, SECTION 23, T6S, R4W, W.M.; 680 FEET NORTH AND 1368 FEET WEST FROM SE CORNER, SECTION 23

MIDDLE ZENA (RICE) RESERVOIR - SWSE, SECTION 23, T6S, R4W, W.M.; 333 FEET NORTH AND 184 FEET EAST FROM S1/4 CORNER, SECTION 23

ZENA WEST RESERVOIR 1A - NWSW, SECTION 23, T6S, R4W, W.M.; 1530 FEET NORTH AND 180 FEET EAST FROM SW CORNER, SECTION 23

ZENA WEST RESERVOIR 1B - NWSW, SECTION 23, T6S, R4W, W.M.; 1390 FEET NORTH AND 350 FEET EAST FROM SW CORNER, SECTION 23

ZENA WEST RESERVOIR 2 - SWSW, SECTION 23, T6S, R4W, W.M.; 550 FEET NORTH AND 790 FEET EAST FROM SW CORNER, SECTION 23

ZENA WEST RESERVOIR 3 - SWSW, SECTION 23, T6S, R4W, W.M.; 1050 FEET NORTH AND 650 FEET EAST FROM SW CORNER, SECTION 23

ZENA WEST RESERVOIR 4 - SWSW, SECTION 23, T6S, R4W, W.M.; 1260 FEET NORTH AND 560 FEET EAST FROM SW CORNER, SECTION 23

ZENA WEST RESERVOIR 5 - SESW, SECTION 23, T6S, R4W, W.M.; 920 FEET NORTH AND 2530 FEET EAST FROM SW CORNER, SECTION 23

ZENA WEST RESERVOIR 6 - NESW, SECTION 23, T6S, R4W, W.M.; 1920 FEET NORTH AND 2260 FEET EAST FROM SW CORNER, SECTION 23

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.

Irrigation allowed under this permit shall be by drip irrigation or by an equally efficient method.

THE PLACE OF USE IS LOCATED AS FOLLOWS:

NE $\frac{1}{4}$ SW $\frac{1}{4}$ 3.94 ACRES
NE $\frac{1}{4}$ SE $\frac{1}{4}$ 23.64 ACRES
NW $\frac{1}{4}$ SE $\frac{1}{4}$ 40.38 ACRES
SW $\frac{1}{4}$ SE $\frac{1}{4}$ 30.46 ACRES AND POND MAINTENANCE
SE $\frac{1}{4}$ SE $\frac{1}{4}$ 0.44 ACRE AND POND MAINTENANCE
SECTION 23
TOWNSHIP 6 SOUTH, RANGE 4 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 at each point of diversion. The permittee shall maintain the meter 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 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 meter; provided however, where any meter 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.

Notwithstanding that Oregon Department of Fish and Wildlife has made a determination that fish screens and/or by-pass devices are not necessary at the time of permit issuance, the permittee may be required in the future to install, maintain, and operate fish screening and/or by-pass devices to prevent fish from entering the proposed diversion, and to provide adequate upstream and downstream passage for fish.

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.

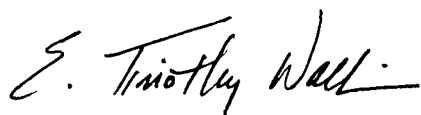
By law, the land use associated with this water use must be in compliance with statewide land-use goals and any local acknowledged land-use plan.

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 April 25, 2013



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