

STATE OF OREGON

COUNTY OF YAMHILL

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO:

FOXGLOVE PROPERTIES LLC
 6555 NE HILLTOP LANE
 DAYTON OR 97114

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

APPLICATION FILE NUMBER: S-87852

SOURCE OF WATER: QUARRY POND, CONSTRUCTED UNDER PERMIT R-14968, TRIBUTARY TO HESS CREEK

PURPOSE OR USE: IRRIGATION OF 6.9 ACRES AND SUPPLEMENTAL IRRIGATION OF 57.9 ACRES

MAXIMUM VOLUME: 11.0 ACRE FEET

DATE OF PRIORITY: DECEMBER 5, 2012

PERIOD OF USE: MARCH 1 THROUGH OCTOBER 31

Authorized Point of Diversion:

| Twp | Rng | Mer | Sec | Q-Q | Measured Distances |
|-----|-----|-----|-----|-------|--|
| 3 S | 3 W | WM | 33 | NE NW | 940 FEET SOUTH AND 2470 FEET EAST FROM NW CORNER, SECTION 33 |

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, shall be limited to a diversion of not to exceed 2.5 acre feet per acre for each acre irrigated during the irrigation season of each year. The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described.

Authorized Place of Use:

| IRRIGATION | | | | | |
|------------|-----|-----|-----|-------|-------|
| Twp | Rng | Mer | Sec | Q-Q | Acres |
| 3 S | 3 W | WM | 33 | SE NW | 6.90 |

| SUPPLEMENTAL IRRIGATION | | | | | |
|-------------------------|-----|-----|-----|-------|-------|
| Twp | Rng | Mer | Sec | Q-Q | Acres |
| 3 S | 3 W | WM | 33 | SW NE | 4.20 |
| 3 S | 3 W | WM | 33 | SE NE | 5.90 |
| 3 S | 3 W | WM | 33 | NW NW | 5.00 |
| 3 S | 3 W | WM | 33 | SW NW | 20.30 |
| 3 S | 3 W | WM | 33 | SE NW | 5.60 |
| 3 S | 3 W | WM | 33 | NE SE | 2.30 |
| 3 S | 3 W | WM | 33 | NW SE | 11.60 |
| 3 S | 3 W | WM | 34 | SW NW | 3.00 |

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, and maintain the meter(s) in good working order.
- B. The permittee shall allow the watermaster access to the meter(s); where a meter 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.
- D. The Director may provide an opportunity for the permittee to submit alternative measuring and reporting procedures for review and approval.

The water user 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 water. The water user may submit evidence in writing that ODFW has determined screens and/or by-pass devices are not necessary.

The use of stored water under this permit may be used in place of any existing ground water right for primary irrigation of the same land in order to conserve ground water supplies.

STANDARD CONDITIONS

1. 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.
2. 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.
3. 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.
4. 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.
5. 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.
6. 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 Chapter 635, Division 415, shall be followed.

7. 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.
8. 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 October 1 2013.

E. Timothy Wallin

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