STATE OF OREGON

COUNTY OF MARION

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

A & R SPADA FARMS, LLC PO BOX 157 ST. PAUL, OR 97137 NW FARM CREDIT SERVICES, FLCA 650 HAWTHORNE AVE SE STE 210 SALEM, OR 97301

This superseding permit is issued to describe a Split a Permit, approved by Special Order Volume 102, Page 823, entered on JAN 3 1 2017, an amendment for a change in point of appropriation and additional points of appropriation proposed under Permit Amendment Application T-9950 and approved by Special Order Vol. 71, Page 795, entered May 8, 2007, and to describe extensions of time for complete application of water approved July 14, 2005, and July 22, 2016, and assignments to new permittees approved February 24, 2005, February 2, 2007, August 24, 2010, and October 23, 2015. This permit together with Permits G-17691 and G-17693, supersedes Permit G-13570.

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

APPLICATION FILE NUMBER: G-14605

SOURCE OF WATER: WELLS 1, 4 AND 5 IN RYAN CREEK BASIN

PURPOSE OR USE: NURSERY OPERATIONS ON 114.1 ACRES

MAXIMUM RATE: 2.87 CUBIC FEET PER SECOND (cfs), being a cumulative total from Well 1 (limited to 1.11 cfs), Well 4 (limited to 1.34 cfs) and Well 5 during the time period September 1 to June 30 of each year; and a cumulative total not to exceed 0.93 cfs from Wells 4 and 5 during the time period July 1 to August 31 of each year.

PERIOD OF USE: SEPTEMBER 1 THROUGH JUNE 30 FROM WELL 1; YEAR-RQUND FROM WELLS 4 AND 5

DATE OF PRIORITY: SEPTEMBER 11, 1997

POINT OF DIVERSION LOCATIONS:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
4 S	1 W	WM	30	NE NW	WELL 1 - 1880 FEET NORTH AND 1120 FEET EAST FROM THE SE CORNER OF DLC 71
4 S	2 W	WM	24	SE SE	WELL 4 - 1230 FEET NORTH AND 100 FEET WEST FROM THE SE CORNER OF SECTION 24
4 S	2 W	WM	24	NW SE	WELL 5 - 800 FEET SOUTH AND 1190 FEET EAST FROM THE SW CORNER OF 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 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.

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Twp	Rng	Mer	Sec	Q-Q	Acres
4 S	1 W	WM	19	NE SW	1.9
4 S	1 W	WM	19	NWSW	1.5
4 S	1 W	WM	19	SWSW	28.6
4 S	1 W	WM	19	SE SW	32.7
4 S	1 W	WM	19	SW SE	1.0
4 S	1 W	WM	30	NE NW	13.4
4 S	1 W	WM	30	NW NW	19.4
4 S	1 W	WM	30	SWNW	12.2
4 S	1 W	WM	30	SENW	0.1
4 S	2 W	WM	24	SE SE	3.3
				Total	114.1

Permit Amendment T-9950 Conditions:

Water shall be acquired from the same aquifer as the original points of appropriation.

The original permit was conditioned to have Well 4 continuously cased and sealed to a depth of 250 feet below land surface so as to minimize hydraulic connection to nearby streams. As part of the Groundwater Section's review of Permit Amendment Application T-9950, it was determined it would be unlikely that extending the casing and seal for Well 4 will significantly change the static water level in the well or impacts to other wells in the area. Therefore, the condition was removed.

Extension of Time Conditions:

The July 22, 2016 extension of time is to be the last extension of time granted for this permit. Any future extensions of time requests will be denied.

Checkpoint Condition

The permit holder must submit a completed Progress Report Form to the Department by October 1, 2020 and 2025.

a) At each checkpoint, the permit holder shall submit and the Department shall review evidence of the permit holder's diligence towards completion of the project and compliance with terms and conditions of the permit and extension. If, after this review, the Department determines the permit holder has not been diligent in developing and perfecting the water use permit, or complied with all terms and conditions, the

- Department shall modify or further condition the permit or extension to ensure future compliance, or begin cancellation proceedings on the undeveloped portion of the permit pursuant to ORS 537.260 or 537.410, or require submission of a final proof survey pursuant to ORS 537.250;
- b) The Department shall provide notice of receipt of progress reports in its weekly notice and shall allow a 30 day comment period for each report. The Department shall provide notice of its determination to anyone who submitted comments.

Original Conditions

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, 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 permittee to report general water use information, including the place and nature of use of water under the permit.
- 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.

If substantial interference with a senior water right occurs due to withdrawal of water from any well listed on this permit, then use of water from the well(s) shall be discontinued or reduced and/or the schedule of withdrawal shall be regulated until or unless the Department approves or implements an alternative administrative action to mitigate the interference. The Department encourages junior and senior appropriators to jointly develop plans to mitigate interferences.

- 1. Use of water from the well(s), as allowed herein, shall be controlled or shut off if the well displays:
 - a) An average water level decline of three or more feet per year for five consecutive years;
 or
 - b) A total water level decline of fifteen or more feet; or
 - c) A hydraulic interference decline of fifteen or more feet in any neighboring well providing water for senior exempt uses or wells covered by prior rights.
- 2. The water user shall install a meter or other measuring device suitable to the Director, and shall submit an annual report of water used to the Department by December 1 of each year.
- 3. The permittee/appropriator shall be responsible for complying with each of the following requirements for measuring water levels in the well.

- a) Use of water from a new well shall not begin until an initial static water level in the well has been measured and submitted to the Department.
- b) In addition to the measurement required in subsection (a) of this section, a water level measurement shall be made each year during the period March 1 through March 31.
- c) All water level measurements shall be made by a qualified individual. Qualified individuals are certified water rights examiners, registered geologists, registered professional engineers, licensed land surveyors, licensed water well constructor, licensed pump installer, or the permittee/appropriator.
- d) Any qualified individual measuring a well shall use standard methods of procedure and equipment designed for the purpose of well measurement. The equipment used shall be well suited to the conditions of construction at the well. A list of standard methods of procedure and suitable equipment shall be available from the Department.
- e) The permittee/appropriator shall submit a record of the measurement to the Department on a form available from the Department. The record of measurement shall include both measurements and calculations, shall include a certification as to their accuracy signed by the individual making the measurements, and shall be submitted to the Department within 90 days from the date of measurement. The Department shall determine when any of the declines cited in section (1) are evidenced by the well measurement required in section (3).

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

STANDARD CONDITIONS

The wells shall be constructed in accordance with the General Standards for the Construction and Maintenance of Water Wells in Oregon. The works shall be equipped with a usable access port, and may also include an air line and pressure gauge adequate to determine water level elevation in the well at all times.

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

Prior to receiving a certificate of water right, the permit holder shall submit the results of a pump test meeting the department's standards, to the Water Resources Department. The Director may require water level or pump test results every ten years thereafter.

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 shall be limited when it interferes with any prior surface or ground water rights.

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 of the well was to begin by November 4, 1999. Complete application of water to the use was to be made on or before October 1, 2003. By Extension of Time Final Order approved on July 22, 2016, the deadline for complete application of water to the use was extended to October 1, 2026.

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

JAN 3 1 2017

Dwight French, Water Right Services Division Administrator, for

Thomas M. Byler, Director

Oregon Water Resources Department