

Application for a Permit to Use Surface Water



Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, Oregon 97301-1266
(503) 986-0900
www.wrd.state.or.us

RECEIVED

MAY 3 2012

WATER RESOURCES DEPT
SALEM, OREGON

Water-Use Permit Application Processing

1. Completeness Determination

The Department evaluates whether the application and accompanying map contain all of the information required under OAR 690-310-0040 and OAR 690-310-0050 (www.oregon.gov/owrd/law.our). The Department also determines whether the proposed use is prohibited by statute. If the Department determines that the application is incomplete, all fees have not been paid, or the use is prohibited by statute, the application and all fees submitted are returned to the applicant.

2. Initial Review

The Department reviews the application to determine whether water is available during the period requested, whether the proposed use is restricted or limited by rule or statute, and whether other issues may preclude approval of or restrict the proposed use. An Initial Review (IR) containing preliminary determinations is mailed to the applicant. The applicant has 14 days from the mailing date to withdraw the application from further processing and receive a refund of all fees paid minus \$200. The applicant may put the application on hold for up to 180 days and may request additional time if necessary.

3. Public Notice

Within 7 days of the mailing of the initial review, the Department gives public notice of the application in the weekly notice published by the Department at www.oregon.gov/owrd. The public comment period is 30 days from publication in the weekly notice.

4. Proposed Final Order Issued

The Department reviews any comments received, including comments from other state agencies related to the protection of sensitive, threatened or endangered fish species. Within 60 days of completion of the IR, the Department issues a Proposed Final Order (PFO) explaining the proposed decision to deny or approve the application. A PFO proposing approval of an application will include a draft permit, and may request additional information or outstanding fees required prior to permit issuance.

5. Public Notice

Within 7 days of issuing the PFO, the Department gives public notice in the weekly notice. Notice includes information about the application and the PFO. Protest must be received by the Department within 45 days after publication of the PFO in the weekly notice. Anyone may file a protest. The protest filing fee is \$300.00 for the applicant and \$600.00 for non-applicants. Protests are filed on approximately 10% of Proposed Final Orders. If a protest is filed the Department will attempt to settle the protest but will schedule a contested case hearing if necessary.

6. Final Order Issued

If no protests are filed, the Department can issue a Final Order within 60 days of the close of the period for receiving protest. If the application is approved, a permit is issued. The permit specifies the details of the authorized use and any terms, limitations or conditions that the Department deems appropriate.

S-87808

Minimum Requirements Checklist

Minimum Requirements (OAR 690-310-0040, OAR 690-310-0050 & ORS 537.140)

Include this checklist with the application

Check that each of the following items is included. The application will be returned if all required items are not included. If you have questions, please call the Water Rights Customer Service Group at (503) 986-0900.

- SECTION 1: applicant information and signature
- SECTION 2: property ownership
- SECTION 3: source of water requested
- SECTION 4: water use
- SECTION 5: water management
- SECTION 6: resource protection
- SECTION 7: project schedule
- SECTION 8: within a district
- SECTION 9: remarks

RECEIVED

MAY 2 2012

WATER RESOURCES DEPT
SALEM, OREGON

Attachments:

-
- Land Use Information Form with approval and signature (*must be an original*) or signed receipt
 - Provide the legal description of: (1) the property from which the water is to be diverted, (2) any property crossed by the proposed ditch, canal or other work, and (3) any property on which the water is to be used as depicted on the map.
 - Fees - Amount enclosed: \$ 1320.00
See the Department's Fee Schedule at www.oregon.gov/owrd or call (503) 986-0900.

Provide a map and check that each of the following items is included:

-
- Permanent quality and drawn in ink
 - Even map scale not less than 4" = 1 mile (example: 1" = 400 ft, 1" = 1320 ft, etc.)
 - North Directional Symbol
 - Township, Range, Section, Quarter/Quarter, Tax Lots
 - Reference corner on map
 - Location of each well, and/or dam if applicable, by reference to a recognized public land survey corner (distances north/south and east/west)
 - Indicate the area of use by Quarter/Quarter and tax lot clearly identified
 - Number of acres per Quarter/Quarter and hatching to indicate area of use if for primary irrigation, supplemental irrigation, or nursery
 - Location of main canals, ditches, pipelines or flumes (if well is outside of the area of use)
 - Other:

S-87808

Application for a Permit to Use Surface Water



Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem Oregon 97301-1266
(503) 986-0900
www.wrd.state.or.us

SECTION 1: APPLICANT INFORMATION AND SIGNATURE

Applicant Information

NAME		PHONE (HM)	
PHONE (WK)	CELL	FAX	
ADDRESS			
CITY	STATE	ZIP	E-MAIL *

Organization Information

NAME DEL RIO VINEYARDS, LLC		PHONE 541-855-0122	541-855-0122
ADDRESS P.O. BOX 906			CELL 541-840-8953
CITY GOLD HILL	OR	ZIP 97525	E-MAIL * ROB@DELRIOVINEYARDS.COM

Agent Information – The agent is authorized to represent the applicant in all matters relating to this application.

AGENT / BUSINESS NAME ROB WALLACE		PHONE 541-840-8953	FAX 541-855-1222
ADDRESS P.O. BOX 906			541-840-8953
CITY GOLD HILL	STATE OR	ZIP 97525	E-MAIL * ROB@DELRIOVINEYARDS.COM

Note: Attach multiple copies as needed

* By providing an e-mail address, consent is given to receive all correspondence from the department electronically. (paper copies of the final order documents will also be mailed.)

RECEIVED

MAY 21 2012

**WATER RESOURCES DEPT
SALEM, OREGON**

By my signature below I confirm that I understand:

- I am asking to use water specifically as described in this application.
- Evaluation of this application will be based on information provided in the application packet.
- I cannot legally use water until the Water Resources Department issues a permit to me.
- The Department encourages all applicants to wait for a permit to be issued before beginning construction of any proposed diversion. Acceptance of this application does not guarantee a permit will be issued.
- If I begin construction prior to the issuance of a permit, I assume all risks associated with my actions.
- If I get a permit, I must not waste water.
- If development of the water use is not according to the terms of the permit, the permit can be cancelled.
- The water use must be compatible with local comprehensive land use plans.
- Even if the Department issues a permit, I may have to stop using water to allow senior water right holders to get water to which they are entitled.

I (we) affirm that the information contained in this application is true and accurate.

Del Rio Vineyards, LLC
Applicant Signature

Applicant Signature

Robert L Wallace
Print Name and title if applicable

Rob Wallace, General Manager
Print Name and title if applicable

5/17/2012
Date

Date

S-87808

App. No. _____	For Department Use Permit No. _____	Date _____
----------------	--	------------

SECTION 2: PROPERTY OWNERSHIP

Please indicate if you own all the lands associated with the project from which the water is to be diverted, conveyed, and used.

- Yes
 - There are no encumbrances.
 - This land is encumbered by easements, rights of way, roads or other encumbrances.

- No
 - I have a recorded easement or written authorization permitting access.
 - I do not currently have written authorization or easement permitting access.
 - Written authorization or an easement is not necessary, because the only affected lands I do not own are state-owned submersible lands, and this application is for irrigation and/or domestic use only (ORS 274.040).
 - Water is to be diverted, conveyed, and/or used only on federal lands.

List the names and mailing addresses of all affected landowners (*attach additional sheets if necessary*).

SECTION 3: SOURCE OF WATER

A. Proposed Source of Water

Provide the commonly used name of the water body from which water will be diverted, and the name of the stream or lake it flows into. If unnamed, say so:

- | | |
|--|---------------------------|
| Source 1: Lost Creek Reservoir,
Permit 8142 | Tributary to: Rogue River |
| Source 2: _____ | Tributary to: _____ |
| Source 3: _____ | Tributary to: _____ |
| Source 4: _____ | Tributary to: _____ |

RECEIVED
MAY 21 2012
WATER RESOURCES DEPT
SALEM, OREGON

If any source listed above is stored water that is authorized under a water right permit, certificate, or decree, attach a copy of the document or list the document number (for decrees, list the volume, page and/or decree name).

B. Applications to Use Stored Water

Do you, or will you, own the reservoir(s) described in item 3A above?

- Yes.
- No. (Please enclose a copy of your written notification to the operator of the reservoir of your intent to file this application, which you should have already mailed or delivered to the operator.)

S-87808

If *all* sources listed in item 3A are stored water, the Department will review your application using the expedited process provided in ORS 537.147, unless you check the box below. Please see the instruction booklet for more information.

By checking this box, you are requesting that the Department process your application under the standard process outlined in ORS 537.150 and 537.153, rather than the expedited process provided by ORS 537.147. To file an application under the standard process, you must enclose the following:

- A copy of a signed non-expired contract or other agreement with the owner of the reservoir (if not you) to impound the volume of water you propose to use in this application.
- A copy of your written agreement with the party (if any) delivering the water from the reservoir to you.

SECTION 4: WATER USE

Provide the amount of water you propose to use from each source, for each use, in cubic feet-per-second (cfs) or gallons-per-minute (gpm). If the proposed use is from storage, provide the amount in acre-feet (af):
(1 cfs equals 448.8 gpm. 1 acre-foot equals 325,851 gallons or 43,560 cubic feet)

SOURCE	USE	PERIOD OF USE	AMOUNT
Lost Creek Reservoir	IR	Apr. 1 to Oct. 31	440 <input type="checkbox"/> cfs <input type="checkbox"/> gpm <input checked="" type="checkbox"/> af
			<input type="checkbox"/> cfs <input type="checkbox"/> gpm <input type="checkbox"/> af
			<input type="checkbox"/> cfs <input type="checkbox"/> gpm <input type="checkbox"/> af
			<input type="checkbox"/> cfs <input type="checkbox"/> gpm <input type="checkbox"/> af

For irrigation use only:

Please indicate the number of primary and supplemental acres to be irrigated.

Primary: 146.20 Acres Supplemental: 0.00 Acres

List the Permit or Certificate number of the underlying primary water right(s): None

Indicate the maximum total number of acre-feet you expect to use in an irrigation season: 440

- If the use is **municipal or quasi-municipal**, attach **Form M**
- If the use is **domestic**, indicate the number of households: _____
- If the use is **mining**, describe what is being mined and the method(s) of extraction:

RECEIVED

MAY 21 2014

WATER RESOURCES DEPT
 SALEM, OREGON

5-87800

SECTION 5: WATER MANAGEMENT

A. Diversion and Conveyance

What equipment will you use to pump water from your source?

Pump (give horsepower and type): **Diversion Point 2: Two Century 75 H.P. Electric with Berkley Centrifugal Pumps. Diversion Point 3: Two Caterpillar Diesel 425hp engines with Cornell Centrifugal Pumps.**

Other means (describe): _____

Provide a description of the proposed means of diversion, construction, and operation of the diversion works and conveyance of water. **Pumps set adjacent to river, suction line from river to pump. Water pumped to place of use in buried PVC pipe lines.**

B. Application Method

What equipment and method of application will be used? (e.g., drip, wheel line, high-pressure sprinkler) **Pasture area will be irrigated using large bore high pressure sprinkler, vineyard area will be by drip irrigation with 1090+/- drippers per acre.**

C. Conservation

Please describe why the amount of water requested is needed and measures you propose to: prevent waste; measure the amount of water diverted; prevent damage to public uses of affected surface waters. **Timed Application will be utilized. Evening or night application when feasible.**

SECTION 6: RESOURCE PROTECTION

In granting permission to use water from a stream or lake, the state encourages, and in some instances requires, careful control of activities that may affect the waterway or streamside area. See instruction guide for a list of possible permit requirements from other agencies. Please indicate any of the practices you plan to undertake to protect water resources.

- Diversion will be screened to prevent uptake of fish and other aquatic life.
Describe planned actions: **Intake pipe will be screened.**
- Excavation or clearing of banks will be kept to a minimum to protect riparian or streamside areas.
Describe planned actions: **Minimum clearing will be required, vegetation will be retained to provide shade and conceal pump.**
- Operating equipment in a water body will be managed and timed to prevent damage to aquatic life.
Describe: **No equipment other than intake pipe and fish screen will be in river.**
- Water quality will be protected by preventing erosion and run-off of waste or chemical products.
Describe: **None anticipated.**

S-87808

RECEIVED

MAY 21 2012

**WATER RESOURCES DEPT
SALEM, OREGON**

SECTION 7: PROJECT SCHEDULE

Date construction will begin: October, 2013

*Date construction will be completed: October, 2017

Date beneficial water use will begin: October, 2018

SECTION 8: WITHIN A DISTRICT

Check here if the point of diversion or place of use are located within or served by an irrigation or other water district.

Irrigation District Name	Address	
City	State	Zip

SECTION 9: REMARKS

Use this space to clarify any information you have provided in the application.

* The area is proposed for vineyard (grape production). Initially a portion will be developed for vineyard and the balance in pasture. The pasture area will be replaced with vineyard (grape production) as funding permits.

Install an irrigation system for vineyard and or pasture and will be utilized for both, vineyard will be developed in phases as funding permits.

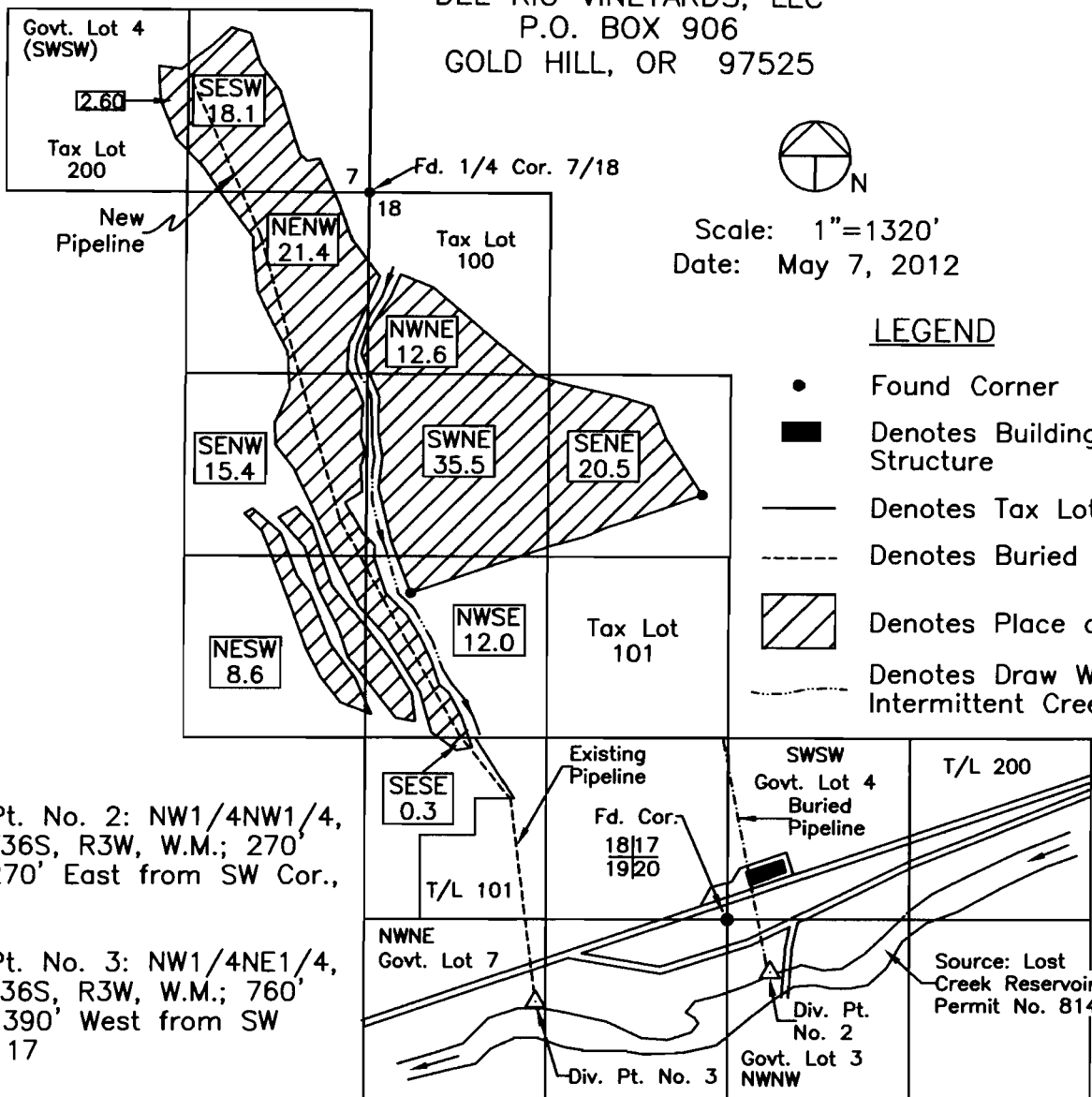
RECEIVED

MAY 21 2012

WATER RESOURCES DEPT
SALEM, OREGON

S-07002

WATER RIGHT APPLICATION MAP
 SECTIONS 7 & 18
 TOWNSHIP 36 SOUTH, RANGE 3 WEST, W.M.
 JACKSON COUNTY, OREGON
 FOR
 DEL RIO VINEYARDS, LLC
 P.O. BOX 906
 GOLD HILL, OR 97525



Scale: 1"=1320'
 Date: May 7, 2012

LEGEND

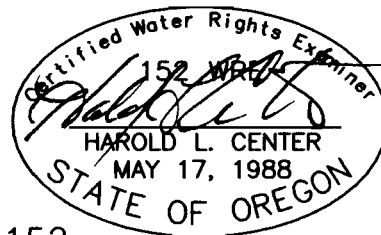
- Found Corner
- Denotes Building or Structure
- Denotes Tax Lot Line
- - - Denotes Buried Pipeline
- ▨ Denotes Place of Use
- · - · - Denotes Draw With Intermittent Creek

Diversion Pt. No. 2: NW1/4NW1/4, Sec. 20, T36S, R3W, W.M.; 270' South & 270' East from SW Cor., Sec. 17

Diversion Pt. No. 3: NW1/4NE1/4, Sec. 19, T36S, R3W, W.M.; 760' South & 1390' West from SW Cor., Sec. 17

This map was prepared for the purpose of identifying the location of a water right only and is not intended to provide legal dimensions or location of property ownership.

HAROLD L. CENTER
 2604 David Lane
 Medford, OR. 97504
 Phone 541-535-6108
 Oregon Certificate No. 152
 Cert. Renewal Date: 12/31/2013



PROJECT - 12-04C DEL RIO

RECEIVED

MAY 21 2012

WATER RESOURCES DEPT
 SALEM, OREGON

5-87800

Land Use Information Form



Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, Oregon 97301-1266
(503) 986-0900
www.wrd.state.or.us

NOTE TO APPLICANTS

In order for your application to be processed by the Water Resources Department (WRD), this Land Use Information Form must be completed by a local government planning official in the jurisdiction(s) where your water right will be used and developed. The planning official may choose to complete the form while you wait, or return the receipt stub to you. Applications received by WRD without the Land Use Form or the receipt stub will be returned to you. Please be aware that your application will not be approved without land use approval.

This form is NOT required if:

- 1) Water is to be diverted, conveyed, and/or used only on federal lands; **OR**
- 2) The application is for a water right transfer, allocation of conserved water, exchange, permit amendment, or ground water registration modification, and all of the following apply:
 - a) The existing and proposed water use is located entirely within lands zoned for exclusive farm-use or within an irrigation district;
 - b) The application involves a change in place of use only;
 - c) The change does not involve the placement or modification of structures, including but not limited to water diversion, impoundment, distribution facilities, water wells and well houses; and
 - d) The application involves irrigation water uses only.

NOTE TO LOCAL GOVERNMENTS

The person presenting the attached Land Use Information Form is applying for or modifying a water right. The Water Resources Department (WRD) requires its applicants to obtain land-use information to be sure the water rights do not result in land uses that are incompatible with your comprehensive plan. Please complete the form or detach the receipt stub and return it to the applicant for inclusion in their water right application. You will receive notice once the applicant formally submits his or her request to the WRD. The notice will give more information about WRD's water rights process and provide additional comment opportunities. You will have 30 days from the date of the notice to complete the land-use form and return it to the WRD. If no land-use information is received from you within that 30-day period, the WRD may presume the land use associated with the proposed water right is compatible with your comprehensive plan. Your attention to this request for information is greatly appreciated by the Water Resources Department. If you have any questions concerning this form, please contact the WRD's Customer Service Group at 503-986-0801.

RECEIVED

MAY 21 2012

**WATER RESOURCES DEPT
SALEM, OREGON**

Land Use Information Form



Oregon Water Resources Department
 725 Summer Street NE, Suite A
 Salem, Oregon 97301-1266
 (503) 986-0900
 www.wrd.state.or

RECEIVED

Applicant(s): Del Rio Vineyards, LLC, Mr. Rob Wallace, CEO/Gen. Mgr

MAY 21 2012

Mailing Address: P.O. Box 906

**WATER RESOURCES DEPT
 SALEM, OREGON**

City: Gold Hill

State: OR

Zip Code: 97525

Daytime Phone: 541-840-8953

A. Land and Location

Please include the following information for all tax lots where water will be diverted (taken from its source), conveyed (transported), and/or used or developed. Applicants for municipal use, or irrigation uses within irrigation districts may substitute existing and proposed service-area boundaries for the tax-lot information requested below.

Township	Range	Section	¼ ¼	Tax Lot #	Plan Designation (e.g., Rural Residential/RR-5)	Water to be:			Proposed Land Use:
<u>36S</u>	<u>3W</u>	<u>07</u>	<u>-----</u>	<u>200</u>	RR <u>WR</u>	<input type="checkbox"/> Diverted	<input checked="" type="checkbox"/> Conveyed	<input checked="" type="checkbox"/> Used	<u>Vineyard</u>
36S	<u>3W</u>	<u>18</u>	<u>-----</u>	<u>100</u>	<u>EFU</u>	<input type="checkbox"/> Diverted	<input checked="" type="checkbox"/> Conveyed	<input checked="" type="checkbox"/> Used	<u>Vineyard</u>
_____	_____	_____	_____	_____	_____	<input type="checkbox"/> Diverted	<input type="checkbox"/> Conveyed	<input type="checkbox"/> Used	_____
_____	_____	_____	_____	_____	_____	<input type="checkbox"/> Diverted	<input type="checkbox"/> Conveyed	<input type="checkbox"/> Used	_____

List all counties and cities where water is proposed to be diverted, conveyed, and/or used or developed:

Jackson County, 10 South Oakdale, Medford, OR

B. Description of Proposed Use

Type of application to be filed with the Water Resources Department:

- Permit to Use or Store Water
 Water Right Transfer
 Permit Amendment or Ground Water Registration Modification
 Limited Water Use License
 Allocation of Conserved Water
 Exchange of Water

Source of water: Reservoir/Pond
 Ground Water
 Surface Water (name) Rogue River

Estimated quantity of water needed: 700
 cubic feet per second
 gallons per minute
 acre-feet

Intended use of water: Irrigation
 Commercial
 Industrial
 Domestic for _____ household(s)
 Municipal
 Quasi-Municipal
 Instream
 Other _____

Briefly describe:

Water from Lost Creek Reservoir will be used to irrigate approximately 150 acres of vineyard and pasture. Water will be released from Lost Creek Reservoir under contract with the U.S. Bureau of Reclamation and pumped from the Rogue River at a diversion point situated on Del Rio Vineyards property to the place of use in Sections 7 and 18, T.36S., R.3W.

Note to applicant: If the Land Use Information Form cannot be completed while you wait, please have a local government representative sign the receipt at the bottom of the next page and include it with the application filed with the Water Resources Department.

See bottom of Page 3. →

Land Use Information Form - Page 2 of 3

For Local Government Use Only

The following section must be completed by a planning official from each county and city listed unless the project will be located entirely within the city limits. In that case, only the city planning agency must complete this form. This deals only with the local land-use plan. Do not include approval for activities such as building or grading permits.

Please check the appropriate box below and provide the requested information

- Land uses to be served by the proposed water uses (including proposed construction) are allowed outright or are not regulated by your comprehensive plan. Cite applicable ordinance section(s): 4.2-1 & 4.3-1
- Land uses to be served by the proposed water uses (including proposed construction) involve discretionary land-use approvals as listed in the table below. (Please attach documentation of applicable land-use approvals which have already been obtained. Record of Action/land-use decision and accompanying findings are sufficient.) **If approvals have been obtained but all appeal periods have not ended, check "Being pursued."**

Type of Land-Use Approval Needed (e.g., plan amendments, rezones, conditional-use permits, etc.)	Cite Most Significant, Applicable Plan Policies & Ordinance Section References	Land-Use Approval:	
		<input type="checkbox"/> Obtained <input type="checkbox"/> Denied	<input type="checkbox"/> Being Pursued <input type="checkbox"/> Not Being Pursued
		<input type="checkbox"/> Obtained <input type="checkbox"/> Denied	<input type="checkbox"/> Being Pursued <input type="checkbox"/> Not Being Pursued
		<input type="checkbox"/> Obtained <input type="checkbox"/> Denied	<input type="checkbox"/> Being Pursued <input type="checkbox"/> Not Being Pursued
		<input type="checkbox"/> Obtained <input type="checkbox"/> Denied	<input type="checkbox"/> Being Pursued <input type="checkbox"/> Not Being Pursued
		<input type="checkbox"/> Obtained <input type="checkbox"/> Denied	<input type="checkbox"/> Being Pursued <input type="checkbox"/> Not Being Pursued

Local governments are invited to express special land-use concerns or make recommendations to the Water Resources Department regarding this proposed use of water below, or on a separate sheet.

2012-00487 - case #

Name: Charlis Bennett Title: Planner II
 Signature: [Signature] Phone: (541) 774-6115 Date: 4/27/12
 Government Entity: Jackson County

Note to local government representative: Please complete this form or sign the receipt below and return it to the applicant. If you sign the receipt, you will have 30 days from the Water Resources Department's notice date to return the completed Land Use Information Form or WRD may presume the land use associated with the proposed use of water is compatible with local comprehensive plans.

Receipt for Request for Land Use Information

Applicant name: _____
 City or County: _____ Staff contact: _____
 Signature: _____ Phone: _____ Date: _____

RECEIVED

MAY 21 2012

WATER RESOURCES DEPT
SALEM, OREGON

03 40453

42

119962-es

After recording return to:
Lawyers Title Insurance Corporation
1555 E. McAndrews Road, Suite 100
Medford OR 97504

20
10
11

Until a change is requested, all tax statements shall be sent to Grantee at the following address:

No Change

RECORDED BY LAWYERS TITLE INS. CORP. AS AN ACCOMMODATION ONLY NO LIABILITY IS ACCEPTED FOR THE CONDITION OF TITLE OR FOR THE VALIDITY, SUFFICIENCY, OR EFFECT OF THIS DOCUMENT.

STATUTORY BARGAIN AND SALE DEED

Lee Traynham and Margaret Traynham

, Grantor, conveys to

DEL RIO VINEYARDS, LLC

, Grantee, the following described real property:

See Exhibit "A" attached hereto and made a part hereof

The true consideration for this conveyance is \$ 0

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930.

Dated this 12 day of June, 2003.

Lee Traynham
Lee Traynham

Margaret Traynham
Margaret Traynham

STATE OF OREGON
COUNTY OF Jackson

The foregoing instrument was acknowledged before me this 12 day of June 2003, by Lee Traynham and Margaret Traynham

Carol Sartain
Notary Public for Oregon
My commission expires 9/22/04



RECEIVED

MAY 21 2012
WATER RESOURCES DEPT
SALEM, OREGON

S-87808

TRACT A: The South Half of the Southwest Quarter of Section 7 in Township 36 South, Range 3 West of the Willamette Meridian in Jackson County, Oregon.

(Code 6-03, Account #1-016301-5, Map #363W07, Tax Lot #200)

TRACT B: The East Half of the Northwest Quarter; the Southwest Quarter of the Northwest Quarter; the North Half of the Northeast Quarter; the Southwest Quarter of the Northeast Quarter; the North Half of the Southeast Quarter of the Northeast Quarter; the Southwest Quarter of the Southeast Quarter of the Northeast Quarter; the East Half of the Southwest Quarter; the Northwest Quarter of the Southeast Quarter; the Northwest Quarter of the Northeast Quarter of the Southeast Quarter; the Southwest Quarter of the Southwest Quarter of the Northeast Quarter of the Southeast Quarter; the Northwest Quarter of the Southwest Quarter of the Southeast Quarter; the Northwest Quarter of the Northeast Quarter of the Southwest Quarter of the Southeast Quarter; and the West Half of the Southwest Quarter of the Southwest Quarter of the Southeast Quarter; all in Section 18 in Township 36 South, Range 3 West of the Willamette Meridian in Jackson County, Oregon.

(Code 6-03, Account #1-016536-7, Map #363W18, Tax Lot #100)
(Code 6-10, Account #1-081229-1, Map #363W18, Tax Lot #100)

TRACT C: The Southwest Quarter of the Northwest Quarter; the East Half of the Northeast Quarter of the Northwest Quarter of the Southwest Quarter; the North Half of the Northeast Quarter of the Southwest Quarter; the Southeast Quarter of the Northeast Quarter of the Southwest Quarter; and the East Half of the Southwest Quarter of the Northeast Quarter of the Southwest Quarter; all in Section 17 in Township 36 South, Range 3 West of the Willamette Meridian in Jackson County, Oregon.

(Code 6-03, Account #1-016514-8, Map #363W17, Tax Lot #800)
(Code 6-10, Account #1-081223-4, Map #363W17, Tax Lot #800)

TRACT D: That portion of the West 330.0 feet of the Northwest Quarter of the Northeast Quarter (Lot No. 7) of Section 19 in Township 36 South, Range 3 West of the Willamette Meridian in Jackson County, Oregon, lying Northerly of the Southern Pacific Company's right of way. ALSO, that portion of River Lot No. 4 of Section 17, the Southeast Quarter of the Southeast Quarter of Section 18, River Lot No. 8 and the Northwest Quarter of the Northeast Quarter (Lot No. 7) of Section 19, and River Lot No. 3 of Section 20, lying Southerly of the Southern Pacific Company's right of way, all in Township 36 South, Range 3 West of the Willamette Meridian in Jackson County, Oregon. EXCEPTING THEREFROM the following: Beginning at a point from which the corner common to Sections 17, 18, 19 and 20 in Township 36 South, Range 3 West of the Willamette Meridian in Jackson County, Oregon, bears South 64° East 110 links; and run thence South 77°30' West 11.50 chains to stake for the northwest corner; thence South 12°30' East to Rogue River; thence returning to the point of beginning, and running thence South 12°30' East 2.56 chains; thence North 77°30' East 10.00 chains; thence South 12°30' East to Rogue River. ALSO EXCEPTING THEREFROM the following: Commencing at the quarter corner common to Sections 17 and 20 in Township 36 South, Range 3 West of the Willamette Meridian in Jackson County, Oregon; thence West 3431.30 feet; thence South 334.70 feet to a 5/8" iron pin located on the southerly right of way line of the North River Road for the True Point of Beginning; thence North 86°17'40" West, along said road line, 64.15 feet to a 5/8" iron pin at a point

RECEIVED

MAY 23 2012

WATER RESOURCES DEPT
SALEM, OREGON

97355 (continued)

of curve; thence along said road line, 140.41 feet on the arc of a curve left (which arc, has a radius of 542.96 feet and a long chord of South 86°17'50" West 140.02 feet); thence along said road line 71.47 feet on the arc of a curve left (which arc has a radius of 542.96 feet and a long chord of South 75°07'05" West 71.42 feet) to a 5/8" iron pin; thence South 71°20'50" West, along said road line, 140.00 feet to a 5/8" iron pin; thence South 18°39'10" East 506.75 feet, more or less, to the center of Rogue River; thence South 87°55'30" East, upstream along the center of Rogue River 367.68 feet, more or less, to a point from which the True Point of Beginning bears North 12°27'40" West; thence North 12°27'40" West 575.00 feet, more or less to the True Point of Beginning. ALSO EXCEPTING THEREFROM that portion conveyed to the State of Oregon, by and through its State Highway Commission, by deeds recorded in Volume 497 pages 156 and 158 of the Deed Records of Jackson County, Oregon.

- (Code 6-03, Account #1-060928-0, Map #363W17, Tax Lot #802)
- (Code 6-10, Account #1-081225-9, Map #363W17, Tax Lot #802)
- (Code 6-10, Account #1-060929-8, Map #363W18, Tax Lot #102)
- (Code 6-03, Account #1-016548-9, Map #363W19A, Tax Lot #400)
- (Code 6-10, Account #1-073380-9, Map #363W19A, Tax Lot #400)
- (Code 6-10, Account #1-055361-6, Map #363W19A, Tax Lot #401)
- (Code 6-03, Account #1-016568-3, Map #363W20, Tax Lot #1300)

TRACT E: Beginning at the northeast corner of Block Three (3) of ROCK POINT in Jackson County, Oregon, according to the official plat thereof, now of record; thence North 77°30' East 264 feet; thence South 12-1/2° East to Rogue River; thence Southwesterly to the southeast corner of Block Three (3); thence North 12-1/2° West 100 feet to the point of beginning. ALSO, Lots One (1) and Two (2) and 15 feet in width off the east side of Lot Three (3) in Block Three (3) of ROCK POINT, in Jackson County, Oregon, according to the official plat thereof, now of record.

(Code 6-03, Account #1-016555-1, Map #363W19A, Tax Lot #1200)

TRACT F: Commencing at the quarter corner common to Sections 17 and 20 in Township 36 South, Range 3 West of the Willamette Meridian in Jackson County, Oregon; thence West 3431.30 feet; thence South 334.70 feet to a 5/8" iron pin located on the southerly right of way line of the North River Road for the True Point of Beginning; thence North 86°17'40" West along said road line, 64.15 feet to a 5/8" iron pin at a point of curve; thence along said road line, 140.41 feet on the arc of a curve left, (which arc has a radius of 542.96 feet and a long chord of South 86°17'50" West 140.02 feet); thence South 12°27'40" East, 562.33 feet, more or less, to the center of Rogue River; thence South 87°55'30" East, along the center of Rogue River, 206.61 feet, more or less, to a point South 12°27'40" East from the True Point of Beginning; thence North 12°27'40" West, 575.00 feet, more or less, to the True Point of Beginning.

(Code 6-03, Account #1-079971-1, Map #363W19A, Tax Lot #600)

TRACT G: The South Half of the Southeast Quarter of the Southeast Quarter of the Northeast Quarter, the East Half of the Northeast Quarter of the Southeast Quarter, the Southeast Quarter of the Southwest Quarter of the Northeast Quarter of the Southeast Quarter, the East Half of the Southwest Quarter of the Southwest Quarter of the Southeast Quarter, the Southeast Quarter of the Southwest Quarter of the Southeast Quarter, the South Half of the Northeast Quarter of the Southwest Quarter of the Southeast Quarter and the Northeast Quarter of the Northeast Quarter of the Southwest Quarter of the Southeast Quarter and that portion of the Southeast Quarter of the Southeast Quarter, lying Northerly of the Southern Pacific Company's right of way, all in Section 18, Township 36 South, Range 3 West of the Willamette Meridian in

RECEIVED

MAY 21 2012

WATER RESOURCES DEPT
SALEM, OREGON

97355 (continued)
Jackson County, Oregon.

(Code 6-03, Account #1-060926-3, Map #363W18, Tax Lot #101)
(Code 6-10, Account #1-081230-7, Map #363W18, Tax Lot #101)

TRACT H: That portion of the Northwest Quarter of the Northeast Quarter (Lot 7) and that portion of Lot 8, lying Northerly of the Southern Pacific Company's right of way, all in Section 19, Township 36 South, Range 3 West of the Willamette Meridian in Jackson County, Oregon. EXCEPTING THEREFROM the West 330.0 feet of the Northwest Quarter of the Northeast Quarter (Lot 7) of Section 19 in Township 36 South, Range 3 West of the Willamette Meridian in Jackson County, Oregon.

(Code 6-03, Account #1-060927-1, Map #363W19A, Tax Lot #402)

TRACT I: Commencing at the quarter corner common to Sections 17 and 20 in Township 36 South, Range 3 West of the Willamette Meridian in Jackson County, Oregon; thence West 3431.3 feet and South 334.7 feet to a 5/8" iron pin located on the southerly right of way line of the North River Road; thence North 86°17'40" West, along said road line, 64.15 feet to a 5/8" iron pin at a point of curve; thence along said road line, 140.41 feet on the arc of a curve left (which arc has a radius of 542.96 feet and a long chord of South 86°17'50" West 140.02 feet) to the True Point of Beginning; thence along said road line, 71.47 feet on the arc of a curve left (which arc has a radius of 542.96 feet and a long chord of South 75°07'05" West 71.42 feet) to a 5/8" iron pin; thence South 71°20'50" West along said road line 140.00 feet to a 5/8" iron pin; thence South 18°39'10" East 506.75 feet, more or less, to the center of Rogue River; thence South 87°55'30" East upstream along the center of Rogue River 161.07 feet, more or less, to a point from which the True Point of Beginning bears North 12°27'40" West; thence North 12°27'40" West 562.33 feet, more or less, to the True Point of Beginning.

(Code 6-10, Account #1-016549-7, Map #363W19A, Tax Lot #500)

Jackson County, Oregon
Recorded
OFFICIAL RECORDS

JUN 20 2003
2:10 PM
[Signature]
COUNTY CLERK

4

RECEIVED

MAY 21 2002

WATER RESOURCES DEPT
SALEM, OREGON

R-LLA
Cnt=1 ALONZOKM 02/26/2010 01:15:20 PM
\$20.00 \$10.00 \$5.00 \$11.00 \$15.00 Total:\$61.00



0141564820100066020040043

Christine Walker, County Clerk for Jackson County, Oregon, certifies that the instrument identified herein was recorded in the Clerk records
Christine Walker - County Clerk

After recording return to:
Daniel O'Connor
Huycke, O'Connor, Jarvis & Lohman, LLP
823 Alder Creek Drive
Medford, Oregon 97504

Until a change is requested,
all tax statements shall be sent
to the above-stated address.

**BARGAIN AND SALE DEED
(Property Line Adjustment)
TAX LOT 100**

DEL RIO VINEYARDS, LLC, an Oregon limited liability company, as Grantor, does hereby grant, bargain, sell and convey to **DEL RIO VINEYARDS, LLC**, an Oregon limited liability company, as Grantee, all of that certain real property described as follows:

SEE EXHIBIT "A" ATTACHED HERETO.

The true consideration for this conveyance consists of, in its entirety, value given other than monetary consideration, receipt of which is acknowledged and accepted by the undersigned. Specifically, this conveyance has been consummated pursuant to a boundary line adjustment (Jackson County File No. SUB2008-00067).

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 and 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930 AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS

//
//
//

PROPERTY LINE ADJUSTMENT DEED
TAX LOT 100 (36-3W-18)
Page 1 of 2

RECEIVED
MAY 21 2012
WATER RESOURCES DEPT
SALEM, OREGON

5-87808

195.300, 195.301 and 195.305 TO 195.336 AND SECTIONS 5 TO 11,
CHAPTER 424, OREGON LAWS 2007.

IN WITNESS WHEREOF, the parties have set their hands to this instrument on the date
set forth below.

DEL RIO VINEYARDS, LLC

1/6/2010
Date

[Signature]
By: Robert Wallace, Managing-Member

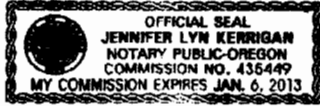
STATE OF OREGON)
) ss.
County of Jackson)

January 4, 2010 [Signature]

Personally appeared Robert Wallace who, being duly sworn, did say that he is the
Managing-Member of Del Rio Vineyards, LLC, an Oregon limited liability company, and that said
instrument was signed and sealed in behalf of said corporation, and he acknowledged said
instrument to be its voluntary act and deed.

Before me:

[Signature]
Notary Public for Oregon
My Commission Expires: January 6, 2013



PROPERTY LINE ADJUSTMENT DEED
TAX LOT 100 (36-3W-18)
Page 2 of 2

2

RECEIVED

MAY 21 2012

**WATER RESOURCES DEPT
SALEM, OREGON**

S-87808

PROPERTY LINE ADJUSTMENT DESCRIPTION

Jackson County Development Services File: SJR2008-00067
Del Rio Vineyards, LLC
Assessor's Map No.: 36-3W-18 Tax Lot 100 After PLA

BEGINNING at the found brass cap monumenting the One-quarter corner common to Sections 18 & 19 in Township 36 South, Range 3 West, Willamette Meridian, Jackson County, Oregon; thence North 89°31'21" East, along the south line of the southeast quarter of said Section 18, a distance of 327.52 feet to the southwest corner of the east half of the southwest one-quarter of the southwest one-quarter of the southeast one-quarter of said Section 18; thence, along the west line of said east half, North 00°12' East 657± feet to the northwest corner of said east half; thence, along the north line of said east half, North 89°28' East 328± feet to the southwest corner of the south half of the northeast one-quarter of the southwest one-quarter of the southeast one-quarter of said Section 18; thence, along the west line of said south half, North 00°13' East 329± feet to the northwest corner of said south half; thence, along the north line of said south half, North 89°26' East 328± feet to the southwest corner of the northeast one-quarter of the northeast one-quarter of the southwest one-quarter of the southeast one-quarter of said Section 18; thence, along the west line of said northeast one-quarter of the northeast one-quarter, North 00°15' East 51± to a point that bears South 23°07'19" East from a 5/8 inch rebar witness monument; thence, leaving said west line, North 23°07'19" West 377± feet to a 5/8 inch rebar witness monument; thence continuing North 23°07'19" West 400.08 feet to a 5/8 inch rebar; thence North 42°41'43" West 183.42 feet to a 5/8 inch rebar; thence North 25°30'43" West 489.88 feet to a 5/8 inch rebar; thence North 71°15'30" East 2214.34 feet to a 5/8 inch rebar witness monument; thence continuing North 71°15'30" East 208± feet to the east boundary of said Section 18; thence, along said east boundary, North 00°23' East 2183± feet to the northeast corner of said Section 18; thence, along the north boundary of said Section 18, South 89°02' West 3960± feet to the northwest corner of the northeast one-quarter of the northwest one-quarter of said Section 18; thence, leaving said north boundary and along the west line of said northeast one-quarter, South 00°04' West 1311± feet to the northeast corner of the southwest one-quarter of the northwest one-quarter of said Section 18; thence, along the north line of said southwest one-quarter, South 89°09' West 1384± feet to the northwest corner of said southwest one-quarter; thence, along the west line of said southwest one-quarter, South 00°00'48" East 1308.23 feet to the southwest corner of said southwest one-quarter; thence, along the south line of said southwest one-quarter, North 89°16' East 1382± feet to the northwest corner of the east half of the southwest one-quarter of said Section 18; thence, along the west line of said east half, South 00°04' West 2622± feet to the

3

RECEIVED

MAY 23 2011

**WATER RESOURCES DEPT
SALEM, OREGON**

S-87808

southwest corner of said east half, thence, along the south line of said east half, North 89°30'53" East 1310.295 feet to the POINT OF BEGINNING.

2008\08-044 Del Rio\Tax Lot 100 after PLA.doc



4

RECEIVED
MAY 21 2012
WATER RESOURCES DEPT
SALEM, OREGON

S-87808

DEL RIO VINEYARDS, LLC
P.O. BOX 906
GOLD HILL, OREGON 97525

May 10, 2012

Mr. Bill Parks, PN-3324
U.S. Bureau of Reclamation
1150 N. Curtis Rd. Ste 100
Boise, ID 83706

Reference: Contract for Stored water from Lost Creek Reservoir

Dear Mr. Parks,

Enclosed please find the Contract Data Sheet for stored water from Lost Creek Reservoir. I have enclosed our bank check in the amount of \$100.00 for the contract administration fee.

Please contact me if you have questions or require additional information.

Sincerely,



Rob Wallace
CEO and General Manager
Del Rio Vineyards, LLC

Enclosure: Bank Check

RECEIVED

MAY 21 2012

**WATER RESOURCES DEPT
SALEM, OREGON**

5-87808

CONTRACT DATA SHEET



U.S. Bureau of Reclamation
Attn: PN-3324
1150 North Curtis Road
Boise, ID 83706-1234
208-378-5344

RECLAMATION *Managing Water in the West*

RECEIVED

MAY 21 2012

WATER RESOURCES DEPT
SALEM, OREGON

1. Applicant Information:

A. Landowners

- 1) Name of landowner(s): DEL RIO VINEYARDS, LLC Rob Wallace GEN. Mgr
- 2) Address: P.O. Box 906 GOLD HILL, OR. 97525
- 3) Mailing Address (if different): _____
- 4) Taxpayer Identification Number(s): _____
(Social Security Number or Employer Identification Number)¹
- 5) Do you own all of the land where you propose to divert and make use of water? YES

B. Water User Organizations (Such as Irrigation Districts, Ditch/Canal Companies, Water Control Districts, Water User Associations & Cooperatives, Irrigation Improvement Districts, and similar entities organized according to State Law)

- 1) Name of Organization: _____
- 2) Name & Title of Applicant: _____
- 3) Mailing Address of Organization: _____
- 4) Taxpayer Identification Number: _____
(Social Security Number or Employer Identification Number)
- 5) Please provide the following information:
 - (a) A description of the area served by the organization (location, total acreage, # of water users, prominent crops, etc.)
 - (b) Copy of organization by-laws, articles of incorporation (if applicable), board resolution authorizing the applicant to represent and bind the organization under contract with the United States.

2. Source of Water (name of stream, river): LOST CREEK RESERVOIR - Rogue River

3. Proposed point of diversion: ^{No. 2} 270 feet SOUTH and 270 feet
of EAST SOUTHWEST corner of Section 17, Township 36 South Range 3 West,
Willamette Meridian. SEE ATTACHED SUPPLEMENTAL SHEET FOR ADDITIONAL POI

4. A water right permit to divert storage water is required. Application or file number with OWRD if you have applied for a permit to divert storage water: _____

5. Include a map of lands and diversion points. [Same as required by Oregon Water Resources Department (OWRD) for application for surface/ground water permit].

S-87808

6. Do you currently hold a right to natural flows for irrigating the property described herein? No
If yes, what is/are the priority date(s)? _____

7. Total quantity of water from storage requested: 440 acre-feet.

8. Location of land to be irrigated in each 40-acre tract:

TOWNSHIP	RANGE	SECTION	40-ACRE TRACT (1/4) (1/4)	NO. of ACRES	TYPE of IRRIGATED CROP
36S	3W	7	Govt. Lot 4 (SW 1/4 SW 1/4)	2.60	VINEYARD/PASTURE
36S	3W	7	SE NW	18.10	VINEYARD/PASTURE
36S	3W	18	NE NW	21.40	VINEYARD/PASTURE
36S	3W	18	NW NE	12.60	VINEYARD/PASTURE
36S	3W	18	SE NE	20.50	VINEYARD/PASTURE
36S	3W	18	SW NE	35.50	VINEYARD/PASTURE

9. What is the present use of the land identified above? [Farming; idle (fallow cultivated land); native (appears never to have been tilled); planted pasture or other (please specify)].

Dry LAND PASTURE - Majority has BEEN CULTIVATED

10. Is the land identified above currently being irrigated? No If yes, what is the source? (natural flows, wells, etc.) _____

11. Diversion must be screened to prevent uptake of fish and other aquatic life.

Describe plan(s) to comply with State/Federal fish screen standards: EXISTING POINT OF DIVERSION - CURRENTLY MEETS FISH SCREENING AND BYPASS - INSPECTED BY ODFW

12. Telephone number where you can be reached during the day: 541-840-8953

Before returning the completed Contract Data Sheet to the address provided on page 1, please check that you have done the following:

- ANSWERED ALL QUESTIONS COMPLETELY
- ATTACHED AND IDENTIFIED ADDITIONAL SHEET(S) AS NECESSARY
- ATTACHED THE REQUIRED MAP
- SUBMIT PAYMENT FOR THE APPROPRIATE CONTRACT ADMINISTRATION FEE², MAKE CHECK PAYABLE TO THE U.S. BUREAU OF RECLAMATION

¹ Section 31001.(j) of the Debt Collection Improvement Act of 1996 (Chapter 10 of Pub. L. 104-134) requires each contractor with an agency of the United States to furnish their taxpayer identifying number (social security number or employer identification number) and each agency to disclose to that contractor its intent to use such number for purposes of collecting and reporting on any delinquent amounts arising out of such contractor's relationship with the Government.

² The minimum contract administration fee for most applications is \$100. However, from time to time this fee may be revised to cover the costs of the United States. We recommend you contact this office to verify the current minimum contract administration fee. In the event that the costs to the United States of evaluating the application are in excess of the minimum contract administration fee, an estimate of the reimbursable costs for which advance payment is required will be provided to the applicant.

S-87808

RECEIVED
MAY 21 2012
WATER RESOURCES DEPT
SALEM, OREGON

Supplemental Information

Contract Data Sheet

Del Rio Vineyards, LLC

Rob Wallace, Gen. Mgr.

P.O. Box 906

Gold Hill, OR 97525

3) Proposed Point of Diversion No. 3: 760 Feet South and 1390 Feet West from Southwest Corner of Section 17, Township 36 South, Range 3 West, Willamette Meridian, Oregon. Continued from item 3, page 1 of 2, Form RO-303.

8) Location of land to be irrigation in each 40 acre tract. Continued from item 8, Page 2 of 2, Form RO-303.

Township	Range	Section	Quarter/Quarter	Acreage	Use
36S	3W	18	SE NW	15.40	Vineyard
36S	3W	18	NW SE	12.00	Vineyard
36S	3W	18	NE SW	8.60	Vineyard
36S	3W	18	SE SE	0.30	Vineyard

RECEIVED

MAY 21 2012

**WATER RESOURCES DEPT
SALEM, OREGON**

5-87808