



Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem Oregon 97301-1271
(503) 986-0900
www.wrd.state.or.us

Application for a Permit to Use
Ground Water

Please type or print in dark ink. If your application is found to be incomplete or inaccurate, we will return it to you. If any requested information does not apply to your application, insert "n/a." Please read and refer to the instructions when completing your application. A summary of review criteria and procedures that are generally applicable to these applications is available at www.wrd.state.or.us/OWRD/PUBS/forms.shtml.

1. APPLICANT INFORMATION

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WATER RESOURCES DEPT
SALEM OREGON

A. Individuals

Applicant: N/A
First Last

Mailing address:
City State Zip

Phone: Home Work Other

*Fax: *E-Mail address:

B. Organizations

(Corporations, associations, firms, partnerships, joint stock companies, cooperatives, public and municipal corporations)

Name of organization: Vineyard Holdings, LLC

Name and title of person applying: Allen Holstein

Mailing address of organization: P.O. Box 280
Dundee Oregon 97115
City State Zip

Phone: 503-537-4937 N/A
Day Evening

*Fax: -- *E-Mail address: holstein@argylewinery.com

* Optional information

For Department Use
App. No. Permit No. Date

2. PROPERTY OWNERSHIP

Do you own all the land where you propose to divert, transport, and use water?

- Yes (Skip to section 3 "Ground water Development.")
- No (Please check the appropriate box below.)
 - 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 irrigated and/or domestic use only (ORS 274.040).

You must 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.

List the names and mailing addresses of all affected landowners.

3. GROUND WATER DEVELOPMENT

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A. Well Information

Number of well(s): One

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Name of nearest surface water body: King Creek

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Distance from well(s) to nearest stream or lake: 1) 1350' north to King Creek

2) _____ 3) _____ 4) _____

If distance from surface water is less than one mile, indicate elevation difference between nearest surface water and well head. 1) 30' - Well head is 30' higher than King Creek.

2) _____ 3) _____ 4) _____

B. Well Characteristics

Wells must be constructed according to standards set by the Department for the construction and maintenance of water wells. If the well is already constructed, please enclose a copy of the well constructor's log and the well ID number, if available, for each well with this application. Identify each well with a number corresponding to the wells designated on the map and proceed to section 4 of the form. If the well has not been constructed, or if you do not have a well log, please complete the following:

Well(s) will be constructed by: N/A - see attached well log

Address: N/A

Completion date: 07/13/1998

Please provide a description of your well development. (Attach additional sheets if needed.)

Polk
5065B →

Well No.	Diameter	Type and size of casing	No. of feet of casing	Intervals casing is perforated (in feet)	Seal depth	Est. depth to water	Est. depth to water bearing stratum	Type of access port or measuring device	Total well depth
5065B		Well log attached.							

Note: Well numbers in this listing must correspond to well locations(s) shown on accompanying map.

If well log is not available, or well is not yet constructed, you must provide: proposed total depth, depth of casing and seal, and the anticipated perforation and open intervals.

C. Artesian Flows

If your water well is flowing artesian, describe your water control and conservation works:

N/A

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4. WATER USE

Please read the instruction booklet for more details on "type of use" definitions, how to express how much water you need and how to identify the water source you propose to use. You must fill out a supplemental form for some uses as they require specific information for that type of use.

A. Type(s) of Use(s)

See list of beneficial uses provided in the instructions.

- If your proposed use is **domestic**, indicate the number of households to be supplied with water: _____
- If your proposed use is **irrigation**, please attach **Form I**
- If your proposed use is **mining**, attach **Form R**
- If your proposed use is **municipal or quasi-municipal**, attach **Form M**
- If your proposed use is **commercial/industrial**, attach **Form Q**

B. Amount of Water

Provide the production rate in gallons per minute (gpm) and the total annual amount of water you need from each well, from each source or aquifer, for each use. You do not need to provide source information if you are submitting a well log with your application.

Well No.	Source or aquifer	Type of use	Total rate of water requested (in gpm)	Total annual quantity (in gallons)	Production rate of well (in gpm)
Polk 50658	See well log	Irrigation	125	70 af	125
Polk 50658	" " "	Commercial	25	5,000,000	125
Polk 50658	" " "	Reservoir Maintenance	90	2,500,000	125

C. Maximum Rate of Use Requested

What is the maximum, instantaneous rate of water that will be used? 125 gpm
(The fees for your application will be based on this amount.)

D. Period of Use

Indicate the time of year you propose to use the water: Irrig.:3/1-10/31; resv.maint. & comm use: as needed
(For seasonal uses like irrigation give dates when water use would begin and end, e.g. March 1–October 31.)

E. Acreage

If you will be applying water to land, please give the total number of acres where water will be applied or used: 178.9 acres
(This number should be consistent with your application map.)

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5. WATER MANAGEMENT

A. Diversion

What equipment will you use to pump water from your well(s)?

- Pump (give horsepower and pump type): 15 HP electric submersible
- Other means (describe): _____

B. Transport

How will you transport water to your place of use?

- Ditch or canal (give average width and depth):
 Width _____ Depth _____
 Is the ditch or canal to be lined? Yes No
- Pipe (give diameter and total length):
 Diameter 4 inch pvc Length 950' to reserv. from well (system not designed yet)
- Other (describe) _____

C. Application/Distribution Method

What equipment will you use to apply water to your place of use? Additional vineyard drip irrigation system will be installed. Well water will be pumped into existing Eola Reservoir (see the "Remarks" section 7)

Irrigation or land application method (check all that apply):

- Flood
- Drip
- Hand lines
- Siphon tubes or gated pipe with furrows
- Other, describe _____
- High-pressure sprinkler
- Water cannons
- Wheel lines
- Low pressure sprinkler
- Center pivot system

Distribution method

- Direct pipe from source
- In-line storage (tank or pond)
- Open canal

D. Conservation

What methods will you use to conserve water? Why did you choose this distribution or application method? For example, if you are using sprinkler irrigation rather than drip irrigation, explain. If you need additional space, attach a separate sheet.

Vineyards will be watered using drip irrigation only when needed. Cover crops will be watered using low pressure sprinklers for establishment and only as needed.

6. PROJECT SCHEDULE

Indicate the anticipated dates that the following construction tasks should begin. If construction has already begun, or is completed, please indicate that date.

Proposed date construction will begin: May 2008

Proposed date construction will be completed: October 2015

Proposed date beneficial water use will begin: May 2009

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7. REMARKS

If you would like to clarify any information you have provided in the application, please do so here and reference the specific application question you are addressing.

Primary use is vineyard irrigation via drip system during irrigation season. The existing Eola Reservoir (Certificate #62251) stores 36.7 af of water that is used to irrigate 43.0 acres (Certificate #62252). The concurrent submitted "Application for a Permit to Use Surface Water" seeks supplemental water rights for 135.9 new acres. This "Application for a Permit to Use Ground Water" seeks primary water rights for the new 135.9 acres and supplemental water rights to irrigate the existing 43.0 acres.

Please see the attached note from e-mail correspondence regarding the on-site water well.

8. MAP REQUIREMENTS

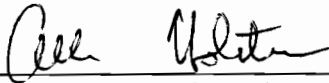
The Department cannot process your application without accurate information showing the source of water and location of water use. You must include a map with this application form that clearly indicates the township, range, section, and quarter/quarter section of the proposed well location and place of use. The map must provide tax lot numbers. See the map guidelines sheet for detailed map specifications.

9. SIGNATURE

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.
- 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 canceled.
- The water use must be compatible with local comprehensive land use plans.
- Even if the Department issues a permit to me, I may have to stop using water to allow senior water right holders to get water they are entitled to, and

I swear that all information provided in this application is true and correct to the best of my knowledge:



4/22/08

Signature of Applicant *(If more than one applicant, all must sign.)*

Date

Before you submit your application be sure you have:

- Answered each question completely.
- Attached a legible map which includes township, range, section, quarter/quarter and tax lot number.
- Included a Land Use Information Form or receipt stub signed by a local official.
- Included the legal description of all the property involved with this application. You may supply a copy of the deed, land sales contract, or title insurance policy, to meet this requirement.
- Included a check payable to the Oregon Water Resources Department for the appropriate amount. The Department's fee schedule can be found at www.wrd.state.or.us or call (503) 986-0900.

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POLK 50658

Westerberg Drilling, Inc.
36728 S. Kropt Rd.
Molalla, OR 97038
829-2526

JUL 24 1998

STATE OF OREGON
WATER SUPPLY WELL REPORT
(as required by ORS 537.765)

WATER RESOURCES DEPT.
WELL I.D. # L 2 SALEM, OREGON
START CARD # 111442

Instructions for completing this report are on the last page of this form.

(1) OWNER: Well Number
Name WILLAMETTE IND. INC.
Address P.O. BOX 907
City ALBANY State OR Zip 97321

(2) TYPE OF WORK
[X] New Well [] Deepening [] Alteration (repair/recondition) [] Abandonment

(3) DRILL METHOD:
[X] Rotary Air [] Rotary Mud [] Cable [] Auger
[] Other

(4) PROPOSED USE:
[X] Domestic [] Community [] Industrial [] Irrigation
[] Thermal [] Injection [] Livestock [] Other

(5) BORE HOLE CONSTRUCTION:
Special Construction approval [] Yes [X] No Depth of Completed Well 426 ft.
Explosives used [] Yes [X] No Type Amount

Table with columns: HOLE Diameter, From, To, Material, SEAL From, To, Sacks or pounds. Rows include BENT, CEMENT, CEMENT with various measurements.

How was seal placed: Method [] A [X] B [X] C [] D [] E
[X] Other BENT PLACED DRY
Backfill placed from 426 ft. to 435 ft. Material HOLE SLOUGH
Gravel placed from ft. to ft. Size of gravel

(6) CASING/LINER: Table with columns: Diameter, From, To, Gauge, Steel, Plastic, Welded, Threaded. Rows for Casing and Liner.

Final location of shoe(s) 420

(7) PERFORATIONS/SCREENS: Table with columns: From, To, Slot size, Number, Diameter, Material, Casing, Liner. Includes SKILLSAW method.

(8) WELL TESTS: Minimum testing time is 1 hour
[] Pump [] Bailer [X] Air [] Artesian
Yield gal/min Drawdown Drill stem at Time
100+ 415 1 hr.
80 140 .5
T.D.S. 273 MG/L PH 7.6 CONDUCTIVITY 420
Temperature of water 56° Depth Artesian Flow Found
Was a water analysis done? [X] Yes By whom DRIVER
Did any strata contain water not suitable for drinking water? [] Salty [] Muddy [] Odor [] Chloride
Depth of strata:

(9) LOCATION OF WELL by legal description:
County POLK Latitude Longitude
Township 6S N or S Range 4W E or W. WM.
Section 13 NE 1/4 SW 1/4
Tax Lot 404 Lot Block Subdivision
Street Address of Well (or nearest address)
4780 BETHEL HEIGHTS RD. NW. SALEM, OR

(10) STATIC WATER LEVEL:
11 ft. below land surface. Date 7-13-98
Artesian pressure lb. per square inch. Date

(11) WATER BEARING ZONES: Table with columns: From, To, Estimated Flow Rate, SWL. Rows for 15-17 and 418-425.

(12) WELL LOG:
Ground Elevation

Table with columns: Material, From, To, SWL. Rows include soil red, clay red sticky, basalt red very decmpsd, etc.

Date started 7-1-98 Completed 7-13-98

(unbonded) Water Well Constructor Certification:
I certify that the work I performed on the construction, alteration, or abandonment of this well is in compliance with Oregon water supply well construction standards.
Signed [Signature] WWC Number 1487 Date 7-20-98

(bonded) Water Well Constructor Certification:
I accept responsibility for the construction, alteration, or abandonment work performed on this well during the construction dates reported above.
Signed [Signature] WWC Number 688 Date 7-20-98

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SALEM, OREGON

36728 S. Kropf Rd., Molalla, OR 97038 • Phone: (503) 829-2526 FAX (503) 829-7514



Polk
50658

WILLAMETTE INDUSTRIES INC.
POLK T6S R4W SEC.13 NE $\frac{1}{4}$ SW $\frac{1}{4}$
TAX LOT# 404
4780 BETHEL HEIGHTS RD. NW
SALEM, OR

MATERIAL	FROM	TO
basalt brn vesc. very weak fine texture	178	210
basalt grey seamy weak fine texture	210	229
basalt grey hard broken	229	238
basalt grey brn weak broken	238	243
basalt grey hard	243	245
basalt brn vesc. med	245	262
basalt grey weak some clay grey	262	279
basalt grey hard	279	281
basalt grey med fractured slightly	281	293
basalt grey hard fractured slightly	293	341
basalt grey hard	341	345
basalt grey fractured	345	388
clay grey gritty	388	391
clay brown soft	391	395
clay grey stiff	395	402
clay stiff blue grey	402	418
sandstone hard broken	418	435

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Oregon Water Resources Department

Vineyard Holdings, LLC
Bethel Heights Property

FORM Q
FOR COMMERCIAL AND INDUSTRIAL WATER USES

} Ground Water Application

1. Describe the goods and services you plan to provide:

Winery, wine tasting, recreational facilities.

2. How will the water be used?

Winery process water, wine tasting events, and related human use.

3. What is the maximum amount of water that will be used on any given day:

25 cfs gpm

4. Are there periods of the day, week, month, or year that the water will not be used?
(e.g. no use December-March)

No Yes If so, when? _____

5. Is there a particular time or period of day, week, month, or year when the use of water is absolutely essential for the project to continue? (e.g. vegetable processing, Oct. 15-Nov. 15)

No Yes If so, when? Sept. 1 - Nov. 30, Winery processing.

6. Are there periods of the day week, month, or year where the amount of water used will be less than at peak times?

No Yes If so, when? _____

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Attachment for *Application for a Permit to Use Ground Water*

Copied from 11/08/2007 e-mail from Eric Urstadt (Stuntzner Engineering and Forestry, LLC) to Allen Holstein (Vineyard Holdings, LLC):

I have found a well on the address you provided, Polk 50658. I believe it is the right well.

The area is in a "red zone" or "groundwater limited area", the Eola Hills area. That zone only limits wells in the basalt aquifer. I reviewed the well log and do not believe it is in the basalt aquifer, and it also does not appear to be likely to be determined to be substantially connected to surface water. I called the groundwater section in Water Resources, and they agreed that based on the facts we know now, the facts tend to all support my ideas. Nothing is for certain in the groundwater section, though. This means the well is not likely to be restricted by the Eola red zone, just normal basin rules. Also, your water right should not be subjected to the 5-yr permit that can be extended; it should be a normal water right.

Therefore the well could be used any time of the year for irrigation or to fill the reservoir as long as the reservoir water is used for irrigation. Stored water is not a classified use for groundwater in the basin, but irrigation is so if the stored water is used for irrigation, then the current Water Resources thinking is that it is OK to store water for the end use of irrigation.

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5. Form I for Irrigation Water Use (Ground Water Application)
6. Form I for Irrigation Water Use (Surface Water Application)
7. Form Q for Commercial Water Use (Ground Water Application)
8. Deed and legal description for property
9. Tax assessor maps of Sections 13, 23, and 24, T6S, R4W, WM
10. Existing Water Rights (Certificates #62251 and #62252)
11. Check for Application Fees:

<i>To Appropriate Groundwater:</i>				
Category		Units / Description	Rate	Amount
Base	1	GW POD & Irrigation use	\$500.00	\$500.00
1st cfs or fraction thereof	1	cfs	\$200.00	\$200.00
Each add'l. cfs or fraction thereof	0	cfs	\$100.00	\$0.00
Each add'l. use, POD, or well after the 1st	1	commercial use	\$200.00	\$200.00
Each add'l. use, POD, or well after the 1st	1	reservoir maintenance use	\$200.00	\$200.00
			Subtotal:	\$1,100.00

<i>To Appropriate Surface Water:</i>				
Category		Units / Description	Rate	Amount
Base	1	SW POD & Irrigation use	\$500.00	\$500.00
1st cfs or fraction thereof	1	cfs	\$200.00	\$200.00
Each add'l. cfs or fraction thereof	0	cfs	\$100.00	\$0.00
Each add'l. use, POD, or well after the 1st	0	use or POD	\$200.00	\$0.00

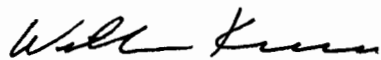
<i>To Appropriate Stored Water under the same Application:</i>				
Each af or fraction thereof up to 20 af	20	af	\$20.00	\$400.00
Each add'l af or fraction thereof	17	af	\$1.00	\$17.00
			Subtotal:	\$1,117.00

			Total Fees:	\$2,217.00
--	--	--	--------------------	-------------------

- Notes: 1) "Base" fees include the first Point of Diversion (POD) or first well and first "use".
 2) cfs = cubic feet per second
 3) af = acre foot
 4) Permit Recording Fees of \$300 per application are not included in calculations.
 Recording Fees to be paid prior to permit issuance.

Please contact us with any questions or comments. Thank you.

Sincerely,
 Stuntzner Engineering & Forestry, LLC



William Kness, PE, PLS

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TELEPHONE (503) 357-5717
FAX (503) 357-5698
EMAIL: billkness@stuntzner.com

2137 19th Avenue
Forest Grove, OR 97116

COOS BAY - FOREST GROVE - DALLAS - BROOKINGS

April 14, 2008

Oregon Water Resources Department
Water Rights Application Section
725 Summer Street, NE Suite A
Salem, OR 97301-1271

To whom it may concern:

On behalf of Vineyard Holdings, LLC, we are submitting the enclosed water rights applications for their property located near Bethel Heights in Polk County. The enclosed ground water application seeks to establish primary water rights for irrigation from an on-site water well for 135.9 acres and supplemental water rights for irrigation from the well for 43.0 acres currently irrigated under water right certificates #62251 and #62252. The enclosed surface water application seeks to establish supplemental water rights for irrigating the 135.9 acres.

As per OAR 690-330-040, the owner requests that in the interest in conserving groundwater supplies, supplemental surface water rights be exercised at a time when surface water is available. Following the establishment of water rights in these applications, the applicant intends to request substitution of the supplemental ground water right for the primary surface water right on the 43.0 acres [OAR 690-380-2330]

Note that we are the applicant's representative for these water rights applications. **Please send correspondence (or copies of correspondence) regarding this application to:**

**William Kness
2137 19th Avenue
Forest Grove, OR 97116
503-357-5717
503-357-5698 (fax)**

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The following items are enclosed and labeled in the following order:

1. Land Use Information Form
2. Application for a Permit to Use Ground Water
3. Application for a Permit to Use Surface Water
4. Water Rights Application Map

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 proposed water uses (including proposed construction) are allowed outright or are not regulated by your comprehensive plan. Cite applicable ordinance section(s): 136.030
- Land uses to be served by 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.

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Name: Coren Haste Title: Planning Tech
 Signature: Coren Haste Phone: 503-623-9237 Date: 4/2/08
 Government Entity: _____

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.



Oregon Water Resources Department Land Use Information Form

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) only the place of use is proposed for change, b) there are no structural changes, c) the use of water is for irrigation, and d) the use is located in an irrigation district or exclusive farm-use zone.

Applicant Name: Vineyard Holdings, LLC c/o Allen Holstein
 Mailing Address: P.O. Box 280
 City: Dundee State: OR Zip: 97115 Day Phone: 503-537-4937

This application is related to a Measure 37 claim. Yes No

A. Land and Location

Please include the following information for all tax lots where water will be diverted (taken from its source), conveyed (transported), or used. 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:
6S	4W	13	SWSW	404	EFU	<input checked="" type="checkbox"/> Diverted <input checked="" type="checkbox"/> Conveyed <input checked="" type="checkbox"/> Used	Irrigation
6S	4W	23	NENE	100	EFU	<input checked="" type="checkbox"/> Diverted <input checked="" type="checkbox"/> Conveyed <input checked="" type="checkbox"/> Used	"
6S	4W	24	NWNW	200	EFU	<input checked="" type="checkbox"/> Diverted <input checked="" type="checkbox"/> Conveyed <input checked="" 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, or used. Polk County

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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 Exchange of Water
 Allocation of Conserved Water Limited Water Use License
 Permit Amendment or Ground Water Registration Modification

Source of water: Reservoir/Pond Ground Water Surface Water (name) unnamed intermittent stream

Estimated quantity of water needed: 0.9 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: Submitting water rights applications to Oregon Water Resources Department for irrigation from surface and groundwater.

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

When recorded, return to:
Tonkon Torp LLP
C/O David Petersen
888 SW Fifth Avenue, Suite 1600
Portland, OR 97204

Send Tax Statements to:
Vineyard Holdings, LLC
c/o Argyle Winery, Inc.
691 Hwy. 99W
P.O. Box 280
Dundee, OR 97115

RECORDED IN POLK COUNTY 2007-018978
Valerie Unger, County Clerk



\$81.00

00181871208700189780070078

12/20/2007 03:42:12 PM

REC-WD Cnt=1 Str=1 K. WILLIAMS
\$35.00 \$10.00 \$11.00 \$5.00

SPECIAL WARRANTY DEED

THE GRANTOR, WEYERHAEUSER COMPANY, a Washington corporation, successor by merger to Willamette Industries, Inc., an Oregon corporation, for valuable consideration, receipt of which is hereby acknowledged, bargains, sells and conveys and specially warrants to VINEYARD HOLDINGS, LLC, an Oregon limited liability company, GRANTEE, the real estate, situated in Polk County, Oregon, described on Exhibit A attached hereto and by this reference made a part hereof, subject to encumbrances of title and reservations of Grantor as set forth on said Exhibit A.

The true and actual consideration for this transfer is: \$2,574,038.10

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 197.352. 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 APPROVED USES, AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930 AND TO INQUIRE ABOUT AND THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 197.352.

Page 1 of 27

Eola Hills
Weyerhaeuser/Vineyard Holdings
Polk County, OR
72007-282ph

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Amplitude 215188/606179

IN POLK COUNTY, OREGON

TOWNSHIP 6 SOUTH, RANGE 4 WEST, W.M.

Section 13: PARCEL A:

Beginning at the Southwest corner of Section 13-T6S-R4W, W.M.
in Polk County, Oregon; Thence North 60 chains;
Thence East 19.275 chains to an iron pipe;
Thence South 40 chains to an iron pipe;
Thence East 72.5 links to an iron pipe;
Thence South 20 chains;
Thence West 20 chains to the place of beginning.

SAVE AND EXCEPT a right-of-way for a road 20 feet wide from
the South line of the above described tract northerly to the County
Road.

FURTHER, SAVE AND EXCEPT the Family Cemetery and right-
of-way from the County Road to the cemetery.

FURTHER, SAVE AND EXCEPT that portion of the herein
described premises lying with public road and highways.

FURTHER, SAVE AND EXCEPT that portion conveyed by
Crown Zellerbach Corporation to Polk County by deed recorded
September 22, 1976 in Volume 95, page 161, Book of Records for
Polk County, Oregon.

FURTHER, SAVE AND EXCEPT that portion conveyed by
Crown Zellerbach Corporation to Noble Mountain Tree Farm by
deed recorded June 14, 1978 in Volume 129, page 157, Book of
Records for Polk County, Oregon.

FURTHER, SAVE AND EXCEPT that portion conveyed by
Crown Zellerbach Corporation to Nancy Elizabeth Stowell, et al,
by deed recorded September 25, 1980 in Volume 151, page 2145,
Book of Records for Polk County, Oregon.

Weyerhaeuser/Vineyard Holdings
Polk County, OR
T2007-282ph
Exhibit A, Page 1 of 5

317

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PARCEL B:

Beginning at an iron pipe 20.00 chains North and 19.275 chains East from the Southwest corner of Section 13-T6S-R4W, W.M. in Polk County, Oregon;
Thence East 15.965 chains; Thence North 4.56 chains to the Northwest corner of the J. P. Smith Donation Land Claim in said Township and Range;
Thence East along the North line of said Smith Donation Land Claim, 12.71 chains to an iron pipe;
Thence North 45° 55' East, 11.46 chains to an iron pipe;
Thence West 36.515 chains to an iron pipe;
Thence South 12.92 chains to the place of beginning.

SAVE AND EXCEPT that portion conveyed by Crown Zellerbach Corporation to Nancy Elizabeth Stowell, et al, by deed recorded September 25, 1980 in Volume 151, page 2145, Book of Records for Polk County, Oregon.

Section 13:

That portion of the S $\frac{1}{2}$ NW $\frac{1}{4}$ and the N $\frac{1}{2}$ SW $\frac{1}{4}$, more particularly described as follows:

Beginning at an iron pipe at the Southwest corner of that tract of land conveyed to Polk County by Deed recorded in Volume 186 page 126, Polk County Records;
Thence along the West line of said Polk County property, due North 510.52 feet to a point of intersection with the South line of the relocated County Road No. 634 as surveyed by the Polk County Surveyor as of July 9, 1976;
Thence South 20° 36.2' East 544.53 feet to a point on the South line of said Polk County tract;
Thence along said South line, South 89° 54.4' West 191.62 feet to the point of beginning.

SAVE AND EXCEPT that portion conveyed by Crown Zellerbach Corporation to Nancy Elizabeth Stowell, et al, by deed recorded September 25, 1980 in Volume 151, page 2145, Book of Records for Polk County, Oregon.

Section 23:

NE $\frac{1}{4}$ NE $\frac{1}{4}$

Section 24:

NW $\frac{1}{4}$ NW $\frac{1}{4}$

Weyerhaeuser/Vineyard Holdings
Polk County, OR
T2007-282ph
Exhibit A, Page 2 of 5

4/7

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SALEM, OREGON

lands conveyed herein, (2) keep Grantor or its successors or assigns informed of the status of any regulatory permits needed to remove or consume such Aggregate Resources, (3) notify Grantor or its successors or assigns of the quantities of each type or grade of Aggregate Resources removed or consumed within thirty (30) days after the end of each month in which any such removals or consumption occur, (4) maintain books and records reflecting the removal and consumption of all Aggregate Resources from the land, all consideration paid therefor, copies of all leases, contracts, and agreements related to any such removal or consumption, and all other information as may be necessary to determine the amounts payable as royalties hereunder, such books and records shall be open for inspection, copying, and audit by Grantor or its successors or assigns or duly authorized representatives at all reasonable times, (5) negotiate in good faith as to the amount of royalties to be paid and methods to verify that royalties have been properly determined and paid, (6) pay the reserved royalties within thirty (30) days after the end of each month in which any Aggregate Resources are removed or consumed and (7) pay the greater of the following amounts (or the maximum allowed by law, if less) as interest on any late payments: (a) 1.5% per month or (b) ten (10.00) percentage points above the equivalent coupon issue yield (as published by the Board of Governors of the Federal Reserve System) of the average bill rate for twenty-six week treasury bills as determined at the first bill market auction conducted during the month in which the payment was due.

SUBJECT TO:

1. All easements and rights of way for public roads and utilities heretofore established and existing on said land.
2. Rights reserved in federal patents or state deeds, mineral or fossil rights reservations, building or use restrictions general to the area, and building or zoning regulations or provisions.
3. Ancestral rights, if any, of descendants of aboriginal inhabitants to occupy, use and possess any portion of the premises, as reserved by treaties, understandings, practice, statutes, or judicial decisions; for food gathering, shelter, religious ceremonies, social and economic gatherings, battlefields and burial sites.
4. Any designation, for tax purposes, as Forest Land.
5. All planning, zoning, health and other governmental regulations, if any, affecting subject property.

Weyerhaeuser/Vineyard Holdings
Polk County, OR
T2007-282ph
Exhibit A, Page 4 of 5

4/7

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SALEM OREGON**

6. Any prohibition of or limitation of use, occupancy or improvement of the land resulting from the rights of the public or riparian owners to use any portion which is now, or has formerly been covered by water.
7. Discrepancies, conflicts in boundary lines, shortage in area, encroachments or other facts which a correct survey would disclose.
8. Document: Easement
Date: May 11, 1964
Grantee: Northwest Natural Gas Company
Recording #: Book 191 at Page 135

----- End of Exhibit A -----

Weyerhaeuser/Vineyard Holdings
Polk County, OR
T2007-282ph
Exhibit A, Page 5 of 5

2/7

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