

Application for a Permit to Use

Ground Water

RECEIVED
APR 25 2014
OWRD



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 THREEMILE CANYON FARM (GREG HARRIS – FARM MANAGER)		PHONE (HM) N/A	
PHONE (WK) (541) 481-9274	CELL (541) 314-8651		FAX
ADDRESS 75906 THREEMILE ROAD			
CITY BOARDMAN	STATE OR	ZIP 97818	E-MAIL* GHARRIS@RDOFFUTT.COM

Organization Information

NAME N/A		PHONE		FAX
ADDRESS			CELL	
CITY	STATE	ZIP	E-MAIL*	

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

AGENT / BUSINESS NAME MOLLY REID – GSI WATER SOLUTIONS, INC.		PHONE (509) 378-3284	DIRECT LINE (509) 378-3284
ADDRESS 8019 W. QUINAULT AVENUE, SUITE 201			CELL (541) 310-7264
CITY KENNEWICK	STATE WA	ZIP 99336	E-MAIL* MREID@GSIWS.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.)

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.
- I cannot use water legally until the Water Resources Department issues a permit.
- Oregon law requires that a permit be issued before beginning construction of any proposed well, unless the use is exempt. Acceptance of this application does not guarantee a permit will be issued.
- 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.


Applicant Signature

Greg Harris, Farm Manager
Print Name and title if applicable

4/16/2014
Date

Applicant Signature

Print Name and title if applicable

Date

For Department Use		
App. No. <u>G-17851</u>	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*).

Threemile Canyon Farm

SECTION 3: WELL DEVELOPMENT

WELL NO.	NAME OF NEAREST SURFACE WATER	IF LESS THAN 1 MILE:	
		DISTANCE TO NEAREST SURFACE WATER	ELEVATION CHANGE BETWEEN NEAREST SURFACE WATER AND WELL HEAD
1	Willow Creek	20,000 feet	245 feet
2	Willow Creek	18,900 feet	276.5 feet

Please provide any information for your existing or proposed well(s) that you believe may be helpful in evaluating your application. For existing wells, describe any previous alteration(s) or repair(s) not documented in the attached well log or other materials (*attach additional sheets if necessary*).

Propose to use existing well (MORR 635) and drill an additional well for use in the dairy operations. MORR 635 has been incorrectly located in the SWSW of Section 27, T4N R23E. It's correct location is the NWNW of Section 3, T3N R23E.

RECEIVED
APR 25 2014
OWRD

SECTION 3: WELL DEVELOPMENT, CONTINUED

Source (aquifer), if known: basalt – Columbia River Basalt Group

Total maximum rate requested: 2.7 cfs (each well will be evaluated at the maximum rate unless you indicate well-specific rates and annual volumes in the table below).

Complete the table below. If this is an existing well, the following information may be found on the applicable well log. *(If a well log is available, please submit it in addition to completing the table.)* If this is a proposed well, or well-modification, consider consulting with a licensed well driller, geologist, or certified water right examiner.

OWNER'S WELL NAME OR NO.	PROPOSED	EXISTING	WELL ID (WELL TAG) NO.* OR WELL LOG ID**	FLOWING ARTESIAN	CASING DIAMETER	CASING INTERVALS (IN FEET)	PERFORATED OR SCREENED INTERVALS (IN FEET)	SEAL INTERVALS (IN FEET)	MOST RECENT STATIC WATER LEVEL & DATE (IN FEET)	PROPOSED USE			
										SOURCE AQUIFER***	TOTAL WELL DEPTH	WELL-SPECIFIC RATE (GPM)	ANNUAL VOLUME (ACRE-FEET)
1	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MORR 635	<input type="checkbox"/>	See Log	See Log	See Log	See Log	N/A	CRBG Basalt			1954.5 acft approx
2	<input checked="" type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>	Approx. 12 inches	Not	Drilled	Yet	N/A	CRBG Basalt	900-1100' approx		1954.5 acft approx
	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>									

G-17851

* Licensed drillers are required to attach a Department-supplied Well Tag, with a unique Well ID or Well Tag Number to all new or newly altered wells. Landowners can request a Well ID for existing wells that do not have one. The Well ID is intended to serve as a unique identification number for each well.
 ** A well log ID (e.g. MARI 1234) is assigned by the Department to each log in the agency's well log database. A separate well log is required for each subsequent alteration of the well.
 *** Source aquifer examples: Troutdale Formation, gravel and sand, alluvium, basalt, bedrock, etc.

RECEIVED
 APR 25 2014
 OWRD

SECTION 4: WATER USE

USE	PERIOD OF USE	ANNUAL VOLUME (ACRE-FEET)
Dairy/Ag	January 1-December 31	Approximately 1954.5 acft

Exempt Uses: Please note that 15,000 gallons per day for single or group **domestic** purposes and 5,000 gallons per day for a single **industrial or commercial** purpose are exempt from permitting requirements.

For irrigation use only:

Please indicate the number of primary and supplemental acres to be irrigated (*must match map*).

Primary: 0 Acres

Supplemental: 0 Acres

List the Permit or Certificate number of the underlying primary water right(s): n/a

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

- If the use is **municipal or quasi-municipal**, attach **Form M**

- If the use is **domestic**, indicate the number of households: n/a

If the use is **mining**, describe what is being mined and the method(s) of extraction: n/a

SECTION 5: WATER MANAGEMENT

A. Diversion and Conveyance

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

Pump (give horsepower and type): 200 HP Turbine

Other means (describe): _____

Provide a description of the proposed means of diversion, construction, and operation of the diversion works and conveyance of water. The water will be piped from the source (well) to the dairy buildings – for cleaning milk tanks, sanitation, stock water, and chilling.

B. Application Method

What equipment and method of application will be used? (e.g., drip, wheel line, high-pressure sprinkler)

This is a non-irrigation use. Water will be delivered from the wells through a pipeline to the dairy barns and hooked up to hoses to wash, clean dairy barns, tanks, milking parlors, and into troughs for the exempt stock water use.

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 aquatic life and riparian habitat; prevent the discharge of contaminated water to a surface stream; prevent adverse impact to public uses of affected surface waters.

Water will be metered at the wells. Discharge water will be captured in lagoons. Dairy will use ODA Waste Management Plan.

RECEIVED
RECEIVED
APR 25 2014
OWRD

SECTION 6: STORAGE OF GROUND WATER IN A RESERVOIR

If you would like to store ground water in a reservoir, complete this section (*if more than one reservoir, reproduce this section for each reservoir*).

Reservoir name: n/a Acreage inundated by reservoir: n/a

Use(s): n/a

Volume of Reservoir (acre-feet): n/a Dam height (feet, if excavated, write "zero"): n/a

Note: If the dam height is greater than or equal to 10.0' above land surface AND the reservoir will store 9.2 acre feet or more, engineered plans and specifications must be approved prior to storage of water.

SECTION 7: USE OF STORED GROUND WATER FROM THE RESERVOIR

If you would like to use stored ground water from the reservoir, complete this section (*if more than one reservoir, reproduce this section for each reservoir*).

Annual volume (acre-feet): n/a

USE OF STORED GROUND WATER	PERIOD OF USE
n/a	n/a

SECTION 8: PROJECT SCHEDULE

Date construction will begin: As soon as permit is issued.

Date construction will be completed: June 2015

Date beneficial water use will begin: June 2015/2016

RECEIVED
APR 25 2014
OWRD

SECTION 9: 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 N/A	Address	
City	State	Zip

SECTION 10: REMARKS

Use this space to clarify any information you have provided in the application (*attach additional sheets if necessary*).

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

Applicant: Threemile Canyon Farms
First

ATTN: Greg Harris, Farm Manager

RECEIVED

Mailing Address: 75906 Threemile Road

APR 25 2014

Boardman
City

OR
State

97818
Zip

Daytime Phone: (541) 481-9274

OWRD

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:
3N	23E	3	all	100	EFU	<input checked="" type="checkbox"/> Diverted	<input checked="" type="checkbox"/> Conveyed	<input checked="" type="checkbox"/> Used	Ag-Dairy
						<input type="checkbox"/> Diverted	<input type="checkbox"/> Conveyed	<input type="checkbox"/> Used	
						<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:

Morrow County

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) _____

Estimated quantity of water needed: 2.7 cfs
 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 Dairy - Ag

Briefly describe:

Proposing to build a 10,000 – 15,000 cow dairy on ground already owned by Threemile Canyon Farm.

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. →

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): MCZO Article 3 Section 3.010
- 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.

This use is proposed in the Lower Umatilla Basin groundwater management area, a DEQ designation for water quality based on elevated nitrite/nitrate in groundwater.

Name: Carla McLane Title: Planning Director
 Signature: [Signature] Phone: 541 922 4624 Date: 4/22/2010
 Government Entity: Morrow 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: _____

MCTC 4318

Perkins Coie LLP
1211 SW 5th Ave., Suite 1500
Portland, Oregon 97204
Attn: Mr. Steven Hultberg

Until a change is requested, all tax statements should be delivered to:

BAIC, Inc. c/o Threemile Canyon Farms LLC
75906 Threemile Road
Boardman, Oregon 97818
Attn: Mr. Martin Myers

Grantor: State of Oregon
Grantee: BAIC, Inc.

STATUTORY BARGAIN AND SALE DEED, RESERVATION OF RIGHTS AND EASEMENTS, AND GRANT OF OPTION

**Section 1:
Conveyance by Bargain and Sale Deed**

The State of Oregon, by and through the Oregon Department of Administrative Services, Grantor, conveys to BAIC, Inc, an Oregon corporation, Grantee, the property described in Exhibit A hereto (referred to herein as the "Property" or the "Development Area"), subject to the terms, conditions and reservations of rights and easements contained herein. Unless explicitly stated to the contrary herein, all references to Grantor and Grantee shall include Grantor's and Grantee's successors and assigns. For the purposes of this Deed, the term "ODFW" shall refer to the Oregon Department of Fish and Wildlife.

The Development Area being conveyed by this Deed is part of a larger tract of approximately 93,000 acres owned by Grantor (the "Entire Tract"). The Entire Tract is being concurrently conveyed to Grantee by this deed (the "Development Area Deed") and another deed (the "Conservation Area Deed").

The true and actual consideration for the conveyance of the Entire Tract to Grantee is \$7,600,000. See Section 5 hereof for additional information regarding consideration.

RECEIVED
APR 25 2014
OWRD

A) Mineral Estate Reserved. Subject to the option set forth in Section 3 hereof, Grantor excepts and reserves to itself, its successors, and assigns all "minerals" as defined in ORS 273.775(1), including soil, clay, stone, sand, and gravel, and all geothermal resources, as defined in ORS 273.775(2), together with the right to make such use of the surface as may be reasonably necessary for prospecting for, exploring for, mining, extracting, reinjecting, storing, drilling for, and removing, such minerals, materials, and geothermal resources.

B) Compensation for Diminution of Value. In the event use of the premises by a surface rights owner would be damaged by one or more of the activities described above, then such owner shall be entitled to compensation from State's lessee to the extent of the diminution in value of the real property, based on the actual use by the surface rights owner at the time the State's lessee conducts any of the above activities.

Section 3 Grant of Option to Purchase Mineral Estate

Grantor also grants to Grantee hereunder the exclusive option to purchase the Mineral Estate reserved by Grantor as described above pursuant to the terms of the Purchase and Sale Agreement executed between Grantor and Grantee dated February 11, 2002. The right to purchase the Mineral Estate is subject to the approval of the Oregon State Land Board. The option shall expire, if not sooner exercised, on February 10, 2007.

Section 4 As Is Transfer

Grantee acknowledges that it has examined the Property to its own satisfaction and has formed its own opinion as to the condition (including environmental condition) and value thereof. Grantee has not relied on any statements or representations from Grantor or any person acting on behalf of Grantor concerning any of the following: the size or area of the Property or any of the parcels of the Property; the location of corners or boundaries of any parcel of the Property; the condition of the Property, including but not limited to, environmental condition above or below the surface of the Property or compliance with environmental laws and other governmental requirements; the availability of services to the Property; the ability of Grantee to use the Property or any portion thereof for any intended purpose; or any other matter affecting or relating to the Property or any portion thereof. Grantee is acquiring the Property in the condition existing at the time of conveyance, AS IS, with all defects, if any. Grantee waives, releases and forever discharges Grantor of and from all claims, actions, causes of action, fines, penalties, damages (including consequential, incidental and special damages), costs (including the cost of

Page 2 – Statutory Bargain and Sale Deed

in any way growing out of or in connection with any physical characteristic or condition of the Property, including any surface or subsurface condition, or any law, rule or regulation applicable to the Property. These provisions shall be binding on the Grantee and Grantee's successors and assigns.

**Section 5
Consideration**

The true and actual consideration for the conveyance of the Entire Tract to Grantee is \$7,600,000. Because the Property is being conveyed concurrently with the Conservation Area as the Entire Tract by two deeds, no attempt has been made to apportion consideration between the Development Area and the Conservation Area.

**Section 6
Reservation of Public Access Easements**

A) Reservation of Public Access Easement. Grantor does hereby reserve to the State of Oregon, acting by and through ODFW as holder, a perpetual, non-possessory access easement over certain portions of the Development Area identified on Exhibit B to the Willow Creek Wildlife Area and the Columbia River, as those areas are depicted on Exhibit B (the "Wildlife Areas").

The purpose of this easement is to allow ODFW, at its discretion and subject to reasonable rules and regulations adopted by ODFW and Grantee, to permit members of the public to access the Wildlife Areas for recreational purposes, including the rights: (1) to view wildlife and habitat within the Wildlife Areas, (2) to study and research wildlife and habitat within the Wildlife Areas, (3) to hunt and fish, and (4) for other similar uses. The rules and regulations shall contain provisions designed to provide that access by the public to the Wildlife Areas is for the purposes set forth above and that access by the public does not impair the natural and wildlife resources of the Wildlife Areas nor Grantee's use and enjoyment of the Property, including the Wildlife Areas.

It is the intent of Grantee and ODFW that the Access Easement granted herein shall entitle Grantee to the limitations of liability described in ORS 105.682 (2001).

It is also the intent of Grantor and Grantee that the access easements reserved in this deed shall be flexible in order to permit Grantee to use and develop the Property, including the Wildlife Areas, in ways that do not materially and adversely affect the rights to access the Wildlife Areas. If any access to the Wildlife Areas hereunder later interferes with Grantee's future intended use of the Property, including the Wildlife Areas, the parties agree that the easements granted

Page 3 – Statutory Bargain and Sale Deed

RECEIVED
APR 25 2014
OWRD

G-17851

ODFW (or its successor agency), and no beneficial rights or interests are granted to any other persons, members of the public, entity or third party. In no event shall the easements granted to ODFW operate to prevent Grantee's right to develop the Wildlife Areas on the Property.

Section 7
Transfer of Leasehold Interest; No Merger

Grantor is Lessor and Grantee is Lessee under a Lease of the Entire Tract, originally dated July 2, 1963. While it is the intent of the parties that Grantor's interest under said Lease be hereby transferred to Grantee, it is not the intent of the parties that the interests under such Lease be merged into the fee interest conveyed to Grantee by this Deed. Accordingly, the fee interest and the leasehold interest shall not merge.

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.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

STATE OF OREGON, acting by and through the Oregon Department of
Administrative Services,

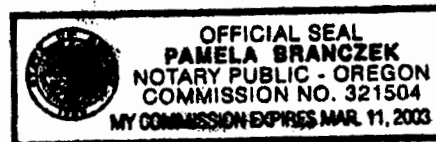
By: Laurie A. Warner

Title: Administrator Facilities Division

STATE OF OREGON)
) ss.
County of Marion)

On this 5th day of September 2002, before me personally appeared Laurie A. Warner
who being duly sworn stated that he/she is the Facilities Administrator of the
Oregon Department of Administrative Services and acknowledged the foregoing instrument to
be the voluntary act of the Oregon Department of Administrative Services, and that he/she
executed the foregoing instrument on behalf of said state agency, acting on behalf of the State of
Oregon.

Pamela Branczek
NOTARY PUBLIC FOR OREGON
My commission Expires: 3/11/03



Page 5 - Statutory Bargain and Sale Deed

RECEIVED
APR 25 2014
CWRD

G-17851

PARCEL A

PARCEL 3, PARTITION PLAT NO. 2002-6 recorded September 3, 2002, records of Morrow County, Oregon

PARCEL B

PARCELS 1 AND 2, OF PARTITION PLAT 2001-06, Recorded June 13, 2001, records of Morrow County, Oregon.

PARCEL C

That portion of Parcel 3, as delineated on Partition Plat 2002-6, records of Morrow County, Oregon which Partition Plat also includes real property located in Gilliam County, Oregon described as follows:

In Township 3 North Range 22 East of the Willamette Meridian

- Section 1:** That portion of the East ½ located Easterly of Old Highway No. 74 which Highway has been vacated.
- 12:** East 1/2 of the East 1/2
- 24:** All
- 25:** All
- 26:** East 1/2 of the East 1/2; and the Northeast 1/4 of the Northwest ¼
- 35:** That part of the East 1/2 of the Northeast 1/4 lying Easterly of State Highway No. 74 as it is now situated.
- 36:** North 1/2; SE 1/4; and that part of the North 1/2 of the Southwest ¼, lying Easterly of State Highway 74 as it is now situated.

In Township 4 North Range 22 East of the Willamette Meridian

Section 25: All of that portion lying Easterly of State Highway No. 74 and lying Southerly of the right of way for relocated U.S. Highway No. 30.

Section 36: That portion of the E½ and the E½NW¼ lying Easterly of State Highway No. 74.

EXCEPT FROM THE ABOVE DESCRIBED PROPERTY any portion thereof lying within the property described as **Tract 2308** in that certain judgment on the Declaration of Taking and Order of Immediate Possession issued by the United States District Court for the District of Oregon on September 20, 1963 In Civil Case No. 63-435.

State of Delaware
Secretary of State
Division of Corporations
Delivered 12:08 PM 12/01/2008
FILED 12:04 PM 12/01/2008
SRV 081152245 - 3242512 FILE

RECEIVED
APR 25 2014
OWRD

Certificate of Merger
of
BAIC, Inc.
into
Threemile Canyon Farms, LLC

Pursuant to Sec. 18-209 of the Delaware Limited Liability Company Act (the "Act"), the undersigned surviving limited liability company submits the following Certificate of Merger for filing and certifies that:

1. The name and jurisdiction of formation or organization of each of the business entities which is to merge are:

<u>Name</u>	<u>Jurisdiction</u>
BAIC, Inc.	Oregon
Threemile Canyon Farms, LLC	Delaware

2. An agreement of merger has been approved and executed by each of the entities which is to merge.

3. The name of the surviving limited liability company is Threemile Canyon Farms, LLC (the "LLC").

4. The agreement of merger is on file at the principal office of the LLC, which is located at 75906 Threemile Road, Boardman, Oregon 97818.

5. A copy of the agreement of merger will be furnished by the LLC, on request and without cost, to any member of LLC or any person holding an interest in any other business entity which is to merge.

IN WITNESS WHEREOF, this Certificate of Merger has been duly executed as of December 1, 2008, and is being filed in accordance with Sec. 18-209 of the Act by an authorized person of the LLC.

Threemile Canyon Farms, LLC

R.D. Offutt Company - Northwest,
as Member

By: Allan P. Knoll
Allan P. Knoll, Secretary

Martin Myers
Martin Myers, Member

33995-0025/LEGAL 14398729.1

G-17857

Application for a Permit to Use Ground 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 (ALREADY ON FILE) AMENDED APPLICATION FOR G-17851 (Amended 10-28-2014)

Applicant Information

NAME THREEMILE CANYON FARM (GREG HARRIS – FARM MANAGER)		PHONE (HM) N/A	
PHONE (WK) (541) 481-9274	CELL (541) 314-8651		FAX
ADDRESS 75906 THREEMILE ROAD			
CITY BOARDMAN	STATE OR	ZIP 97818	E-MAIL* GHARRIS@RDOFFUTT.COM

Organization Information

NAME N/A		PHONE	FAX
ADDRESS			CELL
CITY	STATE	ZIP	E-MAIL*

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

AGENT / BUSINESS NAME MOLLY REID – GSI WATER SOLUTIONS, INC.		PHONE (509) 378-3284	DIRECT LINE (509) 378-3284
ADDRESS 8019 W. QUINAULT AVENUE, SUITE 201			CELL (541) 310-7264
CITY KENNEWICK	STATE WA	ZIP 99336	E-MAIL* MREID@GSIWS.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.)

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.
- I cannot use water legally until the Water Resources Department issues a permit.
- Oregon law requires that a permit be issued before beginning construction of any proposed well, unless the use is exempt. Acceptance of this application does not guarantee a permit will be issued.
- 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.

_____ **Greg Harris, Farm Manager** _____
 Applicant Signature Print Name and title if applicable Date

 Applicant Signature Print Name and title if applicable Date

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

WATER RESOURCES DEPT
SALEM, OREGON

NOV 6 2014

RECEIVED

**SECTION 2: PROPERTY OWNERSHIP – AMENDED APPLICATION FOR G-17851
(Amended 10-28-2014)**

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*).

Threemile Canyon Farm

SECTION 3: WELL DEVELOPMENT

WELL NO.	NAME OF NEAREST SURFACE WATER	IF LESS THAN 1 MILE:	
		DISTANCE TO NEAREST SURFACE WATER	ELEVATION CHANGE BETWEEN NEAREST SURFACE WATER AND WELL HEAD
1	Willow Creek	25,580 feet	640 feet
2	Willow Creek	27,880 feet	630 feet

Please provide any information for your existing or proposed well(s) that you believe may be helpful in evaluating your application. For existing wells, describe any previous alteration(s) or repair(s) not documented in the attached well log or other materials (*attach additional sheets if necessary*).

Due to current infrastructure needs, the proposed location of the two wells and the place of use is amended, but still remains within tax lot 100 (see attached map). MORR 635 will NOT be used for the purpose of this groundwater application (G-17851) and the place of use will be amended from T3N R23E Section 3 to T3N 24E Section 19. The requested rate will not change.



Water Solutions, Inc.

8019 W. Quinault Avenue, Suite 201, Kennewick, Washington 99336
Ph: 509.735.7135 Fax: 509.735.7067

October 28, 2014

Tim Wallin
Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301

RE: Amended Groundwater Application (G-17851) Place of Use and Points of Appropriation for
Threemile Canyon Farms

Dear Tim:

Per our conversation several weeks ago, enclosed please find an amended map and sections 2 and 3 for groundwater application G-17851. The applicant wishes to amend the place of use and points of appropriation. A copy of the amended map and table have been provided to the groundwater section. Should you have any questions regarding the table or map, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads "Molly Reid".

Molly Reid
Senior Water Resources Analyst

Cc: Greg Harris, Threemile Canyon Farms
Josh Hackett, Groundwater Section, OWRD
File

Enclosures: Amended Groundwater Application Table
Amended Groundwater Application Map

WATER RESOURCES DEPT
SALEM, OREGON

NOV 6 2014

RECEIVED

PARK Barbara J

From: PARK Barbara J
Sent: Thursday, November 06, 2014 3:28 PM
To: 'Molly Reid'
Subject: RE: Application G-17851 (Threemile Canyon Farms)

Your timing is perfect, as I was just about to start on this application. I'm so glad to hear from you before having written the Initial Review, thank you. I shouldn't need hard copies-these e-copies and your email should suffice to amend the application.

Sincerely,

BARBARA PARK | WATER RIGHT APPLICATION CASEWORKER

WATER RESOURCES DEPARTMENT | 725 SUMMER ST. NE, SUITE A | SALEM, OREGON 97301
PH.: 503 986-0859 | FAX: 503 986-0901
Email: Barbara.J.Park@wrdd.state.or.us Web: <http://www.wrd.state.or.us>

From: Molly Reid [<mailto:MReid@gsiws.com>]
Sent: Thursday, November 06, 2014 3:04 PM
To: PARK Barbara J
Subject: Application G-17851 (Threemile Canyon Farms)

Barbara: Attached is an amended place of use and points of appropriation map and table for file G-17851. These amended locations will replace the previously requested location for this groundwater application. The rate requested will not change. I sent these electronically last week (10/28/2014) to Tim Wallin and Josh Hackett. Please let me know if you need a hard copy of these documents. Thanks.

Molly Reid
Senior Water Resources Consultant

GSI Water Solutions, Inc.
8019 W. Quinault Avenue, Suite 201
Kennewick, WA 99336

Phone: (509) 735-7135
DIRECT LINE: (509) 378-3284
NEW Cell: (541) 310-7264
Fax: (509) 735-7067
Email: mreid@gsiws.com

RECEIVED

NOV 6 2014

WATER RESOURCES DEPT
SALEM, OREGON

SECTION 3: WELL DEVELOPMENT, CONTINUED – AMENDED APPLICATION FOR G-17851 (Amended 10-28-2014)

Source (aquifer), if known: basalt – Columbia River Basalt Group

Total maximum rate requested: 2.7 cfs (each well will be evaluated at the maximum rate unless you indicate well-specific rates and annual volumes in the table below).

Complete the table below. If this is an existing well, the following information may be found on the applicable well log. *(If a well log is available, please submit it in addition to completing the table.)* If this is a proposed well, or well-modification, consider consulting with a licensed well driller, geologist, or certified water right examiner.

OWNER'S WELL NAME OR NO.	PROPOSED	EXISTING	WELL ID (WELL TAG) NO.* OR WELL LOG ID**	FLOWING ARTESIAN	CASING DIAMETER	CASING INTERVALS (IN FEET)	PERFORATED OR SCREENED INTERVALS (IN FEET)	SEAL INTERVALS (IN FEET)	MOST RECENT STATIC WATER LEVEL & DATE (IN FEET)	PROPOSED USE			
										SOURCE AQUIFER***	TOTAL WELL DEPTH	WELL-SPECIFIC RATE (GPM)	ANNUAL VOLUME (ACRE-FEET)
1	<input checked="" type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>	Approx. 12 inches	Not	Drilled	Yet	N/A	CRBG Basalt	900-1100' approx		1954.5 acft approx
2	<input checked="" type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>	Approx. 12 inches	Not	Drilled	Yet	N/A	CRBG Basalt	900-1100' approx		1954.5 acft approx
	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>									

* Licensed drillers are required to attach a Department-supplied Well Tag, with a unique Well ID or Well Tag Number to all new or newly altered wells. Landowners can request a Well ID for existing wells that do not have one. The Well ID is intended to serve as a unique identification number for each well.
 ** A well log ID (e.g. MARI 1234) is assigned by the Department to each log in the agency's well log database. A separate well log is required for each subsequent alteration of the well.
 *** Source aquifer examples: Troutdale Formation, gravel and sand, alluvium, basalt, bedrock, etc.

WATER RESOURCES DEPT
SALEM, OREGON

NOV 6 2014

RECEIVED

RECEIVED

NOV 6 2014

WATER RESOURCES DEPT
SALEM, OREGON