The State Water Resources Control Board (State Water Board) authorizes the diversion and use of water by the right holder in accordance with the limitations and conditions herein SUBJECT TO PRIOR RIGHTS. The priority of this right dates from April 27, 2004. This right is issued in accordance with the State Water Board delegation of authority to the Deputy Director for Water Rights (Resolution 2012-0029) and the Deputy Director for Water Rights redelegation of authority dated July 6, 2012.

The Deputy Director for Water Rights finds that the State Water Board and/or the Applicant have met the following requirements for permit issuance: (a) demonstrated the availability of unappropriated water; (b) resolved protests in compliance with Water Code section 1330 et seq. and included appropriate permit conditions; (c) demonstrated that the water will be diverted and used without injury to any lawful user of water; (d) demonstrated that the intended use is beneficial; (e) demonstrated that the requirements of the California Environmental Quality Act (CEQA) have been met or that the project is exempt from CEQA; and (f) demonstrated that the requirements of the Policy for Maintaining Instream Flows in Northern California Coastal Streams have been met.

The State Water Board has complied with its independent obligation to consider the effect of the proposed project on public trust resources and to protect those resources where feasible. (National Audubon Society v. Superior Court (1983) 33 Cal.3d 419 [189 Cal.Rptr. 346, 658 P.2d 709].)

Right holder is hereby granted a right to divert and use water as follows:

1. Source of water: (1)(2) Unnamed Stream
   tributary to: Mark West Creek thence the Russian River thence the Pacific Ocean
   within the County of Sonoma.

2. Location of point of diversion, point of rediversion, and place of storage
   | By California Coordinate System of 1983 in Zone 2 | 40-acre subdivision of public land survey or projection thereof | Section (Projected)* | Township | Range | Base and Meridian |
   | Farm Pond | (1) North 1,953,276 feet and East 6,402,925 feet | SE ¼ of SW ¼ | 20 | 8N | 6W | MD |
Location of point of diversion to storage

<table>
<thead>
<tr>
<th>By California Coordinate System of 1983 in Zone 2</th>
<th>40-acre subdivision of public land survey or projection thereof</th>
<th>Section (Projected)*</th>
<th>Township</th>
<th>Range</th>
<th>Base and Meridian</th>
</tr>
</thead>
<tbody>
<tr>
<td>(2) North 1,952,479 feet and East 6,401,762 feet</td>
<td>NW ¼ of NW ¼</td>
<td>29</td>
<td>8N</td>
<td>6W</td>
<td>MD</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>3. Purposes of use</th>
<th>4. Place of use</th>
</tr>
</thead>
<tbody>
<tr>
<td>40-acre subdivision of public land survey or projection thereof</td>
<td>Section (Projected)*</td>
</tr>
<tr>
<td>Irrigation, Heat Control</td>
<td>SW ¼ of SW ¼</td>
</tr>
<tr>
<td></td>
<td>SE ¼ of SW ¼</td>
</tr>
<tr>
<td></td>
<td>NW ¼ of NW ¼</td>
</tr>
<tr>
<td>Recreation, Fire Protection</td>
<td>At Reservoir</td>
</tr>
<tr>
<td></td>
<td>Total</td>
</tr>
</tbody>
</table>

The place of use is shown on map on file with the State Water Board.

1. The water appropriated shall be limited to the quantity which can be beneficially used and shall not exceed 4 acre-feet per year by storage to be collected from December 15 of each year to March 15 of the succeeding year.

(00000005C)

2. No water shall be collected to storage outside of the specified season to offset evaporation and seepage losses or for any other purpose.

(00000005I)

3. The maximum rate of diversion from point of diversion 2 to storage (point of diversion 1) shall not exceed 1 cubic foot per second.

(00000005J)

4. Construction work and complete application of the water to the authorized use shall be prosecuted with reasonable diligence and completed by December 31, 2032.

(00000009)

5. Based on the information in the Division of Water Right’s files, water has not been used under a claimed existing right on the place of use. If right holder exercises a claimed existing right on the place of use authorized by this right without prior approval from the State Water Board, right holder shall forfeit this water right.

(00000021C)
6. The State Water Board intends to develop and implement a basin-wide program for real-time electronic monitoring and reporting of diversions, withdrawals, releases and streamflow in a standardized format if and when resources become available. Such real-time reporting will be required upon a showing by the State Water Board that the program and the infrastructure are in place to accept real-time electronic reports. Implementation of the reporting requirements shall not necessitate amendment to this right.

(0090031)

7. No water shall be diverted under this right unless right holder is operating in accordance with a habitat restoration plan satisfactory to the Deputy Director for Water Rights. Right holder shall submit a report on restoration plan activities in accordance with the time schedule contained in the restoration plan, and whenever requested by the Division of Water Rights. The Deputy Director for Water Rights may require modification of the restoration plan upon a determination that the plan is ineffective or unsuccessful, or provide relief from this term upon a determination that the restoration plan is no longer required. Prior to initiation of construction, right holder shall develop a habitat restoration plan in consultation with the California Department of Fish and Wildlife and submit a copy of the final plan to the Deputy Director for Water Rights. The plan shall:

a. Characterize the type, species composition, spatial extent, and ecological functions and values of the chaparral habitat that will be removed, lost, or damaged by the onstream dam based on estimates provided by a qualified biologist;

b. Describe the approach that will be used to replace the chaparral habitat removed, lost, or adversely impacted by the onstream dam, including a list of the soil, plants, and other materials that will be necessary for successful chaparral habitat replacement, and a description of planting methods, location, spacing, erosion protection, and irrigation measures that will be needed, if any. This mitigation shall be within the Mark West Creek watershed, and may be on the right holder’s property, if approved by the California Department of Fish and Wildlife;

c. Describe the mitigation ratio to be used in calculating the acreage of chaparral habitat to be planted;

d. Describe the criteria that will be used to evaluate the effectiveness and success of the chaparral habitat replacement approach;

e. Describe the program that will be used for monitoring the effectiveness and success of the chaparral habitat replacement approach;

f. Description of how the chaparral habitat replacement approach will be supplemented or modified if the monitoring program indicates that the current approach is not effective or successful; and

g. Include a time schedule for the implementation and monitoring of the chaparral habitat replacement.

(0400053A)

8. No water shall be diverted under this right unless right holder is operating in accordance with a mitigation plan satisfactory to the Deputy Director for Water Rights. The mitigation plan shall address eradication of non-native species. Right holder shall submit a report on mitigation plan activities in accordance with the time schedule contained in the mitigation plan, and whenever requested by the Division of Water Rights. The Deputy Director for Water Rights may require modification of the mitigation plan upon a determination that the plan is ineffective or unsuccessful, or provide relief from this term upon a determination that the mitigation plan is no longer required.

(0400053)
9. No water shall be diverted under this right unless the flow in the Unnamed Stream is at or above 0.11 cubic foot per second, as determined at point of diversion 2.

(0140060)

10. No water shall be diverted under this water right unless right holder is bypassing the flow required by this water right by use of a passive bypass device.

Right holder shall provide the Division of Water Rights with evidence that the device has been installed with the first annual report submitted after device installation. Right holder shall provide the Division of Water Rights with evidence that substantiates that the device is functioning properly every year after device installation as an enclosure to the current annual report or whenever requested by the Division of Water Rights. Evidence required by this condition shall include current photographs of the system in place and a statement, signed by the right holder, certifying that the system is still operating as designed.

(0050062C)

11. This right is subject to prior rights. Right holder is put on notice that, during some years, water will not be available for diversion during portions or all of the season authorized herein. The annual variations in demands and hydrologic conditions in the Russian River Watershed are such that, in any year of water scarcity, the season of diversion authorized herein may be reduced or completely eliminated by order of the State Water Board, made after notice to interested parties and opportunity for hearing.

(0000090A)

12. No debris, soil, silt, cement that has not set, oil, or other such foreign substance will be allowed to enter into or be placed where it may be washed by rainfall runoff into the waters of the State. When operations are completed, any excess materials or debris shall be removed from the work area.

(0000208)

13. For the protection of the rare Napa false indigo (Amorpha californica var. napensis) populations identified in the 2012 Terrestrial Biological Resources Assessment, the following conditions shall apply to any activities authorized under the water right issued pursuant to Application 31501:
   a. Right holder shall ensure that construction equipment and vehicles remain along the main access road and do not travel off-road in the vicinity of either plant population;
   b. Right holder shall not allow any further land disturbance within 20 feet of either specified plant population;
   c. During project construction, right holder shall identify and protect both plant populations by surrounding each site with plastic construction fencing or flags to be spaced and maintained at a maximum distance of 3 feet apart. Right holder shall provide evidence of fencing and/or flags to the Deputy Director for Water Rights prior to the commencement of construction; and
   d. Right holder shall allow representatives of the Division of Water Rights reasonable access upon notification of the right holder or the right holder's agent for the purpose of verifying these conditions of the permit.

These requirements shall remain in effect as long as water is being diverted by the right holder (or successors-in-interest) under any permit or license issued pursuant to Application 31501.

(0000209)

14. Should any buried archeological materials be uncovered during project activities, such activities shall cease within 100 feet of the find. Prehistoric archeological indicators include: obsidian and chert flakes and chipped stone tools; bedrock outcrops and boulders with mortar cups; ground stone implements (grinding slabs, mortars and pestles) and locally darkened midden soils containing some of the previously
listed items plus fragments of bone and fire affected stones. Historic period site indicators generally include: fragments of glass, ceramic and metal objects; milled and split lumber; and structure and feature remains such as building foundations, privy pits, wells and dumps; and old trails. The Deputy Director for Water Rights shall be notified of the discovery and a professional archeologist shall be retained by the right holder to evaluate the find and recommend appropriate mitigation measures. Proposed mitigation measures shall be submitted to the Deputy Director for Water Rights for approval. Project-related activities shall not resume within 100 feet of the find until all approved mitigation measures have been completed to the satisfaction of the Deputy Director for Water Rights.

15. During construction of the project, right holder shall implement the following required control measures recommended in the Bay Area Air Quality Management District California Environmental Quality Act: Air Quality Guidelines pertinent to the proposed project:
   a. All exposed surfaces (e.g., parking areas, staging areas, soil piles, graded areas, and unpaved access roads) shall be watered two times per day;
   b. All haul trucks transporting soil, sand, or other loose material off-site shall be covered.
   c. All visible mud or dirt track-out onto adjacent public roads shall be removed using wet power vacuum street sweepers at least once per day. The use of dry power sweeping is prohibited;
   d. All vehicle speeds on unpaved roads shall be limited to 15 mph;
   e. Idling times shall be minimized either by shutting equipment off when not in use or reducing the maximum idling time to 5 minutes (as required by the California airborne toxics control measure Title 13, Section 2485 of California Code of Regulations [CCR]). Clear signage shall be provided for construction workers at all access points; and
   f. All construction equipment shall be maintained and properly tuned in accordance with manufacturer’s specifications. All equipment shall be checked by a certified visible emissions evaluator.

Right holder shall compile evidence of this compliance and shall provide evidence to the Deputy Director for Water Rights to verify implementation of all measures within 30 days of completion of construction work. Evidence may consist of, but is not limited to, photographs and construction records.

16. If human remains are encountered, then right holder shall comply with Section 15064.5 (e) (1) of the California Environmental Quality Act Guidelines and the Public Resources Code Section 7050.5. All project-related ground disturbance within 100 feet of the find shall be halted until the county coroner has been notified. If the coroner determines that the remains are Native American, the coroner will notify the Native American Heritage Commission to identify the most-likely descendants of the deceased Native Americans. Project-related ground disturbance, in the vicinity of the find, shall not resume until the process detailed under Section 15064.5 (e) has been completed and evidence of completion has been submitted to the Deputy Director for Water Rights.

17. Right holder shall make no introduction of non-native species into the reservoir.

18. Construction of the reservoir shall not begin until a Geotechnical Engineer or Engineering Geologist registered by the State of California has approved the plans and specifications for the dam. Prior to the start of construction, right holder shall submit the approved plan to the Deputy Director for Water Rights. Construction of the dam shall be under the direction of a qualified Civil Engineer, Geotechnical Engineer or Engineering Geologist, and should be designed with the following parameters:
a. The dam and reservoir side slopes should be designed and constructed to withstand ground shaking caused by the maximum credible earthquake;

b. The dam and reservoir slopes should be designed such that they do not fail as a result of the maximum credible earthquake in the project area; and

c. The geologist/engineer should review drainage conditions along the pipeline route from point of diversion 2 to point of diversion 1 to ensure that drainage water is not introduced into a slope such that it increases the potential for a landslide.

19. This water right is specifically subject to any valid claim or riparian right of UCC Vineyards named in Statement of Water Diversion and Use 14096 and 14097; J.L. Jordan named in Statement of Water Diversion and Use 15460; and Silverado Premium Properties named in Statement of Water Diversion and Use 14075 and 14076.

20. No water shall be diverted unless right holder complies with the measuring, monitoring, and reporting requirements of California Code of Regulations, title 23, chapters 2.7 and 2.8 (regulations) and the Policy for Maintaining Instream Flows in Northern California Coastal Streams (Policy). If there is a conflict or inconsistency between the measuring and monitoring requirements in the regulations and the Policy, the more stringent requirement or requirements shall control in each instance. (Cal. Code Regs., tit. 23, §§ 912 & 932, subd. (e).) The Policy requires continuous monitoring, at time intervals of one hour or less for each point of diversion. For onstream storage, the Policy requires monitoring of reservoir levels, releases from the reservoir to the stream channel, and withdrawals from the reservoir (e.g., using a pressure transducer for the reservoir, and an inline flow meter for the releases and withdrawals from the reservoir, as applicable).
THIS RIGHT IS ALSO SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

A. Right holder is on notice that: (1) failure to timely commence or complete construction work or beneficial use of water with due diligence, (2) cessation or partial cessation of beneficial use of water, or (3) failure to observe any of the terms or conditions of this right, may be cause for the State Water Board to consider revocation (including partial revocation) of this right. (Cal. Code Regs., tit. 23, § 850.)

B. Right holder is on notice that when the State Water Board determines that any person is violating, or threatening to violate, any term or condition of a right, the State Water Board may issue an order to that person to cease and desist from that violation. (Wat. Code, § 1831.)

C. Right holder is not authorized to make any modifications to the location of diversion facilities, place of use or purposes of use, or make other changes to the project that do not conform with the terms and conditions of this right, prior to submitting a change petition and obtaining approval of the State Water Board.

D. Once the time to develop beneficial use of water ends under this permit, right holder is not authorized to increase diversions prior to submitting a time extension petition and obtaining approval of the State Water Board.

E. The amount of water for consideration when issuing a license shall be limited to only the amount of water diverted and applied to beneficial use in compliance with the terms and conditions of this right, as determined by the State Water Board. (Wat. Code, § 1610.)

F. Right holder shall maintain records of the amount of water diverted and used under this right to enable the State Water Board to determine the amount of water that has been applied to beneficial use pursuant to Water Code section 1605.

G. Right holder shall promptly submit any reports, data, or other information that may reasonably be required by the State Water Board, including but not limited to documentation of water diversion and use under this right and documentation of compliance with the terms and conditions of this right.

H. No water shall be diverted under this right unless right holder is operating in accordance with a compliance plan, satisfactory to the Deputy Director for Water Rights. Said compliance plan shall specify how right holder will comply with the terms and conditions of this right. Right holder shall comply with all reporting requirements in accordance with the schedule contained in the compliance plan.

I. Right holder shall grant, or secure authorization through right holder’s right of access to property owned by another party, the staff of the State Water Board, and any other authorized representatives of the State Water Board the following:

1. Entry upon property where water is being diverted, stored or used under a right issued by the State Water Board or where monitoring, samples and/or records must be collected under the conditions of this right;
2. Access to copy any records at reasonable times that are kept under the terms and conditions of a right or other order issued by State Water Board;

3. Access to inspect at reasonable times any project covered by a right issued by the State Water Board, equipment (including monitoring and control equipment), practices, or operations regulated by or required under this right; and,

4. Access to photograph, sample, measure, and monitor at reasonable times for the purpose of ensuring compliance with a right or other order issued by State Water Board, or as otherwise authorized by the Water Code.

J. This right shall not be construed as conferring right of access to any lands or facilities not owned by right holder.

K. All rights are issued subject to available flows. Inasmuch as the source contains treated wastewater, imported water from another stream system, or return flow from other projects, there is no guarantee that such supply will continue.

L. This right does not authorize diversion of water dedicated by other right holders under a senior right for purposes of preserving or enhancing wetlands, habitat, fish and wildlife resources, or recreation in, or on, the water. (Wat. Code, § 1707.) The Division of Water Rights maintains information about these dedications. It is right holders’ responsibility to be aware of any dedications that may preclude diversion under this right.

M. No water shall be diverted or used under this right, and no construction related to such diversion shall commence, unless right holder has obtained and is in compliance with all necessary permits or other approvals required by other agencies. If an amended right is issued, no new facilities shall be utilized, nor shall the amount of water diverted or used increase beyond the maximum amount diverted or used during the previously authorized development schedule, unless right holder has obtained and is in compliance with all necessary requirements, including but not limited to the permits and approvals listed in this term.

Within 90 days of the issuance of this right or any subsequent amendment, right holder shall prepare and submit to the Division of Water Rights a list of, or provide information that shows proof of attempts to solicit information regarding the need for, permits or approvals that may be required for the project. At a minimum, right holder shall provide a list or other information pertaining to whether any of the following permits or approvals are required: (1) lake or streambed alteration agreement with the Department of Fish and Wildlife (Fish & G. Code, § 1600 et seq.); (2) Department of Water Resources, Division of Safety of Dams approval (Wat. Code, § 6002); (3) Regional Water Quality Control Board Waste Discharge Requirements (Wat. Code, § 13260 et seq.); (4) U.S. Army Corps of Engineers Clean Water Act section 404 permit (33 U.S.C. § 1344); and (5) local grading permits.

Right holder shall, within 30 days of issuance of any permits, approvals or waivers, transmit copies to the Division of Water Rights.
N. Urban water suppliers must comply with the Urban Water Management Planning Act (Wat. Code, § 10610 et seq.). An “urban water supplier” means a supplier, either publicly or privately owned, providing water for municipal purposes either directly or indirectly to more than 3,000 customers or supplying more than 3,000 acre-feet of water annually.

Agricultural water users and suppliers must comply with the Agricultural Water Management Planning Act (Act) (Water Code, § 10800 et seq.). Agricultural water users applying for a permit from the State Water Board are required to develop and implement water conservation plans in accordance with the Act. An “agricultural water supplier” means a supplier, either publicly or privately owned, supplying more than 50,000 acre-feet of water annually for agricultural purposes. An agricultural water supplier includes a supplier or contractor for water, regardless of the basis of right, which distributes or sells for ultimate resale to customers.

O. Pursuant to Water Code sections 100 and 275 and the common law public trust doctrine, all rights and privileges under this right, including method of diversion, method of use, and quantity of water diverted, are subject to the continuing authority of the State Water Board in accordance with law and in the interest of the public welfare to protect public trust uses and to prevent waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion of said water.

The continuing authority of the State Water Board may be exercised by imposing specific requirements over and above those contained in this right with a view to eliminating waste of water and to meeting the reasonable water requirements of right holder without unreasonable draft on the source. Right holder may be required to implement a water conservation plan, features of which may include but not necessarily be limited to (1) reusing or reclaiming the water allocated; (2) using water reclaimed by another entity instead of all or part of the water allocated; (3) restricting diversions so as to eliminate agricultural tailwater or to reduce return flow; (4) suppressing evaporation losses from water surfaces; (5) controlling phreatophytic growth; and (6) installing, maintaining, and operating efficient water measuring devices to assure compliance with the quantity limitations of this right and to determine accurately water use as against reasonable water requirements for the authorized project. No action will be taken pursuant to this paragraph unless the State Water Board determines, after notice to affected parties and opportunity for hearing, that such specific requirements are physically and financially feasible and are appropriate to the particular situation.

The continuing authority of the State Water Board also may be exercised by imposing further limitations on the diversion and use of water by right holder in order to protect public trust uses. No action will be taken pursuant to this paragraph unless the State Water Board determines, after notice to affected parties and opportunity for hearing, that such action is consistent with California Constitution, article X, section 2; is consistent with the public interest; and is necessary to preserve or restore the uses protected by the public trust.

P. The quantity of water diverted under this right is subject to modification by the State Water Board if, after notice to right holder and an opportunity for hearing, the State Water Board finds that such modification is necessary to meet water quality objectives in water quality control plans which have been or hereafter may be established or modified pursuant to Division 7 of the Water Code. No action will be taken pursuant to this paragraph unless the State Water Board finds that (1) adequate waste discharge requirements have been prescribed and are in effect with respect to all waste discharges which have any substantial effect upon water quality in the area involved, and (2) the water quality objectives cannot be achieved solely through the control of waste discharges.
Q. This right does not authorize any act which results in the taking of a candidate, threatened or endangered species or any act which is now prohibited, or becomes prohibited in the future, under either the California Endangered Species Act (Fish & G. Code, § 2050 et seq.) or the federal Endangered Species Act (16 U.S.C. § 1531 et seq.). If a "take" will result from any act authorized under this right, right holder shall obtain any required authorization for an incidental take prior to construction or operation of the project. Right holder shall be responsible for meeting all requirements of the applicable Endangered Species Act for the project authorized under this right.
This right is issued and right holder takes it subject to the following provisions of the Water Code:

Section 1390. A permit shall be effective for such time as the water actually appropriated under it is used for a useful and beneficial purpose in conformity with this division (of the Water Code), but no longer.

Section 1392. Every permittee, if he accepts a permit, does so under the conditions precedent that no value whatsoever in excess of the actual amount paid to the State therefor shall at any time be assigned to or claimed for any permit granted or issued under the provisions of this division (of the Water Code), or for any rights granted or acquired under the provisions of this division (of the Water Code), in respect to the regulation by any competent public authority of the services or the price of the services to be rendered by any permittee or by the holder of any rights granted or acquired under the provisions of this division (of the Water Code) or in respect to any valuation for purposes of sale to or purchase, whether through condemnation proceedings or otherwise, by the State or any city, city and county, municipal water district, irrigation district, lighting district, or any political subdivision of the State, of the rights and property of any permittee, or the possessor of any rights granted, issued, or acquired under the provisions of this division (of the Water Code).

STATE WATER RESOURCES CONTROL BOARD

ORIGINAL SIGNED BY:
JOHN O’HAGAN, FOR

Leslie F. Grober, Deputy Director
Division of Water Rights

Dated: APR 24 2017
UNNAMED STREAM

(1) POINT OF DIVERSION
(DAM)
CCS83, ZONE 2
N. 1,953,276 ft. and E. 6,402,925 ft.

(2) POINT OF DIVERSION TO STORAGE
CCS83, ZONE 2
N. 1,952,479 ft. and E. 6,401,762 ft.

OWNER  COUNTY LINE VINEYARD, LLC

SOURCE  (1) (2) UNNAMED STREAM TRIBUTARY TO
MARK WEST CREEK THENCE THE RUSSIAN RIVER

POINTS OF DIVERSION WITHIN
(1) SE 1/4 OF SW 1/4 OF SECTION 20, T8N, R6W, MDB&M
(2) NW 1/4 OF NW 1/4 OF SECTION 29, T8N, R6W, MDB&M

COUNTY OF SONOMA

STATE OF CALIFORNIA
CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY
STATE WATER RESOURCES CONTROL BOARD
DIVISION OF WATER RIGHTS

APPLICATION NO. 31501
PERMIT NO. 21371

DATE: 9-22-2015  DRAWN: DT  CHECKED: JDM