STATE OF CALIFORNIA
THE RESOURCES AGENCY
STATE WATER RESOURCES CONTROL BOARD
DIVISION OF WATER RIGHTS

License for Diversion and Use of Water

APPLICATION 23562 PERMIT 16389 LICENSE 10895

(over)

THIS IS TO CERTIFY, *That* KORTUM CANYON VINEYARD, INC.
360 KORTUM CANYON ROAD, CALISTOGA, CALIFORNIA 945

HAS *made proof as of* JUNE 26, 1975 *(the date of inspection) to the satisfaction of the State Water Resources Control Board of a right to the use of the water of* AN UNNAMED STREAM IN NAPA COUNTY

tributary to CYRUS CREEK THENCE NAPA RIVER

for the purpose of IRRIGATION, RECREATIONAL AND FIRE PROTECTION USES *under Permit* 16389 *of the Board and that the right to the use of this water has been perfected in accordance with the laws of California, the Regulations of the Board and the permit terms; that the priority of this right dates from* JULY 20, 1970 *and that the amount of water to which this right is entitled and hereby confirmed is limited to the amount actually beneficially used for the stated purposes and shall not exceed* SEVEN (7) ACRE-FEET PER ANNUM, TO BE COLLECTED FROM NOVEMBER 1 OF EACH YEAR TO MAY 1 OF THE SUCCEEDING YEAR. THE MAXIMUM WITHDRAWAL IN ANY ONE YEAR UNDER THIS LICENSE AND LICENSE 9504 SHALL NOT EXCEED 14.5 ACRE-

THE POINT OF DIVERSION OF SUCH WATER IS LOCATED:

NORTH 900 FEET AND WEST 900 FEET FROM SE CORNER OF SECTION 2, T8N, R7W, MDB&M, BEING WITHIN SE1/4 OF SE1/4 OF SAID SECTION 2.

A DESCRIPTION OF THE LAND OR THE PLACE WHERE SUCH WATER IS PUT TO BENEFICIAL USE IS AS FOLLOWS:

RECREATIONAL USE AT RESERVOIR WITHIN SE1/4 OF SE1/4 OF SECTION 2, T8N, R7W, MDB&
IRRIGATION AND FIRE PROTECTION USES AS FOLLOWS:

8 ACRES WITHIN SE1/4 OF SE1/4 OF SECTION 2, T8N, R7W, MDB&M
4 ACRES WITHIN NW1/4 OF SE1/4 OF SECTION 2, T8N, R7W, MDB&M
13 ACRES WITHIN NE1/4 OF SE1/4 OF SECTION 2, T8N, R7W, MDB&M
2 ACRES WITHIN SW1/4 OF SW1/4 OF SECTION 1, T8N, R7W, MDB&M

27 ACRES TOTAL.

THIS LICENSE DOES NOT AUTHORIZE COLLECTION OF WATER TO STORAGE OUTSIDE OF

THE QUANTITY OF WATER DIVERTED UNDER THIS LICENSE IS SUBJECT TO MODIFICATION BY THE STATE WATER RESOURCES CONTROL BOARD, IF, AFTER NOTICE TO THE LICENSEE AND AN OPPORTUNITY FOR HEARING, THE 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 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.

Licensee shall allow representatives of the Board and other parties, as may be authorized from time to time by the Board, reasonable access to project works to determine compliance with the terms of this license.

All rights and privileges under this license including method of diversion, method of use and quantity of water diverted are subject to the continuing authority of the Board in accordance with law and in the interest of the public welfare to prevent waste, unreasonable use, unreasonable method of use or unreasonable method of diversion of said water.

Reports shall be filed promptly by licensee on appropriate forms which will be provided for the purpose from time to time by the Board.

The right hereby confirmed to the diversion and use of water is restricted to the point or points of diversion herein specified and to the lands or place of use herein described.

This license is granted and licensee accepts all rights herein confirmed subject to the following provisions of the Water Code:

Section 1625. Each license shall be in such form and contain such terms as may be prescribed by the Board.

Section 1626. All licenses shall be under the terms and conditions of this division (of the Water Code).

Section 1627. A license 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 1628. Every license shall include the enumeration of conditions therein which in substance shall include all of the provisions of this article and the statement that any appropriator of water to whom a license is issued takes the license subject to the conditions therein expressed.

Section 1629. Every licensee, if he accepts a license 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 license 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 licensee 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 licensee, or the possessor of any rights granted, issued, or acquired under the provisions of this division (of the Water Code).

Section 1630. At any time after the expiration of twenty years after the granting of a license, the State or any city, city and county, municipal water district, irrigation district, lighting district, or any political subdivision of the State shall have the right to purchase the works and property occupied and used under the license and the works built or constructed for the enjoyment of the rights granted under the license.

Section 1631. In the event that the State, or any city, city and county, municipal water district, irrigation district, lighting district, or political subdivision of the State so desiring to purchase and the owner of the works and property cannot agree upon the purchase price, the price shall be determined in such manner as is now or may hereafter be provided by law for determining the value of property taken in eminent domain proceedings.

Dated: MARCH 27 1979

STATE WATER RESOURCES CONTROL BOARD

Walter G. Pettit

Chief, Division of Water Rights