



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

License for Diversion and Use of Water

APPLICATION 24125
PAGE 1 OF 3

PERMIT 16775

LICENSE 11224

THIS IS TO CERTIFY, That

RIGI VINEYARDS A. G. *asspl.*
5223 BIG RANCH ROAD, NAPA, CALIFORNIA 94558

HAS made proof as of JUNE 29, 1981 (the date of inspection)
to the satisfaction of the State Water Resources Control Board of a right to the use of the water of
MILLIKEN CREEK IN NAPA COUNTY

tributary to NAPA RIVER THENCE SAN PABLO BAY

for the purpose of IRRIGATION, FROST PROTECTION AND FIRE PROTECTION USES
under Permit 16775 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 24, 1972 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 TWENTY (20) ACRE-FEET PER ANNUM BY STORAGE, TO
BE COLLECTED FROM DECEMBER 1 OF EACH YEAR TO MARCH 15 OF THE SUCCEEDING YEAR; AND
TWO AND FORTY-FIVE HUNDREDTHS (2.45) CUBIC FEET PER SECOND FOR REPLENISHMENT OF
STORAGE, TO BE DIVERTED FROM MARCH 15 TO MAY 15 OF EACH YEAR.

THE TOTAL AMOUNT OF WATER TO BE TAKEN FROM THE SOURCE (REPLENISHMENT PLUS COLLECTION
TO STORAGE) SHALL NOT EXCEED 44 ACRE-FEET PER YEAR. THE TOTAL AMOUNT OF WATER TO BE
PLACED TO BENEFICIAL USE (REPLENISHMENT PLUS WITHDRAWAL FROM STORAGE) SHALL NOT
EXCEED 44 ACRE-FEET PER YEAR.

THE MAXIMUM RATE OF DIVERSION TO OFFSTREAM STORAGE SHALL NOT EXCEED 2.45 CUBIC FEET
PER SECOND.

THIS LICENSE DOES NOT AUTHORIZE COLLECTION OF WATER TO STORAGE OUTSIDE OF THE
SPECIFIED SEASON TO OFFSET EVAPORATION AND SEEPAGE LOSSES OR FOR ANY OTHER PURPOSE.

THE POINT OF DIVERSION AND DIVERSION TO OFFSTREAM STORAGE OF SUCH WATER IS LOCATED:

NORTH 2,800 FEET AND EAST 1,950 FEET FROM SW CORNER OF PROJECTED SECTION 35, T6N, R4W,
MDB&M, BEING WITHIN SE1/4 OF NW1/4 OF SAID SECTION 35.

THE PLACE OF STORAGE AND/OR REGULATION OF SUCH WATER IS LOCATED:

SILVERADO RESERVOIR WITHIN SE1/4 OF NW1/4 OF PROJECTED SECTION 35, T6N, R4W, MDB&M.

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.

Pursuant to California Water Code Sections 100 and 275, 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 State Water Resources Control 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.

This continuing authority of the Board may be exercised by imposing specific requirements over and above those contained in this license, with a view to minimizing waste of water and to meeting the reasonable water requirements of licensee without unreasonable draft on the source. Licensee may be required to implement such programs as (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 license 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 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.

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: JUNE 21 1982

STATE WATER RESOURCES CONTROL BOARD

L. O. Johnson
for Chief, Division of Water Rights

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

FIRE PROTECTION USE AT SILVERADO RESERVOIR WITHIN SE1/4 OF NW1/4 OF PROJECTED SECTION 35,
T6N, R4W, MDB&M, AND FROST PROTECTION AND IRRIGATION USES AS FOLLOWS:

- 5 ACRES WITHIN SE1/4 OF NE1/4 OF PROJECTED SECTION 34, T6N, R4W, MDB&M
- 10 ACRES WITHIN NE1/4 OF SE1/4 OF PROJECTED SECTION 34, T6N, R4W, MDB&M
- 5 ACRES WITHIN SE1/4 OF NW1/4 OF PROJECTED SECTION 35, T6N, R4W, MDB&M
- 20 ACRES WITHIN SW1/4 OF NW1/4 OF PROJECTED SECTION 35, T6N, R4W, MDB&M
- 5 ACRES WITHIN NE1/4 OF SW1/4 OF PROJECTED SECTION 35, T6N, R4W, MDB&M
- 40 ACRES WITHIN NW1/4 OF SW1/4 OF PROJECTED SECTION 35, T6N, R4W, MDB&M
- 15 ACRES WITHIN SW1/4 OF SW1/4 OF PROJECTED SECTION 35, T6N, R4W, MDB&M

100 ACRES TOTAL, AS SHOWN ON MAP ON FILE WITH STATE WATER RESOURCES CONTROL BOARD.

FOR THE PROTECTION OF FISH AND WILDLIFE, LICENSEE SHALL DURING THE PERIOD:
(A) FROM DECEMBER 1 THROUGH FEBRUARY 29 BYPASS A MINIMUM OF 7 CUBIC FEET PER SECOND,
(B) FROM MARCH 1 THROUGH MAY 15 BYPASS A MINIMUM OF 2 CUBIC FEET PER SECOND.
THE TOTAL STREAM FLOW SHALL BE BYPASSED WHENEVER IT IS LESS THAN THE DESIGNATED AMOUNT
FOR THAT PERIOD. STREAMFLOWS SHALL BE AS MEASURED AT THE NEAREST U.S.G.S. GAGING
STATION ON MILLIKEN CREEK.

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THIS LICENSE IS CONDITIONED UPON FULL COMPLIANCE WITH SECTIONS 1601, 1603, AND/OR
SECTION 6100 OF THE FISH AND GAME CODE.

THIS LICENSE IS SUBJECT TO THE CONTINUING AUTHORITY OF THE STATE WATER
RESOURCES CONTROL BOARD TO ISSUE ANY APPROPRIATE ORDER TO INSURE THAT THE
APPROPRIATION OF WATER FOR FROST PROTECTION UNDER THE LICENSE DOES NOT RESULT
IN WASTE, UNREASONABLE USE, UNREASONABLE METHOD OF USE, OR UNREASONABLE METHOD
OF DIVERSION OF WATER. ACTION BY THE BOARD WILL BE TAKEN ONLY AFTER NOTICE TO
INTERESTED PARTIES AND OPPORTUNITY FOR HEARING.

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 NOT EXERCISE ANY OTHER EXISTING RIGHT TO THE USE OF WATER NAMED
HEREIN SO LONG AS THIS LICENSE REMAINS IN EFFECT.

DECLARATION OF INTEREST IN LAND

I, the undersigned, do hereby declare that I am the owner of the following described land:

Section 10, Township 10N, Range 10E, T10N, R10E, S10E, 10th Meridian, Lincoln County, North Dakota.

My interest in the above described land is as follows:

1. I am the owner of the surface of the above described land.

2. I am the owner of the mineral rights in the above described land.

3. I am the owner of the oil and gas rights in the above described land.

4. I am the owner of the water rights in the above described land.

5. I am the owner of the other rights in the above described land.

7/29/96 Asgd to Sunshine Agriculture Inc., a Florida Corp.
5/23/61 Asgd. to Silverado Premium Properties II, LLC