

**BEFORE THE WATER RESOURCES DEPARTMENT
OF THE
STATE OF OREGON**

In the Matter of Transfer Application) PRELIMINARY DETERMINATION
T-13925, Harney County) PROPOSING APPROVAL OF
) ADDITIONAL POINTS OF APPROPRIATION
) AND A CHANGE IN PLACE OF USE

Authority

Oregon Revised Statutes (ORS) 537.705 and 540.505 to 540.580 establish the process in which a water right holder may submit a request to transfer the point of appropriation, place of use, or character of use authorized under an existing water right. Oregon Administrative Rules (OAR) Chapter 690, Division 380 implement the statutes and provides the Department’s procedures and criteria for evaluating transfer applications.

Applicant

GOLDEN RULE FARMS INC.
PO BOX 255
CHRISTMAS VALLEY, OR 97641

Findings of Fact

1. On February 18, 2022, GOLDEN RULE FARMS, INC. filed an application for additional points of appropriation and to change the place of use under Certificate 32394. The Department assigned the application number T-13925.
2. Notice of the application for transfer was published on March 1, 2022, pursuant to OAR 690-380-4000.
3. Timely comments were submitted to the Department in response to the notice. The issues raised by the comments focused primarily on concerns that:
 - a) The application fails to meet statutory requirements.
 - b) The applicant failed to comply with measurement and reporting conditions for Certificate 32394.
 - c) There is no evidence of water use for Certificate 32394.
 - d) The application form does not conform to the statutory requirements.
 - e) Injury must include domestic water users, including any exempt water users that could be impacted
 - f) Injury Analysis should also include the surface water rights held by Malheur National Wildlife Refuge.

Pursuant to OAR 690-380-4030, any person may file a protest or standing statement within 30 days after the last date of publication of the newspaper notice or the Department’s weekly notice as prescribed by OAR 690-380-4020, whichever is later, of this preliminary determination.

- g) WRD lacks the authority to add additional well locations because the transfer statute allows only for a change of point of diversion.
 - h) OWRD should not allow GRF to have multiple overlapping transfer applications.
 - i) Rule OAR 690-008-001(8)(c) is unlawful, because it is contrary to ORS 537.525.
 - j) There are cones of depression in numerous areas in the GHVGAC (Greater Harney Valley Groundwater Area of Concern).
 - k) Water is severely over-allocated [in the GHVGAC].
 - l) Some commenters do not agree with, nor support, the transfer.
4. Not all issues raised by the commenters are relevant to the criteria for review of a water right transfer as per OAR 690-380-4010 and approval of a transfer application under OAR 690-380-5000. Many of the issues noted in Finding of Fact #3, though important to the residents and water resources of the area, do not directly relate to the transfer review criteria. Rather, the statutory basis for approving a water right transfer application is relatively narrow and confined to the Department finding or determining:
- a) The water right proposed for transfer is a water use subject to transfer;
 - b) The portion of the water right proposed for transfer is not cancelled nor subject to forfeiture for non-use pursuant to ORS 540.610;
 - c) The water user is ready, willing and able to use the full amount of water allowed under the right;
 - d) The proposed transfer would not result in enlargement of the water right proposed for transfer; and
 - e) The proposed transfer would not result in injury to other water rights.
5. On March 1, 2023, the Department mailed a copy of the draft Preliminary Determination proposing to approve Transfer Application T-13925 to the applicant. The draft Preliminary Determination cover letter set forth a deadline of April 1, 2023, for the applicant to respond. The applicant requested that the Department proceed with issuance of a Preliminary Determination and provided the necessary information to demonstrate that the applicant is authorized to pursue the transfer.
6. The right to be transferred is as follows:
- Certificate:** 32394 in the name of JOHN OR GEORGIA CROW (perfected under Permit G-1463)
- Use:** IRRIGATION of 75.53 ACRES
- Priority Date:** OCTOBER 2, 1959
- Rate:** 0.94 CUBIC FOOT PER SECOND
- Limit/Duty:** The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, shall be limited to ONE-EIGHTIETH of one cubic foot per second per acre, or its equivalent for each acre irrigated and shall be further limited to a diversion of not to exceed 3

acre feet per acre for each acre irrigated during the irrigation season of each year.

Source: WELL No. 1, a tributary of MALHEUR LAKE

Authorized Point of Appropriation:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
27 S	31 E	WM	1	SW NE	WELL NO. 1 (CROW WELL) - 1562 FEET SOUTH AND 21 FEET EAST FROM THE N1/4 CORNER OF SECTION 1

Authorized Place of Use:

IRRIGATION							
Twp	Rng	Mer	Sec	Q-Q	GLot	Proposed change in POU and APOA acres	Proposed APOA only acres
27 S	31 E	WM	1	NW NE	2	9.83	30.7
27 S	31 E	WM	1	SW NE		4.4	30.6
SUB-TOTAL ACREAGE						14.23	61.3
TOTAL ACREAGE						75.53	

8. Transfer Application T-13925 proposes additional points of appropriation for all of the right with approximate distance from the authorized point of appropriation as follows:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances	Approx. distance from authorized point of appropriation in miles (mi.)
27 S	32 E	WM	6	NE NE	BRIGGS 1 (HARN 1893) - 125 FEET SOUTH AND 915 FEET WEST FROM THE NE CORNER OF SECTION 6	CROW WELL (HARN 1461) - 1.3 mi
27 S	32 E	WM	6	NE NW	BRIGGS 2 (HARN 1460) – 1280 FEET SOUTH AND 1 FOOT WEST FROM THE N1/4 CORNER OF SECTION 6	CROW WELL (HARN 1461) - 1.1 mi

9. Transfer Application T-13925 also proposes to change the place of use of a portion of the right to:

IRRIGATION						
Twp	Rng	Mer	Sec	Q-Q	GLot	Acres
27 S	31 E	WM	1	NW NE	2	0.1
27 S	31 E	WM	1	SW NE		0.2
27 S	31 E	WM	1	SE NE		13.93
TOTAL						14.23

Transfer Review Criteria [OAR 690-380-4000(14), 690-380-4010(2) and OAR 690-380-2110(2)]

10. Water has been used within the last five years according to the terms and conditions of the right. There is no information in the record that would demonstrate that the right is subject to forfeiture under ORS 540.610.

11. A water delivery system sufficient to use the full amount of water allowed under the existing right was present within the five-year period prior to submittal of Transfer Application T-13925.
12. The water right is subject to transfer as defined in ORS 540.505(4) and OAR 690-380-0100(14).
13. The proposed points of appropriation develop groundwater from the same aquifer as the authorized point of appropriation, as required by OAR 690-380-2110(2).
14. The proposed changes, as conditioned, would not result in enlargement of the right.
15. The proposed changes, as conditioned, would not result in injury to other existing water rights.
16. All other application requirements are met.

Determination and Proposed Action

The additional points of appropriation and change in place of use proposed in Transfer Application T-13925 appear to be consistent with the requirements of ORS 537.705 and 540.505 to 540.580 and OAR 690-380-5000. If protests are not filed pursuant to OAR 690-380-4030, the application will be approved.

If Transfer Application T-13925 is approved, the final order will include the following:

1. *The additional points of appropriation and change in place of use proposed in Transfer Application T-13925 are approved.*
2. *The right to the use of the water is restricted to beneficial use at the place of use described and is subject to all other conditions and limitations contained in Certificate 32394 and any related decree.*
3. *Water right Certificate 32394 is cancelled.*
4. *The quantity of water diverted at the new additional points of appropriation (BRIGGS 1 and BRIGGS 2), together with that diverted at the original point of appropriation (CROW WELL), shall not exceed the quantity of water lawfully available at the original point of appropriation (CROW WELL).*
5. *Water shall be acquired from the same aquifer (water source) as the original point of appropriation.*
6. *The former place of use of the transferred right shall no longer receive water under the right.*

- If a protest has asserted that a water right to be transferred has been forfeited through non-use, include the notice and procedures described in OAR 690-017-0500 to 690-017-0900.

If after hearing the Department issues a proposed Final Order finding that a change in point of diversion or appropriation will result in injury, the applicant may file a notification of intent to pursue approval of the transfer under OAR 690-380-5030 to 690-380-5050 within 15 days of receipt of the proposed order. Notwithstanding 690-002-0175, if the applicant files a notification of intent to pursue approval of the transfer under 690-380-5030 to 690-380-5050, the deadline for filing exceptions to the proposed order shall be 30 days after the Department provides notice to the parties that the transfer does not meet the requirements of 690-380-5030 to 690-380-5050.

If you do not request a hearing within 30 days after the close of the protest period, or if you withdraw a request for a hearing, notify the Department or the administrative law judge that you will not appear, or fail to appear at a scheduled hearing, the Director may issue a final order by default. If the Director issues a Final Order by default, the Department designates the relevant portions of its files on this matter, including all materials that you have submitted relating to this matter, as the record for purpose of proving a *prima facie* case upon default.

You may be represented by an attorney at the hearing. Legal aid organizations may be able to assist a party with limited financial resources. Generally, partnerships, corporations, associations, governmental subdivisions, or public or private organizations are represented by an attorney. However, consistent with OAR 690-002-0020 and OAR 690-137-0555, an agency representative may represent partnerships, corporations, associations, governmental subdivisions or public, or private organizations if the Department determines that appearance of a person by an authorized representative will not hinder the orderly and timely development of the record in this case.

Notice Regarding Servicemembers: Active duty servicemembers have a right to stay proceedings under the federal Servicemembers Civil Relief Act. For more information contact the Oregon State Bar at 1-800-452-8260, the Oregon Military Department at 971-355-4420, or the nearest United States Armed Forces Legal Assistance Office through <http://legalassistance.law.af.mil>. The Oregon Military Department does not have a toll free number.

If you have questions about how to file a protest or if you have previously filed a protest and you want to know the status, please contact Patricia McCarty at 503-979-9160.

If you have questions about the Department or any of its programs, please contact our Water Resources Customer Service Group at 503-986-0900.

Address any correspondence to: Oregon Water Resources Department, Transfer and Conservation Section, 725 Summer Street NE, Suite A, Salem OR 97301-1266.

Protests must be in writing and received in hard copy form with the appropriate statutory protest filing fee; protests cannot be filed by electronic mail. [OAR 690-002-0025(3) and 690-380-0100(9)]. The protest must include the following:

- The person's name, address, and telephone number;
- All reasonably ascertainable issues and all reasonably available arguments supporting the person's position by the close of the protest period. Failure to raise a reasonably ascertainable issue in a protest or failure to provide sufficient specificity to afford the Department an opportunity to respond to the issue may preclude consideration of the issue during the hearing;
- If you are the applicant, a protest fee of \$480 required by ORS 536.050; and
- If you are not the applicant, a protest fee of \$950 required by ORS 536.050 and proof of service of the protest upon the applicant.

Requests for Standing

Under the provisions of OAR 690-380-4030(5), the Department shall provide to persons who have filed standing statements as defined under OAR 690-380-0100(11) notice of any differences between the Department's Preliminary Determination and the Final Order, notice of a hearing on the application under OAR 137-003-0535, and an opportunity to request limited party status or party status in the hearing.

Requests for standing must be received in the Water Resources Department no later than 30 days after the last date of publication of the newspaper notice or the Department's weekly notice as prescribed by OAR 690-380-4020, whichever is later. Requests for standing must be in writing, and must include the following:

- The requester's name, mailing address and telephone number;
- If the requester is representing a group, association or other organization, the name, address and telephone number of the represented group;
- A statement that the requester supports the preliminary determination as issued.

After the protest period has ended, the Director will either issue a Final Order or schedule a contested case hearing. The contested case hearing will be scheduled only if a protest has been filed under OAR 690-380-4030. In accordance with OAR 690-380-4200, notice and conduct of the hearing shall:

- Be under the applicable provisions of ORS 183.310 to 183.550, pertaining to contested cases, and the hearing shall be held in the area where the rights are located unless all parties stipulate otherwise; and

7. *Water use measurement conditions:*
 - a. *Before water use may begin under this order, the water user shall install a totalizing flow meter, or, with prior approval of the Director, another suitable measuring device, at each point of appropriation, (new and existing).*
 - b. *The water user shall maintain the meters or measuring devices in good working order.*
 - c. *The water user shall allow the Watermaster access to the meters or measuring devices; provided however, where the meters or measuring devices are located within a private structure, the Watermaster shall request access upon reasonable notice.*
8. *Full beneficial use of the water shall be made, consistent with the terms of this order, on or before **October 1, 2026**. A Claim of Beneficial Use prepared by a Certified Water Right Examiner shall be submitted by the applicant to the Department within one year after the deadline for completion of the changes and full beneficial use of the water.*
9. *After satisfactory proof of beneficial use is received, a new certificate confirming the right transferred will be issued.*

Dated in Salem, Oregon on **JUN 23 2023**



Lisa J. Jaramillo, Transfer and Conservation Section Manager, for
DOUGLAS E. WOODCOCK, ACTING DIRECTOR
Oregon Water Resources Department

This Preliminary Determination was prepared by Arla Davis. If you have questions about the information in this document, you may reach me at 503-979-3129 or Arla.L.Davis@water.oregon.gov.

Protests

Under the provisions of ORS 540.520(6) & (7) and OAR 690-380-4030, within 30 days after the last date of publication of the newspaper notice or the Department's weekly notice as prescribed by OAR 690-380-4020, whichever is later, any person may file, jointly or severally, a protest expressing opposition of approval of the transfer application and disagreement with this Preliminary Determination or a standing statement in support of this Preliminary Determination. If this Preliminary Determination determines that a change in point of diversion or appropriation would result in injury, the applicant may file a notification of intent to pursue approval of the transfer under OAR 690-380-5030 to 690-380-5050. Protests and standing statements must be received by the Water Resources Department within 30 days after the last date of publication of the newspaper notice or the Department's weekly notice as prescribed by OAR 690-380-4020, whichever is later.



Oregon

Tina Kotek, Governor

Water Resources Department

North Mall Office Building
725 Summer St NE, Suite A
Salem, OR 97301
Phone 503 986-0900
Fax 503 986-0904
www.oregon.gov/owrd

June 23, 2023

VIA CERTIFIED MAIL AND E-MAIL

GOLDEN RULE FARMS INC.
PO BOX 255
CHRISTMAS VALLEY, OR 97641

SUBJECT: Water Right Transfer Application T-13925

Please find enclosed the Preliminary Determination indicating that, based on the information available, the Department intends to approve application T-13925. This document is an intermediate step in the approval process; water may not be used legally as proposed in the transfer application until a Final Order has been issued by the Department. Please read this entire letter carefully to determine your responsibility for additional action.

A public notice is being published in the Department's weekly publication and in the Burns Times-Herald newspaper, simultaneously with issuance of the Preliminary Determination. The notice initiates a period in which any person may file either a protest opposing the decision proposed by the Department in the Preliminary Determination or a standing statement supporting the Department's decision. The protest period will end 30 days after the last date of newspaper publication.

If no protest is filed, the Department will issue a Final Order consistent with the Preliminary Determination. You should receive a copy of the Final Order about 30 days after the close of the protest period.

If a protest is filed, the application may be referred to a contested case proceeding. A contested case provides an opportunity for the proponents and opponents of the decision proposed in the Preliminary Determination to present information and arguments supporting their position in a quasi-judicial proceeding.

Please don't hesitate to contact me at 503-979-3129 or arla.l.davis@water.oregon.gov, if I may be of assistance

Sincerely,

Arla L Davis

Arla L Davis
Transfer Specialist
Transfer and Conservation Section

cc: T-13925
Donald Swindlehurst, District 10 Watermaster (*via e-mail*)
Elizabeth Howard, Lindsay Thane, Agent for the applicant (*via e-mail*)
Commenters: Laurie O'Connor, Ben McCanna, Lisa Brown Waterwatch

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