

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

In the Matter of Transfer Application	)	PRELIMINARY DETERMINATION
T-14121, Harney County	)	PROPOSING APPROVAL OF AN
	)	ADDITIONAL POINT OF APPROPRIATION,
	)	A CHANGE IN POINTS OF
	)	APPROPRIATION, A CHANGE IN PLACE
	)	OF USE, AND A CHANGE IN CHARACTER
	)	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 November 17, 2022, Golden Rule Farms, Inc. filed an application for additional point of appropriation, a change in points of appropriation, a change in place of use and a change in character of use under Certificate 94472. The Department assigned the application number T-14121.
2. Notice of the application for transfer was published on November 22, 2022, pursuant to OAR 690-380-4000. No comments were filed in response to the notice.
3. On June 6, 2024, the Department mailed a copy of the draft Preliminary Determination proposing to approve Transfer Application T-14121 to the applicant. The draft Preliminary Determination cover letter set forth a deadline of July 8, 2024, 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.

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.
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4. The right to be transferred is as follows:

**Certificate:** 94472 in the name of GOLDEN RULE FARMS INC. (perfected under Permit G-17544)

**Use:** AGRICULTURE USE (DAIRY OPERATIONS)

**Priority Date:** FEBRUARY 8, 1999

**Rate:** 0.27 CUBIC FOOT PER SECOND (CFS), FURTHER LIMITED TO NO MORE THAN .27 CFS FROM WELL 6 AND 7, NOT TO EXCEED A MAXIMUM CUMULATIVE TOTAL OF 0.27 CFS

**Limit/Duty:** The amount of water used for irrigation under this right, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, (or its equivalent) and 3.0 acre-feet per acre for each acre irrigated during the irrigation season of each year.

**Source:** WELL 6, WELL 7, WELL 13 AND WELL 18 in the MALHEUR LAKE BASIN

**Authorized Points of Appropriation:**

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
25 S	31 E	WM	32	NE NE	WELL 6 - 40 FEET SOUTH AND 1055 FEET WEST FROM THE NE CORNER OF SECTION 32
25 S	31 E	WM	32	NE NE	WELL 7 - 40 FEET SOUTH AND 1200 FEET WEST FROM THE NE CORNER OF SECTION 32
25 S	31 E	WM	32	SW NE	WELL 13 - 2630 FEET SOUTH AND 1340 FEET WEST FROM THE NE CORNER OF SECTION 32
25 S	31 E	WM	33	NW NW	WELL 18 - 770 FEET SOUTH AND 1320 FEET EAST FROM THE NW CORNER OF SECTION 33

**Authorized Place of Use:**

AGRICULTURAL USE				
Twp	Rng	Mer	Sec	Q-Q
25 S	31 E	WM	28	NW SW
25 S	31 E	WM	29	NE SE
25 S	31 E	WM	29	SE SE

5. Transfer Application T-14121 proposes to move the authorized points of appropriation (POA) and for an additional point of appropriation (APOA), with approximate distances in mile from the existing points of appropriation to:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances	Type of change	Distance and direction from existing POAs in mile
25 S	31 E	WM	28	NE SE	POA A - 1365 FEET NORTH AND 100 FEET WEST FROM THE SE CORNER OF SECTION 28	POA	Well 6 - 0.32 NE Well 7 - 0.34 NE Well 13 - 0.79 NE Well 18 - 0.51 NW
25 S	31 E	WM	33	NW NE	POA B - 365 FEET SOUTH AND 2405 FEET WEST FROM THE NE CORNER OF SECTION 33	POA	Well 6 - 0.74 E Well 7 - 0.77 E Well 13 - 0.89 NE Well 18 - 0.31 NE

Twp	Rng	Mer	Sec	Q-Q	Measured Distances	Type of change	Distance and direction from existing POAs in mile
25 S	31 E	WM	33	NE NW	#18A – 1120 FEET SOUTH AND 3695 FEET WEST FROM THE NE CORNER OF SECTION 33	POA	Well 6 - 0.4 SE Well 7 - 0.57 SE Well 13 - 0.61 NE Well 18 - 0.07 SE
25 S	31 E	WM	33	NE NW	POA C – 770 FEET SOUTH AND 2665 FEET WEST FROM THE NE CORNER OF SECTION 33	APOA	Well 6 - 0.7 SE Well 7 - 0.73 SE Well 13 - 0.81 NE Well 18 - 0.26 E

6. Transfer Application T-14121 also proposes to change the place of use of the right to:

IRRIGATION					
Twp	Rng	Mer	Sec	Q-Q	Acres
25 S	31 E	WM	28	SW SW	10.8
25 S	31 E	WM	28	SE SW	10.8
Total					21.6

7. Transfer Application T-14121 proposes to change the character of use to irrigation.

***Transfer Review Criteria [OAR 690-380-0100(14), 690-380-4010(2), 690-380-2110(2), 690-380-2200, 690-380-2300, and 690-250-0070(1)]***

8. A confirming Certificate has been issued within the five years prior to the submittal of Transfer Application T-14121. There is no information in the record that would demonstrate that the right is subject to forfeiture under ORS 540.610.
9. 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-14121.
10. The water right is subject to transfer as defined in ORS 540.505(4) and OAR 690-380-0100(14).
11. The proposed points of appropriation develop groundwater from the same aquifer as the authorized points of appropriation, as required by OAR 690-380-2110(2).
12. To prevent enlargement of the transferred right. The proposed irrigation use shall be limited to:
  - a) A place of use of 21.6 acres (0.27 cfs/0.0125 cfs per acre) as described in Finding No. 6 above.
  - b) A rate of diversion not to exceed 0.27 cfs, further limited to a total quantity of water diverted of 64.8 acre-feet (3.0 acre-feet per acre) during the irrigation season of each year.



- c) A period of use (irrigation season), authorized under OAR 690-250-0070(1), of March 1 to October 31 of each year.

- 13. The proposed changes, as conditioned, would not result in enlargement of the right.
- 14. The proposed changes, as conditioned, would not result in injury to other existing water rights.
- 15. All other application requirements are met.

#### **Determination and Proposed Action**

The change in points of appropriation, additional point of appropriation, change in place of use, and change in character of use proposed in Transfer Application T-14121 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-14121 is approved, the final order will include the following:*

- 1. *The change in points of appropriation, additional point of appropriation, a change in place of use, and change in character of use proposed in Transfer Application T-14121 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 94472 and any related decree.*
- 3. *Approval of this transfer application does not constitute nor grant legal access onto or through another person's property for purposes of accessing the new points of appropriation and the new place of use.*
- 4. *Water right Certificate 94472 is cancelled.*
- 5. *The quantity of water diverted at the new points of appropriation (POA A, POA B, and #18A) shall not exceed the quantity of water lawfully available at the original points of appropriation (WELL 6, WELL 7, WELL 13, and WELL 18).*
- 6. *The quantity of water diverted at the new additional point of appropriation (POA C), together with that diverted at the original points of appropriation (WELL 6, WELL 7, WELL 13, and WELL 18), shall not exceed the quantity of water lawfully available at the original points of appropriation (WELL 6, WELL 7, WELL 13, and WELL 18).*
- 7. *Water shall be acquired from the same aquifer (water source) as the original points of appropriation.*
- 8. *The former place of use of the transferred right shall no longer receive water under the right.*

9. *The proposed irrigation use shall be limited to:*

- a) *A place of use of 21.6 acres (0.27 cfs/0.0125 cfs per acre), as described in Finding No. 6 above.*
- b) *A rate of diversion not to exceed 0.27 cfs, further limited to a total quantity of water diverted of 64.8 acre-feet (3.0 acre-feet per acre x 21.6 acres) during the irrigation season of each year.*
- c) *A period of use (irrigation season), authorized under OAR 690-250-0070(1), of March 1 to October 31 of each year.*

10. *Water use measurement conditions:*

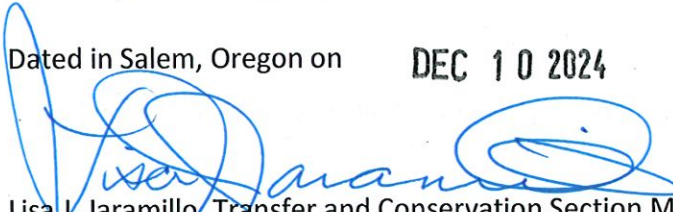
- a. *Before water use may begin under this order, the water user shall install a totalizing flow meter, or, with prior approval of the Director, another suitable measuring device, at each point of appropriation (new and existing).*
- b. *The water user shall maintain the meters or measuring devices 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*

11. *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.*

12. *After satisfactory proof of beneficial use is received, a new certificate confirming the right transferred will be issued.*

Dated in Salem, Oregon on

DEC 10 2024

  
Lisa J. Jaramillo, Transfer and Conservation Section Manager, for  
IVAN GALL, DIRECTOR  
Oregon Water Resources Department

This Preliminary Determination was prepared by Joan Smith. If you have any questions regarding the information in this document, you may contact her at [Joan.M.Smith@water.oregon.gov](mailto:Joan.M.Smith@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.

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
- 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. 50 U.S.C. App. §§501-597b. For more information contact the Oregon State Bar at 800-452-8260, the Oregon Military Department at 971-355-4127, or the nearest United States Armed Forces Legal Assistance Office through. <http://legalassistance.law.af.mil>.

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 Will Davidson at 503-507-2749.

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.





# 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](http://www.oregon.gov/owrd)

December 10, 2024

VIA CERTIFIED MAIL AND E-MAIL

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

SUBJECT: Water Right Transfer Application T-14121

Please find enclosed the Preliminary Determination indicating that, based on the information available, the Department intends to approve application T-14121. 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 503-986-0892 or [Joan.M.Smith@water.oregon.gov](mailto:Joan.M.Smith@water.oregon.gov), if I may be of assistance.

Sincerely,

Joan Smith  
Transfer Specialist  
Transfer and Conservation Section

cc: Transfer Application file T-14121  
Donald (Dally) S. Swindlehurst, District 10 Watermaster (*via e-mail*)  
Scott D. Montgomery, Agent for the applicant (*via e-mail*)  
Lindsay Thane, Agent for the applicant (*via e-mail*)

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