



Oregon Water Resources Department
 725 Summer Street NE, Suite A
 Salem Oregon 97301
 (503) 986-0900
 www.wrd.state.or.us

Application for Extension of Time for a Water Right Permit

(Non-Municipal / Non-Quasi-municipal Water Use)

TO THE DIRECTOR OF THE OREGON WATER RESOURCES
 DEPARTMENT

*A separate extension application must be submitted for each permit as per
 OAR 690-315-0020(2).*

I, Gary Young, Blue Mountain Ranch

NAME OF PERMIT HOLDER [OAR 690-315-0020(1) and (3)(a)]

P.O. Box 14	Paulina	OR	97751
ADDRESS	CITY	STATE	ZIP

541-477-3144
 PHONE

gyoung@bluemtnranch.com
steskey@bluemtnranch.com
ayoung@bluemtnranch.com
 E-MAIL ADDRESS

the permit holder of: Application Number G-14479

Permit Number G-13660
 [OAR 690-315-0020(3)(b)]

do hereby request that the time in which to:

complete construction (of diversion/appropriation works and/or purchase and installation of the equipment necessary to the use of water), which time now expires on October 1, 2010, be extended to October 1, 2020,

and the time in which to:

apply water to full beneficial use under the terms and conditions of the permit, which time now expires on October 1, 2010, be extended to October 1, 2020.

RECEIVED

SEP 30 2010

WATER RESOURCES DEPT
 SALEM, OREGON

EXTENSION OF TIME FOR A WATER RIGHT PERMIT

PERMIT G-13660 – BLUE MOUNTAIN RANCH

1.) **Did the actual construction of the water system/well drilling begin within the time specified in the permit?** Yes. The Permit states that “*Actual construction work shall begin on or before April 2, 2000*”.

- **Date construction began is:** April, 1965

- **Details of Construction:** 8 wells were installed starting in 1965. Well logs are attached for Wells No. 1, 2, 3, 5 and 7 as part of this Application for Extension of Time. No wells logs were available for wells 4, 6 and 8 noted on the permit although they have been field located and have been used for irrigation under the permit.

2.) **Permits typically contain standard or special conditions that must be satisfied to lawfully develop and use permitted water. In the development of this water right, have you satisfied the conditions contained in your permit?** YES.

The wells were constructed in accordance with the General Standards for the Construction and Maintenance of Water Wells in Oregon and are equipped with access ports to allow water level measurements by the Watermaster. Prior to our purchase of the Ranch in 2006, there were pumps equipped with suitable approved flow measuring devices. Water from the wells was beneficially used by previous owners to start crops from seed. Complete records showing the amount of water used each month from 1999 to 2004 have been submitted to the department annually. The construction of the wells began by April 2, 2000 and the complete application of water was made on or before October 1, 2003.

- **A) Describe how you have complied with each condition contained in the original permit [and, if applicable, each condition contained in any order approving a permit amendment and/or a final order approving a prior extension of time. Include the date when the condition was satisfied.**

The wells were constructed in accordance with the General Standards for the Construction and Maintenance of Water Wells in Oregon and are equipped with access ports to allow water level measurements by the Watermaster. Prior to our purchase of the Ranch in 2006, there were pumps equipped with suitable approved flow measuring devices. Water from the wells was beneficially used to start crops from seed. Complete records showing the amount of water used each month from 1999 to 2004 have been submitted to the department annually. The construction of the wells began prior to April 2, 2000 and the complete application of water was made on or before October 1, 2003. November 17th 2007 the Oregon Water Resources Department approves Extension of Time on G-13660. October 1st 2008 Newton Consultants, Inc. completed and submitted the required Diligence Progress Report on G-13660.

RECEIVED

SEP 30 2010

WATER RESOURCES DEPT
SALEM, OREGON

Chart - A

See attached permit G-13660 and Final Order for condition numbering.

Condition No. **	Date Satisfied	Describe How Permit Condition Has Been Satisfied
1A	Prior to 10/1/2003	Prior to our purchase of the Ranch in 2006, there were pumps equipped with suitable, approved flow measuring devices. However, these pumps etc. were not sold with the property and taken by the previous owner.
1	Prior to 10/1/2003	Water from the wells was beneficially used to start crops from seed by the prior owners.
1A	2000-2004, 2008-2009	Complete records showing the amount of water used each month from 1999-2004 and 2008-2009 have been submitted to the department annually.
2	Prior to 1973	The wells were constructed in accordance with the General Standards for the Construction and Maintenance of Water Wells in Oregon and are equipped with access ports to allow water level measurements. See attached well logs.
4	Prior to 2003	Construction of the wells was completed prior to 1973 and complete application of the water was made by previous owner prior to October 1, 2003. See condition 5 response below.
5	Prior to 10/1/2008	A permit extension application was submitted and approved by a Final Order November 15, 2007. See attached Final Order. As a condition of the final order, a Diligence Progress Report was submitted and approved by OWRD. See attached Diligence Report.

B) If you have not complied with all applicable conditions, explain the reasons why and indicate with a date certain (in the near future) when compliance will occur

After acquiring the Ranch and it's associated water rights, our family has come under economic pressure due to the recession. We completely underestimated the start-up costs associated with purchasing and operating a ranch of this size and scope. Because the prior pumps and irrigation equipment used to develop the permit were taken by the previous owners, and due to other Ranch projects, we have not had the means to replace them. The prior owners had satisfied all the conditions listed on their permit including the complete application of water before the C-Date. The Claim of Beneficial Use (COBU) was not filed in the pre-requisite time frame specified due to the previous owner's decision in 2003 to sell the Ranch and associated water rights.

The COBU has not been filed by Blue Mountain Ranch prior to the approved extension date of October 1, 2010 because of the lack of funding necessary to complete activities associated with putting water to use under the permit. We took possession of the Ranch property in mid 2006 and are still planning to fully develop the permit when our financial situation improves. It is our goal to file a Claim of Beneficial Use as soon as practicable.

Permit G-13660 wells are all designated as "Supplemental Use" and thankfully, we have had enough snow pack over the last few years to keep our fields productive. Because the water is supplemental and we underestimated our start-up costs, the COBU became a lower priority with limited funding. This extension of time would allow our family to survive the economic

RECEIVED

SEP 30 2010

WATER RESOURCES DEPT
SALEM, OREGON

downturn and hopefully be able to purchase new pumps and distribution equipment in the allotted time. The new pumps and distribution systems will meet all conditions stipulated in the permit. Upon full development of Permit G-13660 by the proposed date of October 1, 2020, our family will (barring any unforeseen circumstances) retain a CWRE to complete the requirements of filing a Claim of Beneficial Use.

Chart- B

See attached permit G-13660 and Final Order for condition numbering.

Condition No.**	Date Will Comply	Explain Why Each Permit Condition Has NOT Been Satisfied
1A	Prior to 10/1/2015	Previous owners removed pumps and measuring devices. The extension is being applied for to allow additional time for financial recovery needed to purchase and install pumps and measuring devices.
3	Prior to 2015	Water has not been used however, once put to use during this requested extension, a pump test meeting the department's standards will be submitted.
4	Prior to 2015	This extension is being applied for to allow additional time needed to put complete application of water to use.

3.) Provide evidence of physical progress made toward completion of the water system, and of progress made toward making beneficial use of water within the permitted time period (CHART –C); and if applicable, within the time period of the most recent extension granted (CHART –D)

- A) CHART-C (below) must be completed for all Application for Extension of Time requests. Use chronological order.

CHART-C

WORK ACCOMPLISHED BEFORE PERMIT WAS ISSUED

List work/actions done before the permit was issued

DATES		COST
04/1965 – 09/1973	Wells No. 1-8 were constructed along with associated limited distribution works which included ditches and some piping. The area being irrigated from these wells are flood irrigated.	Unknown (prior owner)

WORK ACCOMPLISHED AFTER PERMIT WAS ISSUED and PRIOR TO DATE SPECIFIED IN PERMIT FOR COMPLETE APPLICATION OF WATER

List work/actions done during the permitted time period

DATES		COST
05/28/99	The permit was signed	NA
05/99 – 09/04	Between May, 1999 and September, 2004, water was put to beneficial use by flood irrigation using the distribution system completed before the permit was signed. A Claim of Beneficial Use was not filed by the prior owner in the time required due to the Ranch selling process.	Unknown (prior owner)
2007	Newton Consultants, Inc., (Newton) Task Order No. 2: Resolution of	

RECEIVED

SEP 30 2010

WATER RESOURCES DEPT
SALEM, OREGON

2008	<p>water right issues related to Permit G-13660; Evaluation of Existing Well Capacities and Feasibility Alternatives for Increasing Capacity for Permit G-13660.</p> <p>Newton to develop and review work plan and estimates; meetings with Newton and Gary Young to review status of groundwater rights.</p> <p>Newton drafted and completed extension application for G-13660 for Gary Young, Blue Mountain Ranch.</p> <p>Newton's review of proposed final order and final order of extension issued by the Water Resources Department (11/15/07).</p> <p>Ranch "start-up" costs have become stifling.</p> <p>Economic recession affects operating costs/income.</p> <p>Newton Consultants, Inc., Task Order No. 8 to complete and submit a permit amendment to add points of appropriation for groundwater permit G-13660.</p> <p>Newton complete and submit Diligence Progress Report G-13660 Extension Condition.</p>	\$2,569.35
2010	<p>Newton review of potential well locations in the Paulina Valley; review of local geology, aquifers and well logs; begin amendment application; recommendations for well testing for verification of aquifer data.</p> <p>Capital improvements on "Supplemental water rights" (ie pumps, equipment etc) become less of a priority.</p> <p>Newton Consultants Cost on G-13660 since Diligence Progress Report. Continuing economic struggle, apparent we need to apply for additional extension on G-13660.</p> <p>Application for Extension of Time for Water Right Permit G-13660 Fee.</p>	\$3526.52
COST OF PROJECT TO DATE		\$500.00
		\$6595.87

When we are able to purchase the new pumps and associated systems they will meet all conditions stipulated on the permit. Upon full development of the Permit G-13660 by the proposed date of October 1, 2015, our family will retain a CWRE to complete the requirements of filing a Claim of Beneficial Use. Costs associated with these actions are estimated at \$38,000.00.

RECEIVED

SEP 30 2010

WATER RESOURCES DEPT
TALENT, OREGON

- B) If this not your 1st Application for Extension of Time request, fill out CHART-D below (in addition to CHART-C above). Use chronological order.

CHART-D

WORK ACCOMPLISHED DURING THE LAST EXTENSION PERIOD

List all work done during the last authorized extension period.

DATES		COST
2007	Ranch "start-up" costs become stifling. Blue Mountain hires David Newton to inventory water rights and apply for extension on G-13660 as specifically stated above in Chart "C". OWRD grants Extension of Time for G-13660.	
2008	Economic recession affects operating costs/income. Capital improvements on "Supplemental water rights" (ie pumps, equipment etc) become less of a priority.	
2010	Continuing economic struggle. Costs to Newton since the Diligence Progress Report G-13660. Apparent we need to apply for additional extension on G-13660.	\$683.69
TOTAL COST TO DATE		\$683.69

4.) **Cost of project to date:** (The total cost from CHART-C and CHART-D)

The costs to develop the project G-13660 were incurred by the previous owners of the Ranch.. We do not have access to these cost records, however our estimated investment since the purchase is \$7,279.56. Though our goal was to have accomplished more diligence during the first extension period our financial situation has allowed minimal action.

5.) **Provide the maximum rate, or duty of applicable, of water diverted for beneficial use under the permit and/or prior extensions of time, if any, made to date.**

Maximum rate = 10.0 cfs (cubic feet per second)

Maximum Duty = 3 acre-feet per acre or 2,400 acre-feet (over 800 acres).

RECEIVED
SEP 30 2010
WATER RESOURCES DEPT
SALEM, OREGON

5-B) For Ground Water Permit Extension G-13660

Chart - E

Well # as identified on Permit	Water User's Well #	Has this well been drilled?	IF DRILLED					If yes, provide the Permit, Certificate, or Transfer No.
			Well Log Number e.g. MORR 50473	Well Tag Number e.g. # 27566 or N/A	Is the actual drilled location authorized on this permit or on a permit amendment? (See 5-C below)	Maximum instantaneous rate used from this well -- under <u>this permit only</u> (CFS or GPM)	Is this well authorized or utilized under additional water rights?	
1	1	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2737	N/A	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2.4 cfs	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	- -
2	2	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2738	N/A	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2.4 cfs	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	- -
3	3	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2741	N/A	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2.4 cfs	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	-
4	4	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	unavailable	N/A	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2.4 cfs	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	-
5	5	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2740 2739	N/A	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2.4 cfs	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	-
6	6	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	unavailable	N/A	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2.4 cfs	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	-
7	7	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2742	N/A	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2.4 cfs	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	- -
8	8	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	unavailable	N/A	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2.4 cfs	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	- -
Total instantaneous rate from all wells utilized under this permit						10.0 cfs*		

*The permit specifies the maximum rate as a cumulative total of 10.0 cfs, not to exceed 2.4 cfs from each well.

5-C) If the drilled location of a well is not authorized on this permit, please specify its location below, or provide a map showing its location. Has or will a permit amendment application been/be filed? ? Yes No

6.) Provide the total number of acres being irrigated to date under this permit.

Total acres irrigated to date: 1999-2000 Water Year: 800 acres
 2000-2001 Water Year: 800 acres
 2001-2002 Water Year: 800 acres
 2002-2003 Water Year: 800 acres
 2003-2004 Water Year: 800 acres
 2004-2005 Water Year: Not Reported
 2005-2006 Water Year: Not Reported
 2006-2007 Water Year: Not Reported
 2007-2008 Water Year: 0 acres
 2008-2009 Water Year: 0 acres

RECEIVED

SEP 30 2010

WATER RESOURCES DEPT
 SALEM OREGON

Ground Water Permits: Please specify which wells are being utilized for this irrigation.

Well #1-8 Acres 800

- 7.) Provide a summary of your future plans and schedule to complete the construction of the water system, and/or apply water to full beneficial use under the terms and conditions of the permit.

CHART-F
WORK OR ACTION TO BE ACCOMPLISHED
(projected)

APPROXIMATE DATE RANGE		COST
Present – 10/1/2020	The extension of time would allow our family to survive the economic downturn and be able to purchase new pumps and distribution equipment in the allotted time. The new pumps and distribution systems will meet all conditions stipulated on the permit. Each well will be pump-tested and improved if needed to supply up to 2.4 cfs continuously. Upon full development of the Permit G-13660 by the proposed date of October 1, 2015 our family will retain a CWRE to complete the requirements of filing a Claim of Beneficial Use. In addition we plan to fully develop the permit and intend to upgrade the irrigation system in order to make it more efficient.	\$360,000 (approx \$45,000 per well)
Present – 10/1/2020	Upon full development of the Permit G-13660 by October 1, 2020, the owner will retain a CWRE to complete the requirements of filing a Claim of Beneficial Use.	\$10,000
Total Cost		\$370,000

8.) Estimated remaining cost to complete the project: \$370,000

- 9.) List the reasons why the project was not constructed, and/or water was not beneficially used within the permit time limits. Provide supporting information for the reason(s) that best fits your circumstances.

A) The project is of a size and scope that was originally planned to be phased in over a time frame longer than the one allowed in the permit.

Not applicable

B) The financial resources needed to develop the project precluded completion of the project within authorized time frames.

RECEIVED

SEP 30 2010

WATER RESOURCES DEPT
SALEM, OREGON

After acquiring the Ranch and its associated water rights, our family has come under economic pressure due to the recession. We completely underestimated the start-up costs associated with purchasing and operating a ranch of this size and scope. Because the prior pumps and irrigation equipment used to develop the permit were taken by the previous owners, and due to other Ranch projects, we have not had the means to replace them. The prior owners had satisfied all the conditions listed on their permit including the complete application of water before the C-Date. The Claim of Beneficial Use (COBU) was not filed in the pre-requisite time frame specified due to the previous owner's decision in 2003 to sell the Ranch and associated water rights.

The COBU has not been filed by Blue Mountain Ranch prior to the approved extension date of October 1, 2010 because of the lack of funding necessary to complete activities associated with putting water to use under the permit. We took possession of the Ranch property in mid 2006 and are still planning to fully develop the permit when our financial situation improves. It is our goal to file a Claim of Beneficial Use as soon as practicable.

C) Good faith attempts to comply with permit conditions and/or acquire permits from other agencies, or otherwise comply with government regulations, delayed completion of the project.

Because of the pending Ranch sale, the prior owners did not file water use records to the Oregon Water Resources Department (OWRD) under their permit for the 2004-2005 and 2005-2006 water years. In addition the COBU was not filed in the prerequisite time frame because of the previous owner's decision to sell the ranch to our family. We took possession of the property in mid 2006 and intend to fully develop the permit so a Claim of Beneficial Use can be filed as soon as our financial outlook improves. We **have** submitted water use reports for the 2007-2008, 2008-2009 years and plan to submit the 2009-2010 report in April 2011. Upon full development of the Permit G-13660 by October 1, 2020 we will retain a CWRE to complete the requirements of filing a Claim of Beneficial Use.

D) Acts of God or other unforeseen events delayed full development of the water system and use of water within the authorized time frames.

After acquiring the Ranch and its associated water rights, our family has come under economic pressure due to the recession. We completely underestimated the start-up costs associated with purchasing and operating a ranch of this size and scope. Because the prior pumps and irrigation equipment used to develop the permit were taken by the previous owners, and due to other Ranch projects, we have not had the means to replace them. The prior owners had satisfied all the conditions listed on their permit including the complete application of water before the C-Date. The Claim of Beneficial Use (COBU) was not filed in the pre-requisite time frame specified due to the previous owner's decision in 2003 to sell the Ranch and associated water rights.

The COBU has not been filed by Blue Mountain Ranch prior to the approved extension date of October 1, 2010 because of the lack of funding necessary to complete activities associated with putting water to use under the permit. We took possession of the Ranch property in mid 2006

RECEIVED

SEP 30 2010

WATER RESOURCES DEPT

and are still planning to fully develop the permit when our financial situation improves. It is our goal to file a Claim of Beneficial Use as soon as practicable.

Permit G-13660 wells are all designated as "Supplemental Use" and thankfully, we have had enough snow pack over the last few years to keep our fields productive. Because the water is supplemental and we underestimated our start-up costs, the COBU became a lower priority with limited funding. This extension of time would allow our family to survive the economic downturn and hopefully be able to purchase new pumps and distribution equipment in the allotted time. The new pumps and distribution systems will meet all conditions stipulated in the permit. Upon full development of Permit G-13660 by the proposed date of October 1, 2020, our family will (barring any unforeseen circumstances) retain a CWRE to complete the requirements of filing a Claim of Beneficial Use.

10.) Justify the time requested to complete the project and/or apply the water to full beneficial use. *Your justification should combine information from your answers from Questions 2, 3-A, 3-B, 7 and 9 of this Application of Extension of Time, and should also include any other information or evidence to establish that the requested amount of time is sufficient and that you will be able to complete the project within the amount to time requested.*

After acquiring the Ranch and it's associated water rights, our family has come under economic pressure due to the recession. We completely underestimated the start-up costs associated with purchasing and operating a ranch of this size and scope. Because the prior pumps and irrigation equipment used to develop the permit were taken by the previous owners, and due to other Ranch projects, we have not had the means to replace them. The prior owners had satisfied all the conditions listed on their permit including the complete application of water before the C-Date. The Claim of Beneficial Use (COBU) was not filed in the pre-requisite time frame specified due to the previous owner's decision in 2003 to sell the Ranch and associated water rights.

The COBU has not been filed by Blue Mountain Ranch prior to the approved extension date of October 1, 2010 because of the lack of funding necessary to complete activities associated with putting water to use under the permit. We took possession of the Ranch property in mid 2006 and are still planning to fully develop the permit when our financial situation improves. It is our goal to file a Claim of Beneficial Use as soon as practicable.

Permit G-13660 wells are all designated as "Supplemental Use" and thankfully, we have had enough snow pack over the last few years to keep our fields productive. Because the water is supplemental and we underestimated our start-up costs, the COBU became a lower priority with limited funding. This extension of time would allow our family to survive the economic downturn and hopefully be able to purchase new pumps and distribution equipment in the allotted time. The new pumps and distribution systems will meet all conditions stipulated in the permit. Upon full development of Permit G-13660 by the proposed date of October 1, 2020, our family will (barring any unforeseen circumstances) retain a CWRE to complete the requirements of filing a Claim of Beneficial Use.

11.) Provide any other information you wish OWRD to consider while evaluating your Extension of Time Application.

Our family, as the owners of The Blue Mountain Ranch and associated water rights, hired Newton Consultants Inc. (Newton) in 2007 to inventory our existing water rights. In doing so, Newton discovered that all necessary infrastructure and distribution systems had been constructed and water put to complete use under the guidelines of Permit G-13660 within the time frames stated in the permit. The final step in the process of obtaining a certificated water right was not completed by the prior owners. Newton applied for the primary extension of G-13660 valid until October 1 2010. This extension was granted by Oregon Water Resources Department on November 15, 2007. Newton also completed the Diligence Progress Report required as a condition of the Extension to be filed by October 1st 2008.

After acquiring the Ranch and it's associated water rights, our family has come under economic pressure due to the recession. We completely underestimated the start-up costs associated with purchasing and operating a ranch of this size and scope. Because the prior pumps and irrigation equipment used to develop the permit were taken by the previous owners, and due to other Ranch projects, we have not had the means to replace them. **Please note, this application is being submitted by the Young Family, not Newton Consultants as one example of the need to cut expenses.**

Permit G-13660 wells are all designated as "Supplemental Use" and thankfully, we have had enough snow pack over the last few years to keep our fields productive. Because the water is supplemental and we underestimated our start-up costs, the COBU became a lower priority with limited funding. This extension of time would allow our family to survive the economic downturn and hopefully be able to purchase new pumps and distribution equipment in the allotted time. The new pumps and distribution systems will meet all conditions stipulated in the permit. Upon full development of Permit G-13660 by the proposed date of October 1, 2020, our family will (barring any unforeseen circumstances) retain a CWRE to complete the requirements of filing a Claim of Beneficial Use.

RECEIVED

SEP 30 2010

WATER RESOURCES DEPT
SALEM, OREGON

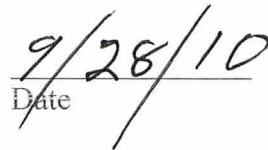
EXTENSION OF TIME FOR A WATER RIGHT PERMIT

PERMIT G-13660 – BLUE MOUNTAIN RANCH

Signature Page

I am the permit holder, or have authorization from the permit holder, to apply for an extension of time under this permit. I understand that false or misleading statements in this extension application are grounds for OWRD to suspend processing of the request and/or reason to deny the extension.


Signature


Date

RECEIVED

SEP 30 2010

WATER RESOURCES DEPT
SALEM, OREGON