



Oregon

Theodore R. Kulongoski, Governor

Water Resources Department

North Mall Office Building
725 Summer Street NE, Suite A
Salem, OR 97301-1271
503-986-0900
FAX 503-986-0904

**CERTIFIED MAIL
Return Receipt Requested**

WIPJR1 LLC
ATTN: KEN JOHNSTON
1410 LAKESIDE COURT SUITE 109
YAKIMA, WA 98902

October 31, 2008

Reference: File G-17010

Dear Applicant:

**THIS IS NOT A PERMIT AND IS
SUBJECT TO CHANGE AT THE NEXT PHASE OF PROCESSING.**

This letter is to inform you of the preliminary analysis of your water use permit application and to describe your options. In determining whether a water use permit application may be approved, the Department must consider the factors listed below, all of which must be favorable to the proposed use if it is to be allowed. Based on the information you have supplied, the Water Resources Department has made the following preliminary determinations:

Initial Review Determinations:

1. The Department received application materials on February 27, 2008, proposing the irrigation of 140.0 acres. On September 18, 2008, the Department received a revised map totaling 140.3 acres. The Department will consider the additional 0.3 acre but this acknowledgment requires the priority date be changed to September 18, 2008. If you would like the February 27, 2008 priority date, please submit a revised map which does not exceed 140.0 acres.
2. The application proposed the use of 0.78 cubic foot per second (CFS) of water from Well 1, Well 2, and Well 3 in Simpson Creek Basin for irrigation use on 140.3 acres from March 1 through October 31 of each year.
3. The proposed use is not prohibited by law or rule except where otherwise noted below.
4. The use of water from Well 1, Well 2, and Well 3 in Simpson Creek Basin for irrigation use is allowable March 1 through October 31 under the Willamette Basin Program.
5. Ground water will not likely be available in the amounts requested from Well 1 without injury to prior rights and/or within the capacity of the resource.

If properly conditioned, the proposed use of ground water from Well 2 and Well 3 will avoid injury to existing ground water rights and the resource.

The Department has determined, based upon OAR 690-009, that the proposed ground water use from Well 1, Well 2, and Well 3 will not have the potential for substantial interference with any surface water source.

6. Additional information is required to process your application prior to issuance of any Proposed Final Order that may recommend approval.

The September 18, 2008 application map indicates 9.5 acres in the SESW and 9.5 acres in the SWSE of Section 7, which overlaps and conflicts with the September 18, 2008 application map for Application G-17011 (which indicates 36.3 acres in the SESW and 40.0 acres in the SWSE of Section 7).

Please provide revised map(s) by **Thursday, December 4, 2008**, which resolve this conflict. If you are unable to meet this deadline, you may submit a written request for an administrative hold for up to 180 days.

Summary of Initial Determinations

Ground water will not likely be available in the amounts requested from Well 1 without injury to prior rights and/or within the capacity of the resource, therefore the use of 0.78 CFS from Well 1 in Simpson Creek Basin for irrigation use on 140.3 acres may not be allowed.

The use of 0.78 CFS from Well 2 and Well 3 in Simpson Creek Basin for irrigation use on 140.3 acres may be allowed during the full period requested, March 1 through October 31 of each year.

Because of the Department's determination, your application can be moved to the next phase of the water rights application review process where public interest factors will be evaluated. However, due to #5 above, your application will likely be limited accordingly.

Please reference the application number when sending any correspondence regarding the conclusions of this initial review. Comments received within the comment period will be evaluated at the next phase of the process.

At this time, you must decide whether to proceed or to withdraw your application as described below.

Withdrawal Refunds:

If you choose not to proceed, you may withdraw your application and receive a refund (minus a \$150 processing charge per application.) To accomplish this you must notify the Department in writing by **Friday, November 14, 2008**. For your convenience you may use the enclosed "STOP PROCESSING" form.

To Proceed With Your Application:

If you choose to proceed with your application, you do not have to notify the Department. Your application will automatically be placed on the Department's Public Notice to allow others the opportunity to comment. After the comment period the Department will complete a public interest review and issue a Proposed Final Order.

If A Permit Is Issued It Will Likely Include The Following Conditions for Well 2 and Well 3:

1. Measurement, recording and reporting conditions:

- A. Before water use may begin under this permit, the permittee shall install a totalizing flow meter at each point of appropriation. The permittee shall maintain the meter(s) in good working order. The permittee shall keep a complete record of the amount of water used each month, and shall submit a report which includes the recorded water use measurements to the Department annually or more frequently as may be required by the Director. Further, the Director may require the permittee to report general water-use information, including the place and nature of use of water under the permit.
 - B. The permittee shall allow the watermaster access to the meter(s); provided however, where any meter is located within a private structure, the watermaster shall request access upon reasonable notice.
2. If substantial interference with a senior water right occurs due to withdrawal of water from any well listed on this permit, then use of water from the well(s) shall be discontinued or reduced and/or the schedule of withdrawal shall be regulated until or unless the Department approves or implements an alternative administrative action to mitigate the interference. The Department encourages junior and senior appropriators to jointly develop plans to mitigate interferences.
3. (1) Use of water from any well, as allowed herein, shall be controlled or shut off if the well displays:
- (a) An average water level decline of three or more feet per year for five consecutive years; or
 - (b) A total water level decline of fifteen or more feet; or
 - (c) A hydraulic interference decline of fifteen or more feet in any neighboring well providing water for senior exempt uses or wells covered by prior rights.
- (2) The permittee/appropriator shall be responsible for complying with each of the following requirements for measuring water levels in the well(s).
- (a) Use of water from a new well shall not begin until an initial static water level in the well has been measured and reported to the Department.
 - (b) In addition to the measurement required in subsection (a) of this section, a water level measurement shall be made each year during the period March 1 through March 31.
 - (c) All water level measurements shall be made by a qualified individual. Qualified individuals are certified water rights examiners, registered geologists, registered professional engineers, licensed land surveyors, licensed water well constructor, licensed pump installer, or the permittee/appropriator.

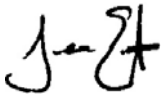
- (d) Any qualified individual measuring a well shall use standard methods of procedure and equipment designed for the purpose of well measurement. The equipment used shall be well suited to the conditions of construction at the well. A list of standard methods of procedure and suitable equipment shall be available from the Department.
 - (e) The permittee/appropriator shall report the record of measurement to the Department on a form available from the Department. The record of measurement shall include both measurements and calculations, shall include a certification as to their accuracy signed by the individual making the measurements, and shall be submitted to the Department within 90 days from the date of measurement. The Department shall determine when any of the declines cited in section (1) are evidenced by the well measurement required in section (2).
4. The wells shall be cased and sealed into hard basalt below an elevation of 340 feet or to a sufficient depth to ensure that the open interval is no shallower than the basal portion of the Sentinel Bluffs Member of the Columbia River Basalt Group.
 5. Ground-water production in each well shall be limited to a single aquifer in the Columbia River Basalt Group lavas. The open interval in each well shall be no greater than 100 feet except as noted below. Open interval means the total length of borehole that is not behind sealed casing. The borehole above the open interval shall be continuously cased and continuously sealed to land surface. A larger open interval may be approved by the Department if the applicant can demonstrate, using packer tests or other suitable methods, that the hydraulic heads of water-bearing zones in the proposed open interval are equivalent, or if the applicant can demonstrate that the open interval is part of a continuous zone of interconnected porous materials such as a sequence of pillow lavas or an hyaloclastite complex.
 6. During any pump test required by this permit, observation water-level measurements shall also be made in at least one of the nearest existing wells on the permit. The observation wells shall be idle prior to and during the test. Measurements shall be made at the same times as in the pumped well, shall be accurate to at least 0.1 of a foot, and shall be recorded on the Department's Pump Test Data Sheets or an acceptable substitute. The pump test report shall identify each well by its corresponding Well ID (well tag number) or OWRD Well Log ID and shall include a map or aerial photo showing the well locations to an accuracy of at least 50 feet.
 7. The permittee shall instruct the well constructor to contact the Ground Water Section of the Water Resources Department prior to drilling each well to arrange for the collection of drill cuttings.
 8. Prior to using water from any well listed on this permit, the permittee shall ensure that the well has been assigned an OWRD Well Identification Number (Well ID). A tag showing the Well ID shall be permanently attached to the well. If a well does not have a Well ID, the permittee shall apply for one from the Department and attach it to the well within 60 days of the date the permit is issued. The Well ID shall be used as a reference in any correspondence regarding the well, including any reports of water use, water level, or pump test data.

The water source identified in your application may be affected by an Agricultural Water Quality Management Area Plan. These plans are developed by the Oregon Department of Agriculture (ODA) with the cooperation of local landowners and other interested stakeholders, and help to ensure that current and new appropriations of water are done in a way that does not adversely harm the environment. You are encouraged to explore ODA's Water Quality Program web site at http://www.oregon.gov/ODA/NRD/water_agplans.shtml to learn more about the plans and how they may affect your proposed water use.

If you have any questions:

Feel free to call me at 503-986-0859 if you have any questions regarding the contents of this letter or your application. Please have your application number available if you call. General questions about water rights and water use permits should be directed to our customer service staff at 503-986-0801. When corresponding by mail, please use this address: Jeana Eastman, Oregon Water Resources Department, 725 Summer St NE Ste A, Salem OR 97301-1266. Our fax number is 503-986-0901.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Eastman'.

Jeana Eastman
Water Right Application Caseworker

enclosures: Application Process Description and Stop Processing Request Form

G-17010
WAB 2-
POU 2-
GW

APPLICATION FACT SHEET

Application File Number: G-17010

Applicant: WIPJR1 LLC

County: Marion

Watermaster: 16

Priority Date: September 18, 2008

Source: WELL 1, WELL 2, AND WELL 3 IN SIMPSON CREEK BASIN

Use: IRRIGATION USE ON 140.3 ACRES

Quantity: 0.78 CUBIC FOOT PER SECOND

Basin Name & Number: Willamette, #2

Stream Index Reference: Volume 10A BEAVER CR MISC

Point of Diversion or Well Location(s):

WELL 1: SESW, SECTION 7, T8S, R1W, W.M.;150 FEET NORTH AND 2900 FEET WEST FROM SE CORNER, SECTION 7

WELL 2: SESE, SECTION 7, T8S, R1W, W.M.;150 FEET NORTH AND 150 FEET WEST FROM SE CORNER, SECTION 7

WELL 3: NESE, SECTION 7, T8S, R1W, W.M.;2100 FEET NORTH AND 150 FEET WEST FROM SE CORNER, SECTION 7

Place of Use:

SE ¼ SW ¼ 9.5 ACRES
NE ¼ SE ¼ 27.5 ACRES
SW ¼ SE ¼ 9.5 ACRES
SE ¼ SE ¼ 39.9 ACRES
SECTION 7

NE ¼ NE ¼ 13.8ACRES
NW ¼ NE ¼ 26.0 ACRES
NE ¼ NW ¼ 14.1 ACRES
SECTION 18

TOWNSHIP 8 SOUTH, RANGE 1 WEST, W.M.

14 DAY STOP PROCESSING DEADLINE DATE: Friday, November 14, 2008

PUBLIC NOTICE DATE: Tuesday, November 4, 2008

30 DAY COMMENT DEADLINE DATE: Thursday, December 4, 2008

Mailing List for IR Copies

Application #G-17010

IR Date : October 31, 2008

Original mailed to applicant:

WIPJR1 LLC, 1410 LAKESIDE COURT SUITE 109, YAKIMA, WA 98902

Copies sent to:

1. WRD - File # G-17010
2. WRD - Water Availability: Ken Stahr

| |
|---|
| <p>Copies Mailed By: _____ (SUPPORT STAFF) on: _____ (DATE)</p> |
|---|

IR, Map, and Fact Sheet Copies sent to:

3. WRD - Watermaster # 16

Copies sent to Other Interested Persons (CWRE, Agent, Well Driller, Commenter, etc.)

1. Boatwright, Corbey, CWRE #208

Boatwright Engineering Inc.,

2613 12th Street SE, Salem OR 97302

COPYSHT.IR

Caseworker: Jeana Eastman