



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

JORDAN CREEK RANCH LLC
ATTN: DAVID LOWE
485 EL ALAMO
DANVILLE, CA 94526

July 24, 2009

Reference: File G-17183

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 application proposed the use of 2.96 cubic feet per second (CFS), not to exceed 1.29 CFS from Well 1 in Bear Creek Basin and 1.68 CFS from Well 2 in Beaver Creek Basin for irrigation of 237.0 acres from March 1 through October 31.
2. The proposed use is not prohibited by law or rule except where otherwise noted below.
3. The use of water from Well 1 in Bear Creek Basin and Well 2 in Beaver Creek Basin for irrigation is allowable under the Grande Ronde Basin Program.
4. If properly conditioned, the proposed use of ground water 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 will have the potential for substantial interference with Jordan Creek, Springs and an unnamed tributary to Jordan Creek. The proposed ground water use from Well 2 will have the potential for substantial interference with Jordan Creek and an unnamed tributary to Beaver Creek. Therefore, in accordance with OAR 690-400-0010(11)(a)(B), surface water availability must also be considered. Surface water is not available at any time of year.

5. OAR 690-033-0120(2) prohibits the diversion of water from April 15 through September 30 of each year.
6. The proposed use is located above the Willowa-Grande Ronde Scenic Waterway, as designated under Oregon Administrative Rule 390.826.

Summary of Allowable Water Use

Because not all items above are favorable, the use of 2.96 CFS of water from Well 1 in Bear Creek Basin and Well 2 in Beaver Creek Basin for irrigation of 237.0 acres is not allowable, and it appears unlikely that you will be issued a permit unless suitable mitigation is provided. At this time, you must decide whether to proceed or to withdraw your application as described below.

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.

Withdrawal Refunds:

If you choose not to proceed, you may withdraw your application and receive a refund (minus a \$200 processing charge per application). To accomplish this you must notify the Department in writing by **Friday, August 7, 2009**. 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:

1. Measurement, recording and reporting conditions:
 - A. Before water use may begin under this permit, the permittee shall install a totalizing flow meter or other suitable measuring device as approved by the Director at each point of appropriation. The permittee shall maintain the meter or measuring device in good working order.
 - B. 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.
 - C. The permittee shall allow the watermaster access to the meter or measuring device; provided however, where any meter or measuring device is located within a private structure, the watermaster shall request access upon reasonable notice.
 - D. The Director may provide an opportunity for the permittee to submit alternative measuring and reporting procedures for review and approval.
2. 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 tag), which shall

be permanently attached to the well. 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.

3. The Department requires the water user to obtain, from a qualified individual (see below), and report annual static water levels for each well on the permit. The static water level shall be measured in the month of March. Reports shall be submitted to the Department within 30 days of measurement.

The permittee shall report an initial March static water-level measurement once well construction is complete and annual measurements thereafter. Annual measurements are required whether or not the well is used. The first annual measurement will establish a reference level against which future measurements will be compared. However, the Director may establish the reference level based on an analysis of other water-level data. The Director may require the user to obtain and report additional water levels each year if more data are needed to evaluate the aquifer system.

All measurements shall be made by a certified water rights examiner, registered professional geologist, registered professional engineer, licensed well constructor or pump installer licensed by the Construction Contractors Board. Measurements shall be submitted on forms provided by, or specified by, the Department. Measurements shall be made with equipment that is accurate to at least the standards specified in OAR 690-217-0045. The Department requires the individual performing the measurement to:

- A. Associate each measurement with an owner's well name or number and a Department well log ID; and
- B. Report water levels to at least the nearest tenth of a foot as depth-to-water below ground surface; and
- C. Specify the method of measurement; and
- D. Certify the accuracy of all measurements and calculations reported to the Department.

The water user shall discontinue use of, or reduce the rate or volume of withdrawal from, the well(s) if any of the following events occur:

- A. Annual water-level measurements reveal an average water-level decline of three or more feet per year for five consecutive years; or
- B. Annual water-level measurements reveal a water-level decline of 15 or more feet in fewer than five consecutive years; or
- C. Annual water-level measurements reveal a water-level decline of 25 or more feet; or
- D. Hydraulic interference leads to a decline of 25 or more feet in any neighboring well with senior priority.

The period of restricted use shall continue until the water level rises above the decline level which triggered the action or the Department determines, based on the permittee's and/or the Department's data and analysis, that no action is necessary because the aquifer in question can sustain the observed declines without adversely impacting the resource or causing substantial interference with senior water rights. The water user shall not allow excessive decline, as defined in Commission rules, to occur within the aquifer as a result of use under this permit. If more than one well is involved, the water user may submit an alternative measurement and reporting plan for review and approval by the Department.

4. The wells shall be cased and sealed in such a manner to develop a single basalt aquifer.
5. Use of water under authority of this permit may be regulated if analysis of data available after the permit is issued discloses that the appropriation will measurably reduce the surface water flows necessary to maintain the free-flowing character of a scenic waterway in quantities necessary for recreation, fish and wildlife in effect as of the priority date of the right or as those quantities may be subsequently reduced.

This initial review does not attempt to address various public interest issues such as sensitive, threatened, or endangered fish species. These issues will be addressed as the Department reviews comments from the public and other agencies, and prepares a Proposed Final Order. You should be aware that, if significant public interest issues are found to exist, such a finding could have an impact on the eventual outcome of your application.

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 503-986-0815 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: Joel Plahn, Oregon Water Resources Department, 725 Summer St NE Ste A, Salem OR 97301-1266. Our fax number is 503-986-0901.

Sincerely,



Joel Plahn
Water Right Application Caseworker

enclosures: Application Process Description and Stop Processing Request Form

G-17183
WAB 8- 30810412 & 70872
POU 8-30810412 & 70872
GW

APPLICATION FACT SHEET

Application File Number: G-17183

Applicant: JORDAN CREEK RANCH LLC

County: UNION

Watermaster: 6

Priority Date: FEBRUARY 26, 2009

Source: WELL 1 IN BEAR CREEK BASIN AND WELL 2 IN BEAVER CREEK BASIN

Use: IRRIGATION OF 237.0 ACRES

Quantity: 2.96 CUBIC FEET PER SECOND NOT TO EXCEED 1.29 CFS FROM WELL 1
AND 1.68 CFS FROM WELL 2

Basin Name & Number: Grande Ronde, #8

Stream Index Reference: Volume 1 GRANDE RONDE R MISC

Well Location(s):

WELL 1 - SESE, SECTION 36, T3S, R36E, W.M.; 1115 FEET NORTH AND 1295
FEET WEST FROM SE CORNER, SECTION 36

WELL 2 - SWSE, SECTION 12, T4S, R36E, W.M.; 1245 FEET NORTH AND 40 FEET
EAST FROM S1/4 CORNER, SECTION 12

Place of Use:

NE $\frac{1}{4}$ NE $\frac{1}{4}$ 9.3 ACRES
SW $\frac{1}{4}$ NE $\frac{1}{4}$ 5.3 ACRES
SE $\frac{1}{4}$ NE $\frac{1}{4}$ 32.4 ACRES
NE $\frac{1}{4}$ SE $\frac{1}{4}$ 38.8 ACRES
NW $\frac{1}{4}$ SE $\frac{1}{4}$ 12.2 ACRES
SW $\frac{1}{4}$ SE $\frac{1}{4}$ 0.1 ACRE
SE $\frac{1}{4}$ SE $\frac{1}{4}$ 4.9 ACRES

SECTION 36

TOWNSHIP 3 SOUTH, RANGE 36 EAST, W.M.

NE $\frac{1}{4}$ SW $\frac{1}{4}$ 11.4 ACRES
NW $\frac{1}{4}$ SW $\frac{1}{4}$ 6.9 ACRES
SW $\frac{1}{4}$ SW $\frac{1}{4}$ 14.2 ACRES
SE $\frac{1}{4}$ SW $\frac{1}{4}$ 40.0 ACRES
NW $\frac{1}{4}$ SE $\frac{1}{4}$ 1.4 ACRES
SW $\frac{1}{4}$ SE $\frac{1}{4}$ 33.5 ACRES
SE $\frac{1}{4}$ SE $\frac{1}{4}$ 2.3 ACRES

SECTION 12

NW $\frac{1}{4}$ NE $\frac{1}{4}$ 2.9 ACRES
NE $\frac{1}{4}$ NW $\frac{1}{4}$ 20.6 ACRES
NW $\frac{1}{4}$ NW $\frac{1}{4}$ 0.8 ACRE

SECTION 13

TOWNSHIP 4 SOUTH, RANGE 36 EAST, W.M.

14 DAY STOP PROCESSING DEADLINE DATE: Friday, August 7, 2009

PUBLIC NOTICE DATE: Tuesday, July 28, 2009

30 DAY COMMENT DEADLINE DATE: Thursday, August 27, 2009

Mailing List for IR Copies

Application #G-17183

IR Date: July 24, 2009

Original mailed to applicant:

JORDAN CREEK RANCH LLC ATTN: DAVID LOWE, 485 EL ALAMO, DANVILLE, CA 94526

Copies sent to:

1. WRD - File # G-17183
2. WRD - Water Availability: Ken Stahr

IR, Map, and Fact Sheet Copies sent VIA EMAIL to:

3. WRD - Watermaster # 6 (include Division 33 form)
4. ODFW: (include Division 33 form)
5. DEQ: (include Division 33 form)

IR, Map, and Fact Sheet Copies sent to:

6. WRD - Regional Manager (not SCR): ER
7. Department of Agriculture
8. Columbia River Intertribal Fish Commission, Julie Carter,
729 NE Oregon St, Ste 200, Portland OR 97232
9. US Fish & Wildlife Service, Gary Miller, 3502 Hwy 30, La Grande, OR 97850
10. NW Power Planning Council, Fish & Wildlife Division, Karl Weist
851 SW Sixth Ave, Ste 1020, Portland OR 97204
11. Confederated Tribes of the Umatilla Indian Reservation, Carl Merkle or Jennifer Hudson
PO Box 638, 73239 Confederated Way, Pendleton, OR 97801
12. National Marine Fisheries Service, Spencer Hovekamp
3502 Hwy 30, La Grande, OR 97850

Affected Landowners (include "Notice of Initial Review--Affected Landowner"):

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

13. Ball, Gary, CWRE #345

479 E 13th St, La Center WA 98629

14. Pagel, Martha

Schwabe, Williamson & Wyatt, 530 Center St. NE, STE 400, Salem OR 97301

Caseworker: Joel Plahn

VCOPYSHT.IR

Copies Mailed

By: _____
(SUPPORT STAFF)

on: _____
(DATE)