

Water Resources Department

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

January 8, 2010

TA OPERATING LLC ATTN: EMILY GLOECKLER 24601 CENTER RIDGE RD WESTLAKE, OH 44145-5639

Reference: File G-17267

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 requested the appropriation of 80.0 gallons per minute, which is 0.18 cubic foot per second (CFS), of water from a well in Senecal Creek Basin for year-round commercial use. The application requested the appropriation of water from the basalt aquifer and alluvial aquifer.
- 2. The proposed use is not prohibited by law or rule except where otherwise noted below.
- 3. The use of water from a well in Senecal Creek Basin for commercial use is allowable under the Willamette Basin Program.
- 4. If properly conditioned, the proposed use of ground water will avoid injury to existing ground water rights and the resource.
 - A. The Department has determined, based upon OAR 690-009, that the proposed ground water use from the **basalt aquifer** will not have the potential for substantial interference with any surface water source.
 - B. The Department has determined, based upon OAR 690-009, that the proposed ground water use from the **alluvial aquifer** will have the potential for substantial interference with Senecal Creek and Deer Creek. Therefore, in accordance with OAR 690-400-0010(11)(a)(B), surface water availability must also be considered. Surface water is not available during the period June 1 through November 30.

Summary of Initial Determinations

The appropriation of 0.18 CFS from a basalt well in Senecal Creek Basin for commercial use is allowable during the full period requested, year-round.

Because not all items above are favorable, the appropriation of 0.18 CFS of water from an alluvial well in Senecal Creek Basin for commercial use 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.

Because of these favorable determinations, the Department can now move your application to the next phase of the water-rights application review process, where public interest factors will be evaluated.

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.

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.

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**, **January 22**, **2010**. For your convenience you may use the enclosed "STOP PROCESSING" form.

If A Permit Is Issued For Appropriation From the *Basalt Aquifer* 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 an annual report which includes the recorded water use measurements to the Department by December 1 of each year. 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 the 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.

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- 3. 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.
- 4. (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).
- 5. Groundwater production in the well shall be limited to a single aquifer in the Columbia River Basalt Group lavas. The well shall be cased and sealed at least 20 feet into hard, dense basalt. The open interval in the 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 the drilling process, electrical conductivity measurements shall be collected and recorded at each water-bearing zone in the Columbia River Basalt aquifer system.
- 7. The well(s) shall produce ground water only from the basalt ground water reservoir.

Although It Is Unlikely, If A Permit Is Issued For Appropriation From the *Alluvial Aquifer* It May 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 allow the watermaster access to the meter or measuring device; provided however, where the meter or measuring device is located within a private structure, the watermaster shall request access upon reasonable notice.
 - C. The Director may require the permittee to keep and maintain a record of the amount (volume) of water used, and may require the permittee to report water use on a periodic schedule as established by the Director. In addition, the Director may require the permittee to report general water-use information, the periods of water use and the place and nature of use of water under the permit.
 - 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. 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.
- 4. To monitor the effect of water use from the well(s) authorized under this permit, the Department requires the water user to obtain, from a qualified individual (see below), and report annual static water level measurements. The static water level shall be measured in the month of March. Reports shall be submitted to the Department within 30 days of measurement.

Measurements must be made according to the following schedule:

Before Use of Water Takes Place

Initial and Annual Measurements

The Department requires the permittee to report an initial water level measurement in the month specified above once well construction is complete and annually thereafter until use of water begins; and

After Use of Water has Begun

Seven Consecutive Annual Measurements

Following the first year of water use, the user shall report seven consecutive annual static water level measurements. The first of these seven annual measurements will establish the reference level against which future annual measurements will be compared. Based on an analysis of the data collected, the Director may require the user to obtain and report additional annual static water level measurements beyond the seven year minimum reporting period. The additional measurements may be required in a different month. If the measurement requirement is stopped, the Director may restart it at any time.

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 and be submitted to the Department on forms provided by the Department. The Department requires the individual performing the measurement to:

- A. Identify each well with its associated measurement; and
- B. Measure and report water levels to the nearest tenth of a foot as depth-to-water below ground surface; and
- C. Specify the method used to obtain each well 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 non-use or restricted use shall continue until the water level rises above the decline level which triggered the action or until 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 senior water rights. The water user shall in no instance 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.

5. The well(s) shall produce ground water only from the alluvial ground water reservoir.

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-17267 WAB 2-30200901 POU 2-30200901

APPLICATION FACT SHEET

Application File Number: G-17267

Applicant: TA OPERATING LLC

County: Marion

Watermaster: 16

Priority Date: October 5, 2009

Source: A WELL IN SENECAL CREEK BASIN

Use: COMMERCIAL USE

Quantity: 0.18 CUBIC FOOT PER SECOND

Basin Name & Number: Willamette, #2

Stream Index Reference: Volume 15A SENECAL CR MISC

Point of Diversion or Well Location(s): NESE, SECTION 9, T4S, R1W, W.M.;475 FEET

SOUTH AND 2260 FEET EAST FROM C1/4, SECTION 9

Place of Use:

SE ¼ NE ¼ NE ¼ SE ¼ SECTION 9

SW ¼ NW ¼ NW ¼ SW ¼ SECTION 10

TOWNSHIP 4 SOUTH, RANGE 1 WEST, W.M.

14 DAY STOP PROCESSING DEADLINE DATE: Friday, January 22, 2010

PUBLIC NOTICE DATE: Tuesday, January 12, 2010

30 DAY COMMENT DEADLINE DATE: Thursday, February 11, 2010

Mailing List for IR Copies

Application #G-17267

Original mailed to applicant:

TA OPERATING LLC, 24601 CENTER RIDGE RD SUITE 200, WESTLAKE, OH 44145-5639

Copies sent to:

- 1. WRD File # G-17267
- 2. WRD Water Availability: Ken Stahr

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

- 3. WRD -Watermaster # 16 (include Division 33 form)
- 4. ODFW: (include Division 33 form)5. DEQ: (include Division 33 form)

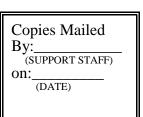
IR, Map, and Fact Sheet Copies sent to:

6. Department of Agriculture

Affected Landowners (include "Notice of Initial Review--Affected Landowner"): HPT TA Properties Trust, 24601 CENTER RIDGE RD SUITE 200, WESTLAKE, OH 44145-5639

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

Caseworker: Joel Plahn



IR Date: January 8, 2009

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