



Oregon Water Resources Department 725
Summer Street NE, Suite A
Salem Oregon 97301-1271
(503) 986-0900
www.wrd.state.or.us

Application for a Permit to Use Ground Water

Please type or print in dark ink. If your application is found to be incomplete or inaccurate, we will return it to you. If any requested information does not apply to your application, insert "n/a." Please read and refer to the instructions when completing your application. A summary of review criteria and procedures that are generally applicable to these applications is available at www.wrd.state.or.us/OWRD/PUBS/forms.shtml.

1. APPLICANT INFORMATION

A. Individuals

Applicant: _____
First Last

Mailing Address: _____

City State Zip

Phone: _____
Home Work Other

*Fax: _____ *Email Address: _____

B. Organizations

(Corporations, associations, firms, partnerships, joint stock companies, cooperatives, public and municipal corporations)

Name of Organization: Three Valleys Ranch, LLC

Name and Title of Person Applying: Steve Jay, Registered Agent

Mailing Address or Organization: P.O. Box 5075

Bridgeport Oregon 97819
City State Zip

Phone : 541-446-3436
Day Evening

*Fax: _____ *Email Address: _____

*Optional

For Department Use

App. No. G17299

Permit No. _____ Date _____

Last Updated: 3/31/2009

Ground Water/1

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WATER RESOURCES DEPT
SALEM, OREGON

2. PROPERTY OWNERSHIP

☐ Yes (Please check appropriate box below then skip to section 3 'Ground Water Development')

☐ There are no encumbrances

☒ This land is encumbered by easements, rights of way, roads or other encumbrances
(please provide a copy of the recorded deed(s))

☐ No (Please check the appropriate box below)

☐ I have a recorded easement or written authorization permitting access.

☐ I do not currently have written authorization or easement permitting access.

☐ Written authorization or an easement is not necessary, because the only affected lands I do not own are state-owned submersible lands, and this application is for irrigated and/or domestic use only (ORS 274.040).

You must provide the legal description of: (1) the property from which the water is to be diverted, (2) any property crossed by the proposed ditch, canal or other work, and (3) any property on which the water is to be used as depicted on the map.

List the names and mailing addresses of all affected landowners.

Three Valleys Ranch, LLC
Steve Jay Registered Agent
P.O. Box 5075
Bridgeport, OR 97819

3. GROUND WATER DEVELOPMENT

A. Well Information

Number of well(s): One

Name of nearest surface water body: Basin Creek

Distance from well(s) to nearest stream or lake:

1) 2,164' from well 2) _____ 3) _____ 4) _____

If distance from surface water is less than one mile, indicate elevation difference between nearest surface water and well head:

1) Well 3533', Crk 3436' 2) Elevation diff is 97' 3) _____ 4) _____

B. Well Characteristics

Wells must be constructed according to standards set by the Department for the construction and maintenance of water wells. If the well is already constructed, please enclose a copy of the well constructor's log and the well ID number, if available, for each well with this application. Identify each well with a number corresponding to the wells designated on the map and proceed to section 4 of the form. If the well has not been constructed, or if you do not have a well log, please complete the following:

Well(s) will be constructed by:

Well is existing MALH 056

Mailing Address: _____

City

State

Zip

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Completion Date: See Log

Please provide a description of your well development. (*Attach additional sheets if needed.*)

Well No.	Diameter	Type and size of casing	No. of feet of casing	Intervals casing is perforated (in feet)	Seal depth	Est. depth to water	Est. depth to water bearing stratum	Type of access port or measuring device	Total well depth
				See Log					

Note: Well numbers in this listing must correspond to well locations(s) shown on accompanying map.

If well log is not available, or well is not yet constructed, you must provide: proposed total depth, depth of casing and seal, and the anticipated perforation and open intervals.

C. Artesian Flows

If your water well is flowing artesian, describe your water control and conservation works:

N/A

4. WATER USE

Please read the instruction booklet for more details on "type of use" definitions, how to express how much water you need and how to identify the water source you propose to use. You must fill out a supplemental form for some uses as they require specific information for that type of use.

A. Type(s) of Use(s)

See list of beneficial uses provided in the instructions.

- If your proposed use is **domestic**, indicate the number of households to be supplied with water: _____
- If your proposed use is **irrigation**, please attach **Form I**
- ✓ If your proposed use is **mining**, attach **Form R**
- If your proposed use is **municipal or quasi-municipal**, attach **Form M**
- If your proposed use is **commercial/industrial**, attach **Form Q**

Ground Water/3

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B. Amount of Water

Provide the production rate in gallons per minute (gpm) and the total annual amount of water you need from each well, from each source or aquifer, for each use. You do not need to provide source information if you are submitting a well log with your application.

Well No.	Source or aquifer	Type of use	Total rate of water requested (in gpm)	Total annual quantity (in gallons)	Production rate of well (in gpm)
#1	See Well Log	Mining	448.8	29,456,000	300

C. Maximum Rate of Use Requested

What is the maximum, instantaneous rate of water that will be used? 448.8

(The fees for your application will be based on this amount.)

D. Period of Use

Indicate the time of year you propose to use the water: Year-round

(For seasonal uses like irrigation give dates when water use would begin and end, e.g. March 1-October 31.)

E. Acreage

If you will be applying water to land, indicate the total number of acres where water will be applied or used: 2750

(This number should be consistent with your application map.)

5. WATER MANAGEMENT**A. Diversion**

What method will you use to divert water from the source?

☒ Pump (give horsepower and pump type): 25 hp submersible pump in the well

☒ other means (describe): 3,000 gallon tank at the well, 5 hp booster pump at the tank, 50 hp pump at the transfer point

B. Transport

How will you transport water to your place of use?

☐ Ditch or canal (give average width and depth):

Width _____ Depth _____

Is the ditch or canal to be lined? ☐ Yes ☐ No

☒ Pipe (give diameter and total length):

Diameter 6" flexible hose Length 5,545'

☐ other, describe: _____

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Ground Water/4

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C. Application/Distribution Method

What equipment will you use to apply water to your place of use?

A wash plant capable of separating gold from gravel at the rate of 100 cubic yards per hour will be used. The plant uses and reuses, approximately 1,300 gpm of wash water. Approximately 120 gpm of additional well water will be needed for make-up water and processing of concentrates.

Irrigation or land application method (check all that apply):

- | | | |
|--|--|---|
| ☐ Flood | ☐ High pressure sprinkler | ☐ Low pressure sprinkler |
| ☐ Drip | ☐ Water Cannons | ☐ Center pivot system |
| ☐ Hand Lines | ☐ Wheel Lines | |
| ☐ Siphon tubes or gated pipe with furrows | | |
| ☒ other, describe: <u>Trommel and sluice system with settling/recycling ponds.</u> | | |

Distribution method

- ☒ Direct pipe from source ☒ In-line storage (tank or pond) ☐ Open Canal

E. Conservation

What methods will you use to conserve water? Why did you choose this distribution or application method? Have you considered other methods to transport, apply, distribute or use water? For example, if you are using sprinkler irrigation rather than drip irrigation, explain. If you need additional space, attach a separate sheet.

The 6" flexible hose will help conserve water which would be lost to seepage and evaporation in an open ditch. Settling/recycling ponds are lined to minimize seepage, and process water has sediment settled out in a series of ponds, then the water is recycled back to the wash plant.

6. PROJECT SCHEDULE

Indicate the anticipated dates that the following construction tasks should begin. If construction has already begun, or is completed, please indicate that date.

Proposed date construction will begin: Existing well, construction began 7-12-80

Proposed date construction will be completed: Well was completed 8-14-80

Proposed date beneficial water use will begin: 2010 or when the permit is issued

Is this project fully or partially funded by the American Recovery and Reinvestment Act? (Federal stimulus dollars) ☐ Yes ☒ No

7. REMARKS

If you would like to clarify any information you have provided in the application, please do so here and reference the specific application question you are addressing.

See Attached clarification of Property Ownership; clarification of Section 4, Water Use, B,C,D; and clarification of Section 5 Water Management, B,C

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8. MAP REQUIREMENTS

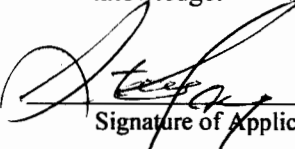
The Department cannot process your application without accurate information showing the source of water and location of water use. You must include a map with this application form that clearly indicates the township, range, section, and quarter/quarter section of the proposed well location and place of use. The map must provide tax lot numbers. See the map guidelines sheet for detailed map specifications.

9. SIGNATURE

By my signature below I confirm that I understand:

- I am asking to use water specifically as described in this application.
- Evaluation of this application will be based on information provided in the application packet.
- I cannot legally use water until the Water Resources Department issues a permit to me.
- If I get a permit, I must not waste water.
- If development of the water use is not according to the terms of the permit, the permit can be canceled.
- The water use must be compatible with local comprehensive land use plans.
- Even if the Department issues a permit, I may have to stop using water to allow senior water right holders to get water to which they are entitled.

I swear that all information provided in this application is true and correct to the best of my knowledge:

 Agent for Three Valleys Ranch LLC 1-11-2010
Signature of Applicant (If more than one applicant, all must sign.) Date

Before you submit your application be sure you have:

- Answered each question completely.
- Attached a legible map which includes township, range, section, quarter/quarter and tax lot number.
- Included a Land Use Information Form or receipt stub signed by a local official.
- Included the legal description of all the property involved with this application. You may supply a copy of the deed, land sales contract, or title insurance policy, to meet this requirement.
- Included a check payable to the Oregon Water Resources Department for the appropriate amount. The Department's fee schedule can be found at www.wrd.state.or.us or call (503) 986-0900.

WRD on the web:
www.wrd.state.or.us

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SALEM, OREGON

Remarks

2. Property Ownership

The Three Valleys Ranch property is "encumbered" by the Basin Creek and Willow Creek County roads.

The well is existing and is located approximately 325 feet north and 246 feet west of the SE corner of Section 6. The place of beneficial use is described as being situated in Malheur County in Section 5 S1/2,SE1/4; Section 6 S1/2; Section 7 Lots 1,2,3,4, W1/2,SE1/4, and SE1/4,SE1/4, and E1/2,W1/2, and NE1/4; Section 8 Lots 1,2,3,4,5,6, SE1/4,SW1/4, and E1/2; all of Section 17; all of Section 18, in Township 14 South, Range 42 East, Willamette Meridian.

4. Water Use

B. Amount of Water:

Initial filling of primary plant ponds will be 3,456,000 gallons.

Primary plant ponds will be drained and refilled at least twice during the season; resulting in the need for an additional 7,000,000 gallons.

Final recovery process will use 120 gpm, which then is used as make-up water in the primary process ponds in the amount of 12,960,000 gallons per year (72,000 gallons per day X180 days).

Total water use will be approximately 29,464,000 gallons (90.42 AF)

C. Maximum Rate of Use Requested

The 3,000 gallon tank will be quickly filled each day with 448.8 gpm of well water, which will take about seven minutes.

D. Period of Use

During the 4 months of the year when weather conditions prevent mining and operation of the primary processing unit, 120 gpm of water will still be needed to supply the final recovery process (84 daysX72,000 or 6,048,000 gallons. Final recovery will take place during the mining season in the open, adjacent to the primary process ponds, and during the winter months, final recovery will take place utilizing a portable, climate controlled unit.

5. Water Management

B. Transport

The well elevation is 3533, the transfer pond elevation is 3500. A 5 hp booster pump at the 3,000 gallon tank, combined with gravity flow will transfer approximately 300 gpm of water from the tank into a 6" flexible hose approximately 5545 feet in length which terminates at the transfer point. There is sufficient room on Three Valleys Ranch property between the Vaden private land and public land (area is approximately 150 feet wide) to lay the 6 inch hose without encroaching on the Vaden property or on public land.

A 50hp pump is used to transfer the water from the transfer point (elevation 3500) up to the processing site (elevation 3670). The transfer will be by means of a 6" flexible pipe approximately 1332 feet long. When mining is completed east of Basin Creek, mining will begin west of Basin Creek. Portable wash plants can be moved, and all areas on the property can have water put to beneficial use using this same method of water transfer.

C. Application/Distribution Method

The ponds have a capacity of approximately 3,456,000 gallons of water (3/4 acre in ponds, approximately 8 feet deep).

Filling these ponds will take 11520 minutes, 192 hours, or close to 8 days, if the pumps run 24 hours/day.

After the ponds are full, approximately 120 gpm (7,200/hr, 72,000 gallons per 10 hour day) will be pumped continually to the processing site for use in the final recovery process, then discharged into the recycling ponds where it is used as make-up water. This replaces losses due to evaporation and seepage.

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Three Valleys' Well

G-17299

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SALEM, OREGON



Oregon Water Resources Department

FORM R
FOR WATER USED FOR MINING PURPOSES

1. What type of mining operation is planned?

- ☐ Aggregate ☐ Industrial Minerals ☒ Placer
☐ Metal (flotation processing) ☐ Metal (chemical processing - heap leach)
☐ Other (Specify) _____

2. What are the proposed uses of water?

- ☒ Gravel washing ☐ Dewatering ☒ Make-up for ^{place wash plant} milling operation
☐ Heap leach ☒ Dust control ☐ Domestic
☐ Other (Specify) _____

3. Does the mine operation require dewatering?

- ☒ No (Skip to question no. 4) ☐ Yes

At what rate will the water be produced? _____ ☐ gpm ☐ cfs

How will the water be discharged? ☐ Recirculated ☐ Off-site

4. Will ponds or dams be constructed?

- ☒ No (Skip to question no. 5) ☐ Yes

Approximate pond depth: _____ Depth to ground water: _____ Amount stored: _____

5. Will a pond (or ponds) be left after reclamation has been completed?

- ☒ No (Skip to question no. 6) ☐ Yes List information for each pond.

Source: _____ Use: _____ Size: _____ Depth: _____

Use the reverse side of this form for additional ponds.

6. Will monitoring or observation wells be constructed on site?

- ☒ No (Skip to question no. 7) ☐ Yes How many? _____

Label these well locations on your permit application map.

7. Attach a copy of the map submitted to the Department of Geology and Mineral Industries (DOGAMI) showing locations of all intermittent water courses, perennial streams, springs, wet-

See attached DOGAMI map. Also, A copy of permit G-14227 is enclosed for WRD convenience. Well No 4, which is described in this permit, has not been drilled. Since there is no well located in the NW1/4, NW1/4 of Section 8, this well location is not depicted on the map.

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1996

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DOGAMI Maps

Three Valleys Ranch Mine

DOGAMI PERMIT # 23-0269

William R. Darden, PE

8/21/2009



**Darden
Engineering,
Inc.**

4319 S.W. Woodlawn Dr. • Salem, OR 97306 • Phone: (503) 837-8400 • FAX: (503) 837-8432

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**WATER RESOURCES DEPT
SALEM, OREGON**

G17299

STATE OF OREGON

COUNTY OF MALHEUR

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

KENNETH CASPER
812 7TH ST. S
NAMPA, ID 83651

PHONE: (208)466-8333

The specific limits and conditions of the use are listed below.

APPLICATION FILE NUMBER: G-14227

SOURCE OF WATER: FOUR WELLS, IN THE WILLOW CREEK BASIN

PURPOSE OR USE: MINING

MAXIMUM RATE: 1.0 CUBIC FOOT PER SECOND

PERIOD OF USE: YEAR ROUND

DATE OF PRIORITY: DECEMBER 21, 1995

POINT OF DIVERSION LOCATION: NW 1/4 SE 1/4, SECTION 29, SW 1/4 SE 1/4, SECTION 31, SE 1/4 NE 1/4, SECTION 32, T13S, R42E, W.M., AND NW 1/4 NW 1/4, SECTION 8, T14S, R42E, W.M.; WELL 1 - 6800 FEET NORTH AND 3450 FEET EAST, WELL 2 - 3500 FEET NORTH AND 4500 FEET EAST, AND WELL 3 - 300 FEET NORTH AND 2550 FEET WEST, ALL FROM THE SE CORNER OF SECTION 31; WELL 4 - 500 FEET SOUTH AND 5000 FEET WEST FROM NE CORNER OF SECTION 8.

THE PLACE OF USE IS LOCATED AS FOLLOWS:

NE 1/4 NE 1/4
NW 1/4 NE 1/4
SW 1/4 NE 1/4
SE 1/4 NE 1/4
NE 1/4 SE 1/4
NW 1/4 SE 1/4
SW 1/4 SE 1/4
SE 1/4 SE 1/4
SECTION 29

ALL
SECTION 31

NE 1/4 NE 1/4
NW 1/4 NE 1/4
SW 1/4 NE 1/4
SE 1/4 NE 1/4
NE 1/4 SE 1/4

Application G-14227

Water Resources Department

PERMIT G-13450

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WATER RESOURCES DEPT
SALEM, OREGON

G-17299

Three Valleys Ranch

NW 1/4 SE 1/4
SW 1/4 SE 1/4
SE 1/4 SE 1/4
SECTION 32
TOWNSHIP 13 SOUTH, RANGE 42 EAST, W.M.

SE 1/4 NE 1/4
NE 1/4 NW 1/4
NW 1/4 NW 1/4
SW 1/4 NW 1/4
SE 1/4 NW 1/4
NW 1/4 SW 1/4
SW 1/4 SW 1/4
SE 1/4 SW 1/4
NE 1/4 SE 1/4
NW 1/4 SE 1/4
SW 1/4 SE 1/4

SECTION 5

NE 1/4 NE 1/4
SE 1/4 NE 1/4
NE 1/4 SE 1/4
SE 1/4 SE 1/4

SECTION 6

NE 1/4 SE 1/4
SECTION 7

NE 1/4 NW 1/4
NW 1/4 NW 1/4
SE 1/4 NW 1/4
NE 1/4 SW 1/4

SECTION 8

TOWNSHIP 14 SOUTH, RANGE 42 EAST, W.M.

Measurement, recording and reporting conditions:

- A. Before water use may begin under this permit, the permittee shall install a meter or other suitable measuring device as approved by the Director. 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

Application G-14227 Water Resources Department

PERMIT G-13450

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WATER RESOURCES DEPT
SALEM, OREGON

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Three Valleys Ranch

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. The Director may provide an opportunity for the permittee to submit alternative reporting procedures for review and approval.

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.

Groundwater shall not be produced from any unconfined alluvial aquifer.

The water user shall install and maintain adequate treatment facilities meeting current DEQ requirements to remove sediment before returning the water to the stream.

Any effluents or return flows from use under this permit shall not interfere with other beneficial uses of water.

This permit does not allow for water to be used for heap leach mining.

STANDARD CONDITIONS

The wells shall be constructed in accordance with the General Standards for the Construction and Maintenance of Water Wells in Oregon. The works shall be equipped with a usable access port, and may also include an air line and pressure gauge adequate to determine water level elevation in the well at all times.

The use shall conform to such reasonable rotation system as may be ordered by the proper state officer.

Prior to receiving a certificate of water right, the permit holder shall submit the results of a pump test meeting the department's standards, to the Water Resources Department. The Director may require water level or pump test results every ten years thereafter.

Failure to comply with any of the provisions of this permit may result in action including, but not limited to, restrictions on the use, civil penalties, or cancellation of the permit.

This permit is for the beneficial use of water without waste. The water user is advised that new regulations may require the use of best practical technologies or conservation practices to achieve this end.

Application G-14227 Water Resources Department

PERMIT G-13450

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Three Valleys Ranch

By law, the land use associated with this water use must be in compliance with statewide land-use goals and any local acknowledged land-use plan.

The use of water shall be limited when it interferes with any prior surface or ground water rights.

The Director finds that the proposed use(s) of water described by this permit, as conditioned, will not impair or be detrimental to the public interest.

Actual construction of the well shall begin within one year from permit issuance. Complete application of water to the use shall be made on or before October 1, 2002. Within one year after complete application of water to the proposed use, the permittee shall submit a claim of beneficial use, which includes a map and report, prepared by a Certified Water Rights Examiner (CWRE).

Issued August 12, 1998

Martha C. Pagel
 Martha C. Pagel, Director
 Water Resources Department

Application G-14227
 Basin 10
 RWK

Water Resources Department
 Volume 2 BASIN CR & MISC
 MGMT.CODES 7BG 7BR 7IG 7IR

PERMIT G-13450
 District 9

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 SALEM, OREGON

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Three Valleys Ranch

27 APR 1998

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EXHIBIT "A"

PARCEL B:

Land in Malheur County, Oregon, as follows:

INSTRUMENT 98-3128
PAGE 2 OF 3 PAGES

In Twp. 14 S., R. 41 E., W.M.:

Sec. 12: SE $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$, AND a parcel of land described as follows:

Beginning at a point 500 feet West of the Southeast corner of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Sec. 12;
thence East 500 feet to the southeast corner of the SW $\frac{1}{4}$ SE $\frac{1}{4}$;
thence North 700 feet;
thence Southwesterly to the place of beginning.

Sec. 13: E $\frac{1}{2}$, AND a parcel of land described as follows:

Beginning at the Northeast corner of the NW $\frac{1}{4}$ of Sec. 13;
thence South on the quarter line, 1620 feet;
thence at right angles West 500 feet;
thence Northeasterly to the point of beginning.

Sec. 24: NE $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ NE $\frac{1}{4}$.

In Twp. 14 S., R. 42 E., W.M.:

Sec. 3: SW $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ SW $\frac{1}{4}$.

Sec. 4: S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$.

Sec. 5: S $\frac{1}{2}$ SE $\frac{1}{4}$.

Sec. 6: S $\frac{1}{2}$.

Sec. 7: Lots 1, 2, 3, 4, W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$, E $\frac{1}{2}$ W $\frac{1}{2}$, NE $\frac{1}{4}$.

Sec. 8: Lots 1, 2, 3, 4, 5, 6, SE $\frac{1}{4}$ SW $\frac{1}{4}$, E $\frac{1}{2}$.

Sec. 9: All.

Sec. 10: W $\frac{1}{2}$ W $\frac{1}{2}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$.

Sec. 11: N $\frac{1}{2}$ S $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$.

Sec. 14: N $\frac{1}{2}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$.

Sec. 15: All.

Sec. 16: All.

Sec. 17: All.

Sec. 18: All.

Sec. 19: Lot 1, NE $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ NE $\frac{1}{4}$.

Sec. 20: NE $\frac{1}{4}$ NE $\frac{1}{4}$.

Sec. 21: NE $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$.

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SALEM, OREGON

2321 Chestnut Drive
Bloomfield Hills, MI 48304
Grantor's Name and Address
Hammond Ranch #2, LLC
2321 Chestnut Drive
Bloomfield Hills, MI 48304
Grantee's Name and Address
Tom Hammond
2321 Chestnut Drive
Bloomfield Hills, MI 48304
Grantor's Name and Address
Tom Hammond
2321 Chestnut Drive
Bloomfield Hills, MI 48304

98-3128
TRACT RESERVATION
FOR
RECORDING'S USE

STATE OF OREGON,

County of **MALHEUR**

I certify that the within instrument was received for record on the 21 day of April, 1998, at 10:52 o'clock A.M., and recorded in book/roll/volume No. _____ on page _____ or as fee/title/instrument/instrument/reception No. 98-3128 Record of Deeds of said County.

Witness my hand and seal of County affixed.

DEBORAH R. DeLONG, Clerk

617299

NOTICE TO WATER WELL CONTRACTOR
The original and first copy of this report
are to be filed with the

WATER RESOURCES DEPARTMENT,
SALEM, OREGON 97310
within 30 days from the date
of well completion.

MALH 56
WATER WELL REPORT

STATE OF OREGON

(Please type or print)

(Do not write above this line)

Malh-056

Malh
056

State Well No. 145/42E-6 ad

State Permit No.

(1) OWNER:

Name Jack Hostick

Address General Delivery

Brogan, Or. 97903

(2) TYPE OF WORK (check):

New Well ☒ Deepening ☐ Reconditioning ☐ Abandon ☐

If abandonment, describe material and procedure in Item 12.

(3) TYPE OF WELL:

Rotary ☐ Driven ☐
Cable ☒ Jetted ☐
1 ☐ Bored ☐

(4) PROPOSED USE (check):

Domestic ☒ Industrial ☐ Municipal ☐
Irrigation ☐ Test Well ☐ Other ☐

(5) CASING INSTALLED:

Threaded ☐ Welded ☒

10" Diam. from +1 ft. to 141 ft. Gage 250

" Diam. from ft. to ft. Gage

" Diam. from ft. to ft. Gage

(6) PERFORATIONS:

Perforated? ☒ Yes ☐ No.

Type of perforator used Factory

Size of perforations 1/8 in. by 3 in.

8 ROW perforations from 117 ft. to 141 ft.

perforations from ft. to ft.

perforations from ft. to ft.

(7) SCREENS:

Well screen installed? ☐ Yes ☒ No

Manufacturer's Name

Type Model No.

Diam. Slot size Set from ft. to ft.

Diam. Slot size Set from ft. to ft.

(8) WELL TESTS:

Drawdown is amount water level is
lowered below static level

Was a pump test made? ☒ Yes ☐ No If yes, by whom? Driller

Yard: 38 gal./min. with 25 ft. drawdown after 3 hrs.

" " " "

" " " "

Bailer test gal./min. with ft. drawdown after hrs.

1. dian flow g.p.m.

Temperature of water 61 Depth artesian flow encountered ft.

(9) CONSTRUCTION:

Well seal—Material used Portland Cement

Well sealed from land surface to 20 ft.

Diameter of well bore to bottom of seal 14 in.

Diameter of well bore below seal 10 in.

Number of sacks of cement used in well seal 19 sacks

How was cement grout placed? with grout pump

Was a drive shoe used? ☒ Yes ☐ No Plugs Size: location ft.

Did any strata contain unusable water? ☐ Yes ☒ No

Type of water? depth of strata

Method of sealing strata off

Was well gravel packed? ☐ Yes ☒ No

Size of gravel:

Gravel placed from ft. to

(10) LOCATION OF WELL:

County Malheur Driller's well number

SE ¼ NE ¼ Section 6 T. 14S R. 42E W.M.

Bearing and distance from section or subdivision corner

(11) WATER LEVEL: Completed well.

Depth at which water was first found 8 ft.

Static level 8 ft. below land surface. Date 7/13/80

Artesian pressure lbs. per square inch. Date

(12) WELL LOG:

Diameter of well below casing 10"

Depth drilled 250 ft. Depth of completed well 247 ft.

Formation: Describe color, texture, grain size and structure of materials;
and show thickness and nature of each stratum and aquifer penetrated,
with at least one entry for each change of formation. Report each change in
position of Static Water Level and indicate principal water-bearing strata.

MATERIAL	From	To	SWL
Topsoil, medium sand & gravel	0	6	
Clay, borwn, small cobbles	6	12	8
Clay, hard, brown	12	30	8
Clay, brown, w/ med. gravel	30	65	8
Gravel, medium, hard	65	75	8
Clay, brown	75	115	8
Sand, medium & gravel, water-bearing	115	137	85
Clay, hard, brown w/ sm. cobbles	137	175	85
Clay, brown	175	250	85

SEP 10 1980

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SALEM, OREGON

Work started 7/12 19 80 Completed 8/14 19 80

Date well drilling machine moved off of well 8/14 19 80

Drilling Machine Operator's Certification:

This well was constructed under my direct supervision.
Materials used and information reported above are true to my
best knowledge and belief.

[Signed] Herbert H. Bowman Date Aug 20, 1980
(Drilling Machine Operator)

Drilling Machine Operator's License No. 1404

Water Well Contractor's Certification:

This well was drilled under my jurisdiction and this report is
true to the best of my knowledge and belief.

Name PIONEER WATER DEVELOPMENT, INC.

(Person, firm or corporation)

(Type or print)

Address Rt. 3 Box 493 Ontario, Or. 97914

[Signed] (Water Well Contractor)

Contractor's License No. 748 Date 9-5 80

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SP-4000-110

6-17299

11/16/2009: 1/4 1/4 corrected at present landowner request; current tax lot information added.
The well inspector in Baker City watermaster office has verified 1/4 1/4; GPS reading done by
well inspector in Baker City office.

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Laurie Norton

From: Bob Maynard
Sent: Monday, November 16, 2009 12:03 PM
To: Laurie Norton
Subject: MALH 056

Hi Laurie, have a little update on a well location that the landowners want. They are applying for water rights out of this well so they want it in the right 1/4. The well is MALH 056 and they show it in the SE of the NE, but it is really in the SE of the SE. I have personally been to the well and not only GPS it, but videoed the well to make sure that it matched the well log, which it does. The well is now owned by Hammond Ranch #2 and is in 14S, 42E, sec 6, SE of SE in tax lot 1200. The GPS is N 44.37270 W -117.61150. If you could include this with the original well log it would be appreciated, if you have any questions please ask, thanks Bob

11/16/2009

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For Official Use Only by The Oregon Water Resources Department:

Received Date: _____

County Well Log ID #

Well Identification Tag #

MALH 056

L95124

APPLICATION FOR WELL IDENTIFICATION TAG

LANDOWNER INFORMATION

Name: Steve Jay Agent for Three Valleys Ranch

Mailing Address: PO Box 5075

City: Bridgeport State: OR Zip: 97819

Return Well Tag to (if different than mailing address): N/A

WELL LOCATION INFORMATION

County: Malheur Township: 14S North or South (circle one) Range: 42E East or West (circle one),

Section: 6 SE 1/4 SE 1/4 Tax Lot #: 1200

N 44.37270 W-117.61150
Street Address of Well (if different than mailing address): Monmon Basin Creek

County Road

WELL INFORMATION (Do Not Complete If Well Report is Attached)

Type of Well (i.e. domestic, irrigation, etc): _____ Date Well Constructed: _____

Well Constructor/Company: _____

Well Depth (in feet): _____ Diameter of Well Casing (in inches): _____

Landowner Who Had Well Constructed or Previous Owner at the Time Well was Constructed (if known): _____

Other Information: _____

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**Return to: Oregon Water Resources Department, Janet Halladey, 725 Summer St. NE, Suite A, Salem,
OR 97301-1271, (503) 986-0854 or fax to 503-986-0902**

App for tag

617299



Oregon Water Resources Department Land Use Information Form

Three Valleys Ranch

THIS FORM IS NOT REQUIRED IF: 1) water is to be diverted, conveyed, and/or used only on federal lands; or 2) the application is for a water-right transfer, allocation of conserved water, exchange, permit amendment, or ground water registration modification, and all of the following apply: a) only the place of use is proposed for change, b) there are no structural changes, c) the use of water is for irrigation, and d) the use is located in an irrigation district or exclusive farm-use zone.

Applicant Name: Thomas Hammond (Three Valleys Ranch, LLC)
First Last
Mailing Address: P.O. Box 5075
Bridgeport, OR 97819 Daytime Phone: 541-446-3436
City State Zip

A. Land and Location

Please include the following information for all tax lots where water will be diverted (taken from its source), conveyed (transported), or used. Applicants for municipal use, or irrigation uses within irrigation districts may substitute existing and proposed service-area boundaries for the tax-lot information requested below.

Township	Range	Section	¼ ¼	Tax Lot #	Plan Designation (e.g. Rural Residential/RR-5)	Water to be:			Proposed Land Use:
14S	42E	6	SE-SE	1200	Rangeland	☒ Diverted	☒ Conveyed	☒ Used	mining
						☐ Diverted	☐ Conveyed	☐ Used	
						☐ Diverted	☐ Conveyed	☐ Used	
						☐ Diverted	☐ Conveyed	☐ Used	

List all counties and cities where water is proposed to be diverted, conveyed, or used:

Malheur

B. Description of Proposed Use

Type of application to be filed with the Water Resources Department:

- ☒ Permit to Use or Store Water ☐ Water-Right Transfer ☐ Exchange of Water
☐ Allocation of Conserved Water ☐ Limited Water Use License
☐ Permit Amendment of Ground Water Registration Modification

Source of water: ☐ Reservoir/Pond ☒ Ground Water ☐ Surface Water (name) _____

Estimated quantity of water needed: 260 _____ ☐ cubic feet per second ☒ gallons per minute ☐ acre-feet

Intended use of water: ☐ Irrigation ☐ Commercial ☐ Industrial ☐ Domestic for _____ household(s)
☐ Municipal ☐ Quasi-municipal ☐ Instream ☒ Other Mining

Briefly describe:

Malh056 is an existing well drilled in 1980 by Jack Hostick Well Drilling, however no water right was ever filed on this well. The plan is to obtain a permit from OWRD, then put the water to beneficial use on Three Valleys private land and mining claims in Sections 17, 20 and 21 in Mormon Basin. In future years, the water will be used on other adjacent areas. A Conditional Use Permit was originally issued by Malheur County to Sumpter Gold Dredge for mining. This permit was transferred to BP Gold in 2008, and was transferred to Mineral Valley, LLC this week. Use of the water from this well will mean less mining water will be needed from the Mormon Basin streams and from Basin Creek.

Note to applicant: If the Land Use Information Form cannot be completed while you wait, please have a local government representative sign the receipt below and include it with the application filed with the Water Resources Department.

Receipt for Request for Land Use Information

State of Oregon Water
Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301-1266

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SALEM, OREGON

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For Local Government Use Only

The following section must be completed by a planning official from each county and city listed unless the project will be located entirely within the city limits. In that case, only the city planning agency must complete this form. This deals only with the local land-use plan. Do not include approval for activities such as building or grading permits.

Please check the appropriate box below and provide the requested information

- ☒ Land uses to be served by proposed water uses (including proposed construction) are allowed outright or are not regulated by your comprehensive plan. Cite applicable ordinance section(s): MCC Art 6
- ☐ Land uses to be served by proposed water uses (including proposed construction) involve discretionary land-use approvals as listed in the table below. (Please attach documentation of applicable land-use approvals which have already been obtained. Record of Action/land-use decision and accompanying findings are sufficient.)
- If approvals have been obtained but all appeal periods have not ended, check "Being pursued".

Type of Land-Use Approval Needed (e.g. plan amendments, rezones, conditional-use permits, etc.)	Cite Most Significant, Applicable Plan Policies & Ordinance Section References	Land-Use Approval:	
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued

Local governments are invited to express special land-use concerns or make recommendations to the Water Resources Department regarding this proposed use of water below, or on a separate sheet.

Name: Jon D. Beal Title: Planning Director

Signature: Jon P Beal Phone: 541-473-5185 Date: 11-23-09

Government Entity: Malheur Co

Note to local government representative: Please complete this form or sign the receipt below and return it to the applicant. If you sign the receipt, you will have 30 days from the Water Resources Department's notice date to return the completed Land Use Information Form or WRD may presume the land use associated with the proposed use of water is compatible with local comprehensive plans.

Receipt for Request for Land Use Information

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Applicant Name: _____ JAN 19 2010

City or County: _____ Staff Contact: _____ WATER RESOURCES DEPT

Signature: _____ Phone: _____ Date: _____ SALEM, OREGON

G17299

Business Registry Business Name Search

New Search

Business Entity Data

06-06-2009

06:55

Registry Nbr	Entity Type	Entity Status	Jurisdiction	Registry Date	Duration Date	Renewal Date
452360-98	DLLC	ACT	OREGON	07-25-2007		07-25-2009
Entity Name	THREE VALLEYS RANCH, LLC					
Foreign Name						

This Business Entity is due for renewal and can be renewed online using



or



Online Renewal Instructions:

1. Please verify all information is correct.
2. To change your business's information, use this form: [PDF](#)
3. Then [Renew Online](#)

New Search

Associated Names

Type	PPB	PRINCIPAL PLACE OF BUSINESS		
Addr 1	22141 BRIDGEPORT LANE			
Addr 2				
CSZ	BRIDGEPORT	OR	97819	Country UNITED STATES OF AMERICA

Please click [here](#) for general information about registered agents and service of process.

Type	AGT	REGISTERED AGENT	Start Date	07-25-2007	Resign Date	
Name	STEVE	JAY				
Addr 1	22141 BRIDGEPORT LN					
Addr 2						
CSZ	BRIDGEPORT	OR	97819	Country	UNITED STATES OF AMERICA	

Type	MAL	MAILING ADDRESS		
Addr 1	PO BOX 5075			
Addr 2				
CSZ	BRIDGEPORT	OR	97819	Country UNITED STATES OF AMERICA

Type	MGR	MANAGER		Resign Date	
Name	THOMAS	HAMMOND			
Addr 1	5151 CORPORATE DR				
Addr 2					

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SALEM, OREGON

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