



# 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**

SEVEN HILLS PROPERTIES LLC  
83501 LOWER DRY CREEK RD  
MILTON FREEWATER, OR 97862

July 16, 2010

Reference: File G-17395

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 to appropriate 16.82 cubic feet per second (CFS) of ground water, being no more than 5.4 CFS from Well 3A (UMAT 55526), 8.8 CFS from Well 4A (UMAT 55523), 8.9 CFS from Well 4D (UMAT 56382), and 1.5 CFS from Well UMAT 50516 in Dry Creek Basin for year-round storage in five reservoirs. We understand that the five reservoirs are existing bulges authorized under Permit G-15883 (Application G-16322).

The application proposed to store 58.47 acre feet (AF) of ground water, being 22.59 AF in East Bulge, 6.64 AF in Ferguson Bulge, 8.42 AF in Middle Bulge, 13.20 AF in West Bulge, and 7.62 AF in South Bulge, in order to maintain reservoir liners and irrigation system. East Bulge will have a maximum dam height of 7.8 feet and inundate 1.74 acres; Ferguson Bulge will have a maximum dam height of 7.4 feet and inundate 0.72 acre; Middle Bulge will have a maximum dam height of 5.4 feet and inundate 1.49 acres; West Bulge will have a maximum dam height of 8.3 feet and inundate 1.2 acres; and South Bulge will have a maximum dam height of 6.1 feet and inundate 0.89 acre.

2. The proposed use is not prohibited by law or rule except where otherwise noted below.
3. The use of water from Well 3A (UMAT 55526), Well 4A (UMAT 55523), Well 4D (UMAT 56382), and Well UMAT 50516 in Dry Creek Basin for storage of ground water for irrigation is allowable under the Umatilla 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 will not have the potential for substantial interference with any surface water source.

5. Please refer to the **Additional Information Required** section below for specific information regarding deficiencies with the application.

### **Summary of Initial Determinations**

**The use of 16.82 CFS of ground water, being no more than 5.4 CFS from Well 3A (UMAT 55526), 8.8 CFS from Well 4A (UMAT 55523), 8.9 CFS from Well 4D (UMAT 56382), and 1.5 CFS from Well UMAT 50516 is allowable for year-round storage for irrigation of 58.47 AF, being 22.59 AF in East Bulge, 6.64 AF in Ferguson Bulge, 8.42 AF in Middle Bulge, 13.20 AF in West Bulge, and 7.62 AF in South Bulge.**

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.

### **Additional Information Required:**

Additional information is required to process your application. Please provide the following:

A revised map that shows the location of the dams for the five reservoirs by reference to a recognized public land survey corner. The location may be shown by distance and bearing or by coordinates (distance north or south and distance east or west from the corner).

**Please submit this information no later than Thursday, August 19, 2010.** If you are unable to submit the information listed above, you may request an administrative hold for up to an additional 180 days. You must submit the request in writing, stating how much more time you will need and why you need additional time. If an administrative hold is granted, your application will not be processed further until the requested information is received or the extended deadline has passed.

If we do not receive the items requested above or a request for an administrative hold by this date, the Department will likely proceed with a Proposed Final Order recommending denial of the application.

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, July 30, 2010**. For your convenience you may use the enclosed "STOP PROCESSING" form.

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 at each point of appropriation. The permittee shall maintain the meter 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; provided however, where any meter 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 wells have been assigned an OWRD Well Identification Number (Well ID tag), which shall be permanently attached to each 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 time period of February 1 to March 15. Reports shall be submitted to the Department within 30 days of measurement.

The permittee shall report an annual measurement. Annual measurements are required whether or not the well is used. The reference levels (in feet below land surface) are as follows:

Well 3A (UMAT 55526) ----- 416.13 feet – established March 15, 2008  
Well 4A (UMAT 55523) ----- 359.80 feet – established March 25, 2008  
Well 4D (UMAT 56382) ----- 419.30 feet – established February 18, 2010  
Well UMAT 50516 ----- 192.50 feet – established March 23, 1998

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.

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](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 503-986-0816 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: Kerry Kavanagh, Oregon Water Resources Department, 725 Summer St NE Ste A, Salem OR 97301-1266. Our fax number is 503-986-0901.

Sincerely,



Kerry Kavanagh  
Water Right Application Caseworker

enclosures: Application Process Description and Stop Processing Request Form

G-17395  
WAB 7-no psi  
POU 7-no psi  
GW

# APPLICATION FACT SHEET

Application File Number: G-17395

Applicant: SEVEN HILLS PROPERTIES LLC

County: Umatilla

Watermaster: 5

Priority Date: June 3, 2010

Source: WELL 3A (UMAT 55526), WELL 4A (UMAT 55523), WELL 4D (UMAT 56382), AND WELL UMAT 50516 IN DRY CREEK BASIN

Use: STORAGE FOR IRRIGATION

Quantity: 16.82 CUBIC FEET PER SECOND (CFS), BEING NO MORE THAN 5.4 CFS FROM WELL 3A (UMAT 55526), 8.8 CFS FROM WELL 4A (UMAT 55523), 8.9 CFS FROM WELL 4D (UMAT 56382), AND 1.5 CFS FROM WELL UMAT 50516 FOR STORAGE OF 58.47 ACRE FEET (AF) OF GROUND WATER, BEING 22.59 AF IN EAST BULGE, 6.64 AF IN FERGUSON BULGE, 8.42 AF IN MIDDLE BULGE, 13.20 AF IN WEST BULGE, AND 7.62 AF IN SOUTH BULGE

Basin Name & Number: Umatilla, #7

Stream Index Reference: Volume 2 DRY CR

Well Locations:

WELL 3A (UMAT 55526) - SWSE, SECTION 3, T5N, R35E, W.M.; 1156 FEET NORTH AND 314 FEET EAST FROM S1/4 CORNER, SECTION 3

WELL 4A (UMAT 55523) - NESW, SECTION 4, T5N, R35E, W.M.; 415 FEET SOUTH AND 500 FEET WEST FROM C1/4 CORNER, SECTION 4

WELL 4D (UMAT 56382) - NESW, SECTION 4, T5N, R35E, W.M.; 375 FEET SOUTH AND 940 FEET WEST FROM C1/4 CORNER, SECTION 4

WELL UMAT 50516 - NENW, SECTION 4, T5N, R35E, W.M.; 335 FEET SOUTH AND 1516 FEET EAST FROM NW CORNER, SECTION 4

Dam Locations:

EAST BULGE – NWSE and SWSE, SECTION 3, T5N, R35E, W.M.

FERGUSON BULGE – NENW, SECTION 10, T5N, R35E, W.M.

MIDDLE BULGE – NENE and NENE, SECTION 9, T5N, R35E, W.M.

WEST BULGE --NESE and NWSE, SECTION 5, T5N, R35E, W.M.

SOUTH BULGE --NESE, SECTION 8, T5N, R35E, W.M.

Reservoir Information:

Reservoir	Volume (AF)	Dam Height (Ft)	Area inundated (acres)
East Bulge	22.59	7.8	1.74
Ferguson Bulge	6.64	7.4	0.72
Middle Bulge	8.42	5.4	1.49
West Bulge	13.20	8.3	1.20
South Bulge	7.62	6.1	0.89

Place of Use:

NW ¼ SE ¼ EAST BULGE  
SW ¼ SE ¼ EAST BULGE  
SECTION 3

NE ¼ SE ¼ WEST BULGE  
NW ¼ SE ¼ WEST BULGE  
SECTION 5

NE ¼ SE ¼ SOUTH BULGE  
SECTION 8

NE ¼ NE ¼ MIDDLE BULGE  
NW ¼ NE ¼ MIDDLE BULGE  
SECTION 9

NE ¼ NW ¼ FERGUSON BULGE  
SECTION 10  
TOWNSHIP 5 NORTH, RANGE 35 EAST, W.M.

**14 DAY STOP PROCESSING DEADLINE DATE: Friday, July 30, 2010**

**PUBLIC NOTICE DATE: Tuesday, July 20, 2010**

**30 DAY COMMENT DEADLINE DATE: Thursday, August 19, 2010**

# Mailing List for IR Copies

Application #G-17395

IR Date: July 16, 2010

## Original mailed to applicant:

SEVEN HILLS PROPERTIES LLC  
83501 LOWER DRY CREEK RD  
MILTON FREEWATER, OR 97862

### Copies sent to:

1. WRD - File # G-17395
2. WRD - Water Availability: Ken Stahr

### IR, Map, and Fact Sheet Copies sent to:

3. WRD - Regional Manager: NC
4. WRD - Watermaster # 5

<p>Copies Mailed By: _____ (SUPPORT STAFF) on: _____ (DATE)</p>
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### Affected Landowners (include "Notice of Initial Review--Affected Landowner"):

5. Anderson Middleton Company, PO Box 240, Hoquiam, WA 98550 (East Bulge)
6. Powerline Ranch LLC, 83501 Lower Dry Creek Rd, Milton-Freewater, OR 97862 (Ferguson)
7. Walla Walla Valley Appellation, LLC, 83501 Lower Dry Creek Rd, Milton-Freewater, OR 97862 (Middle)
8. High Ridge LLC, 83501 Lower Dry Creek Rd, Milton-Freewater, OR 97862 (West and South)

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

9. John Warinner, CWRE # 358

Caseworker: Kerry Kavanagh

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