



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

November 12, 2010

HARNEY ELECTRIC COOPERATIVE INC
ATTENTION: RANDY WHITAKER
1326 HINES BLVD
BURNS, OR 97720

Reference: File G-17424

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 appropriation of 0.98 cubic foot per second (CFS) of water from Production Well (HARN 51699) in West Fork Silvies River Basin for year-round geothermal heating/cooling.

The water for geothermal heating/cooling will be injected into Injection Well (HARN 51698) and the use will be non-consumptive.

2. The proposed use is not prohibited by law or rule except where otherwise noted below.
3. The appropriation of water from Production Well (HARN 51699) in West Fork Silvies River Basin for year-round geothermal heating/cooling is allowable under the Malheur Lake Basin Program.
4. Ground water will likely be available in the amounts requested without injury to prior rights and within the capacity of 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.

Summary of Initial Determinations

The appropriation of 0.98 CFS from Production Well (HARN 51699) in West Fork Silvies River Basin for year-round geothermal heating/cooling is allowable during the full period requested.

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, November 26, 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 or other suitable measuring device as approved by the Director at each production well and injection well. 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. Prior to use of water under this permit, the permit holder must register the injection activity with the Oregon Department of Environmental Quality's Underground Injection Control (UIC) Program. At the time of permit issuance, the program coordinator is Barbara Priest, who can be contacted at 811 SW 6th Ave, Portland OR 97204, or 503-229-5945.
4. All water produced under this permit shall be injected into the authorized well(s). Prior to receiving a certificate of water right, the permit holder shall submit documentation affirming that any applicable additional requirements of the Department's Division 230 rules have been met.
5. The use of water under this right must be non-consumptive.

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 503-986-0816 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-17424
WAB 12-no psi
POU 12-no psi
GW

APPLICATION FACT SHEET

Application File Number: G-17424

Applicant: HARNEY ELECTRIC COOPERATIVE INC; ATTENTION: RANDY WHITAKER

County: Harney

Watermaster: 10

Priority Date: September 24, 2010

Source: PRODUCTION WELL (HARN 51699) IN WEST FORK SILVIES RIVER BASIN

Use: GEOTHERMAL HEATING/COOLING

Quantity: 0.98 CUBIC FOOT PER SECOND

Basin Name & Number: Malheur Lake, #12

Stream Index Reference: Volume 2 SILVIES R

Well Locations:

PRODUCTION WELL (HARN 51699) - SESE, SECTION 23, T23S, R30E, W.M.; 155 FEET NORTH AND 411 FEET WEST FROM SE CORNER, SECTION 23

INJECTION WELL (HARN 51698) - SESE, SECTION 23, T23S, R30E, W.M.; 340 FEET NORTH AND 460 FEET WEST FROM SE CORNER, SECTION 23

Place of Use:

SE $\frac{1}{4}$ SE $\frac{1}{4}$
SECTION 23
TOWNSHIP 23 SOUTH, RANGE 30 EAST, W.M.

14 DAY STOP PROCESSING DEADLINE DATE: Friday, November 26, 2010

PUBLIC NOTICE DATE: Tuesday, November 16, 2010

30 DAY COMMENT DEADLINE DATE: Thursday, December 16, 2010

Mailing List for IR Copies

Application #G-17424

IR Date: November 12, 2010

Original mailed to applicant:

HARNEY ELECTRIC COOPERATIVE INC
ATTENTION: RANDY WHITAKER
1326 HINES BLVD, BURNS, OR 97720

Copies sent to:

1. WRD - File # G-17424
2. WRD - Water Availability: Ken Stahr

IR, Map, and Fact Sheet Copies sent to:

3. WRD - Regional Manager: EASTERN
4. WRD - Watermaster # 10

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

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

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

5. DEQ, Water Quality Division, Barbara Priest, 811 SW 6th, Portland OR 97204-1390

Caseworker: Kerry Kavanagh

COPYSHT.IR