



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

KREGGER FARMING ENTERPRISES, LLC. 17232 STATELINE RD TOUCHET, WA 99360

September 9, 2011

Reference: File G-17434

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 5.25 cubic feet per second of water from Well 1, Well 2, and Well 3 in Raymond Gulch Basin for irrigation of 420.1 acres from March 1 through October 31 of each year.
- 2. The proposed use is not prohibited by law or rule except where otherwise noted below.
- 3. The appropriation of water from Well 1, Well 2, and Well 3 in Raymond Gulch Basin for irrigation is allowable under the Umatilla Basin Program.
- 4. Ground water **will not likely be available** in the amounts requested within the capacity of the resource and/or without injury to existing ground water rights.

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. The Department is unable to determine that Well 1 meets current minimum well construction standards. Although it is unlikely that the Department will issue a permit for the proposed use, if you choose to pursue a permit, evidence demonstrating compliance with well construction standards must be submitted to the Department, and the Department's Enforcement Section must approve the well construction of Well 1. In repairing the well(s), you should work closely with the Department and/or a licensed well constructor to ensure that repairs are carried out in a manner that will not violate well construction or other rules. You are encouraged to contact Kris Byrd of the Department's Enforcement Section at 503-986-0851 to determine how to proceed.

Summary of Allowable Water Use

Because not all items above are favorable, the appropriation of 5.25 CFS of water from Well 1, Well 2, and Well 3 in Raymond Gulch Basin for irrigation of 420.1 acres is not allowable, and it appears unlikely that you will be issued a permit. 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, September 23, 2011**. 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 diverted each month, and shall submit a report which includes the recorded report 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.

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 503-986-0853 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: Michele McAleer, Oregon Water Resources Department, 725 Summer St NE Ste A, Salem OR 97301-1266. Our fax number is 503-986-0901.

Sincerely,

Muchle R. mal

Michele McAleer Water Right Application Caseworker

enclosures: Application Process Description and Stop Processing Request Form

G-17434 WAB 7- n/a-no psi POU 7- n/a-no psi GW

APPLICATION FACT SHEET

Application File Number: G-17434

Applicant: KREGGER FARMING ENTERPRISES, LLC

County: Umatilla

Watermaster: 5

Priority Date: November 1, 2010

Source: WELL 1, WELL 2, AND WELL 3 IN RAYMOND GULCH BASIN

Use: IRRIGATION OF 420.1 ACRES

Quantity: 5.25 CUBIC FEET PER SECOND

Basin Name & Number: Umatilla, #7

Stream Index Reference: Volume 2 PINE CR MISC

Well Location(s):

WELL 1: SESE, SECTION 14, T6N, R33E, W.M.; 1386 FEET NORTH AND 1040 FEET WEST FROM SE CORNER, SECTION 14

WELL 2: SESW, SECTION 14, T6N, R33E, W.M.; 160 FEET NORTH AND 2040 FEET EAST FROM SW CORNER, SECTION 14

WELL 3: SESE, SECTION 15, T6N, R33E, W.M.; 1045 FEET NORTH AND 870 FEET WEST FROM SE CORNER, SECTION 15

Place of Use:

SW 1/4 NW 1/4 3.5 ACRES 32.2 ACRES NW 14 SW 14 35.3 ACRES SW 1/4 SW 1/4 SECTION 14 NE 1/4 SW 1/4 36.4 ACRES NW 1/4 SW 1/4 26.3 ACRES SW 1/4 SW 1/4 16.6 ACRES SE ¼ SW ¼ 33.2 ACRES NE ¼ SE ¼ 32.8 ACRES NW ¼ SE ¼ 34.9 ACRES SW ¼ SE ¼ 36.8 ACRES 33.6 ACRES SE ¼ SE ¼ SECTION 15 NE ¼ SE ¼ 35.7 ACRES NW ¼ SE ¼ 20.7 ACRES SE ¼ SE ¼ 3.9 ACRES SECTION 16

NE ¼ NE ¼ 28.8 ACRES NW ¼ NE ¼ 3.6 ACRES SE ¼ NE ¼ 5.4 ACRES NE ¼ NW ¼ 0.4 ACRE SECTION 22 TOWNSHIP 6 NORTH, RANGE 33 EAST, W.M.

14 DAY STOP PROCESSING DEADLINE DATE: Friday, September 23, 2011 PUBLIC NOTICE DATE: Tuesday, September 13, 2011 30 DAY COMMENT DEADLINE DATE: Thursday, October 13, 2011

Mailing List for IR Copies Application #G-17434

Original mailed to applicant:

KREGGER FARMING ENTERPRISES, LLC., 17232 STATELINE RD, TOUCHET, WA 99360

Copies sent to: 1. WRD - File # G-17434 2. WRD - Water Availability: Ken Stahr

IR, Map, and Fact Sheet Copies sent VIA E-MAIL to: 3. WRD - Regional Manager: NC 4. WRD - Watermaster # 5

IR, Map, and Fact Sheet Copies sent to: 5. Department of Agriculture Affected Landowners (include "Notice of Initial Review--Affected Landowner"):

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

6. CWRE # 358, John Warinner, Fountainhead Irrigation Inc., PO Box 2197, Walla Walla, WA

99362

Caseworker: Michele McAleer

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