



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**

December 29, 2006

RICHARD FOX
GOLDEN MOUNTAIN LLC
2470 LICHENS DR
HOOD RIVER, OR 97031

Reference: File G-16692

Dear Mr. Fox:

**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 proposed use is not prohibited by law or rule except where otherwise noted below.
2. The use of water from a well (HOOD 50507) in Odell Creek Basin irrigation use (including agricultural use and temperature control) on 50.0 acres is allowable under the Hood Basin Program.
3. 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 690-09, that the proposed ground water use will not have the potential for substantial interference with any surface water source.

4. The Department has determined there are deficiencies with the application. Please refer to the **Additional Information Required** section below for specific information.

Summary of Initial Determinations

The use of 0.212 cubic foot per second (95 gallons per minute) from a well (HOOD 50507) in Odell Creek Basin for irrigation use (including agricultural use and temperature control) on 50.0 acres is allowable during the full period requested, March 1 through October 31.

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

Additional Information Required:

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

- The map submitted does not meet the requirements of OAR 690-310-0050(4)(c). The number of acres to be used for each use in each quarter-quarter section must be clearly indicated on the map and identified by shading or hatchuring. The application map shows the number of acres within each quarter-quarter section but does not show where within each quarter-quarter the proposed lands are located. On the enclosed copy of your application map, please show the number of acres to be used in each quarter-quarter section.
- Please clarify that all lands proposed to involved in your application are included on a completed Land Use Information Form signed and dated by an authorized representative of the local planning agency. The Land Use Information Form submitted with your application demonstrates that land use approval has been obtained for the property located in Township 4 North, Range 10 East, W.M., Section 28, being Tax Lots 2800, 2900, 2903, and 2903, but the approval status for the property located Township 4 North, Range 10 East, W.M., Section 29, being Tax Lots 1100, 1300, and 1400, is unclear.
- Please provide a copy of the legal description for all lands where water will be diverted, transported, or used. The legal description submitted with your application includes parcels described as Tax Lots 2800, 2900, 2903, and 2904 located in Township 4 North, Range 10 East, W.M., Section 28 and Tax Lots 1400, 1500, 1600 located in Township 4 North, Range 10 East, W.M., Section 29. However, a portion of the proposed place of use includes Tax Lots 1100 and 1300 in Section 29.

A legal description is a description of a specific parcel of real estate which often uses one of the following methods; government survey metes and bounds, aliquot parts, subdivision block and lot numbers, or a combination of these. It is often found on a deed, land sales contract, or title insurance policy. OAR 690-310-0040(1)(a)(I) requires the legal description of the property from which the water is to be diverted, any property crossed by the proposed ditch, canal or other work, and any property on which the water is to be used as depicted on the map.

Please submit this information no later than February 1, 2007. 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 \$50 processing charge per application.) To accomplish this you must notify the Department in writing by **Friday, January 12, 2007**. 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 meter or other suitable measuring device as approved by the Director. The permittee shall maintain the meter or measuring device in good working order, 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.

- 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.
2. The Department requires the water user to measure and report annual static water levels for each well on the permit. The static water level shall be measured in the month of March. Reports shall be submitted to the Department within 30 days of measurement.

The permittee shall submit an initial March static water-level measurement once well construction is complete and annual measurements thereafter. Annual measurements are required whether or not the well is used. The first annual measurement will establish a reference level against which future measurements will be compared. However, the Director may establish the reference level based on an analysis of other water-level data. The Director may require the user to measure and report additional water levels each year if more data are needed to evaluate the aquifer system.

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 submitted 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.

3. The well shall produce groundwater only from the basalt groundwater reservoir.

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,

A handwritten signature in black ink that reads "K Kavanagh" followed by a long horizontal flourish.

Kerry Kavanagh
Water Right Application Caseworker

enclosures: Application Process Description and Stop Processing Request Form

G-16692
WAB 4-no psi
POU 4-no psi
GW

APPLICATION FACT SHEET

Mail to: Applicant, Watermaster, District Biologist (ODFW)
If necessary, also mail to : Regional Water quality manager (DEQ), and DOA

Application File Number: G-16692

Applicant: RICHARD FOX; GOLDEN MOUNTAIN LLC

County: Hood River

Watermaster: 3

Priority Date: June 21, 2006

Source: A WELL (HOOD 50507) IN ODELL CREEK BASIN

Use: IRRIGATION USE (INCLUDING AGRICULTURAL USE AND TEMPERATURE CONTROL) ON 50.0 ACRES

Quantity: 0.212 CUBIC FOOT PER SECOND (95 GALLONS PER MINUTE)

Basin Name & Number: Hood, #4

Stream Index Reference: Volume 1 ODELL CR & MISC

Well Location: SWSW, SECTION 28, T2N, R10E, W.M.; 1260 FEET NORTH AND 40 FEET EAST FROM SW CORNER, SECTION 28

Place of Use:

SW $\frac{1}{4}$ NW $\frac{1}{4}$ 9.5 ACRES
NW $\frac{1}{4}$ SW $\frac{1}{4}$ 6.6 ACRES
SECTION 28

SE $\frac{1}{4}$ NE $\frac{1}{4}$ 3.5 ACRES
NE $\frac{1}{4}$ SE $\frac{1}{4}$ 30.4 ACRES
SECTION 29

TOWNSHIP 2 NORTH, RANGE 10 EAST, W.M.

14 DAY STOP PROCESSING DEADLINE DATE: Friday, January 12, 2007

PUBLIC NOTICE DATE: Tuesday, January 2, 2007

30 DAY COMMENT DEADLINE DATE: Thursday, February 1, 2007