

Water Resources Department

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

December 5, 2014

SURPRISE VALLEY ELECTRIFICATION CORP ATTN: LYNN CULP 516 US HWY 395E ALTURAS, CA 96101

Reference: File G-17890

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 an 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 0.509 cubic foot per second (CFS) of water from SVE-4 Well (LAKE 52506/L111501) in Chewaucan River Basin for year-round industrial/manufacturing uses.
- 2. The proposed use is not prohibited by law or rule except where otherwise noted below.
- 3. The appropriation of water from SVE-4 Well (LAKE 52506/L111501) in Chewaucan River Basin for industrial/manufacturing uses is allowable under the Goose & Summer Lake Basin Program.
- 4. Ground water will likely be available within the capacity of the resource, and if properly conditioned, the proposed use of ground water will avoid 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.

Summary of Initial Determinations

The appropriation of 0.509 CFS from SVE-4 Well (LAKE 52506/L111501) in Chewaucan River Basin for year-round industrial/manufacturing uses is allowable.

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 \$225 processing charge per application). To accomplish this you must notify the Department in writing by **Friday**, **December 19**, **2014**. 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 devices, and recording/reporting of annual water use 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 device in good working order.
 - B. The permittee shall allow the watermaster access to the device; provided however, where any device is located within a private structure, the watermaster shall request access upon reasonable notice.
 - C. The permittee shall keep a complete record of the volume of water diverted each month, and shall submit a report which includes 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.
 - D. The Director may provide an opportunity for the permittee to submit alternative measuring and reporting procedures for review and approval.

2. Static Water Level Conditions

A 380 foot deep monitoring well with a casing diameter no less than 6 inches shall be constructed within 100 feet east o the proposed well (LAKE 52506/L111501). The well seal, casing casing perforations, and well screen intervals shall be the same as well (LAKE 52506/L111501). The monitoring well must be constructed before the use of water under this permit begins.

At minimum, the static groundwater level at the monitoring well shall be measured monthly by hand to the nearest 0.10 foot and reported to the Department monthly on forms provided by or specified by the Department. The first measurement must be received by the Department before the use of water under the permit begins. Any use of a non-hand measurement water-level recorder device (shaft encoder, transducer, or other device) shall be in addition to the monthly hand measurement.

The reference level shall be the March 2015 static groundwater level measurement. If that measurement is missed for any reason, the reference level shall be 83 feet below land surface.

All measurements shall be made monthly 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, a hydrogeologist in the Department's Groundwater Section located in Salem. 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 Department may require the discontinuance of groundwater use, or reduce the rate or volume of withdrawal, from the well(s) if any of the following events occur:

- A. A monthly measurement is not made; or
- B. The monthly measurement is not submitted to the Department monthly or received by the Department monthly; or
- C. Annual water-level measurements reveal an average water-level decline of two or more feet per year for five consecutive years; or
- D. Annual water-level measurements reveal a water-level decline of 10 or more feet in fewer than five consecutive years; or
- E. Annual water-level measurements reveal a water-level decline of 10 or more feet; or
- F. Hydraulic interference leads to a decline of 10 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.

3. Dedicated Measuring Tube: Wells with pumps shall be equipped with a minimum 3/4-inch diameter, unobstructed, dedicated measuring tube pursuant to figure 200-5 in OAR 690-200. If a pump has been installed prior to the issuance of this permit, and if static water levels and

pumping levels can be measured using an electrical tape, then the installation of the measuring tube can be delayed until such time that water levels cannot be measured or the pump is repaired or replaced.

- 4. The maximum volume allowed per month shall be equal to or less than 228.5 gallons per minute (43,986 cubic feet per day = 1.01 acre-feet per day) times the number of days in the month.
- 5. Groundwater use under LL-1450 shall terminate when groundwater use under this permit begins.
- 6. 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 503-986-0816 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: Kim French, Oregon Water Resources Department, 725 Summer St NE Ste A, Salem OR 97301-1266. Our fax number is 503-986-0901.

Sincerely,

Kim French

Water Right Application Caseworker

enclosures: Application Process Description and Stop Processing Request Form

G-17890 WAB 13-No PSI POU 13-No PSI GW

APPLICATION FACT SHEET

Application File Number: G-17890

Applicant: SURPRISE VALLEY ELECTRIFICATION CORP, ATTN: LYNN CULP

County: Lake

Watermaster: 12

Priority Date: September 9, 2014

Source: SVE 4 WELL (LAKE 52506/L111501) IN CHEWAUCAN RIVER BASIN

Use: INDUSTRIAL/MANUFACTURING USES

Quantity: 0.509 CUBIC FOOT PER SECOND

Basin Name & Number: Goose & Summer Lake, #13

Stream Index Reference: Volume 2 CHEWAUCAN R

Well Location: SWNE, SECTION 23, T33S, R18E, W.M.; 60 FEET NORTH AND 1680 FEET

WEST FROM E1/4 CORNER, SECTION 23

Place of Use:

NE ¼ SE ¼
SECTION 23
TOWNSHIP 33 SOUTH, RANGE 18 EAST, W.M.

14 DAY STOP PROCESSING DEADLINE DATE: Friday, December 19, 2014

PUBLIC NOTICE DATE: Tuesday, December 9, 2014

30 DAY COMMENT DEADLINE DATE: Thursday, January 8, 2015

Mailing List for IR Copies

Application #G-17890

Original and map e-mailed to applicant:

SURPRISE VALLEY ELECTRIFICATION CORP ATTN: LYNN CULP, 516 US HWY 395E, ALTURAS, CA 96101

SENT VIA EMAIL:

- 1. Applicant lynnsvec@frontier.com
- 2. Agent bbheine@gsiws.com
- 3. WRD -Watermaster # 12

IR, Map, and Fact Sheet Copies sent to:

- 1. WRD File # G-17890
- 2. Department of Agriculture

Copies Mailed
By:
(SUPPORT STAFF)
on:
(DATE)

IR Date: December 5, 2014

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

1. Colahan Enterprises, PO Box 300, Paisley, OR 97636

Caseworker: Kim French

COPYSHT.IR

APPLICATION PROCESS DESCRIPTION FOR GROUNDWATER. SURFACE WATER AND REGULAR RESERVOIR APPLICATIONS

In order to take and use the waters of Oregon, a citizen must first obtain a permit from the Water Resources Department. The water must be used for beneficial purpose - without waste. To become well-informed about water right topics, weekly public notice, forms and fees please visit our web site at www.wrd.state.or.us

1. Pre-application considerations

- follow instructions in the application packet
- if you have questions about completing an application or would like to arrange a pre-application conference contact the Department's Water Rights Information Group (WRIG) at 503-986-0801

2. Application filing

- application with fee is received by the Department
- Department determines completeness of application
- if use is not allowed by statute (ORS 538), the application and fees are returned to the applicant
- incomplete application and fees are returned to the applicant
 only a complete application receives a tentative priority date, is assigned a caseworker, and moves forward for processing

3. Initial Review (IR)

- caseworker reviews application by considering basin plans, water availability, statutory restrictions and all other appropriate factors
- caseworker sends IR report to applicant
- contact the caseworker if you have questions about the IR
- seven days after date of the IR, it is included in Department's weekly Public Notice
- public comments must be submitted within 30 days after the Public Notice
- administrative hold may be requested in writing by applicant

4. Proposed Final Order (PFO)

- caseworker evaluates application against required criteria and develops draft permit, if appropriate
- PFO includes instructions for filing of protests
- caseworker considers public comments and mails PFO to applicant
- the PFO is included in Department's weekly Public Notice
- public protests to the PFO must be submitted within 45 days after the Public Notice

Stop Processing deadline is within 14 days of Initial Review - use the form below

- applicant may request no further action and fee refund of all but \$225

STOP PROCESSING REQUEST FOR
GROUNDWATER, SURFACE WATER AND REGULAR RESERVOIR APPLICATIONS
applicant notification to withdraw Water Right Application #
After reviewing the Initial Review for my application, I request that processing be stopped and the dees be refunded (minus a \$225 examination fee.) I understand that without a valid permit I may not legally use the water as requested in my application
ignature date
ignature date
Inder ORS 537.150 (5) and 537.620 (5) timely submission of this request authorizes that the wate ight application process be stopped and all filing fees (except \$225 examination fee) be returned
his notice must be received at Water Resources Department by
eturn the notice to: OWRD, Water Rights Division
STOP PROCESSING
725 Summer Street, NE - Suite A
Salem OR 97301-1271

5. Final Order (FO)

- if no protest is filed, Final Order is issued

The protest process

If one or more protests are filed, permit process consists of:

- settlement discussion
- contested case hearing
- proposed order
- period of time to file exceptions
- possible hearing by Water Resources Commission
- final order issued

Permit holder responsibilities

- comply with all water use conditions of the permit
- advise Department of address change or assignment to new permit holder
- if need arises, request extension of time or authorize cancellation of permit
- submit timely claim of beneficial use (COBU) to Department
- most permits require COBU to be prepared by a Certified Water Right Examiner
- permits may be canceled by the permit holder or by the Department for failure to comply with or one or more permit conditions