



Oregon

John A. Kitzhaber, MD, 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

December 26, 2014

STALLION LAND COMPANY LLC
PO BOX 3667
CENTRAL POINT, OR 97502

Reference: File G-17955

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 0.06 cubic foot per second (CFS) of water from Well 1 (JACK 7607), Well 2 (JACK 7480), Well 3 (JACK 7505) and Well 4 in Bear Creek subbasin for year-round commercial use and irrigation of 1.0 acre 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 Department has determined, based upon OAR 690-009, that the proposed groundwater use will not have the potential for substantial interference with surface water.
4. The use of water from Well 1 (JACK 7607), Well 2 (JACK 7480), Well 3 (JACK 7505) and Well 4 in Bear Creek Basin for irrigation and commercial use **is not allowable** under OAR 690-515-0020, the Rogue Basin Program. However, because the Bear Creek subbasin classifications address surface water only, the proposed use is allowable.
5. 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.
6. The standard allowable rate for irrigation use from ground water is 1/80 CFS per acre. In the absence of other information, if the application is approved, the rate allowed will be limited to 0.013CFS for primary irrigation of 1.0 acre. However, Oregon Revised Statute 537.621(4) allows the Department to consider and authorize a rate that is higher than the general basin-wide standard. If you would like to provide additional information for the Department to consider, please do so by **Monday, January 26, 2015**. If you need additional time, you may send a written request for up to 180 days. **If we do not receive**

additional information to consider or a hold request by this date, the Department will limit the rate to 0.013 CFS for irrigation of 1.0 acre.

7. The proposed diversion falls within a high priority area for streamflow restoration under the Oregon Plan for Salmon & Watersheds.
8. Please refer to the **Additional Information Required** section below for specific information regarding deficiencies with the application.

Additional Information Required:

Additional information is required to process your application prior to issuance of any Proposed Final Order that may recommend approval. Please provide the following item:

- All wells under this permit shall comply with existing well construction standards. Well logs showing that Well 1 (JACK 7607) and Well 3 (JACK 7505) meet current well construction standards must be routed to the Department's Well Construction and Compliance Section for review prior to permit issuance.

Please submit this information no later than Tuesday, February 10, 2015. 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 Well 1 (JACK 7607) and Well 3 (JACK 7505).

Summary of Allowable Water Use

The appropriation of 0.06 CFS of water from Well 1 (JACK 7607), Well 2 (JACK 7480), Well 3 (JACK 7505) and Well 4 in Bear Creek Basin for year-round commercial use, further limited to 0.013 CFS for irrigation of 1.0 acre March 1 through October 31 of each year is allowable for the full period requested contingent upon the submittal of evidence demonstrating compliance with current minimum well construction standards for Well 1 (JACK 7607) and Well 3 (JACK 7505)

Because of these favorable determinations, the Department can now move the 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.

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, January 9, 2015** 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 devices, and recording/reporting of annual water use conditions:
 - A. The Director may require the permittee to install a totalizing flow meter, or other suitable measuring device as approved by the Director, at each point of diversion. If the Director notifies the permittee to install a measuring device, the permittee shall install such device within the period stated in the notice. Once installed, the permittee shall maintain the device in good working order, and shall allow the watermaster access to the device.
 - B. The Director may require the permittee to keep and maintain a record of the volume of water diverted, and may require the permittee to report water-use on a periodic schedule as established by the Director. In addition, the Director may require the permittee to report general water-use information, the periods of water use and the place and nature of use of water under the permit.

2. Static Water Level Conditions

To monitor the effect of water use from the well(s) authorized under this permit, the Department requires the water user to obtain, from a qualified individual (see below), and report annual static water-level measurements. The static water level shall be measured in the month of March. Reports shall be submitted to the Department within 30 days of measurement.

Measurements must be made according to the following schedule:

Before Use of Water Takes Place

Initial and Annual Static Water Level Measurements

The Department requires the permittee to report an initial water-level measurement in the month specified above once well construction is complete, and annually thereafter until use of water begins; and

After Use of Water has Begun

Seven Consecutive Annual Static Water Level Measurements

Following the first year of water use, the user shall report seven consecutive annual static water-level measurements. The first of these seven annual measurements will establish the reference level against which future annual measurements will be compared. Based on an analysis of the data collected, the Director may require the

user to obtain and report additional annual static water-level measurements beyond the seven year minimum reporting period. The additional measurements may be required in a different month. If the measurement requirement is stopped, the Director may restart it at any time.

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 and be submitted to the Department on forms provided by the Department. The Department requires the individual performing the measurement to:

- A. Identify each well with its associated measurement;
- B. Measure and report water levels to the nearest tenth of a foot as depth-to-water below ground surface;
- C. Specify the method used to obtain each well 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. 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 non-use or restricted use shall continue until the water level rises above the decline level which triggered the action or until 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 senior water rights. The water user shall in no instance 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. Use of water under authority of this permit may be regulated if analysis of data available after the permit is issued discloses that the appropriation will measurably reduce the surface water flows necessary to maintain the free-flowing character of a scenic waterway in quantities necessary for recreation, fish and wildlife in effect as of the priority date of the right or as those quantities may be subsequently reduced.
4. 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 503-986-0806 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: Kerri H. Cope, Oregon Water Resources Department, 725 Summer St NE Ste A, Salem OR 97301-1266. Our fax number is 503-986-0901.

Sincerely,



Kerri H. Cope
Water Right Application Caseworker

enclosures: Application Process Description and Stop Processing Request Form

G-17955
WAB 15-No PSI
POU 15-
GW

APPLICATION FACT SHEET

Application File Number: G-17955

Applicant: STALLION LAND COMPANY LLC

County: Jackson

Watermaster: 13

Priority Date: October 31, 2014

Source: WELL 1 (JACK 7607), WELL 2 (JACK 7480), WELL 3 (JACK 7505) AND WELL 4 IN BEAR CREEK BASIN

Use: COMMERCIAL USE AND IRRIGATION OF 1.0 ACRE

Quantity: 0.06 CUBIC FOOT PER SECOND, FURTHER LIMITED TO 0.013 CFS FOR IRRIGATION OF 1.0 ACRE

Basin Name & Number: Rogue, #15

Stream Index Reference: Volume 3 BEAR CR

Well Location(s):

WELL 1 (JACK 7607); NWNW SECTION 28, T36S, R2W, W.M.; 1300 FEET SOUTH AND 10 FEET EAST FROM NW CORNER, SECTION 28

WELL 2 (JACK 7481); SWNW SECTION 28, T36S, R2W, W.M.; 2110 FEET SOUTH AND 315 FEET EAST FROM NW CORNER, SECTION 28

WELL 3 (JACK 7505); NWNW SECTION 28, T36S, R2W, W.M.; 1155 FEET SOUTH AND 175 FEET EAST FROM NW CORNER, SECTION 28

WELL 4; NWNW SECTION 28, T36S, R2W, W.M.; 590 FEET SOUTH AND 40 FEET EAST FROM NW CORNER, SECTION 28

Place of Use:

<u>QQ</u>	<u>COMMERCIAL USE</u>	<u>IRRIGATION</u>
NW ¼ NW ¼	X	0.16 ACRE
SW ¼ NW ¼	X	0.41 ACRE
NW ¼ SW ¼	X	0.02 ACRE

SECTION 28

SE ¼ NE ¼	X	0.41 ACRE
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SECTION 29

TOWNSHIP 36 SOUTH, RANGE 2 WEST, W.M.

14 DAY STOP PROCESSING DEADLINE DATE: Friday, January 9, 2015

PUBLIC NOTICE DATE: Tuesday, December 29, 2014

30 DAY COMMENT DEADLINE DATE: Thursday, January 29, 2015

Mailing List for IR Copies

Application #G-17955

IR Date: December 26, 2014

Original and map mailed to applicant:

~~STALLION LAND COMPANY LLC, PO BOX 3667, CENTRAL POINT, OR 97502~~

SENT VIA EMAIL:

1. Applicant - tkeller@combinedtransport.com
2. Agent - tressler@gsiws.com
3. WRD - Watermaster # 13

IR, Map, and Fact Sheet Copies sent to:

1. WRD - File # G-17955
2. WRD - Regional Manager: SW
3. Department of Agriculture
4. Rogue River Valley Irrigation District
3139 Merriman Rd., Medford, OR 97501

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

Caseworker: Kerri H. Cope

VCOPYSHT.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 fees 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

Signature _____ date _____

Signature _____ date _____

Under ORS 537.150 (5) and 537.620 (5) timely submission of this request authorizes that the water right application process be stopped and all filing fees (except \$225 examination fee) be returned.

This notice must be received at Water Resources Department by _____

Return 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