



STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

15 W Yakima Ave, Ste 200 • Yakima, WA 98902-3452 • (509) 575-2490

November 4, 2011

GBI Holding Company
PO Box 598
Wenatchee, WA 98801

RE: Preliminary Permit to drill a test production well(s) and assess the hydraulic relationship of the proposed groundwater source with the Columbia River under Application Nos. G4-31813, G4-32225, and G4-35323.

This letter serves as a PRELIMINARY PERMIT to drill and assess the hydraulic relationship of the proposed groundwater source with the Columbia River under Applications G4-31813, G4-32225, and G4-35323. Please read this letter carefully. In accordance with RCW 90.03290, **failure to comply with the conditions of this Preliminary Permit shall result in the cancellation of the Preliminary Permit and the associated water right applications.**

Application G4-31813 was received by the Washington State Department of Ecology (Ecology) on 7/30/1993, G4-32225 was received on 10/13/1994, and G4-35323 was received on 5/21/2010. Each application proposes a distinct point of withdrawal as its source of groundwater. The three proposed points of withdrawal are all east of the Columbia River in Section 9, T. 21 N, R. 22 E.W.M., in Douglas County.

The Office of Columbia River (OCR) as it applies to municipal, multiple domestic, and industrial permitting associated with the Lake Roosevelt Incremental Releases Program has the following objective and requirements.

OCR Allocation Objective:

- To ensure that water permitted through the Office of the Columbia River can be successfully mitigated by incremental releases from Lake Roosevelt during a single mitigation release cycle.

OCR Allocation Requirements:

- Municipal, multiple domestic, and industrial users whose impact can be mitigated include those groundwater diverters who are capable of directly capturing mainstem¹ Columbia River or Lower Snake River water at their well(s) or those diverters who can demonstrate that their withdrawals, if pumping ceased, would be fully attenuated within a single mitigation cycle.



¹ *Mainstem of the Columbia River or Lower Snake River means all water within the ordinary high water mark of the main channel of the Columbia River downstream of the U.S.\Canadian border or all the water within the ordinary high water mark of the main channel of the Snake River below Ice Harbor Dam.*

Due to the hydrogeologic uncertainties and the lack of site specific data available for the project area, Ecology is unable to make a decision regarding these applications. As a result, it is the applicant's responsibility to provide to Ecology the site specific information necessary to determine whether or not the new point or points of withdrawal (wells) will satisfy the requirements and objective of the OCR as described above.

Under the authority of RCW 90.03.290 and RCW 90.44.060, Ecology may issue a Preliminary Permit requiring the applicant to conduct studies, surveys, and investigations necessary to provide the information needed to properly assess the subject applications.

The objectives of this PRELIMINARY PERMIT are:

1. To authorize the drilling and testing of wells within the place of use as described on the subject applications.
2. To obtain the information necessary to allow Ecology to determine whether the proposed withdrawals satisfy the requirements and objective of the OCR as described above.

You are hereby granted a PRELIMINARY PERMIT to proceed with drilling and testing for project feasibility. This letter serves as a PRELIMINARY PERMIT subject to existing rights and the following conditions:

General Conditions:

1. This PRELIMINARY PERMIT becomes effective immediately and will remain in effect until **November 15th, 2012**, unless sooner revoked by the Department of Ecology.
2. All expenses, risks, and liabilities incurred during testing shall be borne by the applicant. If senior water right holders, including wells exempt from permitting under RCW 90.44.050, are adversely affected during any portion of the aquifer test, or data collection activities, the test shall be terminated immediately.
3. The granting of this PRELIMINARY PERMIT shall not be construed, by inference or otherwise, that the subject application will ultimately be approved. If the applicant fails to comply with the terms of this PRELIMINARY PERMIT, it, and the associated water right applications, shall be cancelled.
4. Should the information obtained through compliance with this PRELIMINARY PERMIT prove insufficient for the purposes of satisfying the OCR objectives and requirements additional testing and monitoring may be required. Additional testing and monitoring may include, but is not limited to, well pump tests, extended groundwater monitoring, extended surface water

monitoring, and hydrogeologic modeling. Under such circumstances a new Preliminary Permit shall be issued detailing such requirements.

5. The scope of this PRELIMINARY PERMIT is limited as set forth below:

Well Construction and Testing Detail:

The completion depth of the test well will depend on the characteristics of the alluvial/flood deposit aquifer, the water quality, and the depth to bedrock. If the unconsolidated alluvial/flood sediments are sufficiently thick and/or permeable to obtain the desired results, the well shall be terminated above the basalt bedrock (Option 1). If the unconsolidated sediments are not sufficiently thick and/or permeable to obtain the desired results, the well may be extended into the first water bearing zone, capable of satisfying project requirements, within the underlying basalt bedrock and tested for hydraulic communication between the basalt aquifer and the Columbia River Wanapum pool (Option 2).

Variations on Options 1 and 2 may include drilling a second alluvial/flood deposit aquifer well. If the applicant wishes to continue hydrogeologic evaluation on a second alluvial/flood deposit aquifer well, all elements of Option 1 below shall be met.

Option 1: Alluvial Aquifer Well

1. Well construction and development shall comply with Chapter 173-160 WAC, "Minimum Standards for Construction and Maintenance of Wells".
2. Static water level (swl) measurements from the test production well, in feet below the ground surface, shall be taken immediately upon well completion and again 24 hours after completion. The swl measurement data shall include the date and time (hour & minutes) when the measurement was taken, the method by which the measurement was taken (e.g., e-tape, steel tape, etc), the elevation of the well in feet above mean sea level, and the method by which the wells elevation was obtained (survey, GPS, etc). The swl measurements and supporting data shall be submitted as soon as possible to the Office of Columbia River contact provided below.
3. Upon well completion a copy of the driller's well report shall be sent directly to the Office of Columbia River contact provided below. Normal reporting requirements under WAC 173-160 shall also be complied with.

Should the alluvial aquifer exhibit insufficient quality and/or yield for the project, either the initial boring may be advanced into the first water bearing zone within the underlying basalt bedrock capable of satisfying project requirements, or a second boring may be drilled adjacent to the initial boring into the basalt aquifer. In either case option 2 requirements outlined below shall be met.

Option 2: Basalt Aquifer Well

1. Well construction and development shall comply with Chapter 173-160 WAC, Minimum Standards for Construction and Maintenance of Wells.

2. The well shall be cased and sealed into the top of the first competent (solid) basalt.
3. The depth to which drilling is to be terminated is limited to the first water bearing zone capable of satisfying project requirements. It is recommended that this depth be no more than the approximate depth of the Wanapum Pool in the area adjacent to the well site. Deeper ground water sources may not exhibit the desired high degree of hydraulic communication with the Columbia River as required by the OCR.
4. Static water level (swl) measurements from the test production well, in feet below the ground surface, shall be taken immediately upon well completion and again 24 hours after completion. The swl measurement data shall include the date and time (hour & minutes) when the measurement was taken, the method by which the measurement was taken (e.g., e-tape, steel tape, etc), the elevation of the well in feet above mean sea level, and the method by which the wells elevation was obtained (survey, GPS, etc). The swl measurements and supporting data shall be submitted as soon as possible to the Office of Columbia River contact provided below.
5. Upon well completion a copy of the driller's well report shall be sent directly to the Office of Columbia River contact provided below. Normal reporting requirements under WAC 173-160 shall also be complied with.

Office of Columbia River Contact:

Ron M. Dixon
Department of Ecology
Office of Columbia River
15 W Yakima Ave. Ste 200
Yakima, WA 98902-3452
(509) 454-7897

YOUR RIGHT TO APPEAL

You have a right to appeal this decision to the Pollution Control Hearing Board (PCHB) within 30 days of the date of receipt of this decision. The appeal process is governed by Chapter 43.21B RCW and Chapter 371-08 WAC. "Date of receipt" is defined in RCW 43.21B.001(2).

To appeal you must do the following within 30 days of the date of receipt of this decision:

- File your appeal and a copy of this decision with the PCHB (see addresses below). Filing means actual receipt by the PCHB during regular business hours.
- Serve a copy of your appeal and this decision on Ecology in paper form - by mail or in person. (See addresses below.) E-mail is not accepted.

You must also comply with other applicable requirements in Chapter 43.21B RCW and Chapter 371-08 WAC.

ADDRESS AND LOCATION INFORMATION

Street Addresses	Mailing Addresses
<p>Department of Ecology Attn: Appeals Processing Desk 300 Desmond Drive SE Lacey WA 98503</p>	<p>Department of Ecology Attn: Appeals Processing Desk PO Box 47608 Olympia WA 98504-7608</p>
<p>Pollution Control Hearings Board 1111 Israel RD SW STE 301 Tumwater, WA 98501</p>	<p>Pollution Control Hearings Board PO Box 40903 Olympia WA 98504-0903</p>

*For additional information visit the Environmental Hearings Office Website: <http://www.eho.wa.gov>
To find laws and agency rules visit the Washington State Legislature Website: <http://www.leg.wa.gov/CodeReviser>*

Should you have any questions regarding this PRELIMINARY PERMIT please contact Ron Dixon at (509) 454-7897.

Sincerely,



Mark C. Schuppe
Operations Manager
Office of Columbia River

RD:MCS:RAZ (111110)

Enclosure: Washington State Pollution Control Hearings Board – *Your Right to be Heard.*

By certified mail: 7007 2560 0001 7675 5738