June 29, 2010

Point Peoh Investments  
Attn: Steve Johnson  
16271 Vantage Hwy  
Ellensburg WA 98926-5014

Re: Determination of Water Budget Neutrality for Request No. G4-35351

Dear Mr. Johnson:

Thank you for submitting a Request for Determination of Water Budget Neutrality, which was received by the Department of Ecology (Ecology) office on June 18, 2010.

In accordance with Washington Administrative Code (WAC) 173-539A, Ecology has determined your proposed appropriation of groundwater, as mitigated by the trust water right identified in your request, will be water budget neutral with respect to Total Water Supply Available at Parker.

The information in the table below was based on the documents you provided.

**Proposed Uses and Mitigation Offered**

<table>
<thead>
<tr>
<th>Use</th>
<th>Proposed Total Annual Quantity (ac-ft/yr*)</th>
<th>Proposed Mitigation (ac-ft/yr*)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indoor</td>
<td>0.392</td>
<td>0.118</td>
</tr>
<tr>
<td>Outdoor</td>
<td>0.022</td>
<td>0.019</td>
</tr>
<tr>
<td>Total</td>
<td>0.414</td>
<td>0.137</td>
</tr>
</tbody>
</table>

\*ac-ft/yr = acre-feet per year (1 acre-foot = 325,851 gallons)

Consumptive use, totaling 0.137 ac-ft/yr, is proposed to be offset with Trust Water Right No. S4-05259CTCL@2sb7. The total consumptive use does not exceed the amount of water available under the subject trust water right during the irrigation season nor does it exceed the availability of unused storage capacity to retain the subject portion of the trust water right for later release during the non-irrigation season. Please refer to the enclosed Advisory Letter for additional information on consumptive use.
Ecology has determined, based on review of your Request for Water Budget Neutral Determination and the accompanying materials, your proposed use of groundwater will be Water Budget Neutral as follows:

- Water use is to be made within Parcel No. 951173, located within SE¾SE¼ of Section 34, T. 20 N., R. 15 E.W.M.
- In-home water use is one connections, resulting in a consumptive use of 0.118 ac-ft/yr.
- Outdoor irrigation use is 0.011 acres, resulting in a consumptive use of 0.019 ac-ft/yr.
- The proposed well(s) will be located within the SE¾SE¼ of Section 34, T. 20 N., R. 15 E.W.M.
- Water use shall be recorded and reported as required under WAC 173-539A-070 and as described in the Advisory Letter enclosure.
- You will record with the Kittitas County Auditor a property covenant as required under WAC 173-539A-050 that restricts or prohibits trees or shrubs over a septic drain field on Parcel No. 951173.
- You will record with the Kittitas County Auditor an appropriate conveyance instrument under which the applicant obtains an interest in Trust Water Right No. S4-05259CTCL@2sb7 to offset consumptive use as described in this letter.
- You will pay to Ecology the sum of $61.78 which represents a proportionate amount of the payment due and owing to the United States for storage and deliver of water under Paragraph 15(a) of Water Storage and Exchange Contract No. 09XX101700, between the Bureau of Reclamation and the State of Washington Department of Ecology, Yakima Project, Washington, dated January 29, 2009\(^1\). The consumptive use of 0.072 acre-feet from September 1 through March 31 is subject to the terms and conditions in the Water Storage and Exchange Contract No. 09XX101700.
- Any valid priority calls against Trust Water Right No. S4-05259CTCL@2sb7, based on local limitations in water availability, will result in temporary curtailment of the use of water until the priority call for water ends.

You have a right to appeal this determination. To appeal this you must:

- File your appeal with the Pollution Control Hearings Board within 30 days of the “date of receipt” of this document. Filing means actual receipt by the Board during regular office hours.
- Serve your appeal on the Department of Ecology within 30 days of the “date of receipt” of this document. Service may be accomplished by any of the procedures identified in WAC 371 08 305(10). “Date of receipt” is defined at RCW 43.21B.001(2).

Be sure to do the following:
- Include a copy of this document that you are appealing with your Notice of Appeal.
- Serve and file your appeal in paper form; electronic copies are not accepted.

\(^1\) Website location of Water Storage and Exchange Contract No. 09XX101700
1. To file your appeal with the Pollution Control Hearings Board
   Mail appeal to:
   Pollution Control Hearings Board
   PO Box 40903
   Olympia WA 98504-0903
   OR
   Deliver your appeal in person to:
   Pollution Control Hearings Board
   4224 – 6th Ave SE Rowe Six, Bldg 2
   Lacey WA 98503

2. To serve your appeal on the Department of Ecology
   Mail appeal to:
   Department of Ecology
   Appeals & Application for Relief Coordinator
   PO Box 47608
   Olympia WA 98504-7608
   OR
   Deliver your appeal in person to:
   Department of Ecology
   Appeals & Application for Relief Coordinator
   300 Desmond Dr SE
   Lacey WA 98503

3. And send a copy of your appeal to:
   Mark C. Schuppe
   Department of Ecology
   Central Region Office
   15 W. Yakima Ave, Ste 200
   Yakima, WA 98902-3452

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

If you have any questions, please contact Teresa Mitchell at (509) 575-2597.

Sincerely,

Mark C. Schuppe, Section Manager
Water Resources Program

MCS:IE:/100621

Enclosures: Your Right To Be Heard
            Advisory Letter
            Water Measuring Requirements

By Certified Mail: 7007 2560 0001 9535 1348

cc: Cathy Bambrick, Kittitas County Health Department
    Joe Mentor Jr., Mentor Law Group (email pdf)
    Suncadia, LLC
    Philip Rigdon, Director, Natural Resources Division, Yakama Nation