June 3, 2010

Hembree & Associates
Attn: Jim & Cherie Hembree
3400 159th Pl SE
Mill Creek WA  98012-8331

Re:  Determination of Water Budget Neutrality for Request No. G4-35332

Dear Hembree & Associates:

Thank you for submitting a Request for Determination of Water Budget Neutrality, which was received by the Department of Ecology (Ecology) office on May 26, 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.

<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>1.176</td>
<td>0.353</td>
</tr>
<tr>
<td>Outdoor</td>
<td>0.065</td>
<td>0.058</td>
</tr>
<tr>
<td>Total</td>
<td>1.241</td>
<td>0.411</td>
</tr>
</tbody>
</table>

*ac-ft/yr = acre-feet per year

Consumptive use, totaling 0.411 ac-ft/yr, is proposed to be offset with Trust Water Right No. S4-05259CTCL@2sb7.

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 Nos. 955808, 955809, and 955810, located within NE1/4SE1/4 of Section 34, T. 20 N., R. 15 E.W.M.
- In-home water use is three connections, resulting in a consumptive use of 0.353 ac-ft/yr.
- Outdoor irrigation use is 0.034 acres, resulting in a consumptive use of 0.058 ac-ft/yr.
• The proposed well(s) will be located in SE¼ 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 drainfield on
Parcel Nos. 955808, 955809, and 955810.
• 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 $185.33 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

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. To file your appeal with the Pollution Control Hearings Board

Mail appeal to:

The Pollution Control Hearings Board
PO Box 40903
Olympia WA 98504-0903

OR

Deliver your appeal in person to:

The 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:

The Department of Ecology
Appeals & Application for
Relief Coordinator
PO Box 47608
Olympia WA 98504-7608

OR

Deliver your appeal in person to:

The 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,

[Signature]

Mark C. Schuppe, Section Manager
Water Resources Program

MCS:IE:gg/100603

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

By Certified Mail: 7006 0100 0002 8191 9987

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