STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY
4601 N Monroe Street • Spokane, Washington 99205-1295 • (509)329-3400

May 16, 2013

Satsuki, LLC
2567 Road K NW
Quincy, Washington 98848

Re: State - Artificially Stored Groundwater Permit Nos. QB-17(C), QB-1400, QB-1401(B), QB-1402, QB-1404(A) and QB-1405
WRIA 41 – Grant County – Quincy Groundwater Management Subarea

Dear Mr. Hirai:

On March 12, 2013 our office received six Applications for Change/Transfer under the above referenced permits. On March 14, 2013 our cashiering office received the associated fee under Check No. 39580. Those requests are hereby **APPROVED** as follows:

QB No.	GPM	AF/Y	ACRES
QB-17(C)	156	39.725	11.35
QB-1400	400	140	40
QB-1401(B)	120	42	12
QB-1402	400	140	40
QB-1404(A)	200	70	20
QB-1405	160	56	16
Total:	1,436	487.725	139.35

It is noted that the application under QB-17(C) proposed place of use parcel number was listed as 151811000, which has been updated to 151810000. The transfer of the place of use under QB-17(C) means you must cease the irrigation of 11.35 acres in the existing place of use located within a portion of the SW¼ and NE¼ of Sec. 28, T. 19 N., R. 25 E.W.M.

Enclosed are superseding permits for QB-17(C), QB-1400, QB-1401(B), QB-1402, QB-1404(A) and QB-1405 authorizing Artificially Stored Groundwater within the Quincy Groundwater Management Subarea. Pursuant to Chapter 43.21B.310 RCW these decisions are appealable actions. The appeal procedures are described in the Permits.

A Water Well Report form, found online at http://apps.ecy.wa.gov/welllog/forms.asp, shall be completed and returned to Ecology after you have constructed any authorized wells. I encourage you to visit http://www.ecy.wa.gov/programs/wr/wells/owner.html, Ecology's well construction website which is designed to help property owners make informed decisions prior to drilling a new well.

These permits are provisioned to require the installation of gauges or other measurement devices where water is withdrawn to determine how much water is being used.

Chapter 173-134A-080(2)(h) WAC states that no permit shall authorize the withdrawal of waters for agricultural irrigation use for more acres than authorized by federal reclamation law. It is the water users' responsibility to work with Reclamation to comply with this rule.

Future correspondence concerning the above should refer to Artificially Stored Groundwater Permit Nos. QB-17(C), QB-1400, QB-1401(B), QB-1402, QB-1404(A) and QB-1405. Please direct all questions to:

Ecology: Katherine.Ryf@ecy.wa.gov; Spokane office 509-329-3586
Reclamation: Paula Chapel, MChapel@usbr.gov; Ephrata office 509-754-0225

In an effort to keep our records current, please notify our office of changes such as contact information (phone, address, etc.), property ownership, or variations in water use.

Sincerely,

Keith L. Stoffel
Section Manager
Eastern Regional Office
Water Resources Program

KLS:KAR:md
Y:\ASGW-QB\QB Database\DATABASE-LINKED FOLDERS\QB-0017(C)\Satsuki, LLC permit cvr ltr 5-16-2013.doc

Enclosures: QB-17(C), ASGW Permit & Exhibit A Map
QB-1400, ASGW Permit & Exhibit A Map
QB-1401(B), ASGW Permit & Exhibit A Map
QB-1402, ASGW Permit & Exhibit A Map
QB-1404(A), ASGW Permit & Exhibit A Map
QB-1405, ASGW Permit & Exhibit A Map

cc: Ms. Paula Chapel, U.S. Bureau of Reclamation, P.O. Box 815, Ephrata, WA 98823
Fancher Land, LLC, P.O. Box 1245, Moses Lake, Washington 98837-1245 (cover only)
Blaine Hirai; cap2888@msn.com
Karen Wiersma; wiersma.karen@gmail.com
RSS: East Columbia Basin Irrigation District, PO Box E, Othello, WA 99344

DEPARTMENT OF
ECOLOGY
State of Washington

WATER RESOURCES PROGRAM
PERMIT TO USE
ARTIFICIALLY STORED GROUND WATER

COPY

Quincy Groundwater Management Subarea
Columbia Basin Project

Pursuant to Chapters 173-134A and 173-136 WAC

This water use permit is administered by the Department of Ecology (Ecology) and the U.S. Department of the Interior, Bureau of Reclamation (Reclamation) which authorizes the use of artificially stored ground water (ASGW) within the Quincy Groundwater Management Subarea (QGWMS), subject to Chapters 173-134A and 173-136 WAC, and to the specific parameters and provisions detailed below. This permit is not valid without obtaining and maintaining a federal Water Service Contract from Reclamation, which agreement requires compliance with certain provisions of federal law and the payment of an annual fee to Reclamation.

PRIORITY DATE	APPLICATION NO.	PERMIT NO.
May 3, 1993	**QB-1402A**	QB-1402

This permit supersedes QB-1402 issued May 5, 2011
per an Application for change/transfer from Section 13, T. 20 N., R. 27 E.W.M.

PERMITTEE:

Satsuki, LLC
2567 Road K NW
Quincy, Washington 98848

ARTIFICIALLY STORED GROUND WATER TO BE USED:

400 gallons per minute, 140 acre-feet per year, from March 1st to October 31st, each year, for the agricultural irrigation of 40 acres.

SOURCE:

Three well(s) to be no deeper than 200 feet into the basalt and shall not penetrate the top of the Grand Ronde Basalt unit. If water availability problems are encountered, contact Ecology to discuss options prior to reconstructing, deepening or redrilling said well(s) to a depth greater than 200 feet into the basalt as set forth in Chapter173-134A-080(2)(d) Washington Administrative Code. It is the water users responsibility to confirm the well(s) do not exceed this depth restriction.

DESCRIPTION OF PROPOSED WORK:

Drilled well(s), irrigation and water distribution system.

DEVELOPMENT SCHEDULE:

Complete application of the water to be made by May 16, 2016
Chapter 173-134A(2)(i) WAC states "...Any permit under which development has not been completed may be perfected to the extent of beneficial use, and cancellation proceedings will be initiated on the remaining undeveloped portion." Ecology will not issue extensions to this schedule.

Failure of the Permitee to obtain a License/Contract Agreement with Reclamation shall not be considered a delay in the construction and complete development of this permit.

COMMINGLING WATER USE:

Ecology, Reclamation and the Columbia Basin Irrigation District administer an array of Water Service Contracts, Farm Unit (FU) Allotments, Artificially Stored Groundwater Permits and State Water Rights, including those for agricultural irrigation, municipal, industrial, and miscellaneous uses within the area of the proposed place of use, as depicted in the Exhibit A map. Washington water law does not allow for the stacking of water rights or water use authorizations. Any and all water use(s) at the proposed site locations will be evaluated by Ecology; if stacking of water occurs, the delivery of project water or the taking of water under this permit will need to be forfeited.

The Ecology & Reclamation jointly administers QB-17(C), QB-1400, QB-1401(B), QB-1402, QB-1404(A) and QB-1405 that together authorizes a total of 139.35 acres.

Because the project within the NW¼ of Sec. 28, T. 19 N., R. 25 E.W.M. contains multiple water use authorizations and wells a metering provision has been added to this permit.

LOCATION OF WITHDRAWAL:

APPROXIMATE LOCATION OF WITHDRAWAL - GPS LOCATION:

To be determined within Parcel No. 151810000 in either the:

- NW¼NW¼; or
- NE¼NW¼; or
- SW¼NW¼; or
- SE¼NW¼

LOCATED WITHIN (SMALLEST LEGAL SUBDIVISION)	SECTION	TOWNSHIP N.	RANGE (E.W.M.)	W.R.I.A.	COUNTY
ALL WITHIN	28	19	25 E.	41	Grant

LEGAL DESCRIPTION OF PROPERTY WATER IS TO BE USED ON:

Grant County Parcel No. 151810000

A portion of the NE¼NW¼ and SE¼NW¼ of Sec. 28, T. 19 N., R. 25 E.W.M., Grant County, Washington as depicted in the Exhibit A map.

PROVISIONS:

This permit is subject to the water management regulations of Chapter 173-134A WAC which includes, but is not limited to the following:

1. The authorization to use artificially stored ground water in the Quincy Ground Water Sub-area is subject to regulation for the purpose of (a) protecting all rights to the use of public waters; (b) protecting the right of the Bureau of Reclamation; (c) protect the usability of ground-water withdrawal facilities of the Bureau of Reclamation, U.S. Department of the Interior, which facilities are used to convey water to Potholes Reservoir; (d) to prohibit interference in any manner with the furnishing of adequate supplies of both surface and ground water for satisfying present and future needs of the Columbia Basin Project from the Potholes Reservoir facility of the Bureau of Reclamation, U.S. Department of the Interior; and (e) to protect to the maximum extent possible, consistent with rights and interest in the ground waters of the Quincy Ground Water Sub-area, wildlife, recreation, and other values associated with the general public interest in the groundwater in the sub-area.

2. Failure of the permittee to comply with terms of an executed agreement with the Bureau of Reclamation, U.S. Department of Interior, which agreement is a requirement of this permit, shall constitute grounds to suspend or terminate this permit.

3. The installation of an access port for measuring the depth to water or a pressure gage to measure the shut-in pressure of flowing wells shall be required on the completed well or wells. The permittee may, for his own convenience, wish to install an airline and gage in addition to the access port.

4. All water wells constructed within the state shall meet the minimum standards for construction and maintenance as provided under chapter 18.104 RCW and chapter 173-160 WAC.

5. In times of shortage of water available to satisfy all ground-water withdrawals authorized under WAC 173-134A-080(2), the Department of Ecology shall reduce withdrawals in order of the Quincy Basin priority number assigned on the face of this permit, with the highest priority number being regulated against first. (WAC 173-134A-080(2)).

6. This permit does not establish or embody rights to ground water as provided by RCW 90.44.050 and RCW 90.44.060.

7. This permit authorizes a water duty of not more than 3.5 acre-feet per calendar year for each acre of land authorized to be irrigated. After development has been completed and permittee has identified his annual usage and the total number of acres actually irrigated to the satisfaction of the Department of Ecology, permittee is not precluded in future years from beneficial use of his total annual allocation on a lesser number of acres if necessary to satisfy the water requirement of a particular crop.

8. By accepting this permit, the permittee consents to provide for inspection, monitoring, entry, and reporting of data by or to the Department of Ecology and the Bureau of Reclamation, U.S. Department of the Interior.

9. This permit is subject to termination or modification, through issuance of supplement orders of the Department of Ecology, for good cause, including but not limited to:
   a. Violation of a permit condition;
   b. Obtaining a permit by misrepresentation or failure to fully disclose all relevant facts; and
   c. The receipt of new facts or information that dictate that termination or modification of this permit is necessary to comply with the objectives of chapter 173-134A-WAC.

10. The permit only authorizes water to be used for the purposes stated on the lands described above. This permit may be amended to allow for a change in place of use if it can be proven that the original land description was erroneous. This permit is also subject to amendment as to place of use or purpose of use if development and irrigation pursuant to the authority granted hereby has taken place. No amendment can be made without application to and approval of the Department of Ecology.

11. The well(s) shall be completed within the shallow management unit and is restricted to be drilled no deeper than 200 feet into the Quincy Basalt Zone. The depth of the well(s) in any event shall not penetrate the top of the Grand Ronde Basalt unit. (WAC 173-134A-080(2)(d)).

12. The Landowner assumes responsibility, during the life of this Permit, for disposal of irrigation runoff in connection with irrigating farming of the described land so as not to damage Project facilities or other properties. Failure of the Landowner to properly dispose of irrigation runoff may result in Permit termination, after the District or United States giving reasonable notice and opportunity to comply therewith. The Landowner shall be liable for any and all damage to the property of the United States, or of any third parties, by reason of the exercise of the privileges conferred by this Permit.

13. In the event that a Water Service Contract (WSC) or other agreement is obtained for this project from either Reclamation or one of the Columbia Basin Irrigation Districts this water permit may be subject to cancellation.

14. An approved measuring device shall be installed and maintained for each of the sources identified by this water permit in accordance with the rule "Requirements for Measuring and Reporting Water Use", Chapter 173-173 WAC. Water use data shall be recorded annually and maintained by the property owner for a minimum of five years, and shall be promptly submitted to Ecology upon request.

15. This development schedule requires that water be put to beneficial use within three (3) years from date of permit issuance. Cancellation proceedings will be initiated on the remaining undeveloped portion at the end of the three-year schedule, due **May 16, 2016**. Ecology does not issue extensions for setting a new development schedule under QGWMS - ASGW Permits.

APPEAL PROCEEDURES:

Pursuant to Chapter 43.21B.310 RCW this water use permit decision is an appealable action.

YOUR RIGHT TO APPEAL

You have a right to appeal this permit to the Pollution Control Hearings 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 all of the following within 30 days of the date of receipt of this permit decision:

- File your appeal and a copy of this permit 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 permit 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
Department of Ecology Attn: Appeals Processing Desk 300 Desmond Drive SE Lacey, WA 98503	**Department of Ecology** Attn: Appeals Processing Desk PO Box 47608 Olympia, WA 98504-7608
Pollution Control Hearings Board 1111 Israel Road SW, Ste. 301 Tumwater, WA 98501	**Pollution Control Hearings Board** PO Box 40903 Olympia, WA 98504-0903

Signed at Spokane, Washington, on May 16, 2013.

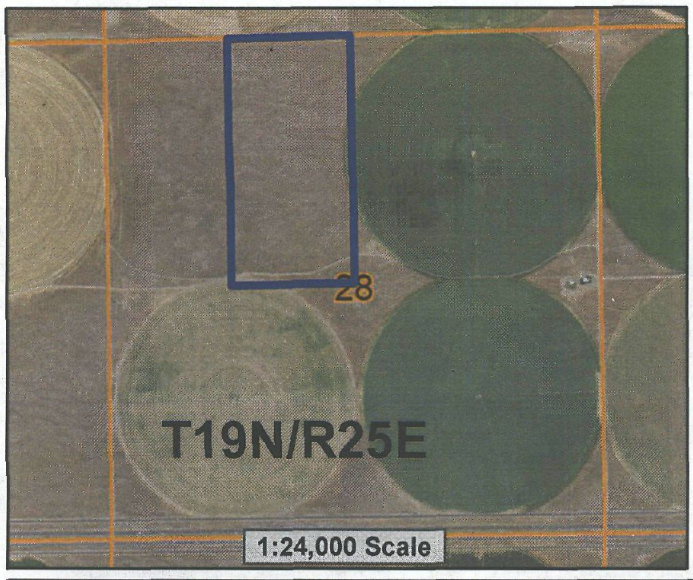
Department of Ecology,
Eastern Regional Office

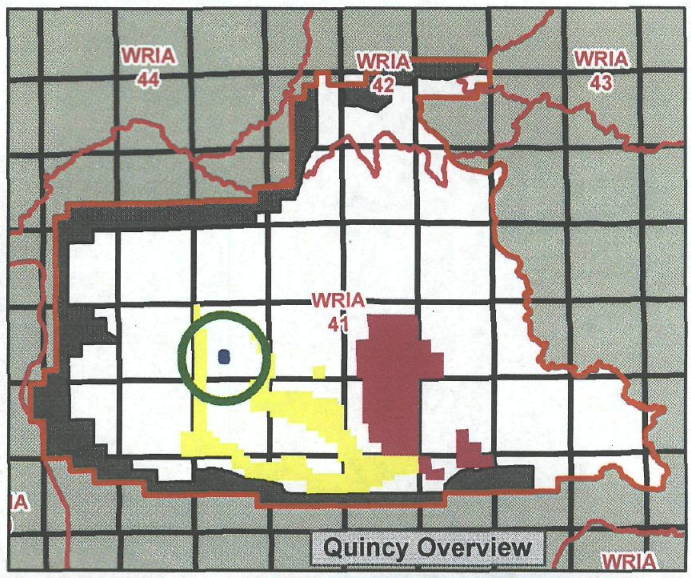
Keith L. Stoffel
Section Manager

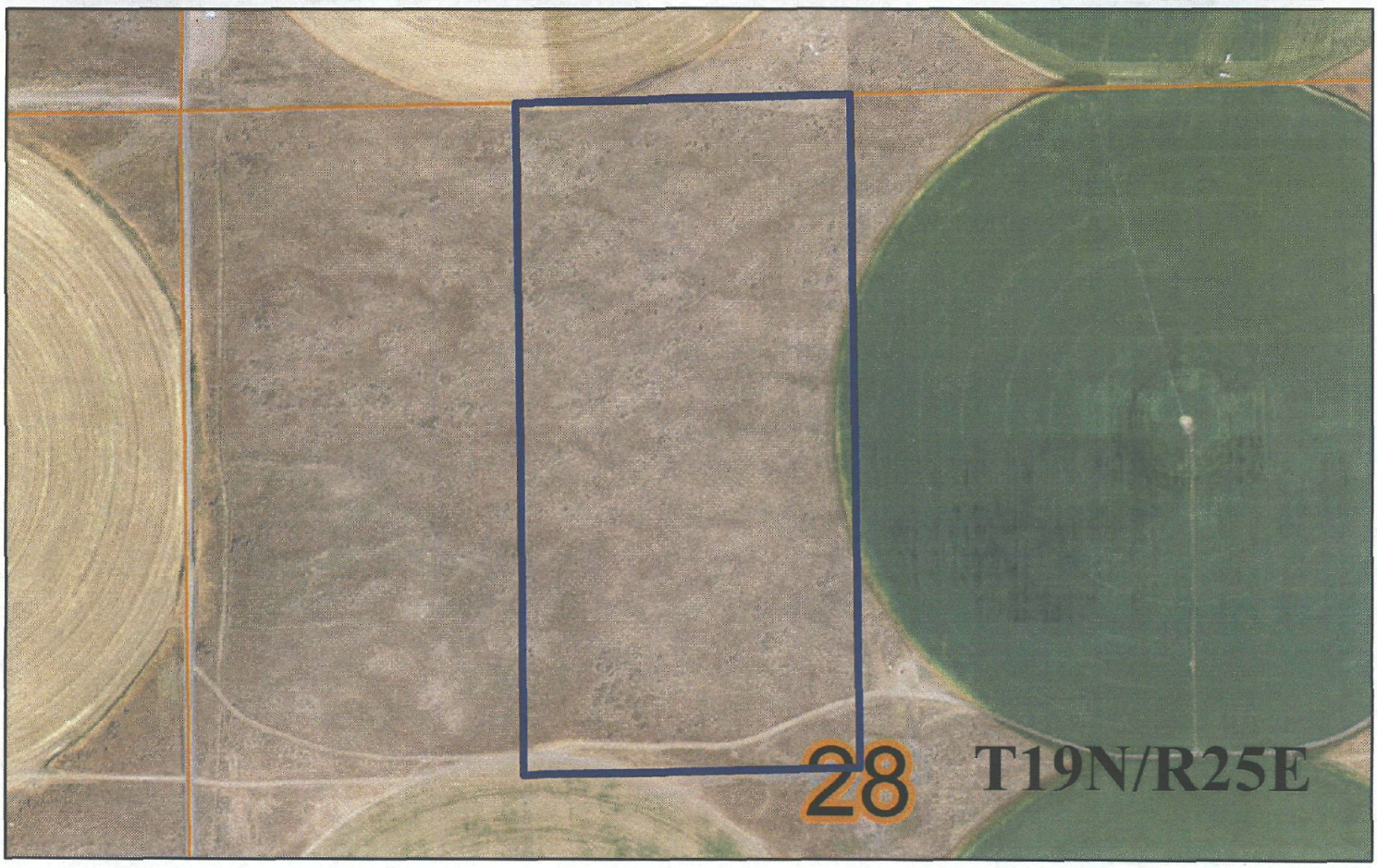
DATA REVIEW
BY KB

KLS:KAR:md
Y:\ASGW-QB\QB Database\DATABASE-LINKED FOLDERS\QB-1402\QB-1402 Satsuki LLC permit 5-16-2013.doc

Exhibit A







0 1,100 2,200 3,300 4,400 Feet

Satsuki, LLC / QB-1402
T19NR25E, GRANT COUNTY WA, WRIA 41

Point of Withdrawal	Township	Quincy Buffer Zone
Place of Use	Section	Quincy Grey Area
	WRIA	Potholes Reservoir & Storage Area
		Quincy Basin Groundwater Management Subarea

Map based on Quincy Basin Permit 5/16/2013

2011 Aerial Photo

DEPARTMENT OF ECOLOGY
State of Washington