STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY
15 W Yakima Ave, Ste 200 • Yakima, WA 98902-3452 • (509) 575-2490

May 25, 2010

Mark Peterson
c/o Peterson Law Office
1227 First Street
Wenatchee WA 98801

Re: Change Authorization Nos. CS3-20711C@1, CS3-20712C@1, CR4-ADJ22P358@1, CS4-CCV1-3P66, and CS4-SWC6053@1--**Kyle Mathison**

Dear Mr. Peterson:

The intent of this correspondence is threefold. First, thank you for submitting your *Construction Notices* reporting you have completed construction of your water system.

Enclosed are *Proof of Appropriation of Water* forms to report when you have put the water to full beneficial use. According to your change authorizations, you were to put the water to use, reflecting actual water use, not to exceed the limits of the Change Authorizations and were to submit the forms by **December 1, 2009**; however, in response to your extension requests, you are hereby granted extensions to put the water to full beneficial use for the reason(s) below:

- Some acreage has yet to be planted.
- Unforeseen conditions have delayed project development.

The new deadline to submit your *Proof of Appropriation of Water* is **December 1, 2015**.

Additionally, with regards to the following Change Authorizations, Ecology is willing to extend the provision dates as described below:

CS4-CCV1-3P66
The submittal of a plan to Ecology's Dam Safety Program to decommission the Milo Woods Reservoir; however, this provision, originally due by January 1, 2005, must be met before **January 1, 2015**.

CS3-20712C@1
The submittal of a plan for Ecology's approval for the decommissioning of the two existing shallow wells originally authorized under the subject water right with Ecology's Well Construction Coordinator (509-575-2639) from September 1, 2004 to **September 1, 2015**.

CS4-SWC6053@1
The filing of a plan for Ecology's approval that describes modification to the Mathison Reservoir to modify it from its current 45 acre-feet impoundment authorized by the subject water right, to the proposed equalization storage reservoir less than 10 acre-feet in size to be used as a staging area for the proposed 3 Amigo's Reservoir and to be due **September 1, 2015**.

Please also be advised that per Ecology's policy *POL-1280*, beneficial use requirements remain in effect during a development schedule and that the water right holder must put the full amount of water to beneficial use at least once every five years, regardless of the time allotted to complete the project.

If there are delays in completing your project, you must contact us in writing to request an extension. Refer to the enclosed focus sheet for more information.

You have a right to appeal this decision. 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 Regional 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:CLG:gh
100563

Enclosures: *Proof of Appropriation of Water (5 forms)*
Extensions for Water Right Permits and Change Authorizations
Your Right to Be Heard

By certified mail: 7007 2560 0001 9535 9191

Cc: Kyle Mathison
Avery Richardson, Water Resources Well Construction Coordinator (e-copy)
Doug Johnson, Water Resources Dam Safety (e-copy)