

Dr. Bob Harrington
Inyo County Water Department
135 South Jackson Street
Independence, CA 93526

March 30, 2017

RE: Summary of Hydrologic Monitoring Activities, March 2017
Rose Valley, Inyo County, California
Hay Ranch Project Conditional Use Permit #2007-03

Dear Dr. Harrington:

This letter summarizes hydrologic monitoring activities conducted in March 2017 by TEAM Engineering & Management, Inc. (TEAM), related to the Hay Ranch Water Extraction Project and CUP #2007-03.

Background

As outlined in the Hay Ranch Water Extraction Final EIR's Hydrologic Monitoring and Mitigation Plan (HMMP), *Phase 1: Monitoring System Setup and Supplemental Data Collection* occurred prior to December 25, 2009 at monitoring points throughout Rose Valley. With the initiation of pumping by Coso Operating Company, LLC (COC) on December 25, 2009, the Hay Ranch Water Extraction Project entered into the *Phase 2: Startup Monitoring and Reporting* period. *Phase 3: Model Recalibration and Redefinition of Pumping Rates and Durations* occurred from September 2010 to April 2011, with recalibration of the groundwater model by Daniel B. Stephens & Associates (DBS&A) and with redefinition of pumping rates and durations by Inyo County Water Department (ICWD). With the April 1, 2011 issuance of the ICWD's "Addendum to the HMMP for CUP#2007-003/Coso Operating Company, LLC" (2011 ICWD Addendum) the project entered *Phase 4: Ongoing Monitoring, Mitigation and Reporting*. In 2013 further model revision occurred with results and new trigger levels detailed in ICWD's August 30, 2013 letter to COC regarding Conditional Use Permit #2007-003/Coso. In June 2014 further model revision was conducted by DBS&A with results and new trigger levels detailed in ICWD's June 27, 2014 letter to COC regarding Conditional Use Permit #2007-003/Coso. On June 20, 2016 the ICWD extended the June 30, 2016 cessation of pumping date to September 30, 2016 which allowed COC to pump up to the remaining volume from the 1,614 AF allowed for the previous year, as long as all other conditions of the CUP #2007-03 were adhered to.

During the July through September 2016 extended pumping period, Coso Operating Company pumped approximately 40 AF of groundwater from the Hay Ranch wells. As of October 12, 2016 COC was approximately 186 AF below their 1,614 AF annual limit for the extended pumping period of June 30, 2015 to September 30, 2016. With the current cessation of water export, the Hay Ranch Project has entered a water-table recovery monitoring phase.

In March 2017 water levels were observed to be below (exceeding) previously-established trigger levels for two project wells (Lego and Little Lake Ranch North Well), while the remaining seven wells were within their respective trigger levels. It had been anticipated by the project's groundwater model that water levels in wells located near the Hay Ranch production pumping would begin to recover after cessation of pumping but that groundwater levels in many wells located more distant from Hay Ranch would continue to drop after the cessation of pumping. This lag effect is due to the cone of depression from the Hay Ranch pumping communicating and equalizing southward through groundwater flow in Rose Valley. Field measurements of groundwater levels in Cal Pumice, HR 1A-1C, HR 2A-2C, Coso Junction Store and Coso

Junction Ranch wells (northern wells with proximity to the Hay Ranch) indicate that groundwater levels have been generally recovering since June 2016. Groundwater levels in Lego, G36, and Cinder Road wells (southern wells more distant from Hay Ranch) have continued to decline since the cessation of pumping; which supports model predictions.

Groundwater level monitoring will continue in Rose Valley to track the continued changes in groundwater levels (both recovery and/or decline) and to continue to monitor the Little Lake system. As outlined in the June 27, 2014 letter from the ICWD to COC, existing trigger levels were set through June 30, 2016. These triggers are no longer an accurate predictor of potential impacts to Little Lake Ranch groundwater discharge, but these triggers will continue to be reported as a frame of reference. As more post-pumping data is collected, an additional groundwater model recalibration could be conducted to determine the ongoing accuracy of the Rose Valley groundwater model's predictions and determine whether any additional groundwater pumping by COC could be considered without causing a 10% or greater decline in water flowing into Little Lake.

Monitoring and Reporting

During the March 2017 monthly hydrologic data collection event at the monitoring locations in the Rose Valley area, static depth-to-water (DTW) measurements, one visual observation of the Little Lake Ranch (LLR) Siphon Well Outflow and three sets of flow rates were collected by TEAM, as summarized in the attached table (Table 1). Data for this monthly field event was collected on March 15 and 16, 2017. Pressure transducer data was downloaded from monitoring units including one "BaroTroll" which records barometric pressure. Also in March, a DTW measurement from LADWP 816 Well was requested from LADWP personnel.

Figure 1 presents the combined amount of groundwater pumped from the Hay Ranch North and South wells, in acre-feet, from December 25, 2009 through March 15, 2017 compared to the maximum allowable pumping amounts. The total amount of groundwater extracted from the Hay Ranch property from December 25, 2009 to March 15, 2017 (Hay Ranch CUP project total) is approximately 16,505 AF. The maximum allowable pumping rate was 3,000 acre-feet per year (AFY) for December 25, 2009 through December 31, 2010; was 4,839 AFY from January 1, 2011 through August 30, 2013; was 3,040 AFY from September 2013 through June 2014; and was 1,614 AFY from July 1, 2014 to June 30, 2016, extended by ICWD to September 30, 2016. As indicated on Figure 1, Coso Operating Company has pumped less than the maximum allowable amount of groundwater from the Hay Ranch Wells, for each respective period.

Trigger Levels and Maximum Acceptable Drawdowns

In Table 1 of the June 27, 2014 ICWD Letter to Coso Operating Company, Drawdown at Cessation of Pumping Trigger Levels (Trigger Levels) and Maximum Acceptable Drawdowns have been set for specific monitoring wells, based on a maximum allowable pumping rate of 1,614 AFY starting on July 1, 2014.

Based on the manual depth to water (DTW) data collected by TEAM on March 15-16, 2017, the Water Level at the Little Lake Ranch North Well (LLR North) was measured in exceedance of its Trigger Level established for the 2015-2016 pumping period, by 0.02 feet. The Lego Well was measured in exceedance of its Trigger Level by 0.35 feet.

Based on data collected by TEAM during the February to March 2017 monitoring period, none of the other Trigger Levels were exceeded at Hay Ranch Project monitoring wells which have baselines and trigger levels established (Table 2). No Maximum Acceptable Drawdown levels have been reached during COC pumping under CUP #2007-03.

Operational Notes

During the February to March 2017 reporting period LADWP began releasing water from Haiwee Reservoir which flooded a portion of the Hay Ranch property. Red Hill well was inaccessible due to flooding on its access road due to this release. There were no other significant operational issues observed during the reporting period.

Data Transmittal

TEAM posted updates to the “Coso” database on the ICWD web server. Current Hay Ranch Project hydrographs in PDF form were uploaded to the ICWD website (www.inyowater.org).

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If you have any questions or require additional information, please contact TEAM at your convenience.

Sincerely,

TEAM Engineering & Management, Inc.



Greg M. Foote
Senior Environmental Scientist

TABLE 1
Field Observations of Rose Valley Hydrologic Monitoring Points
March 2017

| | | |
|---------------|--------------------------|-------------------------|
| Project Name: | Hay Ranch Project HMMP | Date: March 15-16, 2017 |
| Location: | Rose Valley, Inyo County | |
| Observer(s): | G. Foote | Page: 1 of 1 |

| Well ID | Monitoring Point | Date | Time | DTW (ft) | Flow (cfs) | GWE (ft amsl) | Method | Transducer Log Interval | Notes |
|---------|----------------------------------|----------|-------|----------|------------|---------------|-------------------|-------------------------|---|
| RV-10 | Dews | NM | NM | NM | NA | NM | TEAM manual read | NA | |
| RV-20 | LADWP 816 | 02/07/17 | 11:51 | 85.19 | NA | 3429.87 | LADWP manual read | NA | Data provided by LADWP |
| RV-30 | Cal Pumice | 03/15/17 | 9:54 | 254.90 | NA | 3250.99 | TEAM manual read | Hourly | |
| RV-40 | Dunmovin | NM | NM | NM | NA | NM | TEAM manual read | NA | Discontinued due to new in-well infrastructure |
| RV-50 | Hay Ranch North | 03/15/17 | 12:53 | NM | No | NM | TEAM manual read | NA | 3,340,770,518 gallons (10,252 AF) pumped since 12/25/09 |
| RV-60 | Hay Ranch 1A | 03/15/17 | 13:11 | 200.16 | NA | 3232.01 | TEAM manual read | Hourly | |
| RV-61 | Hay Ranch 1B | 03/15/17 | 13:05 | 206.64 | NA | 3225.21 | TEAM manual read | Hourly | |
| RV-62 | Hay Ranch 1C | 03/15/17 | 13:00 | 203.94 | NA | 3227.56 | TEAM manual read | NA | |
| RV-70 | Hay Ranch South | 03/15/16 | 12:52 | NM | No | NM | TEAM manual read | NA | 2,037,261,152 gallons (6,252 AF) pumped since 12/25/09 |
| RV-80 | Hay Ranch 2A | 03/15/17 | 13:35 | 201.88 | NA | 3231.12 | TEAM manual read | Hourly | |
| RV-81 | Hay Ranch 2B | 03/15/17 | 13:30 | 210.96 | NA | 3221.67 | TEAM manual read | Hourly | |
| RV-82 | Hay Ranch 2C | 03/15/17 | 13:24 | 204.17 | NA | 3227.93 | TEAM manual read | NA | |
| RV-90 | Coso Jct Ranch | 03/15/17 | 10:36 | 175.64 | NA | 3227.49 | TEAM manual read | NA | |
| RV-100 | Coso Jct Store #1 | 03/15/17 | 10:10 | 147.40 | NA | 3224.72 | TEAM manual read | Hourly | |
| RV-110 | Davis Ranch North Well | 03/15/17 | 10:52 | 6.57 | NA | 3886.49 | TEAM manual read | Hourly | |
| RV-111 | Davis Ranch South Well | 03/15/17 | 11:00 | 13.27 | NA | 3884.79 | TEAM manual read | Hourly | Pump installed in DR South well |
| RV-112 | Davis Ranch South Flow | NM | NM | NM | NM | NM | TEAM manual read | NA | Discontinued: Flow actively managed |
| RV-120 | Red Hill Well (BLM) | 02/15/17 | 11:08 | 141.00 | NA | 3199.83 | TEAM manual read | Hourly | Not accessible in March due to flooding. |
| RV-130 | G-36 | 03/15/17 | 12:33 | 182.68 | NA | 3197.34 | TEAM manual read | NA | |
| RV-140 | Lego | 03/15/17 | 12:24 | 224.69 | NA | 3198.16 | TEAM manual read | Hourly | |
| RV-150 | Cinder Road | 03/15/17 | 11:20 | 192.03 | NA | 3185.93 | TEAM manual read | Hourly | |
| RV-160 | 18-28 GTH | 03/15/17 | 12:05 | 174.89 | NA | 3187.69 | TEAM manual read | NA | |
| RV-170 | Fossil Falls Campground | 03/15/17 | 11:37 | 141.90 | NA | 3174.87 | TEAM manual read | NA | |
| RV-180 | LLR North Well | 03/16/17 | 10:10 | 40.64 | NA | 3158.46 | TEAM manual read | Hourly | |
| RV-210 | LLR Dock Well | 03/16/17 | NM | NM | NA | NA | TEAM manual read | NA | measuring point removed, DTW not measured |
| RV-220 | LLR Stilling Well (lake surface) | 03/16/17 | 10:52 | 3.67 | NA | 3147.37 | TEAM manual read | Hourly | |
| RV-230 | LLR Little Lake Outflow | 03/16/17 | 11:56 | NA | 0.71 | NA | TEAM manual read | Hourly | |
| RV-240 | LLR Coso Springs Flow | 03/16/17 | 11:35 | NA | 0.41 | NA | TEAM manual read | Hourly | |
| RV-245 | LLR North Culvert Flow | 03/16/17 | 11:22 | NA | 0.00 | NA | TEAM manual read | Hourly | |
| RV-250 | LLR Siphon Discharge | 03/16/17 | 11:50 | NA | Yes | NA | TEAM visual read | NA | Siphon Well flowing into Pond 2 |
| RV-260 | LLR Hotel Well | 03/16/17 | 9:58 | -0.23 | NA | 3139.01 | TEAM manual read | NA | Artesian |

NM - not measured; NA - not applicable; IO - Inoperative; UA - Data currently unavailable

DTW - Depth to water in feet (ft) below top of casing or other reference point; a negative DTW indicates that the groundwater elevation is above the surveyed reference point

Flow - In cubic feet per second (cfs)

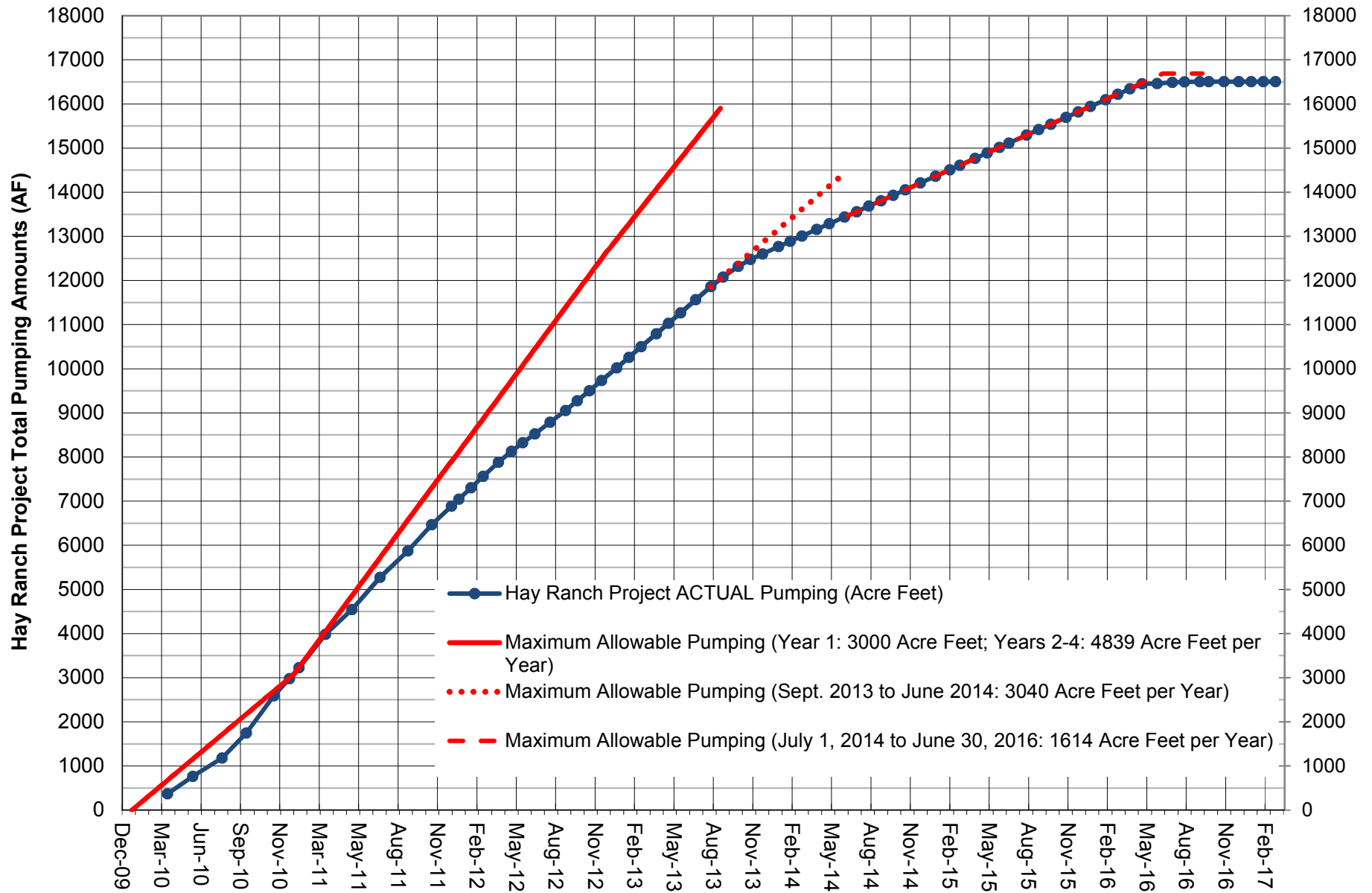
GWE - Groundwater elevation in feet above mean sea level (ft amsl)

TABLE 2
Hay Ranch Project Groundwater Baselines and Trigger Levels
March 2017

| Well ID | Monitoring Point | Baseline GWE ¹ (feet amsl) | Recent Date of Measurement | Recent GWE (feet amsl) | Recent GWE Compared to Baseline (feet) | Drawdown Trigger Level ³ (feet) | Recent GWE Compared to Trigger Level (feet) | Recent GWE Above Max DD ² (feet) |
|---------|-------------------|--|-------------------------------|---------------------------|--|--|---|---|
| RV-80 | HR 2A | 3240.92 | 03/15/17 | 3231.12 | -9.80 | 15.3 | 5.50 | 6.70 |
| RV-90 | Coso Jct Ranch | 3230.65 | 03/15/17 | 3227.49 | -3.16 | 9.30 | 6.14 | 6.14 |
| RV-100 | Coso Jct Store #1 | 3227.59 | 03/15/17 | 3224.72 | -2.87 | 8.30 | 5.43 | 5.53 |
| RV-120 | Red Hill Well | 3200.66 | 2/15/2017 (4) | 3199.83 | -0.83 | 3.00 | 2.17 | 2.97 |
| RV-130 | G-36 | 3198.35 | 03/15/17 | 3197.34 | -1.01 | 2.20 | 1.19 | 2.29 |
| RV-140 | Lego | 3199.21 | 03/15/17 | 3198.16 | -1.05 | 0.70 | -0.35 | 1.35 |
| RV-150 | Cinder Road | 3186.92 | 03/15/17 | 3185.93 | -0.99 | 1.00 | 0.01 | 1.31 |
| RV-160 | 18-28 GTH | 3187.67 | 03/15/17 | 3187.69 | 0.02 | 0.70 | 0.72 | 2.12 |
| RV-180 | LLR North Well | 3158.88 | 03/16/17 | 3158.46 | -0.42 | 0.40 | -0.02 | 0.88 |

- 1) GWE: Groundwater elevation measured in feet above mean sea level. Baseline GWEs set January 2010 and March 2011 and approved by Inyo County Water Department (ICWD)
- 2) Max DD: Maximum Acceptable Drawdown from Table 1 of ICWD's "June 27, 2014 Conditional Use Permit#2007-003/Coso "
- 3) "Trigger Level at Cessation of Pumping" from Table 1 of ICWD's "June 27, 2014 Conditional Use Permit#2007-003/Coso ".
- 4) Well inaccessible due to flooding on access road in March 2017.

FIGURE 1
ACTUAL AND MAXIMUM ALLOWABLE PUMPING AMOUNTS (TOTALS) FOR HAY RANCH PROJECT



Note: The "maximum allowable pumping" is based on a pumping rate of 3000 AF/yr for 12/09 to 12/10, 4839 AF/yr for 1/11 to 8/13, 3040 AF/yr from 9/13 to 6/14, and 1,614 AF/yr from 7/14 to 6/16.