STATE OF OREGON

COUNTY OF DESCHUTES

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

STATE OF OREGON
WATER RESOURCES DEPARTMENT

confirms the right to use the waters of the Deschutes River, tributary to the Columbia River, to maintain instream flows for fish and wildlife habitat enhancement, pollution abatement and recreation.

This right was perfected under Permit 15920. The date of priority is May 12, 1944.

The description of the stream reach in which flows are to be maintained is as follows:

From the location of the original authorized point of diversion (SW 1/4 SE 1/4, Section 26, T14S, R12E, W.M.; 765 feet North and 215 feet West from the SE Corner, SW 1/4 SE 1/4, Section 26) to Lake Billy Chinook

The amount of water to which this right is entitled is limited to an amount actually beneficially used, and shall not exceed 0.233 Cubic Foot per Second during the period April 1 through October 31 or its equivalent in case of rotation. The amount of water to which this right is entitled is also subject to conditions and limitations set out in the stipulation of August 1, 1944, between the Arnold Irrigation District and J. W. C. Pogue as recorded on Page 1250 in Volume 2 of the Miscellaneous Records of the State Engineer and further subject to the conditions designated in the waiver of August 22, 1944, by Jas W. C. Pogue recorded on Page 1251, Volume 2 of the Miscellaneous Records of the State Engineer.

This is a final order in other than contested case. This order is subject to judicial review under ORS 183.484. Any petition for judicial review must be filed within the 60 day time period specified by ORS 183.484(2). Pursuant to ORS 536.075 and OAR 137-004-0080 you may either petition for judicial review or petition the Director for reconsideration of this order. A petition for reconsideration may be granted or denied by the Director, and if no action is taken within 60 days following the date the petition was filed, the petition shall be deemed denied.

Within the specified stream reach, the amount of water to which this right is entitled shall not exceed the quantity of water legally available at the original point of diversion as adjusted for stream channel losses and gains calculated based on available data and the use of senior appropriators.

This instream right shall replace a portion of any instream water right established pursuant to ORS 537.341 or 537.346 and be in addition to existing instream water rights established pursuant to ORS 537.348 or 537.470 during the period April 1 through October 31 of each year unless otherwise specified by a subsequent order establishing a new instream water right under these statutes.

This certificate is issued to confirm a change in use and place of use approved by an order of the Water Resources Director approving Transfer 9697, and supersedes Certificate 80226, State Record of Water Right Certificates.

Mitigation Credit Award

Mitigation Project:

MP-24

Mitigation Credits Awarded:

59.4 credits for Certificate 80313

Zone of Impact:

These mitigation credits may be used to

satisfy a mitigation obligation in the Middle

Deschutes and/or General Zones of Impact

Each mitigation credit equals 1.0 AF of mitigation water, as determined by the Department.

This certificate together with certificate 80314 is MP-24.

The number of mitigation credits awarded is a portion of the total volume of water dedicated to instream use, being 99.0 Acre-Feet (AF). The remaining balance of water dedicated to instream use, and not used to satisfy the mitigation obligation of a ground water permit (and subsequent certificate), will benefit instream flows.

The mitigation credits or mitigation water established by this instream water right may be used to satisfy a mitigation obligation of a ground water permit application(s) and/or a ground water permit(s)/certificate(s) within the Deschutes Ground Water Study Area pursuant to the Deschutes Ground Water Mitigation Rules.

Mitigation Credits are valid until used to satisfy a mitigation obligation of a ground water permit applicant and/or ground water permit/certificate holder.

The right to the use of the water for the above purpose is restricted to beneficial use in the place of use described. The use confirmed herein may be made only at times when sufficient water is available to satisfy all prior rights and is subject to all other terms and conditions of the original certificate.

WITNESS the signature of the Water Resources Director,

affixed MARCN 24, 2005

Phillip C. Ward, Director

Recorded in State Record of Water Right Certificates numbered 81313.

T-9697.LKS(MP-24)

Page 3 of 3