

The quantity of water diverted at the new point of diversion shall not exceed the quantity of water available from the original point of diversion described as follows:

Original Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
13 S	34 E	WM	26	NW NW	HYDE DITCH: 790 FEET SOUTH AND 410 FEET EAST FROM THE NW CORNER OF SECTION 26

Source: Reynolds Creek, tributary to John Day River

Authorized Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
13 S	34 E	WM	25	SE NW	REYNOLDS DITCH: 2400 FEET SOUTH AND 1560 FEET EAST FROM THE NW CORNER OF SECTION 25

Authorized Place of Use:

Twp	Rng	Mer	Sec	Q-Q	Acres
13 S	34 E	WM	22	NE NE	2.8
13 S	34 E	WM	22	SW NE	6.4
13 S	34 E	WM	22	SE NE	20.0
13 S	34 E	WM	22	NE SE	8.4
Total Acres					37.6

3. The lease application includes the information required under OAR 690-077-0076(3). The Department provided notice of the lease application pursuant to OAR 690-077-0077(1). No comments were received.
4. The instream use has been modified from the lease application to prevent injury and enlargement and is as follows:

Reynolds Creek, tributary to John Day River

Instream Point: At the Authorized POD (as described in Finding of Fact No. 2)

Certificate	Priority Date	Instream Rate (cfs)	Instream Volume (AF)	Period Protected Instream
87479	1868	0.41	150.4	April 1 through September 30

5. The amount and timing of the proposed instream flow is allowable within the limits and use of the original water right.
6. The protection of flows at the authorized point of diversion is appropriate, considering:
 - a. The instream water use begins at the recorded point of diversion;
 - b. The location of confluences with other streams downstream of the point of diversion.
 - c. There are no known areas of natural loss of streamflow to the river bed downstream from the point of diversion; and
 - d. Any return flows resulting from the exercise of the existing water right would re-enter the river downstream of the point of the instream water right.

7. The total monthly quantities of water to be protected instream under the existing and proposed instream rights at the point will provide for a beneficial purpose.
8. The total monthly quantities of water to be protected instream under existing and proposed instream rights at the point do not exceed the estimated average natural flow.
9. If approved, this instream lease is not reasonably expected to significantly affect land use as prescribed by ORS 197.180, OAR Chapter 660, Divisions 30 and 31, and OAR Chapter 690, Division 5.
10. Based upon review of the application, information provided by the Department's Watermaster, and other available information, the Department finds that the lease will not result in injury or enlargement. The order approving this instream lease may be modified or revoked under OAR 690-077-0077 if the Department later finds that the lease is causing injury to any existing water right or enlargement of the original right.
11. If a right which has been leased is later proposed to be leased again, transferred and/or reviewed under an allocation of conserved water, a new injury review shall be required. For example, instream transfers will be subject to a full and complete review to determine consistency with the requirements of OAR Chapter 690, Division 380 and Division 077. Approval of this lease does not establish a precedent for approval of any future transactions.
12. The Lessor and Lessee have requested that the lease terminate on September 30, 2019. The lease has been submitted prior to the first day of the irrigation season. The lease may commence on the date this final order is signed.
13. The Lessor and Lessee have requested the option of terminating the lease early with written notice to the Department.

Conclusions of Law

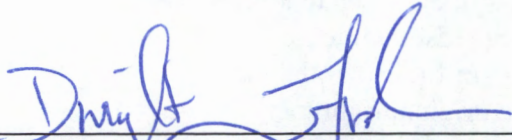
The Department concludes that the lease will not result in injury or enlargement, OAR 690-077-0077. The lease conforms to the applicable provisions of OAR 690-077-0015.

Now, therefore it is ORDERED:

1. The Lease as described herein is APPROVED.
2. During each year of the term of the lease, the former place of use will no longer receive water as part of these rights, any supplemental rights, or any other layered irrigation water rights, including ground water registrations and permits.

3. The term of the lease will commence upon approval of the instream lease and terminate on September 30, 2019. For multiyear leases, the lessor and lessee *shall* have the option of terminating the lease any time each year with written notice to the Department. However, if the termination request is received less than 30-days prior to the instream use period (April 1 through September 30) or after the water rights' original period of allowed use has begun, the Department may issue an order terminating the lease but use of water may not be allowed until the following calendar year, unless the Director determines that enlargement would not occur.

Dated at Salem, Oregon this 1 day of May, 2017.



Dwight French, Water Right Services Division Administrator, for
Tom M. Byler, Director
Oregon Water Resources Department

Mailing date: MAY - 4 2017

*This document was prepared by Duff
Martin and if you have any questions,
please call 503-986-0827.*