ISWR

T-10730

Name Greg Daniels (The Daniels Group	uc)		Ry	124		RA
Address IIII Main Street. Ste 700 Vancouver WA 98660	DESCRIPTION OF WA			Date [1-21-08	FEES PAID Amount	Receipt #
Change in USE/POU Date Filed 11-21-08 Initial notice date 12-2-08	Trib. of Deschutes River			3-23-10	300.00	94998
DPD issued date PD issued date	Use <u>Irrigation</u> Quantity of water (CFS)_ Name of ditch_		of Acres_			
PD notice date	App # Per # App # Per # App # Per # App # Per #	Cert # 8	7/60/ PR Date 1904, 191 3651 PR Date 1903 37,32 PR Date 1892	Date	FEES REFU	JNDED Receipt#
C-Date COBU due date COBU Received date	App #Per #		PR DatePR Date			
Čertificate issued						
Assignments: 3/23/2010 PREMIER WEST BANK 875 SW RIMROCK WAY, STE REDMOND OR 97756	GRASS BUTTE 1111 MAIN STI VANCOUVER	REET STE 700				*
•						
Irrigation District Low Line Ditch Company. 133 US Bureau of Reclamation. 11 Agent David J. Newton. 521 Sw 6+h Stre	223 NW O'Neil Hwy Red 50 N. Curtis Rd. Bois et. Ste 100. Redward	e. ID. 83706 OR. 97756				
CWRE David Newton CC's list & LO; Butler Ranch Inc. 5294 NW C Lo: Dallon Miles . 16915 NW O'Nei						
- Oversized map – Location						

WILKE Laura K

(astachuel 10)

From:

WILKE Laura K

Sent:

Friday, January 16, 2015 11:30 AM

To:

'Chad Feigel'

Cc:

Shawn Jones (oregonlegacyranches@gmail.com)

Subject:

MP-124 Credit Assignment - RE: Fully Executed Mitigation Credit Transfer MP-124-credit-assignment-LegacyRanches.pdf; Mitigation Credit Chain of

Attachments:

MP-124-credit-assignment-LegacyRanches.pdf; Mitigation Credit Chain of

Custody_AmericanWest_Legacy Ranches.pdf; Mitigation credit assignment example.pdf

Greetings: Please find attached a letter confirming the assignment of mitigation credits from AmericanWest Bank to Legacy Ranches. I've also included the chain of custody submitted to the Department on January 14, 2015 and an example chain of custody and credit assignment for your use and reference purposes. Included with the letter are chain of custody forms and a documentary evidence form.

Please feel free to give me a call or e-mail if you have any questions.

Thanks, Laura

From: Chad Feigel [mailto:cfeigel@cmtam.com]
Sent: Wednesday, January 14, 2015 12:39 PM

To: 'laura.k.wilke@state.or.us'

Cc: Shawn Jones (<u>oregonlegacyranches@gmail.com</u>)
Subject: Fully Executed Mitigation Credit Transfer

Laura,

Thanks for your help

See attached the executed document. Let me know if you need anything else.

Regards,

Chad Feigel

CMT Asset Management Limited 500 West Monroe Street Suite 2630 Chicago, IL 60661 General: +1 (312) 930-9050

Direct: +1 (312) 612-6929 Email: <u>cfeigel@cmtam.com</u>

This email and any files transmitted with it are confidential. It is for the intended recipient only. If you have received the email in error, please notify the author by replying to this email. If you are not the intended recipient, you must not disclose, copy or print, or rely on this email.

WILKE Laura K

From:

WILKE Laura K

Sent:

Friday, January 16, 2015 11:37 AM

To:

GIFFIN Jeremy T

Subject:

FW: MP-124 Credit Assignment - RE: Fully Executed Mitigation Credit Transfer MP-124-credit-assignment-LegacyRanches.pdf; Mitigation Credit Chain of

Attachments:

Custody_AmericanWest_Legacy Ranches.pdf; Mitigation credit assignment example.pdf

FYI

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Cc: Shawn Jones (oregonlegacyranches@gmail.com)

Subject: MP-124 Credit Assignment - RE: Fully Executed Mitigation Credit Transfer

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Laura,

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Regards,

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CMT Asset Management Limited 500 West Monroe Street Suite 2630

Chicago, IL 60661

General: +1 (312) 930-9050 Direct: +1 (312) 612-6929 Email: cfeigel@cmtam.com

1

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Water Resources Department North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

January 16, 2015

Chad Feigel for Legacy Ranches LLC 500 W. Monroe St., Suite 2630 Chicago, IL 60661

Re: Assignment of Mitigation Credits (Mitigation Credit Project MP-124)

On January 14, 2015, the Department received notice that you were assigned 114.51 mitigation credits by AmericanWest Bank from Mitigation Credit Project MP-124. The Department has removed these credits from the AmericanWest Bank credit account and deposited them in an account under the name of Legacy Ranches.

The mitigation credits you now hold may be assigned to any person or mitigation bank and may be used to satisfy the mitigation obligation of a ground water permit application(s) and/or an existing ground water right(s) within the Deschutes Ground Water Study Area, specifically within the Crooked River and/or General Zones of Impact. Mitigation Credits are valid until used to fulfill a mitigation obligation. A ground water user wanting to demonstrate that mitigation credits are being used to satisfy a mitigation obligation needs to submit documentary evidence to the Department showing that mitigation credits have been obtained and assigned to them.

Mitigation credit transactions should be reported to the Water Resources Department. The Department has a Documentary Evidence form, copy enclosed, available for your use or any subsequent mitigation credit holder, to assign the credits to a ground water user. The Department's Documentary Evidence form contains pertinent information needed by the Department to evaluate the use and validity of the mitigation credits.

If you decide to assign the mitigation credits to someone other than a ground water user, the Department would like to suggest that you use the Assignment of Mitigation Credits form you have already begun to assign credits to another party. Additional Assignment of Mitigation Credit forms are attached. These assignment forms will help establish a chain-of-custody for the ownership of the mitigation credits. Please provide a copy of the complete assignment record (original credit holder (Grass Butte, LLC, and Premier West Bank) to current credit holder) and a blank assignment form to any new credit holders so that they may continue the mitigation credit assignment record as well. If you do not have the complete assignment record, you should be able to obtain one from one of the original credits holders (Grass Butte, LLC, and Premier West Bank).

Once the mitigation credits are assigned to a ground water user, the ground water user will need to submit documentary evidence that valid mitigation credits have been obtained to satisfy their mitigation obligation. For credits that have changed hands beyond the original credit holder, the Department will ask the ground water user to demonstrate that the credits they are intending to use are indeed valid. A complete assignment record (from original credit holder to the last credit holder) will help demonstrate the validity of the credits being used. An example is enclosed for your reference.

If you have any questions regarding the mitigation credits that you have been assigned, please give me a call at (503) 986-0884.

Sincerely,

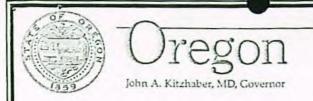
Laura K. Wilke

Flow Restoration Program Coordinator

c: Jeremy Giffin, Watermaster District 11

John Mackay, AmericanWest Bank

file MP-124



Water Resources Department North Mall Office Building

North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271

503-986-0900 FAX 503-986-0904

OREGON WATER RESOURCES DEPARTMENT ASSIGNMENT RECORD FOR MITIGATION CREDITS CHAIN-OF-CUSTODY

Mitigation Credit Project: MP-124	Mitigation Credits: 114.51
Mitigation Credit Holder: Legacy Ranches, LLC (500	W. Monroe St, Suite 2630, Chicago, IL 60661)
Mitigation credits have been assigned to (Name):
Mailing Address:	
Phone Number:	
Current Mitigation Credit Holder Signature	Date
New Mitigation Credit Holder Signature	Date
Mitigation Credit Holder:	
Mitigation credits have been assigned to (Name):
Mailing Address:	
Phone Number:	
Current Mitigation Credit Holder Signature	Date
New Mitigation Credit Holder Signature	Date
Mitigation Credit Holder:	
# Mitigation credits have been assigned to	(Name):
Mailing Address:	
Phone Number:	
Current Mitigation Credit Holder Signature	Date
New Mitigation Credit Holder Signature	Date



Water Resources Department North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

ASSIGNMENT RECORD FOR MITIGATION CREDITS CHAIN OF CUSTODY (Additional Form)

itigation Credit Project: MP-124 Mitigation Credit	ts:(# held by current credit holder)
itigation Credit Holder: Legacy Ranches, LLC (500 W. Monroe St., S	Suite 2630, Chicago, IL 60661)
# Mitigation credits have been assigned to (Name):	
Mailing Address:	
Phone Number:	
	-
Current Mitigation Credit Holder Signature - Grass Butte, LLC	Date
Print Name	
Mailing Address	
Current Mitigation Credit Holder Signature – American West Bank	Date
Print Name	
Mailing Address	
New Mitigation Credit Holder Signature	Date
itigation Credit Holder:	
# Mitigation credits have been assigned to (Name):	
Mailing Address:	
Phone Number:	
Current Mitigation Credit Holder Signature	Date
New Mitigation Credit Holder Signature	Date



Water Resources Department North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

DESCHUTES BASIN MITIGATION CREDIT DOCUMENTARY EVIDENCE FORM

This form is to be completed when mitigation credits are obtained from a mitigation credit holder, other than a mitigation bank, by a ground water application/permit/certificate holder to satisfy a mitigation obligation under the Deschutes Ground Water Mitigation rules. Please print in ink or type all information. If there any questions about this form, please contact the Department. Phone: (503) 986-0884

Ground Water User	Information:			
Name:			_	
Mailing Address (Street Phone Number (Home of Ground Water Applied Mitigation Obligation	et, City, State, Zip): and Work-including area code): cation, Permit, or Certificate #	tion or Initial Review fo	E-Mail (optional):	
Mitigation Credit H	older Information:			
Mailing Address: Phone Number (includi If mitigation credits have	lder Name:	E-Mai	(optional):ete assignment record should be include	d with this
Mitigation Credit Is		s are valid. This int	ormation may be obtained from the miti	gation credit noider.
from each mitigation more than one zone of impact) Project Type Codes	project, the zone of impact in and the type of mitigation pro Allocation of Conserved Water = ACW Aquifer Recharge = AR	which the cred ject upon which Permanent Instream Other = Other (if oth	number(s), the number of credits are to be used (note - many credits me the credits are based. Transfers = PT Storage Release = SR er, please describe under project type in space promiting the project Type Code (see ab	ay be used within
MP	n projects and credits, using above i			
recharge project operator) Mailing Address: _	perator (if other than original credit hold ding area code):		(for example, name of storage pr	oject or aquifer
For Stored Water Re	leases (if applicable):		act Number(s):	
The above described	mitigation credits have been	transferred from	water application/permit/certific	mitigation
Mitigation Credit Holder	Signature		Date	
Ground Water Application	on/Permit/Certificate Holder Signat	ure	Date	



Water Resources Department

North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1266 503-986-0900 FAX 503-986-0904

March 29, 2010

Amerititle Attn: Shannon Namanny 735 SW 6th Redmond, Oregon 97756

Reference: Transfer T-10730

The following assignments have been recorded in the records of the Water Resources Department:

- 1. Assignment from The Daniels Group, LLC 75% interest to Realvest Corporation.
- 2. Assignment from Realvest Corporation, the 75% to Grass Butte, LLC.
- 3. Assignment from The Daniels Group, LLC, 25% interest to Grass Butte, LLC.
- 4. Assignment from Grass Butte, LLC to Grass Butte, LLC and Premier West Bank.

This transfer is now in the names of Grass Butte, LLC and Premier West Bank.

Our records have been changed accordingly and the original request is enclosed. Receipt number 99471 covering the recording fee of \$300 is also enclosed.

Sincerel

Jerry Sauter

Water Rights Program Analyst

Enclosure: Receipt 99471

cc: Watermaster 11

The Daniels Group, LLC

Grass Butte, LLC

Realvest Corporation

Premier West Bank

Data Center, OWRD (Complete Copy of Assignment Request)

Sarah Henderson - OWRD Transfers

Hydrographics

File



Request for Assignment

(Name of Applicant / Pe	ermit / Transfer Holder)			
1111 Main Street, Suite 700	Vancouver, WA	98660	503-254-6000	
(Mailing address)	(City) (State)	(Zip)	(Phone #)	RECE
🖸hereby assign all my inte	erest in and to application/	permit/transfer;		MAR 2 3
☐hereby assign <u>all my inte</u> (You must include a ma	rest in and to a portion of the showing the portion of the	application/perm he application/pe	nit/transfer; ermit to be assigned	JER RESOL
hereby assign a portion of	fmy interest in and to the	entire applicatio	n/permit/transfer;	
Application #	, Permit #	; Trans	fer #T-10730, MF	P-124
GR Statement #	-OR- GR Certificate of Re	egistration #		
875 SW Rimrock Way, Suite 1	00 Redmond, OR	97756	541-923-8638	*
Grass Butte, LLC (1111 Main (Name of New Owner) *assig				
(Mailing address)	(City)	State) (Zip)	(Phone #)	
Certificate of G names and mail hereby certify that I have notif	r owners of the property de round Water Registration, ing addresses and attach it fied all other owners of the this request for assignment	you must provid it to this form. e property descrit	e a list of all other	owners'
	day of	20 09/		
Witness my hand this	Grass But	1		
Witness my hand thisApplica	Grass But	tte, LLC	Manager	
Witness my hand thisApplica	nt/Permit holderBy: Greg	tte, LLC	Manager	



Request for Assignment

If for multiple rights, a separate form and fee for each right will be required.

Alama of Annliant / Daniel	/ Turnefay Dolday			
(Name of Applicant / Permi	(/ Transjer Holder)			
1111 Main Street, Suite 700	Vancouver, WA	98660	360-694-6000	
Mailing address)	(City) (State	e) (Zip)	(Phone #)	BEC
hereby assign all mv interest	in and to applicatio	n/permit/transf	er;	MAR 2
hereby assign <u>all my interest</u> (You must include a map sh	in and to a <u>portion</u> owing the portion of	of application/p	permit/transfer; n/permit to be assigned	JATER REER.
hereby assign a portion of my	interest in and to the	ne <u>entire</u> applic	ation/permit/transfer;	
oplication #	Permit #	; Tr	ansfer # T-10730, MF	2-124*
oplication #	-OR-			
Statement #	GR Certificate of	Registration #	*assignment of 75% in	nterest
iled in the office of the Weter D	annurana Director t	0.		
filed in the office of the Water R	esources Director, to	0.		
ealvest Corporation		S. P. A. S.	15475	1
me of New Owner) *assignment	ent to Premier West	Bank for securit	ty purposes only.	
44 Main Street Suite 700	V	0000	503-254-6000	
11 Main Street, Suite 700 (ailing address)	Vancouver, WA (City)	9866 (State) (Zi)		
alling adaress)	(City)	(Bidle) (Zij	(I none #)	
			de Assilantian Dannit	T
Certificate of Groun names and mailing ereby certify that I have notified	nd Water Registration addresses and attack all other owners of	on, you must pro th it to this form the property de	ovide a list of all other	owners'
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Certificate of Groun names and mailing thereby certify that I have notified Certificate of Registration of this itness my hand this Applicant/P	all other owners of a request for assignment as a request for assignment and a remaining the company of the Da a remit holder by Greenit holder	the property denent. 20 09 uniels Group, LL egoryW. Danie	ovide a list of all other of the seribed in this Applicated	owners'



Request for Assignment

If for multiple rights, a separate form and fee for each right will be required. I, Realvest Corporation (Name of Applicant / Permit / Transfer Holder) 503-254-6000 98660 Vancouver, WA 1111 Main Street, Suite 700 (Phone #) (City) (State) (Zip) (Mailing address) ...hereby assign all my interest in and to application/permit/transfer; ...hereby assign all my interest in and to a portion of application/permit/transfer, (You must include a map showing the portion of the application/permit to be assigned.) ...hereby assign a portion of my interest in and to the entire application/permit/transfer; GR Statement # _____, GR Certificate of Registration # _____ MAR 23 2010 as filed in the office of the Water Resources Director, to: VATER RESOURCES DEPT Grass Butte, LLC SALEM, ONLGON (Name of New Owner) 1111 Main Street, Suite 700 Vancouver, WA 98660 503-254-6000 (Mailing address) (State) (Phone #) (City) (Zip) NOTE: If there are other owners of the property described in this Application, Permit, Transfer or Certificate of Ground Water Registration, you must provide a list of all other owners' names and mailing addresses and attach it to this form. I hereby certify that I have notified all other owners of the property described in this Application, Permit or Certificate of Registration of this request for assignment. Witness my hand this 30 day of December 20 09 Applicant/Permit holder ___ By: Gregory W. Daniels, President

DO NOT WRITE IN THIS BOX

Applicant/Permit holder __

- This certifies assignment and record change at Oregon Water Resources Department effective 8:00a.m. on date of receipt at Salem, Oregon.

- Fee receipt # 4741 - For Director by Jerry Santer, Program knalyst in Water Rights Division

The completed "Request for Assignment" form must be submitted to the Department along with a recording fee of \$50.



Request for Assignment

and to applying the portunterest in an	(State) lication/portion of a tion of the ad to the e	e application/ entire applicat	rmit/transfer; permit to be assigned.) ion/permit/transfer;	
and to applying the portunterest in an	ortion of a tion of the	ermit/transfer application/pe e application/ entire applicat	rmit/transfer; permit to be assigned.) ion/permit/transfer;	
and to a <u>po</u> ving the port nterest in an Permit #	ortion of a tion of the ad to the <u>e</u>	application/pe e application/ entire applicat	rmit/transfer; permit to be assigned.) ion/permit/transfer;	
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Permit #				
Permit #		. T		
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				EALEM, OTLEGO
		98660	503-254-6000	
(City)	(S	itate) (Zip)	(Phone #)	
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mit holder	sy. Grego	ry VV. Dameis	Jylan aging Jyleniber	
ox			-	9
		The complete	ed "Request for Assignated submitted to the Department	ment"
	Vancouver, (City) ers of the pr Water Regi dresses and other owne equest for as of Dec	ers of the property de Water Registration, y dresses and attach it other owners of the equest for assignmen The Daniel mit holder	Vancouver, WA 98660 (City) (State) (Zip) ers of the property described in this Water Registration, you must providersses and attach it to this form. other owners of the property described in this equest for assignment. of December 20 09 The Daniels Group LLO mit holder By: Gregory W. Daniels mit holder	Vancouver, WA 98660 503-254-6000 (City) (State) (Zip) (Phone #) ers of the property described in this Application, Permit, Water Registration, you must provide a list of all other or dresses and attach it to this form. other owners of the property described in this Application equest for assignment. of December 20 09 The Daniels Group LLC mit holder By: Gregory W. Daniels, Marlaging Member mit holder

Oregon Water Resources Department effective 8:00a.m. on date of receipt at Salem, Oregon - Fee receipt # 7747

- For Director by Jerry Sauter Water Rights Division

along with a recording fee of \$50.

Last updated: June 1, 2007

Request for Assignment/1

WR

WILKE Laura K

From: Chad Feigel <cfeigel@cmtam.com>
Sent: Wednesday, January 14, 2015 12:39 PM

To: 'laura.k.wilke@state.or.us'

Cc: Shawn Jones (oregonlegacyranches@gmail.com)

Subject: Fully Executed Mitigation Credit Transfer

Attachments: Mitigation Credit Chain of Custody_AmericanWest_Legacy Ranches.pdf

Laura,

Thanks for your help

See attached the executed document. Let me know if you need anything else.

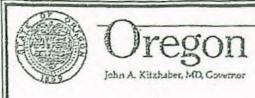
Regards,

Chad Feigel

CMT Asset Management Limited 500 West Monroe Street Suite 2630 Chicago, IL 60661

General: +1 (312) 930-9050 Direct: +1 (312) 612-6929 Email: <u>cfeigel@cmtam.com</u>

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HECEIVED

AUG 1 4 2013

WATER RESOURCES DEPT SALEM, OREGON Water Resources Department North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

ASSIGNMENT RECORD FOR MITIGATION CREDITS CHAIN OF CUSTODY (Additional Form)

Mitigation Credit Project: MP-124 . Mitigati	on Credits: 114.51 held by current credit bolder)
Mitigation Credit Holder: Grass Butte, LLC and American West Bank	(formerly Premier West Bank)
#114.51 Mitigation credits have been assigned to (Name): American	nWest Bank
Mailing Address: 110 S. Ferrall Street, Spokane, V	WA 99202
Phone Numbery 591-282-5156	
Chite San San His	8/6/13 Date
Print Name Paul E. Chartenter	Date
Mailing Address 205 E 11th St # 200	9/7/13
Current Mitigation Credit Holder Signature - American West Bank	Dale
Print Name Michael E Koch	
Mailing Address 10 S FERRUIL SPOKANS, ENA 99202	
Storetil, and Jie	8/2/13
New Mitigation Credit Holder Signature	Date
Mitigation Credit Holder: American West Bash	4
#114.5/Mitigation credits have been assigned to (Name): Legace	Ranches LCC
Mailing Address: 500 W. Monroe St., So	
Phone Number: 312-930-9050	60661
John Muhey	01-08-15
Current Miligation Credit Holder Signature John Mackay, Vice In	esident Date
New Mitigation Credit Holder Signature Chad Feisel	0f-14-15 Date
	2-28-11





Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

July 18, 2011

Tom Furlong Vitesse, LLC c/o Facebook, Inc. 1601 S California Ave. Palo Alto, CA 94304

Re: Assignment of Mitigation Credits (Mitigation Credit Project MP-124)

On July 11, 2011, the Department received notice that you were assigned 106.89 mitigation credits by Grass Butte, LLC and Premier West Bank from Mitigation Credit Project MP-124. The Department has removed these credits from the Grass Butte, LLC and Premier West Bank credit account and deposited them in an account under the name of Vitesse, LLC.

The mitigation credits you now hold may be assigned to any person or mitigation bank and may be used to satisfy the mitigation obligation of a ground water permit application(s) and/or an existing ground water right(s) within the Deschutes Ground Water Study Area, specifically within the Crooked River and/or General Zones of Impact. Mitigation Credits are valid until used to fulfill a mitigation obligation. A ground water user wanting to demonstrate that mitigation credits are being used to satisfy a mitigation obligation needs to submit documentary evidence to the Department showing that mitigation credits have been obtained and assigned to them.

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If you have any questions regarding the mitigation credits that you have been assigned, please give me a call at (503) 986-0884.

Sincerely,

Laura K. Wilke

Flow Restoration Program Coordinator

c: Jeremy Giffin, Watermaster District 11.

Shonee Langford, Schwabe Williamson & Wyatt

Grass Butte, LLC Premier West Bank

file MP-124

STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

PEOPLES IRRIGATION CO. 615221 O'NEIL HIGHWAY PRINEVILLE, OR 97754

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER for IRRIGATION OF 467.3 ACRES, LIVESTOCK AND DOMESTIC USE.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The dates of priority are 1892, 1895, 1897, 1898, and 1904/1910.

The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 5.84 CUBIC FEET PER SECOND, or its equivalent in case of rotation, measured at the points of diversion.

The points of diversion (pod) are located as follows:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
1	15 S	16 E	WM	8	NW SW	1920 FEET NORTH AND 340 FEET EAST FROM SW CORNER OF SECTION 8
2						LOW LINE DITCH
3	14 S	14 E	WM	24	NE SE	PUMP: 450 FEET WEST FROM THE EAST 1/4 CORNER OF SECTION 24
4	14 S	14 E	WM	23	SW NE	PUMP: 1020 FEET NORTH AND 500 FEET EAST FROM THE CENTER 1/4 CORNER OF SECTION 23
5	14 S	14 E	WM	23	SW NW	PUMP: 1000 FEET NORTH AND 1400 FEET WEST FROM THE CENTER 1/4 CORNER OF SECTION 23
6	14 S	14 E	WM	29	NE NW	PUMP: 1085 FEET SOUTH AND 970 FEET WEST FROM THE NORTH 1/4 CORNER OF SECTION 29

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each year. The use shall conform to such reasonable rotation system as may be ordered by the proper state officer.

A description of the place of use to which this right is appurtenant is as follows:

		I	RRIGATIO	N, LIVES	TOCK	AND DOME	ESTIC	
Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User
1905	1	14 S	15 E	WM	26	SW SW	20.0	Cox, R.T
1895	1	14 S	15 E	WM	26	SE SW	20.0	Cox, R.T
	1	14 S	14 E	WM	21	SW NE	40.0	Deschutes Fine Wool Compan
	1	14 S	14 E	WM	21	SE NE	40.0	Deschutes Fine Wool Compan
	1	14 S	14 E	WM	21	NE SW	30.0	Deschutes Fine Wool Compan
	1	145	14 E	WM	21	NW SW	28.2	Deschutes Fine Wool Compan
	1	14 S	14 E	WM	21	SW SW	2.2	Deschutes Fine Wool Compan
	1	14 S	14 E	WM	21	NE SE	22.8	Deschutes Fine Wool Compan
1004/1010	1	14 S	14 E	WM	21	NW SE	30.0	Deschutes Fine Wool Compan
1904/1910	2	148	14 E	WM	21	SE SW	37.5	Deschutes Fine Wool Compan
	2	14 S	14 E	WM	21	SW SE	39.0	Deschutes Fine Wool Compan
	2	14 S	14 E	WM	21	SE SE	38.2	Deschutes Fine Wool Compan
	3	14 S	14 E	WM	23	SE NE	20.9	Deschutes Fine Wool Compan
	4	14 S	14 E	WM	23	NW NE	0.6	Deschutes Fine Wool Compan
	4	14 S	14 E	WM	23	NE NW	7.4	Deschutes Fine Wool Compan
	5	14 S	14 E	WM	23	NW NW	1.0	Deschutes Fine Wool Compan
1892	1	14 S	14 E	WM	30	NE NE	5.6	Forrest, Frances
1092	6	14 S	14 E	WM	30	NE NE	4.4	Forrest, Frances
	1	14 S	14 E	WM	26	NE NE	1.0	Messinger, Lucy
1897	1	14 S	14 E	WM	26	NW NE	15.0	Messinger, Lucy
1097	1	14 S	14 E	WM	26	NE NW	30.0	Messinger, Lucy
	1	14 S	14 E	WM	26	NW NW	30.0	Messinger, Lucy
1898	1	14 S	14 E	WM	28	NE NE	3.5	Weaver, David
						Total:	467.3	

The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described.

This certificate is issued to correct a scrivener's error in the duplication of acres and description of the location of lands described in Certificates 87059 and 89538. This Certificate supersedes Certificates 87059 and 89538, and describes the portions of the water rights NOT modified by the provisions of orders of the Water Resources Director entered June 3, 2011, approving Transfer Application T-10730 and entered October 16, 2014, approving Transfer application T-11740.

The issuance of this superseding certificate does not confirm the status of the water right in regard to the provisions of ORS 540.610 pertaining to forfeiture or abandonment.

WITNESS the signature of the Water Resources Director, affixed	0 8 201	13
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Dwight French, Vater Right Services Division Administrator, for

Thomas M. Byler, Director

Oregon Water Resources Department

	Review Checklist	T-10730	Processor: RA	(laura W))
	Application		A Comment		
	The type of change is cle	early indicated			
	The application is approp	oriately signed			0
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			ned by proper official. (from A	K +1	22002
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(Delivery system has the	capacity to fully divert the	rate/duty of the right de	sc only coire	15
	No information in record	I that suggests forfeiture.		Durtical	
(No conflicts identified or	n the plat cards and plat ca	rd reports printed Cert 30	795 - 5 10 10 hours	S) 22 22 4
,	Affidavits prepared for r	ights that need to be cance	led or diminished. NIA		
	Application Map			Corporate M	ed primary
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1	The map size and scale a	ccurate and appropriate p	er OAR 690-380-3100(1)(b)(c)	0.74	escolin OPO?
100	All authorized and propo	osed POD's/POA's and PO	U's shown and clearly labeled	l.	AA . III
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Con	lave final proof maps de		Application map matches	certificate FPS.	NEVM 258
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			rking copy of application and	certificates to mark on)	
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	The same of the sa		of consent from landowners of	her than applicant.	
			to each lien holder identified o	on ROLI.	See map
	Agent has authorization				X74 5386
	Evaluation				Joy.
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	Fish Screen Devices				
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	Conditions to avoid enlargem	nent/injury –			
	Materials needed for peer r	eviewer			
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	other processing notes	1/14/2008			
	RA Processor Checklist last revised	1/14/2008			

instream Use Evaluation	<u>on</u>				
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	does not exceed the estimated average natural flow (ENAF) for the stream on which the reach is
_/	50% water availability for stream basin to make above determination.
	NAF would be exceeded go to OAR 690-077-0015(5) to see if criteria for exceeding this flow is
met.	NAF would be exceeded go to OAR 690-077-0015(3) to see it effects for exceeding this now is
NIA	Requested flow does not exceed the max rate requested in an instream right application submitted by a state agency for the same reach and same time period. And, for the instream period requested, the instream use is located within an ODFW flow restoration priority watershed. See maps on line associated with administrative rules.
	Or requested flow does not exceed the max rate requested in an instream right application submitted by a state agency for the same reach and same time period. And the stream is listed as water quality limited (303d list) and DEQ has provided scientific information that demonstrates that increased flows would improve water quality.
Conditions to	avoid enlargement/injury
The	se may be identified by the Watermaster as part of their evaluation.
	tain conditions may need to be included in the new instream certificate/order that are found on the ate. Such as, that the quantity is limited to the amount available at the original POD.
_ ☐ If ir	ijury or enlargement cannot be prevented, the instream use may be denied.
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Laura Wilke

From:

Laura Wilke

Sent:

Tuesday, March 08, 2011 9:21 AM

To:

Jeremy Giffin

Cc:

Kyle Gorman

Subject:

RE: Fact Check for T-10730 (Grass Butte)

Attachments: 10730-wm-rev.doc; 10730-revised-from-map (marked up).pdf

Thanks Jeremy - so do you need to amend your Watermaster Evaluation? See attached. You previously identified that "However much of the area is sub-irrigated in the early part of the season due to high river flows, but dries out later in the irrigation season."

I'm assuming that this statement covered all three rights proposed for transfer (Certs 83732, 83651, and 83857). Then in a follow up e-mail, you clarified that some of the lands proposed for transfer were sub irrigated and/or covered with Crooked River water during the spring high flow levels when the river reaches the root zone level of the fields. But by June the river subsides to low levels. This is from an email you sent me back in March, 2009.

See the attached map for T-10730 as a reference for the place of use proposed for transfer under each right. I've highlighted each area in a different color to corresponde with each right. It does look like some of the lands proposed for transfer are located close to or adjacent to the river.

John previously transferred water under T-9687 with the Peoples Irrig Co right and T-9829 with the Low Line Ditch Co right. Haven't seen a transfer involving the Butler Ranch Right preivously.

Just want to make sure we have all the facts squared away before we proceed. I also left you a voice mail message.

Also, additional question but related to the delivery systems. Are there any issues associated with the delivery system associated with each portion of the right. I think some portions of the Low Line right and the Peoples Irrig right may not be using the authorized POD. We'll transfer based on the authorized POD but I wanted to make sure there wasn't an issue, from your perspective, associated with where water is being diverted and from where water should be diverted from.

Thanks, Laura

From: Jeremy Giffin

Sent: Monday, March 07, 2011 4:57 PM

To: Laura Wilke Cc: Kyle Gorman

Subject: RE: Fact Check for T-10730 (Grass Butte)

Laura, Yes the diversion described in Certificate 83651 is the Low Line ditch, also known as the Mccallister Slough. I do not think this area has a sub-irrigation problem. I remember when John Short first transferred off the water rights/stopped irrigating he planted alfalfa to make the property look all green (and sellable to prospective buyers). The alfalfa is green well into June before it dies of. I do not think this is from sub-irrigation, but rather from spring rains so I do not think that any irrigation is occurring from the same source, being the Crooked River.

I sent you this message last week but your email box was filled so thanks for the phone message.

Jeremy

From: Laura Wilke

Sent: Monday, March 07, 2011 2:25 PM

To: Jeremy Giffin

Subject: Fact Check for T-10730 (Grass Butte)

Importance: High

Jeremy - in the past we've identified that the POD described on Cert 83651 is also the same as Low Line Ditch (identified on Cert 83857). Is that accurate? Just double checking.

Also, left you a voice mail about the sub irrigation issue. We can't approve the transfer unless we address the sub irrigation (perhaps take out a portion of the water associated with the months that the lands are sub irrigated). This fits in with Enlargement Case 6 in the Water Right Transfer Review document. Also see definition of Enlargement in Div 380. First step would be to identify the number and location of acres under each of the three certs proposed for transfer (here's a link to the latest version of the "from" map: http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?Type=TRFolder&folder image id=10452)

Give me a call so we can chat about this one. I went back through the file and it looks like we've had some e-mail exchanges but never really worked all the way through this issue.

Thanks, Laura

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301-1271
Phone: (503) 986-0884
and Fax: (503) 986-0903



Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, Oregon 97301-1271 (503) 986-0900 www.wrd.state.or.us

Watermaster Review Form: Water Right Transfer

Tra	ansfer Applicatio	n: T- <u>10730</u>		Rev	iew Due Date:	12-31-08			
Ap	pplicant Name:	The Daniells C	Group, LLC						
Pro	oposed Changes:	⊠ POU	POD	□ POA	⊠ USE	OTHER			
Re	viewer(s): Giffi	<u>n</u>		Date	e of Review:	Dec. 2, 2008			
1.	Yes N	No If "Yes", fidavit or if you	describe the in	formation and i	indicate if you				
2.	has involved the	e right and dove frequency of	wnstream water any regulation	r rights? 🔲 Ye or explain why	es No regulation has	I for transfer that Generally s not occurred: The ntract past these			
3.	Check here if it from the curren locations where only right that l 72282, 72283 &	at use of the rig the return floo benefits from r	tht? 🛭 If you ws likely occur	check the box, and list the wa	generally char ter rights that	racterize the benefit most: The			
4.	Are there upstream water rights that would be affected by the proposed change? Yes No If "Yes", describe how the rights would be affected and list the rights most affected:								
5.	For POD changes and instream transfers, check here if there are channel losses between the old and new PODs or within the proposed instream reach? If you check the box, describe and, if possible, estimate the losses:								
6.	Would distribution of water for the right after the proposed change result in regulation of other water rights that would not have occurred if use of the existing right was maximized? Yes No If "Yes", explain:								
7.	For POU changes, would the original place of use continue to receive water from the same source? Yes No N/A If "Yes", explain: However much of the are is sub-irrigated in the early part of the season due to high river flows, but dries out later in the irrigation season.								
3.	For POU or US diversion of mo	re water than o				ue," result in the Yes No			

9. Are there other issues not identified through the above questions? "Yes", explain: What alternatives may be available for addressing any issues identified above: 11. Have headgate notices been issued for the source that serves the right?

Yes

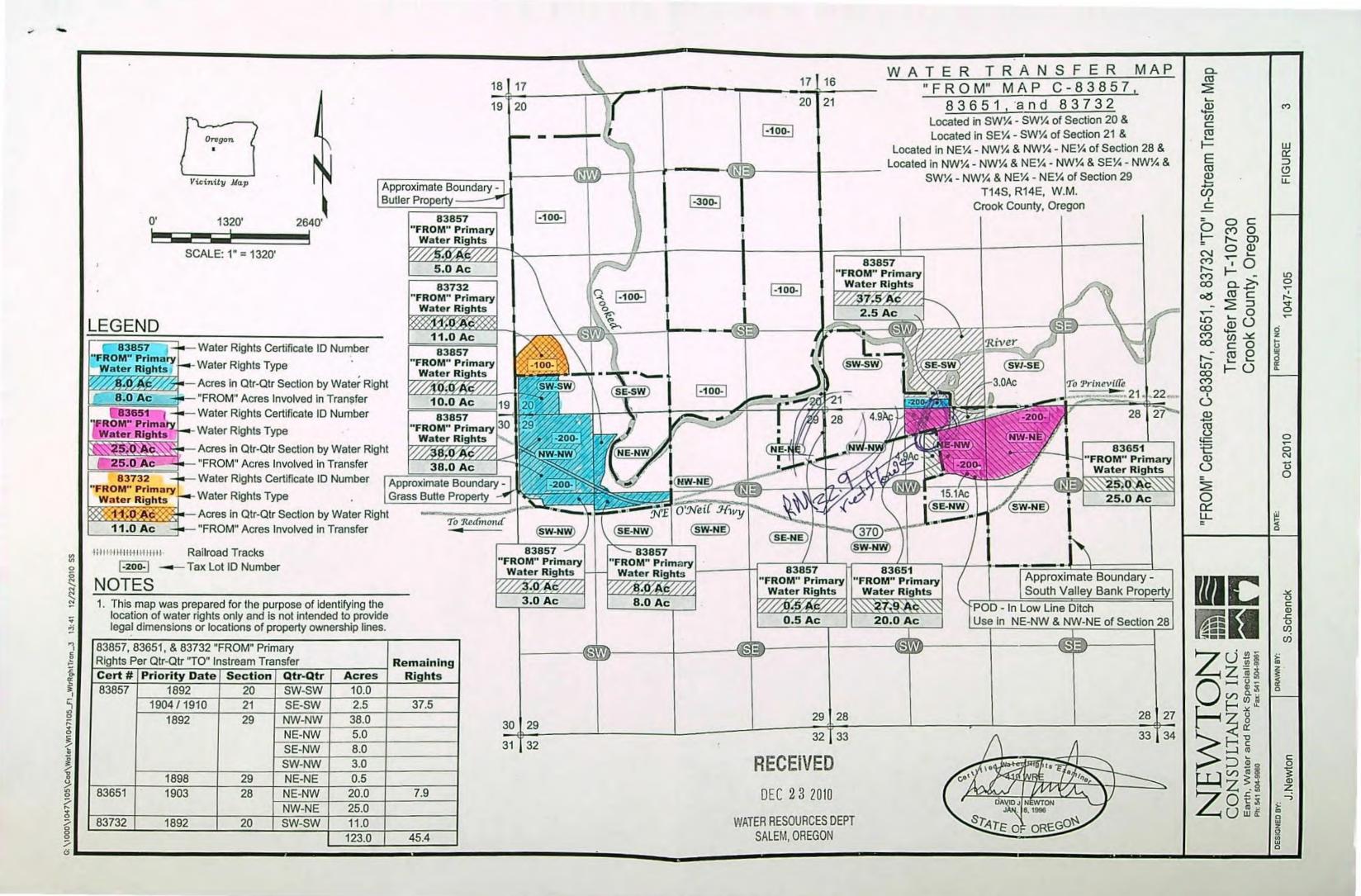
No 12. What water control and measurement conditions should be included in the transfer: Present and May be required Should be Measurement in the future. should be required prior to Devices maintained. diverting water. Present and Should be May be required Headgates should be required prior to in the future.

diverting water.

maintained.

Watermaster Review Form

Transfer Application: T-10730



Laura Wilke

From: Laura Wilke

Sent: Tuesday, March 08, 2011 3:58 PM

To: Jeremy Giffin; Jon LaMarche

Subject: RE: Instream Transfer T-10730 - return flows - small clarification

Ok, what if we try and break this down by certificate. That's going to be the best way for me in terms of arranging things in the transfer order. And given that I'm ultimately going to be issuing three separate instream rights.

Let me play this out a bit (please bear with me) - I'm going to make some assumptions so please correct me if I get this wrong. I'm assuming that all surface return flows are 10% and subsurface return flows are all but the consumptive portion of the right.

Cert 83732, which has a POD located near the POU. The POU is pretty close to the river so surface return flows are likely in the vicinity of the POU/POD.

It makes sense then to account for the surface return flows (10%) immediately below the POD - which is consistent with previous leases/transfers we've done in the area. This is also what we did on IL-1081 last year. Does that make sense to you Jeremy?

Jonathan, where in your opinion do sub surface return flows come back into the system under the portion of this right proposed for transfer - all located in the SW SW of Sec 20, T14S R14E? If no specific point, then we can account for all return flows right below the POD, which might make sense given proximity of lands to the river and the POD.

Cert 83651, which has a POD upstream from the POU (looks like at least a few miles) - POD is located in the SE SW of Sec 24 T14S R14E. The POU is located downstream in Section 28 T14S R14E - 4.9 ac in the NE NW of Sec 28 between the river and the railroad and the other piece is located on the other side of the railroad, on the south side of the railroad, in the NE NW and NW NE of Sec 28. I'm assuming that any surface return flows would probably occur more locally - instead of at the POD.

Jeremy, in your opinion where do surface return flows occur in association with this right? For this one, are they using the "authorized POD"? If not, perhaps we can tie the surface return flow location to the "POD" that they are using.

Jonathan, where in your opinion do subsurface return flows return in association with this right?

Remember that if we don't have a definite spot we can always account for the return flows below the POD and call it good.

Cert 83857 is the more complicated right since there are four POD's - although they may not be using the "authorized" POD's for each POU.

POD #1 is located way upstream from the POU - POD loc in the NW SW of Sec 8, T15S R16E. The POU associated with this POD is located downstream in the NW 1/4 of Sec 29 T14S R14E. These lands are located near the river between the river and the railroad. I'm assuming that surface return flows are likely pretty local.

Jeremy, in your opinion where do surface return flows occur in association with this right? For this one, are they using the "authorized POD"? If not, perhaps we can tie the surface return flow location to the "POD" that they are using. For the lease (IL-1081), we accounted for return flows immediately below the POD. I'm assuming that we went that way because we couldn't pinpoint a specific spot at which to account for return flows near the POU.

Jonathan, where in your opinion do subsurface return flows return in association with this right? Feel free

to consider the right as a whole.

Remember that if we don't have a definite spot we can always account for the return flows below the POD and call it good.

POD #2 is also located upstream from the POU - POD is located up in Sec 24 - same as for Cert 83651. The POU associated with this POD is downstream in the SE SW of Sec 21 T14S R14E. This piece is located very close to the river. Pretty much right on the river bank. This part of the right wasn't included in last years lease (II-1081) - must be part that had to be dropped out of the lease.

Jeremy - where in your opinion to surface return flows occur in association with this POU? If not sure, we can just account for them below the POD even though the POD is a significant distance upstream.

Jonathan, where in your opinion do subsurface return flows occur in association with this part of the right? Feel free to consider the right as a whole if that makes the most sense.

POD #6 is locate near the POU - POD #6 is in the NE NW of Section 29 T14S R14E and is for lands in Sec 29 and Sec 20 - all near the POD loc. The POU is located very close to the river. On the lease (IL-1081) return flows were previously accounted for below the POD.

I'm assuming that in this case it makes sense to account for surface return flows right below the POD. Jeremy, what do you think?

Jonathan, where in your opinion do subsurface return flows occur in association with this part of the right? Feel free to consider the right as a whole if that makes the most sense.

POD #7 is also located near the POU - this POD is located in the SE SE of Sec 20 and is for lands in the NE NE of Sec 29. The POU is located very close/adjacent to the river. On the lease (IL-1081) return flows were previously accounted for below the POD.

I'm assuming that in this case it makes sense to account for surface return flows right below the POD. Jeremy, what do you think?

Jonathan, where in your opinion would subsurface return flows likely occur in association with this part of the right? Feel free to consider the right as a whole if that makes the most sense.

Again, if we can't pin point a specific location for the return flows (surface or subsurface), we can always just account for them right below each POD.

Hope I didn't muddy the waters but I thought this breakdown might work as an approach to wrapping this up.

From: Jeremy Giffin

Sent: Tuesday, March 08, 2011 2:41 PM

To: Laura Wilke; Jon LaMarche

Subject: RE: Instream Transfer T-10730 - return flows - small clarification

I will defer to Jonathan on this (as I do not have any letters behind my signature) but my thoughts are that all of the return flows come back in by river mile 30.0 (which happens to be right at the Lone Pine Rd crossing where the Crooked enters into the canyon and no longer has a flood plain). And I like the consistency of the 10% return flows for these water rights that are in the flood plain and sprinkle irrigate (I am thinking 50 cfs of Crooked River water rights between Prineville and O'Neil) and I am not sure what the return flows are excluding the OID/Lytle creek/dry river return flows, but maybe in the 5 cfs range?

J

From: Laura Wilke

Sent: Tuesday, March 08, 2011 1:17 PM

To: Jeremy Giffin; Jon LaMarche

Subject: FW: Instream Transfer T-10730 - return flows - small clarification

Oh, I thought I should clarify that we need to look at each right separately in terms of return flows. Also probably want to look at each POD/POU separately in terms of return flows. Ultimately this transfer should result in three instream rights.

Thanks, Laura

From: Laura Wilke

Sent: Tuesday, March 08, 2011 12:20 PM

To: Jeremy Giffin; Jon LaMarche

Subject: Instream Transfer T-10730 - return flows

Good afternoon to you both!

I'm working my way through the DPD for T-10730 and am the part where we need to address return flows. As a reference I've attached the latest POU map (with each area proposed for transfer highlighted to corresponde to its certificate number) and the latest POD map showing the location of the authorized POD's. I've also attached the POU/POD descriptions from draft DPD so you can see which lands go with which POD.

Per Jeremy, there are return flows. However, the % of return flows is not identified in the WM Eval. However, when we did a lease last year (IL-1081), it was estimated that there were 10% return flows. Return flows were accounted for below each POD. Under the lease we leased a portion of Certs 83857 and 83732.

This transfer includes both of those rights - almost the same POU - and Certificate 83651.

Per Jonathan, there are also sub surface return flows and the return flows occur above Smith Rocks and the gage at that location.

I need a bit more info to complete the return flow portion of the transfer evaluation. By rule, if there are return flows within the proposed reach (which will be from each of the authorized POD's to Lake Billy Chinook on the Crooked River), we're required to account for return flows at a definite point (if there is one) below the POD or if they don't occur at a definite point, then account for them immediately below the POD.

In this case, it sounds like we definitely have return flows within each of the proposed reaches. For the lease, we accounted for return flows below each of the POD's. Is that appropriate to do here in the case of this transfer or account for them at some point below each POU or another location?

At this point, we're proposing to account for return flows below each POD based on info from Jeremy and last year's lease. Amount of return flows, I'm assuming, would be diversion minus consumptive use.

Let me know if you need any additional details or anything clarified. I'm hoping that you guys might be able to get me some feedback on this soon. The applicant's are chomping.

Thanks, Laura

Laura Wilke Flow Restoration Program Coordinator Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1271 Phone: (503) 986-0884 Fax: (503) 986-0903

Laura Wilke

From: Jeremy Giffin

Sent: Tuesday, March 08, 2011 9:57 AM

To: Laura Wilke
Cc: Kyle Gorman

Subject: RE: Fact Check for T-10730 (Grass Butte)

Yes, I would like to amend my earlier thoughts about the sub-irrigation. In January we had very high flows through this reach (in excess of 2500 cfs) and I did a field visit to look at the high flows and noticed that even at these flows (which were higher than the flows we have through this reach during the average spring run-off period) the channel is so incised that the river is unable to reach the root zone so I think that the green we are seeing on the alfalfa is from the spring rains and not from sub-irrigation. Sorry for the confusion. And on the POD's I do not believe it is possible to serve the lands in section 20 & 29 from the lowline ditch as the ditch ends about 3/4 of a mile before these lands. These lands are served by pump stations along the river. I have the pictures of the pump stations that serve these lands if you would like them.

J

From: Laura Wilke

Sent: Tuesday, March 08, 2011 9:21 AM

To: Jeremy Giffin Cc: Kyle Gorman

Subject: RE: Fact Check for T-10730 (Grass Butte)

Thanks Jeremy - so do you need to amend your Watermaster Evaluation? See attached. You previously identified that "However much of the area is sub-irrigated in the early part of the season due to high river flows, but dries out later in the irrigation season."

I'm assuming that this statement covered all three rights proposed for transfer (Certs 83732, 83651, and 83857). Then in a follow up e-mail, you clarified that some of the lands proposed for transfer were sub irrigated and/or covered with Crooked River water during the spring high flow levels when the river reaches the root zone level of the fields. But by June the river subsides to low levels. This is from an e-mail you sent me back in March, 2009.

See the attached map for T-10730 as a reference for the place of use proposed for transfer under each right. I've highlighted each area in a different color to corresponde with each right. It does look like some of the lands proposed for transfer are located close to or adjacent to the river.

John previously transferred water under T-9687 with the Peoples Irrig Co right and T-9829 with the Low Line Ditch Co right. Haven't seen a transfer involving the Butler Ranch Right preivously.

Just want to make sure we have all the facts squared away before we proceed. I also left you a voice mail message.

Also, additional question but related to the delivery systems. Are there any issues associated with the delivery system associated with each portion of the right. I think some portions of the Low Line right and the Peoples Irrig right may not be using the authorized POD. We'll transfer based on the authorized POD but I wanted to make sure there wasn't an issue, from your perspective, associated with where water is being diverted and from where water should be diverted from.

Thanks, Laura

From: Jeremy Giffin

Sent: Monday, March 07, 2011 4:57 PM

To: Laura Wilke Cc: Kyle Gorman

Subject: RE: Fact Check for T-10730 (Grass Butte)

Laura, Yes the diversion described in Certificate 83651 is the Low Line ditch, also known as the Mccallister Slough. I do not think this area has a sub-irrigation problem. I remember when John Short first transferred off the water rights/stopped irrigating he planted alfalfa to make the property look all green (and sellable to prospective buyers). The alfalfa is green well into June before it dies of. I do not think this is from sub-irrigation, but rather from spring rains so I do not think that any irrigation is occurring from the same source, being the Crooked River.

I sent you this message last week but your email box was filled so thanks for the phone message.

Jeremy

From: Laura Wilke

Sent: Monday, March 07, 2011 2:25 PM

To: Jeremy Giffin

Subject: Fact Check for T-10730 (Grass Butte)

Importance: High

Jeremy - in the past we've identified that the POD described on Cert 83651 is also the same as Low Line Ditch (identified on Cert 83857). Is that accurate? Just double checking.

Also, left you a voice mail about the sub irrigation issue. We can't approve the transfer unless we address the sub irrigation (perhaps take out a portion of the water associated with the months that the lands are sub irrigated). This fits in with Enlargement Case 6 in the Water Right Transfer Review document. Also see definition of Enlargement in Div 380. First step would be to identify the number and location of acres under each of the three certs proposed for transfer (here's a link to the latest version of the "from" map: http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?Type=TRFolder&folder image id=10452)

Give me a call so we can chat about this one. I went back through the file and it looks like we've had some e-mail exchanges but never really worked all the way through this issue.

Thanks, Laura

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Flow Restoration Program Coordinator
Oregon Water Resources Department
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Salem, OR 97301-1271
Phone: (503) 986-0884
and Fax: (503) 986-0903

Laura Wilke

From:

Jeremy Giffin

Sent:

Tuesday, March 08, 2011 10:47 AM

To:

Laura Wilke

Cc:

Kyle Gorman

Subject: F

RE: Fact Check for T-10730 (Grass Butte)

Attachments: aboveemmitt2.JPG; aboveemmitt.JPG; Dove2.JPG; mcallisterslough.JPG; Dove.JPG

Here are some of the pictures of the diversions. The "above emmitt" pics are from a large pump diversion located in the SESE of section 20 being roughly 280' north and 130' west of the SE corner of section 20 and serves most of the lands in sections 21, 28, & 29. The dove pics are from the john Short diversion in the NENW of section 29 being roughly 1630' east and 1075' south from the NW corner of section 29. this POD serves the lands in section 20 & 29 that are part of this transfer and the pipe going across the creek is to irrigate the lands that were eventually traded to another tax lot as part of this whole process. The Mccallister slough pic is the entrance into the Low Line ditch (I have better low line pics if you need them). From my field walks I noticed that the Low Line ditch physically ends in a pond in the SE corner of the NWNW of section 28. They also pump into this pond from the "above emmitt" pump station. All of these PODS have been looked at very carefully over the last few years and I do not have any ready, willing and able concerns.

.1

From: Laura Wilke

Sent: Tuesday, March 08, 2011 10:23 AM

To: Jeremy Giffin Cc: Kyle Gorman

Subject: RE: Fact Check for T-10730 (Grass Butte)

Thanks for the clarification on the sub irrigation - or lack thereof. That definitely simplifies a few things on our end. And I'd love any info/pictures you can send on the delivery system. I'll add them to the file. I was also wondering from a ready, willing and able standpoint whether there were any issues with where water is authorized to be diverted from and where water is actually being diverted. Just want to make sure we don't have any ready, willing and able issues or, if we do, get them addressed.

I'm inching my way through the transfer and might have at least one more thing to follow up with you on - the return flows. I've got info from you and from Jonathan - I just need to review and then follow up with you to nail it down.

Thanks! Laura

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To: Laura Wilke Cc: Kyle Gorman

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Enter appropriate info into blue boxes.

Information shown in purple boxes show calculation results.

	Instream Ca	alculator	
Application number	Certificate #	Priority Date	
T-10730	83857 - POD #2 1	1892	
Enter # of Acres			
13.40			
Enter rate/acre (ie 1/80)		Max Instream Rate in C	
0.0125		0.168	Rate A: Based on rate per acre
Enter Full Rate Allowed by Certificate in CFS	Enter total # acres allowed by Certificate		
7.120	569.30	0.168	Rate B: Proportional based on full certificate
Enter duty/acre			
4.00	53.60		
	Lesser of Rate A or B in CFS		
	0.168		
Optional =	Enter alternative rate (cannot be	greater than the lessor	of Rate A or B)
			number days instream
	Based on Less	sor of Rate A or B above	161
	Ba	ased on Alternative Rate	ERR

	ter Proposed to be Protect ses number of days instre eed the season of use or extend of		
Based	on Lessor of Rate A or B above		Based on Alternative Rate
	Enter proposed begin date		
begin date	6/1/2011	begin date	
end date	11/8/2011	end date	ERR
	OR period may be leased instream		OR period may be leased instream
	Enter proposed end date		Enter proposed end date
end date			
begin date	######################################	begin date	ERR

Optional - for alternative instream	m periods including the full irrigation season	
Enter Proposed begin and end dates		
begin date	Number of Days in Identified Period	
end date	1 Days	
	CFS rate	
	27.023	

13.4 × 1.4 = 24.12 af for 161 days = 0.09 cfs 90% of 0.17 cfs=0.18 (47.9af) Lm. rws 10% ret flows

Enter appropriate info into blue boxes.

Information shown in purple boxes show calculation results.

	Instream Ca	alculator	
Application number	Certificate #	Priority Date	
T-10730	83857 - POD #2	1904/1910	
Enter # of Acres			
2.50			
Enter rate/acre (ie 1/80)		Max Instream Rate in C	
0.0125		0.031	Rate A: Based on rate per acre
Enter Full Rate Allowed by Certificate in CFS	Enter total # acres allowed by Certificate		
7.120	569.30	0.031	Rate B: Proportional based on full certificate
Enter duty/acre			
4.00	10.00		
	Lesser of Rate A or B in CFS	4.	
	0.031		
Optional =	Enter alternative rate (cannot be	greater than the lessor	of Rate A or B)
			number days instream
	Based on Less	sor of Rate A or B above	161
	Ba	ased on Alternative Rate	ERR

(u	ter Proposed to be Protectives number of days instructed the season of use or extended	eam from above ta	ible)
Based	on Lessor of Rate A or B above		Based on Alternative Rate
	Enter proposed begin date		
begin date	6/1/2011	begin date	
end date	11/8/2011	end date	ERR
	OR period may be leased instream		OR period may be leased instream
	Enter proposed end date		Enter proposed end date
end date			
begin date	#######################################	begin date	ERR

Optional - for alternative instrear	n periods including the full irrigation season
Enter Proposed begin and end dates	
begin date	Number of Days in Identified Period
end date	1 Days
	CFS rate
	5.042

2.5 × 1.8 = 4.5 af for 161 days = 0.01 cfs 90% of 0.03 cfs = 0.027 (8.62 af) Luinus Ds resflows

Enter appropriate info into blue boxes.

Information shown in purple boxes show calculation results.

	Instream Ca	alculator	
Application number	Certificate #	Priority Date	
T-10730	83857 - POD #7	1898	
Enter # of Acres			
0.50			
Enter rate/acre (ie 1/80)		Max Instream Rate in C	
0.0125		0.006	Rate A: Based on rate per acre
Enter Full Rate Allowed by Certificate in CFS	Enter total # acres allowed by Certificate		
7.120	569.30	0.006	Rate B: Proportional based on full certificate
Enter duty/acre			
4.00	2.00		
	Lesser of Rate A or B in CFS		
	0.006		
Optional =	Enter alternative rate (cannot be	greater than the lessor	of Rate A or B)
			number days instream
	Based on Less	sor of Rate A or B above	161
	Ba	ased on Alternative Rate	ERR

	ter Proposed to be Protecte ses number of days instrea eed the season of use or extend ou		
Based	on Lessor of Rate A or B above		Based on Alternative Rate
	Enter proposed begin date		
begin date	6/1/2011	begin date	
end date	11/8/2011	end date	ERR
	OR period may be leased instream		OR period may be leased instream
	Enter proposed end date		Enter proposed end date
end date			
begin date	#######################################	begin date	ERR

Optional - for alternative instream	periods including the full irri	gation season
Enter Proposed begin and end dates		
begin date	Number of Days in Iden	tified Period
end date	1	Days
	CFS rate	
	1.008	

0.50c x 1.8 affac = 0.9af for 1cloups = 0.003cfs 20003cfs Uning 102 resplans

Enter appropriate info into blue boxes.

Information shown in purple boxes show calculation results.

	Instream Ca	alculator	
Application number	Certificate #	Priority Date	
T-10730	83857 - POD #6	1892	
Enter # of Acres			
50.60			
Enter rate/acre (ie 1/80)		Max Instream Rate in C	
0.0125		0.633	Rate A: Based on rate per acre
Enter Full Rate Allowed by Certificate in CFS	Enter total # acres allowed by Certificate		
7.120	569.30	0.633	Rate B: Proportional based on full certificate
Enter duty/acre			
4.00	202.40		
	Lesser of Rate A or B in CFS		
	0.633		
Optional =	Enter alternative rate (cannot be	greater than the lessor	of Rate A or B)
			number days instream
	Based on Less	sor of Rate A or B above	161
	Bi	ased on Alternative Rate	ERR

(u	ter Proposed to be Protect ses number of days instre sed the season of use or extend	eam from above ta	ble)
Based	on Lessor of Rate A or B above		Based on Alternative Rate
	Enter proposed begin date		
begin date	6/1/2011	begin date	
end date	11/8/2011	end date	ERR
	OR period may be leased instream		OR period may be leased instream
	Enter proposed end date		Enter proposed end date
end date			
begin date	#######################################	begin date	ERR

Enter Proposed begin and end dates	
begin date	Number of Days in Identified Period
end date	1 Days
	CFS rate
	102.043

50. Cuc x 1.8 of lac= 91.08 af 90% of 0.63 = 0.57 ds for 161 days = (182.02 of) 0.29 cfs

Enter appropriate info into blue boxes.

Information shown in purple boxes show calculation results.

	Instream Ca	lculator	
Application number	Certificate #	Priority Date	
T-10730	83651	1903	
Enter # of Acres			
45.00			
Enter rate/acre (ie 1/80)		Max Instream Rate in C	
0.0125		0.563	Rate A: Based on rate per acre
Enter Full Rate Allowed by Certificate in CFS	Enter total # acres allowed by Certificate		
2.060	165.09	0.562	Rate B: Proportional based on full certificate
Enter duty/acre			
4.00	180.00		
	Lesser of Rate A or B in CFS		
	0.562		
Optional =	Enter alternative rate (cannot be	greater than the lessor	of Rate A or B)
			number days instream
	Based on Less	161	
	Bi	ERR	

(u	ter Proposed to be Protected ses number of days instream ed the season of use or extend outsid	from above ta	ible)
Based	on Lessor of Rate A or B above		Based on Alternative Rate
	Enter proposed begin date		
begin date	6/1/2011	begin date	
end date	11/8/2011	end date	ERR
	OR period may be leased instream		OR period may be leased instream
	Enter proposed end date		Enter proposed end date
end date			
begin date	#######################################	begin date	ERR

Optional - for alternative instrean	n periods including the full irri	gation season
Enter Proposed begin and end dates		
begin date	Number of Days in Ident	tified Period
end date	1	Days
	CFS rate	
	90.750	

670f 0.56 = 0.5cfs (159,670s) CU = 45 × 1.8cfae = \$10f for 161 day 5 = 0.25cfs

Enter appropriate info into blue boxes.

Information shown in purple boxes show calculation results.

	Instream Ca	alculator	
Application number	Certificate #	Priority Date	
T-10730	83732		
Enter # of Acres			
11.00			
Enter rate/acre (ie 1/80)		Max Instream Rate in C	
0.0125		0.138	Rate A: Based on rate per acre
Enter Full Rate Allowed by Certificate in CFS	Enter total # acres allowed by Certificate		
0.137	11.00	0.137	Rate B: Proportional based on full certificate
Enter duty/acre			
4.00	44.00		
	Lesser of Rate A or B in CFS		
	0.137		
Optional =	Enter alternative rate (cannot be	greater than the lessor	of Rate A or B)
			number days instream
	Based on Less	161	
	Ba	ERR	

(u	ter Proposed to be Protect ses number of days instre sed the season of use or extend of	eam from above ta	ble)
Based	on Lessor of Rate A or B above		Based on Alternative Rate
	Enter proposed begin date		
begin date	6/1/2011	begin date	
end date	11/8/2011	end date	ERR
	OR period may be leased instream		OR period may be leased instream
	Enter proposed end date		Enter proposed end date
end date			
begin date	######################################	begin date	ERR

Optional - for alternative	nstream period	s including the full irr	igation season
Enter Proposed begin and end d	ates		
begin date		Number of Days in Iden	tified Period
end date		1	Days
		CFS rate	
		22.183	

(minus 102 red flows) 90% of 0.137 = 0.12 cfs (U=11 × 1.8 af/cec=19.8 of for 161 days=

STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

PEOPLES IRRIGATION CO. 615221 O'NEIL HWY PRINEVILLE, OR 97754

THIS CERTIFICATE ISSUED TO

10.54cf5

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for IRRIGATION OF 569-3 ACRES, LIVESTOCK AND DOMESTIC USE.

502.3 ac (rr) This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The date of priority is 1892, 1895, 1897, 1898, and 1904/1910.

The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 7.12 CUBIC FEET PER SECOND, or its equivalent in case of rotation, measured at the point of diversion.

The points of diversion are located as follows:

POD	Twp	Rng	Mer	Sec	Q-Q	Survey Coordinates
2	15 S	16 E	WM	8	NW SW	1920 Feet North and 340 Feet East From SW Corner of Section 8
2						Low Line Ditch
3	14 S	14 E	WM	24	NE SE	Pump: 450 feet West from the East ¼ corner of Section 24
4	14 S	14 E	WM	23	SW NE	Pump: 1020 feet North and 500 feet East from the center 1/4 corner of Section 23
5	14 S	14 E	WM	23	SW NW	Pump: 1000 feet North and 1400 feet West from the center 1/4 corner of Section 23
6	14 S	14 E	WM	29	NE NW	Pump: 1085 feet South and 970 feet West from the North 1/4 Corner of Section 29
7	14 S	14 E	WM	20	SE SE	Pump: 325 feet North and 120 feet West from the Southeast Corner of Section 20

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each year. The use shall conform to such reasonable rotation system as may be ordered by the proper state officer.

A description of the place of use to which this right is appurtenant is as follows:

IRRIGATION, LIVESTOCK AND DOMESTIC									
Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User	
1895	1	14 S	15 E	WM	26	SW SW	20.0	Cox, F.T	
	1	14 S	15 E	WM	26	SESW	20.0	Cox, F.T	
	1	14 S	15 E	WM	26	SW SE	20.0	Cox, F.T	
1904/1910	1	14 S	14 E	WM	21	SW NE	40.0	Deschutes Fine Wool Company	
	1	14 S	14 E	WM	21	SE NE	40.0	Deschutes Fine Wool Company	
	1	14 S	14 E	WM	21	NE SW	30.0	Deschutes Fine Wool Company	

T-10233.RA-dip

Page 1 of 2

Certificate 83857

Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User
	1	14 S	14 E	WM	21	NW SW	30.0	Deschutes Fine Wool Company
	1	14 S	14 E	WM	21	SW SW	5.4	Deschutes Fine Wool Company
1904/1910	1	14 S	14 E	WM	21	NE SE	30.0	Deschutes Fine Wool Company
(continued)	1	14 S	14 E	WM	21	NW SE	30.0	Deschutes Fine Wool Company
	(2)	14 S	14 E	WM	21	SESW	40.0	Deschutes Fine Wool Company
	2	14 S	14 E	WM	21	SW SE	40.0	Deschutes Fine Wool Company
	2	14 S	14 E	WM	21	SE SE	40.0	Deschutes Fine Wool Company
	3	14 S	14 E	WM	23	SE NE	20.9	Deschutes Fine Wool Company
	4	14 S	14 E	WM	23	NW NE	0.6	Deschutes Fine Wool Company
	4	14 S	14 E	WM	23	NE NW	7.4	Deschutes Fine Wool Company
	5	14 S	14 E	WM	23	NW NW	1.0	Deschutes Fine Wool Company
1892	71	14 S	14 E	WM	29	NW NW	2.4	Forrest, Frances _ call
	20	14 S	14 E	WM	29	SW NW	3.0	Forrest, Frances - al
	(1)	14 S	14 E	WM	29	SENW	8.0	Forrest, Frances - Ce []
	I	14 S	14 E	WM	30	NE NE	5.6	Forrest, Frances
	(6)	14 S	14 E	WM	20	SW SW	10.0	Forrest, Frances -all
	(%)	14 S	14 E	WM	29	NE NW	5.0	Forrest, Frances - a
	6	14 S	14 E	WM	29	NW NW	35.6	Forrest, Frances -all
	6	14 S	14 E	WM	30	NE NE	4.4	Forrest, Frances
1898	(7)	14 S	14 E	WM	29	NE NE	0.5	McDowell, D.Aall
1897	1	14 S	14 E	WM	26	NE NE	1.0	Messinger, Lucy
	1	14 S	14 E	WM	26	NW NE	15.0	Messinger, Lucy
	1	14 S	14 E	WM	26	NE NW	30.0	Messinger, Lucy
	1	14 S	14 E	WM	26	NW NW	30.0	Messinger, Lucy
1898	1	14 S	14 E	WM	28	NE NE	3.5	Weaver, David

The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described.

This certificate describes that portion of the water right confirmed by Certificate 81601, State Record of Water Right Certificates, NOT modified by the provisions of an order of the Water Resources Director entered MAY 0 7 2008 approving Transfer Application T-10233.

The issuance of this superseding certificate does not confirm the status of the water right in regard to the provisions of ORS 540.610 pertaining to forfeiture or abandonment.

MAY 0 7 2008 WITNESS the signature of the Water Resources Director, affixed ____

STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

LOW LINE DITCH CO. PRINEVILLE OR 97754 -450c -0.563fs

confirms the right to use the waters of CROOKED RIVER, tributary to DESCHUTES RIVER for IRRIGATION OF 165.09
ACRES, DOMESTIC, AND LIVESTOCK.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The date of priority is 1903.

The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed a reasonable amount for domestic and livestock, and 2.06 CUBIC FEET PER SECOND for irrigation, the total quantity being limited to 4.0 acre-feet per acre during each year, or its equivalent in case of rotation, measured at the point of diversion.

1.5cf5

The point of diversion is located as follows:

Twp	Rng	Mer	Sec	Q-Q	
14 S	14 E	WM	24	SE SW	

The use shall conform to such reasonable rotation system as may be ordered by the proper state officer. The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described, and is subject to the existing minimum flow policies established by the Water Policy Review Board.

A description of the place of use to which this right is appurtenant is as follows:

Twp	Rng	Mer	Sec	Q-Q	Acres	Name of User through Company's Works
14 S	14 E	WM	22	SW SW	15.00	V. Butler
14 S	14 E	WM	22	NE SE	32.00	T.F. McCallister
14 S	14 E	WM	22	NW SE	5.00	T.F. McCallister
14 S	14 E	WM	22	SW SE	19.00	T.F. McCallister
14 S	14 E	WM	22	SE SE	40.00	T.F. McCallister
14 S	14 E	WM	28	NW NE	25.00	J.W. Livingston -all = 0.0 V
14 S	14 E	WM	28	NENW	27.90	J.W. Livingston - Zoac = 7,9ac
14 S	14 E	WM	28	NW NW	1.19	J.W. Livingston

This certificate describes that portion of the water right confirmed by Certificate 43547, State Record of Water Right Certificates, NOT modified by the provisions of an order of the Water Resources Director entered November 30, 2007, approving Transfer Application T-9829.

The right is subject to all other terms and conditions contained in said decree.

The issuance of this superseding certificate does not confirm the status of the water right in regard to the provisions of ORS 540.610 pertaining to forfeiture or abandonment.

WITNESS the signature of the Water Resources Director, affixed January 31, 2008.

Phillip C. Ward, Director

T-9829-correct.lks

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Certificate 83651

STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

BUTLER RANCH, INC. 5294 NW LONE PINE ROAD TERREBONNE, OREGON 97760 Engine vialit for Evenine seed for Evenine viality

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER for IRRIGATION OF 11.0 AGRES.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The date of priority is 1892.

The amount of water to which this right is entitled is limited to an amount actually beneficially used, and shall not exceed 0.137 CUBIC FOOT PER SECOND if available at the original point of diversion: NW% SW%, SECTION 8, T 15 S, R 16 E, W.M., 744.2 FEET SOUTH AND 321 FEET EAST FROM THE WEST % CORNER OF SECTION 8, or its equivalent in case of rotation, measured at the point of diversion.

The point of diversion is located as follows:

SE % SW %, Section 20, T. 14 S., R. 14 E., W.M.; 1896 feet South and 1717 feet East from the West % Corner of Section 20.

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each year.

This is a final order in other than a 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.

A description of the place of use to which this right is appurtenant is as follows:

SW ½ SW ½ 11.0 ACRES SECTION 20 TOWNSHIP 14 SOUTH, RANGE 14 EAST, W.M.

This certificate is issued to confirm a change in POINT OF DIVERSION approved by an order of the Water Resources Director entered July 9, 1997, approving Transfer Application T-7248, and together with certificates 72947, 74199, and 74200 supersedes Certificate 52183, State Record of Water Right Certificates.

The following conditions apply to this right:

- The quantity of water diverted at the new point of diversion, together with that diverted at the old diversion, shall not exceed the quantity of water lawfully available at the original point of diversion.
- When required by the Department, the water user shall install and maintain a headgate, an in-line flow meter, weir, or other suitable device for measuring and recording the quantity of water diverted. The type and plans of the headgate and measuring device must be approved by the Department prior to beginning construction and shall be installed under the general supervision of the Department.

The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described and is subject to all other conditions and limitations contained in the decree.

Issued JAN 0 9 2008

Mard, Director

Recorded in State Record of Water Right Certificates numbered 83732.

T-7248.RA

STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

U.S. BUREAU OF RECLAMATION 1150 N CURTIS RD., SUITE 100 BOISE, ID 83706-1234

confirms the right to use the waters of the CROOKED RIVER AND PRINEVILLE RESERVOIR (constructed under Permit R-2223), tributaries to the DESCHUTES, for IRRIGATION of 761.2 acres and SUPPLEMENTAL IRRIGATION of 918.8 acres.

This right was perfected under Permit S-25991. The date of priority is APRIL 8, 1914. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 42.44 CUBIC FEET PER SECOND (cfs), or its equivalent in case of rotation, measured at the point of diversion.

The points of diversion are located as follows:

Twp	Rng	Mer	Sec	Q-Q	Survey Coordinates
17 S	16 E	WM	11	SWNW	BOWMAN DAM - 1650 FEET SOUTH AND 300 FEET EAST FROM THE NW CORNER OF SECTION 11
16 S	15 E	WM	1	NW NE	DIRECT DIVERSION #8 - 300 FEET SOUTH AND 470 FEET EAST FROM THE W1/4 CORNER OF SECTION 1; 221.5 acres
15 S	15 E	WM	36	SWSE	DIRECT DIVERSION #9 - 60 FEET NORTH AND 1940 FEET WEST FROM THE SE CORNER OF SECTION 36; 41.8 acres
15 S	16 E	WM	8	NW SW	PEOPLES DITCH #13 and DIRECT DIVERSION #13 - 1920 FEET NORTH AND 340 FEET EAST FROM THE SW CORNER OF SECTION 8; Peoples Ditch – 116.0 acres Direct Diversion – 52.7 acres
14 S	15 E	WM	26	SE SE	DIRECT DIVERSION #36 100 FEET NORTH AND 60 FEET WEST FROM THE SE CORNER OF SECTION 26; 38.8 acres
14 S	15 E	WM	22	SW SE	DIRECT DIVERSION #39 - 50 FEET NORTH AND 1200 FEET EAST FROM THE S1/4 CORNER OF SECTION 22; 65.0 acres
14 S	14 E	WM	22	SE NE	DIRECT DIVERSION #48 - 1210 FEET NORTH AND 1050 FEET WEST FROM THE E1/4 CORNER OF SECTION 22; 2.7 acres
14 S	14 E	WM	22	NWSW	DIRECT DIVERSION #48A - 1400 FEET NORTH AND 1250 FEET EAST FROM THE SW CORNER OF SECTION 22; 32.0 acres
14 S	14 E	WM	21	NE SE	DIRECT DIVERSION #49 - 650 FEET SOUTH AND 670 FEET WEST FROM THE E1/4 CORNER OF SECTION 21; 1.2 acres
14 S	14 E	WM	20	SE SE	DIRECT DIVERSION #50 - 280 FEET NORTH AND 120 FEET WEST FROM THE SE CORNER OF SECTION 20; 84.8 acres
14 S	14 E	WM	29	NE NW	DIRECT DIVERSION #51 - 980 FEET SOUTH AND 1000 FEET WEST FROM THE N1/4 CORNER OF SECTION 29; 76.1 acres
14 S	14 E	WM	29	NENW	DIRECT DIVERSION #52 - 500 FEET SOUTH AND 950 FEET WEST FROM THE N1/4 CORNER OF SECTION 29; shares acres with Diversion #53; 20.9 acres
14 S	14 E	WM	29	NENW	DIRECT DIVERSION #53 - 170 FEET SOUTH AND 660 FEET WEST FROM THE N1/4 CORNER OF SECTION 29; shares acres with Diversion #52; 20.9 acres
14 S	14 E	WM	23	NE SE	LOWLINE DITCH #47 - 950 FEET SOUTH AND 1060 FEET WEST FROM THE E1/4 CORNER OF SECTION 23; 267.2 acres
14 S	14 E	WM	24	SESW	DIRECT DIVERSION #46B - 700 FEET NORTH AND 2070 FEET

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Certificate 83850

Twp	Rng	Mer	Sec	Q-Q	Survey Coordinates
					EAST FROM THE SW CORNER OF SECTION 24; 1.0 acre
14 S	15 E	WM	20	SWNW	DIRECT DIVERSION #41A - 10 FEET NORTH AND 1080 FEET
0.0.75		No.		1200	EAST FROM THE W1/4 CORNER OF SECTION 20; 30.3 acres
14 S	14 E	WM	24	NE SE	DIRECT DIVERSION #46A - 2930 FEET SOUTH AND 4620 FEET
					EAST FROM THE NW CORNER OF SECTION 24; 7.2 acres
14 S	14 E	WM	22	NENE	DIRECT DIVERSION #47A - 1300 FEET SOUTH FROM THE NE
	100				CORNER OF SECTION 22; 149.4 acres
16 S	16 E	WM	18	SENW	DIRECT DIVERSION #5 - 1880 FEET SOUTH AND 1610 FEET EAST
					FROM THE NW CORNER OF SECTION 18
16 S	15 E	WM	1	SW SE	DIRECT DIVERSION #7 - 100 FEET NORTH AND 1500 FEET WEST
	1				FROM THE SE CORNER OF SECTION 1; 6.5 acres
15 S	16 E	WM	30	SWNW	DIRECT DIVERSION #11 - 2540 FEET SOUTH AND 880 FEET EAST
					FROM NW CORNER OF SECTION 30; 17.8 acres
15 S	16 E	WM	19	SESW	DIRECT DIVERSION #12 - 380 FEET NORTH AND 1660 FEET
					EAST FROM THE SW CORNER OF SECTION 19; 58.1 acres

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to ONE-FORTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each year from direct flow and storage from Prineville Reservoir. Use of the water requires the existence of a current contract between the landowners and the United States Bureau of Reclamation.

The use shall conform to such reasonable rotation system as may be ordered by the proper state officer. The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described.

A description of the place of use to which this right is appurtenant is as follows:

				PRIN	ARY IR	RIGATION		
Twp	Rng	Mer	Sec	Q-Q	GLot	Diversion	Acres	Other
14 S	14 E	WM	20	SWSW		51	4.4	TAYLOR, KENNETH
14 S	14 E	WM	20	SESW		52 & 53	8.1	TAYLOR, KENNETH
14 S	14 E	WM	20	SE SW		51	6.9	TAYLOR, KENNETH
14 S	14 E	WM	21	SENW		49	1.2	MCCALL ESTATE
14 S	14 E	WM	22	SENW		48	2.7	MCCALL ESTATE
14 S	14 E	WM	22	NWSW		47	2.8	GRANT, VOLNEY
14 S	14 E	WM	22	NW SW		48A	2.0	GRANT, VOLNEY
14 S	14 E	WM	22	SWSW		47	9.6	GRANT, VOLNEY
14 S	14 E	WM	22	NESE		47	7.0	ALVIES, MAYNARD
14 S	14 E	WM	22	NW SE		47	11.9	ALVIES, MAYNARD
14 S	14 E	WM	22	SW SE		47	17.0	ALVIES, MAYNARD
14 S	14 E	WM	28	SWNW		50	18.2	ARNETT
14 S	14 E	WM	28	SENW		50	9.8	ARNETT
14 S	14 E	WM	29	SW NE		50	2.8	ARNETT
14 S	14 E	WM	29	SE NE		50	22.4	ARNETT
14 S	14 E	WM	29	NENW		52 & 53	12.8	TAYLOR, KENNETH
14 S	14 E	WM	29	NENW		51	13.6	TAYLOR, KENNETH
14 S	14 E	WM	29	SWNW		51	1.6	TAYLOR, KENNETH
14 S	15 E	WM	22	SW SW		39	15.6	WILLIAMS, CLAUDE
14 S	15 E	WM	22	SE SW		39	29.2	WILLIAMS, CLAUDE
14 S	15 E	WM	22	SW SE		39	20.2	WILLIAMS, CLAUDE
14 S	15 E	WM	26	SENW		DIRECT 13	9.2	WILLIAMS, CLAUDE

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Twp	Rng	Mer	Sec	Q-Q	GLot	Diversion	Acres	Other
14 S			-	SWSW	GLU	51	(7.2	
	14 E	WM	20					TAYLOR, KENNETI
14 S	14 E	WM	21	SE SW	-	47	6.4	BABSON, OLIVI
14 S	14 E	WM	21	SW SE		47	19.5	BABSON, OLIVI
14 S	14 E	WM	21	SE SE	_	47	22.8	BABSON, OLIVI
14 S	14 E	WM	22	NW SW		48a	30.0	GRANT, VOLNEY
14 S	14 E	WM	22	SW SW		47	15.0	GRANT, VOLNEY
14 S	14 E	WM	22	NE SE		47	32.0	ALVIES, MAYNARI
14 S	14 E	WM	22	NW SE		47	5.0	ALVIES, MAYNARI
14 S	14 E	WM	22	SW SE		47	19.0	ALVIES, MAYNARI
14 S	14 E	WM	22	SE SE		47	36.3	ALVIES, MAYNARI
14 S	14 E	WM	23	SW SW		47	22.2	BOSTON RANCI
14 S	14 E	WM	28	NW NE		47	(23.2)	WINTERS, BERT
14 S	14 E	WM	28	NE NW		47	(17.5)	
14 S	14 E	WM	28	NENW		50	6.8	LIVINGSTON, DOROTHY
14 S	14 E	WM	28	NWNW		50	21.5	LIVINGSTON, DOROTHY
14 S	14 E	WM	28	SWNW		5	3.3	LIVINGSTON, DOROTHY
14 S	14 E	WM	29	NENW		51	(32)	TAYLOR, KENNETI
14 S	14 E	WM	29	NWNW		51	£ 32.4	TAYLOR, KENNETI
14 S	14 E	WM	29	SWNW		51	3.0	TAYLOR, KENNETI
14 S	14 E	WM	29	SENW		51	3.3	TAYLOR, KENNETH
14 S	15 E	WM	26	NESW		DIRECT 13	20.0	WILLIAMS, CLAUDE
14 S	15 E	WM	26	swsw		PEOPLES 13	20.0	WILLIAMS, CLAUDE
14 S	15 E	WM	26	SE SW		PEOPLES 13	20.0	WILLIAMS, CLAUDE
14 S	15 E	WM	26	SW SE		PEOPLES 13	20.0	WILLIAMS, CLAUDE
14 S	15 E	WM	35	NE NE		36	17.0	WILLIAMS, CLAUDE
15 S	15 E	WM	24	NENE		8	4.4	NIGHTENGALE, ROBERT
15 S	15 E	WM	24	SE NE		8	18.4	NIGHTENGALE, ROBERT
15 S	15 E	WM	24	NE SE		8	21.1	NIGHTENGALE, ROBERT
15 S	15 E	WM	24	SE SE		8	29.4	NIGHTENGALE, ROBER
15 S	15 E	WM	25	NENE		8	25.0	NIGHTENGALE, ROBERT
15 S	15 E	WM	25	NWNE		8	4.4	NIGHTENGALE, ROBERT
15 S	15 E	WM	25	SW NE		8	19.0	NIGHTENGALE, ROBERT
15 S	15 E	WM	25	SE NE		8	33.2	NIGHTENGALE, ROBERT
15 S	15 E	WM		NE SE		8	40.0	NIGHTENGALE, ROBERT
5 S	15 E	WM	25	NW SE		8		
5 S	15 E	WM	36	SW NE		10	0.5	NIGHTENGALE, ROBERT
5 S	15 E	WM	36	SENE		10	-	PLEDGER, WILLIAM
5 S	15 E	WM	36	NE SE			16.3	PLEDGER, WILLIAM
5 S	15 E	WM	36	NW SE		10	26.3	PLEDGER, WILLIAM
5 S	15 E	WM	36	SW SE		10	8.2	PLEDGER, WILLIAM
	-	_	-			10	6.0	PLEDGER, WILLIAM
5 S	15 E	WM	36	SE SE		10	2.8	PLEDGER, WILLIAM
5 S	16 E	WM	18	NW NE		8	20.5	NIGHTENGALE, ROBER
5 S	16 E	WM	18	SW NE		8	23.9	NIGHTENGALE, ROBER
5 \$	16 E	WM	18	SE NW		8	26.9	NIGHTENGALE, ROBER
5 S	16 E	WM	18	NE SW		8	18.6	NIGHTENGALE, ROBER
5 S	16 E	WM	18	SE SW		8	6.4	NIGHTENGALE, ROBER
5 S	16 E	WM	18	SE SW		12	9.0	NIGHTENGALE, ROBER
5 S	16 E	WM	18	NW SE	1 - 7	8	1.5	NIGHTENGALE, ROBER

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Certificate 83850

Twp	Rng	Mer	Sec	Q-Q	GLot	Diversion	Acres	Other
14 S	15 E	WM	26	NESW		DIRECT 13	3.3	WILLIAMS, CLAUDE
14 S	15 E	WM	26	SWSW		PEOPLES 13	7.6	WILLIAMS, CLAUDE
14 S	15 E	WM	26	SESW		PEOPLES 13	20.0	WILLIAMS, CLAUDE
14 S	15 E	WM	26	SW SE		PEOPLES 13	5.4	WILLIAMS, CLAUDE
14 S	15 E	WM	35	NENE		36	21.8	WILLIAMS, CLAUDE
15 S	15 E	WM	25	NENE		8	13.4	NIGHTENGALE, ROBERT
15 S	15 E	WM	25	SW NE		8	2.5	NIGHTENGALE, ROBERT
15 S	15 E	WM	25	SENE		8	5.6	NIGHTENGALE, ROBERT
15 S	16 E	WM	8	NWNW		13	0.1	NIGHTENGALE, ROBERT
15 S	16 E	WM	8	SWNW		13	10.0	NIGHTENGALE, ROBERT
15 S	16 E	WM	8	NW SW		13	10.1	NIGHTENGALE, ROBERT
15 S	16 E	WM	18	NW NE		8	6.1	NIGHTENGALE, ROBERT
15 S	16 E	WM	18	NENW		8	6.2	NIGHTENGALE, ROBERT
15 S	16 E	WM	18	NESW		8	7.8	NIGHTENGALE, ROBERT
15 S	16 E	WM	18	NWSW	3	8	0.7	NIGHTENGALE, ROBERT
15 S	16 E	WM	18	SWSW	4	8	10.0	NIGHTENGALE, ROBERT
15 S	16 E	WM	18	SESW		8	8.8	NIGHTENGALE, ROBERT
15 S	16 E	WM	19	NENW		8	13.3	NIGHTENGALE, ROBERT
15 S	16 E	WM	19	NWNW	1	8	25.0	NIGHTENGALE, ROBERT
15 S	16 E	WM	19	SWNW	2	8	37.1	NIGHTENGALE, ROBERT
15 S	16 E	WM	19	SENW		8	8.3	NIGHTENGALE, ROBERT
15 S	16 E	WM	19	NWSW	3	8	35.3	NIGHTENGALE, ROBERT
15 S	16 E	WM	19	SW SW	4	8	28.3	NIGHTENGALE, ROBERT
15 S	16 E	WM	30	NW NE		9	2.3	BROWN, MIKE
15 S	16 E	WM	30	NW NE		9	7.7	BROWN, DICK
15 S	16 E	WM	30	NENW		9	3.0	BROWN, DICK
15 S	16 E	WM	30	NENW		9	8.5	BROWN, MIKE
15 S	16 E	WM	30	NWNW	1	8	13.1	NIGHTENGALE, ROBERT

Twp	Rng	Mer	Sec	· Q-Q	Diversion	Acres	Other
14 S	14 E	WM	15	NE SW	47A	34.3	BUTLER
14 S	14 E	WM	15	NWSW	47A	1.0	BUTLER
14 S	14 E	WM	15.	SW SW	47A	3.0	BUTLER
14 S	14 E	WM	15	SE SW	47A	16.1	BUTLER
14 S	14 E	WM	15	NE SE	47A	38.3	BUTLER
14 S	14 E	WM	15	NW SE	47A	40.9	BUTLER
14 S	14 E	WM	15	SW SE	47A	0.6	BUTLER
14 S	14 E	WM	15	SE SE	47A	0.2	BUTLER
14 S	14 E	WM	22	NENE	47A	5.4	BUTLER
14 S	14 E	WM	22	NW NE	47A	9.6	BUTLER
14 S	14 E	WM	23	NENW	46B	1.0	BOSTON RANCH
14 S	14 E	WM	24	SWNW	46A	1.9	BOSTON RANCH
14 S	14 E	WM	24	NWSW	46A	5.3	BOSTON RANCH
14 S	14 E	WM	24	NWSW	PEOPLES 13	9.4	HAWKINS
14 S	15 E	WM	20	NWNW	41A	3.0	KINC
14 S	15 E	WM	20	SWNW	41A	27.3	KINC
14 S	15 E	WM	36	NENW	PEOPLES 13	8.2	GLOVER
14 S	15 E	WM	36	NWNW	PEOPLES 13	. 5.4	GLOVER

Twp	Rng	Mer	Sec	Q-Q	GLot	IRRIGATIO Diversion	Acres	Other
15 S	16 E	WM	18	SW SE		8	1.4	NIGHTENGALE, ROBERT
15 S	16 E	WM	18	SW SE		12	9.8	NIGHTENGALE, ROBER
15 S	16 E	WM	19	NW NE		12	1.0	NIGHTENGALE, ROBER
15 S	16 E	WM	19	SENW		12	7.1	NIGHTENGALE, ROBER
15 S	16 E	WM	19	NESW		12	16.0	NIGHTENGALE, ROBER
15 S	16 E	WM	19	SWSW	4	12	0.1	NIGHTENGALE, ROBER
15 S	16 E	WM	19	SE SW		12	15.1	NIGHTENGALE, ROBER'
15 S	16 E	WM	30	NENW		11	0.1	PLEDGER, WILLIAM
15 S	16 E	WM	30	NWNW	1	11	1.6	PLEDGER, WILLIAN
15 S	16 E	WM	30	SWNW	2	1	16.1	PLEDGER, WILLIAM
15 S	16 E	WM	30	NWSW	3	9	6.4	PLEDGER, WILLIAN
15 S	16 E	WM	30	SWSW	4	9	10.3	PLEDGER, WILLIAM
15 S	16 E	WM	31	NWNW	1	9	3.6	PLEDGER, WILLIAM
15 S	16 E	WM	31	SWNW	2	10	8.1	PLEDGER, WILLIAM
15 S	16 E	WM	31	NWSW	3	10	0.2	PLEDGER, WILLIAN
16 S	15 E	WM	1	NW NE	2	7	6.4	PLEDGER, WILLIAM
16 S	15 E	WM	1	SW NE		7	0.1	PLEDGER, WILLIAN
16 S	15 E	WM	13	SE NE		5	7.8	RAMSEYER, ANT STEARN
16 S	16 E	WM	18	SWNW	2	5	0.8	BARNEY, JOYC STEARN

The use confirmed herein may be made only at times when sufficient water is available to satisfy all prior rights, including rights for maintaining instream flows.

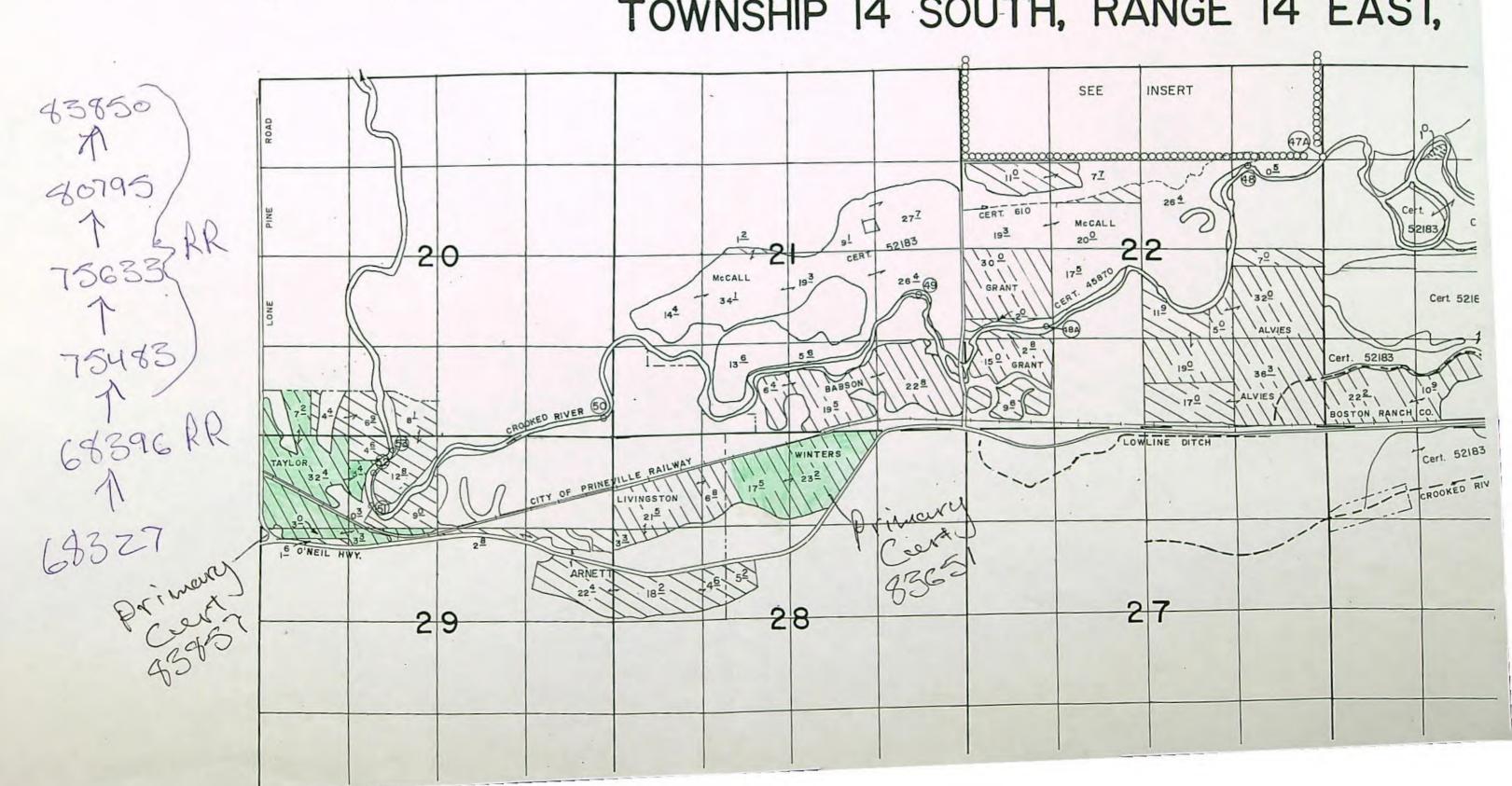
The issuance of this superseding certificate does not confirm the status of the water right in regard to the provisions of ORS 540.610 pertaining to forfeiture or abandonment.

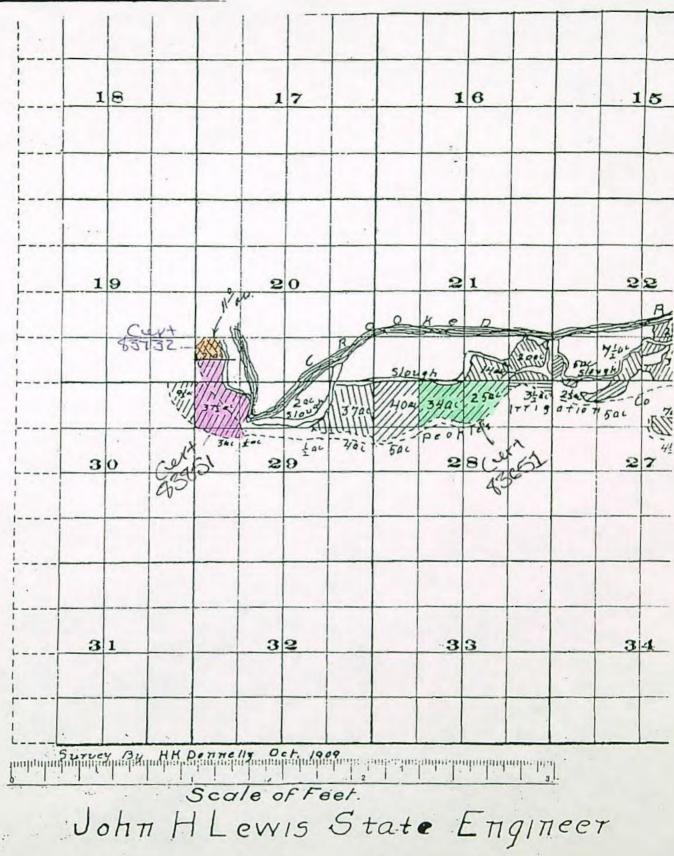
WITNESS the signature of the Water Resources Director, affixed	MAR 0 7 2008	
THE STATE OF THE STATE OF THE THEORY INCOME COS DIRECTOR, MILIACO	111111111111111111111111111111111111111	- 4

Phillip C. Ward, Director

FP Map for Cert \$2795 - Supp right

TOWNSHIP 14 SOUTH, RANGE 14 EAST,





	NAME AND POSTOFFICE ADDRESS OF APPROPRIATOR	DATE OF HELATIVE	CU. FT. PER SEC.	NO. ACRES	USE AND IRRIGATION SEASON	NAME OF DITCH	STREAM	DESCRIPTION OF LAND OR PLACE OF USE
/ 603	Seorge F.Loe. Faulina, Ore. Seo finding #11.	1909	.09	7	Irrigation	Го гале	Mongin Spring.	3 ac. RENE: 4 ac. FERE: Sec. 2, Tp. 17 3.R.
Suc Court	C.M.Lister, R.F.D.41. Portland, Ore. See finding #20.	1884	1.66	150	Irrigstion	Clay col	-ill & Ochoco.	3. ac. E2282; 19 ac. SWIE: 36 ac. SE282; 15 ac. NRISE; 40 ac. NRISE; 8 ac. SWIE; Sec. 34, Tp. 14 S.R. 17 - T.E., in Crook Jointy, Oregon.
See Court Seem, Fg.	Coseph Lister, Failing, Ore. See finding#11.	1862 1895 1698	.5 .38 .63	40 30 50	irrigation	Sino Committee	No. Fk. Crocked Committee	D ac. SF-SF-: 40 ac. SE-SF-: Sec. 22: 1.0 ac. NE:NE: 40 ac. SE-SF-: Sec. 26. Tp. 16 S.R. 21, E-W-M., in Crook Jounty, Oregon.
. See Court Energy 19. +52.	H. J. Lister, Prinoville, Ore. See finding #11.	1866	3.14	250.5	*rrigation	No mame	Sugar	11 ac. HS SW; 2.5 ac. NW; SW; 35 ac. SW; SW; 40 ac. SE; SF; 15 ac. HE; SE; 2 ac. NW; SE; 2 ac. SW; SW; 38 ac. SE; SE; 36 ac. SE; SE; 36 ac. SE; SE; 50. 15; 3 ac. SE; SE; 16 ac. SW; SE; 18 ac. SE; SE; Sec. 16, Tp. 16 S.S. 24 E.V1., in Crock County, Oregon
		1906	1.94	155	Irrigation	No neae	Beavor	35 ac. NEWNE; 40 ac. INCRE]; 40 ac. NECHTE; 40 ac. NEWNE; Sec. 22, Tp. 16 S.R. 24 E.W.H in Crock County, Oregon.
435	A.H. Logan & F. C. Logan, as logan Bros Paulina, Ore. 599 Homing #11.	1865	1.64	1301	Irrigation	No name	Wolf	11 ac. NEINE: 16 ac. NWINE: 3c ac. SWINE: 41 ac. SEINE: 22 ac. SEIWE: 3c ac. NEISE: 5 ac. NEISE: Sec. 4. Tp. 16 S.R. E4 "H. in Crock County. Tregon.
200	Prineville, Oro.	1903	88	230	irrigation See Finding #18.	Low ~ine	Crooked	
,	Name of User through Company's works.						Claros	
1 4	V.Butler	1903		15		2.	1.	15 ac. SWESSE: Sec. 22, Tp. 14 S.R. 14, E.W.M.
1	,.W.Livingston	1903		105		chg.pt. of o Sp. Or. 40127,	liv. for 34.2 Ac ? P.209 (T. 3286) }	25 ac. Nucles; 35 ac. NE NW; 40 ac. Nech.; 5 ac. SW NW; Sec. 26, Tp. 14 S.R. 14 E.W.M.,
	T.F.McCallistor	1903		110		*		32 ac. NP1SR; 5 ac. NT2 SR2; 33 ac. SW1SR2; 40 ac. SE3R2; Soc, Tp. 14 3-R- 14 R.W.M., chapt div. Tpluse
•••	Peter Magers, Princville, Ore. See fining 7.2.	1896	.25	20	Irrigation	Zagora	Marks	13 ac. SV2SV&; 7 ac. SE2SV2; Sec. 21, Tp. 14 3-R-18 2-W.M., in Grook County, Oregon.

That in the contest of Wallace Post, et.al., contestants, vs. David F. Stewart and J. W. Carlson, contestees, it was stipulated that acroage and dates of appropriation of contestants be admitted and that the date of appropriation and the amount of water used be admitted as to all the times except between July 1st and September 15th of each year and the only questions to be litigated in said contest be as to the right of priority to the use of water by contestants between said dates. That at all times since contestants and each of them began irrigating, said contestants and each of them have used the water of Crooked River and its tributaries during said time regardless of any rights that contestees had to the use of said water. That in addition to the water used by contestants there was a flow in said river sufficient for partially running the mill of contestees. That contestees operated said mill at times during this period by damning the water of the river and holding it until a sufficient head of mater was secured to operate said mill for a short period; at other times just the chopper or elevator was operated. That contestees or their predecessors in interest, had notified some of contestants to turn water off their fields and lot it come down the stream for the mill, but that said contestants refused so to do. That each of said contestants who have used the water for more than ten years have acquired by the statute of limitations a prior right to the use of said water during said period; that in the tabulation of rights herein, all water users named therein who take water out of said stream or its tributaries above the intake of said contestees and have been taking said water since prior to the year 1902, have acquired such prior right.

XII

That all contestees in the foregoing contests, were duly served with the Notice of Hearing of such contest proceeding. That said notice required each and every one of said contestees to appear before the Superintendent of Vater Division No. 2 in the Courthouse in Prinoville, Oregon, at the several dates respectively named therein; that pursuant to said Notices of Hearing of said contests and from Monday, the 22nd day of July, 1912, until Saturday, the 27th day of July, 1912, and on Monday the 11th day of November, 1912, said Superintendent did attend and take the testimony in mach and every one of said contests. That said tostimony was duly taken in shorthand and fully transcribed and filled by said Superintendent as a part of the record of these proceedings.

XIII.

That Crooked River and its tributaries form a perennial stream with well defined bed and banks, whelly within Crook, Theeler, Grant, and Harney counties, but principally within Crook County, Oregon, having its source near the eastern boundary of Crook County and flowing in a westerly direction and empties its maters in the Deschutes River. That the flow of this stream is torrential in its nature, flowing large quantities in the spring time when the winter snows are melting and almost going dry in the dry part of the summer time and almost all the tributaries do go dry. That it is necessary, therefore, to use the water for irrigation during the flood time of the irrigators will not be able to divert any water whatever. That the spring freshets begin at a different time each year, deponding upon the time of the breakup of winter and its quantity and duration is dependent upon the extent of the smowfall, the time when and the degree of temperature prevailing while the winter snows are melting; that winter seldom breaks up earlier than the first of February of each year. That it is customary among irrigators to use water so long as they can get it. That semetimes some of them get water as late as December 1st. That the irrigation season, therefore, lasts from February 1st until December 1st of each year.

MIV.

That the soil of the watershed of Grooked River varies. That in places there is sandy loam, other places gravelly loam, others sagebrush and desert land, also black loam. That there is a great deal of albell. That irrigation is necessary in order to produce crops; that four acre foot of water per acre is a sufficient amount of water for such irrigation.

That a statement and proof of claim for water right mas filed by Charles Altschul by C. E. S. Wood, his egent, but that said claim is too indefinite to ascertain what right said Charles Altschul has. That said claim is for riparian rights for lands granted by the United States for the purpose of building a military road; that said company has never used any water but has leased land to tenants who have used mater on the land rented by them. That such use of water has been claimed by said tenants and tabulated so far as claimed. That by reason of said non usage under claim of riparian rights and of such usage under claim of appropriation, said Charles Altschul has lost and forfeited any and all rights by riparian ownership in, of or to the waters of said stream.

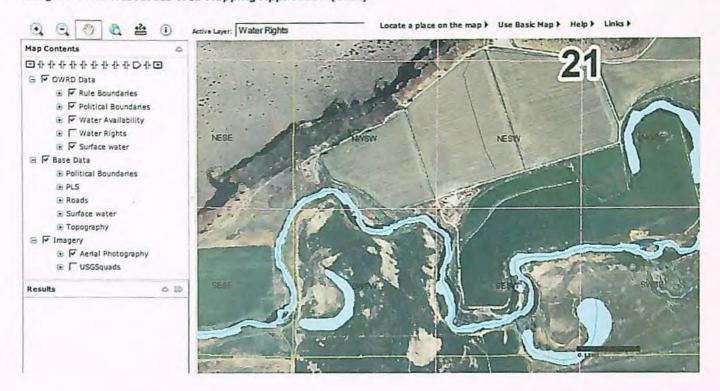
XVI-

That all claimants herein to water for irrigation shall be entitled to use such water for stock and demestic purposes; that the rights of use for stock and demestic purposes hereby confirmed entitle the owner of such right to divert and use such quantity of mater as is reasonably necessary for his household and stock use; and for stock use, the amount so diverted and use; shall not exceed the rate of one-fortieth (1/40) cubic foot per second for each one thousand (1,000) head of stock; and the quantity diverted for irrigation purposes during the irrigation season shall include when it is no diverted such amount as may be reasonably necessary for said stock and demestic purposes; and the right to divert and use the waters of said stream, and its tributaries, for stock and demestic purposes continues throughout the year.

MVII.

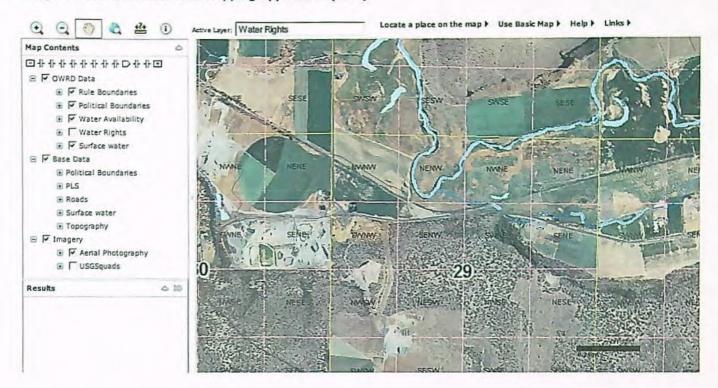
That in order to irrigate the lands, it is necessary to have a sufficient head of water; that four acre feet is sufficient water to irrigate (strucken and by court see p. very 10-this & how each acre of land and a flow of 1/80 of a second foot of water for 5 1/3 months will deliver said four acre foot; (that the mater master of the district in which said stroam is situated shall in no case limit the diversion of any gater user under this decree to a flow for irrigation purposes of less than 1/60 of one second foot for each acre of land irrigated.) That said water master shall arrange such systems of rotation as may be best applicable without infringment on other prior rights, to-wit: either (1) by giving a greater flow of water than said 1/60 of one second foot to an appropriator for a proportionately less time than said 5 1/3 months, provided that the amount of water taken by any appropriator does not exceed four acre feet, during any year; and provided further that no appropriator take more than one acre foot in any one days; or (2) where two or more appropriators agree as between themselves as to the manner and system of rotation in the use of water, by distributing the water in accordance with such agreement; or (3) in the absence of any such agreement, by arranging such appropriators in groups, or systems of rotation, first giving the appropriator who is first in priority a quantit of water equal to the combined appropriations of all the appropriators in said group or system. for a length of time bearing the same ratio to the wholetime required to make the complete rotation through the whole group of appropriators as the appropriation of said first appropriator bears to the combined appropriation of said enpropriators; and shall next serve the next appropriator in priority with a like cum tity of water for his proportional time, and so on, until all appropriators in said group or graten are served; then the distribution of water shall be repeated in the same manner throughout the irrigation season; that in mase two or more appropriators in a group or system have the same priority, then said water master shall distribute said water as between such appropriators to the one whose ditch or lateral taps the stream or ditch nearest its source or head first, and the next lower down, next and so on.

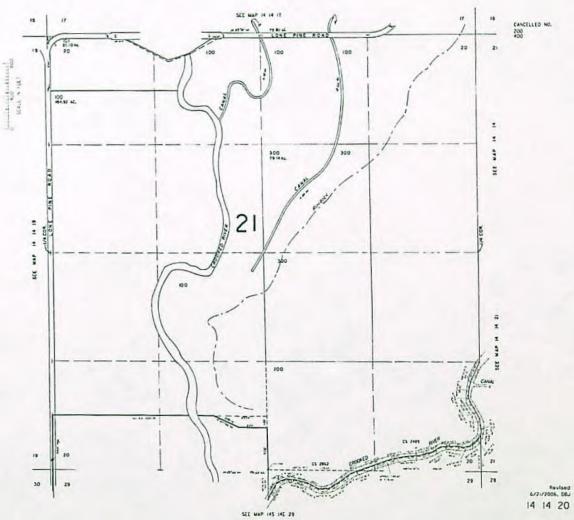
Oregon Water Resources Web Mapping Application (beta)

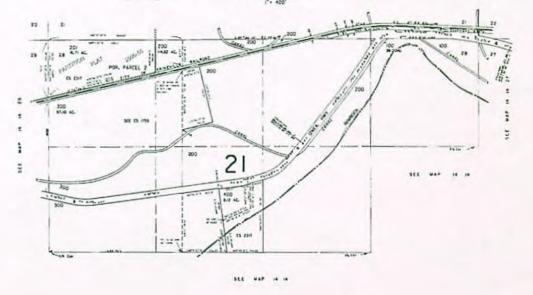


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Oregon Water Resources Web Mapping Application (beta)





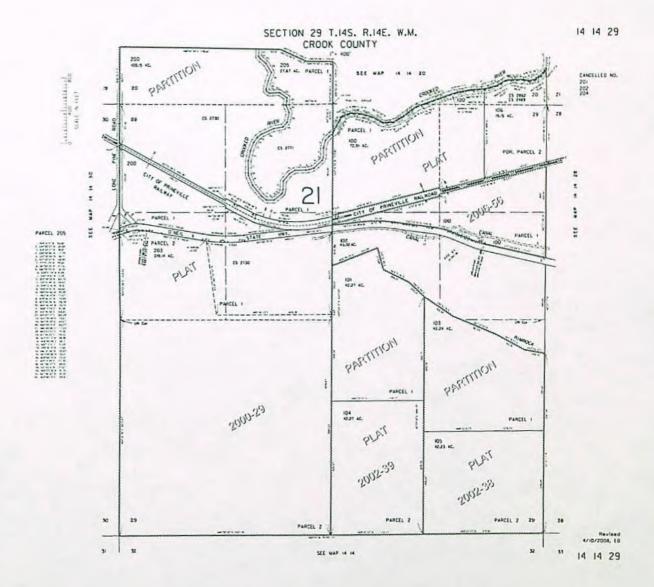


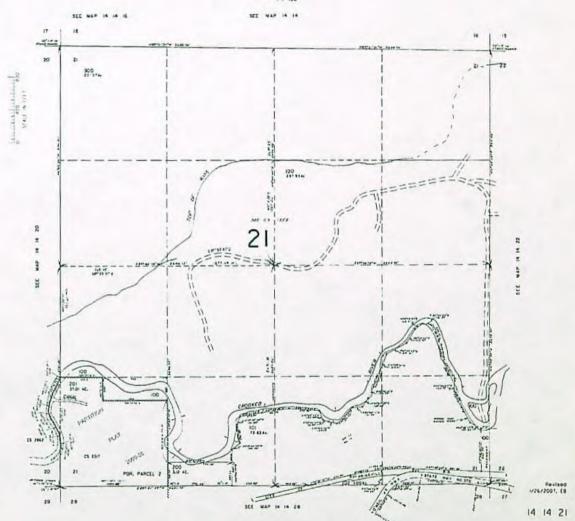
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Oregon's 2004/2006 Integrated Report

Refresh Re	port Show All R	lecords	Records	per page: 100				
						Lookup LAS Station da	SAR ta	Link to LASAR Web
Watershed 4th Field HUC	Name LLID River Mile	Parameter	Season	Criteria	Beneficial Uses	Status	Assessment: Year Action	[Data Source] Supporting Data
Record ID CROSSES SUBBASINS 17070304 14858	Crooked River 1212676445778 0 to 124.4	Alkalinity	Year Around	Table 20 Toxic Substances	Aquatic life	Cat 2: Attaining some criteria/uses	2004 Added to database	2004 Data: [DEQ/ODA - Salem; LASAR 10517 River Mile 29.6: From 1/10/1994 to 11/17/2003, 0 out of 61 samples < 20 mg/L (Table 20 criterion). [DEQ] LASAR 16997 River Mile 47.3: From 7/29/1998 to 7/29/1998, 0 out o 1 samples < 20 mg/L (Table 20 criterion). [DEQ] LASAR 12893 River Mile 46: From 9/8/1997 to 9/22/1997, 0 ou of 2 samples < 20 mg/L (Table 20 criterion). [DEQ/ODA - Salem LASAR 11477 River Mile 89.4: From 1/10/1994 to 11/17/2003, 0 out of 62 samples < 20 mg/L (Table 20 criterion).
CROSSES SUBBASINS 17070304 14859	Crooked River 1212676445778 0 to 68.3	Ammonia	Year Around	Table 20 Toxic Substances	Aquatic life	Cat 2: Attaining some criteria/uses	2004 Added to database	2004 Data: [DEQ/ODA - Salem LASAR 10517 Rive Mile 29.6: From 1/10/1994 to 11/17/2003, 0 out of 83 samples > applicable Table 20 criterion. [DEQ] LASAR

						applicable Table 20 criterion. [DEQ] LASAR 16997 River Mile 47.3: From 7/29/1998 to 7/29/1998, 0 out of 1 samples > applicable Table 20 criterion.
CROSSES Crooked River Ammonia SUBBASINS 1212676445778 17070304 68.3 to 124.4 14860	Year Around	Table 20 Toxic Substances	Aquatic life	Cat 3B: Potential concern	2004 Added to database	2004 Data: [DEQ/ODA - Salem] LASAR 11477 River Mile 89.4: From 1/10/1994 to 11/17/2003, 1 out of 81 samples > applicable Table 20 criterion.
CROSSES Crooked River Aquatic SUBBASINS 1212676445778 Weeds Or 17070304 0 to 51 Algae 293	Undefined	The development of fungi or other growths having a deleterious effect on stream bottoms, fish or other aquatic life, or which are injurious to health, recreation or industry may not be allowed.	Fishing Water contact	Insufficient data	1998 Added to database	Previous Data:
CROSSES Crooked River Chloride SUBBASINS 1212676445778 17070304 0 to 124.4 14861	Year Around	Table 20 Toxic Substances	Aquatic life	Cat 3: Insufficient data	2004 Added to database	2004 Data: [DEQ] LASAR 12893 RIver Mile 46: From 9/8/1997 to 9/22/1997, 0 out of 2 samples > applicable Table 20 criterion. [DEQ] LASAR 16997 RIver Mile 47.3: From 7/29/1998 to 7/29/1998, 0 out of 1 samples > applicable Table 20 criterion.
CROSSES Crooked River Chlorophyll a SUBBASINS 1212676445778 17070304 0 to 124.4 14862	Fall/Winter /Spring	Reservoir, river, estuary, non-thermally stratified lake: 0.015 mg/l	Aesthetics Fishing Livestock watering Water contact recreation Water supply	Cat 3: Insufficient data	2004 Added to database	2004 Data: [DEQ/ODA - Salem] LASAR 10517 River Mile 29.6: From 5/13/1996 to 5/31/1996, average Chlorophyll a of 0.042 for 1 samples in 1 months. [DEQ/ODA - Salem] LASAR 11477 River Mile 89.4: From 5/10/1995 to 5/31/1995, average Chlorophyll a of 0.005 for 1 samples in 1 months.
CROSSES Crooked River Chlorophyll a SUBBASINS 1212676445778 17070304 0 to 124.4 14863	Summer	Reservoir, river, estuary, non-thermally stratified lake: 0.015 mg/l	Aesthetics Fishing Livestock watering Water contact recreation Water supply	Cat 3: Insufficient data	2004 Added to database	2004 Data: [DEQ/ODA - Salem] LASAR 11477 River Mile 89.4: From 9/25/1995 to 9/30/1995, average Chlorophyll a of 0.008 for 1 samples in 1 months. [ODA] LASAR 10516 River Mile 2.3: From 7/17/1995 to 9/30/1995, average Chlorophyll a of 0.005 for 1 samples

in 1 months.

							[DEQ/ODA - Salem] LASAR 10517 River Mile 29.6: From 7/14/1997 to 9/30/1997, average Chlorophyll a of 0.02 for 2 samples in 2 months.
CROSSES SUBBASINS 17070304 20886	Crooked River Dissolved 1212676445778 Oxygen 0 to 124.4	January 1 - May 15	Spawning: Not less than 11.0 mg/L or 95% of saturation	Resident trout spawning		2004 Added to database	2004 Data: [DEQ/ODA - Salem] LASAR 10517 River Mile 29.6: From 1/10/1994 to 3/18/2003, 2 out of 26 samples (8%) < 11 mg/l and applicable % saturation. [DEQ/ODA - Salem] LASAR 11477 River Mile 89.4: From 1/10/1994 to 3/18/2003, 0 out of 26 samples (0%) < 11 mg/l and applicable % saturation.
CROSSES SUBBASINS 17070304 11896	Crooked River Dissolved 1212676445778 Oxygen 0 to 124.4	Year Around (Non-spawning)	Cool water: Not less than 6.5 mg/l	Cool-water aquatic life	Cat 2: Attaining some criteria/uses	2004 Added to database	2004 Data: [DEQ/ODA - Salem] LASAR 10517 River Mile 29.6: From 7/18/1994 to 11/17/2003, 1 out of 32 samples (3%) < 6.5 mg/l and applicable % saturation. [DEQ/ODA - Salem] LASAR 11477 River Mile 89.4: From 7/18/1994 to 11/17/2003, 2 out of 32 samples (6%) < 6.5 mg/l and applicable % saturation. [DEQ] LASAR 12893 River Mile 46: From 9/8/1997 to 9/22/1997, 0 out of 2 samples (0%) < 6.5 mg/l and applicable % saturation. [DEQ] LASAR 12893 River Mile 46: From 9/8/1997 to 9/22/1997, 0 out of 2 samples (0%) < 6.5 mg/l and applicable % saturation. [DEQ] LASAR 16997 River Mile 47.3: From 7/29/1998 to 7/29/1998, 0 out of 1 samples (0%) < 6.5 mg/l and applicable % saturation.
CROSSES SUBBASINS 17070304 14864	Crooked River E Coli 1212676445778 0 to 51	Fall/Winter /Spring	30-day log mean of 126 E. coli organisms per 100 ml; no single sample > 406 organisms per 100 ml	Water contact recreation	Cat 2: Attaining some criteria/uses	2004 Added to database	2004 Data: [DEQ/ODA - Salem] LASAR 10517 River Mile 29.6: From 3/25/1996 to 11/17/2003, 0 out of 29 samples (0%) > 406 organisms; maximum 30-day log mean of 0
CROSSES SUBBASINS 17070304 14865	Crooked River E Coli 1212676445778 82.6 to 109.2	Fall/Winter /Spring	30-day log mean of 126 E. coli organisms per 100 ml; no single sample > 406 organisms per 100 ml	Water contact recreation	Cat 2: Attaining some criteria/uses	2004 Added to database	2004 Data: [DEQ/ODA - Salem] LASAR 11477 River Mile 89.4: From 3/25/1996 to 11/17/2003, 0 out of 29 samples (0%)

								> 406 organisms; maximum 30-day log mean of 0
CROSSES SUBBASINS 17070304 14866	Crooked River 1212676445778 0 to 51	E Coli	Summer	30-day log mean of 126 E. coli organisms per 100 ml; no single sample > 406 organisms per 100 ml	Water contact recreation	Cat 2: Attaining some criteria/uses	2004 Added to database	2004 Data: [DEQ/ODA - Salem] LASAR 10517 River Mile 29.6: From 3/25/1996 to 11/17/2003, 0 out of 16 samples (0%) > 406 organisms; maximum 30-day log mean of 0
CROSSES SUBBASINS 17070304 14867	Crooked River 1212676445778 82.6 to 109.2	E Coli	Summer	30-day log mean of 126 E. coli organisms per 100 ml; no single sample > 406 organisms per 100 ml	Water contact recreation	Cat 2: Attaining some criteria/uses	2004 Added to database	2004 Data: [DEQ/ODA - Salem] LASAR 11477 River Mile 89.4: From 3/25/1996 to 11/17/2003, 0 out of 16 samples (0%) > 406 organisms; maximum 30-day log mean of 0
CROSSES SUBBASINS 17070304 591	Crooked River 1212676445778 0 to 51	Fecal Coliform	Fall/Winter /Spring	Fecal coliform log mean of 200 organisms per 100 ml; no more than 10% > 400 per 100 ml	Water contact recreation	Attaining	1998 Added to database	Previous Data: DEQ Data (2 Sites: 402187, 404084; RM 29.9, 47.9): 10% (2 of 20) and 9% (1 of 11) of FWS values exceeded fecal coliform standard (400) with maximum values of 1100 and 460 respectively between WY 86 - 95.
CROSSES SUBBASINS 17070304 267	Crooked River 1212676445778 82.6 to 109.2	Fecal Coliform	Fall/Winter /Spring	Fecal coliform log mean of 200 organisms per 100 ml; no more than 10% > 400 per 100 ml	Water contact recreation	Attaining	1998 Added to database	Previous Data: DEQ Data (Site 404156; RM 105): 0% (0 of 15) FWS values exceeded fecal coliform standard (400) between WY 86 - 95.
CROSSES SUBBASINS 17070304 590	Crooked River 1212676445778 82.6 to 109.2	Fecal Coliform	Summer	Fecal coliform log mean of 200 organisms per 100 ml; no more than 10% > 400 per 100 ml	Water contact recreation	Attaining	1998 Added to database	Previous Data: DEQ Data (Site 404156; RM 105): 10% (2 of 21) Summer values exceeded fecal coliform standard (400) with a maximum value of 540 between WY 86 -95.
CROSSES SUBBASINS 17070304 268	Crooked River 1212676445778 0 to 51	Fecal Coliform	Summer	Fecal coliform log mean of 200 organisms per 100 ml; no more than 10% > 400 per 100 ml	Water contact recreation	Criteria change or use clarification	2004 Delisted - Revised criteria or uses met	
CROSSES SUBBASINS 17070304 307	Crooked River 1212676445778 0 to 51	Flow Modification	Undefined	The creation of tastes or odors or toxic or other conditions that are deleterious to fish or other aquatic life or affect the potability of drinking water or the palatability of fish or shellfish may not be allowed.	Resident fish and aquatic life Salmonid fish rearing Salmonid fish spawning		2002 Delisted - Water quality limited, not a pollutant	Previous Data:

Undefined SUBBASINS 1212676445778 Modification 17070304 82.6 to 109.2 Undefined SUBBASINS 1212676445778 Modification 17070304 10.5 1 124.3 Undefined SUBBASINS 1212676445778 Modificati								
17070304 109.2 to 124.3 Varieties of the conditions that same deleterious to fish or other squate (life or affect the polatability of fish or shellfish may not be allowed. CROSSES Crooked River 1212676445778 Modification 17070304 SUBBASINS 121267644578 Modification 17070304 Subbasins 1212676445778 Modification 17070304 Subba	SUBBASINS 17070304	1212676445778 Modification	Undefined	tastes or odors or toxic or other conditions that are deleterious to fish or other aquatic life or affect the potability of drinking water or the palatability of fish or shellfish may not be	and aquatic life Salmonid fish rearing Salmonid fish	quality limited not needing a	Delisted - Water quality limited, not a	Previous Data:
SUBBASINS 1212676445778 Modification 17070304 0 to 51 CROSSES CROSSES SUBBASINS 1212676445778 Modification 17070304 109.2 to 124.3 CROSSES SUBBASINS 1212676445778 Nutrients 1212676445778 Modification 17070304 109.2 to 124.3 CROSSES SUBBASINS 1212676445778 Nutrients 12126	SUBBASINS 17070304	1212676445778 Modification	Undefined	tastes or odors or toxic or other conditions that are deleterious to fish or other aquatic life or affect the potability of drinking water or the palatability of fish or shellfish may not be	and aquatic life Salmonid fish rearing Salmonid fish	quality limited not needing a	Delisted - Water quality limited, not a	Previous Data:
SUBBASINS 1212676445778 Modification 17070304 82.6 to 109.2	SUBBASINS 17070304	1212676445778 Modification	Undefined	tastes or odors or toxic or other conditions that are deleterious to fish or other aquatic life or affect the potability of drinking water or the palatability of fish or shellfish may not be	and aquatic life Salmonid fish rearing Salmonid fish	quality limited not needing a	Delisted - Water quality limited, not a	Previous Data:
SUBBASINS 1212676445778 Modification 17070304 109.2 to 124.3 109.2 to 124.3 Lastes or odors or toxic or other conditions that are deleterious to fish or other aquatic life or affect the potability of drinking water or the palatability of fish or shellfish may not be allowed. CROSSES Crooked River Nutrients Undefined SUBBASINS 1212676445778 Lastes or odors or toxic or other conditions that are deleterious to fish or other aquatic life or affect the potability of drinking water or the palatability of fish or shellfish may not be allowed. Aesthetics Insufficient 1998 Previous Data: Added to database	SUBBASINS 17070304	1212676445778 Modification	Undefined	The creation of tastes or odors or toxic or other conditions that are deleterious to fish or other aquatic life or affect the potability of drinking water or the palatability of fish or shellfish may not be	and aquatic life Salmonid fish rearing Salmonid fish	quality limited not needing a	Delisted - Water quality limited, not a	Previous Data:
SUBBASINS 1212676445778 data Added to 17070304 0 to 51 database	SUBBASINS 17070304	1212676445778 Modification	Undefined	The creation of tastes or odors or toxic or other conditions that are deleterious to fish or other aquatic life or affect the potability of drinking water or the palatability of fish or shellfish may not be	and aquatic life Salmonid fish rearing Salmonid fish	quality limited not needing a	Delisted - Water quality limited, not a	Previous Data:
	SUBBASINS 17070304	1212676445778	Undefined		Aesthetics		Added to	Previous Data:

17070304	Crooked River 5 1212676445778 82.6 to 109.2	Nutrients	Undefined		Aesthetics	Insufficient data	1998 Added to database	Previous Data:
CROSSES SUBBASINS 17070304 604	Crooked River 5 1212676445778 0 to 51	рН	Fall/Winter /Spring	pH 6.5 to 8.5	Anadromous fish passage Resident fish and aquatic life Salmonid fish rearing Salmonid fish spawning Water contact recreation	limited,	2004 No status change	2004 Data: [DEQ/ODA - Salem] LASAR 10517 River Mile 29.6: From 1/10/1994 to 11/17/2003, 12 out of 44 samples (27%) outside pH criteria range 6.5 to 8.5. Previous Data: DEQ Data (2 Sites: 402187 and 404084; RM 29.9 and 47.9): 8% (2 of 24) and 42% (5 of 12) FWS values exceeded standard (6.5 - 8.5) with maximum values of 8.6 and 8.7 respectively between WY 86 - 95. Previous Assessment Year:
CROSSES SUBBASIN 17070304 434	Crooked River 5 1212676445778 82.6 to 109.2	pH	Fall/Winter /Spring	рН 6.5 to 8.5	Anadromous fish passage Resident fish and aquatic life Salmonid fish rearing Salmonid fish spawning Water contact recreation	limited,	2004 No status change	1998 2004 Data: [DEQ/ODA - Salem] LASAR 11477 River Mile 89.4: From 1/10/1994 to 11/17/2003, 10 out of 44 samples (23%) outside pH criteria range 6.5 to 8.5. Previous Data: DEQ Data (Site 404156; RM 105): 21% (4 of 19) FWS values exceeded standard (6.5 - 8.5) with a maximum value of 8.7 between WY 86 - 95. Previous Assessment Year:
CROSSES SUBBASINS 17070304 435	Crooked River 5 1212676445778 0 to 51	pH }	Summer	pH 6.5 to 8.5	Anadromous fish passage Resident fish and aquatic life Salmonid fish rearing Salmonid fish spawning Water contact recreation	limited,	2004 No status change	1998 2004 Data: [DEQ] LASAR 16997 River Mile 47.3: From 7/29/1998 to 7/29/1998 to 7/29/1998, 1 out of 1 samples (100%) outside pH criteria range 6.5 to 8.5. [DEQ] LASAR 12893 River Mile 46: From 9/8/1997 to 9/22/1997, 2 out of 2 samples (100%) outside pH criteria range 6.5 to 8.5. [DEQ/ODA - Salem] LASAR 10517 River Mile 29.6: From 7/18/1994 to 9/22/2003, 3 out of 20 samples (15%) outside pH criteria range 6.5 to 8.5.

Previous Data: DEQ Data (2 Sites: 402187 and 404084; RM 29.9 and 47.9): 4% (1 of 24) and 42% (5 of 12) Summer values exceeded pH standard (6.5 - 8.5) with maximum values of 8.6 and 9.2 respectively between WY 86 -95. Previous Assessment Year:

1998

2004 Data: [DEQ/ODA - Salem] LASAR 11477 River Mile 89.4: From 7/18/1994 to 9/22/2003, 9 out of 20 samples (45%) outside pH criteria range 6.5 to 8.5.

Previous Data: DEQ Data (Site 404156; RM 105): 59% (13 of 22) Summer values exceeded standard (6.5 - 8.5) with a maximum value of 8.7 between WY 86 - 95. Previous Assessment Year:

1998

2004 Data:

[DEQ] LASAR 11477 River Mile 89.4: From 7/18/1994 to 9/22/2003, 3 out of 19 samples > 50 ug/L benchmark criterion. [DEQ] LASAR 12893 River Mile 46: From 9/8/1997 to 9/22/1997, 2 out of 2 samples > 50 ug/L benchmark criterion. [DEQ] LASAR 10517 River Mile 29.6: From 7/18/1994 to 9/22/2003, 19 out of 19 samples > 50 ug/L benchmark criterion. [DEQ] LASAR 16997 River Mile 47.3: From 7/29/1998 to

1 samples > 50 ug/L benchmark criterion. Previous Data:

7/29/1998, 1 out of

CROSSES Crooked River SUBBASINS 1212676445778 17070304 82.6 to 109.2 603

Summer

pH 6.5 to 8.5

Anadromous Cat 5: Water 2004 fish passage quality Resident fish limited, and aquatic life

303(d) list, TMDL needed

No status

change

Salmonid fish rearing Salmonid fish spawning Water contact recreation

CROSSES Crooked River Phosphate SUBBASINS 1212676445778 Phosphorus 17070304 0 to 124.4 21296

Summer as phosphorus (P): Benchmark

50 ug/L in streams to control excessive aquatic growths

Cat 3B: 2004 Added to Potential concern database

Total phosphates Aquatic life

CROSSES 17070304 500

Crooked River Sedimentation Undefined SUBBASINS 1212676445778 0 to 51

appreciable bottom or sludge life deposits or the formation of any organic or inorganic deposits

The formation of Resident fish Insufficient 1998 and aquatic data Added to database Salmonid fish rearing Salmonid fish

spawning

				deleterious to fish or other aquatic life or injurious to public health, recreation, or industry may not be allowed.				
SUBBASINS 17070304 8	1212676445778 32.6 to 109.2	Sedimentation		The formation of appreciable bottom or sludge deposits or the formation of any organic or inorganic deposits deleterious to fish or other aquatic life or injurious to public health, recreation, or industry may not be allowed.	and aquatic life Salmonid fish rearing Salmonid fish spawning	data	1998 Added to database	Previous Data:
SUBBASINS	Crooked River 5 1212676445778 109.2 to 124.3	Sedimentation	Undefined	formation of any organic or	and aquatic life Salmonid		1998 Added to database	Previous Data:
SUBBASINS	Crooked River 1212676445778 0 to 51	Temperature	Summer	Rearing: 17.8 C	Anadromous fish passage Salmonid fish rearing	303(d)	1998 Added to database	Previous Data: BLM Data (Site at Smith Rocks): 7 day average of daily maximum of 71.1 with 86 days exceeding standard (64) in 1994; DEQ Data (Site 402187; RM 29.9): 63% (15 of 24) exceeded standard with a maximum value of 74.3 between WY 86-95.
SUBBASINS 1	Crooked River 1 1212676445778 51 to 70	Temperature	Summer	Rearing: 17.8 C	Anadromous fish passage Salmonid fish rearing	Attaining	1998 Added to database	Previous Data: BLM Data (3 Sites: Below Bowman Dam; Near Hwy 27-MP8; At Castle Rock): 7 day average of daily maximums were 59.1/59.6 (with no values above 64); 63.4/nd; and nd/61.0 in 1993/1994 respectively.
SUBBASINS 1	Crooked River T 212676445778 32.6 to 109.2	Temperature	Summer	Rearing: 17.8 C	Anadromous fish passage Salmonid fish rearing	303(d)	1998 Added to database	Previous Data: DEQ Data (Site 404156; RM 105): 68% (15 of 22) Summer values exceeded standard (64) with a maximum value of 26.5 between WY 86 - 95.

CROSSES Crooked River Total Undefined SUBBASINS 1212676445778 Dissolved Gas 109.2 to 124.3 See Crooked River SUBBASINS 1212676445778 Dissolved Gas 109.0 for toxic or or toxic	Anadromous Insufficient 1998 Previous Data: fish passage data Added to Resident fish database and aquatic life
CROSSES Crooked River / Habitat Undefined The creation CROSSES SUBBASINS Prineville Modification tastes or or or toxic or or or toxic or or or toxic or or or toxic or or	Salmonid fish rearing Salmonid fish
CROSSES Crooked River / Habitat Undefined The creation CROSSES SUBBASINS Prineville Modification tastes or or or toxic or or or toxic or or or toxic or or or toxic or or	spawning Resident fish 303(d) 1998 Previous Data:
SUBBASINS Prineville Modification tastes or od or toxic or of toxi	Resident fish 303(d) 1998 Previous Data: and aquatic life Added to database Rainbow Trout captured below Bowman Dam after high flows were discharged from the dam in 4/89 showed signs of "gas bubble disease" and elevated saturation levels (108 - 109%) were measured with a saturometer.
349 / are deleteric to fish or oth aquatic life affect the potability of drinking wat or the palatability fish or shell may not be allowed. CROSSES Crooked River / Sedimentation Undefined The formatic	fors and aquatic quality Delisted - other life limited not Water quality
	tous fish rearing TMDL pollutant ther Salmonid or fish spawning f ster of
17070304, Reservoir bottom or sl 17070305 1212676445778 deposits or	sludge life database considered one of
1207086441302 organic or 70 to 82.6 inorganic deposits deleterious fish or other aquatic life injurious to	Salmonid production is limited by several factors, spawning including sediment deposition, that reduces available bass habitat (USBR, 1992).
public healt recreation, industry ma be allowed.	or ay not
CROSSES Crooked River / Turbidity Year Around 10% increa: SUBBASINS Prineville Nephelomet 17070304, Reservoir Turbidity Ur 17070305 1212676445778 523	tric Resident fish concern Added to Reservoir is
1207086441302 70 to 82.6	supply production is limited by several factors, including heavy loads of silt and clay during spring runoff, decreasing light penetration and food production (USBR, 1992).

To select new search criteria click here - DO NOT USE THE BACK ARROW.

[pnnt version]

For more information about DEQ's Integrated Report and 303(d) list contact Karla Urbanowicz by phone at (503) 229-6099 or by e-mail.

Oregon Department of Environmental Quality
Headquarters: 811 Sixth Ave., Portland, OR 97204-1390
Phone: 503-229-5696 or toll free in Oregon 1-800-452-4011
Oregon Telecommunications Relay Service: 1-800-735-2900 FAX: 503-229-6124

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Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, Oregon 97301-1271 (503) 986-0900 www.wrd.state.or.us

Watermaster Review Form: Water Right Transfer

Tra	insfer App	lication	: T- <u>10730</u>		Rev	iew Due Date:	12-31-08
Ap	plicant Na	me: <u>T</u>	he Daniells (Group, LLC			
	posed Cha			POD	POA	⊠ USE	OTHER
Re	viewer(s):	Giffin			Date	e of Review:	Dec. 2, 2008
1.	Yes	⊠ No ion affic	If "Yes", davit or if you	describe the in	formation and i	ay be subject to ndicate if you i mine if a cance	o forfeiture? ntend to file a llation affidavit
2.	has involved	ved the	right and dov frequency of	wnstream water any regulation	rights? Ye or explain why	es No Coregulation has	for transfer that Generally not occurred: The tract past these
3.	from the d	current where to that be	use of the rig the return flow enefits from re	tht? 🔯 If you ws likely occur	check the box, and list the wa	it from return fl generally chara ter rights that be s under certific	enefit most: The
4.	Are there Yes most affect	≥ No	If "Yes",	ts that would be describe how the	e affected by the ne rights would	e proposed cha be affected and	nge? I list the rights
5.	old and ne	ew POD	os or within t	n transfers, che he proposed ins nate the losses:	stream reach?	are channel los	sses between the k the box,
6.	other water	er rights	s that would r	or the right after not have occurr explain:	the proposed of the	change result in existing right v	regulation of vas maximized?
	source?	Yes n the ea	⊠ No L	」N/A If "Y	es", explain: H	to receive water <u>However much over</u> vs, but dries out	from the same of the are is sub- later in the
	For POU of diversion of If "Yes", e	of more	water than c	uld use of the e an be used ben	xisting right at eficially and w	"full face value ithout waste? [e," result in the Yes No

9. Are there other issues not identified through the above questions? Yes No If "Yes", explain: __ 10. What alternatives may be available for addressing any issues identified above: _____ 11. Have headgate notices been issued for the source that serves the right?

Yes

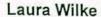
No 12. What water control and measurement conditions should be included in the transfer: Should be May be required Present and Measurement in the future. should be required prior to Devices diverting water. maintained. May be required Present and Should be in the future. should be required prior to Headgates

maintained.

diverting water.

Watermaster Review Form

Transfer Application: T-10730



From: Laura Wilke

Sent: Wednesday, March 09, 2011 8:35 AM

To: Jon LaMarche; Jeremy Giffin

Cc: Kyle Gorman

Subject: RE: Instream Transfer T-10730 - return flows - small clarification

Thanks Jonathan. I really appreciate the feedback.

I think on the surface and sub surface return flows we can identify different spots. That the surface return flows don't need to be accounted for in the same spot as the sub surface return flows - especially if the surface return flows are more immediate. I'll follow up with Jeremy and we'll go from there.

Laura

From: Jon LaMarche

Sent: Wednesday, March 09, 2011 8:29 AM

To: Laura Wilke; Jeremy Giffin

Cc: Kyle Gorman

Subject: RE: Instream Transfer T-10730 - return flows - small clarification

Laura,

It is likely that the sub-surface returns in the alluvial valley would follow the local topography (i.e., same general path as surface return flows). Therefore, for the sub-surface return component, you could just say "ditto" to whatever Jeremy came up with for the surface returns.

However, if we were challenged on these sub-surface findings we'd be hard pressed to support this with any data. Shallow GW flow in a alluvial filled valley can also follow the general direction of the river system without contributing to surface flow (depending on the head elevation and the permeability of the river channel).

It'd be much more defensible to say that the returns flows all occur where the valley ends (like Jeremy mentioned) near Forest Rd Crossing, where indeed we did find gains due to GW inflows and the alluvial deposits end.

-Jonathan

Jonathan La Marche, P.E. Hydrologist Oregon Water Resources Department 1128 NW Harriman Street Bend, OR 97701

tel: 541-330-4659 fax: 541-388-5101

email: jon.l.lamarche@wrd.state.or.us

From: Laura Wilke

Sent: Tuesday, March 08, 2011 3:58 PM

To: Jeremy Giffin; Jon LaMarche

Subject: RE: Instream Transfer T-10730 - return flows - small clarification

Ok, what if we try and break this down by certificate. That's going to be the best way for me in terms of arranging things in the transfer order. And given that I'm ultimately going to be issuing three separate instream rights.

Let me play this out a bit (please bear with me) - I'm going to make some assumptions so please correct me if I get this wrong. I'm assuming that all surface return flows are 10% and subsurface return flows are all but the consumptive portion of the right.

Cert 83732, which has a POD located near the POU. The POU is pretty close to the river so surface return flows are likely in the vicinity of the POU/POD.

It makes sense then to account for the surface return flows (10%) immediately below the POD - which is consistent with previous leases/transfers we've done in the area. This is also what we did on IL-1081 last year. Does that make sense to you Jeremy?

Jonathan, where in your opinion do sub surface return flows come back into the system under the portion of this right proposed for transfer - all located in the SW SW of Sec 20, T14S R14E? If no specific point, then we can account for all return flows right below the POD, which might make sense given proximity of lands to the river and the POD.

Cert 83651, which has a POD upstream from the POU (looks like at least a few miles) - POD is located in the SE SW of Sec 24 T14S R14E. The POU is located downstream in Section 28 T14S R14E - 4.9 ac in the NE NW of Sec 28 between the river and the railroad and the other piece is located on the other side of the railroad, on the south side of the railroad, in the NE NW and NW NE of Sec 28. I'm assuming that any surface return flows would probably occur more locally - instead of at the POD.

Jeremy, in your opinion where do surface return flows occur in association with this right? For this one, are they using the "authorized POD"? If not, perhaps we can tie the surface return flow location to the "POD" that they are using.

Jonathan, where in your opinion do subsurface return flows return in association with this right?

Remember that if we don't have a definite spot we can always account for the return flows below the POD and call it good.

Cert 83857 is the more complicated right since there are four POD's - although they may not be using the "authorized" POD's for each POU.

POD #1 is located way upstream from the POU - POD loc in the NW SW of Sec 8, T15S R16E. The POU associated with this POD is located downstream in the NW 1/4 of Sec 29 T14S R14E. These lands are located near the river between the river and the railroad. I'm assuming that surface return flows are likely pretty local.

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Jeremy - where in your opinion to surface return flows occur in association with this POU? If not sure, we can just account for them below the POD even though the POD is a significant distance upstream.

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Hope I didn't muddy the waters but I thought this breakdown might work as an approach to wrapping this up.

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Sent: Tuesday, March 08, 2011 2:41 PM

To: Laura Wilke; Jon LaMarche

Subject: RE: Instream Transfer T-10730 - return flows - small clarification

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J

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Sent: Tuesday, March 08, 2011 1:17 PM

To: Jeremy Giffin; Jon LaMarche

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Sent: Tuesday, March 08, 2011 12:20 PM

To: Jeremy Giffin; Jon LaMarche

Subject: Instream Transfer T-10730 - return flows

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Let me know if you need any additional details or anything clarified. I'm hoping that you guys might be able to get me some feedback on this soon. The applicant's are chomping.

Thanks, Laura

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301-1271
Phone: (503) 986-0884

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Laura Wilke Flow Restoration Program Coordinator Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1271 Phone: (503) 986-0884 Fax: (503) 986-0903

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I'm working my way through the DPD for T-10730 and am the part where we need to address return flows. As a reference I've attached the latest POU map (with each area proposed for transfer highlighted to corresponde to its certificate number) and the latest POD map showing the location of the authorized POD's. I've also attached the POU/POD descriptions from draft DPD so you can see which lands go with which POD.

Per Jeremy, there are return flows. However, the % of return flows is not identified in the WM Eval. However, when we did a lease last year (IL-1081), it was estimated that there were 10% return flows. Return flows were accounted for below each POD. Under the lease we leased a portion of Certs 83857 and 83732.

This transfer includes both of those rights - almost the same POU - and Certificate 83651.

Per Jonathan, there are also sub surface return flows and the return flows occur above Smith Rocks and the gage at that location.

I need a bit more info to complete the return flow portion of the transfer evaluation. By rule, if there are return flows within the proposed reach (which will be from each of the authorized POD's to Lake Billy Chinook on the Crooked River), we're required to account for return flows at a definite point (if there is one) below the POD or if they don't occur at a definite point, then account for them immediately below the POD.

In this case, it sounds like we definitely have return flows within each of the proposed reaches. For the lease, we accounted for return flows below each of the POD's. Is that appropriate to do here in the case of this transfer or account for them at some point below each POU or another location?

At this point, we're proposing to account for return flows below each POD based on info from Jeremy and last year's lease. Amount of return flows, I'm assuming, would be diversion minus consumptive use.

Let me know if you need any additional details or anything clarified. I'm hoping that you guys might be able to get me some feedback on this soon. The applicant's are chomping.

Thanks, Laura

Laura Wilke Flow Restoration Program Coordinator Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1271 Phone: (503) 986-0884 Fax: (503) 986-0903

From: Laura Wilke

Sent: Tuesday, March 08, 2011 12:20 PM

To: Jeremy Giffin; Jon LaMarche

Subject: Instream Transfer T-10730 - return flows

Attachments: 10730-revised-from-map (marked up).pdf; 10730-revised-POD-map.pdf; 10730-POU-

descriptions.doc

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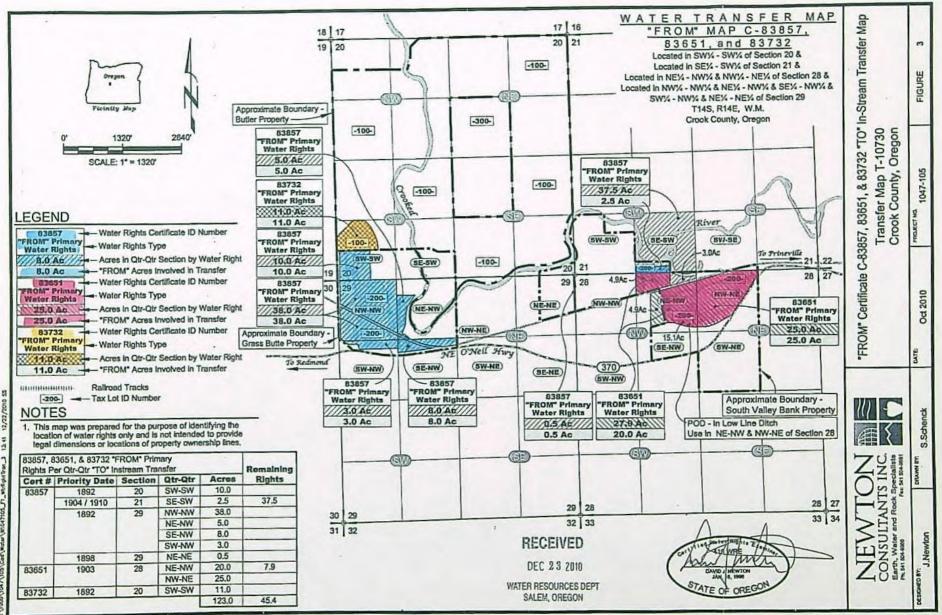
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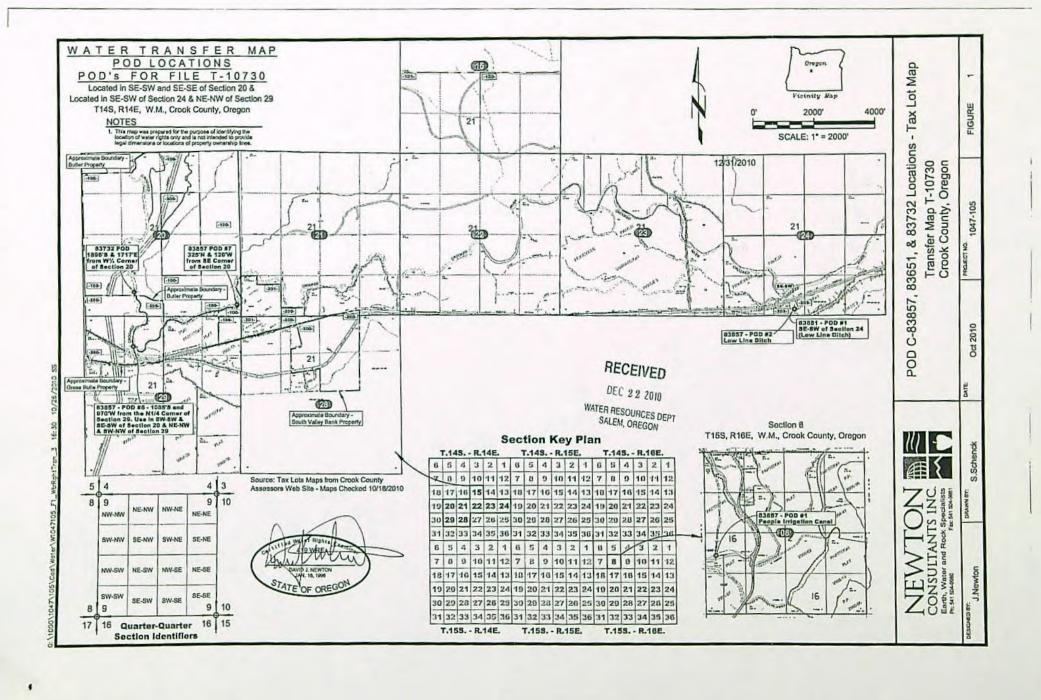
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- 3



1. The portion of the first right to be transferred is as follows:

Certificate: 83857 in the name of PEOPLES IRRIGATION CO. (confirmed by

Crooked River Decree)

Use: IRRIGATION OF 67.0 ACRES (0.5 acres under the 1898)

priority date, 2.5 acres under the 1904/1910 priority date, and 64.0

acres under the 1892 priority date), LIVESTOCK AND

DOMESTIC USE

Priority Dates: 1892, 1898, and 1904/1910

Rate: 0.84 CUBIC FEET PER SECOND (CFS), being 0.01 CFS

under the 1898 priority date, 0.03 CFS under the 1904/1910

priority date, and 0.8 CFS under the 1892 priority date

Limit/Duty: The amount of water used for irrigation, together with the amount

secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre

irrigated during the irrigation season of each year.

Source: CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Points of Diversion:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
1	15 S	16 E	WM	8	NW SW	1920 FEET NORTH AND 340 FEET EAST FROM THE SW CORNER OF SECTION 8
2						LOW LINE DITCH
6	14 S	14 E	WM	29	NE NW	PUMP: 1085 FEET SOUTH AND 970 FEET WEST FROM THE NORTH 1/4 CORNER OF SECTION 29
7	14 S	14 E	WM	20	SE SE	PUMP: 325 FEET NORTH AND 120 FEET WEST FROM THE SE CORNER OF SECTION 20

Authorized Place of Use:

		IR	RIGATIO	N, LIVE	ESTOC	K, AND DO	MESTI	C
Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User
1892	6	14 S	14 E	WM	20	SWSW	10.0	Forrest, Frances
1904/1910	2	14 S	14 E	WM	21	SE SW	2.5	Deschutes Fine Wool Company
1898	7	14 S	14 E	WM	29	NE NE	0.5	McDowell, D.A.
1892	6	14 S	14 E	WM	29	NENW	5.0	Forrest, Frances
1892	6	14 S	14 E	WM	29	NWNW	35.6	Forrest, Frances
1892	1	14 S	14 E	WM	29	NWNW	2.4	Forrest, Frances
1892	1	14 S	14 E	WM	29	SWNW	3.0	Forrest, Frances
1892	1	14 S	14 E	WM	29	SE NW	8.0	Forrest, Frances

- The Department has information identifying that POD #2, Low Line Ditch, is the same POD as identified for Certificate 83651, as described in Finding of Fact #15.
- 3. The portion of the second right to be transferred is as follows:

Certificate: 83651 in the name of LOW LINE DITCH CO. (confirmed by

Crooked River Decree)

Use: IRRIGATION OF 45.0 ACRES, DOMESTIC, AND LIVESTOCK

Priority Date: 1903 Rate: 0.56 CFS

Limit/Duty: The amount of water to which this right is entitled is limited to an

amount actually used beneficially, and shall not exceed a reasonable amount for domestic and livestock, and 0.56 cubic feet per second for irrigation, the total quantity being limited to 4.0 acre-feet per acre

during each year.

Source: CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	24	SE SW	Unspecified by Certificate

Authorized Place of Use:

	IRRIGATION, LIVESTOCK, AND DOMESTIC											
Twp	Rng	Mer	Sec	Q-Q	Acres	Name of User through Company's Works						
14 S	14 E	WM	28	NW NE	25.0	J. W. Livingston						
14 S	14 E	WM	28	NE NW	20.0	J. W. Livingston						

- 4. The Crooked River Decree further describes the POD for Certificate 83651 as the Low Line Ditch. In a prior site visit, Department staff further identified that the POD is more accurately located approximately at Latitude 44.33859 degrees North and Longitude 121.01154 degrees West (see Special Order Volume 73, Page 721, Finding #7).
- 5. The third right to be transferred is as follows:

Certificate: 83732 in the name of BUTLER RANCH, INC. (confirmed by

Crooked River (F) Decree)

Use: IRRIGATION of 11.0 ACRES

Priority Date: 1892

Rate: 0.137 CFS if available at the original point of diversion

Limit/Duty: The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a

diversion of not to exceed 4.0 acre-feet per acre for each acre

irrigated during the irrigation season of each year.

Source: CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	20	SE SW	1896 FEET SOUTH AND 1717 FEET EAST FROM THE WEST 1/4 CORNER OF SECTION 20

6. Original Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
15 S	16 E	WM	8	NW SW	744.2 FEET SOUTH AND 321 FEET EAST FROM THE WEST 1/4 CORNER OF SECTION 8

Authorized Place of Use:

IRRIGATION									
Twp	wp Rng		Sec	Q-Q	Acres				
14 S	14 E	WM	20	SW SW	11.00				

From: Jeremy Giffin

Sent: Tuesday, March 08, 2011 10:47 AM

To: Laura Wilke
Cc: Kyle Gorman

Subject: RE: Fact Check for T-10730 (Grass Butte)

Attachments: aboveemmitt2.JPG; aboveemmitt.JPG; Dove2.JPG; mcallisterslough.JPG; Dove.JPG

Here are some of the pictures of the diversions. The "above emmitt" pics are from a large pump diversion located in the SESE of section 20 being roughly 280' north and 130' west of the SE corner of section 20 and serves most of the lands in sections 21, 28, & 29. The dove pics are from the john Short diversion in the NENW of section 29 being roughly 1630' east and 1075' south from the NW corner of section 29. this POD serves the lands in section 20 & 29 that are part of this transfer and the pipe going across the creek is to irrigate the lands that were eventually traded to another tax lot as part of this whole process. The Mccallister slough pic is the entrance into the Low Line ditch (I have better low line pics if you need them). From my field walks I noticed that the Low Line ditch physically ends in a pond in the SE corner of the NWNW of section 28. They also pump into this pond from the "above emmitt" pump station. All of these PODS have been looked at very carefully over the last few years and I do not have any ready, willing and able concerns.

.1

From: Laura Wilke

Sent: Tuesday, March 08, 2011 10:23 AM

To: Jeremy Giffin Cc: Kyle Gorman

Subject: RE: Fact Check for T-10730 (Grass Butte)

Thanks for the clarification on the sub irrigation - or lack thereof. That definitely simplifies a few things on our end. And I'd love any info/pictures you can send on the delivery system. I'll add them to the file. I was also wondering from a ready, willing and able standpoint whether there were any issues with where water is authorized to be diverted from and where water is actually being diverted. Just want to make sure we don't have any ready, willing and able issues or, if we do, get them addressed.

I'm inching my way through the transfer and might have at least one more thing to follow up with you on - the return flows. I've got info from you and from Jonathan - I just need to review and then follow up with you to nail it down.

Thanks! Laura

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Yes, I would like to amend my earlier thoughts about the sub-irrigation. In January we had very high flows through this reach (in excess of 2500 cfs) and I did a field visit to look at the high flows and noticed that even at these flows (which were higher than the flows we have through this reach during the average spring run-off period) the channel is so incised that the river is unable to reach the root zone so I think that the green we are seeing on the alfalfa is from the spring rains and not from sub-irrigation. Sorry for the confusion. And on the POD's I do not believe it is possible to serve the lands in section 20 & 29 from the

lowline ditch as the ditch ends about 3/4 of a mile before these lands. These lands are served by pump stations along the river. I have the pictures of the pump stations that serve these lands if you would like them.

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Thanks, Laura

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Sent: Monday, March 07, 2011 4:57 PM

To: Laura Wilke Cc: Kyle Gorman

Subject: RE: Fact Check for T-10730 (Grass Butte)

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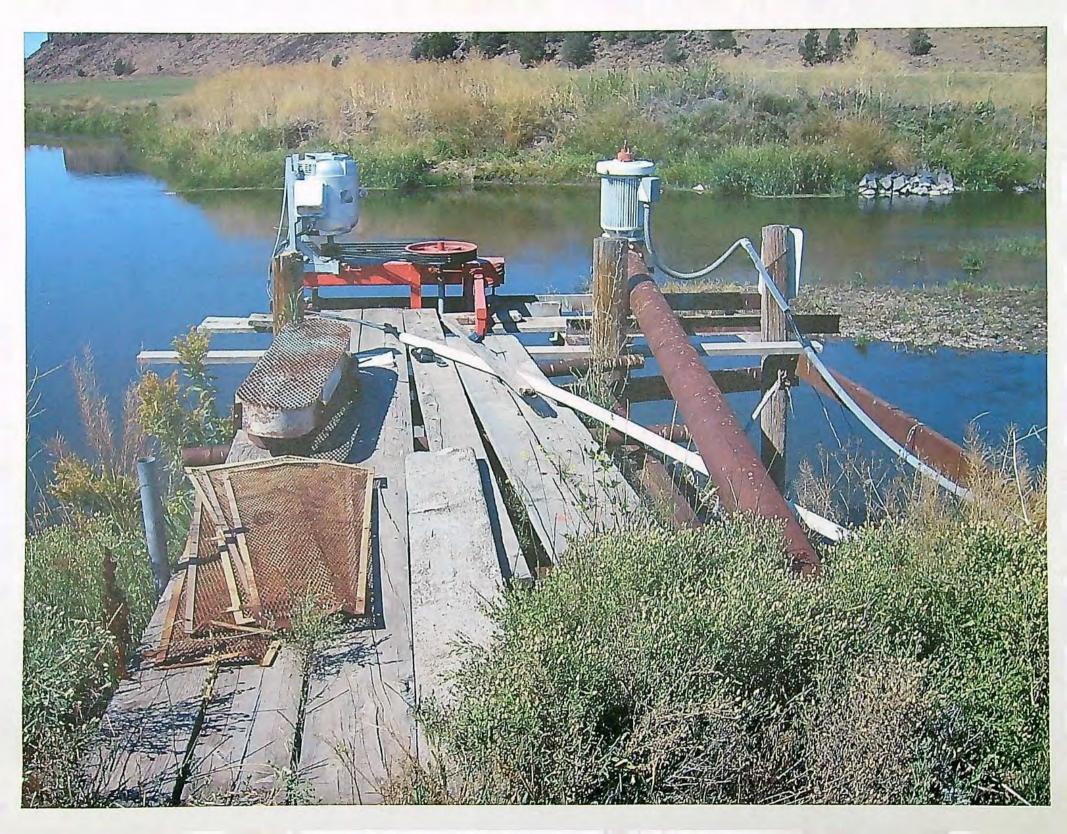
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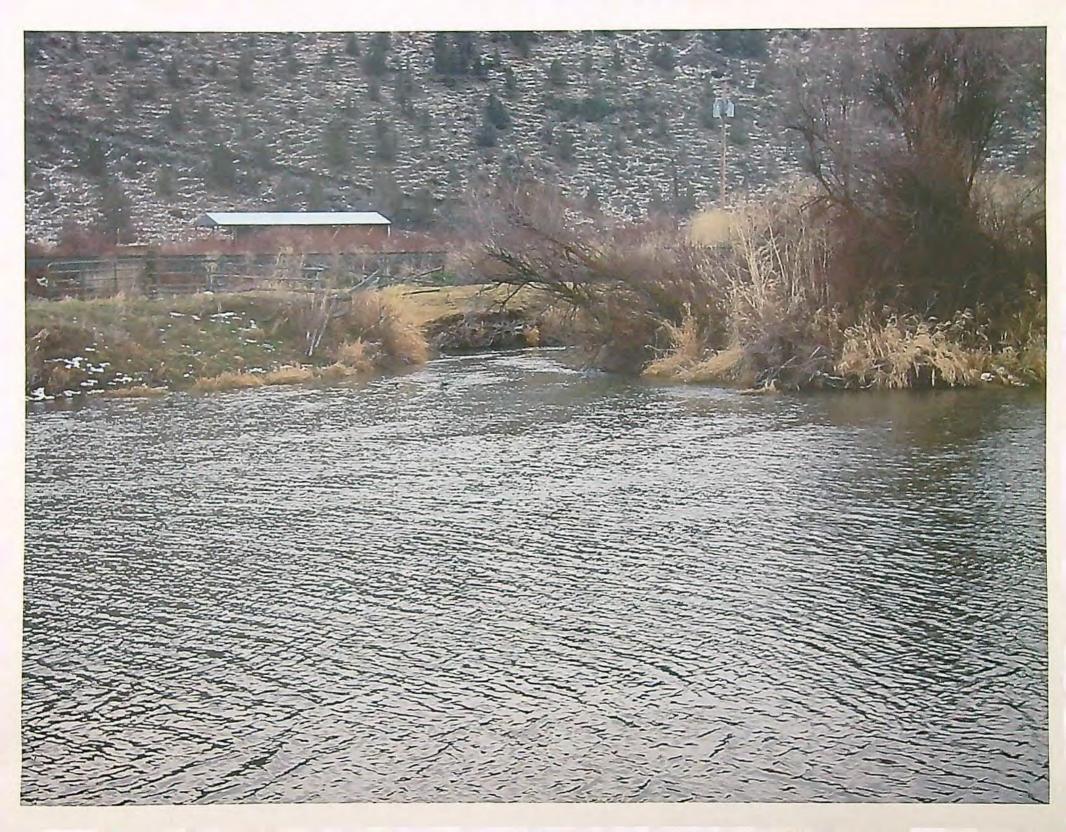
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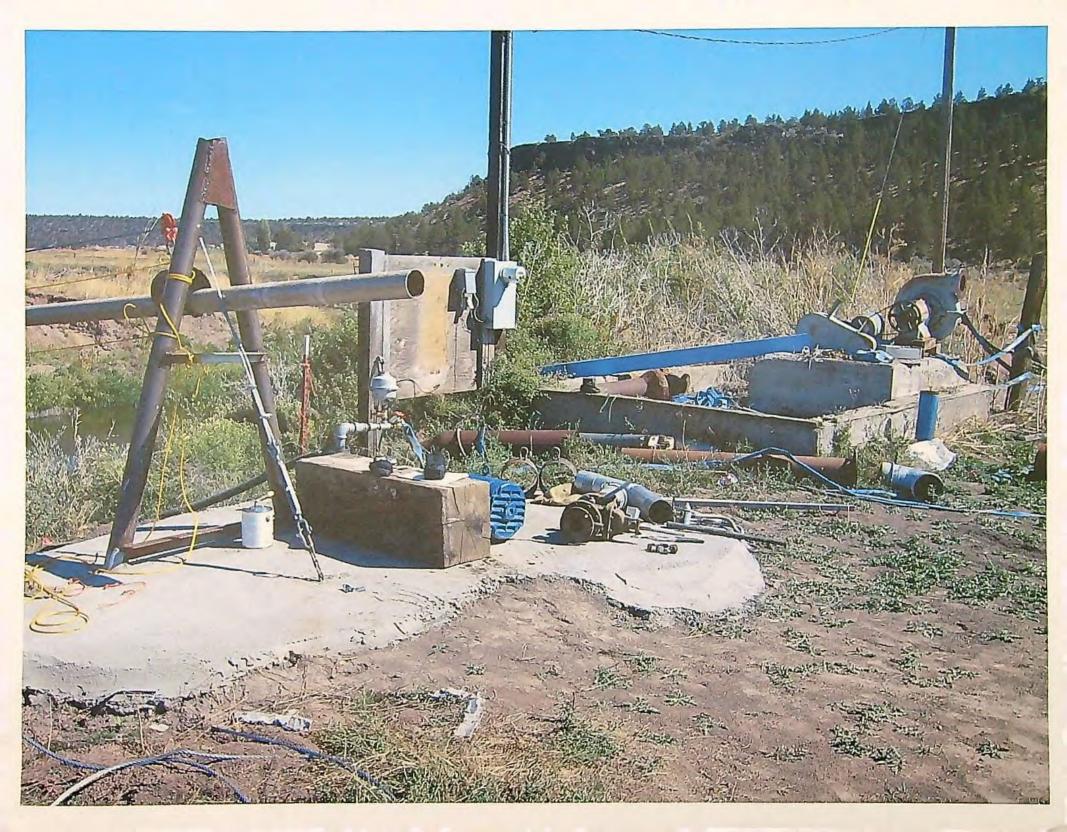
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From: terry.sprecher@bendbroadband.com

Sent: Monday, March 07, 2011 6:48 PM

To: Laura Wilke

Subject: Re: T-10730 - delivery system descriptions

Hi Laura,

I'm in Klamath Falls, and have been working on a spill cleanup site since last week - we worked through the weekend. We're very close to Upper Klamath Lake, on Highway 140. I am hoping to get back to Bend by the end of this week.

without referring to the files, I believe all the kinks were worked out for those delivery system descriptions and PODs. Let me know what you decide about the subirrigation/enlargement issue, and send along copies of the final DPDs.

Thank you.

Terry sprecher

---- Original Message -----

From: Laura Wilke <wilkelk@wrd.state.or.us>

Date: Monday, March 7, 2011 3:59 pm

Subject: T-10730 - delivery system descriptions

- > Terry are we ok with the delivery system descriptions that have
- > been provided for each of the three certs? Including each of the
- > POD's listed under Cert 83857?
- > I'm working on the peer review of the instream transfer this week
- > and hope to get that wrapped up. I am looking further into the
- > sub irrigation issue. I don't think we can transfer the full face
- > value of the right given that a portion of the lands will remain
- > wet enlargement issue. I'll let you know what I find out from
- > Jeremy.

>

- > Thanks, Laura
- > Laura Wilke
- > Flow Restoration Program Coordinator
- > Oregon Water Resources Department
- > 725 Summer Street NE, Suite A
- > Salem, OR 97301-1271
- > Phone: (503) 986-0884
- > Fax: (503) 986-0903

>

From: Jeremy Giffin

Sent: Monday, March 07, 2011 4:57 PM

To: Laura Wilke
Cc: Kyle Gorman

Subject: RE: Fact Check for T-10730 (Grass Butte)

Laura, Yes the diversion described in Certificate 83651 is the Low Line ditch, also known as the Mccallister Slough. I do not think this area has a sub-irrigation problem. I remember when John Short first transferred off the water rights/stopped irrigating he planted alfalfa to make the property look all green (and sellable to prospective buyers). The alfalfa is green well into June before it dies of. I do not think this is from sub-irrigation, but rather from spring rains so I do not think that any irrigation is occurring from the same source, being the Crooked River.

I sent you this message last week but your email box was filled so thanks for the phone message.

Jeremy

From: Laura Wilke

Sent: Monday, March 07, 2011 2:25 PM

To: Jeremy Giffin

Subject: Fact Check for T-10730 (Grass Butte)

Importance: High

Jeremy - in the past we've identified that the POD described on Cert 83651 is also the same as Low Line Ditch (identified on Cert 83857). Is that accurate? Just double checking.

Also, left you a voice mail about the sub irrigation issue. We can't approve the transfer unless we address the sub irrigation (perhaps take out a portion of the water associated with the months that the lands are sub irrigated). This fits in with Enlargement Case 6 in the Water Right Transfer Review document. Also see definition of Enlargement in Div 380. First step would be to identify the number and location of acres under each of the three certs proposed for transfer (here's a link to the latest version of the "from" map: http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?
Type=TRFolder&folder image id=10452)

Give me a call so we can chat about this one. I went back through the file and it looks like we've had some e-mail exchanges but never really worked all the way through this issue.

Thanks, Laura

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301-1271
Phone: (503) 986-0884
and Fax: (503) 986-0903

T-10730 - Items of Note

- 1. Instream transfer for mitigation purposes under Deschutes Mitigation Program.
- 2. Portion of lands are sub irrigated during early part of irrigation season (through end of May generally) due to nature of the Crooked River and snow melt.
 - a. Is this enlargement, if transfer full right? Instream use could be protected 24/7 from June 1 through November 8 at full rate and duty (4.0 af/acre). Watermaster believes that they may be able to make full beneficial use of right even given natural conditions on the property. However, irrigation season runs February 1 to December 1. Do we really have beneficial use issue if transfer full 4 acre-feet (climatic conditions may vary from year to year) or do we have any enlargement considerations?

This seems like it may be enlargement given that a portion of the lands may be sub irrigated for a significant portion of the irrigation season, being February 1 through May (4 months – out of 9 months).

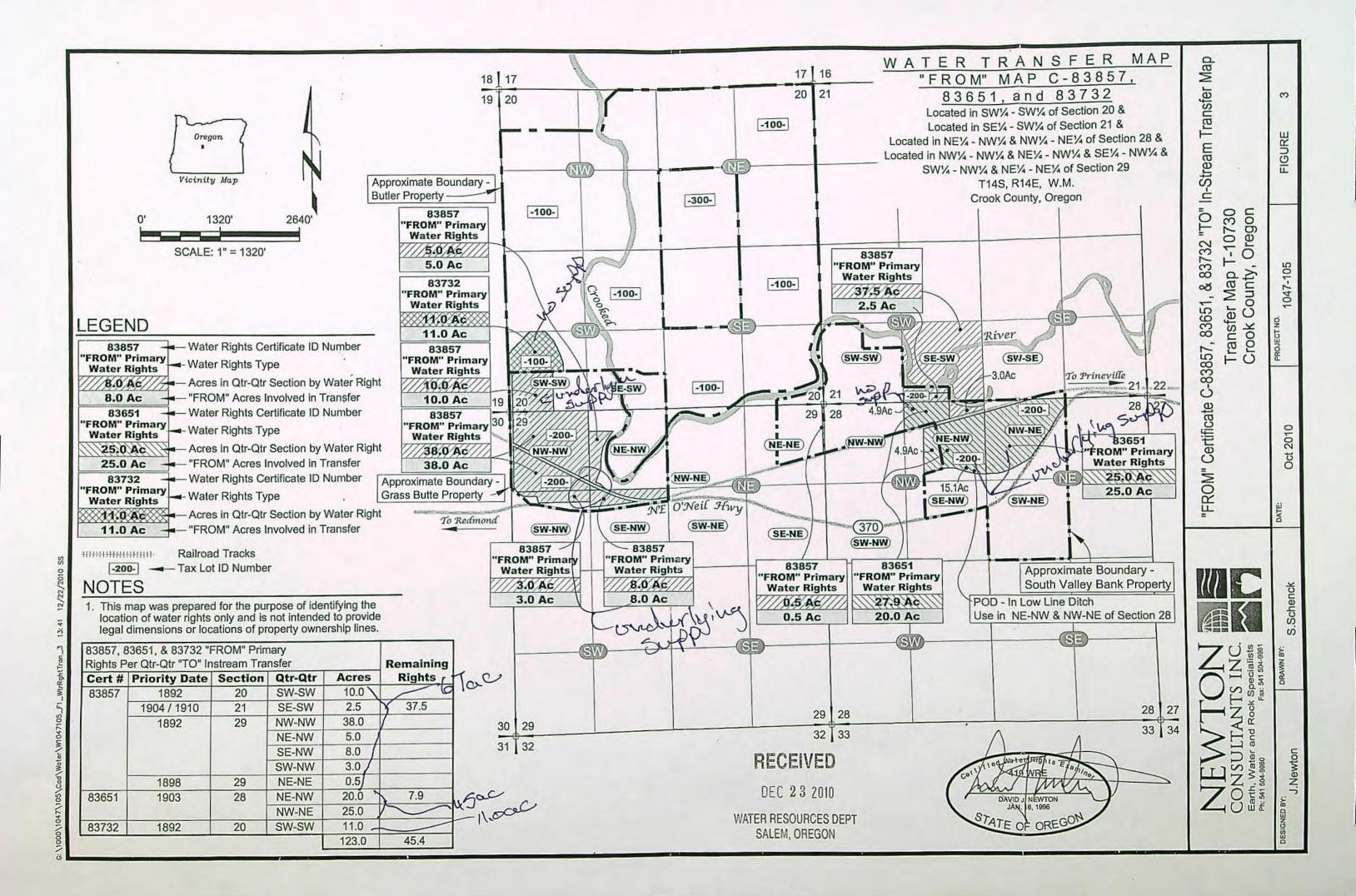
See Enlargement Case 6 in Water Right Transfer Reviews document.

See WM Evaluation Comments and additional comments from WM received by e-mail on March 12, 2009 (can be found in additional review materials packet).

Source of right is Crooked River. Source of sub irrigation is Crooked River.

Lands are located near river (along a low gradient stream?).

- (2) "Enlargement" means an expansion of a water right and includes, but is not limited to:
- (a) Using a greater rate or duty of water per acre than currently allowed under a right;
- (b) Increasing the acreage irrigated under a right;
- (c) Failing to keep the original place of use from receiving water from the same source; or
- (d) Diverting more water at the new point of diversion or appropriation than is legally available to that right at the original point of diversion or appropriation.
- (3) "Injury" or "Injury to an existing water right" means a proposed transfer would result in another, existing water right not receiving previously available water to which it is legally entitled.



Crooked River from Bowman Dam (RM 71) to Lake Billy Chinook

MP = mitigation project

CW = Conserved Water

AP = Applicant's portion of conserved water (temporarily leased instream)

MF = Minimum Flow Conversion T = Instream Transfer

12/17/2007

Note: State Agency ISWR is still a pending application and does not presently protect any water instream

12/1//2007				Note: State Agen	cy ISVVR is still a	pending application	and does not pres						
ISWR	Priority Date	Project ID	Source					Rate (CFS) fo	r Period Instream			In	N 4 D 24
IOVIK	Filolity Date	Fiojectio	Source	Jan 1 - Feb 15	Feb 16 - Feb 29	March 1 - April 30	May 1 - May 20	May 21 - May 22	May 23 - May 31	June 1 - June 30	July 1 - Sept 16	Sept 17 - Oct 31	Nov 1 - Dec 31
Bowman Da	am (RM 71) to PC	D at T15S. R	16E. Sec 8										
IS-70354	5/11/1990	IS-70354	Crooked R	75.000	150.000	255.000	255.000	255.000	255.000	150.000	75.000	75.000	75.00
													0.00
Totals for ACV	V and Transfers			0.000	0.000	0.000	100000000000000000000000000000000000000						
Totals for Min	Streamflow			0.000	0.000	0.000	0.000						
Totals for Stat	te Agency ISWR (not	yet approved)		75.000	150.000	255.000	255.000	255.000					
Total Instream	1			0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
202 1212													
	S, R16E, Sec 8 to								0.431	0,431	0.431	0.431	
81584		T-9687 (MP-25)	Crooked R		150,000	255.000	255.000	255.000					75.000
IS-70354	5/11/1990	IS-70354	Crooked R	75.000	150.000	255.000	255.000	255.000	255,000	130.000	75.000	70.000	70.00
Totals for ACV	W and Transfers			0.000	0.000	0.000	0.000	0.000	0.431	0.431	0.431	0.431	0.000
Totals for Min				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Totals for Stat	te Agency ISWR (not	vet approved)		75.000	150.000		255.000	255.000	255.000	150.000	75.000	75.000	75.000
Total Instream				0.000	0.000		0.000			0.431	0.431	0.431	0.000
A4 DOD -47	5440 B445 0	24											
	14S, R14E, Sec 2								0.431	0.431	0.431	0.431	
81584		T-9687 (MP-25)	Crooked R					0.206					
83650 IS-70354	5/11/1990	T-9829 (MP-28) IS-70354	Crooked R Crooked R		150.000	255.000	255.000	255.000	255.000				75.000
10 , 000 ,	0.7.0.700				- 111111								
Totals for ACV	V and Transfers			0.000			0.000						0.000
Totals for Min	Streamflow			0.000	0.000		0.000						
Totals for Stat	e Agency ISWR (not	yet approved)		75.000	150.000		255.000	255.000					75.000
Total Instream				0.000	0.000	0.000	0.000	0.206	0.637	0.637	0.637	0.637	0.000
Immediately	y below POD at T	14C D14E C	Sac 24 to POI) at T149 P14	E Sec 20								
		T-9687 (MP-25)	Crooked R		L, 360 20				0.431	0.431	0.431	0.431	
81584 83650		T-9829 (MP-28)	Crooked R					0.093					
IS-70354	5/11/1990		Crooked F		150.000	255.000	255.000	255.000			75.000		75.000
Totals for ACW	V and Transfers			0.000	0.000		0.000						0.000
Totals for Min	Streamflow			0.000	0.000		0.000		7,77,77				
Totals for State	e Agency ISWR (not	yet approved)		75.000	150.000		255.000				17 110 100 100 100		
Total Instream				0.000	0.000	0.000	0.000	0.093	0.524	0.524	0.524	0.524	0.000
POD at T149	S, R14E, Sec 20 1	NUID POD	at T14S, R13	E. Sec 13									
81584	1898	T-9687 (MP-25)	Crooked R						0.856	0.856	0.856	0.856	
01304	1904 & 1910	200. (1111 20)							0.431	0.431	0.431	0.431	
83650	1903	T-9829 (MP-28)	Crooked R					0.093					
IS-70354	5/11/1990	IS-70354	Crooked R	75.000	150.000	255.000	255.000	255.000	255.000	150.000	75.000	75.000	75.00
	and Tunnelone			0.000	0.000	0.000	0.000	0.093	1.380	1,380	1.380	1.380	0.00
Totals for ACW				0.000									
Totals for Min S				75.000									
	Agency ISWR (not y	et approved)		0.000	0.000								
otal Instream				0.000	0.000	0.000	0.000	0.033	1.500	1.500	1.300	1.300	0.00

ISWR	Priority Date	Project ID						Rate (CFS) fo	r Period Instream				
		1 Toject ID	Source	Jan 1 - Feb 15	Feb 16 - Feb 29	March 1 - April 30	May 1 - May 20	May 21 - May 22	May 23 - May 31	June 1 - June 30	July 1 - Sept 16	Sept 17 - Oct 31	Nov 1 - Dec 31
NUID POD	at T14S, R13E, S	ec 13 to Lake	Rilly Chingo										
81584	1030	11-900/ (MP-25)	Crooked R						0.856	0.856	0.856		
02050	1904 & 1910								0.431	0.431	0.431		
83650	1903	T-9829 (MP-28)	Crooked R					0.093	0.093	0.093	0.093	0.093	
80966	9/18/1968	CW-24	Crooked R				0.540	0.540	0,540	0.540	0.540		
IS-70354	5/11/1990	IS-70354	Crooked R	75.000	150.000	255.000	255.000	255.000	255.000	150.000	75.000	75.000	75.000
Totals for AC	W and Transfers			0.000	0.000	0.000	0.540	0.633	1,920	1,920	1.920	1.380	0.000
	Streamflow		_	0.000					0.000				0.000
Totals for Sta	ate Agency ISWR (not	yet approved)		75.000				255.000	255.000	150.000	75.000	75.000	75.000
Total Instream	m			0.000	0.000	0.000	0.540	0.633	1.920	1.920	1.920	1.380	0.000

Contact Information	Do	Documents Versatscanned cocuments							
Current contact information APPLICANT:		Received: n/a		To the Win-					
OREGON DEPARTMENT OF FISH & WILDLIFE PO BOX 59			Application	1		. 1.			
PORTLAND, 97207		Action	Date	Result	Completed By	1/1/1			
		Application Filed	5/11/1990			W			
		Caseworker Assigned	5/11/1990						
Water Right Information		Initial Review	12/12/1995	Propose to Issue		riene			
Status: Non-Cancelled		IR Comment Period	12/25/1995	Propose to Issue		Yes			
County: Crook		Proposed Final Order	8/27/1996	Propose to Issue	ANNREECE	,			
File Folder Location: Salem		PFO Protest Period	10/11/1996						
Watermaster District: 11		Protested	10/11/1996						
MATERIAL PRODUCTS 44		Administrative Hold	11/14/1996						
	b vie	ew right with Web Map	ping						

POD 1 - CROOKED RIVER > DESCHUTES RIVER

- Description

 Upper Reach T-R-S-QQ/Q: 17.00S-16.00E-11-SW NW

 Lower Reach T-R-S-QQ/Q: 12.00S-12.00E-33-NW NE; River mile: 6.00

 Lower Reach T-R-S-QQ/Q: 12.00S-12.00E-33-NW NE; River mile: 6.00

 Location Description: CROOKED RIVER FROM BOWMAN DAM RIVER MILE 71.0 (SWNW, SECTION 11,T17S, R16E); TO LAKE BILLY CHINOOK RIVER MILE 6.0 (NWNE, SECTION33, T12S, Location Description: CROOKED RIVER FROM BOWMAN DAM RIVER MILE 71.0 (SWNW, SECTION 11,T17S, R16E); TO LAKE BILLY CHINOOK RIVER MILE 6.0 (NWNE, SECTION33, T12S, Location Description: CROOKED RIVER FROM BOWMAN DAM RIVER MILE 71.0 (SWNW, SECTION 11,T17S, R16E); TO LAKE BILLY CHINOOK RIVER MILE 6.0 (NWNE, SECTION33, T12S, Location Description: CROOKED RIVER FROM BOWMAN DAM RIVER MILE 71.0 (SWNW, SECTION 11,T17S, R16E); TO LAKE BILLY CHINOOK RIVER MILE 6.0 (NWNE, SECTION33, T12S, Location Description: CROOKED RIVER FROM BOWMAN DAM RIVER MILE 71.0 (SWNW, SECTION 11,T17S, R16E); TO LAKE BILLY CHINOOK RIVER MILE 6.0 (NWNE, SECTION33, T12S, Location Description: CROOKED RIVER FROM BOWMAN DAM RIVER MILE 71.0 (SWNW, SECTION 11,T17S, R16E); TO LAKE BILLY CHINOOK RIVER MILE 6.0 (NWNE, SECTION 11,T17S, R16E); TO LAKE BILLY CHINOOK RIVER MILE 6.0 (NWNE, SECTION 11,T17S, R16E); TO LAKE BILLY CHINOOK RIVER MILE 6.0 (NWNE, SECTION 11,T17S, R16E); TO LAKE BILLY CHINOOK RIVER MILE 6.0 (NWNE, SECTION 11,T17S, R16E); TO LAKE BILLY CHINOOK RIVER MILE 6.0 (NWNE, SECTION 11,T17S, R16E); TO LAKE BILLY CHINOOK RIVER MILE 6.0 (NWNE, SECTION 11,T17S, R16E); TO LAKE BILLY CHINOOK RIVER MILE 6.0 (NWNE, SECTION 11,T17S, R16E); TO LAKE BILLY CHINOOK RIVER MILE 6.0 (NWNE, SECTION 11,T17S, R16E); TO LAKE BILLY CHINOOK RIVER MILE 6.0 (NWNE, SECTION 11,T17S, R16E); TO LAKE BILLY CHINOOK RIVER MILE 6.0 (NWNE, SECTION 11,T17S, R16E); TO LAKE BILLY CHINOOK RIVER MILE 6.0 (NWNE, SECTION 11,T17S, R16E); TO LAKE BILLY CHINOOK RIVER MILE 6.0 (NWNE, SECTION 11,T17S, R16E); TO LAKE BILLY CHINOOK RIVER MILE 6.0 (NWNE, SECTION 11,T17S, R16E); TO LAKE BILLY CHINOOK RIVER MILE 6.0 (NWNE, SECTION 11,T17S, R16E); TO

		255.0	255.0			
*	AN	ADROMOUS	AND RESIDEN	T FISH	REARING	(Primary)

Priority Date	Max Rate (cfs)	Rate (cfs)	Max Volume (af)	Volume (af)	Rate/Acre	Duty	Start Date	End Date	Remarks
5/11/1990	75.0	75.0					1/1	1/15	
5/11/1990	75.0	75.0					1/15	1/31	
5/11/1990	75.0	75.0					2/1	2/15	
5/11/1990	150.0	150.0					2/16	2/29	
5/11/1990	255.0	255.0					3/1	3/15	
5/11/1990	255.0	255.0					3/16	3/31	
5/11/1990	255.0	255.0					4/1	4/15	
5/11/1990	255.0	255.0					4/16	4/30	
5/11/1990	255.0	255.0					5/1	5/15	
5/11/1990	255.0	255.0					5/16	5/31	
5/11/1990	150.0	150.0					6/1	6/15	
5/11/1990	150.0	150.0					6/16	6/30	
5/11/1990	75.0	75.0					7/1	7/15	
5/11/1990	75.0	75.0				-	7/16	7/31	
5/11/1990	75.0	75.0					8/1	8/15	
5/11/1990	75.0	75.0					8/16	8/30	
5/11/1990	75.0	75.0					9/1	9/15	
5/11/1990	75.0	75.0					9/16	9/30	
5/11/1990	75.0	75.0					10/1	10/15	
5/11/1990	75.0	75.0					10/16	10/31	
5/11/1990	75.0	75.0					11/1	11/15	
5/11/1990	75.0	75.0					11/16	11/30	
5/11/1990	75.0	75.0					12/1	12/15	
5/11/1990	75.0	75.0		411		-	12/16	12/31	

Place(s) of Use Add IRS grouping

▼ Use - ANADROMOUS AND RESIDENT FISH REARING (Primary); Priority Days: 5/11/1990

1 N/A

Water Right Genealogy

No genealogy records available for this water right, try the family link below instead.

View Water Rights in same Family

Help understanding and working with the Water Rights Information System

Report Errors with Water Right Data

Return to WRIS Query

STATE OF OREGON

COUNTY OF JEFFERSON

Whin reach CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

STATE OF OREGON WATER RESOURCES DEPARTMENT SALEM, OREGON 97301

confirms the right to use the waters of CROOKED RIVER, a tributary of the DESCHUTES RIVER, in the DESCHUTES BASIN for INSTREAM USE.

This right was perfected under Permit 33954. The date of priority is September 18/1968. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 0.54 CUBIC FOOT PER SECOND, or its equivalent in case of rotation. The right is further limited to a volume of 149.2 ACRE-FEET.

The right shall be protected instream during the time period of MAY 1 THROUGH SEPTEMBER 16.

A description of the river reach to which this right is appurtenant is as follows: From the North Unit Irrigation District point of diversion on the Crooked River (SW 1/4 NE 1/4 Section 13, Township 14 South, Range 13 East, WM; 590 feet North and 2,790 feet East from the W 1/4 Corner, Section 13) to Lake Billy Chinook.

This instream right shall replace a portion of any existing instream water rights established pursuant to ORS 537.341 or 537.346 and be in addition to any instream water rights established pursuant to ORS 537,348 or 537,470. Furthermore, this amount shall be additive to the 10 cfs minimum flow described in the stipulation signed on May 6, 1969, between North Unit Irrigation District and the Oregon State Game Commission which is recorded in the Miscellaneous Records of the Water Resources Department.

This certificate is issued to confirm an ALLOCATION OF CONSERVED WATER approved by Special Order Volume 59, Page 184 of the Water Resources Director entered February 4, 2004. The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described.

WITNESS the signature of the Water Resources Director,

affixed Saptemaan 21, 2004.

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 of the order must be filed within the 60 days of the date of service.

Recorded in State Record of Water Right Certificates numbered 80966

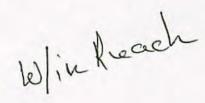
CW24-is.RDR

Page 1 of 1

STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT



THIS CERTIFICATE ISSUED TO

STATE OF OREGON WATER RESOURCES DEPARTMENT

confirms the right to use the waters of CROOKED RIVER, tributary to DESCHUTES RIVER, for instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and any other ecological values; recreation; and pollution abatement.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The date of priority is 1903. The amount of water to which this right is entitled is limited to an amount actually beneficially used, and shall not exceed:

Reach	Instream Rate
Reach #1	0.206 Cubic Foot per Second (CFS)
Reach #2	0.093 CFS

or its equivalent in case of rotation, measured at the point of diversion, from May 21 through October 31.

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

Reach #1: At the location of the diversion authorized previously under Certificate 43547, located approximately at:

Twp	Rng	Mer	Sec	Q-Q	Survey Coordinates
14 S	14 E	WM	24	SE SW	LOW LINE DITCH, ALSO IDENTIFIED AS LATITUDE 44.33859 DEGREES NORTH & LONGITUDE 121.01154 DEGREES WEST

Reach #2: From immediately below Low Line Ditch to Lake Billy Chinook.

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. Stream channel losses and gains calculated based on available data and the use of water by senior appropriators will determine the amount of water to which this right is entitled downstream from the original point of diversion within the specified stream reach.

The instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and shall be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise specified by a subsequent order establishing a new instream water right.

The right is subject to all other terms and conditions of Certificate 43547, and any related decree.

This is a final order in other than a 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.

T-9829.lks (MP-28)

Page 1 of 2

Certificate 83650

Mitigation Credit Award

Mitigation Project:

MP-28

Mitigation Credits Awarded:

d: 30.1

Zone of Impact:

These mitigation credits may be used to satisfy a mitigation obligation within the

Crooked River and/or General Zones of Impact

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

The number of mitigation credits awarded is a portion of the total volume transferred instream, being 66.84 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(s)), will benefit instream flows.

The mitigation credits or mitigation water established by this instream water right may be used to satisfy a mitigation 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 beginning January 1, 2008, and are then valid until used to satisfy a mitigation obligation of a ground water permit applicant and/or ground water permit/certificate holder.

This certificate is issued to confirm a change in use and place of use approved by an order of the Water Resources Director recorded in Special Order Volume 23, Page 221, approving Transfer T-9829, and along with Certificate 83561 supersedes Certificate 43547, State Record of Water Right Certificates.

WITNESS the signature of the Water Resources Director, affixed

NOV 3 0 2007

hillip C. Ward, Director

STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

Winreach

THIS CERTIFICATE ISSUED TO

STATE OF OREGON WATER RESOURCES DEPARTMENT

confirms the right to use the waters of the Crooked River, a tributary of the Deschutes River, for instream use for fish and wildlife habitat, recreation and pollution abatement.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The date of priority is 1898 and 1904/1910. The amount of water to which this right is entitled is limited to an amount actually beneficially used, and shall not exceed 0.431 CFS within reach #1 under the 1904/1910 priority date and shall not exceed 1.296 CFS within reach #2, being 0.856 CFS under the 1898 priority date and 0.431 CFS under the 1904/1910 priority date, or its equivalent in case of rotation, measured at the point of diversion, from May 23 through October \$1.

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

Reach #1: from the location of the diversion authorized previously under Certificate 75556, located at:

Twp	Rng	Mer	Sec	Q-Q	Survey Coordinates
15 S	16 E	WM	8	NW SW	1920 feet North and 340 feet East from the SW Corner, Section 8

To the beginning point of Reach #2.

Reach #2: from the location of the diversion authorized previously under Certificate 75556, located at:

Twp	Rng	Mer	Sec	Q-Q	Survey Coordinates
14 S	14 E	WM	20	SE SE	325 feet North and 120 feet West from the SE Corner, Section 20

To Lake Billy Chinook.

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. Stream channel losses and gains calculated based on available data and the use of water by senior appropriators will determine the amount of water to which this right is entitled downstream from the original point of diversion within the specified stream reach.

The instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and shall be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise specified by a subsequent order establishing a new instream water right.

The right is subject to all other terms and conditions of Certificate 75556, and any related decree.

This is a final order in other than a 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.

T-9687.lks (MP-25)

Page 1 of 2

Certificate 81584

Mitigation Credit Award

Mitigation Project:

MP-25

Mitigation Credits Awarded:

187.4 credits for Certificate 81584

Zone of Impact:

These mitigation credits may be used beginning January 1, 2006,

to satisfy a mitigation obligation in the Crooked River

and/or General Zones of Impact

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

The number of mitigation credits awarded is a portion of the total volume of water dedicated to instream use, being 416.4 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 beginning January 1, 2006, and are then valid until used to satisfy a mitigation obligation of a ground water permit/certificate holder.

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 9687, and along with Certificate 81601 supersedes Certificate 75556, State Record of Water Right Certificates.

WITNESS the signature of the Water Resources Director, affixed Alexander 5 2005

Water Rights Information Query Results

	Contacts	Application	Permit	Certificate	Claim	Decree	Transfers	Status
Select	APPLICANT: OREGON DEPARTMENT OF FISH & WILDLIFE PO BOX 59 PORTLAND, 97207	IS70354						NC
Select	OWNER: OREGON WATER RESOURCES DEPARTMENT 725 SUMMER ST NE SUITE A SALEM, OR 97301-1271	IS73199		76089				NC
Select	OWNER: OREGON WATER RESOURCES DEPARTMENT 725 SUMMER ST NE SUITE A SALEM, OR 97301-1271	IS70353		75993				NC
Select	OWNER: OREGON WATER RESOURCES DEPARTMENT 725 SUMMER ST NE SUITE A SALEM, OR 97301-1271			81584		CROOKED RIVER (F)	♪ <u>T9687</u>	NC
Select	LESSOR: SHOTGUN RANCH LLC CAL CANNON 2730 NW NIGHTFALL CIRCLE BEND, OR 97701 TRUSTEE: OREGON WATER RESOURCES DEPARTMENT 725 SUMMER ST NE SUITE A SALEM, OR 97301-1271	S730	S320	47692			Þ <u>1L805</u>	NC
Select	TRUSTEE: OREGON WATER RESOURCES DEPARTMENT 725 SUMMER ST NE SUITE A SALEM, OR 97301-1271			83650		CROOKED RIVER	▶ <u>19829</u>	NC
Select	OWNER: OREGON WATER RESOURCES DEPARTMENT 725 SUMMER ST NE SUITE A SALEM, OR 97301-1271	S45404	533954	80966			▶ <u>CW24</u>	NC
Select	LESSEE: OREGON WATER RESOURCES DEPARTMENT 725 SUMMER ST NE SUITE A SALEM, OR 97301-1271 LESSOR: SHOTGUN RANCH LLC CAL CANNON 2730 NW NIGHTFALL CIRCLE BEND, OR 97701 OWNER: D KOOPMAN POST, OR 97752 OWNER: H DUNHAM POST, OR 97752 OWNER: C REAM POST, OR 97752	S730	5320	84408			▷ IL805 ▷ T10607	NC

Help understanding and working with the Water Rights Information System

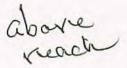
Download: Point of diversion data, Place of use data, Stakeholder data

Return to WRIS Query

2 of 2

STATE OF OREGON

CERTIFICATE OF WATER RIGHT



THIS CERTIFICATE ISSUED TO

Oregon Water Resources Department 158 12th Street NE Salem, Oregon 97310

The specific limits for the use are listed below along with conditions of use.

Source: Crooked River tributary to Deschutes River

County: Crook

Purpose: Migration, spawning, egg incubation, fry emergence, and juvenile

rearing.

To be maintained in:

CROOKED RIVER FROM SOUTH FORK CROOKED RIVER (NW1/4, SECTION 14, TOWNSHIP 17S, RANGE 22E WM); TO NORTH FORK CROOKED RIVER AT RIVER MILE 111.0 (NE1/4, SECTION 7, TOWNSHIP 17S, RANGE 21E WM)

The right is established under Oregon Revised Statutes 537.341.

The date of priority is 1/29/1993.

The following conditions apply to the use of water under this certificate:

 The right is limited to not more than the amounts, in cubic feet per second, during the time periods listed below:

		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
141	45	20	20	70	70	70	50	20	20	20	20	20	20
210	45	20	50	70	70	70	50	20	20	20	20	20	20

- 2. The water right holder shall measure and report the instream flow along the reach of the stream or river described in the certificate as may be required by the standards for instream water right reporting of the Water Resources Commission.
- For purposes of water distribution, this instream right shall not have priority over human or livestock consumption.
- The instream flow allocated pursuant to this water right is not in addition to other instream flows created by a prior water right or designated minimum perennial stream flow.
- The flows are to be measured at the lower end of the stream reach to protect necessary flows throughout the reach.

Witness the signature of the Water Resources Director affixed this 1/2 day of April, 1999.

Water Resources Director

Recorded in State Record of Water Right Certificate 76089.

IS 73199 RWK

STATE OF OREGON

CERTIFICATE OF WATER RIGHT

above

THIS CERTIFICATE ISSUED TO

Oregon Water Resources Department 158 12th Street NE Salem, Oregon 97310

The specific limits for the use are listed below along with conditions of use.

Source: Crooked River, tributary to Deschutes River

County: Crook

Purpose: Providing required stream flow for rainbow trout, cutthroat trout, and smallmouth bass for migration, spawning, egg

incubation, fry emergence, and juvenile rearing.

To be maintained in:

CROOKED RIVER AT MOUTH OF NORTH FORK CROOKED RIVER, RIVER MILE 114 (NENE SECTION 7, T17S, R21E); TO PRINEVILLE RESERVOIR, RIVER MILE 90 (SESE, SECTION 13, T16S, R17E)

The right is established under Oregon Revised Statutes 537.341.

The date of priority is May 11, 1990.

The following conditions apply to the use of water under this certificate:

 The right is limited to not more than the amounts, in cubic feet per second, during the time periods listed below:

- 2. The water right holder shall measure and report the in-stream flow along the reach of the stream or river described in the certificate as may be required by the standards for in-stream water right reporting of the Water Resources Commission.
- For purposes of water distribution, this instream right shall not have priority over human or livestock consumption.
- 4. The instream flow allocated pursuant to this water right is not in addition to other instream flows created by a prior water right or designated minimum perennial stream flow.
- The flows are to be measured at the lower end of the stream reach to protect necessary flows throughout the reach.

Witness the signature of the Water Resources Director affixed this 1" day of February 1999.

Water Resources Director

Recorded in State Record of Water Right Certificate 75993.

IS 70353 RWK

Rate, Duty and Instream Period Calculator for Instream Leases and Transfers Enter appropriate info into blue boxes. Information shown in purple boxes show calculation results.

	Instream Ca	lculator	
Application number	Certificate #	Priority Date	
T-10730	83651		
Enter # of Acres			
45.00			
Enter rate/acre (ie 1/80)		Max Instream Rate in C	FS
0.0125		0.563	Rate A: Based on rate per acre
Enter Full Rate Allowed by Certificate in CFS	Enter total # acres allowed by Certificate		
2.060	165.09	0.562	Rate B: Proportional based on full certificate
Enter duty/acre			
4.00	180.00		
	Lesser of Rate A or B in CFS		
	0.562		
Optional =	Enter alternative rate (cannot be	e greater than the lessor	of Rate A or B)
			number days instream
	Based on Less	sor of Rate A or B above	161
	В	ased on Alternative Rate	ERR

(u	ter Proposed to be Protec ses number of days instre	am from above ta	ible)
	on Lessor of Rate A or B above		Based on Alternative Rate
	Enter proposed begin date		
begin date		begin date	
end date	6/8/1900	end date	ERR
	OR period may be leased instream		OR period may be leased instream
	Enter proposed end date		Enter proposed end date
end date	10/31/2009		
begin date	5/24/2009	begin date	ERR

Optional - for alternative instream	m periods including the full irrigation season
Enter Proposed begin and end dates	
begin date	Number of Days in Identified Period
end date	1 Days
	CFS rate
	90.750

BEFORE THE WATER RESOURCES DEPARTMENT OF THE STATE OF OREGON

In the Matter of Instream Transfer)	FINAL ORDER APPROVING A
Application T-9829 and Mitigation Credit)	CHANGE IN PLACE OF USE AND
Project MP-28, Crook County)	CHARACTER OF USE AND
)	PRELIMINARY & FINAL AWARD OF
)	MITIGATION CREDITS

Authority

ORS 540.505 to 540.580 establishes the process in which a water right holder may submit a request to transfer the point of diversion, place of use, or character of use authorized under an existing water right. OAR Chapter 690, Division 380 implements the statutes and provides the Department's procedures and criteria for evaluating transfer applications. OAR Chapter 690, Division 077 provides additional criteria for evaluating transfers to instream water rights.

OAR 690-521-0100 to 690-521-0600 establishes the process in which anyone may submit a ground water mitigation project to the Department for the purpose of establishing mitigation credits in the Deschutes Ground Water Study Area.

Pursuant to OAR 690-521-0400 (2), any mitigation credits awarded to a mitigation project are valid until used to fulfill a mitigation obligation of a ground water use in the Deschutes Ground Water Study Area. Valid mitigation credits may be assigned by any person or recognized mitigation bank to any person or other mitigation bank. Mitigation credits are used when a person submits to the Department documentary evidence that valid credits have been obtained and assigned to satisfy a mitigation obligation.

Applicant

THE DANIELS GROUP, LLC 1111 MAIN ST, SUITE 700 VANCOUVER, WA 98660

This is an order in other than a 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.

Findings of Fact

Background

- On December 3, 2004, John Short for Emmett Ranch, LLC, filed an application to change the place of use and character of use under Certificate 43547 to instream use. The Department assigned the application number T-9829.
- On April 6, 2005, Tammy Harty (agent for Emmett Ranch, LLC) requested to amend the rate at which water is proposed to be protected instream.
- On June 4, 2007, a request was submitted to the Department to assign the application to The Daniels Group, LLC. The Daniels Group, LLC, has requested that John Short for Deschutes Irrigation, LLC, act as agent for the application.
- 4. The portion of the right to be transferred is as follows:

Certificate: 43547 in the name of LOW LINE DITCH CO. (confirmed by Crooked River

decree)

Use: IRRIGATION of 16.71 ACRES, DOMESTIC AND LIVESTOCK

Priority Date: 1903

Rate: 0.21 CUBIC FOOT PER SECOND (CFS) for Irrigation and a reasonable amount for

domestic and stock use

Limit/Duty: 4.0 Acre-Feet (AF) per acre per year

Source: CROOKED RIVER, tributary to DESCHUTES RIVER

Authorized Point of Diversion (POD):

Twp	Rng	Mer	Sec	Q-Q	Survey Coordinates
14 S	14 E	WM	24	SE SW	Unspecified by Certificate

Authorized Place of Use:

Twp	Rng	Mer	Sec	Q-Q	Acres
14 S	14 E	WM	28	NW NW	16.71

- 5. The rate per acre of irrigation, by the Crooked River Decree, is limited to no more than 1/80th CFS per acre and further limited to no more than 1.0 AF per acre in each 30 day period. The irrigation season is set by the Decree as February 1 to December 1.
- The authorized POD is incorrectly described in the transfer application. The correct POD is reflected in Finding of Fact #4. The Crooked River Decree further describes the POD as the Low Line Ditch.
- On January 19, 2005, staff visited the site and identified that the POD is more accurately located approximately at Latitude 44.33859 degrees north and Longitude 121.01154 degrees west.
- 8. A total of 66.84 AF of water may be beneficially used annually under the existing right.

- 9. Application T-9829 proposes to change the character of use to instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and any other ecological values; pollution abatement; and recreation. The applicant has also requested to use this instream transfer as a mitigation project to establish mitigation credits in the Deschutes Ground Water Study Area.
- Application T-9829 proposes to change the place of use of the right to create an instream reach from the POD to Lake Billy Chinook. The POD is described in Finding of Fact #4 and further defined in Findings of Fact #6 and #7.
- 11. The applicant proposes the quantities of water to be transferred instream to be protected as follows:

Instream Period	Rate (CFS)	Volume (AF)
May 21 through October 31	0.22	71.6

- 12. There are at least two existing instream water rights, Certificate 81584 (established by instream transfer) and Certificate 80966 (established by allocation of conserved water), within the same reach as that proposed for the new instream water right. There is also one pending instream water right application filed under ORS 537.341 (state agency application process).
- 13. The applicant proposes that any instream water right established as a result of this instream transfer be additive to the existing instream water rights on the mainstem Deschutes River established pursuant to ORS 537.348 (instream transfer process) and ORS 537.470 (allocation of conserved water process).
- 14. Notice of the application for transfer was published on December 21, 2004, pursuant to OAR 690-380-4000. No comments were filed in response to the notice.
- 15. On August 29, 2007, the Department mailed the applicant a copy of the Preliminary Determination proposing to approve Transfer Application T-9829, with modifications to the rate at which water may be protected instream, to the applicant. On August 29, 2007, the applicant requested that the Department proceed with issuance of a Preliminary Determination and on September 17, 2007, the applicant provided the necessary information to demonstrate that the applicant is authorized to pursue the transfer.
- 16. On September 26, 2007, the Department issued a preliminary determination proposing to approve Transfer Application T-9829 and mailed a copy to the applicant. Additionally, notice of the preliminary determination for the transfer application was published in the Department's weekly notice on October 2, 2007, and in The Bulletin on September 30, 2007, and October 7 and 14, 2007, pursuant to ORS 540.520 and OAR 690-380-4020. No comments or protests were filed in response to the Department's weekly notice or to the newspaper notice.

Instream Transfer Review Criteria (OAR 690-77-0075 and 690-380-4010)

- 17. Water has been used within the last five years according to the terms and conditions of the right, and there is no information in the record that would demonstrate that the right is subject to forfeiture under ORS 540.610.
- A diversion structure and ditch sufficient to use the full amount of water allowed under the
 existing right were present within the five-year period prior to submittal of Application
 T-9829.
- 19. The requested instream rate and volume, described in Finding of Fact #11, is higher than the rate and duty allowed for the portion of the right to be transferred. During the instream period (a period of 164 days) requested by the applicant, water may be transferred instream up to a rate of 0.206 CFS.
- The proposed instream use also requires modification to take into account return flows.
 Return flows from the existing use return to the Crooked River below the point of diversion.
- 21. Based upon Findings of Fact #19 and #20, on August 29, 2007, the applicant agreed to modify the quantities to be transferred and protected instream as follows:

Instream Reach	Rate (CFS)	Volume (AF)	Period Protected Instream
At the POD (Low Line Ditch)	0.206	66.84	May 21 though Oatabas 31
Below POD to Lake Billy Chinook	0.093	30.1	May 21 through October 31

- 22. The instream rate within the reach below the POD will be protected as described in Finding of Fact #21. However, the quantity of water protected instream within this reach may be adjusted in the future. Stream channel losses and gains calculated based on available data and the use of water by senior appropriators will be used to determine the amount of water that any instream water right created as a result of this transfer may be entitled to downstream from the original point of diversion.
- Based upon Finding of Fact #7, the POD is located approximately at Latitude 44.33859 degrees north and Longitude 121.01154 degrees west.
- 24. There is an instream lease, L-579, presently in effect for the same portion of the water right proposed for transfer to instream use. This instream lease was approved by the Department on August 2, 2004, as evidenced by Special Order Volume 61, Page 2. The order approving this instream lease is scheduled to terminate on November 30, 2008, and includes a condition allowing for early termination of the lease order. Prior to this instream transfer becoming effective, the existing instream lease must be terminated. Also, the date on which this instream transfer may be approved may be affected by the date on which the existing instream lease is terminated to prevent any injury and/or enlargement.
- 25. A request to terminate instream lease L-579 was received on November 9, 2007, after the close of the irrigation season. This instream lease is being terminated under a separate

- order. No water will be protected instream under this transfer during the 2007 calendar year. Water will begin to be protected instream in the 2008 calendar year.
- 26. The proposed change, as modified, would not result in enlargement of the right.
- 27. The proposed change, as modified, would not result in injury to other water rights.
- 28. The amount of the proposed instream flow and the timing of the proposed instream flow is allowable within the limits and use of the original water right.
- 29. The protection of flows within the proposed reach is appropriate, considering:
 - a) The instream water right begins at the recorded point of diversion;
 - b) The location of confluences with other streams downstream of the point of diversion;
 - There are known areas of natural loss of streamflow to the river bed downstream from the point of diversion; and
 - d) Return flows resulting from the exercise of the existing water right have been accounted for in the reach below the POD.
- 30. Within the reach proposed by the applicant, as noted in Finding of Fact #12, the Oregon Department of Fish and Wildlife (ODFW) has applied for an instream water right for anadromous and resident fish rearing, which will have a priority date of May 11, 1990 if approved, through a portion of the instream reach proposed by this instream transfer. Proposed necessary flows for the pending instream water right application are at times not met during the requested period for instream protection.
- 31. Within the reach proposed by the applicant, this segment of the Crooked River is on the Department of Environmental Quality's 303d list of water quality limited streams for pH, fecal coliform, total dissolved gas, and temperature.
- 32. The Department of Parks and Recreation has identified that protection of additional instream flows through the proposed reach of the Crooked River would be beneficial for the scenic and aesthetic qualities of the river and any visitor-related river use activities in Smith Rock State Park.
- 33. By adding to other instream water rights for the same location, the instream right will provide protection for additional streamflows necessary for fish and wildlife habitat, pollution abatement and recreation.

34. The total monthly quantities of water to be protected under the existing and proposed ,instream rights in the proposed reach will provide for a beneficial purpose and do not exceed the estimated average natural flow.

Preliminary Award of Deschutes Basin Mitigation Credits

- 35. The Daniels Group, LLC (the Applicant) has requested this instream transfer application be used to establish mitigation credits in the Deschutes Ground Water Study Area. The Applicant has requested that any mitigation credits generated from this project be assigned to The Daniels Group, LLC.
- The Department assigned this mitigation credit project number MP-28.
- The Department provided notice of the mitigation credit project pursuant to OAR 690-521-0300 (6) on January 4, 2005. No comments were received in response to this notice.
- 38. The Department consulted with representatives from ODFW, DEQ, Oregon Parks and Recreation Department, Oregon Department of State Lands, the Oregon Department of Agriculture, and the Department's Watermaster pursuant to OAR 690-521-0300 (7) and OAR 690-505-0630 (2) on January 19, 2005. No comments were received in response to this notice.
- 39. The proposed transfer of 16.71 acres of irrigation use to instream use will provide 30.1 acre-feet of mitigation water. Therefore, 30.1 mitigation credits (1.0 mitigation credit = 1.0 AF of mitigation water) may be awarded to this mitigation credit project and assigned to The Daniels Group, LLC. The mitigation credits may be used to mitigate for ground water permit applications and existing conditioned ground water permits and certificates, providing mitigation pursuant to the Deschutes Ground Water Mitigation Rules, OAR Chapter 690, Division 505, within the Crooked River and/or General Zones of Impact.
- 40. A total of 66.84 AF is proposed to be transferred to instream use and 30.1 AF of that, as identified above, may be used for mitigation purposes. The amount of water transferred instream and not used for mitigation purposes will benefit instream flow.
- 41. As noted in Finding of Fact #24, there is presently an instream lease, L-579, in place for the same portion of the water right proposed for transfer to instream use. This instream lease is also mitigation credit project MP-26. Mitigation credits awarded to MP-26 are valid through December 31, 2008, unless the lease and mitigation project are terminated earlier. Prior to any mitigation credits being awarded to mitigation credit project MP-28, the existing instream lease and mitigation credit project must be terminated. Also, the date on which this instream transfer/mitigation project may be approved may be affected by the date on which the existing instream lease/mitigation credit project is terminated to prevent any injury and/or enlargement. Mitigation credits awarded to this mitigation credit project (MP-28) may be valid the first year that water is protected instream under any new instream water right issued as a result of this transfer.

- 42. A request to terminate instream lease L-579 and Mitigation Project MP-26 was received on November 9, 2007, after the close of the irrigation season. This instream lease is being terminated under a separate order. No water will be protected instream under this transfer during the 2007 calendar year. Water will begin to be protected instream in the 2008 calendar year. Mitigation credits awarded to this mitigation credit project (MP-28) will be valid beginning January 1, 2008.
- 43. The Department shall award final mitigation credits upon completion of the approved project by the applicant and verification by the Department that the project is complete. The issuance of a certificate for the proposed instream water right shall result in completion of the project and verification that the project is complete.

Determination and Proposed Action

The changes in character of use and place of use to instream use proposed in application T-9829 are consistent with the requirements of ORS 540.505 to 540.580, ORS 537.348, OAR 690-380-5000, and OAR 690-077-0075.

This mitigation project results in mitigation credits pursuant to ORS 537.746 and OAR 690-521-0300 and 690-521-0400.

Now, therefore, it is ORDERED:

- The changes proposed in instream transfer application T-9829 are approved and shall be effective upon issuance of this Final Order.
- Water right certificate 43547 is cancelled. A new certificate confirming the instream water right shall be issued. A new certificate will also be issued describing that portion of the right not affected by this transfer.
- 3. The instream water right shall provide for the protection of streamflows from the POD, as described in Finding of Fact #4 (and further defined in Findings of Fact #6 and #7), to Lake Billy Chinook.
- 4. The quantities of water to be protected under the instream water right are:

Instream Reach	Rate (CFS)	Volume (AF)	Period Protected Instream
At the POD (Low Line Ditch)	0.206	66.84	Man 21 the such Oatshes 21
Below POD to Lake Billy Chinook	0.093	30.1	May 21 through October 31

- Water rights upstream of the original point of diversion shall not be subject to regulation for flows in excess of the quantities to which this instream water right is entitled at the original point of diversion.
- Stream channel losses and gains calculated based on available data and the use of senior
 appropriators will determine the amount of water to which this right is entitled downstream
 from the original point of diversion within the specified stream reach.

- 7. The instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise specified in a subsequent order establishing a new instream water right under those statutes.
- The right to the use of the water is restricted to beneficial use at the place of use described, and is subject to all other conditions and limitations contained in Certificate 43547 and any related decree.
- The former place of use of the transferred water shall no longer receive water as part of this right.
- 10. Final Award of Mitigation Credits: Final Award of Mitigation Credits may be made upon completion of the project and verification by the Department that the project has been completed as proposed. Issuance of a new instream water right certificate, as described herein, results in completion of the project and verification by the Department that the project is complete. Mitigation credits, in the amount of 30.1 credits, as described herein, will be awarded to this mitigation project and assigned to The Daniels Group, LLC. Mitigation credits awarded may be used to satisfy a mitigation obligation of a ground water permit applicant and/or ground water permit/certificate holder in the Crooked River and/or General Zones of Impact. The awarded mitigation credits are valid beginning January 1, 2008, the first year that water will be protected instream under the new instream water right.
- 11. Mitigation credits are valid until used to satisfy a mitigation obligation of a ground water permit applicant and/or ground water permit/certificate holder within the Deschutes Ground Water Study Area pursuant to the Deschutes Ground Water Mitigation Rules. Mitigation credits are used when a person submits to the Department documentary evidence that valid credits have been obtained and assigned to satisfy a mitigation obligation.

Dated at Salem, Oregon this 30 day of November, 2007.

Phillip C. Ward, Director

Mailing date: DEC 1 2 2007

BEFORE THE WATER RESOURCES DEPARTMENT OF THE STATE OF OREGON

In the Matter of Transfer Application)	FINAL ORDER APPROVING AN
T-9687 (Mitigation Credit Project MP-25),)	INSTREAM TRANSFER
Crook County, Oregon)	APPLICATION & PRELIMINARY AND
		FINAL AWARD OF MITIGATION
		CREDITS

ORS 540.505 to 540.580 establishes the process in which a water right holder may submit a request to transfer the point of diversion, place of use, or character of use authorized under an existing water right. OAR Chapter 690, Division 380 implements the statutes and provides the Department's procedures and criteria for evaluating transfer applications.

OAR 690-521-0100 to 690-521-0600 establishes the process in which anyone may submit a ground water mitigation project to the Department for the purpose of establishing mitigation credits in the Deschutes Ground Water Study Area.

Pursuant to OAR 690-521-0400 (2), any mitigation credits awarded to a mitigation project are valid until used to fulfill a mitigation obligation of a ground water use in the Deschutes Ground Water Study Area. Valid mitigation credits may be assigned by any person or recognized mitigation bank to any person or other mitigation bank. Mitigation credits are used when a person submits to the Department documentary evidence that valid credits have been obtained and assigned to satisfy a mitigation obligation.

Applicant

EMMETT RANCH LLC PO BOX 1830 BEND OR 97709

Findings of Fact

Instream Transfer

- On March 29, 2004, EMMETT RANCH LLC filed a transfer application to change the place of use and character of use under Certificate 75556. The Department assigned the application number T-9687.
- Notice of the application for transfer was published pursuant to ORS 540.520 and OAR 690-380-4000 on April 20, 2004. No comments were filed in response to the notice.

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.

T-9687.lks (MP-25)

Page 1 of 8

Special Order Volume 67, Page 544

- 3. An amended application modifying the number of acres of irrigation to be transferred instream was received on October 27, 2004.
- 4. On December 6, 2004, Emmett Ranch LLC identified Tammy Sailors, Creative Water Solutions LLC, as the agent authorized to act on behalf of the applicant.
- Following issuance of the draft Preliminary Determination on February 9, 2005, the applicant submitted an additional request on March 22, 2005, to further reduce the portion of the right to be transferred instream from 104.1 acres to 30.0 acres. Additional information describing the shape of the instream use proposed in transfer application T-9687 was received from the applicant on March 30, 2005.
- 6. A Preliminary Determination was issued by the Department on April 7, 2005, incorporating previously requested amendments to the application.
- 7. Original notice of the application for transfer was published pursuant to ORS 540.520 and OAR 690-380-4020 on April 12, 2005. Notice was also filed in a newspaper for three consecutive weeks on April 13, 20 and 27, 2005. No comments or protests were filed in response to the notice.
- On August 29, 2005, the Department received a written request from the applicant to withdraw the Preliminary Determination issued by the Department on April 7, 2005. The applicant also requested to amend the application back to its configuration as of October 27, 2004, to transfer 104.1 acres of irrigation to instream use under certificate 75556.
- A superseding Preliminary Determination was issued by the Department on September 27, 2005.
- Notice of the superseding Preliminary Determination of the application for transfer was published pursuant to ORS 540.520 and OAR 690-380-4020 on October 4, 2005. Notice was also filed in a newspaper for three consecutive weeks on October 3, 10, and 17, 2005. No comments or protests were filed in response to the notice.
- 11. The portion of the right to be transferred is as follows:

Certificate:

75556 in the name of Peoples Irrigation Company

Use:

Irrigation, livestock and domestic

Acres:

104.1 acres, being 69.5 acres under the 1898 priority date and 34.6 under the

1904/1910 priority date

Priority Date: 1898 and 1904/1910

Season:

February 1 to December 1 (Crooked River Decree)

Quantity:

1.301 cubic feet per second (cfs), being 0.869 cfs under the 1898 priority

date and 0.432 cfs under the 1904/1910 priority date

Rate/Duty:

1/80th cfs per acre, not to exceed 4.0 acre-feet (AF) per acre per year

Source:

Crooked River, tributary to the Deschutes River

Authorized Point of Diversion:

Township		Rar	ige	Meridian	Sec	1/4	1/4	Location
15	S	16	Е	W.M.	8	NW	SW	POD #1 - 1920 feet North & 340 feet East from SW Corner of Section 8
14	S	14	Е	W.M.	20	SE	SE	POD #2- 325 feet North & 120 feet West from SE Corner of Section 20

Authorized Place of Use:

Town	nship	Ran	nge	Meridian	Sec	1/4 1/4	Tax Lot	Acres
14	S	14	Е	W.M.	21	SW SW	200	34.6
14	S	14	Е	W.M.	29	NE NE	100	39.5
14	S	14	Е	W.M.	29	NW NE	100	30.0

- 12. A total of 416.4 AF of water may be used beneficially annually under the existing right.
- 13. Application T-9687 proposes to change the character of use to instream use for fish and wildlife habitat, recreation and pollution abatement. The applicant has also requested that this instream transfer be used to establish mitigation credits under the Deschutes Mitigation Bank and Mitigation Credit Rules, OAR Chapter 690, Division 521.
- Application T-9687 proposes to change the place of use of the right to create an instream reach from each POD to Lake Billy Chinook.
- 15. The applicant proposes that water be transferred instream and protected follows:

Period	Priority Date Rate (cfs)			
Reach #1 - POD #1 (as described in (as described in Finding of Fact #11)				
May 23 rd through October 31 st	1904/1910	0.431		
Reach #2 – POD #2 (as described in I Billy Chinook	rinding of Fact #1	I) to Lake	416.4	
May 23rd through October 31st	1898	0.865		
	1904/1910	0.431		

16. There is an existing instream water right, Certificate 80966, with a priority date of September 18, 1968, within the same reach as that proposed for the new instream water right. This instream water right was established under the allocation of conserved water process pursuant to OSR 537.470. There is also a pending instream water right application, Application IS-70354, filed by the Oregon Department of Fish and Wildlife under ORS 537.314, within the same reach as that proposed by this instream transfer for a new instream

- water right. This instream water right application proposes to protect water for anadromous and resident fish rearing, and will have a priority date of May 11, 1990 if approved.
- 17. The applicant has identified that this instream transfer application is intended to replace a portion of the pending instream water right application, if approved, for the same reach. This application will also add to the existing instream water right, Certificate 80966.
- There is an instream lease, L-614, which leased instream a portion of the water right to be transferred instream. This instream lease terminated on November 30, 2005.
- 19. Water has been used within the last five years according to the terms and conditions of the rights, and no evidence is available that would demonstrate that the right is subject to forfeiture under ORS 540.610.
- A diversion structure and delivery system sufficient to use the full amount of water allowed under the existing right are present.
- 21. The proposed change would not result in enlargement of the right.
- 22. The proposed change would not result in injury to other water rights.
- The amount and timing of the proposed instream flow are allowable within the limits and use of the original water right.
- 24. The protection of flows within the proposed reach is appropriate, considering:
 - The instream water right begins at the recorded point of diversion;
 - b. The location of confluences with other streams downstream of the point of diversion;
 - There are no known areas of natural loss of streamflow to the river bed downstream from the point of diversion; and
 - d. There are no known return flows resulting from the exercise of the existing water right within the reach of the proposed instream water right. Any return flows resulting from the exercise of the existing water right likely re-enter the river downstream of the reach of the instream water right.
- 25. The total monthly quantities of water to be protected under the proposed instream right in the proposed reach will provide for a beneficial purpose, and do not exceed the estimated average natural flow.
- 26. Within the reach proposed by the applicant, as noted in Finding of Fact 14, the Oregon Department of Fish and Wildlife (ODFW) has applied for an instream water right for anadromous and resident fish rearing, which will have a priority date of May 11, 1990 if approved, through a portion of the instream reach proposed by this instream transfer.

- Proposed necessary flows for the pending instream water right application are at times not met during the requested period for instream protection.
- 27. Within the reach proposed by the applicant, this segment of the Crooked River is on the Department of Environmental Quality's 303d list of water quality limited streams for pH, fecal coliform, total dissolved gas, and temperature.
- 28. The Department of Parks and Recreation has identified that protection of additional instream flows through the proposed reach of the Crooked River would be beneficial for the scenic and aesthetic qualities of the river and any visitor-related river use activities in Smith Rock State Park.
- 29. By adding to the existing instream water right within the same reach, the instream right established as a result of this transfer will provide protection for additional streamflows necessary for fish and wildlife habitat, pollution abatement and recreation.

Preliminary Award of Deschutes Basin Mitigation Credits

- 30. Emmett Ranch LLC (the Applicant) has requested this instream transfer application be used to establish mitigation credits in the Deschutes Ground Water Study Area. The Applicant has requested that any mitigation credits generated from this project be assigned to Emmett Ranch LLC.
- 31. The Department assigned this mitigation credit project number MP-25.
- 32. The Department provided notice of the mitigation credit project pursuant to OAR 690-521-0300 (6) on June 22, 2004. No comments were received.
- 33. The Department consulted with representatives from Oregon Department of Fish and Wildlife (ODFW), Oregon Department of Environmental Quality, Oregon State Parks and Recreation Department, Oregon Division of State Lands, the Oregon Department of Agriculture, and the Department's Watermaster pursuant to OAR 690-521-0300 (7) and OAR 690-505-0630 (2) on November 17, 2004. Comments were received from State Parks and Recreation on March 7, 2005. Comments submitted by State Parks and Recreation recommend that water be protected during the late spring and summer months (June 1 to mid September) to provide the most instream benefit to recreation.
- 34. The applicant has requested to protect water evenly over the period May 23 through October 31 at close to the maximum rates allowed by the originating water right. The instream transfer, as proposed, appears to meet the recommendations made by State Parks and Recreation. Therefore, no changes were made to the instream transfer based on comments received.
- 35. As part of the notification process for mitigation credit projects, the Department originally determined that this mitigation project may result in 190.1 mitigation credits. On April 7, 2004, the Department issued a preliminary award of 54.0 mitigation credits as part of the Preliminary Determination, consistent with an amendment to the application to transfer 30.0

acres of irrigation of instream use. On August, 29, 2005, the applicant requested withdrawal of the Preliminary Determination and amended the application to transfer 104.1 acres of irrigation to instream use. Based upon this amendment, the Department finds that 187.4 mitigation credits (1.0 mitigation credit = 1.0 AF of mitigation water) may be awarded to this mitigation credit project and assigned to Emmett Ranch, LLC. The mitigation credits may be used to mitigate for ground water permit applications and existing conditioned ground water permits and certificates, providing mitigation pursuant to the Deschutes Ground Water Mitigation Rules, OAR Chapter 690, Division 505, within the Crooked River Zone of Impact and/or the General Zone of Impact.

- 36. No water will be protected instream under this transfer during the 2005 calendar year. Water is to be protected instream from May 23 through October 31. Water shall begin being protected instream in the 2006 calendar year. In addition, a portion of the water to be protected instream under this transfer has been protected instream under instream lease L-614 from June 23 through November 30 of the 2005 calendar year. This instream lease is also mitigation credit project MP-32. Mitigation credits awarded to MP-32 are valid through December 31, 2005. The Department has determined that mitigation credits awarded to this instream transfer and mitigation credit project will be valid beginning January 1, 2006.
- 37. A total of 416.4 AF is proposed to be transferred to instream use and 187.4 AF of that, as identified above, may be used for mitigation purposes. The amount of water transferred instream and not used for mitigation purposes will benefit instream flow.
- 38. The Department shall award final mitigation credits upon completion of the approved project by the applicant and verification by the Department that the project is complete. The issuance of a certificate(s) for the proposed instream water right shall result in completion of the project and verification that the project is complete.

Conclusions of Law

The proposed changes in place of use and character of use in application T-9687 are consistent with the requirements of ORS 540.505 to 540.580, ORS 537.348, OAR 690-380-5000, and OAR 690-077-0075.

This mitigation project results in mitigation credits pursuant to ORS 537.746 and OAR 690-521-0300 and 690-521-0400.

Now, therefore, it is ORDERED:

- The proposed changes in place of use and character of use in application T-9687 are approved.
- Certificate 75556 is cancelled and a new instream water right for the portion of the right transferred to instream use shall be issued. A new certificate for the remaining portion of the right not modified by this transfer shall also be issued.
- The instream water right shall provide for the protection of streamflows from each point of diversion, as described in Determination #4 below, to Lake Billy Chinook.
- 4. The quantities of water to be protected under the instream water right are:

Period	Priority Date	Rate (cfs)	Volume (acre-feet)
Reach #1 - POD #1 (as described in last described in Finding of Fact #11)			
May 23rd through October 31st	1904/1910	0.431	
Pench #2 POD #2 (as described in I	Finding of Fact #1	1) to Lake	416.4
Reach #2 - POD #2 (as described in I Billy Chinook	Finding of Fact #1	1) to Lake	416.4
	Finding of Fact #1	1) to Lake 0.865	416.4
Billy Chinook			416.4

- 5. The instream right established by this transfer shall replace a portion of any instream water rights established pursuant to ORS 537.341 or 537.346, and be in addition to any instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise specified by a subsequent order establishing a new instream water right under those statutes.
- The former place of use shall no longer be irrigated, nor will water be used for domestic and stockwatering purposes, as part of this right.
- 7. Final Award of Mitigation Credits: Final Award of Mitigation Credits is made upon completion of the project and verification by the Department that the project has been completed as proposed. Issuance of the new instream water right certificate results in completion of the project and verification by the Department that the project is complete. Therefore, mitigation credits, in the amount of 187.4 credits, described herein, are awarded to this mitigation project and assigned to Emmett Ranch LLC. Awarded mitigation credits may be used beginning January 1, 2006, to satisfy a mitigation obligation of a ground water permit applicant and/or ground water permit/certificate holder in the Crooked River Zone of Impact and/or General Zone of Impact. The awarded mitigation credits are valid beginning January 1, 2006, the first year that water will be protected instream under the new instream water right.

8. Mitigation credits are valid until used to satisfy a mitigation obligation of a ground water permit applicant and/or ground water permit/certificate holder within the Deschutes Ground Water Study Area pursuant to the Deschutes Ground Water Mitigation Rules. Mitigation credits are used when a person submits to the Department documentary evidence that valid credits have been obtained and assigned to satisfy a mitigation obligation.

Dated at Salem, Oregon this 5th day of December 2005.

FOR Phillip C. Ward, Director

Mailing date: DEC 1 3 2005

BEFORE THE WATER RESOURCES DEPARTMENT OF THE STATE OF OREGON

In the Matter of Instream Lease Application)	CORRECTING ORDER ON
IL-1081 and Preliminary and Final Award)	INSTREAM LEASE IL-1081 and
of Mitigation Credits, Certificates 83857)	MITIGATION CREDIT PROJECT
and 83732, Crook County)	MP-138

Authority

ORS 537.348 establishes the process in which a water right holder may submit a request to lease an existing water right for instream purposes. OAR Chapter 690, Division 077 implements the statutes and provides the Department's procedures and criteria for evaluating instream lease applications.

OAR 690-521-0100 to 690-521-0600 establishes the process in which anyone may submit a ground water mitigation project to the Department for the purpose of establishing mitigation credits in the Deschutes Ground Water Study Area.

Lessor #1

Grass Butte, LLC 1111 Main Street, Suite 700 Vancouver, WA 98660 Lessee

Deschutes River Conservancy (DRC)
Mitigation Bank
P.O. Box 1560
Bend, Oregon 97709
gen@deschutesriver.org

Findings of Fact

- On June 8, 2010, the DRC Mitigation Bank and Grass Butte, LLC, filed an application to lease a portion of Certificates 83857 and 83651 and all of Certificate 83732 for instream use. The Department assigned the application number IL-1081.
- 2. On July 27, 2010, the Department issued an order approving instream lease IL-1081 and Mitigation Credit Project MP-138, as evidenced by Special Order Volume 81, Page 474. Following issuance of this order it was identified that there is a scriveners error in the description of the number of acres on which the mitigation credit calculation was based. This order is being issued to correctly identify the number of acres for the mitigation credit calculation (see Finding of Fact #24 with the correction shown in bold and italic print) and supersedes Special Order Volume 81, Page 474.
- 3. Additional materials associated with the lease application were received on July 23, 2010.
- 4. On July 26, 2010, the Lessee and John Short, agent for the Lessor, requested to amend the lease application to remove 83651 from the lease application. The also requested to remove the following acres from the portion of Certificate 83857 proposed to be leased instream:

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.

Twp	Rng	Mer	Sec	Q-Q	POD	Priority Date	Acres
14 S	14 E	WM	. 21	SE SW	2	1904/1910	2.5

- 5. Peoples Irrigation Company is not an identified Lessor on the lease. Irrigation districts (and other water providers) are required by rule (OAR 690-077-0076) to be a co-lessor on an instream lease for water rights served by a district. However, it appears that the lands described in Finding of Fact #5 are no longer within this irrigation district. Therefore, Peoples Irrigation Company does not need to be included on the lease application.
- 6. Interest in a portion of the water rights to be leased instream has been conveyed from the original land owners. The lease application identifies Grass Butte, LLC, as the Lessor. Individual conveyance agreements (recorded Statutory Bargain and Sale and Statutory Warranty Deeds), along with supporting documentation, identify that interest in a portion of the rights to be leased is held by The Daniels Group (now known as Grass Butte LLC) and another portion is held by Emmett Ranch. The Department has determined that Grass Butte is an interest holder in the rights and is authorized to lease the pertinent portions of the water rights instream.

For the portion of the right held by Emmett Ranch, Emmett Ranch provided notarized consent to the lease on July 26, 2010.

7. The portion of the first right to be leased is as follows:

Certificate:

83857 in the name of Peoples Irrigation Company

Priority Date: 1892 and 1898

Use:

Irrigation of 64.5 acres, being 13.4 acres from Point of Diversion (POD) #1,

50.6 acres from POD #6, and 0.5 acres from POD #7

Quantity:

0.81 Cubic Foot per Second (CFS), being 0.17 CFS from POD #1,

0.63 CFS from POD #6, and 0.01 CFS from POD #7

Duty:

258.0 Acre-Feet (AF), being 53.6 AF from POD #1, 202.4 AF

from POD #6, and 2.0 AF from POD #2

Limit: One-eightieth CFS per acre, not to exceed 4.0 AF per acre per year

Source:

Crooked River, tributary of the Deschutes River

Authorized Place of Use:

Twp	Rng	Mer	Sec	Q-Q	POD	Priority Date	Acres
14 S	14 E	WM	20	SWSW	6	1892	10.0
14 S	14 E	WM	29	NE NE	7	1898	0.5
14 S	14 E	WM	29	NENW	6	1892	5.0
14 S	14 E	WM	29	NWNW	1	1892	2.4
14 S	14 E	WM	29	NWNW	6	1892	35.6
14 S	14 E	WM	29	SWNW	1	1892	3.0
14 S	14 E	WM	29	SENW	1	1892	8.0

Authorized Points of Diversion (POD):

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
15 S	16 E	WM	8	NW SW	POD #1 - 1920 FEET NORTH & 340 FEET EAST FROM THE SW CORNER OF SECTION 8
14 S	14 E	WM	29	NE NW	POD #6 - 1085 FEET SOUTH & 970 FEET WEST FROM THE N ¼ CORNER OF SECTION 29
14 S	14 E	WM	20	SE SE	POD #7 – 325 FEET NORTH AND 120 FEET WEST FROM THE SE CORNER OF SECTION 20

8. The second right to be leased is as follows:

Certificate:

83732 in the name of Butler Ranch, Inc.

Priority Date: 1892

Irrigation of 11.0 acres

Quantity:

Use:

Rate: 0.137 Cubic Foot per Second (CFS)

Duty: 44.0 Acre-Feet (AF)

Limit: Not to exceed 4.0 AF per acre per year

Source:

Crooked River, tributary of the Deschutes River

Authorized Place of Use:

Twp	Rng	Mer	Sec	Q-Q	Acres
14 S	14 E	WM	20	SWSW	11.0

Authorized POD:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	20	SE SW	1896 FEET SOUTH AND 1717 FEET EAST FROM THE WEST ¼ CORNER OF SECTION 20

- 9. Certificates 83857 and 83732 do not specify the irrigation season. However, the irrigation season is defined by Decree as February 1 to December 1.
- 10. 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.
- 11. The Lessor and Lessee have requested to protect water instream from the PODs on the Crooked River to Lake Billy Chinook. A portion of the water diverted at each POD returns to the Crooked River below the POD and is available to downstream water right holders. To prevent injury to downstream water right holders and enlargement, the quantity of water that may be protected instream requires modification to account for return flows immediately below each POD. At this time, the Department estimates that return flows are 10% of the amount diverted.
- 12. The instream use has been modified from the lease application to prevent injury and enlargement and is as follows:

Crooked River, tributary to the Deschutes River

Instream Reach: From each POD (as described in Finding of Fact #6 and 7) to Lake Billy Chinook

Certificate Priority Date	Dulaultu		At th	e POD	Below	the POD	p 1 1 p 4 1 1
	POD#	Instream Rate (cfs)	Instream Volume (AF)	Instream Rate (cfs)	Instream Volume (AF)	Period Protected Instream	
2 3 3 3 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	1892	1	0.17	53.6	0.15	48.24	May 6 through October 15
	1892	6	0.63	202.4	0.56	182.16	
	1898	7	0.01	2.0	0.006	1.8	
83732	1892		0.137	44.0	0.122	39.6	
		Totals	0.947	302.0	0.838	271.8	

- 13. Other conditions to prevent injury and enlargement are:
 - For the amount leased instream under Certificate 83732, the quantity of water leased from the point of diversion, together with the amount diverted at the old point of diversion, shall not exceed the quantity of water lawfully available at the original point of diversion.
- 14. There are supplemental water rights, Certificates 1327 and 83850, appurtenant to all or a portion of the lands described in Findings of Fact # 6 and 7. The Lessor and Lessee have requested that these water rights not be included as part of this lease application. During the term of the lease, water use under these rights will also be suspended.
- 15. 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.
- 16. Based upon review of the application, comments received, information provided by the Department's Watermaster, and other available information, the Department finds that the lease will not result in injury or enlargement. This finding is made through an abbreviated review recognizing that the 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.
- 17. If a right which has been leased is later proposed to be leased again or transferred to an instream use under ORS 537.348 and OAR 690-077-0070 or OAR 690-077-0075 a new injury review shall be required. 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 future leases or transfers.
- 18. The Lessor has requested that the lease terminate on November 30, 2013, or prior to approval of instream transfer T-10730. The lease will commence the date the final order is signed and on February 1 of each succeeding calendar year that the lease is in place.
- 19. The Lessor has requested the option of terminating the lease early with written notice to the Department.

Preliminary Award of Deschutes Basin Mitigation Credits

- 20. The Lessee, a mitigation bank chartered by the Water Resources Commission, has requested that the portion of the right to be protected instream be used to generate mitigation credits.
 - 21. The Department assigned this mitigation credit project number MP-138.
 - 22. The Department provided notice of the mitigation credit project pursuant to OAR 690-521-0300 (6). The Department also provided notice of the mitigation credit project to the Oregon Department of Fish and Wildlife, Oregon Department of Environmental Quality, Oregon Parks and Recreation Department, Oregon Department of State Lands, the Oregon Department of Agriculture, and the Department's Watermaster pursuant to OAR 690-521-0300 (7) and OAR 690-505-0630 (2). Comments were received from the Oregon Parks and

Recreation Department. These comments identified the additional instream flow will potentially benefit aquatic resources and improve the fishery resource.

- 23. No modifications were made to the lease based on the comments received.
- 24. As part of the public notice of the mitigation project, the Department identified that the project may result in 221.4 mitigation credits. However, on July 26, 2010, the applicants requested to amend the application to reduce the number of acres of irrigation leased to instream use from 123.0 to 75.5 acres. Therefore, the number of mitigation credits that may be awarded to this project have also been reduced. The Department finds that 135.9 mitigation credits may be awarded to this mitigation credit project and assigned to the DRC Mitigation Bank. The mitigation credits may be used to mitigate for ground water permit applications and existing conditioned ground water permits and certificates, providing mitigation pursuant to the Deschutes Ground Water Mitigation Rules, OAR Chapter 690, Division 505, within the Crooked River and General Zones of Impact.
- 25. The mitigation credits expire on December 31, 2014, or until the lease is terminated.
- 26. The use and maintenance of the mitigation credits is subject to the terms and conditions of the DRC Mitigation Bank Charter.
- 27. The Department shall award final mitigation credits upon completion of the approved project by the applicant and verification by the Department that the project is complete. The issuance of the Final Order approving the proposed instream lease shall result in completion of the project and verification that the project is complete.
- 28. No precedent is set by this Final Order as to the amount of mitigation credits that may be generated by a subsequent mitigation credit project.

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.

This mitigation project results in mitigation credits pursuant to ORS 537.746 and OAR 690-521-0300 and 690-521-0400.

ORDER

Therefore, it is ORDERED:

- 1. That the Lease as described herein is APPROVED.
- This correcting order supersedes Special Order Volume 81, Page 474.
- The former place of use will no longer receive water as part of these rights, any supplemental rights, or any other layered water rights for irrigation use, including ground water registrations during the term of the lease.

- 4. The lease will terminate on November 30, 2014. For multiyear leases, the Lessor shall have the option of terminating the lease with written notice to the Department provided to both the Salem office and Watermaster office. Written notice of termination of a lease must be provided by all Lessors and the Lessee. The written notice to Salem office must include original signatures. The notice to the Watermaster office may be made by fax or e-mail. The lease may be terminated at any time during a calendar year. However, if the termination request is received less than 30-days prior to the period of allowed instream use (May 6 through October 15) or after the period of allowed use has begun for the water right(s) being leased, water may not be used under the right(s) leased until the following calendar year, unless the Director determines that enlargement would not occur.
- 5. Final Award of Deschutes Basin Mitigation Credits: Issuance of this Final Order results in completion of the project and verification by the Department that the project is complete. The Department concludes that the mitigation credit project is awarded mitigation credits, as described above, pursuant to OAR 690-521-0400 and ORS 537.746. Mitigation Credits, in the amount of 135.9 credits, as described herein, are awarded to this mitigation project and assigned to the DRC Mitigation Bank. Mitigation Credits may be used to satisfy a mitigation obligation of a ground water permit applicant and/or ground water permit/certificate holder in the Crooked River and General Zones of Impact.
- 6. Mitigation credits are valid until used (or until they expire or are terminated) to satisfy a mitigation obligation of a ground water permit applicant and/or ground water permit/certificate holder within the Deschutes Ground Water Study Area pursuant to the Deschutes Ground Water Mitigation Rules. Mitigation credits are used when a person submits to the Department documentary evidence that valid credits have been obtained and assigned to satisfy a mitigation obligation.
- 7. The mitigation credits shall expire on December 31, 2014.
- 8. The use and maintenance of the mitigation credits shall be subject to the terms and conditions of the DRC Mitigation Bank Charter.

Dated at Salem, Oregon this day of	July, 2010.
Phillip C. Ward, Director	This document was prepared by Laura Wilke and if you have any questions, please call 503-986-0884.
Mailing date:	

Water Availability Analysis

CROOKED R > DESCHUTES R - AB DRY R DESCHUTES BASIN

Water Availability as of 2/28/2011

Watershed ID #: 30530507

Date: 2/28/2011

Exceedance Level: 50%

Time: 1:37 PM

Water Availability

Select any Watershed for Details

Nesting Order	Watershed ID #	Stream Name	Jan	Feb	Mar	Арг	May	Jun	101	Aug	Sep	Oct	Nov	De
1	70087	DESCHUTES R> COLUMBIA R- AB MOUTH AT GAGE 14103000	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No	No	No
2	30530627	DESCHUTES R> COLUMBIA R- AB EAGLE CR	No	Yes	Yes	Yes	Yes	Yes	No	No	No	No	No	No
3	30530643	DESCHUTES R> COLUMBIA R- AB SHITIKE CR	No	No	Yes	Yes	Yes	Yes	No	No	No	No	No	No
4	30530508	CROOKED R> DESCHUTES R- AB OSBORNE CAN	No	No	Yes	Yes	Yes	No	No	No	No	No	No	No
5	30530507	CROOKED R> DESCHUTES R- AB DRY R	No	No	Yes	Yes	Yes	No	No	No	No	No	No	No

Limiting Watersheds

Monthly Streamflows in Cubic Feet per Second Storage at 50% Exceedance in Acre-Feet

Month Limiti	ng Watershed ID #	Stream Name	Water Available?	Net Water Available
JAN	30530643	DESCHUTES R > COLUMBIA R - AB SHITIKE CR	No	-601.00
FEB	30530643	DESCHUTES R > COLUMBIA R - AB SHITIKE CR	No	-129.00
MAR	30530643	DESCHUTES R > COLUMBIA R - AB SHITIKE CR	Yes	117.00
APR	30530508	CROOKED R > DESCHUTES R - AB OSBORNE CAN	Yes	461.00
MAY	30530508	CROOKED R > DESCHUTES R - AB OSBORNE CAN	Yes	195.00
JUN	30530508	CROOKED R > DESCHUTES R - AB OSBORNE CAN	No	-182.00
JUL	30530643	DESCHUTES R > COLUMBIA R - AB SHITIKE CR	No	-582.00
AUG	30530508	CROOKED R > DESCHUTES R - AB OSBORNE CAN	No	-424.00
SEP	30530508	CROOKED R > DESCHUTES R - AB OSBORNE CAN	No	-370.00
OCT	30530643	DESCHUTES R > COLUMBIA R - AB SHITIKE CR	No	-264.00
NOV	30530643	DESCHUTES R > COLUMBIA R - AB SHITIKE CR	No	-316.00
DEC	30530643	DESCHUTES R > COLUMBIA R - AB SHITIKE CR	No	-788.00
ANN	30530507	CROOKED R > DESCHUTES R - AB DRY R	Yes	46,700.00

Detailed Reports for Watershed ID #70087

DESCHUTES R > COLUMBIA R - AB MOUTH AT GAGE 14103000 DESCHUTES BASIN

Water Availability as of 2/28/2011

Watershed ID #: 70087

Date: 2/28/2011

Exceedance Level: 50%

Time: 1:37 Pf

Water Availability Calculation

Monthly Streamflows in Cubic Feet per Second Storage at 50% Exceedance in Acre-Feet

Month	Natural Stream Flow	Consumptive Uses and Storages	Expected Stream Flow	Reserved Stream Flow	Instream Flow Requirement	Net Wate Available
JAN	5,830.00	670.00	5,160.00	450.00	4,500.00	210.0
FEB	6,980.00	749.00	6,230.00	450.00	4,500.00	1,280.0
MAR	7,440.00	1,020.00	6,420.00	450.00	4,500.00	1,470.0
APR	8,180.00	990.00	7,190.00	450.00	4,000.00	2,740.0
MAY	7,460.00	1,150.00	6,310.00	450.00	4,000.00	1,860.0
JUN	6,600.00	1,220.00	5,380.00	450.00	4,000.00	934.0
JUL	5,190.00	957.00	4,230.00	450.00	4,000.00	-217.0
AUG	4,780.00	862.00	3,920.00	450.00	3,500.00	-32.3
SEP	4,800.00	747.00	4,050.00	450.00	3,800.00	-197.0
OCT	4,940.00	794.00	4,150.00	450.00	3,800.00	-104.0
NOV	5,050.00	845.00	4,200.00	450.00	3,800.00	-45.5
DEC	5,480.00	771.00	4,710.00	450.00	4,500.00	-241.0
ANN	4,390,000.00	651,000.00	3,730,000.00	326,000.00	2,950,000.00	508,000.0

Detailed Report of Consumptive Uses and Storage

Consumptive Uses and Storages in Cubic Feet per Second

Consumptive cases and clorages in cubic rest per cessiva													
Month	Storage	Irrigation	Municipal	Industrial	Commercial	Domestic	Agricultural	Other	Tota				
JAN	619.00	0.17	44.10	0.91	0.07	4.35	1.30	0.00	670.0				
FEB	698.00	0.15	44.10	0.91	0.07	4.35	1.30	0.22	749.0				
MAR	894.00	71.60	44.10	0.91	0.07	4.35	1.30	0.22	1,020.0				
APR	498.00	442.00	44.10	0.91	0.07	4.35	1.30	0.22	990.0				
MAY	88.80	1,010.00	44.10	0.91	0.07	4.36	1.30	0.00	1,150.0				
JUN	45.20	1,090.00	77.30	0.91	0.07	4.37	1.30	0.00	1,220.0				
JUL	35.30	838.00	77.30	0.91	0.07	4.37	1.30	0.00	957.0				
AUG	32.50	746.00	77.30	0.91	0.07	4.37	1.30	0.00	862.0				
SEP	32.60	630.00	77.30	0.91	0.07	4.37	1.30	0.00	747.0				
OCT	436.00	307.00	44.10	0.91	0.07	4.36	1.30	0.00	794.0				
NOV	794.00	0.30	44.10	0.91	0.07	4.36	1.30	0.00	845.0				
DEC	720.00	0.21	44.10	0.91	0.07	4.34	1.30	0.00	771.0				

Detailed Report of Reservations for Storage and Consumptive Uses

Reserved Streamflow in Cubic Feet per Second

Application #	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	De
TY70503A	146.00	146.00	146.00	146.00	146.00	146.00	146.00	146.00	146.00	146.00	146.00	146.0
TY70503B	37.60	37.60	37.60	37.60	37.60	37.60	37.60	37.60	37.60	37.60	37.60	37.6
TY70503C	4.80	4.80	4.80	4.80	4.80	4.80	4.80	4.80	4.80	4.80	4.80	4.8
TY70503D	61.30	61.30	61.30	61.30	61.30	61.30	61.30	61.30	61.30	61.30	. 61.30	61.3
TY70504A	147.00	147.00	147.00	147.00	147.00	147.00	147.00	147.00	147.00	147.00	147.00	147.0
TY70504B	27.90	27.90	27.90	27.90	27.90	27.90	27.90	27.90	27.90	27.90	27.90	27.9
TY70504C	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.0
Total	449.60	449.60	449.60	449.60	449.60	449.60	449.60	449.60	449.60	449.60	449.60	449.6

Detailed Report of Instream Flow Requirements

Instream Flow Requirements in Cubic Feet per Second

Application #	Status	Jan	Feb	Mar	Apr	May	Jun	न्त	Aug	Sep	(OG)	Nov	De
TY70501A	TREATY	3,000.00 3	3,000.00	3,500.00	3,500.00	3,500.00	3,500.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.0
SY90506A .	SWW	4,500.00 4	,500.00	4,500.00	4,000.00	4,000.00	4,000.00	4,000.00	3,500.00	3,800.00	3,800.00	3,800.00	4,500.0
IS70087A CER	TIFICATE	3,000.00 3	3,000.00	3,500.00	3,500.00	3,500.00	3,500.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.0
I\$71194A CER	TIFICATE	4,500.00 4	,500.00	4.500.00	4,000.00	4,000.00	4,000.00	4,000.00	3,500.00	3,800.00	3,800.00	3,800.00	4,500.0
Maximum		4,500.00	500.00	4,500.00	4,000.00	4,000.00	4,000.00	4,000.00	3,500.00	3,800.00	3,800.00	3,800.00	4,500.0

Detailed Reports for Watershed ID #30530627

DESCHUTES R > COLUMBIA R - AB EAGLE CR DESCHUTES BASIN

Water Availability as of 2/28/2011

Watershed ID #: 30530627

Date: 2/28/2011

Exceedance Level: 50%

Time: 1:37 PI

Water Availability Calculation

Monthly Streamflows in Cubic Feet per Second Storage at 50% Exceedance in Acre-Feet

Month	Natural Stream Flow	Consumptive Uses and Storages	Expected Stream Flow	Reserved Stream Flow	Instream Flow Requirement	Net Wate Availab
JAN	5,280.00	646.00	4,630.00	450.00	4,500.00	-316.0
FEB	6,160.00	709.00	5,450.00	450.00	4,500.00	501.0
MAR	6,650.00	971.00	5,680.00	450.00	4,500.00	729.0
APR	7,350.00	921.00	6,430.00	450.00	4,000.00	1,980.0
MAY	6,720.00	1,040.00	5,680.00	450.00	4,000.00	1,230.0
JUN	6,160.00	1,090.00	5,070.00	450.00	4,000.00	624.0
JUL	4,960.00	858.00	4,100.00	450.00	4,000.00	-348.0
AUG	4,600.00	781.00	3,820.00	450.00	3,500.00	-131.0
SEP	4,630.00	674.00	3,960.00	450.00	3,800.00	-294.0
OCT	4,770.00	735.00	4,030.00	450.00	3,800.00	-215.0
NOV	4,840.00	835.00	4,000.00	450.00	3,800.00	-245.0
DEC	5,110.00	760.00	4,350.00	450.00	4,500.00	-600.0
ANN	4,050,000.00	605,000.00	3,450,000.00	326,000.00	2,950,000.00	304,000.0

Detailed Report of Consumptive Uses and Storage

Consumptive Uses and Storages in Cubic Feet per Second

Month	Storage	Irrigation	Municipal	Industrial	Commercial	Domestic	Agricultural	Other	Total
JAN	599.00	0.00	42.20	0.62	0.07	3.83	0.99	0.00	646.0
FEB	661.00	0.00	42.20	0.62	0.07	3.83	0.99	0.00	709.0
MAR	862.00	61.40	42.20	0.62	0.07	3.83	0.99	0.00	971.0
APR	463.00	411.00	42.20	0.62	0.07	3.83	0.99	0.00	921.0
MAY	76.10	913.00	42.20	0.62	0.07	3.84	0.99	0.00	1,040.0
JUN	35.30	972.00	73.50	0.62	0.07	3.84	0.99	0.00	1,090.0
JUL	28.30	751.00	73.50	0.62	0.07	3.84	0.99	0.00	858.0
AUG	26.20	676.00	73.50	0.62	0.07	3.84	0.99	0.00	781.0
SEP	26.40	568.00	73.50	0.62	0.07	3.84	0.99	0.00	674.0
OCT	429.00	258.00	42.20	0.62	0.07	3.84	0.99	0.00	735.0
NOV	788.00	0.00	42.20	0.62	0.07	3.84	0.99	0.00	835.0
DEC	712.00	0.00	42.20	0.62	0.07	3.82	0.99	0.00	760.0

Detailed Report of Reservations for Storage and Consumptive Uses

Reserved Streamflow in Cubic Feet per Second

Application #	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	De
TY70503A	146.00	146.00	146.00	146.00	145.00	146.00	146.00	146.00	146.00	146.00	146.00	146.0
TY70503B	37.60	37.60	37.60	37.60	37.60	37.60	37.60	37.60	37.60	37.60	37.60	37.6
TY70503C	4.80	4.80	4.80	4.80	4.80	4.80	4.80	4.80	4.80	4.80	4.80	4.8
TY70503D	61.30	61.30	61.30	61.30	61.30	61.30	61.30	61.30	61.30	61.30	61.30	61.3
TY70504A	147.00	147.00	147.00	147.00	147.00	147.00	147.00	147.00	147.00	147.00	147.00	147.0
TY70504B	27.90	27.90	27.90	27.90	27.90	27.90	27.90	27.90	27.90	27.90	27.90	27.9
TY70504C	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.0
Total	449.60	449.60	449.60	449.60	449.60	449.60	449.60	449.60	449.60	449.60	449.60	449.6

Detailed Report of Instream Flow Requirements

Instream Flow Requirements in Cubic Feet per Second

Application #	Status	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	D)E
TY70501B	TREATY	3,000.00	3,000.00	3,500.00	3,500.00	3,500.00	3,500.00	3,000.00	3,000.00	3,000.00	3,000.00 3,	000.00 3,000	0.0
SY90506B	SWW	4,500.00	4,500.00	4,500.00	4,000.00	4,000.00	4,000.00	4,000.00	3,500.00	3,800.00	3,800.00 3,	800.00 4,500	0.0
IS70087B	CERTIFICATE	3,000.00	3,000.00	3,500.00	3,500.00	3,500.00	3,500.00	3,000.00	3,000.00	3,000.00	3,000.00 3,	000.00 3,000	0,0
IS71194B (CERTIFICATE												
Maximum		4,500.00	4,500.00	4,500.00	4,000.00	4,000.00	4,000.00	4,000.00	3,500.00	800.00	3,800.00 3,	800.004,500	10

Detailed Reports for Watershed ID #30530643

DESCHUTES R > COLUMBIA R - AB SHITIKE CR DESCHUTES BASIN

Water Availability as of 2/28/2011

Watershed ID #: 30530643

Date: 2/28/2011

Exceedance Level: 50% Time: 1:37 Pt

Water Availability Calculation

Monthly Streamflows in Cubic Feet per Second Storage at 50% Exceedance in Acre-Feet

Month	Natural Stream Flow	Consumptive Uses and Storages	Expected Stream Flow	Reserved Stream Flow	Instream Flow Requirement	Net Wate Availabl
JAN	4,660.00	642.00	4,020.00	119.00	4,500.00	-601.0
FEB	5,190.00	700.00	4,490.00	119.00	4,500.00	-129.0
MAR	5,710.00	974.00	4,740.00	119.00	4,500.00	117.0
APR	6,380.00	993.00	5,390.00	119.00	4,000.00	1,270.0
MAY	5,890.00	1,170.00	4,720.00	119.00	4,000.00	603.0
JUN	5,590.00	1,240.00	4,350.00	119.00	4,000.00	228.0
JUL	4,560.00	1,020.00	3,540.00	119.00	4,000.00	-582.0
AUG	4,260.00	892.00	3,370.00	119.00	3,500.00	-251.0
SEP	4,320.00	765.00	3,560.00	119.00	3,800.00	-364.0
OCT	4,430.00	775.00	3,660.00	119.00	3,800.00	-264.0
NOV	4,440.00	837.00	3,600.00	119.00	3,800.00	-316.0
DEC	4,590.00	759.00	3,830.00	119.00	4,500.00	-788.0
ANN	3,620,000.00	651,000.00	2,970,000.00	86,200.00	2,950,000.00	133,000.0

Detailed Report of Consumptive Uses and Storage

Consumptive Uses and Storages in Cubic Feet per Second

Month	Storage	Irrigation	Municipal	Industrial	Commercial	Domestic	Agricultural	Other	Total
JAN	594.00	0.38	42.20	0.50	0.07	3.91	0.70	0.00	642.0
FEB	653.00	0.00	42.20	0.50	0.07	3.91	0.70	0.00	700.0
MAR	854.00	72.90	42.20	0.50	0.07	3.91	0.70	0.00	974.0
APR	454.00	491.00	42.20	0.50	0.07	3.91	0.70	0.00	993.0
MAY	70.30	1,050.00	42.20	0.50	0.07	3.92	0.70	0.00	1,170.0
JUN	31.10	1,130.00	73.30	0.50	0.07	3.93	0.70	0.00	1,240.0
JUL	25.20	920.00	73.30	0.50	0.07	3.93	0.70	0.00	1,020.0
AUG	23.50	790.00	73.30	0.50	0.07	3.93	0.70	0.00	892.0
SEP	23.80	662.00	73.30	0.50	0.07	3.93	0.70	0.00	765.0
OCT	426.00	301.00	42.20	0.50	0.07	3.92	0.70	0.00	775.0
NOV	785.00	5.14	42.20	0.50	0.07	3.92	0.70	0.00	837.0
DEC	708.00	3.17	42.20	0.50	0.07	3.90	0.70	0.00	759.0

Detailed Report of Reservations for Storage and Consumptive Uses

Reserved Streamflow in Cubic Feet per Second

Appl	ication #	Jan	Feb	Mar	Арг	May	Jun	Jul	Aug	Sep	Oct	Nov	De
T	Y70503C	4.80	4.80	4.80	4.80	4.80	4.80	4.80	4.80	4.80	4.80	4.80	4.8
T	Y70503D	61.30	61.30	61.30	61.30	61.30	61.30	61.30	61.30	61.30	61.30	61.30	61.3
T	Y70504B	27.90	27.90	27.90	27.90	27.90	27.90	27.90	27.90	27.90	27.90	27.90	27.9
T	Y70504C	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.0
	Total	119.00	119.00	119.00	119.00	119.00	119.00	119.00	119.00	119.00	119.00	119.00	119.0

Detailed Report of Instream Flow Requirements

Instream Flow Requirements in Cubic Feet per Second

Application #	Status	Jan	Feb	Mar	Арг	May	Jun	Jul	Aug	Sep	Oct	Nov	De
TY70501C	TREATY	3,000.00	3,000.00	3,500.00	3,500.00	3,500.00	3,500.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.0
SY90506C	SWW	4,500.00	4,500.00	4,500.00	4,000.00	4,000.00	4,000.00	4,000.00	3,500.00	3,800.00	3,800.00	3,800.00	4,500.0
Maximum		4,500.00	4,500.00	4,500.00	4,000.00	4,000.00	4,000.00	4,000.00	3,500.00	3,800.00	3,800.00	3,800.00	4,500.0

Detailed Reports for Watershed ID #30530508

CROOKED R > DESCHUTES R - AB OSBORNE CAN DESCHUTES BASIN

Water Availability as of 2/28/2011

Watershed ID #: 30530508 Date: 2/28/2011

Exceedance Level: 50% Time: 1:37 Pt

Water Availability Calculation

Monthly Streamflows in Cubic Feet per Second Storage at 50% Exceedance in Acre-Feet

Month	Natural Stream Flow	Consumptive Uses and Storages	Expected Stream Flow	Reserved Stream Flow	Instream Flow Requirement	Net Wate Availabl
JAN	303.00	122.00	181.00	0.00	75.00	106.0
FEB	641.00	293.00	348.00	0.00	150.00	198.0
MAR	1,100.00	567.00	533.00	0.00	255.00	278.0
APR	1,320.00	604.00	716.00	0.00	255.00	461.0
MAY	805.00	355.00	450.00	0.00	255.00	195.0

-182.0	150.00	0.00	-32.20	423.00	391.00	JUN
-386.0	75.00	0.00	-311.00	423.00	112.00	JUL
-424.0	55.80	0.00	-368.00	424.00	55.80	AUG
-370.0	64.00	0.00	-306.00	370.00	64.00	SEP
-134.0	75.00	0.00	-58.90	135.00	75.60	OCT
-13,4	75.00	0.00	61.60	35.60	97.20	NOV
36.8	75.00	0.00	112.00	80.20	192.00	DEC
76,400.0	94,000.00	0.00	144,000.00	231,000.00	310,000.00	ANN

Detailed Report of Consumptive Uses and Storage

Consumptive Uses and Storages in Cubic Feet per Second

Month	Storage	Irrigation	Municipal	Industrial	Commercial	Domestic	Agricultural	Other	Tota
JAN	120.00	0.00	0.00	0.28	0.00	1.05	0.44	0.00	122.0
FEB	291.00	0.00	0.00	0.28	0.00	1.05	0.44	0.00	293.0
MAR	565.00	0.01	0.00	0.28	0.00	1.05	0.44	0.00	567.0
APR	441.00	161.00	0.00	0.28	0.00	1.05	0.44	0.00	604.0
MAY	31.80	321.00	0.00	0.28	0.00	1.05	0.44	0.00	355.0
JUN	15.20	406.00	0.00	0.28	0.00	1.05	0.44	0.00	423.0
JUL	4.36	417.00	0.00	0.28	0.00	1.05	0.44	0.00	423.0
AUG	2.17	420.00	0.00	0.28	0.00	1.05	0.44	0.00	424.0
SEP	2.49	366.00	0.00	0.28	0.00	1.05	0.44	0.00	370.0
OCT	32,90	99.80	0.00	0.28	0.00	1.05	0.44	0.00	135.0
NOV	33.80	0.00	0.00	0.28	0.00	1.05	0.44	0.00	35.6
DEC	78.50	0.00	0.00	0.28	0.00	1.05	0.44	0.00	80.2

Detailed Report of Reservations for Storage and Consumptive Uses

Reserved Streamflow in Cubic Feet per Second

No reservations were found for this watershed.

Detailed Report of Instream Flow Requirements

Instream Flow Requirements in Cubic Feet per Second

Application #	Status	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dε
IS70354A	APPLICATION	75.00	150.00	255.00	255.00	255.00	150.00	75.00	55.80	64.00	75.00	75.00	75.0
Maximum		75.00	150.00	255.00	255.00	255.00	150.00	75.00	55.80	64.00	75.00	75.00	75.0

Detailed Reports for Watershed ID #30530507

CROOKED R > DESCHUTES R - AB DRY R
DESCHUTES BASIN

Water Availability as of 2/28/2011

Watershed ID #: 30530507

Date: 2/28/2011

Exceedance Level: 50% Time: 1:37 Pt

Water Availability Calculation

Monthly Streamflows in Cubic Feet per Second Storage at 50% Exceedance in Acre-Feet

	Month	Natural Stream Flow	Consumptive Uses and Storages	Expected Stream Flow	Reserved Stream Flow	Instream Flow Requirement	Net Wate Available
	JAN	287.00	121.00	166.00	0.00	75.00	, 91.4
	FEB	607.00	291.00	316.00	0.00	150.00	166.0
	MAR	1,060.00	565.00	495.00	0.00	255.00	240.0
	APR	1,280.00	562.00	718.00	0.00	255.00	463.0
	MAY	792.00	284.00	508.00	0.00	255.00	253.0
	JUN	389.00	328.00	61.20	0.00	150.00	-88.8
X	JUL	112.00	324.00	-212.00	0.00	75.00	-287.0
	AUG	55.60	1 Jest 321.00	-266.00	0.00	55.80	-322.0)
	SEP	63.80	281.00	-217.00	0.00	64.00	-281.0
	OCT	75.30	118.00	-43.00	0.00	75.00	-118.0
	NOV	95.50	12 9 A 2000	60.90	0.00	75.00	-14.1
	DEC	185.00	79.00	106.00	0.00	75.00	31.0
	ANN	301,000.00	199,000.00	146,000.00	(P.00	4 194,000.00	74,700.0
			John Ma	mit est	creat a	Mythorne	>

Detailed Report of Consumptive Uses and Storage

Consumptive Uses and Storages in Cubic Feet per Second

Month	Storage	Irrigation	Municipal	Industrial	Commercial	Domestic	Agricultural	Other	Tot
JAN	120.00	0.00	0.00	0.28	0.00	0.23	0.36	0.00	121.0
FEB	290.00	0.00	0.00	0.28	0.00	0.23	0.36	0.00	291.0
MAR	564.00	0.01	0.00	0.28	0.00	0.23	0.36	0.00	565.0
APR	439.00	122.00	0.00	0.28	0.00	0.23	0.36	0.00	562.0
MAY	31.20	252.00	0.00	0.28	0.00	0.23	0.36	0.00	284.0
JUN	15.10	312.00	0.00	0.28	0.00	0.23	0.36	0.00	328.0
JUL	4.34	318.00	0.00	0.28	0.00	0.23	0.36	0.00	324.0
AUG	2.15	318.00	0.00	0.28	0.00	0.23	0.36	0.00	321.0
SEP	2.47	278.00	0.00	0.28	0.00	0.23	0.36	0.00	281.0
OCT	32.90	84.50	0.00	0.28	0.00	0.23	0.36	0.00	118.0
NOV	33.70	0.00	0.00	0.28	0.00	0.23	0.36	0.00	34.6
DEC	78.20	0.00	0.00	0.28	0.00	0.23	0.36	0.00	79.0

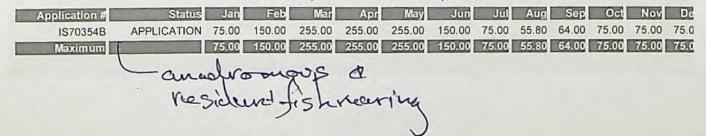
Detailed Report of Reservations for Storage and Consumptive Uses

Reserved Streamflow in Cubic Feet per Second

No reservations were found for this watershed.

Detailed Report of Instream Flow Requirements

Instream Flow Requirements in Cubic Feet per Second





Water Resources Department

North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1266 503-986-0900 FAX 503-986-0904

December 2, 2008

GREG DANIELS THE DANIELS GROUP LLC 1111 MAIN ST SUITE 700 VANCOUVER WA 98660

Reference: Instream Transfer 10730

On November 21, 2008 we received your water right transfer application. The application was accompanied by \$700.00. Our receipt 95005 is enclosed.

By copy of this letter, we are asking the Watermaster for a report regarding the potential for injury to existing water rights which may be caused by the change.

We will notify you if additional information or corrections to the application or map are required.

If you have any questions, please call the Transfer Section, (503)986-0900.

cc: Watermaster #11 (via email)
David Newton, Agent
Low Line Ditch Company
US Bureau of Reclamation
Dallon Miles, Landowner
Butler Ranch Inc., Landowner

ODFW, (via email)

enclosure



Water Resources Department

725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

Notice of Application for Water Right Transfer, Temporary Transfer, or Permit Amendment 12/02/08

The Department seeks comment on the recently-filed application listed below. Any person may comment on the application. Comments must be received by the Department within 30 days of the date of this notice. The Director may presume that the transfer would be allowed by, and compatible with comprehensive plans unless an affected local government informs the Director otherwise within 30 days of this notice.

County:

CROOK

Transfer:

10730

Water Right:

CERT 83857,83651,83732

Priority Date:

1892, 1898, 1904, 1910, 1903, 1892

Name:

GREG DANIELS - THE DANIELS GROUP LLC

Address:

1111 MAIN STREET SUITE 700, VANCOUVER WA 98660

Change:

USE/POU

Source:

CROOKED RIVER

Authorized POU:

T14S R14E 20,21,28,29

Proposed POU:

BELOW LOW LINE DITCH DIVERSION T15S R16E 8

BELOW CROOKED RIVER DIVERSION T14S R14E 24

TO CONFLUENCE WITH DESCHUTES RIVER

Authorized USE:

IRRIGATION

Proposed USE:

INSTREAM

The holder of a water right may apply to permanently change an existing water use subject to transfer. A transfer application may involve any of the following changes: Point of diversion or appropriation (POD; POA); Additional point of diversion or appropriation (APOD; APOA); Historic POD (HIST); Place of use (POU); Character of use (USE); Instream (ISWR); Substitution (SUB); or Exchange (EXCH).

The holder of a water right subject to transfer may request to temporarily change the place of use of the water for up to 5 years and, if necessary to convey the water, to temporarily change the point of diversion or appropriation.

The holder of a water right permit may apply to change a point of diversion (POD) or appropriation (POA) or to change the place of use (POU).

Any person who provides comments within the comment period will receive a copy of the Department's preliminary determination of whether the application should be approved or rejected after the Department has completed a review of the application and will be provided an opportunity to protest the application and preliminary determination at that time. Comments should be sent to the Transfers Section at the Department's Salem office.



Water Resources Department North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

June 9, 2011

GRASS BUTTE, LLC GREG DANIELS 1111 MAIN ST SUITE 700 VANCOUVER WA 98660 PREMIER WEST BANK 875 RIMROCK WAY, SUITE 100 REDMOND, OREONG 97756

Re: Instream Transfer T-10730 & Mitigation Credit Project MP-124

On June 3, 2011, the Department issued a Final Order approving Instream Transfer T-10730 and Mitigation Credit Project MP-124, as evidenced by Special Order Volume 84, Page 378. The Department also issued three new instream water right certificates, Certificates 87056, 87055, and 87057.

Shortly following issuance of the instream certificates, a scrivener's error was identified in each of the instream certificates. The zone of impact in which mitigation credits may be used was misidentified as the Little Deschutes Zone of Impact. The zone of impact identified in the certificates should be the Crooked River Zone of Impact and the General Zone of Impact, consistent with the Final Order.

Please find attached with this letter, three superseding certificates, which correctly identify the zones of impact in which mitigation credits may be used for Mitigation Project MP-124.

Information on the use of these mitigation credits was described in the cover letter that accompanied the Final Order. Thank you for participating in the Instream Transfer and Deschutes Mitigation Credit program. I want again to express appreciation for your participation in these programs and cooperation in helping to improve streamflows for fish and aquatic life and to provide mitigation water to ground water users in the Deschutes Ground Water Study Area.

If you have any questions regarding the instream transfer and new certificate or the award of mitigation credits, please call me at (503) 986-0884.

Sincerely,

aura K. Wilke

Flow Restoration Program Coordinator

c: Jeremy Giffin, Watermaster District 11 Shonee Langford, attorney David Newton, Agent Jim Newton, CWRE #82917 Peoples Irrigation Company

Low Line Ditch Company
US Bureau of Reclamation
Butler Ranch, Inc.
South Valley Bank and Trust
file T-10730 & MP-124

STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

STATE OF OREGON WATER RESOURCES DEPARTMENT

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The date of priority is 1903. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed:

Reach	Instream Rates
Reach #1	0.56 Cubic Foot per Second (CFS)
Reach #2	0.50 CFS
Reach #3	0.25 CFS

or its equivalent in case of rotation, measured at the points of diversion, during the period June 1 through November 8.

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

Reach #1: From the POD for Certificate 83651, located approximately at:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	24	SE SW	LOW LINE DITCH: Latitude 44.335984 Degrees and Longitude -120.999700 Degrees

to River Mile 32.9.

Reach #2: From River Mile 32.9 to River Mile 30 where Lone Pine Road crosses the Crooked River.

Reach #3: From River Mile 30 to Lake Billy Chinook.

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. Stream channel losses and gains calculated based on available data and the use of water by senior appropriators will determine the amount of water to which this right is entitled downstream from the original point of diversion within the specified stream reach.

The instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and shall be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise specified by a subsequent order establishing a new instream water right.

This is a final order in other than a 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 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.

T-10730-correct-87056-lkw (MP-124)

Page 1 of 2

Certificate 87094

Mitigation Credit Award

Mitigation Project:

MP-124

Mitigation Credits Awarded:

221.4, being 120.6 from Certificate 87057, 81.0 from Certificate 87056

and 19.8 from Certificate 87055

Zone of Impact:

These mitigation credits may be used to satisfy a mitigation obligation within the Crooked River Zone of Impact and the General Zone of

Impact

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

Certificate 87094, together with Certificates 87095 and 87096, is Mitigation Project MP-124.

The number of mitigation credits awarded is a portion of the total volume transferred instream, being 492.0 AF, being 268.0 AF under Certificate 87057, 180.0 AF under Certificate 87056, and 44.0 AF under Certificate 87055. 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(s)), 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 water for the above purpose is restricted to beneficial use in the place of use described and is subject to all other terms and conditions of Certificate 83651 and any related decree.

This certificate is issued to correct a scrivener's error in the identification of the zone of impact for mitigation credits described on Certificate 87056. This Certificate supersedes Certificate 87056.

WITNESS the signature of the Water Resources Director, affixed

JUN 0 9 2011

Dwight French, Water Right Services Administrator, for

PHILLIP'C. WARD, DIRECTOR

STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

STATE OF OREGON WATER RESOURCES DEPARTMENT

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The dates of priority are 1892, 1898, and 1904/1910. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed:

Reach	Priority I	ates and Instrea	m Rates	
Reach	1892	1898	1904/1910	Totals
Reach #1	0.17 Cubic Foot per Second (CFS)			0.17 CFS
Reach #2	0.17 CFS		0.03 CFS	0.20 CFS
Reach #3	0.17 CFS		0.027 CFS	0.197 CFS
Reach #4	0.17 CFS	0.01 CFS	0.027 CFS	0.207 CFS
Reach #5	0.17 CFS	0.006 CFS	0.027 CFS	0.203 CFS
Reach #6	0.80 CFS	0.006 CFS	0.027 CFS	0.833 CFS
Reach #7	0.72 CFS	0.006 CFS	0.027 CFS	0.753 CFS
Reach #8	0.36 CFS	0.003 CFS	0.01 CFS	0.373 CFS

or it's equivalent in case of rotation, measured at the points of diversion, during the period June 1 through November 8.

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

Reach #1: From the location of diversion #1 authorized previously under Certificate 83857, located approximately at:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
1	15 S	16 E	WM	8	NW SW	1920 FEET NORTH AND 340 FEET EAST FROM THE SW CORNER OF SECTION 8

to the location of diversion #2 authorized previously under Certificate 83857, located approximately at:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
2	14 S	14 E	WM	24	SE SW	LOW LINE DITCH, Latitude 44.335984 degrees and Longitude -120.999700 degrees

Reach #2: From the location of diversion #2 authorized previously under Certificate 83857 to River Mile 32.9.

This is a final order in other than a 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 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.

T-10730-correct-87057-lkw (MP-124)

Page 1 of 3

Certificate 87096

Reach #3: From River Mile 32.9 to the location of diversion #7 authorized previously under Certificate 83857, located approximately at:

POD	Twp	Rng	Mer.	Sec	Q-Q	Measured Distances
7	14 S	14 E	WM	20	SE SE	PUMP: 325 FEET NORTH AND 120 FEET WEST FROM THE SE CORNER OF SECTION 20

Reach #4: At the location of diversion #7 authorized previously under Certificate 83857.

Reach #5: From just below the location of diversion #7 authorized previously under Certificate 83857 to the location of diversion #6 authorized previously under Certificate 83857, located approximately at:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
6	14 S	14 E	WM	29	NE NW	PUMP: 1085 FEET SOUTH AND 970 FEET WEST FROM THE NORTH 1/4 CORNER OF SECTION 29

Reach #6: At the location of diversion #6 authorized previously under Certificate 83857.

Reach #7: From just below the location of diversion #6 authorized previously under Certificate 83857 to River Mile

30 where Lone Pine Road crosses the Crooked River

Reach #8: From River Mile 30 to Lake Billy Chinook

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. Stream channel losses and gains calculated based on available data and the use of water by senior appropriators will determine the amount of water to which this right is entitled downstream from the original point of diversion within the specified stream reach.

Mitigation Credit Award

Mitigation Project:

MP-124

Mitigation Credits Awarded:

221.4, being 120.6 from Certificate 87096, 81.0 from Certificate 87094

and 19.8 from Certificate 87095

Zone of Impact:

These mitigation credits may be used to satisfy a mitigation obligation within the Crooked River Zone of Impact and the General Zone of

Impact

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

Certificate 87096, together with Certificates 87094 and 87095, is Mitigation Project MP-124.

The number of mitigation credits awarded is a portion of the total volume transferred instream, being 492.0 AF, being 268.0 AF under Certificate 87096, 180.0 AF under Certificate 87094, and 44.0 AF under Certificate 87095. 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(s)), 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 instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and shall be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise specified by a subsequent order establishing a new instream water right.

The right to the use of water for the above purpose is restricted to beneficial use in the place of use described and is subject to all other terms and conditions of Certificate 83857, and any related decree.

This certificate is issued to correct a scrivener's error in the identification of the zone of impact for mitigation credits described on Certificate 87057. This Certificate supersedes Certificate 87057.

WITNESS the signature of the Water Resources Director, affixed _

JUN 0 9 2011

Dwigh French, Water Right Services Administrator, for

PHILLIP C. WARD, DIRECTOR

T-10730-correct-87057-lkw (MP-124) Page 3 of 3 Recorded in State Record of Water Right Certificates numbered 87096.

STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

STATE OF OREGON WATER RESOURCES DEPARTMENT

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The date of priority is 1892. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed:

Reach	Instream Rates
Reach #1	0.137 Cubic Foot per Second (CFS)
Reach #2	0.12 CFS
Reach #3	0.06 CFS

or its equivalent in case of rotation, measured at the points of diversion, during the period June 1 through November 8.

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

#1: At the POD for Certificate 83732, located approximately at:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	20	SE SW	1896 FEET SOUTH AND 1717 FEET EAST FROM THE WEST 1/4 CORNER OF SECTION 20

Reach #2: From just below the POD for Certificate 83732 to River Mile 30 where Lone Pine Road crosses the Crooked River.

Reach #3: From River Mile 30 to Lake Billy Chinook.

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. Stream channel losses and gains calculated based on available data and the use of water by senior appropriators will determine the amount of water to which this right is entitled downstream from the original point of diversion within the specified stream reach.

The instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and shall be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise specified by a subsequent order establishing a new instream water right.

This is a final order in other than a 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 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.

Mitigation Credit Award

Mitigation Project:

MP-124

Mitigation Credits Awarded:

221.4, being 120.6 from Certificate 87096, 81.0 from Certificate 87094

and 19.8 from Certificate 87095

Zone of Impact:

These mitigation credits may be used to satisfy a mitigation obligation within the Crooked River Zone of Impact and the General Zone of

Impact

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

Certificate 87095, together with Certificates 87094 and 87096, is Mitigation Project MP-124.

The number of mitigation credits awarded is a portion of the total volume transferred instream, being 492.0 AF, being 268.0 AF under Certificate 87096, 180.0 AF under Certificate 87094, and 44.0 AF under Certificate 87095. 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(s)), 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 water for the above purpose is subject to all other terms and conditions of Certificate 83732 and any related decree.

This certificate is issued to correct a scrivener's error in the identification of the zone of impact for mitigation credits described on Certificate 87055. This Certificate supersedes Certificate 87055.

WITNESS the signature of the Water Resources Director, affixed

JUN 0 9 2011

Dwight French, Water Right Services Administrator, for

PHILLIPIC. WARD, DIRECTOR

BEFORE THE WATER RESOURCES DEPARTMENT OF THE STATE OF OREGON

In the Matter of Instream Transfer)	FINAL ORDER APPROVING A
Application T-10730 and Mitigation Credit)	CHANGE IN PLACE OF USE AND
Project MP-124, Crook, Deschutes, and)	CHARACTER OF USE AND
Jefferson Counties)	PRELIMINARY AND FINAL AWARD
)	OF MITIGATION CREDITS
Authority		
ORS 540.505 to 540.580 establishes the procrequest to transfer the point of diversion, place existing water right. OAR Chapter 690, Division	ce of us	e, or character of use authorized under an
Department's procedures		s. OAR Chapter 690,
Division 077 provides ac	ok	ream water rights.
OAR 690-521-0100 to 6		anyone may submit a
ground water mitigation		stablishing mitigation
credits in the Deschutes	i	order

Pursuant to OAR 690-5: Crooked or Deschotes

valid until used to fulfil!

Water Study Area. Valid

mitigation bank to any p

person submits to the D

and assigned to satisfy t

a mitigation project are in the Deschutes Ground rson or recognized dits are used when a dits have been obtained

Applicants

GRASS BUTTE, LLC GREG DANIELS 1111 MAIN ST SUITE 700 VANCOUVER WA 98660

875 SW KIMKOCK WAY, SUITE 100 REDMOND, OREGON 97756

Findings of Fact

Background

 On November 21, 2008, The Daniels Group, LLC, filed an application to change the place of use and character of use under Certificates 81601, 83651, and 83732 to instream use. The Department assigned the application number T-10730.

This final order is subject to judicial review by the Court of Appeals under ORS 183.482. Any petition for judicial review must be filed within the 60-day time period specified by ORS 183.482(1). Pursuant to ORS 536.075 and OAR 137-003-0675, you may 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.

BEFORE THE WATER RESOURCES DEPARTMENT OF THE STATE OF OREGON

In the Matter of Instream Transfer)	FINAL ORDER APPROVING A
Application T-10730 and Mitigation Credit)	CHANGE IN PLACE OF USE AND
Project MP-124, Crook, Deschutes, and)	CHARACTER OF USE AND
Jefferson Counties)	PRELIMINARY AND FINAL AWARD
)	OF MITIGATION CREDITS

Authority

ORS 540.505 to 540.580 establishes the process in which a water right holder may submit a request to transfer the point of diversion, place of use, or character of use authorized under an existing water right. OAR Chapter 690, Division 380 implements the statutes and provides the Department's procedures and criteria for evaluating transfer applications. OAR Chapter 690, Division 077 provides additional criteria for evaluating transfers to instream water rights.

OAR 690-521-0100 to 690-521-0600 establishes the process in which anyone may submit a ground water mitigation project to the Department for the purpose of establishing mitigation credits in the Deschutes Ground Water Study Area.

Pursuant to OAR 690-521-0400 (2), any mitigation credits awarded to a mitigation project are valid until used to fulfill a mitigation obligation of a ground water use in the Deschutes Ground Water Study Area. Valid mitigation credits may be assigned by any person or recognized mitigation bank to any person or other mitigation bank. Mitigation credits are used when a person submits to the Department documentary evidence that valid credits have been obtained and assigned to satisfy a mitigation obligation.

Applicants

GRASS BUTTE, LLC GREG DANIELS 1111 MAIN ST SUITE 700 VANCOUVER WA 98660 PREMIER WEST BANK 875 SW RIMROCK WAY, SUITE 100 REDMOND, OREGON 97756

Findings of Fact

Background

1. On November 21, 2008, The Daniels Group, LLC, filed an application to change the place of use and character of use under Certificates 81601, 83651, and 83732 to instream use. The Department assigned the application number T-10730.

This final order is subject to judicial review by the Court of Appeals under ORS 183.482. Any petition for judicial review must be filed within the 60-day time period specified by ORS 183.482(1). Pursuant to ORS 536.075 and OAR 137-003-0675, you may 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.

- Certificate 81601 has been cancelled and a new Certificate (83857) was issued on May 7, 2008.
- 3. On August 26, 2009, the Department requested additional supporting information and clarification of the intent of T-10730.
- 4. On August 28, 2009, the Department received a letter of interest from South Valley Bank and Trust requesting that they be kept informed of the proposed transfer.
- On September 14, 2009, an additional letter was received from South Valley Bank and Trust identifying that the Bank could not consent to the transfer because conditions for their consent were not met. On March 21, 2011, consent to the transfer was received from South Valley Bank and Trust.
- 6. On September 25, 2009, the applicant clarified that the portion of Certificate 81601 (i.e. Certificate 83857) proposed for transfer to instream use include Irrigation, Livestock and Domestic use consistent with the water right of record. In addition, the applicant submitted additional supporting documentation for T-10730 along with revised transfer maps with clarifying information.
- 7. On November 9, 2009, the Department requested further clarification of the intent of T-10730 and additional information necessary to complete the application.
- 8. On March 23, 2010, The Daniels Group requested that a 75% interest in T-10730 and MP-124 be assigned to Realvest Corporation and Premier West Bank and that a 25% interest in T-10730 and MP-124 be assigned to Grass Butte, LLC. On March 23, 2010, Realvest Corporation requested that the 75% interest in T-10730 and MP-124 be assigned to Grass Butte, LLC. On March 23, 2010, Grass Butte, LLC requested that the 25% interest be assigned to Grass Butte, LLC and Premier West Bank.
- 9. On March 29, 2010, the Department approved the assignment requests and concurred that T-10730 is now in the names of Grass Butte, LLC and Premier West Bank.
- 10. On November 3, 2010, the applicant clarified that the portion of Certificate 83651 proposed for transfer to instream use include Irrigation, Livestock and Domestic use consistent with the water right of record.
- 11. On November 3, 2010, the applicant provided further clarification of the intent of T-10730, along with revised transfer maps in support of T-10730.
- On December 13, 2010, the Department requested further clarification of the intent of T-10730, including priority date and POD clarifications, and correcting of clerical errors.
- 13. On December 21 and 22, 2010, the applicant provided clarifying information, along with revised transfer maps.

14. The portion of the first right to be transferred is as follows:

Certificate: 83857 in the name of PEOPLES IRRIGATION CO. (confirmed by

Crooked River Decree)

Use: IRRIGATION OF 67.0 ACRES (0.5 acre under the 1898 priority date, 2.5

acres under the 1904/1910 priority date, and 64.0 acres under the 1892

priority date), LIVESTOCK AND DOMESTIC USE

Priority Dates: 1892, 1898, and 1904/1910

Rate: 0.84 CUBIC FOOT PER SECOND (CFS), being 0.01 CFS under the 1898

priority date, 0.03 CFS under the 1904/1910 priority date, and 0.8 CFS

under the 1892 priority date

Limit/Duty: The amount of water used for irrigation, together with the amount secured

under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation

season of each year.

Source: CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Points of Diversion:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
1	15 S	16 E	WM	8	NW SW	1920 FEET NORTH AND 340 FEET EAST FROM THE SW CORNER OF SECTION 8
2						LOW LINE DITCH
6	14 S	14 E	WM	29	NE NW	PUMP: 1085 FEET SOUTH AND 970 FEET WEST FROM THE NORTH 1/4 CORNER OF SECTION 29
7	14 S	14 E	WM	20	SE SE	PUMP: 325 FEET NORTH AND 120 FEET WEST FROM THE SE CORNER OF SECTION 20

Authorized Place of Use:

		IR.	RIGATIO	N, LIVE	ESTOC	K, AND DO	MESTIC	
Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User
1892	6	14 S	14 E	WM	20	SWSW	10.0	Forrest, Frances
1904/1910	2	14 S	14 E	WM	21	SESW	2.5	Deschutes Fine Wool Company
1898	7	14 S	14 E	WM	29	NE NE	0.5	McDowell, D.A.
1892	6	14 S	14 E	WM	29	NENW	5.0	Forrest, Frances
1892	6	14 S	14 E	WM	29	NWNW	35.6	Forrest, Frances
1892	1	14 S	14 E	WM	29	NW NW	2.4	Forrest, Frances
1892	1	14 S	14 E	WM	29	SWNW	3.0	Forrest, Frances
1892	1	14 S	14 E	WM	29	SENW	8.0	Forrest, Frances

15. For Certificate 83857, information submitted with the application identifies that POD #2, Low Line Ditch, is the same POD as identified for Certificate 83651 as described in Finding of Fact #16. The Department also has additional information identifying that Low Line Ditch and the POD for Certificate 83651 is more accurately located as described in Findings of Fact #16 and #17. 16. The portion of the second right to be transferred is as follows:

Certificate: 83651 in the name of LOW LINE DITCH CO. (confirmed by Crooked River

Use:

IRRIGATION OF 45.0 ACRES, DOMESTIC, AND LIVESTOCK

Priority Date: 1903

Rate:

0.56 CFS

Limit/Duty:

The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed a reasonable amount for domestic and livestock, and 0.56 cubic feet per second for irrigation, the total quantity being limited to 4.0 acre-feet per acre during each year.

Source:

CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances	
14 S	14 E	WM	24	SE SW	Unspecified by Certificate	

Authorized Place of Use:

	IR	RIGATI	ON, LI	VESTOCK,	AND DO	MESTIC
Twp	Rng	Mer	Sec	Q-Q	Acres	Name of User through Company's Works
14 S	14 E	WM	28	NW NE	25.0	J. W. Livingston
14 S	14 E	WM	28	NE NW	20.0	J. W. Livingston

- The Crooked River Decree further describes the POD for Certificate 83651 as the Low Line Ditch. In a prior site visit, Department staff further identified that the POD is more accurately located approximately at Latitude 44.335984 degrees and Longitude -120.999700 degrees.
- 18. The third right to be transferred is as follows:

Certificate:

83732 in the name of BUTLER RANCH, INC. (confirmed by Crooked

River (F) Decree)

Use:

IRRIGATION of 11.0 ACRES

Priority Date:

1892

Rate:

0.137 CFS if available at the original point of diversion

Limit/Duty:

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each

year.

Source:

CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	20	SE SW	1896 FEET SOUTH AND 1717 FEET EAST FROM THE WEST 1/4 CORNER OF SECTION 20

Original Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
15 S	16 E	WM	8	NW SW	744.2 FEET SOUTH AND 321 FEET EAST FROM THE WEST ¼ CORNER OF SECTION 8

Authorized Place of Use:

IRRIGATION						
Twp	Rng	Mer	Sec	Q-Q	Acres	
14 S	14 E	WM	20	SWSW	11.00	

- 19. A total of 268.0 acre-feet of water may be beneficially used annually under the portion of existing Certificate 83857 proposed for transfer. A total of 180.0 acre-feet of water may be beneficially used annually under the portion of the existing right for Certificate 83651 proposed for transfer. A total of 44.0 acre-feet of water may be beneficially used annually under the existing right for certificate 83732 proposed for transfer.
- 20. Certificates 83857, 83651, and 83732 do not specify the irrigation season. The irrigation season is February 1 to December 1, pursuant to the Crooked River Decree.
- 21. There is a supplemental water right, Certificate 83850, covering a portion of the lands (85.4 acres, being 35.8 acres under Certificate 83651 and 49.6 acres under Certificate 83857) on which the primary water rights are proposed for transfer to instream use. By rule, a supplemental right must be included with the transfer or cancelled. However, consistent with OAR 690-380-2240(5), the applicant is proposing, under transfer application T-10734, to move 85.4 acres of supplemental irrigation under Certificate 83850 to the location of another primary right with similar reliability to the existing primary rights. If T-10734 is approved, no supplemental irrigation will remain for the lands proposed for transfer to instream use under T-10730.
- 22. Application T-10730 proposes to change the character of use to instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values and to establish mitigation credits in the Deschutes Ground Water Study Area.
- 23. Application T-10730 proposes to change the place of use of the right to create an instream reach from below the Low Line Ditch Diversion and from below the Crooked River Diversion to the confluence with the Deschutes River.
- 24. The applicant proposes the quantities of water to be transferred instream to be protected as follows:

Certificate Number	Instream Period	Rate (cfs)	Volume (acre-feet)
83857	Unspecified	0.838	268.0
83651	Unspecified	0.56	180.0
83732	Unspecified	0.138	44.0
	Total	1.536	492.0

- 25. The applicant proposes that any instream water right established as a result of this instream transfer be additive to existing instream water rights for the same reach established pursuant to ORS 537.348 (instream transfer process) and ORS 537.470 (allocation of conserved water process). The applicant also proposes that any instream water right established as a result of this instream transfer replace a portion of any existing instream rights established pursuant to ORS 537.346 (minimum streamflow conversion) and ORS 537.341 (state agency instream application process), with an earlier priority date.
- 26. The application includes a Land Use Information form completed and signed by a representative of Crook County. Additionally, the Department has provided notification of the proposed action to Crook County, Deschutes County and Jefferson County upon receipt of transfer application T-10730.
- 27. Notice of the application for transfer was published on December 2, 2008, pursuant to OAR 690-380-4000. No comments were filed in response to the notice.
- 28. On March 15, 2011, the Department mailed a copy of the draft Preliminary Determination proposing to approve Transfer Application T-10730 to the applicants. The draft Preliminary Determination cover letter set forth a deadline of April 14, 2011, for the applicants to respond. The applicants requested that the Department proceed with issuance of a Preliminary Determination and provided the necessary information to demonstrate that the applicants are authorized to pursue the transfer.
- 29. On April 13, 2011, the Department issued a Preliminary Determination proposing to approve Transfer T-10730 and mailed a copy to the applicants. Additionally, notice of the Preliminary Determination for the transfer application was published on the Department's weekly notice on April 19, 2011, 2007, and in The Bulletin newspaper on April 15, 22, and 29, 2011 pursuant to ORS 540.520 and OAR 690-380-4020. No protests were filed in response to the notice.
- 30. Following issuance of the Preliminary Determination, the Department identified several scrivener's errors in the description of the instream use provided in Finding of Fact #35 in the Preliminary Determination. These errors have been corrected in Finding of Fact #36 of this Final Order and do not result in any enlargement of the instream use.
 - The Department also identified an error in the description of the coordinate location for the point of diversion described in Finding of Fact #17. This error has also been corrected.
- 31. On June 3, 2011, a Final Order terminating IL-1159 was issued by the Department, as evidenced by Special Order Volume 84, Page 371. As noted in Finding of Fact #42, the Department identified that this lease must be terminated prior to the approval of T-10730.

Instream Transfer Review Criteria (OAR 690-77-0075 and 690-380-4010)

32. Water has been used within the last five years according to the terms and conditions of the rights, and there is no information in the record that would demonstrate that the rights are subject to forfeiture under ORS 540.610.

- 33. Based upon information provided as part of the application, it appears that while water has been diverted from the Crooked River under each right that a portion of the water diverted under the rights may not have been diverted from the authorized point(s) of diversion. Although water may have been diverted from non-authorized points of diversion, a diversion structure and ditch sufficient to use the full amount of water allowed under the existing rights was present within the five-year period prior to submittal of Application T-10730.
- 34. The applicant requested that water be protected instream beginning from below the Low Line Ditch Diversion and from below the Crooked River Diversion to the confluence with the Deschutes River. Each water right proposed for transfer to instream use has specific points of diversion. The portion of each right proposed for transfer to instream use may be protected instream beginning at the authorized point of diversion. Certificate 83857 has four points of diversion associated with specific portions of the right. The instream use resulting from the transfer of a portion of Certificate 83857 to instream use will begin at each of the respective points of diversion.
- 35. A portion of the water diverted at each POD returns to the Crooked River below the POD and is available to downstream water right holders. To prevent injury to downstream water right holders and enlargement, the quantity of water that may be protected instream requires modification to account for both surface and subsurface return flows.

The hydrogeologic evaluation of where subsurface return flows occur is generally based on the following information: 1) the local shallow and regional ground water elevations, 2) the shallow and regional head gradient (i.e. ground water flow direction), 3) elevation of nearby streams, 4) elevation of closest gaining stream reaches, 5) distance from nearby streams and gaining stream reaches, and 6) local geologic information. When evaluating for return flows, the Department generally considers the place of use as a whole and where the majority of return flows occur based upon the presence of surface return flows (overland flow) and the factors described above for any subsurface return flows.

The place of use under each right proposed for transfer is located in close proximity to the Crooked River. A portion of the water diverted to the place of use returns to the river system around the points of diversion or close to the place of use (specifically for those lands that receive irrigation water from POD #1 and #2 under Certificate 83857 located some distance upstream from the place of use) as a result of overland flow. Remaining return flows take the form of subsurface return flows. Subsurface returns would also return to the river system in the area of where Lone Pine Road crosses the Crooked River at River Mile 30.

The instream flows at the points of diversion or near the place of use have been reduced by 10% to account for surface return flows and instream flows at Lone Pine Road have been reduced to the consumptive portion of the rights to account for subsurface return flows.

36. The applicant has not specified when water is requested to be protected instream. Based on a calculation using the full rate and duty of the three water rights, water may be protected instream for a period of 161 days. There is a pending instream water right application submitted by the Oregon Department of Fish and Wildlife for anadromous and resident fish

rearing. Proposed instream flows for this use would generally not be satisfied June through November. With 161 days, water may be protected instream as a result of this transfer from June 1 through November 8.

37. Based on Finding of Fact #34 through #36, on March 15, 2011, the applicant agreed to modify the quantities to be transferred and protected instream as follows (corrections from Preliminary Determination shown in bold and italic):

Resulting from Certificate 83857

Reach #1: From POD #1 (as described in Finding of Fact #14) to POD #2 (Low Line Ditch) (as described in Findings of Fact #14, #15, #16, & #17).

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 - Nov. 8

Reach #2: From POD #2 (Low Line Ditch) to River Mile 32.9.

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
00057	1892	0.17	53.6	Iuma 1 Nau 0
83857	1904/1910	0.03	10,0	June 1 – Nov. 8
	Total:	0.20	63.6	

Reach #3: From River Mile 32.9 to POD #7 (as Described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17		T 1 N/- 0
	1904/1910	0.027	8.62	June 1 – Nov. 8
	Total:	0.197	62,22	

Reach #4: At POD #7 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
	1892	0.17	53.6	
83857	1898	0.01	2.0	June 1 - Nov. 8
	1904/1910	0.027	8.62	
	Total:	0.207	64.22	

Reach #5: From just below POD #7 to POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	
	1898	0.006	1.8	June 1 - Nov. 8
	1904/1910	0.027	8.62	
	Total:	0.203	64.02	

Reach #6: At POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
	1892	0.80	256.0	
83857	1898	0.006	1.8	June 1 - Nov. 8
	1904/1910	0.027	8.62	

Total:	0.833	266.42	

Reach #7: From just below POD #6 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
	1892	0.72	229.92	
83857	1898	0.006	1.8	June 1 - Nov. 8
	1904/1910	0.027	8.62	
	Total:	0.753	240.34	

Reach #8: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.36	115.2	June 1 – Nov. 8
	1898	0.003	0.9	
	1904/1910	0.01	4.5	
	Total:	0.373	120.6	

Resulting from Certificate 83651

Reach #1: From the POD for Certificate 83651 (as described in Findings of Fact #16 and #17) River Mile 32.9

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.56	180.0	June 1 - Nov. 8

Reach #2: From River Mile 32.9 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.50	159.67	June 1 - Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.25	81.0	June 1 - Nov. 8

Resulting from Certificate 83732

Reach #1: At POD for Certificate 83732 (as described in Finding of Fact #18)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.137	44.0	June I - Nov. 8

Reach #2: From just below the POD for Certificate 83732 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.12	38.32	June 1 - Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.06	19.8	June 1 - Nov. 8

- 38. The proposed changes, as modified, would not result in enlargement of the right.
- 39. The proposed changes, as modified, would not result in injury to other water rights.
- 40. The amount and timing of the proposed instream flow, as modified, is allowable within the limits and use of the original water rights.
- 41. The protection of flows within the proposed reaches is appropriate, considering:
 - a) The instream water rights will begin at the recorded points of diversion;
 - b) The location of confluences with other streams downstream of the points of diversion;
 - There are no known areas of natural loss of streamflow to the river bed downstream from the point of diversion; and
 - d) Return flows resulting from the exercise of the existing water right would re-enter the river within the proposed reaches and have been accounted for at appropriate points within each proposed reach.
- 42. There is an instream lease, IL-1081, currently in effect for a portion of the water rights proposed for transfer, specifically Certificates 83857 and 83732, to instream use. The instream lease was approved by the Department on July 27, 2010, as evidenced by Special Order Volume 81, Page 474. A correction order was issued on July 30, 2010, and supersedes the original order, as evidenced by Special Order Volume 81, Page 546. This instream lease is scheduled to terminate on November 30, 2014, and includes a condition allowing for early termination of the lease order. This lease must be terminated before Transfer T-10730 may be approved. Also, the date on which this instream transfer may be approved may be affected by the date on which the existing instream lease is terminated to prevent injury and enlargement.
- 43. There are existing instream water rights established under ORS 537.348 (instream transfer process) and ORS 537.470 (allocation of conserved water process) within the same reach as that proposed for each of the new instream water rights, which include the use of water for fish and wildlife habitat, aquatic life, recreation, and pollution abatement. There presently are no instream water rights within the proposed reach created as a result of ORS 537.346 (minimum flow conversion) or ORS 537.341 (state agency instream water right application process). However, there is a pending instream water right application filed by the Oregon Department of Fish and Wildlife (ODFW) pursuant to ORS 537.341 to establish an instream water right from Bowman Dam to Lake Billy Chinook for anadromous and resident fish rearing, which if approved will have a priority date of May 11, 1990. Requested flows for this pending instream water right application are at times not available during the instream period identified in Finding of Fact #36.
- 44. By adding to other water rights leased or transferred instream at the same location or created through the conserved water statutes, the instream right will provide protection for additional

- streamflows previously identified as necessary for conservation, maintenance and enhancement of aquatic and fish life, fish and wildlife habitat and other ecological values.
- 45. By replacing a portion of any instream rights created at the request of state agency or under the minimum streamflow conversion process, the instream right will provide protection for streamflows previously identified as necessary for anadromous and resident fish rearing under earlier priority dates.
- 46. During the period June 1 through November 8, any instream water right established by this transfer application may replace a portion of instream water rights established pursuant to ORS 537.341 or ORS 537.346 and be in addition to instream water rights established pursuant to ORS 537.348 or ORS 537.470 unless otherwise specified by an order approving a new instream water right under these statutes.
- 47. The total monthly quantities of water to be protected under the existing and proposed instream rights in the reach will provide for a beneficial purpose and do not exceed the estimated average natural flow.

Preliminary Award of Deschutes Basin Mitigation Credits

- 48. The mitigation project was originally submitted by the Daniels Group, LLC. However, on March 29, 2010, the application was assigned to Grass Butte, LLC, and PremierWest Bank. Grass Butte, LLC, and PremierWest Bank (the Applicants) have requested this instream transfer application be used to establish mitigation credits in the Deschutes Ground Water Study Area. The Applicants have also requested that any mitigation credits generated from this project be assigned to Grass Butte, LLC, and PremierWest Bank.
- 49. The Department assigned this mitigation credit project number MP-124.
- 50. The Department provided notice of the mitigation credit project pursuant to OAR 690-521-0300 (6) on March 10, 2009. No comments were received in response to this notice.
- 51. The Department consulted with representatives from ODFW, DEQ, Oregon Parks and Recreation Department, Oregon Department of State Lands, the Oregon Department of Agriculture, and the Department's Watermaster pursuant to OAR 690-521-0300 (7) and OAR 690-505-0630 (2) on March 10, 2009. No comments were received in response to this notice.
- 52. No changes were made to the instream transfer as a result of public notice or consultation with the above named agencies.
- 53. The proposed transfer of 123.0 acres of irrigation (67.0 acres under Certificate 83857, 45.0 acres under Certificate 83651, and 11.0 acres under Certificate 83732) to instream use will provide 221.4 acre-feet of mitigation water (120.6 AF from Certificate 83857, 81.0 AF from Certificate 83651, and 19.8 AF from Certificate 83732). Therefore, 221.4 mitigation credits (1.0 mitigation credit = 1.0 AF of mitigation water) may be awarded to this mitigation credit project and assigned to Grass Butte, LLC, and PremierWest Bank. The mitigation credits

may be used to mitigate for ground water permit applications and existing conditioned ground water permits and certificates, providing mitigation pursuant to the Deschutes Ground Water Mitigation Rules, OAR Chapter 690, Division 505, within the Crooked River Zone of Impact and the General Zone of Impact. 54. A total of 492.0 AF is proposed to be transferred to instream use and 221.4 AF of that, as

- identified above, may be used for mitigation purposes. The amount of water transferred instream and not used for mitigation purposes will benefit instream flow.
- 55. The Department shall award final mitigation credits upon completion of the approved project by the applicant and verification by the Department that the project is complete. The issuance of certificates for the proposed instream water right shall result in completion of the project and verification that the project is complete.
- 56. Mitigation credits awarded to this mitigation credit project will be valid beginning the first calendar year that water will be protected instream under any new instream water right created as a result of this instream transfer application.

Conclusions of Law

The changes in character of use and place of use to instream use proposed in application T-10730 are consistent with the requirements of ORS 540.505 to 540.580, ORS 537.348, OAR 690-380-5000, and OAR 690-077-0075.

This mitigation project results in mitigation credits pursuant to ORS 537.746 and OAR 690-521-0300 and 690-521-0400.

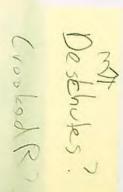
Now, therefore, it is ORDERED:

- 1. The changes in character of use and place of use to instream use proposed in application T-10730 are approved.
- 2. Water right certificates 83857, 83651, and 83732 are cancelled. New certificates confirming the instream water rights shall be issued. New certificates will be issued describing that portion of Certificates 83857 and 83651 not affected by this transfer.
- 3. The instream water rights shall provide for the protection of streamflows for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values in the Deschutes River as follows:

Resulting from Certificate 83857

Reach #1: From POD #1 (as described in Finding of Fact #14) to POD #2 (Low Line Ditch) (as described in Findings of Fact #14, #15, #16, & #17).

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 – Nov. 8



Reach #2: From POD #2 (Low Line Ditch) to River Mile 32.9.

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
02057	1892	0.17	53.6	June 1 - Nov. 8
83857	1904/1910	0.03	10.0	
	Total:	0.20	63.6	

Reach #3: From River Mile 32.9 to POD #7 (as Described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
02057	1892	0.17	53.6	
83857	1904/1910	0.027	8.62	June 1 – Nov. 8
	Total:	0.197	62,22	

Reach #4: At POD #7 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 - Nov. 8
	1898	0.01	2.0	
	1904/1910	0.027	8.62	
	Total:	0.207	64.22	

Reach #5: From just below POD #7 to POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 – Nov. 8
	1898	0.006	1.8	
	1904/1910	0.027	8.62	
	Total:	0.203	64.02	

Reach #6: At POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period	
83857	1892	0.80	256.0		
	1898	0.006	1.8	June 1 - Nov. 8	
	1904/1910	0.027	8.62		
	Total:	0.833	266.42		

Reach #7: From just below POD #6 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period	
83857	1892	0.72	229.92		
	1898	0.006	1.8	June 1 - Nov. 8	
	1904/1910	0.027	8.62		
	Total:	0.753	240.34		

Reach #8: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period	
	1892	0.36	115.2		
83857	1898	0.003	0.9	June 1 - Nov. 8	
	1904/1910	0.01	4.5		
	Total:	0.373	120.6		

Resulting from Certificate 83651

Reach #1: From the POD for Certificate 83651 (as described in Findings of Fact #16 and #17) River Mile 32.9

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.56	180.0	June 1 - Nov. 8

Reach #2: From River Mile 32.9 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.50	159.67	June 1 - Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.25	81.0	June 1 - Nov. 8

Resulting from Certificate 83732

Reach #1: At POD for Certificate 83732 (as described in Finding of Fact #18)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period	
83732	1892	0.137	44.0	June 1 - Nov. 8	

Reach #2: From just below the POD for Certificate 83732 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.12	38.32	June 1 - Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period	
83732	1892	0.06	19.8	June 1 - Nov. 8	

- 4. Water rights upstream of the original point of diversion shall not be subject to regulation for flows in excess of the quantities to which this instream water right is entitled at the original point of diversion.
- 5. 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.
- The instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and be in addition to instream water rights

- established pursuant to ORS 537.348 or 537.470, unless otherwise identified in a subsequent order establishing a new instream water right under these statutes.
- The right to the use of the water is restricted to beneficial use at the place of use described, and is subject to all other conditions and limitations contained in Certificates 83857, 83651, and 83732 and any related decree.
- 8. The former place of use of the transferred water shall no longer receive water as part of these rights.
- 9. Final Award of Mitigation Credits: Final Award of Mitigation Credits may be made upon completion of the project and verification by the Department that the project has been completed as proposed. Issuance of new instream water right certificates, as described herein, result in completion of the project and verification by the Department that the project is complete. Instream certificates are being issued in conjunction with this Final Order. Therefore, mitigation credits, in the amount of 221.4 credits, as described herein, are awarded to this mitigation project and assigned to Grass Butte, LLC and Premier West Bank. Mitigation credits awarded may be used to satisfy a mitigation obligation of a ground water permit applicant and/or ground water permit/certificate holder in the Crooked River Zone of Impact and the General Zone of Impact.
- 10. Mitigation credits are valid until used to satisfy a mitigation obligation of a ground water permit applicant and/or ground water permit/certificate holder within the Deschutes Ground Water Study Area pursuant to the Deschutes Ground Water Mitigation Rules. Mitigation credits are used when a person submits to the Department documentary evidence that valid credits have been obtained and assigned to satisfy a mitigation obligation. Mitigation credits generated by this project will be available for use as mitigation beginning the first calendar year that water will be protected instream under each of the new instream water rights.
- 11. The instream certificates created as a result of the approval of this transfer shall be identified as a mitigation credit project. Within each instream certificate, the number of mitigation credits, the zone of impact in which the mitigation credits were generated and may be used, and the volume of water dedicated instream solely for instream benefits shall also be specified.

Dated at Salem, Oregon this 3 day of June, 2011.

Dwight French, Water Right Services Administrator, for

PHILLIP C. WARD, DIRECTOR

Mailing date: JUN 0 7 2011

STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

STATE OF OREGON WATER RESOURCES DEPARTMENT

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The date of priority is 1903. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed:

Reach	Instream Rates
Reach #1	0.56 Cubic Foot per Second (CFS)
Reach #2	0.50 CFS
Reach #3	0.25 CFS

or its equivalent in case of rotation, measured at the points of diversion, during the period June 1 through November 8.

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

Reach #1: From the POD for Certificate 83651, located approximately at:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	24	SE SW	LOW LINE DITCH: Latitude 44.335984 Degrees and Longitude -120.999700 Degrees

to River Mile 32.9.

Reach #2: From River Mile 32.9 to River Mile 30 where Lone Pine Road crosses the Crooked River.

Reach #3: From River Mile 30 to Lake Billy Chinook.

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. Stream channel losses and gains calculated based on available data and the use of water by senior appropriators will determine the amount of water to which this right is entitled downstream from the original point of diversion within the specified stream reach.

The instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and shall be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise specified by a subsequent order establishing a new instream water right.

This is a final order in other than a 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 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.

T-10730 ra-lkw (MP-124)

Page 1 of 2

Certificate 87056

Mitigation Credit Award

Mitigation Project:

MP-124

Mitigation Credits Awarded:

221.4, being 120.6 from Certificate 87087, 81.0 from Certificate 87086

and 19.8 from Certificate 8708595

Zone of Impact:

These mitigation credits may be used to satisfy a mitigation obligation

within the Little Deschutes River Zone of Impact

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

Certificate 87086, together with Certificates 87085 and 87087, is Mitigation Project MP-124.

The number of mitigation credits awarded is a portion of the total volume transferred instream, being 492.0 AF, being 268.0 AF under Certificate 87057, 180.0 AF under Certificate 87056 and 44.0 AF under Certificate 87055) 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(s)), will benefit instream flows.

The mitigation credits of 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 water for the above purpose is restricted to beneficial use in the place of use described and is subject to all other terms and conditions of Certificate 83651 and any related decree.

This certificate is issued to confirm a change in use and place of use approved by an order of the Water Resources Director recorded in Special Order Volume 84, Page 378, approving Transfer T-10730, and along with Certificate 87058, supersedes Certificate 83651, State Record of Water Right Certificates.

WITNESS the signature of the Water Resources Director, affixed

ench, Water Right Services Administrator, for

C. WARD, DIRECTOR

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

STATE OF OREGON WATER RESOURCES DEPARTMENT

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The date of priority is 1892. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed:

Reach	Instream Rates
Reach #1	0.137 Cubic Foot per Second (CFS)
Reach #2	0.12 CFS
Reach #3	0.06 CFS

or its equivalent in case of rotation, measured at the points of diversion, during the period June 1 through November 8.

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

#1: At the POD for Certificate 83732, located approximately at:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	20	SE SW	1896 FEET SOUTH AND 1717 FEET EAST FROM THE WEST 1/4 CORNER OF SECTION 20

Reach #2: From just below the POD for Certificate 83732 to River Mile 30 where Lone Pine Road crosses the Crooked River.

Reach #3: From River Mile 30 to Lake Billy Chinook.

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. Stream channel losses and gains calculated based on available data and the use of water by senior appropriators will determine the amount of water to which this right is entitled downstream from the original point of diversion within the specified stream reach.

The instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and shall be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise specified by a subsequent order establishing a new instream water right.

This is a final order in other than a 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 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.

T-10730 ra.lkw (MP124)

Page 1 of 2

Certificate 87055

Mitigation Credit Award 96 Mitigation Project: MP-124 Mitigation Credits Awarded: 221.4, being 120.6 from Certificate 87057, 81.0 from Certificate 87056 and 19.8 from Certificate 870559 These mitigation credits may be used to satisfy a mitigation obligation Zone of Impact: within the Little Deschutes River Zone of Impact Each mitigation credit equals 1.0 AF of mitigation water, as determined by the Department. Certificate 87055, together with Certificates 87056 and 87057, is Mitigation Project MP-124. The number of mitigation credits awarded is a portion of the total volume transferred instream, being 492.0 AF, being 268.0 AF under Certificate 87057, 180.0 AF under Certificate 87056, and 44.0 AF under Certificate 87055. 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(s)), 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 water for the above purpose is subject to all other terms and conditions of Certificate 83732 and any related decree. This certificate is issued to confirm a change in use and place of use approved by an order of the Water Resources Director recorded in Special Order Volume 84, Page 328, approving Transfer T-10730, and supersedes Certificate 83732, State Record of Water Right Certificates. WITNESS the signature of the Water Resources Director, affixed ___

Dwight Flench, Water Right Services Administrator, for

PHILLIPC. WARD, DIRECTOR

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

STATE OF OREGON WATER RESOURCES DEPARTMENT

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The dates of priority are 1892, 1898, and 1904/1910. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed:

Reach	Priority Dates and Instream Rates											
Reacii	1892	1898	1904/1910	Totals								
Reach #1	0.17 Cubic Foot per Second (CFS)			0.17 CFS								
Reach #2	0.17 CFS		0.03 CFS	0.20 CFS								
Reach #3	0.17 CFS		0.027 CFS	0.197 CFS								
Reach #4	0.17 CFS	0.01 CFS	0.027 CFS	0.207 CFS								
Reach #5	0.17 CFS	0.006 CFS	0.027 CFS	0.203 CFS								
Reach #6	0.80 CFS	0.006 CFS	0.027 CFS	0.833 CFS								
Reach #7	0.72 CFS	0.006 CFS	0.027 CFS	0.753 CFS								
Reach #8	0.36 CFS	0.003 CFS	0.01 CFS	0.373 CFS								

or it's equivalent in case of rotation, measured at the points of diversion, during the period June 1 through November 8.

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

Reach #1: From the location of diversion #1 authorized previously under Certificate 83857, located approximately at:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
1	15 S	16 E	WM	8.	NWSW	1920 FEET NORTH AND 340 FEET EAST FROM THE SW CORNER OF SECTION 8

to the location of diversion #2 authorized previously under Certificate 83857, located approximately at:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
2	14 S	14 E	WM	24	SE SW	LOW LINE DITCH, Latitude 44.335984 degrees and Longitude -120.999700 degrees

Reach #2: From the location of diversion #2 authorized previously under Certificate 83857 to River Mile 32.9.

This is a final order in other than a 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 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.

T-10730.ra-lkw (MP-124)

Page 1 of 3

1700

Reach #3:

From River Mile 32.9 to the location of diversion #7 authorized previously under Certificate 83857, located approximately at:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances		
7	14 S	14 E	WM	20	SE SE	PUMP: 325 FEET NORTH AND 120 FEET WEST FROM THE SE CORNER OF SECTION 20		

Reach #4:

At the location of diversion #7 authorized previously under Certificate 83857.

Reach #5:

From just below the location of diversion #7 authorized previously under Certificate 83857 to the location of diversion #6 authorized previously under Certificate 83857, located approximately at:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
6	14 S	14 E	WM	29	NE NW	PUMP: 1085 FEET SOUTH AND 970 FEET WEST FROM THE NORTH 1/4 CORNER OF SECTION 29

Reach #6:

At the location of diversion #6 authorized previously under Certificate 83857.

Reach #7:

From just below the location of diversion #6 authorized previously under Certificate 83857 to River Mile

30 where Lone Pine Road crosses the Crooked River

Reach #8:

From River Mile 30 to Lake Billy Chinook

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. Stream channel losses and gains calculated based on available data and the use of water by senior appropriators will determine the amount of water to which this right is entitled downstream from the original point of diversion within the specified stream reach.

Mitigation Credit Award

Mitigation Project:

Mitigation Credits Awarded:

MP-124 96 221.4, being 120.6 from Certificate 87057, 81.0 from Certificate 87056

and 19.8 from Certificate 87055

Zone of Impact:

These mitigation credits may be used to satisfy a mitigation obligation

within the Little Deschutes River Zone of Impact

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

Certificate 87057, together with Certificates 87055 and 87056, is Mitigation Project MP-124.

94 The number of mitigation credits awarded is a portion of the total volume transferred instream, being 492.0 AF, being 268.0 AF under Certificate 87057) 180.0 AF under Certificate 87056, and 44.0 AF under Certificate 87055. 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(s)), 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.

T-10730.ra-lkw (MP-124)

Page 2 of 3

Recorded in State Record of Water Right Certificates numbers

The instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and shall be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise specified by a subsequent order establishing a new instream water right.

The right to the use of water for the above purpose is restricted to beneficial use in the place of use described and is subject to all other terms and conditions of Certificate 83857, and any related decree.

This certificate is issued to confirm a change in use and place of use approved by an order of the Water Resources Director recorded in Special Order Volume <u>\$4</u>, Page <u>778</u>, approving Transfer T-10730, and along with Certificate 87059 supersedes Certificate 83857, State Record of Water Right Certificates.

Dwight French, Water Right Services Administrator, for

PHILLIP C. WARD, DIRECTOR

Laura Wilke

From: James Newton [jnewton@newtonconsultants.com]

Sent: Monday, June 06, 2011 4:56 PM

To: 'Langford, Shonee D.'; Laura Wilke

Subject: RE: T-10730/MP-124 - Final Order and new instream certificates issued

Hi Laura & Shonee.

I reviewed the FO for T-10730 and it looks consistent, with the errors corrected, from the PD docs.

Best, ~Jim

James B. Newton, R.G., C.W.R.E.

Senior Staff Geologist
Newton Consultants, Inc.
P.O. Box 1728
1937 N. Business 97
Redmond, Oregon 97756
(541) 504-9960 ext.235
(541) 504-9961 fax

www.newtonconsultants.com

From: Langford, Shonee D. [mailto:SLangford@SCHWABE.com]

Sent: Monday, June 06, 2011 2:29 PM

To: Laura Wilke

Cc: jnewton@newtonconsultants.com

Subject: RE: T-10730/MP-124 - Final Order and new instream certificates issued

Importance: High

Laura

I just left you a voice message about an error in the new instream certificates for T-10730. They award credits for use in the Little Deschutes zone, but it should be the Crooked R. zone as correctly stated in the final order.

Jim Newton is doing a more thorough review of the T-10730 docs by end of today, so it's possible he may catch something else to pass along to you - but I wanted to bring this one to your attention right away.

Please give me a call to discuss.

Shonee

SHONEE D. LANGFORD | Attorney at Law SCHWABE, WILLIAMSON & WYATT Direct: 503-540-4261 | Fax: 503-796-2900

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From: Laura Wilke [mailto:wilkelk@wrd.state.or.us]

Sent: Monday, June 06, 2011 9:00 AM

To: Langford, Shonee D.; jnewton@newtonconsultants.com

Cc: Jeremy Giffin; Ken Stahr; Wayne Skladal

Subject: T-10730/MP-124 - Final Order and new instream certificates issued

Good Morning:

The Final Order approving instream transfer T-10730 (Grass Butte) / Mitigation Project MP-124 has been issued along with a new instream certificate and remaining right.

Final Order: http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?
Type=Order&volume nbr=84&page nbr=378&page char=

Instream Cert 87056: http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?Type=Cert&cert_nbr=87056

Instream Cert 87055: http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?Type=Cert&cert_nbr=87055

Instream Cert 87057: http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?Type=Cert&cert_nbr=87057

Remaining Right 87058: http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?Type=Cert&cert nbr=87058

Remaining Right 87059: http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?Type=Cert&cert nbr=87059

The final order terminating IL-1159 has also been issued. A copy will be available once we finish entering it into our database.

Final Orders for the other three transfers have also been issued:

T-10732 FO: http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?
Type=Order&volume_nbr=84&page_nbr=399&page_char=

T-10733 FO: http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?
Type=Order&volume_nbr=84&page_nbr=393&page_char=

T-10734 FO: http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?
Type=Order&volume_nbr=84&page_nbr=373&page_char=

Please give me a call if you have any questions. Hard copies are on their way in the mail.

Thanks, Laura

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301-1271
Phone: (503) 986-0884

Fax: (503) 986-0903

To comply with IRS regulations, we are required to inform you that this message, if it contains advice relating to federal taxes, cannot be used for the purpose of avoiding penalties that may be imposed under federal tax law. Any tax advice that is expressed in this message is limited to the tax issues addressed in this message. If advice is required that satisfies applicable IRS regulations, for a tax opinion appropriate for avoidance of federal tax law penalties, please contact a Schwabe attorney to arrange a suitable engagement for that purpose.

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Laura Wilke

From: Laura Wilke

Sent: Monday, June 06, 2011 9:00 AM

To: 'Langford, Shonee D.'; jnewton@newtonconsultants.com

Cc: Jeremy Giffin; Ken Stahr; Wayne Skladal

Subject: T-10730/MP-124 - Final Order and new instream certificates issued

Good Morning:

The Final Order approving instream transfer T-10730 (Grass Butte) / Mitigation Project MP-124 has been issued along with a new instream certificate and remaining right.

Final Order: http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?
Type=Order&volume nbr=84&page nbr=378&page char=

Instream Cert 87056: http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?Type=Cert&cert nbr=87056

Instream Cert 87055: http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?Type=Cert&cert_nbr=87055

Instream Cert 87057: http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?Type=Cert&cert_nbr=87057

Remaining Right 87058: http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?
Type=Cert&cert nbr=87058

Remaining Right 87059: http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?
http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?
http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?

The final order terminating IL-1159 has also been issued. A copy will be available once we finish entering it into our database.

Final Orders for the other three transfers have also been issued:

T-10732 FO: http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?
Type=Order&volume nbr=84&page nbr=399&page char=

T-10733 FO: http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?
Type=Order&volume nbr=84&page nbr=393&page char-12">char-12">char-12">char-12">char-12">nbr=84&page nbr=393&page char-12">char-12">nbr=84&page nbr=393&page char-12">nbr=84&page nbr=393&page char-12">nbr=84&page nbr=393&page char-12">nbr=84&page nbr=393&page nbr=393&page <a href="mailto:c

T-10734 FO: http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?
Type=Order&volume nbr=84&page nbr=373&page char=

Please give me a call if you have any questions. Hard copies are on their way in the mail.

Thanks, Laura

Laura Wilke Flow Restoration Program Coordinator Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1271 Phone: (503) 986-0884

Phone: (503) 986-0884 Fax: (503) 986-0903

Water Right Transfer Checklist

Transfer 7	Г- <u>10730</u>			Tran	sfer Specia	list:RA	1		
Transfer 7	Type: Instre	eam							
Applicant 98660	Name/Add	dress: Greg	Daniels, The Da	aniels Group LI	.C, 1111 M	lain St	reet Suite 70	00, Vance	ouver, WA
Agent Na	me/Address	s: David J. N	Newton, 521 SV	W 6th Street Sui	te 100, Rec	lmond	OR 97756		
CWRE N	ame/Numb	er:David Ne	ewton						
Rec Land	owner Nan	ne/Address:	David Butler, E	Butler Ranch Inc	. 5294 NW	Lone	Pine Road,	Terrebo	ne, OR 97760
Dallon M	iles, 16915	NW O'Neil	Hwy, Redmon	d, OR 97745					
Irr. Distri	ct Name/A	ddress: Low	Line Ditch Co	mpany, 13223 N	W O'Neil	Hwy,	Redmond, C	OR 97756	
Affected (Gov'ts Nan	ne/Address:	US Bureau of I	Reclamation, 11	50 Curtis I	Road N	, Boise, ID	83706-12	234
Comment	tors: Name/	Address:							
Water Di	ights Affec	tod							
Records	Records		No. or Decree	Permit No.	Certific	ente	RR/CR N	Jeeded	RR/CR Nos.
Marked	Copied		lame	r cimit ivo.	No.		Idocki	recueu	racer ros.
\boxtimes	\boxtimes				83857		Yes	☐ No	
					83651		Yes	☐ No	
					83732		Yes	□ No	
V D . (0 *	1011							
Rec'd: 11	s & Initial	Actions	Dronged Agti	on(s), POII DO	D HET A	POD	HEE OTH	ED. usa/	1011
			ALEXANDER PROPERTY.	on(s): POU PO	D HST P		- No. 10 - 10 - 10 - 10 - 10 - 10 - 10 - 10		oou
Fees Pd:		10.0	WM District:				FW District		
	tice: 12/02		WM Review s	sent: <u>12/01/08</u>			FW Review		ne
		etter Sent [٩			GW	Review ser	nt: none	
Deficienc DPD Mai ODFV PD Maile	V contact sl	heet sent wit	th DPD, or 🔲 1	N/A 1	not requ Affid of Pu Last Day P	iired b Rec' ublishe emind	ed: er Sent:		
Dealimin	ary Detern	nination							
	Electronic PD Cover PD Notice	Files uploa		☐ F	reliminary ee Refund Remaining	Due			
DPI	D Review ((Optional)		PD Review (Sa	ılem)		Final Or	der Revi	ew (Salem)
Reviewer	Lewo	aW/Kc	Ne Reviewe	er:		F		0125	
	10-1	1	Date:	6.4			Date: 5/2		
Coordinat	or:		Coordin	ator:)		Coordinator:	ALLY	0
Date:			Date:	4/12/11		_ 1	Date:	3/2/11	
Comment	s/Special Is	ssues:							
Inecial O	rder Volum	ne: Vol. Ac	Pages 3	78	Final Order	Siona	ture Date:	6-3	2-//

Review Checklist	T-10730	Proce	essor: RA	
Application				
☐ The type of change is	clearly indicated.			
☐ The application is app	ropriately signed.			
Appropriate fees were	paid.	overpayment, Refi	und Request to be sent w	ith FO
☐ Land use form matche	s affected tax lots and is	signed by proper of	official. (from ALL affects	ed Govt's)
☐ Ditch company, distric	t and/or BOR, sent a co	py of the application	n and map, if appropriate	.
All required attachmen	nts received.			
Water right subject to tr	ansfer			
☐ Certificated right or P	roof accepted "to the sat	isfaction"		
☐ The right been exercis	ed according to terms &	conditions of certi	ficate.	
 Delivery system has the 	ne capacity to fully diver	t the rate/duty of th	e right.	
	ord that suggests forfeitu			
☐ No conflicts identified	on the plat cards and pl	at card reports prin	ted.	
☐ Affidavits prepared fo	r rights that need to be c	anceled or diminish	ied.	
Application Map				
☐ The map has an origin	al CWRE signature.			
☐ The map size and scal	e accurate and appropria	te per OAR 690-38	0-3100(1)(b)(c)&(d).	
All authorized and pro	posed POD's/POA's an	d POU's shown and	d clearly labeled.	
Metes and bounds for	the POD's/POA's are pr	operly described or	n the map.	
☐ The POD/POA dimen	sions & ¼ ¼ on map ma	tch the transfer app	lication and certificate de	escriptions.
☐ Map acres match the t	abulation on the certification	ite.		
Have final proof maps	decree maps for the rig	hts. Applicatio	n map matches certificate	e FPS.
☐ Have necessary aerial	photos.			
Determining the "From"	and "To" Lands (mak	e working copy of a	application and certificat	tes to mark on)
	OD's/POA's and POUs			
☐ Application & certific	ate tabulations match. (A	lark on appl. and c	ert. copies and note corr	ections needed)
	the acreage being transfe	erred, cancelled and	l remaining by ¼ ¼.	
Ownership				
☐ The deed/ROLI match	es the "from" lands. (D	on't need to check	"to" lands.)	
☐ Have current tax lot m	ap. (If transfer applicat	ion is several years	old, contact assessor's o	office)
☐ The applicant is the ov	vner of the "from" lands			
All owners on the deed	d/ROLI have signed the	application.		
☐ If necessary, there is a	notarized, signed staten	nent of consent from	n landowners other than a	applicant.
☐ If necessary, there is a	copy of written notifica	tion to each lien ho	lder identified on ROLI.	
Agent has authorization	n to make decisions.			
Evaluation (materials ne	eded for peer reviewer	in bold)		
application complete	☐ map	☐ FPS	evidence of use	land-use form
deed/ROLI	certificate	fees paid	well logs	plat card
audit audit	☐ dpd			
Reviews/comments/condit	ions received?	/atermaster	ODFW 0	GW
Headgate	☐ When in the judgme	ent Prior to	diverting	ng and maintain
Measuring Devices	☐ When in the judgme	ent Prior to	diverting	ng and maintain
Fish Screen Devices				
Injury: Y N	Enlargement: Y	1		
Conditions to avoid enlarg	ement/injury -			



Water Resources Department North Mall Office Building 725 Summer Street NE, Suite A

Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

June 3, 2011

GRASS BUTTE, LLC GREG DANIELS 1111 MAIN ST SUITE 700 VANCOUVER WA 98660 PREMIER WEST BANK 875 RIMROCK WAY, SUITE 100 REDMOND, OREONG 97756

Re: Instream Transfer T-10730 & Mitigation Credit Project MP-124

Thank you for participating in the Instream Transfer and Deschutes Mitigation Credit program. I want to express appreciation for your participation in these programs and cooperation in helping to improve streamflows for fish and aquatic life and to provide mitigation water to ground water users in the Deschutes Ground Water Study Area.

As identified in the attached Final Order, this Instream Transfer has been approved and awarded mitigation credits. Mitigation credits awarded to this project have been assigned to Cascade Timberlands.

These mitigation credits may be used to satisfy the mitigation obligation of a ground water permit or application or may be assigned to any person or mitigation bank. The 221.4 mitigation credits awarded to this project are valid upon issuance of the instream certificate and until used to fulfill the mitigation obligation of a ground water permit application(s) and/or an existing ground water right(s). The mitigation credits may be used in the Crooked River and General Zones of Impact. A ground water user wanting to demonstrate that mitigation credits are being used to satisfy a mitigation obligation needs to submit documentary evidence to the Department showing that mitigation credits have been obtained and assigned to them.

Mitigation credit transactions should be reported to the Water Resources Department. The Department has a Documentary Evidence form, copy enclosed (along with an example), available for your use or any subsequent mitigation credit holder, to assign the credits to a ground water user. The Department's Documentary Evidence form contains pertinent information needed by the Department to evaluate the use and validity of the mitigation credits.

If you decide to assign the mitigation credits to someone other than a ground water user, the Department would like to suggest that the enclosed Assignment of Mitigation Credits form (chain-of-custody) be used to assign credits to another party. An additional Assignment of Mitigation Credit form is also enclosed. Assignment forms will help establish a chain-of-custody for the ownership of the mitigation credits. Please provide a copy of the complete assignment record (from original credit holder to current credit holder) and a blank assignment form to any new credit holders so that they may continue the mitigation credit assignment record as well. A general example is enclosed for your reference.

Once the mitigation credits are assigned to a ground water user, the ground water user will need to submit documentary evidence that valid mitigation credits have been obtained to satisfy their mitigation obligation. If credits have changed hands beyond the original credit holder, the Department will ask the ground water user to demonstrate that the credits they are intending to use are indeed valid. A complete assignment record will help demonstrate the validity of the credits being used.

Also enclosed is a copy of the final order and new instream water right certificate. If you have any questions regarding the instream transfer and new certificate or the award of mitigation credits, please call me at (503) 986-0884.

Sincerely,

Laura K. Wilke

Flow Restoration Program Coordinator

c: Jeremy Giffin, Watermaster District 11
Shonee Langford, attorney
David Newton, Agent
Jim Newton, CWRE #82917
Peoples Irrigation Company
Low Line Ditch Company
US Bureau of Reclamation
Butler Ranch, Inc.

South Valley Bank and Trust

file T-10730 & MP-124

BEFORE THE WATER RESOURCES DEPARTMENT OF THE STATE OF OREGON

In the Matter of Instream Transfer)	FINAL ORDER APPROVING A
Application T-10730 and Mitigation Credit)	CHANGE IN PLACE OF USE AND
Project MP-124, Crook, Deschutes, and)	CHARACTER OF USE AND
Jefferson Counties)	PRELIMINARY AND FINAL AWARD
)	OF MITIGATION CREDITS

Authority

ORS 540.505 to 540.580 establishes the process in which a water right holder may submit a request to transfer the point of diversion, place of use, or character of use authorized under an existing water right. OAR Chapter 690, Division 380 implements the statutes and provides the Department's procedures and criteria for evaluating transfer applications. OAR Chapter 690, Division 077 provides additional criteria for evaluating transfers to instream water rights.

OAR 690-521-0100 to 690-521-0600 establishes the process in which anyone may submit a ground water mitigation project to the Department for the purpose of establishing mitigation credits in the Deschutes Ground Water Study Area.

Pursuant to OAR 690-521-0400 (2), any mitigation credits awarded to a mitigation project are valid until used to fulfill a mitigation obligation of a ground water use in the Deschutes Ground Water Study Area. Valid mitigation credits may be assigned by any person or recognized mitigation bank to any person or other mitigation bank. Mitigation credits are used when a person submits to the Department documentary evidence that valid credits have been obtained and assigned to satisfy a mitigation obligation.

Applicants

GRASS BUTTE, LLC GREG DANIELS 1111 MAIN ST SUITE 700 VANCOUVER WA 98660 PREMIER WEST BANK 875 SW RIMROCK WAY, SUITE 100 REDMOND, OREGON 97756

Findings of Fact

Background

 On November 21, 2008, The Daniels Group, LLC, filed an application to change the place of use and character of use under Certificates 81601, 83651, and 83732 to instream use. The Department assigned the application number T-10730.

This final order is subject to judicial review by the Court of Appeals under ORS 183.482. Any petition for judicial review must be filed within the 60-day time period specified by ORS 183.482(1). Pursuant to ORS 536.075 and OAR 137-003-0675, you may 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.

- Certificate 81601 has been cancelled and a new Certificate (83857) was issued on May 7, 2008.
- On August 26, 2009, the Department requested additional supporting information and clarification of the intent of T-10730.
- On August 28, 2009, the Department received a letter of interest from South Valley Bank and Trust requesting that they be kept informed of the proposed transfer.
- On September 14, 2009, an additional letter was received from South Valley Bank and Trust identifying that the Bank could not consent to the transfer because conditions for their consent were not met. On March 21, 2011, consent to the transfer was received from South Valley Bank and Trust.
- 6. On September 25, 2009, the applicant clarified that the portion of Certificate 81601 (i.e. Certificate 83857) proposed for transfer to instream use include Irrigation, Livestock and Domestic use consistent with the water right of record. In addition, the applicant submitted additional supporting documentation for T-10730 along with revised transfer maps with clarifying information.
- On November 9, 2009, the Department requested further clarification of the intent of T-10730 and additional information necessary to complete the application.
- 8. On March 23, 2010, The Daniels Group requested that a 75% interest in T-10730 and MP-124 be assigned to Realvest Corporation and Premier West Bank and that a 25% interest in T-10730 and MP-124 be assigned to Grass Butte, LLC. On March 23, 2010, Realvest Corporation requested that the 75% interest in T-10730 and MP-124 be assigned to Grass Butte, LLC. On March 23, 2010, Grass Butte, LLC requested that the 25% interest be assigned to Grass Butte, LLC and Premier West Bank.
- On March 29, 2010, the Department approved the assignment requests and concurred that T-10730 is now in the names of Grass Butte, LLC and Premier West Bank.
- 10. On November 3, 2010, the applicant clarified that the portion of Certificate 83651 proposed for transfer to instream use include Irrigation, Livestock and Domestic use consistent with the water right of record.
- On November 3, 2010, the applicant provided further clarification of the intent of T-10730, along with revised transfer maps in support of T-10730.
- On December 13, 2010, the Department requested further clarification of the intent of T-10730, including priority date and POD clarifications, and correcting of clerical errors.
- 13. On December 21 and 22, 2010, the applicant provided clarifying information, along with revised transfer maps.

14. The portion of the first right to be transferred is as follows:

Certificate: 83857 in the name of PEOPLES IRRIGATION CO. (confirmed by

Crooked River Decree)

Use: IRRIGATION OF 67.0 ACRES (0.5 acre under the 1898 priority date, 2.5

acres under the 1904/1910 priority date, and 64.0 acres under the 1892

priority date), LIVESTOCK AND DOMESTIC USE

Priority Dates: 1892, 1898, and 1904/1910

Rate: 0.84 CUBIC FOOT PER SECOND (CFS), being 0.01 CFS under the 1898

priority date, 0.03 CFS under the 1904/1910 priority date, and 0.8 CFS

under the 1892 priority date

Limit/Duty: The amount of water used for irrigation, together with the amount secured

under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation

season of each year.

Source: CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Points of Diversion:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances	
1	15 S	16 E	WM	8	NW SW	1920 FEET NORTH AND 340 FEET EAST FROM THE SW CORNER OF SECTION 8	
2						LOW LINE DITCH	
6	14 S	14 E	WM	29	NE NW	PUMP: 1085 FEET SOUTH AND 970 FEET WEST FROM THE NORTH 1/4 CORNER OF SECTION 29	
7	14 S	14 E	WM	20	SE SE	PUMP: 325 FEET NORTH AND 120 FEET WEST FROM THE SE CORNER OF SECTION 20	

Authorized Place of Use:

		IR	RIGATIO	N, LIVI	ESTOC	K, AND DO	MESTIC	
Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User
1892	6	14 S	14 E	WM	20	SW SW	10.0	Forrest, Frances
1904/1910	2	14 S	14 E	WM	21	SE SW	2.5	Deschutes Fine Wool Company
1898	7	14 S	14 E	WM	29	NE NE	0.5	McDowell, D.A.
1892	6	14 S	14 E	WM	29	NENW	5.0	Forrest, Frances
1892	6	14 S	14 E	WM	29	NWNW	35.6	Forrest, Frances
1892	1	14 S	14 E	WM	29	NWNW	2.4	Forrest, Frances
1892	1	14 S	14 E	WM	29	SW NW	3.0	Forrest, Frances
1892	1	14 S	14 E	WM	29	SE NW	8.0	Forrest, Frances

15. For Certificate 83857, information submitted with the application identifies that POD #2, Low Line Ditch, is the same POD as identified for Certificate 83651 as described in Finding of Fact #16. The Department also has additional information identifying that Low Line Ditch and the POD for Certificate 83651 is more accurately located as described in Findings of Fact #16 and #17. 16. The portion of the second right to be transferred is as follows:

Certificate: 83651 in the name of LOW LINE DITCH CO. (confirmed by Crooked River

Use:

IRRIGATION OF 45.0 ACRES, DOMESTIC, AND LIVESTOCK

Priority Date: 1903 Rate:

0.56 CFS

Limit/Duty:

The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed a reasonable amount for domestic and livestock, and 0.56 cubic feet per second for irrigation, the total quantity being limited to 4.0 acre-feet per acre during each year.

Source:

CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	24	SE SW	Unspecified by Certificate

Authorized Place of Use:

	IR	RIGATI	ON, LI	VESTOCK,	AND DO	MESTIC
Twp	Rng	Mer	Sec	Q-Q	Acres	Name of User through Company's Works
14 S	14 E	WM	28	NW NE	25.0	J. W. Livingston
14 S	14 E	WM	28	NE NW	20.0	J. W. Livingston

- 17. The Crooked River Decree further describes the POD for Certificate 83651 as the Low Line Ditch. In a prior site visit, Department staff further identified that the POD is more accurately located approximately at Latitude 44.335984 degrees and Longitude -120.999700 degrees.
- 18. The third right to be transferred is as follows:

Certificate:

83732 in the name of BUTLER RANCH, INC. (confirmed by Crooked

River (F) Decree)

Use:

IRRIGATION of 11.0 ACRES

Priority Date:

1892

Rate:

0.137 CFS if available at the original point of diversion

Limit/Duty:

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each

Source:

CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	20	SE SW	1896 FEET SOUTH AND 1717 FEET EAST FROM THE WEST 1/4 CORNER OF SECTION 20

Original Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
15 S	16 E	WM	8	NW SW	744.2 FEET SOUTH AND 321 FEET EAST FROM THE WEST ½ CORNER OF SECTION 8

Authorized Place of Use:

		IRRIGA'	TION		
Twp	Rng	Mer	Sec	Q-Q	Acres
14 S	14 E	WM	20	SW SW	11.00

- 19. A total of 268.0 acre-feet of water may be beneficially used annually under the portion of existing Certificate 83857 proposed for transfer. A total of 180.0 acre-feet of water may be beneficially used annually under the portion of the existing right for Certificate 83651 proposed for transfer. A total of 44.0 acre-feet of water may be beneficially used annually under the existing right for certificate 83732 proposed for transfer.
- Certificates 83857, 83651, and 83732 do not specify the irrigation season. The irrigation season is February 1 to December 1, pursuant to the Crooked River Decree.
- 21. There is a supplemental water right, Certificate 83850, covering a portion of the lands (85.4 acres, being 35.8 acres under Certificate 83651 and 49.6 acres under Certificate 83857) on which the primary water rights are proposed for transfer to instream use. By rule, a supplemental right must be included with the transfer or cancelled. However, consistent with OAR 690-380-2240(5), the applicant is proposing, under transfer application T-10734, to move 85.4 acres of supplemental irrigation under Certificate 83850 to the location of another primary right with similar reliability to the existing primary rights. If T-10734 is approved, no supplemental irrigation will remain for the lands proposed for transfer to instream use under T-10730.
- 22. Application T-10730 proposes to change the character of use to instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values and to establish mitigation credits in the Deschutes Ground Water Study Area.
- 23. Application T-10730 proposes to change the place of use of the right to create an instream reach from below the Low Line Ditch Diversion and from below the Crooked River Diversion to the confluence with the Deschutes River.
- 24. The applicant proposes the quantities of water to be transferred instream to be protected as follows:

Certificate Number	Instream Period	Rate (cfs)	Volume (acre-feet)
83857	Unspecified	0.838	268.0
83651	Unspecified	0.56	180.0
83732	Unspecified	0.138	44.0
	Total	1.536	492.0

- 25. The applicant proposes that any instream water right established as a result of this instream transfer be additive to existing instream water rights for the same reach established pursuant to ORS 537.348 (instream transfer process) and ORS 537.470 (allocation of conserved water process). The applicant also proposes that any instream water right established as a result of this instream transfer replace a portion of any existing instream rights established pursuant to ORS 537.346 (minimum streamflow conversion) and ORS 537.341 (state agency instream application process), with an earlier priority date.
- 26. The application includes a Land Use Information form completed and signed by a representative of Crook County. Additionally, the Department has provided notification of the proposed action to Crook County, Deschutes County and Jefferson County upon receipt of transfer application T-10730.
- 27. Notice of the application for transfer was published on December 2, 2008, pursuant to OAR 690-380-4000. No comments were filed in response to the notice.
- 28. On March 15, 2011, the Department mailed a copy of the draft Preliminary Determination proposing to approve Transfer Application T-10730 to the applicants. The draft Preliminary Determination cover letter set forth a deadline of April 14, 2011, for the applicants to respond. The applicants requested that the Department proceed with issuance of a Preliminary Determination and provided the necessary information to demonstrate that the applicants are authorized to pursue the transfer.
- 29. On April 13, 2011, the Department issued a Preliminary Determination proposing to approve Transfer T-10730 and mailed a copy to the applicants. Additionally, notice of the Preliminary Determination for the transfer application was published on the Department's weekly notice on April 19, 2011, 2007, and in The Bulletin newspaper on April 15, 22, and 29, 2011 pursuant to ORS 540.520 and OAR 690-380-4020. No protests were filed in response to the notice.
- 30. Following issuance of the Preliminary Determination, the Department identified several scrivener's errors in the description of the instream use provided in Finding of Fact #35 in the Preliminary Determination. These errors have been corrected in Finding of Fact #36 of this Final Order and do not result in any enlargement of the instream use.
 - The Department also identified an error in the description of the coordinate location for the point of diversion described in Finding of Fact #17. This error has also been corrected.
- 31. On June 3, 2011, a Final Order terminating IL-1159 was issued by the Department, as evidenced by Special Order Volume 84, Page 371. As noted in Finding of Fact #42, the Department identified that this lease must be terminated prior to the approval of T-10730.

Instream Transfer Review Criteria (OAR 690-77-0075 and 690-380-4010)

32. Water has been used within the last five years according to the terms and conditions of the rights, and there is no information in the record that would demonstrate that the rights are subject to forfeiture under ORS 540.610.

- 33. Based upon information provided as part of the application, it appears that while water has been diverted from the Crooked River under each right that a portion of the water diverted under the rights may not have been diverted from the authorized point(s) of diversion. Although water may have been diverted from non-authorized points of diversion, a diversion structure and ditch sufficient to use the full amount of water allowed under the existing rights was present within the five-year period prior to submittal of Application T-10730.
- 34. The applicant requested that water be protected instream beginning from below the Low Line Ditch Diversion and from below the Crooked River Diversion to the confluence with the Deschutes River. Each water right proposed for transfer to instream use has specific points of diversion. The portion of each right proposed for transfer to instream use may be protected instream beginning at the authorized point of diversion. Certificate 83857 has four points of diversion associated with specific portions of the right. The instream use resulting from the transfer of a portion of Certificate 83857 to instream use will begin at each of the respective points of diversion.
- 35. A portion of the water diverted at each POD returns to the Crooked River below the POD and is available to downstream water right holders. To prevent injury to downstream water right holders and enlargement, the quantity of water that may be protected instream requires modification to account for both surface and subsurface return flows.

The hydrogeologic evaluation of where subsurface return flows occur is generally based on the following information: 1) the local shallow and regional ground water elevations, 2) the shallow and regional head gradient (i.e. ground water flow direction), 3) elevation of nearby streams, 4) elevation of closest gaining stream reaches, 5) distance from nearby streams and gaining stream reaches, and 6) local geologic information. When evaluating for return flows, the Department generally considers the place of use as a whole and where the majority of return flows occur based upon the presence of surface return flows (overland flow) and the factors described above for any subsurface return flows.

The place of use under each right proposed for transfer is located in close proximity to the Crooked River. A portion of the water diverted to the place of use returns to the river system around the points of diversion or close to the place of use (specifically for those lands that receive irrigation water from POD #1 and #2 under Certificate 83857 located some distance upstream from the place of use) as a result of overland flow. Remaining return flows take the form of subsurface return flows. Subsurface returns would also return to the river system in the area of where Lone Pine Road crosses the Crooked River at River Mile 30.

The instream flows at the points of diversion or near the place of use have been reduced by 10% to account for surface return flows and instream flows at Lone Pine Road have been reduced to the consumptive portion of the rights to account for subsurface return flows.

36. The applicant has not specified when water is requested to be protected instream. Based on a calculation using the full rate and duty of the three water rights, water may be protected instream for a period of 161 days. There is a pending instream water right application submitted by the Oregon Department of Fish and Wildlife for anadromous and resident fish

rearing. Proposed instream flows for this use would generally not be satisfied June through November. With 161 days, water may be protected instream as a result of this transfer from June 1 through November 8.

37. Based on Finding of Fact #34 through #36, on March 15, 2011, the applicant agreed to modify the quantities to be transferred and protected instream as follows (corrections from Preliminary Determination shown in bold and italic):

Resulting from Certificate 83857

Reach #1: From POD #1 (as described in Finding of Fact #14) to POD #2 (Low Line Ditch) (as described in Findings of Fact #14, #15, #16, & #17).

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 – Nov. 8

Reach #2: From POD #2 (Low Line Ditch) to River Mile 32.9.

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 - Nov. 8
	1904/1910	0.03	10.0	June 1 - Nov. 8
	Total:	0.20	63.6	

Reach #3: From River Mile 32.9 to POD #7 (as Described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	I 1 May 0
	1904/1910	0.027	8.62	June 1 – Nov. 8
	Total:	0.197	62.22	

Reach #4: At POD #7 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
1892 83857 1898 1904/1910	1892	0.17	53.6	
	1898	0.01	2.0	June 1 - Nov. 8
	0.027	8.62		
	Total:	0.207	64.22	

Reach #5: From just below POD #7 to POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857 1898	1892	0.17	53.6	
	1898	0.006	1.8	June 1 - Nov. 8
	1904/1910	0.027	8.62	
	Total:	0.203	64.02	

Reach #6: At POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.80	256.0	
	1898	0.006	1.8	June 1 – Nov. 8
	1904/1910	0.027	8.62	

Total:	0.833	266.42	

Reach #7: From just below POD #6 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
	1892	0.72	229.92	
83857	1898	0.006	1.8	June 1 - Nov. 8
	1904/1910	0.027	8.62	
	Total:	0.753	240.34	

Reach #8: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857 1898	1892	0.36	115.2	June 1 – Nov. 8
	1898	0.003	0.9	
	1904/1910	0.01	4.5	
	Total:	0.373	120.6	,

Resulting from Certificate 83651

Reach #1: From the POD for Certificate 83651 (as described in Findings of Fact #16 and #17) River Mile 32.9

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.56	180.0	June 1 - Nov. 8

Reach #2: From River Mile 32.9 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.50	159.67	June 1 – Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.25	81.0	June 1 – Nov. 8

Resulting from Certificate 83732

Reach #1: At POD for Certificate 83732 (as described in Finding of Fact #18)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.137	44.0	June 1 – Nov. 8

Reach #2: From just below the POD for Certificate 83732 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.12	38.32	June 1 - Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.06	19.8	June 1 - Nov. 8

- 38. The proposed changes, as modified, would not result in enlargement of the right.
- 39. The proposed changes, as modified, would not result in injury to other water rights.
- 40. The amount and timing of the proposed instream flow, as modified, is allowable within the limits and use of the original water rights.
- 41. The protection of flows within the proposed reaches is appropriate, considering:
 - a) The instream water rights will begin at the recorded points of diversion;
 - b) The location of confluences with other streams downstream of the points of diversion;
 - There are no known areas of natural loss of streamflow to the river bed downstream from the point of diversion; and
 - d) Return flows resulting from the exercise of the existing water right would re-enter the river within the proposed reaches and have been accounted for at appropriate points within each proposed reach.
- 42. There is an instream lease, IL-1081, currently in effect for a portion of the water rights proposed for transfer, specifically Certificates 83857 and 83732, to instream use. The instream lease was approved by the Department on July 27, 2010, as evidenced by Special Order Volume 81, Page 474. A correction order was issued on July 30, 2010, and supersedes the original order, as evidenced by Special Order Volume 81, Page 546. This instream lease is scheduled to terminate on November 30, 2014, and includes a condition allowing for early termination of the lease order. This lease must be terminated before Transfer T-10730 may be approved. Also, the date on which this instream transfer may be approved may be affected by the date on which the existing instream lease is terminated to prevent injury and enlargement.
- 43. There are existing instream water rights established under ORS 537.348 (instream transfer process) and ORS 537.470 (allocation of conserved water process) within the same reach as that proposed for each of the new instream water rights, which include the use of water for fish and wildlife habitat, aquatic life, recreation, and pollution abatement. There presently are no instream water rights within the proposed reach created as a result of ORS 537.346 (minimum flow conversion) or ORS 537.341 (state agency instream water right application process). However, there is a pending instream water right application filed by the Oregon Department of Fish and Wildlife (ODFW) pursuant to ORS 537.341 to establish an instream water right from Bowman Dam to Lake Billy Chinook for anadromous and resident fish rearing, which if approved will have a priority date of May 11, 1990. Requested flows for this pending instream water right application are at times not available during the instream period identified in Finding of Fact #36.
- 44. By adding to other water rights leased or transferred instream at the same location or created through the conserved water statutes, the instream right will provide protection for additional

- streamflows previously identified as necessary for conservation, maintenance and enhancement of aquatic and fish life, fish and wildlife habitat and other ecological values.
- 45. By replacing a portion of any instream rights created at the request of state agency or under the minimum streamflow conversion process, the instream right will provide protection for streamflows previously identified as necessary for anadromous and resident fish rearing under earlier priority dates.
- 46. During the period June 1 through November 8, any instream water right established by this transfer application may replace a portion of instream water rights established pursuant to ORS 537.341 or ORS 537.346 and be in addition to instream water rights established pursuant to ORS 537.348 or ORS 537.470 unless otherwise specified by an order approving a new instream water right under these statutes.
- 47. The total monthly quantities of water to be protected under the existing and proposed instream rights in the reach will provide for a beneficial purpose and do not exceed the estimated average natural flow.

Preliminary Award of Deschutes Basin Mitigation Credits

- 48. The mitigation project was originally submitted by the Daniels Group, LLC. However, on March 29, 2010, the application was assigned to Grass Butte, LLC, and PremierWest Bank. Grass Butte, LLC, and PremierWest Bank (the Applicants) have requested this instream transfer application be used to establish mitigation credits in the Deschutes Ground Water Study Area. The Applicants have also requested that any mitigation credits generated from this project be assigned to Grass Butte, LLC, and PremierWest Bank.
- 49. The Department assigned this mitigation credit project number MP-124.
- 50. The Department provided notice of the mitigation credit project pursuant to OAR 690-521-0300 (6) on March 10, 2009. No comments were received in response to this notice.
- 51. The Department consulted with representatives from ODFW, DEQ, Oregon Parks and Recreation Department, Oregon Department of State Lands, the Oregon Department of Agriculture, and the Department's Watermaster pursuant to OAR 690-521-0300 (7) and OAR 690-505-0630 (2) on March 10, 2009. No comments were received in response to this notice.
- 52. No changes were made to the instream transfer as a result of public notice or consultation with the above named agencies.
- 53. The proposed transfer of 123.0 acres of irrigation (67.0 acres under Certificate 83857, 45.0 acres under Certificate 83651, and 11.0 acres under Certificate 83732) to instream use will provide 221.4 acre-feet of mitigation water (120.6 AF from Certificate 83857, 81.0 AF from Certificate 83651, and 19.8 AF from Certificate 83732). Therefore, 221.4 mitigation credits (1.0 mitigation credit = 1.0 AF of mitigation water) may be awarded to this mitigation credit project and assigned to Grass Butte, LLC, and PremierWest Bank. The mitigation credits

may be used to mitigate for ground water permit applications and existing conditioned ground water permits and certificates, providing mitigation pursuant to the Deschutes Ground Water Mitigation Rules, OAR Chapter 690, Division 505, within the Crooked River Zone of Impact and the General Zone of Impact.

- 54. A total of 492.0 AF is proposed to be transferred to instream use and 221.4 AF of that, as identified above, may be used for mitigation purposes. The amount of water transferred instream and not used for mitigation purposes will benefit instream flow.
- 55. The Department shall award final mitigation credits upon completion of the approved project by the applicant and verification by the Department that the project is complete. The issuance of certificates for the proposed instream water right shall result in completion of the project and verification that the project is complete.
- 56. Mitigation credits awarded to this mitigation credit project will be valid beginning the first calendar year that water will be protected instream under any new instream water right created as a result of this instream transfer application.

Conclusions of Law

The changes in character of use and place of use to instream use proposed in application T-10730 are consistent with the requirements of ORS 540.505 to 540.580, ORS 537.348, OAR 690-380-5000, and OAR 690-077-0075.

This mitigation project results in mitigation credits pursuant to ORS 537.746 and OAR 690-521-0300 and 690-521-0400.

Now, therefore, it is ORDERED:

- The changes in character of use and place of use to instream use proposed in application T-10730 are approved.
- 2. Water right certificates 83857, 83651, and 83732 are cancelled. New certificates confirming the instream water rights shall be issued. New certificates will be issued describing that portion of Certificates 83857 and 83651 not affected by this transfer.
- 3. The instream water rights shall provide for the protection of streamflows for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values in the Deschutes River as follows:

Resulting from Certificate 83857

Reach #1: From POD #1 (as described in Finding of Fact #14) to POD #2 (Low Line Ditch) (as described in Findings of Fact #14, #15, #16, & #17).

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 – Nov. 8

Reach #2: From POD #2 (Low Line Ditch) to River Mile 32.9.

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 – Nov. 8
	1904/1910	0.03	10.0	Julie 1 – Nov. 8
	Total:	0.20	63.6	

Reach #3: From River Mile 32.9 to POD #7 (as Described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
02057	1892	0.17	53.6	June 1 – Nov. 8
83857	1904/1910	0.027	8.62	Julie 1 – 140v. 8
	Total:	0.197	62.22	

Reach #4: At POD #7 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period	
83857	1892	0.17	53.6		
	1898	0.01	2.0	June 1 – Nov. 8	
	1904/1910	0.027	8.62		
	Total:	0.207	64.22		

Reach #5: From just below POD #7 to POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period	
83857	1892	0.17	53.6		
	1898	0.006	1.8	June 1 – Nov. 8	
	1904/1910	0.027	8.62		
	Total:	0.203	64.02		

Reach #6: At POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.80	256.0	
	1898	0.006	1.8	June 1 - Nov. 8
	1904/1910	0.027	8.62	
	Total:	0.833	266.42	

Reach #7: From just below POD #6 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.72	229.92	
	1898	0.006	1.8	June 1 – Nov. 8
	1904/1910	0.027	8.62	
	Total:	0.753	240.34	

Reach #8: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
1892 83857 1898	1892	0.36	115.2	
	1898	0.003	0.9	June 1 - Nov. 8
	1904/1910	0.01	4.5	
	Total:	0.373	120.6	

Resulting from Certificate 83651

Reach #1: From the POD for Certificate 83651 (as described in Findings of Fact #16 and #17) River Mile 32.9

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.56	180.0	June 1 - Nov. 8

Reach #2: From River Mile 32.9 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.50	159.67	June 1 - Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.25	81.0	June 1 - Nov. 8

Resulting from Certificate 83732

Reach #1: At POD for Certificate 83732 (as described in Finding of Fact #18)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.137	44.0	June 1 - Nov. 8

Reach #2: From just below the POD for Certificate 83732 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.12	38.32	June 1 - Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.06	19.8	June 1 - Nov. 8

- Water rights upstream of the original point of diversion shall not be subject to regulation for flows in excess of the quantities to which this instream water right is entitled at the original point of diversion.
- 5. 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.
- The instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and be in addition to instream water rights

- established pursuant to ORS 537.348 or 537.470, unless otherwise identified in a subsequent order establishing a new instream water right under these statutes.
- The right to the use of the water is restricted to beneficial use at the place of use described, and is subject to all other conditions and limitations contained in Certificates 83857, 83651, and 83732 and any related decree.
- The former place of use of the transferred water shall no longer receive water as part of these rights.
- 9. Final Award of Mitigation Credits: Final Award of Mitigation Credits may be made upon completion of the project and verification by the Department that the project has been completed as proposed. Issuance of new instream water right certificates, as described herein, result in completion of the project and verification by the Department that the project is complete. Instream certificates are being issued in conjunction with this Final Order. Therefore, mitigation credits, in the amount of 221.4 credits, as described herein, are awarded to this mitigation project and assigned to Grass Butte, LLC and PremierWest Bank. Mitigation credits awarded may be used to satisfy a mitigation obligation of a ground water permit applicant and/or ground water permit/certificate holder in the Crooked River Zone of Impact and the General Zone of Impact.
- 10. Mitigation credits are valid until used to satisfy a mitigation obligation of a ground water permit applicant and/or ground water permit/certificate holder within the Deschutes Ground Water Study Area pursuant to the Deschutes Ground Water Mitigation Rules. Mitigation credits are used when a person submits to the Department documentary evidence that valid credits have been obtained and assigned to satisfy a mitigation obligation. Mitigation credits generated by this project will be available for use as mitigation beginning the first calendar year that water will be protected instream under each of the new instream water rights.
- 11. The instream certificates created as a result of the approval of this transfer shall be identified as a mitigation credit project. Within each instream certificate, the number of mitigation credits, the zone of impact in which the mitigation credits were generated and may be used, and the volume of water dedicated instream solely for instream benefits shall also be specified.

Dated at Salem, Oregon this 3 day of June, 2011.

Dwight French, Water Right Services Administrator, for

PHILLIP C. WARD, DIRECTOR

Mailing date: IUN 0 7 2011

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

LOW LINE DITCH CO PRINEVILLE OR 97754

confirms the right to use the waters of CROOKED RIVER, a tributary to DESCHUTES RIVER for IRRIGATION OF 120.09 ACRES, DOMESTIC, AND LIVESTOCK.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The date of priority is 1903.

The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed a reasonable amount for domestic and livestock, and 1.50 CUBIC FEET PER SECOND for irrigation, the total quantity being limited to 4.0 acre-feet per acre during each year, or its equivalent in case of rotation, measured at the point of diversion.

The point of diversion is located as follows:

Twp	Rng	Mer	Sec	Q-Q
14 S	14 E	WM	24	SE SW

The use shall conform to such reasonable rotation system as may be ordered by the proper state officer. The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described, and is subject to the existing minimum flow policies established by the Water Policy Review Board.

A description of the place of use to which this right is appurtenant is as follows:

Twp	Rng	Mer	Sec	Q-Q	Acres	Name of User Through Company's Works
14 S	14 E	WM	22	SW SW	15.00	V. Butler
14 S	14 E	WM	22	NE SE	32.00	T.F. McCallister
14 S	14 E	WM	22	NW SE	5.00	T.F. McCallister
14 S	14 E	WM	22	SW SE	19.00	T.F. McCallister
14 S	14 E	WM	22	SE SE	40.00	T.F. McCallister
14 S	14 E	WM	28	NENW	7.90	J.W. Livingston
14 S	14 E	WM	28	NWNW	1.19	J.W. Livingston

The right is subject to all other terms and conditions contained in said decree.

The issuance of this superseding certificate does not confirm the status of the water right in regard to the provisions of ORS 540.610 pertaining to forfeiture or abandonment.

WITNESS the signature of the Water Resources Director, affixed ______JUN 0 3 2011 ____.

Dwight French, Water Right Services Administrator, for

PHILLIP C. WARD, DIRECTOR

T-10730.ra-lkw

Page 1 of 1 Recorded in State Record of Water Right Certificates numbered 87058.

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

PEOPLES IRRIGATION CO. 615221 O'NEIL HIGHWAY PRINEVILLE, OR 97754

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER for IRRIGATION OF 502.3 ACRES, LIVESTOCK AND DOMESTIC USE.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The date of priority is 1892, 1895, 1897, 1898, and 1904/1910.

The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 6.28 CUBIC FEET PER SECOND, or its equivalent in case of rotation, measured at the points of diversion.

The points of diversion are located as follows:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
1	15 S	16 E	WM	8	NW SW	1920 FEET NORTH AND 340 FEET EAST FROM SW CORNER OF SECTION 8
2						LOW LINE DITCH
3	14 S	14 E	WM	24	NE SE	PUMP: 450 FEET WEST FROM THE EAST 1/4 CORNER OF SECTION 24
4	14 S	14 E	WM	23	SW NE	PUMP: 1020 FEET NORTH AND 500 FEET EAST FROM THE CENTER 1/4 CORNER OF SECTION 23
5	14 S	14 E	WM	23	SW NW	PUMP: 1000 FEET NORTH AND 1400 FEET WEST FROM THE CENTER 1/4 CORNER OF SECTION 23
6	14 S	14 E	WM	29	NE NW	PUMP: 1085 FEET SOUTH AND 970 FEET WEST FROM THE NORTH 1/4 CORNER OF SECTION 29

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each year. The use shall conform to such reasonable rotation system as may be ordered by the proper state officer.

A description of the place of use to which this right is appurtenant is as follows:

		I	RRIGATIO	ON, LIVES	TOCK.	AND DOM	ESTIC	
Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User
	1	14 S	15 E	WM	26	SWSW	20.0	Cox, R.T
1895	1	14 S	15 E	WM	26	SE SW	20.0	Cox, R.T
	1	14 S	15 E	WM	26	SWISE	20.0	Cox, R.T
	1	14 S	14 E	WM	21	SW NE	40.0	Deschutes Fine Wool Company
	1	14 S	14 E	WM	21	SE NE	40.0	Deschutes Fine Wool Company
1004/1010	1	14 S	14 E	WM	21	NE SW	30.0	Deschutes Fine Wool Company
1904/1910	1	14 S	14 E	WM	21	NWSW	30.0	Deschutes Fine Wool Company
	1	14 S	14 E	WM	21	SW SW	5.4	Deschutes Fine Wool Company
	1	14 S	14 E	WM	21	NE SE	30.0	Deschutes Fine Wool Company

T-10730.ra-lkw

Page 1 of 2

Certificate 87059

Priority Date	POD	Twp	Rng	Mer	Sec	AND DOMI	Acres	User
Thorny Date	FOD							
	1	14 S	14 E	WM	21	NW SE	30.0	Deschutes Fine Wool Company
	2	14 S	14 E	WM	21	SE SW	37.5	Deschutes Fine Wool Company
	2	14 S	14 E	WM	21	SW SE	40.0	Deschutes Fine Wool Company
1904/1910	2	14 S	14 E	WM	21	SE SE	40.0	Deschutes Fine Wool Company
(continued)	3	14 S	14 E	WM	23	SE NE	20.9	Deschutes Fine Wool Company
	4	14 S	14 E	WM	23	NW NE	0.6	Deschutes Fine Wool Company
	4	14 S	14 E	WM	23	NENW	7.4	Deschutes Fine Wool Company
	5	14 S	14 E	WM	23	NWNW	1.0	Deschutes Fine Wool Company
1892	1	14 S	14 E	WM	30	NE NE	5.6	Forrest, Frances
1092	6	14 S	14 E	WM	30	NE NE	4.4	Forrest, Frances
	1	14 S	14 E	WM	26	NE NE	1.0	Messinger, Lucy
1897	1	14 S	14 E	WM	26	NW NE	15.0	Messinger, Lucy
109/	1	14 S	14 E	WM	26	NE NW	30.0	Messinger, Lucy
	1	14 S	14 E	WM	26	NW NW	30.0	Messinger, Lucy
1898	1	14 S	14 E	WM	28	NE NE	3.5	Weaver, David

The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described.

The issuance of this superseding certificate does not confirm the status of the water right in regard to the provisions of ORS 540.610 pertaining to forfeiture or abandonment.

WITNESS the signature of the Water Resources Director, affixed _____ JUN 0 3 2011

Dwight French, Water Right Services Administrator, for

PHILLIP C. WARD, DIRECTOR

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

STATE OF OREGON WATER RESOURCES DEPARTMENT

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The date of priority is 1892. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed:

Reach	Instream Rates
Reach #1	0.137 Cubic Foot per Second (CFS)
Reach #2	0.12 CFS
Reach #3	0.06 CFS

or its equivalent in case of rotation, measured at the points of diversion, during the period June 1 through November 8.

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

#1: At the POD for Certificate 83732, located approximately at:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	20	SE SW	1896 FEET SOUTH AND 1717 FEET EAST FROM THE WEST 1/4 CORNER OF SECTION 20

Reach #2: From just below the POD for Certificate 83732 to River Mile 30 where Lone Pine Road crosses the Crooked River.

Reach #3: From River Mile 30 to Lake Billy Chinook.

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. Stream channel losses and gains calculated based on available data and the use of water by senior appropriators will determine the amount of water to which this right is entitled downstream from the original point of diversion within the specified stream reach.

The instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and shall be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise specified by a subsequent order establishing a new instream water right.

This is a final order in other than a 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 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.

T-10730 ra lkw (MP124) Page 1 of 2 Certificate 87055

Mitigation Credit Award

Mitigation Project:

MP-124

Mitigation Credits Awarded:

221.4, being 120.6 from Certificate 87057, 81.0 from Certificate 87056

and 19.8 from Certificate 87055

Zone of Impact:

These mitigation credits may be used to satisfy a mitigation obligation

within the Little Deschutes River Zone of Impact

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

Certificate 87055, together with Certificates 87056 and 87057, is Mitigation Project MP-124.

The number of mitigation credits awarded is a portion of the total volume transferred instream, being 492.0 AF, being 268.0 AF under Certificate 87057, 180.0 AF under Certificate 87056, and 44.0 AF under Certificate 87055. 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(s)), 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 water for the above purpose is subject to all other terms and conditions of Certificate 83732 and any related decree.

This certificate is issued to confirm a change in use and place of use approved by an order of the Water Resources Director recorded in Special Order Volume 34, Page 378, approving Transfer T-10730, and supersedes Certificate 83732, State Record of Water Right Certificates.

WITNESS the signature of the Water Resources Director, affixed ___

JUN 0 3 2011

Dwight/French, Water Right Services Administrator, for

PHILLIP C. WARD, DIRECTOR

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

STATE OF OREGON WATER RESOURCES DEPARTMENT

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The date of priority is 1903. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed:

Reach	Instream Rates							
Reach #1	0.56 Cubic Foot per Second (CFS)							
Reach #2	0.50 CFS							
Reach #3	0.25 CFS							

or its equivalent in case of rotation, measured at the points of diversion, during the period June 1 through November 8.

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

Reach #1: From the POD for Certificate 83651, located approximately at:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	24	SE SW	LOW LINE DITCH: Latitude 44.335984 Degrees and Longitude -120.999700 Degrees

to River Mile 32.9.

Reach #2: From River Mile 32.9 to River Mile 30 where Lone Pine Road crosses the Crooked River.

Reach #3: From River Mile 30 to Lake Billy Chinook.

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. Stream channel losses and gains calculated based on available data and the use of water by senior appropriators will determine the amount of water to which this right is entitled downstream from the original point of diversion within the specified stream reach.

The instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and shall be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise specified by a subsequent order establishing a new instream water right.

This is a final order in other than a 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 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.

T-10730 ra-lky (MP-124)

Mitigation Credit Award

Mitigation Project:

MP-124

Mitigation Credits Awarded:

221.4, being 120.6 from Certificate 87057, 81.0 from Certificate 87056

and 19.8 from Certificate 87055

Zone of Impact:

These mitigation credits may be used to satisfy a mitigation obligation

within the Little Deschutes River Zone of Impact

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

Certificate 87056, together with Certificates 87055 and 87057, is Mitigation Project MP-124.

The number of mitigation credits awarded is a portion of the total volume transferred instream, being 492.0 AF, being 268.0 AF under Certificate 87057, 180.0 AF under Certificate 87056, and 44.0 AF under Certificate 87055. 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(s)), 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 water for the above purpose is restricted to beneficial use in the place of use described and is subject to all other terms and conditions of Certificate 83651 and any related decree.

This certificate is issued to confirm a change in use and place of use approved by an order of the Water Resources Director recorded in Special Order Volume 34, Page 378, approving Transfer T-10730, and along with Certificate 87058, supersedes Certificate 83651, State Record of Water Right Certificates.

WITNESS the signature of the Water Resources Director, affixed

JUN 0 3 2011

Dwight French, Water Right Services Administrator, for

PHILLIP C. WARD, DIRECTOR

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

STATE OF OREGON WATER RESOURCES DEPARTMENT

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The dates of priority are 1892, 1898, and 1904/1910. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed:

Reach	Priority Dates and Instream Rates											
Reach	1892	1898		Totals								
Reach #1	0.17 Cubic Foot per Second (CFS)			0.17 CFS								
Reach #2	0.17 CFS		0.03 CFS	0.20 CFS								
Reach #3	0.17 CFS		0.027 CFS	0.197 CFS								
Reach #4	0.17 CFS	0.01 CFS	0.027 CFS	0.207 CFS								
Reach #5	0.17 CFS	0.006 CFS	0.027 CFS	0.203 CFS								
Reach #6	0.80 CFS	0.006 CFS	0.027 CFS · ·	0.833 CFS								
Reach #7	0.72 CFS	0.006 CFS	0.027 CFS	0.753 CFS								
Reach #8	0.36 CFS	0.003 CFS	0.01 CFS	0.373 CFS								

or it's equivalent in case of rotation, measured at the points of diversion, during the period June 1 through November 8.

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

Reach #1: From the location of diversion #1 authorized previously under Certificate 83857, located approximately at:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
1	15 S	16 E	WM	8.	NW SW	1920 FEET NORTH AND 340 FEET EAST FROM THE SW CORNER OF SECTION 8

to the location of diversion #2 authorized previously under Certificate 83857, located approximately at:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
2	14 S	14 E	WM	24	SE SW	LOW LINE DITCH, Latitude 44.335984 degrees and Longitude -120.999700 degrees

Reach #2: From the location of diversion #2 authorized previously under Certificate 83857 to River Mile 32.9.

This is a final order in other than a 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 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.

T-10730 ra-lkw (MP-124) Page 1 of 3 Certificate 87057

Reach #3: From River Mile 32.9 to the location of diversion #7 authorized previously under Certificate 83857, located approximately at:

POD	Twp.	Rng	Mer	Sec	Q-Q	Measured Distances
7	14 S	14 E	WM	20	SE SE	PUMP: 325 FEET NORTH AND 120 FEET WEST FROM THE SE CORNER OF SECTION 20

Reach #4: At the location of diversion #7 authorized previously under Certificate 83857.

Reach #5: From just below the location of diversion #7 authorized previously under Certificate 83857 to the location of diversion #6 authorized previously under Certificate 83857, located approximately at:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
6	14 S	14 E	WM	29	NE NW	PUMP: 1085 FEET SOUTH AND 970 FEET WEST FROM THE NORTH 1/4 CORNER OF SECTION 29

Reach #6: At the location of diversion #6 authorized previously under Certificate 83857.

Reach #7: From just below the location of diversion #6 authorized previously under Certificate 83857 to River Mile

30 where Lone Pine Road crosses the Crooked River

Reach #8: From River Mile 30 to Lake Billy Chinook

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. Stream channel losses and gains calculated based on available data and the use of water by senior appropriators will determine the amount of water to which this right is entitled downstream from the original point of diversion within the specified stream reach.

Mitigation Credit Award

Mitigation Project:

MP-124

Mitigation Credits Awarded:

221.4, being 120.6 from Certificate 87057, 81.0 from Certificate 87056

and 19.8 from Certificate 87055

Zone of Impact:

These mitigation credits may be used to satisfy a mitigation obligation

within the Little Deschutes River Zone of Impact

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

Certificate 87057, together with Certificates 87055 and 87056, is Mitigation Project MP-124.

The number of mitigation credits awarded is a portion of the total volume transferred instream, being 492.0 AF, being 268.0 AF under Certificate 87057, 180.0 AF under Certificate 87056, and 44.0 AF under Certificate 87055. 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(s)), 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 instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and shall be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise specified by a subsequent order establishing a new instream water right.

The right to the use of water for the above purpose is restricted to beneficial use in the place of use described and is subject to all other terms and conditions of Certificate 83857, and any related decree.

This certificate is issued to confirm a change in use and place of use approved by an order of the Water Resources Director recorded in Special Order Volume \$4, Page 378, approving Transfer T-10730, and along with Certificate 87059 supersedes Certificate 83857, State Record of Water Right Certificates.

WITNESS the signature of the Water Resources Director, affixed _

JUN 0 3 2011

Dwight French, Water Right Services Administrator, for

PHILLIP C. WARD, DIRECTOR



Water Resources Department North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271

503-986-0900 FAX 503-986-0904

OREGON WATER RESOURCES DEPARTMENT ASSIGNMENT RECORD FOR MITIGATION CREDITS CHAIN-OF-CUSTODY

Mitigation Credit Project: MP-124	Mitigation Credits: 221.4
Mitigation Credit Holder: Grass Butte, LLC (1 Premier West Bank	111 Main St, Suite 700, Vancouver, WA 98660) (875 SW Rimrock Way, Suite 100, Redmond, OR 97756)
# Mitigation credits have been assign	ned to (Name):
Mailing Address:	
Phone Number:	
Current Mitigation Credit Holder Signature	Date
New Mitigation Credit Holder Signature	Date
Mitigation Credit Holder:	
	ned to (Name):
Phone Number:	
Current Mitigation Credit Holder Signature	Date
New Mitigation Credit Holder Signature	Date
Mitigation Credit Holder:	•
# Mitigation credits have been assign	ed to (Name):
Mailing Address:	
Phone Number:	
Current Mitigation Credit Holder Signature	Date
New Mitigation Credit Holder Signature	Date 2-28-
	2-/8-



Water Resources Department North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

ASSIGNMENT RECORD FOR MITIGATION CREDITS CHAIN OF CUSTODY (Additional Form)

Date
Date
Date
Date
Date
*

Date
Date 2-28-11



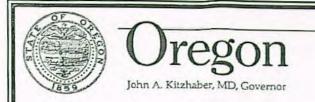
Water Resources Department

North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

DESCHUTES BASIN MITIGATION CREDIT DOCUMENTARY EVIDENCE FORM

This form is to be completed when mitigation credits are obtained from a mitigation credit holder, other than a mitigation bank, by a ground water application/permit/certificate holder to satisfy a mitigation obligation under the Deschutes Ground Water Mitigation rules. Please print in ink or type all information. If there any questions about this form, please contact the Department. Phone: (503) 986-0884

Ground Water User Information:	
Name:	
Mailing Address (Street, City, State, Zip): Phone Number (Home and Work-including area code): Ground Water Application, Permit, or Certificate #: Mitigation Obligation (amount) (see Notice of Mitigation Obligation or Initial Review Zone of Impact (see Notice of Mitigation Obligation or Initial Review for this information	E-Mail (optional): for this information):
Mitigation Credit Holder Information:	·
Mitigation Credit Holder Name: Mailing Address:	
Phone Number (including area code): E-Ma	il (optional):
If mitigation credits have changed hands beyond the original credit holder, a comp documentary evidence form to help demonstrate that the credits are valid. This in	
Mitigation Credit Information:	,
In the following table, identify the mitigation project identification from each mitigation project, the zone of impact in which the cred more than one zone of impact) and the type of mitigation project upon which Project Type Codes: Allocation of Conserved Water = ACW Permanent Instream Aquifer Recharge = AR Other = Other (if other)	lits are to be used (note - many credits may be used within h the credits are based.
Mitigation Project ID # Mitigation Credits Assigned Zone of Impact MP Add additional mitigation projects and credits, using above format, by attaching	
Mitigation Project Operator (if other than original credit holder): recharge project operator) Mailing Address: Phone Number (including area code):	
For Stored Water Releases (if applicable): Name of Reservoir: Reservoir Permit/Certificate: Contra	
The above described mitigation credits have been transferred from credit holder, to, ground	
Mitigation Credit Holder Signature	Date
Ground Water Application/Permit/Certificate Holder Signature	Date



Water Resources Department North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

EXAMPLE ONLY - ASSIGNMENT RECORD FOR MITIGATION CREDITS CHAIN OF CUSTODY

Mitigation Credit Project: MP-99	Mitigation Credits: 10.0
Mitigation Credit Holder: John Smith	
#_10.0 Mitigation credits have been assigned to (Name):	Brian Jones
Mailing Address: 5151 Tiger Drive, Bend, OR 9	97701
Phone Number: <u>(541) 389-9999</u>	
Signature of John Smith	12/13/2005
Current Mitigation Credit Holder Signature	Date
Signature of Brian Jones	12/13/2005
New Mitigation Credit Holder Signature	Date
Mitigation Credit Holder: <u>Brian Jones</u>	
# 50 Mitigation and its house have assigned to Oleman	Lindial Nilles
#_5.0 Mitigation credits have been assigned to (Name):	Judith Miles
Mailing Address: _6000 Balmy Road, Redmond,	Oregon 97756
Phone Number: (541) 677-8888	
Signature of Brian Jones	5/6/2006
Current Mitigation Credit Holder Signature	Date
Circulation of Indith Niles	£16/2006
Signature of Judith Niles New Mitigation Credit Holder Signature	
Mitigation Credit Holder: Brian Jones	
# 5.0 Mitigation credits have been assigned to (Name):	Jackson I ong
#	Jackson Long
Mailing Address: 800 Finders Way, Prineville, C	Oregon 97754
Phone Number:(541) 888-9999	
Signature of Brian Jones	6/8/2006
Current Mitigation Credit Holder Signature	Date
Signature of Jackson Long	6/8/2006
New Mitigation Credit Holder Signature	Date



Water Resources Department North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

EXAMPLE ONLY - ASSIGNMENT RECORD FOR MITIGATION CREDITS CHAIN OF CUSTODY (Additional Form)

Mitigation Credit Project: MP-99 Miti	gation Credits: 5.0 (# held by	current credit holder
Mitigation Credit Holder: _Judith Niles		
#_5.0 Mitigation credits have been assigned to (Name): _Tom 0	Cooper	
Mailing Address: _9090 Perfect Loop, Bend, Oregon 977	709	
Phone Number: (541) 777-9999		
Signature of Judith Niles Current Mitigation Credit Holder Signature	7-10-2006 Date	_
signature of Tom Cooper		
New Mitigation Credit Holder Signature	Date	_
Mitigation Credit Holder:		
# Mitigation credits have been assigned to (Name):		
Mailing Address:		
Phone Number:		
Current Mitigation Credit Holder Signature	Date	_
New Mitigation Credit Holder Signature	Date	-
Mitigation Credit Holder:		
# Mitigation credits have been assigned to (Name):		
Mailing Address:		
Phone Number:		
Current Mitigation Credit Holder Signature	Date	_
New Mitigation Credit Holder Signature	Date	=



Water Resources Department

North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

EXAMPLE ONLY - DESCHUTES BASIN MITIGATION CREDIT DOCUMENTARY EVIDENCE FORM

This form is to be completed when mitigation credits are obtained from a mitigation credit holder, other than a mitigation bank, by a ground water application/permit/certificate holder to satisfy a mitigation obligation under the Deschutes Ground Water Mitigation rules. Please print in ink or type all information. If there any questions about this form, please contact the Department.

Ground Water User	r Information:					
	et, City, State, Zip): 967 Fairmont D					
Phone Number (Home:	and Work - including area code): (541) (Home		(541) 389 (work)	9-0000	(other)	
Mitigation Obligation		#: <u>G-99999</u> ation or Initial Review	for this informat		re-feet	
Mitigation Credit H	older Information:					
Mailing Address: 909	lder Name: <u>Tom Cooper</u> 90 Perfect Loop, Bend, Orego		12			
Phone Number (including	ng area code):(Home)	(541) 777-99		la and		
E-Mail (optional): If mitigation credits have concedits should be included from the mitigation credit	changed hands beyond the original cr with this documentary evidence form	(work) redit holder, a comp n to help demonstra	olete assignme	her) nt record (ch edits are valid	ain-of-custody) fo l. This information	r the mitigation on may be obtaine
Mitigation Credit In	nformation:					
from each mitigation more than one zone of impact) a	e, identify the mitigation project, the zone of impact in and the type of mitigation pro Allocation of Conserved Water = ACW Aquifer Recharge = AR	which the crec ject upon which Permanent Instream	lits are to b h the credit Transfers = PT	e used (note s are based Storage	- many credits may b	ne used within
Mitigation Project ID	# Mitigation Credits Assigned	Zone of Impact	Mitigation	Project Type	Code (see above	2)
MP-99 Add additional mitigation pr	5.0 ojects and credits by attaching addition	General al forms or addition	Pal pages, using	above format,	if necessary.	
recharge project operator) Mailing Address:	DEFATOF (if other than original credit holds				ame of storage projec	t or aquifer
For Stored Water Rel	eases (if applicable):					
Name of Reservoir:						
Reservoir Permit/Ce	rtificate:	Contr	act Number	r(s):		
The above described i	mitigation credits have been t	ransferred from	1		, mi	tigation
credit holder, to		, ground	water appli	cation/per	mit/certificate	holder.
signature of Tom Co	oper			8-15-200	06	
Mitigation Credit Holder S	Signature			Date		
signature of Ken Sm	ith			8-15-200)6	
Ground Water Application	/Permit/Certificate Holder Signatu	re	_	Date		



April 13, 2011

Water Resources Department

North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

PREMIER WEST BANK 875 RIMROCK WAY, SUITE 100 REDMOND, OREGON 97756

GREG DANIELS 1111 MAIN ST SUITE 700 VANCOUVER WA 98660

GRASS BUTTE, LLC

SUBJECT: Transfer Application T-10730

Please find enclosed the Preli the Department intend. document is an intermed the transfer application u letter carefully to determin

A public notice is being pub of the Preliminary Determina either a protest opposing the d standing statement supporting t.

Because there is a change in char. transfer changes in a local newspay notice must be published at least on for you (enclosed). The deadline for date of last publication. Please have t. on the information available,

dit Project MP-124. This used legally as proposed in . Please read this entire

> taneously with issuance ny person may file ry Determination or a

ublic notice of the the water right. The As. We have prepared the notice or standing statements is 30 days after the the date of last publication in the proper place.

After publication, the Department needs receive an affidavit specifying the dates the notice was published. Please have the newspaper prepare and mail an original affidavit of publication to me at the address shown in the letterhead, by May 27, 2011.

If no protest is filed, the period.

If a protest is filed, the a provides an opportunity Determination to preser proceeding.

Determination. You sho A Notice

4-19-11

der consistent with the Preliminary rder about 30 days after the close of the protest

ontested case proceeding. A contested case s of the decision proposed in the Preliminary porting their position in a quasi-judicial

Please do not hesitate to contact me at 503-986-0884 or Laura.K.Wilke@wrd.state.or.us if I may be of assistance.

Sincerely,

Flow Restoration Program Coordinator

Jeremy Giffin, District 11 Watermaster cc:

David Newton, Agent

James Newton, CWRE # 82917 Low Line Ditch Company US Bureau of Reclamation

Butler Ranch, Inc. Dallon Miles Emmett Ranch, LLC Peoples Irrigation Company



April 13, 2011

Water Resources Department

North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

PREMIER WEST BANK 875 RIMROCK WAY, SUITE 100 REDMOND, OREGON 97756

GRASS BUTTE, LLC GREG DANIELS 1111 MAIN ST SUITE 700 VANCOUVER WA 98660

SUBJECT: Transfer Application T-10730 / Mitigation Credit Project MP-124

Please find enclosed the Preliminary Determination indicating that, based on the information available, the Department intends to approve application T-10730 and Mitigation Credit Project MP-124. This document is an intermediate step in the approval process; water may not be used legally as proposed in the transfer application until a Final Order has been issued by the Department. Please read this entire letter carefully to determine your responsibility for additional action.

A public notice is being published in the Department's weekly publication simultaneously with issuance of the Preliminary Determination. The notice initiates a 30-day period in which any person may file either a protest opposing the decision proposed by the Department in the Preliminary Determination or a standing statement supporting the Department's decision.

Because there is a change in character of use, the applicant is responsible for giving public notice of the transfer changes in a local newspaper having a general circulation in the area of the water right. The notice must be published at least once a week for three consecutive weeks. We have prepared the notice for you (enclosed). The deadline for individuals to file protests or standing statements is 30 days after the date of last publication. Please have the newspaper insert the date of last publication in the proper place.

After publication, the Department needs to receive an affidavit specifying the dates the notice was published. Please have the newspaper prepare and mail an original affidavit of publication to me at the address shown in the letterhead, by May 27, 2011.

If no protest is filed, the Department will issue a Final Order consistent with the Preliminary Determination. You should receive a copy of the Final Order about 30 days after the close of the protest period.

If a protest is filed, the application may be referred to a contested case proceeding. A contested case provides an opportunity for the proponents and opponents of the decision proposed in the Preliminary Determination to present information and arguments supporting their position in a quasi-judicial proceeding.

Please do not hesitate to contact me at 503-986-0884 or Laura.K.Wilke@wrd.state.or.us if I may be of assistance.

Sincerely,

Flow Restoration Program Coordinator

cc: Jeremy Giffin, District 11 Watermaster

David Newton, Agent

James Newton, CWRE # 82917

Low Line Ditch Company
US Bureau of Reclamation

Dallon Miles Emmett Ranch, LLC Peoples Irrigation Company

Butler Ranch, Inc.

BEFORE THE WATER RESOURCES DEPARTMENT OF THE STATE OF OREGON

In the Matter of Instream Transfer)	PRELIMINARY DETERMINATION
Application T-10730 and Mitigation Credit)	PROPOSING APPROVAL OF A
Project MP-124, Crook, Deschutes, and)	CHANGE IN PLACE OF USE AND
Jefferson Counties)	CHARACTER OF USE AND
)	PRELIMINARY AWARD OF
)	MITIGATION CREDITS

Authority

ORS 540.505 to 540.580 establishes the process in which a water right holder may submit a request to transfer the point of diversion, place of use, or character of use authorized under an existing water right. OAR Chapter 690, Division 380 implements the statutes and provides the Department's procedures and criteria for evaluating transfer applications. OAR Chapter 690, Division 077 provides additional criteria for evaluating transfers to instream water rights.

OAR 690-521-0100 to 690-521-0600 establishes the process in which anyone may submit a ground water mitigation project to the Department for the purpose of establishing mitigation credits in the Deschutes Ground Water Study Area.

Pursuant to OAR 690-521-0400 (2), any mitigation credits awarded to a mitigation project are valid until used to fulfill a mitigation obligation of a ground water use in the Deschutes Ground Water Study Area. Valid mitigation credits may be assigned by any person or recognized mitigation bank to any person or other mitigation bank. Mitigation credits are used when a person submits to the Department documentary evidence that valid credits have been obtained and assigned to satisfy a mitigation obligation.

Applicants

GRASS BUTTE, LLC GREG DANIELS 1111 MAIN ST SUITE 700 VANCOUVER WA 98660

PREMIER WEST BANK 875 SW RIMROCK WAY, SUITE 100 REDMOND, OREGON 97756

Findings of Fact

Background

 On November 21, 2008, The Daniels Group, LLC, filed an application to change the place of use and character of use under Certificates 81601, 83651, and 83732 to instream use. The Department assigned the application number T-10730.

Pursuant to OAR 690-380-4030, any person may file a protest or standing statement within 30 days after the last date of publication of notice of this preliminary determination.

- Certificate 81601 has been cancelled and a new Certificate (83857) was issued on May 7, 2008.
- On August 26, 2009, the Department requested additional supporting information and clarification of the intent of T-10730.
- 4. On August 28, 2009, the Department received a letter of interest from South Valley Bank and Trust requesting that they be kept informed of the proposed transfer.
- On September 14, 2009, an additional letter was received from South Valley Bank and Trust identifying that the Bank could not consent to the transfer because conditions for their consent were not met.
- 6. On September 25, 2009, the applicant clarified that the portion of Certificate 81601 (i.e. Certificate 83857) proposed for transfer to instream use include Irrigation, Livestock and Domestic use consistent with the water right of record. In addition, the applicant submitted additional supporting documentation for T-10730 along with revised transfer maps with clarifying information.
- On November 9, 2009, the Department requested further clarification of the intent of T-10730 and additional information necessary to complete the application.
- 8. On March 23, 2010, The Daniels Group requested that a 75% interest in T-10730 and MP-124 be assigned to Realvest Corporation and Premier West Bank and that a 25% interest in T-10730 and MP-124 be assigned to Grass Butte, LLC. On March 23, 2010, Realvest Corporation requested that the 75% interest in T-10730 and MP-124 be assigned to Grass Butte, LLC. On March 23, 2010, Grass Butte, LLC requested that the 25% interest be assigned to Grass Butte, LLC and Premier West Bank.
- 9. On March 29, 2010, the Department approved the assignment requests and concurred that T-10730 is now in the names of Grass Butte, LLC and Premier West Bank.
- 10. On November 3, 2010, the applicant clarified that the portion of Certificate 83651 proposed for transfer to instream use include Irrigation, Livestock and Domestic use consistent with the water right of record.
- 11. On November 3, 2010, the applicant provided further clarification of the intent of T-10730, along with revised transfer maps in support of T-10730.
- 12. On December 13, 2010, the Department requested further clarification of the intent of T-10730, including priority date and POD clarifications, and correcting of clerical errors.
- 13. On December 21 and 22, 2010, the applicant provided clarifying information, along with revised transfer maps.

14. The portion of the first right to be transferred is as follows:

Certificate: 83857 in the name of PEOPLES IRRIGATION CO. (confirmed by

Crooked River Decree)

Use: IRRIGATION OF 67.0 ACRES (0.5 acre under the 1898 priority date, 2.5

acres under the 1904/1910 priority date, and 64.0 acres under the 1892

priority date), LIVESTOCK AND DOMESTIC USE

Priority Dates:

1892, 1898, and 1904/1910

Rate:

0.84 CUBIC FOOT PER SECOND (CFS), being 0.01 CFS under the 1898

priority date, 0.03 CFS under the 1904/1910 priority date, and 0.8 CFS

under the 1892 priority date

Limit/Duty:

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation

season of each year.

Source:

CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Points of Diversion:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
1	15 S	16 E	WM	8	NW SW	1920 FEET NORTH AND 340 FEET EAST FROM THE SW CORNER OF SECTION 8
2						LOW LINE DITCH
6	14 S	14 E	WM	29	NE NW	PUMP: 1085 FEET SOUTH AND 970 FEET WEST FROM THE NORTH 1/4 CORNER OF SECTION 29
7	14 S	14 E	WM	20	SE SE	PUMP: 325 FEET NORTH AND 120 FEET WEST FROM THE SE CORNER OF SECTION 20

Authorized Place of Use:

		IR	RIGATIO	N, LIVI	ESTOC	CK, AND DO	MESTI	
Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User
1892	6	14 S	14 E	WM	20	SW SW	10.0	Forrest, Frances
1904/1910	2	14 S	14 E	WM	21	SE SW	2.5	Deschutes Fine Wool Company
1898	7	14 S	14 E	WM	29	NE NE	0.5	McDowell, D.A.
1892	6	14 S	14 E	WM	29	NENW	5.0	Forrest, Frances
1892	6	14 S	14 E	WM	29	NWNW	35.6	Forrest, Frances
1892	1	14 S	14 E	WM	29	NWNW	2.4	Forrest, Frances
1892	1	14 S	14 E	WM	29	SWNW	3.0	Forrest, Frances
1892	1	14 S	14 E	WM	29	SE NW	8.0	Forrest, Frances

- 15. For Certificate 83857, information submitted with the application identifies that POD #2, Low Line Ditch, is the same POD as identified for Certificate 83651 as described in Finding of Fact #16. The Department also has additional information identifying that Low Line Ditch and the POD for Certificate 83651 is more accurately located as described in Findings of Fact #16 and #17.
- 16. The portion of the second right to be transferred is as follows:

Certificate: 83651 in the name of LOW LINE DITCH

83651 in the name of LOW LINE DITCH CO. (confirmed by Crooked River

Decree)

Use: IRRIGATION OF 45.0 ACRES, DOMESTIC, AND LIVESTOCK

Priority Date: 1903 Rate: 0.56 CFS

Limit/Duty: The amount of water to which this right is entitled is limited to an amount

actually used beneficially, and shall not exceed a reasonable amount for domestic and livestock, and 0.56 cubic feet per second for irrigation, the total quantity being limited to 4.0 acre-feet per acre during each year.

Source: CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	24	SE SW	Unspecified by Certificate

Authorized Place of Use:

	IR	RIGATI	ON, LI	VESTOCK,	AND DO	MESTIC
Twp	Rng	Mer	Sec	Q-Q		Name of User through Company's Works
14 S	14 E	WM	28	NW NE	25.0	J. W. Livingston
14 S	14 E	WM	28	NE NW	20.0	J. W. Livingston

- 17. The Crooked River Decree further describes the POD for Certificate 83651 as the Low Line Ditch. In a prior site visit, Department staff further identified that the POD is more accurately located approximately at Latitude 44.33859 degrees North and Longitude 121.01154 degrees West (see Special Order Volume 73, Page 721, Finding #7).
- 18. The third right to be transferred is as follows:

Certificate: 83732 in the name of BUTLER RANCH, INC. (confirmed by Crooked

River (F) Decree)

Use: IRRIGATION of 11.0 ACRES

Priority Date: 1892

Rate: 0.137 CFS if available at the original point of diversion

Limit/Duty: The amount of water used for irrigation, together with the amount secured

under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each

vear.

Source: CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	20	SE SW	1896 FEET SOUTH AND 1717 FEET EAST FROM THE WEST 1/4 CORNER OF SECTION 20

Original Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
15 S	16 E	WM	8	NW SW	744.2 FEET SOUTH AND 321 FEET EAST FROM THE WEST ½ CORNER OF SECTION 8

Authorized Place of Use:

IRRIGATION					
Twp	Rng	Mer -	Sec	Q-Q	Acres
14 S	14 E	WM	20	SW SW	11.00

- 19. A total of 268.0 acre-feet of water may be beneficially used annually under the portion of existing Certificate 83857 proposed for transfer. A total of 180.0 acre-feet of water may be beneficially used annually under the portion of the existing right for Certificate 83651 proposed for transfer. A total of 44.0 acre-feet of water may be beneficially used annually under the existing right for certificate 83732 proposed for transfer.
- 20. Certificates 83857, 83651, and 83732 do not specify the irrigation season. The irrigation season is February 1 to December 1, pursuant to the Crooked River Decree.
- 21. There is a supplemental water right, Certificate 83850, covering a portion of the lands (85.4 acres, being 35.8 acres under Certificate 83651 and 49.6 acres under Certificate 83857) on which the primary water rights are proposed for transfer to instream use. By rule, a supplemental right must be included with the transfer or cancelled. However, consistent with OAR 690-380-2240(5), the applicant is proposing, under transfer application T-10734, to move 85.4 acres of supplemental irrigation under Certificate 83850 to the location of another primary right with similar reliability to the existing primary rights. If T-10734 is approved, no supplemental irrigation will remain for the lands proposed for transfer to instream use under T-10730.
- 22. Application T-10730 proposes to change the character of use to instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values and to establish mitigation credits in the Deschutes Ground Water Study Area.
- 23. Application T-10730 proposes to change the place of use of the right to create an instream reach from below the Low Line Ditch Diversion and from below the Crooked River Diversion to the confluence with the Deschutes River.
- 24. The applicant proposes the quantities of water to be transferred instream to be protected as follows:

Certificate Number	Instream Period	Rate (cfs)	Volume (acre-feet)
83857	Unspecified	0.838	268.0
83651	Unspecified	0.56	180.0
83732	Unspecified	0.138	44.0
	Total	1.536	492.0

25. The applicant proposes that any instream water right established as a result of this instream transfer be additive to existing instream water rights for the same reach established pursuant to ORS 537.348 (instream transfer process) and ORS 537.470 (allocation of conserved water

- process). The applicant also proposes that any instream water right established as a result of this instream transfer replace a portion of any existing instream rights established pursuant to ORS 537.346 (minimum streamflow conversion) and ORS 537.341 (state agency instream application process), with an earlier priority date.
- 26. The application includes a Land Use Information form completed and signed by a representative of Crook County. Additionally, the Department has provided notification of the proposed action to Crook County, Deschutes County and Jefferson County upon receipt of transfer application T-10730.
- 27. Notice of the application for transfer was published on December 2, 2008, pursuant to OAR 690-380-4000. No comments were filed in response to the notice.
- 28. On March 15, 2011, the Department mailed a copy of the draft Preliminary Determination proposing to approve Transfer Application T-10730 to the applicants. The draft Preliminary Determination cover letter set forth a deadline of April 14, 2011, for the applicants to respond. The applicants requested that the Department proceed with issuance of a Preliminary Determination and provided the necessary information to demonstrate that the applicants are authorized to pursue the transfer.

Instream Transfer Review Criteria (OAR 690-77-0075 and 690-380-4010)

- 30. Water has been used within the last five years according to the terms and conditions of the rights, and there is no information in the record that would demonstrate that the rights are subject to forfeiture under ORS 540.610.
- 31. Based upon information provided as part of the application, it appears that while water has been diverted from the Crooked River under each right that a portion of the water diverted under the rights may not have been diverted from the authorized point(s) of diversion. Although water may have been diverted from non-authorized points of diversion, a diversion structure and ditch sufficient to use the full amount of water allowed under the existing rights was present within the five-year period prior to submittal of Application T-10730.
- 32. The applicant requested that water be protected instream beginning from below the Low Line Ditch Diversion and from below the Crooked River Diversion to the confluence with the Deschutes River. Each water right proposed for transfer to instream use has specific points of diversion. The portion of each right proposed for transfer to instream use may be protected instream beginning at the authorized point of diversion. Certificate 83857 has four points of diversion associated with specific portions of the right. The instream use resulting from the transfer of a portion of Certificate 83857 to instream use will begin at each of the respective points of diversion.
- 33. A portion of the water diverted at each POD returns to the Crooked River below the POD and is available to downstream water right holders. To prevent injury to downstream water right holders and enlargement, the quantity of water that may be protected instream requires modification to account for both surface and subsurface return flows.

The hydrogeologic evaluation of where subsurface return flows occur is generally based on the following information: 1) the local shallow and regional ground water elevations, 2) the shallow and regional head gradient (i.e. ground water flow direction), 3) elevation of nearby streams, 4) elevation of closest gaining stream reaches, 5) distance from nearby streams and gaining stream reaches, and 6) local geologic information. When evaluating for return flows, the Department generally considers the place of use as a whole and where the majority of return flows occur based upon the presence of surface return flows (overland flow) and the factors described above for any subsurface return flows.

The place of use under each right proposed for transfer is located in close proximity to the Crooked River. A portion of the water diverted to the place of use returns to the river system around the points of diversion or close to the place of use (specifically for those lands that receive irrigation water from POD #1 and #2 under Certificate 83857 located some distance upstream from the place of use) as a result of overland flow. Remaining return flows take the form of subsurface return flows. Subsurface returns would also return to the river system in the area of where Lone Pine Road crosses the Crooked River at River Mile 30.

The instream flows at the points of diversion or near the place of use have been reduced by 10% to account for surface return flows and instream flows at Lone Pine Road have been reduced to the consumptive portion of the rights to account for subsurface return flows.

- 34. The applicant has not specified when water is requested to be protected instream. Based on a calculation using the full rate and duty of the three water rights, water may be protected instream for a period of 161 days. There is a pending instream water right application submitted by the Oregon Department of Fish and Wildlife for anadromous and resident fish rearing. Proposed instream flows for this use would generally not be satisfied June through November. With 161 days, water may be protected instream as a result of this transfer from June 1 through November 8.
- 35. Based on Finding of Fact #32 through #34, on March 15, 2011, the applicant agreed to modify the quantities to be transferred and protected instream as follows:

Resulting from Certificate 83857

Reach #1: From POD #1 (as described in Finding of Fact #14) to POD #2 (Low Line Ditch) (as described in Findings of Fact #14, #16, & #17).

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 - Nov. 8

Reach #2: From POD #2 (Low Line Ditch) to River Mile 32.9.

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	Tune 1 May 0
	1904/1910	0.03	10.0	June 1 – Nov. 8
	Total:	0.20	63.6	

Reach #3: From River Mile 32.9 to POD #7 (as Described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
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83857	1892	0.17	53.6	June 1 – Nov. 8
	1904/1910	0.027	8.62	Julie 1 – Nov. 8
	Total:	0.197	62.22	

Reach #4: At POD #7 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
	1892	0.17	53.6	
83857	1898	0.01	2.0	June 1 - Nov. 8
	1904/1910	0.027	8.62	
	Total:	0.207	64.22	

Reach #5: From just below POD #7 to POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period	
83857	1892	0.17	53.6		
	1898	0.009	2.87	June 1 - Nov. 8	
	1904/1910	0.027	8.62		
	Total:	0.206	65.09		

Reach #6: At POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
	1892	0.80	256.0	
83857	1898	0.009	2.87	June 1 - Nov. 8
19	1904/1910	0.027	8.62	
	Total:	0.836	267.49	

Reach #7: From just below POD #6 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
	1892	0.74	229.92	
83857	1898	0.009	2.87	June 1 - Nov. 8
	1904/1910	0.027	8.62	
	Total:	0.776	241.41	

Reach #8: From River Mile 30 to to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.37	115.2	
	1898	0.003	0.9	June 1 – Nov. 8
	1904/1910	0.01	4.5	
	Total:	0.383	120.6	

Resulting from Certificate 83651

Reach #1: From the POD for Certificate 83651 (as described in Findings of Fact #16 and #17) River Mile 32.9

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.56	180.0	June 1 – Nov. 8

Reach #2: From River Mile 32.9 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.50	159.67	June 1 – Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.25	81.0	June 1 – Nov. 8

Resulting from Certificate 83732

Reach #1: At POD for Certificate 83732 (as described in Finding of Fact #18)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.137	44.0	June 1 – Nov. 8

Reach #2: From just below the POD for Certificate 83732 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.12	38.32	June 1 – Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.06	19.8	June 1 – Nov. 8

- 36. The proposed changes, as modified, would not result in enlargement of the right.
- 37. The proposed changes, as modified, would not result in injury to other water rights.
- 38. The amount and timing of the proposed instream flow, as modified, is allowable within the limits and use of the original water rights.
- 39. The protection of flows within the proposed reaches is appropriate, considering:
 - a) The instream water rights will begin at the recorded points of diversion;
 - b) The location of confluences with other streams downstream of the points of diversion;
 - There are no known areas of natural loss of streamflow to the river bed downstream from the point of diversion; and
 - d) Return flows resulting from the exercise of the existing water right would re-enter the river within the proposed reaches and have been accounted for at appropriate points within each proposed reach.
- 40. There is an instream lease, IL-1081, currently in effect for a portion of the water rights proposed for transfer, specifically Certificates 83857 and 83732, to instream use. The instream lease was approved by the Department on July 27, 2010, as evidenced by Special Order Volume 81, Page 474. A correction order was issued on July 30, 2010, and supersedes

the original order, as evidenced by Special Order Volume 81, Page 546. This instream lease is scheduled to terminate on November 30, 2013, and includes a condition allowing for early termination of the lease order. This lease must be terminated before Transfer T-10730 may be approved. Also, the date on which this instream transfer may be approved may be affected by the date on which the existing instream lease is terminated to prevent injury and enlargement.

- 41. There are existing instream water rights established under ORS 537.348 (instream transfer process) and ORS 537.470 (allocation of conserved water process) within the same reach as that proposed for each of the new instream water rights, which include the use of water for fish and wildlife habitat, aquatic life, recreation, and pollution abatement. There presently are no instream water rights within the proposed reach created as a result of ORS 537.346 (minimum flow conversion) or ORS 537.341 (state agency instream water right application process). However, there is a pending instream water right application filed by the Oregon Department of Fish and Wildlife (ODFW) pursuant to ORS 537.341 to establish an instream water right from Bowman Dam to Lake Billy Chinook for anadromous and resident fish rearing, which if approved will have a priority date of May 11, 1990. Requested flows for this pending instream water right application are at times not available during the instream period identified in Finding of Fact #35.
- 42. By adding to other water rights leased or transferred instream at the same location or created through the conserved water statutes, the instream right will provide protection for additional streamflows previously identified as necessary for conservation, maintenance and enhancement of aquatic and fish life, fish and wildlife habitat and other ecological values.
- 43. By replacing a portion of any instream rights created at the request of state agency or under the minimum streamflow conversion process, the instream right will provide protection for streamflows previously identified as necessary for anadromous and resident fish rearing under earlier priority dates.
- 44. During the period June 1 through November 8, any instream water right established by this transfer application may replace a portion of instream water rights established pursuant to ORS 537.341 or ORS 537.346 and be in addition to instream water rights established pursuant to ORS 537.348 or ORS 537.470 unless otherwise specified by an order approving a new instream water right under these statutes.
- 45. The total monthly quantities of water to be protected under the existing and proposed instream rights in the reach will provide for a beneficial purpose and do not exceed the estimated average natural flow.

Preliminary Award of Deschutes Basin Mitigation Credits

46. The mitigation project was originally submitted by the Daniels Group, LLC. However, on March 29, 2010, the application was assigned to Grass Butte, LLC, and PremierWest Bank. Grass Butte, LLC, and PriemierWest Bank (the Applicants) have requested this instream transfer application be used to establish mitigation credits in the Deschutes Ground Water

- Study Area. The Applicants have also requested that any mitigation credits generated from this project be assigned to Grass Butte, LLC, and PremierWest Bank.
- 47. The Department assigned this mitigation credit project number MP-124.
- 48. The Department provided notice of the mitigation credit project pursuant to OAR 690-521-0300 (6) on March 10, 2009. No comments were received in response to this notice.
- 49. The Department consulted with representatives from ODFW, DEQ, Oregon Parks and Recreation Department, Oregon Department of State Lands, the Oregon Department of Agriculture, and the Department's Watermaster pursuant to OAR 690-521-0300 (7) and OAR 690-505-0630 (2) on March 10, 2009. No comments were received in response to this notice.
- 50. No changes were made to the instream transfer as a result of public notice or consultation with the above named agencies.
- 51. The proposed transfer of 123.0 acres of irrigation (67.0 acres under Certificate 83857, 45.0 acres under Certificate 83651, and 11.0 acres under Certificate 83732) to instream use will provide 221.4 acre-feet of mitigation water (120.6 AF from Certificate 83857, 81.0 AF from Certificate 83651, and 19.8 AF from Certificate 83732). Therefore, 221.4 mitigation credits (1.0 mitigation credit = 1.0 AF of mitigation water) may be awarded to this mitigation credit project and assigned to Grass Butte, LLC, and PremierWest Bank. The mitigation credits may be used to mitigate for ground water permit applications and existing conditioned ground water permits and certificates, providing mitigation pursuant to the Deschutes Ground Water Mitigation Rules, OAR Chapter 690, Division 505, within the Crooked River Zone of Impact and the General Zone of Impact.
- 52. A total of 492.0 ÅF is proposed to be transferred to instream use and 221.4 AF of that, as identified above, may be used for mitigation purposes. The amount of water transferred instream and not used for mitigation purposes will benefit instream flow.
- 53. The Department shall award final mitigation credits upon completion of the approved project by the applicant and verification by the Department that the project is complete. The issuance of certificates for the proposed instream water right shall result in completion of the project and verification that the project is complete.
- 54. Mitigation credits awarded to this mitigation credit project will be valid beginning the first calendar year that water will be protected instream under any new instream water right created as a result of this instream transfer application.

Determination and Proposed Action

The changes in character of use and place of use to instream use proposed in application T-10730 appear to be consistent with the requirements of ORS 540.505 to 540.580, ORS 537.348, OAR 690-380-5000, and OAR 690-077-0075. If protests are not filed pursuant to OAR 690-380-4030, the application will be approved.

This mitigation project appears to result in mitigation credits pursuant to ORS 537.746 and OAR 690-521-0300 and 690-521-0400.

If application T-10730 is approved, the final order will include the following:

- The changes in character of use and place of use to instream use proposed in application T-10730 are approved.
- 2. Water right certificates 83857, 83651, and 83732 are cancelled. New certificates confirming the instream water rights shall be issued. New certificates will be issued describing that portion of Certificates 83857 and 83651 not affected by this transfer.
- 3. The instream water rights shall provide for the protection of streamflows for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values in the Deschutes River as follows:

Resulting from Certificate 83857

Reach #1: From POD #1 (as described in Finding of Fact #14) to POD #2 (Low Line Ditch) (as described in Findings of Fact #14, #16, & #17).

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 - Nov. 8

Reach #2: From POD #2 (Low Line Ditch) to River Mile 32.9.

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
02057	1892	0.17	53.6	June 1 – Nov. 8
83857	1904/1910	0.03	10.0	
	Total:	0.20	63.6	

Reach #3: From River Mile 32.9 to POD #7 (as Described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
02057	1892	0.17	53.6	1 1 N 0
83857	1904/1910	0.027	8.62	June 1 – Nov. 8
	Total:	0.197	62.22	

Reach #4: At POD #7 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 – Nov. 8
	1898	0.01	2.0	
	1904/1910	0.027	8.62	
	Total:	0.207	64.22	

Reach #5: From just below POD #7 to POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
	1892	0.17	53.6	
83857	1898	0.009	2.87	June 1 - Nov. 8
	1904/1910	0.027	8.62	
	Total:	0.206	65.09	

Reach #6: At POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
	1892	0.80	256.0	
83857	1898	0.009	2.87	June 1 − Nov. 8
	1904/1910	0.027	8.62	
	Total:	0.836	267.49	

Reach #7: From just below POD #6 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
	1892	0.74	229.92	
83857	1898	0.009	2.87	June 1 - Nov. 8
	1904/1910	0.027	8.62	
	Total:	0.776	241.41	

Reach #8: From River Mile 30 to to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
	1892	0.37	115.2	
83857	1898	0.003	. 0.9	June 1 - Nov. 8
	1904/1910	0.01	4.5	
	Total:	0.383	120.6	

Resulting from Certificate 83651

Reach #1: From the POD for Certificate 83651 (as described in Findings of Fact #16 and #17) River Mile 32.9

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.56	180.0	June 1 – Nov. 8

Reach #2: From River Mile 32.9 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.50	159.67	June 1 – Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.25	81.0	June 1 – Nov. 8

Resulting from Certificate 83732

Reach #1: At POD for Certificate 83732 (as described in Finding of Fact #18)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.137	44.0	June 1 - Nov. 8

Reach #2: From just below the POD for Certificate 83732 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.12	38.32	June 1 - Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.06	19.8	June 1 - Nov. 8

- Water rights upstream of the original point of diversion shall not be subject to regulation for flows in excess of the quantities to which this instream water right is entitled at the original point of diversion.
- 5. 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.
- 6. The instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise identified in a subsequent order establishing a new instream water right under these statutes.
- 7. The right to the use of the water is restricted to beneficial use at the place of use described, and is subject to all other conditions and limitations contained in Certificates 83857, 83651, and 83732 and any related decree.
- 8. The former place of use of the transferred water shall no longer receive water as part of these rights.
- 9. Preliminary Award of Mitigation Credits: Final Award of Mitigation Credits may be made upon completion of the project and verification by the Department that the project has been completed as proposed. Issuance of a new instream water right certificate, as described herein, will result in completion of the project and verification by the Department that the project is complete. If completed as proposed, mitigation credits, in the amount of 221.4 credits, as described herein, may be awarded to this mitigation project and assigned to Grass Butte, LLC and PremierWest Bank. Mitigation credits awarded may be used to satisfy a mitigation obligation of a ground water permit applicant and/or ground water permit/certificate holder in the Crooked River Zone of Impact and the General Zone of Impact.
- 10. Mitigation credits are valid until used to satisfy a mitigation obligation of a ground water permit applicant and/or ground water permit/certificate holder within the Deschutes Ground

Water Study Area pursuant to the Deschutes Ground Water Mitigation Rules. Mitigation credits are used when a person submits to the Department documentary evidence that valid credits have been obtained and assigned to satisfy a mitigation obligation. Mitigation credits generated by this project will be available for use as mitigation beginning the first calendar year that water will be protected instream under each of the new instream water rights.

11. The instream certificates created as a result of the approval of this transfer shall be identified as a mitigation credit project. Within each instream certificate, the number of mitigation credits, the zone of impact in which the mitigation credits were generated and may be used, and the volume of water dedicated instream solely for instream benefits shall also be specified.

Dated at Salem, Oregon this <u>13</u> day of April, 2011.

Dwight French, Water Right Services Administrator, for

PHILLIP C. WARD, DIRECTOR

This Preliminary Determination was prepared by a Reimbursement Authority contractor. If you have questions about the information in this document, you may reach Laura Wilke at (503) 986-0884 or Laura.K.Wilke@wrd.state.or.us.

Protests should be addressed to the attention of Field Services Division, Water Resources Department, 725 Summer St. NE, Suite A, Salem, OR 97301-1266.

Notice of Preliminary Determination for Water Right Transfer T-10730 / Mitigation Project MP-124

T-10730 filed by GRASS BUTTE, LLC (1111 MAIN STREET, SUITE 700, VANCOUVER WA, 98660) and by PREMIER WEST BANK (875 RIMROCK WAY, SUITE 100, REDMOND OR, 97756) proposes a change in place of use and character of use under Certificates 83857, 83651, and 83732. The first right allows the use of 0.84 CUBIC FEET PER SECOND (CFS) (priority dates 1898, 1904/1910, and 1892) from the CROOKED RIVER in Sec.8, T15S, R16E, and Secs. 20, 24, and 29, T14S, R14E, W.M. for IRRIGATION in Secs. 20, 21, and 29. The second right allows the use of 0.56 CFS (priority date 1903) from the CROOKED RIVER in Sec. 24, T 14S, R 14E, W.M. for IRRIGATION in Sec. 28. The third right allows the use of 0.137 CFS (priority date 1892) from the CROOKED RIVER in Sec. 20, T14S, R14E, W.M. for IRRIGATION in Sec. 20. The applicant proposes to create an instream use in the Crooked River (from each point of diversion to Lake Billy Chinook) at a maximum of 1.536 CFS, and to establish mitigation credits in the Crooked River and General Zones of Impact. The Water Resources Department has concluded that the proposed transfer appears to be consistent with the requirements of ORS Chapter 540 and OAR 690-380-5000. The Department has also concluded that the proposed transfer appears to result in mitigation credits pursuant to OAR 690-521-0300 & OAR 690-521-0400.

Any person may file, jointly or severally, with the Department a protest or standing statement within 30 days after the date of final publication of notice in the Department's weekly notice or of this newspaper notice, whichever is later. A protest form and additional information on filing protests may be obtained by calling (503) 986-0883. The last date of newspaper publication is [INSERT DATE OF LAST PUBLICATION]. If no protests are filed, the Department will issue a final order consistent with the preliminary determination.

Laura Wilke

From: Jeremy Giffin

Sent: Thursday, June 02, 2011 11:40 AM

To: Laura Wilke

Subject: RE: T-10730 - Grass Butte - POD loc question
The actual diversion from the river is 44.335984, -120.999700.

Jeremy

From: Laura Wilke

Sent: Thursday, June 02, 2011 11:34 AM

To: Jeremy Giffin

Subject: RE: T-10730 - Grass Butte - POD loc question

Thanks Jeremy - I can't move away from the lat/lang coordinates since that was part of the PD that went out and we need to issue the FO consistent with the PD but I can correct the lat/lang numbers. Is there anyway we can get new GPS coordinates?????? I'd rather have the right ones in the order.

thanks, laura

From: Jeremy Giffin

Sent: Thursday, June 02, 2011 11:31 AM

To: Laura Wilke

Subject: RE: T-10730 - Grass Butte - POD loc question

Sorry for the confusion. You have the right POD description it is just that until recently there was not any kind of POD structure at the head of Mccallister slough it was just a slough that ran off channel and back into the river but at the location I gave you of 44.33859, -121.01154 there was a headgate that was used to send water down low line ditch. But as of about 2 years ago a headgate was installed at the top of mccallister slough (lowline ditch) where it is diverted from the Crooked, although there are now 2 headgates that are used to regulate the low line ditch. I will attach pictures of mccalister slough where it is diverted from the river and the internal headgate along the slough. So go ahead and forget about the GPS location as that is now an internal delivery headgate.

Jeremy

From: Laura Wilke

Sent: Thursday, June 02, 2011 8:48 AM

To: Jeremy Giffin

Subject: T-10730 - Grass Butte - POD loc question

Importance: High

Jeremy:

I need to get this question resolved ASAP. I'm in the process of trying to get the FO issued either today or tomorrow if at all possible.

A while back, we identified that the POD for Certificate 83651 is Low Line Ditch, which is identified in the Decree. This POD is described in the Cert as being located in T14S R14E Sec 24 SE SW.

You then provided some more accurate coordinates, which we used in one of John Shorts original

6/2/2011

transfers way back when. The coordinates I have are Latitude 44.33859 degrees north and Longitude 121.01154 degrees west.

Dorothy asked, when reviewing T-10730, whether this should really be described as Latitude 44.33859 degrees and Longitude -121.01154 degrees.

When I was checking the coordinates and plugging them into a location finder, it shows the coordinates as being located in T14S R14E Sec 23 (not Sec 24). Got me to wondering if I have the right coordinates or if something else is off.

I'd like to get this clarified before I finalize the final order and instream certificates. Please take a look and let me know.

Just doing a quick Google Earth check, the coordinates could be 44 degrees 20'09.29" North and 120 degrees 59'58.53" West (aka Lat 44.335914, Long -120.999592), which does seem to fit with Sec 24, T14S R14E SE SW.

Thanks, Laura

Laura Wilke Flow Restoration Program Coordinator Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1271 Phone: (503) 986-0884

Fax: (503) 986-0903

Laura Wilke

From: Jeremy Giffin

Sent: Thursday, June 02, 2011 11:31 AM

To: Laura Wilke

Subject: RE: T-10730 - Grass Butte - POD loc question

Attachments: crookedrivcentrallower.JPG; mcallisterslough.JPG

Sorry for the confusion. You have the right POD description it is just that until recently there was not any kind of POD structure at the head of Mccallister slough it was just a slough that ran off channel and back into the river but at the location I gave you of 44.33859, -121.01154 there was a headgate that was used to send water down low line ditch. But as of about 2 years ago a headgate was installed at the top of mccallister slough (lowline ditch) where it is diverted from the Crooked, although there are now 2 headgates that are used to regulate the low line ditch. I will attach pictures of mccalister slough where it is diverted from the river and the internal headgate along the slough. So go ahead and forget about the GPS location as that is now an internal delivery headgate.

Jeremy

From: Laura Wilke

Sent: Thursday, June 02, 2011 8:48 AM

To: Jeremy Giffin

Subject: T-10730 - Grass Butte - POD loc question

Importance: High

Jeremy:

I need to get this question resolved ASAP. I'm in the process of trying to get the FO issued either today or tomorrow if at all possible.

A while back, we identified that the POD for Certificate 83651 is Low Line Ditch, which is identified in the Decree. This POD is described in the Cert as being located in T14S R14E Sec 24 SE SW.

You then provided some more accurate coordinates, which we used in one of John Shorts original transfers way back when. The coordinates I have are Latitude 44.33859 degrees north and Longitude 121.01154 degrees west.

Dorothy asked, when reviewing T-10730, whether this should really be described as Latitude 44.33859 degrees and Longitude -121.01154 degrees.

When I was checking the coordinates and plugging them into a location finder, it shows the coordinates as being located in T14S R14E Sec 23 (not Sec 24). Got me to wondering if I have the right coordinates or if something else is off.

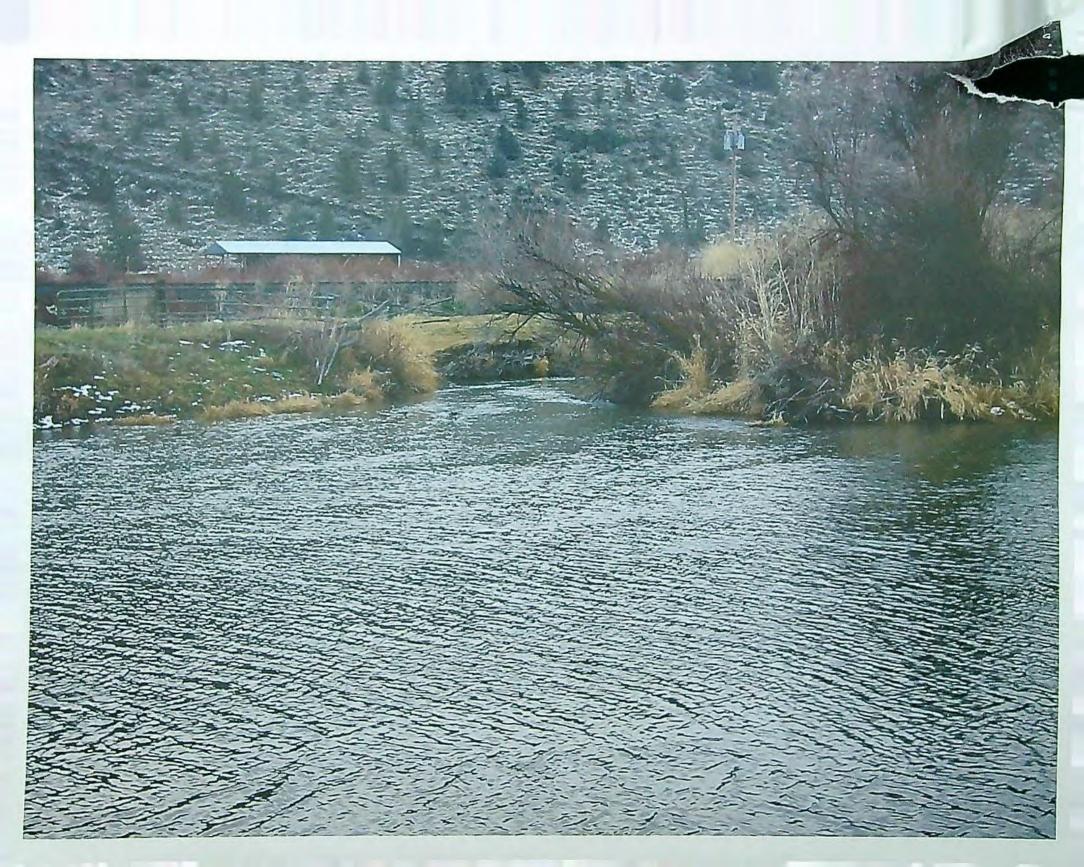
I'd like to get this clarified before I finalize the final order and instream certificates. Please take a look and let me know.

Just doing a quick Google Earth check, the coordinates could be 44 degrees 20'09.29" North and 120 degrees 59'58.53" West (aka Lat 44.335914, Long -120.999592), which does seem to fit with Sec 24, T14S R14E SE SW.

Thanks, Laura

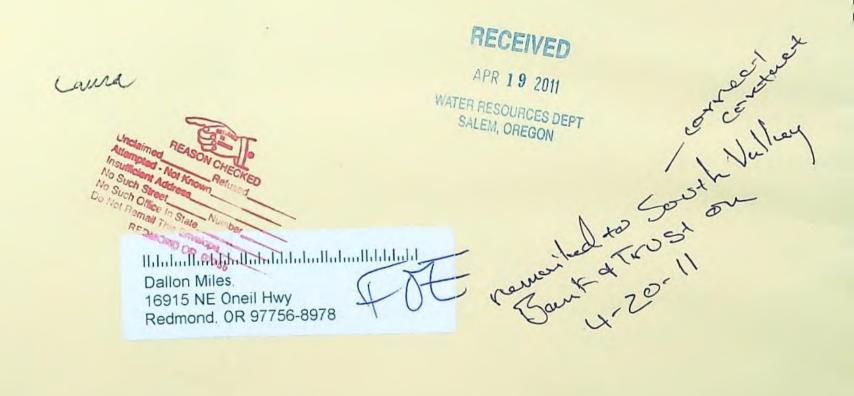
Laura Wilke Flow Restoration Program Coordinator Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1271 Phone: (503) 986-0884 Fax: (503) 986-0903













Equitable Center, 530 Center St., NE, Suite 400, Salem, OR 97301 | Phone 503.540.4262 | Fax 503.399.1645 | www.schwabe.com

SHONEE D. LANGFORD

Direct Line: Salem 503-540-4261; Portland 503-796-2896

E-Mail: slangford@schwabe.com

May 12, 2011

BY HAND DELIVERY

Laura K. Wilke Oregon Water Resources Department 725 Summer St NE Ste A Salem, OR 97301-1271

Re: Affidavits of Publication, Transfer Applications T-10730, 10732, 10733 and

10734

Our File No.: 120728/170225

Dear Laura:

Enclosed for filing in connection with the above-referenced transfers are four Affidavits of Publication confirming publication of required notices in The Bulletin. Thank you for your assistance.

Sincerely,

Shonee D. Langford

SDL:kdo

cc:

(all w/o encls.)
John A. Short

James B. Newton

RECEIVED OVER THE COUNTER

RECEIVED

MAY 12 2011

WATER RESOURCES DEPT SALEM, OREGON

Affidavit of Publication

STATE OF OREGON, COUNTY OF DESCHUTES

I, Missy Nelson, a citizen of the United States and a resident of the county aforesaid; I am over the age of eighteen years, and not party to or interested in the above-entitled matter. I am the principal clerk of the printer of

The Bulletin

a daily newspaper of general circulation, published in the aforesaid county and state as defined by ORS 193.010 and ORS 193.020, that

Acct Name: WATER RIGHT SERVICES, LLC

Legal Description: LEGAL NOTICE, Notice of Preliminary, Determination for, Water Right

Transfer T-10730 / , Mitigation Project MP-124, ,

T-10730 filed by GRASS

BUTTE, LLC (1111 ...

a printed copy of which is hereto affixed was published in each regular and entire issue of the said newspaper and not in any supplement thereof on the following dates, to wit:

4/15/11 Page F4 4/22/11 Page F6 4/29/11 Page F5

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at Bend, Oregon, this 29 day of April, 2011.

Signature

AdName: 16364305A

OFFICIAL SEAL
KIM R ELDRED
NOTARY PUBLIC-OREGON
COMMISSION NO. 442658
MY COMMISSION EXPIRES SEPT. 16, 2013

No		
In the	Court of the	
STATE OF OREGO for the COUNTY OF DESCHU		
AFFIDAVIT OF PUBL		
By From the Office of		
Attorney for		

933 Pickups



F-150 XLT 2010, Super Crew, garaged, 4900 mi., red candy, mint \$27,500, 541-279-8976.

Ford F-250 1996, X-Cab runs well, gas, tow \$2000, 541-788-8575.



Ford F250 4x4 1993. 5.8L engine, Auto, AC, shell, new brakes, tow package, 127K miles, \$2800, 541-408-8330



Ford Flatbed 1985, diesel, new tires, rims and glow plugs, gooseneck hitch and rear hitch, 4WD., great condition, \$2500. 541-419-6593. or 541-419-6552.

> FORD Pickup 1977, step side, 3S1 Windsor, 115,000 miles, MUST SEE! \$3800. 541-350-1686

Ford Ranger 2004 Super Cab. XLT, 4X4, V6, 5-spd. A/C bed liner, tow pkg, 120K Like New! KBB Retail 360-990-3223

Get your business GROWING

with an ad in The Bulletin's "Call A Service Professional" Directory

GMC 3/4-ton 4x4 1992, 5.7

Priced to Sell!

International Flat Bed Pickup 1963, 1 ton dually, 4 spd. trans., great MPG, could be exc. wood hauler, runs great, new brakes, \$1950, 541-419-5480.

> SMOLICH 6TH ANNUAL 72-HOUR SALES EVENTI

4 SMOLICH Locations on one lot for incredible Savings! Located at Smolich Hyundai 2250 NE Hwy 20

3 Days Only!

REGISTER TO WIN Entertainment Package, 50" Flat Screen TV & Nintendo WII Console

935 Sport Utility Vehicles



Grand Cherokee Laredo 1998, 6 cyl., 4L, 180K mi., new tires & battery, leather & alloy, ask \$3450, Bill, 541-480-7930.



Jeep Wrangler 2004, right hand drive, 51K, auto., A/C, 4x4, AM/FM/CD, exc. cond., \$14,500, 541-408-2111



Porsche Cayenne 2004, 86k mi. Immac., Loaded, Dir. main tained, \$23k. 503-459-1580

What are you looking for? You'll find it in The **Bulletin Classifieds** 541-385-5809



Porsche Cayenne Turbo 2008, AWD, 500HP, 38K mi., exc. cond, meteor gray, 2 sets of wheels and new tires, fully loaded, \$59,750 firm. 541-480-1884

> SMOLICH 6TH ANNUAL 72-HOUR SALES EVENT!

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541-749-4025 www.smolichmotors.com

> 940 Vans



Cargo Van 1999, with tow package, good condition, \$4800. Call 541-419-5693

Call The Bulletin At 541-385-5809 Place Your Ad Or E-Mail

At: www.bendbulletin.com

Ford E150 1988, short wheel

975 Automobiles

Lincoln LS 2005 V6, exint cond 43K miles, blue w/gray interior, \$10,900. 541-923-5758



MAZDA MIATA 1992, black 81k miles, new top, stock throughout See craigslist \$4,990, 541-610-6150.



Mazda Mlata MX5 2003, sil ver w/black interior, 4-cyl., 5 spd., A/C, cruise, new tires 23K, \$10,500, 541-410-8617

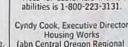
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MERCEDES C300 2008 New body style, 30,000 miles, heated seats, luxury sedan, CD, full factory war ranty, \$23,950.

Like buying a new car! 503-351-3976.

CIPCLE THIS! ing-works.org. Mercedes GL450, 2007 If you have any questions or need special accommoda-All wheel drive, 1 owner, navi-gation, heated seats, DVD, 2 tions, please contact Cathy Ostman at (541) 323-7402. moonroofs. Immaculate and never abused. \$27,950. For special assistance due to motion, vision, speech and hearing disabilities, the toll free number of Qwest's ser-vices for customers with dis-



you are looking for in the

CLASSIFIEDS

LEGAL NOTICE

IN THE CIRCUIT COURT OF THE STATE OF OREGON

FOR THE COUNTY OF

DESCHUTES

Probate Department

In the Matter of the Estate of

Ruth Zitnik

Deceased.

Case No. 11PB0052MS NOTICE TO INTERESTED

NOTICE IS HEREBY GIVEN

that the undersigned has been appointed Personal Representative. All persons

having claims against the

present them, with vouchers

attached, to the undersigned

Personal Representative's attorney at Widmer Mensing Representative's

Law Group, LLP. 339 SW Century Drive, Suite 101, Bend, Oregon 97702, within

four months after the date of

first publication of this no-

tice, or the claims may be

All persons whose rights may

be affected by the proceed-ings may obtain additional

information from the records

are required

estate

to

1000

Legal Notices

LEGAL NOTICE

Adoption? A childless mar-ried couple seeks to adopt.

Love, laughter & opportu-

nity. Financial security. Ex-penses paid. Lets help each

other! Kelly & John 1-888-521-4003

LEGAL NOTICE

scheduling a pre-bid walk for

Standing Seam Roofing at

the LaPine High School on May 3, 2011 at 2:00PM. Spec

may be pick up at district of-fice.

LEGAL NOTICE

Housing Works will hold a Board Meeting on Wednes-day, May 11th, 2011 at 3:00

p.m. in the Board Room of Housing Works, located at

405 SW 6th Street, Red-mond, OR 97756, and with

electronic communications with Board members.

Principal subjects antici-

pated to be considered in-

clude general business. A draft agenda for the meeting

will be posted under Legal Notices on the Housing Works web site www.hous-

Bend LaPine Schools

Housing Works (abn Central Oregon Regional Housing Authority) Mercedes V-12 Limousine Hand crafted for Donald Trump. Cost: \$1/2 million. Just \$38,900. 541.601.6350 Find exactly what



Mini Cooper 2006, immaculate cond, 42,500 mi, great gas mileage, green w/white top, \$13,500. 541-408-2265

Mitsubishi 3000 GT 1999 auto., pearl white, very lo mi. \$9500. 541-788-8218.

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The Bulletin

Saab 9-3 SE 1999 convertible, 2 door, Navy with black soft top, tan interior, very good condition \$5200 firm. 541-317-2929

Where can you find a helping hand? From

1000 Legal Notices

Monday through Friday. This is a public meeting where deliberation of the Budget Committee will take place. Any person may appear at the meeting and discuss the proposed programs with the Budget Committee. For further information, contact Teri Maerki, Financial/Budget Analyst, at (541)388-6536.

LEGAL NOTICE NOTICE OF COUNTYWIDE LAW ENFORCEMENT DISTRICT (DISTRICT 1) BUDGET COMMITTEE MEETING

A public meeting of the Countywide Law Enforce-ment District (District 1) Budget Committee, Des-chutes County, State of Oregon, to discuss the budget for the fiscal year July 1, 2011, to June 30, 2012, will be held at the Deschutes Services Center, 1300 NW Wall Street, Bend, Oregon. The meeting will take place on the 18th day of May, 2011, beginning at 10:00 The purpose of the meeting is to receive the budget message and to receive comment from the public on the budget. A copy of the budget document may be inspected or obtained on or after May 9, 2011, at the Deschutes County Board of Commissioners' Office, 1300 NW Wall Street, Bend, Or-egon, 97701, between the hours of 8 a.m. to 5 p.m. Monday through Friday. This is a public meeting where deliberation of the Budget Committee will take place. Any person may appear at the meeting and discuss the proposed programs with the Budget Committee. For further information, contact Teri Maerki, Financial/Budget Analyst, at (541)388-6536.

LEGAL NOTICE NOTICE OF DESCHUTES COUNTY EXTENSION AND 4-H SERVICE DISTRICT BUDGET COMMITTEE MEETING

A public meeting of the Deschutes County Extension and 4-H Service District Budget Committee, Deschutes Committee, Deschutes
County, State of Oregon, to
discuss the budget for the
fiscal year July 1, 2011, to
June 30, 2012, will be held at
the Deschutes Services Center, 1300 NW Wall Street Bend, Oregon. The meeting will take place on the 16th day of May, 2011, beginning at 9:00 a.m. The purpose of the meeting is to receive the budget message and to re-ceive comment from the public on the budget. A copy of the budget document may of the budget document may be inspected or obtained on or after May 9, 2011, at the Deschutes County Board of Commissioners' Office, 1300 NW Wall Street, Bend, Oregon, 97701, between the hours of 8 a.m. to 5 p.m. Monday through Friday. This is a public meeting where deliberation of the Budget Committee will take place. Committee will take nlare

Legal Notices

LEGAL NOTICE Notice of Preliminary Determination for Water Right Transfer T-10732

T-10732 filed by THE DANIELS GROUP, 1111 MAIN ST., SUITE 700, VANCOU-T-10732 filed VER WA 98660 proposes an additional point of diversion under Certificate 86137. The right allows the use of 0.43 CUBIC FOOT PER SECOND (priority date 1903) from the CROOKED RIVER in Sec. 20. 14 S, R 14 E, W.M. for 1R-RIGATION in Sec. 28. The applicant proposes an additional point of diversion ap-proximately 3.5 miles up-stream in Sec. 23, T 14 S, R 14 E, W.M. The Water Resources Department has concluded that the proposed transfer appears to be consistent with the require-ments of ORS Chapter 540 and OAR 690-380-5000.

Any person may file, jointly or severally, with the De-partment a protest or standing statement within 30 days after the date of final publication of notice in the Department's weekly notice or of this newspaper notice, whichever is later. A protest form and additional information on filing protests may be obtained by calling (503) 986-0883. The last date of newspaper publication April 29, 2011. If no protests are filed, the Depart-ment will issue a final order consistent with the prelimi nary determination.

Notice of Preliminary Determination for Water Right Transfer T-10733

T-10733 filed by DANIELS GROUP, LLC, 1111 MAIN ST. SUITE 700, VANCOUVER WA 98660 proposes a change in points of diversion and place of use under Certificate 83850. The right allows the use of 1.2 CUBIC FEET PER SECOND (priority date APRIL 8, 1914) from the CROOKED RIVER in Sec. 29, T 14 S, R 14 E, W.M. for IRRIGATION in Sec. 20 and 29. The applicant proposes to move the points of diversion approximately 0.75 miles down stream and approximately 3.5 miles upstream in Sec. 20, T 14 S, R 14 E, W.M. and in Sec. 23, T 14 S, R 14 E, W.M., and to change the place of use to Sec. 28 and 29, T14 S, R 14 E W.M.. The Water Resources Depart-ment has concluded that the proposed transfer appears to be consistent with the re-quirements of ORS Chapter 540 and OAR 690-380-5000.

Any person may file, jointly or severally, with the Deing statement within 30 days after the date of final publication of notice in the Department's weekly notice or of this newspaper notice, Legal Notices

LEGAL NOTICE Notice of Preliminary Determination for Water Right Transfer T-10734

PUBLIC NOTICES

T-10734 filed by THE DANIELS GROUP, LLC, 1111 MAIN ST. SUITE 700, VAN-COUVER WA 98660 proposes a change in points o diversion and place of use under Certificate 83850. The right allows the use of 2.16 CUBIC FEET PER SECOND (priority date APRIL 8, 1914) from the CROOKED RIVER AND PRINEVILLE RESER VOIR in Sec. 23 and 29 T 14 R 14 E, W.M. for SUPPLE MENTAL IRRIGATION in Sec. 20, 28, and 29. The appl cant proposes to move the point of diversion approxi-mately 3 miles upstream to Sec. 22, T 14 S, R 14 E, W.M.) and to change the place of use to Sec. 15 and 22, T 14S, R 14 E, W.M. The Water Resources Department has concluded that the proposed transfer appears to be consistent with the re-quirements of ORS Chapter

540 and OAR 690-380-5000. Any person may file, jointly or severally, with the Department a protest or stand ing statement within 30 days after the date of final publi cation of notice in the Department's weekly notice or of this newspaper notice whichever is later. A protest form and additional informa tion on filing protests may be obtained by calling (503) 986-0883. The last date of newspaper publication April 29, 2011. If no pro-tests are filed, the Department will issue a final orde consistent with the prelimi nary determination.

LEGAL NOTICE NOTICE OF REDMOND LIBRARY COUNTY SERVICE DISTRICT BUDGET COMMITTEE MEETING

Redmond Library County
Sociol District Budget A public meeting of the Service District Budget Committee, Deschutes County, State of Oregon, to discuss the budget for the fiscal year July 1, 2011, to June 30, 2012, will be held at the Deschutes Services Cen ter, 1300 NW Wall Street Bend, Oregon. The meeting will take place on the 16th day of May, 2011, beginning at 9:00 a.m. The purpose of the meeting is to receive the budget message and to re-ceive comment from the public on the budget. A copy of the budget document may be inspected or obtained or or after May 9, 2011, at the Deschutes County Board of Commissioners' Office, 1300 NW Wall Street, Bend, Oregon, 97701, between the hours of 8 a.m. to 5 p.m Monday through Friday. This is a public meeting where deliberation of the Budget Committee will take place.

Legal Notices

Services Center, 1300 NW Wall Street, Bend, Oregon. The meeting will take place on the 16th day of May, 2011, beginning at 9:00 a.m. The purpose of the meeting is to receive the budget mes sage and to receive com ment from the public on the budget. A copy of the bud-get document may be inspected or obtained on or after May 9, 2011, at the De schutes County Board of Commissioners' Office, 1300 NW Wall Street, Bend, Or-egon, 97701, between the hours of 8 a.m. to 5 p.m Monday through Friday. This is a public meeting where deliberation of the Budget Committee will take place Any person may appear at the meeting and discuss the proposed programs with the Budget Committee. For fur ther information, contact Terr Maerki. Financial/Budge Analyst, at (541)388-6536.

LEGAL NOTICE NOTICE OF SUNRIVER SERVICE DISTRICT

BUDGET COMMITTEE MEETING A public meeting of the Sun river Service District Budget Committee, Deschutes County, State of Oregon, to discuss the budget for the fiscal year July 1, 2011, to June 30, 2012, will be held at the Deschutes Services Cen-ter, 1300 NW Wall Street Bend, Oregon. The meeting will take place on the 16th day of May, 2011, beginning at 9:00 a.m. The purpose of the meeting is to receive the budget message and to re ceive comment from the public on the budget. A copy of the budget document may be inspected or obtained on or after May 9, 2011, at the Deschutes County Board of Commissioners' Office, 1300 NW Wall Street, Bend, Oregon, 97701, between the hours of 8 a.m. to 5 p.m. Monday through Friday. This is a public meeting where deliberation of the Budget Committee will take place Any person may appear at the meeting and discuss the proposed programs with the Budget Committee. For further information, contact Teri Maerki, Financial/Budget Analyst, at (541)388-6536.

LEGAL NOTICE Symbiotics LLC, on behalf of Wickiup Hydro Group, LLC Box 535, Rigby, 83442), submitted a Final Li cense Application with the Federal Energy Regulatory Commission for the Wickiup Dam Hydroelectric Project (FERC No. 12965) on March 25, 2011. The project would add a 7.15-MW run-of-river generation facility to the existing Wickiup Dam in Des-chutes County, Oregon. A copy of the Final License Application is available for pub lic viewing at the La Pine Public Library. The ment can also be down

1000 Legal Notices

July 1, 2010 until paid; plus

all accrued late charges thereon; and all trustee's fees, foreclosure costs and any sums advanced by the Beneficiary pursuant to the terms of said deed of trust. Whereof, notice hereby is given that FIDELITY NATIONAL TITLE INSURANCE COMPANY, as the duly appointed trustee under the Deed of Trust will on August 23, 2011 at the hour of 11:00 AM, Standard of Time, as established by section 187.110, Oregon Revised Statues, at the front entrance of the Courthouse, 1164 N.W. Bond Street, Bend, County of Deschutes, State of Oregon, sell at public auction to the highest bidder for cash the interest in the said described real property which the grantor had or had power to convey at the time of the execution of the Deed of Trust, together with any interest which the grantor or his successor(s) in interest acquired after the execution of the Deed of Trust, to satisfy the foregoing obligations thereby secured and the costs and expenses of sale, including a reasonable charge by the trustee. Notice is further given that any person named in Section 86.753 of Oregon Revised Statutes has the right to have the foreclosure proceeding dismissed and the trust deed reinstated by payment to the Beneficiary of the entire amount then due (other than such portion of said principal as would not then be due had no default occurred), together with the costs, trustee's or attorney's fees and curing any other default complained of in the Notice of Default by tendering the performance required under the obligation or Deed of Trust, at any time prior to five days before the date last set for sale, FOR FURTHER INFORMATION, PLEASE CONTACT FIDELITY NATIONAL TITLE INSURANCE COMPANY, 1920 Main Street, Suite 1120, Irvine, CA 92614 949-252-4900 SALE INFORMATION CAN BE OBTAINED ON LINE AT www.lpsasap.com AUTOMATED SALES INFORMATION PLEASE CALL 714-730 - 2727 TRUSTEE'S NOTICE OF SALE In construing this notice, the masculine gender includes the feminine and the neuter the singular includes plural, the word "grantor" includes any successor in interest to the grantor as well as any other persons owing an obligation, the performance of which is secured by said Deed of Trust, the words

"trustee" and 'Beneficiary' include their respective suc-cessors in interest, if any.

Dated: April 22, 2011 FIDELITY NATIONAL TITLE

INSURANCE COMPANY

Trustee Juan Enriquez.

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Lexus RX 350 2009



Matador red, beige leather Navigation system Hid headlamps, \$36,995



541-598-3750 AutoSource West of 97 & Empire, Bend



2004, 4x4, leather, moon, NAV, only 58,000 miles. # 732384 \$21,995



541-598-3750 DLR# 0225 Oregon West of 97 & Empire, Bend

Need to get an ad in ASAP?

Fax it to 541-322-7253

The Bulletin Classifieds

Infiniti FX35 2004



sport utility, leather, moon, loaded! VIN#221609 \$20,995 541-598-3750 DLR# 0225



West of 97 & AutoSource Empire, Bend

CHEVY SUBURBAN LT 2005

- 4WD, 68,000 miles. · Great Shape.
- Original Owner

\$19,450! 541-389-5016 evenings.

Ford Mustang Convertible LX 1989, V8 engine, white w/red interior, 44K mi., exc cond., \$6995, 541-389-9188.

auto tech. \$1200 480-5950 SMOLICH 6TH ANNUAL 72-HOUR SALES EVENT!

4 SMOLICH

Locations on one

lot for Incredible

Savings! Located at

Smolich Hyundai

2250 NE Hwy 20

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975

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Audi S4 2005, 4.2 Avant

Quattro, tiptronic, pre-mium & winter wheels &

tires. Bilstein shocks, coil

over springs, HD anti sway.

APR exhaust, K40 radar,

dolphin gray, ext. warranty

56K, garaged, \$30,000. 541-593-2227

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Directory

BUICKS!

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and white colors, full size

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misunderstood and an error

can occur in your ad. If this

happens to your ad, please

contact us the first day your

ad appears and we will be

happy to fix it as soon as we

days 12:00 noon for next

day, Sat. 11:00 a.m. for Sun-

day; Sat. 12:00 for Monday.

If we can assist you, please

541-385-5809

The Bulletin Classified

Chysler La Baron Convert

\$3800, 541-416-9566

ible 1990, Good condition,

Deadlines are: Week

SMOLICH 72-HOUR SALES EVENT!

care, it's all here in

The Bulletin's "Call A

Service Professional"

Directory

4 SMOLICH Locations on one lot for Incredible Savings! Located at Smolich Hyundal 2250 NE Hwy 20

3 Days Only!

REGISTER TO WIN Entertainment Package, 50" Flat Screen TV & Nintendo WII Console

SMOLICH motors \

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Volvo C70-T5, 2010 Convertible Hardtop. 10,800mi Celestial Blue w/Calcite Cream leather int. Premium & Climate pkgs. Warranty & Service to 10/2014. KBB SRP \$33,540. Asking \$31,900. 541-350-5437

WANTED - Honda Car, not run ning, any year. Please call 541-447-7807

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The Bulletin recommends extra caution when purchasing products or services from out of the area. Sending cash, checks, or credit information may be | subject to FRAUD.

For more information about an advertiser, you may call the Oregon State Attorney General's Office Consumer Protection hotline at

1-877-877-9392. The Bulletin Representative, or the law-yers for the Personal Representative, Widmer Mensing Law Group, LLP.

Dated and first published on April 22, 2011.

Jeffrey S. Patterson. Attorney for Personal Representative

Personal Representative Ingrid Bongers 960 NE Jones Road 541-385-6566

Attorney for Personal Representative: Jeffrey S. Patterson. OSB #024193 339 SW Century Drive Suite 101 Bend, Oregon 97702 Ph.: (541) 318-3330 Fax: (541) 323-1030

e-mail: jeff@bendlawgroup.com

LEGAL NOTICE NOTICE OF BEND LIBRARY COUNTY SERVICE DISTRICT BUDGET COMMITTEE MEETING

A public meeting of the Bend Library County Service District Budget Committee, Des chutes County, State of Or egon, to discuss the budge for the fiscal year July I 2011, to June 30, 2012, will be held at the Deschutes Services Center, 1300 NW Wall Street, Bend, Oregon The meeting will take place on the 16th day of May. 2011, beginning at 9:00 a.m. The purpose of the meeting is to receive the budget mes sage and to receive com ment from the public on the budget. A copy of the bud-get document may be inspected or obtained on or after May 9, 2011, at the Deschutes County Board of Commissioners' Office, 1300 NW Wall Street, Bend, Or egon, 97701, between the hours of 8 a.m. to 5 p.m Monday through Friday. This is a public meeting where deliberation of the Budge Committee will take place Any person may appear a the meeting and discuss the proposed programs with the Budget Committee For fur ther information, contact Teri Financial/Budget Maerki.

Analyst, at (541)388-6536. LEGAL NOTICE NOTICE OF BLACK BUTTE RANCH SERVICE DISTRICT BUDGET COMMITTEE MEETING

A public meeting of the Black Butte Ranch Service District Budget Committee, Deschutes County, State of Oregon, to discuss the budget for the fiscal year July 1 2011, to June 30, 2012, will be held at the Deschu Services Center, 1300 NW Wall Street, Bend, Oregon. The meeting will take place on the 16th day of May 2011, beginning at 9:00 a.m. The purpose of the meeting is to receive the budget message and to receive comment from the public on the budget. A copy of the budget document may be inspected or obtained on or after May 9, 2011, at the Deschutes County Board Commissioners' Office, 1300 NW Wall Street, Bend, Or-egon, 97701, between the hours of 8 a.m. to 5 p.m.

the meeting and discuss the proposed programs with the Budget Committee. For further information, contact Teri Maerki, Financial/Budget Analyst, at (541)388-6536.

LEGAL NOTICE NOTICE OF DESCHUTES COUNTY BUDGET COMMITTEE MEETING

A public meeting of the Des-chutes County Budget Com-

mittee, Deschutes County, State of Oregon, to discuss the budget for the fiscal year July 1, 2011, to June 30, 2012, will be held at the Deschutes Services Center, 1300 NW Wall Street, Bend, Oregon. The meeting will take place on the 16th day of May 2011, beginning at 10:15 a.m. The purpose of the meeting is to receive the budget message and to re-ceive comment from the public on the budget. A copy of the budget document may be inspected or obtained on or after May 9, 2011, at the Deschutes County Board of nmissioners' Office, 1300 NW Wall Street, Bend, Oregon, 97701, between the hours of 8 a.m. to 5 p.m. Monday through Friday. This is a public meeting where deliberation of the Budget Committee will take place. Any person may appear at the meeting and discuss the proposed programs with the Budget Committee. The Budget Committee will also hold meetings and accept public testimony beginning at 9:00 a.m. on May 17th and May 19th, and at 8:30 a.m. on May 18th. If needed, an additional meeting to approve the budget may take place on May 20th beginning at 9:00 a.m. For further information, contact Teri Mae-rki, Financial/Budget Analyst, at (541)388-6536.

LEGAL NOTICE NOTICE OF DESCHUTES COUNTY 911 COUNTY SERVICE DISTRICT RUDGET COMMITTEE MEETING

A public meeting of the Des

chutes County 911 County

Service District Budget Committee, Deschutes County, State of Oregon, to discuss the budget for the fiscal year July 1, 2011, to June 30, 2012, will be held at the Deschutes Services Center, 1300 NW Wall Street, Bend, Oregon. The meeting will take place on the 16th day of May, 2011, beginning at 1:00 p.m. The purpose of the meeting is to receive the budget message and to receive comment from the public on the budget. A copy of the budget document may be inspected or obtained on or after May 9, 2011, at the Deschutes County Board of Commissioners' Office, 1300 NW Wall Street, Bend, Oregon, 97701, between the hours of 8 a.m. to 5 p.m. Monday through Friday. This is a public meeting where deliberation of the Budget Committee will take place. Any person may appear at the meeting and discuss the proposed programs with the Budget Committee. For further information, contact Teri Financial/Budget Analyst, at (541)388-6536.

form and additional information on filing protests may be obtained by calling (503) The last date of 986-0883 publication newspaper April 29, 2011. If no protests are filed, the Depart ment will issue a final order consistent with the prelimi nary determination.

LEGAL NOTICE Notice of Preliminary Determination for Water Right Transfer T-10730 Mitigation Project MP-124

T-10730 filed by GRASS BUTTE, LLC (1111 MAIN STREET, SUITE 700, VAN-COUVER WA, 98660) and by PREMIER WEST BANK 1875 RIMROCK WAY, SUITE 100. REDMOND OR, 97756) pro poses a change in place of use and character of use un Certificates 83857 83651, and 83732. The first right allows the use of 0.84 CUBIC FEET PER SECOND (CFS) (priority dates 1898, 1904/1910, and 1892) from the CROOKED RIVER in Sec.8, T15S, R16E, and Secs 20, 24, and 29, T14S, R14E W.M. for IRRIGATION in Secs. 20, 21, and 29. The second right allows the use of 0.56 CFS (priority date 1903) from the CROOKED RIVER in Sec. 24, T 14S, R 14E, W.M. for IRRIGATION in Sec. 28. The third right allows the use of 0.137 CFS (priority date 1892) from the CROOKED RIVER in Sec. 20 T14S, R14E, W.M. for IRRI GATION in Sec. 20. The ap plicant proposes to create as instream use in the Crooked River (from each point of di version to Lake Billy Chinook at a maximum of 1.536 CFS and to establish mitigation credits in the Crooked River and General Zones of Impact The Water Resources De partment has concluded tha the proposed transfer an pears to be consistent with the requirements of ORS Chapter 540 and OAR 690-380-5000. The Department has also concluded that the proposed transfer pears to result in mitigation credits pursuant to OAR 690-521-0300 & OAR

or severally, with the De-partment a protest or standing statement within 30 day after the date of final publi cation of notice in Department's weekly notice or of this newspaper notice whichever is later. A protest form and additional informa tion on filing protests may be obtained by calling (503) 986-0883. The last date of newspaper publication is April 29, 2011. If no pro tests are filed, the Depart ment will issue a final order consistent with the prelimi nary determination.

690-521-0400

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www.bendbulletin.com

541-385-5809

proposed programs with the Budget Committee. For further information, contact Ten Financial/Budget Maerki. Analyst, at (541)388-6536.

LEGAL NOTICE NOTICE OF RURAL LAW ENFORCEMENT DISTRICT (DISTRICT 2) BUDGET COMMITTEE MEETING A public meeting of the Rural Law Enforcement District (District 2) Budget Commit-

tee, Deschutes County, State of Oregon, to discuss the budget for the fiscal year July 1, 2011, to June 30, 2012, will be held at the Des chutes Services Center, 1300 NW Wall Street, Bend, Oregon. The meeting will take place on the 18th day of May 2011, beginning at 10:00 a.m. The purpose of the meeting is to receive the budget message and to re-ceive comment from the public on the budget. A copy of the budget document may be inspected or obtained on or after May 9, 2011, at the Deschutes County Board Commissioners' Office, 1300 NW Wall Street, Bend, Or egon, 97701, between the hours of 8 a.m. to 5 p.m. Monday through Friday. This is a public meeting where deliberation of the Budget Committee will take place. Any person may appear a the meeting and discuss the proposed programs with the Budget Committee. For further information, contact Teri Financial/Budget Maerki. Analyst, at (541)388-6536.

LEGAL NOTICE NOTICE OF SUNRIVER LIBRARY COUNTY SERVICE DISTRICT BUDGET COMMITTEE MEETING

A public meeting of the Sun river Library County Service District Budget Committee, Deschutes County, State of Oregon, to discuss the bud get for the fiscal year July 1. 2011, to June 30, 2012, will be held at the Deschutes

1000 **Legal Notices**

amorma Lounty or Uran I, the undersigned, certify that I am the Trustee Sale Officer and that the foregoing is a complete and exact copy of the original Trustee's Notice of Sale. Juan

Enriquez, Authorized

Signature ASAP# 3976281 04/29/2011, 05/06/2011,

ing/elibrary.asp by search-

ing for the project number.

LEGAL NOTICE

TRUSTEE'S NOTICE OF SALE

No.; 11-01804-6 Reference is

made to that certain Deed of

Trust dated as of March 12,

2007 made by, DARLENE

WOODS, was the original Grantor to DESCHUTES

original trustee, in favor of

MERS AS NOMINEE FOR

AMERICAN HOME MORT

GAGE ACCEPTANCE, INC.

was the original beneficial

Records in the office of the

County, Oregon (the "Deed o

Trust") to wit: APN: 248545 LOT FORTY (40), PROMISE

LANE, RECORDED JUNE 27

2005. IN CABINET G. PAGE

723, DESCHUTES COUNTY,

as: 21331 PECORARO LANE,

BEND, OR The current ben-

eficiary is: Deutsche Bank

National Trust Company, as

Trustee for American Home

2007-5, Mortgage-Backed Pass-Through Certificates Se

ries 2007-5 Both the Benefi-

ciary and the trustee have

elected to sell the said real

property to satisfy the obli-

ations secured by the Deed

of Trust and notice has been

tion 86,735(3) of Oregon Re

for which the foreclosure is

made is that the grantor(s):

failed to pay payments which

became due: together with

late charges due; and which

\$8,471.22 as of April 7, 2011

By this reason of said default

the Beneficiary has declared

ately due and payable, said sums being the following, to

wit: The sum of \$272,369.98

4.25200% per annum from

1000

defaulted amounts total:

all obligations secured by

said deed of trust immedi

together with interest

thereon at the rate of

vised Statutes: the default(s)

recorded pursuant to Sec-

Mortgage Assets Trust

OREGON, Commonly kno

as Instrument No.

2007-15451 of Official

Recorder of Deschutes

recorded on March 15, 2007

COUNTY TITLE, was the

Loan No: 0031718132 T.S.

05/13/2011, 05/20/2011 LEGAL NOTICE TRUSTEE'S NOTICE OF SALE Loan No: 0999435779 T.S. No.: 10-10470-6 Reference is made to that certain Deed of Trust dated as of August 12, 2006 made by, DAVID R. VERNON AND KIM L. VER-NON, AS TENANTS BY THE ENTIRETY, was the original Grantor to AMERITITLE, was the original trustee, in favor of WELLS FARGO FINAN-CIAL OREGON, INC., was the original beneficiary, re-corded on August 12, 2006. as Instrument No. 2006-56576 of Official Records in the office of the Recorder of Deschutes County, Oregon (the "Deed of Trust") to wit: APN: 158974 LOT TWENTY-SEVEN (27), BLOCK THREE (3), SOUTH HEIGHTS ADDITION, DES-CHUTES COUNTY, OREGON. Commonly known as: 3390 SW ANTELOPE AVE, RED-MOND, OR The current beneficiary is: WELLS FARGO FI-NANCIAL OREGON, INC. Both the Beneficiary and the trustee have elected to sell the said real property to satisfy the obligations secured by the Deed of Trust and notice has been recorded pur suant to Section 86,735(3) of Oregon Revised Statutes: the default(s) for which the foreclosure is made is that the grantor(s): failed to pay payments which became due; together with late charges due; and which defaulted amounts total: \$25,125.83 as of April 4, 2011. By this reason of said default the Beneficiary has declared all obligations secured by said deed of trust immediately due and payable, said sums being the

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Legal Notices LEGAL NOTICE

NOTICE OF BUDGET HEARING FOR THE BEND URBAN RENEWAL AGENCY

A public hearing on a proposed supplemental budget for the Bend Urban Renewal Agency, Deschutes County, State of Oregon, for the 2009-11 biennial budget period beginning July 1, 2009 will be held in the Council Chambers at City Hall, 710 NW Wall Street, Bend.

The hearing will take place on the 4th day of May, 2011 at 7:00 pm. The purpose of the hearing is to discuss the budget adjustment with interested persons. Copies of the proposed budget adjustment are available for review at City Hall, 710 NW Wall Street, during normal business hours.

Summary of BURA 2009-11 Supplemental Budget

BURA Juniper Ridge Construction Fund Increase Decrease Beginning Working Capital \$ 649,500 Requirements Contingency \$ 649,500

To recognize additional beginning working capital and increase contingency for the 2009-2011 bi-

BURA Downtown Debt Service Fund Increase Requirements: \$ 305,000 Revenue for Debt Service \$ 350,000

To reduce debt service reserves and provide for the necessary expenditure appropriations to make additional principal payments on debt issued in 2004 for the parking structure.



PUBLIC NOTICES

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Legal Notices following, to wit: The sum of \$207,358.44 together with interest thereon at the rate of 8.25000% per annum from October 17, 2009 until paid: plus all accrued late charges thereon; and ail trustee's fees, foreclosure costs and any sums advanced by the Beneficiary pursuant to the terms of said deed of trust. Whereof, notice hereby is given that FIDELITY NA-TIONAL TITLE INSURANCE COMPANY, as the duly appointed trustee under the Deed of Trust will on August 19, 2011 at the hour of 11:00 AM. Standard of Time, as established by section 187.110, Oregon Revised Statues, at the front entrance of the Courthouse, 1164 N.W. Bond Street, Bend, County of Deschutes, State of Oregon, sell at pub-lic auction to the highest bidder for cash the interest in the said described real property which the grantor had or had power to convey at the time of the execution of the Deed of Trust, together with any interest which the grantor or his successor(s) in interest acquired after the execution of the Deed of Trust, to satisfy the forego ing obligations thereby se cured and the costs and ex penses of sale, including a reasonable charge by the trustee. Notice is further given that any person named in Section 86.753 of Oregon Revised Statutes has the right to have the foreclosure proceeding dismissed and the trust deed reinstated by payment to the Beneficiary of the entire amount then due (other than such portion of said principal as would not then be due had no default occurred), together with the costs, trustee's or attorney's fees and curing any other default complained of in the Notice of Default by tendering the performance required under the obligation or Deed of Trust, at any time prior to five days before the date last set for sale FOR FURTHER INFORMATION. PLEASE CONTACT FIDELITY NATIONAL TITLE INSUR-ANCE COMPANY, 1920 Main Street, Suite 1120, Irvine, CA 92614 949-252-4900 SALE INFORMATION CAN BE OB-TAINED ON LINE AT www.lp sasap.com AUTOMATED SALES INFORMATION PLEASE CALL 714-730-2727

In construing this notice, the

masculine gender includes

the feminine and the neuter

the singular includes plural,

the word "grantor" includes

any successor in interest to

the grantor as well as any other persons owing an obli-

gation, the performance of

"trustee" and a E Beneficiary"

include their respective suc-cessors in interest, if any. Dated: April 15, 2011 FIDEL-

ITY NATIONAL TITLE IN-SURANCE COMPANY, Trustee Juan rique Authori

which is secured by said Deed of Trust, the words

LEGAL NOTICE TRUSTEE'S NOTICE OF SALE TS No.: 111705 APN: 249216 Reference is made to that certain deed made by Duan A. Haugen, An Unmarried Man as Grantor to First American Title Company, as Trustee, in favor of Mortgage Electronic Registration Systems, Inc. as Beneficiary, dated 4/29/2009, recorded 5/5/2009, in the official records of Deschutes County. Oregon in book/reel/volume No. - at page No. -, fee/file/instrument/microfilm/reception No. 2009-18697 covering the following described real property situated in said County and State, to wit: Lot 9, LARCH MEADOWS, City of Redmond Deschutes County, Oregon

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trustee. Notice is further given that any person named in Section 86.753 of Oregon Revised Statutes has the right to have the foreclosure proceeding dismissed and the trust deed reinstated by payment to the Beneficiary of the entire amount then due (other than such portion of said principal as would not then be due had no default occurred), together with the costs, trustee's or attorney's fees and curing any other default complained of in the Notice of Default by tendering the performance re-quired under the obligation or Deed of Trust, at any time prior to five days before the date last set for sale. FOR FURTHER INFORMATION. PLEASE CONTACT FIDELITY NATIONAL TITLE INSUR-ANCE COMPANY, 1920 Main Street, Suite 1120, Irvine, CA 92614 949-252-4900 FOR FURTHER INFORMATION PLEASE CONTACT FIDELITY NATIONAL TITLE INSUR-ANCE COMPANY, 1920 Main Street, Suite 1120, Irvine, CA 92614 949-252-4900 SALE INFORMATION CAN BE OB-TAINED ON LINE AT www.lp sasap.com AUTOMATED SALES INFORMATION PLEASE CALL 714-730 - 2727 TRUSTEE'S NOTICE OF SALE In construing this notice, the masculine gender includes the feminine and the neuter. the singular includes plural, the word "grantor" includes any successor in interest to the grantor as well as any other persons owing an obli-gation, the performance of Deed of Trust, the words "trustee" and 'Beneficiary" include their respective suc-cessors in interest, if any. Dated: April 22, 2011 FIDEL-ITY NATIONAL TITLE IN-SURANCE COMPANY, Trustee By: Ryan Bradford, Authorized Signature ASAP# 3977099 04/29/2011, 05/06/2011, 05/13/2011, 05/20/2011

tions of said deed of trust. Monthly payment \$1,419.32 Monthly Late Charge \$61.88 By this reason of said defaul the beneficiary has declared all obligations secured by said Deed of Trust immediately due and payable, said sums being the following to-wit: The sum of 5216,000.00 together with interest thereon at 6.875% per annum from February 01, 2010 until paid; plus all accrued late charges thereon, and all trustee's fees, foreclosure costs and any sums advance by the beneficiary pursuant to the terms and conditions of the said deed of trust. Whereof, notice hereby given that, Cal-Western Reconveyance Corporation the undersigned trustee will on July 29, 2011 at the hour of 1:00pm, Standard of Time, Commonly known as: 1355 NW 16th Court, Redmond, OR 97756 Both the benefias established by Section 187.110. Oregon Revised Statutes, At the Bond Street entrance to Deschutes ciary and the touctee have

1000 Legal Notices

any. Dated: 4/8/2011 FIRST AMERICAN TITLE INSUR-ANCE COMPANY, Trustee C/O The Mortgage Law Firm PLC 43180 Business Park Drive, Suite 202 Temecula CA 92590 (619)465-8200 DENNIS CANLAS ASAP# 3964769 04/15/2011, 04/22/2011, 04/29/2011, 05/06/2011

LEGAL NOTICE TRUSTEE'S NOTICE OF SALE Loan No: xxxx7326 T.S. No.: 1291561-09. Reference is made to that certain deed made by Jennifer L. Brock and Andrew J. Polanchek, as Grantor to Deschutes County Title Company, as Trustee, in favor of Mortgage Electronic Registration Systems, Inc. ("mers") As Nominee For Se-curity National Mortgage Company, A Utah Corpora-tion, as Beneficiary, dated March 24, 2006, recorded March 29, 2006, in official records of Deschutes, Oregon in book/reel/volume No. xx at page No. xx fee/file/Instrument/micro-2006-21654 covering th following described real property situated in said County and State, to-wit: Lot one hundred sixteen, block pp. Deschutes River Woods. Deschutes County, Oregon Commonly known as: 18900 Choctaw Road Bend OR 97702. Both the beneficiary and the trustee have elected to sell the said real property to satisfy the obligations se cured by said trust deed and notice has been recorded to Section 86.735(3) of Oregon Revised Statutes: the default for which the foreclosure is made is the grantor's: Fail ure to pay the monthly pay-ment due March 1, 2010 of principal, interest and im pounds and subsequent in stallments due thereafter plus late charges; together with all subsequent sums ad-vanced by beneficiary pursu-ant to the terms and condi-

pursuant

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ing to said unit Commonly known as: 1525 Northwest Juniper Street #31 Bend OR 97701. Both the beneficiary and the trustee have elected to sell the said real property to satisfy the obligations se cured by said trust deed and notice has been recorded pursuant to Section pursuant to Section 86.735(3) of Oregon Revised Statutes: the default for which the foreclosure is made is the grantor's: Failure to pay the monthly pay ment due Sentember 1 2010 of principal and interest and subsequent installments due thereafter; plus late charges; together with all subsequen sums advanced by benefit ciary pursuant to the terms and conditions of said deed of trust. Monthly payment \$515.69 Monthly Late Charge \$25.78. By this reason of said default the beneficiary has declared all obligations se-cured by said Deed of Trust immediately due and pay-able, said sums being the following, to-wit; The sum of \$75,544.72 together with interest thereon at 6.875% per annum from August 01, 2010 until paid; plus all accrued late charges thereon and all trustee's fees, foreclosure costs and any sums ad-vance by the beneficiary pursuant to the terms and conditions of the said deed of trust. Whereof, notice hereby is given that, Cal-Western Reconveyance Corporation the undersigned trustee will on July 15, 2011 at the hour of 1:00pm, Standard of Time as established by Section 187.110, Oregon Revised Statutes, At the Bond Street entrance to Deschute County Courthouse 1164 NW Bond, City of Bend, County of Deschutes, State of Oregon, sell at public auction to the highest bidder for cash the interest in the said described real property which the grantor had or had power to convey at the time of the extrust deed, together with any interest which the grantor or his successors in interest ac quired after the execution of said trust deed, to satisfy the foregoing obligations thereby secured and the costs and expense of sale, including a reasonable charge by the trustee. Notice is further given that any person named in Section 86.753 of Oregon Revised Statutes has the right to have the foreclosure proceeding dismissed and the trust deed reinstated by payment to the beneficiary of the entire amount then due (other than such portion of said principal as would not then be due had no default occurred), together with the costs, trustee's and attorney's fees and curing any other default complained of in the Notice of Default by tendering the performance re-quired under the obligation or trust deed, at any time prior to five days before the

1000 Legal Notices suant to Section 86.735(3) of

Oregon Revised Statutes: the default(s) for which the fore-closure is made is that the

grantor(s): failed to pay payments which became due together with late charges due; and which defaulted amounts total: \$26,605.68 as, this reaof April 11, 2011. By this rea-son of said default the Beneficiary has declared all obli-gations secured by said deed of trust immediately due and payable, said sums being the following, to wit: The sum of \$438,666.10 together with interest thereon at the rate of 6.25000% per annum from July 1, 2010 until paid; plus all accrued late charges thereon; and all trustee's fees, foreclosure costs and any sums advanced by the Beneficiary pursuant to the terms of said deed of trust. Whereof, notice hereby is given that FIDELITY NA-TIONAL TITLE INSURANCE COMPANY, as the duly appointed trustee under the Deed of Trust will on Augus 23, 2011 at the hour of 11:00 AM, Standard of Time, as established by section 187.110, Oregon Revised Statues, at the front en-trance of the Courthouse, 1164 N.W. Bond Street, Bend, County of Deschutes, State of Oregon, sell at public auction to the highest bidder for cash the interest i the said described real prop erty which the grantor had or had power to convey at the time of the execution of the Deed of Trust, together with any interest which the grantor or his successor(s) in interest acquired after the execution of the Deed of Trust, to satisfy the foregoing obligations thereby secured and the costs and expenses of sale, including a reasonable charge by the trustee. Notice is further given that any person named in Section 86.753 of Oregon Revised Statutes has the right to have the foreclosure ceeding dismissed and the trust deed reinstated by payment to the Beneficiary of the entire amount then due (other than such portion of said principal as would not then be due had no default occurred), together with the costs, trustee's or attorneys fees and curing any other default complained of in the Notice of Default by tendering the performance required under the obligation or Deed of Trust, at any time prior to five days before the date last set for sale. FOR FURTHER INFORMATION. PLEASE CONTACT FIDELITY NATIONAL TITLE INSUR-ANCE COMPANY, 1920 Main Street, Suite 1120, Irvine, CA 92614 949-252-4900 SALE INFORMATION CAN BE OB-TAINED ON LINE AT www.lp SALES INFORMATION PLEASE CALL 714-730 - 2727 In construing this notice, the masculine gender includes

Legal Notices

of Oregon, sell at public auction to the highest bidder for cash the interest in the said described real property real property which the grantor had or had power to convey at the time of the execution by him of the said trust deed, together with any interest which the grantor or his successors in nterest acquired after the execution of said trust deed, to satisfy the foregoing obli-gations thereby secured and the costs and expense of sale, including a reasonable charge by the trustee. Notice is further given that any person named in Section 86.753 of Oregon Revised Statutes has the right to have the foreclosure proceeding dismissed and the trust deed reinstated by payment to the beneficiary of the entire amount then due (other than such portion of said principal as would not then be due had no default occurred), to-gether with the costs, trustee's and attorney's fees and curing any other default complained of in the Notice of Default by tendering the performance required under the obligation or trust deed, at any time prior to five days before the date last set for sale. In construing this notice, the masculine gender includes the feminine and the neuter, the singular includes plural, the word "grantor" includes any successor in in-terest to the grantor as well as any other persons owing an obligation, the performance of which is secured by said trust deed, the words "trustee" and "beneficiary" in-cludes their respective successors in interest, if any. Dated: March 16, 2011. Cal-Western Reconveyance Corporation 525 East Main Street P.O. Box 22004 El Ca-92022-9004 jon CA Cal-Western Reconveyance Signature/By: Corporation Tammy Laird R-375254 04/15, 04/22, 04/29, 05/06 LEGAL NOTICE

TRUSTEE'S NOTICE OF SALE TS No.: 112057 APN: 144635 Reference is made to that certain deed made by Darlene L. Arruda, A Married Woman as Grantor to First American Title Company, as Trustee, in favor of Mortgage Electronic Registration Systems, Inc. as Beneficiary, dated 2/4/2009, recorded 2/11/2009, in the official records of Deschutes County Oregon in book/reel/volume No. xx at page No. xx, fee/file/instrument/microfilm/reception No. 200905948 covering the fol-lowing described real property situated in said County and State, to wit: Lot One Hundred Fifty-two (152), TOLLGATE THIRD ADDITION. recorded September 15. 1972, in Cabinet A, Page 585, Deschutes County, Oregon Commonly known as: 14878 Buckboard, Sisters, OR 97759 Both the beneficiary and the trustee have elected to sell

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LEGAL NOTICE TRUSTEE'S NOTICE OF SALE Loan No: 0031310329 T.S. No.: 11-01680-6 Reference made to that certain Deed of Trust dated as of August 9, 2006 made by, JUSTIN PE-TERSEN, KIMBERLY D. PE-TERSEN , was the original Grantor to DESCHUTES COUNTY TITLE, was the original trustee, in favor of MERS AS NOMINEE FOR AMERICAN BROKERS CON-DUIT, was the original beneficiary, recorded on August 15, 2006, as Instrument No. 200655943 of Official Records in the office of the Recorder of Deschutes County, Oregon (the *Deed o Trust") to wit: APN: 207938 PARCEL ONE OF PARTITION PLAT 2002-68, RECORDED OCTOBER 8, 2002 IN BOOK 2002, PAGE 55449, DES-CHUTES COUNTY, OREGON BEING A PORTION OF PAR-CEL ONE OF PARTITION PLAT 1992-51 AND THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 32, TOWNSHIP 17 SOUTH, RANGE 13 EAST OF THE WILLAMETTE ME-RIDIAN, DESCHUTES COUNTY, OREGON. Com monly known as: 62015 BY-RAM ROAD, BEND, OR The current beneficiary is: Deut-sche Bank National Trust Company, as Trustee for American Home Mortgage Assets Trust 2006-5, Mortgage-Backed Pass-Through Certificates Series 2006-5 Both the Beneficiary and the trustee have elected to sell the said real property to sat isfy the obligations secured the Deed of Trust and notice has been recorded pur-suant to Section 86735(3) of Oregon Revised Statutes: the default(s) for which the foreclosure is made is that the grantor(s): failed to pay payments which became due: together with late charges due; and which defaulted amounts total: \$45,132.30 as of March 29, 2011. By this reason of said default the Beneficiary has declared all obligations secured by said

> 1000 Legal Notices

any. Dated: 4/2/2011 FIRST AMERICAN TITLE INSUR-ANCE COMPANY, Trustee C/O The Mortgage Law Firm PLC 43180 Business Park Drive, Suite 202 Temecula CA 92590 (619)465-8200 **DENNIS CANLAS ASAP#** 3970789 04/22/2011, 04/29/2011, 05/06/2011, 05/13/2011

September 1, 2009 until paid; plus all accrued late charges thereon; and all trustee's fees, foreclosure costs and any sums advanced by the Beneficiary pursuant to the terms of said deed of trust. Whereof, notice hereby is given that FIDELITY NATIONAL TITLE INSURANCE COMPANY, as the duly appointed trustee under the Deed of Trust will on August 15, 2011 at the hour of 11:00 AM, Standard of Time, as established by section 187.110, Oregon Revised Statues, at the front entrance of the Courthouse 1164 N.W. Bond Street, Bend, County of Deschutes, State of Oregon, sell at public auction to the highest bidder for each the interest in the said described real property which the grantor had or had power to convey at the time of the execution of the Deed of Trust, together with any interest which the grantor or his successor(s) in interest acquired after the execution of the Deed of Trust, to satisfy the foregoing obligations thereby secured and the costs and expenses of sale, including a reasonable charge by the trustee. Notice is further given that any person named in Section 86.753 of Oregon Revised Statutes has the right to have the foreclosure proceeding dismissed and the trust deed reinstated by payment to the Beneficiary of the entire amount then due (other than such portion of said principal as would not then be due had no default occurred), together with the costs, trustee's or attorney's fees and curing any other default complained of in the Notice of Default by tendering the performance required under the obligation or Deed of Trust, at any time prior to five days before the date last set for sale. FOR FURTHER INFORMATION PLEASE CONTACT FIDELITY NATIONAL TITLE INSURANCE COMPANY, 1920 Main Street, Suite 1120, Irvine, CA 92614 949-252-4900 SALE INFOR-MATION CAN BE OBTAINED

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deed of trust immediately

due and payable, said sums being the following, to wit: The sum of \$707,941.24

thereon at the rate of 2.00000% per annum from

together with interest

AUTOMATED SALES INFORMATION PLEASE CALL 714-730 - 2727 TRUSTEE'S NOTICE OF SALE In construing this notice, the masculine gender includes the feminine and the neuter, the singular includes plural, the word "grantor" includes any successor in interest to the grantor as well as any other persons owing an obligation, the performance of which is secured by said Deed of Trust, the words "trustee" and "Beneficiary" include their respective successors in interest, if any Dated: April 8, 2011 FIDELITY NATIONAL TITLE INSURANCE COMPANY, Trustee Juan Enriquez. Authorized Signature ASAP# 3965108 04/15/2011, 04/22/2011, 04/29/2011, 05/06/2011 PUBLIC NOTICE NOTICE OF BUDGET COMMITTEE MEETING

1000

Legal Notices

public meeting of the Budget Committee of the City of La Pine, Deschutes, State of Oregon, to discuss the budget for the fis-cal year July 1, 2011 to June 30, 2012, will be held at So. Deschutes County Building Meeting Room, 51340 Highway 97, La Pine, Oregon. The meeting will take place on the May 17 at 6:00 PM. The purpose of the meeting is to receive the budget message and to receive comment from the public on the budget. A copy of the budget document may be inspected or obtained on or after May 16, 2011 at La Pine City Hall, 51340 Highway 97, La Pine, OR between the hours of 9:00 AM and 5:00 PM. This is a public meeting where de-liberation of the Budget Committee will take place Any person may appear at the meeting and discuss the proposed programs with the Budget Commit-

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> 1000 Legal Notices

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Legal Notices LEGAL NOTICE

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NOTICE OF BUDGET HEARING FOR THE CITY OF BEND

A public hearing on proposed supplemental budgets for the City of Bend, Deschutes County, State of Oregon, for the 2009-11 biennial budget period beginning July 1, 2009 will be held in the Council Chambers at City Hall, 710 NW Wall Street, Bend.

The hearing will take place on the 4th day of May, 2011 at 7:00 pm. The purpose of the hearing is to discuss the burget adjustments with interested persons. Copies of the proposed bus.

05/06/2011, 05/13/2011 LEGAL NOTICE TRUSTEE'S NOTICE OF SALE T.S. No.: 11-01405-6 Loan No: 0031784473 Reference is made to that certain Deed of Trust dated as of April 23. 2007 made by, MARSHA A HANSEN, DAVID R. HANSEN was the original Grantor to FIRST AMERICAN TITLE COMPANY, was the original trustee, in favor of MORT-GAGE ELECTRONIC REGIS-TRATION SYSTEMS, INC. SOLELY AS NOMINEE FOR AMERICAN BROKERS CON-DUIT, was the original beneficiary, recorded on May 4, 2007, as Instrument No. 2007-25678 of Official Records in the office of the Recorder of Deschutes County, Oregon (the "Deed of Trust") to wit: APN: 246563 LOT EIGHT (8), DESCHUTES RIVER CROSSING, NORTH, DESCHUTES COUNTY, OR-EGON. Commonly known as: 61151 SW KEPLER STREET, BEND, OR The current beneficiary is: Deutsche Bank National Trust Company, as Trustee for HarborView Mortgage Loan Trust, Mortgage Loan Pass-Through Certificates, Series 2007-5 Both the Beneficiary and the trustee have elected to sell the said real property to satisfy the obligations secured by the Deed of Trust and notice has been recorded pur suant to Section 86.735(3) of Oregon Revised Statutes: the default(s) for which the foreclosure is made is that the grantor(s): failed to pay payments which became due together with late charges due; and which defaulted amounts total: \$8,555.03 as of April 14, 2011. By this reaeficiary has declared all obligations secured by said deed of trust immediately due and payable, said sums being the following, to wit: The sum of \$329,732.49 together with interest thereon at the rate of 7.37500% per annum from October 1, 2010 until paid; plus all accrued late charges fees, foreclosure costs and any sums advanced by the Beneficiary pursuant to the terms of said deed of trust. Whereof, notice hereby is given that FIDELITY NA-TIONAL TITLE INSURANCE COMPANY, as the duly appointed trustee under the Deed of Trust will on Augus 23, 2011 at the hour of 11:00 AM, Standard of Time, as established by section 187.110, Oregon Revised Statues, at the front entrance of the Courthouse, 1164 N.W. Bond Street. Bend, County of Deschutes, State of Oregon, sell at public auction to the highest bidder for cash the interest in the said described real prop-erty which the grantor had or had power to convey at the time of the execution of the Deed of Trust, together with any interest which the grantor or his successor(s) in interest acquired after the execution of the Deed of Trust, to satisfy the foregoing obligations thereby secured and the costs and expenses of sale, including a reasonable charge by the

gations secured by said trust deed and notice has been recorded pursuant to Section 86.735(3) of Oregon Revised Statutes: the default for which the foreclosure is made is the grantor's failure to: Make the monthly payments of \$811.72 each, commencing with the payment due on 12/1/2010 and continuing each month until this trust deed is reinstated or goes to trustee's sale; plus a late charge of \$40.59 on each installment not paid within fifteen days following the payment due date: trustee's fees and other costs and expenses associated with this foreclosure and any further breach of any term or condition contained in subject note and deed of trust. By the reason of said default the beneficiary has declared all obligations secured by said deed of trust immediately due and payable, said sums being the following, to wit: The principal sum of \$99,130.22 together with the interest thereon at the rate 4.375% per annum from 11/1/2010 until paid; plus all accrued late charges thereon; and all trustee's fees, foreclosure costs and any sums advanced by the beneficiary pursuant to the terms of said deed of trust. Whereof, notice hereby is given that the undersigned trustee will on 8/12/2011 at the hour of 11:00 AM. Standard of Time, as established by Section 187.110, Oregon Revised Statutes, at the front entrance of the Courthouse 1164 N.W. Bond Street, City of Bend, County of Deschutes, State of Oregon, sell at public auction to the high est bidder for cash the interest in the said described real property which the grantor had or had power to convey at the time of the execution by him of the said trust deed together with any interest which the grantor or his suc cessors in interest acquired after the execution of said trust deed, to satisfy the foregoing obligations thereby secured (and the costs and expenses of sale, including a reasonable charge by the trustee). Notice is further given that any person named in Section 86.753 of Oregon Revised Statutes: has the right to have the foreclosure proceeding dismissed and the trust deed reinstated by payment to the beneficiary o the entire amount then due (other than such portion of said principal as would not then be due had no default occurred), together with the costs, trustee's and attorney's fees and curing any other default complained of in the Notice of Default by tendering the performance required under the obligation or trust deed, at any time prior to five days before the date last set for the sale. In construing this, the masculine gender includes the feminine and the successor in interest to the grantor as well as any other person owing obligation, the percured by said trust deed; the words "trustee" and "beneficiary" include their respective successors in interest, if

property to satisfy the obli

Bond, City of Bend, County of Deschutes, State of Oregon, sell at public auction to the highest bidder for cash the interest in the said described real property #which the grantor had or had power to convey at the time of the execution by him of the said trust deed, together with any interest which the grantor or his successors in interest acquired after the execution of said trust deed, to satisfy the foregoing obligations thereby secured and the costs and expense of sale, including a reasonable charge by the trustee. Notice is further given that any person named in Section 86.753 of Oregon Revised Statutes has the right to have the foreclosure proceeding dismissed and the trust deed reinstated by payment to the beneficiary of the entire amount then due (other than such portion of said principal as would not then be due had no default occurred), together with the costs, trustee's and attorney's fees and curing any other default complained of in the Notice of Default by tender ing the performance required under the obligation or trust deed, at any time prior to five days before the date last set for sale. In construing this notice, the masculine gender includes the feminine and the neuter, the singular includes plural, the word "grantor" includes any successor in interest to the grantor as well as any other persons owing an obligation the performance of which is secured by said trust deed the words "trustee" and "beneficiary" includes their respective successors in inte est, if any, Dated: March 23, 2011. Cal-Western Recon veyance Corporation 525 East Main Street P.O. Box

R-375530 04/22/11, 04/29, 05/06, 05/13 LEGAL NOTICE TRUSTEE'S NOTICE OF SALE Loan No: xxxxxx7286 T.S No.: 1311573-09. Reference is made to that certain deed made by Robert Hopper and Debra F. Hopper, Husband And Wife, as Grantor to Western Title and Escrow Company, as Trustee, in favor of Mortgage Electronic Registration Systems, Inc As Nominee For Greater Northwest Mortgage, Inc. as Ben eliciary, dated March 09, 2007, recorded March 15, 2007, in official records of Deschutes, Oregon in book/reel/volume No. xx at page No. xx, fee/file/In-strument/microfilm/reception No. 2007-15553 covering the following described real property situated in said County and State, to-wit: Unit 31, Greyhawk Condominiums, Deschutes County Oregon, described in and subject to that certain declaration of condominium ownership for Greyhawk Condominiums recorded February 1, 2007 in volume 2007 06945, Deschutes County Official Records, together with the limited and general common elements set forth therein appertain-

22004 El Caion

92022-9004 Cal-Western Re-

conveyance Corporation Signature/By: Tammy Laird

culine gender includes the feminine and the neuter, the ngular includes plural, the word "grantor" includes successor in interest to the grantor as well as any other persons owing an obligation, the performance of which is secured by said trust deed, the words "trustee" and "beneficiary includes their respective successors in interest, if any. Dated: March 09, 2011. Cal-Western Reconveyance Corporation 525 East Main Street P.O. Box 22004 FI Caion 92022-9004 Cal-Western Reconveyance Corporation Signature/By: Tammy Laird R-373769 04/08, 04/15, 04/22, 04/29 LEGAL NOTICE TRUSTEE'S NOTICE OF SALE

No.: 10-11876-6 Reference is

made to that certain Deed of

Trust dated as of April 24,

ZINNIKER, was the original

Grantor to TRANSNATION

TITLE INSURANCE, was the

MORTGAGE ELECTRONIC

REGISTRATION SYSTEMS,

INC., was the original benefit

ciary, recorded on April 30,

Records in the office of the

County, Oregon (the "Deed of Trust") to wit: APN: 111691

2007, as Instrument No.

2007-24602 of Official

Recorder of Deschutes

iginal trustee, in favor of

2007 made by, BRIAN K.

SECTION 36, TOWNSHIP 17 SOUTH, RANGE 12 EAST OF THE WILLAMETTE MERID IAN DESCHUTES COUNTY OREGON. BEGINNING AT A POINT ON THE SOUTH BOUNDARY OF THE NORTH EAST QUARTER (NE1/4 SE1/4), 839.75 FEET WEST OF THE SOUTHEAST COR-NER OF THE NORTHEAST QUARTER OF THE SOUTH-EAST QUARTER (NET /4 SE1/4); THENCE WESTERLY NORTH 89 DEGREES 1032 02" WEST, 475.79 FEET ALONG THE SOUTH BOUND-ARY OF THE NORTHEAST QUARTER OF THE SOUTH-EAST QUARTER (NET /4 SE1/4); THENCE NORTH ERLY ALONG THE WEST BOUNDARY OF THE NORTH-EAST QUARTER OF THE SOUTHEAST QUARTER (NE1/4 SE1/4) NORTH 00 DEGREES 1002' 18: EAST, 824.04 FEET TO THE HIGH-WAY 20 RIGHT-OF-WAY THENCE EASTERLY ALONG SAID RIGHT-OF-WAY NORTH 80 DEGREES 1014" 15" EAST, 486.17 FEET; THENCE SOUTHERLY SOUTH 00 DE-GREES 1014' 45" WEST 910.36 FEET TO THE POINT OF BEGINNING, EXCEPT THAT PORTION CONVEYED TO THE STATE OF OREGON RECORDED OCTOBER 8. 1986. IN BOOK 134, PAGE 409, DESCHUTES COUNTY RECORDS. Commonly know as: 62091 TORKELSON ROAD. BEND, OR The current ben-eficiary is: HSBC BANK USA. NATIONAL ASSOCIATION AS TRUSTEE FOR WELLS FARGO ASSET SECURITIES CORPO-RATION, MORTGAGE PASS-THROUGH CERTIFI-CATES, SERIES 2007-10 Both the Beneficiary and the trustee have elected to sell the said real property to satisfy the obligations secured by the Deed of Trust and notice has been recorded purthe word "grantor" includes any successor in interest to the grantor as well as any other persons owing an obligation, the performance of which is secured by said Deed of Trust, the words "trustee" and "Beneficiary" include their respective successors in interest, if any. Dated: April 22, 2011 FIDEL-ITY NATIONAL TITLE IN-SURANCE COMPANY, Trustee Ryan Bradford, Authorized Signature ASAP# 3977260 04/29/2011, 05/06/2011 05/13/2011, 05/20/2011 LEGAL NOTICE

TRUSTEE'S NOTICE OF SALE Loan No: xxxxx8984 T.S. No.: 1315547-09. Reference is made to that certain deed made by Edward J. Staat. and Elizabeth D. Staat, Husband And Wife, as Grantor to Northwest Trustee Services, as Trustee, in favor of Union Federal Bank of Indianapolis. as Beneficiary, dated July 23, 2004, recorded July 28, 2004, in official records of Deschutes, Oregon book/reel/volume No. xx at page No. xx, fee/file/Instrument/microfilm/reception No. 2004-44828 cover ing the following described real property situated in said County and State, to-wit: Unit 12 of Kitty Hawk Phase I, Deschutes County, Oregon, as set forth in declaration of unit ownership recorded July 31, 1978 in book 279 at page 338 of deed records. Com monly known as: 56922 Meadow Road Unit 12 Now Known As 17658 Pinnacle Ln. #12 Sunriver OR 97707. Both the beneficiary and the trustee have elected to sell the said real property to satisfy the obligations secured by said trust deed and notice has been recorded pursuant to Section 86.735(3) of Oregon Revised Statutes: the default for which the foreclosure is made is the grantor's Failure to pay the monthly payment due October 1, 2010 of principal and interest and subsequent installments due thereafter; plus late charges; together all subsequent sums advanced by beneficiary pursuant to the terms and conditions of said deed of trust. Monthly payment \$530.07 Monthly Late Charge \$22.99. By this reason of said default the beneficiary has declared all obligations secured by said Deed of Trust immediately due and payable, said sums being the following, to-wit; The sum of \$69.197.52 together interest thereon at 6.125% per annum from September 01, 2010 until paid; plus all accrued late charges thereon: and all trustee's fees, foreclosure costs and any sums advance by the beneficiary pursuant to the terms and conditions of the said deed of trust. Whereof, notice hereby is given that, Cal-Western Reconveyance Corporation the undersign trustee will on July 22, 2011 at the hour of 1:00pm, Stan-dard of Time, as established by Section 187.110, Oregon Revised Statutes, At the Bond Street entrance to Deschutes County Courthouse 1164 NW Bond, City of Bend, Courthouse Co County of Deschutes,

isfy the obligations secured by said trust deed and notice has been recorded pursuant to Section 86.735(3) of Oregon Revised Statutes: the commencing with the pay-ment due on 1/1/2011 and this trust deed is reinstated a late charge of \$75.16 on each installment not paid the payment due date: this foreclosure and any further breach of any term or condition contained in sub iect note and deed of trust By the reason of said default the beneficiary has declared all obligations secured by said deed of trust immed ately due and payable, said sums being the following, to 5272.632.59 together with the interest thereon at the rate 5.0% per annum from 12/1/2010 until paid; plus all accrued late charges thereon; and all trustee's fees, foreclosure costs and any sums advanced by the beneficiary pursuant to the terms of said deed of trust Whereof, notice hereby is the hour of 11:00 AM. Standard of Time, as established by Section 187.110, Oregon Entrance Entrance to the Deschutes County Courthouse, 1164 NW Bond, City of Bend. County of Deschutes, State

default for which the foreclo sure is made is the grantor's failure to: Make the monthly payments of \$1,943.25 each continuing each month until or goes to trustee's sale; plus within fifteen days following trustee's fees and other costs and expenses associated with given that the undersigned trustee will on 8/12/2011 at Revised Statutes, at the Front of Oregon, sell at public auc-tion to the highest bidder for cash the interest in the said described real property which the grantor had or had power to convey at the time of the execution by him of the said trust deed, togethe with any interest which the grantor or his successors in

interest acquired after the

execution of said trust deed

to satisfy the foregoing obli-

sale, including a reasonable

tice is further given that any

the costs and expenses of

charge by the trustee). No-

person named in Section 86.753 of Oregon Revised

Statutes; has the right to

have the foreclosure pro-

trust deed reinstated by

ceeding dismissed and the

payment to the beneficiary of

the entire amount then due

(other than such portion of

said principal as would not

then be due had no default

fees and curing any other

ing the performance re-

occurred), together with the

default complained of in the

Notice of Default by tender-

quired under the obligation

prior to five days before the

date last set for the sale. In

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feminine and the successor

in interest to the grantor as

cured by said trust deed; the

words "trustee" and "benefi-

tive successors in interest, if

ciary" include their respec-

line gender includes the

well as any other person

owing obligation, the per-formance of which is se-

or trust deed, at any time

costs, trustee's and attorney's

gations thereby secured (and

Summary of City of Bend 2009-11 Supplemental Budgets

Increase Decrease Police Grant Fund Resources: \$ 62,000 **Grant Revenues** Requirements: \$ 62,000 **Expenditure Appropriations**

To recognize additional grant revenues and increase expenditures related to equipment purchases that were not anticipated when the budget was adopted.

System Development Charge (SDC) Decrease Increase \$ 1.555,000 SDC Revenues Requirements: \$ 1.555,000 **Expenditure Appropriations**

To recognize additional SDC revenues that were not anticipated when the budget was adopted and increase expenditures to transfer SDC revenues to the water, water reclamation, and transportation construction funds.

Increase Transit Grant Fund Resources Grant Revenues: \$ 70,000 \$ 70,000 **Expenditure Appropriations**

To recognize additional transit grant revenues that were not anticipated when the budget was adopted and increase expenditures to transfer grant funds to Central Oregon Intergovernmental Council (COIC) for operation of Bend Area Transit

Tourism Fund Increase Transient Room Tax Revenues \$ 180,000 Requirements: **Expenditure Appropriations** \$ 180,000

To recognize additional transient room tax revenues and provide for the necessary expenditure appropriations for tourism promotion and to pay for the current room tax audit.

Cemetery Fund Decrease Resources Burial and lot sale revenues \$ 6,000 **Expenditure Appropriations** \$ 6,000

To recognize additional burial and lot sale revenues and provide expenditure appropriations for expenses related to operation of the City's cemetery.

Downtown Parking Fund Increase Decrease Resources: Revenues \$ 250,000 Requirements: Contingency \$ 250,000

To recognize additional revenues and increase contingency for the 2009-2011 biennium.

Internal Service Fund: Garage Division Decrease Interfund Charges for Services \$ 125,000 Requirements **Expenditure Appropriations** \$ 125,000

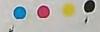
To recognize additional revenues and increase expenditure appropriations associated with increased fuel prices that were not anticipated when the budget was adopted. Operating departments reimburse the Garage based on actual fuel usage, so the increase in expenditures will be offset by an increase in interfund transfer revenues.

Local Improvement District Debt Increase Décrease Requirements: Expenditure Appropriations \$ 145,000 Reserve for Debt Service \$ 145,000

To reduce debt service reserves and provide for the necessary expenditure appropriations in the LID Debt Service Fund. Debt issued in 1998, 2002, and 2003 for water and sewer LID's was paid off early; this budget adjustment will provide expenditure appropriations to allow the assessment revenues received after the debt was paid off to be transferred to the water and water reclamation (sewer) funds.

Increase Decrease Requirements - Business Advocacy Division: **Expenditure Appropriations** \$ 25,000 Requirements - Non-departmental Division: **Expenditure Appropriations** \$ 25,000

To create a new division of the General Fund, the Business Advocacy Division, and transfer expenditures from the General Fund Non-departmental Division to provide appropriations for current year personnel expenditures.



STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

LOW LINE DITCH CO. PRINEVILLE OR 97754

confirms the right to use the waters of CROOKED RIVER, tributary to DESCHUTES RIVER for IRRIGATION OF 165.09 ACRES, DOMESTIC, AND LIVESTOCK.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The date of priority is 1903.

The amount of water to which this right is entitled is-limited to an amount actually used beneficially, and shall not exceed a reasonable amount for domestic and livestock, and 2.06 CUBIC FEET PER SECOND for irrigation, the total quantity being limited to 4.0 acre-feet per acre during each year, or its equivalent in case of rotation, measured at the point of diversion.

The point of diversion is located as follows:

Twp	Rng	Mer	Sec	Q-Q
14 S	14 E	WM	24	SE SW

The use shall conform to such reasonable rotation system as may be ordered by the proper state officer. The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described, and is subject to the existing minimum flow policies established by the Water Policy Review Board.

A description of the place of use to which this right is appurtenant is as follows:

Twp	Rng	Mer	Sec	Q-Q	Acres	Name of User through Company's Works	
14 S	14 E	WM	22	SWSW	15.00	V. Butler	
14 S	14 E	WM	22	NE SE	32.00	T.F. McCallister	
14 S	14 E	WM	22	NW SE	5.00	T.F. McCallister	
14 S	14 E	WM	22	SW SE	19.00	T.F. McCallister	
14 S	14 E	WM	22	SE SE	_40.00	T.F. McCallister	
14 S	14 E	WM	28	NW NE	25.00	J.W. Livingston - Call 67 = 0	
14 S	14 E	WM	28	NE NW		J.W. Livingston - ZO ar VVI	
14 S	14 E	WM	28	NW NW	1.19		

This certificate describes that portion of the water right confirmed by Certificate 43547, State Record of Water Right Certificates, NOT modified by the provisions of an order of the Water Resources Director entered November 30, 2007, approving Transfer Application T-9829.

The right is subject to all other terms and conditions contained in said decree.

The issuance of this superseding certificate does not confirm the status of the water right in regard to the provisions of ORS 540,610 pertaining to forfeiture or abandonment.

WITNESS the signature of the Water Resources Director, affixed January 31, 2008.

Phillip C. Ward, Director

T-9829-correct.lks

Page 1 of 1

Certificate 83651

Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User
	1	14 S	14 E	WM	21	NW SW	30.0	Deschutes Fine Wool Company
	1	14 S	14 E	WM	21	SW SW	5.4	Deschutes Fine Wool Company
1904/1910	1	14 S	14 E	WM	21	NE SE	30.0	Deschutes Fine Wool Company
(continued)	1	14 S	14 E	WM	21	NW SE	30.0	Deschutes Fine Wool Company
,	2	14 S	14 E	WM	21	SE SW	(40.0)	Deschutes Fine Wool Company
	2	14 S	14 E	WM	21	SW SE	40.0	Deschutes Fine Wool Company
	2	14 S	14 E	WM	21	SE SE	40.0	Deschutes Fine Wool Company Deschutes Fine Wool Company Deschutes Fine Wool Company Deschutes Fine Wool Company
	3	14 S	14 E	WM	23	SE NE	20.9	Deschutes Fine Wool Company
	4	14 S	14 E	WM	23	NW NE	0.6	Deschutes Fine Wool Company
	4	14 S	14 E	WM	23	NE NW	7.4	Deschutes Fine Wool Company
	5	14 S	14 E	WM	23	NW NW	1.0	Deschutes Fine Wool Company
1892	1	14 S	14 E	WM	29	NW NW	(2.4)	Forrest, Frances - all
	1	14 S	14 E	WM	29	SW NW	(3.0)	Forrest, Frances - Q11
	1	14 S	14 E	WM	29	SE NW	(8.0)	Forrest, Frances -all
	1	14 S	14 E	WM	30	NE NE	5.6	Forrest, Frances
	6	14 S	14 E	WM	20	SW SW	(10.0	Forrest, Frances -all (V = 0.0
	6	14 S	14 E	WM	29	NE NW	75.0	Forrest, Frances - all (V-0.0
5 Water	6	14 S	14 E	WM	29	NW NW	(35.6)	Forrest, Frances all (V=0.0
100	6	14 S	14 E	WM	30	NE NE	4.4	Forrest, Frances
1898	3(7)	14 S	14 E	WM	29	NE NE	(0.5)	McDowell, D.Aall rv =0.0
1897	1	14 S	14 E	WM	26	NE NE	1.0	Messinger, Lucy
	1	14 S	14 E	WM	26	NW NE	15.0	Messinger, Lucy
	1	14 S	14 E	WM	26	NE NW	30.0	Messinger, Lucy
	1	14 S	14 E	WM	26	NW NW	30.0	Messinger, Lucy
1898	1	14 S	14 E	WM	28	NE NE	3.5	Weaver, David

The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described.

This certificate describes that portion of the water right confirmed by Certificate 81601, State Record of Water Right Certificates, NOT modified by the provisions of an order of the Water Resources Director entered MAY 0.7 2008 approving Transfer Application T-10233.

The issuance of this superseding certificate does not confirm the status of the water right in regard to the provisions of ORS 540.610 pertaining to forfeiture or abandonment.

WITNESS the signature of the Water Resources Director, affixed MAY 0 7 2008

Phillip C. Ward, Directo

STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

PEOPLES IRRIGATION CO. 615221 O'NEIL HWY PRINEVILLE, OR 97754

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for IRRIGATION OF 569.3 ACRES, LIVESTOCK AND DOMESTIC USE.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The date of priority is 1892, 1895, 1897, 1898, and 1904/1910.

The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 7.12 CUBIC FEET PER SECOND, or its equivalent in case of rotation, measured at the point of diversion.

The points of diversion are located as follows:

POD	Twp	Rng	Mer	Sec	Q-Q	Survey Coordinates
I	15 S	16 E	WM	8	NW SW	1920 Feet North and 340 Feet East From SW Corner of Section 8
2						Low Line Ditch
3	14 S	14 E	WM	24	NE SE	Pump: 450 feet West from the East ¼ corner of Section 24
4	14 S	14 E	WM	23	SW NE	Pump: 1020 feet North and 500 feet East from the center ¼ corner of Section 23
5	14 S	14 E	WM	23	SW NW	Pump: 1000 feet North and 1400 feet West from the center 1/4 corner of Section 23
6	14 S	14 E	WM	29	NE NW	Pump: 1085 feet South and 970 feet West from the North ¼ Corner of Section 29
7	14 S	14 E	WM	20	SE SE	Pump: 325 feet North and 120 feet West from the Southeast Corner of Section 20

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each year. The use shall conform to such reasonable rotation system as may be ordered by the proper state officer.

A description of the place of use to which this right is appurtenant is as follows:

IRRIGATION, LIVESTOCK AND DOMESTIC								
Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User
1895	1	14 S	15 E	WM	26	SW SW	20.0	Cox, F.T
	1	14 S	15 E	WM	26	SESW	20.0	Cox, F.T
	1	14 S	15 E	WM	26	SW SE	20.0	Cox, F.T
1904/1910	1	14 S	14 E	WM	21	SW NE	40.0	Deschutes Fine Wool Company
	1	14 S	14 E	WM	21	SE NE	40.0	Deschutes Fine Wool Company
	1	14 S	14 E	WM	21	NESW	30.0	Deschutes Fine Wool Company

T-10233.RA-dip

Page 1 of 2

Certificate 83857

From: Laura Wilke

Sent: Monday, May 23, 2011 2:48 PM

To: 'richard.candland@southvalleybank.com'

Subject: Transfers T-10730 and T-10734

Mr. Candland:

I noted in my files that you were to receive a copy of the Preliminary Determinations for Transfer Applications T-10730 and T-10734. However, it's not clear from review the file if copies were sent to South Valley Bank.

In case you did not receive copies of Preliminary Determinations, here is a link to the Preliminary Determination for each of the above referenced transfer applications:

T-10730: http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?Type=TRFolder&folder_image_id=10574 T-10734: http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?Type=TRFolder&folder_image_id=10572

Please feel free to give me a call if you have any questions or trouble with the above links.

Thank you, Laura Wilke Flow Restoration Program Coordinator Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1271 Phone: (503) 986-0884

Fax: (503) 986-0903

From: Langford, Shonee D. [SLangford@SCHWABE.com]

Sent: Wednesday, April 20, 2011 10:39 AM

To: Laura Wilke

Cc: Dorothy Pedersen; jnewton@newtonconsultants.com

Subject: T-10730/ T-10734: Bank Contact Info

Laura,

As requested, please see below for the current contact/ mailing info for South Valley Bank. The bank should be copied on the PDs for both T-10730 and T-10734. I'm also copying Dorothy just in case she needs this for T-10734. Thanks.

Shonee

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From: Richard Candland [mailto:Richard.Candland@southvalleybank.com]

Sent: Monday, November 01, 2010 7:12 AM

To: Langford, Shonee D.

Subject: Re: Daniels/Grass Butte water rights

My contact information:

Richard Candland South Valley Bank & Trust 572 SW Bluff Dr., Suite 100 Bend, OR 97702

RICH CANDLAND COMMERCIAL LENDER SOUTH VALLEY BANK & TRUST 231 SE 6th Street Madras, OR 97741 541.475.5339 Ph 541.475.5350 Fax 541.771.0484 Cell 541.312.7137 Bend Office

richard.candland@southvalleybank.com

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southvalleybank.com

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>>> "Langford, Shonee D." <SLangford@SCHWABE.com> 10/29/2010 2:49 PM >>>

Richard.

Andy Brandsness asked me to contact you directly. I'm putting together materials to file with the Oregon Water Resources Department (OWRD) for the water right transfer that will be moving 40 acres of rights to the South Valley Bank property formerly owned by Dallon Miles. As part of the submission, we need to provide OWRD a contact person and mailing address for South Valley Bank. Would that be you, and if so, could you please send me your mailing address?

Thanks.

Shonee

SHONEE D. LANGFORD | Attorney at Law SCHWABE, WILLIAMSON & WYATT 530 Center Street NE, Suite 400, Salem, OR 97301

Email: slangford@schwabe.com <mailto:youremail@schwabe.com>

Assistant: Karen Donohue | Direct: 503-540-4262 | kdonohue@schwabe.com

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From: Langford, Shonee D. [SLangford@SCHWABE.com]

Sent: Wednesday, April 20, 2011 11:09 AM

To: Laura Wilke; jnewton@newtonconsultants.com

Cc: Jeremy Giffin

Subject: RE: T-10730 - small error in instream calculation

Laura - Thanks for letting us know about the corrections. We are fine with the changes, since they do not affect the amount of mitigation.

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From: Laura Wilke [mailto:wilkelk@wrd.state.or.us]

Sent: Wednesday, April 20, 2011 11:05 AM

To: Langford, Shonee D.; jnewton@newtonconsultants.com

Cc: Jeremy Giffin

Subject: RE: T-10730 - small error in instream calculation

Howdy Shonee - I found another small opps in the instream calculations. I'm fixing those for the lease and will fix those for the instream transfer when we go to final order and instream certificates. None of the changes affect the amount of mitigation.

The only very small errors I found were for the instream use associated with cert 83857. None on Cert 83732 and none on Cert 83651.

The other error I found for Cert 83857 was on the 1892 priority date (none identified on the 1094/1910 pri date).

PD identified under the 1892 pri date that:
From POD 1 to POD 6: 0.17 CFS & 53.6 AF - correct
At POD #6: 0.8 CFS & 256.0 AF - correct
Just below POD 6 to RM 30: 0.74 CFS & 229.92 AF - small error
from RM 30 to Lake billy Chinook: 0.37 CFS & 115.2 AF - tiny error

Should be:

From POD 1 to POD 6: 0.17 CFS & 53.6 AF - correct

At POD #6: 0.8 CFS & 256.0 AF - correct

Just below POD 6 to RM 30: 0.72 CFS & 229.92 AF - error corrected from RM 30 to Lake billy Chinook: 0.36 CFS & 115.2 AF - error corrected

Looks like just a couple of typos.

Thanks, Laura

From: Langford, Shonee D. [mailto:SLangford@SCHWABE.com]

Sent: Tuesday, April 19, 2011 3:27 PM

To: Laura Wilke; jnewton@newtonconsultants.com

Cc: Jeremy Giffin

Subject: RE: T-10730 - small error in instream calculation

Thanks for the heads up, Laura. The correction is fine, assuming it makes no difference to the proposed number of mitigation credits.

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From: Laura Wilke [mailto:wilkelk@wrd.state.or.us]

Sent: Tuesday, April 19, 2011 3:19 PM

To: Langford, Shonee D.; jnewton@newtonconsultants.com

Cc: Jeremy Giffin

Subject: T-10730 - small error in instream calculation

Good Afternoon to you both:

I was going through the PD for T-10730 as I'm also re doing the Final Order for the instream lease (IL-1081) and noticed a small error in the instream calculations for the water protected instream under the 1898 priority date just below POD #7 for Certificate 83857 - see Reach #5 in finding of fact #35.

The PD identifies the quantity at POD #7 as 0.01 CFS and 2.0 AF - correct.

The amount just below the POD (accounting for 10% return flows) is identified as 0.009 CFS and 2.87 AF (this is more than the vol allowed - 2.0 AF).

Oops. The amount just below the POD should be 0.006 CFS and 1.8 AF (which is 10% less).

I've made a note in the file and we can fix this error at time of Final Order. But I wanted to pass this along just in case you guys or the applicants have any questions. All other numbers appear to be correct but if I see anything else, I'll be sure to pass it along.

Thanks, Laura

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301-1271
Phone: (503) 986-0884
Fax: (503) 986-0903

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Thanks, Laura

Laura Wilke Flow Restoration Program Coordinator Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1271 Phone: (503) 986-0884

Fax: (503) 986-0903

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Thanks, Laura

Laura Wilke Flow Restoration Program Coordinator Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1271 Phone: (503) 986-0884

Fax: (503) 986-088

Transfer Preliminary Determinations

A Preliminary Determination provides the Department's conclusion as to whether a proposed change in place of use, point of diversion or appropriation, or character of use of an existing water right should be approved. Changes of water rights may be proposed in an application for transfer (including instream, historic POD, exchange, substitution or ground water registration modification).

The Department has issued preliminary determinations on the transfer applications listed below. In addition to this notice, the Department is complying with ORS 540.520(2) that requires publication of notice in a local newspaper for all transfers except those proposing a change in place of use only or a change in point of diversion of less than ½ mile where there are no intervening diversion points.

Any person may protest the application and preliminary determination or may file a standing statement. Pursuant to OAR 690-380-4030(3) and OAR 690-382-0900, protests must raise all reasonably ascertainable issues and include all reasonably available arguments supporting the person's position. In addition, protests must be accompanied by a \$600 protest fee for non-applicant and \$300.00 protest fee for applicant. A Water Right Transfer Protest Form is available at http://www.oregon.gov/OWRD/PUBS/forms.shtml or by calling 503-986-0888. Protests must be received by the Department on or before May 19, 2011, or within 30 days of the last date of publication in a newspaper, whichever is later. If no protests are filed, the Department will issue a final order consistent with the preliminary determination.

T-10730 filed by GRASS BUTTE, LLC (1111 MAIN STREET, SUITE 700, VANCOUVER WA, 98660) and by PREMIER WEST BANK (875 RIMROCK WAY, SUITE 100, REDMOND OR, 97756) proposes a change in place of use and character of use under Certificates 83857, 83651, and 83732. The first right allows the use of 0.84 CUBIC FEET PER SECOND (CFS) (priority dates 1898, 1904/1910, and 1892) from the CROOKED RIVER in Sec. 8, T15S, R16E, and Secs. 20, 24, and 29, T14S, R14E, W.M. for IRRIGATION in Secs. 20, 21, and 29. The second right allows the use of 0.56 CFS (priority date 1903) from the CROOKED RIVER in Sec. 24, T 14S, R 14E, W.M. for IRRIGATION in Sec. 28. The third right allows the use of 0.137 CFS (priority date 1892) from the CROOKED RIVER in Sec. 20, T14S, R14E, W.M. for IRRIGATION in Sec. 20. The applicant proposes to create an instream use in the Crooked River (from each point of diversion to Lake Billy Chinook) at a maximum of 1.536 CFS, and to establish mitigation credits in the Crooked River and General Zones of Impact. The Water Resources Department has concluded that the proposed transfer appears to be consistent with the requirements of ORS Chapter 540 and OAR 690-380-5000. The Department has also concluded that the proposed transfer appears to result in mitigation credits pursuant to OAR 690-521-0300 & OAR 690-521-0400.

T-10732 filed by THE DANIELS GROUP, 1111 MAIN ST, SUITE 700, VANCOUVER WA 98660 proposes an additional point of diversion under Certificate 86137. The right allows the use of 0.43 CUBIC FOOT PER SECOND (priority date 1903) from the CROOKED RIVER in Sec. 20, T 14 S, R 14 E, W.M. for IRRIGATION in Sec. 28. The applicant proposes an

additional point of diversion approximately 3.5 miles upstream in Sec. 23, T 14 S, R 14 E, W.M. The Water Resources Department has concluded that the proposed transfer appears to be consistent with the requirements of ORS Chapter 540 and OAR 690-380-5000.

T-10733 filed by DANIELS GROUP, LLC, 1111 MAIN ST SUITE 700, VANCOUVER WA 98660 proposes a change in points of diversion and place of use under Certificate 83850. The right allows the use of 1.2 CUBIC FEET PER SECOND (priority date APRIL 8, 1914) from the CROOKED RIVER in Sec. 29, T 14 S, R 14 E, W.M. for IRRIGATION in Sec. 20 and 29. The applicant proposes to move the points of diversion approximately 0.75 miles downstream and approximately 3.5 miles upstream in Sec. 20, T 14 S, R 14 E, W.M. and in Sec. 23, T 14 S, R 14 E, W.M., and to change the place of use to Sec. 28 and 29, T14 S, R 14 E W.M.. The Water Resources Department has concluded that the proposed transfer appears to be consistent with the requirements of ORS Chapter 540 and OAR 690-380-5000.

T-10734 filed by THE DANIELS GROUP, LLC, 1111 MAIN ST SUITE 700, VANCOUVER WA 98660 proposes a change in points of diversion and place of use under Certificate 83850. The right allows the use of 2.16 CUBIC FEET PER SECOND (priority date APRIL 8, 1914) from the CROOKED RIVER AND PRINEVLLE RESERVOIR in Sec. 23 and 29, T 14 S, R 14 E, W.M. for SUPPLEMENTAL IRRIGATION in Sec. 20, 28, and 29. The applicant proposes to move the points of diversion to one point of diversion approximately 3 miles upstream to Sec. 22, T 14 S, R 14 E, W.M.) and to change the place of use to Sec. 15 and 22, T 14S, R 14 E, W.M. The Water Resources Department has concluded that the proposed transfer appears to be consistent with the requirements of ORS Chapter 540 and OAR 690-380-5000.

T-11170 filed by STANFIELD HUTTERIAN FARM, 36345 DESPAIN GULCH ROAD, STANFIELD, OR 97875, proposes a change in place of use under Certificates 80911, 86127, and 86214. Certificate 80911 allows the use of 1.24 CUBIC FEET PER SECOND (priority date FEBRUARY 26, 1975) from the COLUMBIA RIVER in Sec. 8, T 5 N, R 30 E, W.M. for IRRIGATION in Sec. 9, 15, 21 and 22. The applicant proposes to change the place of use to Sec. 10, T 4 N, R 30 E, W.M. Certificate 86127 allows the use of 0.698 CFS (priority date OCTOBER 3, 1973 and DECEMBER 11, 1973) from the COLUMBIA RIVER in Sec. 8, T 5 N, R 30 E, W.M. for IRRIGATION in Sec. 4, 17, 18 and 20. The applicant proposes to change the place of use to Sec. 10 and 17, T 4 N, R 30 E, W.M. Certificate 86214 allows the use of 0.589 CFS (priority date OCTOBER 3, 1973 and DECEMBER 11, 1973) from the COLUMBIA RIVER in Sec. 8, T 5 N, R 30 E, W.M. for IRRIGATION in Sec. 7. The applicant proposes to change the place of use to Sec. 5, 8 and 10, T 4 N, R 30 E, W.M. The Water Resources Department has concluded that the proposed transfer appears to be consistent with the requirements of ORS Chapter 540 and OAR 690-380-5000.

From: Laura Wilke

Sent: Monday, April 11, 2011 9:59 AM

To: 'Langford, Shonee D.'; jnewton@newtonconsultants.com

Cc: johnshort@usa.com; Dorothy Pedersen

Subject: RE: Grass Butte Instream Transfer T-10730

Shonee - I bounced this one around with Dorothy. At this point, we're ok moving forward with the ownership report we already have plus the additional information you provided with your e-mail.

Thanks, Laura

From: Langford, Shonee D. [mailto:SLangford@SCHWABE.com]

Sent: Wednesday, April 06, 2011 5:39 PM

To: Laura Wilke; jnewton@newtonconsultants.com

Cc: johnshort@usa.com

Subject: RE: Grass Butte Instream Transfer T-10730

Hi Laura.

Before we go ordering another \$200 report from the title company, please review the attached document provided by the title company. The title company included this document with its "Water Transfer Report" for tax lot 106 - the same report I submitted to you showing the bank's ownership - but I did not include the attached portion with my original submission because I did not think it would be necessary. With this additional attachment, the title company's report of ownership shows ownership for the appurtenant land at the time the former owner Emmett Ranch recorded the deed reserving the water right to itself (see page 1, showing Emmett ownership from 8/3/2007 through 1/2/2008). This should suffice to meet the letter of the rule.

Aside from the attached, I think we should be fine because either A) Emmett Ranch, LLC actually owns the 0.5 acre per the 2008 deed and you have Emmett's consent or B) the water right is still on the property so South Valley Bank owns it and you have their consent too. All the bases appear to be covered.

Thanks.

Shonee

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From: Laura Wilke [mailto:wilkelk@wrd.state.or.us]

Sent: Wednesday, April 06, 2011 8:44 AM To: jnewton@newtonconsultants.com

Cc: Langford, Shonee D.

Subject: Grass Butte Instream Transfer T-10730

Good Morning:

The contractor has finished reviewing the ownership documentation for the transfers and it looks like we only have one small issue that needs to be addressed.

This is with regard to the 0.5 ac of irrigation retained by John Short as part of a property sale (located in the NE NE of Section 29, T14S R14E - tax lot 106).

The property, per the ownership report, is currently owned by South Valley Bank and Trust. The ownership report is dated March 17, 2011. However, the 0.5 acre of irrigation appears to have been retained by John Short in a transaction that occurred prior to the Bank taking over ownership of the property.

When conveyance agreements are involved (including when water rights are retained by the seller as part of a real property transaction), the ownership report needs to show the ownership as of the date the conveyance agreement was recorded, being January 3, 2008. Basically, the report needs to show that Emmett Ranch, LLC owned the property at the time the water right was retained by Emmett Ranch in the recorded Statutory Warranty Deed.

At this point, we need a new ownership report covering the 0.5 acres referenced above showing who owned the property at the time the conveyance agreement (statutory warranty deed) was recorded.

Please give me a call if you have any questions.

Thanks, Laura

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301-1271
Phone: (503) 986-0884
Fax: (503) 986-0903

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Sent: Wednesday, April 06, 2011 5:39 PM

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Cc: johnshort@usa.com

Subject: RE: Grass Butte Instream Transfer T-10730

Attachments: 3234_001.pdf

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Aside from the attached, I think we should be fine because either A) Emmett Ranch, LLC actually owns the 0.5 acre per the 2008 deed and you have Emmett's consent or B) the water right is still on the property so South Valley Bank owns it and you have their consent too. All the bases appear to be covered.

Thanks.

Shonee

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From: Laura Wilke [mailto:wilkelk@wrd.state.or.us]

Sent: Wednesday, April 06, 2011 8:44 AM To: jnewton@newtonconsultants.com

Cc: Langford, Shonee D.

Subject: Grass Butte Instream Transfer T-10730

Good Morning:

The contractor has finished reviewing the ownership documentation for the transfers and it looks like we only have one small issue that needs to be addressed.

This is with regard to the 0.5 ac of irrigation retained by John Short as part of a property sale (located in the NE NE of Section 29, T14S R14E - tax lot 106).

The property, per the ownership report, is currently owned by South Valley Bank and Trust. The ownership report is dated March 17, 2011. However, the 0.5 acre of irrigation appears to have been

retained by John Short in a transaction that occurred prior to the Bank taking over ownership of the property.

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Crook County GIS :: Secure Services Propierty Research 240 Change search type: 国的 WSE TEN 3/15/2011 Assessor Information Reports last updated on: Report Generated for Maptaxlot 1414290000106, Date: 3/17/2011 8:12:04 AM General Account Information DOR Sen. Fire Code Remarks Account Tax Payer Acres No. Def. Patrol Area ALT NO. CONVERTED SOUTH VALLEY 21 18020 19.15 INCORRECTLY - CHANGED 7/20/07 **BANK & TRUST** State Zip Country City Add3 Account Add1 Add2 PO BOX 5210 KLAMATH FALLS OR 97601 18020 Property Liability PC Description Description **Block Lot** Account Subdivision Class Potential Additional Farm Zone EFU Land &/or PART PLAT YEAR & # 18020 56 550 Tax Liability Buildings NO PARCEL# Unimp Farm Disqualification **Deliquent Sewer Pending Situation** Additional Taxes Due Account No 'Site Address' information is available Zoning Info. for Tax Lot Proportion Zone Description EFU₂ Exclusive Farm Use 1 Current Owner for Account From date Owner Account 6/8/2010 18020 SOUTH VALLEY BANK & TRUST Add1 Add2 Add3 City State Zip Country Account PO BOX 5210 KLAMATH FALLS OR 97601 18020 Owner History for Account To date From date Account Owner 6/8/2010 SOUTH VALLEY BANK & TRUST 18020 6/7/2010 MILES DALLON 7/14/2008 18020 1/3/2008 7/13/2008 MILES DALLON 18020 8/3/2007 1/2/2008 18020 EMMETT RANCH LLC 8/2/2007 AGAN MARK 7/18/2007 18020 8/2/2007 18020 ZOLLER MATHEW 7/18/2007 7/17/2007 1/1/2007 18020 AGAN MARK 7/17/2007 MURRY EUNICE 1/1/2007 18020 State Zip Country Add2 Add3 Add1 City Account KLAMATH FALLS OR 97601 18020 PO BOX 5210

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18020		OX 2308	nan/		REDMOND		97756	USA
18020	100	5 NW ONEIL I	HWY		IND	OR OR	97709	USA
18020		OX 1830		BEND	CON	OR	97352	0011
18020		MAIN		JEFFER				
18020	876 5	MAIN		JEFFER		OR	97352 97355	1104
18020	3205	SOUTH 8TH			LEBANON O			USA
18020	3205	SOUTH 8TH		LEBANG	N	OR	97355	USA
Certified	Values							
Account	.Tax Year	٧	aluation Type	Initial Value	Initial Date	Mod Va		Modified Date
18020	2010	Special Asse (Improvement	essment Portion nt)	\$0.00	1/2/2009			2/2009
18020	2010			\$9,440.00	9/28/201			28/2010
18020	2010	Improvemen	ts RMV	\$0.00	9/28/201	0 \$0.00	9/	28/2010
18020	2010	Land RMV		\$15,680.00	9/28/201	0 \$15,680	0.00 9/	28/2010
18020	2010	Total RMV		\$15,680.00	9/28/201	0 \$15,680	0.00 9/	28/2010
18020	2010	Special Asse	essment Portion (Land) \$15,680.00	1/2/2009	\$15,680	0.00 1/	2/2009
18020	2010	TAV	The second secon	\$9,440.00	9/28/201		00 9/	28/2010
18020	2010 Special Assessment Portion (To				1/2/2009	\$9,440.	00 1/	2/2009
No 'Unc	ertified \	Values' are a	vailable					
		nation is avai						
			on is available					
Tax Hist								+
Acco		Tax Year	Tax Amount		Descrip	tion		Balance
18020	2	2007	\$92.03	AV Princi	pal-Regular		\$0.0	00
18020	2	2008	\$0.85	AV Intere			\$0.	00
18020		800	\$0.85	AV Intere	st		\$0.	00
18020		2008	\$0.06	A/V Intere			\$0.	00
18020		2008	\$95.34		pal-Regular		\$0.	
18020		2009			THE RESERVE OF THE PARTY OF THE		40.	
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12020	2		\$4.57	AV Intere			\$0.	00
		009	\$3.05	A/V Intere	st		\$0.	00
18020	2	009 009	\$3.05 \$6.09	A/V Intere	st st		\$0. \$0.	00 00 00
18020 18020	2	009 009 009	\$3.05 \$6.09 \$114.24	A/V Intere A/V Intere A/V Princi	st st pal-Regular		\$0. \$0. \$0.	00 00 00 00
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Account	Account Date Doc. Number		Description
18020	2/13/2007	218886	STATUTORY WARRANTY DEED
18020	7/18/2007	222738	BARGAIN & SALE DEED
18020	8/3/2007	223136	STÄTUTORY WARRANTY DEED
18020	9/17/2007	224117	QUITCLAIM DEED
18020	12/11/2007	225665	EASEMENT
18020	1/3/2008	226050	STATUTORY WARRANTY DEED
18020	6/8/2010	241108	DEED IN LIEU OF FORECLOSURE

No 'General residential' information is available

No 'Room Inventory' information is available

Account	Remarks	Eff. Date
18020	EMMETT RANCH LLC TO AGAN M/MURRY E 021307 SW MF218886	2/28/2007
18020	MF218886	2/28/2007
18020	Property Transfer Filing No.: 134646 07/18/2007 by shall	7/18/2007
18020	Property Transfer Filing No.: 134646 07/18/2007 by shall	7/18/2007
18020	Property Transfer Filing No.: 134646, BARGAIN & SALE DEED, Recording No.: 222738 07/18/2007 by shall	7/18/2007
18020	Property Transfer Filing No.: 134646 07/18/2007 by shall	7/18/2007
18020	Property Transfer Filing No.: 134646 07/18/2007 by shall	7/18/2007
18020	Property Transfer Filing No.: 134646 07/18/2007 by shall	7/18/2007
18020	Property Transfer Filing No.: 134707 08/03/2007 by shall	8/3/2007
18020	Property Transfer Filing No.: 134707 08/03/2007 by shall	8/3/2007
18020	Property Transfer Filing No.: 134707, STATUTORY WARRANTY DEED, Recording No.: 223136 08/03/2007 by shall	8/3/2007
18020	Property Transfer Filing No.: 134707 08/03/2007 by shall	8/3/2007
18020	Property Assigned to Transfer/Sale. Filing No.: 134707, STATUTORY WARRANTY DEED, Recording No.: 223136 by shall	8/3/2007
18020	Property Transfer Filing No.: 134707 08/03/2007 by shall	8/3/2007
18020	Property Transfer Filing No.: 134928, QUITCLAIM DEED, Recording No.: 224117 09/17/2007 by shall	9/17/2007
18020	Property Transfer Filing No.: 135354, EASEMENT, Recording No.: 225665 12/11/2007 by shall	12/11/200
18020	Property Transfer Filing No.: 135476 01/03/2008 by shall	1/3/2008
18020	Property Transfer Filing No.: 135476 01/03/2008 by shall	1/3/2008
18020	Property Assigned to Transfer/Sale. Filing No.: 135476, STATUTORY WARRANTY DEED, Recording No.: 226050 by shall	1/3/2008
8020	Property Transfer Filing No.: 135476 01/03/2008 by shall	1/3/2008
8020	Property Transfer Filing No.: 135476, STATUTORY WARRANTY DEED, Recording No.: 226050 01/03/2008 by shall	1/3/2008
8020	2008 Neighborhood changed from 0: DEFAULT to 182: Deschutes/Town/Jeff/Rim-Farm by shall	6/25/2008
8020	Initiated Delinquency Process by dmartin	12/3/2009
8020	by dmartin	12/3/2009
8020	Initiated Delinquency Process by FTCOUNTER1	5/20/2010
	Property Transfer Filing No.: 139633 06/08/2010 by shall	6/8/2010
9020	Property Transfer Filing No.: 139633, DEED IN LIEU OF FORECLOSURE, Recording No.: 241108 06/08/2010 by shall	6/8/2010

18020	Property Transfer Filing No.: 139633 06/08/2010 by shall	6/8/2010
18020	Property Transfer Filing No.: 139633 06/08/2010 by shall	6/8/2010
18020	by dmartin	9/20/2010
No 'Exe	emption' Information is available	
No 'Mo	bile' Home Information is available	
Propert	y Notes for Account	
Accoun	t Map Taxlot Notes	
18020	1414290000106 MV SEGD FROM 14 14 29 #100 REF 478 FOR PP 20	006-56 MF 217698 FOR 2007
18020	1414290000106 NOTE: PLANNING DECISION BLA SEE BA-09-0100 8/27/09 & 11/17/09	AT PLANNING DEPT DATED
No Dore	nit Information is available	

Equitable Center, 530 Center St., NE, Suite 400, Salem, OR 97301 | Phone 503.540.4262 | Fax 503.399.1645 | www.schwabe.com

SHONEE D. LANGFORD

Direct Line: Salem 503-540-4261; Portland 503-796-2896

E-Mail: slangford@schwabe.com

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March 21, 2011

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MAR 2 1 2011

WATER RESOURCES DEPT SALEM, OREGON

BY HAND DELIVERY

Laura K. Wilke Oregon Water Resources Department 725 Summer St NE Ste A Salem, OR 97301-1271

Re.

Ownership Reports/ Landowner Consents for Transfers T-10730, 10732, 10733

and 10734

Our File No.: 120728/170225

Dear Laura:

This firm represents applicants Grass Butte, LLC and The Daniels Group, LLC in connection with the above-referenced transfer applications. Enclosed for your review are required ownership reports and consent forms. The documents are organized by transfer application file number. To facilitate your review, we offer the following summary of property ownership and other relevant information for each transfer.

T-10730

Transfer Applicants: Grass Butte, LLC and PremierWest Bank.

Ownership Information: The proposed "From" lands are owned by Grass Butte, LLC, South Valley Bank & Trust, and Butler Ranch, Inc, as follows:

- Grass Butte, LLC: Since Grass Butte is the transfer applicant and the owner of a
 portion of the proposed "From" lands under Certificate 83857, no further documentation is
 required to show authorization to pursue the transfer of water rights appurtenant to the real
 property owned by Grass Butte (as described in the attached ownership report).
- 2. South Valley Bank & Trust: The bank owns "From" lands under Certificates 83651 and 83857. The enclosed materials include an ownership report and the bank's notarized consent to transfer T-10730. The consent is conditioned upon approval of related transfer T-10733 and approval of an amendment of the place of use for 40 acres proposed for transfer under

Laura K. Wilke March 21, 2011 Page 2

T-10733. Transfer T-10733 has been amended in accordance with the bank's instructions (see Nov. 2, 2010 submittal by Newton Consultants, Inc. and Finding of Fact No. 5 in Draft Preliminary Determination for T-10733) and is currently under review by the Department.

3. Butler Ranch, Inc.: Butler Ranch owns "From" lands described in Certificate 83732. However, Butler Ranch previously conveyed the appurtenant water rights to The Daniels Group, LLC (by enclosed deed recorded on February 8, 2011) which then conveyed the rights to Grass Butte, LLC. Copies of the recorded water right conveyance deeds are enclosed. The enclosed ownership information for this property includes evidence of Butler Ranch's ownership as of February 8, 2011 (see Crook County GIS-Property Research 2.0, Page 1 of 4), which was when the water rights were conveyed to The Daniels Group. The enclosed information also shows that Butler Ranch still owns the property at issue.

T-10732

Transfer Applicant: The Daniels Group, LLC

Ownership Information: William Rex Tompsett and Helen Diane Tompsett own the lands involved in this transfer. A copy of the ownership report is enclosed and we are in the process of securing notarized consent from the Tompsetts. We will submit the notarized consent form as soon as it has been executed.

T-10733

Transfer Applicant: The Daniels Group, LLC

Ownership Information: Grass Butte, LLC is the sole owner of the "From" lands involved in this transfer (see enclosed ownership report). An original of Grass Butte's notarized consent to this transfer is enclosed.

T-10734

Transfer Applicant: The Daniels Group, LLC

Ownership Information: Grass Butte, LLC and South Valley Bank & Trust own the "From" lands involved in this transfer (see enclosed ownership report).

- Grass Butte, LLC: An original of Grass Butte's notarized consent to this transfer is enclosed (note: the original document is included with the materials for T-10733).
- 2. South Valley Bank & Trust: An original of the bank's notarized consent to this transfer is enclosed.

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MAR 21 2011



Laura K. Wilke March 21, 2011 Page 3

Thank you for your assistance with these transfers. With the exception of the Tompsett consent form for T-10732, you should now have all of the required ownership and consent documentation. Please do not hesitate to contact me if you have any questions.

Sincerely,

Shonee D. Langford

Some D Inter

SDL:sdl Enclosure

cc:

(all via email; w/encl.)

Kara Morris James B. Newton

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MAR 2 1 2011



T-10730

- Land Ownership Reports for Properties Owned by Grass Butte, South Valley Bank & Trust and Butler Ranch
- 2. Notarized Consent from South Valley Bank & Trust
- Water Right Deeds from Butler Ranch to The Daniels Group and from The Daniels Group to Grass Butte

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MAR 2 1 2011



150 NE Court St. Prineville, OR 97754 541-447-5181 • Fax 541-447-3371

WATER TRANSFER REPORT

Water Right Services, LLC P.O. Box 1830 Bend, OR 97709

Attn: John A. Short

Date:

March 17, 2011

Fee:

Title Officer: Debbie Knudsen

\$100.00

We have searched our Tract Indices as to the following described property:

See Exhibit "A" Attached Hereto

and dated as of March 16, 2011 at 8:00 A.M.

We find that the last deed of record runs to:

GRASS BUTTE, LLC, an Oregon limited liability company

Property Tax Information

1. Taxes due Crook County as follows:

Code:

21

Map No .:

1414-29

Tax Lot No .:

200

Reference No.:

16010

Unpaid Balance:

Original Amt: \$1,848.26 Amt Due: \$1,848.26 plus interest for 2010-11;

Original Amt: \$1,895.54 Amt Due: \$1,895.54 plus interest for 2009-10.

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MAR 2 1 2011

WATER RESOURCES DEPT SALEM, OREGON Page 1 of 3

NOTE: This Water Transfer Report is being made with the understanding that it does not represent any form of title insurance and is not a commitment for a policy of insurance. The information provided herein is not a full examination of the subject property. Further, if any person, corporation or entity of any kind should use this report as a basis to produce a title insurance product, it should be understood that it is clearly outside of Oregon law. Any liability hereunder is limited to the amount paid for said report.

AmeriTitle

By:

Debbie Knudsen, Title Officer

"Superior Service with Commitment and Respect for Customers and Employees"

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Exhibit "A"

Located in CROOK COUNTY, OREGON:

Parcel One (1) of Partition Plat No. 2000-29, Recorded September 14, 2000 in Partitions MF No. 157741, Records of Crook County, Oregon, Located in the SW ¼ of Section 20 and the W½ of Section 29, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon.

EXCEPTING THEREFROM: That portion of the before described parcel of land lying South of the Rightof-Way of the O'Neil Highway, as now located and constructed.

ALSO EXCEPTING THEREFROM: Any portion lying within the boundaries of the City of Prineville Railway.

ALSO EXCEPTING THEREFROM: A parcel of land more particularly described as follows: Beginning at the one-quarter corner common to Sections 20 and 29 said point also being located on the East line of said Parcel 1, thence South 00°29'28" West along the East line of said Parcel 1 a distance of 363.30 feet more or less to the centerline of the Crooked River; thence along the centerline of said Crooked River along the following courses: thence South 54°14'21" West a distance of 56.05 feet; thence South 44°30'07" West a distance of 65.58 feet; thence South 14°33'27" West a distance of 95.81 feet; thence South 00°48'06" West a distance of 117.79 feet; thence South 22°32'00" West a distance of 36.71 feet; thence South 47°30'21" West a distance of 138.94 feet; thence South 71°21'24" West a distance of 55.60 feet; thence South 81°52'32" West a distance of 47.25 feet; thence South 88°58'53" West a distance of 132.20 feet; thence South 58°51'24" West a distance of 81.09 feet; thence South 40°14'01" West a distance of 117.39 feet; thence South 02°39'10" West a distance of 102.75 feet; thence South 10°01'40" West a distance of 44.50 feet; thence South 44°12'16" West a distance of 18.16 feet; thence South 50°41'01" West a distance of 113.82 feet; thence North 89°54'26" West a distance of 94.05 feet; thence North 52°16'12" West a distance 77.57 feet; thence North 39°36'33" West a distance of 175.80 feet; thence North 23°26'26" West a distance of 126.38 feet; thence North 04°36'44" West a distance of 30.75 feet; thence North 00°13'53" East a distance of 151.48 feet; thence North 12°45'55" East a distance of 128.65 feet; thence North 21°07'47" East a distance of 106.39 feet; thence North 37°25'45" East a distance of 74.61 feet; thence North 51°35'09" East a distance of 64.67 feet; thence North 65°55'10" East a distance of 165.07 feet; thence North 80°09'05" East a distance of 117.53 feet; thence North 43°23'57" East a distance of 74.35 feet; thence North 11°34'20" East a distance of 125.53 feet; thence North 23°47'12" West a distance of 90.98 feet; thence North 08°40'48" East a distance of 58.11 feet; thence North 02°13'51" East a distance of 37.59 feet; thence North 55°12'15" West a distance of 111.61 feet; thence South 86°41'06" West a distance of 125.82 feet; thence North 53°59'58" West a distance of 45.41 feet; thence North 08°06'18" West a distance of 23.32 feet; thence North 14°14'38" East a distance of 107.30 feet; thence North 21°06'47" East a distance of 108.01 feet; thence North 31°53'11" West a distance of 127.67 feet; thence North 50°23'16" West a distance of 91.74 feet; thence North 37°48'02" West a distance of 34.25 feet; thence North 04°00'10" East a distance of 104.87 feet to the North line of said Parcel 1; thence South 88°54'48" East along the North line of said Parcel 1 a distance of 264.60 feet; thence South 65°03'50" East along the North line of said Parcel 1 a distance of 349.17 feet; thence South 88°55'52" East along the North line of said Parcel 1 a distance of 329.96 feet; thence South 00°00'50" East along the East line of said Parcel 1 a distance of 528.08 feet to the point of beginning.

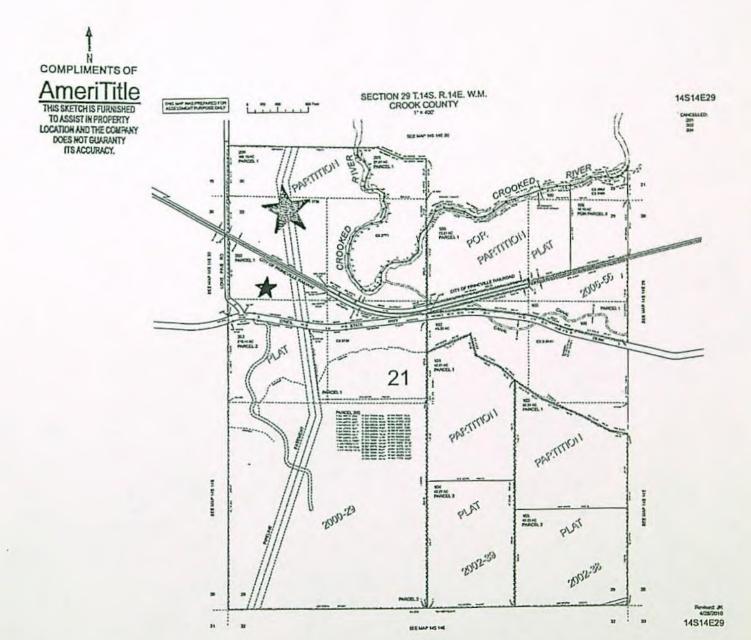
SUBJECT TO the Right-of-Way of Lone Pine Road.

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0088573

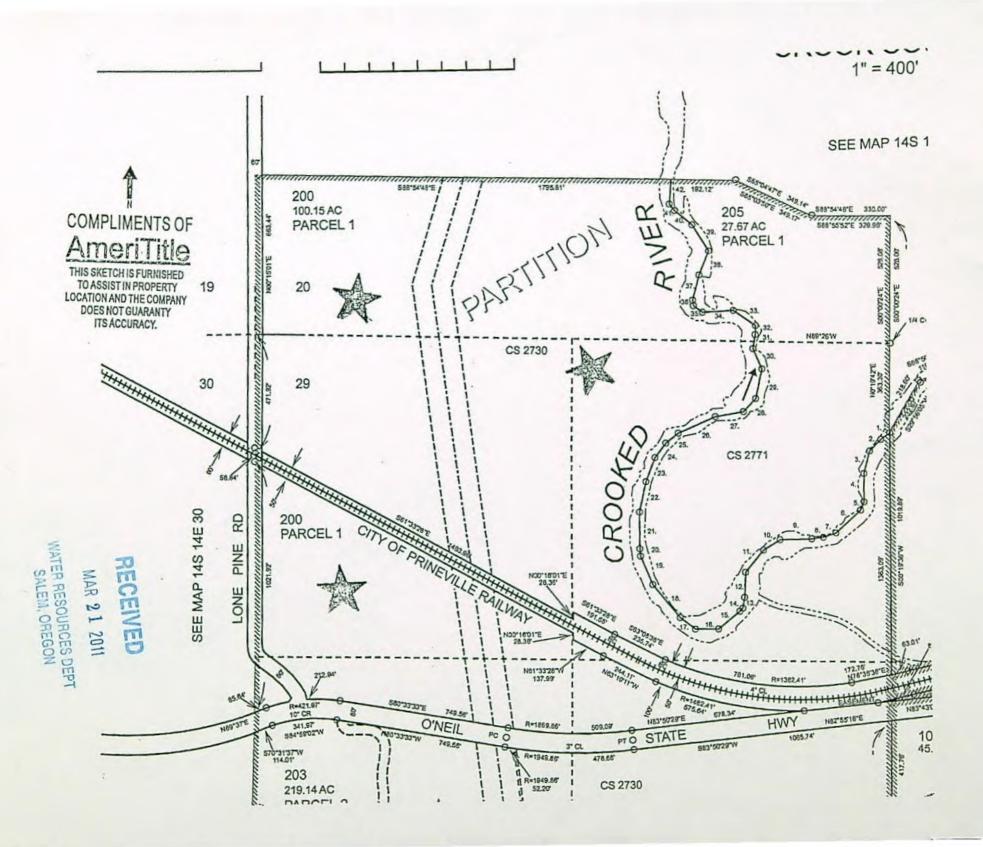
MAR 2 1 2011

Page 3 of 3



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MAR 2 1 2011





150 NE Court St. Prineville, OR 97754 541-447-5181 • Fax 541-447-3371

WATER TRANSFER REPORT

Water Right Services, LLC P.O. Box 1830

Bend, OR 97709

Attn: John A. Short

Date:

Fee:

March 16, 2011

Title Officer: Debbie Knudsen

\$100.00

We have searched our Tract Indices as to the following described property:

See Exhibit "A" Attached Hereto

and dated as of March 16, 2011 at 8:00 A.M.

We find that the last deed of record runs to:

SOUTH VALLEY BANK & TRUST

Property Tax Information

NOTE: Taxes for fiscal year 2010-2011 are paid in full as follows:

Code	Map No.	Tax Lot	Ref. No.	Amount Paid
	=====			
21	1414-28	200	476	\$1,729.72
21	1414-21	200	459	\$19.09

NOTE: This Water Transfer Report is being made with the understanding that it does not represent any form of title insurance and is not a commitment for a policy of insurance. The information provided herein is not a full examination of the subject property. Further, if any person, corporation or entity of any kind should use this report as a basis to produce a title insurance product, it should be understood that it is clearly outside of Oregon law. Any liability hereunder is limited to the amount paid for said report.

AmeriTitle

MAR 21 2011

WATER RESOURCES DEPT SALEM, OREGON

"Superior Service with Commitment and Respect for Customers and Employees"

0088574

Page 1 of 3

EXHIBIT "A"

Located in CROOK COUNTY, OREGON:

TRACT I:

In Township 14 South, Range 14 East of the Willamette Meridian:

Section 21: Beginning at the Southwest corner of the SE ¼ SW ¼ of said Section 21, thence North

285 feet, thence East 792 feet, thence South 285 feet, thence West 792 feet to the point of

beginning.

Section 28: W½NE¼, and East 60 rods of the E½NW¼.

EXCEPTING those tracts conveyed to the City of Prineville for Railway purposes, recorded in Book 40 of Deeds at page 12 and Book 40 of Deeds at page 17, Records of Crook County, Oregon.

ALSO EXCEPTING those tracts conveyed to the State of Oregon, by and through its State Highway Commission for highway purposes, as recorded in Book 52 of Deeds at page 241, Book 64 of Deeds at page 177, Records of Crook County, Oregon.

ALSO EXCEPTING the following tract of land located in the Northeast quarter of the Northwest quarter of Section 28, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon, being more particularly described as follows: Beginning a 5/8 inch iron rod located at the intersection of the East boundary of that parcel described in MF# 119196 Deeds Records of Crook County, Oregon and the southerly right of way of the City of Prineville Railway; thence along said East boundary South 00°00'05" East 721.92 feet to a 5/8 inch iron rod; thence leaving said East boundary North 75°50'37" East 392.14 feet to a 5/8 inch iron rod; thence North 14°09'23" West 700.00 feet to a 5/8 inch iron rod on said southern right of way; thence along said right of way South 75°50'37" West 215.60 feet to the point of beginning and terminus of this description.

ALSO EXCEPTING the Tract of land conveyed to Jerry L. Rank and Gayla A. Rank, by Deed recorded February 1, 1999, MF #146102 Deed Records of Crook County, Oregon.

ALSO EXCEPTING the following tract of land located in the Southeast quarter of the Northwest quarter of Section 28, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon, being more particularly described as follows: Beginning at a one half inch iron pipe marking the Southeast corner of that parcel described in MF# 119196 Deeds Records of Crook County; thence along the East boundary of said parcel North 00°00′05″ West 616.47 feet to a 5/8 inch iron rod on the southerly right of way of the O'Neil State Highway; thence along said southerly right of way North 81°06′21″ East 457.19 feet to a ¾ inch iron rod at the Northwest corner of that parcel described in Book 52 of Deeds at page 241, Records of Crook County, Oregon; thence along the westerly boundary of said parcel South 8°47′45″ East 398.96 feet to a ¾ inch iron rod at the Southwest corner of said tract; thence South 8°47′45″ East 283.59 feet to a 5/8 inch iron rod on the East-West centerline of said Section 28; thence along said East-West centerline South 88°41′57″ West 556.20 feet to the point of beginning and terminus of this description.

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ALSO EXCEPTING a parcel of land located in the Northwest one-quarter (NW1/4) of Section 28, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon, more particularly described as follows: Beginning at the Southwest corner of that parcel conveyed to Jerry L. Rank and Gayla A. Rank recorded on February 1, 1999 at Deeds MF 146102, Records of Crook County, Oregon, marked by a 3/4 inch iron rod, thence South 08°33'12" East along the East line of that parcel conveyed to William R. Tompsett recorded on April 22, 1998 at Deeds MF 140461, Records of Crook County, Oregon, a distance of 283.65 feet to the South line of said NW14, said point marked by a 5/8 inch iron rod with yellow plastic cap marked "Armstrong S & E LS1026"; thence North 89°09'15" East along the South line of said NW ¼ a distance of 446.65 feet to the Southeast corner of said NW¼, marked by a 5/8 inch iron rod with yellow plastic cap marked "Terrascope, Inc."; thence North 00°10'47" East along the East line of said NW¼ a distance of 761.79 feet to the Southerly right of way line of the O'Neil Highway as described in that deed to the State of Oregon, by and through its State Highway Commission, recorded on July 5, 1950 at Deed Book 64 on Page 177, Records of Crook County, Oregon; thence along said right of way line around an off set spiral curve right a distance of 163.43 feet, spiral chord bears South 77°36'45" West 163.39 feet to a 1/4 inch iron rod; thence South 01°39'16" East along the South line of said right of way and the East line of that parcel conveyed to Jerry L. Rank and Gayla A. Rank at Deeds MF 146102 a distance of 298.66 feet to a 3/4 inch iron rod; thence South 65°36'16" West along the South line of said parcel described at Deeds MF 146102 a distance of 373.57 feet to the point of beginning.

TRACT II:

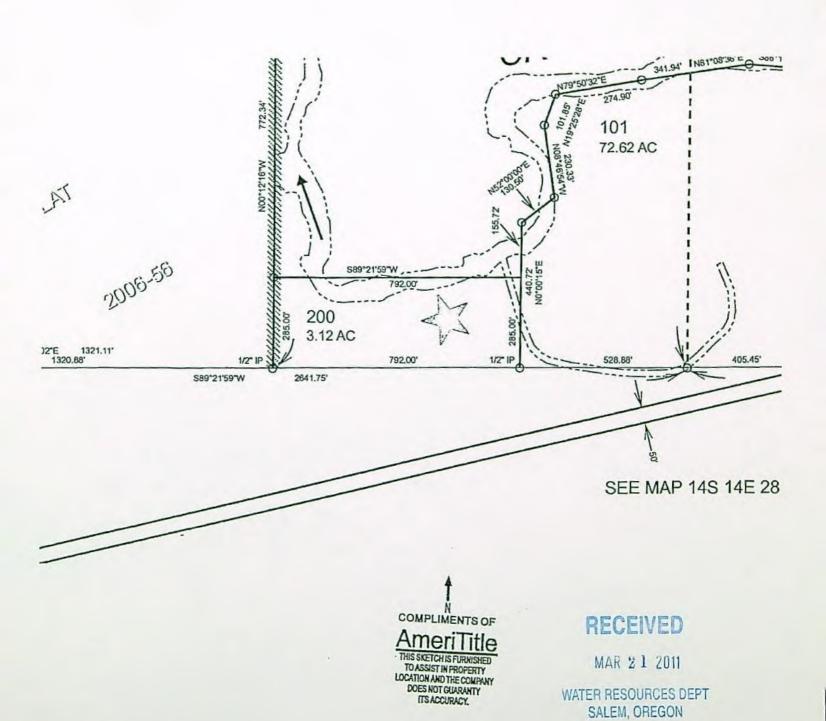
A parcel of land located in the North half of the Northwest quarter of Section 28, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon, being more particularly described as follows: Beginning at a two inch brass cap marking the Northwest corner of said Section 28; thence along the West boundary of said Section 28 South 701.92 feet to a 5/8 inch iron rod on the northerly right of way of the City of Prineville Railway; thence along said northerly right of way North 75°50'37" West 1701.95 feet to a ½ inch iron pipe on the westerly boundary of that parcel described in said MF# 136838 thence along said westerly boundary North 00°00'19" West 322.37 feet to a 5/8 inch iron rod on the North boundary of said Section 28; thence along said North boundary South 88°43'34" West 1650.64 feet to the point of beginning and terminus of this description.

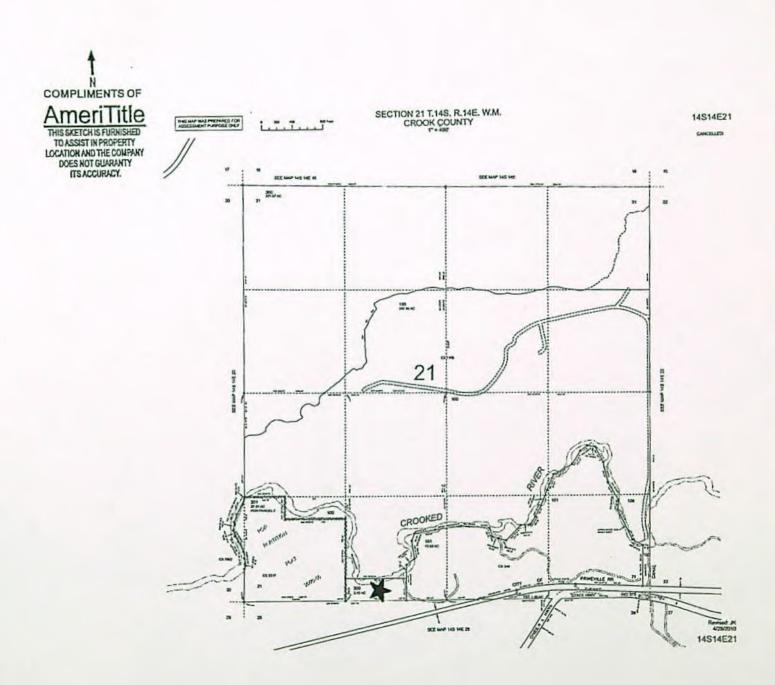
EXCEPTING the following tract of land located in Section Twenty-eight (28): Beginning at a 2½ inch brass cap marking the Northwest corner of said Section 28, thence South 00°27'22" West along the West line of said Section 28 a distance of 702.68 feet to the Northerly right of way of the City of Prineville Railway; thence North 76°17'51" East along said line a distance of 1363.16 feet to the East line of the Northeast one-quarter of the Northeast one-quarter (NE½NE½) of said Section 28, marked by a 5/8 inch iron rod with yellow plastic cap marked "Armstrong S & E LS1026"; thence North 00°19'05" East along said line a distance of 398.58 feet to the Northeast corner of said NE½NE½, marked by a 5/8 inch iron rod with yellow plastic cap marked "Armstrong S & E LS1026"; thence South 89°11'02" West along the North line of said Section 28 a distance of 1132.11 feet to the point of beginning

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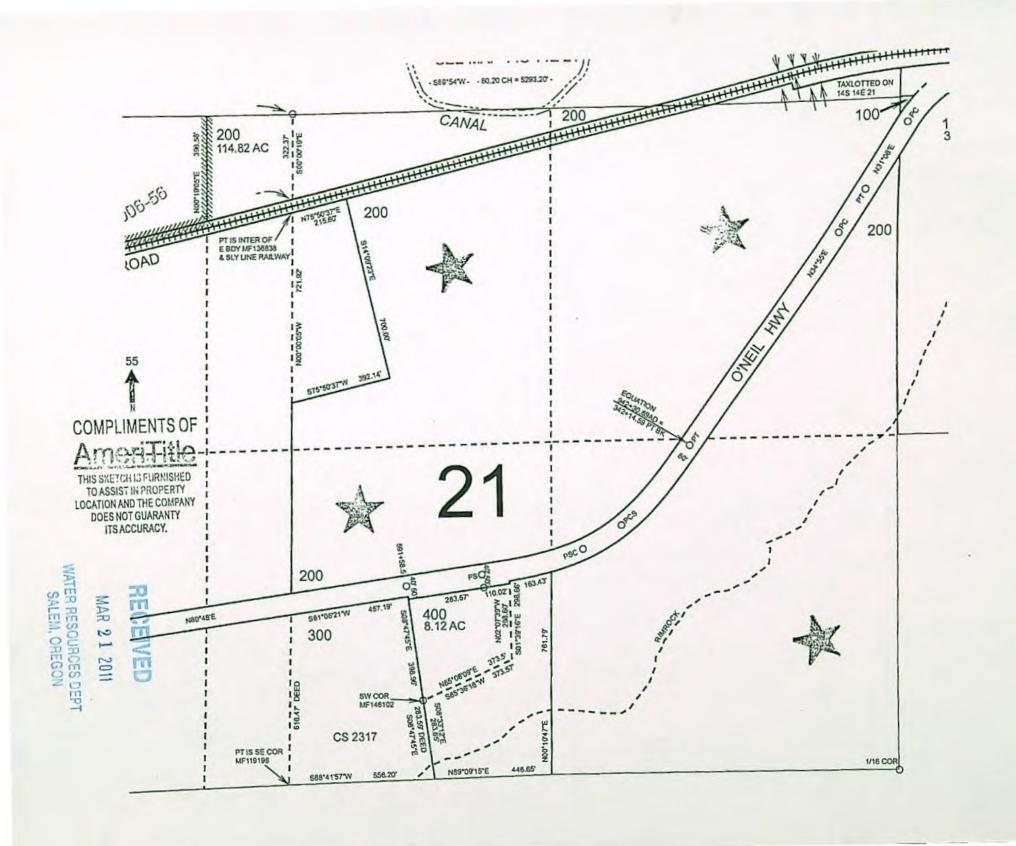
WATER RESOURCES DEPT SALEM, OREGON Page 3 of 3



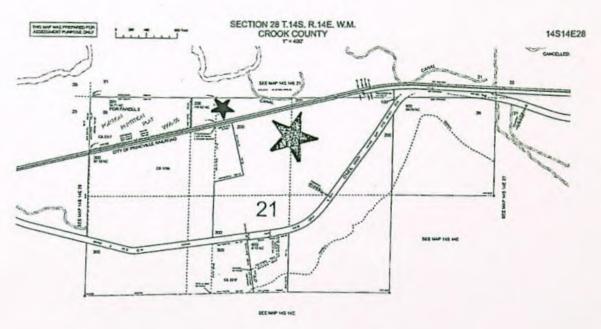


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Revised: JK 4/28/2010 14S14E28

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MAR 21 2011



150 NE Court St. Prineville, OR 97754 541-447-5181 • Fax 541-447-3371

WATER TRANSFER REPORT

Water Right Services, LLC P.O. Box 1830 Bend, OR 97709

Attn: John A. Short

Date:

March 17, 2011

Title Officer: Debbie Knudsen

Fee:

\$100.00

We have searched our Tract Indices as to the following described property:

Parcel 2 of Partition Plat No. 2006-56, Recorded December 29, 2006 in Partitions MF No. 2006-217698, Records of Crook County, Oregon, Located in the SE1/4 of Section 20, in the SW1/4 of the SW1/4 of Section 21, in the NW1/4 of the NW1/4 of Section 28, in the E1/2 of Section 29, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon.

and dated as of March 16, 2011 at 8:00 A.M.

We find that the last deed of record runs to:

SOUTH VALLEY BANK & TRUST

Property Tax Information

NOTE: Taxes for fiscal year 2010-2011 are paid in full as follows:

Code	Map No.	Tax Lot	Ref. No.	Amount Paid
21	1414-21	201	16671	\$219.97
21	1414-28	201	16672	\$49.91
21	1414-29	106	18020	\$117.79

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MAR 2 1 2011

NOTE: This Water Transfer Report is being made with the understanding that it does not represent any form of title insurance and is not a commitment for a policy of insurance. The information provided herein is not a full examination of the subject property. Further, if any person, corporation or entity of any kind should use this report as a basis to produce a title insurance product, it should be understood that it is clearly outside of Oregon law. Any liability hereunder is limited to the amount paid for said report.

AmeriTitle

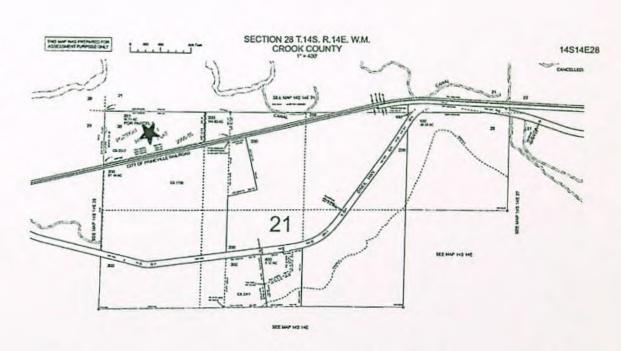
Debbie Knudsen, Title Officer

"Superior Service with Commitment and Respect for Customers and Employees"

RECEIVED

MAR 2 1 2011

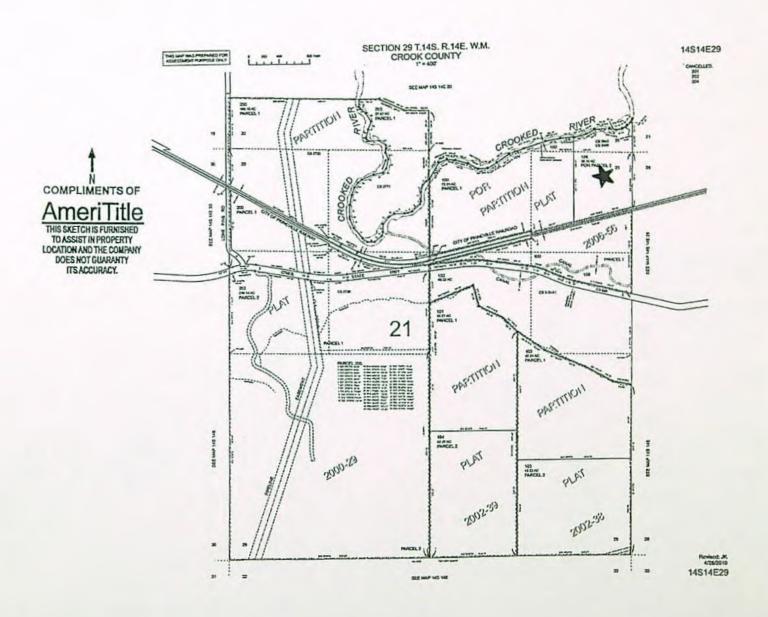




Revised: JK 47342910 14S14E28

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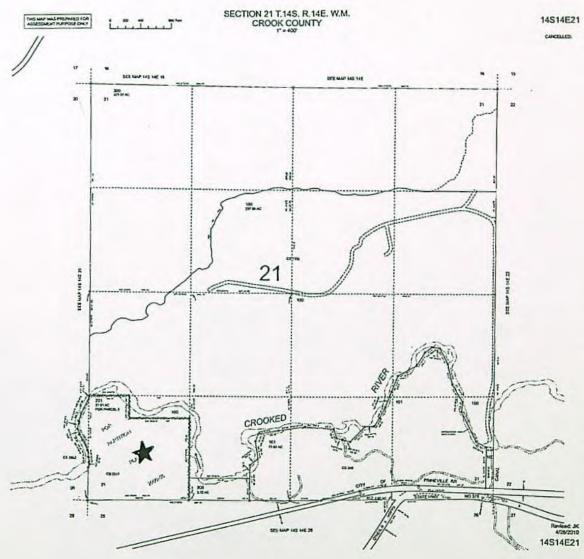
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RECEIVED

MAR 2 1 2011



150 NE Court St. Prineville, OR 97754 541-447-5181 • Fax 541-447-3371

WATER TRANSFER REPORT

Water Right Services, LLC P.O. Box 1830

Bend, OR 97709

Attn: John A. Short

Date:

March 16, 2011

Title Officer: Debbie Knudsen

Fee:

\$100.00

We have searched our Tract Indices as to the following described property:

See Exhibit "A" Attached Hereto

and dated as of March 15, 2011 at 8:00 A.M.

We find that the last deed of record runs to:

BUTLER RANCH, INC., an Oregon corporation

Property Tax Information

1. Unpaid taxes due Crook County for fiscal year 2010-11:

Code:

21

Map No .:

1414-20

Tax Lot No.:

100

Reference No.:

451

Original Amount:

\$2,235.03

Unpaid Balance:

\$164.06 plus interest

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MAR 21 2011

NOTE: This Water Transfer Report is being made with the understanding that it does not represent any form of title insurance and is not a commitment for a policy of insurance. The information provided herein is not a full examination of the subject property. Further, if any person, corporation or entity of any kind should use this report as a basis to produce a title insurance product, it should be understood that it is clearly outside of Oregon law. Any liability hereunder is limited to the amount paid for said report.

AmeriTitle

Debbie Knudsen, Title Officer

"Superior Service with Commitment and Respect for Customers and Employees"

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EXHIBIT A

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Located in CROOK COUNTY, OREGON:

WATER RESOURCES DEPT

Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon. ALEM. OREGON Section 20: E½NE¼, NW¼NE¼, E½SE¼, SW¼SE¼, S½NW¼, all that portion of the N½NW¼ lying South of the County Road, as located and constructed, N½SW¼, N½S½SW¼.

Also, a parcel of land in the S½SE¼SW¼ of Section 20 more particularly described as follows:

Beginning at a point on the North and South center line of said Section 20, said point being 32 rods

North of the South quarter corner of said Section 20, thence West 5 chains, thence North 67°45' West

5.29 chains, thence East 9.90 chains to the North and South Center line through said Section 20, thence

South 2 chains to the point of beginning.

EXCEPTING THEREFROM A parcel of land located in the Northwest one-quarter of Section 20, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon: Beginning at the Northwest corner of said Section 20, thence South 89°51'00" East along the North line of said Section 20 a distance of 991.47 feet; thence South 0°09'00" West a distance of 40.00 feet to a point on the South line of that parcel of land conveyed to Crook County by deed recorded in Deed MF 80891, Records of Crook County, Oregon, said point marked by a 5/8 inch iron rod. Thence South 63°18'56" East a distance of 558.39 feet to a 5/8 inch iron rod; thence North 79°48'11" East a distance of 74.75 feet to a 5/8 inch iron rod; thence North 72°05'17" East a distance of 202.76 feet, more or less, to the West bank of the Crooked River, thence in a Southerly direction following the West bank of the Crooked River to a point due East of a point 660 feet South of the Northwest corner of said Section 20, thence West to the West line of Section 20; thence North 660 feet to the Northwest corner of said Section 20 to the True Point of Beginning.

EXCEPTING THEREFROM the right of way for Lone Pine Road along the Northerly and Westerly boundary of the above described property.

ALSO EXCEPTING THEREFROM a parcel of land located in the Southeast one-quarter (SE1/4) of Section 20 and the Northeast one-quarter (NE1/4) of Section 29, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon, more particularly described as follows: Commencing at the one-quarter corner common to said Sections 20 and 29; thence South 00°19'42" West along the West line of said NE¼ of Section 29 a distance of 363.30 feet more or less to the thread of the Crooked River and the True Point of Beginning of this description. Thence along the thread of the Crooked River along the following approximate courses: North 29°56'05" East a distance of 232.67 feet; thence North 68°50'17" East a distance of 112.65 feet; thence South 85°11'09" East a distance of 106.65 feet; thence South 74°38'09" East a distance of 166.56 feet; thence South 61°13'02" East a distance of 151.13 feet; thence North 87°31'41" East a distance of 126.47 feet; thence North 59°41'30" East a distance of 139.24 feet; thence North 54°09'08" East a distance of 194.42 feet; thence North 71°10'38" East a distance of 112.92 feet more or less to the line common to said Sections 20 and 29; thence North 71°10'38" East a distance of 379.52 feet; thence North 79°05'11" East a distance of 200.72 feet; thence North 86°55'48" East a distance of 178.75 feet; thence North 75°11'50" East a distance of 163.72 feet; thence North 59°01'43" East a distance of 120.87 feet; thence North 88°14'04" East a distance of 193.07 feet; thence South 78°14'22" East a distance of 88.19 feet; thence North 76°30'26" East a distance of 85.43 feet; thence North 57°18'09" East a distance of 75.06 feet; thence North 40°25'17" East a distance of 101.28

feet to the East line of said Section 20; thence leaving said thread North 00°15'04" West along said East line of Section 20 a distance of 15.34 feet to a point; thence along a line parallel to said thread of the Crooked River and located ten (10.00') feet Northerly thereof along the following approximate courses: South 40°25'17" West a distance of 111.44 feet; thence South 57°18'09" West a distance of 71.89 feet; thence South 76°30'26" West a distance of 81.50 feet; thence North 78°14'22" West a distance of 87.14 feet; thence South 88°14'04" West a distance of 196.87 feet; thence South 59°01'43" West a distance of 122.05 feet; thence South 75°11'50" West a distance of 161.27 feet; thence South 86°55'48" West a distance of 178.41 feet; thence South 79°05'11" West a distance of 202.10 feet; thence South 71°10'38" West a distance of 407.86 feet more or less to the line common to said Sections 20 and 29; thence South 71°10'38" West a distance of 86.77 feet; thence South 54°09'08" West a distance of 195.43 feet; thence South 59°41'30" West a distance of 136.27 feet; thence South 87°31'41" West a distance of 121.20 feet; thence North 61°13'02" West a distance of 149.51 feet; thence North 74°38'09" West a distance of 168.66 feet; thence North 85°11'09" West a distance of 109.88 feet; thence South 68°50'17" West a distance of 118.49 feet; thence South 29°56'05" West a distance of 218.60 feet to the West line of said NE¼ of Section 29; thence South 00°19'42" West along said line a distance of 20.24 feet to the True Point of Beginning.

ALSO EXCEPTING THEREFROM A Parcel of land more particularly described as follows: Beginning at said Southeast corner of Section Twenty (20), Thence North 00°15'04" West along the East line of said Section 20 a distance of 563.89 feet more or less to the thread of the Crooked River and the True Point of Beginning of this Legal Description. Thence along said thread of the Crooked River along the following approximate courses: North 07°01'09" West a distance 83.40 feet; Thence North 27°41'52" West a distance of 149.68 feet; Thence North 32°02'00" West a distance of 83.20 feet; Thence North 17°59'10" West a distance of 78.62 feet; Thence North 07°27'49" East a distance of 105.93 feet; Thence North 18°13'43" East a distance of 104.72 feet; Thence North 25°38'46" East a distance of 227.06 feet more or less to the East line of said Section 20; thence South 00°15'04" East along said East line of Section 20 a distance of 769.81 feet, more or less, to the True Point of Beginning.

ALSO EXCEPTING THEREFROM A parcel of land located in the Southeast one-quarter (SE¼) of Section 20, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon, more particularly described as follows: Beginning at the Southeast corner of said Section 20, thence North 88°56′35″ West along the South line of said Section 20 a distance of 1490.09 feet, more or less, to the thread of the Crooked River; thence along said thread of the Crooked River, along the following approximate courses: North 71°10′38″ East a distance of 379.52 feet; thence North 79°05′11″ East a distance of 200.72 feet; thence North 86°55′48″ East a distance of 178.75 feet; thence North 75°11′50″ East a distance of 163.72 feet; thence North 59°01′43″ East a distance of 120.87 feet; thence North 88°14′04″ East a distance of 193.07 feet; thence South 78°14′22″ East a distance of 88.19 feet; thence North 76°30′26″ East a distance of 85.43 feet; thence North 57°18′09″ East a distance of 75.06 feet; thence North 40°25′17″ East a distance of 101.28 feet to the East line of said Section 20; thence leaving said Crooked River thread, South 00°15′04″ East along the East line of said Section 20 a distance of 427.11 feet, more or less, to the said Southeast corner of Section 20 and the Point of Beginning.

TOGETHER WITH the following described Tract: A Parcel of land located in the Southwest one-quarter (SW 1/4) of Section 21, Township 14 South, Range 14 East, Willamette Meridian, Crook County, Oregon, more particularly described as follows: Beginning at the Southwest corner of said Section 21, Thence North 00°15'04" West along the West line of said Section 21 a distance of 427.11 feet more or

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less to the thread of the Crooked River and the True Point of Beginning of this legal description. Thence along said thread of the Crooked River, along the following approximate courses: North 07°09'22" East a distance of 65.82 feet; Thence North 07°01'09" West a distance of 72.01 feet more or less to said West line of Section 21; Thence South 00°15'04" East along said West line of Section 21 a distance of 136.77 feet to the True Point of Beginning.

TOGETHER WITH a parcel of land located in the Northeast one-quarter (NE¼) of Section 29, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon, more particularly described as follows: Beginning at the North one-quarter corner of said Section 29, thence South 88°56'35" East along the North line of said Section 29 a distance of 1129.64 feet, more or less, to the thread of the Crooked River; thence along the thread of the Crooked River along the following approximate courses: thence South 71°10'38" West a distance of 112.92 feet; thence South 54°09'08" West a distance of 194.42 feet; thence South 59°41'30" West a distance of 139.24 feet; thence South 87°31'41" West a distance of 126.47 feet; thence North 61°13'02" West a distance of 151.13 feet; thence North 74°38'09" West a distance of 166.56 feet; thence North 85°11'10" West a distance of 106.65 feet; thence South 68°50'17" West a distance of 112.65 feet; thence South 29°56'05" West a distance of 232.67 feet to the West line of the NW¼NE¼ of said Section 29; thence leaving said Crooked River thread, North 00°19'42" East along the West line of the NW¼NE¼ of said Section 29 a distance of 363.30 feet, more or less, to said North one-quarter corner of Section 29 and the Point of Beginning.

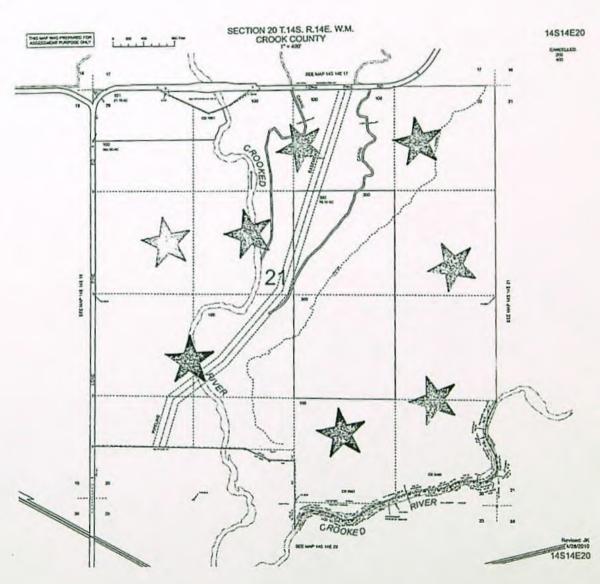
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WATER RESOURCES DEPT SALEM, OREGON

0088568 Page 5 of 5





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MAR 21 2011

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Crook County GIS :: Secure Services

WATER Property Info Help | Contact Us | Home



Change search type:

New Search

451

Assessor Information Reports last updated on: 3/15/2011

General A	ccount Informa	tion							
Account	Tax Payer	Acres	Fire Patrol	Code Area	Remarks Sen Def			4.1	
451 E	BUTLER RANCH NC	484.92		21		OIS 0000000 (OI FOR 2007	LD ACCT		
Account		Add1		Add2	Add3	City	State	Zip	Country
451	5294 NW LON	E PINE F	RD		Т	ERREBONNE	OR	97760	USA
Account S	Subdivision Blo	ck Lot	Property Class	PC	Descripti	on Descript	tion	Lial	bility
451	51 0 0 551 Farm Zone Ef Improved					J Land &/or Potential Additional Ta Buildings Liability			dditional Ta
Account 451	Additional T	axes Du	e Far	m Disqua	alification	Deliquent S	sewer	Pending	Situation
Site Addr	ess								
	ONE PINE RD,	REDMO					Second	dary Nur	nber
Zoning In	fo. for Tax Lot								
Zone			Des	cription			P	roportio	n
EFU2	Exclusive	Farm U	se			1			
Current O	wner for Accou	int							
Acc	count			Own	er			From c	late
451	BU	JTLER R	ANCH IN	C			1/1/200	7	
Account 451	5294 NW LON	Add1 E PINE F	RD	Add2	Add3	City ERREBONNE	State OR	Zip 97760	Country
Owner His	story for Accou	nt							
Account Owner 451 BUTLER RANCH INC						From date 1/1/2007	e	То	date

Account Owner From date To date

451 BUTLER RANCH INC 1/1/2007

451 BUTLER RANCH INC 1/1/2000 12/31/2006

451 BUTLER RANCH INC 1/1/1998 12/31/1999

451 BUTLER RANCH INC 1/1/1996 12/31/1997

1/1/1993

Account Add1 Add2 Add3 City State Zip Country
451 5294 NW LONE PINE RD TERREBONNE OR 97760 USA

BUTLER RANCH INC

12/31/1995

MAR 2 1 2011

151	Section 1			. WA	TER RES	OURCE	ES DEPT				
451		LONE PIN					BONNE	OR	97760	USA	4
451	6792 N L	ONE PINE	RD			TERRE	EBONNE	OR	97760	USA	1
451	6792 N L	ONE PINE	RD			REDM	OND	OR	97756	USA	
451	RT 1 BOX	X 38				TERRE	EBONNE	OR	97760	USA	
Certified	d Values										
Account Tax Year Valuation Type				Initia	Value	Initial Date		lified lue		ified ate	
451	2010 Sp	ecial Assess	sment	Portion (Land)	\$167,	890.00	1/2/2009	\$167,89	90.00	1/2/200)9
451	2010 Im	provements	RMV		\$88,3	20.00	9/28/2010	\$88,320	0.00	9/28/20	010
451	2010 La	nd RMV					9/28/2010	\$169,87		9/28/20	010
451	2010 Sp	ecial Assess	ment	Portion (Total)	\$106,	330.00	1/2/2009	\$106,33	30.00	1/2/200	9
451	2010				\$179,	128.00	9/28/2010	\$179,12		9/28/20	
451	2010 To	tal RMV			\$258,	190.00	9/28/2010	\$258,19		9/28/20	
451	2010 TA	V			\$179,	128.00	9/28/2010	\$179,12		9/28/20	
451		Special Assessment Portion (Improvement)			\$0.00		1/2/2009	\$0.00		1/2/200	
No 'Unc	ertified Valu	es' are avai	lable			-		-			
	d' informatio							_			
	ment Inform			,							
mprove	ment intorn	iation for 1	1X LU	Eff.	-					-	
Account	Туре	Extension	Year Built	V C 1'4"-	n Grade	Physi- Dep	cal Function		RMV of rovemen	nt Size	Unit
451	DWELL	R01	1910	1970 AV	32	27	0	\$31.	750.00	0	
451	MHOME	R02	1971	1971 AV	42	75	0		80.00	812	
451	UTLSHED	R01	0	1950 AV	55	37	0	\$2,3	90.00	252	SF
451	HAYCOVER	R01	0	1990 AV	55	17	0	\$29.	520.00	6048	
451	HAYCOVER	R01	2005	2005 AV	55	6	0		10.00	384	
451	MISC	R01	2005	2005 AV	25	6	0		80.00	490	SF
451	MISC	R01	2006	2006 AV	35	4	0	(3)	220.00	444	SF
451	MISC	R01	0	1970 AV	32	27	0		30.00	174	SF
451	LEANTO	R01	0	1995 AV	45	15	0	\$640		180	SF
451	LEANTO	R01	0	1995 AV	45	15	0	\$500		81	SF
Tax Histo	ory Informat	ion						34 (18)			
Accou		ax Year	-	Tax Amount			Descriptio	n		Balan	ca
151	2000		\$1,45		AND		27		90		Ce .
151	2001		\$1,59		A/V Principal-Regular A/V Principal-Regular				\$0.00 \$0.00		
151	2002		\$1,61								
151	2002 \$1,017.85			AV Principal-Regular			\$0.00				

AV Principal-Regular

AV Principal-Regular

A/V Principal-Regular

A/V Principal-Regular

AV Principal-Regular

A/V Principal-Regular

AV Principal-Regular

AV Principal-Regular

AV Principal-Regular

AV Interest

\$1,648.45

\$1,606.12

\$1,854.23

\$1,863.34

\$2,309.13

\$2,044.11

\$2,170.83

\$2,235.03

\$100.45

\$9.93

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\$0.00

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00

\$164.06

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Accoun	it	Name			Receipt No.	Amount	Amount .	Applied	Receipt Date
451	BUTLER.	BUTLER, RICH			212874	\$1,414.45	\$1,414.45		11/13/2000
451		BUTLER, RICH				\$1,542.52	\$1,542.52		11/14/2001
451		BUTLER, SHIR				\$1,569.35	\$1,569.35		11/12/2002
451		BUTLER, RICH			249742 267914	\$1,599.00	\$1,599.00		11/12/2003
451		BUTLER, RICH			285271	\$1,557.94	\$1,557.94		11/3/2004
451		BUTLER, SHIR			303770	\$1,798.60	\$1,798.60		11/2/2005
451	BUTLER,				321938	\$1,807.44	\$1,807.44		10/26/2006
451	BUTLER		AN		340610	\$15,727.19	\$2,239.86		10/25/2007
451	BUTLER				355796	\$4,105.91	\$1,982.79		10/23/2007
451	BUTLER		•		371542	\$15,521.93	\$2,105.71		
451	BUTLER		9110		371542				11/2/2009
451	LONE PIN					\$15,521.93	\$2,105.71		11/2/2009
451	BUTLER F				371542	\$15,521.93	\$2,105.71		11/2/2009
451	BUTLER				395252	\$4,611.26	\$2,167.83		1/29/2010
70933			C		395806	\$2,080.90	\$2,080.90		1/19/2011
70933	BUTLER,	RICH			212887	\$97.44	\$97.44	1	1/13/2000
No 'Sale	es' informati	on is avai	lable						
Propert	y Transfer D	eed Infon	nation						
Acco	ount	Date		Doc	. Number		Desc	ription	
451	2/11	1/2008	22	26611					
451	2/11	1/2008	22	26612		BARGAIN	& SALE DE	ED	
General	Residential	Informati	on						
	Building N			e Year F	Built Eff Yea	r Built Voor	Pamadalad	Condition	% Complete
451	R02	мном		1971	1971	0		AV	
451	R01	DWELL		1910	1970	0			100
		DVVLLL	02	1910	1970	0		AV	100
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			20		7/13/200	7 113	1		
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451	R01 1.0		0	0		0 3		0	1
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Account					Remarks	-			Eff. Date
451	SCHLOSSE	R TO BUT	I FR RA	NCH IN	IC NOTED-0	8-16-94 RAM	EASE ME11	3750	
	101306 BS N				O NOTED-0	0-10-341000	LASE WIFT I	3739	2/28/2007
			Annrov	od Tav	Year: 2006 by	ibumahawa			2/28/2007
151		nsfer Filing			BARGAIN & S		Recording No	.: 226612	10/15/2007 2/11/2008
151	Property Transfer Filing No.: 136539, BARGAIN & SALE DEED, Recording No.: 226611							2/11/2008	
	Time OTHER State As a LT M coost of the							8/11/2008	
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10 7 F (10 M m m m m m m m m m m m m m m m m m m	ome Info. fo								
Accour	nt Ma	ake	Model	Wic	ith Lengt	th Size	Last Upd	ate	Year Built

451	UNKOWN	0.00	0.00	812	1971			
70933	UNKOWN	0.00	0.00	812	1971			
Property	Notes for Account							
Account				Notes				
451	1414200000100 MOBILI	E HOME						
451	1414200000100 MULTIF	PLE SITUS ASSI	GNED PER	SPRING				
451	1414200000100 MV +4.	05 OF CODE 26	FROM 141	429 #100 BLA MF1	93153/195452 FOR 2005			
451	1414200000100 MV -6.8	414200000100 MV -6.84 OF CODE 1 TO 141429 #100 BLA MF 193153/195452 FOR 2005						
451	1414200000100 MV -1.3	37 BLA TO 14142	21 #201 MF	193153/195452 FO	R 2005			
451	1414200000100 NOTE	414200000100 NOTE 1750 OF MAV TO BLA ACCOUNTS FOR 2005						
451	1414200000100 MV LLA	0 MV LLA67 AC TO 141429 #100 REF 478 & 17305 (SPLIT CODE) FOR 2006						
451	1414200000100 MV CO 2005-8	0 MV CODE FROM 1 TO 21-ANNEX TO FIRE & RESCUE DOR 7-110-2005/RES 2005-8						
451	1414200000100 MV CO	00000100 MV COMB W/REF #17306 NO LONGER SPLIT CODE-SEE ABOVE ANNX FOR 2006						
451	1414200000100 MOVED	4200000100 MOVED \$7120 IN MAV FROM HERE TO ACCOUNT 70933 FOR 2007						
70933	1414200000100 MV CO	4200000100 MV CODE FROM 1 TO 21-ANNEX TO FIRE & RESCUE DOR 7-110-2005/RES 2005-8						
70933	1414200000100 MOVED	\$7120 IN MAV	TO HERE F	ROM ACCOUNT 4	51 FOR 2007			
451	1414200000100 MV PLA	ANNING DECISION	ON C-LP-66	5-07(B) FOR BLA				

Permit Info Print

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Map This Property

Modify Search Results

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CONSENT TO WATER RIGHT TRANSFER

- CONTEN

- I, Richard Candland, as Vice President of South Valley Bank & Trust ("SVB&T"), state the following:
- SVB&T, as owner of the real property described in Exhibit A, holds an interest in Oregon Water Resources Department ("OWRD") Transfer Application No. T-10730 (the "Transfer Application") and in a portion of the water rights included in the Transfer Application. The Transfer Application is in the name of Grass Butte, LLC.
- 2. SVB&T hereby consents to the transfer and permanent removal of the following described water rights from the real property described as Parcel 1 of Exhibit A:
 - 45.0 acres of water rights with a priority date of 1903 under State of Oregon Certificate of Water Right No. 83651, as further described in the Transfer Application; and
 - 2.5 acres of water rights with a priority date of 1904/1910 under State of Oregon Certificate of Water Right No. 83857, as further described in the Transfer Application.
- This Consent to Water Right Transfer is conditional upon the approval of Transfer Application No. T-10733 as follows:
 - 47.4 acres of water rights with a priority date of April 8, 1914 under State of Oregon Certificate of Water Right Nos. 80795 and 83850, as further described in the Transfer Application, 40 acres of water rights transferred to the property described in Exhibit A, and 7.4 acres of water rights in the NW 1/4 of Section 29 to be retained by The Daniels Group.
- 4. Transfer Application T-10733 will be amended as to the 40 acres transferred to the property formerly owned by Dallon and Suzanne Miles. Approval of the amendment is a condition of the approval of Transfer Application T-10730.

Dated this // day of June, 2010.

SOUTH VALLEY BANK & TRUST

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WATER RESOURCES DEPT SALEM, OREGON Richard Candland, Vice President

(Acknowledgement on following page)

STATE OF OREGON)	
County of Deschutes) ss.	
This instrument was acknowledged	before me thisday of June, 2010, by Richard Candland, a
Vice Presient of South Valley Bank & Trus	
	Notary Public for Oregon
EEEEEEE	My Commission expires: Aug. 21, 2012
OFFICIAL SEAL JAMIE J MICKEL NOTARY PUBLIC-OREGON COMMISSION NO. 431823 MY COMMISSION EXPIRES AUG. 21, 2012	

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EXHIBIT "A"

Parcel 1 located in Crook County, Oregon:

TRACT I:

In Township 14 South, Range 14 East of the Willamette Meridian:

Section 21: Beginning at the Southwest corner of the SE & SW & of said Section 21, thence North

285 feet, thence East 792 feet, thence South 285 feet, thence West 792 feet to the point of

beginning.

Section 28: WHNE', and East 60 rods of the EVINWA.

EXCEPTING those tracts conveyed to the City of Prineville for Railway purposes, recorded in Book 40 of Deeds at page 12 and Book 40 of Deeds at page 12 and Book 40 of I) and I) and I) are the III and III are the III and III are the III are the III and III are the III ar

ALSO EXCEPTING those tracts conveyed to the State of Oregon, by and through its State Highway Commission for highway purposes, as recorded in Book 52 of Deeds at page 241, Book 64 of Deeds at page 177, Records of Crook County, Oregon.

ALSO EXCEPTING the following tract of land located in the Northeast quarter of the Northwest quarter of Section 28, Township 14 South, Range 14 East of the Williamette Meridian, Crook County, Oregon, being more particularly described as follows: Beginning a 5/8 inch iron rod located at the intersection of the East boundary of that parcel described in MF# 119196 Deeds Records of Crook County, Oregon and the southerly right of way of the City of Princville Railway; thence along said East boundary South 00°0005" East 721.92 feet to a 5/8 inch iron rod; thence leaving said East boundary North 75°50'37" East 392.14 feet to a 5/8 inch iron rod; thence North 14°09'23" West 700.00 feet to a 5/8 inch iron rod on said southern right of way; thence along said right of way South 75°50'37" West 215.60 feet to the point of beginning and terminus of this description.

ALSO EXCEPTING the Tract of land conveyed to Jerry L. Rank and Gayla A. Rank, by Deed recorded February 1, 1999, MF #146102 Deed Records of Crook County, Oregon.

ALSO EXCEPTING the following tract of land located in the Southeast quarter of the Northwest quarter of Section 28, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon, being more particularly described as follows: Beginning at a one half inch iron pipe marking the Southeast corner of that parcel described in MF# 119196 Deeds Records of Crook County; thence along the East boundary of said parcel North 03*0005* West 616.47 feet to a 5/8 inch iron rod on the southerly right of way of the O'Neil State Highway; thence along said southerly right of way North 81*0521* East 457.19 feet to a ½ inch iron rod at the Northwest corner of that parcel described in Book 52 of Deeds at page 241, Records of Crook County, Oregon; thence along the westerly boundary of said parcel South 8*47*45* East 398.96 feet to a ½ inch iron rod at the Southwest corner of said tract; thence South 8*47*45* East 283.59 feet to a 5/8 inch iron rod on the East-West centerline of said Section 28; thence along said East-West centerline South 88*41*57* West 556.20 feet to the point of beginning and terminus of this description.

ALSO EXCEPTING a parcel of land located in the Northwest one-quarter (NW%) of Section 28, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon, more particularly described as follows: Beginning at the Southwest corner of that parcel conveyed to Jerry L. Rank and Gayla A. Rank recorded on February 1, 1999 at Deeds MF 146102, Records of Crook County, Oregon, marked by a 1/2 inch iron rod, thence South 08°33'12" East along the East line of that percel conveyed to William R. Tompsett recorded on April 22, 1998 at Deeds MF 140461, Records of Crook County, Oregon, a distance of 283.65 feet to the South line of said NWM, said point marked by a 5/8 inch iron rod with yellow plastic cap marked "Armstrong S & H LS1026"; thence North 89°09'15" East along the South line of said NW % a distance of 446.65 feet to the Southeast corner of said NW%, marked by a 5/8 inch iron rod with yellow plastic cap marked "Terrascope, Inc."; thence North 00°10'47" East along the East line of said NW 4 a distance of 761.79 feet to the Southerly right of way line of the O'Neil Highway as described in that deed to the State of Oregon, by and through its State Highway Commission, recorded on July 5, 1950 at Deed Book 64 on Page 177, Records of Crook County, Oregon; thence along said right of way line around an off set spiral curve right a distance of 163.43 feet, spiral chord bears South 77°36'45" West 163.39 feet to a % inch iron rod; thence South 01°39'16" East along the South line of said right of way and the East line of that percel conveyed to Jerry L. Rank and Gayla A. Rank at Deeds MF 146102 a distance of 298.66 feet to a 1/4 inch iron rod; thence South 65°36" 16" West along the South line of said percel described at Deeds MF 146102 a distance of 373.57 feet to the point of beginning.

TRACT II:

A parcel of land located in the North half of the Northwest quarter of Section 28, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon, being more particularly described as follows: Beginning at a two inch brass cap marking the Northwest corner of said Section 28; thence along the West boundary of said Section 28 South 701.92 feet to a 5/8 inch iron rod on the northerly, right of way of the City of Prineville Railway; thence along said northerly right of way North 75°50'37" West 1701.95 feet to a ½ inch iron pipe on the westerly boundary of that purcel described in said MF# 136838 thence along said westerly boundary North 00°00'19" West 322.37 feet to a 5/8 inch iron rod on the North boundary of said Section 28; thence along said North boundary South 88°43'34" West 1650.64 feet to the point of beginning and terminus of this description.

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EXCEPTING the following tract of land located in Section Twenty-eight (28): Beginning at a 2½ inch brass cap marking the Northwest corner of said Section 28, thence South 00°27°22" West along the West line of said Section 28 a distance of 702.68 feet to the Northerly right of way of the City of Prineville Railway; thence North 76°17'51" East along said line a distance of 1363.16 feet to the Bast line of the Northeast one-quarter of the Northeast one-quarter (NENE's) of said Section 28, marked by a 5/8 inch iron rod with yellow plastic cap marked "Armstrong S & E LS1026"; thence North 00°19'05" East along said line a distance of 398.58 feet to the Northeast corner of said NE'ANE's, marked by a 5/8 inch iron rod with yellow plastic cap marked "Armstrong S & E LS1026"; thence South 89°11'02" West along the North line of said Section 28 a distance of 1132.11 feet to the point of beginning

Parcel 2 located in Crock County, Oregon:

Parcel 2 of Partition Plat No. 2006-56, Recorded December 29, 2006 in Partitions MF No. 2006-217698, Records of Crook County, Oregon, located in the SEI/4 of Section 20, in the SWI/4 of the SWI/4 of Section 21, in the NWI/4 of the SWI/4 of Section 28, in the EI/2 of Section 29, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon.

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AFTER RECORDING RETURN TO:

John Short P.O. Box 1830

Bend. OR 97709

UNTIL A CHANGE IS REQUESTED, ALL TAX STATEMENTS SHALL BE SENT TO:

No Change.

Crook County Official Records 2008-226612 DEED-D Cnt=1 Stn=6 CCOUNTER

02/11/08 03:14 PM

\$56.00



County, Oregon, certify that the instrument identified herein was recorded in the Clerk

exxel Berne



ENTERED FEB 1 1 2008

SCANNED

STATUTORY BARGAIN AND SALE DEED

Butler Ranch, Inc., an Oregon Corporation ("Grantor"), conveys to The Daniels Group, LLC, a Washington Limited Liability Company ("Grantee"), the following described property:

> Eleven (11.0) acres of primary irrigation water rights located in the SW 1/4 of the SW 1/4 of Section 20, all in Township 14 South, Range 14 East, Willamette Meridian (the "Water Rights"). The Water Rights are appurtenant to the real property described in Exhibit A and are evidenced by State of Oregon Water Right Certificate No. 83732, issued January 9, 2008.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007.

The true consideration for this conveyance consists of other property or value given or promised, which is either part or the whole consideration.

[signatures and acknowledgments contained on following page]

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Recorded by AmeriTitle as an accommodation only. No liability is accepted for the condition of title or for the validity, sufficiency, or effect of this document.

WATER RESOURCES DEPT SALEM, OREGON

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Dated this 11th day of Abruary, 2008.

	+	GRANTOR:
		BUTLER RANCH, INC., an Oregon corporation
	18	By David R. Butler
		Its: Authorized Signer
STATE OF OREGON)	OFFICIAL SEAL KALI TAYLOR NOTARY PUBLIC- OREGON COMMISSION NO. 403753 MY COMMISSION EXPIRES APR 16, 2010
County of CNOOK) ss.)	HY COMMISSION EXPIRES APR 16, 2010()

This instrument was acknowledged before me on Absuary 11, 200 8, by David R. Butler, as Authorized Signer of Butler Ranch, Inc., an Oregon corporation, on behalf of the corporation.

NOTARY PUBLIC FOR OREGON
My Commission Expires: 4-16-10

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EXHIBIT A

Located in CROOK COUNTY, OREGON:

In Section 20, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon: E ½ NE ¼, NW ¼ NE ¼, E ½ SE ¼ SW ¼, SE ¼, S ½ NW¼, all that portion of the N ½ NW ¼ lying South of the County Road, as located and constructed, N ½ SW ¼, N ½ S ½ SW ¼.

TOGETHER WITH a parcel of land in the S ½ SE ¼ SW ¼ of Section 20 more particularly described as follows: Beginning at a point on the North and South center line of said Section 20, said point being 32 rods North of the South quarter corner of said Section 20, thence West 5 chains, thence North 67°45' West 5.29 chains, thence East 9.90 chains to the North and South Center line through said Section 20, thence South 2 chains to the point of beginning.

TOGETHER WITH A PARCEL OF LAND BEING LOCATED IN THE SOUTHWEST ONE-QUARTER (SW1/4) OF SECTION 20 AND IN THE NORTHWEST ONE-QUARTER (NW1/4) OF SECTION 29, TOWNSHIP 14 SOUTH, RANGE 14 EAST, W.M., CROOK COUNTY, OREGON, AND BEING A PORTION OF PARCEL 1 OF PARTITION PLAT NO. 2000-29, RECORDS OF CROOK COUNTY, OREGON AND MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE ONE-QUARTER CORNER COMMON TO SECTIONS 20 AND 29, SAID POINT ALSO BEING LOCATED ON THE EAST LINE OF SAID PARCEL 1, THENCE SOUTH 00°29'28" WEST ALONG THE EAST LINE OF SAID PARCEL 1 A DISTANCE OF 363.30 FEET, MORE OR LESS TO THE CENTERLINE OF THE CROOKED RIVER; THENCE ALONG THE CENTERLINE OF SAID CROOKED RIVER ALONG THE FOLLOWING COURSES: THENCE SOUTH 54°14'21" WEST A DISTANCE OF 56.05 FEET; THENCE SOUTH 44°30'07" WEST A DISTANCE OF 65.58 FEET; THENCE SOUTH 14°33'27" WEST A DISTANCE OF 95.81 FEET; THENCE SOUTH 00°48'06" WEST A DISTANCE OF 117.79 FEET; THENCE SOUTH 22°32'00" WEST A DISTANCE OF 36.71 FEET; THENCE SOUTH 47°30'21" WEST A DISTANCE OF 138.94 FEET; THENCE SOUTH 71°21'24" WEST A DISTANCE OF 55.60 FEET; THENCE SOUTH 81°52'32" WEST A DISTANCE OF 47.25 FEET; THENCE SOUTH 88°58'53" WEST A DISTANCE OF 132.20 FEET; THENCE SOUTH 58°51'24" WEST A DISTANCE OF 81.09 FEET; THENCE SOUTH 40°14'01" WEST A DISTANCE OF 117.39 FEET; THENCE SOUTH 02°39'10" WEST A DISTANCE OF 102.75 FEET; THENCE SOUTH 10°01'40" WEST A DISTANCE OF 44.50 FEET; THENCE SOUTH 44°12'16" WEST A DISTANCE OF 18.16 FEET; THENCE SOUTH 50°41'01" WEST A DISTANCE OF 113.82 FEET; THENCE NORTH 89°54'26" WEST A DISTANCE OF 94.05 FEET; THENCE NORTH 52°16'12" WEST A DISTANCE 77.57 FEET; THENCE NORTH 39°36'33" WEST A DISTANCE OF 175.80 FEET; THENCE NORTH 23°26'26" WEST A DISTANCE OF 126.38 FEET; THENCE NORTH 04°36'44" WEST A DISTANCE OF 30.75 FEET; THENCE NORTH 00°13'53" EAST A DISTANCE OF 151.48 FEET; THENCE NORTH 12°45'55" EAST A DISTANCE OF 128.65 FEET; THENCE NORTH 21°07'47" EAST A DISTANCE OF 106.39 FEET; THENCE NORTH 37°25'45" EAST A DISTANCE OF 74.61 FEET; THENCE NORTH 51°35'09" EAST A DISTANCE OF 64.67 FEET; THENCE NORTH 65°55'10" EAST A DISTANCE OF 165.07 FEET: THENCE NORTH 80°09'05" EAST A DISTANCE OF 117.53 FEET; THENCE NORTH 43°23'57" EAST A DISTANCE OF 74.35 FEET; THENCE NORTH 11°34'20" EAST

A DISTANCE OF 125.53 FEET; THENCE NORTH 23°47'12" WEST A DISTANCE OF 90.98 FEET; THENCE NORTH 08°40'48" EAST A DISTANCE OF 58.11 FEET; THENCE NORTH 02°13'51" EAST A DISTANCE OF 37.59 FEET; THENCE NORTH 55°12'15" WEST A DISTANCE OF 111.61 FEET; THENCE SOUTH 86°41'06" WEST A DISTANCE OF 125.82 FEET; THENCE NORTH 53°59'58" WEST A DISTANCE OF 45.41 FEET; THENCE NORTH 08°06'18" WEST A DISTANCE OF 23.32 FEET; THENCE NORTH 14°14'38" EAST A DISTANCE OF 107.30 FEET; THENCE NORTH 21°06'47" EAST A DISTANCE OF 108.01 FEET; THENCE NORTH 31°53'11" WEST A DISTANCE OF 127.67 FEET; THENCE NORTH 50°23'16" WEST A DISTANCE OF 91.74 FEET; THENCE NORTH 37°48'02" WEST A DISTANCE OF 34.25 FEET; THENCE NORTH 04°00'10" EAST A DISTANCE OF 104.87 FEET TO THE NORTH LINE OF SAID PARCEL 1; THENCE SOUTH 88°54'48" EAST ALONG THE NORTH LINE OF SAID PARCEL 1 A DISTANCE OF 264.60 FEET; THENCE SOUTH 65°03'50" EAST ALONG THE NORTH LINE OF SAID PARCEL 1 A DISTANCE OF 349.17 FEET; THENCE SOUTH 88°55'52" EAST ALONG THE NORTH LINE OF SAID PARCEL 1 A DISTANCE OF 329.96 FEET; THENCE SOUTH 00°00'50" EAST ALONG THE EAST LINE OF SAID PARCEL 1 A DISTANCE OF 528.08 FEET TO THE POINT OF BEGINNING, CONTAINING 27.67 ACRES, MORE OR LESS.

EXCEPTING THEREFROM A parcel of land located in the Northwest one-quarter of Section 20, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon: Beginning at the Northwest corner of said Section 20, thence South 89°51'00" East along the North line of said Section 20 a distance of 991.47 feet; thence South 0°09'00" West a distance of 40.00 feet to a point on the South line of that parcel of land conveyed to Crook County by deed recorded in Deed MF 80891, Records of Crook County, Oregon, said point marked by a 5/8 inch iron rod. Thence South 63°18'56" East a distance of 558.39 feet to a 5/8 inch iron rod; thence North 79°48'11" East a distance of 74.75 feet to a 5/8 inch iron rod; thence North 72°05'17" East a distance of 202.76 feet, more or less, to the West bank of the Crooked River, thence in a Southerly direction following the West bank of the Crooked River to a point due East of a point 660 feet South of the Northwest corner of said Section 20, thence West to the West line of Section 20; thence North 660 feet to the Northwest corner of said Section 20 to the True Point of Beginning.

EXCEPTING THEREFROM the right of way for Lone Pine Road along the Northerly and Westerly boundary of the above described property.

ALSO EXCEPTING THEREFROM a parcel of land located in the Southeast one-quarter (SE½) of Section 20 and the Northeast one-quarter (NE½) of Section 29, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon, more particularly described as follows: Commencing at the one-quarter corner common to said Sections 20 and 29; thence South 00°19'42" West along the West line of said NE½ of Section 29 a distance of 363.30 feet more or less to the thread of the Crooked River and the True Point of Beginning of this description. Thence along the thread of the Crooked River along the following approximate courses: North 29°56'05" East a distance of 232.67 feet; thence North 68°50'17" East a distance of 112.65 feet; thence South 85°11'09" East a distance of 106.65 feet; thence South 74°38'09" East a distance of 166.56 feet; thence South 61°13'02" East a distance of 151.13 feet; thence North 87°31'41" East a distance of 126.47 feet; thence North 59°41'30" East a distance of 139.24 feet; thence North 54°09'08" East a distance of 194.42 feet; thence North 71°10'38" East a distance of 112.92 feet

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more or less to the line common to said Sections 20 and 29; thence North 71°10'38" East a distance of 379.52 feet; thence North 79°05'11" East a distance of 200.72 feet; thence North 86°55'48" East a distance of 178.75 feet; thence North 75°11'50" East a distance of 163.72 feet; thence North 59°01'43" East a distance of 120.87 feet; thence North 88°14'04" East a distance of 193.07 feet; thence South 78°14'22" East a distance of 88.19 feet; thence North 76°30'26" East a distance of 85.43 feet; thence North 57°18'09" East a distance of 75.06 feet; thence North 40°25'17" East a distance of 101.28 feet to the East line of said Section 20; thence leaving said thread North 00°15'04" West along said East line of Section 20 a distance of 15.34 feet to a point; thence along a line parallel to said thread of the Crooked River and located ten (10.00') feet Northerly thereof along the following approximate courses: South 40°25'17" West a distance of 111.44 feet; thence South 57°18'09" West a distance of 71.89 feet; thence South 76°30'26" West a distance of 81.50 feet; thence North 78°14'22" West a distance of 87.14 feet; thence South 88°14'04" West a distance of 196.87 feet; thence South 59°01'43" West a distance of 122.05 feet; thence South 75°11'50" West a distance of 161.27 feet; thence South 86°55'48" West a distance of 178.41 feet; thence South 79°05' 11" West a distance of 202.10 feet; thence South 71°10'38" West a distance of 407.86 feet more or less to the line common to said Sections 20 and 29; thence South 71°10'38" West a distance of 86.77 feet; thence South 54°09'08" West a distance of 195.43 feet; thence South 59°41'30" West a distance of 136.27 feet; thence South 87°31'41" West a distance of 121.20 feet; thence North 61°13'02" West a distance of 149.51 feet; thence North 74°38'09" West a distance of 168.66 feet; thence North 85°11'09" West a distance of 109.88 feet; thence South 68°50'17" West a distance of 118.49 feet; thence South 29°56'05" West a distance of 218.60 feet to the West line of said NE1/4 of Section 29; thence South 00°19'42" West along said line a distance of 20.24 feet to the True Point of Beginning.

ALSO EXCEPTING THEREFROM A Parcel of land more particularly described as follows: Beginning at said Southeast corner of Section Twenty (20), Thence North 00°15'04" West along the East line of said Section 20 a distance of 563.89 feet more or less to the thread of the Crooked River and the True Point of Beginning of this Legal Description. Thence along said thread of the Crooked River along the following approximate courses: North 07°01'09" West a distance 83.40 feet; Thence North 27°41'52" West a distance of 149.68 feet; Thence North 32°02'00" West a distance of 83.20 feet; Thence North 17°59' 10" West a distance of 78.62 feet; Thence North 07°27'49" East a distance of 105.93 feet; Thence North 18°13'43" East a distance of 104.72 feet; Thence North 25°38'46" East a distance of 227.06 feet more or less to the East line of said Section 20; thence South 00°15'04" East along said East line of Section 20 a distance of 769.81 feet, more or less, to the True Point of Beginning.

ALSO EXCEPTING THEREFROM A parcel of land located in the Southeast one-quarter (SE¼) of Section 20, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon, more particularly described as follows: Beginning at the Southeast corner of said Section 20, thence North 88°56'35" West along the South line of said Section 20 a distance of 1490.09 feet, more or less, to the thread of the Crooked River; thence along said thread of the Crooked River, along the following approximate courses: North 71°10'38" East a distance of 379.52 feet; thence North 79°05'11" East a distance of 200.72 feet; thence North 86°55'48" East a distance of 178.75 feet; thence North 75°11'50" East a distance of 163.72 feet; thence North 59°01'43" East a distance of 120.87 feet; thence North 88°14'04" East a distance of 193.07 feet; thence South 78°14'22" East a distance of 88.19 feet; thence North 76°30'26" East a distance of 85.43 feet; thence North 57°18'09" East a distance of 75.06 feet; thence North 40°25'17" East a

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distance of 101.28 feet to the East line of said Section 20; thence leaving said Crooked River thread, South 00°15'04" East along the East line of said Section 20 a distance of 427.11 feet, more or less, to the said Southeast corner of Section 20 and the Point of Beginning:

TOGETHER WITH the following described Tract: A Parcel of land located in the Southwest one-quarter (SW 1/4) of Section 21, Township 14 South, Range 14 East, Willamette Meridian, Crook County, Oregon, more particularly described as follows: Beginning at the Southwest corner of said Section 21, Thence North 00°15'04" West along the West line of said Section 21 a distance of 427.11 feet more or less to the thread of the Crooked River and the True Point of Beginning of this legal description. Thence along said thread of the Crooked River, along the following approximate courses: North 07°09'22" East a distance of 65.82 feet; Thence North 07°01' 09" West a distance of 72.01 feet more or less to said West line of Section 21; Thence South 00°15'04" East along said West line of Section 21 a distance of 136.77 feet to the True Point of Beginning.

TOGETHER WITH a parcel of land located in the Northeast one-quarter (NE¼) of Section 29, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon, more particularly described as follows: Beginning at the North one-quarter corner of said Section 29, thence South 88°56'35" East along the North line of said Section 29 a distance of 1129.64 feet, more or less, to the thread of the Crooked River; thence along the thread of the Crooked River along the following approximate courses: thence South 71°10'38" West a distance of 112.92 feet; thence South 54°09'08" West a distance of 194.42 feet; thence South 59°41'30" West a distance of 139.24 feet; thence South 87°31'41" West a distance of 126.47 feet; thence North 61°13'02" West a distance of 151.13 feet; thence North 74°38'09" West a distance of 166.56 feet; thence North 85°11'10" West a distance of 106.65 feet; thence South 68°50'17" West a distance of 112.65 feet; thence South 29°56'05" West a distance of 232.67 feet to the West line of the NW¼ NE¼ of said Section 29; thence leaving said Crooked River thread, North 00°19'42" East along the West line of the NW¼ NE¼ of said Section 29 a distance of 363.30 feet, more or less, to said North one-quarter corner of Section 29 and the Point of Beginning.

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MAR 2 1 2011

AFTER RECORDING RETURN TO: Grass Butte, LLC Attn: Gregory W. Daniels 1111 Main Street, Suite 700 Vancouver, WA 98660

SEND TAX STATEMENTS TO: No change

Crook County Official Records 2010-241306 DEED-D

06/18/10 03:27 PM

Total Fees: \$74.00 \$30.00 \$11.00 \$16.00 \$2.00 \$5.00 \$10.00



BARGAIN AND SALE DEED

The Daniels Group, LLC, a Washington limited liability company, Grantor, conveys to Grass Butte, LLC, an Oregon limited liability company, Grantee, the following described property:

> Eleven (11.0) acres of primary irrigation water rights located in the SW 1/4 of the SW 1/4 of Section 20, all in Township 14 South, Range 14 East, Willamette Meridian (the "Water Rights"). The Water Rights are appurtenant to the real property described in Exhibit "A" and are evidenced by State of Oregon Water Right Certificate No. 83732, issued January 9, 2008.

The true consideration for this conveyance consists in whole of other value given.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5

Page 1 - Bargain and Sale Deed 9702.002 Bargain and Sale Deed - Daniels Group to Grass Butte - 11 acres water rights

AmeriTitle CRT-B

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TO 11, CHAPTER 424, OREGON LAWS 2007, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009. 16 day of June, 2010. Dated this The Daniels Group, LLC a Washington limited liability company Gregory W. Daniels, Member GRANTOR STATE OF OREGON) SS. County of Multnomah

I certify that Gregory W. Daniels appeared personally before me and that I know or have satisfactory evidence that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as a Member of The Daniels Group, LLC, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED this 16 day of June, 2010.

)



Notary Public for Oregon 4-11-2013 My Commission Expires:

Page 2 - Bargain and Sale Deed 9702.002 Bargain and Sale Deed - Daniels Group to Grass Butte - 11 acres water rights

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MAR 2 1 2011

T-10732

 Land Ownership Report for Property Owned by William Rex Tompsett and Helen Diane Tompsett

NOTE: Notarized consent to be submitted soon.

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MAR 2 1 2011



150 NE Court St. Prineville, OR 97754 541-447-5181 • Fax 541-447-3371

WATER TRANSFER REPORT

Water Right Services, LLC

P.O. Box 1830

Bend, OR 97709

Attn: John A. Short

Date:

March 18, 2011

Title Officer: Debbie Knudsen

Fee:

\$100.00

We have searched our Tract Indices as to the following described property:

See Exhibit "A" Attached Hereto

and dated as of March 18, 2011 at 8:00 A.M.

We find that the last deed of record runs to:

WILLIAM REX TOMPSETT and HELEN DIANE TOMPSETT, as tenants in common

Property Tax Information

NOTE: Taxes are paid in full for fiscal year 2010-11:

Code No.:

21

Map No .:

1414-28

Tax Lot:

300

Reference No.:

477

Amount:

2,874.99

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MAR 2 1 2011

NOTE: This Water Transfer Report is being made with the understanding that it does not represent any form of title insurance and is not a commitment for a policy of insurance. The information provided herein is not a full examination of the subject property. Further, if any person, corporation or entity of any kind should use this report as a basis to produce a title insurance product, it should be understood that it is clearly outside of Oregon law. Any liability hereunder is limited to the amount paid for said report.

AmeriTitle

Debbie Knudsen, Title Officer

"Superior Service with Commitment and Respect for Customers and Employees"

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MAR 21 2011

Exhibit "A"

Located in CROOK COUNTY, OREGON:

Commencing at the Northwest corner of Section 28, Township 14 South, Range 14, East of the Willamette Meridian, Crook County, Oregon; thence East 100 rods; thence South 160 rods; thence West 100 rods; thence North 160 rods to the place of beginning. Except any portion thereof lying within the East 60 rods of the East half of the Northwest quarter of said Section 28. And excepting City of Prineville Railway right of way as conveyed in Deed records Book 40, Page 14, Records of Crook County, Oregon. And excepting right of way for State Highway as conveyed by Deed recorded in Book 64, Page 218, Records of Crook County, Oregon.

ALSO a parcel of land located in the Northeast quarter of the Northwest quarter of Section 28, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon, being a portion of that land described in MF 136838 in Deeds, Records of Crook County, Oregon, and being more particularly described as follows:

Beginning at a 5/8 inch iron rod located at the intersection of the East boundary of that parcel described in MF 119196 in Deeds, Records of Crook County, Oregon and the Southerly right of way of the City of Prineville Railway; thence along said East boundary South 00°00'05" East 721.92 feet to a 5/8 inch iron rod; thence leaving said East boundary North 75°50'37" East 392.14 feet to a five eights inch iron rod; thence North 14°09'23" West 700.00 feet to a 5/8 inch iron rod on said Southern right of way; thence along said right of way South 75°50'37" West 215.60 feet to the point of beginning and terminus of this description.

ALSO a parcel of land located in the Southeast quarter of the Northwest quarter of Section 28, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon, being a portion of that land described in MF 136838 in Deeds, Records of Crook County, Oregon, and being more particularly described as follows:

Beginning at a 1/2 inch iron pipe marking the Southeast corner of that parcel described in MF 119196 in Deeds, Records of Crook County, Oregon thence along the East boundary of said parcel North 00°00'05" West 616.47 feet to a 5/8 inch iron rod on the Southerly right of way of the O'Neil State Highway; thence along said Southerly right of way North 81°06'21 East 457.19 feet to a 3/4 inch iron rod at the Northwest corner of that parcel described in Book 52 of Deeds at Page 241, Records of Crook County, Oregon; thence along the Westerly boundary of said parcel South 8°47'45" East 398.96 feet to 3/4 inch iron rod at the Southwest corner of said parcel; thence South 8°47'45" East 283.59 feet to a 5/8 inch iron rod on the East-West centerline of said Section 28; thence along said East-West centerline South 88°41'57" West 556.20 feet to the point of beginning and terminus of this description.

Continued on next page.

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EXCEPTING THEREFROM A parcel of land located in the North half of the Northwest quarter of Section 28, Township 14 South, Range 14 East, Willamette Meridian, Crook County, Oregon, being a portion of that land described in MF #119196 Deeds Records of Crook County, Oregon, and being more particularly described as follows:

Beginning at a two inch brass cap marking the Northwest corner of said Section 28: thence along the West boundary of said Section 28 South 701.92 feet to a five eighths inch iron rod on the Northerly right of way of the City of Prineville Railway; thence along said Northerly right of way North 75°50'37" East 1701.95 feet to a one half inch iron pipe on the Westerly boundary of that parcel described in said MF #136838 thence along said Westerly boundary North 00°00'19" West 322.37 feet to a five eighths inch iron rod on the North boundary of said Section 28; thence along said North boundary South 88°43'34" West 1650.64 feet to the point of beginning and terminus of this description.

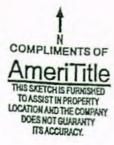
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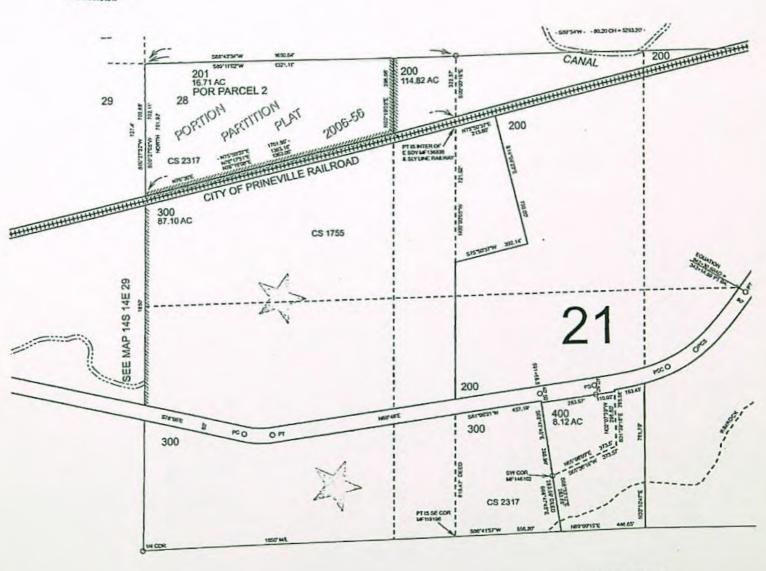
MAR 2 1 2011

WATER RESOURCES DEPT SALEM, OREGON

0088584

Page 4 of 4

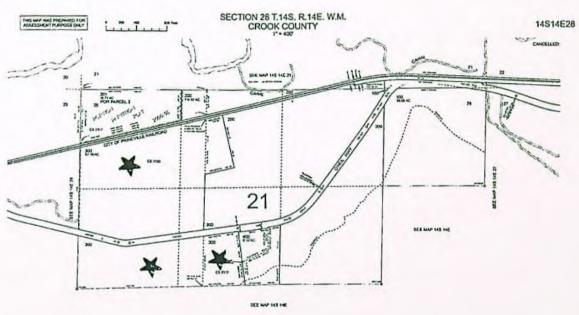




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MAR 2 1 2011 WATER RESOURCES DEPT SALEM, OREGON





Revised: JK 4/28/2010 14S14E28

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MAR 2 1 2011

T-10733

- 1. Land Ownership Report for Property Owned by Grass Butte
- 2. Notarized Consent from Grass Butte

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MAR 2 1 2011



150 NE Court St. Prineville, OR 97754 541-447-5181 • Fax 541-447-3371

WATER TRANSFER REPORT

Water Right Services, LLC P.O. Box 1830

Bend, OR 97709

Attn: John A. Short

Date:

Fee:

March 17, 2011

Title Officer: Debbie Knudsen

\$100.00

We have searched our Tract Indices as to the following described property:

See Exhibit "A" Attached Hereto

and dated as of March 16, 2011 at 8:00 A.M.

We find that the last deed of record runs to:

GRASS BUTTE, LLC, an Oregon limited liability company

Property Tax Information

1. Taxes due Crook County as follows:

Code:

21

Map No .:

1414-29

Tax Lot No .:

200 16010

Reference No.: Unpaid Balance:

Original Amt: \$1,848.26 Amt Due: \$1,848.26 plus interest for 2010-11;

Original Amt: \$1,895.54 Amt Due: \$1,895.54 plus interest for 2009-10.

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MAR 21 2011

Page 1 of 3

NOTE: This Water Transfer Report is being made with the understanding that it does not represent any form of title insurance and is not a commitment for a policy of insurance. The information provided herein is not a full examination of the subject property. Further, if any person, corporation or entity of any kind should use this report as a basis to produce a title insurance product, it should be understood that it is clearly outside of Oregon law. Any liability hereunder is limited to the amount paid for said report.

AmeriTitle

Debbie Knudsen, Title Officer

"Superior Service with Commitment and Respect for Customers and Employees"

RECEIVED

Exhibit "A"

Located in CROOK COUNTY, OREGON:

Parcel One (1) of Partition Plat No. 2000-29, Recorded September 14, 2000 in Partitions MF No. 157741, Records of Crook County, Oregon, Located in the SW ½ of Section 20 and the W½ of Section 29, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon.

EXCEPTING THEREFROM: That portion of the before described parcel of land lying South of the Rightof-Way of the O'Neil Highway, as now located and constructed.

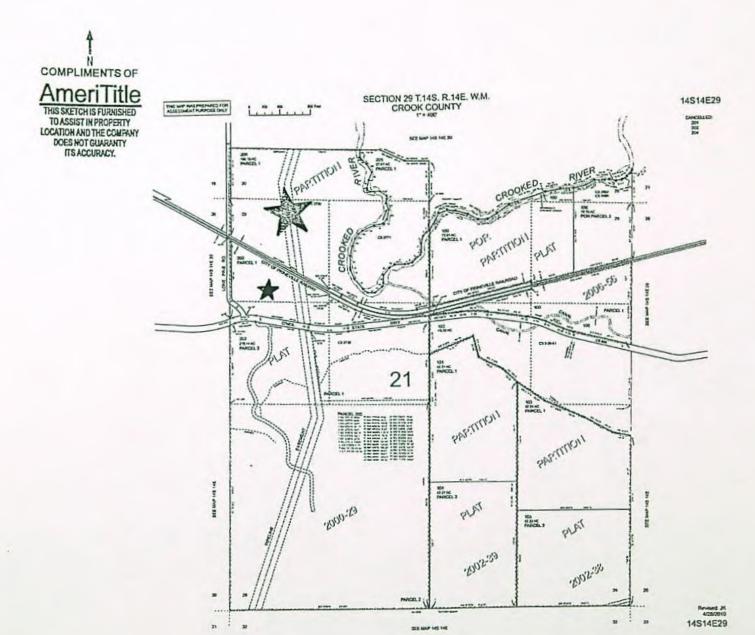
ALSO EXCEPTING THEREFROM: Any portion lying within the boundaries of the City of Prineville Railway.

ALSO EXCEPTING THEREFROM: A parcel of land more particularly described as follows: Beginning at the one-quarter corner common to Sections 20 and 29 said point also being located on the East line of said Parcel 1, thence South 00°29'28" West along the East line of said Parcel 1 a distance of 363.30 feet more or less to the centerline of the Crooked River; thence along the centerline of said Crooked River along the following courses: thence South 54°14'21" West a distance of 56.05 feet; thence South 44°30'07" West a distance of 65.58 feet; thence South 14°33'27" West a distance of 95.81 feet; thence South 00°48'06" West a distance of 117.79 feet; thence South 22°32'00" West a distance of 36.71 feet; thence South 47°30'21" West a distance of 138.94 feet; thence South 71°21'24" West a distance of 55.60 feet; thence South 81°52'32" West a distance of 47.25 feet; thence South 88°58'53" West a distance of 132.20 feet; thence South 58°51'24" West a distance of 81.09 feet; thence South 40°14'01" West a distance of 117.39 feet; thence South 02°39'10" West a distance of 102.75 feet; thence South 10°01'40" West a distance of 44.50 feet; thence South 44°12'16" West a distance of 18.16 feet; thence South 50°41'01" West a distance of 113.82 feet; thence North 89°54'26" West a distance of 94.05 feet; thence North 52°16'12" West a distance 77.57 feet; thence North 39°36'33" West a distance of 175.80 feet; thence North 23°26'26" West a distance of 126.38 feet; thence North 04°36'44" West a distance of 30.75 feet; thence North 00°13'53" East a distance of 151.48 feet; thence North 12°45'55" East a distance of 128.65 feet; thence North 21°07'47" East a distance of 106.39 feet; thence North 37°25'45" East a distance of 74.61 feet; thence North 51°35'09" East a distance of 64.67 feet; thence North 65°55'10" East a distance of 165.07 feet; thence North 80°09'05" East a distance of 117.53 feet; thence North 43°23'57" East a distance of 74.35 feet; thence North 11°34'20" East a distance of 125.53 feet; thence North 23°47'12" West a distance of 90.98 feet; thence North 08°40'48" East a distance of 58.11 feet; thence North 02°13'51" East a distance of 37.59 feet; thence North 55°12'15" West a distance of 111.61 feet; thence South 86°41'06" West a distance of 125.82 feet; thence North 53°59'58" West a distance of 45.41 feet; thence North 08°06'18" West a distance of 23.32 feet; thence North 14°14'38" East a distance of 107.30 feet; thence North 21°06'47" East a distance of 108.01 feet; thence North 31°53'11" West a distance of 127.67 feet; thence North 50°23'16" West a distance of 91.74 feet; thence North 37°48'02" West a distance of 34.25 feet; thence North 04°00'10" East a distance of 104.87 feet to the North line of said Parcel 1; thence South 88°54'48" East along the North line of said Parcel 1 a distance of 264.60 feet; thence South 65°03'50" East along the North line of said Parcel 1 a distance of 349.17 feet; thence South 88°55'52" East along the North line of said Parcel 1 a distance of 329.96 feet; thence South 00°00'50" East along the East line of said Parcel 1 a distance of 528.08 feet to the point of beginning. RECEIVED

SUBJECT TO the Right-of-Way of Lone Pine Road.

MAR 2 1 2011

Page 3 of 3



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MAR 2 1 2011

Application for Water Right Transfer Consent by Deeded Landowner



State of Washington)
)ss
County of CLARK)

I Gregory W. Daniels in my capacity as Manager of Grass Butte, LLC,
mailing address 1111 Main St., Suite 700, Vancouver, WA 98660,
telephone number 503-254-6000, hereby consent to the proposed change(s) to Water Right
Certificate Number 83850 described in Transfer Applications T-10733 & 10734 submitted by
The Daniels Group, LLC, on the property in tax lot numbers 200, Section 20, and 200,

Section 29, Township 14 South, Range 14 East, W.M., located at 19221 NW O'Neil Hwy,

Redmond, OR 97756.

Signature

Date

Acknowledged before me this 16 day of November, 2010

KRISTINE K. MEISNER NOTARY PUBLIC STATE OF WASHINGTON COMMISSION EXPIRES JUNE 5, 2013

Notary Public for Washington

My commission expires 615/13

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MAR 2 1 2011

T-10734

- Land Ownership Reports for Properties Owned by Grass Butte, LLC and South Valley Bank & Trust
- 2. Notarized Consent from Grass Butte, LLC and South Valley Bank & Trust

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MAR 21 2011



150 NE Court St. Prineville, OR 97754 541-447-5181 • Fax 541-447-3371

WATER TRANSFER REPORT

Water Right Services, LLC P.O. Box 1830

Bend, OR 97709

Attn: John A. Short

Date:

March 17, 2011

Title Officer: Debbie Knudsen

Fee:

\$100.00

We have searched our Tract Indices as to the following described property:

See Exhibit "A" Attached Hereto

and dated as of March 16, 2011 at 8:00 A.M.

We find that the last deed of record runs to:

GRASS BUTTE, LLC, an Oregon limited liability company

Property Tax Information

1. Taxes due Crook County as follows:

Code:

21

Map No .:

1414-29

Tax Lot No .:

200

Reference No.:

16010

Unpaid Balance:

Original Amt: \$1,848.26 Amt Due: \$1,848.26 plus interest for 2010-11;

Original Amt: \$1,895.54 Amt Due: \$1,895.54 plus interest for 2009-10.

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MAR 2 1 2011

Page 1 of 3

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AmeriTitle

By:_

Debbie Knudsen, Title Officer

"Superior Service with Commitment and Respect for Customers and Employees"

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MAR 2 1 2011

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EXCEPTING THEREFROM: That portion of the before described parcel of land lying South of the Right-of-Way of the O'Neil Highway, as now located and constructed.

ALSO EXCEPTING THEREFROM: Any portion lying within the boundaries of the City of Prineville Railway.

ALSO EXCEPTING THEREFROM: A parcel of land more particularly described as follows: Beginning at the one-quarter corner common to Sections 20 and 29 said point also being located on the East line of said Parcel 1, thence South 00°29'28" West along the East line of said Parcel 1 a distance of 363.30 feet more or less to the centerline of the Crooked River; thence along the centerline of said Crooked River along the following courses: thence South 54°14'21" West a distance of 56.05 feet; thence South 44°30'07" West a distance of 65.58 feet; thence South 14°33'27" West a distance of 95.81 feet; thence South 00°48'06" West a distance of 117.79 feet; thence South 22°32'00" West a distance of 36.71 feet; thence South 47°30'21" West a distance of 138.94 feet; thence South 71°21'24" West a distance of 55.60 feet; thence South 81°52'32" West a distance of 47.25 feet; thence South 88°58'53" West a distance of 132.20 feet; thence South 58°51'24" West a distance of 81.09 feet; thence South 40°14'01" West a distance of 117.39 feet; thence South 02°39'10" West a distance of 102.75 feet; thence South 10°01'40" West a distance of 44.50 feet; thence South 44°12'16" West a distance of 18.16 feet; thence South 50°41'01" West a distance of 113.82 feet; thence North 89°54'26" West a distance of 94.05 feet; thence North 52°16'12" West a distance 77.57 feet; thence North 39°36'33" West a distance of 175.80 feet; thence North 23°26'26" West a distance of 126.38 feet; thence North 04°36'44" West a distance of 30.75 feet; thence North 00°13'53" East a distance of 151.48 feet; thence North 12°45'55" East a distance of 128.65 feet; thence North 21°07'47" East a distance of 106.39 feet; thence North 37°25'45" East a distance of 74.61 feet; thence North 51°35'09" East a distance of 64.67 feet; thence North 65°55'10" East a distance of 165.07 feet; thence North 80°09'05" East a distance of 117.53 feet; thence North 43°23'57" East a distance of 74.35 feet; thence North 11°34'20" East a distance of 125.53 feet; thence North 23°47'12" West a distance of 90.98 feet; thence North 08°40'48" East a distance of 58.11 feet; thence North 02°13'51" East a distance of 37.59 feet; thence North 55°12'15" West a distance of 111.61 feet; thence South 86°41'06" West a distance of 125.82 feet; thence North 53°59'58" West a distance of 45.41 feet; thence North 08°06'18" West a distance of 23.32 feet; thence North 14°14'38" East a distance of 107.30 feet; thence North 21°06'47" East a distance of 108.01 feet; thence North 31°53'11" West a distance of 127.67 feet; thence North 50°23'16" West a distance of 91.74 feet; thence North 37°48'02" West a distance of 34.25 feet; thence North 04°00'10" East a distance of 104.87 feet to the North line of said Parcel 1; thence South 88°54'48" East along the North line of said Parcel 1 a distance of 264.60 feet; thence South 65°03'50" East along the North line of said Parcel 1 a distance of 349.17 feet; thence South 88°55'52" East along the North line of said Parcel 1 a distance of 329.96 feet; thence South 00°00'50" East along the East line of said Parcel 1 a distance of 528.08 feet to the point of beginning.

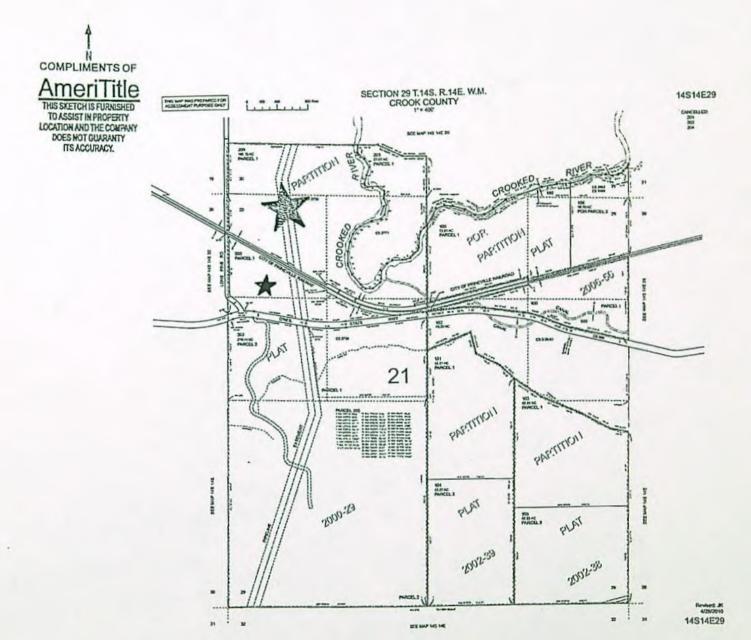
SUBJECT TO the Right-of-Way of Lone Pine Road.

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MAR 21 2011

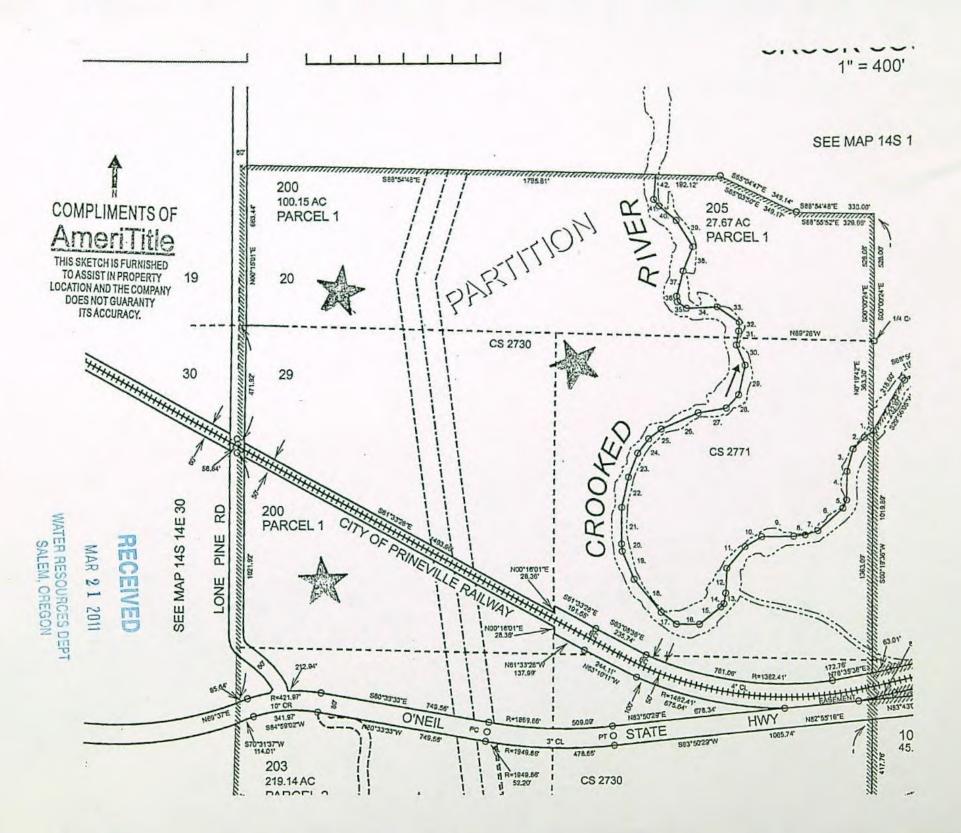
Page 3 of 3

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150 NE Court St. Prineville, OR 97754 541-447-5181 • Fax 541-447-3371

WATER TRANSFER REPORT

Water Right Services, LLC P.O. Box 1830 Bend, OR 97709

Attn: John A. Short

Date:

March 16, 2011

Title Officer: Debbie Knudsen

Fee:

\$100.00

We have searched our Tract Indices as to the following described property:

See Exhibit "A" Attached Hereto

and dated as of March 16, 2011 at 8:00 A.M.

We find that the last deed of record runs to:

SOUTH VALLEY BANK & TRUST

Property Tax Information

NOTE: Taxes for fiscal year 2010-2011 are paid in full as follows:

Code	Map No.	Tax Lot	Ref. No.	Amount Paid
21	1414-28	200	476	\$1,729.72
21	1414-21	200	459	\$19.09

NOTE: This Water Transfer Report is being made with the understanding that it does not represent any form of title insurance and is not a commitment for a policy of insurance. The information provided herein is not a full examination of the subject property. Further, if any person, corporation or entity of any kind should use this report as a basis to produce a title insurance product, it should be understood that it is clearly outside of Oregon law. Any liability hereunder is limited to the amount paid for said report. RECEIVED

AmeriTitle

Debbie Knudsen, Title Officer

MAR 2 1 2011

WATER RESOURCES DEPT SALEM, OREGON

"Superior Service with Commitment and Respect for Customers and Employees"

0088574

Page 1 of 3

EXHIBIT "A"

Located in CROOK COUNTY, OREGON:

TRACT I:

In Township 14 South, Range 14 East of the Willamette Meridian:

Section 21: Beginning at the Southwest corner of the SE ¼ SW ¼ of said Section 21, thence North

285 feet, thence East 792 feet, thence South 285 feet, thence West 792 feet to the point of

beginning.

Section 28: W½NE¼, and East 60 rods of the E½NW¼.

EXCEPTING those tracts conveyed to the City of Prineville for Railway purposes, recorded in Book 40 of Deeds at page 12 and Book 40 of Deeds at page 17, Records of Crook County, Oregon.

ALSO EXCEPTING those tracts conveyed to the State of Oregon, by and through its State Highway Commission for highway purposes, as recorded in Book 52 of Deeds at page 241, Book 64 of Deeds at page 177, Records of Crook County, Oregon.

ALSO EXCEPTING the following tract of land located in the Northeast quarter of the Northwest quarter of Section 28, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon, being more particularly described as follows: Beginning a 5/8 inch iron rod located at the intersection of the East boundary of that parcel described in MF# 119196 Deeds Records of Crook County, Oregon and the southerly right of way of the City of Prineville Railway; thence along said East boundary South 00°00'05" East 721.92 feet to a 5/8 inch iron rod; thence leaving said East boundary North 75°50'37" East 392.14 feet to a 5/8 inch iron rod; thence North 14°09'23" West 700.00 feet to a 5/8 inch iron rod on said southern right of way; thence along said right of way South 75°50'37" West 215.60 feet to the point of beginning and terminus of this description.

ALSO EXCEPTING the Tract of land conveyed to Jerry L. Rank and Gayla A. Rank, by Deed recorded February 1, 1999, MF #146102 Deed Records of Crook County, Oregon.

ALSO EXCEPTING the following tract of land located in the Southeast quarter of the Northwest quarter of Section 28, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon, being more particularly described as follows: Beginning at a one half inch iron pipe marking the Southeast corner of that parcel described in MF# 119196 Deeds Records of Crook County; thence along the East boundary of said parcel North 00°00'05" West 616.47 feet to a 5/8 inch iron rod on the southerly right of way of the O'Neil State Highway; thence along said southerly right of way North 81°06'21" East 457.19 feet to a ¾ inch iron rod at the Northwest corner of that parcel described in Book 52 of Deeds at page 241, Records of Crook County, Oregon; thence along the westerly boundary of said parcel South 8°47'45" East 398.96 feet to a ¾ inch iron rod at the Southwest corner of said tract; thence South 8°47'45" East 283.59 feet to a 5/8 inch iron rod on the East-West centerline of said Section 28; thence along said East-West centerline South 88°41'57" West 556.20 feet to the point of beginning and terminus of this description.

MAR 2 1 2011

ALSO EXCEPTING a parcel of land located in the Northwest one-quarter (NW1/4) of Section 28, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon, more particularly described as follows: Beginning at the Southwest corner of that parcel conveyed to Jerry L. Rank and Gayla A. Rank recorded on February 1, 1999 at Deeds MF 146102, Records of Crook County, Oregon, marked by a 1/4 inch iron rod, thence South 08°33'12" East along the East line of that parcel conveyed to William R. Tompsett recorded on April 22, 1998 at Deeds MF 140461, Records of Crook County, Oregon, a distance of 283.65 feet to the South line of said NW14, said point marked by a 5/8 inch iron rod with yellow plastic cap marked "Armstrong S & E LS1026"; thence North 89°09'15" East along the South line of said NW 1/4 a distance of 446.65 feet to the Southeast corner of said NW 1/4, marked by a 5/8 inch iron rod with yellow plastic cap marked "Terrascope, Inc."; thence North 00°10'47" East along the East line of said NW¼ a distance of 761.79 feet to the Southerly right of way line of the O'Neil Highway as described in that deed to the State of Oregon, by and through its State Highway Commission, recorded on July 5, 1950 at Deed Book 64 on Page 177, Records of Crook County, Oregon; thence along said right of way line around an off set spiral curve right a distance of 163.43 feet, spiral chord bears South 77°36'45" West 163.39 feet to a 34 inch iron rod; thence South 01°39'16" East along the South line of said right of way and the East line of that parcel conveyed to Jerry L. Rank and Gayla A. Rank at Deeds MF 146102 a distance of 298.66 feet to a 3/4 inch iron rod; thence South 65°36'16" West along the South line of said parcel described at Deeds MF 146102 a distance of 373.57 feet to the point of beginning.

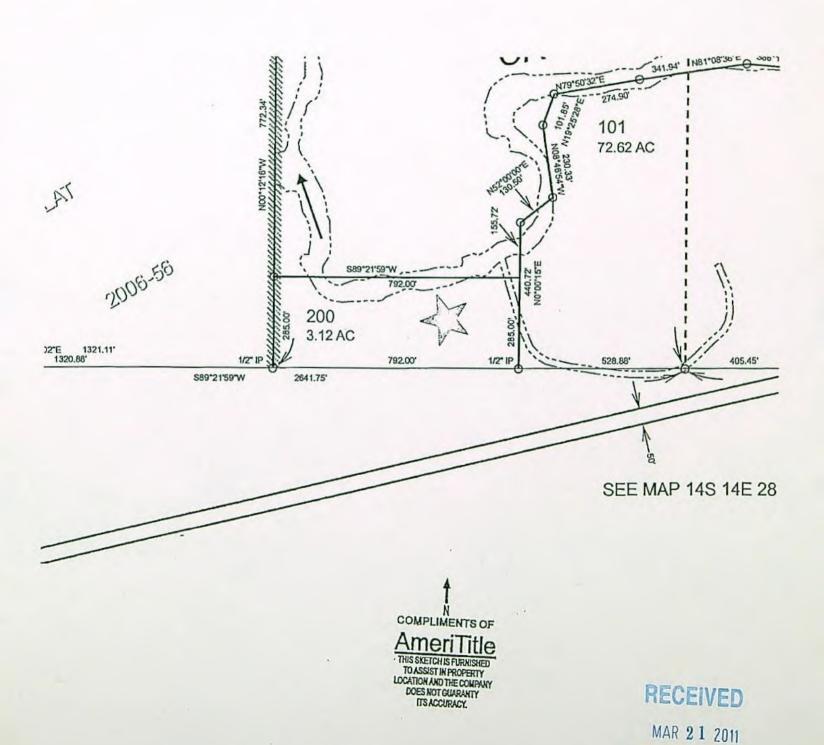
TRACT II:

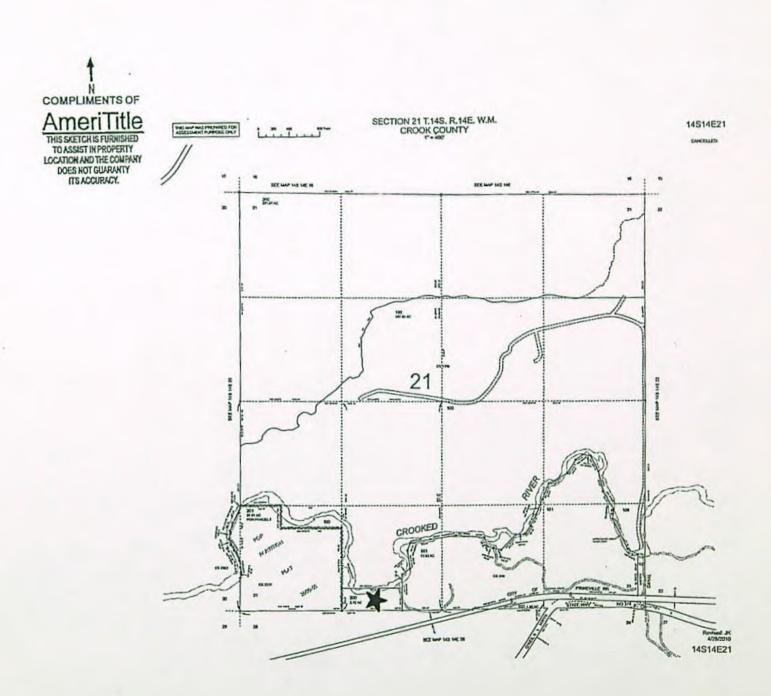
A parcel of land located in the North half of the Northwest quarter of Section 28, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon, being more particularly described as follows: Beginning at a two inch brass cap marking the Northwest corner of said Section 28; thence along the West boundary of said Section 28 South 701.92 feet to a 5/8 inch iron rod on the northerly right of way of the City of Prineville Railway; thence along said northerly right of way North 75°50'37" West 1701.95 feet to a ½ inch iron pipe on the westerly boundary of that parcel described in said MF# 136838 thence along said westerly boundary North 00°00'19" West 322.37 feet to a 5/8 inch iron rod on the North boundary of said Section 28; thence along said North boundary South 88°43'34" West 1650.64 feet to the point of beginning and terminus of this description.

EXCEPTING the following tract of land located in Section Twenty-eight (28): Beginning at a 2½ inch brass cap marking the Northwest corner of said Section 28, thence South 00°27'22" West along the West line of said Section 28 a distance of 702.68 feet to the Northerly right of way of the City of Prineville Railway; thence North 76°17'51" East along said line a distance of 1363.16 feet to the East line of the Northeast one-quarter of the Northeast one-quarter (NE½NE½) of said Section 28, marked by a 5/8 inch iron rod with yellow plastic cap marked "Armstrong S & E LS1026"; thence North 00°19'05" East along said line a distance of 398.58 feet to the Northeast corner of said NE½NE½, marked by a 5/8 inch iron rod with yellow plastic cap marked "Armstrong S & E LS1026"; thence South 89°11'02" West along the North line of said Section 28 a distance of 1132.11 feet to the point of beginning

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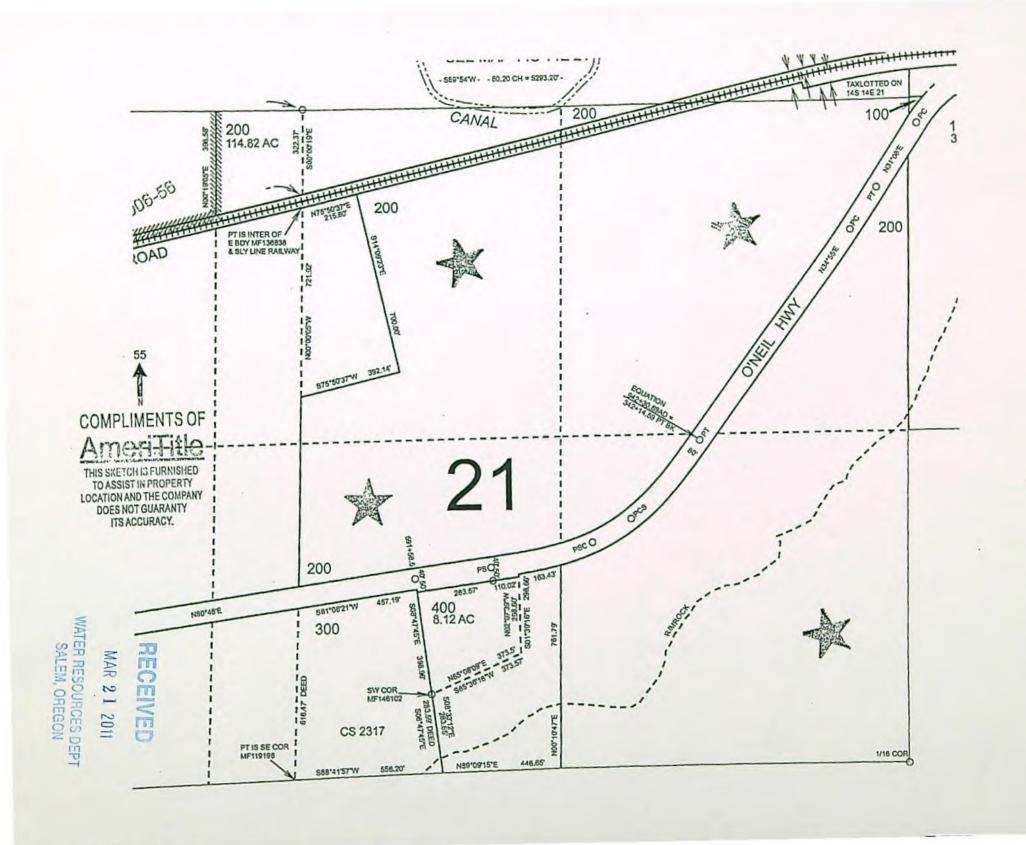
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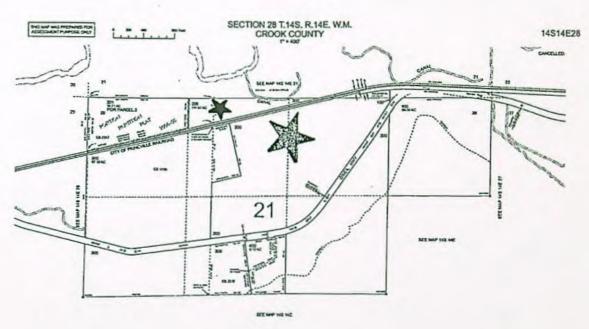


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WATER RESOURCES DEPT
SALEM, OREGON







Revised # 478/2010 14S14E28

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MAR 2 1 2011

Application for Water Right Transfer Consent by Deeded Landowner



State of Washington)	NOTE:	Original	encl	osed	with
bate of Washington)ss		materials			
County of CLARK)					

I Gregory W. Daniels in my capacity as Manager of Grass Butte, LLC,
mailing address 1111 Main St., Suite 700, Vancouver, WA 98660,
telephone number 503-254-6000, hereby consent to the proposed change(s) to Water Right
Certificate Number 83850 described in Transfer Applications T-10733 & 10734 submitted by
The Daniels Group, LLC, on the property in tax lot numbers 200, Section 20, and 200,
Section 29, Township 14 South, Range 14 East, W.M., located at 19221 NW O'Neil Hwy,

Redmond, OR 97756.

Signature

Acknowledged before me this 16 day of NOVEWS

KRISTINE K. MEISNER NOTARY PUBLIC STATE OF WASHINGTON COMMISSION EXPIRES JUNE 5, 2013

Notary Public for Washington

My commission expires 615/13.

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MAR 21 2011

Application for Water Right Transfer Consent by Deeded Landowner



State of Oregon)
County of Dosehutes)ss)

I Richard Candland in my/our capacity as Vice President of South Valley Bank & Trust, mailing address 572 SW Bluff Drive, Suite 100, Bend, OR 97702, telephone number 541-475-5339, duly sworn depose and say that I consent to the proposed change(s) to Water Right Certificate Number 83850 described in a Transfer Application (T-10734) submitted by The Daniels Group, LLC, (transfer number, if known) on the property in tax lot number(s) 200, Section 28, Township 14

South, Range 14 East, W.M., located at 16915 NW O'Neil Hwy. Redmond, OR 97756. (site address)

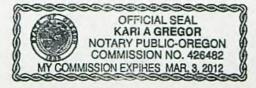
Signature of Affiant Books TRust

1/31/11 Date

Signature of Affiant

Date

Subscribed and Sworn to before me this 3184 day of January, 2011.



Kari X. Gulga Notary Public for Oregon

My commission expires 03.03.2012.

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MAR 21 2011



Water Resources Department

North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

March 15, 2011

GRASS BUTTE, LLC GREG DANIELS 1111 MAIN ST SUITE 700 VANCOUVER WA 98660

PREMIER WEST BANK 875 RIMROCK WAY, SUITE 100 REDMOND, OREONG 97756

SUBJECT: Water Right Transfer Application T-10730

Your water right transfer is in one of three phases of processing. Enclosed is a draft of our Preliminary Determination regarding Transfer Application T-10730. The document reflects the Department's conclusion that, based on the information currently available, the transfer will be approved.

Items needed before the next phase of processing...

Please review the draft carefully to familiarize yourself with any requirements and evaluate whether the document is consistent with your intent in seeking the transfer. Please respond in writing by the deadline provided below, whether you agree with the proposed action and whether there are any typographical errors that need to be corrected.

Based upon the Department's evaluation of the application, a few modifications have been made that require approval from the applicant before the transfer may proceed favorably. Specifically, please review Findings of Fact #14, #16, and #18, and Instream Transfer Review Criteria, #31, #32, #33, and #34. Modifications were made from the original proposal to correct inaccuracies in the application, to prevent injury and enlargement, and to clarify the proposed instream period. Your explicit approval of these modifications and concurrence with the draft Preliminary Determination is necessary before the transfer can be approved.

A report of landownership for the lands to which the water rights are appurtenant (the FROM lands) is required. The report must be prepared by a title company.

- 1) The title company's report must either be:
 - a) prepared within 3 months of the draft Preliminary Determination showing current ownership, or
 - b) prepared within 3 months of recording of a water right conveyance agreement, or
 - prepared at any time, but showing ownership at the time a water right conveyance agreement was recorded.
- 2) The ownership report shall include:
 - a) Date reflected by the ownership information
 - b) List of owners at that time
 - c) Legal description of the property where the water right to be transferred is currently located.
- 3) You will need to submit a notarized statement of consent from any landowner listed in the ownership report who is not already included in the transfer application, or other information such as a water right conveyance agreement, if applicable.

What happens next...

Once the preliminary determination is issued a publication period is required. Because of a change in character of use, the applicant is responsible for publishing notice of the transfer in a local newspaper

having a general circulation in the area of the water right. The notice must be published at least once a week for three consecutive weeks. We will provide a copy of the required notice to you upon issuance of the Preliminary Determination.

Issuance of the Preliminary Determination will occur shortly after we receive the report of ownership and your written response to the conditions and proposed action in the draft Preliminary Determination (email is acceptable). If we do not receive your response and the report by April 14, 2011, a Preliminary Determination may be issued denying the application as incomplete.

Please do not hesitate to contact me at 503-986-0884 or laura.k.wilke@state.or.us if I may be of assistance.

Sincerely,

Laura K. Wilke

Field Services Division

cc:

T-10730

Jeremy Giffin, District 11 Watermaster

David Newton, Agent

James Newton, CWRE # 82917

Low Line Ditch Company

US Bureau of Reclamation

Dallon Miles

Butler Ranch, Inc.

encs

BEFORE THE WATER RESOURCES DEPARTMENT OF THE STATE OF OREGON

In the Matter of Instream Transfer Application T-10730 and Mitigation Credit Project MP-124, Crook, Deschutes, and Jefferson Counties	DRAFT PRELIMINARY DETERMINATION PROPOSING APPROVAL OF A CHANGE IN PLACE OF USE AND CHARACTER OF USE AND PRELIMINARY AWARD OF MITIGATION CREDITS
--	---

Authority

ORS 540.505 to 540.580 establishes the process in which a water right holder may submit a request to transfer the point of diversion, place of use, or character of use authorized under an existing water right. OAR Chapter 690, Division 380 implements the statutes and provides the Department's procedures and criteria for evaluating transfer applications. OAR Chapter 690, Division 077 provides additional criteria for evaluating transfers to instream water rights.

OAR 690-521-0100 to 690-521-0600 establishes the process in which anyone may submit a ground water mitigation project to the Department for the purpose of establishing mitigation credits in the Deschutes Ground Water Study Area.

Pursuant to OAR 690-521-0400 (2), any mitigation credits awarded to a mitigation project are valid until used to fulfill a mitigation obligation of a ground water use in the Deschutes Ground Water Study Area. Valid mitigation credits may be assigned by any person or recognized mitigation bank to any person or other mitigation bank. Mitigation credits are used when a person submits to the Department documentary evidence that valid credits have been obtained and assigned to satisfy a mitigation obligation.

Applicants

GRASS BUTTE, LLC GREG DANIELS 1111 MAIN ST SUITE 700 VANCOUVER WA 98660

PREMIER WEST BANK 875 SW RIMROCK WAY, SUITE 100 REDMOND, OREGON 97756

Findings of Fact

Background

 On November 21, 2008, The Daniels Group, LLC, filed an application to change the place of use and character of use under Certificates 81601, 83651, and 83732 to instream use. The Department assigned the application number T-10730.

- Certificate 81601 has been cancelled and a new Certificate (83857) was issued on May 7, 2008.
- 3. On August 26, 2009, the Department requested additional supporting information and clarification of the intent of T-10730.
- 4. On August 28, 2009, the Department received a letter of interest from South Valley Bank and Trust requesting that they be kept informed of the proposed transfer.
- On September 14, 2009, an additional letter was received from South Valley bank and Trust identifying that the Bank could not consent to the transfer because conditions for their consent were not met.
- 6. On September 25, 2009, the applicant clarified that the portion of Certificate 81601 (i.e. Certificate 83857) proposed for transfer to instream use include Irrigation, Livestock and Domestic use consistent with the water right of record. In addition, the applicant submitted additional supporting documentation for T-10730 along with revised transfer maps with clarifying information.
- 7. On November 9, 2009, the Department requested further clarification of the intent of T-10730 and additional information necessary to complete the application.
- 8. On March 23, 2010, The Daniels Group requested that a 75% interest in T-10730 and MP-124 be assigned to Realvest Corporation and Premier West Bank and that a 25% interest in T-10730 and MP-124 be assigned to Grass Butte, LLC. On March 23, 2010, Realvest Corporation requested that the 75% interest in T-10730 and MP-124 be assigned to Grass Butte, LLC. On March 23, 2010, Grass Butte, LLC requested that the 25% interest be assigned to Grass Butte, LLC and Premier West Bank.
- On March 29, 2010, the Department approved the assignment requests and concurred that T-10730 is now in the names of Grass Butte, LLC and Premier West Bank.
- 10. On November 3, 2010, the applicant clarified that the portion of Certificate 83651 proposed for transfer to instream use include Irrigation, Livestock and Domestic use consistent with the water right of record.
- On November 3, 2010, the applicant provided further clarification of the intent of T-10730, along with revised transfer maps in support of T-10730.
- On December 13, 2010, the Department requesting further clarification of the intent of T-10730, including priority date and POD clarifications, and correcting of clerical errors.
- On December 21 and 22, 2010, the applicant provided clarifying information, along with revised transfer maps.

14. The portion of the first right to be transferred is as follows:

Certificate: 83857 in the name of PEOPLES IRRIGATION CO. (confirmed by

Crooked River Decree)

Use: IRRIGATION OF 67.0 ACRES (0.5 acres under the 1898 priority date, 2.5

acres under the 1904/1910 priority date, and 64.0 acres under the 1892

priority date), LIVESTOCK AND DOMESTIC USE

Priority Dates: 1892, 1898, and 1904/1910

Rate:

0.84 CUBIC FEET PER SECOND (CFS), being 0.01 CFS under the 1898

priority date, 0.03 CFS under the 1904/1910 priority date, and 0.8 CFS

under the 1892 priority date

Limit/Duty:

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation

season of each year.

Source:

CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Points of Diversion:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances	
1	15 S	16 E	WM	8	NW SW	1920 FEET NORTH AND 340 FEET EAST FRO THE SW CORNER OF SECTION 8	
2						LOW LINE DITCH	
6	14 S	14 E	WM	29	NE NW	PUMP: 1085 FEET SOUTH AND 970 FEET WEST FROM THE NORTH 1/4 CORNER OF SECTION 29	
7	14 S	14 E	WM	-20	SE SE	PUMP: 325 FEET NORTH AND 120 FEET WEST FROM THE SE CORNER OF SECTION 20	

Authorized Place of Use:

		IR	RIGATIO	N, LIVI	ESTOC	CK, AND DO	MESTIC	
Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User
1892	6	14 S	14 E	WM	20	SW SW	10.0	Forrest, Frances
1904/1910	2	14 S	14 E	WM	21	SE SW	2.5	Deschutes Fine Wool Company
1898	7	14 S	14 E	WM	29	NE NE	0.5	McDowell, D.A.
1892	6	14 S	14 E	WM	29	NE NW	5.0	Forrest, Frances
1892	6	14 S	14 E	WM	29	NW NW	35.6	Forrest, Frances
1892	1	14 S	14 E	WM	29	NW NW	2.4	Forrest, Frances
1892	1	14 S	14 E	WM	29	SW NW	3.0	Forrest, Frances
1892	1	14 S	14 E	WM	29	SE NW	8.0	Forrest, Frances

- 15. For Certificate 83857, information submitted with the application identifies that POD #2, Low Line Ditch, is the same POD as identified for Certificate 83651 as described in Finding of Fact #16. The Department also has additional information identifying that Low Line Ditch and the POD for Certificate 83651 is more accurately located as described in Findings of Fact #16 and #17.
- 16. The portion of the second right to be transferred is as follows:

Certificate:

83651 in the name of LOW LINE DITCH CO. (confirmed by Crooked River

Decree)

Use: IRRIGATION OF 45.0 ACRES, DOMESTIC, AND LIVESTOCK

Priority Date: 1903 Rate: 0.56 CFS

Limit/Duty: The amount of water to which this right is entitled is limited to an amount

actually used beneficially, and shall not exceed a reasonable amount for domestic and livestock, and 0.56 cubic feet per second for irrigation, the total quantity being limited to 4.0 acre-feet per acre during each year.

Source: CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	24	SE SW	Unspecified by Certificate

Authorized Place of Use:

	IR	RIGATI	ON, LI	VESTOCK,	AND DO	MESTIC
Twp	Rng	Mer	Sec	Q-Q	Acres	Name of User through Company's Works
14 S	14 E	WM	28	NW NE	25.0	J. W. Livingston
14 S	14 E	WM	28	NE NW	20.0	J. W. Livingston

- 17. The Crooked River Decree further describes the POD for Certificate 83651 as the Low Line Ditch. In a prior site visit, Department staff further identified that the POD is more accurately located approximately at Latitude 44.33859 degrees North and Longitude 121.01154 degrees West (see Special Order Volume 73, Page 721, Finding #7).
- 18. The third right to be transferred is as follows:

Certificate: 83732 in the name of BUTLER RANCH, INC. (confirmed by Crooked

River (F) Decree)

Use: IRRIGATION of 11.0 ACRES

Priority Date: 1892

Rate: 0.137 CFS if available at the original point of diversion

Limit/Duty: The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each

acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each

year.

Source: CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	20	SE SW	1896 FEET SOUTH AND 1717 FEET EAST FROM THE WEST 1/4 CORNER OF SECTION 20

Original Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
15 S	16 E	WM	8	NW SW	744.2 FEET SOUTH AND 321 FEET EAST FROM THE WEST 1/4 CORNER OF SECTION 8

Authorized Place of Use:

		IRRIGA'	TION		
Twp	Rng	Mer	Sec	Q-Q	Acres
14 S	14 E	WM	20	SWSW	11.00

- 19. A total of 268.0 acre-feet of water may be beneficially used annually under the portion of existing Certificate 83857 proposed for transfer. A total of 180.0 acre-feet of water may be beneficially used annually under the portion of the existing right for Certificate 83651 proposed for transfer. A total of 44.0 acre-feet of water may be beneficially used annually under the existing right for certificate 83732 proposed for transfer.
- 20. Certificates 83857, 83651, and 83732 do not specify the irrigation season. The irrigation season is February 1 to December 1, pursuant to the Crooked River Decree.
- 21. There is a supplemental water right, Certificate 83850, covering a portion of the lands (85.4 acres, being 35.8 acres under Certificate 83651 and 49.6 acres under Certificate 83857) on which the primary water rights are proposed for transfer to instream use. By rule, a supplemental right must be included with the transfer or cancelled. However, consistent with OAR 690-380-2240(5), the applicant is proposing, under transfer application T-10734, to move 85.4 acres of supplemental irrigation under Certificate 83850 to the location of another primary right with similar reliability to the existing primary rights. If T-10734 is approved, no supplemental irrigation will remain for the lands proposed for transfer to instream use under T-10730.
- 22. Application T-10730 proposes to change the character of use to instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values and to establish mitigation credits in the Deschutes Ground Water Study Area.
- 23. Application T-10730 proposes to change the place of use of the right to create an instream reach from below the Low Line Ditch Diversion (T15S, R16E, Section 8) and from below the Crooked River Diversion (T14S, R14E, Section 24) to the confluence with the Deschutes River.
- 24. The applicant proposes the quantities of water to be transferred instream to be protected as follows:

Certificate Number	Instream Period	Rate (cfs)	Volume (acre-feet)
83857	Unspecified	0.838	268.0
83651	Unspecified	0.56	180.0
83732	Unspecified	0.138	44.0
	Total	1.536	492.0

25. The applicant proposes that any instream water right established as a result of this instream transfer be additive to existing instream water rights for the same reach established pursuant

to ORS 537.348 (instream transfer process) and ORS 537.470 (allocation of conserved water process). The applicant also proposes that any instream water right established as a result of this instream transfer replace a portion of any existing instream rights established pursuant to ORS 537.346 (minimum streamflow conversion) and ORS 537.341 (state agency instream application process), with an earlier priority date.

- 26. The application includes a Land Use Information form completed and signed by a representative of Crook County. Additionally, the Department has provided notification of the proposed action to Crook County, Deschutes County and Jefferson County upon receipt of transfer application T-10730.
- 27. Notice of the application for transfer was published on December 2, 2008, pursuant to OAR 690-380-4000. No comments were filed in response to the notice.

Instream Transfer Review Criteria (OAR 690-77-0075 and 690-380-4010)

- 29. Water has been used within the last five years according to the terms and conditions of the right, and there is no information in the record that would demonstrate that the right is subject to forfeiture under ORS 540.610.
- 30. Based upon information provided as part of the application, it appears that while water has been diverted from the Crooked River under each right that a portion of the water diverted under the rights may not have been diverted from the authorized point(s) of diversion. Although water may have been diverted from non authorized points of diversion, a diversion structure and ditch sufficient to use the full amount of water allowed under the existing rights was present within the five-year period prior to submittal of Application T-10730.
- 31. The applicant requested that water be protected instream beginning from below the Low Line Ditch Diversion and from below the Crooked River Diversion to the confluence with the Deschutes River. Each water right proposed for transfer to instream use has specific points of diversion. The portion of each right proposed for transfer to instream use may be protected instream beginning at the authorized point of diversion. Certificate 83857 has four points of diversion associated with specific portions of the right. The instream use resulting from the transfer of a portion of Certificate 83857 to instream use will begin at each of the respective points of diversion.
- 32. A portion of the water diverted at each POD returns to the Crooked River below the POD and is available to downstream water right holders. To prevent injury to downstream water right holders and enlargement, the quantity of water that may be protected instream requires modification to account for both surface and subsurface return flows.

The hydrogeologic evaluation of where subsurface return flows occur is generally based on the following information: 1) the local shallow and regional ground water elevations, 2) the shallow and regional head gradient (i.e. ground water flow direction), 3) elevation of nearby streams, 4) elevation of closest gaining stream reaches, 5) distance from nearby streams and gaining stream reaches, and 6) local geologic information. When evaluating for return flows, the Department generally considers the place of use as a whole and where the majority of

return flows occur based upon the presence of surface return flows (overland flow) and the factors described above for any subsurface return flows.

The place of use under each right proposed for transfer is located in close proximity to the Crooked River. A portion of the water diverted to the place of use returns to the river system around the points of diversion or close to the place of use (specifically for those lands that receive irrigation water from POD #1 and #2 under Certificate 83857 located some distance upstream from the place of use) as a result of overland flow. Remaining return flows take the form of subsurface return flows. Subsurface returns would also return to the river system in the area of where Lone Pine Road crosses the Crooked River at River Mile 30.

The instream flows at the points of diversion or near the place of use have been reduced by 10% to account for surface return flows and instream flows at Lone Pine Road have been reduced to the consumptive portion of the rights to account for subsurface return flows.

- 33. The applicant has not specified when water is requested to be protected instream. Based on a calculation using the full rate and duty of the three water rights, water may be protected instream for a period of 161 days. There is a pending instream water right application submitted by the Oregon Department of Fish and Wildlife for anadromous and resident fish rearing. Proposed instream flows for this use would generally not be satisfied June through November. With 161 days, water may be protected instream as a result of this transfer from June 1 through November 8.
- 34. Based on Finding of Fact #31 through #33, on _______, 2011, the applicant agreed to modify the quantities to be transferred and protected instream as follows:

Resulting from Certificate 83857

Reach #1: From POD #1 (as described in Finding of Fact #14) to POD #2 (Low Line Ditch) (as described in Findings of Fact #14, #16, & #17).

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 – Nov. 8

Reach #2: From POD #2 (Low Line Ditch) to River Mile 32.9.

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
02057	1892	0.17	53.6	True 1 Nav 0
83857	1904/1910	0.03	10.0	June 1 – Nov. 8
,	Total:	0.20	63.6	

Reach #3: From River Mile 32.9 to POD #7 (as Described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
02057	1892	0.17	53.6	Tune 1 May 0
83857 1904/	1904/1910	0.027	8.62	June 1 – Nov. 8
	Total:	0.197	62.22	

Reach #4: At POD #7 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
	1892	0.17	53.6	
83857	1898	0.01	2.0	June 1 - Nov. 8
	1904/1910	0.027	8.62	
	Total:	0.207	64.22	

Reach #5: From just below POD #7 to POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
1892	1892 0.17 53.6	53.6		
83857	1898	0.009	2.87	June 1 - Nov. 8
1904/1910	0.027	8.62		
	Total:	0.206	65.09	

Reach #6: At POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
	1892	0.80	256.0	
83857	1898	0.009	2.87	June 1 - Nov. 8
	1904/1910	0.027	8.62	
	Total:	0.836	267.49	

Reach #7: From just below POD #6 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
	1892	0.74	229.92	
83857	1898	0.009	2.87	June 1 - Nov. 8
	1904/1910	0.027	8.62	
	Total:	0.776	241.41	

Reach #8: From River Mile 30 to to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
	1892	0.37	115.2	
83857	1898	0.003	0.9	June 1 - Nov. 8
	1904/1910	0.01	4.5	
	Total:	0.383	120.6	

Resulting from Certificate 83651.

Reach #1: From the POD for Certificate 83651 (as described in Findings of Fact #16 and #17) River Mile 32.9

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.56	180.0	June 1 – Nov. 8

Reach #2: From River Mile 32.9 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.50	159.67	June 1 – Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.25	81.0	June 1 – Nov. 8

Resulting from Certificate 83732

Reach #1: At POD for Certificate 83732 (as described in Finding of Fact #18)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.137	44.0	June 1 – Nov. 8

Reach #2: From just below the POD for Certificate 83732 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.12	38.32	June 1 – Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.06	19.8	June 1 - Nov. 8

- 35. The proposed change, as modified, would not result in enlargement of the right.
- 36. The proposed change, as modified, would not result in injury to other water rights.
- 37. The amount and timing of the proposed instream flow, as modified, is allowable within the limits and use of the original water right.
- 38. The protection of flows within the proposed reaches is appropriate, considering:
 - a) The instream water right begins at the recorded points of diversion;
 - b) The location of confluences with other streams downstream of the points of diversion;
 - There are no known areas of natural loss of streamflow to the river bed downstream from the point of diversion; and
 - d) Return flows resulting from the exercise of the existing water right would re-enter the river within the proposed reaches and have been accounted for at appropriate points within each proposed reach.
- 39. There is an instream lease, Il-1081, currently in effect for a portion of the water rights proposed for transfer, specifically Certificates 83857 and 83732, to instream use. The instream lease was approved by the Department on July 27, 2010, as evidenced by Special Order Volume 81, Page 474. A correction order was issued on July 30, 2010, and supersedes

the original order, as evidenced by Special Order Volume 81, Page 546. This instream lease is scheduled to terminate on November 30, 2013, and includes a condition allowing for early termination of the lease order. This lease must be terminated before Transfer T-10730 may be approved. Also, the date on which this instream transfer may be approved may be affected by the date on which the existing instream lease is terminated to prevent injury and enlargement.

- 40. There are existing instream water rights established under ORS 537.348 (instream transfer process) and ORS 537.470 (allocation of conserved water process) within the same reach as that proposed for each of the new instream water rights, which include the use of water for fish and wildlife habitat, aquatic life, recreation, and pollution abatement. There presently are no instream water rights within the proposed reach created as a result of ORS 537.346 (minimum flow conversion) or ORS 537.341 (state agency instream water right application process). However, there is a pending instream water right application filed by the Oregon Department of Fish and Wildlife (ODFW) pursuant to ORS 537.341 to establish an instream water right from Bowman Dam to Lake Billy Chinook for anadromous and resident fish rearing, which if approved will have a priority date of May 11, 1990. Requested flows for this pending instream water right application are at times not available during the instream period identified in Finding of Fact #34.
- 41. By adding to other water rights leased or transferred instream at the same location or created through the conserved water statutes, the instream right will provide protection for additional streamflows previously identified as necessary for conservation, maintenance and enhancement of aquatic and fish life, fish and wildlife habitat and other ecological values.
- 42. By replacing a portion of any instream rights created at the request of state agency or under the minimum streamflow conversion process, the instream right will provide protection for streamflows previously identified as necessary for anadromous and resident fish rearing under earlier priority dates.
- 43. During the period June 1 through November 8, any instream water right established by this transfer application may replace a portion of instream water rights established pursuant to ORS 537.341 or ORS 537.346 and be in addition to instream water rights established pursuant to ORS 537.348 or ORS 537.470 unless otherwise specified by an order approving a new instream water right under these statutes.
- 44. The total monthly quantities of water to be protected under the existing and proposed instream rights in the reach will provide for a beneficial purpose and do not exceed the estimated average natural flow.

Preliminary Award of Deschutes Basin Mitigation Credits

45. The mitigation project was originally submitted by the Daniels Group, LLC. However, on March 29, 2010, the application was assigned to Grass Butte, LLC, and PremierWest Bank. Grass Butte, LLC, and PriemierWest Bank (the Applicants) have requested this instream transfer application be used to establish mitigation credits in the Deschutes Ground Water Study Area. The Applicants have also requested that any mitigation credits generated from this project be assigned to Grass Butte, LLC, and PremierWest Bank.

- 46. The Department assigned this mitigation credit project number MP-124.
- 47. The Department provided notice of the mitigation credit project pursuant to OAR 690-521-0300 (6) on March 10, 2009. No comments were received in response to this notice.
- 48. The Department consulted with representatives from ODFW, DEQ, Oregon Parks and Recreation Department, Oregon Department of State Lands, the Oregon Department of Agriculture, and the Department's Watermaster pursuant to OAR 690-521-0300 (7) and OAR 690-505-0630 (2) on March 10, 2009. No comments were received in response to this notice.
- 49. No changes were made to the instream transfer as a result of public notice or consultation with the above named agencies.
- 50. The proposed transfer of 123.0 acres of irrigation (67.0 acres under Certificate 83857, 45.0 acres under Certificate 83651, and 11.0 acres under Certificate 83732) to instream use will provide 221.4 acre-feet of mitigation water (120.6 AF from Certificate 83857, 81.0 AF from Certificate 83651, and 19.8 AF from Certificate 83732). Therefore, 221.4 mitigation credits (1.0 mitigation credit = 1.0 AF of mitigation water) may be awarded to this mitigation credit project and assigned to Grass Butte, LLC, and PremierWest Bank. The mitigation credits may be used to mitigate for ground water permit applications and existing conditioned ground water permits and certificates, providing mitigation pursuant to the Deschutes Ground Water Mitigation Rules, OAR Chapter 690, Division 505, within the Crooked River Zone of Impact and the General Zone of Impact.
- 51. A total of 492.0 AF is proposed to be transferred to instream use and 221.4 AF of that, as identified above, may be used for mitigation purposes. The amount of water transferred instream and not used for mitigation purposes will benefit instream flow.
- 52. The Department shall award final mitigation credits upon completion of the approved project by the applicant and verification by the Department that the project is complete. The issuance of certificates for the proposed instream water right shall result in completion of the project and verification that the project is complete.
- 53. Mitigation credits awarded to this mitigation credit project will be valid beginning the first calendar year that water will be protected instream under any new instream water right created as a result of this instream transfer application.

Determination and Proposed Action

The changes in character of use and place of use to instream use proposed in application T-10730 appear to be consistent with the requirements of ORS 540.505 to 540.580, ORS 537.348, OAR 690-380-5000, and OAR 690-077-0075. If protests are not filed pursuant to OAR 690-380-4030, the application will be approved.

This mitigation project appears to result in mitigation credits pursuant to ORS 537.746 and OAR 690-521-0300 and 690-521-0400.

If application T-10730 is approved, the final order will include the following:

- 1. The changes in character of use and place of use to instream use proposed in application T-10730 are approved.
- 2. Water right certificates 83857, 83651, and 83732 are cancelled. New certificates confirming the instream water rights shall be issued. New certificates will be issued describing that portion of Certificates 83857 and 83651not affected by this transfer.
- 3. The instream water right shall provide for the protection of streamflows for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values in the Deschutes River as follows:

Resulting from Certificate 83857

Reach #1: From POD #1 (as described in Finding of Fact #14) to POD #2 (Low Line Ditch) (as described in Findings of Fact #14, #16, & #17).

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 – Nov. 8

Reach #2: From POD #2 (Low Line Ditch) to River Mile 32.9.

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 – Nov. 8
	1904/1910	0.03	10.0	
	Total:	0.20	63.6	

Reach #3: From River Mile 32.9 to POD #7 (as Described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
02057	1892	0.17	53.6	June 1 – Nov. 8
83857	1904/1910	0.027	8.62	
	Total:	0.197	62.22	

Reach #4: At POD #7 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 – Nov. 8
	1898	0.01	2.0	
	1904/1910	0.027	8.62	
	Total:	0.207	64.22	

Reach #5: From just below POD #7 to POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 – Nov. 8
	1898	0.009	2.87	
	1904/1910	0.027	8.62	
	Total:	0.206	65.09	

Reach #6: At POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857 18	1892	0.80	256.0	June 1 – Nov. 8
	1898	0.009	2.87	
	1904/1910	0.027	8.62	
	Total:	0.836	267.49	

Reach #7: From just below POD #6 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.74	229.92	June 1 – Nov. 8
	1898	0.009	2.87	
	1904/1910	0.027	8.62	
	Total:	0.776	241.41	

Reach #8: From River Mile 30 to to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
	1892	0.37	115.2	
83857	1898	0.003	0.9	June 1 - Nov. 8
	1904/1910	0.01	4.5	
	Total:	0.383	120.6	

Resulting from Certificate 83651

Reach #1: From the POD for Certificate 83651 (as described in Findings of Fact #16 and #17) River Mile 32.9

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.56	180.0	June 1 – Nov. 8

Reach #2: From River Mile 32.9 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.50	159.67	June 1 - Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.25	81.0	June 1 - Nov. 8

Resulting from Certificate 83732

Reach #1: At POD for Certificate 83732 (as described in Finding of Fact #18)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.137	44.0	June 1 - Nov. 8

Reach #2: From just below the POD for Certificate 83732 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.12	38.32	June 1 - Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.06	19.8	June 1 - Nov. 8

- Water rights upstream of the original point of diversion shall not be subject to regulation for flows in excess of the quantities to which this instream water right is entitled at the original point of diversion.
- 5. 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.
- 6. The instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise identified in a subsequent order establishing a new instream water right under these statutes.
- 7. The right to the use of the water is restricted to beneficial use at the place of use described, and is subject to all other conditions and limitations contained in Certificates 83857, 83651, and 83732 and any related decree.
- 8. The former place of use of the transferred water shall no longer receive water as part of these rights.
- 9. Preliminary Award of Mitigation Credits: Final Award of Mitigation Credits may be made upon completion of the project and verification by the Department that the project has been completed as proposed. Issuance of a new instream water right certificate, as described herein, will result in completion of the project and verification by the Department that the project is complete. If completed as proposed, mitigation credits, in the amount of 221.4 credits, as described herein, may be awarded to this mitigation project and assigned to Grass Butte, LLC and PremierWest Bank. Mitigation credits awarded may be used to satisfy a mitigation obligation of a ground water permit applicant and/or ground water permit/certificate holder in the Crooked River Zone of Impact and the General Zone of Impact.
- 10. Mitigation credits are valid until used to satisfy a mitigation obligation of a ground water permit applicant and/or ground water permit/certificate holder within the Deschutes Ground

Water Study Area pursuant to the Deschutes Ground Water Mitigation Rules. Mitigation credits are used when a person submits to the Department documentary evidence that valid credits have been obtained and assigned to satisfy a mitigation obligation. Mitigation credits generated by this project will be available for use as mitigation beginning the first calendar year that water will be protected instream under each of the new instream water rights.

11. The instream certificates created as a result of the approval of this transfer shall be identified as a mitigation credit project. Within each instream certificate, the number of mitigation credits, the zone of impact in which the mitigation credits were generated and may be used, and the volume of water dedicated instream solely for instream benefits shall also be specified.

Dated at Salem,	Oregon this	day of	2011.
	1000		

DRAFT

Phillip C. Ward, Director

This draft Preliminary Determination was prepared by a Reimbursement Authority contractor. If you have questions about the information in this document, you may reach Laura Wilke at (503) 986-0884 or Laura.K.Wilke@wrd.state.or.us.

From: Laura Wilke

Sent: Wednesday, April 06, 2011 8:44 AM

To: jnewton@newtonconsultants.com

Cc: 'Langford, Shonee D.'

Subject: Grass Butte Instream Transfer T-10730

Good Morning:

The contractor has finished reviewing the ownership documentation for the transfers and it looks like we only have one small issue that needs to be addressed.

This is with regard to the 0.5 ac of irrigation retained by John Short as part of a property sale (located in the NE NE of Section 29, T14S R14E - tax lot 106).

The property, per the ownership report, is currently owned by South Valley Bank and Trust. The ownership report is dated March 17, 2011. However, the 0.5 acre of irrigation appears to have been retained by John Short in a transaction that occurred prior to the Bank taking over ownership of the property.

When conveyance agreements are involved (including when water rights are retained by the seller as part of a real property transaction), the ownership report needs to show the ownership as of the date the conveyance agreement was recorded, being January 3, 2008. Basically, the report needs to show that Emmett Ranch, LLC owned the property at the time the water right was retained by Emmett Ranch in the recorded Statutory Warranty Deed.

At this point, we need a new ownership report covering the 0.5 acres referenced above showing who owned the property at the time the conveyance agreement (statutory warranty deed) was recorded.

Please give me a call if you have any questions.

Thanks, Laura

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301-1271
Phone: (503) 986-0884
Fax: (503) 986-0903

From: Laura Wilke

Sent: Wednesday, April 06, 2011 8:45 AM

To: 'Terry Sprecher'
Cc: Dorothy Pedersen

Subject: FW: Grass Butte Instream Transfer T-10730

Terry - I looked over what you sent about the 0.5 acres retained by John Short. And, yep, we do need a revised ownership report for that 0.5 ac. I just sent the below e-mail off to Newton.

Thanks, Laura

From: Laura Wilke

Sent: Wednesday, April 06, 2011 8:44 AM To: jnewton@newtonconsultants.com

Cc: 'Langford, Shonee D.'

Subject: Grass Butte Instream Transfer T-10730

Good Morning:

The contractor has finished reviewing the ownership documentation for the transfers and it looks like we only have one small issue that needs to be addressed.

This is with regard to the 0.5 ac of irrigation retained by John Short as part of a property sale (located in the NE NE of Section 29, T14S R14E - tax lot 106).

The property, per the ownership report, is currently owned by South Valley Bank and Trust. The ownership report is dated March 17, 2011. However, the 0.5 acre of irrigation appears to have been retained by John Short in a transaction that occurred prior to the Bank taking over ownership of the property.

When conveyance agreements are involved (including when water rights are retained by the seller as part of a real property transaction), the ownership report needs to show the ownership as of the date the conveyance agreement was recorded, being January 3, 2008. Basically, the report needs to show that Emmett Ranch, LLC owned the property at the time the water right was retained by Emmett Ranch in the recorded Statutory Warranty Deed.

At this point, we need a new ownership report covering the 0.5 acres referenced above showing who owned the property at the time the conveyance agreement (statutory warranty deed) was recorded.

Please give me a call if you have any questions.

Thanks, Laura

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301-1271
Phone: (503) 986-0884
Fax: (503) 986-0903

From: Terry Sprecher [terry.sprecher@bendbroadband.com]

Sent: Friday, April 01, 2011 10:53 AM

To: Laura Wilke

Subject: RE: T-10730 - ownership review (John Short consent) - see question

Hi Laura,

Here's my take on the missing 0.5 acres in NE of NE of S 29, with an 1898 priority date, belonging to certificate 83857.

- Letter from Schwabe on 3/21/11 states: South Valley Bank & Trust owns From lands under Cert 83857.
 [this letter does not note any other owner under cert 83857]
- 2. Ownership report attached to Schwabe's letter is as of March 17, 2011, and shows South Valley Bank & Trust as the owner of tax lot 1414-29 # 106, where the ½ acre is located.
- 3. South Valley's consent, dated June 11, 2010, does not include the 1/2 acre in question
- 4. Jim Newton's email (see bottom of this chain) on 3/31/11 states "As for the missing consent agreement for this 0.5 acre; this 0.5 acre of water right is under the control of Emmett Ranch (controlling member John Short) that was included in the deed under the sale agreement to Dallon & Suzanne Miles-so you have a copy of the deed that states who retains control of the 0.5 acres included in the ownership packet." Hopefully this is the deed discussed in #5 and #6, following, otherwise I don't have a copy of it.
- Schwabe's 3/31/11 email describes and attaches the deed.
- 6. The deed attached by Schwabe shows that Emmet Ranch sold Tax lot 1414-29 #106 to Dallon Miles, without the ½ acre water right, as of January 3, 2008.
- 7. The consent form attached by Schwabe shows Emmet Ranch's consent to the transfer.

As you know, the DPD cover letter requests the title company report be prepared "... showing ownership at the time a water right conveyance agreement was recorded".

Do we need proof that Emmett Ranch had legal title to the property on January 8, 2008, when they retained ownership of the ½ acre of water, or is the Statutory Warranty Deed sufficient proof?

[Newton and Schwabe could have smoothed this ownership review process by providing this ownership information upfront, in a "user-friendly" fashion]

I'll work on the PD notice and cover next, and forward to you shortly.

Terry A. Sprecher, RG, CWRE Sprecher Group DBE/WBE/ESB # 5687

Phone: 541/306-3709 Cell: 541/419-0883

terry.sprecher@bendbroadband.com

From: Laura Wilke [mailto:wilkelk@wrd.state.or.us]

Sent: Friday, April 01, 2011 8:37 AM

To: Terry Sprecher

Subject: FW: T-10730 - ownership review (John Short consent)

Terry - here's the second e-mail we received from Shonee with better quality attachments.

Does this address the question on the 0.5 ac?

Laura

From: Langford, Shonee D. [mailto:SLangford@SCHWABE.com]

Sent: Thursday, March 31, 2011 5:36 PM To: Laura Wilke; Dorothy Pedersen

Subject: FW: T-10730 - ownership review (John Short consent)

Laura and Dorothy - Sorry to fill your inbox, but here are some better quality scans of the two documents I just sent in my last e-mail, regarding T-10730 and the half acre owned by John Short. Thanks.

Shonee

SHONEE D. LANGFORD | Attorney at Law SCHWABE, WILLIAMSON & WYATT Direct: 503-540-4261 | Fax: 503-796-2900

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www.schwabe.com

From: James Newton [mailto:jnewton@newtonconsultants.com]

Sent: Thursday, March 31, 2011 3:17 PM

To: Kara Morris

Subject: RE: T-10730 - ownership review; some tiny things that may still need addressing, or at least thinking

about

Hi Kara,

Thanks for the email and the telephone call, as it is a pleasure to talk to you. I left you a quick voicemail a few minutes ago, so this email is a follow-up to that message.

As for the missing consent agreement for this 0.5 acre; this 0.5 acre of water right is under the control of Emmett Ranch (controlling member John Short) that was included in the deed under the sale agreement to Dallon & Suzanne Miles-so you have a copy of the deed that states who retains control of the 0.5 acres included in the ownership packet. John will be sending in a notarized consent form authorizing/allowing his interest in the water right. You will likely receive it via email followed by hand delivery from Shonee Langford.

So, I guess the big question comes down to, who do we send these documents to after today, attention Laura, Dorothy, ???

I hope your new position has people just as much fun to work with as me (good luck with that;)!

Best, ~Jim

James B. Newton, R.G., C.W.R.E.

Senior Staff Geologist Newton Consultants, Inc. P.O. Box 1728 1937 N. Business 97 Redmond, Oregon 97756 (541) 504-9960 ext.235 (541) 504-9961 fax www.newtonconsultants.com

From: Kara Morris [mailto:morriskb@wrd.state.or.us]

Sent: Thursday, March 31, 2011 2:52 PM To: jnewton@newtonconsultants.com

Subject: FW: T-10730 - ownership review; some tiny things that may still need addressing, or at least thinking about

Hi Jim,

Here is the part we need consent for.

- #2 — more critical — SVB&T consents to transferring 45.0 and 2.5 acres of their water rights, but doesn't mention the 0.5 acres located in NE of NE of S 29, with an 1898 priority date, belonging to certificate 83857. Which means we need their consent for these 0.5 acres.

Thanks!

Kara Morris
Expedited Transfer Processing Specialist 1
Oregon Water Resources Department
725 Summer St NE, Suite A
Salem, OR 97301
503-986-0898

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From: Langford, Shonee D. [SLangford@SCHWABE.com]

Sent: Thursday, March 31, 2011 5:36 PM

To: Laura Wilke: Dorothy Pedersen

Subject: FW: T-10730 - ownership review (John Short consent)

Attachments: Emmett Deed to Miles - Land.pdf; Emmett Consent.jpg

Laura and Dorothy - Sorry to fill your inbox, but here are some better quality scans of the two documents I just sent in my last e-mail, regarding T-10730 and the half acre owned by John Short. Thanks.

Shonee

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www.schwabe.com

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To: James Newton Cc: Laura Wilke

Subject: RE: T-10730 - ownership review; some tiny things that may still need addressing, or at least

thinking about

Hey Jim,

I suggest sending information for T-10730 to Laura and information for the other three (if there is any more) to Dorothy. Also, I'm sending the work order for the rest of the hours to the contractor before I leave today so everything should be in place to go forward.

Thanks again!

Kara

<hr size=2 width="100%" align=center tabindex=-1>

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Sent: Thursday, March 31, 2011 3:17 PM

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Laura, Dorothy, ???

I hope your new position has people just as much fun to work with as me (good luck with that;)!

Best,

James B. Newton, R.G., C.W.R.E.

Senior Staff Geologist
Newton Consultants, Inc.
P.O. Box 1728
1937 N. Business 97
Redmond, Oregon 97756
(541) 504-9960 ext.235
(541) 504-9961 fax
www.newtonconsultants.com

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Sent: Thursday, March 31, 2011 2:52 PM To: jnewton@newtonconsultants.com

Subject: FW: T-10730 - ownership review; some tiny things that may still need addressing, or at least thinking

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Thanks!

Kara Morris
Expedited Transfer Processing Specialist 1
Oregon Water Resources Department
725 Summer St NE, Suite A
Salem, OR 97301
503-986-0898

<hr size=2 width="100%" align=center tabindex=-1>

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any action based on it, is strictly prohibited. Thank you.



After recording return to:
Dallon Miles
16915 NW O'Neil Highway
Redmond, OR 97756

Until a change is requested all tax statements shall be sent to the following address:
Dallon Miles
16915 NW O'Neil Highway
Redmond, OR 97756

CT82552 0082552

Title No.

SCANNED

KEY PUNCHED

JAN 0 3-2008 -

Crook County Official Records
DEED-D
Crd=1 Stn=6 CCOUNTER
\$5.00 \$11.00 \$5.00 \$10.00

Crd=1 Stn=6 CCOUNTER
\$31.00

01037458200802260800010011

I, Dearvis Berman, County Clerk for Crosh County, Oregon, certify that the instrument identiced herein was recorded in the Clerk records.

STATUTORY WARRANTY DEED

Emmett Ranch, LLC, an Oregon Limited Liability Company, Grantor(s) hereby convey and warrant to Dallon Miles, Grantec(s) the following described real property in the County of CROOK and State of Oregon free of encumbrances except as specifically set forth herein:

Parcel 2 of Partition Plat No. 2006-56, Recorded December 29, 2006 in Partitions MF No. 2006-217698, Records of Crook County, Oregon, Located in the SE1/4 of Section 20, in the SW1/4 of the SW1/4 of Section 21, in the NW1/4 of the NW1/4 of Section 28, in the E1/2 of Section 29, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon.

Expressly reserving unto Grantor that 0.5 acre 1898 water right under Certificate number 81601 appurtenant to the NE1/4 of the NE1/4 of section 29, Township 14 South, Range 14 East of the Willamette Meridian in Crook County Oregon.

Ref#16671 TM 1414 21 TL 201
Ref#18020 TM 1414 29 TL 106
Ref#16672 TM 1414 28 TL 201

The above-described property is free of encumbrances except all those items of record, if any, as of the date of this deed and those shown below, if any:

The true and actual consideration for this conveyance is \$379,000.00.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DITERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930 AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007.

Dated this 3 day of January, 2008.

Emmsett Ranch (LLC)

John A. Short, Managing Member

State of Oregon
County of CROOK

This instrument was acknowledged before me on <u>Viniting</u> 3, 2008 by John A. Short. Managing Member for Emmett Ranch, LLC.

(Notary Public for Oregon)

My commission expires 12/29 2011

AMERITIE 82552 KPS

OFFICIAL SEAL KELLIE E COBB

NOTARY PUBLIC- OREGON COMMISSION NO. 423059 NY COMMISSION EXPIRES DEC 29, 2011

Application for Water Right Transfer Consent by Deeded Landowner



State of Oregon)
County of)ss)
I John A. Short in my/our o	pacity as Manager of Emmett Ranch, LLC.
mailing address P.O. Box 1	30. Bend, OR 97709,
telephone number 541-408	7415, duly sworn depose and say that I
consent to the proposed cha	age(s) to Water Right Certificate Number 83857
described in a Transfer App	ication (T-10730) submitted by The Daniels Group, LLC, (transfer number, if known)
on the property in tax lot no	nber(s) 106. Section 29. Township 14
North, Range 14 East, W.M	, located at N/A. (site address) 3-3/-/
Signature of Affiant	Date
Signature of Affiant	Date
Subscribed	and Sworn to before me this 3151 day of March , 2011.
MY COMME	OFFICIAL SEAL BROOKE A WHEELER OTARY PUBLIC-OREGON COMMISSION NO. 445282 CON EXPIRES JANUARY 30, 2014 My commission expires MULLEL 30, 3

From the desk of Shonee D. Langford

Attn: Laura Wilke

RE: T-10730

Original notarized consent from John Short.

OVER THE COLINT

APR 0 a ZUII

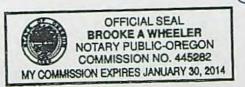
WATER RESOURCES DEPT SALEM, OREGON

SCHWABE, WILLIAMSON & WYATT
SUITES 1600-1900, PACWEST CENTER • 1211 S.W. FIFTH AVENUE
PORTLAND, OREGON 97204 • Telephone (503) 222-9981

Application for Water Right Transfer Consent by Deeded Landowner



State of Oregon County of <u>Deschutes</u>))ss)		Let me Knowif. Youwant this Your Stamped date Stamped
I John A. Short in my/our capacity a	ns Manager of Emn	nett Ranch, LLC.	
mailing address P.O. Box 1830, Ber	nd, OR 97709,		
telephone number <u>541-408-7415</u> , du	ıly sworn depose aı	nd say that I	
consent to the proposed change(s) to	Water Right Certi	ficate Number 8	3857
described in a Transfer Application	(T- <u>10730</u>) submitte (transfer number, if known)	ed by The Daniel	s Group, LLC,
on the property in tax lot number(s)	106, Section 29, To	ownship <u>14</u>	
North, Range 14 East, W.M., located	d at <u>N/A.</u> (site address)	3-31-	/ [
Signature of Affiant		Date	
Signature of Affiant		Date	
Subscribed and Swe	orn to before me th	is 3) St day of_	March, 2011.



Notary Public for Oregon

My commission expires Junuary 30, 2014



After recording return to:
Dallon Miles
16915 NW O'Neil Highway
Redmond, OR 97756

Until a change is requested all tax statements shall be sent to the following address:

Dallon Miles 16915 NW O'Neil Highway Redmond, OR 97756

Escrow No. CT82552
Title No. 0082552
SWD

SCANNED

KEY PUNCHED

JAN 0 3-2008 -

Crook County Official Records
DEED-D
Cat-1 Stn-6 CCOUNTER

2008-226050
01/03/08 03:09 PM

\$5.00 \$11.00 \$5.00 \$10.00 \$31.00

I, Deenna Berman, County Clark for Cross County, Oregon, certify that the Instrument identified herein was recorded in the Clark

STATUTORY WARRANTY DEED

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Expressly reserving unto Grantor that 0.5 acre 1898 water right under Certificate number 81601 appurtenant to the NE1/4 of the NE1/4 of section 29, Township 14 South, Range 14 East of the Willamette Meridian in Crook County Oregon.

Ref #16671 TM 1414 21 TL 201 Ref #18020 TM 1414 29 TL 106 Ref #16672 TM 1414 28 TL 201

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Dated this 3 day of Janway 2008

Emmett Ranch/LLC

BY John A. Short, Managing Member

State of Oregon
County of CROOK

This instrument was acknowledged before me on Anthing 3, 2008 by John A. Short. Managing Member for Emmett Ranch, LLC.

OFFICIAL SEAL

KELLIE E COBB

NOTARY PUBLIC OREGON

KELLIE E COBB NOTARY PUBLIC- OREGON COMMISSION NO. 423059 NY CONNISSION EXPIRES DEC 29, 2011

(Notary Public for Oregon)

My commission expires 12/29 2011

APR 0 5 2011

WATER RESOURCES DEPT SALEM, OREGON

AMERITIE 82552 KB

From: Langford, Shonee D. [SLangford@SCHWABE.com]

Sent: Thursday, March 31, 2011 5:18 PM

To: Laura Wilke; Dorothy Pedersen
Cc: James Newton; John A. Short

Subject: FW: T-10730 - ownership review (John Short consent)

Attachments: IMAG0250.jpg; IMAG0249.jpg

Laura and Dorothy.

I have attached a notarized consent form and deed showing John Short's company, Emmett Ranch LLC, owns a 0.5 acre water right involved in T-10730. Kara noticed this half acre was not covered by the ownership info previously submitted (see her email below), and I understand she is no longer working in the transfer section after today. I expect to hand-deliver the originals of the attached documents to you either tomorrow or Monday, but wanted to send these copies along to keep things moving on the contractor's end.

Please let me know if you have trouble viewing the attachments or have other questions. I was able to view them using Windows Picture and Fax Viewer.

Thanks.

Shonee

SHONEE D. LANGFORD | Attorney at Law SCHWABE, WILLIAMSON & WYATT Direct: 503-540-4261 | Fax: 503-796-2900

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Sent: Thursday, March 31, 2011 3:31 PM

To: James Newton Cc: Laura Wilke

Subject: RE: T-10730 - ownership review; some tiny things that may still need addressing, or at least

thinking about

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I suggest sending information for T-10730 to Laura and information for the other three (if there is any more) to Dorothy. Also, I'm sending the work order for the rest of the hours to the contractor before I leave today so everything should be in place to go forward.

Thanks again!

Kara

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So, I guess the big question comes down to, who do we send these documents to after today, attention Laura,

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I hope your new position has people just as much fun to work with as me (good luck with that;)!

Best, ~Jim

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P.O. Box 1728
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Redmond, Oregon 97756
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THIS SPACE RESERVED FOR RECORDER'S USE

After recording return to:
Dallon Miles
Dallon Miles
16915 NW O'Neil Highway
Reducord, OR 97756

Until a change is requested all law statements shall be sent to the following address:

16915 NW O'Neil Highway Rodmood, OR 97756

Pscrow No. CT82552
Title No. 0082552
SWD

SCANNED

KEY PUNCHED

JAN 0 3-2008 -

Crock County Official Records 2008-226050
DEED-0 01/03/08 03:00 PM
Sci.00 \$1 1.00 \$5 00 \$10.00 \$531,00



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Ref#16671 TM 1414 21 TL 201 TM 1414 29 TL 106 Ref#18020 Ref#16672 TM 1414 28 TL 201

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Dated this _ 3 _ ZOOE day of January nort, Managing Member

come of Or County of CROOK

2008 by John A. Short, Managing Member for Emmett This instrument was acknowledged before me on Dhillies. Ranch, LLC.

DO Si

OFFICIAL SEAL

KELLE E CORS

NOTANY PUBLIC OFFICE

CONMISSION NO. 421059

NY CONCESSION LOPIES SEC N. 2811

(Notary Public for Orogon) My commission expires 12/29 2011

AMERITTLE 82552 KPS

on th

Nort

Application for Water Right Transfer Consent by Deeded Landowner



State of Oregon)
County of)s.

I John A. Short in my/our capacity as Manager of Emmett Ranch, LLC,
mailing address P.O. Box 1830, Bend, OR 97709,
telephone number 541-408-7415, duly sworn depose and say that I
consent to the proposed change(s) to Water Right Certificate Number 83857
described in a Transfer Application (T-10730) submitted by The Daniels Group, LLC,
(transfer rumber, if known)
on the property in tax lot number(s) 106, Section 29, Township 14

North, Range 14 East, W.M., located at N/A.

Signature of Affiant

Signature of Affiant

3-31-11

Date

Date

Subscribed and Sworn to before me this 3151 day of MARCH . 2011

OFFICIAL SEAL
BROOKE A WHEELER
NOTARY PUBLIC-OREGON
COMMISSION NO. 445282
MY COMMISSION EXPIRES JANUARY 20, 2014

Notary Public for Oregon

My commission expires Muru 30, 2014

From: Laura Wilke

Sent: Friday, April 01, 2011 8:37 AM

To: 'Terry Sprecher'

Subject: FW: T-10730 - ownership review (John Short consent)
Attachments: Emmett Deed to Miles - Land.pdf; Emmett Consent.jpg

Terry - here's the second e-mail we received from Shonee with better quality attachments.

Does this address the question on the 0.5 ac?

Laura

From: Langford, Shonee D. [mailto:SLangford@SCHWABE.com]

Sent: Thursday, March 31, 2011 5:36 PM To: Laura Wilke; Dorothy Pedersen

Subject: FW: T-10730 - ownership review (John Short consent)

Laura and Dorothy - Sorry to fill your inbox, but here are some better quality scans of the two documents I just sent in my last e-mail, regarding T-10730 and the half acre owned by John Short. Thanks.

Shonee

SHONEE D. LANGFORD | Attorney at Law SCHWABE, WILLIAMSON & WYATT Direct: 503-540-4261 | Fax: 503-796-2900

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From: Kara Morris [mailto:morriskb@wrd.state.or.us]

Sent: Thursday, March 31, 2011 3:31 PM

To: James Newton Cc: Laura Wilke

Subject: RE: T-10730 - ownership review; some tiny things that may still need addressing, or at least

thinking about

Hey Jim,

I suggest sending information for T-10730 to Laura and information for the other three (if there is any more) to Dorothy. Also, I'm sending the work order for the rest of the hours to the contractor before I leave today so everything should be in place to go forward.

Thanks again!

Kara

<hr size=2 width="100%" align=center tabindex=-1>

From: James Newton [mailto:jnewton@newtonconsultants.com]

Sent: Thursday, March 31, 2011 3:17 PM

To: Kara Morris

Subject: RE: T-10730 - ownership review; some tiny things that may still need addressing, or at least

thinking about

Hi Kara.

Thanks for the email and the telephone call, as it is a pleasure to talk to you. I left you a quick voicemail a few

minutes ago, so this email is a follow-up to that message.

As for the missing consent agreement for this 0.5 acre; this 0.5 acre of water right is under the control of Emmett Ranch (controlling member John Short) that was included in the deed under the sale agreement to Dallon & Suzanne Miles-so you have a copy of the deed that states who retains control of the 0.5 acres included in the ownership packet. John will be sending in a notarized consent form authorizing/allowing his interest in the water right. You will likely receive it via email followed by hand delivery from Shonee Langford.

So, I guess the big question comes down to, who do we send these documents to after today, attention Laura, Dorothy, ???

I hope your new position has people just as much fun to work with as me (good luck with that;)!

Best. ~Jim

James B. Newton, R.G., C.W.R.E. Senior Staff Geologist Newton Consultants, Inc. P.O. Box 1728 1937 N. Business 97 Redmond, Oregon 97756 (541) 504-9960 ext.235 (541) 504-9961 fax www.newtonconsultants.com

From: Kara Morris [mailto:morriskb@wrd.state.or.us]

Sent: Thursday, March 31, 2011 2:52 PM To: inewton@newtonconsultants.com

Subject: FW: T-10730 - ownership review; some tiny things that may still need addressing, or at least thinking

about

Hi Jim,

Here is the part we need consent for.

- #2 - more critical - SVB&T consents to transferring 45.0 and 2.5 acres of their water rights, but doesn't mention the 0.5 acres located in NE of NE of S 29, with an 1898 priority date, belonging to certificate 83857. Which means we need their consent for these 0.5 acres.

Thanks!

Kara Morris Expedited Transfer Processing Specialist 1 Oregon Water Resources Department 725 Summer St NE, Suite A Salem, OR 97301 **503-986-0898**

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To comply with IRS regulations, we are required to inform you that this message, if it contains advice relating to federal taxes, cannot be used for the purpose of avoiding penalties that may be imposed under federal tax law. Any tax advice that is expressed in this message is limited to the tax issues addressed in this message. If advice is required that satisfies applicable IRS regulations, for a tax opinion appropriate for avoidance of federal tax law penalties, please contact a Schwabe attorney to arrange a suitable engagement for that purpose.

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From: Laura Wilke

Sent: Friday, April 01, 2011 8:39 AM

To: 'Langford, Shonee D.'; Dorothy Pedersen

Subject: RE: T-10730 - ownership review (John Short consent)

Thanks Shonee - I've passed these along to the contractor for review. In the meantime, please send in the original affidavit signed by John. We need the original for our records.

Thanks, Laura

From: Langford, Shonee D. [mailto:SLangford@SCHWABE.com]

Sent: Thursday, March 31, 2011 5:36 PM To: Laura Wilke; Dorothy Pedersen

Subject: FW: T-10730 - ownership review (John Short consent)

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Best, ~Jim

James B. Newton, R.G., C.W.R.E. Senior Staff Geologist Newton Consultants, Inc. P.O. Box 1728 1937 N. Business 97 Redmond, Oregon 97756 (541) 504-9960 ext.235 (541) 504-9961 fax www.newtonconsultants.com

From: Kara Morris [mailto:morriskb@wrd.state.or.us]

Sent: Thursday, March 31, 2011 2:52 PM **To:** jnewton@newtonconsultants.com

Subject: FW: T-10730 - ownership review; some tiny things that may still need addressing, or at least thinking

about

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Thanks!

Kara Morris
Expedited Transfer Processing Specialist 1
Oregon Water Resources Department
725 Summer St NE, Suite A
Salem, OR 97301
503-986-0898

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From: James Newton [jnewton@newtonconsultants.com]

Sent: Tuesday, March 15, 2011 5:30 PM

To: Laura Wilke

Subject: T-10730 DPD Acceptance

Attachments: Letter T10730 DPD Acceptance Letter 3_15_11.pdf

Hi Laura,

Attached is a letter accepting the DPD for T-10730.

At this point we anticipate the ownership information being submitted to you by week end.

Best, ~Jim

James B. Newton, R.G., C.W.R.E.

Senior Staff Geologist Newton Consultants, Inc. P.O. Box 1728 1937 N. Business 97 Redmond, Oregon 97756 (541) 504-9960 ext.235 (541) 504-9961 fax

www.newtonconsultants.com



March 15, 2011 Project No.: 1047-105

Laura Wilke, Flow Restoration Program Coordinator Oregon Water Resources Department 725 Summer St. NE, Suite A Salem, OR 97301

APPLICANT RESPONSE TO DRAFT PRELIMINARY DETERMINATIONS; OWRD TRANSFER FILE T- 10730; GRASS BUTTE, LLC & PREMIERWEST BANK

Dear Laura:

This letter has been prepared by Newton Consultants, Inc. to provide a response on behalf of The Grass Butte, LLC and PremierWest Bank (applicants) to the Oregon Water Resources Department (OWRD) regarding the draft preliminary determination (DPD) for OWRD transfer files T-10730 received by email on March 14, 2011.

Based on a review of the DPD document, the DPD appears consistent with the applicants' request for the transfer file T-10730. With submittal of this letter, the applicants would request issuance of the preliminary determination at your earliest convenience.

If you have questions regarding this letter, please feel free to contact me at (541) 504-9960, extension 235, or by email at jnewton@newtonconsultants.com.

Sincerely,

NEWTON CONSULTANTS, INC

James B. Newton, R.G., C.W.R.E. Senior Staff Geologist

From: Laura Wilke

Sent: Tuesday, March 15, 2011 4:43 PM

To: Jeremy Giffin

Subject: FW: T 10732-4 DPDs!

Attachments: 10732-dpd.pdf; 10732-dpd-cov-approve.pdf; 10733-dpd.pdf; 10733-dpd-cov.pdf; 10734-dpd-

cov.pdf; 10734-dpd.pdf

From: Kara Morris

Sent: Friday, March 11, 2011 3:29 PM To: jnewton@newtonconsultants.com

Cc: Laura Wilke

Subject: T 10732-4 DPDs!

Hi Jim,

Attached are the DPDs and letters for T-10732, 10733, and 10734. The hard copies will go out in the mail Monday. Laura said to tell you she plans to have T-10730 ready on Monday also.

Have a good weekend!

Kara Morris
Expedited Transfer Processing Specialist 1
Oregon Water Resources Department
725 Summer St NE, Suite A
Salem, OR 97301
503-986-0898

From: Laura Wilke

Sent: Tuesday, March 15, 2011 4:41 PM

To: Jeremy Giffin

Subject: FW: T-10730 DPD

Attachments: 10730-dpd.pdf

From: Kara Morris

Sent: Monday, March 14, 2011 3:43 PM To: jnewton@newtonconsultants.com

Cc: Laura Wilke Subject: T-10730 DPD

Attached is the DPD for T-10730! I'll send out the hard copies in the mail tomorrow.

Kara Morris
Expedited Transfer Processing Specialist 1
Oregon Water Resources Department
725 Summer St NE, Suite A
Salem, OR 97301
503-986-0898

From: johnshort@usa.com

Sent: Friday, March 25, 2011 3:04 PM

To: Gen Hubert

Cc: Kara Morris; Laura Wilke; jnewton@newtonconsultants.com

Subject: Re: IL-1081 / MP-138 (Grass Butte lease)

Jim and Shone on our side both confirmed that the lease is to stay in place. Sent from my Verizon Wireless Phone

---- Reply message ----

From: "Gen Hubert" <gen@deschutesriver.org>

Date: Fri, Mar 25, 2011 2:10 pm

Subject: IL-1081 / MP-138 (Grass Butte lease)
To: "John A. Short" <johnshort@usa.com>

Cc: "Kara Morris" <morriskb@wrd.state.or.us>, "Laura Wilke" <wilkelk@wrd.state.or.us>,

"jnewton@newtonconsultants.com" < jnewton@newtonconsultants.com>

John,

Please see the message below. I know we just talked about this earlier this week and you said to leave the lease in place, if that is still what you and Grass Buttes would like to do - then please reply to all. If they leave the lease in for this year, they can still use the limited license mitigation off the lease but would not be able to apply any permanent credits until 2012 since the transfer final order will not be effective until the lease is terminated. Sorry to keep pestering you about this, but I want you and the lessor to be absolutely sure they want to leave it instream.

If Grass Buttes would rather terminate the lease so they could use permanent credits in 2011, please let me know ASAP so we can get all of the appropriate signatures and have them to OWRD before April 6th.

Thanks!

Gen

Genevieve Hubert Transfers Program Manager Deschutes River Conservancy Phone: 541-382-4077, ext 16

Fax: 541-382-4078

www.deschutesriver.orghttp://www.deschutesriver.org/

From: Laura Wilke [mailto:wilkelk@wrd.state.or.us]

Sent: Friday, March 25, 2011 1:51 PM

To: James Newton: Gen Hubert

Cc: Kara Morris

Subject: IL-1081 / MP-138 (Grass Butte lease)

Importance: High

Good Afternoon:

We're closing in on moving to the next phase of the instream transfer (T-10730 / MP-124) - the PD. Right now there's also an instream lease in place that involves much of the same lands/water rights. Before we can issue a final order on the transfer, the lease will need to be unwound. Are folk going to want to unwind the lease this season or wait until next season? If this season, we'll need a request to unwind (terminate) by April 6th and the request will need to be made in writting (with original signatures) by all the parties to the lease - Grass Butte and the DRC.

Since we're coming up on the termination deadline, I just wanted to check in.

Thanks, Laura

Laura Wilke Flow Restoration Program Coordinator Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1271

Phone: (503) 986-0884 Fax: (503) 986-0903

T-10730

Laura Wilke

From: Laura Wilke

Sent: Friday, March 25, 2011 1:51 PM

To: 'James Newton'; 'Gen Hubert'

Cc: Kara Morris

IL-1081 / MP-138 (Grass Butte lease) Subject:

Importance: High Good Afternoon:

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March 15, 2011 Project No.: 1047-105

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Sincerely,

NEWTON CONSULTANTS, INC

James B. Newton, R.G., C.W.R.E.

Senior Staff Geologist

RECEIVED

MAR 1 7 2011

WATER RESOURCES DEPT SALEM, OREGON

From: Terry Sprecher [terry.sprecher@bendbroadband.com]

Sent: Monday, March 14, 2011 4:07 PM

To: Kara Morris; Laura Wilke Subject: daniels transfers - \$\$ end

Laura – thanks for the reminder that there will be 3 instream certificates to prepare for T10730.

Laura & Kara,

I spoke with Salem O, and we decided to not ask the client for more \$ until after the client has reviewed the DPDs and responded – just in case something unexpected pops up. As it stands now, since there's no RR certs to prepare for T10732, 10733, and 10734, and since the lands somewhat overlap, I may be able to complete the deliverables for those 3 transfers with the hours remaining on the contracts. In which case, we'll only need to ask for a few more hours for T-10730.

Am working on the partial invoices, and hope to pop them in the mail today.

Thanks for all the help and support, and enjoy the week!

Terry Sprecher, RG, CWRE Sprecher Group 2445 NE Division Street, Suite 300 Bend, OR 97701 DBE/WBE/ESB # 5687

Phone: 541/306-3709 Cell: 541/419-0883

terry.sprecher@bendbroadband.com

2 503-986-0898

From: Kara Morris

Sent: Monday, March 14, 2011 3:43 PM

To: jnewton@newtonconsultants.com

Cc: Laura Wilke
Subject: T-10730 DPD
Attachments: 10730-dpd.pdf

Attached is the DPD for T-10730! I'll send out the hard copies in the mail tomorrow.

Kara Morris Expedited Transfer Processing Specialist 1 Oregon Water Resources Department 725 Summer St NE, Suite A Salem, OR 97301

BEFORE THE WATER RESOURCES DEPARTMENT OF THE STATE OF OREGON

In the Matter of Instream Transfer Application T-10730 and Mitigation Credit Project MP-124, Crook, Deschutes, and Jefferson Counties)	DRAFT PRELIMINARY DETERMINATION PROPOSING APPROVAL OF A CHANGE IN PLACE OF USE AND CHARACTER OF USE AND PRELIMINARY AWARD OF
)	MITIGATION CREDITS

Authority

ORS 540.505 to 540.580 establishes the process in which a water right holder may submit a request to transfer the point of diversion, place of use, or character of use authorized under an existing water right. OAR Chapter 690, Division 380 implements the statutes and provides the Department's procedures and criteria for evaluating transfer applications. OAR Chapter 690, Division 077 provides additional criteria for evaluating transfers to instream water rights.

OAR 690-521-0100 to 690-521-0600 establishes the process in which anyone may submit a ground water mitigation project to the Department for the purpose of establishing mitigation credits in the Deschutes Ground Water Study Area.

Pursuant to OAR 690-521-0400 (2), any mitigation credits awarded to a mitigation project are valid until used to fulfill a mitigation obligation of a ground water use in the Deschutes Ground Water Study Area. Valid mitigation credits may be assigned by any person or recognized mitigation bank to any person or other mitigation bank. Mitigation credits are used when a person submits to the Department documentary evidence that valid credits have been obtained and assigned to satisfy a mitigation obligation.

Applicants

GRASS BUTTE, LLC GREG DANIELS 1111 MAIN ST SUITE 700 VANCOUVER WA 98660 PREMIER WEST BANK 875 SW RIMROCK WAY, SUITE 100 REDMOND, OREGON 97756

Findings of Fact

Background

 On November 21, 2008, The Daniels Group, LLC, filed an application to change the place of use and character of use under Certificates 81601, 83651, and 83732 to instream use. The Department assigned the application number T-10730.

- Certificate 81601 has been cancelled and a new Certificate (83857) was issued on May 7, 2008.
- 3. On August 26, 2009, the Department requested additional supporting information and clarification of the intent of T-10730.
- On August 28, 2009, the Department received a letter of interest from South Valley Bank and Trust requesting that they be kept informed of the proposed transfer.
- On September 14, 2009, an additional letter was received from South Valley bank and Trust identifying that the Bank could not consent to the transfer because conditions for their consent were not met.
- 6. On September 25, 2009, the applicant clarified that the portion of Certificate 81601 (i.e. Certificate 83857) proposed for transfer to instream use include Irrigation, Livestock and Domestic use consistent with the water right of record. In addition, the applicant submitted additional supporting documentation for T-10730 along with revised transfer maps with clarifying information.
- On November 9, 2009, the Department requested further clarification of the intent of T-10730 and additional information necessary to complete the application.
- 8. On March 23, 2010, The Daniels Group requested that a 75% interest in T-10730 and MP-124 be assigned to Realvest Corporation and Premier West Bank and that a 25% interest in T-10730 and MP-124 be assigned to Grass Butte, LLC. On March 23, 2010, Realvest Corporation requested that the 75% interest in T-10730 and MP-124 be assigned to Grass Butte, LLC. On March 23, 2010, Grass Butte, LLC requested that the 25% interest be assigned to Grass Butte, LLC and Premier West Bank.
- On March 29, 2010, the Department approved the assignment requests and concurred that T-10730 is now in the names of Grass Butte, LLC and Premier West Bank.
- 10. On November 3, 2010, the applicant clarified that the portion of Certificate 83651 proposed for transfer to instream use include Irrigation, Livestock and Domestic use consistent with the water right of record.
- 11. On November 3, 2010, the applicant provided further clarification of the intent of T-10730, along with revised transfer maps in support of T-10730.
- On December 13, 2010, the Department requesting further clarification of the intent of T-10730, including priority date and POD clarifications, and correcting of clerical errors.
- On December 21 and 22, 2010, the applicant provided clarifying information, along with revised transfer maps.

14. The portion of the first right to be transferred is as follows:

Certificate: 83857 in the name of PEOPLES IRRIGATION CO. (confirmed by

Crooked River Decree)

Use: IRRIGATION OF 67.0 ACRES (0.5 acres under the 1898 priority date, 2.5

acres under the 1904/1910 priority date, and 64.0 acres under the 1892

priority date), LIVESTOCK AND DOMESTIC USE

Priority Dates: 1892, 1898, and 1904/1910

Rate: 0.84 CUBIC FEET PER SECOND (CFS), being 0.01 CFS under the 1898

priority date, 0.03 CFS under the 1904/1910 priority date, and 0.8 CFS

under the 1892 priority date

Limit/Duty: The amount of water used for irrigation, together with the amount secured

under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation

season of each year.

Source: CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Points of Diversion:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
1	15 S	16 E	WM	8	NWSW	1920 FEET NORTH AND 340 FEET EAST FROM THE SW CORNER OF SECTION 8
2	-	_		-	**	LOW LINE DITCH
6	14 S	14 E	WM	29	NE NW	PUMP: 1085 FEET SOUTH AND 970 FEET WEST FROM THE NORTH 1/4 CORNER OF SECTION 29
7	14 S	14 E	WM	20	SE SE	PUMP: 325 FEET NORTH AND 120 FEET WEST FROM THE SE CORNER OF SECTION 20

Authorized Place of Use:

		IR	RIGATIO	N, LIVE	ESTOC	K, AND DO	DMESTIC	
Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User
1892	6	14 S	14 E	WM	20	SWSW	10.0	Forrest, Frances
1904/1910	2	14 S	14 E	WM	21	SE SW	2.5	Deschutes Fine Wool Company
1898	7	14 S	14 E	WM	29	NE NE	0.5	McDowell, D.A.
1892	6	14 S	14 E	WM	29	NENW	5.0	Forrest, Frances
1892	6	14 S	14 E	WM	29	NWNW	35.6	Forrest, Frances
1892	1	14 S	14 E	WM	29	NWNW	2.4	Forrest, Frances
1892	1	14 S	14 E	WM	29	SWNW	3.0	Forrest, Frances
1892	1	14 S	14 E	WM	29	SENW	8.0	Forrest, Frances

- 15. For Certificate 83857, information submitted with the application identifies that POD #2, Low Line Ditch, is the same POD as identified for Certificate 83651 as described in Finding of Fact #16. The Department also has additional information identifying that Low Line Ditch and the POD for Certificate 83651 is more accurately located as described in Findings of Fact #16 and #17.
- 16. The portion of the second right to be transferred is as follows:

Certificate: 83651 in the name of LOW LINE DITCH CO. (confirmed by Crooked River

Decree)

Use: IRRIGATION OF 45.0 ACRES, DOMESTIC, AND LIVESTOCK

Priority Date: 1903 Rate: 0.56 CFS

Limit/Duty: The amount of water to which this right is entitled is limited to an amount

actually used beneficially, and shall not exceed a reasonable amount for domestic and livestock, and 0.56 cubic feet per second for irrigation, the total quantity being limited to 4.0 acre-feet per acre during each year.

Source: CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Point of Diversion:

	D			0.0	Measured Distances
Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	24	SE SW	Unspecified by Certificate

Authorized Place of Use:

	IR	RIGATI	ON, LI	VESTOCK,	AND DO	MESTIC
Twp	Rng	Mer	Sec	Q-Q	Acres	Name of User through Company's Works
14 S	14 E	WM	28	NW NE	25.0	J. W. Livingston
14 S	14 E	WM	28	NENW	20.0	J. W. Livingston

- 17. The Crooked River Decree further describes the POD for Certificate 83651 as the Low Line Ditch. In a prior site visit, Department staff further identified that the POD is more accurately located approximately at Latitude 44.33859 degrees North and Longitude 121.01154 degrees West (see Special Order Volume 73, Page 721, Finding #7).
- 18. The third right to be transferred is as follows:

Certificate: 83732 in the name of BUTLER RANCH, INC. (confirmed by Crooked

River (F) Decree)

Use: IRRIGATION of 11.0 ACRES

Priority Date: 1892

Rate: 0.137 CFS if available at the original point of diversion

Limit/Duty: The amount of water used for irrigation, together with the amount secured

under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each

year.

Source: CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	20	SE SW	1896 FEET SOUTH AND 1717 FEET EAST FROM THE WEST 1/4 CORNER OF SECTION 20

Original Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
15 S	16 E	WM	8	NW SW	744.2 FEET SOUTH AND 321 FEET EAST FROM THE WEST 1/4 CORNER OF SECTION 8

Authorized Place of Use:

	IRRIGATION							
Twp	Rng	Mer	Sec	Q-Q	Acres			
14 S	14 E	WM	20	SWSW	11.00			

- 19. A total of 268.0 acre-feet of water may be beneficially used annually under the portion of existing Certificate 83857 proposed for transfer. A total of 180.0 acre-feet of water may be beneficially used annually under the portion of the existing right for Certificate 83651 proposed for transfer. A total of 44.0 acre-feet of water may be beneficially used annually under the existing right for certificate 83732 proposed for transfer.
- 20. Certificates 83857, 83651, and 83732 do not specify the irrigation season. The irrigation season is February 1 to December 1, pursuant to the Crooked River Decree.
- 21. There is a supplemental water right, Certificate 83850, covering a portion of the lands (85.4 acres, being 35.8 acres under Certificate 83651 and 49.6 acres under Certificate 83857) on which the primary water rights are proposed for transfer to instream use. By rule, a supplemental right must be included with the transfer or cancelled. However, consistent with OAR 690-380-2240(5), the applicant is proposing, under transfer application T-10734, to move 85.4 acres of supplemental irrigation under Certificate 83850 to the location of another primary right with similar reliability to the existing primary rights. If T-10734 is approved, no supplemental irrigation will remain for the lands proposed for transfer to instream use under T-10730.
- 22. Application T-10730 proposes to change the character of use to instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values and to establish mitigation credits in the Deschutes Ground Water Study Area.
- 23. Application T-10730 proposes to change the place of use of the right to create an instream reach from below the Low Line Ditch Diversion (T15S, R16E, Section 8) and from below the Crooked River Diversion (T14S, R14E, Section 24) to the confluence with the Deschutes River.
- 24. The applicant proposes the quantities of water to be transferred instream to be protected as follows:

Certificate Number	Instream Period	Rate (cfs)	Volume (acre-feet)
83857	Unspecified	0.838	268.0
83651	Unspecified	0.56	180.0
83732	Unspecified	0.138	44.0
	Total	1.536	492.0

25. The applicant proposes that any instream water right established as a result of this instream transfer be additive to existing instream water rights for the same reach established pursuant

to ORS 537.348 (instream transfer process) and ORS 537.470 (allocation of conserved water process). The applicant also proposes that any instream water right established as a result of this instream transfer replace a portion of any existing instream rights established pursuant to ORS 537.346 (minimum streamflow conversion) and ORS 537.341 (state agency instream application process), with an earlier priority date.

- 26. The application includes a Land Use Information form completed and signed by a representative of Crook County. Additionally, the Department has provided notification of the proposed action to Crook County, Deschutes County and Jefferson County upon receipt of transfer application T-10730.
- 27. Notice of the application for transfer was published on December 2, 2008, pursuant to OAR 690-380-4000. No comments were filed in response to the notice.

Instream Transfer Review Criteria (OAR 690-77-0075 and 690-380-4010)

- 29. Water has been used within the last five years according to the terms and conditions of the right, and there is no information in the record that would demonstrate that the right is subject to forfeiture under ORS 540.610.
- 30. Based upon information provided as part of the application, it appears that while water has been diverted from the Crooked River under each right that a portion of the water diverted under the rights may not have been diverted from the authorized point(s) of diversion. Although water may have been diverted from non authorized points of diversion, a diversion structure and ditch sufficient to use the full amount of water allowed under the existing rights was present within the five-year period prior to submittal of Application T-10730.
- 31. The applicant requested that water be protected instream beginning from below the Low Line Ditch Diversion and from below the Crooked River Diversion to the confluence with the Deschutes River. Each water right proposed for transfer to instream use has specific points of diversion. The portion of each right proposed for transfer to instream use may be protected instream beginning at the authorized point of diversion. Certificate 83857 has four points of diversion associated with specific portions of the right. The instream use resulting from the transfer of a portion of Certificate 83857 to instream use will begin at each of the respective points of diversion.
- 32. A portion of the water diverted at each POD returns to the Crooked River below the POD and is available to downstream water right holders. To prevent injury to downstream water right holders and enlargement, the quantity of water that may be protected instream requires modification to account for both surface and subsurface return flows.

The hydrogeologic evaluation of where subsurface return flows occur is generally based on the following information: 1) the local shallow and regional ground water elevations, 2) the shallow and regional head gradient (i.e. ground water flow direction), 3) elevation of nearby streams, 4) elevation of closest gaining stream reaches, 5) distance from nearby streams and gaining stream reaches, and 6) local geologic information. When evaluating for return flows, the Department generally considers the place of use as a whole and where the majority of

return flows occur based upon the presence of surface return flows (overland flow) and the factors described above for any subsurface return flows.

The place of use under each right proposed for transfer is located in close proximity to the Crooked River. A portion of the water diverted to the place of use returns to the river system around the points of diversion or close to the place of use (specifically for those lands that receive irrigation water from POD #1 and #2 under Certificate 83857 located some distance upstream from the place of use) as a result of overland flow. Remaining return flows take the form of subsurface return flows. Subsurface returns would also return to the river system in the area of where Lone Pine Road crosses the Crooked River at River Mile 30.

The instream flows at the points of diversion or near the place of use have been reduced by 10% to account for surface return flows and instream flows at Lone Pine Road have been reduced to the consumptive portion of the rights to account for subsurface return flows.

- 33. The applicant has not specified when water is requested to be protected instream. Based on a calculation using the full rate and duty of the three water rights, water may be protected instream for a period of 161 days. There is a pending instream water right application submitted by the Oregon Department of Fish and Wildlife for anadromous and resident fish rearing. Proposed instream flows for this use would generally not be satisfied June through November. With 161 days, water may be protected instream as a result of this transfer from June 1 through November 8.
- 34. Based on Finding of Fact #31 through #33, on _______, 2011, the applicant agreed to modify the quantities to be transferred and protected instream as follows:

Resulting from Certificate 83857

Reach #1: From POD #1 (as described in Finding of Fact #14) to POD #2 (Low Line Ditch) (as described in Findings of Fact #14, #16, & #17).

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 - Nov. 8

Reach #2: From POD #2 (Low Line Ditch) to River Mile 32.9.

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	I and Man 0
	1904/1910	0.03	10.0	June 1 – Nov. 8
	Total:	0.20	63.6	

Reach #3: From River Mile 32.9 to POD #7 (as Described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	Luna 1 May 0
	1904/1910	0.027	8.62	June 1 – Nov. 8
	Total:	0.197	62.22	

Reach #4: At POD #7 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857 1898 1904/1910	1892	0.17	53.6	June 1 - Nov. 8
	1898	0.01	2.0	
	1904/1910	0.027	8.62	
	Total:	0.207	64.22	

Reach #5: From just below POD #7 to POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 – Nov. 8
	1898	0.009	2.87	
	1904/1910	0.027	8.62	
	Total:	0.206	65.09	

Reach #6: At POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.80	256.0	June 1 – Nov. 8
	1898	0.009	2.87	
	1904/1910	0.027	8.62	
	Total:	0.836	267.49	

Reach #7: From just below POD #6 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.74	229.92	June 1 – Nov. 8
	1898	0.009	2.87	
	1904/1910	0.027	8.62	
	Total:	0.776	241.41	

Reach #8: From River Mile 30 to to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.37	115.2	June 1 – Nov. 8
	1898	0.003	0.9	
	1904/1910	0.01	4.5	
	Total:	0.383	120.6	

Resulting from Certificate 83651

Reach #1: From the POD for Certificate 83651 (as described in Findings of Fact #16 and #17) River Mile 32.9

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.56	180.0	June 1 - Nov. 8

Reach #2: From River Mile 32.9 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.50	159.67	June 1 - Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.25	81.0	June 1 - Nov. 8

Resulting from Certificate 83732

Reach #1: At POD for Certificate 83732 (as described in Finding of Fact #18)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.137	44.0	June 1 - Nov. 8

Reach #2: From just below the POD for Certificate 83732 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.12	38.32	June 1 - Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.06	19.8	June 1 - Nov. 8

- 35. The proposed change, as modified, would not result in enlargement of the right.
- 36. The proposed change, as modified, would not result in injury to other water rights.
- 37. The amount and timing of the proposed instream flow, as modified, is allowable within the limits and use of the original water right.
- 38. The protection of flows within the proposed reaches is appropriate, considering:
 - a) The instream water right begins at the recorded points of diversion;
 - b) The location of confluences with other streams downstream of the points of diversion;
 - There are no known areas of natural loss of streamflow to the river bed downstream from the point of diversion; and
 - d) Return flows resulting from the exercise of the existing water right would re-enter the river within the proposed reaches and have been accounted for at appropriate points within each proposed reach.
- 39. There is an instream lease, II-1081, currently in effect for a portion of the water rights proposed for transfer, specifically Certificates 83857 and 83732, to instream use. The instream lease was approved by the Department on July 27, 2010, as evidenced by Special Order Volume 81, Page 474. A correction order was issued on July 30, 2010, and supersedes

the original order, as evidenced by Special Order Volume 81, Page 546. This instream lease is scheduled to terminate on November 30, 2013, and includes a condition allowing for early termination of the lease order. This lease must be terminated before Transfer T-10730 may be approved. Also, the date on which this instream transfer may be approved may be affected by the date on which the existing instream lease is terminated to prevent injury and enlargement.

- 40. There are existing instream water rights established under ORS 537.348 (instream transfer process) and ORS 537.470 (allocation of conserved water process) within the same reach as that proposed for each of the new instream water rights, which include the use of water for fish and wildlife habitat, aquatic life, recreation, and pollution abatement. There presently are no instream water rights within the proposed reach created as a result of ORS 537.346 (minimum flow conversion) or ORS 537.341 (state agency instream water right application process). However, there is a pending instream water right application filed by the Oregon Department of Fish and Wildlife (ODFW) pursuant to ORS 537.341 to establish an instream water right from Bowman Dam to Lake Billy Chinook for anadromous and resident fish rearing, which if approved will have a priority date of May 11, 1990. Requested flows for this pending instream water right application are at times not available during the instream period identified in Finding of Fact #34.
- 41. By adding to other water rights leased or transferred instream at the same location or created through the conserved water statutes, the instream right will provide protection for additional streamflows previously identified as necessary for conservation, maintenance and enhancement of aquatic and fish life, fish and wildlife habitat and other ecological values.
- 42. By replacing a portion of any instream rights created at the request of state agency or under the minimum streamflow conversion process, the instream right will provide protection for streamflows previously identified as necessary for anadromous and resident fish rearing under earlier priority dates.
- 43. During the period June 1 through November 8, any instream water right established by this transfer application may replace a portion of instream water rights established pursuant to ORS 537.341 or ORS 537.346 and be in addition to instream water rights established pursuant to ORS 537.348 or ORS 537.470 unless otherwise specified by an order approving a new instream water right under these statutes.
- 44. The total monthly quantities of water to be protected under the existing and proposed instream rights in the reach will provide for a beneficial purpose and do not exceed the estimated average natural flow.

Preliminary Award of Deschutes Basin Mitigation Credits

45. The mitigation project was originally submitted by the Daniels Group, LLC. However, on March 29, 2010, the application was assigned to Grass Butte, LLC, and PremierWest Bank. Grass Butte, LLC, and PriemierWest Bank (the Applicants) have requested this instream transfer application be used to establish mitigation credits in the Deschutes Ground Water

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Study Area. The Applicants have also requested that any mitigation credits generated from this project be assigned to Grass Butte, LLC, and PremierWest Bank.

- 46. The Department assigned this mitigation credit project number MP-124.
- 47. The Department provided notice of the mitigation credit project pursuant to OAR 690-521-0300 (6) on March 10, 2009. No comments were received in response to this notice.
- 48. The Department consulted with representatives from ODFW, DEQ, Oregon Parks and Recreation Department, Oregon Department of State Lands, the Oregon Department of Agriculture, and the Department's Watermaster pursuant to OAR 690-521-0300 (7) and OAR 690-505-0630 (2) on March 10, 2009. No comments were received in response to this notice.
- 49. No changes were made to the instream transfer as a result of public notice or consultation with the above named agencies.
- 50. The proposed transfer of 123.0 acres of irrigation (67.0 acres under Certificate 83857, 45.0 acres under Certificate 83651, and 11.0 acres under Certificate 83732) to instream use will provide 221.4 acre-feet of mitigation water (120.6 AF from Certificate 83857, 81.0 AF from Certificate 83651, and 19.8 AF from Certificate 83732). Therefore, 221.4 mitigation credits (1.0 mitigation credit = 1.0 AF of mitigation water) may be awarded to this mitigation credit project and assigned to Grass Butte, LLC, and PremierWest Bank. The mitigation credits may be used to mitigate for ground water permit applications and existing conditioned ground water permits and certificates, providing mitigation pursuant to the Deschutes Ground Water Mitigation Rules, OAR Chapter 690, Division 505, within the Crooked River Zone of Impact and the General Zone of Impact.
- 51. A total of 492.0 AF is proposed to be transferred to instream use and 221.4 AF of that, as identified above, may be used for mitigation purposes. The amount of water transferred instream and not used for mitigation purposes will benefit instream flow.
- 52. The Department shall award final mitigation credits upon completion of the approved project by the applicant and verification by the Department that the project is complete. The issuance of certificates for the proposed instream water right shall result in completion of the project and verification that the project is complete.
- 53. Mitigation credits awarded to this mitigation credit project will be valid beginning the first calendar year that water will be protected instream under any new instream water right created as a result of this instream transfer application.

Determination and Proposed Action

The changes in character of use and place of use to instream use proposed in application T-10730 appear to be consistent with the requirements of ORS 540.505 to 540.580, ORS 537.348, OAR 690-380-5000, and OAR 690-077-0075. If protests are not filed pursuant to OAR 690-380-4030, the application will be approved.

This mitigation project appears to result in mitigation credits pursuant to ORS 537.746 and OAR 690-521-0300 and 690-521-0400.

If application T-10730 is approved, the final order will include the following:

- 1. The changes in character of use and place of use to instream use proposed in application T-10730 are approved.
- Water right certificates 83857, 83651, and 83732 are cancelled. New certificates confirming the instream water rights shall be issued. New certificates will be issued describing that portion of Certificates 83857 and 83651 not affected by this transfer.
- 3. The instream water right shall provide for the protection of streamflows for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values in the Deschutes River as follows:

Resulting from Certificate 83857

Reach #1: From POD #1 (as described in Finding of Fact #14) to POD #2 (Low Line Ditch) (as described in Findings of Fact #14, #16, & #17).

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 - Nov. 8

Reach #2: From POD #2 (Low Line Ditch) to River Mile 32.9.

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
02057	1892	0.17	53.6	June 1 - Nov. 8
83857	1904/1910	0.03	10.0	
	Total:	0.20	63.6	

Reach #3: From River Mile 32.9 to POD #7 (as Described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
02057	1892	0.17	53.6	June 1 - Nov. 8
83857	1904/1910	0.027	8.62	
	Total:	0.197	62.22	

Reach #4: At POD #7 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 – Nov. 8
	1898	0.01	2.0	
	1904/1910	0.027	8.62	
	Total:	0.207	64.22	

Reach #5: From just below POD #7 to POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 – Nov. 8
	1898	0.009	2.87	
	1904/1910	0.027	8.62	
	Total:	0.206	65.09	

Reach #6: At POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.80	256.0	June 1 – Nov. 8
	1898	0.009	2.87	
	1904/1910	0.027	8.62	
	Total:	0.836	267.49	

Reach #7: From just below POD #6 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.74	229.92	June 1 – Nov. 8
	1898	0.009	2.87	
	1904/1910	0.027	8.62	
	Total:	0.776	241.41	

Reach #8: From River Mile 30 to to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.37	115,2	June I – Nov. 8
	1898	0.003	0.9	
	1904/1910	0.01	4.5	
	Total:	0.383	120.6	

Resulting from Certificate 83651

Reach #1: From the POD for Certificate 83651 (as described in Findings of Fact #16 and #17) River Mile 32.9

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.56	180.0	June 1 - Nov. 8

Reach #2: From River Mile 32.9 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.50	159.67	June 1 - Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.25	81.0	June 1 - Nov. 8

Resulting from Certificate 83732

Reach #1: At POD for Certificate 83732 (as described in Finding of Fact #18)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.137	44.0	June 1 - Nov. 8

Reach #2: From just below the POD for Certificate 83732 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.12	38.32	June 1 - Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.06	19.8	June 1 - Nov. 8

- 4. Water rights upstream of the original point of diversion shall not be subject to regulation for flows in excess of the quantities to which this instream water right is entitled at the original point of diversion.
- 5. 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.
- 6. The instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise identified in a subsequent order establishing a new instream water right under these statutes.
- 7. The right to the use of the water is restricted to beneficial use at the place of use described, and is subject to all other conditions and limitations contained in Certificates 83857, 83651, and 83732 and any related decree.
- 8. The former place of use of the transferred water shall no longer receive water as part of these rights.
- 9. Preliminary Award of Mitigation Credits: Final Award of Mitigation Credits may be made upon completion of the project and verification by the Department that the project has been completed as proposed. Issuance of a new instream water right certificate, as described herein, will result in completion of the project and verification by the Department that the project is complete. If completed as proposed, mitigation credits, in the amount of 221.4 credits, as described herein, may be awarded to this mitigation project and assigned to Grass Butte, LLC and PremierWest Bank. Mitigation credits awarded may be used to satisfy a mitigation obligation of a ground water permit applicant and/or ground water permit/certificate holder in the Crooked River Zone of Impact and the General Zone of Impact.
- 10. Mitigation credits are valid until used to satisfy a mitigation obligation of a ground water permit applicant and/or ground water permit/certificate holder within the Deschutes Ground

Water Study Area pursuant to the Deschutes Ground Water Mitigation Rules. Mitigation credits are used when a person submits to the Department documentary evidence that valid credits have been obtained and assigned to satisfy a mitigation obligation. Mitigation credits generated by this project will be available for use as mitigation beginning the first calendar year that water will be protected instream under each of the new instream water rights.

11. The instream certificates created as a result of the approval of this transfer shall be identified as a mitigation credit project. Within each instream certificate, the number of mitigation credits, the zone of impact in which the mitigation credits were generated and may be used, and the volume of water dedicated instream solely for instream benefits shall also be specified.

Dated at Salem,	Oregon this	day of	2011.
en e			

DRAFT

Phillip C. Ward, Director

This draft Preliminary Determination was prepared by a Reimbursement Authority contractor. If you have questions about the information in this document, you may reach Laura Wilke at (503) 986-0884 or Laura.K.Wilke@wrd.state.or.us.

From:

Kara Morris

Sent:

Friday, March 11, 2011 3:29 PM

To:

jnewton@newtonconsultants.com

Cc:

Laura Wilke

Subject:

T 10732-4 DPDs!

Attachments: 10732-dpd.pdf; 10732-dpd-cov-approve.pdf; 10733-dpd.pdf; 10733-dpd-cov.pdf; 10734-dpd-

cov.pdf; 10734-dpd.pdf

Hi Jim,

Attached are the DPDs and letters for T-10732, 10733, and 10734. The hard copies will go out in the mail Monday. Laura said to tell you she plans to have T-10730 ready on Monday also.

Have a good weekend!

Kara Morris Expedited Transfer Processing Specialist 1 Oregon Water Resources Department 725 Summer St NE, Suite A Salem, OR 97301 503-986-0898



Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, Oregon 97301-1271 (503) 986-0900 www.wrd.state.or.us

Watermaster Review Form: Water Right Transfer

Tra	nsfer Appl	ication:	T-10730		Rev	iew Due Date:	12-31-08		
App	olicant Nat	ne: T	ne Daniells C	Group, LLC					
Pro	posed Cha	nges:	⊠ POU	POD	☐ POA	⊠ USE	OTHER		
Rev	viewer(s):	Giffin			Date	of Review:	Dec. 2, 2008		
1.	Yes	⊠ No ion affid	If "Yes",	describe the in		ndicate if you	o forfeiture? intend to file a ellation affidavit		
2.	has invol	ved the ize the f	right and dov requency of	vnstream water any regulation	rights? Ye or explain why	es No regulation has	for transfer that Generally a not occurred: The ntract past these		
3.	Check here if it appears that downstream water rights benefit from return flows resulting from the current use of the right? If you check the box, generally characterize the locations where the return flows likely occur and list the water rights that benefit most: The only right that benefits from return flows is the NUID pumps under certificates 72281, 72282, 72283 & 72284.								
4.	Are there upstream water rights that would be affected by the proposed change? Yes No If "Yes", describe how the rights would be affected and list the rights most affected:								
5.	For POD changes and instream transfers, check here if there are channel losses between the old and new PODs or within the proposed instream reach? If you check the box, describe and, if possible, estimate the losses:								
6.	Would distribution of water for the right after the proposed change result in regulation of other water rights that would not have occurred if use of the existing right was maximized? Yes No If "Yes", explain:								
7.	For POU changes, would the original place of use continue to receive water from the same source? Yes No N/A If "Yes", explain: However much of the are is sub-irrigated in the early part of the season due to high river flows, but dries out later in the irrigation season.								
8.		of more	e water than		existing right a neficially and v		ue," result in the		

9. Are there other issues not identified through the above questions? Yes No "Yes", explain: _ 10. What alternatives may be available for addressing any issues identified above: _____ 11. Have headgate notices been issued for the source that serves the right?

Yes

No 12. What water control and measurement conditions should be included in the transfer: May be required Present and Should be Measurement in the future. required prior to should be Devices diverting water. maintained. Should be May be required Present and

required prior to

diverting water.

should be

maintained.

Watermaster Review Form

Headgates

Transfer Application: T-10730

in the future.



From: Laura Wilke

Sent: Thursday, March 10, 2011 1:27 PM

To: 'James Newton'

Cc: Kara Morris; Dorothy Pedersen

Subject: RE: MP-124 / Instream Transfer T-10730 - clarification questions

Hi Jim: I'll check in with Dorothy and Kara on T-10734 and see how we need to handle the process for that application. Dorothy is out of the office today but should be back tomorrow.

On T-10730, I'm still awaiting some final feedback from the Watermasters's office to clarify the location of return flows for each of the three water rights involved. Once I have that information, T-10730 should be ready to go with a few updates to the DPD.

Thanks, Laura

From: James Newton [mailto:jnewton@newtonconsultants.com]

Sent: Thursday, March 10, 2011 1:13 PM

To: Laura Wilke

Cc: Kara Morris; Dorothy Pedersen

Subject: RE: MP-124 / Instream Transfer T-10730 - clarification questions

Hi Laura.

As the week draws on I have been reflecting on your update email from Tuesday, included below, that states the contractor has been given feedback and a few changes to the DPD for T-10734. The timing of the issuance of the DPDs is critical to keep these transfers moving through the administrative process. As Newton Consultants has been a Reimbursement Authority contractor for the OWRD since the inception of the program in 2005, I find it unusual that the contractor has been requested to make a few changes in the DPD documents, unless the changes are significant changes. If the changes to the T-10734 documents are significant, I am concerned that the processing of this transfer has progressed this far without significant changes to the DPD documents having been completed already. If the changes to the DPD documents are minor changes or 'tweaks', it is our experience that the RA transfer caseworker makes these minor changes and informs the contractor (if the contractor has requested to be apprised of any changes or impacts to the documents they have provided), as it often times would take much more time for the caseworker to convey the needed changes to the contractor than it would actually take to make the changes.

I understand that T-10734 and all of the transfers associated with this file were put on processing hold by the applicant for a long period of time, however, the reimbursement authority is intended to keep the files moving expeditiously, and since the applicant has requested the files to resume processing in the RA November 2010 we have endeavored to address your concerns in a timely fashion. The continued delays in the issuance of the DPDs for these transfers are increasing difficult for the applicant to tolerate as these transfers represent a significant investment in both time and expense.

If there is a way for you or other transfer staff to make the modifications to T-10734 and issue the DPDs for this transfer by week end, and thus, the other associated transfers T-10730/732/733 it would be greatly appreciated.

If you have additional questions or concerns to address, please feel free to contact me at your earliest convenience. If you are unable to reach me at my office, please call me anytime on my cell phone at 360-907-4162.

Best Regards, ~Jim

James B. Newton, R.G., C.W.R.E. Senior Staff Geologist Newton Consultants, Inc. P.O. Box 1728 1937 N. Business 97 Redmond, Oregon 97756 (541) 504-9960 ext.235 (541) 504-9961 fax www.newtonconsultants.com

From: Laura Wilke [mailto:wilkelk@wrd.state.or.us]

Sent: Tuesday, March 08, 2011 3:00 PM

To: James Newton Cc: Kara Morris

Subject: RE: MP-124 / Instream Transfer T-10730 - clarification questions

Thanks Jim - On the updates for T-10734 - I'm not sure if the contractor can get to those this week or not. She's away from the office this week working on another project. We'll keep you guys posted once we hear back from her with an ETA.

Laura

From: James Newton [mailto:jnewton@newtonconsultants.com]

Sent: Tuesday, March 08, 2011 2:58 PM

To: Laura Wilke Cc: Kara Morris

Subject: RE: MP-124 / Instream Transfer T-10730 - clarification questions

Hi Laura.

Thanks for the email update on the progress of the transfers.

The mitigation credits should be issued to the current applicants, which should read, "Grass Butte, LLC" and "PremierWest Bank". The Grass Butte Management LLC on the OWRD website is incorrect, and PremierWest should be one word.

I trust the contractor will expedite the changes to the DPD documents to get them out this week.

Best, ~Jim

James B. Newton, R.G., C.W.R.E.

Senior Staff Geologist Newton Consultants, Inc. P.O. Box 1728 1937 N. Business 97 Redmond, Oregon 97756 (541) 504-9960 ext.235 (541) 504-9961 fax

www.newtonconsultants.com

From: Laura Wilke [mailto:wilkelk@wrd.state.or.us]

Sent: Tuesday, March 08, 2011 2:18 PM To: jnewton@newtonconsultants.com

Cc: Kara Morris

Subject: MP-124 / Instream Transfer T-10730 - clarification questions

Jim:

I'm most of the way through the instream transfer peer review. We've resolved the potential sub irrigation issue that I mentioned in my e-mail yesterday. No problem on that end - turned out to not really be sub irrigation at all. Now the only outstanding issue that I need to wrap up is return flows and where they need to be accounted for to prevent injury and enlargment.

On the mitigation project side of things, I've got something I need to have clarified. When the application was originally filed, mitigation credits were to be assigned to the Daniels Group. I'm assuming that the credits should now go to another party. Please let me know to whom the credits should be assigned.

I'll pass any other questions along if they come up.

We've forwarded some feedback to the contractor for T-10734. She'll be working on making a few changes to the DPD for that one. She's working on another project right now but hopes to be back in Bend around the end of the week.

Thanks, Laura

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301-1271
Phone: (503) 986-0884
Fax: (503) 986-0903

From: James Newton [jnewton@newtonconsultants.com]

Sent: Tuesday, March 08, 2011 2:58 PM

To: Laura Wilke
Cc: Kara Morris

Subject: RE: MP-124 / Instream Transfer T-10730 - clarification questions

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James B. Newton, R.G., C.W.R.E. Senior Staff Geologist
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P.O. Box 1728
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(541) 504-9960 ext.235
(541) 504-9961 fax
www.newtonconsultants.com

From: Laura Wilke [mailto:wilkelk@wrd.state.or.us]

Sent: Tuesday, March 08, 2011 2:18 PM To: jnewton@newtonconsultants.com

Cc: Kara Morris

Subject: MP-124 / Instream Transfer T-10730 - clarification questions

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Thanks, Laura

Fax: (503) 986-0903

Laura Wilke Flow Restoration Program Coordinator Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1271 Phone: (503) 986-0884

3/8/2011

From: Laura Wilke

Sent: Monday, March 07, 2011 4:18 PM

To: Dorothy Pedersen; Kara Morris

Subject: Grass Butte transfers T-10730 & T-10734

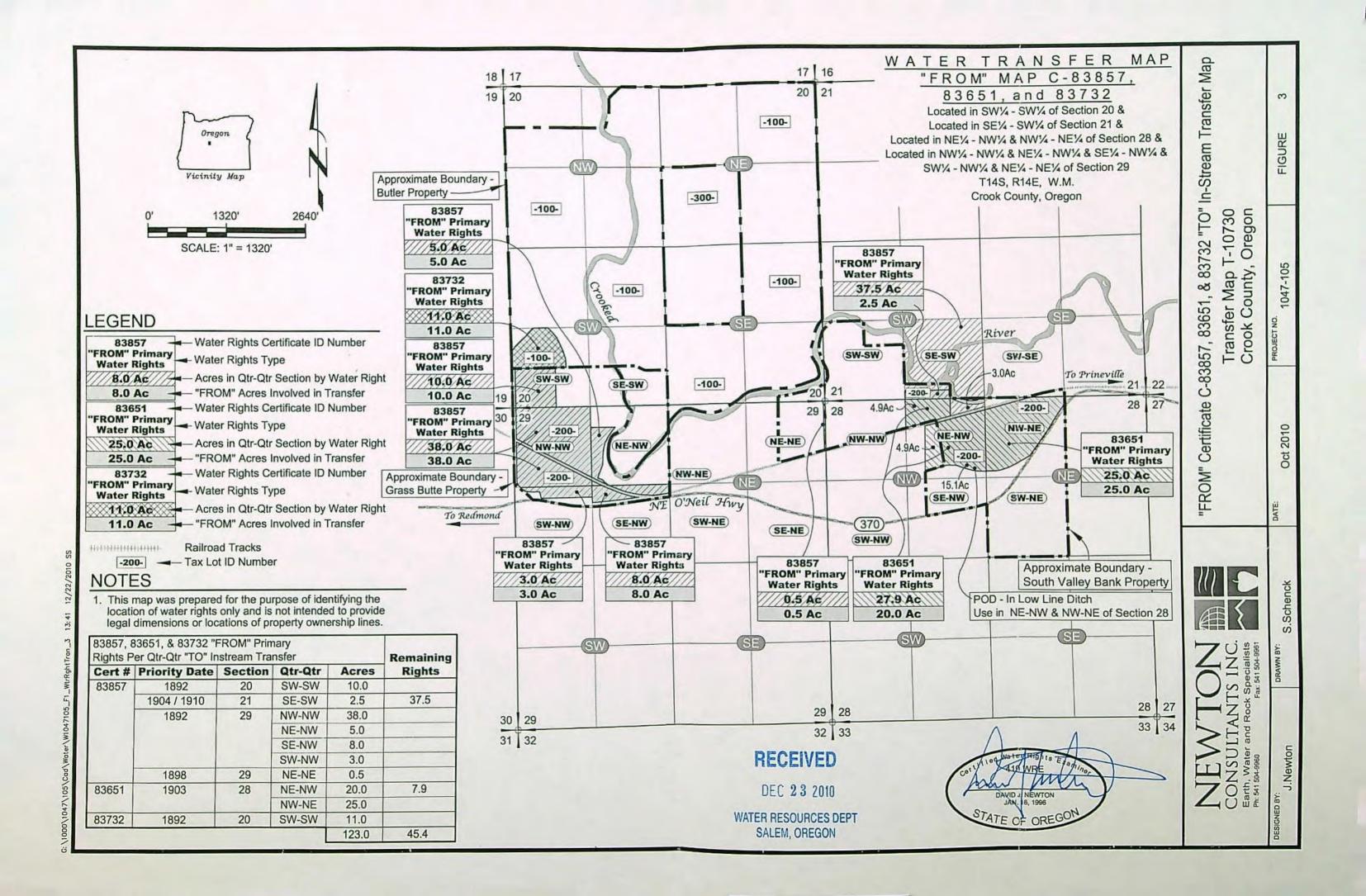
Howdy - I've been looking over the instream transfer T-10730, which proposes to move a portion of three rights to instream use. A portion of two of these rights is also covered by a supplemental right - Cert 83850. This right is not included in the instream transfer. Instead the applicant is proposing to move this right under T-10734 to another POU and be covered by a new primary right. In reading the draft DPD for T-10734 I don't see any of this referenced and no discussion of the reliabilty of the new primary right vs the original primary rights. Shouldn't this be in the DPD? I was also thinking that there should be some mention in the DPD for T-10730.

Let me know what you think.

Thanks, Laura

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301-1271
Phone: (503) 986-0884

Fax: (503) 986-0903



From: Terry Sprecher [terry.sprecher@bendbroadband.com]

Sent: Wednesday, December 22, 2010 2:36 PM

To: Laura Wilke

Subject: RE: Files from David Newton

Yes, I think we've got it now! thanks for forwarding.

Terry A. Sprecher, RG, CWRE Sprecher Group DBE/WBE/ESB # 5687

Phone: 541/306-3709 Cell: 541/419-0883

terry.sprecher@bendbroadband.com

From: Laura Wilke [mailto:wilkelk@wrd.state.or.us] Sent: Wednesday, December 22, 2010 2:22 PM

To: Terry Sprecher Cc: Kara Morris

Subject: FW: Files from David Newton

Terry - here's a revised Figure 3. Does this take care of the last question?

Thanks, Laura

From: Steven Schenck [mailto:sschenck@newtonconsultants.com]

Sent: Wednesday, December 22, 2010 1:49 PM

To: Laura Wilke

Subject: RE: Files from David Newton

Thanks for the heads up, attached is the updated Fig 3.

Steve

From: Laura Wilke [mailto:wilkelk@wrd.state.or.us]
Sent: Wednesday, December 22, 2010 12:22 PM

To: Steven Schenck Cc: Kara Morris

Subject: RE: Files from David Newton

Good Afternoon:

The RA contractor has taken a look at all of the revised materials and only found one small item that needs to be fixed.

Figure 3 for T-10730: Related to the priority date table. The 2.5 acres in the SE of the SW of S 21 should be 1904/1910 priority date and not 1892.

Please provide a revised Figure 3.

Thanks and please give me a call if you have any questions. I'll be in the office today and tomorrow and then out for the holidays. However, Kara Morris will be available to answer any questions about the applications.

Laura

From: Steven Schenck [mailto:sschenck@newtonconsultants.com]

Sent: Tuesday, December 21, 2010 1:30 PM

To: Laura Wilke

Subject: Files from David Newton

If you have any questions on how this file(s) was created or sent electronically please give me a call.

Steven J. Schenck

CAD Manager



521 SW 6th Street, Suite 100 Redmond, Oregon 97756 541 504-9960 x228 541 504-9961 fax



KD7TRI

From: Laura Wilke

Sent: Wednesday, December 22, 2010 12:22 PM

To: 'Steven Schenck'

Cc: Kara Morris

Subject: RE: Files from David Newton

Good Afternoon:

The RA contractor has taken a look at all of the revised materials and only found one small item that needs to be fixed.

Figure 3 for T-10730: Related to the priority date table. The 2.5 acres in the SE of the SW of S 21 should be 1904/1910 priority date and not 1892.

Please provide a revised Figure 3.

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Laura

From: Steven Schenck [mailto:sschenck@newtonconsultants.com]

Sent: Tuesday, December 21, 2010 1:30 PM

To: Laura Wilke

Subject: Files from David Newton

If you have any questions on how this file(s) was created or sent electronically please give me a call.

Steven J. Schenck

CAD Manager



521 SW 6th Street, Suite 100 Redmond, Oregon 97756 541 504-9960 x228 541 504-9961 fax



KD7TRI

From: Laura Wilke

Sent: Wednesday, December 22, 2010 12:19 PM

To: 'Terry Sprecher'; Kara Morris

Subject: RE: Files from David Newton; looking good!!

Thanks Terry - I'll pass along the note about Figure 3 - have them do a quick fix.

From: Terry Sprecher [mailto:terry.sprecher@bendbroadband.com]

Sent: Wednesday, December 22, 2010 11:40 AM

To: Kara Morris Cc: Laura Wilke

Subject: RE: Files from David Newton; looking good!!

Hi Laura (and Kara)

Looks like all the concerns were addressed, with the exception of 1 priority date not added to the table on revised Figure 3 for T 10730 (the 2.5 acres in the SE of the SW of S 21 should be 1904/1910, not 1892. I think this is just an oversight.

I've got draft DPDs and DPD covers ready for T10730, T10733, and T10734 – all we need is the ODFW review to finish these up. (the draft DPD and cover for T10732 was already forwarded to Kara awhile ago – it also needs the ODFW review).

I'll put my files away till the ODFW review shows up. Looks like the hours remaining might be sufficient to complete the work, but it will be close! Let me know if you need additional info at this time.

Happy holidays....

Terry A. Sprecher, RG, CWRE Sprecher Group DBE/WBE/ESB # 5687

Phone: 541/306-3709 Cell: 541/419-0883

terry.sprecher@bendbroadband.com

From: Kara Morris [mailto:morriskb@wrd.state.or.us]

Sent: Tuesday, December 21, 2010 1:57 PM

To: Terry Sprecher

Subject: FW: Files from David Newton

Importance: High

Hi Terry,

Here is the additional information from Newton. I haven't gone through it yet and I won't be back at work again until Tuesday. I think Laura is here through Thursday if you have any pressing questions.

Kara Morris Field Services Division Oregon Water Resources Department 725 Summer St NE, Suite A Salem, OR 97301 503-986-0898

<hr size=2 width="100%" align=center tabindex=-1>

From: Laura Wilke

Sent: Tuesday, December 21, 2010 1:30 PM

To: Kara Morris

Subject: FW: Files from David Newton

Importance: High

Kara - please print out this e-mail and attached files for the Grass Butte transfers. And forward materials to Terry S. Also send Terry a copy of the e-mail we sent Newton with the additional info request.

thanks, Laura



December 21, 2010 Project No. 1047-105

Ms. Laura Wilke Flow Restoration Program Coordinator Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1271 RECEIVED

DEC 22 2010

WATER RESOURCES DEPT SALEM, OREGON

DANIELS GROUP/GRASS BUTTE TRANSFERS; ADDITIONAL CLARIFIYING INFORMATION

Dear Laura:

Enclosed are Figures from the water right transfer package with added clarifying notes or details that respond to your e-mail transmittal to Jim Newton on December 14, 2010. Your transmittal requested clarifications for five items relative to <u>T-10730</u> and one item relative to <u>T-10733</u>.

T-10730

- Figure 1 was modified with insets showing a Section Key Plan with the relationship between location of POD # 1 in Section 8 and the lands affected by proposed transfers involving Certificate 83857. An additional inset of Section 8 shows the POD with distance coordinates from the southwest corner of Section 8.
- 2. Priority dates in the lower left corner of Figure 3 were reviewed and updated. The 0.5 acres from Certificate 83857 are noted with a priority date of 1898.
- 3. Figure 3 discrepancy. The 15.1 acres "FROM" in the NE NW Section 28 is a primary right being transferred off the land. The 12.6 acres "FROM" shown on Figure 2 for T-10734 are supplemental rights also being transferred off the land. Figure 2 was revised to show a smaller footprint for the 12.6 acres, although it may be difficult to see. The 15.1 acres shown on T-10733 are "TO" acres being transferred back on the area.
- 4. On Figure 4 (POD's 83857 with Priority Date & Acres Served), reference to POD #1 and priority dates relative to Certificate 83857 were added to transfer notes for the 2.4 acres (NW NW Section 29), 3.0 acres (SW NW Section 29) and 8.0 acres (SE NW Section 29).

December 21, 2010 Daniels/Grass Buttes Transfers Additional Information

Priority dates for other transfer acres were also added to the map. Remaining rights under Certificates 83857 and Certificate 83651 were added to Figure 4 in a cross-hatch pattern explained in the LEGEND. The POD location for Certificate 83651 was also added to Figure 4 under the LEGEND.

Finally, the remaining rights of 37.5 acres in SW SE Section 21 and 7.9 acres in NE NW Section 28 were added to the table on Figure 3 for T-10730.

Figure 4 showed 10 acres in the NE NW Section 29. This was corrected to 5 acres.

T-10733

1. The "TO" map for T-10733 (Figure 3) shows 24.9 acres being transferred to the NW NE Section 28. This is correct. The area covered by the 23.2 acres of supplemental rights shown on the "FROM" map for T-10734 was decreased (although it may be difficult to immediately discern) on the revised T-10734 "FROM" map that is enclosed. Figure 3 for T-10730 correctly shows 25.0 acres in this same area. The 25.0 acres are being transferred off the land and they are to be replaced by 24.9 acres, resulting in a 0.1 acre difference between original acres and final acres after the transfer.

Please call me at (541) 325-3905 (cell) if you have any questions regarding these submittals. Thank you for your help Laura.

Sincerely,

NEWTON CONSULTANTS, INC.

David J. Newton, P.E., C.W.R.E.

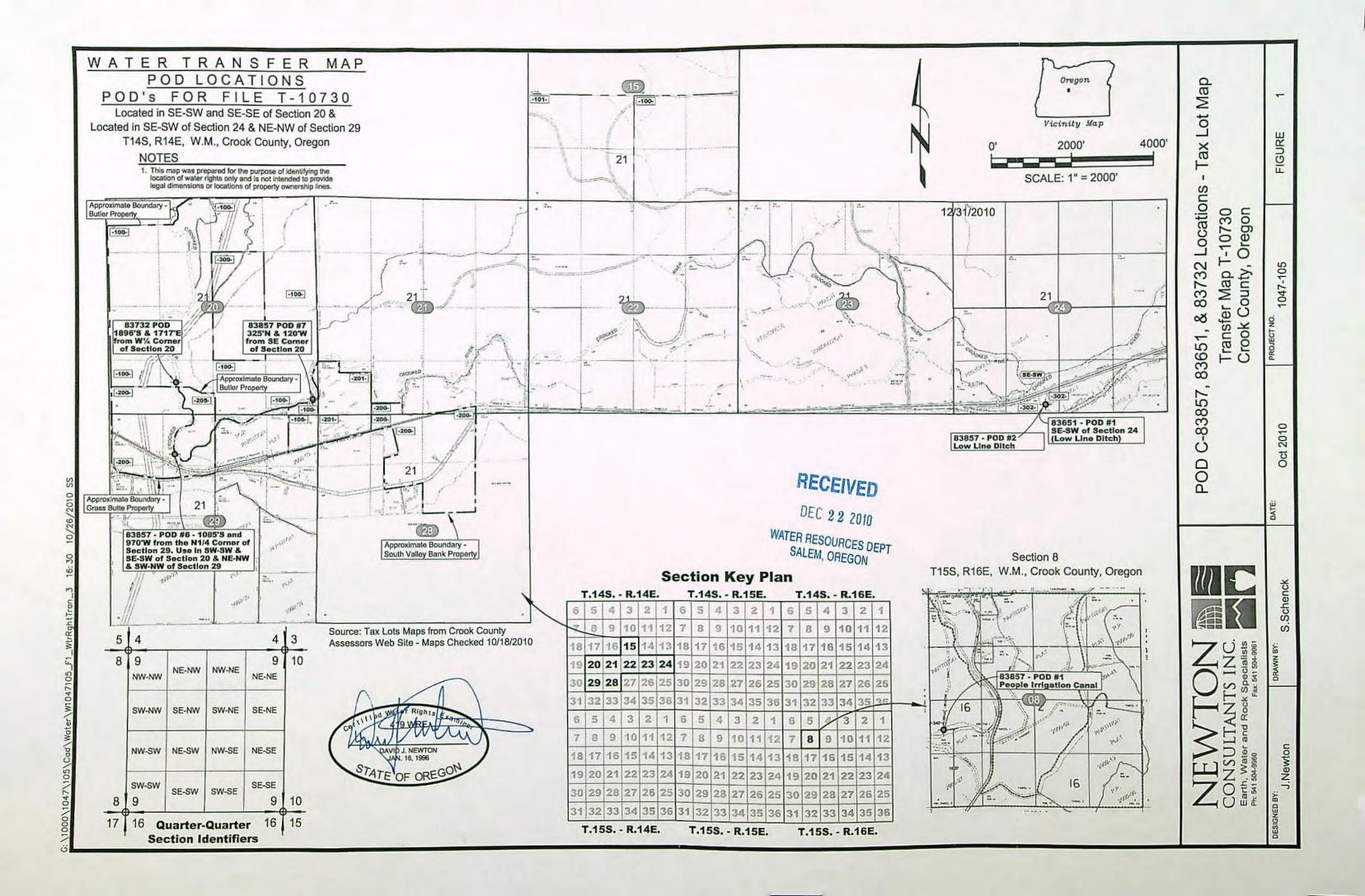
President

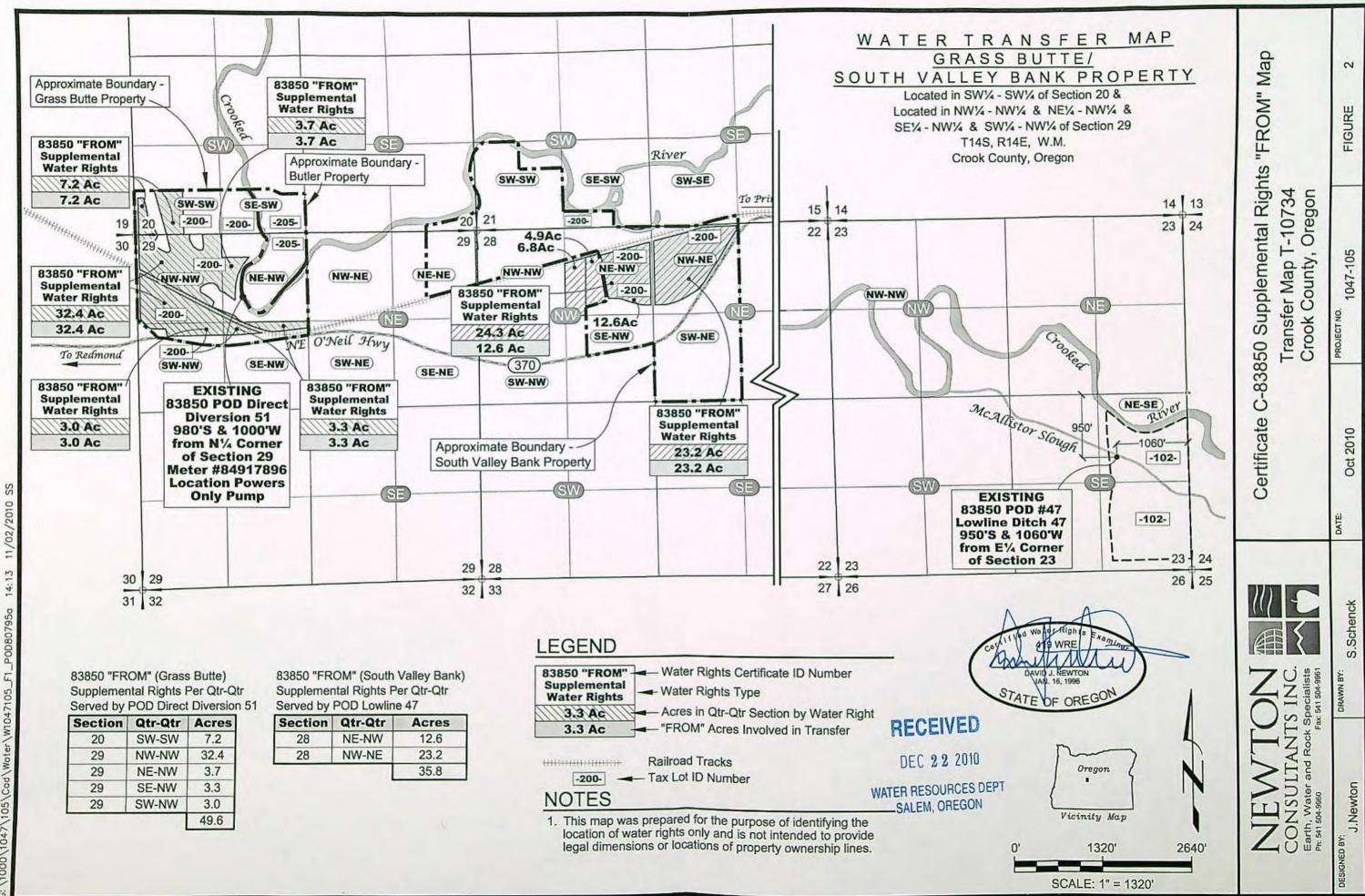
Enclosures

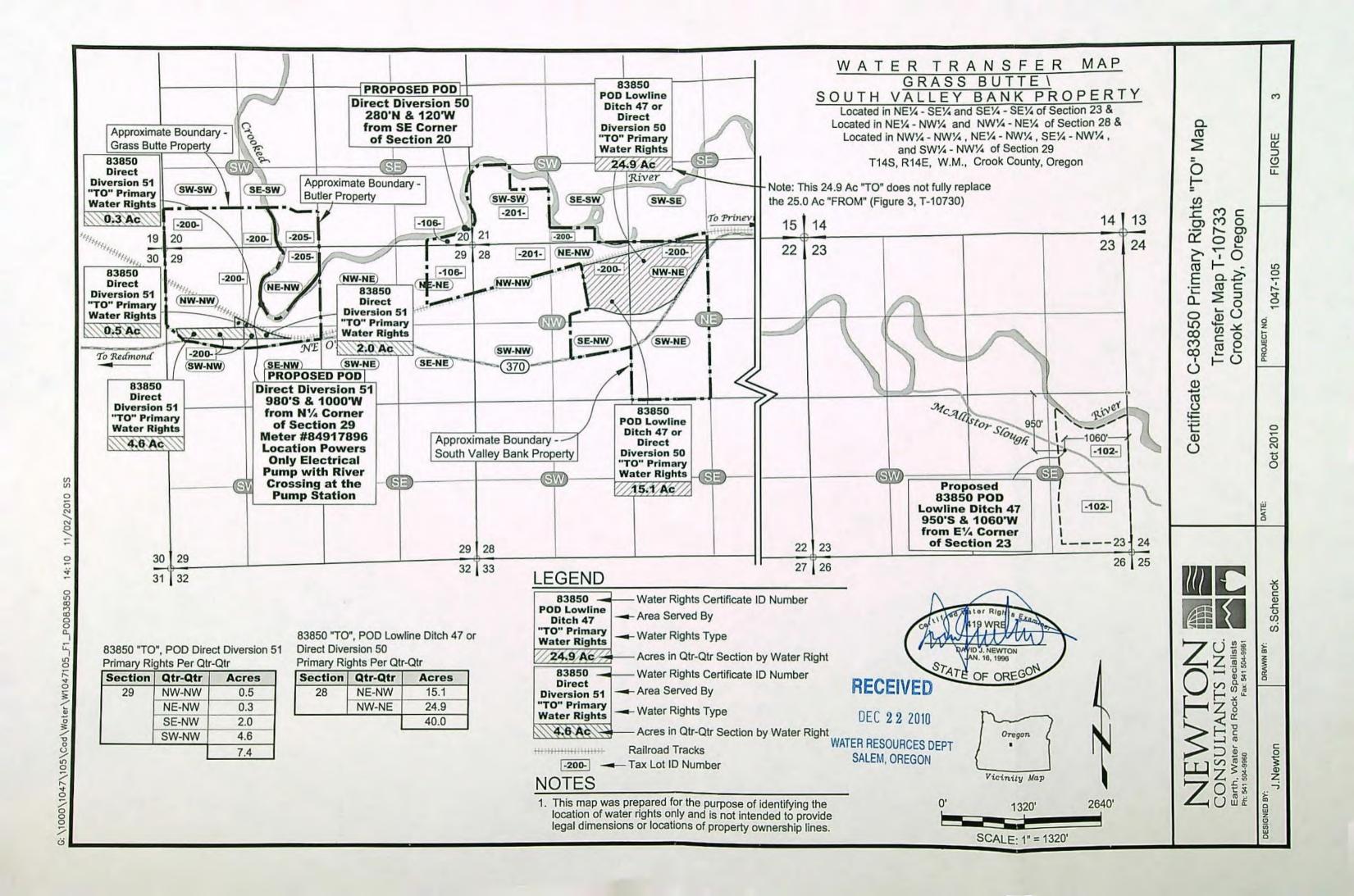
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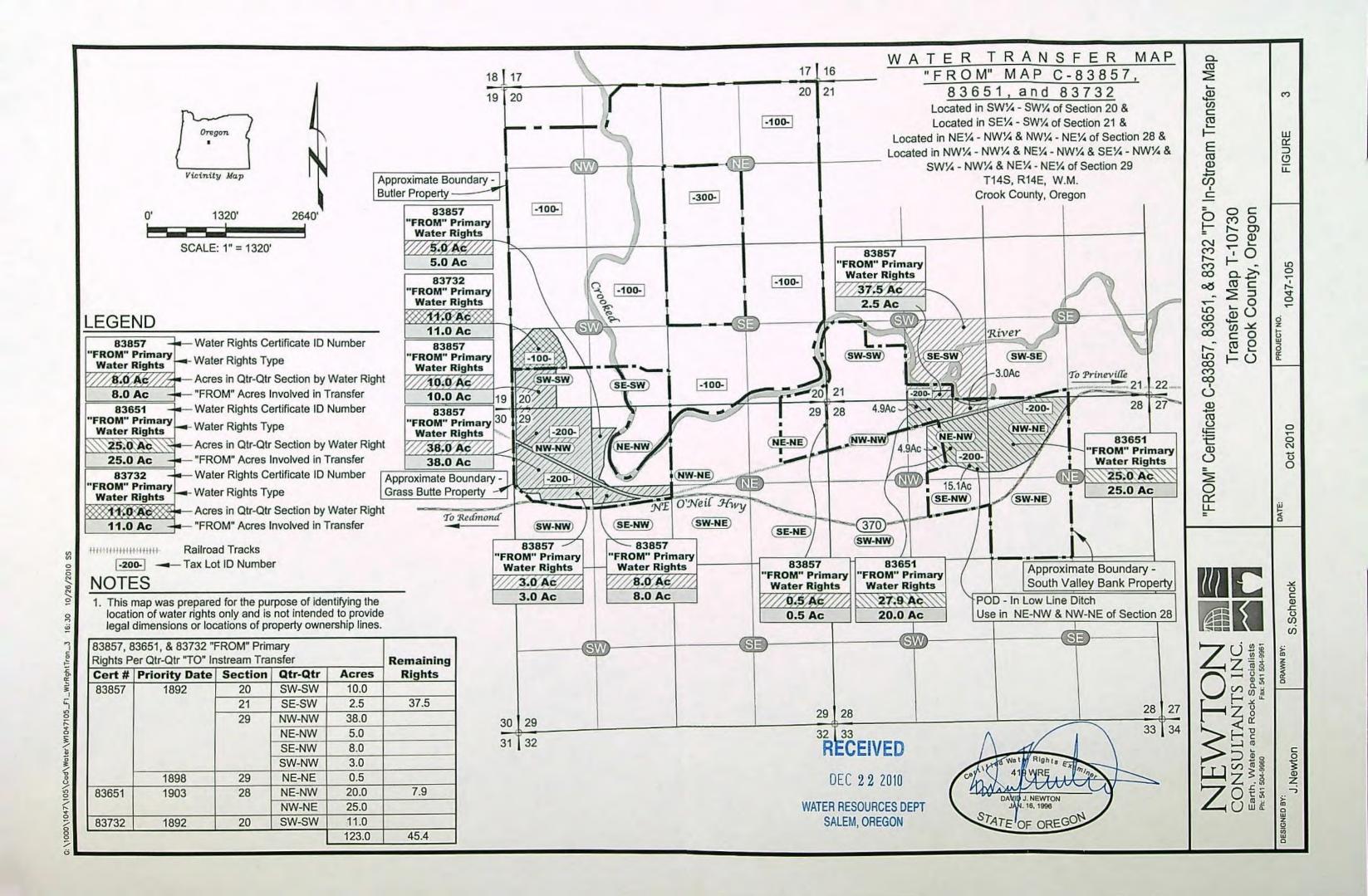
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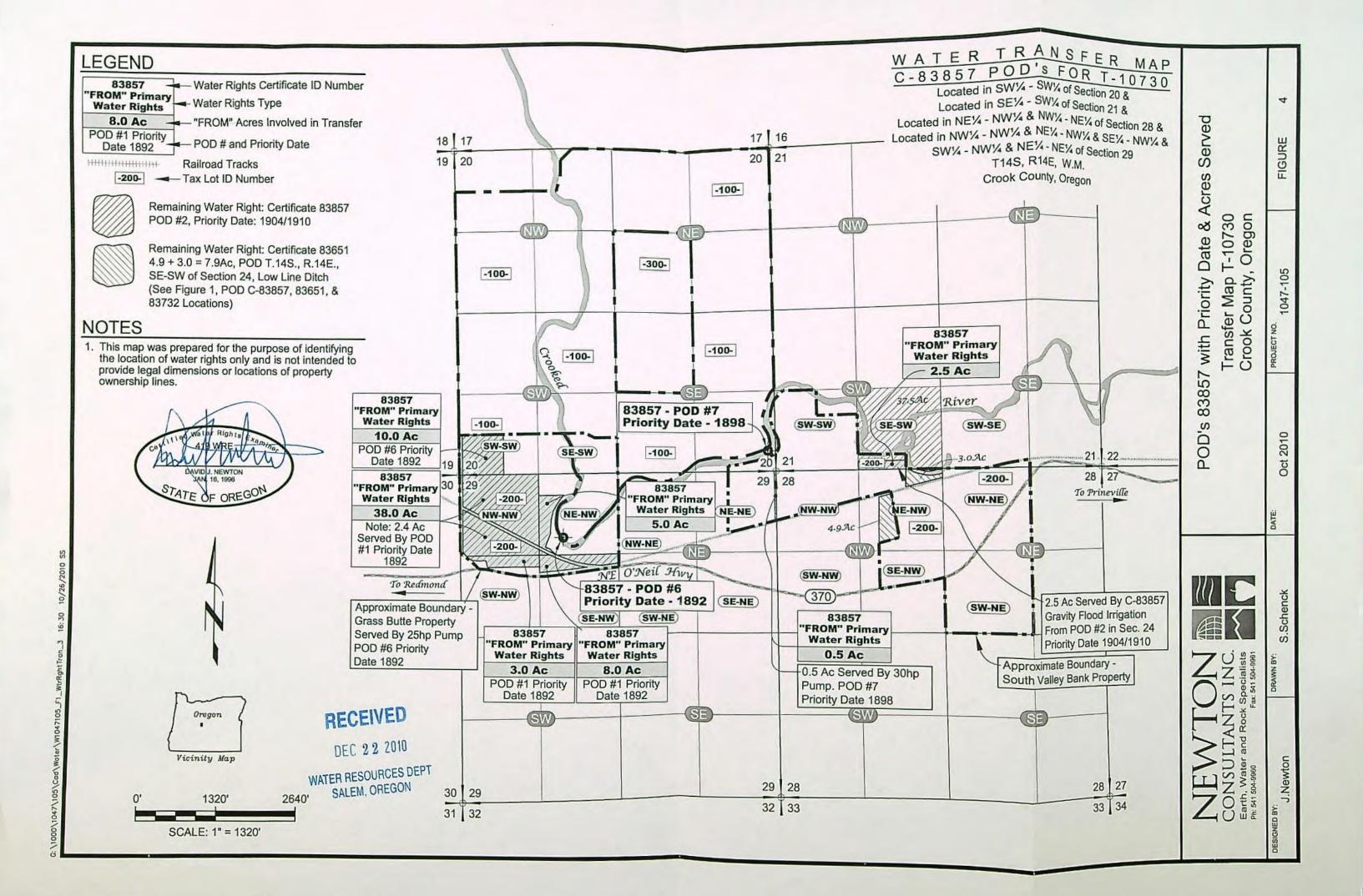
WATER RESOURCES DEPT SALEM, OREGON











From: Steven Schenck [sschenck@newtonconsultants.com]

Sent: Tuesday, December 21, 2010 1:30 PM

To: Laura Wilke

Subject: Files from David Newton

Attachments: Additional Info Trans Letter to L Wilke 12 21 10.pdf; W1047105_F1_POD80795a F2 FROM

(1).pdf; W1047105_F1_POD83850 F3 TO (1).pdf; W1047105_F1_WtrRghtTran_3 F1 Taxlot

83857 (1).pdf; W1047105_F1_WtrRghtTran_3 F3 InStrm 83857 (1).pdf;

W1047105_F1_WtrRghtTran_3 F4 PriDate 83857 (1).pdf

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Steven J. Schenck

CAD Manager



521 SW 6th Street, Suite 100 Redmond, Oregon 97756 541 504-9960 x228 541 504-9961 fax



KD7TRI



December 21, 2010 Project No. 1047-105

Ms. Laura Wilke Flow Restoration Program Coordinator Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1271

DANIELS GROUP/GRASS BUTTE TRANSFERS; ADDITIONAL CLARIFIYING INFORMATION

Dear Laura:

Enclosed are Figures from the water right transfer package with added clarifying notes or details that respond to your e-mail transmittal to Jim Newton on December 14, 2010. Your transmittal requested clarifications for five items relative to T-10730 and one item relative to T-10733.

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- Priority dates in the lower left corner of Figure 3 were reviewed and updated. The 0.5 acres from Certificate 83857 are noted with a priority date of 1898.
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December 21, 2010 Daniels/Grass Buttes Transfers Additional Information

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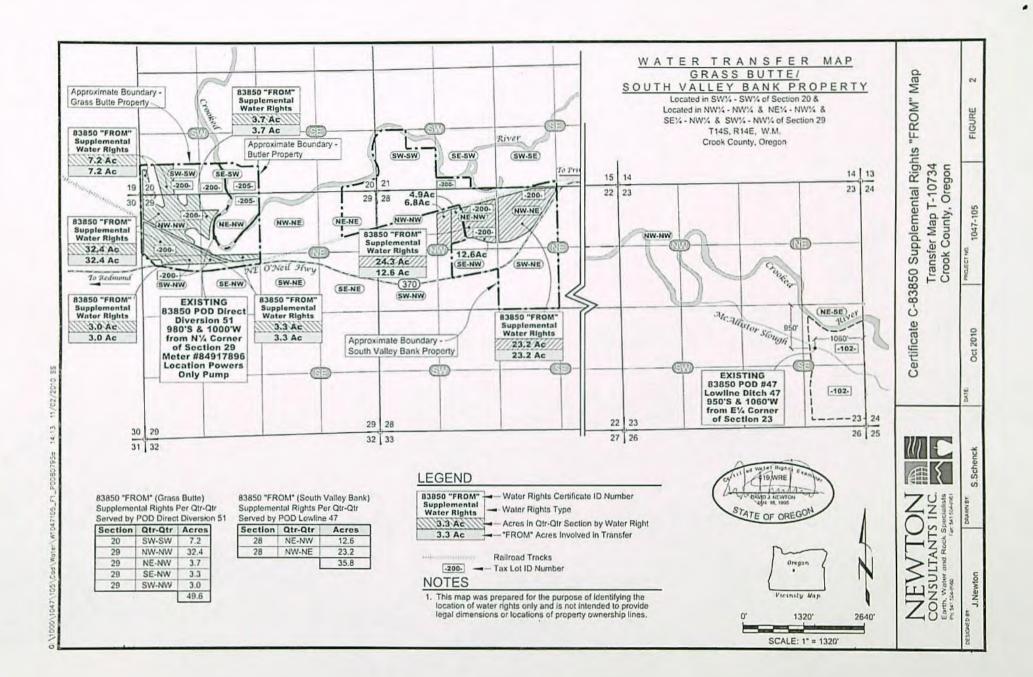
Sincerely,

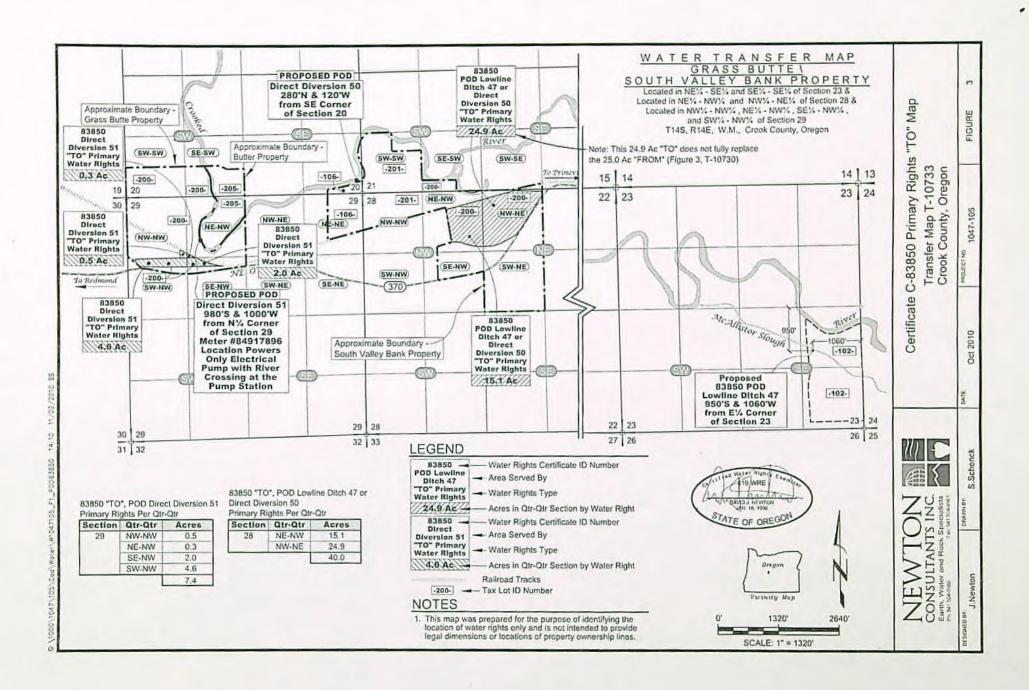
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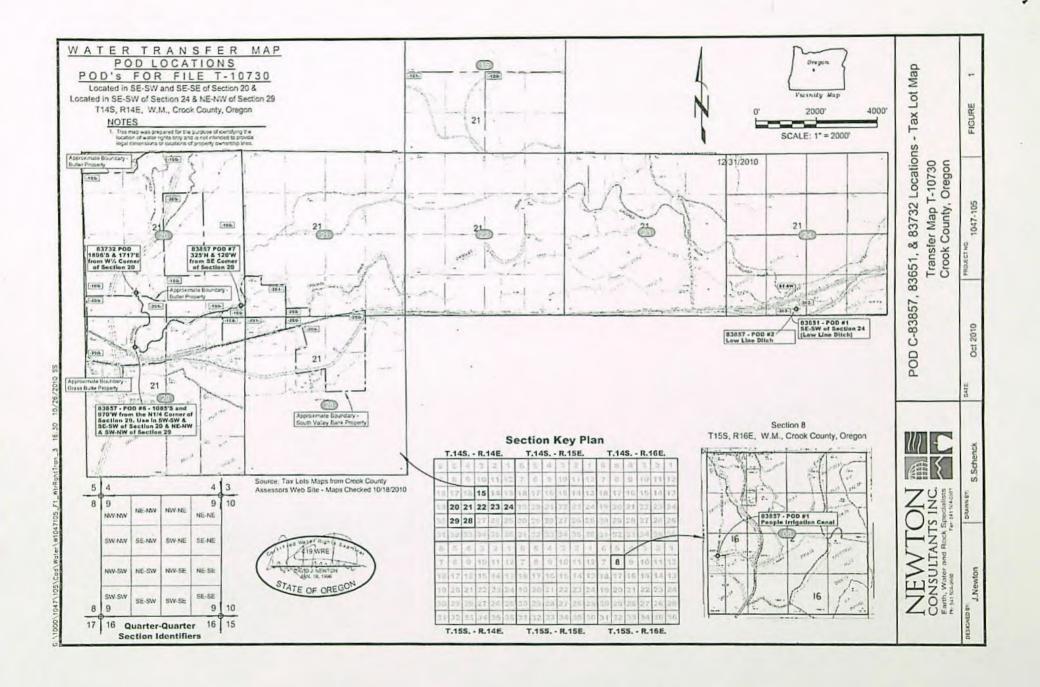
David J. Newton, P.E., C.W.R.E.

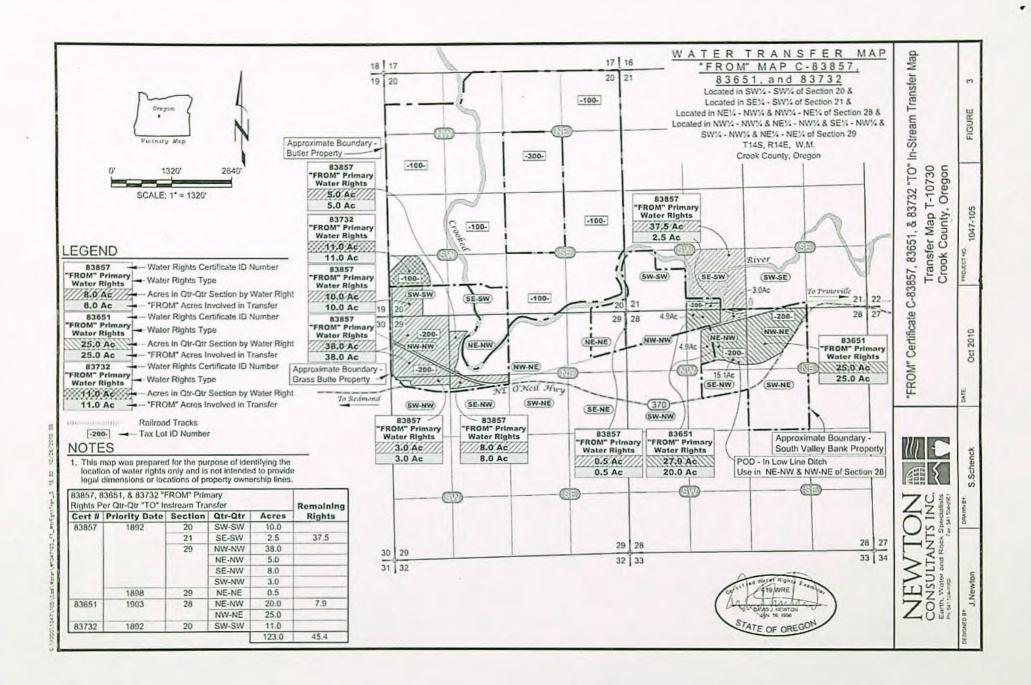
President

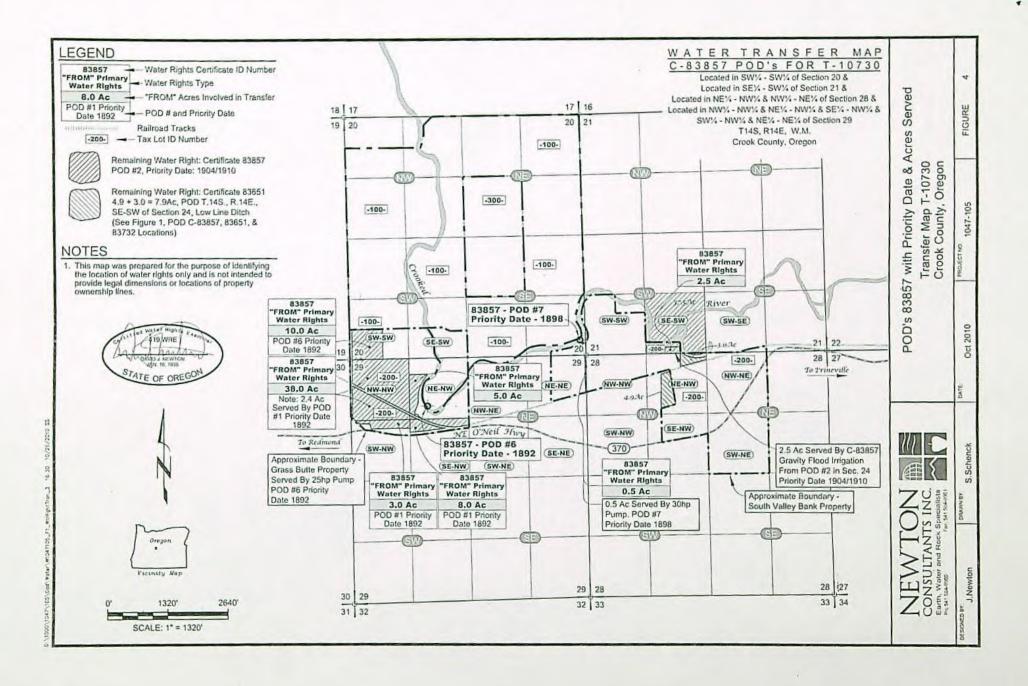
Enclosures











From: Laura Wilke

Sent: Tuesday, December 14, 2010 8:48 AM

To: 'James Newton'

Cc: Kara Morris

Subject: resent with subject - Daniels Group/Grass Butte transfers - additional info request

Hi Jim:

Kara and I have worked back and forth with Terry and put together a list of items that need to be updated/revised based on the last package of revised application materials.

For T-10730:

- 1. For Figure 1, it appears that POD #1 associated with Cert 83857 isn't on any of the transfer application maps associated with T-10730. The cert describes this POD as being located in Section 8 and appears to be associated with some of the lands proposed for transfer, specifically lands in Section 29. Pleases provide a revised application map (or additional map) that shows the location of POD #1 for certificate 83857 that meets the transfer application map requirements.
- 2. For Figure 3, please carefully review and update the priority dates listed in the table in the lower left hand corner. If 1892 is listed on the certificate, please put just 1892, not12/31/1892. Also, it appears that the 2.5 acres from Certificate 83857 should have a priority date of 1904/1910. The 0.5 acres from Certificate 83857 should have a priority date of 1898. Please provide an updated map and table.
- 3. Also for Figure 3, the map shows a 15.1 a parcel in the NE of the NW of Section 28 which appears identical to a parcel mapped as 12.6 acres in Figure 2 of T-10734. Please provide a clarification of the discrepancies (why is the footprint the same) and submit a new map if necessary (the Department will identify whether a revised map is necessary based on clarification of the discrepancy). (Also note that Figure 3 for T-10733 also shows this parcel as being 15.1 acres in size and also needs clarification and a corrected map, if determined necessary). See e-mail from Department dated 11/23/2010 for additional notes on this issue.
- 4. On Figure 4, titled "POD's 83857 with Priority Date & Acres Served" Certificate 83857 indicates that 2.4 A (NW of NW of S 29), 3.0 A (SW of NW of S 29), and 8.0 A (SE of NW of S 29) are all served by POD #1. Please update this figure to include the reference to and priority date of POD #1 for Certificate 83857. While updating this map, please proofread the priority dates as some are missing, and some do not agree with Certificate 83857 (i.e. "May 1910" should read "1904/1910"), and update the map accordingly. In addition, if there's any remaining right in the affected quarter quarters (with multiple priority dates and/or POD's), the number of acres transferred and remaining should be broken down by POD and priority date, including showing different hatchuring patterns for priority dates and points of diversion. This should also be clearly described in the Table on Figure 3.
- 5. Also for Figure 4, the lands in the NENW of Section 29 are labeled as 10 acres. According to the Certificate and application, it should be 5 acres. It looks like it is mapped correctly, just labeled wrong. This item was sent previously on 12/8/2010.

For T-10733

1. In NW NE of Section 28 on the "To" map for T-10733 to to lands are marked as 24.9 acres. A very similar, but slightly larger footprint is shown in the same ¼ ¼ of Section 28 on the "From" map for T-10734, but is labeled as 23.2 acres. The slightly larger footprint would be expected to contain more acres. AND, Figure 3 for T-10730 shows these lands as 25.0 acres. Please provide clarification to the Department for these discrepancies. If any updated maps are needed, we'll let you know once we have a chance to review the clarification information.

Please let us know if any of the above needs further clarification on our part or if you have any questions.

Thanks, Laura

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301-1271
Phone: (503) 986-0884
Fax: (503) 986-0903

3/7/2011

From: Laura Wilke

Sent: Monday, December 13, 2010 3:44 PM

To: Kara Morris

Subject: RE: Daniels Group/Grass Butte transfers; remaining issues

Yeah, clean it up and send to Terry.

Thanks! Laura

From: Kara Morris

Sent: Monday, December 13, 2010 3:39 PM

To: Laura Wilke

Subject: RE: Daniels Group/Grass Butte transfers; remaining issues

Looks good to me. Shall I send it to Terry?

From: Laura Wilke

Sent: Monday, December 13, 2010 3:21 PM

To: Kara Morris

Subject: RE: Daniels Group/Grass Butte transfers; remaining issues

See notes and tweaks and let me know what you think. If we're good, next step will be to send draft email to Teri and make sure she's good with what we've got and then send off to Newton.

From: Kara Morris

Sent: Monday, December 13, 2010 2:35 PM

To: Laura Wilke

Subject: RE: Daniels Group/Grass Butte transfers; remaining issues

T-10730:

- Figure 1: POD #1 listed on certificate 83857 does not appear to be mapped. Please provide a map that shows the location of POD #1 for certificate 83857 and meets all the requirements of a transfer map.

Laura, POD 1 is from Certificate 83651; POD 2 is from Certificate 83857 which does not give a location description. POD 1 from 83857 is not being transferred so there is no problem here. Please double-check to see if you agree.

Right. POD #1 isn't being transferred under Cert 83857. But some of the lands associated with this POD are being transferred. Right?

I would suggest that we ask Newton to:

T-10730

Figure 1 - It appears that POD #1 associated with Cert 83857 isn't on any of the transfer application maps associated with T-10730. This POD appears to be associated with some of the lands proposed for transfer, specifically lands in Section 29. Pleases provide a revised application map (or additional map) that shows the location of POD #1 for certificate 83857 that meets the transfer application map requirements.

- For Figure 3, please update the priority dates listed in the table in the lower left hand corner. If 1892 is listed on the certificate, please put just 1892, not12/31/1892. Also, it appears that the 2.5 acres from Certificate 83857 should have a priority date of 1904/1910. The 0.5 acres from Certificate 83857 should have a priority date of 1898. Please provide an updated map and table.
- Figure 3 maps a 15.1 a parcel in the NE of the NW of S 28 which appears identical to a parcel mapped as 12.6 acres in Figure 2 of T-10734. Please provide a clarification of the discrepancies and submit a new map if necessary (the Department will identify whether a revised map is necessary based on clarification of the discrepancy). (Also note that Figure 3 for T-10733 also shows this parcel as being 15.1 acres in size and also needs clarification and a corrected map, if determined necessary). See e-mail from Department dated 11/23/2010 for additional notes on this issue.
- On Figure 4, titled "POD's 83857 with Priority Date & Acres Served" Certificate 83857 indicates that 2.4 A (NW of NW of S 29), 3.0 A (SW of NW of S 29), and 8.0 A (SE of NW of S 29) are all served by POD #1. Please update this figure to include the reference to and priority date of POD #1 for Certificate 83857. While updating this map, please proofread the priority dates as some are missing, and some do not agree with Certificate 83857 (i.e. "May 1910" should read "1904/1910"), and update the map accordingly. In addition, if there's any remaining right in the affected quarter quarters (with multiple priority dates and/or POD's), the number of acres transferred and remaining should be broken down by POD and priority date. This should also be clearly described in the Table on Figure 3.

T-10733:

- The NW of the NE of Section 28 on the To map for T-10733 is marked 24.9 acres. A very similar, but slightly larger footprint is shown in the same 1/4 of Section 28 on the From map for T-10734, but is labeled 23.2 acres. The slightly larger footprint would be expected to contain more acres. AND, Figure 3 for T-10730 shows these lands as 25.0 acres. Please contact the Department with a clarification of these discrepancies and we will let you know if updated maps are necessary.

From: Laura Wilke

Sent: Monday, December 13, 2010 8:05 AM

To: 'Terry Sprecher'; Kara Morris

Subject: RE: note - FW: Daniels Group/Grass Butte transfers; remaining issues

HI Terry - I think Kara and I are still anticipating just sending Jim an e-mail with a list of things that need to be addressed.

I got your other e-mail - we'll try to take a look at that shortly and get back to you.

Thanks, Laura

From: Terry Sprecher [mailto:terry.sprecher@bendbroadband.com]

Sent: Thursday, December 09, 2010 7:57 PM

To: Kara Morris Cc: Laura Wilke

Subject: RE: note - FW: Daniels Group/Grass Butte transfers; remaining issues

Kara and Laura,

I've been doing field work all week – should be in my office tomorrow – Friday, and will take a closer look at this, with file in hand, and respond. There's a good chance I'll be in Klamath Falls next week, for most of the week, so it'd be good to get this addressed on Friday, if possible.

Laura – when last we spoke about this, you were thinking you could address the last few things with an email or phone call to Jim Newton. Are you still planning on that approach? Or are you looking for another deficiency letter? Just trying to clarify WRD's expectations for my part at this stage.

Thanks!

Terry A. Sprecher, RG, CWRE Sprecher Group DBE/WBE/ESB # 5687

Phone: 541/306-3709 Cell: 541/419-0883

terry.sprecher@bendbroadband.com

From: Kara Morris [mailto:morriskb@wrd.state.or.us]
Sent: Thursday, December 09, 2010 12:47 PM

To: Terry Sprecher Cc: Laura Wilke

Subject: FW: note - FW: Daniels Group/Grass Butte transfers; remaining issues

Importance: High

Hi Terry,

It appears I overlooked a couple of your comments. Please see below.

Kara Morris

Oregon Water Resources Department 725 Summer St NE, Suite A Salem, OR 97301 \$\infty\$ 503-986-0898

From: Laura Wilke

Sent: Thursday, December 09, 2010 8:48 AM

To: Kara Morris

Subject: note - FW: Daniels Group/Grass Butte transfers; remaining issues

Importance: High

Kara - I took a peek at the map and issue that Terry raised below.

I think on figure 4 that Newton should include reference to POD #1 for the lands in sec 29 and 20 referenced by Terry. He doesn't need to break it down by POD since it looks like they're taking everything out of the quarter quarters and nothing will be left. But the reference should be there.

Figure 4 - He should also fix the May 1910 priority date reference for the lands in the SE SW of sec 21 to be 1904/1910.

I don't see any other priority date issues that need to be fixed on this map - but that's not what this map is about anyway. I think if he fixes the priority date issues on Figure 3, that would also address her priority date concerns on Figure 4 with the couple of fixes identified above.

What do you think?

Laura

From: Laura Wilke

Sent: Wednesday, December 08, 2010 11:39 AM

To: Kara Morris

Subject: FW: Daniels Group/Grass Butte transfers; remaining issues

Importance: High

- Figure 4, titled "POD's 83857 with Priority Date & Acres Served" does not appear to reference POD #1. Certificate 83857 indicates that 2.4 A (NW of NW of S 29), 3.0 A (SW of NW of S 29), and 8.0 A (SE of NW of S 29) are all served by POD #1. Please update this figure to show the correct PODs that are associated with each POU. While updating this map, please proofread the priority dates as some are missing, and some do not agree with Certificate 83857 (i.e. "May 1910" should read "1904/1910"), and update the map accordingly. The POD is shown on Figure 6 which is sufficient.

Kara - I think we need to look at the above again. This one was on T-10730. Our feedback doesn't seem to address each of the issues raised by Terry. Was this the one where all the acres were coming off and going instream so it didn't really matter which POD went with which? If that's the case, then that's probably how we should characterize this to Terry. I'm also thinking we need to address the priority date issue or was this in one of her other questions on T-10730?

From: Kara Morris

Sent: Wednesday, December 08, 2010 11:20 AM

To: Terry Sprecher; Laura Wilke

Subject: RE: Daniels Group/Grass Butte transfers; remaining issues

Hi Terry,

I made it through your list! Please see below for comments from us (in blue) and let us know if you agree.

Thanks, Kara Morris Oregon Water Resources Department 725 Summer St NE, Suite A Salem, OR 97301 © 503-986-0898

From: Terry Sprecher [mailto:terry.sprecher@bendbroadband.com]

Sent: Tuesday, November 23, 2010 2:21 PM

To: Laura Wilke Cc: Kara Morris

Subject: Daniels Group/Grass Butte transfers; remaining issues

Laura,

I've checked out the list of related transfers that was forwarded, and a few more that showed up in the plat card search, and none appear to relate to the lands in the four Daniels Group/Grass Butte transfers. My email of Nov 18th to you has a few issues that WRD is looking into – not repeated in this email. And, Newton's response to T-10730 is wondering about the reliability determination for T-10734.

Per your suggestion, following are remaining issues with the Daniel's Group/Grass Butte transfer maps for Newton to respond to. Thanks. I'm done for now, unless you/Kara can think of anything else for me to do at this point.

T-10730:

- Figure 1: POD #1 for certificate 83857 does not appear to be mapped. Please provide a map that shows the location of POD #1 for certificate 83857 and meets all the requirements of a transfer map. POD 1 is mapped in section 24 and is also labeled as POD 2. Newton discusses this in his response letter.
- Figure 3, which shows the "from" lands for all 3 certificates, does not accurately show all the priority dates for the 83857 lands. Please provide this information on an updated map.
 We agree with this. The priority dates should be corrected.
- Figure 3 does not map the 38.0 acre parcel in the NW NW S 29 by POD; the certificate indicates that 35.6 A are associated with POD #6 and 2.4 A are associated with POD #1. Please provide an updated map that shows the location of the 2.4 acres and the 35.6 acres.

As there is now remaining right and they are taking the right off and putting it elsewhere, this is not a problem.

- Figure 3 maps a 15.1 A parcel in the NE of the NW of S 28 which appears identical to a parcel mapped as 12.6 acres in Figure 2 of T-10734. Please provide clarification as to which of these maps is correct, and also provide any associated corrections to the affected transfer application. (Also note that Figure 3 for T-10733 also shows this parcel as being 15.1 Acres in size and may similarly need correction).

This is true but it might not be a problem since Newton appears to have followed the map of record for the 12.6 acres. We agree that he should provide and explanation for the discrepancies.

- Figure 4, titled "POD's 83857 with Priority Date & Acres Served" does not appear to reference POD #1. Certificate 83857 indicates that 2.4 A (NW of NW of S 29), 3.0 A (SW of NW of S 29), and 8.0 A (SE of NW of S 29) are all served by POD #1. Please update this figure to show the correct PODs that are associated with each POU. While updating this map, please proofread the priority dates as some are missing, and some do not agree with Certificate 83857 (i.e. "May 1910" should read "1904/1910"), and update the map accordingly. The POD is shown on Figure 6 which is sufficient.

- Figure 4: the parcel in the NW of the NW of S 29 is labeled as being 10 A. Certificate 83857 shows this parcel as being 5 acres (other maps in the packet indicate this parcel is 5 A in size). Please provide an updated map that corrects this apparent clerical error.

The parcel in the NENW (I think that's what you meant) should be labeled 5 acres. I measured the parcel in ArcMap and it appears it is actually 5 acres, it was just labeled incorrectly and should be fixed. I've already sent this one to Newton.

T-10733:

- the NW of the NE of Section 28 on the To map for T-10733 is marked 24.9 acres. A very similar, but slightly larger footprint is shown in the same ½ ½ of Section 28 on the From map for T-10734, but is labeled 23.2 acres. The slightly larger footprint would be expected to contain more acres. AND, Figure 3 for T-10730 shows these lands as 25.0 acres. Please review these maps for consistency with each other, and forward any necessary map updates to WRD.

This is something that should be clarified and possible have new maps submitted.

T10734:

- the 6.8 acres mapped in the NE of the NW of S 28, not proposed for transfer, appear to be mapped slightly differently than the 6.8 acres mapped in the final proof map for Certificate 83850, and in Figure 2 of T-10730. Please review these map and update accordingly.

Since this will be on remaining right, it is the final proof map that matters, so we don't really need an updated map.

Terry Sprecher, RG, CWRE Sprecher Group 2445 NE Division Street, Suite 300 Bend, OR 97701 DBE/WBE/ESB # 5687

Phone: 541/306-3709 Cell: 541/419-0883

terry.sprecher@bendbroadband.com

From: Terry Sprecher [terry.sprecher@bendbroadband.com]

Sent: Friday, December 10, 2010 11:21 AM

To: Laura Wilke; Kara Morris

Subject: FW: Daniels Group/Grass Butte transfers; remaining issues

Hi Kara and Laura,

I've taken my email from November 23 to you, and your comments (emails from Dec 8 and 9 to me), and come up with the following. Issues that may still need discussing are in [brackets and red text]. Things that were already sent to Newton, or that did not need addressing, have been removed. Very glad to hear we don't need another deficiency letter!

Feel free to edit this email accordingly and forward to Newton under WRD's signature. I'm in today, but there's a 90% chance I'll be back in the field most/all of next week. Thank you.

T-10730:

- Figure 1: POD #1 for certificate 83857 does not appear to be mapped. Please provide a map that shows the location of POD #1 for certificate 83857 and meets all the requirements of a transfer map. [Kara commented that this was mapped in S 24. Unless I'm reading certificate 83857 wrong, POD #1 for 83857 is located in the NW of the SW of S 8, T 15S, R 16E. POD #2 for this certificate is Low Line Ditch, i.e. in Section 24. I think Newton's cover letter discussion is for what they call POD #1 for certificate 83651 (which is the only POD in certificate 83651). It may be that since lands are going instream, we don't need to document/map this POD? If that is the case, then we can remove this one completely.]
- Figure 3, which shows the "from" lands for all 3 certificates, does not accurately show all the priority dates for the 83857 lands. Please provide this information on an updated map. [Kara agreed that this needs correction].
- Figure 3 maps a 15.1 A parcel in the NE of the NW of S 28 which appears identical to a parcel mapped as 12.6 acres in Figure 2 of T-10734. Please provide clarification as to which of these maps is correct, and also provide any associated corrections to the affected transfer application. (Also note that Figure 3 for T-10733 also shows this parcel as being 15.1 Acres in size and may similarly need correction). [Kara commented that this might not be a problem since Newton appears to have followed the map of record for the 12.6 acres, but that Newton should provide an explanation for the discrepancies].
- Figure 4, titled "POD's 83857 with Priority Date & Acres Served" does not appear to reference POD #1. Certificate 83857 indicates that 2.4 A (NW of NW of S 29), 3.0 A (SW of NW of S 29), and 8.0 A (SE of NW of S 29) are all served by POD #1. Please update this figure to show the reference the correct PODs that are associated with each POU. While updating this map, please proofread the priority dates as some are missing, and some do not agree with Certificate 83857 (i.e. "May 1910" should read "1904/1910"), and update the map accordingly. [Kara commented that the POD shown on Figure 6 is sufficient. See the first bullet above I think there's some confusion about which POD #1 is being discussed. Again, the POD #1 in S 8 for certificate 83651 may not require mapping if this is an instream transfer?. Laura commented that if going instream it may not really matter. And further commented that Newton should include reference to POD #1 for the lands in S 29 and S 20, but doesn't need to break it down by POD]

T-10733:

- the NW of the NE of Section 28 on the To map for T-10733 is marked 24.9 acres. A very similar, but slightly larger footprint is shown in the same ½ ½ of Section 28 on the From map for T-10734, but is labeled 23.2 acres. The slightly larger footprint would be expected to contain more acres. AND, Figure 3 for T-10730 shows these lands as 25.0 acres. Please review these maps for consistency with each other, and forward any necessary map updates to WRD. [kara commented that this should be clarified, with perhaps new maps submitted].

Terry Sprecher, RG, CWRE Sprecher Group 2445 NE Division Street, Suite 300 Bend, OR 97701 DBE/WBE/ESB # 5687

Phone: 541/306-3709 Cell: 541/419-0883

terry.sprecher@bendbroadband.com

From: Terry Sprecher [terry.sprecher@bendbroadband.com]

Sent: Monday, November 08, 2010 9:49 AM

To: Kara Morris; Laura Wilke

Subject: T-10731; Daniels Group; withdrawal of transfer

Attachments: DRAFT.10731-ord-withdraw.doc

Hi Kara and Laura.

Attached please find the draft withdrawal order for T-10731. Laura – the applicant was The Daniels Group; the withdrawal request was signed by Greg Daniels as a Managing Member of The Daniels Group, so no worries there. Let me know if you need any additional from me for this piece of the group of transfers.

I've got about 5 hours remaining on this transfer, and will need to submit a final invoice for this transfer. Do you want a Final Deliverables Cover Sheet, with a note added about the cancellation? Or anything else – since this one is different? If you need the invoice right away, let me know today and I'll prep it before heading to the field tomorrow.

Thanks. Will dig into the remaining four transfers next.

Terry Sprecher, RG, CWRE Sprecher Group 2445 NE Division Street, Suite 300 Bend, OR 97701 DBE/WBE/ESB # 5687

Phone: 541/306-3709 Cell: 541/419-0883

terry.sprecher@bendbroadband.com

BEFORE THE WATER RESOURCES DEPARTMENT OF THE STATE OF OREGON

In the Matter of Transfer Application T-10731, Crook County)	FINAL ORDER WITHDRAWING AN APPLICATION FOR A WATER
)	RIGHT TRANSFER
Authority		
		which a water right holder may submit a use, or character of use authorized under an
Applicant		
The Daniels Group, LLC		
Greg Daniels 1111 Main St, Suite 700		
Vancouver, WA 98660		
Findings of Fact		
 Application T-10731, in the name of 2008. 	The Dan	iels Group, LLC, was filed on November 21,
 On November 4, 2010, the applicant s T-10731 be withdrawn. 	submitte	d a written request asking that Application
Now, therefore, it is ORDERED:		
Application T-10731, in the name of The force or effect. Any unearned fees will be		Group, LLC, is withdrawn and of no further d.
Dated at Salem, Oregon thisday of _		, 2010.
Dwight French for PHILLIP C. WARD, DIRECTOR		
Mailing date:		
This is a final order in other than a contested case	This order	r 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 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.

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November 2, 2010 Project No.: 1047-105

Laura K. Wilke Flow Restoration Program Coordinator Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301 RECEIVED

NOV 03 2010

WATER RESOURCES DEPT SALEM, OREGON

RE: WATER RIGHT TRANSFERS T-10730/731/732/733/734 REQUEST FOR ADDITIONAL INFORMATION LETTER SUBMITTALS & REVISIONS

Dear Laura:

Accompanied with this cover letter are the response letters to your most recent requests for additional information regarding Oregon Water Right Transfer Files T-10730/732/733/734 prepared by Newton Consultants, Inc. (Newton) to address your questions. Included with these response letters are modifications to the named applicant (formerly The Daniels Group, LLC, now Grass Butte, LLC and Premier West Bank) in transfer T-10730. Also, the "TO" Place of Use in T-10733 and T-10734 has been modified at the request of the receiving land owners.

Additionally, in transfers T-10730/732/733/734 the identified owners of some of subject properties included in the transfers has changed. As a result of the changes in the ownership of such properties, revised contact information has been included below as applicable to each transfer.

Grass Butte, LLC Attn: Greg Daniels 1111 Main Street, Suite 700 Vancouver, WA 98660

Premier West Bank 875 SW Rimrock Way, Suite 100 Redmond, OR 97756

Richard Candland South Valley Bank & Trust 572 SW Bluff Dr., Suite 100 Bend, OR 97702 Further, transfer T-10731 is being withdrawn by the applicant, as instructed by you, the applicant will be sending you a formal request to withdraw transfer T-10731. Upon withdraw of T-10731, the subject property will continue to use the certificate authorized Point of Diversion without change, as was indicated in T-10731. No further address to T-10731 is intended once notice to withdraw the applicant has been received by your office.

At your request, we have included a full copy set of each response letter and all accompanying attachments to each letter respectively. Each copy set is clearly stamped "Copy" and stapled independently of each original set. I have also included a pre-paid FedEx shipping envelope addressed to the Reimbursement Authority contractor to aide in rapid distribution of the document copies.

If you have questions regarding the information contained herein, please feel free to contact me at your earliest convenience, as time is of the essence. You can reach me by telephone at (541) 504-9960, extension 235, or by email at jnewton@newtonconsultants.com.

Sincerely,

NEWTON CONSULTANTS, INC.

James B. Newton, R.G., C.W.R.E.

Senior Staff Geologist

Enclosures (4): T-10730 Response Letter dated October 29, 2010

T-10732 Response Letter dated October 29, 2010

T-10733 Response Letter dated November 2, 2010

T-10734 Response Letter dated October 29, 2010

RECEIVED

NOV 0 3 2010

WATER RESOURCES DEPT SALEM, OREGON



October 29, 2010 Project No.: 1047-105

Laura K. Wilke Flow Restoration Program Coordinator Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301 NOV 0.3 2010

WATER RESOURCES DEPT SALEM, OREGON

RE: INSTREAM TRANSFER T-10730 REQUEST FOR ADDITIONAL INFORMATION

Dear Laura:

This letter has been prepared by Newton Consultants, Inc. (Newton) to respond to your request for additional information regarding the instream transfer application file T-10730 (applicants Grass Butte, LLC and Premier West Bank) included in a letter issued by you dated November 9, 2009. Your specific issues are listed below in *italics*; Newton's response to each issue follows.

TYPES OF USE CERTIFICATE 83651

Page 2, Supplemental Form A for certificate 83651, describes the type of use as Primary Irrigation. Certificate 83651 states the type of use is Irrigation, Domestic, and Livestock. Please clarify whether you are intending to transfer all three types of use under certificate 83651.

Newton Response:

Under Certificate 83651 the use is described as irrigation, domestic and livestock; the intent of this transfer application is to transfer all water uses associated with the acres to instream. The transfer, therefore, would not leave any uses, domestic or livestock, at the current place of use. All uses would be transferred together to instream under this transfer.

INCLUSION OF POD #1: CERTIFICATE 83651

Your response to the request for clarification of the points of diversion involved in the proposed transfer is problematic. Your response stated "POD #1" is not in use at this

time to service land under T-10730". Please be advised that we cannot process this transfer without including POD #1, since POD #1 is the authorized POD for a portion of the right proposed to be transferred. Further, we will need the applicant's specific concurrence to include POD #1 in the proposed transfer.

Newton Response:

The POD #1 is the authorized POD for certificate 83651, which is also the same POD as POD #2 under certificate 83857. POD #1 is shown on the attached Figures 1 and 6, and should be included as the authorized POD for certificate 83651 and included in T-10730 as the POD serving lands authorized under 83651 that are intended for transfer to instream.

AFFIDAVIT OF USE; CERTIFICATE 83732

We previously requested an affidavit attesting to the use of water (Supplemental Form B) that covered the entire 21 acres proposed to be transferred in the SW ¼ SW ¼ of Section 20. Your response indicated which acreage was included in the Marilyn Dove Affidavit, and provided an explanation of why an Affidavit was not provided for the 11 acres included in Certificate 83732. Please provide an Affidavit of Use for these 11 acres; it is perfectly acceptable to use Certificate 83732 as documented evidence of use to support the Affidavit.

Newton Response:

An Affidavit of Use, Supplemental Form B, is attached as Appendix A with the attached confirming certificate attesting to use in the 11 acres contained in the SW-SW quarter-quarter of section 20, township 14 south, range 14 south. The Affidavit was completed and signed and notarized on December 2, 2009, by John Short who is a neighbor to the subject property.

LOCATION OF SUPPLEMENTAL IRRIGATION RIGHT; C-83850

This transfer is proposing to move a portion of Certificate 83651 to instream use. This right has an associated supplemental right, being Certificate 83850. Generally, when a primary right is being transferred the supplemental must also be transferred or cancelled. However, there is opportunity to replace the primary right with another "like" primary right. Under Transfers T-10733, the applicant is proposing to move primary irrigation under a portion of Certificate 80795 (Now Certificate 83850) to underlay a portion supplemental right Certificate 83850, which would not have a primary in place once the instream transfer (T-10730) is complete. It appears, however, based on preliminary review, that the entire footprint of the supplemental right being separated from Certificate 83651 is not proposed to be associated with a new primary.

The remaining portion of Certificate 83850, without a primary, will need to be cancelled, included in the instream transfer (T-10730), or be associated with a primary right. I have enclosed an affidavit of cancellation, if needed. The Department is also in the process of evaluating whether replacing the primary right (proposed for transfer under T-10730) with primary irrigation under Certificate 83850 (T-10733) will have similar reliability to the current primary right.

Newton Response:

The portion of certificate 83850 that is supplemental irrigation equates to 24.3 acres of land within the NE-NW quarter-quarter and 23.2 acres of land within the NW-NE quarter-quarter of section 28 (township 14 south, range 14 east) (See attached Figure 2). These supplemental irrigation rights overlay portions of the primary irrigation rights under certificates 83651 (included in T-10730) and 86137 (not included in T-10730).

NE-NW Quarter-Quarter, Section 28

There are 24.3 acres of supplemental irrigation rights under certificate 83850 within the NE-NW quarter-quarter of section 28, all of which are located south of the railroad tracks. Of the 24.3 acres of supplemental irrigation, 12.6 acres overlay the 15.1 acres of primary rights under certificate 83651 that are located in this quarter-quarter and are being transferred under T-10734 to other property and, therefore, are not subject to cancellation or inclusion in T-10730 (The 12.6 acres are shown on Figure 2 attached to Newton's response, dated today, to your November 9, 2009 letter regarding T-10734; and the 15.1 acres are shown on attached Figure 3). The remaining 11.7 acres of supplemental rights under certificate 83850 that are located within the NE-NW quarter-quarter (24.3 total acres minus the 12.6 acres being transferred under T-10734) overlay primary irrigation rights that are remaining in place and are not involved in T-10730. The 4.9 acres of primary irrigation rights under certificate 83651 that are located north of the railroad tracks in the NE-NW quarter-quarter of section 28 (see attached Figure 3) do not have any corresponding supplemental irrigation rights under certificate 83850.

Under T-10733 the applicant is proposing to replace the 15.1 acres of primary irrigation rights under certificate 83651 (i.e. the rights proposed for instream transfer under T-10730) with 15.1 acres of primary irrigation rights under certificate 83850. If the proposed transfer of the related 12.6 acres of supplemental irrigation rights under certificate 83850 were approved (see T-10734), there would no longer be any supplemental irrigation rights remaining in the portion of the NE-NW quarter-quarter affected by T-10730. Therefore, there would be no need to determine whether primary irrigation under certificate 83850 (T-10733) would have similar reliability to the current primary rights under certificate 83651 (T-10734 to assess whether the new primary rights described in T-10734 would have similar reliability to the current primary rights under certificate 83651.

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To summarize, the applicant has accounted for all 24.3 acres of supplemental irrigation rights within the NE-NW quarter-quarter of section 28 under certificate 83850. Of the 24.3 acres, the applicant is proposing to transfer 12.6 acres to other lands under T-10734. The remaining 11.7 acres will not be affected by T-10730 and will remain in place. Therefore, there should be no need to determine whether the new primary rights under certificate 83850 (T-10733) would have similar reliability to current primary rights under certificate 83651. Instead, that determination should be made in connection with T-10734.

NW-NE Quarter-Quarter. Section 28

There are 23.2 acres of supplemental irrigation rights under certificate 83850 within the NW-NE quarter-quarter of section 28. All 23.2 acres overlay primary irrigation rights under certificate 83651 that are located in the same quarter-quarter and are being transferred to other property under T-10734 (the 23.2 acres are shown on Figure 2 attached to Newton's response, dated today, to your November 9, 2009 letter regarding T-10734; and the primary rights are shown on attached Figure 3). The 23.2 acres of supplemental rights therefore are not subject to cancellation or inclusion in T-10730.

Under T-10733 the applicant is proposing to replace the 25.0 acres of primary irrigation rights under certificate 83651 within the NW-NE quarter-quarter of section 28 (i.e. the rights proposed for instream transfer under T-10730) with 24.9 acres of primary irrigation rights under certificate 83850. If the proposed transfer of the related 23.2 acres of supplemental irrigation rights under certificate 83850 were approved (see T-10734), there would no longer be any supplemental irrigation rights remaining in the portion of the NW-NE quarter-quarter affected by T-10730. Therefore, there would be no need to determine whether primary irrigation under certificate 83850 (T-10733) would have similar reliability to the current primary rights under certificate 83651 (T-10730). The similar reliability determination would need to be done in connection with T-10734 to assess whether the new primary rights described in T-10734 would have similar reliability to the current primary rights under certificate 83651.

Similar Reliability Review

At this time, the applicant has not received a similar reliability determination from the Department in connection with T-10734. We request that the determination be made as soon as possible to provide guidance as to whether supplemental irrigation rights under certificate 83850 may be moved to other property as proposed in T-10734.

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MAP REVISIONS

The maps provided with the transfer application require the following additional clarification and revisions:

The transfer maps must be consistent with the water rights of record, i.e. all authorized PODs and associated lands, along with correct certificate numbers, must be shown on the transfer maps. Please revise the transfer maps to include POD #1 and the associated place of use, as well as the correct certificate numbers. Please verify that each POU is correctly assigned a priority date as well as a POD.

Newton Response:

The attached Figure 3 "From" lands map for T-10730 has been updated with current certificate numbers as of the date of this letter. Additional changes may occur at any time to these certificate numbers, as there are currently seven or more transfers listed on the OWRD website for certificate 83850, additional transfers are shown for certificates 83857 and 83732. Any one of these other transfers could result in the issuance of a new certificate by the OWRD and subsequent change in the certificate number at the time of issuance.

The attached Figures 4, 5 and 6 have been updated to include the current certificate numbers as of the date of this letter. These figures also show the location of the "From" lands, the current certificate numbers and the associated PODs that serve each place of use with the priority date for each of the PODs.

When comparing the transfer map (Figure 4) provided for T-10730 with the transfer maps provided for T-10731 (Figures 1 and 2), an inconsistency in the NE ¼ of the NW ¼ of Section 28 became apparent. The 7.90 acres mapped for T-10731 appear to overlap with a portion of the 20.0 acres mapped for T-10730 in this ¼ ¼ section, where the right is separated into discrete areas, the transfer map should explicitly state the number of acres included in each discrete area, especially for areas that are proposed to be excluded from the transfer.

Newton Response:

The attached Figure 3 "From" lands map for T-10730 includes acreages for the discreet areas located in the NE-NW quarter-quarter of section 28 in an effort to show the areas to be included in the transfer and those to remain unchanged. At this point, transfer T-10731 is being withdrawn from the OWRD transfer process and there should be no reference to a potential map conflict as a result.

Additionally, based on our telephone conversation on Thursday September 30, 2010; we have included the attached Figure 7 that shows the POUs by quarter-quarter included in the "From" lands in transfer T-10730. This figure includes the POU areas within each quarter-quarter that are not included in transfer T-10730.

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CLOSING

If there are questions regarding the information contained in this letter, please feel free to contact me at your convenience. I can be reached by telephone at (541) 504-9960, extension 235, or by email at inewton@newtonconsultants.com.

Sincerely,

NEWTON CONSULTANTS, INC.

JUNE 8, 2009

ATE OF OREGON

EXPIRES: 12-31-2010

James B. Newton, R.G., C.W.R.E.

Senior Staff Geologist

Enclosures: Affidavit of Use

Figures (7)

G.\1000\1047\105\Correspondence\Nov 9 09 Application Issues\T-10730\FINAL OWRD Response Letter 10_29_10.DOC

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NOV 0 3 2010

WATER RESOURCES DEPT SALEM, OREGON

Water Right Transfer Supplemental Form B AFFIDAVIT ATTESTING TO THE USE OF WATER

State of Oregon)	SS
County of Deschutes)	35
I, John A. Short	, in my capacity asneighbor,
mailing address P.O. Box 1830, Bend	d, OR 97709
telephone number (541) 408-7415	, being first duly sworn depose and say:
1. I attest that:	
	five years on the entire authorized place of use of the described on the accompanying transfer application; o
☐ The water right was leased instream lease number is as follows:	at some time within the last five years. The instream; or
	feiture and documentation that a presumption of atted under ORS 540.610(2) is attached.
2. My knowledge of the exercise or state	us of the water right is based on (check one):
☑ Personal observation	☐ Professional expertise

3. My knowledge is specific to the use of water at the following locations:

Township		Range		Mer	Sec	1/4 1/4 Section	Gov't Lot or DLC	Acres (if applicable)
14	S	14	S	WM	20	SW SW	100	11.0

RECEIVED

NOV 0 3 2010

WATER RESOURCES DEF SALEM, OREGON

(continues on reverse side)

Please print legibly or type. Be as specific as possible. Attach additional pages if you need more space. Supporting documentation must be attached.

	The water right was exercised for the authorized purpose described below (e.g., crops grown): ass hay, grazing				
5. The water delivery system used to apply water as authorized by the right is described below: 68 HP PTO driven pump direct from river to wheel lines and hand lines.					
6.	One or more of the following documentation supporting the above statements is attached:				
abla	Copy of a water right certificate that was issued within the last five years (not a remaining right certificate),				
	Copies of receipts from sales of irrigated crops or for expenditures relating to the use of water,				
	Records such as Farm Service Agency crop reports, irrigation district records, an NRCS farm management plan, or records of other water suppliers,				
	Dated aerial photographs of the lands or other photographs containing sufficient detail to establish the location and date of the photograph,				
	Dedicated power usage records or receipts,				
	Instream lease numberNOV 0				
	Other: WATER RESOU				
	SALEM, O				
0	111101				
Sign	$\frac{12-Z-09}{\text{Date}}$				
19					
	Signed and sworn to (or affirmed) before me this 2 day of De cember, 20 0 9.				
	OFFICIAL SEAL ANDRE' L PERKS NOTARY PUBLIC- OREGON COMMISSION NO. 437828 NY COMMISSION EXPIRES NAR 27, 2013				
\$	My Commission Expires: March 27, 2013				

Please print legibly or type. Be as specific as possible. Attach additional pages if you need more space. Supporting documentation must be attached.

STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

BUTLER RANCH, INC. 5294 NW LONE PINE ROAD TERREBONNE, OREGON 97760

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER for IRRIGATION of 11.0 ACRES.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The date of priority is 1892.

The amount of water to which this right is entitled is limited to an amount actually beneficially used, and shall not exceed 0.137 CUBIC FOOT PER SECOND if available at the original point of diversion: NW% SW%, SECTION 8, T 15 S, R 16 E, W.M., 744.2 FEET SOUTH AND 321 FEET EAST FROM THE WEST % CORNER OF SECTION 8, or its equivalent in case of rotation, measured at the point of diversion.

The point of diversion is located as follows:

SE % SW %, Section 20, T. 14 S., R. 14 E., W.M.; 1896 feet South and 1717 feet East from the West % Corner of Section 20.

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each year.

This is a final order in other than a 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.

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T-7248.RA

NUV 63 2001

Certificate Number 83732

INTER CT. ID

Sales

A description of the place of use to which this right is appurtenant is as follows:

SW ¼ SW ¼ 11.0 ACRES SECTION 20 TOWNSHIP 14 SOUTH, RANGE 14 EAST, W.M.

This certificate is issued to confirm a change in POINT OF DIVERSION approved by an order of the Water Resources Director entered July 9, 1997, approving Transfer Application T-7248, and together with certificates 72947, 74199, and 74200 supersedes Certificate 52183, State Record of Water Right Certificates.

The following conditions apply to this right:

- The quantity of water diverted at the new point of diversion, together with that diverted at the old diversion, shall not exceed the quantity of water lawfully available at the original point of diversion.
- When required by the Department, the water user shall install and maintain a headgate, an in-line flow meter, weir, or other suitable device for measuring and recording the quantity of water diverted. The type and plans of the headgate and measuring device must be approved by the Department prior to beginning construction and shall be installed under the general supervision of the Department.

The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described and is subject to all other conditions and limitations contained in the decree.

Issued JAN 0 9 2008

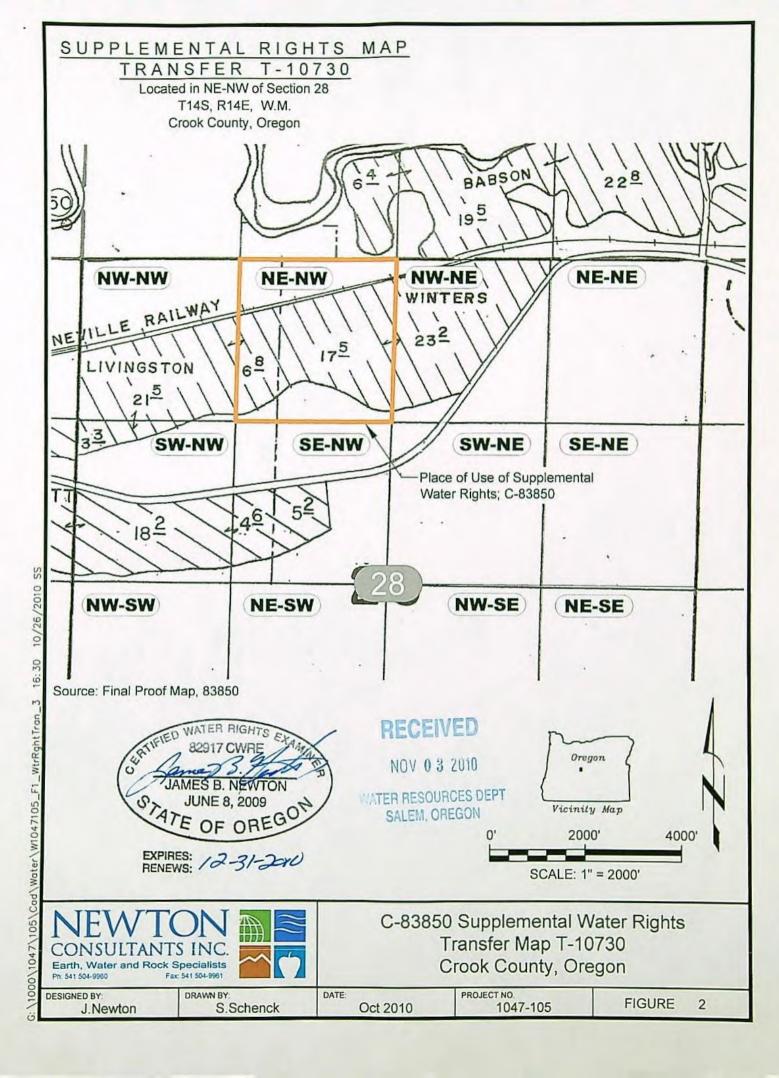
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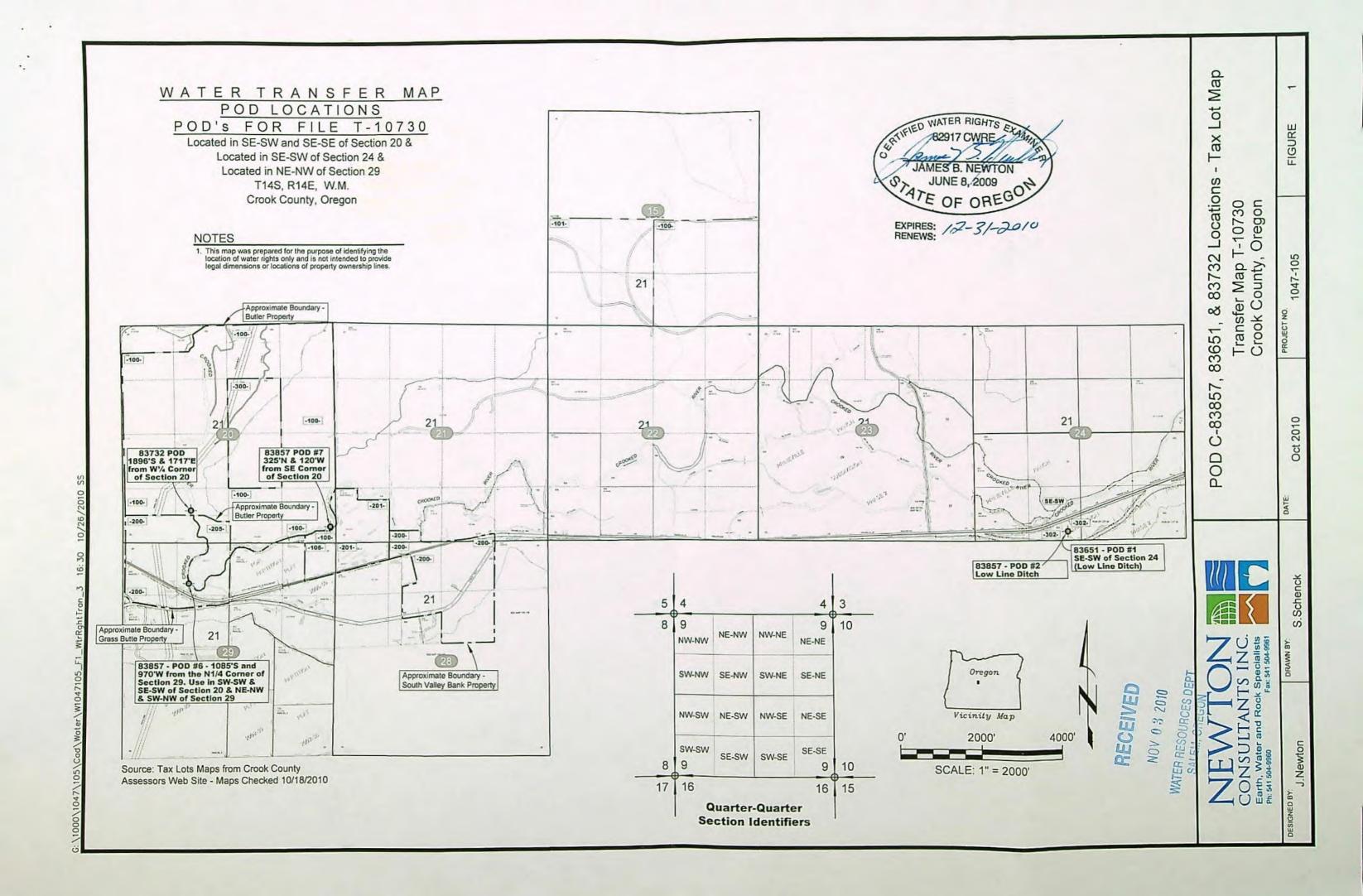
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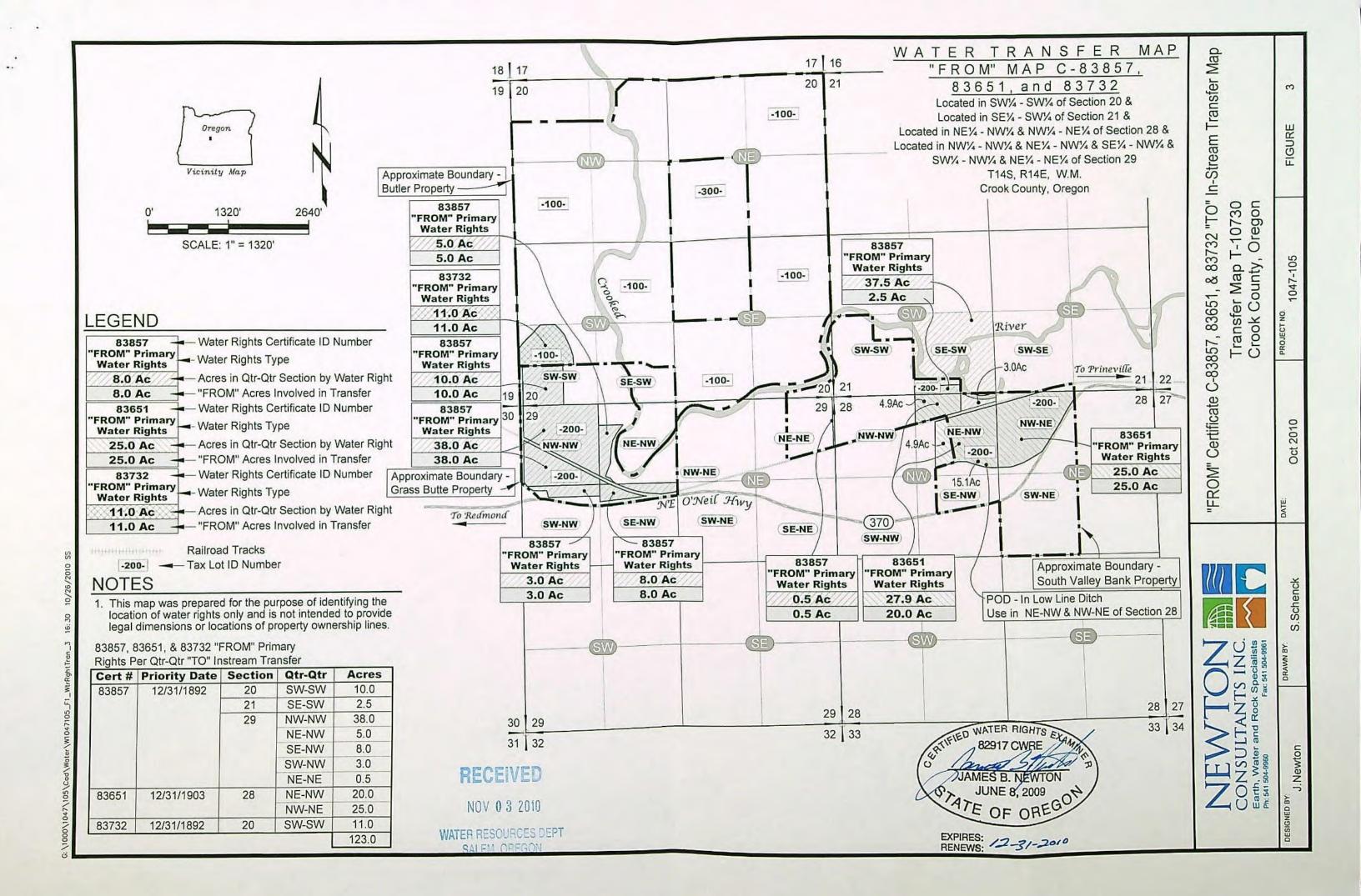
WATER RESOURCES DEPT SALEM, OREGON

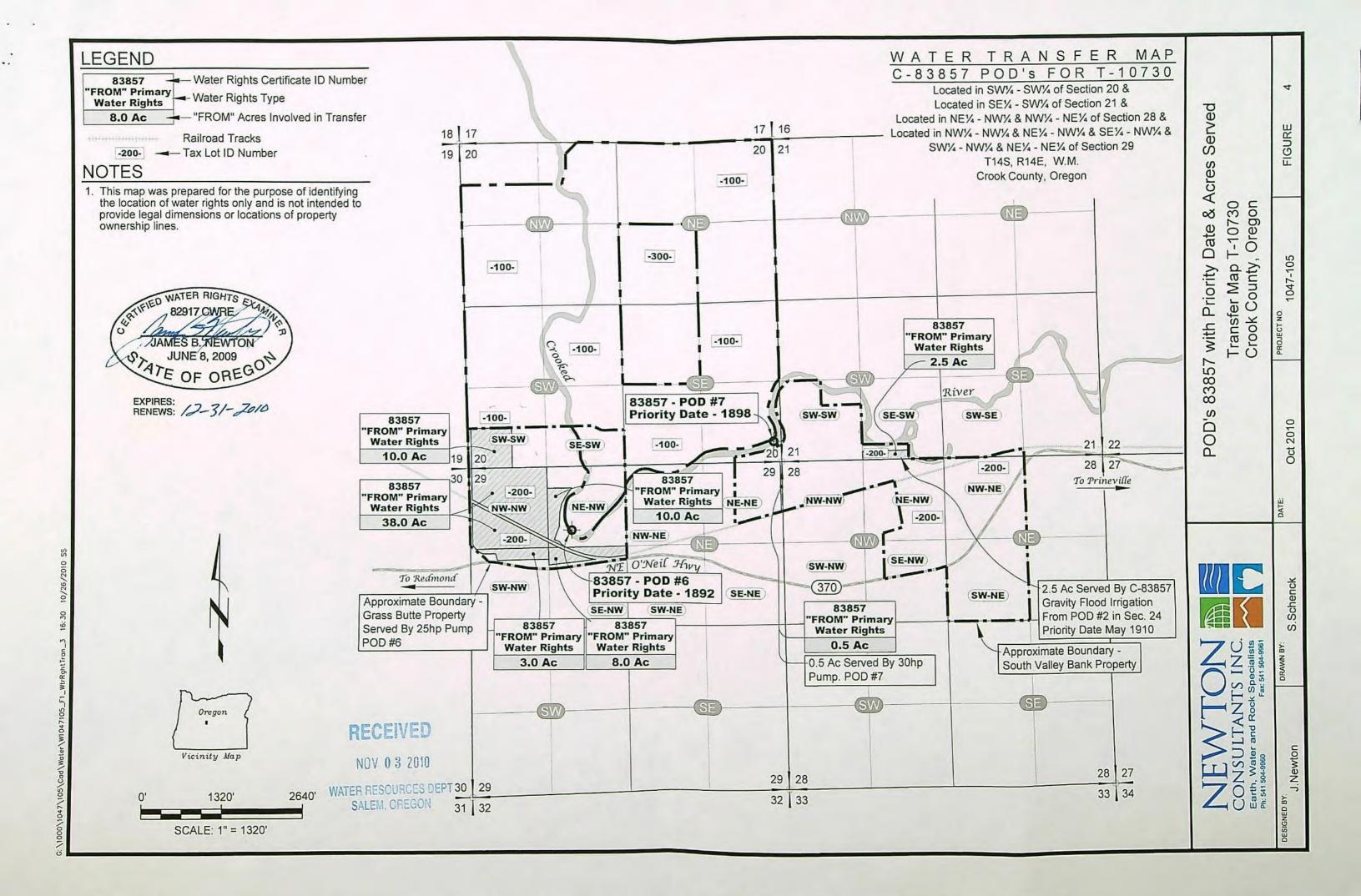
Recorded in State Record of Water Right Certificates numbered 83732.

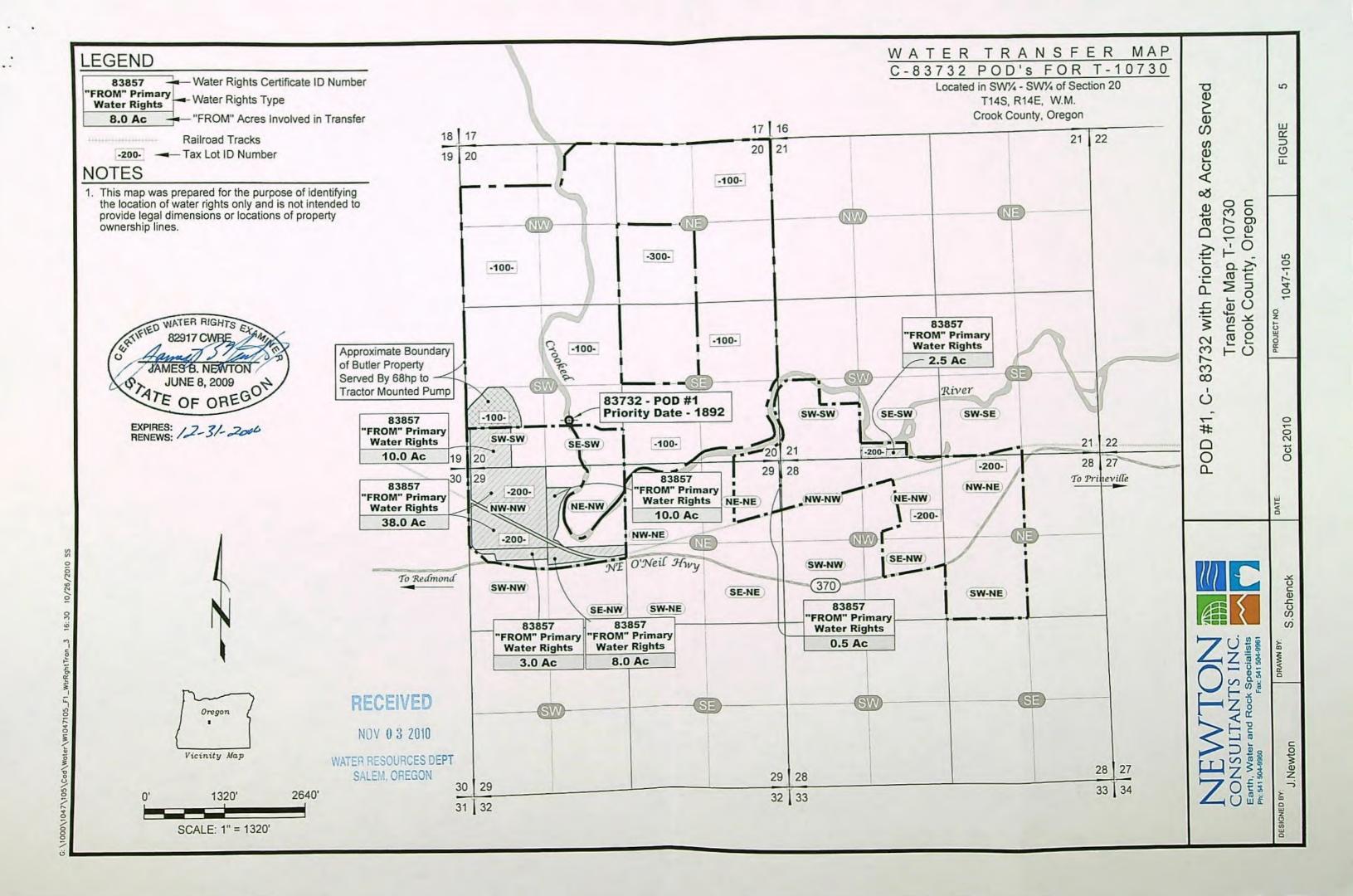
T-7248.RA

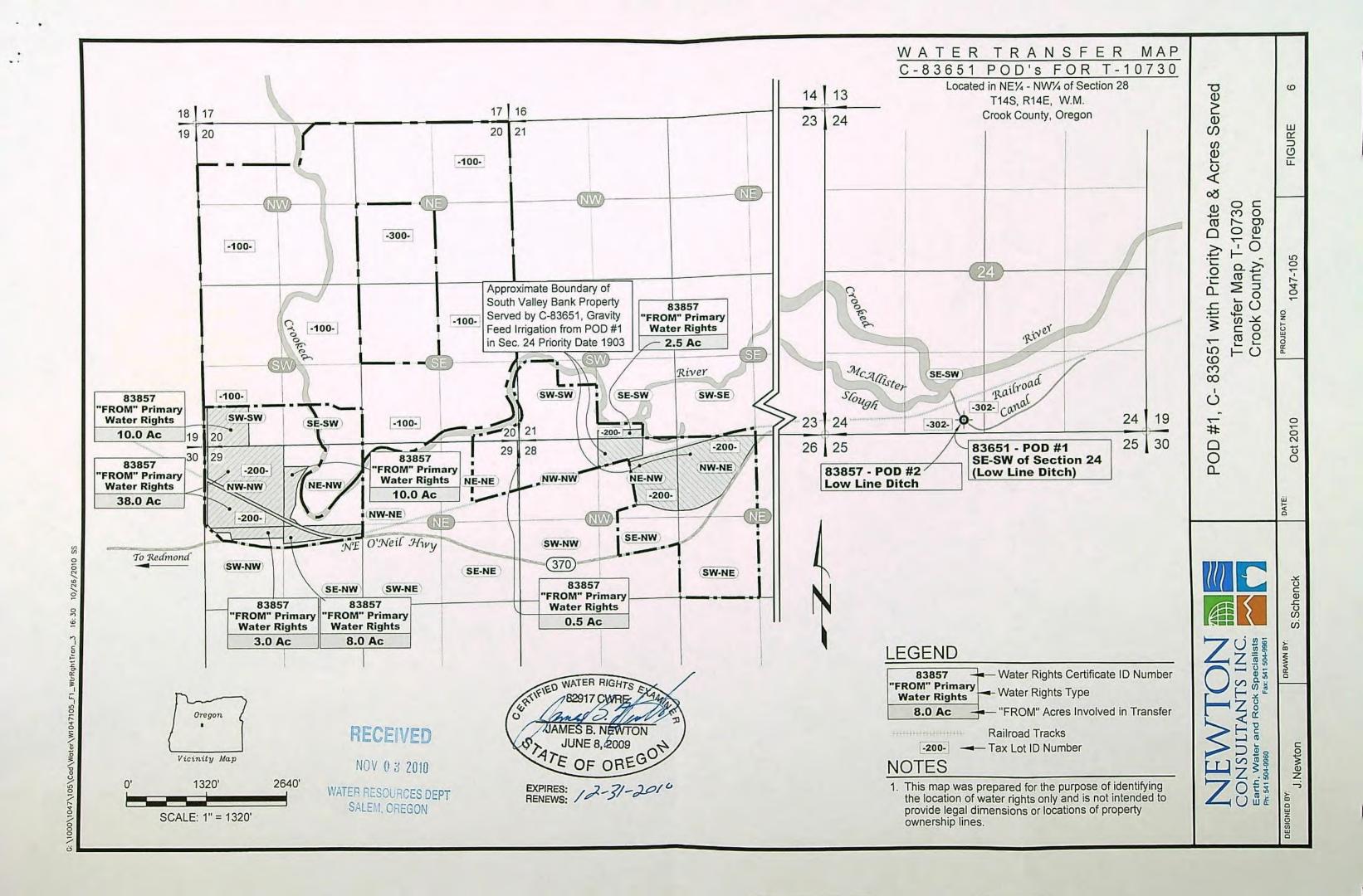












From: James Newton [jnewton@newtonconsultants.com]

Sent: Wednesday, November 03, 2010 3:36 PM

To: Laura Wilke

Subject: T-10733/734 Daniels Transfers Land Use Form - County Approved

Attachments: SKMBT_C55210110314570.pdf

Hi Laura.

This is a follow-up to the responses for additional information regarding the Daniels transfers T-10733/734 that you should have received via UPS today. With these two files we included copies of the Land Use Form and the signed tear strip from Crook County. Earlier today the county sent us a scanned copy of the signed Land Use Form that is on its way to you to accompany the transfers, I have attached the county signed version to this email to aide in expediting your review.

Best Regards, ~Jim

James B. Newton, R.G., C.W.R.E. Senior Staff Geologist Newton Consultants, Inc. 521 SW 6th Street, Suite 100 Redmond, Oregon 97756 (541) 504-9960 ext.235 (541) 504-9961 fax

www.newtonconsultants.com





Oregon Water Resources Department NOV 3 - 2010 Land Use Information Form

THIS FORM IS NOT REQUIRED IF: 1) water is to be diverted, conveyed, and/or used only on federal lands; or 2) the application is for a water-right transfer, allocation of conserved water, exchange, permit amendment, or ground water registration modification, and all of the following apply: a) only the place of use is proposed for change, b) there are no structural changes, c) the use of water is for irrigation, and d) the use is located in an irrigation district or exclusive farm-use zone.

App	plicant Nan	ne: The	Daniels	Group		c/o	Greg Daniels	
					Suite 700		Last	
	ncouver				WA	98660	Daytime Phone: 360-	694-6000
		City			Sta	te Zip	Daytime Phone:	
Plea (tran	isported), o	the follor used.	lowing in Applican	ts for i	municipal u		will be diverted (taken from its within irrigation districts may sub- below.	
	Township	Range	Section	44	Tax Lot#	Plan Designation (e.g. Rural Residential/RR-5)	Water to be:	Proposed Land Use:
	See at	tache	d tabl	e.			Diverted Conveyed Used	
							Diverted Conveyed Used	ı
							Diverted Conveyed User	
							Diverted Conveyed Used	
	escription of application				Water Res	ources Department:		
		ion of C	Conserved	Water	Limit	r-Right Transfer ed Water Use License istration Modification		
Sour	ce of water	: [] R	eservoir/	Pond	Ground	Water Surface	Water (name) Crooked River	
Estin	nated quan	tity of w	ater need	ded: app	prox. 8 cfs	total Cubic feet	per second gallons per minute	acre-feet
nten	ded use of	water:	□ Irrig	gation	[Com	nercial [Indus	strial Domestic for ho	uschold(s)
	ly describe		[Mu			i-municipal [Instr		
The	re are three rsion; T-10	water rig 733 prop	ght transf poses to t	ers that	t either mov the place of	e the place of use or p fuse and add a diversi	oint of diversion. T-10732 proposes on; and T-10734 proposes to change	to add a the place of use.
Jote	to applica	nt: If t	he Land	Use Im	formation F	Form cannot he comp	leted while you wait, please have a	local governmen

Receipt for Request for Land Use Information

representative sign the receipt below and include it with the application filed with the Water Resources Department.

State of Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1266

LAND USE INFORMATION FORM

Daniels Transfers 1047.105

A. Land and Location

Township	Range	Section	¼ ¼	Tax Lot#	r primary iri Plan Designation	Water to be:	Proposed Land Use:
14S	14E	20	SE SE	106	EFU	☑ Diverted ☑ Conveyed ☐ Used	irrigation
14S	14E	23	NE SE	102	EFU	☑ Diverted ☑ Conveyed ☐ Used	irrigation
14S	14E	28	NE NW	200	EFU	☐ Diverted ☑ Conveyed ☒ Used	irrigation
14S	14E	28	NW NE	200	EFU	☐ Diverted ☑ Conveyed ☒ Used	irrigation
14S	14E	29	NW NW	200	EFU	☐ Diverted ☑ Conveyed ☑ Used	irrigation
148	14E	29	NE NW	200	EFU	☑ Diverted ☑ Conveyed ☑ Used	irrigation
148	14E	29	SE NW	200	EFU	☐ Diverted ☑ Conveyed ☑ Used	irrigation
14S	14E	29	SWNW	200	EFU	☐ Diverted ☑ Conveyed ☑ Used	irrigation

Township	Range	Section	14 14	Tax Lot#	Plan Designation	Water to be:	Proposed Land Use:
145	14E	15	SW SE	100	EFU	☐ Diverted ☑ Conveyed ☑ Used	irrigation
14S	14E	15	SE SE	100	EFU	☐ Diverted ☑ Conveyed ☑ Used	irrigation
14S	14E	22	NE NE	100	EFU	☑ Diverted ☑ Conveyed ☑ Used	irrigation
14S	14E	22	NW NE	100	EFU	☐ Diverted ☑ Conveyed ☑ Used	irrigation
14S	14E	22	NE NW	100	EFU	☐ Diverted ⊠ Conveyed ⊠ Used	irrigation
148	14E	22	NWNW	100	EFU	☐ Diverted ☑ Conveyed ☑ Used	irrigation

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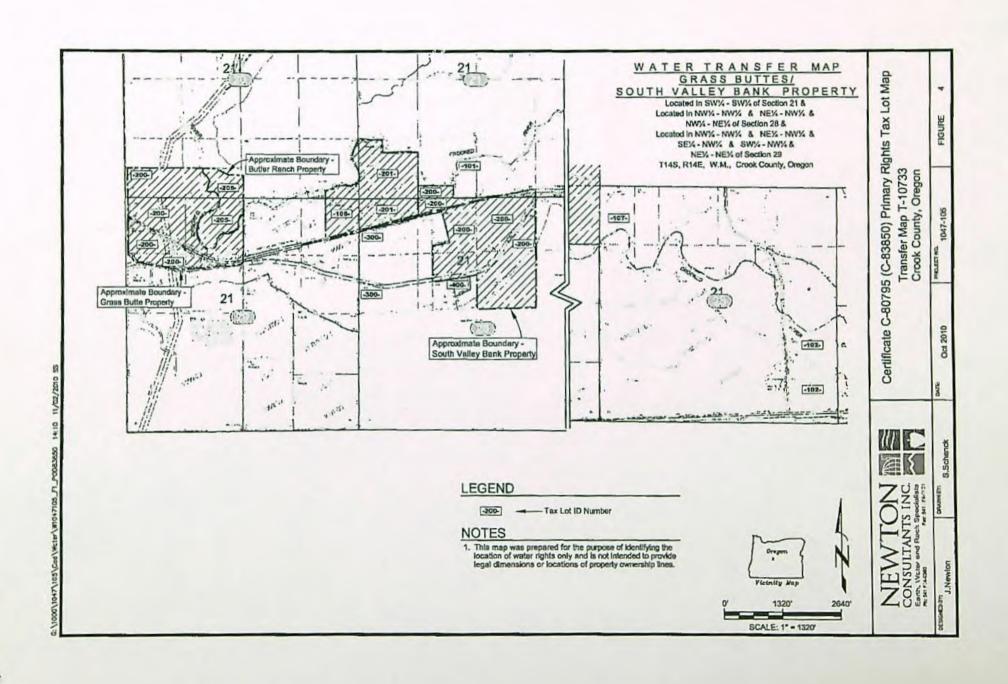
For Local Government Use Only

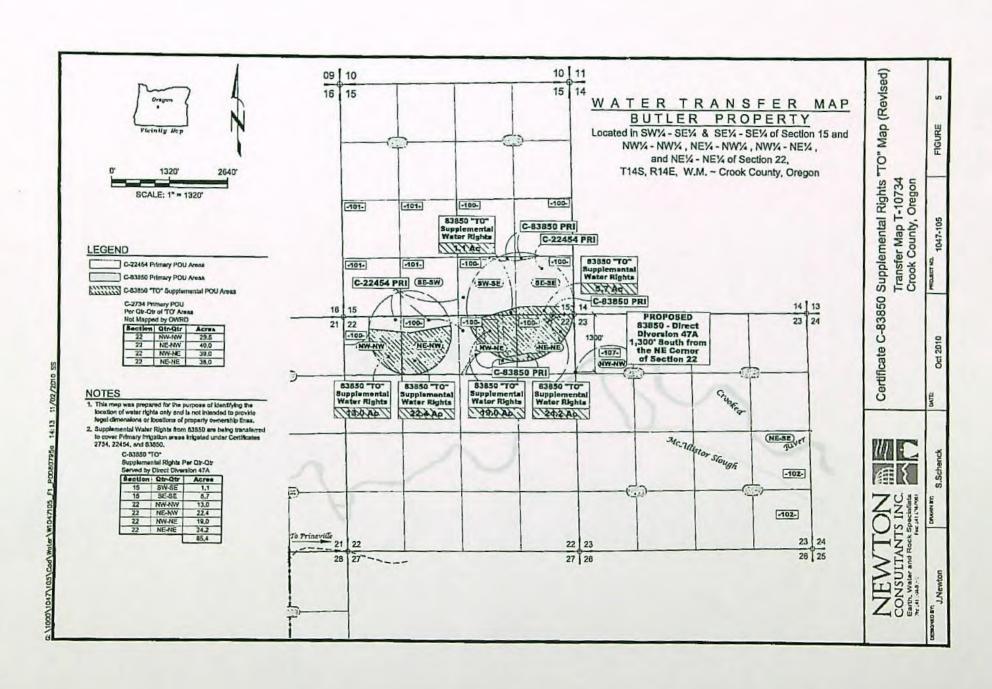
The following section must be completed by a planning official from each county and city listed unless the project will be located entirely within the city limits. In that case, only the city planning agency must complete this form.

This deals only with the local land-use plan. Do not include approval for activities such as building or grading permits.

Type of Land-Use Approval Needed (e.g. plan amendments, rezones, conditional-use permits, etc.)	Cite Most Significant, Applicable Plan Policies & Ordinance Section References	Land-U	Jse Approval:
conditional use permits, etc.)		Obtained	i Being pursued
		Denied	Not being pursued
		_ Obtained Denied	Being pursued Not being pursued
		Obtained	Being pursued
		Denied	Not being pursued
		Obtained Denied	Not being pursued
		Obtained Denied	Being pursued
		1 Denied	Not being pursued
	special land-use concerns or make rec f water below, or on a separate sheet.	commendation	s to the Water Res

Note to local government representative: Please complete this form or sign the receipt below and return it to the applicant. If you sign the receipt, you will have 30 days from the Water Resources Department's notice date to return the completed Land Use Information Form or WRD may presume the land use associated with the proposed use of water is compatible with local comprehensive plans.





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From: Terry Sprecher [terry.sprecher@bendbroadband.com]

Sent: Monday, October 04, 2010 9:12 AM

To: Laura Wilke

Subject: mailing address update

Good morning, Laura,

Thanks for sending the maps pertaining to one of the Daniels Group transfers.

Please update my mailing address (see footer, below). The maps were sent to my home address on Trenton, but it is best for project-related items to come to my office.

Thanks again - and have a great week!

Terry Sprecher, RG, CWRE Sprecher Group 2445 NE Division Street, Suite 300 Bend, OR 97701 DBE/WBE/ESB # 5687

Phone: 541/306-3709 Cell: 541/419-0883

terry.sprecher@bendbroadband.com

From:

Laura Wilke

Sent:

Tuesday, September 07, 2010 9:06 AM 'inewton@newtonconsultants.com'

To: Subject:

RE: The Daniels Group Transfers; T-10730/731/732/733/734

Thanks for the update Jim. Some additional time is fine with me on this end.

Just an FYI - it's possible that we could run into some scheduling issues with the contractor depending on when the files get picked up again. It's also possible that the contractor may need additional time to finish the project.

Just wanted to give you a heads up.

Laura

----Original Message----

From: jnewton@newtonconsultants.com [mailto:jnewton@newtonconsultants.com]

Sent: Monday, September 06, 2010 10:23 PM

To: laura.k.wilke@state.or.us

Subject: The Daniels Group Transfers; T-10730/731/732/733/734

Hi Laura,

This email is a follow-up on the transfer files T-10730/731/732/733/734 in the name of The Daniels Group, LLC.

There has been recent progress to complete the additional information you previous requested, however, with the timeline having encroached on the extended timeframe, I would respectfully like to request an additional 60 days to respond to your request. A 60 day extension would yield an approximate respond-by-date of November 5, 2010.

If you have questions or concerns regarding this time extension request, please feel free

to contact me at your convenience.

Best Regards, ~Jim

James B. Newton R.G., C.W.R.E. Senior Staff Geologist Newton Consultants, Inc. 521 SW 6th St., Suite 100 Redmond, Oregon 97756 (541)504-9960, extension 235 (541) 504-9961 fax

From: Terry Sprecher [terry.sprecher@bendbroadband.com]

Sent: Tuesday, July 06, 2010 8:46 AM

To: Laura Wilke

Subject: RE: The Daniels Group LLC Transfers; T-10730/10731/10732/10733/10734

Hi Laura,

Am not surprised about the request for additional time – thanks for letting me know.

The need for additional time will depend on how completely the response answers the deficiencies/comments, and how much of the transfer is totally different. I am hopeful that there will not be a need to request additional \$/time.

Per my notes, remaining amounts for each transfer:

T10730 15 ½	hours \$1,39	95
T10731	6 hours	\$540
T10732	5 hrs	\$450
T10733	5 1/2 hrs	\$495
T10734	12 hrs	\$1,080

Hope you are enjoying the summer so far.

Terry A. Sprecher, RG, CWRE Sprecher Group DBE/WBE/ESB # 5687

Phone: 541/306-3709 Cell: 541/419-0883

terry.sprecher@bendbroadband.com

From: Laura Wilke [mailto:wilkelk@wrd.state.or.us]

Sent: Tuesday, July 06, 2010 8:25 AM

To: Terry Sprecher

Subject: FW: The Daniels Group LLC Transfers; T-10730/10731/10732/10733/10734

Terry - Jim sent another request for some additional time. I let him know that this would be alright. And just wanted to pass this along to you. Let me know if you're going to run into a need to ask for additional time once we start digging into this project again.

Laura

From: Jim Newton [mailto:jnewton@newtonconsultants.com]

Sent: Tuesday, July 06, 2010 8:22 AM

To: laura.k.wilke@state.or.us

Subject: The Daniels Group LLC Transfers; T-10730/10731/10732/10733/10734

Hi Laura,

This is a follow-up to the transfers for The Daniels Group, LLC, files T-10730/10731/10732/10733/10734, and the response to your request for additional information letters on each of these transfers.

At this point, the applicant is still working to progress the transfers and make modifications to the instream transfer T-10730. As a result of the slow progress to respond to your questions, we respectfully request an additional 60 days to respond to your information requests.

Although we have requested extensions to respond in the past by request of the applicant, in the recent weeks significant progress has been made that would facilitate responding to the request for additional information and this is intended to be the last likely request for additional time to respond.

An extension of 60 days would extend the current response date from July 6th to September 6th, 2010. If you have questions regarding this request for a time extension, please feel free to contact me or David Newton at Newton Consultants.

Best Regards, ~Jim

James B. Newton, R.G., C.W.R.E. Senior Staff Geologist
Newton Consultants, Inc.
521 SW 6th Street, Suite 100
Redmond, Oregon 97756
541 504-9960 x235
541 504-9961 fax
jnewton@newtonconsultants.com

From: Laura Wilke

Tuesday, July 06, 2010 8:23 AM Sent:

To: 'Jim Newton'

Subject: RE: The Daniels Group LLC Transfers; T-10730/10731/10732/10733/10734

Sounds good Jim. Thanks for the update on how things are going. I'll put this note in the file and set a reminder to check back with you after September 6th.

Thanks, Laura

From: Jim Newton [mailto:jnewton@newtonconsultants.com]

Sent: Tuesday, July 06, 2010 8:22 AM

To: laura.k.wilke@state.or.us

Subject: The Daniels Group LLC Transfers; T-10730/10731/10732/10733/10734

This is a follow-up to the transfers for The Daniels Group, LLC, files T-10730/10731/10732/10733/10734, and the response to your request for additional information letters on each of these transfers.

At this point, the applicant is still working to progress the transfers and make modifications to the instream transfer T-10730. As a result of the slow progress to respond to your questions, we respectfully request an additional 60 days to respond to your information requests.

Although we have requested extensions to respond in the past by request of the applicant, in the recent weeks significant progress has been made that would facilitate responding to the request for additional information and this is intended to be the last likely request for additional time to respond.

An extension of 60 days would extend the current response date from July 6th to September 6th, 2010. If you have questions regarding this request for a time extension, please feel free to contact me or David Newton at Newton Consultants.

Best Regards. ~Jim

James B. Newton, R.G., C.W.R.E. Senior Staff Geologist Newton Consultants, Inc. 521 SW 6th Street, Suite 100 Redmond, Oregon 97756 541 504-9960 x235

541 504-9961 fax.

inewton@newtonconsultants.com

From: Jim Newton [inewton@newtonconsultants.com]

Sent: Thursday, April 29, 2010 9:41 AM

To: laura.k.wilke@state.or.us

'Langford, Shonee D.'; '_NEWTON - DAVID' Cc:

Subject: Daniels Transfers T-10730 to T-10734

Hi Laura.

I hope you are doing well on the wet and green side of the state.

This is a follow-up to the Daniels transfers, files T-10730/10731/10732/10733/10734, and the response to your request for additional information letters on each of these transfers.

At this point, the applicant is still working to progress the transfers and make modifications to the instream transfer T-10730. As a result of the slow progress to respond to your questions, we respectfully request an additional 60 days to respond to your information requests.

An extension of 60 days would extend the current response date from May 8th to July 6, 2010. If you have questions regarding this request for a time extension, please feel free to contact me or David Newton at Newton Consultants.

Best Regards, ~Jim

James B. Newton, R.G., C.W.R.E. Senior Staff Geologist Newton Consultants, Inc. 521 SW 6th Street, Suite 100 Redmond, Oregon 97756 541 504-9960 x235 541 504-9961 fax inewton@newtonconsultants.com



Jerry Sauter 725 Summer St NE Ste A Salem OR 97301-1271

RE: Assignment of Mitigation Credits (MP-25 and MP-28) and of Transfer Application T-10730 (MP-124)

Dear Jerry,

Enclosed for filing on behalf of Grass Butte, LLC are twelve assignment forms, all for the purpose of assigning ownership of mitigation credits and a pending transfer application from The Daniels Group, LLC ("Daniels") and Realvest Corporation ("Realvest") to Grass Butte, LLC ("Grass Butte"). The records of the Oregon Water Resources Department currently show Daniels as the owner of the mitigation credits and the transfer applicant. Also enclosed is a check in the amount of \$300.00 for the recording fees associated with the four Request for Assignment forms (we understand that no fees are required for the eight mitigation credit assignment forms).

The enclosed forms document the chain of ownership for mitigation credits under MP-25 and MP-28 and transfer application T-10730 (MP-124) as follows:

- * Daniels conveys a 75 percent interest to Realvest
- * Realvest conveys to Grass Butte the 75 percent interest obtained from Daniels
- * Daniels conveys its remaining 25 percent interest directly to Grass Butte
- * Grass Butte conveys its entire interest to "Grass Butte and Premier West Bank" as the new co-holders of record

Feel free to call me if you have questions. Thanks.

Shannon Namanny, Escrow Officer

RECEIVED

MAR 23 2010

WATER RESOURCES DEPT SALEM, OREGON

Thank You,

AmeriTitle

From: Laura Wilke

Sent: Monday, March 08, 2010 11:44 AM

To: 'Jim Newton'

Subject: RE: Daniels Transfers T-10730 - 10734

Hi Jim – an additional 60 days is fine. I'll put this e-mail into all 5 transfer files and set up a reminder to check back in with you in 60 days.

Laura

From: Jim Newton [mailto:jnewton@newtonconsultants.com]

Sent: Monday, March 08, 2010 10:57 AM

To: WILKE Laura K

Subject: Daniels Transfers T-10730 - 10734

Hi Laura.

This email is a brief follow-up to the voicemail I left you moments ago.

At this point, the Daniels Transfers T-10730 through T-10734 are not at a point to respond fully to your latest request for additional information.

In addition, the instream transfer (T-10730) may likely need a modification to revise the transfer to simplify the instream process to offer additional clarity regarding ownership of the resulting mitigation.

As the applicant's agent, we respectfully request up to 60 additional days to respond to your request for additional information. This additional time request would put a new time of submittal to respond to your request for additional information on or before Friday May 8th, 2010.

If you have questions or concerns related to this additional time request, please feel free to contact me at your earliest convenience.

Best Regards,

~Jim

James B. Newton, R.G., C.W.R.E.
Senior Staff Geologist
Newton Consultants, Inc.
521 SW 6th Street, Suite 100
Redmond, Oregon 97756
541 504-9960 x235
541 504-9961 fax
jnewton@newtonconsultants.com

======

Email scanned by PC Tools - No viruses or spyware found. (Email Guard: 7.0.0.18, Virus/Spyware Database: 6.14510) http://www.pctools.com

======

From: Laura Wilke

Sent: Thursday, December 31, 2009 11:11 AM

To: Jon LaMarche

Subject: zone of impact review - catch up

Hi Jonathan – hope your holidays are going great. I'm just sitting here looking over mitigation stuff today and noticed that there are only two instream transfers for mitigation purposes where I need zone reviews and feedback on return flows.

I was thinking that it would be great to get these out of the way, time permitting, before the next batch of mitigation projects hits us.

They are T-10730 on the Crooked River for the Daniels Group: http://apps2.wrd.state.or.us/apps/wr/wrinfo/wr_transfer_folder_image.aspx? transfer_char=T&transfer_nbr=10730

And

T-10845 on Whychus Creek for the Deschutes River Conservancy: http://apps2.wrd.state.or.us/apps/wr/wrinfo/wr-transfer-folder-image.aspx?
transfer-char=T&transfer-nbr=10845

Thanks tons! Laura

Laura Wilke Flow Restoration Program Coordinator Oregon Water Resources Department 725 Summer St. NE, Suite A Salem, OR 97301-1271 Phone: (503) 986-0884

Fax: (503) 986-0903 Web: <u>www.wrd.state.or.us</u>

From: Laura Wilke

Sent: Wednesday, December 09, 2009 10:00 AM

To: 'Jim Newton'

Subject: RE: Daniels Transfers T-10730 to T-10734

HI Jim – checked in with Dorothy, Salem and the contractor. Doesn't sound like there's any problem on our end with an additional 90 days. I'll stick this e-mail in the files and set up a tickler reminder to check in with you in three months.

Have a good one! Laura

From: Jim Newton [mailto:jnewton@newtonconsultants.com]

Sent: Tuesday, December 08, 2009 2:59 PM

To: Laura K WILKE

Subject: Daniels Transfers T-10730 to T-10734

Hi Laura,

This email is a follow-up to our telephone conversation earlier this today to request additional time to respond to your letter dated November 9, 2009 requesting additional information for Oregon Water Resources Department (OWRD) Transfers T-10730, 10731, 10732, 10733, and 10734. I respectively request up to 90 days from today to submit the additional information requested in your November 9, 2009 letter. If this timeline is acceptable to you and the OWRD, this would yield a submittal date of on or before March 8, 2010.

If this additional time is unable to be accommodated, please contact me at your earliest convenience for notification of a revised submittal date for the requested information.

Best Regards, ~Jim

James B. Newton, R.G., C.W.R.E. Senior Staff Geologist Newton Consultants, Inc. 521 SW 6th Street, Suite 100 Redmond, Oregon 97756 541 504-9960 x235 541 504-9961 fax inewton@newtonconsultants.com

From:

Laura Wilke

Sent:

Monday, November 09, 2009 11:18 AM

To:

'David Newton'

Cc:

Jeremy Giffin

Subject:

Instream Transfer T-10730 / Mitigation Project MP-124 for the Daniels Group

Attachments: cancel_part_aff_2009.pdf; 10730-deficiency-ltr-2nd-RA-MP124.pdf

Hi David:

Attached is a copy of a follow up deficiency letter (and associated attachment) that's going out in the mail for the Daniels Group instream transfer, T-10730. The contractor has also had a chance to review the additional materials you provided on the other transfers. I'll get you any additional info requests on those as I work through them.

The deficiency letter is being sent to Greg Daniels with a copy to you and to Jeremy Giffin.

More to come.

Thanks, Laura

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer St. NE, Suite A
Salem, Oregon 97301-1271
Phone: (503) 986-0884
Web: www.wrd.state.or.us

11/9/2009



Water Resources Department

725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

November 9, 2009

GREG DANIELS THE DANIELS GROUP, LLC 1111 MAIN ST, SUITE 700 VANCOUVER, WA 98660

SUBJECT: Water Right Transfer Application T-10730

As you know, we are examining your water right transfer application, and have reviewed your response to our request for additional information dated August 26, 2009. Unfortunately, there are still some remaining application issues that need to be resolved before we can continue processing your application.

Please note that Certificate 83857 was issued by the Department on May 7, 2008, to describe that portion of the water right confirmed by Certificate 81601 not modified by T-10233. Please use the correct certificate number (83857) in all written responses and on all updated transfer maps prepared in response to this letter.

- Page 2, Supplemental Form A for certificate 83651, describes the type of use as Primary Irrigation.
 Certificate 83651 states the type of use is Irrigation, Domestic, and Livestock. Please clarify whether
 you are intending to transfer all three types of use under certificate 83651. (Note that clarification
 was provided for Certificate 81601 (i.e. Certificate 83857) in your response dated September 25,
 2009).
- Your response to the request for clarification of the points of diversion involved in the proposed transfer is problematic. Your response stated "POD #1 is not in use at this time to service land under T-10730". Please be advised that we cannot process this transfer without including POD #1, since POD #1 is the authorized POD for a portion of the right proposed to be transferred. Further, we will need the applicant's specific concurrence to include POD #1 in the proposed transfer.
- We previously requested an affidavit attesting to the use of water (Supplemental Form B) that covered the entire 21 acres proposed to be transferred in the SW ¼ SW ¼ of Section 20. Your response indicated which acreage was included in the Marilyn Dove Affidavit, and provided an explanation of why an Affidavit was not provided for the 11.0 acres included in Certificate 83732. Please provide an Affidavit of Use for these 11 acres; it is perfectly acceptable to use Certificate 83732 as documented evidence of use to support the Affidavit.
- This transfer is proposing to move a portion of Certificate 83651 to instream use. This right has an associated supplemental right, being Certificate 83850. Generally, when a primary right is being transferred the supplemental must also be transferred or cancelled. However, there is opportunity to replace the primary right with another "like" primary right. Under Transfer T-10733, the applicant is proposing to move primary irrigation under a portion of Certificate 80795 (now Certificate 83850) to underlay a portion supplemental right Certificate 83850, which would not have a primary in place once the instream transfer (T-10730) is complete. It appears, however, based on preliminary review, that the entire footprint of the supplemental right being separated from Certificate 83651 is not proposed to be associated with a new primary. The remaining portion of Certificate 83850, without a primary, will need to be cancelled, included in the instream transfer (T-10730), or be associated with a primary right. I have enclosed an affidavit of cancellation, if needed. The Department is also in the

process of evaluating whether replacing the primary right (proposed for transfer under T-10730) with primary irrigation under Certificate 83850 (T-10733) will have similar reliability to the current primary right.

- The maps provided with the transfer application require the following additional clarification and revisions:
 - The transfer maps must be consistent with the water right of record, i.e. all authorized PODs and associated lands, along with correct certificate numbers, must be shown on the transfer maps. Please revise the transfer maps to include POD #1 and the associated place of use, as well as the correct certificate numbers. Please verify that each POU is correctly assigned a priority date as well as a POD.
 - When comparing the transfer map (Figure 4) provided for T-10730 with the transfer maps provided for T-10731 (Figures 1 and 2), an inconsistency in the NE ¼ of the NW ¼ of Section 28 became apparent. The 7.90 acres mapped for T-10731 appear to overlap with a portion of the 20.0 acres mapped for T-10730 in this ¼ ¼ section. Please provide transfer maps that clarify the intent of each transfer. Further, in cases such as this ¼ ¼ section, where the right is separated into discrete areas, the transfer map should explicitly state the number of acres included in each discrete area, especially for areas that are proposed to be excluded from the transfer.

Please submit the requested information by December 8, 2009. If you have any questions, please call me at 503-986-0884.

Sincerely,

Laura K. Wilke Flow Restoration Program Coordinator

cc: T-10730

Jeremy Giffin, District 11 Watermaster Agent: Newton Consultants, Attn: David Newton

encs

AFFIDAVIT FOR THE PARTIAL CANCELLATION OF A WATER RIGHT CERTIFICATE

State of Oregon	2)		
County of)) SS		
I/We (or authorized agent),				, residing at
telephone, l	peing first dul	y sworn depo	se and say:	
I/We are the legal owner(s) o within the	1/4, Secti	ion	, Township	N/S, Range E/W
2. A portion of water right certi-	ficate number	-	issued to	
for use of cubic	0	, with a c	late of priority of	
for use of cubic	e foot per seco	ond of water i	rom	
			(vo	(source) for the purpose of is appurtenant to my/our
property			(use	e) is appurtenant to my/our
property;				
 The appurtenant water right improvement, or water contradistrict or reclamation projet 	rol district, or	federal reclar		
-				
4. If the water right is issued in concurrence of the district to manager on the line below d	the cancellat	ion of the por	tion of the water	
Signature of district manager	Printed 1	Name	I	Date
5. I/We have abandoned any and and described as follows: The right to the use of				
The right to the use of for	, , ,	and irrigation	of	acres located:
	se)		(if appli	
	1/4	1/4	Acres	
			Acres	
	1/4		Acres	
		Section	710103	
To			E/W, WM; a	nd
10	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	ruo, rungo _		

Signature of legal owner as listed on deed, or a	Date		
Signature of legal co-owner as listed on deed (if applicable)		Date	
Subscribed and Sworn to Before Me this	day of		, 200_
	-	Notary Public f	or Oregon

PLEASE ATTACH A LEGIBLE COPY OF: 1) A DEED WHICH LISTS LAND OWNERS AND INCLUDES A LEGAL DESCRIPTION OF AFFECTED LANDS, AND 2) AN ADJUDICATION MAP, WATER RIGHT FINAL PROOF MAP, OR A TAX LOT MAP WITH THE PORTION OF THE ABANDONED RIGHT CLEARLY DRAWN AND IDENTIFIED. IF ACTING AS AN AUTHORIZED AGENT, INCLUDE COPY OF POWER OF ATTORNEY OR OTHER DOCUMENTS GRANTING AUTHORITY TO ACT ON BEHALF OF LEGAL OWNER(S) AS LISTED ON THE DEED.



Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

November 9, 2009

GREG DANIELS THE DANIELS GROUP, LLC 1111 MAIN ST, SUITE 700 VANCOUVER, WA 98660

SUBJECT: Water Right Transfer Application T-10730

As you know, we are examining your water right transfer application, and have reviewed your response to our request for additional information dated August 26, 2009. Unfortunately, there are still some remaining application issues that need to be resolved before we can continue processing your application.

Please note that Certificate 83857 was issued by the Department on May 7, 2008, to describe that portion of the water right confirmed by Certificate 81601 not modified by T-10233. Please use the correct certificate number (83857) in all written responses and on all updated transfer maps prepared in response to this letter.

- Page 2, Supplemental Form A for certificate 83651, describes the type of use as Primary Irrigation.
 Certificate 83651 states the type of use is Irrigation, Domestic, and Livestock. Please clarify whether
 you are intending to transfer all three types of use under certificate 83651. (Note that clarification
 was provided for Certificate 81601 (i.e. Certificate 83857) in your response dated September 25,
 2009).
- Your response to the request for clarification of the points of diversion involved in the proposed transfer is problematic. Your response stated "POD #1 is not in use at this time to service land under T-10730". Please be advised that we cannot process this transfer without including POD #1, since POD #1 is the authorized POD for a portion of the right proposed to be transferred. Further, we will need the applicant's specific concurrence to include POD #1 in the proposed transfer.
- We previously requested an affidavit attesting to the use of water (Supplemental Form B) that covered the entire 21 acres proposed to be transferred in the SW ¼ SW ¼ of Section 20. Your response indicated which acreage was included in the Marilyn Dove Affidavit, and provided an explanation of why an Affidavit was not provided for the 11.0 acres included in Certificate 83732. Please provide an Affidavit of Use for these 11 acres; it is perfectly acceptable to use Certificate 83732 as documented evidence of use to support the Affidavit.
- This transfer is proposing to move a portion of Certificate 83651 to instream use. This right has an associated supplemental right, being Certificate 83850. Generally, when a primary right is being transferred the supplemental must also be transferred or cancelled. However, there is opportunity to replace the primary right with another "like" primary right. Under Transfer T-10733, the applicant is proposing to move primary irrigation under a portion of Certificate 80795 (now Certificate 83850) to underlay a portion supplemental right Certificate 83850, which would not have a primary in place once the instream transfer (T-10730) is complete. It appears, however, based on preliminary review, that the entire footprint of the supplemental right being separated from Certificate 83651 is not proposed to be associated with a new primary. The remaining portion of Certificate 83850, without a primary, will need to be cancelled, included in the instream transfer (T-10730), or be associated with a primary right. I have enclosed an affidavit of cancellation, if needed. The Department is also in the

process of evaluating whether replacing the primary right (proposed for transfer under T-10730) with primary irrigation under Certificate 83850 (T-10733) will have similar reliability to the current primary right.

- The maps provided with the transfer application require the following additional clarification and revisions:
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 - When comparing the transfer map (Figure 4) provided for T-10730 with the transfer maps provided for T-10731 (Figures 1 and 2), an inconsistency in the NE ¼ of the NW ¼ of Section 28 became apparent. The 7.90 acres mapped for T-10731 appear to overlap with a portion of the 20.0 acres mapped for T-10730 in this ¼ ¼ section. Please provide transfer maps that clarify the intent of each transfer. Further, in cases such as this ¼ ¼ section, where the right is separated into discrete areas, the transfer map should explicitly state the number of acres included in each discrete area, especially for areas that are proposed to be excluded from the transfer.

Please submit the requested information by December 8, 2009. If you have any questions, please call me at 503-986-0884.

Sincerely,

Laura K. Wilke

Flow Restoration Program Coordinator

cc:

T-10730

Jeremy Giffin, District 11 Watermaster

Agent: Newton Consultants, Attn: David Newton

encs

From: Terry Sprecher [terry.sprecher@bendbroadband.com]

Sent: Monday, November 02, 2009 3:55 PM

To: Laura Wilke

Subject: RE: T-10730 Daniels Reponse to Additioanl Information

Attachments: 10730-DRFT.2nd.deficiency-ltr-RA.doc

Hi Laura,

Attached is a 2nd draft deficiency letter for T-10730 – other deficiency letters for the 4 associated transfers to follow later today/tomorrow.

Your questions that aren't specifically answered in the draft deficiency letter are pulled into the next section, then answered in red.

7. Affidavit of use question clarified

Technically they need to provide an affidavit of use that covers the portion of each right proposed for transfer. We actually do need an affidavit for Certificate 83732, even if they only check the box indicating that a cert was issued in the last five years as the evidence. This transfer has a portion of three certificates proposed for transfer. Which one or ones are covered by the affidavit from Marilyn Dove?

Have asked for an affidavit of use. Looks like 2 certificates come into play in the SW of SW of S 20 – 83732 and 83857, and that Marilyn Dove's affidavit probably covers 83857.

 Newton's response doesn't sound as if they understand the question – that some of the lands don't match between the primaries and supplemental. I don't think they answered the question yet.

Let's wait and see what response we get for T-10733. I had phone call with them a while back about the supplemental issue. They may be reconfiguring the proposed POU under T-10733 to match up completely with the supplemental left hanging from T-10730.

Doesn't look like the T-10733 response by Newton made any changes to the proposed transferred lands. I am a bit confused, myself, as to what supplemental is left hanging. I took the map for T10730 and the supplemental certificate 83850 and "from" map for T10734, and removed all the supplemental from the T10730 map that is being transferred away. Remaining supplemental does not appear to be associated with lands that are included in T10730, with the possible exception of the NE of the NW of S 28, which doesn't make sense cuz the T10730 and T10731 transfer maps appear to overlap. I am further confused by the choice of "to" lands for T-10733, since the parcels aren't contiguous and are smaller than what was previously irrigated. In any event, I've left this part out of the second deficiency letter — you are welcome to add back in if it is still pertinent.

Thanks, and have fun with this!

Terry A. Sprecher, RG, CWRE Sprecher Group DBE/WBE/ESB # 5687

Phone: 541/306-3709 Cell: 541/419-0883

terry.sprecher@bendbroadband.com

From: Terry Sprecher [mailto:terry.sprecher@bendbroadband.com]

Sent: Thursday, October 08, 2009 5:03 PM

To: Laura Wilke

Subject: RE: T-10730 Daniels Reponse to Additioanl Information

Laura,

Here's how Newton's response looks – remaining potential issues are bolded:

- Requested water delivery system descriptions are provided Looks good to me.
- Type of use clarification specifically clarified for 83857 (former 83601). 83651 is not specifically
 mentioned, but the wording in Newton's response may cover this. Your call will WRD accept as
 written or do we need to ask again?

We do indeed need to request clarification for Certificate 83651.

- 3. PODs clarified there are 5 in the transfer, rather than the 6 we were thinking. Jim Newton says POD 1 for Certificate 83857 is "not in use at this time to service land under T-10730". My question is, Certificate 83857 specifically associates 13.4 A with POD #1. They can't just irrigate those lands from another POD without a transfer, can they? (see #7 below for the rest of this issue). Ran into this once before on another transfer of a Crooked River right. What we identified for that transfer was that the transfer would be from the authorized POD regardless of which POD they were using, as long as it was from the same source. We need to let them know that the transfer will include POD #1 as that is the authorized POD for a portion of the right proposed for transfer and obtain their concurrence. Also need to address this in the DPD.
- Tax lot number corrected Excellent
- 5. Affidavit of use question clarified
 - Technically they need to provide an affidavit of use that covers the portion of each right proposed for transfer. We actually do need an affidavit for Certificate 83732, even if they only check the box indicating that a cert was issued in the last five years as the evidence. This transfer has a portion of three certificates proposed for transfer. Which one or ones are covered by the affidavit from Marilyn Dove?
- Clarification regarding supplemental form C assumptions and intent of instream transfer Great
- 7. See #3 above. Newton (rightfully) mapped how the PODs and irrigated lands are actually used now. The problem is: 2.4 A in NW of NW, 3.0 A in SW of NW, and 8.0 A in SE of NW of S 29 are all mapped with POD 6, but the certificate states POD 1. Don't they need a transfer to move the POD? Yes, they would need a transfer to move the POD. We can do the instream transfer considering POD #1. We can't do it considering POD #6. On the previous transfer that I mentioned, we completed the instream transfer considering the authorized POD's only. Also, the application maps need to be consistent with the water right of record. Probably need to have them do some additional changes to make sure consistent with what is "currently authorized." I'm also assuming that when they mention Cert 81601 they really mean Cert 83857 but the maps also need to be updated with the correct cert number.
 - Also, did they break the POU down by priority date show which acres are for which priority date?
- Place of use not being transferred is clarified for the requested ½ ¼ section
 Not perfect but ok. What I would have preferred to have seen is the number of acres being transferred and the number of acres remaining identified rather than have us have to do the math.
- 9. Map showing 5 PODs was provided. 6th POD is not part of the transfer, per Newton (see #3 and #7

above).

All POD's associated with the place of use need to be identified, being POD #1, POD #2, POD #6 and POD #7. they need to correctly show which lands are associated with each authorized POD even though lands irrigated from POD #1 are being irrigated from POD #6.

- Requested property boundary was provided Great
- 11. Newton's response doesn't sound as if they understand the question that some of the lands don't match between the primaries and supplemental. I don't think they answered the question yet. Let's wait and see what response we get for T-10733. I had phone call with them a while back about the supplemental issue. They may be reconfiguring the proposed POU under T-10733 to match up completely with the supplemental left hanging from T-10730.

Can you take a look at the above issues and let me know if I should write another deficiency letter, or what you'd like to see now – particularly about the POD/needing a transfer question that I have. We may need to send maps to Newton to help them understand #11 – I haven't looked at that in detail today, am out of time.

I think we probably need to do another follow up deficiency letter at this point. I also want to wait till we have some of the other responses and look at the entire package. I think we should be seeing those shortly. Got a call from Jim Newton today indicating they were putting together the info we need to continue reviewing the transfers. He also asked about doing a consolidated land use form for the other four transfers. I let him know that it would be ok as long as we could match things up. I think we'll see a land use form with the proposed changes broken down by transfer.

Just got a phone call - looks like I'll be in Prairie City next week, starting on Monday, working on a spill cleanup. If you have time to respond to this email Friday morning, I'll aim at completing the deficiency letter or draft DPD before Monday am.

Thanks, Laura!

Terry A. Sprecher, RG, CWRE Sprecher Group DBE/WBE/ESB # 5687

Phone: 541/306-3709 Cell: 541/419-0883

terry.sprecher@bendbroadband.com

From: Laura Wilke [mailto:snedaklk@wrd.state.or.us]

Sent: Monday, September 28, 2009 8:40 AM

To: Terry Sprecher

Subject: FW: T-10730 Daniels Reponse to Additioanl Information

Terry – here's the first of the information back on the Daniels Group transfers. I haven't had a chance to take a look at it yet myself but probably will next week.

I think responses to our deficiency letters on the other transfers will be coming along one by one.

Laura

Laura Wilke Flow Restoration Program Coordinator Oregon Water Resources Department 725 Summer St. NE, Suite A Salem, Oregon 97301-1271 Phone: (503) 986-0884 Web: www.wrd.state.or.us

From: Jim Newton [mailto:jnewton@newtonconsultants.com]

Sent: Friday, September 25, 2009 4:35 PM

To: Laura K WILKE Cc: 'Katie Turner'

Subject: T-10730 Daniels Reponse to Additioanl Information

Hi Laura,

Attached is the electronic file for the Daniels T-10730 response for additional information. The file is complete with clarifying letter and maps. If you have any questions on the file, or I need to send you the file in pieces (it is rather large), let me know. Have a great weekend,

~Jim

James B. Newton, R.G., C.W.R.E. Senior Staff Geologist
Newton Consultants, Inc.
521 SW 6th Street, Suite 100
Redmond, Oregon 97756
541 504-9960 x235
541 504-9961 fax
jnewton@newtonconsultants.com



Water Resources Department

725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

November x, 2009

GREG DANIELS THE DANIELS GROUP, LLC 1111 MAIN ST, SUITE 700 VANCOUVER, WA 98660

SUBJECT: Water Right Transfer Application T-10730

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 evidence of use to support the Affidavit.
- The maps provided with the transfer application require the following clarification and revisions:
 - The transfer maps must be consistent with the water right of record, i.e. all authorized PODs and associated lands, along with correct certificate numbers, must be shown on the transfer maps. Please revise the transfer maps to include POD #1 and the associated place of use, as well as the correct certificate numbers. Please verify that each POU is correctly assigned a priority date as well as a POD.
 - When comparing the transfer map (Figure 4) provided for T-10730 with the transfer maps provided for T-10731 (Figures 1 and 2), an inconsistency in the NE ¼ of the NW ¼ of S 28 became apparent. The 7.90 acres mapped for T-10731 appear to overlap with a portion of the 20.0 acres mapped for T-10730 in this ¼ ¼ section. Please provide transfer maps that clarify the intent of each transfer. Further, in cases such as this ¼ ¼ section, where the right is

separated into discrete areas, the transfer map should explicitly state the number of acres included in each discrete area, especially for areas that are proposed to be excluded from the transfer.

Please submit the requested information by December X, 2009. If you have any questions, please call me at 503-986-0884.

Sincerely,

Laura K. Wilke Flow Restoration Program Coordinator

cc:

T-10730

Jeremy Giffin, District 11 Watermaster

Agent: Newton Consultants, Attn: David Newton

encs

From: Laura Wilke

Sent: Friday, October 09, 2009 2:26 PM

To: 'Terry Sprecher'

Subject: RE: T-10730 Daniels Reponse to Additioanl Information

See below.....

Give me a buzz if you have more questions. Awesome work!

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer St. NE, Suite A
Salem, Oregon 97301-1271
Phone: (503) 986-0884
Web: www.wrd.state.or.us

From: Terry Sprecher [mailto:terry.sprecher@bendbroadband.com]

Sent: Thursday, October 08, 2009 5:03 PM

To: Laura Wilke

Subject: RE: T-10730 Daniels Reponse to Additioanl Information

Laura,

Here's how Newton's response looks – remaining potential issues are bolded:

- Requested water delivery system descriptions are provided Looks good to me.
- Type of use clarification specifically clarified for 83857 (former 83601). 83651 is not specifically mentioned, but the wording in Newton's response may cover this. Your call – will WRD accept as written or do we need to ask again?

We do indeed need to request clarification for Certificate 83651.

- 3. PODs clarified there are 5 in the transfer, rather than the 6 we were thinking. Jim Newton says POD 1 for Certificate 83857 is "not in use at this time to service land under T-10730". My question is, Certificate 83857 specifically associates 13.4 A with POD #1. They can't just irrigate those lands from another POD without a transfer, can they? (see #7 below for the rest of this issue)
 - Ran into this once before on another transfer of a Crooked River right. What we identified for that transfer was that the transfer would be from the authorized POD regardless of which POD they were using, as long as it was from the same source. We need to let them know that the transfer will include POD #1 as that is the authorized POD for a portion of the right proposed for transfer and obtain their concurrence. Also need to address this in the DPD.
- Tax lot number corrected
 Excellent
- 5. Affidavit of use question clarified
 - Technically they need to provide an affidavit of use that covers the portion of each right proposed for transfer. We actually do need an affidavit for Certificate 83732, even if they only check the box indicating that a cert was issued in the last five years as the evidence. This transfer has a portion of three certificates proposed for transfer. Which one or ones are covered by the affidavit from Marilyn Dove?
- 6. Clarification regarding supplemental form C assumptions and intent of instream transfer
 Great
- 7. See #3 above. Newton (rightfully) mapped how the PODs and irrigated lands are actually used

- now. The problem is: 2.4 A in NW of NW, 3.0 A in SW of NW, and 8.0 A in SE of NW of S 29 are all mapped with POD 6, but the certificate states POD 1. Don't they need a transfer to move the POD? Yes, they would need a transfer to move the POD. We can do the instream transfer considering POD #1. We can't do it considering POD #6. On the previous transfer that I mentioned, we completed the instream transfer considering the authorized POD's only. Also, the application maps need to be consistent with the water right of record. Probably need to have them do some additional changes to make sure consistent with what is "currently authorized." I'm also assuming that when they mention Cert 81601 they really mean Cert 83857 but the maps also need to be updated with the correct cert number.
 - Also, did they break the POU down by priority date show which acres are for which priority date?
- 8. Place of use not being transferred is clarified for the requested ¼ ¼ section Not perfect but ok. What I would have preferred to have seen is the number of acres being transferred and the number of acres remaining identified rather than have us have to do the math.
- 9. Map showing 5 PODs was provided. 6th POD is not part of the transfer, per Newton (see #3 and #7 above). All POD's associated with the place of use need to be identified, being POD #1, POD #2, POD #6 and POD

#7. they need to correctly show which lands are associated with each authorized POD even though

lands irrigated from POD #1 are being irrigated from POD #6.

10. Requested property boundary was provided Great

11. Newton's response doesn't sound as if they understand the question - that some of the lands don't match between the primaries and supplemental. I don't think they answered the question yet. Let's wait and see what response we get for T-10733. I had phone call with them a while back about the supplemental issue. They may be reconfiguring the proposed POU under T-10733 to match up completely with the supplemental left hanging from T-10730.

Can you take a look at the above issues and let me know if I should write another deficiency letter, or what you'd like to see now – particularly about the POD/needing a transfer question that I have. We may need to send maps to Newton to help them understand #11 - I haven't looked at that in detail today, am out of time.

I think we probably need to do another follow up deficiency letter at this point. I also want to wait till we have some of the other responses and look at the entire package. I think we should be seeing those shortly. Got a call from Jim Newton today indicating they were putting together the info we need to continue reviewing the transfers. He also asked about doing a consolidated land use form for the other four transfers. I let him know that it would be ok as long as we could match things up. I think we'll see a land use form with the proposed changes broken down by transfer.

Just got a phone call - looks like I'll be in Prairie City next week, starting on Monday, working on a spill cleanup. If you have time to respond to this email Friday morning, I'll aim at completing the deficiency letter or draft DPD before Monday am.

Thanks, Laura!

Terry A. Sprecher, RG, CWRE Sprecher Group DBE/WBE/ESB # 5687

Phone: 541/306-3709 Cell: 541/419-0883

terry.sprecher@bendbroadband.com

From: Laura Wilke [mailto:snedaklk@wrd.state.or.us]

Sent: Monday, September 28, 2009 8:40 AM

To: Terry Sprecher

Subject: FW: T-10730 Daniels Reponse to Additioanl Information

Terry – here's the first of the information back on the Daniels Group transfers. I haven't had a chance to take a look at it yet myself but probably will next week.

I think responses to our deficiency letters on the other transfers will be coming along one by one.

Laura

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer St. NE, Suite A
Salem, Oregon 97301-1271
Phone: (503) 986-0884
Web: www.wrd.state.or.us

From: Jim Newton [mailto:jnewton@newtonconsultants.com]

Sent: Friday, September 25, 2009 4:35 PM

To: Laura K WILKE Cc: 'Katie Turner'

Subject: T-10730 Daniels Reponse to Additioanl Information

Hi Laura,

Attached is the electronic file for the Daniels T-10730 response for additional information. The file is complete with clarifying letter and maps. If you have any questions on the file, or I need to send you the file in pieces (it is rather large), let me know.

Have a great weekend,

~Jim

James B. Newton, R.G., C.W.R.E. Senior Staff Geologist
Newton Consultants, Inc.
521 SW 6th Street, Suite 100
Redmond, Oregon 97756
541 504-9960 x235
541 504-9961 fax
inewton@newtonconsultants.com

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Sent: Thursday, October 08, 2009 5:03 PM

To: Laura Wilke

Subject: RE: T-10730 Daniels Reponse to Additioanl Information

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Here's how Newton's response looks - remaining potential issues are bolded:

Requested water delivery system descriptions are provided

Type of use clarification - specifically clarified for 83857 (former 83601). 83651 is not specifically mentioned, but the wording in Newton's response may cover this. Your call – will WRD accept as written or do we need to ask again? Cook acquire for 63651

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- 4. Tax lot number corrected
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- 6. Clarification regarding supplemental form C assumptions and intent of instream transfer
- 7. See #3 above. Newton (rightfully) mapped how the PODs and irrigated lands are actually used now. The problem is: 2.4 A in NW of NW, 3.0 A in SW of NW, and 8.0 A in SE of NW of S 29 are all mapped with POD 6, but the certificate states POD 1. Don't they need a transfer to move the POD?
- 8. Place of use not being transferred is clarified for the requested ¼ ¼ section
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- 10. Requested property boundary was provided
- 11. Newton's response doesn't sound as if they understand the question that some of the lands don't match between the primaries and supplemental. I don't think they answered the question yet.

Can you take a look at the above issues and let me know if I should write another deficiency letter, or what you'd like to see now – particularly about the POD/needing a transfer question that I have. We may need to send maps to Newton to help them understand #11 – I haven't looked at that in detail today, am out of time.

Just got a phone call - looks like I'll be in Prairie City next week, starting on Monday, working on a spill cleanup. If you have time to respond to this email Friday morning, I'll aim at completing the deficiency letter or draft DPD before Monday am.

Thanks, Laura!

Terry A. Sprecher, RG, CWRE Sprecher Group DBE/WBE/ESB # 5687

Phone: 541/306-3709

Cell: 541/419-0883

terry.sprecher@bendbroadband.com

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Sent: Monday, September 28, 2009 8:40 AM

To: Terry Sprecher

Subject: FW: T-10730 Daniels Reponse to Additioanl Information

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I think responses to our deficiency letters on the other transfers will be coming along one by one.

Laura

Laura Wilke Flow Restoration Program Coordinator Oregon Water Resources Department 725 Summer St. NE, Suite A Salem, Oregon 97301-1271 Phone: (503) 986-0884 Web: www.wrd.state.or.us

From: Jim Newton [mailto:jnewton@newtonconsultants.com]

Sent: Friday, September 25, 2009 4:35 PM

To: Laura K WILKE Cc: 'Katie Turner'

Subject: T-10730 Daniels Reponse to Additioanl Information

Hi Laura,

Attached is the electronic file for the Daniels T-10730 response for additional information. The file is complete with clarifying letter and maps. If you have any questions on the file, or I need to send you the file in pieces (it is rather large), let me know. Have a great weekend,

~Jim

James B. Newton, R.G., C.W.R.E. Senior Staff Geologist Newton Consultants, Inc. 521 SW 6th Street, Suite 100 Redmond, Oregon 97756 541 504-9960 x235 541 504-9961 fax inewton@newtonconsultants.com



September 25, 2009 Project No.: 1047-105

Laura K. Wilke Flow Restoration Program Coordinator Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301 RECEIVED

SEP 2 8 2009

WATER RESOURCES DEPT SALEM, OREGON

RE: INSTREAM TRANSFER T-10730 REQUEST FOR ADDITIONAL INFORMATION

Dear Laura:

This letter has been prepared by Newton Consultants, Inc. (Newton) to respond to your request for additional information regarding the instream transfer application file T-10730 for Greg Daniels of The Daniels Group, LLC (Daniels) included in a letter issued by you dated August 26, 2009. Your specific issues are listed below in *italics*; Newton's response to each issue follows.

WATER DELIVERY SYSTEM DESCRIPTION

"A description of the water delivery system for each right proposed for transfer along with the system capacity for each delivery system needs to be provided. It appears that only the delivery system and capacity associated with the Miles property was provided as part of the transfer application (see main transfer application form, page 2)."

Newton Response:

The transfer T-10730 involves three water right certificates, 83857 (formerly 81601), 83651 and 83732. The Place of Use (POU) for each water right is serviced by a separate delivery system. The delivery system for the Miles property, Certificate 83651, was included in the T-10730 application, the description of the delivery system for the Butler Ranch Property, Certificate 83732, and the Daniels Property, Certificate 81601, is provided below.

Butler Ranch Property (83732)

The irrigation system on the Butler property operated under Certificate 83732 is supplied water by a 68 horsepower (Hp) power take-off (PTO) tractor mounted mobile centrifugal pump that supplies pressurized sprinkler irrigation water through pressurized mainline to

a single wheel line and hand lines. Using the pump calculator provided on the Oregon Water Resources Department (OWRD) website, the approximate system capacity of the 68 Hp pump is up to 3.06 cubic feet per second (cfs) with an assumed 20 feet of lift.

Daniels Property (81601)

The irrigation system on the Daniels property operated under certificate 83857 (formerly Certificate 81601) is supplied by a 25 Hp GE motor and centrifugal pump delivered to buried mainlines and irrigated by a combination of wheel lines and hand lines with a river crossing main line.

The system capacity calculations for the 25 Hp pump that serves the Daniels property was further refined based on the conditions observed and described by John Short, the previous owner of the Daniels Property. The lift for the 25 Hp pump varies from a few feet up to 10 to 12 feet when the river is at a low flow condition later in the irrigation season. Using the pump calculator provided on the OWRD website, the approximate system capacity at low river conditions of the 25 Hp pump ranges between 1.19 and 1.21 cfs.

TYPE OF USE

"Page 2, Supplemental Form A for both Certificate 83857 (formerly Certificate 81601) and 83651, describes the type of use as Primary Irrigation. Both certificates state the type of use is Irrigation, Domestic, and Livestock. Please clarify whether you are intending to transfer all three types of use. If intending to leave any domestic or livestock, the applicant would also need to leave some irrigation consistent with the Crooked River Decree, which identifies that domestic and livestock water are a portion of the water diverted for irrigation purposes during the irrigation season."

Newton Response:

Under Certificate 81601 the use is described as irrigation, domestic and livestock; the intent of this transfer application is to transfer all water uses associated with the acres to instream. The transfer, therefore, would not leave any uses, domestic or livestock, at the current place of use and all uses would be transferred together instream under this transfer, the Crooked River Decree would not apply.

CERTIFICATE 81601 PODs

"Page 3, Supplemental Form A for Certificate 83857, describes three PODs, and merges the description of two PODs together. It appears from review of the transfer application, that the portion of the right proposed for transfer includes POD #1, POD #2 (Low Line Ditch), POD #6 and POD #7. Please clarify the points of diversion involved in the transfer application."

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Newton Response:

The points of diversion (PODs) for Certificate 81601 that are involved in the transfer are PODs #2 (Low Line Ditch), #6 and #7. POD #1 is not in use at this time to service land under T-10730.

POD #6 is a pump station along the Crooked River with a 25 Hp centrifugal pump with an estimated capacity of 1.19 to 1.21 cfs that provides the irrigation water to the 10.0 acres located in the SW-SW quarter-quarter of Section 20; the 38.0 acres in the NW-NW, 5.0 acres in the NE-NW, the 3.0 acres in the SW-NW, and the 8.0 acres in the SE-NW quarter-quarter of Section 29 involved in this transfer. The approximate location of the diversion point from the Crooked River is shown on the attached Figure 1.

POD #2 is Low Line Ditch, which supplies gravity flood irrigation to the Miles property under Certificate 83651 and also the irrigation to the 2.5 acres under Certificate 81601 in the SE-SW quarter-quarter of Section 21 involved in this transfer. The approximate location of the diversion point from the Crooked River for the Low Line Ditch is shown on Figure 1 in Section 24.

POD #7 is a pump station along the Crooked River with a 30 Hp centrifugal pump with an estimated capacity of 1.32 cfs that provides the irrigation water to the 0.5 acres located in the NE-NE quarter-quarter of Section 29 shown on the attached Figure 1.

CERTIFICATE 83732 TAX LOT

"Page 4, Supplemental Form A for Certificate 83732 appears to list an incorrect tax lot for the 11 acres proposed to be transferred. Please clarify the correct tax lot number for the proposed 11 acres."

Newton Response:

The tax lot for the 11.0 acres proposed for transfer in the SW-SW quarter-quarter of Section 20 is tax lot 100. In the previous submittal, the tax lot was identified correctly as tax lot 100 on the accompanied maps and was incorrectly identified in supplemental form A as tax lot 200. The attached Figure 2 shows the location of tax lots for each of the properties associated with T-10730.

AFFIDAVIT OF USE FOR CERTIFICATE 83732

"The affidavit attesting to the use of water (Supplemental Form B) signed by Marilyn Dove appears to include 14.4 acres in the SW ¼ of the SW ¼ of Section 20, T14S, R14E, but 21 acres are proposed for transfer in this ¼ ¼ section. Please provide and affidavit of use for the entire 21 acres proposed to be transferred in this ¼ ¼ section, broken down by water right."

RECEIVED

Newton Response:

The Affidavit of Use from Marilyn Dove that was included with T-10730 was for 14.4 acres in the SW-SW quarter-quarter of Section 20, Township 14 South, Range 14 East. T-10730 proposes to transfer 10 acres of the 14.4 acres to which Marilyn Dove attested their use. The remaining 11 acres of the 21 acres proposed for transfer in this quarter-quarter are covered under Certificate 83732 for the Butler property.

The affidavit of use material enclosed with application T-10730 did not include an affidavit of use for the 11.0 acres irrigated under Certificate 83732 on the Butler property, as Certificate 83732 is a confirming right issued in January 9, 2008. Based on telephone discussions with you on September 9 and 24, 2009, the date of the confirming right demonstrates proof of use of the water under the certificate. The water right holder would only have to put the certificated water to use within 5 years from the date of issuance to show continued use of the water for the future.

At this point, the January 9, 2008 date is within the last 5 years and no additional affidavit of use is required at this time to show beneficial use of Certificate 83732.

INTENT OF INSTREAM TRANSFER OF WATER RIGHTS

"On Supplemental Form C (#5), the applicant's intent with regard to existing instream water rights is not clear. Normally instream rights created through the transfer process replace a portion of those rights created through the state agency application process or minimum flow conversion process as rights created under these processes generally have junior priority dates and would benefit from a new instream use with a senior priority date replacing them. New instream rights created through the transfer process are also normally additive to other rights created through the same process or through the allocation of conserved water process. At this time, the Department is preparing the Draft Preliminary Determination with the assumption that it is your intent to have the new instream use treated as it normally would with regard to existing instream rights already in the river system. Please confirm whether you concur with this assumption."

Newton Response:

The intent of the instream transfer of T-10730 is to have these rights transferred instream and should be considered additive to other rights created through the same process. At this time, your assumption is correct to "...have the instream use [transfer T-10730] treated as it normally would with regard to existing instream rights already in the river system."

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CLARIFICATION OF TRANSFER MAPS

PODs for Certificate 83857 (formerly Certificate 81601)

"The maps provided with the transfer application require the following clarification and revisions:

Under Certificate 83857, the water right is broken down by Point of Diversion (POD) and priority date. Please map the acreage separately for each POD and priority date noted in Certificate 83857. For mapping purposes, the Department recommends providing a separate application map for Certificate 83857 given the different priority dates and POD's for the right."

Newton Response:

The enclosed Figures 1 and 3 indicate the PODs, priority dates, and the acres served by each POD under Certificate 81601. At your suggestion, Figure 3 only contains the PODs #2, #6, and #7, priority dates and acres served by each POD associated with Certificate 81601 that is involved in transfer T-10730.

Remaining POU for Certificate 83857

For the portion of the right proposed for transfer under Certificate 83857, the remaining portion in the SE SW of Section 21, T14S, R14E, WM also needs to be shown on the map.

Newton Response:

The enclosed Figure 4 indicates the place of use (POU) intended for transfer under T-10730 and, additionally, the portion of the POU that is not intended to be changed under T-10730 are show accordingly.

PODS for Transfer T-10730

"Please provide a map showing the location of all 6 PODs included in T-10730 associated with each Certificate."

Newton Response:

The proposed PODs associated with T-10730 that are intended for transfer are shown on Figure 1.

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SEP 2 8 2009

WATER RESOURCES DEPT SALEM, OREGON

Property Boundary for Certificate 83732

"A property boundary for the portion of certificate 83732 proposed for transfer does not appear to be show on the application map. Please provide a map showing the property boundary."

Newton Response:

The property boundary for the "From" lands associated with Certificate 83732 is on the Butler Ranch. The property boundary for Butler Ranch is shown on Figure 2.

POU FOR CERTIFICATE 83850 (Formerly Certificate 80795)

"The Department is also presently in the process of evaluating transfer T-10730, which proposes to move primary irrigation under a portion of Certificate 80795 (now Certificate 83850) to underlay supplemental right Certificate 83850, which would not have a primary in place once the instream transfer is complete. It appears, based on preliminary review, that not all of the supplemental is proposed to be associated with a new primary. The remaining portion of Certificate 83850, without a primary, will need to be cancelled or included in the instream transfer. I have enclosed an affidavit of cancellation, if needed. The Department is also in the process of evaluating whether replacing the primary rights with primary irrigation under Certificate 83850 will have similar reliability to the current primary rights."

Newton Response:

The supplemental "From" lands for Certificate 80795 that overlay primary water rights that are proposed to be transferred instream under T-10730 are intended to be moved to a different property owner under T-10733. Although during the transfer process, lands that have stacked primary and supplemental rights cannot be left without a primary to underlay the supplemental water right. Therefore, the intent of T-10733 would be to process T-10730 & T-10733 simultaneously, thus causing no forfeiture of supplemental rights.

At this time, the transfer for the supplemental portion of 80795 that overlays primary rights to be transferred instream under T-10730 would be completed under T-10733. Under direction of OWRD transfer staff prior to submittal of T-10730 and T-10733, OWRD transfer staff recommended these transfers be submitted to the OWRD simultaneously and not under the same transfer, as T-10730 instream transfers are preferentially processed by the OWRD separately from changes in POU.

Any modifications to the POU of Certificate 80795 supplemental water right proposed in T-10733 will be addressed by modifications to T-10733.

RECEIVED

CLOSING

If there are questions regarding the information contained in this letter, please feel free to contact me at your convenience. I can be reached by telephone at (541) 504-9960, extension 235, or by email at jnewton@newtonconsultants.com.

Sincerely,

NEWTON CONSULTANTS, INC.

JAMES B. NEWTON JUNE 8, 2009

ATE OF OREGO

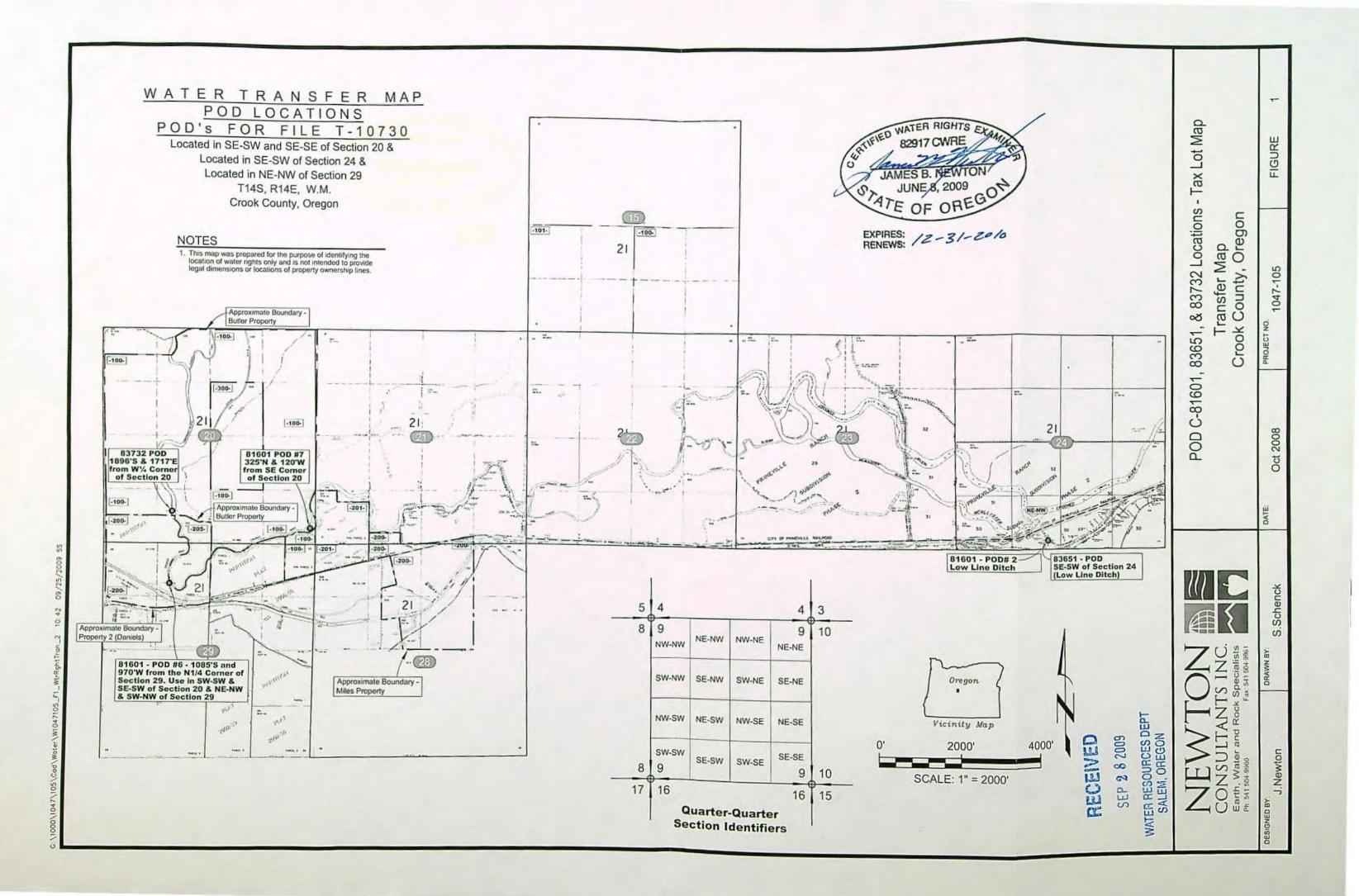
EXPIRES: /2/31/20/0 RENEWS: James B. Newton, R.G., C.W.R.E.

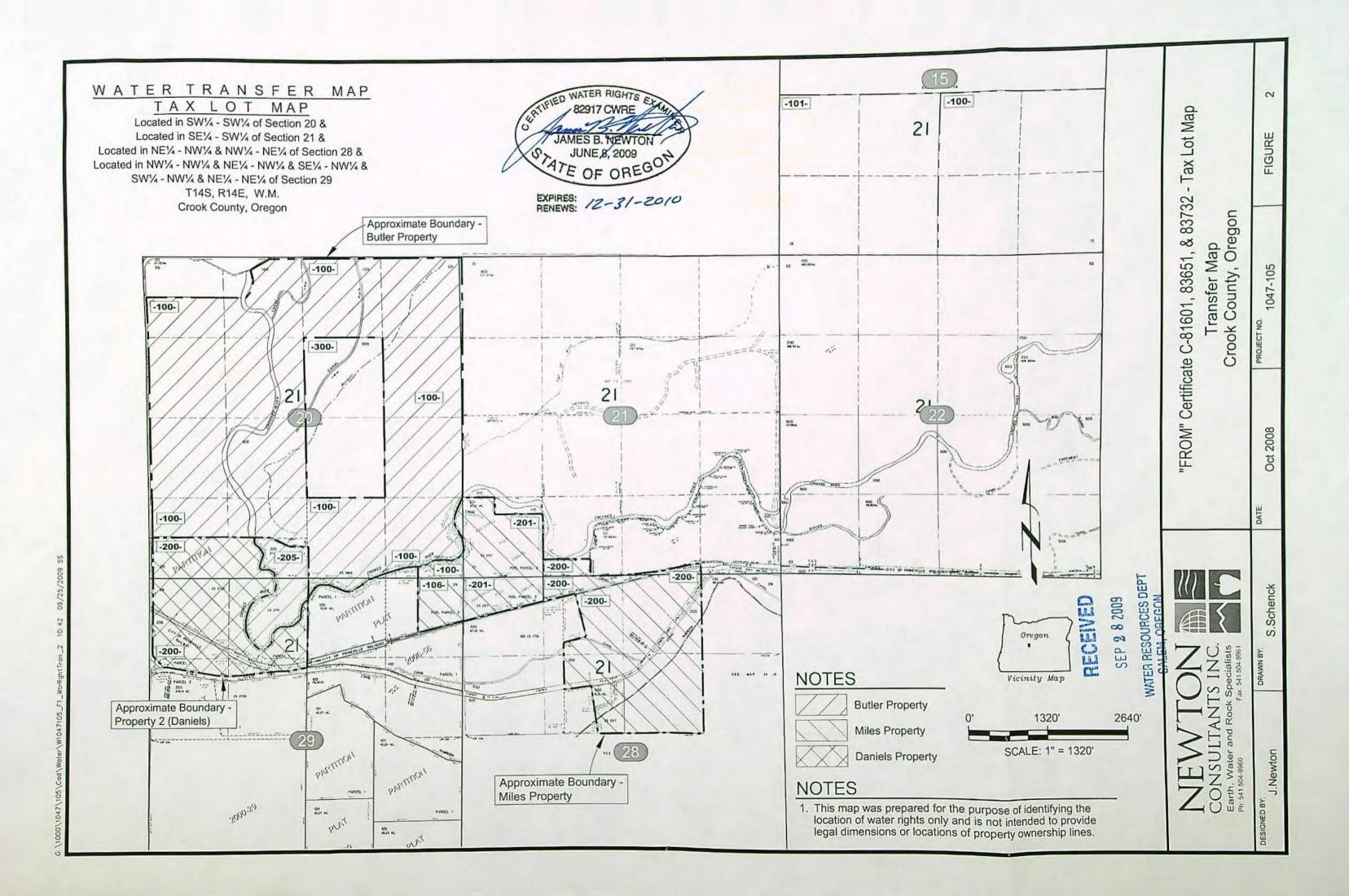
Senior Staff Geologist

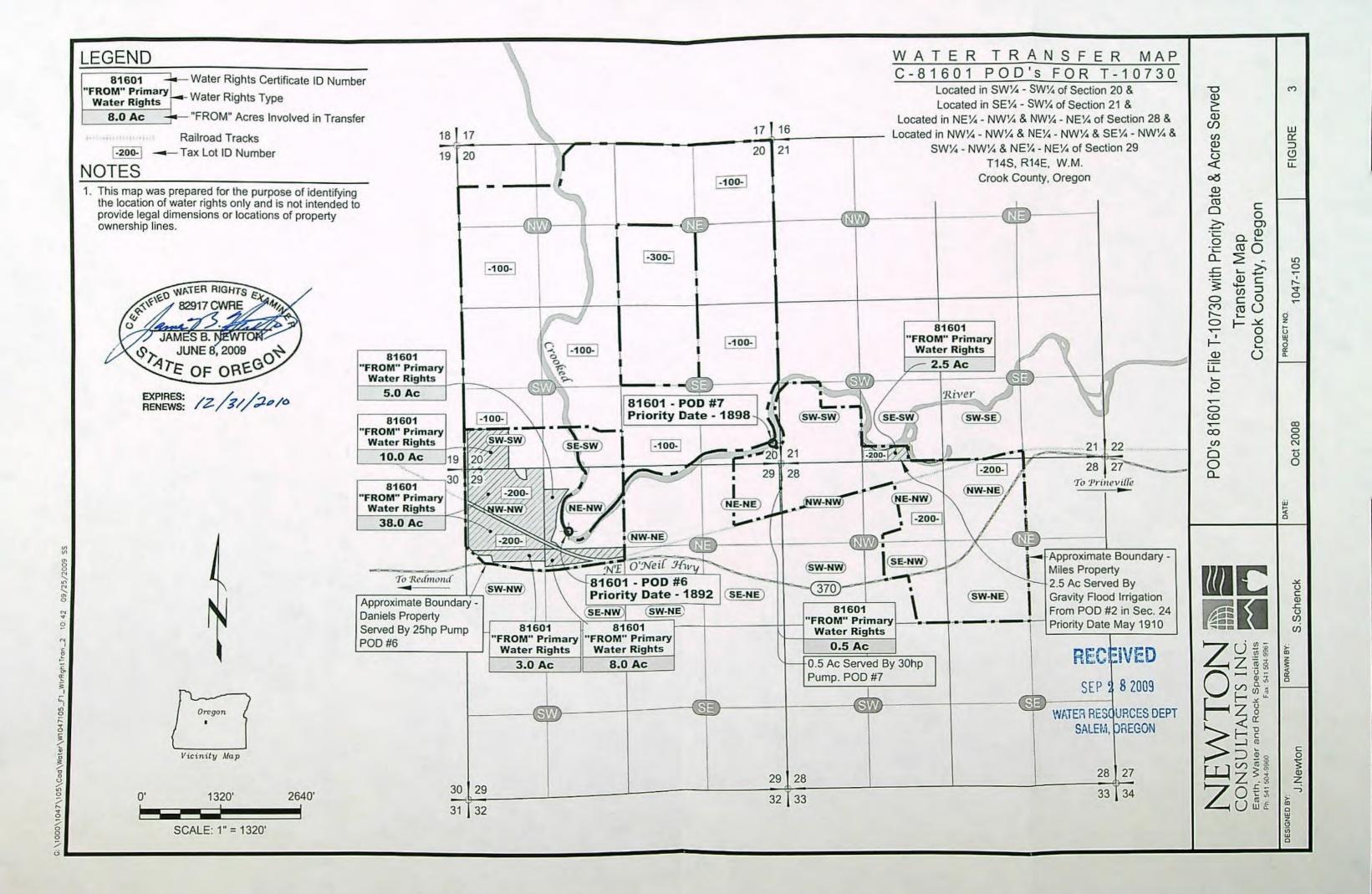
Enclosures: Figures (4)

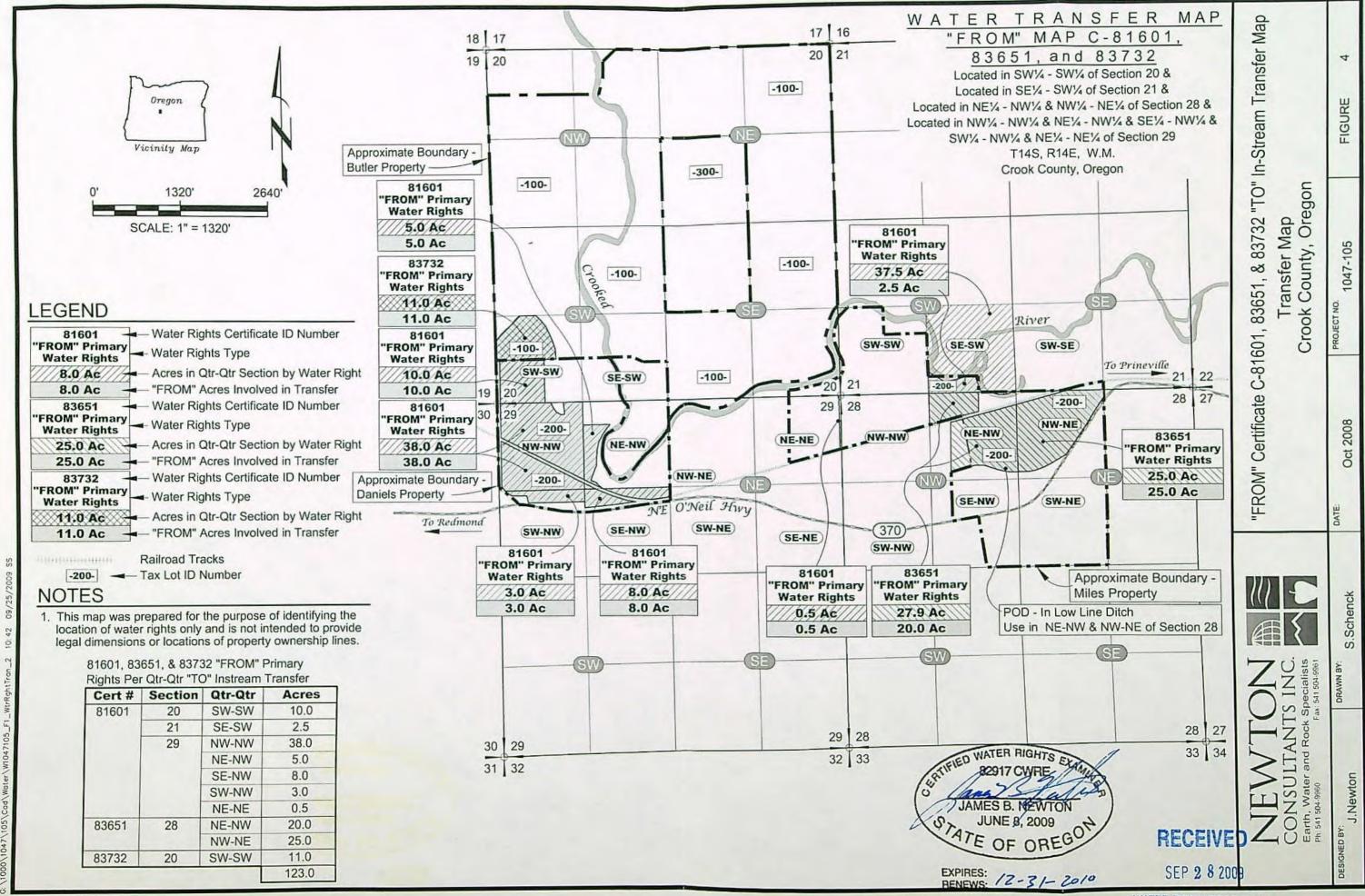
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SEP 2 8 2009
WATER RESOURCES DEPT
SALEM, OREGON









WATER RESOURCES DEPT SALEM, OREGON

From: Jim Newton [jnewton@newtonconsultants.com]

Sent: Friday, September 25, 2009 4:35 PM

To: Laura K WILKE
Cc: 'Katie Turner'

Subject: T-10730 Daniels Reponse to Additioanl Information

Attachments: FINAL September 25_2009 T-10730 Instream Response Letter Comb.pdf

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~Jim

James B. Newton, R.G., C.W.R.E. Senior Staff Geologist
Newton Consultants, Inc.
521 SW 6th Street, Suite 100
Redmond, Oregon 97756
541 504-9960 x235
541 504-9961 fax
jnewton@newtonconsultants.com



September 25, 2009 Project No.: 1047-105

Laura K. Wilke Flow Restoration Program Coordinator Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301

RE: INSTREAM TRANSFER T-10730 REQUEST FOR ADDITIONAL INFORMATION

Dear Laura:

This letter has been prepared by Newton Consultants, Inc. (Newton) to respond to your request for additional information regarding the instream transfer application file T-10730 for Greg Daniels of The Daniels Group, LLC (Daniels) included in a letter issued by you dated August 26, 2009. Your specific issues are listed below in *italics*; Newton's response to each issue follows.

WATER DELIVERY SYSTEM DESCRIPTION

"A description of the water delivery system for each right proposed for transfer along with the system capacity for each delivery system needs to be provided. It appears that only the delivery system and capacity associated with the Miles property was provided as part of the transfer application (see main transfer application form, page 2)."

Newton Response:

The transfer T-10730 involves three water right certificates, 83857 (formerly 81601), 83651 and 83732. The Place of Use (POU) for each water right is serviced by a separate delivery system. The delivery system for the Miles property, Certificate 83651, was included in the T-10730 application, the description of the delivery system for the Butler Ranch Property, Certificate 83732, and the Daniels Property, Certificate 81601, is provided below.

Butler Ranch Property (83732)

The irrigation system on the Butler property operated under Certificate 83732 is supplied water by a 68 horsepower (Hp) power take-off (PTO) tractor mounted mobile centrifugal pump that supplies pressurized sprinkler irrigation water through pressurized mainline to

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TYPE OF USE

"Page 2, Supplemental Form A for both Certificate 83857 (formerly Certificate 81601) and 83651, describes the type of use as Primary Irrigation. Both certificates state the type of use is Irrigation, Domestic, and Livestock. Please clarify whether you are intending to transfer all three types of use. If intending to leave any domestic or livestock, the applicant would also need to leave some irrigation consistent with the Crooked River Decree, which identifies that domestic and livestock water are a portion of the water diverted for irrigation purposes during the irrigation season."

Frewton Response:

Cert \$3\$57

Under Certificate 81601 the use is described as irrigation, domestic and livestock; the intent of this transfer application is to transfer all water uses associated with the acres to instream. The transfer, therefore, would not leave any uses, domestic or livestock, at the current place of use and all uses would be transferred together instream under this transfer, the Crooked River Decree would not apply.

CERTIFICATE 81601 PODs

"Page 3, Supplemental Form A for Certificate 83857, describes three PODs, and merges the description of two PODs together. It appears from review of the transfer application, that the portion of the right proposed for transfer includes POD #1, POD #2 (Low Line Ditch), POD #6 and POD #7. Please clarify the points of diversion involved in the transfer application."

Newton Response:

The points of diversion (PODs) for Certificate \$1601 that are involved in the transfer are PODs #2 (Low Line Ditch), #6 and #7 POD #1 is not in use at this time to service land under T-10730.

POD #6 is a pump station along the Crooked River with a 25 Hp centrifugal pump with an estimated capacity of 1.19 to 1.21 cfs that provides the irrigation water to the 10.0 acres located in the SW-SW quarter-quarter of Section 20; the 38.0 acres in the NW-NW, 5.0 acres in the NE-NW, the 3.0 acres in the SW-NW, and the 8.0 acres in the SE-NW quarter-quarter of Section 29 involved in this transfer. The approximate location of the diversion point from the Crooked River is shown on the attached Figure 1.

POD #2 is Low Line Ditch, which supplies gravity flood irrigation to the Miles property under Certificate 83651 and also the irrigation to the 2.5 acres under Certificate 81601 in the SE-SW quarter-quarter of Section 21 involved in this transfer. The approximate location of the diversion point from the Crooked River for the Low Line Ditch is shown on Figure 1 in Section 24.

POD #7 is a pump station along the Crooked River with a 30 Hp centrifugal pump with an estimated capacity of 1.32 cfs that provides the irrigation water to the 0.5 acres located in the NE-NE quarter-quarter of Section 29 shown on the attached Figure 1.

CERTIFICATE 83732 TAX LOT

"Page 4, Supplemental Form A for Certificate 83732 appears to list an incorrect tax lot for the 11 acres proposed to be transferred. Please clarify the correct tax lot number for the proposed 11 acres."

Newton Response:

The tax lot for the 11.0 acres proposed for transfer in the SW-SW quarter-quarter of Section 20 is tax lot 100. In the previous submittal, the tax lot was identified correctly as tax lot 100 on the accompanied maps and was incorrectly identified in supplemental form A as tax lot 200. The attached Figure 2 shows the location of tax lots for each of the properties associated with T-10730.

AFFIDAVIT OF USE FOR CERTIFICATE 83732

"The affidavit attesting to the use of water (Supplemental Form B) signed by Marilyn Dove appears to include 14.4 acres in the SW ¼ of the SW ¼ of Section 20, T14S, R14E, but 21 acres are proposed for transfer in this ¼ ¼ section. Please provide and affidavit of use for the entire 21 acres proposed to be transferred in this ¼ ¼ section, broken down by water right."

POD

Newton Response:

The Affidavit of Use from Marilyn Dove that was included with T-10730 was for 14.4 acres in the SW-SW quarter-quarter of Section 20, Township 14 South, Range 14 East. T-10730 proposes to transfer 10 acres of the 14.4 acres to which Marilyn Dove attested their use. The remaining 11 acres of the 21 acres proposed for transfer in this quarter-quarter are covered under Certificate 83732 for the Butler property.

The affidavit of use material enclosed with application T-10730 did not include an affidavit of use for the 11.0 acres irrigated under Certificate 83732 on the Butler property, as Certificate 83732 is a confirming right issued in January 9, 2008. Based on telephone discussions with you on September 9 and 24, 2009, the date of the confirming right demonstrates proof of use of the water under the certificate. The water right holder would only have to put the certificated water to use within 5 years from the date of issuance to show continued use of the water for the future.

At this point, the January 9, 2008 date is within the last 5 years and no additional affidavit of use is required at this time to show beneficial use of Certificate 83732.

INTENT OF INSTREAM TRANSFER OF WATER RIGHTS

"On Supplemental Form C (#5), the applicant's intent with regard to existing instream water rights is not clear. Normally instream rights created through the transfer process replace a portion of those rights created through the state agency application process or minimum flow conversion process as rights created under these processes generally have junior priority dates and would benefit from a new instream use with a senior priority date replacing them. New instream rights created through the transfer process are also normally additive to other rights created through the same process or through the allocation of conserved water process. At this time, the Department is preparing the Draft Preliminary Determination with the assumption that it is your intent to have the new instream use treated as it normally would with regard to existing instream rights already in the river system. Please confirm whether you concur with this assumption."

Newton Response:

The intent of the instream transfer of T-10730 is to have these rights transferred instream and should be considered additive to other rights created through the same process. At this time, your assumption is correct to "...have the instream use [transfer T-10730] treated as it normally would with regard to existing instream rights already in the river system."

CLARIFICATION OF TRANSFER MAPS

PODs for Certificate 83857 (formerly Certificate 81601)

"The maps provided with the transfer application require the following clarification and revisions:

Under Certificate 83857, the water right is broken down by Point of Diversion (POD) and priority date. Please map the acreage separately for each POD and priority date noted in Certificate 83857. For mapping purposes, the Department recommends providing a separate application map for Certificate 83857 given the different priority dates and POD's for the right."

Newton Response:

The enclosed Figures 1 and 3 indicate the PODs, priority dates, and the acres served by each POD under Certificate 81601. At your suggestion, Figure 3 only contains the PODs #2, #6, and #7, priority dates and acres served by each POD associated with Certificate 81601 that is involved in transfer T-10730.

Remaining POU for Certificate 83857

For the portion of the right proposed for transfer under Certificate 83857, the remaining portion in the SE SW of Section 21, T14S, R14E, WM also needs to be shown on the map.

Newton Response:

The enclosed Figure 4 indicates the place of use (POU) intended for transfer under T-10730 and, additionally, the portion of the POU that is not intended to be changed under T-10730 are show accordingly.

PODS for Transfer T-10730

"Please provide a map showing the location of all 6 PODs included in T-10730 associated with each Certificate."

Newton Response:

The proposed PODs associated with T-10730 that are intended for transfer are shown on Figure 1.

Property Boundary for Certificate 83732

"A property boundary for the portion of certificate 83732 proposed for transfer does not appear to be show on the application map. Please provide a map showing the property boundary."

Newton Response:

The property boundary for the "From" lands associated with Certificate 83732 is on the Butler Ranch. The property boundary for Butler Ranch is shown on Figure 2.

POU FOR CERTIFICATE 83850 (Formerly Certificate 80795)

"The Department is also presently in the process of evaluating transfer T-10730, which proposes to move primary irrigation under a portion of Certificate 80795 (now Certificate 83850) to underlay supplemental right Certificate 83850, which would not have a primary in place once the instream transfer is complete. It appears, based on preliminary review, that not all of the supplemental is proposed to be associated with a new primary. The remaining portion of Certificate 83850, without a primary, will need to be cancelled or included in the instream transfer. I have enclosed an affidavit of cancellation, if needed. The Department is also in the process of evaluating whether replacing the primary rights with primary irrigation under Certificate 83850 will have similar reliability to the current primary rights."

Newton Response:

The supplemental "From" lands for Certificate 80795 that overlay primary water rights that are proposed to be transferred instream under T-10730 are intended to be moved to a different property owner under T-10733. Although during the transfer process, lands that have stacked primary and supplemental rights cannot be left without a primary to underlay the supplemental water right. Therefore, the intent of T-10733 would be to process T-10730 & T-10733 simultaneously, thus causing no forfeiture of supplemental rights.

At this time, the transfer for the supplemental portion of 80795 that overlays primary rights to be transferred instream under T-10730 would be completed under T-10733. Under direction of OWRD transfer staff prior to submittal of T-10730 and T-10733, OWRD transfer staff recommended these transfers be submitted to the OWRD simultaneously and not under the same transfer, as T-10730 instream transfers are preferentially processed by the OWRD separately from changes in POU.

Any modifications to the POU of Certificate 80795 supplemental water right proposed in T-10733 will be addressed by modifications to T-10733.

CLOSING

If there are questions regarding the information contained in this letter, please feel free to contact me at your convenience. I can be reached by telephone at (541) 504-9960, extension 235, or by email at inewtonconsultants.com.

Sincerely,

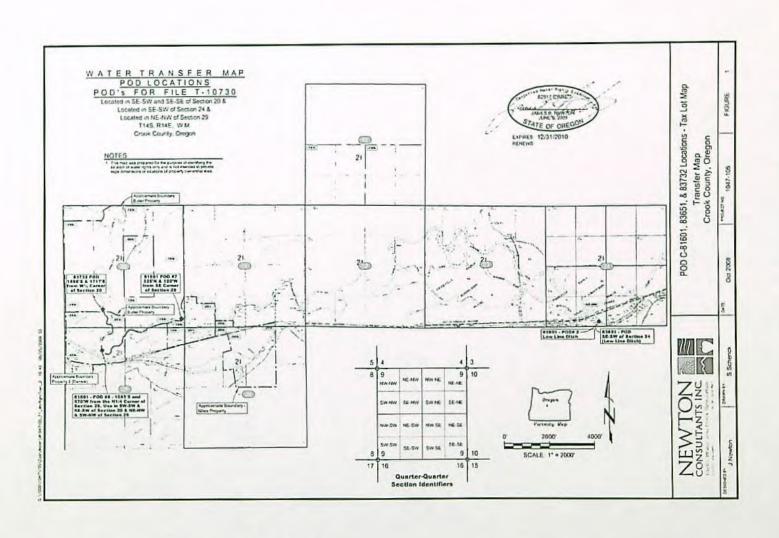
NEWTON CONSULTANTS, INC.

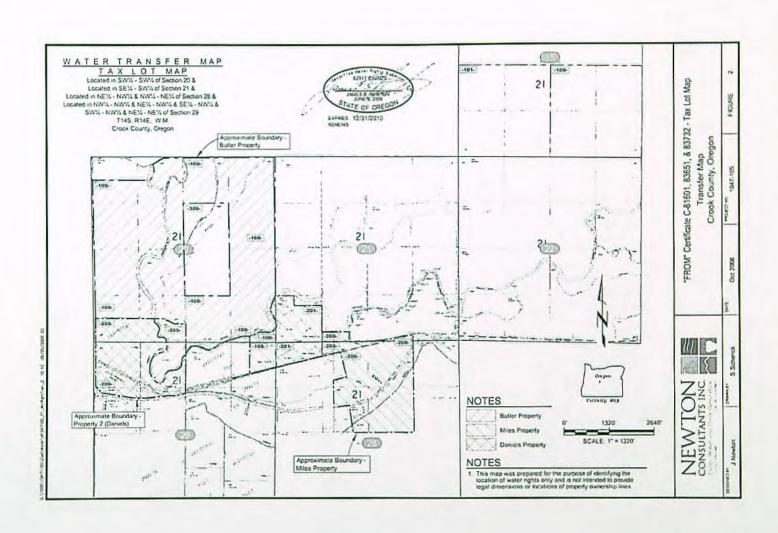
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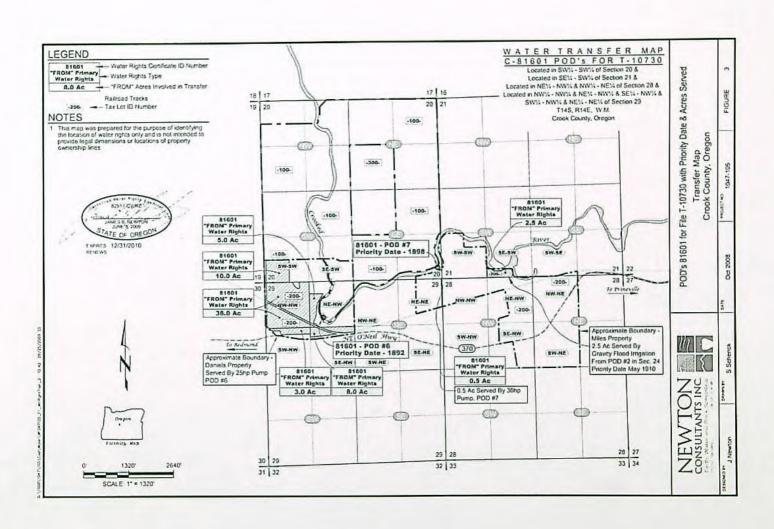
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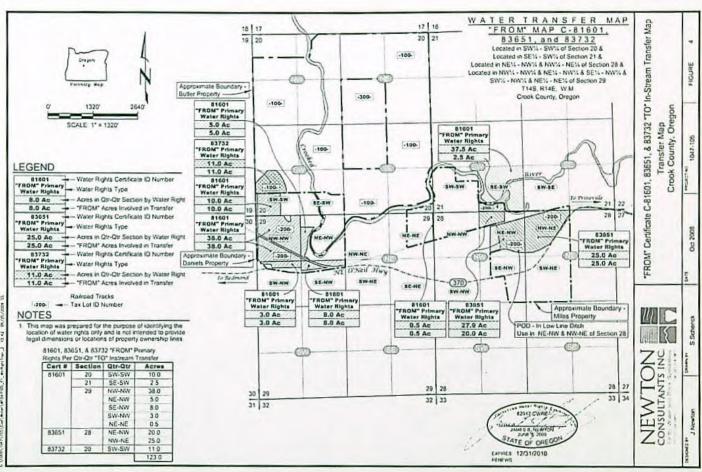
James B. Newton, R.G., C.W.R.E. Senior Staff Geologist

Enclosures: Figures (4)









From: Jim Newton [inewton@newtonconsultants.com]

Sent: Thursday, September 24, 2009 5:22 PM

To: Laura K WILKE

Subject: Daniels T-10730 Request for Additional Information

Hi Laura

This email is a response to our telephone conversation from yesterday. At this point we are still pulling together the information requested in your letter dated August 26, 2009. In your August letter you indicate the additional information requested should be received by September 24, 2009.

I respectfully request to extend the time to provide you the additional information until September 30,

If you have questions or concerns regarding this request for additional time, please feel free to give me a call at your convenience.

Best Regards, ~Jim

James B. Newton, R.G., C.W.R.E. Senior Staff Geologist
Newton Consultants, Inc.
521 SW 6th Street, Suite 100
Redmond, Oregon 97756
541 504-9960 x235
541 504-9961 fax
inewton@newtonconsultants.com



September 10, 2009

CERTIFIED MAIL

Oregon Water Resources Department ATTN: Laura Wilke 725 Summer Street NE, Suite A Salem, Oregon 97301-1266

Reference: Application Numbers T-10733 & T-10734

It is the purpose of this letter to advise you that the conditions of South Valley Bank & Trust's consent to transfer water rights date December 7, 2007 were not met and accordingly there is no permission to transfer water rights from the property located in Township 14 South, Range 14 East of the Willamette Meridian, Sections 21 & 28.

Should you have any questions please direct them to me:

Richard Candland South Valley Bank & Trust 572 Southwest Bluff Dr, Suite 100 Bend, OR 97702

Phone: 541-312-7137 Cell Phone: 541-771-0484

E-mail: richard.candland@southvalleybank.com

Sincerely,

Rich Candland

Vice President

cc: The Daniels Group, LLC

Dallon Miles Butler Ranch, Inc.

Andrew Brandsness, Brandsness, Brandsness & Rudd, PC

Emmett Ranch, LLC - John A. Short

Kyle Gorman, Water Resources Dept Field Services

RECEIVED

SEP 1 4 2009

WATER RESOURCES DEPT SALEM, OREGON

From:

Laura Wilke

Sent:

Monday, August 31, 2009 9:49 AM

To:

'David Newton'

Subject:

comments recieved on T-10733 & T-10734

Attachments: 10733-comment.ltr.pdf

Good Morning Dave:

Just wanted to let you know that we've received the attached letter of interest/comment on transfers T-10733 and T-10734. I also received a phone call from this bank last week. They expressed concern about the proposed transfers. They identified that temporary consent for the transfers had been granted but it sounded like the landowner may not have followed through on the deal and the bank is also concerned that less primary is proposed to be put back than is being transferred instream (potentially reducing property value). Just wanted to give you a heads up. I talked with this guy about our process and opportunities for comments and protests – although our process may not fit the objection they may raise about the applications. Not sure if they will try to submit a protest once the Preliminary Determination is issued or pursue other action.

Laura

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer St. NE, Suite A
Salem, Oregon 97301-1271
Phone: (503) 986-0884

Web: www.wrd.state.or.us



August 27, 2009

Oregon Water Resources Department ATTN: Laura Wilke 725 summer Street NE, Suite A Salem, Oregon 97301-1266

Reference: Application Numbers T-10733 & T-10734

Please be aware that we have a security interest in real property located in Township 14 South, Range 14 East of the Willamette Meridian, Sections 21 & 28. This interest includes water rights and ditch rights.

For this reason we would ask that you keep us informed regarding the above describe Transfer Requests.

Please send all information to:

Richard Candland South Valley Bank & Trust 572 Southwest Bluff Dr, Suite 100 Bend, OR 97702

Should you have any questions, you may also contact me by phone or e-mail as listed below:

Phone: 541-312-7137 Cell Phone: 541-771-0484

E-mail: richard.candland@southvalleybank.com

Sincerely,

Rich Candland Vice President

Cc:

The Daniels Group, LLC Dallon Miles Butler Ranch, Inc. RECEIVED

AUG 2 8 2009

WATER RESOURCES DEPT SALEM, OREGON

From:

Laura Wilke

Sent:

Wednesday, August 26, 2009 3:36 PM

To:

'David Newton'

Cc:

Jeremy Giffin

Subject:

Instream Transfer T-10730 / Mitigation Project MP-124 for the Daniels Group

Attachments: 10730-deficiency-ltr-iswr-MP124.pdf; cancel_part_aff_2009.pdf

Hi David:

Attached is a copy of a deficiency letter (and associated attachment) that's going out in the mail for the Daniels Group instream transfer, T-10730. I'm still the work from the contractor on the other transfers and should have further info requests coming along in the near future.

The deficiency letter is being sent to Greg Daniels with a copy to you and to Jeremy Giffin. I wasn't sure what role John Short is playing in these transfers so I didn't send a copy to John but please let me know if the applicant would like copies of materials sent to him as well.

And here's a link to

Thanks, Laura

Laura Wilke Flow Restoration Program Coordinator Oregon Water Resources Department 725 Summer St. NE, Suite A Salem, Oregon 97301-1271 Phone: (503) 986-0884 Web: www.wrd.state.or.us



Water Resources Department 725 Summer Street NE, Suite A

Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

August 26, 2009

GREG DANIELS THE DANIELS GROUP, LLC 1111 MAIN ST, SUITE 700 VANCOUVER, WA 98660

SUBJECT: Instream Transfer Application T-10730 / Mitigation Credit Project MP-124

We are examining your water right transfer application. There are some application issues that need to be resolved before we can continue processing your application.

 A description of the water delivery system for each right proposed for transfer along with the system capacity for each delivery system needs to be provided. It appears that only the delivery system and capcity associated with the Miles property was provided as part of the transfer application (see main transfer application form, page 2).

• Page 2, Supplemental Form A for both Certificate 83857 (formerly Certificate 81601) and 83651. Since the type of use as Primary Irrigation. Both certificates state the type of use is Irrigation, Domestic, and Livestock. Please clarify whether you are intending to transfer all three types of use. If intending to leave any domestic or livestock, the applicant would also need to leave some irrigation consistent with the Crooked River Decree, which identifies that domestic and livestock water are a portion of the water diverted for irrigation purposes during the irrigation season.

Page 3, Supplemental Form A for Certificate 83857, describes three PODs, and merges the description of two PODs together. It appears from review of the transfer application, that the portion of the right proposed for transfer includes POD #1, POD #2 (Low Line Ditch), POD #6 and POD #7. Please clarify the points of diversion involved in the transfer application.

Page 4, Supplemental Form A for Certificate 83732 appears to list an incorrect tax lot for the 11 acres proposed to be transferred. Please clarify the correct tax lot number for the proposed 11 acres.

• The affidavit attesting to the use of water (Supplemental Form B) signed by Marilyn Dove appears to include 14.4 acres in the SW ¼ of the SW ¼ of Section 20, T 14S, R 14E, but 21 acres are proposed for transfer in this ¼ ¼ section. Please provide an affidavit of use for the entire 21 acres proposed to be transferred in this ¼ ¼ section, broken down by water right.

• On Supplemental Form C (#5), the applicant's intent with regard to existing instream water rights is not clear. Normally instream rights created through the transfer process replace a portion of those rights created through the state agency application process or minimum flow conversion process as rights created under these processes generally have junior priority dates and would benefit from a new instream use with a senior priority date replacing them. New instream rights created through the transfer process are also normally additive to other rights created through the same process or through the allocation of conserved water process. At this time, the Department is preparing the Draft Preliminary Determination with the assumption that it is your intent to have the new instream use treated as it normally would with regard to existing instream rights already in the river system. Please confirm whether you concur with this assumption.

- · The maps provided with the transfer application require the following clarification and revisions:
 - Under Certificate 83857, the water right is broken down by Point of Diversion (POD) and priority date. Please map the acreage separately for each POD and priority date noted in Certificate 83857. For mapping purposes, the Department recommends providing a separate application map for Certificate 83857 given the different priority dates and POD's for the right.
 - For the portion of the right proposed for transfer under Certificate 83857, the remaining portion in the SE SW of Section 21, T14S R14E, WM also needs to be shown on the map.
 - Please provide a map showing the location of all 6 PODs included in T-10730 associated with each Certificate.
 - A property boundary for the portion of certificate 83732 proposed for transfer does not appear to be show on the application map. Please provide a map showing the property boundary.
- The Department is also presently in the process of evaluating transfer T-10733, which proposes to move primary irrigation under a portion of Certificate 80795 (now Certificate 83850) to underlay supplemental right Certificate 83850, which would not have a primary in place once the instream transfer is complete. It appears, based on preliminary review, that not all of the supplemental is proposed to be associated with a new primary. The remaining portion of Certificate 83850, without a primary, will need to be cancelled or included in the instream transfer. I have enclosed an affidavit of cancellation, if needed. The Department is also in the process of evaluating whether replacing the primary rights with primary irrigation under Certificate 83850 will have similar reliability to the current primary rights.

Please submit the requested information by September 24, 2009. If you have any questions, please call me at 503-986-0884.

Sincerely,

Laura K. Wilke

Flow Restoration Program Coordinator

cc:

T-10730

Jeremy Giffin, District 11 Watermaster

Agent: Newton Consultants, Attn: David Newton

encs

- The maps provided with the transfer application require the following clarification and revisions:
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Please submit the requested information by September 24, 2009. If you have any questions, please call me at 503-986-0884.

Sincerely,

Laura K. Wilke

Flow Restoration Program Coordinator

cc:

T-10730

Jeremy Giffin, District 11 Watermaster

Agent: Newton Consultants, Attn: David Newton

encs



Water Resources Department

725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

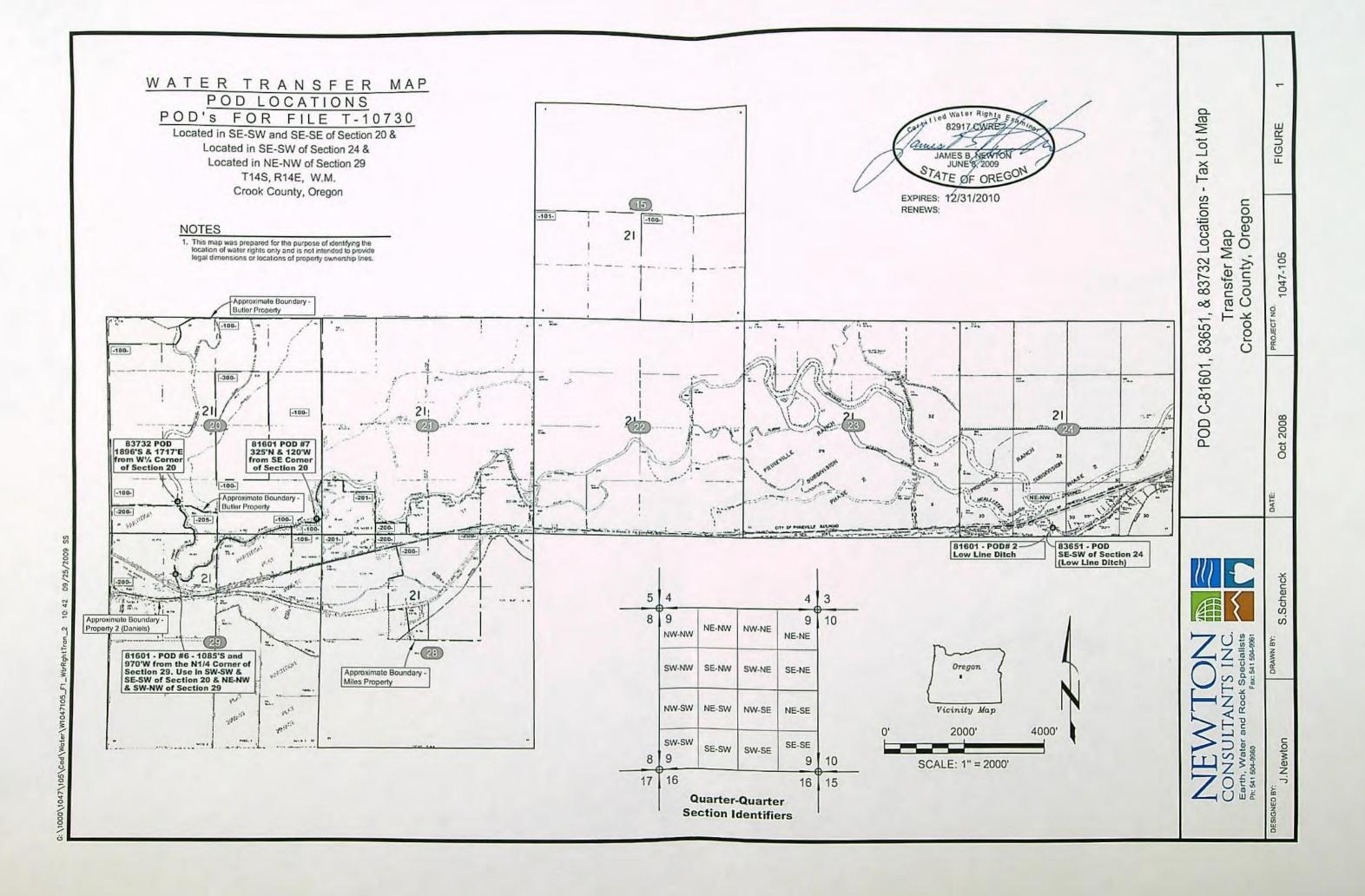
August 26, 2009

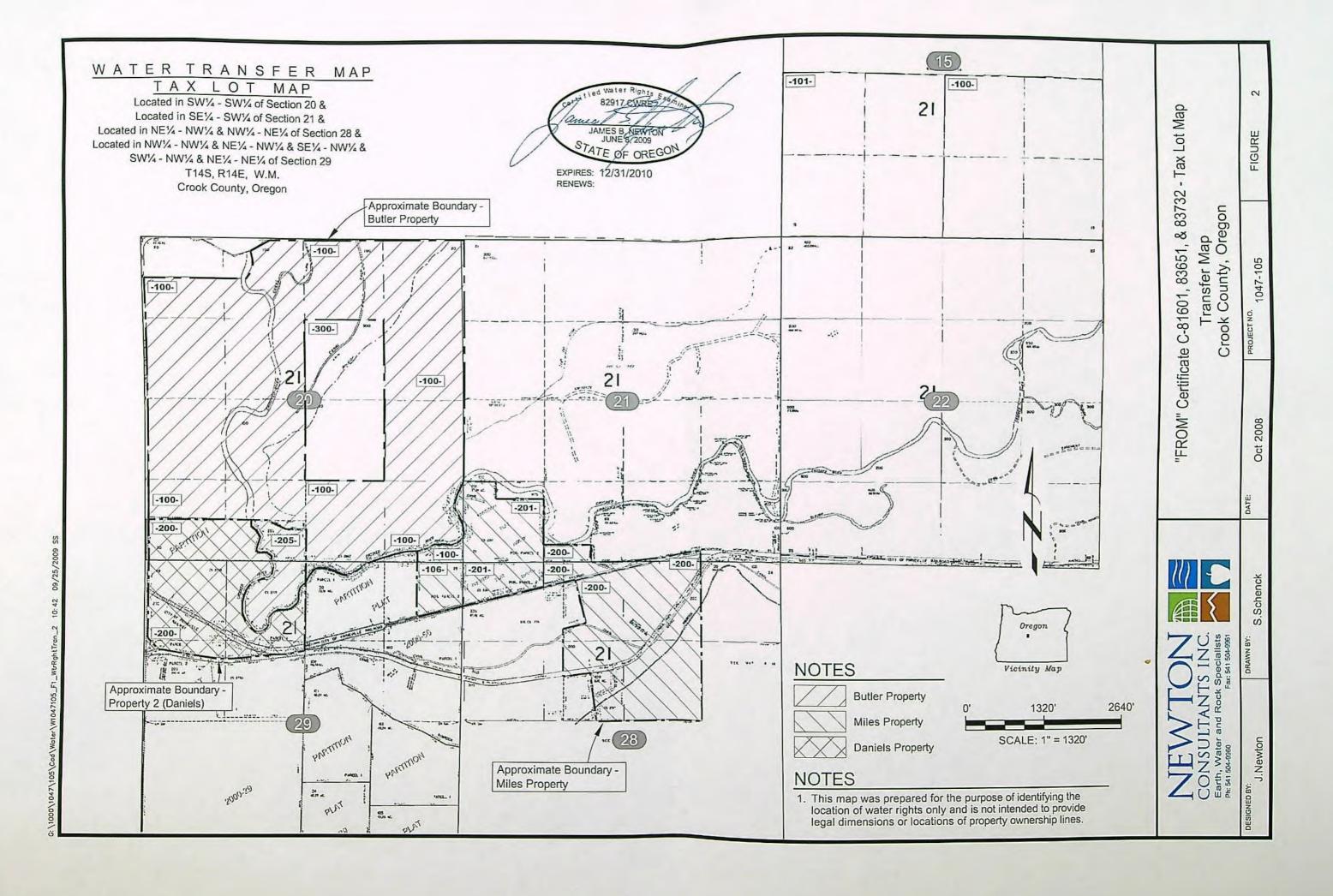
GREG DANIELS THE DANIELS GROUP, LLC 1111 MAIN ST, SUITE 700 VANCOUVER, WA 98660

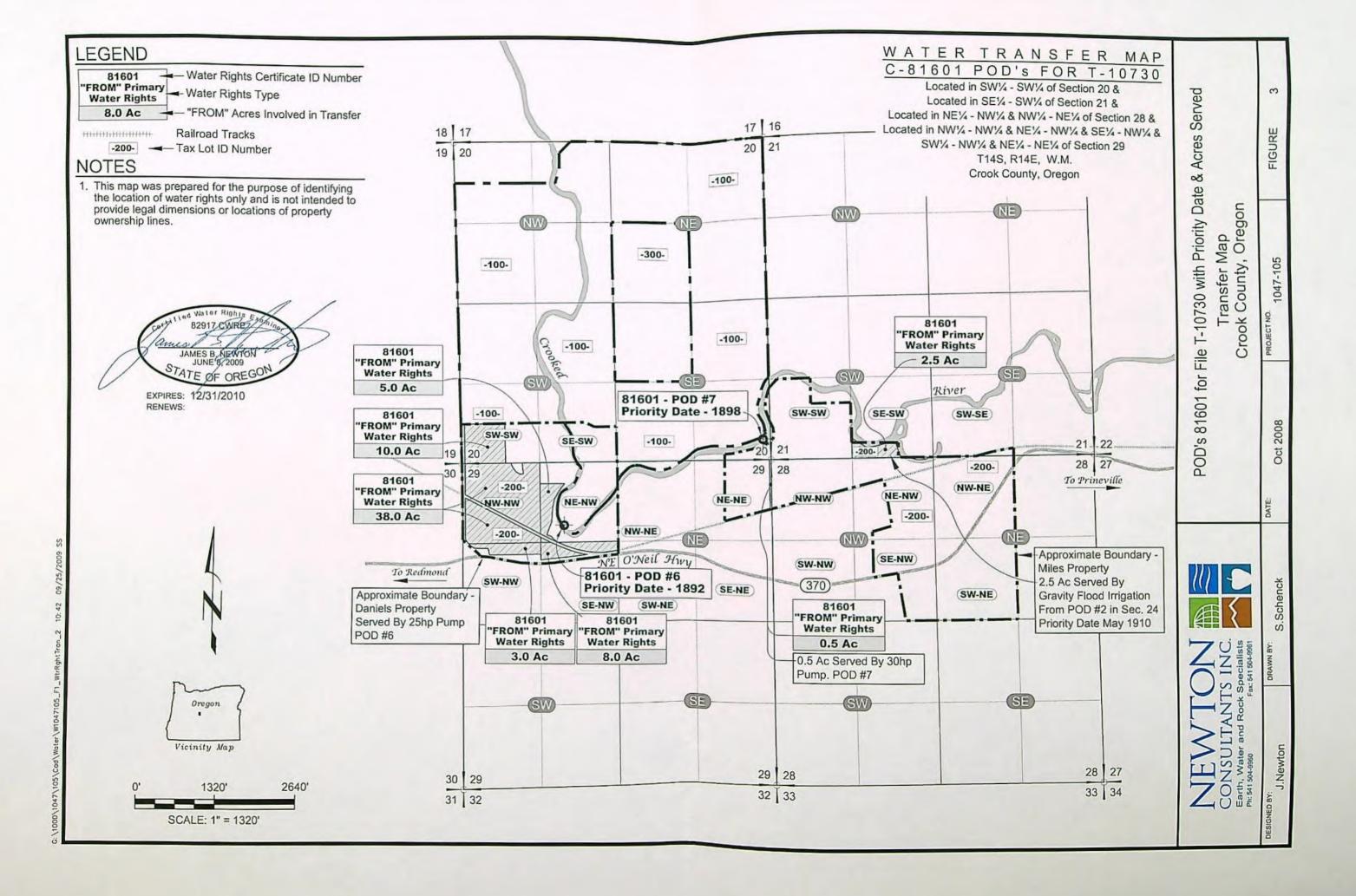
SUBJECT: Instream Transfer Application T-10730 / Mitigation Credit Project MP-124

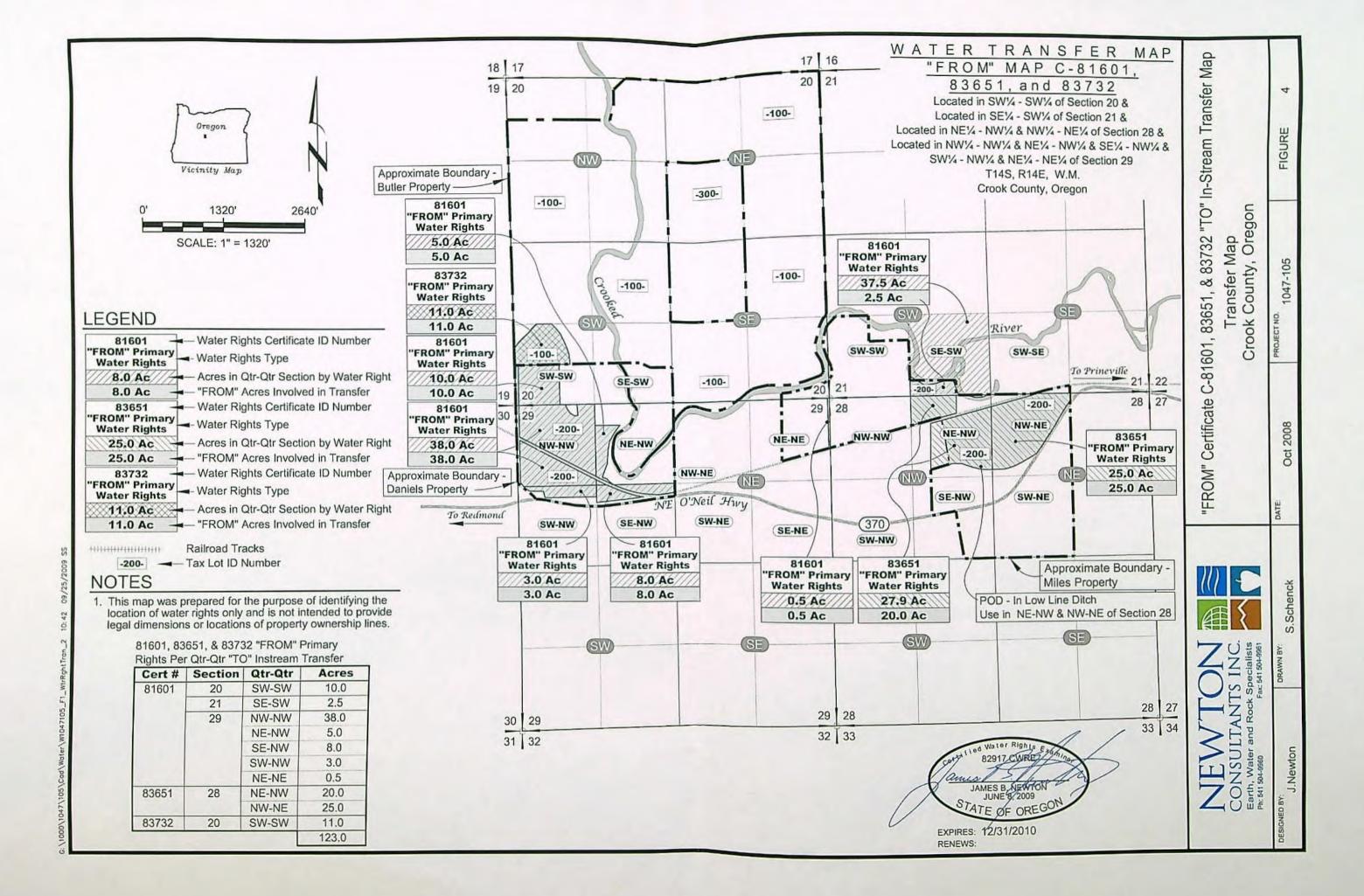
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 If intending to leave any domestic or livestock, the applicant would also need to leave some irrigation
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- On Supplemental Form C (#5), the applicant's intent with regard to existing instream water rights is not clear. Normally instream rights created through the transfer process replace a portion of those rights created through the state agency application process or minimum flow conversion process as rights created under these processes generally have junior priority dates and would benefit from a new instream use with a senior priority date replacing them. New instream rights created through the transfer process are also normally additive to other rights created through the same process or through the allocation of conserved water process. At this time, the Department is preparing the Draft Preliminary Determination with the assumption that it is your intent to have the new instream use treated as it normally would with regard to existing instream rights already in the river system. Please confirm whether you concur with this assumption.











November 20, 2008 Project No. 1047-105

Dorothy Pedersen
Transfer Program Advisor
Laura Wilke
Senior Water Resources Coordinator
Oregon Water Resources Department
725 Summer St. NE, Suite A
Salem, OR 97301

RECEIVED

NOV 2 1 2008

WATER RESOURCES DEPT SALEM, OREGON

THE DANIELS GROUP, LLC TRANSFER APPLY

Dear Dorothy and Laur

Enclosed are five transic expedited processing to Reimbursement Authorit 83651, and 83732. With each transfer and how each

LLC (Daniels) for partment (OWRD) 67, 80795, 81601, etails the intent of

CERTIFICATES PROPO

Certificate 47267 (Additio.

The transfer request for this certificate 47267 for better or

rsion (POD) to

Certificate 80795 (Suppleme _____rrigation)

The transfer request for this certificate moves 85.4 acres of supplemental water rights to new lands that currently do not have supplemental water rights. These rights are intended to overly primary water right acreages under certificate 22454. Additionally, this transfer request is intended to allow diversion of water from the authorized POD #11 (listed under the landowners Arnett & Livingston in the original certificate) and POD # 15. The additional PODs are authorized under the certificate, however, are listed under a specific landowner. Discussions with the OWRD indicated that a formal POD transfer was recommended to formalize the POD for the current landowner and will align the authorized POD with better access to water for diversion.

application



November 20, 2008 Project No. 1047-105

Dorothy Pedersen Transfer Program Advisor Laura Wilke Senior Water Resources Coordinator Oregon Water Resources Department 725 Summer St. NE, Suite A Salem, OR 97301

RECEIVED

NOV 2 1 2008

WATER RESOURCES DEPT SALEM, OREGON

THE DANIELS GROUP, LLC TRANSFER APPLICATIONS

Dear Dorothy and Laura:

Enclosed are five transfers to be processed for The Daniels Group, LLC (Daniels) for expedited processing through the Oregon Water Resources Department (OWRD) Reimbursement Authority. These transfers involve certificates 47267, 80795, 81601, 83651, and 83732. With the complexity of the transfers, this letter details the intent of each transfer and how each transfer is related to each other.

CERTIFICATES PROPOSED FOR TRANSFER

Certificate 47267 (Additional POD)

The transfer request for this certificate adds an additional point of diversion (POD) to certificate 47267 for better on-farm access to the authorized water source.

Certificate 80795 (Supplemental Irrigation)

The transfer request for this certificate moves 85.4 acres of supplemental water rights to new lands that currently do not have supplemental water rights. These rights are intended to overly primary water right acreages under certificate 22454. Additionally, this transfer request is intended to allow diversion of water from the authorized POD #11 (listed under the landowners Arnett & Livingston in the original certificate) and POD # 15. The additional PODs are authorized under the certificate, however, are listed under a specific landowner. Discussions with the OWRD indicated that a formal POD transfer was recommended to formalize the POD for the current landowner and will align the authorized POD with better access to water for diversion.

Certificate 80795 (Primary Irrigation)

The transfer request for this portion of the certificate moves 47.4 acres of primary irrigation water rights to a portion of lands that currently have primary rights under certificate 81601. This transfer is intended to replace some of the water rights that the landowner of certificate 81601 will lose by transferring water rights under 81601 instream, as 80795 can not be transferred in-stream as a result of regulation by the U.S. Bureau of Reclamation (BOR). By concurrently performing the transfer of primary irrigation rights under 80795 to replace those currently irrigated by 81601, there would be no layering of primary irrigation rights (as 81601 will be transferred in-stream simultaneously as 80795 will replace lands previously irrigated under 81601).

Certificate 81601, 83651 & 83732 (In-Stream)

The transfer requests for certificates 81601, 83651 and 83732 are to transfer water for protection in-stream for use as mitigation credits. The request for Certificate 81601 proposes to transfer 67.0 acres of primary irrigation rights; the request for C-83651 proposes 45.0 acres of primary irrigation rights to be transferred; and the request for C-83732 proposes 11.0 acres of primary irrigation rights to be transferred in-stream for mitigation credits. These certificates have priority dates ranging from 1892 to 1910.

Certificate 83651 (Additional POD)

The transfer request for the remaining portion of certificate 83651 proposes to add an additional POD for the remaining rights. This additional POD will provide for better onfarm access to the authorized water.

NOTE: Included with transfer documents as applicable are copies of the Land Use Form and the Affidavit of Use Forms, a single original of each form is included with this letter. The original documents are discernable by the blue 'RECEIVED' stamp on each dated May 2, 2008 from the previous submittal of the transfers that were returned by the OWRD.

TRANSFER ENCLOSURES

Enclosed with each transfer application for the above named certificates are applications for expedited processing through the Reimbursement Authority (RA) with the accompanied \$125.00 RA application estimate fee. The RA application and fees are in addition to the standard transfer fees for each also included with each transfer.

RECEIVED

NOV 2 1 2008

WATER RESOURCES DEPT SALEM, OREGON The Daniels Group, LLC Transfer Applications Project No. 1047-105 November 20, 2007

If you have questions regarding these transfers, please feel to contact me at dnewton@newtonconsultants.com, or by telephone at (541) 504-9960, extension 211; or Jim Newton at jnewton@newtonconsultants.com or extension 235.

Sinderely,

NEWTON CONSULTANTS, INC.

David J. Newton P.E., C.E.G., C.W.R.E. President

MP-124



Application for Water Right

Transfer

Please type or print legibly in dark ink. If your application is incomplete or inaccurate, we will return it to you. If any requested information does not apply to your application, insert "N/A" to indicate "Not Applicable." As you complete this form, please refer to notes and guidance included on the application. A summary of review criteria and procedures that are generally applicable to these applications is available at www.wrd.state.or.us/OWRD/PUBS/forms.shtml.

	1. TYPE OF TRANS		1011		
	Please ch				
	Permanent Transfer Temporary Transfer (1 to 5 yrs.) total number of years: (begin year:) (end year:)	Pern	✓ Instream Transfer ✓ Permanent ☐ Time-Limited ☐ Drought Transfer ☐ Other		
	2. APPLICANT	INFORMATION			
Name:	Greg First	Daniels (Th	ne Daniels Gr	roup, LLC)	
Address: _	1111 Main Street, Suite 70	-			
	Vancouver	WA	98660		
	City	State	Zip		
Phone:		(360)694-6000			
Fav.	(360) 695-1201	Work E-Mail address:	Other greg@thedanie	elsgrouplic.com	
		_ 2 (///// (////////////////////////////			
(The age	3. AGENT IN ant listed is authorized to represent the applic	FORMATION cant in all matters rela	ting to this transfer	application.)	
Name:	David J.	Newton		RECEIVED	
	First	Last		ILEVELVES	
4 1 1	521 SW 6th Street, Suite	100		NOV 2 1 2008	
Address: _					
Address: _	Redmond	OR	97756	WATER RESOURCES DEP	
Address: _		OR State	97756 Zip	WATER RESOURCES DEP SALEM, OREGON	
	Redmond		Zip		
	Redmond	State	Zip 211 Other		

4. PROPOSED CHANGE(S) TO WATER RIGHT(S)

	Application / Decree	Permit / Previous Transfer	pages as necessary.) Certificate
1.		T-9687	81601
2.			83651
3.			83732
4.			
5.			
6.			
		face Water POD to Ground Water tal Groundwater right for Primat	
Reaso	on(s) for change(s): Certi	ficate 81601, 83651, and 8	3732 Permanent RECEIVE
nstr	eam Transfer for mitig	gation credits.	
	5. W	ATER DELIVERY SYSTEM	NOV 2 1 20
sed t	n the last 5 years. Include to divert, convey and appl wes multiple rights that ha The description must be suffici	information on the pumps, canally the water at the authorized plant independent systems, describe that the full quantity and source and applied at the authorized source and applied at the authorized.	ce of use. If the transfer e each system separately. y of water to be transferred can
	property served by a share	d single 30hp GE motor & submer	ged centrifugal pump; delivered
	ried main lines & irrigs	ated by combination of whee	l lines and flood irrigation.
Ailes	med main imes & imge		
Miles o bu	roximate Capacity = 1	.32cfs.	

0730

6. EVIDENCE OF BENEFICIAL WATER USE

- Attach one or more Evidence of Use Affidavits (Supplemental Form B) demonstrating that each of the right(s) involved in the transfer have been exercised in the last five years in accordance with the terms and conditions of the right or that a presumption of forfeiture for non-use could be rebutted. The Evidence of Use Affidavit(s) must include supporting documentation such as the following:
 - ▶ Copies of receipts from sales of irrigated crops or for expenditures relating to use of
 - Records such as Farm Service Agency crop reports, irrigation district records, an NRCS farm management plan, or records of other water suppliers;
 - ▶ Dated aerial photographs of the lands or other photographs containing sufficient detail to establish location and date of the photograph; or
 - ▶ If the right has <u>not</u> been used during the past five years, documentation that the presumption of forfeiture would be rebutted under ORS 540.610(2).

7. AFFECTED DIST	RICTS
■ Are any of the water rights proposed for transfer locate other water district?	d within or served by an irrigation or
■ Will any of the water rights be located within or served after the proposed transfer? ✓ Yes ☐ No	by an irrigation or other water distric
Is water for any of the rights supplied under a water sensored water with a federal agency or other entity?	
If "Yes", for any of the above, list the name and mailing and/or entity:	ng address of the district, agency
Low Line Ditch Company US	Bureau of Reclamation
13223 NW O'Neil Hwy 115	0 N Curtis Road
Redmond, OR 97756 Boi	se, ID 83706-1234

8. LOCAL GOVERNMENTS

List the name and mailing address of all local governments (i.e., each county, city, municipal corporation, or tribal government within whose jurisdiction water will be diverted, conveyed or used).

RECEIVED Crook County NOV 2 1 2008 300 NE 3rd Street WATER RESOURCES DEPT Prineville, OR 97754 SALEM, OREGON

Last revised: 7/27/2007

9. LAND OWNERSHIP

Butler Ranch, Inc. 5294 NW Lone Pine Terrebonne, OR. 97		The Daniels Group, LLC 111 Main Street, Suite 700 Vancouver, WA. 98660	Dallon Miles 16915 NW O'Neil Hwy Redmond, OR. 97745					
11.0 Ac under 8373	2	64.5 Ac under 81601	3.0 Ac under 81601 45.0 Ac under 83651					
Does the applicant ov	vn the la	nds TO which the right is being	transferred?					
Yes	□No	N/A - NOT APPLICAL	BLE TO INSTREAM TRANSFERS					
If "No", provide the	following	g information:						
Names of Receiving	Landowr	ner(s):						
7.1.		First	Last					
Address:								
City	-	State	Zip					
Check one of the following	owing:							
The receiving landowner will be responsible for completion of the proposed changes after the final order is issued. All notices and correspondence should be sent to this landowner.								
		responsible for completion of ch ntinue to be sent to the applicant						
N/A. (Not applicable. Application is for an Instream Water Right Transfer.)								
10. Other Remarks (optional)								
			NOV 2 1 200					
	_		WATER RESOURCES					

Last revised: 7/27/2007

Transfer Application/4

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11. ATTACHMENTS

Check each of the following attachments included with this application.

The application will be returned if all required attachments are <u>not</u> included.

Su	pplemental Form A –	Land Use Information For Proposed Changes:
	Description of Proposed Change(s) to a	For Instream Transfers:
	Water Right A separate Supplemental Form A is enclosed for each water right to be affected by this transfer.	Notice of the intent to file an instream transfer application has been provided to each affected local government along the proposed reach, and copies of the notices are enclosed. (For instream
Su	pplemental Form B – Evidence of Use Affidavit(s)	transfers a Land Use Information Form is not required.)
	At least one Evidence of Use Affidavit documenting that the right has been used during the last five years or that the right is not subject to forfeiture under ORS 540.610 is attached. The affidavit provided must be the original (not a copy), and	For All Other Transfers: □ Land Use Information Form is enclosed; or □ All of the following criteria are met, therefore a Land Use Information Form is not required: • In EFU zone or irrigation district, • Change in place of use only,
	The Evidence of Use Affidavit must be accompanied by supporting documentation.	 No structural changes needed, including diversion works, delivery facilities, other structures, and
Ma	ар	• Irrigation only.
	Water Right Transfer The map must be prepared by a Certified Water Right Examiner and meet the requirements of OAR 690-380-3100 unless a waiver has been granted. The map provided must be the original, not a copy.	Fees: ✓ Amount enclosed: \$ 700.00 See the Department's Fee Schedule at www.wrd.state.or.us or call (503) 986-0900.
	Temporary Transfer or Historical POD Change A map meeting the requirements of OAR 690-380-3100 must be included but need not be prepared by a Certified Water Right Examiner.	Instream Water Right Transfers, also include: Supplemental Form C − Instream Water Right Transfer Complete this form to describe the desired nature and attributes for the proposed instream water
W	ater Well Report(s)/Well Log(s):	right.
	The application is for a change in point of appropriation or change from surface water to ground water and copies of all water well	Temporary Transfers, also include:
	reports are attached. Water well reports are not available and a description of construction details including well depth, static water level, and information necessary to establish the ground water body developed or proposed to be developed is attached.	Recorded Deed: The applicant must submit a copy of the current deed of record for the land from which the authorized place of use or point of diversion/appropriation is being moved. Affidavit of Consent: If the applicant is NOT the owner of record for the
	N/A. The application does <u>not</u> involve a change in point of appropriation or a change from surface water to ground water, so water well reports are <u>not</u> required.)	land from which the authorized place of use or point of diversion/appropriation is being moved, a notarized statement from the actual owner of record consenting to the proposed transfer must be submitted.

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Before submitting your application to the Department, be sure you have:

- Answered each question completely.
- Included all the required attachments.
- Provided original signatures for all named deed holders, or other parties, with an interest in the water right.
- Included a check payable to the Oregon Water Resources Department for the appropriate amount.

		12. SIGNATURES	
• Check	one of the following, as a	ppropriate, and sign the application in t	he signature box below:
ar fo th	oproval of a permanent tra r the proposed transfer, I re following landownership athorized to pursue the tra) A report of ownership the last three months;) A copy of written noti holders on the subject water right conveyance conveyance agreement	-380-3000(13)(a), I (we) understand that ansfer and upon my receipt of a draft Pr (we) will be required [pursuant to OAR to information and evidence demonstrations and lien information that has been preparation of the proposed transfer provided lands unless the report of ownership and lien agreement has been recorded for the subject lands, a land of the lands at the time the agreement	eliminary Determination 690-380-4010(5)] to provide ag that I (we) are red by a title company within by the applicant to all lien en information shows that a ct lands. If a water right copy of the agreement and
(c	a notarized statement identified in the report water right has been co	fied in the report of ownership and lien info consenting to the transfer (attached) sign or an authorized representative of the entity inveyed as identified in a water right convey trating that the applicant is authorized to put of the landowner.	ned by the landowner to whom the interest in the yance agreement or other
la ar (v	ndowner, and documents, in ad lien information, and any we are) authorized to pursue	the water right has been conveyed to so neluding a water right conveyance agree required lienholder notification are enclos the transfer. I (we) understand that we may receipt of the draft Preliminary Determ	ement, report of ownership sed, demonstrating that I am say be required to provide
ri 30 lie	ght is in the name of the m 000(13)(b), the applicant is just information.	ant is a municipality, as defined in ORS nunicipality or a predecessor. Therefore, NOT required to provide the above describ	pursuant to OAR 690-380- ed report of ownership and CEIVED
co TI ab	equiring the property to wondemnation. Documentat herefore, pursuant to OAR (bove described report of own)	ant is an entity with the authority to con hich the water right proposed for transfer ion is provided with this application support 590-380-3000(13)(c), the applicant is NOT mership and lien information. (NOTE: Such on if it has filed a condemnation action to a	er is appurtenant WAYER RESOURCES DEI rting this statement. SALEM, OREGON required to provide the han entity may only apply for
af	fidavits of consent from any	mporary transfer and a copy of the deed other landowners, if applicable) is enclose	ed.
		on contained in this application is true a	nd accurate.
app	DANIELS GROUP L	name and title if applicable (print) s, Managing Member	
-	lican signature	name and title if applicable (print)	date
appl	icant signature	name and title if applicable (print)	date
	vised: 7/27/2007	Transfer Application/6	FS

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Water Right Transfer Supplemental Form A DESCRIPTION OF PROPOSED CHANGE(S) TO A WATER RIGHT

List only <u>one</u> water right per page. A <u>separate Supplemental Form A</u> must be completed for <u>each</u> certificate, permit, decree, or other right involved in the proposed transfer.

Attach additional copies of Supplemental Form A as needed to describe other certificates, permits, decrees or other rights involved in this transfer.

Certificate Number or other identifying number:	81601	

1. TYPE OF CHANGE(S) PROPOSED

(Check all that apply.)

Point of Diversion or Appropriation	Place of Use	Character of Use
☐ Change (The old point of diversion or appropriation will <u>not</u> be used for the	☐ All of the right will be exercised at a different location than currently	Proposed new use:
portion of the water right affected by the transfer.) Additional (Both the old and new points of diversion or appropriation will be used for the portion of the water right affected by the transfer.) Historic Point of Diversion or	authorized (Use of water at the current location will be discontinued.) Only a portion of the right will be exercised at a different location than currently authorized (Use of water at the current location will be discontinued.)	 ☐ Municipal ☐ Quasi-municipal ☐ Commercial ☐ Industrial ☑ Instream (complete and attach Supplemental Form C)
Appropriation Change (Unauthorized point of diversion or appropriation used for more than 10 years.)	discontinued.)	Domestic (indicate number of households) Other
☐ Surface Water to Ground Water (A new point of appropriation will be used instead of the old point of diversion. The old point of diversion will not be used.)		Substitution (A supplemental ground water right will be substituted for a primary surface water right.)
☐ Point of Diversion Change due to Government Action (The old point of diversion or appropriation can no longer be used due to government action.)		Supplemental Use to Primary Use (Primary water right shall be cancelled and the supplemental water right will change to primary use.)
Exchange (Water from another source will be used in exchange for supplying an equal amount of replacement water to that source.)		NOV 2 1 2008 WATER RESOURCES DE

Supplemental Form A

Description of Proposed Change(s) to a Water Right

2. CURRENT WATER RIGHT INFORMATION

Water Right Subject to Transfer (check and complete one of the following):

	Cartificated Dight	81601	T-9687
V	Certificated Right	Certificate Number	Permit Number or Decree Name
	Adjudicated,		
Ц	Non-certificated Right	Name of Decree	Page Number
	Permit for which Proof has		
	been Approved	Permit Number	Date Claim of Beneficial Use Submitted
	Transferred Right for which		
Ш	Proof has been Filed	Previous Transfer Number	Date Claim of Beneficial Use Submitted
	Name on Permit, Certificate, of County: Crook Authorized Use(s) to be Affective Affec		
•			ion i mary
•	Priority Date(s): 1892 / 189	98 / 1904 / 1910	
	appropriation and places of u. Source(s) of Water to be Affective		oked River
	Tributary to: Deschutes R	liver	
	pages 3 through 6 of this form	n must identify which so	t, any information provided on ource is associated with each of opropriation and places of use.
	For applications proposing a	Change in Place of Us	e or Character of Use:
	Are there Other Water Right with this land?	ts, Permits or Ground W	Vater Registrations associated
	☑ Yes ☐ No ☐ N	N/A – No Change in Plac	e of Use or Character of Use
	If "Yes", what are the Permit	Registration or Certifi	cate Numbers? 80795
			or a right that is supplemental to
	a primary right proposed for a cancelled, except as provided		
			NOV 2

WATER RESOURCES DEPT

Description of Proposed Change(s) to a Water Right

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The following information must be provided <u>only</u> for those points of diversion or appropriation that are involved in the transfer (i.e., <u>list only the portion of the water right you propose to transfer.</u>) Attach additional pages as necessary.

Government lot and donation land claim numbers must be included in the tables below only if the information is reflected on the existing water right.

Location of Existing Authorized Point(s) of Diversion or Appropriation to be Changed:

(i.e., the allowed point(s) of diversion or appropriation listed on the water right that will be affected by the proposed transfer, the "FROM" point(s) of diversion or appropriation)

If Ground Water, OWRD Well Log ID No. (or Well ID Tag No. L)	Source and Priority Date	Township	Range	Mer	Sec	1/4 1/4	Tax Lot, DLC or Gov't Lot	Survey Coordinates (coordinates from a recognized survey corner)
Low Line Ditch	Crooked River	T15S	R16E	W.M.	8	NW-SW	204	Apprx 1920'N, 340'E from SW cmr Sec 8
	Crooked River	T14S	R14E	W.M.	29	NE-NW	200	1085'S, 970'W from N1/4 crnr Sec 29
	Crooked River	T14S	R14E	W.M.	20	SE-SE	200	325'N, 120'W from SE crnr Sec 20

Does the water right	being transferred	involve a ground	water source(s)?

☐ Yes ☑ No (Surface water source only.)

If "Yes", for each authorized point of appropriation (well) involved, you must either:

- A. Supply a copy of the well log(s) for <u>each</u> point of appropriation that is clearly labeled and associated with the corresponding well in the table above and on the accompanying application map. (<u>NOTE:</u> You may search for well logs on the Department's web page at: http://www.wrd.state.or.us)
- B. If a well log is <u>not</u> available, you must describe the construction of the authorized point of appropriation by completing the table below. Attach additional copies as necessary.

Construction of Existing Authorized Point(s) of Appropriation – (Only needed if <u>no</u> well log is available.)

Wells in this listing must be clearly tied to corresponding well location(s) described in the table above and shown on the accompanying application map.

OWRD Well No. as identified in table above	Diameter	Type and size of casing	No. of feet of casing	Intervals casing is perforated (in feet)	Seal depth	Est. depth to water	Est. depth to water bearing stratum	Type of access port or measuring device	Total well depth
N/A									N/A
								RECEIVI	ED
								NOV 2 1 2	008

WATER RESOURCES DEPT
Description of Proposed Change (3) LEAN WATER Right

Supplemental Form A

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Certificate Number or other identifying number:	81601	

Will the ENTIRE water right be affected by this transfer? Yes Vo

If "Yes", the remainder of this page does not need to be completed. Go on to the next page.

If "No", the following information must be provided <u>only</u> for those places of use that are involved in the transfer (i.e., <u>list only the portion of the water right to be affected by the change.</u>) Attach additional pages as necessary.

Government lot and donation land claim numbers must be included in the tables below only if the information is reflected on the existing water right.

Location of Existing Authorized Place of Use to be Affected:

(i.e., the allowed lands listed on the water right that will be affected by the proposed transfer, the "FROM" lands)

Source and Priority Date	Township	Range	Mer	Sec	¼¼ Section	Tax Lot, DLC or Gov't Lot	Acres (if applicable)
1904/1910	T14S	R14E	W.M.	21	SE-SW	200	2.5
1892	T14S	R14E	W.M.	20	SW-SW	200	10.0
1892	T14S	R14E	W.M.	29	NW-NW	200	38.0
1892	T14S	R14E	W.M.	29	NE-NW	200	5.0
1892	T14S	R14E	W.M.	29	SW-NW	200	3.0
1892	T14S	R14E	W.M.	29	SE-NW	200	8.0
1898	T14S	R14E	W.M.	29	NE-NE	200	0.5
						Total	67.0
							RECEIVE
							NOV 2 1 200
						WA	TER RESOURCES

SALEM, OREGON

Description of Proposed Change(s) to a Water Right

Supplemental Form A

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Des Sur	Certificate	Number or of 3. PROPO d changes to s described in	SED CE	IANGES	TO THI	E WATE	diversio	n and/or	approprio	ation.
acce	ompanying app Location of P (i.e., the "TO" poin TE: Complete i	olication maj roposed Poi nt(s) of diversion	nt(s) of l	additional Diversion	n or Appi or Appi unt of Diver	necessary ropriatio] N/A – Ins	v. n: stream Wa	ter Right T tion is bei	ransfer ng propose	d.)
Soi	irce Towns	hip Range	Mer	Sec	4 ¼	Tax Lot, DLC or Gov't Lot	(coordi	nates from	oordinates a recognized s ner)	survey
N/	A							N	/A	
		+								
	well(s) alre listed abov If "Yes", a well, or if the table b	e proposed peady constructe. attach and clawell log(s) a elow. (NOTE wrd.state.or.)	early lab re not av	Yes el the con ailable, a	□ No	ng well le	N/A - No og(s) for uction of	o proposo each pro the well	pposed (s) using	
	If "No", d	lescribe the a table:	inticipate	ed constri	uction for	the prop	osed wel	l(s) in the	е	
Wei	Construction I numbers in this	listing must be	clearly tie					ned in the to	able above a	end
Well already built? (Yes/No)	If an existing well, OWRD Well Log ID No. (or Well ID Tag No. L)	Diameter	Type and size of casing	No. of feet of casing	Intervals casing is perforated (in feet)	Seal depth	Est. depth to water	Est. depth to water bearing stratum	Type of access port or measuring device	Total well depth
N/A-										N/A
								F	ECEIV	ED
									NOV 2 1	8008

Supplemental Form A

Description of Proposed Change(s) to a Water Right

WATER RESOURCES DEPT SALEM, OREGON

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Describe proposed changes to the water right involving place of use. Information described below should accurately correspond to the proposed place of use shown on the accompanying application map. Attach additional pages as necessary.

Location of Proposed Place of Use: (i.e., the "TO" lands)

N/A – Instream Water Right Transfer (NOTE: Complete this table only if a Change in Place of Use is being proposed.)

Source	Township	Range	Mer	Sec	¼ ¼ Section	Tax Lot, DLC or Gov't Lot	Acres (if applicable)
N/A							N/A
						Diam. 100	A DULL LINES
						RE	CEIVED
						NO	V 2 1 2008
						WATER R	ESOURCES D M, OREGON

Remarks:	Lands fro	m C-81601	are propos	ed to transfe	er instream	for water mitt	gation.

Water Right Transfer Supplemental Form A DESCRIPTION OF PROPOSED CHANGE(S) TO A WATER RIGHT

List only <u>one</u> water right per page. A <u>separate Supplemental Form A</u> must be completed for <u>each</u> certificate, permit, decree, or other right involved in the proposed transfer.

Attach additional copies of Supplemental Form A as needed to describe other certificates, permits, decrees or other rights involved in this transfer.

Certificate Number or other identifying number:	83651	

1. TYPE OF CHANGE(S) PROPOSED

(Check all that apply.)

Point of Diversion or Appropriation	Place of Use	Character of Use
Change (The old point of diversion or appropriation will <u>not</u> be used for the portion of the water right affected by the transfer.) Additional (Both the old <u>and</u> new points of diversion or appropriation will be used for the portion of the water right affected by the transfer.) Historic Point of Diversion or Appropriation Change (Unauthorized point of diversion or appropriation used for more than 10 years.) Surface Water to Ground Water (A new point of appropriation will be used instead of the old point of diversion. The old point of diversion will <u>not</u> be used.) Point of Diversion Change due to Government Action (The old point of diversion or appropriation can no longer be used due to government action.) Exchange (Water from another source will be used in exchange for supplying an equal amount of replacement water to that source.)	□ All of the right will be exercised at a different location than currently authorized (Use of water at the current location will be discontinued.) ☑ Only a portion of the right will be exercised at a different location than currently authorized (Use of water at the current location will be discontinued.)	Proposed new use: Irrigation

Supplemental Form A

Description of Proposed Change(s) to a Water Right

2. CURRENT WATER RIGHT INFORMATION

Water Right Subject to Transfer (check and complete one of the following): N/A 83651 Certificated Right Permit Number or Decree Name Certificate Number Adjudicated, Non-certificated Right Page Number Name of Decree Permit for which Proof has Date Claim of Beneficial Use Permit Number been Approved Submitted Transferred Right for which Date Claim of Beneficial Use Proof has been Filed Previous Transfer Number Name on Permit, Certificate, or Decree: Low Line Ditch Company County: Crook Authorized Use(s) to be Affected by Transfer: Irrigation - Primary Priority Date(s): 1903 If there are multiple Priority Dates identified on the water right, any information provided on pages 3 through 6 of this form must identify which priority date is associated with each of the authorized and proposed points of diversion or appropriation and places of use. Source(s) of Water to be Affected by Transfer: Crooked River Tributary to: Deschutes River If there are multiple Sources listed on the water right, any information provided on pages 3 through 6 of this form must identify which source is associated with each of the authorized and proposed points of diversion or appropriation and places of use. For applications proposing a Change in Place of Use or Character of Use: Are there Other Water Rights, Permits or Ground Water Registrations associated with this land? V Yes □ No □ N/A - No Change in Place of Use or Character of Use If "Yes", what are the Permit, Registration or Certificate Numbers? 80795 Pursuant to ORS 540.510, any "layered" water use or a right that is supplemental to a primary right proposed for transfer must be included in the transfer or be cancelled, except as provided in OAR 690-380-2240(5). RECEIVED

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The following information must be provided <u>only</u> for those points of diversion or appropriation that are involved in the transfer (i.e., <u>list only the portion of the water right you propose to transfer.</u>) Attach additional pages as necessary.

Government lot and donation land claim numbers must be included in the tables below only if the information is reflected on the existing water right.

Location of Existing Authorized Point(s) of Diversion or Appropriation to be Changed:

(i.e., the allowed point(s) of diversion or appropriation listed on the water right that will be affected by the proposed transfer, the "FROM" point(s) of diversion or appropriation)

If Ground Water, OWRD Well Log ID No. (or Well ID Tag No. L)	Source and Priority Date	Township	Range	Mer	Sec	1/4 1/4	Tax Lot, DLC or Gov't Lot	Survey Coordinates (coordinates from a recognized survey corner)
Low Line Ditch	Crooked River	T14S	R14E	W.M.	24	SE-SW		None Given

	Does the water right	being transferred	involve a ground	water source(s)?
--	----------------------	-------------------	------------------	------------------

☐ Yes ☑ No (Surface water source only.)

If "Yes", for each authorized point of appropriation (well) involved, you must either:

- A. Supply a copy of the well log(s) for <u>each</u> point of appropriation that is clearly labeled and associated with the corresponding well in the table above and on the accompanying application map. (<u>NOTE</u>: You may search for well logs on the Department's web page at: http://www.wrd.state.or.us)
- B. If a well log is <u>not</u> available, you must describe the construction of the authorized point of appropriation by completing the table below. Attach additional copies as necessary.

Construction of Existing Authorized Point(s) of Appropriation – (Only needed if <u>no</u> well log is available.)

Wells in this listing must be clearly tied to corresponding well location(s) described in the table above and shown on the accompanying application map.

OWRD Well No. as identified in table above	Diameter	Type and size of casing	No. of feet of casing	Intervals casing is perforated (in feet)	Seal depth	Est. depth to water	Est. depth to water bearing stratum	Type of access port or measuring device	Total well depth
N/A									N/A
								RECEI	/ED
								NOV 2 1	2008

WATER RESOURCES DEPT

Supplemental Form A

Certificate Number or other identifying number:	83651	

Will the ENTIRE water right be affected by this transfer? Yes Vo

If "Yes", the remainder of this page does not need to be completed. Go on to the next page.

If "No", the following information must be provided <u>only</u> for those places of use that are involved in the transfer (i.e., <u>list only the portion of the water right to be affected by the change.</u>) Attach additional pages as necessary.

Government lot and donation land claim numbers must be included in the tables below only if the information is reflected on the existing water right.

Location of Existing Authorized Place of Use to be Affected:

(i.e., the allowed lands listed on the water right that will be affected by the proposed transfer, the "FROM" lands)

Source and Priority Date	Township	Range	Mer	Sec	¼ ¼ Section	Tax Lot, DLC or Gov't Lot	Acres (if applicable)
Crooked Rvr 1903	T14S	R14E	W.M.	28	NE-NW	200	20
Crooked Rvr 1903	T14S	R14E	W.M.	28	NW-NE	200	25
						Total >	45
+							
							RECEIVED
							NOV 2 1 2008
						WAT	ER RESOURCES D SALEM, OREGON

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Wei	well(s) listed of If "Yes well, of the tab http://w	already above. ", attac r if well le below ww.wrd. ", descr ing table ion of P this listin	h and cla log(s) and (NOTE state.or.) ibe the a	early la re not of You mo s) nticipal	Yes bel the wailab ay sear ted cor (s) of A ied to co	e correle, de centre de correle de centre de c	□ Notesponding scribe the well log ction for opriation	ng well lang well lang well lang well lang construction the Language the properties on the December 1997 and the properties or We	N/A - No cog(s) for cuction of Department cosed well II(s)	each pro f the well nt's web p	(s) using age at:	nd
Well already built? Yes/No)	If an existi well, OWF Well Log ID (or Well ID No. L-	No. D	iameter	Type and size of casing	fee	o. of et of sing	Intervals casing is perforated (in feet)	Seal depth	Est. depth to water	Est. depth to water bearing stratum	Type of access port or measuring device	Total well depth
V/A					-							N/A
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Describe proposed changes to the water right involving place of use. Information described below should accurately correspond to the proposed place of use shown on the accompanying application map. Attach additional pages as necessary.

Location of Proposed Place of Use: (i.e., the "TO" lands)

N/A – Instream Water Right Transfer (NOTE: Complete this table only if a <u>Change in Place of Use</u> is being proposed.)

Source	Township	Range	Mer	Sec	1/4 1/4 Section	Tax Lot, DLC or Gov't Lot	Acres (if applicable)
N/A							N/A
						-	
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							SALEM, OREGO

Remarks: 45 acres from lands of C-83651 are proposed to transfer instream use for water mitigation. Remaining lands to have additional POD under a POD transfer 83651, which is filed separately from this in-stream transfer.

Water Right Transfer Supplemental Form A DESCRIPTION OF PROPOSED CHANGE(S) TO A WATER RIGHT

List only <u>one</u> water right per page. A <u>separate Supplemental Form A</u> must be completed for <u>each</u> certificate, permit, decree, or other right involved in the proposed transfer.

Attach additional copies of Supplemental Form A as needed to describe other certificates, permits, decrees or other rights involved in this transfer.

Certificate Number or other identifying number:	83732

1. TYPE OF CHANGE(S) PROPOSED

(Check all that apply.)

Point of Diversion or Appropriation	Place of Use	Character of Use
 ☑ Change (The old point of diversion or appropriation will not be used for the portion of the water right affected by the transfer.) ☑ Additional (Both the old and new points of diversion or appropriation will be used for the portion of the water right affected by the transfer.) ☑ Historic Point of Diversion or Appropriation Change (Unauthorized point of diversion or appropriation used for more than 10 years.) ☑ Surface Water to Ground Water (A new point of appropriation will be used instead of the old point of diversion. The old point of diversion will not be used.) ☑ Point of Diversion Change due to Government Action (The old point of diversion or appropriation can no longer be used due to government action.) ☑ Exchange (Water from another source will be used in exchange for supplying an equal amount of replacement water to that source.) 	✓ All of the right will be exercised at a different location than currently authorized (Use of water at the current location will be discontinued.) ☐ Only a portion of the right will be exercised at a different location than currently authorized (Use of water at the current location will be discontinued.)	Proposed new use: Irrigation

2. CURRENT WATER RIGHT INFORMATION

Water Right Subject to Transfer (check and complete one of the following): Decree Right Vol.1 Pg.449 1892 83732 Certificated Right Permit Number or Decree Name Certificate Number Adjudicated, Non-certificated Right Page Number Name of Decree Permit for which Proof has Date Claim of Beneficial Use Permit Number been Approved Submitted Transferred Right for which Date Claim of Beneficial Use Proof has been Filed Previous Transfer Number Name on Permit, Certificate, or Decree: Butler Ranch Inc. County: Crook County Authorized Use(s) to be Affected by Transfer: Irrigation - Primary Priority Date(s): 12/31/1892 If there are multiple Priority Dates identified on the water right, any information provided on pages 3 through 6 of this form must identify which priority date is associated with each of the authorized and proposed points of diversion or appropriation and places of use. Source(s) of Water to be Affected by Transfer: Crooked River Tributary to: Deschutes River If there are multiple Sources listed on the water right, any information provided on pages 3 through 6 of this form must identify which source is associated with each of the authorized and proposed points of diversion or appropriation and places of use. For applications proposing a Change in Place of Use or Character of Use: Are there Other Water Rights, Permits or Ground Water Registrations associated with this land? □ Yes P No □ N/A – No Change in Place of Use or Character of Use If "Yes", what are the Permit, Registration or Certificate Numbers? N/A Pursuant to ORS 540.510, any "layered" water use or a right that is supplemental to a primary right proposed for transfer must be included in the transfer or be cancelled, except as provided in OAR 690-380-2240(5).

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WATER RESOURCES DEPT
Description of Proposed Change(s) to a WATER RESOURCES DEPT

Supplemental Form A

The following information must be provided <u>only</u> for those points of diversion or appropriation that are involved in the transfer (i.e., <u>list only the portion of the water right you propose to transfer.</u>) Attach additional pages as necessary.

Government lot and donation land claim numbers must be included in the tables below only if the information is reflected on the existing water right.

Location of Existing Authorized Point(s) of Diversion or Appropriation to be Changed:

(i.e., the allowed point(s) of diversion or appropriation listed on the water right that will be affected by the proposed transfer, the "FROM" point(s) of diversion or appropriation)

If Ground Water, OWRD Well Log ID No. (or Well ID Tag No. L)	Source and Priority Date	Township	Range	Mer	Sec	1/4 1/4	Tax Lot, DLC or Gov't Lot	Survey Coordinates (coordinates from a recognized survey corner)
Butler Ranch Inc.	12/31/1892	T14S	R14E	W.M.	20	SE-SW	200	1896'S & 1717'E from W1/4

	Does the water rig	ght being transferred	involve a ground	water source(s)?
--	--------------------	-----------------------	------------------	------------------

If "Yes", for each authorized point of appropriation (well) involved, you must either:

A. Supply a copy of the well log(s) for <u>each</u> point of appropriation that is clearly labeled and associated with the corresponding well in the table above and on the accompanying application map. (<u>NOTE:</u> You may search for well logs on the Department's web page at: http://www.wrd.state.or.us)

or

B. If a well log is <u>not</u> available, you must describe the construction of the authorized point of appropriation by completing the table below. Attach additional copies as necessary.

Construction of Existing Authorized Point(s) of Appropriation – (Only needed if <u>no</u> well log is available.)

Wells in this listing must be clearly tied to corresponding well location(s) described in the table above and shown on the accompanying application map.

OWRD Well No. as identified in table above	Diameter	Type and size of casing	No. of feet of casing	Intervals casing is perforated (in feet)	Seal depth	Est. depth to water	Est. depth to water bearing stratum	Type of access port or measuring device	Total well depth
N/A								RECEIVI	DN/A
								NOV 2 1 2	008
							WAT	ER RESOURCE	S DEPT

Supplemental Form A

Description of Proposed Change(s) to a Water Right

-3-

Certificate Number or other identifying number:	83732	_

Will the ENTIRE water right be affected by this transfer? Ves No

If "Yes", the remainder of this page does not need to be completed. Go on to the next page.

If "No", the following information must be provided <u>only</u> for those places of use that are involved in the transfer (i.e., <u>list only the portion of the water right to be affected by the change.</u>) Attach additional pages as necessary.

Government lot and donation land claim numbers must be included in the tables below only if the information is reflected on the existing water right.

Location of Existing Authorized Place of Use to be Affected:

(i.e., the allowed lands listed on the water right that will be affected by the proposed transfer, the "FROM" lands)

Source and Priority Date	Township	Range	Mer	Sec	1/4 1/4 Section	Tax Lot, DLC or Gov't Lot	Acres (if applicable)
Crooked Rvr 12/31/1892	T14S	R14E	W.M.	20	SW-SW	200	11.0 (pri)
							RECEIVED
						WATE	NOV 2 1 2008 R RESOURCES DE SALEM, OREGON

Supplemental Form A

- 4 - Description of Proposed Change(s) to a Water Right

Sur	vey coordi ompanying Location (i.e., the "TO	oosed chinates de application of Prop	anges to escribed in ation map osed Poi	the water below sho be. Attach nt(s) of I or appropri	r right in ould acci additiona Diversion	rately co al pages as n or App	oint(s) o orrespond onecessar ropriation	f diversion I to the port y. on: stream Wa	on and/or oints sho uter Right T	ransfer	
		ownship	Range		Sec	/4 1/4	Tax Lot, DLC or Gov't Lot		Survey Co	ng proposed oordinates a recognized so ner)	
N	/A			-					N	/A	
	well(s) listed of If "Ye. well, of the tab http://w If "No follow	already above. s", attacor if well ble below www.wrd ", descring table	ch and cl log(s) a v. (NOTE lstate.or.)	early labore not average in the most average in the may are in the may are in the most are in	Yes el the con ailable, o search fo	□ Norrespondi describe to for well log suction for	ing well l he constr gs on the l	N/A - No og(s) for cuction of Department		(s) using age at:	
Wel	Construct I numbers in on the acc	this listin	ng must be	clearly tied					ed in the to	able above a	nd
Well ready ouilt? es/No)	If an exist well, OW Well Log II (or Well ID No. L-	RD I	Diameter	Type and size of casing	No. of feet of casing	Intervals casing is perforated (in feet)	Seal	Est. depth to water	Est. depth to water bearing stratum	Type of access port or measuring device	Total well depth
/A											N/
									RECE	EIVED	
									NOV 2	2000	
								1//Δ7	ER BECO	URCES DEF	-

Describe proposed changes to the water right involving place of use. Information described below should accurately correspond to the proposed place of use shown on the accompanying application map. Attach additional pages as necessary.

Location of Proposed Place of Use: (i.e., the "TO" lands)

N/A – Instream Water Right Transfer (NOTE: Complete this table only if a Change in Place of Use is being proposed.)

Source	Township	Range	Mer	Sec	¼ ¼ Section	Tax Lot, DLC or Gov't Lot	Acres (if applicable)
N/A							N/A
						1	
						BI	CEIVED
							V 2 1 2008
						WATER F	ESOURCES D EM, OREGON

Remarks: All lands from	1 C-63/32 are pro	posed to transfer	instream for water	er mitigation.

Water Right Transfer Supplemental Form B AFFIDAVIT ATTESTING TO THE USE OF WATER

State of Oregon	
County of Deschutes)	SS
I, _John A. Short	, in my capacity as _owner / neighbor
mailing address P.O. Box 1830, Bend	, OR 97709
telephone number (541) 408-7415	, being first duly sworn depose and say:
1. I attest that:	
•	s five years on the entire authorized place of use of the described on the accompanying transfer application; of
	n at some time within the last five years. The instream; or
	feiture and documentation that a presumption of utted under ORS 540.610(2) is attached.
2. My knowledge of the exercise or state	tus of the water right is based on (check one):
☑ Personal observation	☐ Professional expertise
Manager and the second second second	ATT CARL CARL CARL

3.	My	knowledge	is specific to	o the	use of water	at the	following locations:
----	----	-----------	----------------	-------	--------------	--------	----------------------

Township		Range		Mer	Sec	1/4 1/4 Section	Gov't Lot or DLC	Acres (if applicable)	
14	S	14	E	W	W	28	NE-NW	00200	23.0
						NW-NE	00200	25.0	
					21	SE-SW	00200	3.0	
					29	NE-NE	00106	0.5	

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Please print legibly or type. Be as specific as possible. Attach additional pages if you need more space. Supporting documentation must be attached.

State of Owners

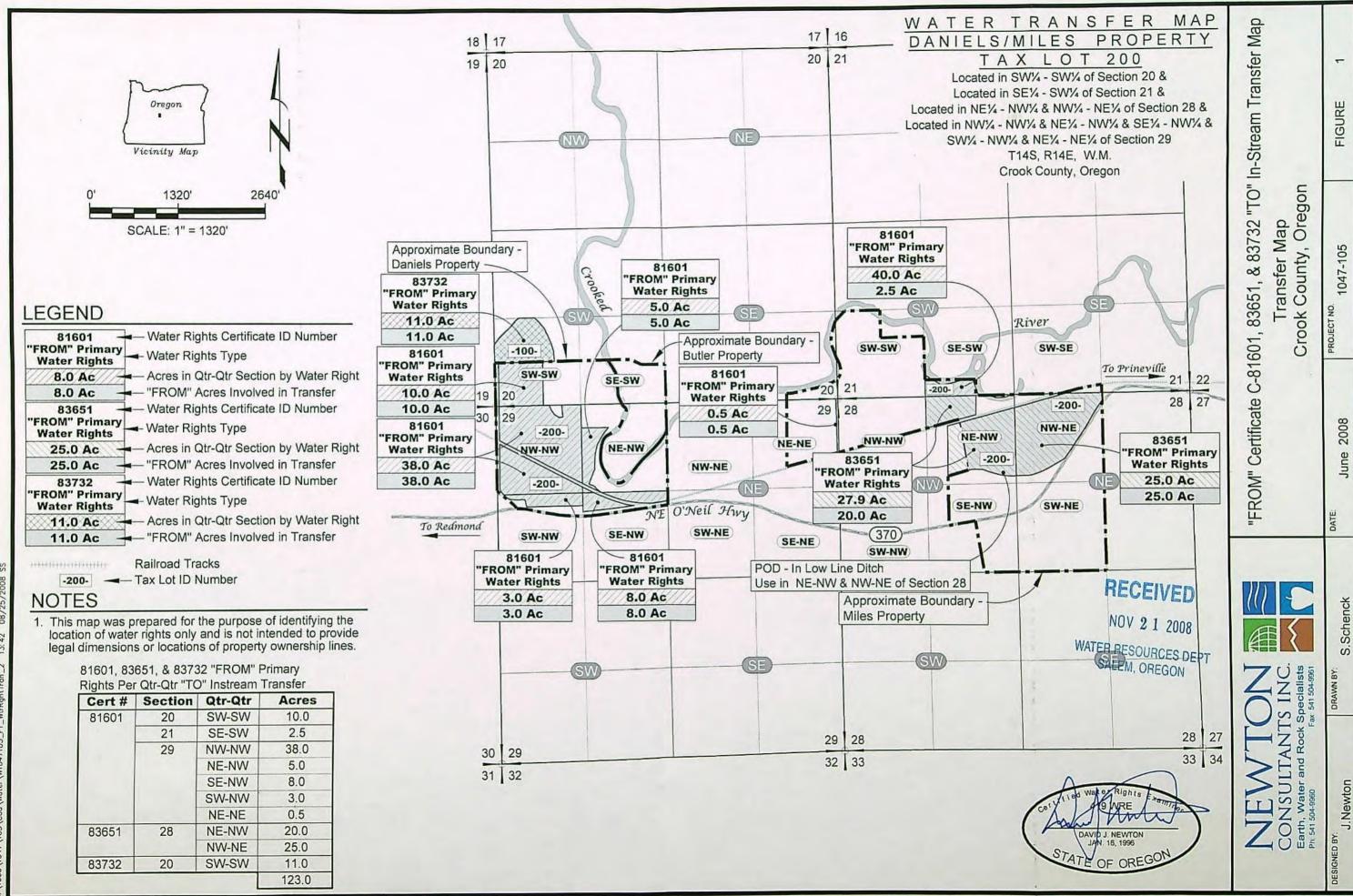
	The water right was exercised for the authorized purpose							
Gra	rass hay and cattle grazing.							
5.	The water delivery system used to apply water as authori	zed by the right is described below:						
	stream pump to buried mainline and wheel lines North of railroad							
dite	ch South of railroad tracks.							
6.	One or more of the following documentation supporting	the above statements is attached:						
	Copy of a water right certificate that was issued within right certificate),							
	Records such as Farm Service Agency crop reports, irri farm management plan, or records of other water suppli							
\square	Dated aerial photographs of the lands or other photograestablish the location and date of the photograph,							
	Dedicated power usage records or receipts,	RECEIVED						
	Instream lease number, Other:	NOV 2 1 2008						
_	Other:	WATER RECOURCES DEC						
_								
0	Selfloot	12-7-07						
Sign	nature of Affiant	Date						
0	/	0.1						
	Signed and sworn to (or affirmed) before me thi	s + day of Nov. , 20 07.						
	r/n.	11 X						
	OFFICIAL SEAL	Will Dinen						
	DANIELLE KINYON NOTARY PUBLIC-OREGON	Notary Public for Oregon						
	COMMISSION NO. 399585 MY COMMISSION EXPIRES JAN. 20, 2010							
	My Commis	sion Expires: 1-20-/D						

Please print legibly or type. Be as specific as possible. Attach additional pages if you need more space. Supporting documentation must be attached.

Supplemental Form B

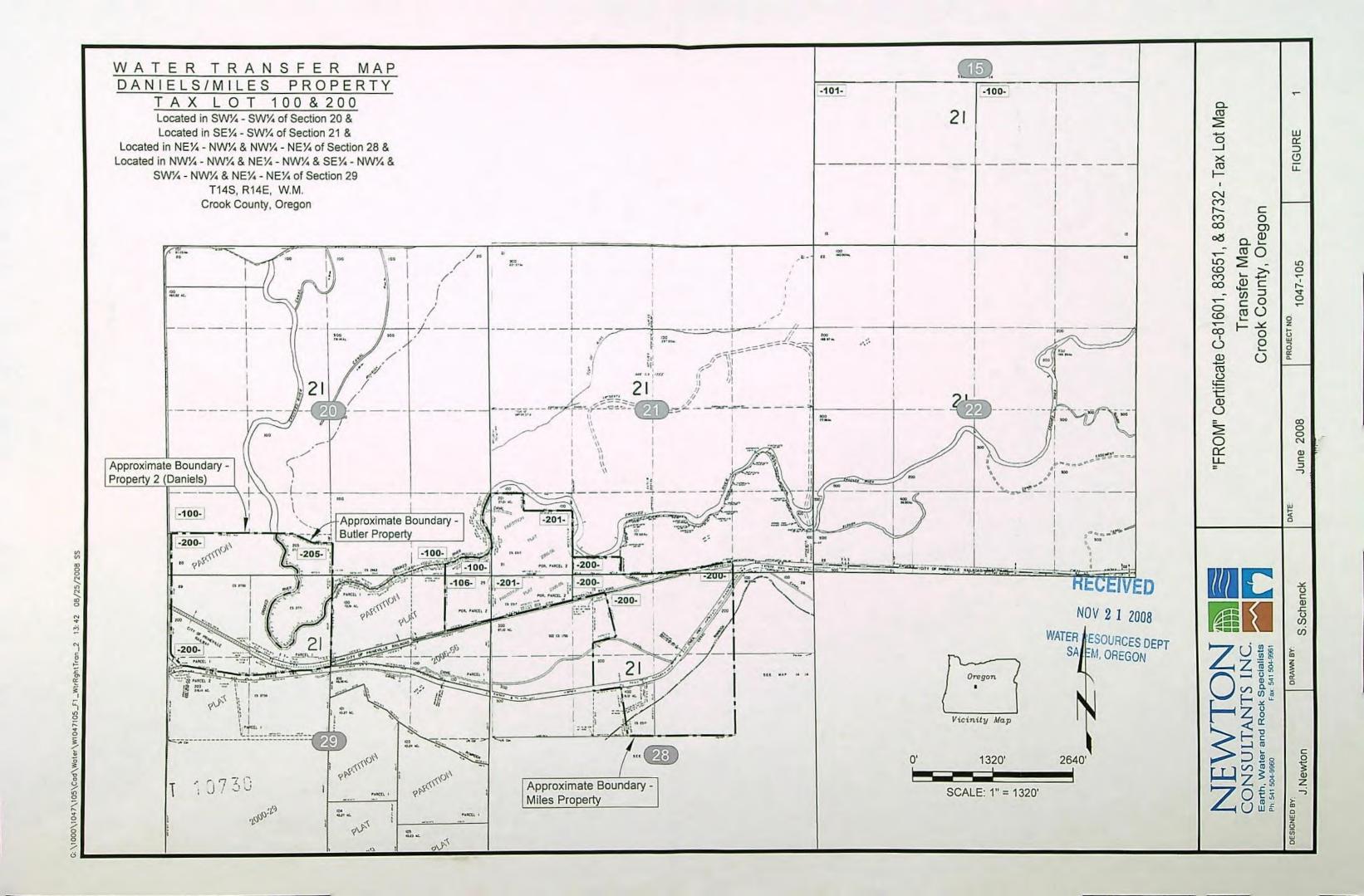
-2- 0 2 2008

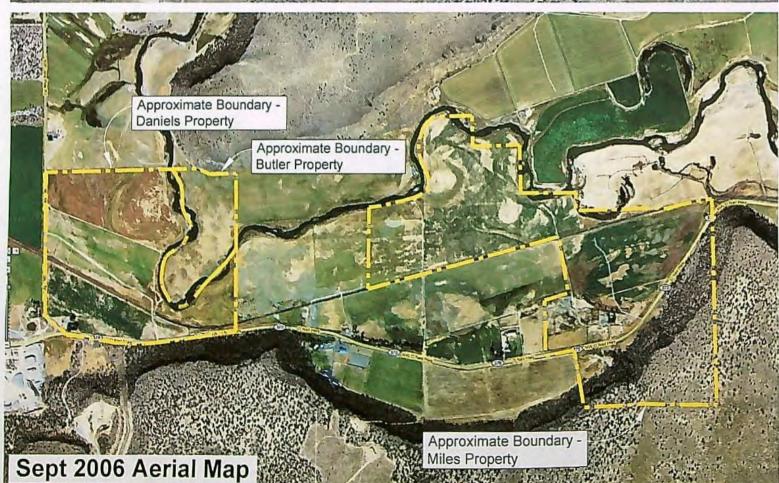
Affidavit Attesting to the Use of Water



00\1047\105\Cad\Water\W1047105_F1_WtrRghtTran_2

10/30





WATER TRANSFER MAP DANIELS/MILES PROPERTY TAX LOT 100 & 200

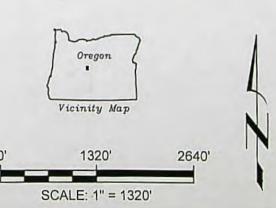
Located in SW¼ - SW¼ of Section 20 & Located in SE1/4 - SW1/4 of Section 21 & Located in NE1/4 - NW1/4 & NW1/4 - NE1/4 of Section 28 & Located in NW1/4 - NW1/4 & NE1/4 - NW1/4 & SE1/4 - NW1/4 & SW1/4 - NW1/4 & NE1/4 - NE1/4 of Section 29 T14S, R14E, W.M. Crook County, Oregon

"FROM" Certificate C-81601, 83651, & 83732 - Use Map Transfer Map Crook County, Oregon

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Water Right Transfer Supplemental Form B AFFIDAVIT ATTESTING TO THE USE OF WATER

	ate of Oregon)
Со	ounty of MULKNOWAH) ss
	Marilyn Dove , in my capacity as Previous Owner ,
ma	ailing address P.O. Box 1932, Sandy, OR 97055
	ephone number (503) 826-1950, being first duly sworn depose and say:
1.	I attest that:
V	Water was used during the previous five years on the entire authorized place of use of the water right proposed for transfer as described on the accompanying transfer application; or
Ø	The water right is not subject to forfeiture and documentation that a presumption of forfeiture for non-use would be rebutted under ORS 540.610(2) is attached.
2.	My knowledge of the exercise or status of the water right is based on (check one):
	☑ Personal observation □ Professional expertise

3.	My	knowledge	is specific to t	the use	of water	at the	following locations:
----	----	-----------	------------------	---------	----------	--------	----------------------

Township		Range		Mer	Sec	¼¼ Section	Gov't Lot or DLC	Acres (if applicable)
14	S	14	E	W	20	swsw		14.4
						SESW		15.0
					29	NENW		31.4
						SWNW		4.6
						NWNW		38.0
						SENW		8.0

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Please print legibly or type. Be as specific as possible. Attach additional pages if you need more space. Supporting documentation must be attached.

-1-

	owing hay and alfalfa, cattle grazing	_
	The water delivery system used to apply water as authorized by the right is described below	w:
Dir	ect diversion from the Crooked River in to mainlines, wheel lines and hand lines.	_
-		
6.	One or more of the following documentation supporting the above statements is attached:	
	Copy of a water right certificate that was issued within the last five years (not a remainin right certificate),	g
	Copies of receipts from sales of irrigated crops or for expenditures relating to the use of water,	
	Records such as Farm Service Agency crop reports, irrigation district records, an NRCS farm management plan, or records of other water suppliers,	
	Dated aerial photographs of the lands or other photographs containing sufficient detail to establish the location and date of the photograph,	í.
V		RECEIVED
	Instream lease number,	NOV 2 1 2008
	Other: WATE	ER RESOURCES DE
		SALEM, OREGON
	railyn Dove 11-20-07	
Sign	nature of Affiant Q Date	
	Signed and sworn to (or affirmed) before me this the day of Malember, 20	ΛZ
	Signed and sworm to (or armined) corote ine ans (V) and or property, 20	24.
-	OFFICIAL SEAL Melder Affecte	
	CHELSEA STEELE NOTARY PUBLIC-OREGON Notary Public for Oregon	
M	CHELSEA STEELE Notary Public for Oregon	- 2049

WATER RESOURCES DEPT SALEM, OREGON

Supplemental Form B

Affidavit Attesting to the Use of Water



P.O. Box 400 Portland, Oregon 97207-0400 1-888-221-7070 fax 1-888-800-2851

JOHN SHORT RE: THE DANIELS GROUP, LLC (541)382-9225

November 20, 2007

Account # 22842760-002

Dear John Short:

Thank you for contacting us on November 20, 2007, regarding your account. As requested, enclosed is a copy of a billing analysis of your account.

If you would like more information or have any questions, please call us anytime toll-free at 1-888-221-7070. Any of our customer service representatives are available to take your call.

Sincerely,

Richard, Employee # P16260 Customer Service

Enclosure: Billing Analysis

Para más información, llame al 1-888-225-2611 y podrá hablar con un representante que hable español.

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Meter # 84917896

Site Address: O'NEIL JUNCTION .4E .2 N ONEIL HWY REDMOND OR 97756

Billing Month	Read Date	Read Type	Cycle	Status	Source (*)	Condition Codes	Days	Daily KWH	KWH	KWH Usage	KW	KW Usage	ON KWH	ON KWH Usage	OFF KWH	OFF KWH Usage	Invoice
	07/19/2007	C			S		23	3	26436	58	60	1	0	0	0	0	\$283.07
06	06/26/2007		21		1	VR	32	280	26378	8947	2341	23	0	0	0	0	\$534.90
05	05/25/2007		21		1	VR	29	144	17431	4167	2472	25	0	0	0	0	\$217.61
04	04/26/2007		21		I		29	22	13264	635	168	2	0	0	0	0	\$33.57
03	03/28/2007		21		S	SD	29	0	12629	0	0	0	0	0	0	0	\$0.00
02	02/27/2007		21		S	SD	29	0	12629	0	0	0	0	0	0	0	\$0.00
01	01/29/2007		21		S	SD	32	0	12629	0	0	0	0	0	0	0	\$0.00
12	12/28/2006		21		S	SD	29	0	12629	0	0	0	0	0	0	0	\$0.00
11	11/29/2006		21		S	SD	35	0	12629	0	0	0	0	0	0	0	\$420.24
10	10/25/2006		21		I	VR	26	6	12629	161	1175	12	0	0	0	0	\$7.89
09	09/29/2006		21		I		30	48	12468	1448	2361	24	0	0	0	0	\$69.68
08	08/30/2006		21		I		30	73	11020	2194	2379	24	0	0	0	0	\$105.58
07	07/31/2006		21		I		33	87	8826	2861	2379	24	0	0	0	0	\$136.87
06	06/28/2006		21		I	SU	32	0	5965	0	0	0	0	0	0	0	\$0.00
05	05/27/2006		21		I	RCVR	30	21	5965	639	2383	24	0	0	0	0	\$30.53
04	04/27/2006		21		S	SD	30	0	5326	0	0	0	0	0	0	0	\$0.00
03	03/28/2006		21		S	SD	29	0	5326	0	0	0	0	0	0	0	\$0.00
02	02/27/2006		21		S	SD	31	0	5326	0	0	0	0	0	0	0	\$0.00
01	01/27/2006		21		S	SD	30	0	5326	0	0	0	0	0	0	0	\$0.00
12	12/28/2005		21		S	SD	30	0	5326	0	0	0	0	0	0	0	\$0.00
11	11/28/2005		21		S	SD	33	0	5326	0	0	0	0	0	0	0	\$378.65
10	10/26/2005		21		I	SU	28	0	5326	0	0	0	0	0	0	0	\$0.00
	09/29/2005	S	21		F		0	0	5326	0	0	0	0	0	0	0	\$0.00
	09/28/2005	S			M		0	0	5326	0	0	0	0	0	0	0	\$0.00
09	09/28/2005		21		1		33	94	5326	3115	0	0	0	0	0	0	\$137.80
08	08/26/2005		21		A		29	94	2211	2737	2416	24	0	0	0	0	\$121.08
08	08/26/2005		21	Z	1	ECEIV	29	340	9326	9852	2416	24	0	0	0	0	\$0.00

To: JOHN SHORT

Date: 11/21/2007 8:08:59 AM

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WATER RESOURCES DEPT SALEM, OREGON

07	07/28/2005	21	I	VR	33	75	99474	2460	2404	24	0	0	0	0	\$116.26
06	06/25/2005	21	I	DK	24	0	97014	0	0	0	0	0	0	0	\$0.00
05	06/01/2005	21	1	SU	35	0	97014	0	0	0	0	0	0	0	\$0.00
04	04/27/2005	21	I	SU	30	0	97014	0	80	1	0	0	0	0	\$0.00
03	03/28/2005	21	S	SDSU	31	0	97014	0	0	0	0	0	0	0	\$0.00
02	02/25/2005	21	S	SD	28	0	97014	0	0	0	0	0	0	0	\$0.00

n					
O	N	m	m	61	its

Sources:

A=Adjustment, C=Customer, F=Field Read, I=Itron Read (regular), M=Manual (regular), O=Office Estimate, P=Postcard, S=System Estimate

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WATER RESOURCES DEPT
SALEM, OREGON

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To Whom It May Concern:

Date

Re: Lienholder consent to water right transfer to and from Dallan Miles' property known as T14S, R14E, Section 28 Tax Lot 200 and Section 21 Tax Lot 200 in Crook County.

As authorized representative of the lienholder on the above referenced property, I hereby consent to the proposed water right transfer referenced by the attached Agreement of Purchase and Sale dated November 26, 2007 plus Addendum A dated November 27, 2007. Should said water right transfer fail to be issued by December 31, 2008 or otherwise be denied by Oregon Water Resources Department, this consent shall become immediately null and void.

Bank or Lienholder Name	KOHN!	SOUTH DAMES BAT
Representative Signature	-	
Representative Name, Printed	-	
17-7 47		

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Applicant Name: _

Oregon Water Resources Department Land Use Information Form

The Daniels Group, LLC, Emmett Ranch, LLC & Dallon Miles

THIS FORM IS NOT REQUIRED IF: 1) water is to be diverted, conveyed, and/or used only on federal lands: or 2) the application is for a water-right transfer, allocation of conserved water, exchange, permit amendment, or ground water registration modification, and all of the following apply: a) only the place of use is proposed for change, b) there are no structural changes, c) the use of water is for irrigation, and d) the use is located in an irrigation district or exclusive farm-use zone.

					OR Zip:	97709 Da	y Phone:5	41-408-7415	
	lication	is related	to a M	easure 37 cl	aim. □ Yes ☑ No				
and and L									
	ocation	1							
sported), or	used. A	Applicants	for mu	micipal use,	ots where water will be or irrigation uses wit mation requested belo	hin irrigation	ken from its sou districts may su	rce), conveyed bstitute existing	and
Township	Range	Section	14.14	Tax Lot #	Plan Designation (e.g. Rural Residential/RR-5		Water to be:	Proposed Land Use:	
14 S	14 E	Low Line	Ditch	Company	EFU-2		☑ Conveyed ☑ U	Jsed Farm	
							☑ Conveyed ☑ U	THE THE THE	
							□ Conveyed □ U		
						□ Diverted	□ Conveyed □ U	Ised	
□ Alloc	ation of t Amen		d Wate Ground	r 🗆 L Water Regi	ater-Right Transfer imited Water Use Lic stration Modification	ense	change of Water	SA	RESOURCES D LEM, OREGON
rce of water	: □ Re	servoir/Po	ond	☐ Ground W	/ater ☐ Surfac	e Water (nan	ne)		
mated quant	ity of w	ater neede	ed:	2	_ @ cubic feet per	second g	allons per minut	e 🗆 acre-feet	
nded use of	water:	☑ Irrigati □ Munici		☐ Commerc ☐ Quasi-mu			mestic for		
fly describe	: 47.5 ac	res are bein	ng transfe	rred instream.	40 acres are changing pl	ace of use. Lov	Line Ditch being a	added as additional	
t of diversion.									
									ment

State of Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1266

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MAY 0 2 2008

For Local Government Use Only

The following section must be completed by a planning official from each county and city listed unless the project will be located entirely within the city limits. In that case, only the city planning agency must complete this form.

This deals only with the local land-use plan. Do not include approval for activities such as building or grading permits.

Please check the appropriate box below and provide the requested information

Land uses to be served by proposed water uses (including proposed construction) are allowed outright or are not regulated by your comprehensive plan. Cite applicable ordinance section(s): 18.70.0/0

☐ Land uses to be served by proposed water uses (including proposed construction) involve discretionary land-use approvals as listed in the table below. (Please attach documentation of applicable land-use approvals which have already been obtained. Record of Action/land-use decision and accompanying findings are sufficient.)

If approvals have been obtained but all appeal periods have not ended, check "Being pursued".

Type of Land-Use Approval Needed (e.g. plan amendments, rezones, conditional-use permits, etc.)	Cite Most Significant, Applicable Plan Policies & Ordinance Section References	Lane	i-Use Approval:
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued

Local governments are invited to express special Department regarding this proposed use of water	al land-use concerns or make recommendations or below, or on a separate sheet.	s to the Water Resources
		RECEIVED
		NOV 2 1 2008
		WATER RESOURCES DEP SALEM, OREGON
Name: Gondon Moore Signature: Salan mot Government Entity: Crook Coh	Title: Assistant Phone: 541-447-81.	Diructor 50/111/43
Note to local government representative: Plant of you sign the receipt, you will have 30 days from the land Use Information Form or WRD may present the local comprehensive plans.	om the Water Resources Department's notice of	date to return the completed
Receipt fo	r Request for Land Use Information	
Applicant name:		
City or County:	Staff contact:	
Signature:	Phone:	_ Date:

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Last updated 12/22/06 WR

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Oregon Water Resources Department Land Use Information Form

THIS FORM IS NOT REQUIRED IF: 1) water is to be diverted, conveyed, and/or used only on federal lands; or 2) the application is for a water-right transfer, allocation of conserved water, exchange, permit amendment, or ground water registration modification, and all of the following apply: a) only the place of use is proposed for change, b) there are no structural changes, c) the use of water is for irrigation, and d) the use is located in an irrigation district or exclusive farm-use zone.

Applicant l	Name: _			The	Daniels Group, L	LC & Emr	nett Ranch, LLC			
						Box 1830				
City:		Bend		State: _	OR Zip:	97709	Day Phone: _	541-4	08-7415	
This app	lication	is related	to a M	easure 37 cl	aim. □ Yes ☑	No				
ported), or	e follow used. A	ing infor	for mu	micipal use,	ots where water v or irrigation use: mation requested Plan Designation Rural Residential EFU-2	s within irri i below. n (e.g. /RR-5)	rted (taken from gation districts n Water to be	nay substit	Proposed Land Use:	and
14	14	29		106	EFU-2	(2)	Diverted Convey	ed 🛭 Used	Instream	
		-					Diverted Conveye			
						()	Diverted Convey	ed 🗆 Used		
□ Alloca □ Permi	ation of t Amen	Conserve Iment or	d Wate Ground	r 🗆 L Water Reg	ater-Right Trans imited Water Us istration Modific	e License ation	□ Exchange of			
ce of water							er (name)			
nated quant	ity of w	ater need	ed:	1	@ cubic feet	per second	☐ gallons per	minute	□ acre-feet	
ded use of		☐ Irrigati ☐ Munic			ial In		☐ Domestic for ☐ Other			
ly describe	Permar	nent instrea	m transf	er.						
to applica	nt: <i>If th</i>	ne Land U	lse Info	rmation For	rm cannot be con	npleted whi	le you wait, plea.	se have a l	ocal govern	RECEIVED
sentative s	ign the i	receipt be			quest for Lar		formation	ources Dej		TER RESOURCES SALEM, OREGO

State of Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1266

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For Local Government Use Only

The following section must be completed by a planning official from each county and city listed unless the project will be located entirely within the city limits. In that case, only the city planning agency must complete this form.

This deals only with the local land-use plan. Do not include approval for activities such as building or grading permits.

Please check the appropriate box below	and provide the r	requested information
--	-------------------	-----------------------

Please check the appropriate box below Land uses to be served by proposed with the served by the se				are not
regulated by your comprehensive plan				
☐ Land uses to be served by proposed vapprovals as listed in the table below. already been obtained. Record of Ac If approvals have been obtained but	(Please attach documentation of tion/land-use decision and accor-	of applicable in apanying fine	land-use approvals which dings are sufficient.)	nd-use ch have
(e.g. plan amendments, rezones, Poli	Most Significant, Applicable Plan cies & Ordinance Section References	Land	I-Use Approval:	
conditional-use permits, etc.)		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued	
		□ Obtained	☐ Being pursued	
		☐ Denied ☐ Obtained	☐ Not being pursued ☐ Being pursued	
		☐ Denied ☐ Obtained	☐ Not being pursued ☐ Being pursued	
		☐ Denied	☐ Not being pursued	
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued	
Name: Gordon Moore. Signature: Solow 3000 Government Entity: Groot Con	1100		Dinueton Date: 12/11/4	- - - -
Note to local government representative: Pla If you sign the receipt, you will have 30 days fro Land Use Information Form or WRD may press local comprehensive plans.	om the Water Resources Departs	ment's notice	date to return the comp	pleted
Receipt for				RECEIVED
Applicant name:	Request for Land Use Ir	itormation		HECEIVED
applicant name.	r Request for Land Use In			NOV 2 1 2008
турпеан наше.				NOV 2 1 2008
City or County:				NOV 2 1 2008 WATER RESOURCES DEPT

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Last updated 12/22/06 WR

MAY 0 2 2008

Water Right Transfer Supplemental Form C INSTREAM WATER RIGHT TRANSFER

Please contact the Depar 1. Identify the public u	ise for which the	instream right i			essary.
	aintenance and er sh life, wildlife, f and other ecologic	fish and	Recreation Navigation Pollution Abatemen	nt	
2. Instream use propos	sed to be created	l by the instream			
Originating Water Right Number (as identified in the transfer application)	Priority Date	Source	Proposed Instream Period	Rate (cfs)*	Volume (ac-ft)**
81601	1892/1898/1904/1910	Crooked Rvr	Permanent	0.838	268
83651	1903	Crooked Rvr	Permanent	0.56	180
83732	1892	Crooked Rvr	Permanent	0.138	44
			(Additional Info)		
			Tota	l Volume:	492
Additional information	n: Rate allow	ed on Certificat	es = 1/80cfs: volun	ne 4AcFt/A	Acre
3. Identify the location Water is requested Location (i.e. the padescribed on the water)	d to be protected a oint of diversion (PO	at a point. OD), or if the water ri	ght has more than one PC	OD or if a PO	D is not
downstream extent of	sed reach (if an in. fthe reach): Below	stream water right re Low Line Ditch Di	each is requested, identify version (T15S, R16E, S o confluence with De	Sec 8) and b	elow
Recommendations for existing water rights None		the instream use	e to avoid taking awa	ay or impa	iring
=	ffective reach(es) or	lake levels of the inst	ductions in the instream fi ream flow, measuring loc		
Supplemental Form C		.1. A	ECEIVED V	Vater Right Tr	ransfer

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WATER RESOURCES DEPT

	No Ves (identify other instream water Certificates 73191-196,73198-215,73252-253,73268,74276,75915-916,75993,76027,76088-89,76164,79529,81584,	
	New instream water rights generally (but not always) are additive to instream water rights esta 537.348 (instream transfer application process) and ORS 537.470 (allocation of conserved wat portion of instream water rights established under ORS 537.341 (state agency application proc (conversion of minimum perennial streamflows) with an earlier priority date.	blished under ORS er) and replace a
	Is it your intent to have the proposed instream water right transfer be additive to water right established under ORS 537.348 and ORS 537.470 and replace a por instream water right established under ORS 537.341 and ORS 537.346 with an date?	tion of any
	Yes No. If no, please explain your into Transfer the rights (81601,83732 & 83651) to instream flow within the C	rooked River
	with their respective 1892, 1898,1903 & 1904/1910 priority dates.	
	If the proposed conversion would add to the amounts of an existing instream we established under ORS 537.341 or 537.346, provide documentation demonstrat	ing why
	additional instream flows are necessary. Supporting documentation should include info Dept. of Fish and Wildlife (ODFW) (fish life), Dept. of Environmental Quality (DEQ) (pollution Parks and Recreation Dept. (recreation).	rmation from the a abatement), and/or
6.	Is the requested instream flow intended to exceed the estimated average na level occurring from the drainage system?	tural flow or
	✓ No; <u>or</u>	
	Yes (Provide supporting documentation that demonstrates why additional flows are signifuse requested.); or	icant for the public
	Yes, and it is presumed that flows that exceed the estimated average natural lake levels are significant because:	flow or natural
	The requested flow does not exceed the maximum amount of any instrapplication applied for under ORS 537.341 (state agency instream was application process) for the same reach or portion thereof, and the requision for the same public use as the aforementioned instream water right and	ter right uested public use
	For the specified time period that flows are requested to exceed the es natural flow or lake level, the stream is in an ODFW flow restoration (A copy of the priority watershed map indicating the specific watershed involved she the application. Priority watershed maps may be found on the OWRD web page); 0	priority watershed ould be included with
	The stream is listed as water quality limited and DEQ has provided so information that demonstrates that increased flows would improve wa scientific information provided by DEQ should be included with the transfer applica-	ter quality. (The
V/A 7.		RECEIVED
	The time-limited instream transfer is for a specific number of years: Begin Year to End Year	NOV 2 1 2008
	The time-limited instream transfer is to terminate based upon other condition Conditions:	NATER RESOURCES DEF

STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

PEOPLES IRRIGATION CO. 615221 O'NEIL HWY PRINEVILLE, OR 97754

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for IRRIGATION OF 569.3 ACRES, LIVESTOCK AND DOMESTIC USE.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The date of priority is 1892, 1895, 1897, 1898, and 1904/1910.

The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 7.12 CUBIC FEET PER SECOND, or its equivalent in case of rotation, measured at the point of diversion.

The points of diversion are located as follows:

POD	Twp	Rng	Mer	Sec	Q-Q	Survey Coordinates
1	15 S	16 E	WM	8	NW SW	1920 Feet North and 340 Feet East From SW Corner of Section 8
2						Low Line Ditch
3	14 S	14 E	WM	24	NE SE	Pump: 450 feet West from the East 1/4 corner of Section 24
4	14 S	14 E	WM	23	SW NE	Pump: 1020 feet North and 500 feet East from the center 1/4 corner of Section 23
5	148	14 E	WM	23	SW NW	Pump: 1000 feet North and 1400 feet West from the center 1/4 corner of Section 23
6	14 S	14 E	WM	29	NE NW	Pump: 1085 feet South and 970 feet West from the North ¼ Corner of Section 29
7	14 S	14 E	WM	20	SE SE	Pump: 325 feet North and 120 feet West from the Southeast Corner of Section 20

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each year. The use shall conform to such reasonable rotation system as may be ordered by the proper state officer.

A description of the place of use to which this right is appurtenant is as follows:

	IRRIGATION, LIVESTOCK AND DOMESTIC										
Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User			
1895	1	14 S	15 E	WM	26	SW SW	20.0	Cox, F.T			
	1	14 S	15 E	WM	26	SESW	20.0	Cox, F.T			
	1	14 S	15 E	WM	26	SW SE	20.0	Cox, F.T			
1904/1910	1	14 S	14 E	WM	21	SW NE	40.0	Deschutes Fine Wool Company			
	1	14 S	14 E	WM	21	SE NE	40.0	Deschutes Fine Wool Company			
	1	14 S	14 E	WM	21	NE SW	30.0	Deschutes Fine Wool Company			

T-10233.RA-dip

Page 1 of 2

Certificate 83857

Priority Date	POD	Tun	Dag	Mer	Sec	Q-Q	Acres	User
Friority Date	FOD	Twp	Rng	MIEL	Sec	Q-Q	Acres	
	1	14 S	14 E	WM	21	NW SW	30.0	Deschutes Fine Wool Company
	1	14 S	14 E	WM	21	SW SW	5.4	Deschutes Fine Wool Company
1904/1910	1	14 S	14 E	WM	21	NE SE	30.0	Deschutes Fine Wool Company
(continued)	1	14 S	14 E	WM	21	NW SE	30.0	Deschutes Fine Wool Company
	2	14 S	14 E	WM	21	SE SW	40.0	Deschutes Fine Wool Company
	2	14 S	14 E	WM	21	SW SE	40.0	Deschutes Fine Wool Company
	2	14 S	14 E	WM	21	SE SE	40.0	Deschutes Fine Wool Company
	3	14 S	14 E	WM	23	SE NE	20.9	Deschutes Fine Wool Company
	4	14 S	14 E	WM	23	NW NE	0.6	Deschutes Fine Wool Company
	4	14 S	14 E	WM	23	NE NW	7.4	Deschutes Fine Wool Company
	5	14 S	14 E	WM	23	NW NW	1.0	Deschutes Fine Wool Company
1892	1	14 S	14 E	WM	29	NW NW	2.4	Forrest, Frances
	1	14 S	14 E	WM	29	SW NW	3.0	Forrest, Frances
	1	14 S	14 E	WM	29	SENW	8.0	Forrest, Frances
	1	14 S	14 E	WM	30	NE NE	5.6	Forrest, Frances
	6	14 S	14 E	WM	20	SW SW	10.0	Forrest, Frances
	6	14 S	14 E	WM	29	NE NW	5.0	Forrest, Frances
	6	14 S	14 E	WM	29	NW NW	35.6	Forrest, Frances
	6	14 S	14 E	WM	30	NE NE	4.4	Forrest, Frances
1898	7	14 S	14 E	WM	29	NE NE	0.5	McDowell, D.A.
1897	1	14 S	14 E	WM	26	NE NE	1.0	Messinger, Lucy
	1	14 S	14 E	WM	26	NW NE	15.0	Messinger, Lucy
	1	14 S	14 E	WM	26	NE NW	30.0	Messinger, Lucy
	1	14 S	14 E	WM	26	NW NW	30.0	Messinger, Lucy
1898	1	14 S	14 E	WM	28	NE NE	3.5	Weaver, David

The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described.

This certificate describes that portion of the water right confirmed by Certificate 81601, State Record of Water Right Certificates, NOT modified by the provisions of an order of the Water Resources Director entered MAY 0 7 2008, approving Transfer Application T-10233.

The issuance of this superseding certificate does not confirm the status of the water right in regard to the provisions of ORS 540.610 pertaining to forfeiture or abandonment.

WITNESS the signature of the Water Resources Director, affixed MAY 0 7 2008

T-10233.RA-dip

Page 2 of 2

Recorded in State Record of Water Right Certificates numbered 83857.

1 10730

STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

PEOPLES IRRIGATION CO. 615221 O'NEIL HWY PRINEVILLE OR 97754

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for IRRIGATION OF 799.4 ACRES, LIVESTOCK AND DOMESTIC USE.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The date of priority is 1892, 1895, 1897, 1898, and 1904/1910.

The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 9.992 CUBIC FEET PER SECOND, or its equivalent in case of rotation, measured at the point of diversion.

The points of diversion are located as follows:

POD	Twp	Rng	Mer	Sec	Q-Q	Survey Coordinates
1	15 S	16 E	WM	8	NWSW	1920 FEET NORTH & 340 FEET EAST FROM SW CORNER, SECTION 8
2						Low Line Ditch
3	14 S	14 E	WM	24	NE SE	Pump: 450 feet West from the East ¼ Corner of Section 24
4	14 S	14 E	WM	23	SW NE	Pump: 1020 feet North and 500 feet East from the Center ¹ / ₄ Corner of Section 23
5	14 S	14 E	WM	23	SWNW	Pump: 1000 feet North and 1400 feet West from the Center ¼ Corner of Section 23
6	14 S	14 E	WM	29	NENW	Pump: 1085 feet South and 970 feet West from the North ¼ Corner of Section 29
7	14 S	14 E	WM	20	SE SE	Pump: 325 feet North and 120 feet West from the Southeast Corner of Section 20

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each year. The use shall conform to such reasonable rotation system as may be ordered by the proper state officer.

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WATER RESOURCES DEPT SALEM, OREGON

Certificate 81601

T-9687.lks

Page 1 of 3

T 15730

A description of the place of use to which this right is appurtenant is as follows:

Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User
1895	1	14 S	15 E	WM	26	SW SW	20.00	Cox, F.T
	1	14 S	15 E	WM	26	SESW	20.00	Cox, F.T
	1	14 S	15 E	WM	26	SW SE	20.00	Cox, F.T
1904/1910	1	14 S	14 E	WM	21	SW NE	40.00	Deschutes Fine Wool Company
	1	14 S	14 E	WM	21	SENE	40.00	Deschutes Fine Wool Company
	1	14 S	14 E	WM	21	NE SW	30.00	Deschutes Fine Wool Company
	1	14 S	14 E	WM	21	NWSW	30.00	Deschutes Fine Wool Company
	1	14 S	14 E	WM	21	SWSW	5.40	Deschutes Fine Wool Company
	1	14 S	14 E	WM	21	NE SE	30.00	Deschutes Fine Wool Company
	1	14 S	14 E	WM	21	NW SE	30.00	Deschutes Fine Wool Company
	1	14 S	14 E	WM	23	SW NE	29.50	Deschutes Fine Wool Company
	1	14 S	14 E	WM	23	SENE	19.10	Deschutes Fine Wool Company
	1	14 S	14 E	WM	23	SWNW	28.60	Deschutes Fine Wool Company
	1	14 S	14 E	WM	23	SENW	23.90	Deschutes Fine Wool Company
	I	14 S	14 E	WM	23	NE SW	30.00	Deschutes Fine Wool Company
	1	14 S	14 E	WM	23	NWSW	30.00	Deschutes Fine Wool Company
	1	14 S	14 E	WM	23	SWSW	40.00	Deschutes Fine Wool Company
	2	14 S	14 E	WM	21	SE SW	40.00	Deschutes Fine Wool Company
	2	14 S	14 E	WM	21	SW SE	40.00	Deschutes Fine Wool Company
	2	14 S	14 E	WM	21	SE SE	40.00	Deschutes Fine Wool Company
	3	14 S	14 E	WM	23	SENE	20.90	Deschutes Fine Wool Company
	4	14 S	14 E	WM	23	NW NE	0.60	Deschutes Fine Wool Company
	4	14 S	14 E	WM	23	SWNE	5.30	Deschutes Fine Wool Company
	4	14 S	14 E	WM	23	NENW	7.40	Deschutes Fine Wool Company
	4	14 S	14 E	WM	23	SE NW	6.10	Deschutes Fine Wool Company
	5	14 S	14 E	WM	23	NWNW	1.00	Deschutes Fine Wool Company
	5	14 S	14 E	WM	23	SWNW	11.40	Deschutes Fine Wool Company
	5	14 S	14 E	WM	23	SE NW	6.20	Deschutes Fine Wool Company
1892	1	148	14 E	WM	29	NWNW	2.40	Forrest, Frances
	1	14 S	14 E	WM	29	SWNW	3.00	Forrest, Frances
	1	14 S	14 E	WM	29	SENW	8.00	Forrest, Frances
	1	14 S	14 E	WM	30	NENE	5.60	Forrest, Frances
	6	14 S	14 E	WM	20	SWSW	10.00	Forrest, Frances
	6	14 S	14 E	WM	29	NENW	5.00	Forrest, Frances RECEIVED
	6	14 S	14 E	WM	29	NWNW	35.60	Forrest, Frances
	6	14 S	14 E	WM	30	NENE	4.40	Forrest, Frances NOV 2 1 2008
1898	7	14 S	14 E	WM	29	NE NE	0.50	McDowell, D.A.
1897	1	14 S	14 E	WM	26	NENE	1.00	Messinger, Lucy WATER RESOURCES DEP
	1	14 S	14 E	WM	26	NWNE	15.00	O TO LO DE
	1	14 S	14 E	WM	26	NENW	30.00	Messinger, Lucy SALEM, OREGON Messinger, Lucy
	1	14 S	14 E	WM	26	NWNW	30.00	Messinger, Lucy
1898	1	14 S	14 E	WM	28	NENE	3.50	Weaver, David

The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described.

This certificate describes that portion of the water right confirmed by Certificate 75556, State Record of Water Right Certificates, NOT modified by the provisions of an order of the Water Resources Director entered 12-5-2005, approving Transfer Application 9687, and recorded at Special Order Volume 67, Page 544.

T-9687.lks

Page 2 of 3

Certificate 81601

7 2 30

The issuance of this superseding certificate does not confirm the status of the water right in regard to the provisions of ORS 540.610 pertaining to forfeiture or abandonment.

WITNESS the signature of the Water Resources Director, affixed Secentre 5, 2005

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NOV 2 1 2008

WATER RESOURCES DEPT SALEM, OREGON

T-9687.1ks

Page 3 of 3

Recorded in State Record of Water Right Certificates numbered 81601.

STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

BUTLER RANCH, INC. 5294 NW LONE PINE ROAD TERREBONNE, OREGON 97760

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER for IRRIGATION of 11.0 ACRES.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The date of priority is 1892.

The amount of water to which this right is entitled is limited to an amount actually beneficially used, and shall not exceed 0.137 CUBIC FOOT PER SECOND if available at the original point of diversion: NW% SW%, SECTION 8, T 15 S, R 16 E, W.M., 744.2 FEET SOUTH AND 321 FEET EAST FROM THE WEST % CORNER OF SECTION 8, or its equivalent in case of rotation, measured at the point of diversion.

The point of diversion is located as follows:

SE % SW %, Section 20, T. 14 S., R. 14 E., W.M.; 1896 feet South and 1717 feet East from the West % Corner of Section 20.

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each year.

This is a final order in other than a 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.

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Certificate Number 83732

T-7248.RA

WATER RESOURCES DEPT

Page Two

A description of the place of use to which this right is appurtenant is as follows:

SW % SW % 11.0 ACRES SECTION 20 TOWNSHIP 14 SOUTH, RANGE 14 EAST, W.M.

This certificate is issued to confirm a change in POINT OF DIVERSION approved by an order of the Water Resources Director entered July 9, 1997, approving Transfer Application T-7248, and together with certificates 72947, 74199, and 74200 supersedes Certificate 52183, State Record of Water Right Certificates.

The following conditions apply to this right:

- The quantity of water diverted at the new point of diversion, together with that diverted at the old diversion, shall not exceed the quantity of water lawfully available at the original point of diversion.
- When required by the Department, the water user shall install and maintain a headgate, an in-line flow meter, weir, or other suitable device for measuring and recording the quantity of water diverted. The type and plans of the headgate and measuring device must be approved by the Department prior to beginning construction and shall be installed under the general supervision of the Department.

The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described and is subject to all other conditions and limitations contained in the decree.

Issued JAN 0 9 2008

RECEIVED

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WATER RESOURCES DEPT SALEM, OREGON

Recorded in State Record of Water Right Certificates numbered 83732.

T-7248.RA

STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

LOW LINE DITCH CO. PRINEVILLE OR 97754

confirms the right to use the waters of CROOKED RIVER, tributary to DESCHUTES RIVER for IRRIGATION OF 165.09 ACRES, DOMESTIC, AND LIVESTOCK.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The date of priority is 1903.

The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed a reasonable amount for domestic and livestock, and 2.06 CUBIC FEET PER SECOND for irrigation, the total quantity being limited to 4.0 acre-feet per acre during each year, or its equivalent in case of rotation, measured at the point of diversion.

The point of diversion is located as follows:

Twp	Rng	Mer	Sec	Q-Q
14 S	14 E	WM	24	SE SW

The use shall conform to such reasonable rotation system as may be ordered by the proper state officer. The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described, and is subject to the existing minimum flow policies established by the Water Policy Review Board.

A description of the place of use to which this right is appurtenant is as follows:

Twp	Rng	Mer	Sec	Q-Q	Acres	Name of User thro	ugh Company's Works
14 S	14 E	WM	22	SW SW	15.00	V. Butler	RECEIVED
14 S	14 E	WM	22	NE SE	32.00	T.F. McCallister	The State of the Late
14 S	14 E	WM	22	NW SE	5.00	T.F. McCallister	NOV 9 1 2000
14 S	14 E	WM	22	SW SE	19.00	T.F. McCallister	NOV 2 1 2008
14 S	14 E	WM	22	SE SE	40.00	T.F. McCallister	WATER RESOURCES DEP
14 S	14 E	WM	28	NW NE	25.00	J.W. Livingston	
14 S	14 E	WM	28	NE NW	27.90	J.W. Livingston	SALEM, OREGON
14 S	14 E	WM	28	NW NW	1.19	J.W. Livingston	

This certificate describes that portion of the water right confirmed by Certificate 43547, State Record of Water Right Certificates, NOT modified by the provisions of an order of the Water Resources Director entered November 30, 2007, approving Transfer Application T-9829.

The right is subject to all other terms and conditions contained in said decree.

The issuance of this superseding certificate does not confirm the status of the water right in regard to the provisions of ORS 540.610 pertaining to forfeiture or abandonment.

WITNESS the signature of the Water Resources Director, affixed January 31, 2008.

Phillip C. Ward, Director

T-9829-correct.lks

Page 1 of 1

Certificate 83651

BEFORE THE WATER RESOURCES DEPARTMENT OF THE STATE OF OREGON

In the Matter of Transfer Application)	FINAL ORDER APPROVING CHANGES
T-10233, Crook County)	IN CHARACTER OF USE, PLACE OF
)	USE AND POINTS OF DIVERSION,
)	AND PARTIAL CANCELLATION OF
)	WATER RIGHTS
)	

Authority

ORS 540.505 to 540.580 establishes the process in which a water right holder may submit a request to transfer the point of diversion, place of use, or character of use authorized under an existing water right. OAR Chapter 690, Division 380 implements the statutes and provides the Department's procedures and criteria for evaluating transfer applications.

ORS 540.621 establishes the process for the owner of land to which a water right is appurtenant to certify under oath that the water right, or a portion thereof, has been abandoned and to voluntarily request that it be cancelled.

Applicant

River Run Ranch LLC (Lorraine Tognoli) 13223 NE Oneil Road Redmond, OR 97756

Agent

Newton Consultants, Inc. 521 SW 6th Street, Suite 100 Redmond, OR 97756

Findings of Fact

Background

- On August 24, 2006, River Run Ranch LLC (Lorraine Tognoli) filed an application to change the character of use, place of use, and additional points of diversion under Certificate 75556, which was superseded by Certificate 81601 on December 5, 2005. The Department assigned the application number T-10233.
- 2. On November 20, 2006, a deficiency letter was sent to the applicant citing deficiencies that needed to be corrected on the transfer application and map. On January 3, 2007, the applicant sent in a corrected and revised transfer application and map, which included additional lands to be transferred under Certificate 81601 and changes in place of use and additional points of diversion under Certificate 6313.

This final order is subject to judicial review by the Court of Appeals under ORS 183.482. Any petition for judicial review must be filed within the 60-day time period specified by ORS 183.482(1). Pursuant to ORS 536.075 and OAR 137-003-0675, you may 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.

T-10233.ra-dip

Page 1 of 9

Special Order Volume 74 Page 8//

On May 22, 2007, Department staff had a phone conference with the applicant's consultant
to discuss additional application and mapping deficiencies. On June 7, August 21 and 23,
2007, the applicant sent in corrected and revised transfer applications and maps.

4. The portion of the first right to be transferred is as follows:

Certificate: 81601 in the name of PEOPLES IRRIGATION CO. (confirmed by Crooked

River (F) Decree, Volume 1 at Page 449)

Use: DOMESTIC, LIVESTOCK and IRRIGATION of 225.1 ACRES

Priority Date: 1904/1910

Rate: 2.81 CUBIC FEET PER SECOND (cfs)

Limit/Duty: ONE-EIGHTIETH cfs per acre, not to exceed 4.0 acre-feet per acre for each

acre irrigated during the irrigation season of each year

Source: CROOKED RIVER, tributary to DESCHUTES RIVER

Authorized Points of Diversion:

POD	Twp	Rng	Mer	Sec	Q-Q	Survey Coordinates
1	15 S	16 E	WM	8	NW SW	1920 feet North and 340 feet East from the SW corner of Section 8
3	14 S	14 E	WM	24	NE SE	Pump: 450 feet West from the East ¼ corner of Section 24
4	14 S	14 E	WM	23	SW NE	Pump: 1020 feet North and 500 feet East from the center 1/4 corner of Section 23
5	14 S	14 E	WM	23	SWNW	Pump: 1000 feet North and 1400 feet West from the center 1/4 corner of Section 23

Authorized Place of Use:

POD	Twp	Rng	Mer	Sec	Q-Q	Acres	Change
1	14 S	14 E	WM	23	SWNE	20.5	POD
1	14 S	14 E	WM	23	SWNE	9.0	POU & POD
1	14 S	14 E	WM	23	SENE	15.6	POU & POD
1	14 S	14 E	WM	23	SENE	3.5	POD
1	14 S	14 E	WM	23	SWNW	23.6	POD
1	14 S	14 E	WM	23	SENW	23.9	POD
1	14 S	14 E	WM	23	NESW	30.0	POU & POD
1	14 S	14 E	WM	23	NWSW	29.0	USE, POU & POD
1	14 S	14 E	WM	23	NWSW	1.0	POU & POD
1	14 S	14 E	WM	23	SWSW	10.8	POU & POD
1	14 S	14 E	WM	23	SWSW	29.2	POD
4	14 S	14 E	WM	23	SWNE	1.9	POD
4	14 S	14 E	WM	23	SWNE	3.4	APOD
.4	14 S	14 E	WM	23	SENW	6.1	POD
5	14 S	14 E	WM	23	SWNW	11.4	POD
5	14 S	14 E	WM	23	SENW	6.2	POD
					TOTAL:	225.1	

5. Application T-10233 proposes to move to and/or add the following points of diversion (as further described in Findings #6 and #7 below), which are located up to approximately one mile both upstream and downstream from the authorized points of diversion, as follows:

Proposed Points of Diversion:

POD	Twp	Rng	Mer	Sec	Q-Q	Survey Coordinates
8	14 S	14 E	WM	23	NWNW	1450 feet North and 2500 feet West from the center of Section 23
9	14 S	14 E	WM	23	SWNW	565 feet North and 1700 feet West from the center of Section 23
10	14 S	14 E	WM	23	SWNE	805 feet North and 845 feet East from the center of Section 23
11	14 S	14 E	WM	24	SESW	1915 feet South and 845 feet West from the center of Section 24

6. For the following 129.7 acres of land currently authorized under the right, Application T-10233 proposes to change the points of diversion to:

Proposed Points of Diversion

Twp	Rng	Mer	Sec	Q-Q	Acres	Proposed POD
14 S	14 E	WM	23	SWNE	20.5	11
14 S	14 E	WM	23	SWNE	1.9	11
14 S	14 E	WM	23	SWNE	3.4	3 & 4
14 S	14 E	WM	23	SENE	3.5	3
14 S	14 E	WM	23	SWNW	35.0	5, 8, 9 & 11
14 S	14 E	WM	23	SENW	36.2	4, 5, 8 & 11
14 S	14 E	WM	23	SWSW	29.2	11
				TOTAL:	129.7	

7. Application T-10233 also proposes to change the place of use and point of diversion for the following 66.4 acres under the right to:

Proposed Place of Use and Proposed Points of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Acres	Proposed POD
14 S	14 E	WM	24	SWSW	17.3	11
14 S	14 E	WM	24	SESW	6.4	3
14 S	14 E	WM	23	NESE	10.5	3
14 S	14 E	WM	23	NESE	17.7	11
14 S	14 E	WM	23	NWSE	14.5	11
				TOTAL:	66.4	

8. Application T-10233 also proposes to change the character of use of up to 116.0 acre-feet of water currently authorized for irrigation of 29.0 acres (listed in the table in Finding of Fact #4) to POND MAINTENANCE in a reservoir proposed to be constructed under Application R-86674 for multi-purpose use, and to change the place of use and the point of diversion as follows:

	POND MAINTENANCE										
Twp	Rng	Mer	Sec	Q-Q	Proposed POD	NOTES					
14 S	14 E	WM	23	NENE	10	Annual duty of water from irrigated acreage to converted to a maximum total annual volume of 116.0 acre-feet for maintenance of water level the reservoir.					
14 S	14 E	WM	23	NWNE							
				TOTAL:	Water volu	me equivalent to the duty from 29.0 acres					

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9. The portion of the second right to be transferred is as follows:

Certificate: 6313 in the name of H. L. CORBETT (perfected under Permit S-3397)

Use: SUPPLEMENTAL IRRIGATION of 246.0 ACRES

Priority Date: MAY 21, 1917

Rate: 3.06 CUBIC FEET PER SECOND (cfs)
Limit/Duty: ONE-EIGHTIETH of one cfs per acre

Source: CROOKED RIVER, tributary to DESCHUTES RIVER

Authorized Place of Use:

Twp	Rng	Mer	Sec	Q-Q	Acres	Change
14 S	14 E	WM	23	SWNE	9.0	POU & POD
14 S	14 E	WM	23	SWNE	25.8	POD
14 S	14 E	WM	23	SENE	15.6	POU & POD
14 S	14 E	WM	23	SENE	24.4	POD
14 S	14 E	WM	23	SWNW	35.0	POD
14 S	14 E	WM	23	SENW	36.2	POD
14 S	14 E	WM	23	NESW	30.0	POU & POD
14 S	14 E	WM	23	NWSW	30.0	POU & POD
14 S	14 E	WM	23	SWSW	10.8	POU & POD
14 S	14 E	WM	23	SWSW	29.2	POD
				TOTAL:	246.0	

10. Certificate 6313 does not describe the location of the point of diversion, however information is available from a November 21, 1962 letter from Chris Wheeler, State Engineer, in the Application S-5553/Permit S-3397 file indicating that the point of diversion was located in the application as a pumping point located as follows:

Authorized Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q
14 S	14 E	WM	23	NW SE

11. Application T-10233 proposes to move the authorized point of diversion up to approximately one mile both upstream and downstream to the following points of diversion located at:

Proposed Points of Diversion:

POD	Twp	Rng	Mer	Sec	Q-Q	Survey Coordinates
3	14 S	14 E	WM	24	NE SE	450 feet West from the East 1/4 corner of Section 24
4	14 S	14 E	WM	23	SW NE	1020 feet North and 500 feet East from the center 1/4 corner of Section 23
5	14 S	14 E	WM	23	SWNW	1000 feet North and 1400 feet West from the center 1/4 corner of Section 23
8	14 S	14 E	WM	23	NWNW	1450 feet North and 2500 feet West from the center of Section 23
9	14 S	14 E	WM	23	SWNW	565 feet North and 1700 feet West from the center of Section 23
11	14 S	14 E	WM	24	SESW	1915 feet South and 845 feet West from the center of Section 24

 For the following 150.6 acres of land currently authorized under the right, Application T-10233 proposes to change the points of diversion to:

Proposed Points of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Acres	Proposed POD
14 S	14 E	WM	23	SWNE	3.4	4
14 S	14 E	WM	23	SWNE	22.4	11
14 S	14 E	WM	23	SE NE	24.4	3
14 S	14 E	WM	23	SWNW	35.0	5, 8, 9 & 11
14 S	14 E	WM	23	SENW	36.2	4, 5, 9 & 11
14 S	14 E	WM	23	SWSW	29.2	11
				TOTAL:	150.6	

13. Application T-10233 also proposes to change the place of use and points of diversion for the following 95.4 acres under the right to:

Proposed Place of Use and Proposed Points of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Acres	Proposed POD	NOTES
14 S	14 E	WM	22	SENE	20.0	8 & 11	Layered on Certificate 610
14 S	14 E	WM	22	NESE	7.0	8 & 11	Layered on Certificate 80795
14 S	14 E	WM	22	NWSE	11.9	8 & 11	Layered on Certificate 80795
14 S	14 E	WM	22	SWSE	8.1	8 & 11	Layered on Certificate 80795
14 S	14 E	WM	23	NWNE	0.6	4	
14 S	14 E	WM	23	NENW	7.4	4	(1)
14 S	14 E	WM	23	NENW	1.0	11	
14 S	14 E	WM	23	NWNW	1.0	5	
14 S	14 E	WM	24	NWSW	5.3	3	Layered on Certificate 80795
14 S	14 E	WM	24	NWSW	9.4	11	Layered on Certificate 80795
14 S	14 E	WM	24	SWSW	17.3	11	
14 S	14 E	WM	24	SESW	6.4	3	
				TOTAL:	95.4		

- Notice of the application for transfer was published on August 29, 2006, pursuant to OAR 690-380-4000. No comments were filed in response to the notice.
- 15. On October 1, 2007, the Department mailed a copy of the draft Preliminary Determination proposing to approve Transfer Application T-10233 to the applicant. The draft Preliminary Determination set forth a deadline of November 15, 2007, for the applicant to respond and to resolve deficiencies with the transfer application and map. On November 15 and 23, 2007, the applicant amended the application and maps, and provided the necessary information to demonstrate that the applicant is authorized to pursue the transfer.

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- 16. Review of the revised application and maps indicated that some questions and discrepancies remained to be resolved; so on February 13, 2008, the Department mailed a copy of a revised draft preliminary determination to the applicant, with a request for further modification and clarification of the maps and application. On March 5, 2008, the applicant submitted revised maps and application material, thereby remedying the remaining deficiencies.
- 17. On March 7, 2008, the Department issued a Preliminary Determination proposing to approve Transfer T-10233 and mailed a copy to the applicant. Additionally, notice of the Preliminary Determination for the transfer application was published on the Department's weekly notice on March 18, 2008, and in the Central Oregonian newspaper on March 18, 25 and April 1, 2008, pursuant to ORS 540.520 and OAR 690-380-4020. No protests were filed in response to the notice.
- 18. The Oregon Department of Fish and Wildlife (ODFW) has determined that fish screening and/or by-pass devices are necessary at the new points of diversion to prevent fish from entering the diversions and/or safely transport fish back to the body of water from which the fish were diverted and that the diversions are not currently equipped with appropriate fish screening and/or by-pass devices. These diversions may be eligible for screening cost share funds.

Transfer Review Criteria [OAR 690-380-4010(2)]

- 19. Water has been used within the last five years according to the terms and conditions of the rights, and there is no information in the record that would demonstrate that the rights are subject to forfeiture under ORS 540.610.
- A pump, pipeline, and sprinkler system sufficient to use the full amount of water allowed under the existing rights were present within the five-year period prior to submittal of Application T-10233.
- 21. As described in Finding #8 above, 29.0 acres of irrigation rights under Certificate 81601 are being moved to a reservoir, with a surface area of 17.0 acres, for pond maintenance purposes. If the use of water for pond maintenance does not exceed the quantity of water that could have been used for irrigation, enlargement of the right will be avoided. Therefore, the proposed changes to Certificate 81601 would not result in enlargement of the right, provided the annual volume of water diverted for pond maintenance does not exceed 116.0 acre-feet during the irrigation season of each year.
- The proposed changes to Certificate 6313 would not result in enlargement of the water right.
- 23. The proposed changes would not result in injury to other water rights.

Partial Cancellation of a Water Right

- Affidavits certifying that portions of water right Certificates 81601 and 6313 have been abandoned and requesting cancellation of those portions were submitted by the applicant on January 3, 2007, August 23, 2007, and November 15, 2007.
- 25. The portion of the first water right to be cancelled is as follows:

Certificate: 81601 in the name of PEOPLES IRRIGATION COMPANY (confirmed by

Crooked River (F) decree)

Use: IRRIGATION of 5.0 ACRES

Priority Date: 1904/1910

Rate: 0.062 CUBIC FOOT PER SECOND (cfs)

ONE-EIGHTIETH of one cfs per acre, not to exceed 4.0 acre-feet per acre for each acre

irrigated during the irrigation season of each year

Source: CROOKED RIVER, tributary to DESCHUTES RIVER

Authorized Place of Use to be Cancelled:

Twp	Rng	Mer	Sec	Q-Q	Acres
14 S	14 E	WM	23	SWNW	5.0
				TOTAL:	5.0

26. The portion of the second water right to be cancelled is as follows:

Certificate: 6313 in the name of H. L. CORBETT (perfected under Permit S-3397)

Use: SUPPLEMENTAL IRRIGATION of 72.2 ACRES

Priority Date: MAY 21, 1917

Rate: 0.9 CUBIC FOOT PER SECOND (cfs)

Limit/Duty: ONE-EIGHTIETH of one cfs per acre

Source: CROOKED RIVER, tributary to DESCHUTES RIVER

Authorized Place of Use to be Cancelled:

Twp	Rng	Mer	Sec	Q-Q	Acres
14 S	14 E	WM	23	SWNE	5.2
14 S	14 E	WM	23	SWNW	5.0
14 S	14 E	WM	23	SENW	3.8
14 S	14 E	WM	23	NESE	28.2
14 S	14 E	WM	23	NWSE	30.0
TOTAL:					72,2

Conclusions of Law

The changes in character of use, place of use and points of diversion proposed in transfer application T-10233 are consistent with the requirements of ORS 540.505 to 540.580 and OAR 690-380-5000 and the abandoned rights should be cancelled.

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Now, therefore, it is ORDERED:

- The changes in character of use, place of use and points of diversion proposed in application T-10233 are approved. The portions of the rights that have been abandoned are cancelled.
- Water right Certificates 81601 and 6313 are cancelled. New certificates will be issued describing the portions of the rights not affected by this transfer and cancellation.
- The right to the use of the water is restricted to beneficial use at the place of use described, and is subject to all other conditions and limitations contained in Certificates 81601 and 6313 and any related decree.
- 4. The quantity of water diverted at the new points of diversion shall not exceed the quantity of water lawfully available at the original points of diversion.
- 5. The quantity of water diverted at the additional point of diversion (POD 3) for 3.4 acres located in the SW ¼ NE ¼ of Section 23, T. 14S, R. 14E, W.M., together with that diverted at the original point of diversion (POD 4), shall not exceed the quantity of water lawfully available at the original point of diversion (POD 4).
- The annual volume of water for pond maintenance shall not exceed 116.0 acre-feet, diverted during the irrigation season of each year.
- The former place of use of the transferred rights shall no longer receive water under the rights.
- 8. Prior to diverting water, the water user shall install fish screening and/or by-pass devices, as appropriate, at the new points of diversion consistent with the Oregon Department of Fish and Wildlife's (ODFW) design and construction standards. Prior to installation, the water user shall obtain written approval from ODFW that the required screens and/or by-pass devices meet ODFW's criteria. Prior to submitting a Claim of Beneficial Use, the water user must obtain written approval from ODFW that the required screening and/or by-pass devices were installed to the state's criteria. The water user shall maintain and operate the fish screens and/or by-pass devices, as appropriate, at the points of diversion consistent with ODFW's operational and maintenance standards.
- 9. When required by the Department, the water user shall install, maintain and operate an inline flow meter, weir, or other suitable device(s) for measuring and recording the quantity of water diverted. The type and plans of the measuring device(s) must be approved by the Department prior to beginning construction and shall be installed under the general supervision of the Department.

Page 8 of 9

- 10. When required by the Department, the water user shall install, maintain and operate a headgate or headgates to control and regulate the quantity of water diverted. The type and plans of the headgate(s) must be approved by the Department prior to beginning construction and shall be installed under the general supervision of the Department.
- 11. The approved changes shall be completed and full beneficial use of the water shall be made on or before October 1, 2009. A Claim of Beneficial Use prepared by a Certified Water Rights Examiner shall be submitted by the applicant to the Department within one year after the deadline for completion of the changes and full beneficial use of the water.
- 12. When satisfactory proof of the completed changes is received, new certificates confirming the rights transferred will be issued.

Dated at Salem, Oregon this 7th day of May

Phillip C. Ward, Director

Mailing date: MAY 1 5 2008

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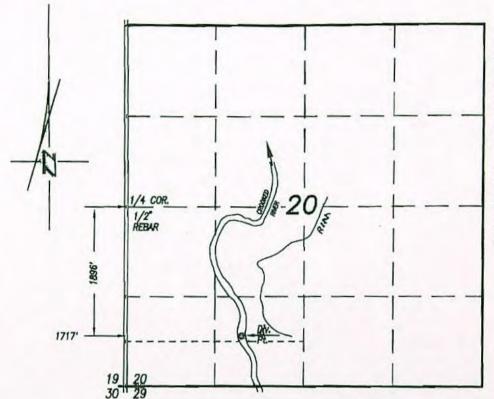
T.14S., R.14E., W.M. CROOK COUNTY

SCALE: 1" = 1320'

RECEIVED

SEP 2 7 1999

WATER RESOURCES DEP SALEM, OREGON



NOTE: THE
ABANDONED DIVERSION
POINT LOCATED 744.2'
SOUTH BY 321' EAST
OF W.1/4 CORNER OF
SECTION 8, T.15S.,
R.16E.,W.M. (PEOPLE'S
IRRIGATION CO.)

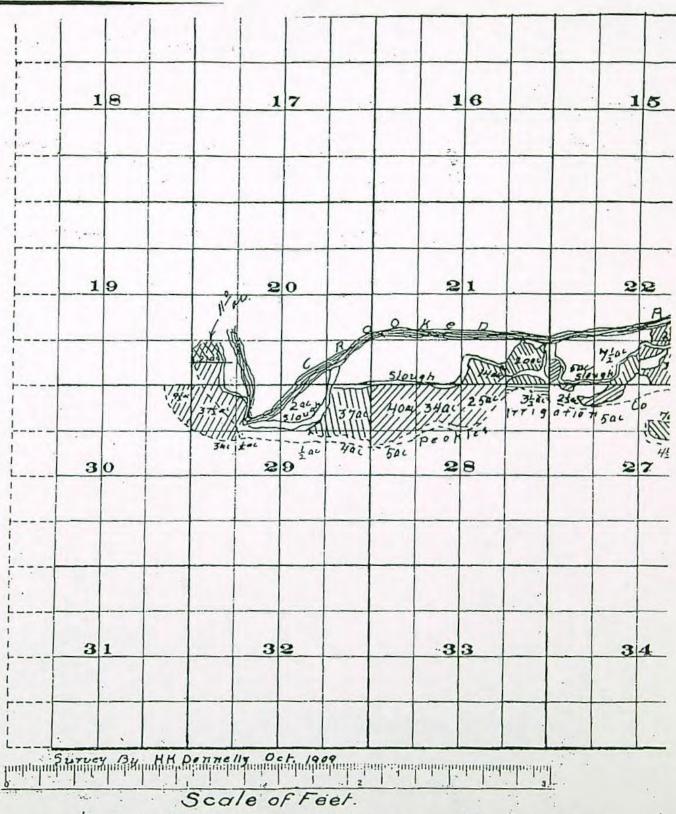
THE NEW DIVERSION POINT LOCATED 1896' SOUTH BY 1717' EAST OF W.1/4 CORNER OF SECTION 20, T.14S., R.14E.,W.M.

FINAL PROOF for POINT OF DIVERSION TRANSFER #7248 BUTLER RANCH, INC.

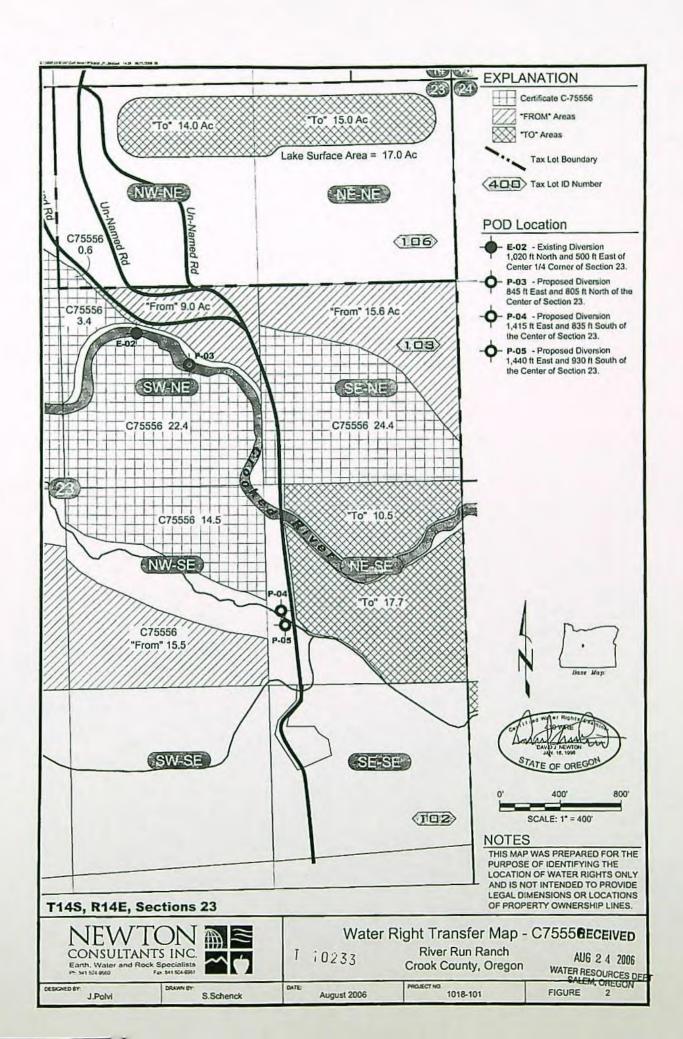
I, Robert R. Povey, Oregon Certified Water Right Examiner #106, hereby certify this final proof map was prepared under my direct supervision.

The preparation of this map is for the purpose of identifying the location of the water right diversion point only and has no intent to provide dimensions or locations of property ownership lines.





John H Lewis State Engineer



INSTREAM WATER RIGHT TRANSFER MAP **T14S. R14E. SECTION 28** RECEIVED SEP 0 7 2004 WATER RESOURCES DEPT SALEM, OREGON 20

for Emmett Ranch Tax Lot 200 - 17.9 acres



Area to be transferd ---- Quarter-Quarter Lines

RECEIVED

DEC 03 2004

WATER RESOURCES UEF SALEM. OREGON



This map is distributed "AS-IS" without warranties of any kind, either expressed or implied, including but not limited to warranties of suitability to a particular purpose or use. This map is intended for use only at the published scalesod is provided for informational

Geo-Spatial Solutions, Inc.

www.geospatialsolutions.com



1 inch equals 400 feet Date Created: May 24, 2004

Water Right Transfer Supplemental Form B AFFIDAVIT ATTESTING TO THE USE OF WATER

State of Oregon)	
State of Oregon County of Deschutes) s	SS
I, _John A. Short	, in my capacity as owner / neighbor,
mailing address P.O. Box 1830, Bend, C	OR 97709
telephone number (541) 408-7415	, being first duly sworn depose and say:
1. I attest that:	
Water was used during the previous f water right proposed for transfer as d	five years on the entire authorized place of use of the escribed on the accompanying transfer application; or
☐ The water right was leased instream a lease number is as follows:	at some time within the last five years. The instream ; or
	eiture and documentation that a presumption of ted under ORS 540.610(2) is attached.
2. My knowledge of the exercise or status	s of the water right is based on (check one):
☑ Personal observation	☐ Professional expertise
3. My knowledge is specific to the use of	water at the following locations:

Tov	vnship	R	ange	Mer	Sec	% ¼ % Section	Gov't Lot or DLC	Acres (if applicable)		
14	S	14	E	W	28	NE-NW	00200	23.0		
						NW-NE	00200	25.0		
					21	SE-SW	00200	3.0		
					29	NE-NE	00106	0.5		
								RECE	IVED	
								NOV 2	1 2008	
								WATER RESOU	RCES DEP	Т
								SALEM, OF	REGON	
										RECEIVED
										MAY 0 2 2008

(continues on reverse side)

WATER RESOURCES [SALEM, OREGON

Please print legibly or type. Be as specific as possible. Attach additional pages if you need more space. Supporting documentation must be attached.

Supplemental Form B

Affidavit Attesting to the Use of Water

	The water right was exercised for the authorized purpose described below (e.g., crops grown): ass hay and cattle grazing.
Gie	ass hay and cattle grazing.
_	
	The water delivery system used to apply water as authorized by the right is described below: stream pump to buried mainline and wheel lines North of railroad tracks. Flood irrigation from Low Line
	ch South of railroad tracks.
_	
6.	One or more of the following documentation supporting the above statements is attached:
	Copy of a water right certificate that was issued within the last five years (not a remaining right certificate),
	Copies of receipts from sales of irrigated crops or for expenditures relating to the use of water,
	Records such as Farm Service Agency crop reports, irrigation district records, an NRCS farm management plan, or records of other water suppliers,
	Dated aerial photographs of the lands or other photographs containing sufficient detail to establish the location and date of the photograph,
	Dedicated power usage records or receipts, Instream lease number, RECEIVED
	Other:
_	WATER RESOURCES DEP SALEM, OREGON
-	2/4/10st 12-7-07
Sign	Date Date
V	Signed and sworn to (or affirmed) before me this 7th day of 10., 2007.
	OFFICIAL SEAL DANIELLE KINYON NOTARY PUBLIC-OREGON COMMISSION NO. 399585 MY COMMISSION EXPIRES JAN. 20, 2010
	My Commission Expires: /-20-/0

Please print legibly or type. Be as specific as possible. Attach additional pages if you need more space. Supporting documentation must be attached.

Supplemental Form B

T 10730

12 0 2 2008

Affidavit Attesting to the Use of Water

To Whom It May Concern:

Re: Lienholder consent to water right transfer to and from Dallan Miles' property known as T14S, R14E, Section 28 Tax Lot 200 and Section 21 Tax Lot 200 in Crook County.

As authorized representative of the lienholder on the above referenced property, I hereby consent to the proposed water right transfer referenced by the attached Agreement of Purchase and Sale dated November 26, 2007 plus Addendum A dated November 27, 2007. Should said water right transfer fail to be issued by December 31, 2008 or otherwise be denied by Oregon Water Resources Department, this consent shall become immediately null and void.

au willow	WHN,	NICE MEDITAL
Bank or Lienholder Name		SOM UNLEY TANK

Representative Signature

Representative Name, Printed

12-7-07

Date

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WATER RESOURCES DEPT SALEM, OREGON

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WATER RESOURCES DEPT SALEM, OREGON

Water Right Transfer Supplemental Form B AFFIDAVIT ATTESTING TO THE USE OF WATER

	e of Oregon
Cou	inty of MULMOMUM) ss
	Marilyn Dove, in my capacity as Previous Owner,
mai	iling address P.O. Box 1932, Sandy OR 97055
tele	ephone number (503) 826-1950, being first duly sworn depose and say:
1.	I attest that:
	Water was used during the previous five years on the entire authorized place of use of the water right proposed for transfer as described on the accompanying transfer application; or
	The water right was leased instream at some time within the last five years. The instream lease number is as follows:; or
	The water right is not subject to forfeiture and documentation that a presumption of forfeiture for non-use would be rebutted under ORS 540.610(2) is attached.
2.	My knowledge of the exercise or status of the water right is based on (check one):
	☑ Personal observation □ Professional expertise
3.	My knowledge is specific to the use of water at the following locations:

Tov	vnship	R	ange	Mer	Sec	% ¼ Section	Gov't Lot or DLC	Acres (if applicable)	
14	S	14	E	W	20	swsw		14.4	
						SESW		15.0	RECEIVED
					29	NENW		31.4	NOV 2 1 2008
						SWNW		4.6	WATER RESOURCES DEPT
						NWNW		38.0	SALEM, OREGON
						SENW		8.0	
									RECEIVED
									MAY 0 2 2008

(continues on reverse side)

Please print legibly or type. Be as specific as possible. Attach additional pages if you need more space. Supporting documentation must be attached.

-1-

Supplemental Form B

Affidavit Attesting to the Use of Water

WATER RESOURCES DEPT SALEM, OREGON

	he water right was exercised for the authorized purpor wing hay and alfalfa, cattle grazing	
	The water delivery system used to apply water as authorized diversion from the Crooked River in to mainlines,	
5. (One or more of the following documentation supporting	g the above statements is attached:
	Copy of a water right certificate that was issued with right certificate),	in the last five years (not a remaining
	Copies of receipts from sales of irrigated crops or for water,	expenditures relating to the use of
	Records such as Farm Service Agency crop reports, if farm management plan, or records of other water sup	
	Dated aerial photographs of the lands or other photogestablish the location and date of the photograph,	
V	Dedicated power usage records or receipts,	RECEIVED
	Instream lease number,	
	Other:	NOV 2 1 2008
		WATER RESOURCES DEI SALEM, OREGON
	Jarilyn Dove	
Sign	nature of Affiant Q	Date
	✓ Signed and sworn to (or affirmed) before me	this 20th day of Malender 20 AZ
		- Junitaria - Of.
	OFFICIAL SEAL	(ma Afrila)
3	CHELSEA STEELE NOTARY PUBLIC-OREGON	Notary Public for Oregon
	COMMISSION NO. 390663 Y COMMISSION EXPIRES MARCH 15, 2009	
	Y COMMISSION EXPIRES MARGO 15, 2005	mission Expires: March 15 20

Please print legibly or type. Be as specific as possible. Attach additional pages if you need more space. Supporting documentation must be attached.

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Supplemental Form B

2 2008

Affidavit Attesting to the Use of Water

T 10730



P.O. Box 400 Portland, Oregon 97207-0400 I-888-22I-7070 fax I-888-800-285I

JOHN SHORT RE: THE DANIELS GROUP, LLC (541)382-9225

November 20, 2007

Account # 22842760-002

Dear John Short:

Thank you for contacting us on November 20, 2007, regarding your account. As requested, enclosed is a copy of a billing analysis of your account.

If you would like more information or have any questions, please call us anytime toll-free at 1-888-221-7070. Any of our customer service representatives are available to take your call.

Sincerely,

Richard, Employee # P16260 Customer Service

Enclosure: Billing Analysis

Para más información, llame al 1-888-225-2611 y podrá hablar con un representante que hable español.

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This fax was sent with GFI FAXmaker fax server. For more information, visit: http://www.gfi.com

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WATER RESOURCES DEPT

__,Meter # 84917896 LEM, OREGON

Site Address: O'NEIL JUNCTION .4E .2 N ONEIL HWY REDMOND OR 97756

Billing Month	Read Date	Read Type	Cycle	Status	Source (*)	Condition Codes	Days	Daily KWH	KWH	KWH Usage	KW	KW Usage	ON KWH	ON KWH Usage	OFF KWH	OFF KWH Usage	Invoice
	07/19/2007	C			S		23	3	26436	58	60	1	0	0	0	0	\$283.07
06	06/26/2007	-	21		I	VR	32	280	26378	8947	2341	23	0	0	0	0	\$534.90
	440000000000000000000000000000000000000		21		I	VR	29	144	17431	4167	2472	25	0	0	0	0	\$217.61
05	05/25/2007		21		I	VK	29	22	13264	635	168	2	0	0	0	0	\$33.57
04	100001-000				S	SD	29	0	12629	0	0	0	0	0	0	0	\$0.00
03	03/28/2007		21		S	SD	29	0	12629	0	0	0	0	0	0	0	\$0.00
02	02/27/2007		21			SD	32	0	12629	0	0	0	0	0	0	0	\$0.00
01	01/29/2007		21		S	SD	29	0	12629	0	0	0	0	0	0	0	\$0.00
12	12/28/2006		21			SD	35	0	12629	0	0	0	0	0	0	0	\$420.24
11	11/29/2006		21		S	VR	26	6	12629	161	1175	12	0	0	0	0	\$7.89
10	10/25/2006		21		1	VK	30	48	12468	1448	2361	24	0	0	0	0	\$69.68
09	09/29/2006		21		1			73	11020	2194	2379	24	0	0	0	0	\$105.58
08	08/30/2006		21		1		30	87	8826	2861	2379	24	0	0	0	0	\$136.87
07	07/31/2006		21		1	CIT	33					0	0	0	0	0	\$0.00
06	06/28/2006		21		1	SU	32	0	5965	0	0		0	0	0	0	\$30.53
05	05/27/2006		21		1	RCVR	30	21	5965	639	2383	24		0	0	0	\$0.00
04	04/27/2006		21		S	SD	30	0	5326	0	0	0	0		0		\$0.00
03	03/28/2006		21		S	SD	29	0	5326	0	0	0	0	0	-	0	
02	02/27/2006		21		S	SD	31	0	5326	0	0	0	0	0	0	0	\$0.00
01	01/27/2006		21		S	SD	30	0	5326	0	0	0	0	0	0	0	\$0.00
12	12/28/2005		21		S	SD	30	0	5326	0	0	0	0	0	0	0	\$0.00
11	11/28/2005		21		S	SD	33	0	5326	0	0	0	0	0	0	0	\$378.65
10	10/26/2005		21		I	SU	28	0	5326	0	0	0	0	0	0	0	\$0.00
	09/29/2005	S	21		F		0	0	5326	0	0	0	0	0	0	0	\$0.00
	09/28/2005	S			M		0	0	5326	0	0	0	0	0	0	0	\$0.00
09	09/28/2005		21		I		33	94	5326	3115	0	0	0	0	0	0	\$137.80
08	08/26/2005		21		A		29	94	2211	2737	2416	24	0	0	0	0	\$121.08
08	08/26/2005		21	Z	I	VR	29	340	9326	9852	2416	24	0	0	0	0	\$0.00

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WATER RESOURCES DEPT SALEM OREGON

From: Fax number To: JOHN SHORT Page: 4/4 Date: 11/21/2007 8:08:59 AM

07	07/28/2005	21	I	VR	33	75	99474	2460	2404	24	0	0	0	0	\$116.26
06	06/25/2005	21	I	DK	24	0	97014	0	0	0	0	0	0	0	\$0.00
05	06/01/2005	21	1	SU	35	0	97014	0	0	0	0	0	0	0	\$0.00
04	04/27/2005	21	I	SU	30	0	97014	0	80	1	0	0	0	0	\$0.00
03	03/28/2005	21	S	SDSU	31	0	97014	0	0	0	0	0	0	0	\$0.00
02	02/25/2005	21	S	SD	28	0	97014	0	0	0	0	0	0	0	\$0.00

Comments:

Sources:

A=Adjustment, C=Customer, F=Field Read, I=Itron Read (regular), M=Manual (regular), O=Office Estimate, P=Postcard, S=System Estimate

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SALEM, OREGON

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WATER RESOURCES DEPT SALEM, OREGON

T 10730



Applicant Name:

Oregon Water Resources Department Land Use Information Form

THIS FORM IS NOT REQUIRED IF: 1) water is to be diverted, conveyed, and/or used only on federal lands; or 2) the application is for a water-right transfer, allocation of conserved water, exchange, permit amendment, or ground water registration modification, and all of the following apply: a) only the place of use is proposed for change, b) there are no structural changes, c) the use of water is for irrigation, and d) the use is located in an irrigation district or exclusive farm-use zone.

The Daniels Group, LLC & Emmett Ranch, LLC

wing infor Applicants coundaries Section 29 29 ies where	mation of the water is the the Water d Water	for all tax lounicipal use, tax-lot infor all tax lot infor all ta	ots where water wi or irrigation uses transition requested Plan Designation (Rural Residential/R EFU-2	be dive	Day Phone:	☑ Used ☑ Used ☑ Used ☐ Used ☐ Used	Proposed Land Use: Instream Instream	CEIVED
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and the same of th

State of Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1266

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For Local Government Use Only

The following section must be completed by a planning official from each county and city listed unless the project will be located entirely within the city limits. In that case, only the city planning agency must complete this form.

This deals only with the local land-use plan. Do not include approval for activities such as building or grading permits.

Please check the appropriate box below and provide the requested information

- Land uses to be served by proposed water uses (including proposed construction) are allowed outright or are not regulated by your comprehensive plan. Cite applicable ordinance section(s): 18. 20.010
- ☐ Land uses to be served by proposed water uses (including proposed construction) involve discretionary land-use approvals as listed in the table below. (Please attach documentation of applicable land-use approvals which have already been obtained. Record of Action/land-use decision and accompanying findings are sufficient.) If approvals have been obtained but all appeal periods have not ended, check "Being pursued".

Type of Land-Use Approval Needed (e.g. plan amendments, rezones, conditional-use permits, etc.)	Cite Most Significant, Applicable Plan Policies & Ordinance Section References	Lane	d-Use Approval:
,		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued

Name: Gordon Moor	Phone: 541-447-815 Date: 12/11/43
Government Entity: _ Creph	Connty
lf you sign the receipt, you will have 30 Land Use Information Form or WRD m	ive: Please complete this form or sign the receipt below and return it to the applicant. days from the Water Resources Department's notice date to return the completed ay presume the land use associated with the proposed use of water is compatible with
If you sign the receipt, you will have 30 Land Use Information Form or WRD m local comprehensive plans.	days from the Water Resources Department's notice date to return the completed
If you sign the receipt, you will have 30 Land Use Information Form or WRD m local comprehensive plans.	days from the Water Resources Department's notice date to return the completed ay presume the land use associated with the proposed use of water is compatible with
If you sign the receipt, you will have 30 Land Use Information Form or WRD m local comprehensive plans. Rec	days from the Water Resources Department's notice date to return the completed ay presume the land use associated with the proposed use of water is compatible with

Last updated 12/22/06 WR

T 10730

MAY 0 2 2008

WATER RESOURCES DEPT . THE ODEGON

INTEROFFICE MEMO

	DATE:		November 24, 2008					
	TO:		Sarah Henderson					
	FROM	1:	Laura Snedaker					
	SUBJE	ECT:	Acceptance of IS Transfer Applic	cation/Mitigation Project MP-124				
	The at	tached	IS transfer application is ok to ac	ccept. Please do the following as applicable:				
		Please	e debit \$ from accou	nt.				
V	Ø	Please	e accept application and fees.					
		Refun	d Due:					
L	Ø	Please	e put IS transfer application in a tr	ansfer file folder.				
		Please	e make copy of the IS transfer for	the Watermaster.				
	\boxtimes	Please	e make copy of IS transfer (includ specified) and put in dark blue M	ing attachments – unless otherwise itigation Project file folder.				
		Please	e scan IS transfer application and T-****-application	save to appropriate transfer file folder as				
L	Ø	Pleas	e put copy of this page in IS trans	fer file folder.				
-	Ø	Water	master Review needed from:	District 11 District				
L	Ø		of the application to: Deschutes					
	Notes		I one but dichot put	name on fetter!				

Counties:

Jefferson County – Community Development 66 SE D Street Madras, OR 97741

Deschutes County Community Development Dept. 117 NW Lafayette Ave. Bend, OR 97701

Indicate in this column whether or not the item

Permanent Transfer Application - OAR 690-380 3000 & 3100

Applicant's Name: Grey DanielS

15 Satisfied.	Treatment of Day	MIC.	to on this revised, buttury 11, 2000,				
	Section A - State	us of Right					
	Is this a Water Right that can be transferred	?	[OAR 690-380-0100(14)]				
10795 Sur?	NOTE: The Department can accept a Transfer application for any right that is:						
	If the subject right does not fall into any of the above cat		the application & fee to the applicant.				
	Section B - Type						
DON	Is the proposed change(s) allowed under the						
TROD	NOTE: Only POD, POA or POU or USE ch If the application proposes a change other than those list	-					
	Section C -	Fees					
at a	Have the appropriate fees been paid? Fee Schedule - ORS 536.050(1)(h) \$400 - Base fee (1 st change and 1 st CFS of water) + \$400 - Each additional type of change requested + \$200 - Each additional water right or permit	400	Total Required Fees: Total Fees Paid:				
	+ \$200 - For each CFS, or fraction thereof, requested to (for POU, Type of Use, or Exchange) If the applicant has NOT submitted the total fees require		Refund Due (if any):				
	Section D – Con	npleteness					
Indicate in this column whether an item is incomplete, and if so, identify the deficiency.	Is the Transfer application complete? All required elements necessary for a complete Indicate whether or not the applicant has an address each of the following items. If any o incomplete. NOTE: For reference, the application page If the application is NOT complete, RETURN the application is NOT complete.	nswered and/or so ne of the items is number upon who	upplied attachments to adequately deficient, then the application is ich each item is requested is identified.				
97	Type of transfer application	-A	(Page 1)				
OK	Applicant's name, mailing address and comact in	formation.	· (Page 1)				
OK	Agent's name, mailing address and contact inform	nation, if applicab	ole. (Page 1)				
DX	• Are the water rights to be affected by this transfer. If there are multiple water rights listed The applicant water right to be transferred.	1-0					

	Checklist for Supplemental Form A - (Attachments)	
02	Certificate # filled in on each page?	(Page 1)
012	Type of change(s) proposed clear?	(Page 1)
012	Current Water Right information is complete?	(Page 2)
24	If for a change in POU or USE Are there any "layered" irrigation rights, permits, or GR registrations appurenant to the same place of the water right proposed to be transferred? If YES the other "layered" water uses subject to transfer must either change concurrently or be cancelled, except as provided in OAR 690-380-2240(5). If he are the GR and the GR and the GR and the graph of the cancelled and the cancelled are the cancelled.	
	If layered with GR, must submit a GR Modification application as well as this application. Are they included in application? If not, contact applicant or agent.	
No	Location description of the authorized POA/POD to be changed. NOTE: Ensure that the location coordinates listed in the application match the point and location coordinates illustrated on the application map. Additionally, if the existing authorized source is ground water (POA), the applicant must either: 1) supply a copy of the well log(s), or 2) if well logs are not available, describe the construction of the well(s) in the table provided on page 3 of the supplemental form A application.	(Page 3)
85.4	 Location description of the existing authorized POU and associated acres (if applicable). NOTE: Ensure that the location and number of acres listed per ¼ ¼ in the application match those illustrated on the application map. 	(Page 4)
27	 Location description of the proposed POA/POD. NOTE: Ensure that the proposed location coordinates listed in the application match the proposed point and location coordinates illustrated on the application map. Additionally, if the proposed source is ground water (POA), the applicant must either: 1) supply a copy of the well log(s), <u>or</u> 2) if well logs are not available <u>or</u> the well is not yet constructed, describe the construction of the well(s) in the table provided on page 5 of the application. 	
\$ 5.4	Location description of the proposed POU and associated acres (if applicable). NOTE: Ensure that the location and number of acres listed per ¼ ¼ in the application match those illustrated on the application map.	(Page 6)
	Return back to Page 2 of transfer application	
0%	The type of changes being proposed. Poul APDD	(Page 2)
JK	Reason for the transfer.	(Page 2)
DK	Description of current water delivery system.	(Page 2)
DX	System Capacity.	(Page 2)

	Checklist for Supplemental Form B - (Attachments)	
OX	Is there a box checked in #1?	(Page 1)
OH	• Is there a box checked in #2?	(Page 1)
ok	Does the description of POU on page 4 of the supplemental form A application, match authorized POU in question #3?	(Page 1)
201	• In question #4 and #5 are they filled out.	(Page
716	Is there a box checked in #6?	(Page 2)
014	Is the #6 supporting documentation included with application? 2)	(Page
DIX	Is there an original signature of the notary and notary stamp? 2)	(Page
	Return back to Page 3 of transfer application	
OK	A ffected districts and local governments. If within a district/local government jurisdiction, ensure that name & mailing address is provided.	(Page 3)
0K	Is the applicant the Landowner of the "from" and "to" Lands? If NO The applicant must list current landowner name & address. No	(Page 4)
DZ	Who will be responsible for completion of the changes? Is a box checked? If no box is checked the applicant or agent must be contacted.	(Page 4)
9%	Map (Required to be prepared by a CWRE) unless 1. Map Waiver included with application 2. FP map with advance email or written approval 3. POD/POA without POU change and for entire right with FP map for "from" map if more than 3 rights are included in transfer, is there a separate map for each water right? If larger than 8 ½ X 14 than 3 copies of map is needed & an electronic pdf file of map north arrowsize & scaleother:authorized acreage per ½ ½ matches the water right authorized POD/POA and POU (clearly shown, labeled & matches application listing)point plotted for the authorized POD/POA agrees with location coordinates on supplemental forproposed POD/POA and/or POU (clearly shown, labeled & matches application "proposed" lislocation coordinates accurately describe the point identified as the proposed POD/POA	
可以	Land Use form, if applicable. Is the form signed by the local planning department staff? May be needed if the POD/POA or POU is moving a great distance and off of land originally.	(Page 5) involved in WR.
N/A	If a groundwater right is involved, are the well logs or a description included.	(Page 5)
11/12	If this is an instream water right transfer, is there a form C included and filled out.	(Page 5)

02

• Signature(s) of applicant(s):

Are one of the boxes checked?

<u>All</u> applicants listed on page 1 of the application <u>must</u> sign the application.

WRD Completeness Reviewer's Name:

5. Henderson

Date: 11-25.08

(Page 6)

INTEROFFICE MEMO

DATE	: November 24, 2008						
TO:	Sarah Henderson						
FROM	: Laura Snedaker						
SUBJI	ECT: Acceptance of IS Transfer Application/Mitigation Project MP-124						
The at	tached IS transfer application is ok to accept. Please do the following as applicable:						
	Please debit \$ from account.						
M	Please accept application and fees.						
	Refund Due:						
	Please put IS transfer application in a transfer file folder.						
	Please make copy of the IS transfer for the Watermaster.						
\boxtimes	Please make copy of IS transfer (including attachments – unless otherwise specified) and put in dark blue Mitigation Project file folder.						
	Please scan IS transfer application and save to appropriate transfer file folder as T-****-application						
M	Please put copy of this page in IS transfer file folder.						
M	Watermaster Review needed from: District 11 District						
V	In addition to those local governments identified in the application, also provide notice of the application to: Deschutes County and Jefferson County						
Notes	I one but didn't put name on fetter!						

Counties:

1.7

Jefferson County – Community Development 66 SE D Street Madras, OR 97741

Deschutes County Community Development Dept. 117 NW Lafayette Ave. Bend, OR 97701 County: WASHINGTON Transfer: 10729

Water Right: PERMIT S 35792

Priority Date: 1963

Name: TANASACRES NURSERY, BOB LWASAKI

Address: 32570 NW ZION CHURCH RD HILLSBORO OR 97124

Change: POU

Source: TUALATIN RIVER Authorized POU: T1N R3W 13,14 Proposed POU: T1N R3W 13,14

County: YAMHILL Transfer: 10735 Water Right: CERT 84840

Priority Date: 1971

Name: CARLTON NURSERY COMPANY LLC
Address: PO BOX 398, DAYTON, OR 97114

Change: POA Source: WELL Authorized POA: T5S R3W 9 Proposed POA: T5S R3W 9

County: CROOK Transfer: 10734 Water Right: CERT 83850

Priority Date: 1914

Name: GREG DANIELS - THE DANIELS GROUP LLC
Address: 1111 MAIN ST STE 700, VANCOUVER WA 98660

Change: POU/APOD Source: CROOKED RIVER Authorized APOD: T17S R16E 11 T16S R16E 18

T15S R15E 1 T15S R16E 8,19,30 T15S R15E 36 T14S R15E 20,22,26

T14S R14E 20,21,22,23,24,29

Proposed APOD: T14S R14E 22,23 Authorized POU: T14S R14E 20,28,29 Proposed POU: T14S R14E 15

County: CROOK Transfer: 10733 Water Right: CERT 83850

Priority Date: 1914

Name: GREG DANIELS - THE DANIELS GROUP LLC

Address: 1111 MAIN STREET SUITE 700, VANCOUVER WA 98660

Change: POU/APOD Source: CROOKED RIVER Authorized APOD: T17S R16E 11 T16S R16E 18

T16S R16E 18 T16S R15E 1 T15S R16E 8,19,30 T15S R15E 36 T14S R15E 20,22,26

T14S R14E 20,21,22,23,24,29

Proposed APOD: T14S R14E 20,23

Authorized POU: T14S R14E 20,29 Proposed POU: T14S R14E 21,28,29

County: CROOK Transfer: 10732 Water Right: CERT 47267 Priority Date: 1903

GREG DANIELS - THE DANIELS GROUP LLC

Address: 1111 MAIN STREET SUITE 700, VANCOUVER WA 98660

Change: APOD

Source: CROOKED RIVER Authorized APOD: T14S R14E 20 Proposed APOD: T14S R14E 23

County: POLK Transfer: 10737 CERT 58089 Water Right: Priority Date: 1979

Name: MIDDLE ZENA VINEYARD LLC

Address: 5657 ZENA RD NW, SALEM OR 97304

Change: USE

Source: UNNAMED STREAM/RESERVOIR

Authorized USE: STORAGE

Proposed USE: MULTI-PURPOSE INCLUDING IRRIGATION

County: CROOK Transfer: 10731 Water Right: CERT 83651

Priority Date: 1903

GREG DANIELS - THE DANIELS GROUP LLC Name:

Address: 1111 MAIN STREET SUITE 700, VANCOUVER WA 98660

Change: APOD

Source: CROOKED RIVER Authorized APOD: T14S R14E 24 T14S R14E 20 Proposed APOD:

County: CROOK

Transfer:
Water Right: CERT 83857,83651,83732
Priority Date: 1892,1898,1904,1910,1903,1892
GREG DANIELS - THE DANIELS GROUP LLC
MAIN STREET SUITE 700, VANCOUVER 1111 MAIN STREET SUITE 700, VANCOUVER WA 98660

Change: USE/POU Source: CROOKED RIVER

Authorized POU: T14S R14E 20,21,28,29

Proposed POU: BELOW LOW LINE DITCH DIVERSION T15S R16E 8 BELOW CROOKED RIVER DIVERSION T14S R14E 24

TO CONFLUENCE WITH DESCHUTES RIVER

Authorized USE: IRRIGATION Proposed USE: INSTREAM



Water Resources Department

North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1266 503-986-0900 FAX 503-986-0904

December 2, 2008

GREG DANIELS THE DANIELS GROUP LLC 1111 MAIN ST SUITE 700 VANCOUVER WA 98660

Reference: Instream Transfer 10730

On November 21, 2008 we received your water right transfer application. The application was accompanied by \$700.00. Our receipt 95005 is enclosed.

By copy of this letter, we are asking the Watermaster for a report regarding the potential for injury to existing water rights which may be caused by the change.

We will notify you if additional information or corrections to the application or map are required.

If you have any questions, please call the Transfer Section, (503)986-0900.

cc: Watermaster #11 (via email)

David Newton, Agent Low Line Ditch Company US Bureau of Reclamation Dallon Miles, Landowner Butler Ranch Inc., Landowner

ODFW, (via email)

enclosure



Water Resources Department

725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

Notice of Application for Water Right Transfer, Temporary Transfer, or Permit Amendment 12/02/08

The Department seeks comment on the recently-filed application listed below. Any person may comment on the application. Comments must be received by the Department within 30 days of the date of this notice. The Director may presume that the transfer would be allowed by, and compatible with comprehensive plans unless an affected local government informs the Director otherwise within 30 days of this notice.

County:

CROOK

Transfer:

10730

Water Right:

CERT 83857,83651,83732

Priority Date:

1892, 1898, 1904, 1910, 1903, 1892

Name:

GREG DANIELS - THE DANIELS GROUP LLC

Address:

1111 MAIN STREET SUITE 700, VANCOUVER WA 98660

Change:

USE/POU

Source:

CROOKED RIVER

Authorized POU:

T14S R14E 20,21,28,29

Proposed POU:

BELOW LOW LINE DITCH DIVERSION T15S R16E 8

BELOW CROOKED RIVER DIVERSION T14S R14E 24

TO CONFLUENCE WITH DESCHUTES RIVER

Authorized USE:

IRRIGATION

Proposed USE:

INSTREAM

The holder of a water right may apply to permanently change an existing water use subject to transfer. A transfer application may involve any of the following changes: Point of diversion or appropriation (POD; POA); Additional point of diversion or appropriation (APOD; APOA); Historic POD (HIST); Place of use (POU); Character of use (USE); Instream (ISWR); Substitution (SUB); or Exchange (EXCH).

The holder of a water right subject to transfer may request to temporarily change the place of use of the water for up to 5 years and, if necessary to convey the water, to temporarily change the point of diversion or appropriation.

The holder of a water right permit may apply to change a point of diversion (POD) or appropriation (POA) or to change the place of use (POU).

Any person who provides comments within the comment period will receive a copy of the Department's preliminary determination of whether the application should be approved or rejected after the Department has completed a review of the application and will be provided an opportunity to protest the application and preliminary determination at that time. Comments should be sent to the Transfers Section at the Department's Salem office.

Laura Wilke

From:

Terry Sprecher [terry.sprecher@bendbroadband.com]

Sent:

Thursday, April 28, 2011 12:24 PM

To:

Laura Wilke

Subject: R

RE: T 10730 - final deliverables; Contractor Cover sheet

Attachments: T10730.Final.Deliv.Sheet.pdf

Great news! Attached is the contractor cover sheet for this project. Invoice will follow later this week,

attn: Salem O.

Terry A. Sprecher, RG, CWRE

Sprecher Group DBE/WBE/ESB # 5687

Phone: 541/306-3709 Cell: 541/419-0883

terry.sprecher@bendbroadband.com

From: Laura Wilke [mailto:wilkelk@wrd.state.or.us]

Sent: Thursday, April 28, 2011 11:57 AM

To: Terry Sprecher

Subject: RE: T 10730 - final deliverables - round 2 - with attachments

Terry - these look great. Thanks!

I think you can consider yourself done at this point.

Laura

From: Terry Sprecher [mailto:terry.sprecher@bendbroadband.com]

Sent: Thursday, April 28, 2011 11:54 AM

To: Laura Wilke

Subject: FW: T 10730 - final deliverables - round 2 - with attachments

Try this

Terry A. Sprecher, RG, CWRE Sprecher Group DBE/WBE/ESB # 5687

Phone: 541/306-3709 Cell: 541/419-0883

terry.sprecher@bendbroadband.com

From: Terry Sprecher [mailto:terry.sprecher@bendbroadband.com]

Sent: Thursday, April 28, 2011 11:53 AM

To: 'Laura Wilke'

Subject: RE: T 10730 - final deliverables - round 2

Luara,

Attached are the two modified instream certificates. These make a lot more sense – and now I've got a great example for my handbook! Thank you.

Terry A. Sprecher, RG, CWRE Sprecher Group DBE/WBE/ESB # 5687

Phone: 541/306-3709 Cell: 541/419-0883

terry.sprecher@bendbroadband.com

From: Laura Wilke [mailto:wilkelk@wrd.state.or.us]

Sent: Thursday, April 28, 2011 10:02 AM

To: Terry Sprecher

Subject: RE: T 10730 - final deliverables

Terry - had a chance to review the draft certs. The RR's look just fine - I only tweaked a couple of small things.

The instream certs need a bit more work. I've attached the instream cert resulting from the transfer on 83857 as an example. I modified this one consistent with how I would like to see the other two. Is this something you have time to fix?

In the instream rate table associated with cert 83651 we also don't need to include the priority date since that will be in the para above and it's a single date.\

Same on the instream use coming from cert 83732.

Laura

From: Terry Sprecher [mailto:terry.sprecher@bendbroadband.com]

Sent: Monday, April 25, 2011 4:02 PM

To: Laura Wilke

Subject: T 10730 - final deliverables

Hi Laura,

This should be the last of the final deliverables for T 10730. Attached please find:

2 remaining right certificates and 3 instream certificates. I tweaked the instream certificate form a little bit to fit the complicated right, and then left that format for the other two – hopefully that will work for WRD.

Let me know if you need any additional modifications to these. If not, I'll send along the final deliverables cover sheet, and you can let me know when it's ok to send the last invoice.

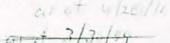
Thanks! Hope spring is treating you well so far.

Terry Sprecher, RG, CWRE Sprecher Group 2445 NE Division Street, Suite 300 Bend, OR 97701 DBE/WBE/ESB # 5687 Phone: 541/306-3709 Cell: 541/419-0883

terry.sprecher@bendbroadband.com

Reimbursement Authority Final Deliverables Cover Sheet

Transfers



Transi	fer # <u>10730</u>	Applicant: Greg De	niels, The Daniels Gr	oup, LLC			
The fo	ollowing items have b	een submitted elect	ronically*:				
	Contact List		54 cmul 20 3/30	104			
1	Draft Preliminary De	etermination (DPD)	X4	*			
10	DPD Cover Letter		**				
	PD Notice	7 emailed + Laur	wow 4/1/201	7			
	Remaining Right Ce		h right that is not entir				
	Instranm Water Diel	t Cartificate (if pands		envertel 4/20/11			
*NOT forma	E: Transfer documen			preferably, or "rich text"			
/	ollowing items are en	closed:					
Ø,	Review checklist						
	Marked copy of trans	sfer application					
	(for POU changes) Plands	lat Card Report mark	ed to indicate any other	er rights on the "From"			
NA	(for POU changes) P	lat Card Report mark	ed to indicate rights o	verlapping proposed POU			
		was considered in rea	tion of changes, injury aching the findings and	evaluation, etc. that will d determination in the			
			ially included in the tr affected, and what ren	ansfer, marked as needed mains unchanged.			
	Signature of Contra	ector:	_	Date: 3/30/09			
A	Oig.	9-		Date: 3/30/69 4/20/11			
For	WRD use only:						
WRD	approval by:			Date:			

Laura Wilke

From:

Terry Sprecher [terry.sprecher@bendbroadband.com]

Sent:

Thursday, April 28, 2011 11:54 AM

To:

Laura Wilke

Subject:

FW: T 10730 - final deliverables - round 2 - with attachments

Attachments: 10730-iswr-cert-(from83651)DRAFT2.doc; 10730-iswr-cert-(from83732)DRAFT2.doc

Try this

Terry A. Sprecher, RG, CWRE Sprecher Group DBE/WBE/ESB # 5687

Phone: 541/306-3709 Cell: 541/419-0883

terry.sprecher@bendbroadband.com

From: Terry Sprecher [mailto:terry.sprecher@bendbroadband.com]

Sent: Thursday, April 28, 2011 11:53 AM

To: 'Laura Wilke'

Subject: RE: T 10730 - final deliverables - round 2

Luara,

Attached are the two modified instream certificates. These make a lot more sense – and now I've got a great example for my handbook! Thank you.

Terry A. Sprecher, RG, CWRE Sprecher Group DBE/WBE/ESB # 5687

Phone: 541/306-3709 Cell: 541/419-0883

terry.sprecher@bendbroadband.com

From: Laura Wilke [mailto:wilkelk@wrd.state.or.us]

Sent: Thursday, April 28, 2011 10:02 AM

To: Terry Sprecher

Subject: RE: T 10730 - final deliverables

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In the instream rate table associated with cert 83651 we also don't need to include the priority date since that will be in the para above and it's a single date.\

Same on the instream use coming from cert 83732.

Laura

From: Terry Sprecher [mailto:terry.sprecher@bendbroadband.com]

Sent: Monday, April 25, 2011 4:02 PM

To: Laura Wilke

Subject: T 10730 - final deliverables

Hi Laura,

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Thanks! Hope spring is treating you well so far.

Terry Sprecher, RG, CWRE Sprecher Group 2445 NE Division Street, Suite 300 Bend, OR 97701 DBE/WBE/ESB # 5687

Phone: 541/306-3709 Cell: 541/419-0883

terry.sprecher@bendbroadband.com

STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

STATE OF OREGON WATER RESOURCES DEPARTMENT

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The date of priority is 1903. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed:

Reach	Instream Rates			
Reach #1	0.56 Cubic Foot per Second (CFS)			
Reach #2	0.50 CFS			
Reach #3	0.25 CFS			

or its equivalent in case of rotation, measured at the points of diversion, during the period June 1 through November 8.

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

Reach #1: From the POD for Certificate 83651, located approximately at:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	24	SE SW	LOW LINE DITCH, Latitude 44.33859 Degrees North and Longitude 121.01154 Degrees West

to River Mile 32.9.

Reach #2: From River Mile 32.9 to River Mile 30 where Lone Pine Road crosses the Crooked River.

Reach #3: From River Mile 30 to Lake Billy Chinook.

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. Stream channel losses and gains calculated based on available data and the use of water by senior appropriators will determine the amount of water to which this right is entitled downstream from the original point of diversion within the specified stream reach.

The instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and shall be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise specified by a subsequent order establishing a new instream water right.

This is a final order in other than a 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 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.

The right to the use of water for the above purpose is restricted to beneficial use in the place of use described and is subject to all other terms and conditions of Certificate 83651 and any related decree.
This certificate is issued to confirm a change in use and place of use approved by an order of the Water Resources Director recorded in Special Order Volume, Page, approving Transfer T-10730, and along with Certificate *****, supersedes Certificate 83651, State Record of Water Right Certificates.
WITNESS the signature of the Water Resources Director, affixed
Phillip C. Ward, Director

STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

STATE OF OREGON WATER RESOURCES DEPARTMENT

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The date of priority is 1892. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed:

Reach	Instream Rates			
Reach #1	0.137 Cubic Foot per Second (CFS)			
Reach #2	0.12 CFS			
Reach #3	0.06 CFS			

or its equivalent in case of rotation, measured at the points of diversion, during the period June 1 through November 8.

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

#1: At the POD for Certificate 83732, located approximately at:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	20	SE SW	1896 FEET SOUTH AND 1717 FEET EAST FROM THE WEST 1/4 CORNER OF SECTION 20

Reach #2: From just below the POD for Certificate 83732 to River Mile 30 where Lone Pine Road crosses the Crooked River.

Reach #3: From River Mile 30 to Lake Billy Chinook.

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. Stream channel losses and gains calculated based on available data and the use of water by senior appropriators will determine the amount of water to which this right is entitled downstream from the original point of diversion within the specified stream reach.

The instream right established by this Allocation of Conserved Water shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and shall be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise specified by a subsequent order establishing a new instream water right.

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The right to the use of water for the above purpose is subject to all other terms and conditions of Certificate 83732 and any related decree.
This certificate is issued to confirm a change in use and place of use approved by an order of the Water Resources Director recorded in Special Order Volume, Page, approving Transfer T-10730, and along with Certificate *****, supersedes Certificate 83732, State Record of Water Right Certificates.
WITNESS the signature of the Water Resources Director, affixed
Phillip C. Ward, Director

Laura Wilke

From: Laura Wilke

Sent: Thursday, April 28, 2011 10:02 AM

To: 'Terry Sprecher'

Subject: RE: T 10730 - final deliverables

Attachments: 10730-iswr-cert-(from83857)DRAFT.doc

Terry - had a chance to review the draft certs. The RR's look just fine - I only tweaked a couple of small

things.

The instream certs need a bit more work. I've attached the instream cert resulting from the transfer on 83857 as an example. I modified this one consistent with how I would like to see the other two. Is this something you have time to fix?

In the instream rate table associated with cert 83651 we also don't need to include the priority date since that will be in the para above and it's a single date.\

Same on the instream use coming from cert 83732.

Laura

From: Terry Sprecher [mailto:terry.sprecher@bendbroadband.com]

Sent: Monday, April 25, 2011 4:02 PM

To: Laura Wilke

Subject: T 10730 - final deliverables

Hi Laura,

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2 remaining right certificates and 3 instream certificates. I tweaked the instream certificate form a little bit to fit the complicated right, and then left that format for the other two – hopefully that will work for WRD.

Let me know if you need any additional modifications to these. If not, I'll send along the final deliverables cover sheet, and you can let me know when it's ok to send the last invoice.

Thanks! Hope spring is treating you well so far.

Terry Sprecher, RG, CWRE Sprecher Group 2445 NE Division Street, Suite 300 Bend, OR 97701 DBE/WBE/ESB # 5687

Phone: 541/306-3709 Cell: 541/419-0883

terry.sprecher@bendbroadband.com

STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

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confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County, The dates of priority are 1892, 1898, and 1904/1910. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed;

Reach	Priority Dates and Instream Rates									
Reacii	1892	1898	1904/1910	Totals						
Reach #1	0.17 Cubic Foot per Second (CFS)			0.17 CFS						
Reach #2	0.17 CFS		0.03 CFS	0.20 CFS						
Reach #3	0.17 CFS		0.027 CFS	0.197 CFS						
Reach #4	0.17 CFS	0.01 CFS	0.027 CFS	0.207 CFS						
Reach #5	0.17 CFS	0.009 CFS	0.027 CFS	0.206 CFS						
Reach #6	0.8 CFS	0.009 CFS	0.027 CFS	0.836 CFS						
Reach #7	0.74 CFS	0.009 CFS	0.027 CFS	0.776 CFS						
Reach #8	0.37 CFS	0.003 CFS	0.01 CFS	0.383 CFS						

Deleted: , and was further described in Certificate \$3857

Deleted: 0.84 CUBIC FEET PER SECOND (CFS), being 0.01 CFS under the 1898 priority date, 0.03 CFS under the 1904/1910 priority date, and 0.8 CFS under the 1892 priority date, and shall be further limited not to exceed 268 0 acrefeet during the irrigation season of each year.

or it's equivalent in case of rotation, measured at the points of diversion, during the period June 1 through November 8.

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

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Reach #1: From the location of diversion #1 authorized previously under Certificate 83857, located approximately at:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
1	15 S	16 E	WM	8	NW SW	1920 FEET NORTH AND 340 FEET EAST FROM THE SW CORNER OF SECTION 8

to the location of diversion #2 authorized previously under Certificate 83857, located approximately at:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
2	14 S	14 E	WM	24	SE SW	LOW LINE DITCH, Latitude 44.33859 degrees North and Longitude 121.01154 degrees West

Reach #2: From the location of diversion #2 authorized previously under Certificate 83857 to River Mile 32.9.

Reach #3: From River Mile 32.9 to the location of diversion #7 authorized previously under Certificate 83857, located

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Formatted: Not Highlight

Deleted: CW
Deleted: ra-dip

This is a final order in other than a 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 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.

T-10730 ra-lkw

Page 1 of 2

Certificate ****

approximately at:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
7	14 S	14 E	WM	20	SE SE	PUMP: 325 FEET NORTH AND 120 FEET WEST FROM THE SE CORNER OF SECTION 20

Reach #4: At the location of diversion #7 authorized previously under Certificate 83857.

Reach #5: From just below the location of diversion #7 authorized previously under Certificate 83857 to the location of diversion #6 authorized previously under Certificate 83857, located approximately at:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
6	14 S	14 E	WM	29	NE NW	PUMP: 1085 FEET SOUTH AND 970 FEET WEST FROM THE NORTH 1/4 CORNER OF SECTION 29

Reach #6: At the location of diversion #6 authorized previously under Certificate 83857.

Reach #7: From just below the location of diversion #6 authorized previously under Certificate 83857 to River Mile 30 where Lone Pine Road crosses the Crooked River

Reach #8: From River Mile 30 to Lake Billy Chinook

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. Stream channel losses and gains calculated based on available data and the use of water by senior appropriators will determine the amount of water to which this right is entitled downstream from the original point of diversion within the specified stream reach.

The instream right established by this <u>transfer</u> shall replace a portion of instream water rights established pursuant to ORS 537.346 and shall be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise specified by a subsequent order establishing a new instream water right.

The right to the use of water for the above purpose is restricted to beneficial use in the place of use described and is subject to all other terms and conditions of Certificate 83857, and any related decree.

This certificate is issued to confirm a change in use and place of use approved by an order of the Water Resources Director recorded in Special Order Volume ___, Page ____, approving <u>Transfer T-10730</u>, and along with <u>Certificate *******</u>, supersedes Certificate 83857, State Record of Water Right Certificates.

WITNESS the signature of the Water Resources Director, affixed

Phillip C. Ward, Director

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Deleted: together with the remaining right from Conserved Water Application C-10730, to be issued by the Department,

Deleted: CW-10730.ra-dip . . . Page 2 of 3 Certificate

T-10730.ra-lkw

Page 2 of 2

Recorded in State Record of Water Right Certificates numbered *****

Page 2: [1] Deleted Laura Wilke 4/28/2011 9:14:00 AM

Total: 0.383

Laura Wilke

From: Terry Sprecher [terry.sprecher@bendbroadband.com]

Sent: Monday, April 25, 2011 4:02 PM

To: Laura Wilke

Subject: T 10730 - final deliverables

Attachments: 10730-rr-83651-#####-DRAFT.doc: 10730-rr-83857-#####-DRAFT.doc; 10730-iswr-cert-

(from83857)DRAFT.doc; 10730-iswr-cert-(from83651)DRAFT.doc; 10730-iswr-cert-(from83732)

DRAFT.doc

Hi Laura,

This should be the last of the final deliverables for T 10730. Attached please find:

2 remaining right certificates and 3 instream certificates. I tweaked the instream certificate form a little bit to fit the complicated right, and then left that format for the other two – hopefully that will work for WRD.

Let me know if you need any additional modifications to these. If not, I'll send along the final deliverables cover sheet, and you can let me know when it's ok to send the last invoice.

Thanks! Hope spring is treating you well so far.

Terry Sprecher, RG, CWRE Sprecher Group 2445 NE Division Street, Suite 300 Bend, OR 97701 DBE/WBE/ESB # 5687

Phone: 541/306-3709 Cell: 541/419-0883

terry.sprecher@bendbroadband.com

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

LOW LINE DITCH CO PRINEVILLE OR 97754

confirms the right to use the waters of CROOKED RIVER, a tributary to DESCHUTES RIVER for IRRIGATION OF 120.09 LACRES, DOMESTIC, AND LIVESTOCK.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The date of priority is 1903.

The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed a reasonable amount for domestic and livestock, and 1.50 CUBIC FEET PER SECOND for irrigation, the total quantity being limited to 4.0 acre-feet per acre during each year, or its equivalent in case of rotation, measured at the point of diversion.

The point of diversion is located as follows:

Twp	Rng	Mer	Sec	Q-Q
14 S	14 E	WM	24	SE SW

The use shall conform to such reasonable rotation system as may be ordered by the proper state officer. The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described, and is subject to the existing minimum flow policies established by the Water Policy Review Board.

A description of the place of use to which this right is appurtenant is as follows:

_				IR	RIGATIC	
Twp	Rng	Mer	Sec	Q-Q	Acres	Name of User Through company's Works
14 S	14 E	WM	22	SWSW	15.00	V. Butler
14 S	14 E	WM	22	NE SE	32.00	T.F. McCallister
14 S	14 E	WM	22	NW SE	5.00	T.F. McCallister
14 S	14 E	WM	22	SW SE	19.00	T.F. McCallister
14 S	14 E	WM	22	SE SE	40.00	T.F. McCallister
14 S	14 E	WM	28	NENW	7.90	J.W. Livingston
14 S	14 E	WM	28	NWNW	1.19	J.W. Livingston

This certificate describes that portion of the water right confirmed by Certificate 8365), State Record of Water Right Certificates, NOT modified by the provisions of an order of the Water Resources Director entered _____approving Transfer Application T-10730.

The right is subject to all other terms and conditions contained in said decree.

The issuance of this superseding certificate does not confirm the status of the water right in regard to the provisions of ORS 540.610 pertaining to forfeiture or abandonment.

WITNESS the signature of the Water Resources Director, affixed ______

T-10730.ra-dip XXXXX

Page 1 of 2

Certificate

Dwight French for PHILLIP C. WARD, DIRECTOR

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

PEOPLES IRRIGATION CO. 615221 O'NEIL HIGHWAY PRINEVILLE, OR 97754

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER for IRRIGATION OF 502.3 ACRES, LIVESTOCK AND DOMESTIC USE.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The date of priority is 1892, 1895, 1897, 1898, and 1904/1910.

The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 6.28 to CUBIC FEET PER SECOND, or its equivalent in case of rotation, measured at the points of diversion.

The points of diversion are located as follows:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
1	15 S	16 E	WM	8	NW SW	1920 FEET NORTH AND 340 FEET EAST FROM SW CORNER of SECTION 8
2						LOW LINE DITCH
3	14 S	14 E	WM	24	NE SE	Pump: 450 FEET WEST FROM THE EAST 1/4 CORNER OF SECTION 24
4	14 S	14 E	WM	23	SW NE	Pump: 1020 FEET NORTH AND 500 FEET EAST FROM THE CENTER 1/4 CORNER OF SECTION 23
5	14 S	14 E	WM	23	SW NW	Pump: 1000 FEET NORTH AND 1400 FEET WEST FROM THE CENTER 1/4 CORNER OF SECTION 23
6	14 S	14 E	WM	29	NE NW	Pump: 1085 FEET SOUTH AND 970 FEET WEST FROM THE NORTH 1/4 CORNER OF SECTION 29

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each year. The use shall conform to such reasonable rotation system as may be ordered by the proper state officer.

A description of the place of use to which this right is appurtenant is as follows:

IRRIGATION, LIVESTOCK AND DOMESTIC								
Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User
	1	14 S	15 E	WM	26	SW SW	20.0	Cox, R.T
1895	1	14 S	15 E	WM	26	SE SW	20.0	Cox, R.T
	1	14 S	15 E	WM	26	SW SE	20.0	Cox, R.T
1004/1010	1	14 S	14 E	WM	21	SW NE	40.0	Deschutes Fine Wool Company
1904/1910	1	14 S	14 E	WM	21	SE NE	40.0	Deschutes Fine Wool Company

T-10730.ra-dip XXXXX Page 1 of 2

Certificate

cal

		1	RRIGATIO	ON, LIVES	STOCK	AND DOM	ESTIC	
Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User
1904/1910	1	14 S	14 E	WM	21	NE SW	30.0	Deschutes Fine Wool Company
(continued)	1	14 S	14 E	WM	21	NWSW	30.0	Deschutes Fine Wool Company
	1	14 S	14 E	WM	21	SWSW	5.4	Deschutes Fine Wool Company
	1	14 S	14 E	WM	21	NE SE	30.0	Deschutes Fine Wool Company
	1	14 S	14 E	WM	21	NW SE	30.0	Deschutes Fine Wool Company
	2	14 S	14 E	WM	21	SE SW	37.5	Deschutes Fine Wool Company
	2	14 S	14 E	WM	21	SW SE	40.0	Deschutes Fine Wool Company
	2	14 S	14 E	WM	21	SE SE	40.0	Deschutes Fine Wool Company
	3	14 S	14 E	WM	23	SE NE	20.9	Deschutes Fine Wool Company
	4	14 S	14 E	WM	23	NWNE	0.6	Deschutes Fine Wool Company
	4	14 S	14 E	WM	23	NE NW	7.4	Deschutes Fine Wool Company
	5	14 S	14 E	WM	23	NWNW	1.0	Deschutes Fine Wool Company
1902	1	14 S	14 E	WM	30	NE NE	5.6	Forrest, Frances
1892	6	14 S	14 E	WM	30	NE NE	4.4	Forrest, Frances
	1	14 S	14 E	WM	26	NE NE	1.0	Messinger, Lucy
1907	1	14 S	14 E	WM	26	NW NE	15.0	Messinger, Lucy
1897	1	14 S	14 E	WM	26	NE NW	30.0	Messinger, Lucy
	1	14 S	14 E	WM	26	NWNW	30.0	Messinger, Lucy
1898	1	14 S	14 E	WM	28	NE NE	3.5	Weaver, David

The right to the use of the water for the above purpose is restricted to beneficial use of the certificate describes that portion of the water right confirmed by Certificate 838	on the lands or place of use described.
This certificate describes that portion of the water right confirmed by Certificate 838	357 State Record of Water Right
Certificates, NOT modified by the provisions of an order of the Water Resources Dirapproving Transfer Application T-10730.	ector entered,
The issuance of this superseding certificate does not confirm the status of the water ri 540.610 pertaining to forfeiture or abandonment.	ight in regard to the provisions of ORS
WITNESS the signature of the Water Resources Director, affixed	<u> </u>

Dwight French for PHILLIP C. WARD, DIRECTOR

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

STATE OF OREGON WATER RESOURCES DEPARTMENT

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County, and was further described in Certificate 83857. The dates of priority are 1892, 1898, and 1904/1910. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 0.84 CUBIC FEET PER SECOND (CFS), being 0.01 CFS under the 1898 priority date, 0.03 CFS under the 1904/1910 priority date, and 0.8 CFS under the 1892 priority date, and shall be further limited not to exceed 268.0 acre-feet during the irrigation season of each year.

The locations of the diversions (PODs) previously authorized under Certificate 83857 are as follows:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
1	15 S	16 E	WM	8	NW SW	1920 FEET NORTH AND 340 FEET EAST FROM THE SW CORNER OF SECTION 8
2	14 S	14 E	WM	24	SE SW	LOW LINE DITCH, Latitude 44.33859 degrees North and Longitude 121.01154 degrees West
6	14 S	14 E	WM	29	NE NW	PUMP: 1085 FEET SOUTH AND 970 FEET WEST FROM THE NORTH 1/4 CORNER OF SECTION 29
7	14 S	14 E	WM	20	SE SE	PUMP: 325 FEET NORTH AND 120 FEET WEST FROM THE SE CORNER OF SECTION 20

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

Reach #1: From POD #1 (as described above) to POD #2 (Low Line Ditch) (as described above).

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83,857	1892	0.17	53,6	June 1 - Nov. 8

Reach #2: From POD #2 (Low Line Ditch) to River Mile 32.9.

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period	
92057	1892	0.17	53.6	I 1 No. 0	
83857	1904/1910	0.03	10.0	June 1 – Nov. 8	
	Total:	0.20	63.6		

This is a final order in other than a 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 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.

Reach #3: From River Mile 32.9 to POD #7 (as described above)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
02057	1892	0.17	53.6	Toront Man 0
83857	1904/1910	0.027	8.62	June 1 – Nov. 8
	Total:	0.197	62.22	

Reach #4: At POD #7 (as described above)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
	1892	0.17	53.6	
83857	1898	0.01	2.0	June 1 - Nov. 8
	1904/1910	0.027	8.62	
	Total:	0.207	64.22	

Reach #5: From just below POD #7 to POD #6 (as described above)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period	
	1892	0.17	53.6		
83857	1898	0.009	2.87	June 1 – Nov. 8	
	1904/1910	0.027	8.62		
	Total:	0.206	65.09		

Reach #6: At POD #6

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
	1892	0.80	256.0	
83857	1898	0.009	2.87	June 1 - Nov. 8
	1904/1910	0.027	8.62	
	Total:	0.836	267.49	

Reach #7: From just below POD #6 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.74	229.92	
	1898	0.009	2.87	June 1 - Nov. 8
	1904/1910	0.027	8.62	
	Total:	0.776	241.41	

Reach #8: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
	1892	0.37	115.2	
83857	1898	0.003	0.9	June 1 - Nov. 8
	1904/1910	0.01	4.5	
	Total:	0.383	120.6	

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. Stream channel losses and gains calculated based on available data and the use of water by senior appropriators will determine the amount of water to which this right is entitled downstream from the original point of diversion within the specified stream reach.

The instream right established by this Allocation of Conserved Water shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and shall be in addition to instream water rights established pursuant to ORS

537.348 or 537.470, unless otherwise specified by a subsequent order establishing a new instream water right.
The right is subject to all other terms and conditions of Certificate 83857 and any related decree.
This certificate is issued to confirm an ALLOCATION OF CONSERVED WATER approved by an order of the Water Resources Director recorded in Special Order Volume, Page, approving conserved water application C-10730, and together with the remaining right from Conserved Water Application C-10730, to be issued by the Department, supersedes Certificate 83857, State Record of Water Right Certificates.
WITNESS the signature of the Water Resources Director, affixed
Phillip C. Ward, Director

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

STATE OF OREGON WATER RESOURCES DEPARTMENT

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County, and was further described in Certificate 83651. The date of priority is 1903. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 0.56 CUBIC FEET PER SECOND, and shall be further limited not to exceed 180.0 acre-feet during the irrigation season of each year.

The location of the diversion (POD) previously authorized under Certificate 83651 is as follows:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	24	SE SW	LOW LINE DITCH, Latitude 44.33859 degrees North and Longitude 121.01154 degrees West

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

Reach #1: From the POD for Certificate 83651 (as described above) to River Mile 32.9

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.56	180.0	June 1 – Nov. 8

Reach #2: From River Mile 32.9 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.50	159.67	June 1 – Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.25	81.0	June 1 – Nov. 8

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. Stream channel losses and gains calculated based on available data and the use of water by senior appropriators will determine the amount of water to which this right is entitled downstream from the original point of diversion within the specified stream reach.

The instream right established by this Allocation of Conserved Water shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and shall be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise specified by a subsequent order establishing a new instream water right.

This is a final order in other than a 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 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.

The right is subject to all other terms and conditions of Certificate 83651 and any related decree.
This certificate is issued to confirm an ALLOCATION OF CONSERVED WATER approved by an order of the Water Resources Director recorded in Special Order Volume, Page, approving conserved water application C-10730, and together with the remaining right from Conserved Water Application C-10730, to be issued by the Department, superseder Certificate 83651, State Record of Water Right Certificates.
WITNESS the signature of the Water Resources Director, affixed
Phillip C. Ward, Director

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

STATE OF OREGON WATER RESOURCES DEPARTMENT

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County, and was further described in Certificate 83732. The date of priority is 1892. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 0.137 CUBIC FEET PER SECOND, and shall be further limited not to exceed 44.0 acre-feet during the irrigation season of each year.

The location of the diversion (POD) previously authorized under Certificate 83732 is as follows:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	20	SE SW	1896 FEET SOUTH AND 1717 FEET EAST FROM THE WEST 1/4 CORNER OF SECTION 20

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

Reach #1: At the POD for Certificate 83732 (as described above)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.137	44.0	June 1 - Nov. 8

Reach #2: From just below the POD for Certificate 83732 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.12	38.32	June 1 – Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.06	19.8	June 1 – Nov. 8

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. Stream channel losses and gains calculated based on available data and the use of water by senior appropriators will determine the amount of water to which this right is entitled downstream from the original point of diversion within the specified stream reach.

The instream right established by this Allocation of Conserved Water shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and shall be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise specified by a subsequent order establishing a new instream water right.

This is a final order in other than a 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 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.

The right is subject to all other terms and conditions of Certificate 83732 and any related decree.
This certificate is issued to confirm an ALLOCATION OF CONSERVED WATER approved by an order of the Water Resources Director recorded in Special Order Volume, Page, approving conserved water application C-10730, and together with the remaining right from Conserved Water Application C-10730, to be issued by the Department, supersedes Certificate 83732, State Record of Water Right Certificates.
WITNESS the signature of the Water Resources Director, affixed
Phillip C. Ward, Director

Laura Wilke

From:

Terry Sprecher [terry.sprecher@bendbroadband.com]

Sent:

Friday, April 01, 2011 11:38 AM

To:

Laura Wilke

Subject: RE

RE: T-10730 - draft PD cover and draft PD notice

Attachments: DRAFT.10730-pd-cov.doc; DRAFT.10730-pd-notice.doc

Hi Laura,

Attached please find the draft PD cover and draft PD notice for T-10730. Let me know if you need anything else from me before the PDs are finalized. I'm planning on tackling the RR certificates and instream certificates next week.

Have a wonderful weekend!

Terry A. Sprecher, RG, CWRE Sprecher Group DBE/WBE/ESB # 5687

Phone: 541/306-3709 Cell: 541/419-0883

terry.sprecher@bendbroadband.com

WATER RESOURCES DEPARTMENT

RECEIPT# 102558

725 Summer St. N.E. Ste. A SALEM, OR 97301-4172 (503) 986-0900 / (503) 986-0904 (fax)

INVOICE # _

	6.000	- D. 11	111	APPLICATION	
	M: 91700	55 Butt		PERMIT	
BY:				TRANSFER	T 10420
CASH: CH	HECK:#	OTHER: (IDENTIFY)	THANSIEN	11-1010x
	187			TOTAL REC'D	\$84000
1083	TREASURY	4170 WRD	MISC CASH A	CCT	
		0.0	9-194-0		S
0408	COPIES 47	(IDENTIFY)	Rambus	soment	\$84000
		*******	70	1101110	
0243 I/S Le	ase 024		Plan 024		
		4270 WRD	OPERATING A	CCT	
	MISCELLANEOU		250511/50		
0407	COPY & TAPE FE		RECEIVED		\$
0410	RESEARCH FEE		THE COU	INTER	\$
0408	MISC REVENUE:				\$
TC162	DEPOSIT LIAB. (-		S
0240	EXTENSION OF	TIME			
	WATER RIGHTS:		EXAM FEE		RECORD FEE
0201	SURFACE WATER	R	\$	0202	\$
0203	GROUND WATER	3	\$	0204	\$
0205	TRANSFER		\$		
	WELL CONSTRU	CTION	EXAM FEE		LICENSE FEE
0218	WELL DRILL CON	STRUCTOR	\$	0219	\$
	LANDOWNER'S	PERMIT		0220	\$
	OTHER	(IDENTIFY)			
0536	TREASURY	0437 WELL	L CONST. STAF	T EEE	
	Manual Indiana American				1
0211	WELL CONST ST		S	CARD#	
0210	MONITORING WE		\$	CARD #	
	OTHER	(IDENTIFY)			
0607	TREASURY	0467 HYDF	RO ACTIVITY	LIC NUMBER	
0233	POWER LICENSE	FEE (FW/WRD)			S
0231	HYDRO LICENSE	FEE (FW/WRD)			\$
	HYDRO APPLICA	TION			\$
	TREASURY	OTHE	R / RDX		
		TITLE			
FUND					
OBJ. CODE		VENDOR #			S
DESCRIPTI	ON				•

RECEIPT: 102558 DATED: 4-1-11 BY: 3

WATER RESOURCES DEPARTMENT

RECEIPT # 102558 725 Summer St. N.E. Ste. A SALEM, OR 97301-4172 (503) 986-0900 / (503) 986-0904 (fax)

INVOICE #

(550) 550 5507 (550) 550 7 (1117)		
RECEIVED FROM: (5 MGS BUTTE 11 C	APPLICATION	
BY:	PERMIT	
	TRANSFER	T-10430
CASH: CHECK:# OTHER: (IDENTIFY)		1001000
	TOTAL REC'D	\$ 8400
1083 TREASURY 4170 WRD MISC CASH AC	СТ	
PAR 104-A		s
0401	sement	\$84000
A.A	horrich	1070
	Cons. Water	
4270 WRD OPERATING A	CCT	
MISCELLANEOUS RECEIVED		
0407 COPY & TAPE FEES OVER THE COLUMN	TED	\$
0410 RESEARCH FEES OVER THE COUN	TER	S
0408 MISC REVENUE: (IDENTIFY)		\$
TC162 DEPOSIT LIAB. (IDENTIFY)		\$
0240 EXTENSION OF TIME		\$
WATER RIGHTS: EXAM FEE		RECORD FEE
0201 SURFACE WATER \$	0202	S
0203 GROUND WATER \$	0204	\$
0205 TRANSFER \$		
WELL CONSTRUCTION EXAM FEE		LICENSE FEE
0218 WELL DRILL CONSTRUCTOR \$	0219	\$
LANDOWNER'S PERMIT	0220	\$
OTHER (IDENTIFY)		
0536 TREASURY 0437 WELL CONST. STAR	T FEE	
0211 WELL CONST START FEE \$	CARD#	
0210 MONITORING WELLS \$	CARD #	
OTHER (IDENTIFY)		
0607 TREASURY 0467 HYDRO ACTIVITY	LIC NUMBER	
0233 POWER LICENSE FEE (FW/WRD)		s
0231 HYDRO LICENSE FEE (FW/WRD)		\$
HYDRO APPLICATION		S
TREASURY OTHER / RDX		
FUND TITLE		
OBJ. CODE VENDOR #		
DESCRIPTION		\$

RECEIPT: 102558 DATED: 4-1-11 BY: 32 Distribution - White Copy - Customer, Yellow Copy - Fiscal, Blue Copy - File, Buff Copy - Fiscal DATE:03/31/2011 CK#:187 TOTAL:\$840.00***** BANK:Operating Account(908)
PAYEE:OREGON WATER RESOURCES DEPARTMENT(v0000089)

Property Account

Invoice - Date

Description

Amount

908

1565-2000

033111 - 03/31/2011

Prof svcs-water

840.00

840.00

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WATER RESOURCES DEPT SALEM, OREGON

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REIMBURSEMENT AUTHORITY APPLICANT'S AGREEMENT

APR 0 1 2011

WATER RESOURCES DEPT

This Agreement is between the Oregon Water Resources Department, hereafter OWRD, and The Daniels Group, LLC. hereafter Applicants, hereafter known together as the parties.

OWRD Information

Project Contact: Dorothy Pedersen Title: Water Rights Specialist Address: 725 Summer Street, NE

Salem, OR 97301-1271

Phone: 503 986-0811 Fax: 503 986-0901

Email: Dorothy.I.Pedersen@wrd.state.or.us

Applicant's Information Applicant's Representative

Name: Newton Consultants Inc The Daniels Group, LLC. Project Contact: Dave Newton Contact: Gregory W. Daniels Address: 521 SW 6th Street, Suite 100 Address: 1111 Main Street Redmond, OR 97756 Suite 700

Vancouver, WA 98660 Phone Number: 541-504-9960 Phone Number: 360-694-5700 Fax Number: 541-504-9961

Fax Number: 360-695-1201 Email: dnewton@newtonconsultants.com

Email: greg@thedanielsgroupllc.com

- 1. Purpose The purpose of this Agreement is to expedite the processing of the Transfer Application. (Application Number: T-10730)
- 2. Authority The OWRD has been authorized pursuant to HB 2551(2003 Oregon Laws) to enter into a voluntary agreement with any applicant, permittee or regulated entity (collectively Applicant) for expediting or enhancing a regulatory process. In making this agreement, OWRD shall require the applicant to pay the full cost of expedited process.
- 3. Restrictions. The Daniels Group, LLC. and OWRD agree that this Agreement shall not be construed to restrict in any way the decisions and actions by OWRD. OWRD shall be free to exercise independent judgment consistent with existing laws and regulations.
- 4. Effective Date and Duration. Unless otherwise terminated by non-deposit of funds by the Applicant, this Agreement shall become effective on the date on which both parties have signed the Agreement and the full deposit of the estimated cost of the proposed service.
- 5. Statement of Work. The Statement of Work is contained in Exhibit A attached hereto and incorporated by reference into this Agreement. OWRD agrees to perform this work in accordance with the terms and conditions of this Agreement.

6. Consideration.

- a. The Daniels Group, LLC. shall pay OWRD in advance for actual costs incurred by OWRD as specified in the Statement of work attached and incorporated as Exhibit A. The estimated maximum reimbursement payable to OWRD under this Agreement is \$5,160.00 The Daniels Group, LLC. agrees to pay the full amount of \$5,160.00 \$6,000.00 to OWRD prior to commencement of any work stated in this Agreement. This payment will be placed in an account administered by OWRD and drawn upon as costs are actually incurred. If the actual cost of performing the work is less than payments received, OWRD will refund the unspent balance. If the actual cost of processing exceeds the estimate, the Applicant can either elect to terminate this Agreement or amend the Agreement to reflect the increase in cost.
- b. The costs stated in this Agreement do not include the statutory application processing and filing fees.
- 7. Subcontracts. OWRD intends to undertake the work described in this Agreement by assigning the work to a contractor from its established pre-qualified contractor pool

- 8. Contract Documents. This Agreement consists of the following documents which are listed in descending order of precedence: this Agreement and the attached Exhibit A. All attached Exhibits are incorporated into this Agreement by reference.
- 9. Confidentiality. The Daniels Group, LLC. agrees that any information provided to or acquired by OWRD under this Agreement will be subject to the Oregon Public Records Law and shall be considered public records.
- 10. Indemnity. Applicant shall defend, save, hold harmless, and indemnify the State of Oregon, OWRD, Sprecher Group (Contractor) and their officers, employees, and agents from and against all claims, suits, actions, losses, damages, liabilities, costs and expenses of any nature resulting from or arising out of, or relating to the activities of Applicant or its representatives, officers, employees, contractors, or agents under this Agreement or with respect to the expedited service. The Applicant acknowledges that the Oregon Water Resources Department cannot and does not guarantee a favorable review under the subject regulatory process.
- 11. Termination. Applicant may request to terminate this agreement only in writing at anytime during the process. The Applicant agrees to pay for the work done by the Contractor up until the time of the written termination request. OWRD, upon receiving such written termination request from the Applicant and appropriately notifying the Contractor, will refund any unspent balance after paying the contractor for the work done.
- 12. Funds Authorized and Available. By its execution of this Agreement, Applicants certify that sufficient funds are authorized and available to cover the expenditures contemplated by this Agreement.
- 13. Duration of Estimate. The Estimate of Time to complete the work in Exhibit A (Statement of Work) becomes null and void after thirty- (30) days from the date the Applicant's Agreement is mailed. If the Applicant's Agreement is not received by the Department within thirty (30) days of mailing the Agreement, the Applicant must re-apply for a new estimate.
- 14. Completion Date. OWRD, by the execution of this Agreement does not guarantee the completion date indicated in this Agreement. Completion date is only an estimate and may be affected by the Department's workload, issues arising from the processing of the requested services and Applicant's timely response to requests for additional information.
- 15. Captions. The captions or headings in this Agreement are for the convenience only and in no way define limit or describe the scope or intent of any provision of this Agreement.
- 16. Amendment and Merger. The terms of this Agreement shall not be waived, altered, modified, supplemented or amended in any manner whatsoever, except by written instrument signed by both parties. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements or representations, oral or written, not specified herein regarding this Agreement.
- 17. Signatures. All parties, by the authorized representative's signature below, hereby acknowledge that they have read this Agreement, understand it and agree to be bound by its terms and conditions.

For The Dani	els Group, LLC.8y:	3-31-2011
	Name Title: Gregoryw.Daniels, Managing Me	Date
	Grego yw. Daniels, Managing Me	ember
	V	
For OWRD:		
	Tracy Louden – Administrator Da	ate
Mail signed A	graement to:	

Mail signed Agreement to:

Salem Opeifa Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1271

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WATER RESOURCES DEPT SALEM, OREGON 2 of 3

Exhibit A

Statement of Work

Application Number: The Daniels Group, LLC.

Name of Applicant: T-10730

Reimbursement Authority Process Itemized Estimate Sheet

For Transfer

	Itom		Time	
	Item	Original	Requested	Total
1	Review of application for completeness.	10.0	0.0	10.0
2	Review of "From" lands to confirm consistency with existing right(s) and ownership.	12.0	1.0	13.0
3	Review of "To" lands for conflicts and preparation of draft deficiency letter (if necessary).	5.0	0.0	5.0
4	Preparation of draft preliminary determination, DPD cover letter and contact list.	6.0	0.0	6.0
5	Preparation of PD public notice, PD cover letter (and remaining right certificate(s) if necessary), and processing documentation.	10.0	6.0	16.0
	Total Estimated Time:	43.0	7.0	50.0

Total estimated cost is 43.0 50.0 hours at \$120.00 per hour = \$5,160.00 \$6,000.00

Total Requested Amount = \$6,000.00 - \$5,160.00 = \$840.00

Proposed Completion of Draft Preliminary Determination: - TBD. *

*Dates are contingent on the Applicant's expeditious resolution of any deficiency and may be affected by Department's work load.

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Laura Wilke

From:

Kara Morris

Sent:

Tuesday, February 15, 2011 12:58 PM

To:

Laura Wilke

Subject:

FW: Daniels group, t-10730

Attachments: 10730-DRAFTdpd-approve-iswr-MP124.doc; 10730-DRAFTdpd-cov-approve.doc

Kara Morris
Expedited Transfer Processing Specialist 1
Oregon Water Resources Department
725 Summer St NE, Suite A
Salem, OR 97301
503-986-0898

size=2 width="100%" align=center tabindex=-1>

From: Terry Sprecher [mailto:terry.sprecher@bendbroadband.com]

Sent: Monday, February 14, 2011 3:58 PM

To: Kara Morris

Subject: FW: Daniels group, t-10730

Hi Kara,

Attached please find the draft DPD and draft DPD cover for T-10730. You should already have received the three other related transfer documents via separate emails. Again, the draft DPD has attempted to capture the back-and-forth, but without all the petty details.

In addition to the ownership review, I still need to do the PD notice and PD cover letter for this transfer, 2 RR certificates, and an instream certificate. Looks like I have about 2 ½ hours remaining on this work order.

Let me know if you need additional at this point. Thank you.

Terry A. Sprecher, RG, CWRE Sprecher Group DBE/WBE/ESB # 5687

Phone: 541/306-3709 Cell: 541/419-0883

terry.sprecher@bendbroadband.com

From: Kara Morris [mailto:morriskb@wrd.state.or.us]

Sent: Thursday, February 10, 2011 7:59 AM

To: Terry Sprecher Cc: Laura Wilke

Subject: Daniels group

Hi Terry,

I may be repeating what you have heard from Laura. We cannot consider the ODFW injury claim because it is just an application. Also, I looked at the transfers coming off of 83850 and our lands have not been

moved so everything is okay there. So I think that is everything!

It looks like I have deliverables from T-10732 (11/12/10) but not the rest. When do you think you can have those in?

Thanks,

Kara Morris
Expedited Transfer Processing Specialist 1
Oregon Water Resources Department
725 Summer St NE, Suite A
Salem, OR 97301
503-986-0898

BEFORE THE WATER RESOURCES DEPARTMENT OF THE STATE OF OREGON

In the Matter of Instream Transfer Application T-10730 and Mitigation Credit Project MP-124, Crook, Deschutes, and Jefferson Counties	DRAFT PRELIMINARY DETERMINATION PROPOSING APPROVAL OF A CHANGE IN PLACE OF USE AND CHARACTER OF USE AND PRELIMINARY AWARD OF MITIGATION CREDITS
) WILLIGATION CREDITS

Authority

ORS 540.505 to 540.580 establishes the process in which a water right holder may submit a request to transfer the point of diversion, place of use, or character of use authorized under an existing water right. OAR Chapter 690, Division 380 implements the statutes and provides the Department's procedures and criteria for evaluating transfer applications. OAR Chapter 690, Division 077 provides additional criteria for evaluating transfers to instream water rights.

OAR 690-521-0100 to 690-521-0600 establishes the process in which anyone may submit a ground water mitigation project to the Department for the purpose of establishing mitigation credits in the Deschutes Ground Water Study Area.

Pursuant to OAR 690-521-0400 (2), any mitigation credits awarded to a mitigation project are valid until used to fulfill a mitigation obligation of a ground water use in the Deschutes Ground Water Study Area. Valid mitigation credits may be assigned by any person or recognized mitigation bank to any person or other mitigation bank. Mitigation credits are used when a person submits to the Department documentary evidence that valid credits have been obtained and assigned to satisfy a mitigation obligation.

Applicants

GRASS BUTTE, LLC GREG DANIELS 1111 MAIN ST SUITE 700 VANCOUVER WA 98660

PREMIER WEST BANK 875 SW RIMROCK WAY, SUITE 100 REDMOND, OREGON 97756

Findings of Fact

Background

 On November 21, 2008, The Daniels Group, LLC, filed an application to change the place of use and character of use under Certificates 81601, 83651, and 83732 to instream use. The Department assigned the application number T-10730.

- Certificate 81601 has been cancelled and a new Certificate (83857) was issued on May 7, 2008.
 - 3. On August 26, 2009, the Department requested additional supporting information and clarification of the intent of T-10730.
 - On September 25, 2009, the applicant clarified that the portion of Certificate 81601 (i.e. Certificate 83857) proposed for transfer to instream use include Irrigation, Livestock and Domestic use consistent with the water right of record.
 - 5. On September 25, 2009, the applicant submitted additional supporting documentation for 10730 along with revised transfer maps with clarifying information.
 - 6. On November 9, 2009, the Department requested further clarification of the intent of 7-10730.
 - 7. On March 23, 2010, The Daniels Group requested that a 75% interest in T-10730 and MP-124 be assigned to Realvest Corporation and Premier West Bank and that a 25% interest in T-10730 and MP-124 be assigned to Grass Butte, LLC. On March 23, 2010, Realvest Corporation requested that the 75% interest in T-10730 and MP-124 be assigned to Grass Butte, LLC. On March 23, 2010, Grass Butte, LLC requested that the 25% interest be assigned to Grass Butte, LLC and Premier West Bank.
 - 8. On March 29, 2010, the Department approved the assignment requests and concurred that 10730 is now in the names of Grass Butte, LLC and Premier West Bank.
 - On November 3, 2010, the applicant clarified that the portion of Certificate 83651 proposed for transfer to instream use include Irrigation, Livestock and Domestic use consistent with the water right of record.
 - 10. On November 3, 2010, the applicant provided further clarification of the intent of T-10730, along with revised transfer maps in support of T-10730.
 - 11. On December 13, 2010, the Department requesting further clarification of the intent of 7-10730, including priority date and POD clarifications, and correcting of clerical errors.
 - 12. On December 21 and 22, 2010, the applicant provided clarifying information, along with revised transfer maps.
 - 13. The portion of the first right to be transferred is as follows:

Certificate: 83857 in the name of PEOPLES IRRIGATION CO. (confirmed by Crooked River Decree)

IRRIGATION OF 67.0 ACRES (0.5 acres under the 1898 priority date, 2.5

acres under the 1904/1910 priority date, and 64.0 acres under the 1892

priority date), LIVESTOCK AND DOMESTIC USE

Priority Dates: 1892, 1898, and 1904/1910

(ate:

0.84 CUBIC FEET PER SECOND (CFS), being 0.01 CFS under the 1898 priority date, 0.03 CFS under the 1904/1910 priority date, and 0.8 CFS

under the 1892 priority date

imit/Duty:

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation

season of each year.

CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Points of Diversion:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
1	15 S	16 E	WM	8	NW SW	1920 FEET NORTH AND 340 FEET EAST FROM THE SW CORNER OF SECTION 8
2						LOW LINE DITCH
6	14 S	14 E	WM	29	NE NW	PUMP: 1085 FEET SOUTH AND 970 FEET WEST FROM THE NORTH 1/4 CORNER OF SECTION 29
7	14 S	14 E	WM	20	SE SE	PUMP: 325 FEET NORTH AND 120 FEET WEST FROM THE SE CORNER OF SECTION 20

Authorized Place of Use:

		IR	RIGATIO	N, LIVE	ESTOC	K, AND DO	MESTIC	
Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User
1892	6	14 S	14 E	WM	20	SWSW	10.0	Forrest, Frances
1904/1910	2	14 S	14 E	WM	21	SE SW	2.5	Deschutes Fine Wool Company
1898	7	14 S	14 E	WM	29	NENE	0.5	McDowell, D.A.
1892	6	14 S	14 E	WM	29	NENW	5.0	Forrest, Frances
1892	6	14 S	14 E	WM	29	NWNW	35.6	Forrest, Frances
1892	1	14 S	14 E	WM	29	NWNW	2.4	Forrest, Frances
1892	1	14 S	14 E	WM	29	SWNW	3.0	Forrest, Frances
1892	1	14 S	14 E	WM	29	SENW	8.0	Forrest, Frances

14. The Department has information identifying that POD #2, Low Line Ditch, is the same POD as identified for Certificate 83651, as described in Finding of Fact #15.

15. The portion of the second right to be transferred is as follows:

Certificate:

83651 in the name of LOW LINE DITCH CO. (confirmed by Crooked

River Decree)

IRRIGATION OF 45.0 ACRES, DOMESTIC, AND LIVESTOCK

Priority Date:

1903

Rate:

0.56 CFS

Limit/Duty:

The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed a reasonable amount for

domestic and livestock, and 0.56 cubic feet per second for irrigation, the total quantity being limited to 4.0 acre-feet per acre during each year.

Source:

CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	24	SE SW	Unspecified by Certificate

Authorized Place of Use:

,	IR	RIGATI	ON, LI	VESTOCK,	AND DO	MESTIC
Twp	Rng	Mer	Sec	Q-Q	Acres	Name of User through Company's Works
14 S	14 E	WM	28	NW NE	25.0	J. W. Livingston
14 S	14 E	WM	28	NE NW	20.0	J. W. Livingston

- 16. The Crooked River Decree further describes the POD for Certificate 83651 as the Low Line Ditch. In a prior site visit, Department staff further identified that the POD is more accurately located approximately at Latitude 44.33859 degrees North and Longitude 121.01154 degrees West (see Special Order Volume 73, Page 721, Finding #7).
- 17. The third right to be transferred is as follows:

Certificate:

83732 in the name of BUTLER RANCH, INC. (confirmed by Crooked

River (F) Decree)

IRRIGATION of 11.0 ACRES

Priority Date:

Limit/Duty:

0.137 CFS - if awail at aria for The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each

year.

Source:

CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	20	SE SW	1896 FEET SOUTH AND 1717 FEET EAST FROM THE WEST 1/4 CORNER OF SECTION 20

Authorized Place of Use:

IRRIGATION					
Twp	Rng	Mer	Sec	Q-Q	Acres
14 S	14 E	WM	20	SW SW	11.00

18. A total of 268.0 acre-feet of water may be beneficially used annually under the portion of existing Certificate 83857 proposed for transfer. A total of 180.0 acre-feet of water may be beneficially used annually under the portion of the existing right for Certificate 83651 proposed for transfer. A total of 44.0 acre-feet of water may be beneficially used annually under the existing right for certificate 83732 proposed for transfer.

- 19 Certificates 83857, 83651, and 83732 do not specify the irrigation season. The irrigation season is February 1 to December 1, pursuant to the Crooked River Decree.
- 20. There is a supplemental water right, Certificate 83850, covering a portion of the lands (35.8 acres) on which the primary water rights are proposed for transfer to instream use. The applicant is proposing, under transfer application T-10734, to move 35.8 acres of supplemental irrigation under Certificate 83850. If T-10734 is approved, no supplemental irrigation will remain for the lands proposed for transfer to instream use under T-10730.
- 21. Application T-10730 proposes to change the character of use to instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values and to establish mitigation credits in the Deschutes Ground Water Study Area.
- 22. Application T-10730 proposes to change the place of use of the right to create an instream reach from below the Low Line Ditch Diversion and from below the Crooked River Diversion to the confluence with the Deschutes River.
- 23. The applicant proposes the quantities of water to be transferred instream to be protected as follows:

Certificate Number	Instream Period	Rate (cfs)	Volume (acre-feet)
83857	Unspecified	0.838	268.0
83651	Unspecified	0.56	180.0
83732	Unspecified	0.138	44.0
	Total	1.536	492.0

- 24. The applicant proposes that any instream water right established as a result of this instream transfer be additive to existing instream water rights for the same reach established pursuant to ORS 537.348 (instream transfer process) and ORS 537.470 (allocation of conserved water process). The applicant also proposes that any instream water right established as a result of this instream transfer replace a portion of any existing instream rights established pursuant to ORS 537.346 (minimum streamflow conversion) and ORS 537.341 (state agency instream application process), with an earlier priority date.
- 25. The application includes a Land Use Information form completed and signed by a representative of Crook County. Additionally, the Department has provided notification of the proposed action to Deschutes County and Jefferson County upon receipt of transfer application T-10730.
- 26. Notice of the application for transfer was published on December 2, 2008, pursuant to OAR 690-380-4000. No comments were filed in response to the notice.

Instream Transfer Review Criteria (OAR 690-77-0075 and 690-380-4010)

- 28. Water has been used within the last five years according to the terms and conditions of the right, and there is no information in the record that would demonstrate that the right is subject to forfeiture under ORS 540.610.
- A diversion structure and ditch sufficient to use the full amount of water allowed under the existing right were present within the five-year period prior to submittal of Application 7-10730. Check Witnessey also check Williams
- 30. The applicant has not specified when water is requested to be protected instream. Based on a calculation using the full rate and duty of the three water rights, water may be protected instream for a period of 161 days.

portions of Certificates 83857 and 83732 proposed for transfer are located. The subirrigation occurs during the early spring when high flow levels are present in the river but by of
June the Crooked River subsides sufficiently that subirrigation is no longer occurring.

- 32. The applicant requested that water be protected instream beginning from below the Low Line Ditch Diversion and from below the Crooked River Diversion to the confluence with the Deschutes River. Each water right proposed for transfer to instream use has specific points of diversion. The portion of each right proposed for transfer to instream use may be protected instream beginning at the authorized point of diversion. Certificate 83857 has four points of diversion associated with specific portions of the right. The instream use resulting from the transfer of a portion of Certificate 83857 to instream use will begin at each of the respective points of diversion.
- 33. Based on Finding of Fact #30 through #32, on ***, 2011, the applicant agreed to modify the quantities to be transferred and protected instream as follows:

Resulting from Certificate 83857

Reach #1: From POD #1 (as described in Finding of Fact #11) to POD #2 (Low Line Ditch) (as described in Finding of Fact #11)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 – Nov. 8

Reach #2: From POD #2 (Low Line Ditch) (as described in Finding of Fact #11) to POD #7 (as Described in Finding of Fact #11)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 – Nov. 8
	1904/1910	0.03	10.0	
	Total:	0.20	63.6	

Reach #3: From POD #7 (as Described in Finding of Fact #11) to POD #6 (as described in Finding of Fact #11)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
	1892	0.17	53.6	
83857	1898	0.01	2.0	June 1 – Nov. 8
	1904/1910	0.03	10.0	
	Total:	0.21	65.6	

Reach #4: From POD #6 (as described in Finding of Fact #11) to Lake Billy Chinook (confluence with Deschutes River)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
1892 83857 1898 1904/1910	1892	0.80	256.0	
	1898	0.01	2.0	June 1 - Nov. 8
	1904/1910	0.03	10.0	
	Total:	0.84	268.0	

Resulting from Certificate 83651

Reach: From POD for Certificate 83651 (as described in Finding of Fact #13 and 14) to Lake Billy Chinook (confluence with Deschutes River)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.56	180.0	June 1 – Nov. 8

Resulting from Certificate 83732

Reach: From POD for Certificate 83732 (as described in Finding of Fact #15) to Lake Billy Chinook (confluence with Deschutes River)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.137	44.0	June 1 – Nov. 8

- 34. The proposed change, as modified, would not result in enlargement of the right.
- 35 The proposed change, as modified, would not result in injury to other water rights.
- 36. The amount and timing of the proposed instream flow, as modified, is allowable within the limits and use of the original water right.
- 37. The protection of flows within the proposed reaches is appropriate, considering:
 - The instream water right begins at the recorded points of diversion;
 - The location of confluences with other streams downstream of the points of diversion;
 - There are no known areas of natural loss of streamflow to the river bed downstream from the point of diversion; and
- Any return flows resulting from the exercise of the existing water right would re-enter the river downstream of the reach of each of the instream water rights.

- 38. The total monthly quantities of water to be protected under the existing and proposed instream rights in the reach will provide for a beneficial purpose and do not exceed the estimated average natural flow.
- 39. Within the proposed reach, there are existing instream water rights established under ORS 537.348 (instream transfer process) and ORS 537.470 (allocation of conserved water process) within the same reach as that proposed for each of the new instream water rights, which include the use of water for fish and wildlife habitat, aquatic life, recreation, and pollution abatement. There presently are no instream water rights within the proposed reach created as a result of ORS 537.346 or ORS 537.341. However, there is a pending instream water right application filed by the Oregon Department of Fish and Wildlife (ODFW) pursuant to ORS 537.341 to establish an instream water right from Bowman Dam to Lake Billy Chinook for anadromous and resident fish rearing, which if approved will have a priority date of May 11, 1990. Requested flows for this pending instream water right application are at times not available during the instream period identified in Finding of Fact #25.
- 40. Within the reach proposed by the applicant, this segment of the Crooked River is on the Department of Environmental Quality's 303d list of water quality limited streams and a TMDL (Total Maximum Daily Load) study is underway.
- 41. By adding to other water rights leased or transferred instream at the same location or created through the conserved water statutes, the instream right will provide protection for additional streamflows previously identified as necessary for conservation, maintenance and enhancement of aquatic and fish life, fish and wildlife habitat and other ecological values, reweation, and pollution abatement.
- 42. By replacing a portion of any instream rights created at the request of state agencies or under the minimum streamflow conversion process, the instream right will provide protection for streamflows previously identified as necessary for conservation, maintenance and enhancement of aquatic and fish life, fish and wildlife habitat and other ecological values recreation, and pollution abatement under earlier priority dates
- 43. During the period June 1 through November 8, any instream water right established by this transfer application may replace a portion of instream water rights established pursuant to ORS 537.341 or ORS 537.346 and be in addition to instream water rights established pursuant to ORS 537.348 or ORS 537.470 unless otherwise specified by an order approving a new instream water right under these statutes.

Preliminary Award of Deschutes Basin Mitigation Credits

- 44. Grass Butte, LLC, (the Applicant) has requested this instream transfer application be used to establish mitigation credits in the Deschutes Ground Water Study Area. The Applicant has requested that any mitigation credits generated from this project be assigned to Grass Butte, LLC.
- 45. The Department assigned this mitigation credit project number MP-124.

- 46. The Department provided notice of the mitigation credit project pursuant to OAR 690-521-0300 (6) on March 10, 2009. No comments were received in response to this notice.
- 47. The Department consulted with representatives from ODFW, DEQ, Oregon Parks and Récreation Department, Oregon Department of State Lands, the Oregon Department of Agriculture, and the Department's Watermaster pursuant to OAR 690-521-0300 (7) and OAR 690-505-0630 (2) on March 10, 2009. No comments were received in response to this notice.
- 48. No changes were made to the instream transfer as a result of comments received or consultation with the above named agencies.
- 49. The proposed transfer of 123.0 acres of irrigation to instream use will provide 221.4 acrefeet of mitigation water. Therefore, 221.4 mitigation credits (1.0 mitigation credit = 1.0 AF of mitigation water) may be awarded to this mitigation credit project and assigned to the Daniels Group. The mitigation credits may be used to mitigate for ground water permit applications and existing conditioned ground water permits and certificates, providing mitigation pursuant to the Deschutes Ground Water Mitigation Rules, OAR Chapter 690, Division 505, within the Crooked River Zone of Impact and the General Zone of Impact.
- 50. A total of 492.0 AF is proposed to be transferred to instream use and 221. DAF of that, as identified above, may be used for mitigation purposes. The amount of water transferred instream and not used for mitigation purposes will benefit instream flow.
- 51. The Department shall award final mitigation credits upon completion of the approved project by the applicant and verification by the Department that the project is complete. The issuance of a certificate(s) for the proposed instream water right shall result in completion of the project and verification that the project is complete.
- 52. Mitigation credits awarded to this mitigation credit project will be valid beginning the first calendar year that water will be protected instream under any new instream water right created as a result of this instream transfer application.

Determination and Proposed Action

The changes in character of use and place of use to instream use proposed in application T-10730 appear to be consistent with the requirements of ORS 540.505 to 540.580, ORS 537.348, OAR 690-380-5000, and OAR 690-077-0075. If protests are not filed pursuant to OAR 690-380-4030, the application will be approved.

This mitigation project appears to result in mitigation credits pursuant to ORS 537.746 and OAR 690-521-0300 and 690-521-0400.

If application T-10730 is approved, the final order will include the following:

1. The changes in character of use and place of use to instream use proposed in application T-10730 are approved.

- 2. Water right certificate 83857 is cancelled. A new certificate confirming the instream water right shall be issued. A new certificate will be issued describing that portion of the right not affected by this transfer.
- 3. Water right certificate 83651 is cancelled. A new certificate confirming the instream water right shall be issued. A new certificate will be issued describing that portion of the right not affected by this transfer.
- 4. Water right certificate 83732 is canceled. A new certificate confirming the instream water right shall be issued.
- 5. The instream water right shall provide for the protection of streamflows for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values; pollution abatement; and recreation in the Deschutes River as follows:

Resulting from Certificate 83857

Reach #1: From POD #1 (as described in Finding of Fact #13) to POD #2 (Low Line Ditch) (as described in Finding of Fact #13)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 – Nov. 8

Reach #2: From POD #2 (Low Line Ditch) (as described in Finding of Fact #13) to POD #7 (as Described in Finding of Fact #13)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 – Nov. 8
	1904/1910	0.03	10.0	
	Total:	0.20	63.6	

Reach #3: From POD #7 (as Described in Finding of Fact #13) to POD #6 (as described in Finding of Fact #13)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 – Nov. 8
	1898	0.01	2.0	
	1904/1910	0.03	10.0	
	Total:	0.21	65.6	

Reach #4: From POD #6 (as described in Finding of Fact #13) to Lake Billy Chinook (confluence with Deschutes River)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.80	256.0	June 1 – Nov. 8
	1898	0.01	2.0	
	1904/1910	0.03	10.0	
	Total:	0.84	268.0	

Resulting from Certificate 83651

Reach: From POD for Certificate 83651 (as described in Finding of Fact #15 and 16) to Lake Billy Chinook (confluence with Deschutes River)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.56	180.0	June 1 - Nov. 8

Resulting from Certificate 83732

Reach: From POD for Certificate 83732 (as described in Finding of Fact #17) to Lake Billy Chinook (confluence with Deschutes River)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.137	44.0	June 1 – Nov. 8

- Water rights upstream of the original point of diversion shall not be subject to regulation for flows in excess of the quantities to which this instream water right is entitled at the original point of diversion.
- 7. 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.
- 8. The instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise identified in a subsequent order establishing a new instream water right under these statutes.
- 9. The right to the use of the water is restricted to beneficial use at the place of use described, and is subject to all other conditions and limitations contained in Certificates 83857, 83651, and 83732 and any related decree.
- 10. The former place of use of the transferred water shall no longer receive water as part of these rights.
- 11. Preliminary Award of Mitigation Credits: Final Award of Mitigation Credits may be made upon completion of the project and verification by the Department that the project has been completed as proposed. Issuance of a new instream water right certificate, as described herein, will result in completion of the project and verification by the Department that the project is complete. If completed as proposed, mitigation credits, in the amount of 221.4 credits, as described herein, may be awarded to this mitigation project and assigned to Grass Butte, LLC. Mitigation credits awarded may be used to satisfy a mitigation obligation of a ground water permit applicant and/or ground water permit/certificate holder in the Crooked River Zone of Impact and the General Zone of Impact.
- 12. Mitigation credits are valid until used to satisfy a mitigation obligation of a ground water permit applicant and/or ground water permit/certificate holder within the Deschutes Ground Water Study Area pursuant to the Deschutes Ground Water Mitigation Rules. Mitigation credits are used when a person submits to the Department documentary evidence that valid credits have been obtained and assigned to satisfy a mitigation obligation.

Mitigation credits generated by this project will be available for use as mitigation beginning the first calendar year that water will be protected instream under each of the new instream water rights.

13. The instream certificate created as a result of the approval of this transfer shall be identified as a mitigation credit project. Within each instream certificate, the number of mitigation credits, the zone of impact in which the mitigation credits were generated and may be used, and the volume of water dedicated instream solely for instream benefits shall also be specified.

Dated at Salem,	Oregon this	day of _	2011	

DRAFT

Phillip C. Ward, Director

This draft Preliminary Determination was prepared by a Reimbursement Authority contractor. If you have questions about the information in this document, you may reach Laura Wilke at (503) 986-0884 or Laura.K.Wilke@wrd.state.or.us.

February XX, 2011

GRASS BUTTE, LLC GREG DANIELS 1111 MAIN ST SUITE 700 VANCOUVER WA 98660

PREMIER WEST BANK 875 RIMROCK WAY, SUITE 100 REDMOND, OREONG 97756

SUBJECT: Water Right Transfer Application T-10730

Your water right transfer is in one of three phases of processing. Enclosed is a draft of our Preliminary Determination regarding Transfer Application T-10730. The document reflects the Department's conclusion that, based on the information currently available, the transfer will be approved.

Items needed before the next phase of processing...

Please review the draft carefully to familiarize yourself with any requirements and evaluate whether the document is consistent with your intent in seeking the transfer. Please respond in writing by the deadline provided below, whether you agree with the proposed action and whether there are any typographical errors that need to be corrected.

Based upon the Department's evaluation of the application, a few modifications have been made that require approval from the applicant before the transfer may proceed favorably. Specifically, please review Findings of Fact #14, #16, and #19, and Instream Transfer Review Criteria # 30, #31, #32, and #33. Modifications were made from the original proposal to correct inaccuracies in the application, to prevent injury and enlargement, and to clarify the proposed instream period. Your explicit approval of these modifications and concurrence with the draft Preliminary Determination is necessary before the transfer can be approved.

On Supplemental Form C (#5), the applicant's intent with regard to existing instream water rights is not clear. Normally instream rights created through the transfer process replace a portion of those rights created through the state agency application process or minimum flow conversion process as rights created under these processes generally have junior priority dates and would benefit from a new instream use with a senior priority date replacing them. New instream rights created through the transfer process are also normally additive to other rights created through the same process or through the allocation of conserved water process. The Draft Preliminary Determination assumes that it is your intent to have the new instream use treated as it normally would with regard to existing instream rights already in the river system. Please confirm whether you concur with this assumption.

A report of landownership for the lands to which the water rights are appurtenant (the FROM lands) is required. The report must be prepared by a title company.

- 1) The title company's report must either be:
 - a) prepared within 3 months of the draft Preliminary Determination showing current ownership, or
 - b) prepared within 3 months of recording of a water right conveyance agreement, or
 - prepared at any time, but showing ownership at the time a water right conveyance agreement was recorded.

- 2) The ownership report shall include:
 - a) Date reflected by the ownership information
 - b) List of owners at that time
 - c) Legal description of the property where the water right to be transferred is currently located.
- 3) You will need to submit a notarized statement of consent from any landowner listed in the ownership report who is not already included in the transfer application, or other information such as a water right conveyance agreement, if applicable.

What happens next...

Once the preliminary determination is issued a publication period is required. Because of a change in character of use, the applicant is responsible for publishing notice of the transfer in a local newspaper having a general circulation in the area of the water right. The notice must be published at least once a week for three consecutive weeks. We will provide a copy of the required notice to you upon issuance of the Preliminary Determination.

Issuance of the Preliminary Determination will occur shortly after we receive the report of ownership and your written response to the conditions and proposed action in the draft Preliminary Determination (email is acceptable). If we do not receive your response and the report by [insert 30 day due date here], a Preliminary Determination may be issued denying the application as incomplete.

Please do not hesitate to contact me at 503-986-0890 or Dorothy.I.Pedersen@wrd.state.or.us if I may be of assistance.

Sincerely,

Laura K. Wilke Field Services Division

cc: T-10730

Jeremy Giffin, District 11 Watermaster David Newton, CWRE #419 James Newton, CWRE # 82917 Current landowner: Dallon Miles Current landowner: Butler Ranch, Inc.

encs

Draft

BEFORE THE WATER RESOURCES DEPARTMENT OF THE STATE OF OREGON

In the Matter of Transfer	Application
T-10734, Crook County	

DRAFT

PRELIMINARY DETERMINATION

PROPOSING APPROVAL OF A

CHANGE IN POINTS OF DIVERSION and PLACE OF USE

Authority

ORS 540.505 to 540.580 establishes the process in which a water right holder may submit a request to transfer the point of diversion, place of use, or character of use authorized under an existing water right. OAR Chapter 690, Division 380 implements the statutes and provides the Department's procedures and criteria for evaluating transfer applications.

Applicant

THE DANIELS GROUP, LLC GREG DANIELS 1111 MAIN ST, SUITE 700 VANCOUVER WA 98660

Findings of Fact

Background

- On November 21, 2008, THE DANIELS GROUP, LLC filed an application for additional points of diversion and to change the place of use under Certificate 83850. The Department assigned the application number T-10734.
- 2. On September 10, 2009, the Department requested additional supporting information and clarification of the intent of T-10734.
- 3. On October 16, 2009, the applicant submitted additional supporting documentation for T-10734 and revised transfer maps with clarifying information.
- On November 9, 2009, the Department requested further clarification of the intent of T-10734, including the location of the proposed place of use and the proposed relationship between the proposed PODs and proposed place of use.
- 5. On November 3, 2010, the applicant provided further clarification of the intent of T-10734, revised transfer maps in support of T-10734, an amended proposed place of use, and requested that the type of transfer be "a change in POD".

- On December 13, 2010, the Department requested that a discrepancy in the mapped acreage of the From lands be clarified.
- 7. On December 21, 2010, the applicant provided an updated transfer map clarifying the location of the From lands.
- 8. The portion of the right to be transferred is as follows:

Certificate: 83850 in the name of U. S. BUREAU OF RECLAMATION (perfected

under Permit S-25991)

Use: SUPPLEMENTAL IRRIGATION of 85.4 ACRES

Priority Date: APRIL 8, 1914

Rate: 2.16 CUBIC FEET PER SECOND

Limit/Duty: The amount of water used for irrigation, together with the amount secured

under any other right existing for the same lands, is limited to a diversion of ONE-FORTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each year from direct flow and storage from Prineville Reservoir. Use of the water requires the existence of a current contract between the landowners

and the United States Bureau of Reclamation.

Source: CROOKED RIVER AND PRINEVILLE RESERVOIR, tributary to the

DESCHUTES RIVER

Authorized Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	23	NE SE	LOWLINE DITCH #47 - 950 FEET SOUTH & 1,060 FEET WEST FROM THE EAST 1/4 CORNER OF SECTION 23; 35.8 acres
14 S	14 E	WM	29	NE NW	DIRECT DIVERSION # 51 - 980 FEET SOUTH & 1,000 FEET WEST FROM THE NORTH 1/4 CORNER OF SECTION 29; 49.6 acres

Authorized Place of Use:

		SUP	PLEM	ENTAL IR	RIGAT	ION		
Twp	Rng	Mer	Sec	Q-Q	Tax Lot	Diversion	Acres	83857
14 S	14 E	WM	20	SW SW	200	51	7.2 -	16888
14 S	14 E	WM	28	NW NE	200	47	23.2	12351=35
14 S	14 E	WM	28	NE NW	200	47	12.6	100001
14 S	14 E	WM	29	NENW	200	51	3.7	
14 S	14 E	WM	29	NWNW	200	51	32.4	12467~
14 S	14 E	WM	29	SWNW	200	51	3.0)43857
14 S	14 E	WM	29	SE NW	200	51	3.3	119

Transfer Application T-10734 proposes to move the authorized points of diversion to one
point of diversion, to be located between the two authorized points of diversion
approximately 3 miles upstream from Direct diversion #51, to:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	22	NE NE	DIRECT DIVERSION #47A – 1,300 FEET SOUTH FROM THE NE CORNER OF SECTION 22; 85.4 acres

10. Application T-10734 also proposes to change the place of use of the right to:

		SUPPL	EMEN	TAL IRRIG	ATION		
Twp	Rng	Mer	Sec	Q-Q	Tax Lot	Diversion	Acres
14 S	14 E	WM	15	SE SW	100	#47A	1.1
14 S	14 E	WM	15	SE SE	100	#47A	5.7
14 S	14 E	WM	22	NE NE	100	#47A	24.2
14 S	14 E	WM	22	NW NE	100	#47A	19.0
14 S	14 E	WM	22	NE NW	100	#47A	22.4
14 S	14 E	WM	22	NW NE	100	#47A	13.0

- 11. Notice of the application for transfer was published on December 2, 2008, pursuant to OAR 690-380-4000. Richard Candland of South Valley Bank & Trust (Bank) commented on August 27, 2009. The Bank stated that they have a security interest, including water rights and ditch rights, in real property located in Township 14 South, Range 14 East, WM, Sections 21 and 28, and requested to be kept informed during the transfer process. No other comments were filed in response to the notice.
- 12. The Oregon Department of Fish and Wildlife (ODFW) has determined that a fish screening and/or by-pass device is necessary at the new point of diversion to prevent fish from entering the diversion and/or safely transport fish back to the body of water from which the fish were diverted and that the diversion is currently equipped with an appropriate fish screening and/or by-pass device.

Transfer Review Criteria [OAR 690-380-4010(2)]

- 13. Water has been used within the last five years according to the terms and conditions of the right. There is no information in the record that would demonstrate that the right is subject to forfeiture under ORS 540.610.
- 14. A pump, pipeline, and sprinkler system sufficient to use the full amount of water allowed under the existing right was present within the five-year period prior to submittal of Transfer Application T-10734.
- 15. The proposed changes would not result in enlargement of the right.
- 16. The proposed changes would not result in injury to other water rights.

Determination and Proposed Action

The change in points of diversion and change in place of use proposed in Transfer Application T-10734 appear to be consistent with the requirements of ORS 540.505 to 540.580 and OAR 690-

380-5000. If protests are not filed pursuant to OAR 690-380-4030, the transfer application will be approved .

If application T-10734 is approved, the final order will include the following:

- 1. The change in points of diversion and change in place of use proposed in application *T-10734* are approved.
- The right to the use of the water is restricted to beneficial use at the place of use described, and is subject to all other conditions and limitations contained in Certificate 83850 and any related decree.
- 3. Water right certificate 83850 is cancelled. A new certificate will be issued describing that portion of the right not affected by this transfer.
- 4. The quantity of water diverted at the new point of diversion, together with that diverted at the original points of diversion, shall not exceed the quantity of water lawfully available at the original points of diversion.
- 5. Water use measurement conditions:
 - a. Before water use may begin under this order, the water user shall install a totalizing flow meter, or, with prior approval of the Director, another suitable measuring device, at each point of diversion.
 - b. The water user shall maintain the meter or measuring devices in good working order.
 - c. The water user shall allow the Watermaster access to the meter or measuring devices; provided however, where the meters or measuring devices are located within a private structure, the Watermaster shall request access upon reasonable notice.
- 6. Prior to diverting water, the water user shall install a headgate to control and regulate the quantity of water diverted. The type and plans of the headgate must be approved by the Department prior to beginning construction and shall be installed under the general supervision of the Department. The water user shall maintain the headgate as required by the Department.
- 7. The water user shall maintain and operate a fish screening and/or by-pass device, as appropriate, at the point of diversion consistent with the Oregon Department of Fish and Wildlife's operational and maintenance standards.
- 8. The former place of use of the transferred right shall no longer receive water under the right.
- 9. The approved changes shall be completed and full beneficial use of the water shall be made on or before October 1, 2012. A Claim of Beneficial Use prepared by a Certified Water

Right Examiner shall be submitted by the applicant to the Department within one year after the deadline for completion of the changes and full beneficial use of the water.

10. When satisfactory proof of the completed changes is received, a new certificate confirming the right transferred will be issued.

Dated at Salem, Oregon this _____ day of _____ 2011.

DRAFT

Dwight French for PHILLIP C. WARD, DIRECTOR

This draft Preliminary Determination was prepared by a Reimbursement Authority contractor. If you have questions about the information in this document, you may reach Dorothy Pedersen at 503-986-0890 or Dorothy.I.Pedersen@wrd.state.or.us.

Laura Wilke

From:

Laura Wilke

Sent:

Thursday, March 10, 2011 12:06 PM

To:

'Terry Sprecher'

Cc:

Kara Morris

Subject:

DPD for T-10730 with comments/edits

Attachments: 10730-DRAFTdpd-approve-iswr-MP124 (edits).doc

terry:

Here's the draft of the DPD for T-10730 with a bunch of edits and comments. I always overdo so I took care of a bunch of things. I'm awaiting some final info on return flows from Jeremy and hope to have that wrapped up this week. I also added some additional info about T-10734 consistent with Dorothy's feedback on the supplemental transfer.

Let me know if you have any questions or other thoughts.

I've also let Newton know that you won't be able to make the updates that are needed to the DPD for T-10734 this week. I let him know that you were out of the office working on another project. But let us know what you think about an ETA when you get a chance to look that one over.

Thanks, Laura

Laura Wilke Flow Restoration Program Coordinator Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1271 Phone: (503) 986-0884

Fax: (503) 986-0903

BEFORE THE WATER RESOURCES DEPARTMENT OF THE STATE OF OREGON

In the Matter of Instream Transfer Application T-10730 and Mitigation Credit Project MP-124, Crook, Deschutes, and Jefferson Counties)	DRAFT PRELIMINARY DETERMINATION PROPOSING APPROVAL OF A CHANGE IN PLACE OF USE AND CHARACTER OF USE AND
)	PRELIMINARY AWARD OF MITIGATION CREDITS

Authority

ORS 540.505 to 540.580 establishes the process in which a water right holder may submit a request to transfer the point of diversion, place of use, or character of use authorized under an existing water right. OAR Chapter 690, Division 380 implements the statutes and provides the Department's procedures and criteria for evaluating transfer applications. OAR Chapter 690, Division 077 provides additional criteria for evaluating transfers to instream water rights.

OAR 690-521-0100 to 690-521-0600 establishes the process in which anyone may submit a ground water mitigation project to the Department for the purpose of establishing mitigation credits in the Deschutes Ground Water Study Area.

Pursuant to OAR 690-521-0400 (2), any mitigation credits awarded to a mitigation project are valid until used to fulfill a mitigation obligation of a ground water use in the Deschutes Ground Water Study Area. Valid mitigation credits may be assigned by any person or recognized mitigation bank to any person or other mitigation bank. Mitigation credits are used when a person submits to the Department documentary evidence that valid credits have been obtained and assigned to satisfy a mitigation obligation.

Applicants

GRASS BUTTE, LLC GREG DANIELS 1111 MAIN ST SUITE 700 VANCOUVER WA 98660 PREMIER WEST BANK 875 SW RIMROCK WAY, SUITE 100 REDMOND, OREGON 97756

Findings of Fact

Background

 On November 21, 2008, The Daniels Group, LLC, filed an application to change the place of use and character of use under Certificates 81601, 83651, and 83732 to instream use. The Department assigned the application number T-10730.

T-10730.lkw-RA (MP-124)

Page 1 of 13

2.	2008.		Political epoce vision o pr
3.	On August 26, 2009, the Department requested additional supporting information and clarification of the intent of T-10730.		Formatted: Bullets and Numbering
4.	On August 28, 2009, the Department received a letter of interest from South Valley Bank and Trust requesting that they be kept informed of the proposed transfer.		Formatted: Bullets and Numbering
5.	On September 14, an additional letter was received from South Valley bank and Trust identifying that the Bank could not consent to the transfer because conditions for their consent were not met.		
6.	On September 25, 2009, the applicant clarified that the portion of Certificate 81601 (i.e. Certificate 83857) proposed for transfer to instream use include Irrigation, Livestock and Domestic use consistent with the water right of record. In addition, the applicant submitted additional supporting documentation for T-10730 along with revised transfer maps with clarifying information.		Deleted: ¶ On September 25, 2009,
7.	On November 9, 2009, the Department requested further clarification of the intent of		
	T _c 10730 and additional information necessary to complete the application.		Deleted: -
8.	On March 23, 2010, The Daniels Group requested that a 75% interest in T-10730 and		Formatted: Space After: 0 pt
	MP-124 be assigned to Realvest Corporation and Premier West Bank and that a 25% interest in T-10730 and MP-124 be assigned to Grass Butte, LLC. On March 23, 2010, Realvest Corporation requested that the 75% interest in T-10730 and MP-124 be assigned to Grass Butte, LLC. On March 23, 2010, Grass Butte, LLC requested that the 25% interest be assigned to Grass Butte, LLC and Premier West Bank.	********	Deleted: -
9.	On March 29, 2010, the Department approved the assignment requests and concurred that T-10730 is now in the names of Grass Butte, LLC and Premier West Bank.		Deleted: -
10.	On November 3, 2010, the applicant clarified that the portion of Certificate 83651 proposed for transfer to instream use include Irrigation, Livestock and Domestic use consistent with the water right of record.		
11.	On November 3, 2010, the applicant provided further clarification of the intent of T-10730, along with revised transfer maps in support of T-10730.		
12.	On December 13, 2010, the Department requesting further clarification of the intent of T-10730, including priority date and POD clarifications, and correcting of clerical errors.		Deleted: -
13.	On December 21 and 22, 2010, the applicant provided clarifying information, along with revised transfer maps.		
14.	_The portion of the first right to be transferred is as follows:		

Page 2 of 13

T-10730.lkw-RA (MP-124)

Certificate: 83857 in the name of PEOPLES IRRIGATION CO. (confirmed by

Crooked River Decree)

Use: IRRIGATION OF 67.0 ACRES (0.5 acres under the 1898 priority date, 2.5

acres under the 1904/1910 priority date, and 64.0 acres under the 1892

priority date), LIVESTOCK AND DOMESTIC USE

Priority Dates: 1892, 1898, and 1904/1910

Rate: 0.84 CUBIC FEET PER SECOND (CFS), being 0.01 CFS under the 1898

priority date, 0.03 CFS under the 1904/1910 priority date, and 0.8 CFS

under the 1892 priority date

Limit/Duty: The amount of water used for irrigation, together with the amount secured

under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation

season of each year.

Source: CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Points of Diversion:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
1	15 S	16 E	WM	8	NW SW	1920 FEET NORTH AND 340 FEET EAST FROM THE SW CORNER OF SECTION 8
2		**				LOW LINE DITCH
6	14 S	14 E	WM	29	NE NW	PUMP: 1085 FEET SOUTH AND 970 FEET WEST FROM THE NORTH 1/4 CORNER OF SECTION 29
7	14 S	14 E	WM	20	SE SE	PUMP: 325 FEET NORTH AND 120 FEET WEST FROM THE SE CORNER OF SECTION 20

Authorized Place of Use:

		IR	RIGATIO	N, LIVI	ESTOC	K, AND DO	MESTIC	
Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User
1892	6	14 S	14 E	WM	20	SW SW	10.0	Forrest, Frances
1904/1910	2	14 S	14 E	WM	21	SE SW	2.5	Deschutes Fine Wool Company
1898	7	14 S	14 E	WM	29	NENE	0.5	McDowell, D.A.
1892	6	14 S	14 E	WM	29	NENW	5.0	Forrest, Frances
1892	6	14 S	14 E	WM	29	NW NW	35.6	Forrest, Frances
1892	1	14 S	14 E	WM	29	NWNW	2.4	Forrest, Frances
1892	1	14 S	14 E	WM	29	SW NW	3.0	Forrest, Frances
1892	1	14 S	14 E	WM	29	SE NW	8.0	Forrest, Frances

15. The Department has information identifying that POD #2, Low Line Ditch, is the same POD as identified for Certificate 83651, as described in Finding of Fact #15.

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16. The portion of the second right to be transferred is as follows:

Certificate: 83651 in the name of LOW LINE DITCH CO. (confirmed by Crooked River

ecree)

Use: IRRIGATION OF 45.0 ACRES, DOMESTIC, AND LIVESTOCK

Priority Date: 1903 Rate: 0.56 CFS

T-10730.lkw-RA (MP-124)

Page 3 of 13

Limit/Duty: The amount of water to which this right is entitled is limited to an amount

actually used beneficially, and shall not exceed a reasonable amount for domestic and livestock, and 0.56 cubic feet per second for irrigation, the total quantity being limited to 4.0 acre-feet per acre during each year.

Source: CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	24	SESW	Unspecified by Certificate

Authorized Place of Use:

	IR	RIGATI	ON, LI	VESTOCK,	AND DO	MESTIC
Twp	Rng	Mer	Sec	Q-Q		Name of User through Company's Works
14 S	14 E	WM	28	NW NE	25.0	J. W. Livingston
14 S	14 E	WM	28	NE NW	20.0	J. W. Livingston

17. The Crooked River Decree further describes the POD for Certificate 83651 as the Low Line Ditch. In a prior site visit, Department staff further identified that the POD is more accurately located approximately at Latitude 44.33859 degrees North and Longitude 121.01154 degrees West (see Special Order Volume 73, Page 721, Finding #7).

18. The third right to be transferred is as follows:

Certificate: 83732 in the name of BUTLER RANCH, INC. (confirmed by Crooked

River (F) Decree)

Use: IRRIGATION of 11.0 ACRES

Priority Date: 1892

Rate: 0.137 CFS if available at the original point of diversion

Limit/Duty: The amount of water used for irrigation, together with the amount secured

under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each

vear.

Source: CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	20	SE SW	1896 FEET SOUTH AND 1717 FEET EAST FROM THE WEST 1/4 CORNER OF SECTION 20

Original Point of Diversion:

I	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
	<u>15 S</u>	16 E	<u>WM</u>	8	NW SW	744.2 FEET SOUTH AND 321 FEET EAST FROM THE WEST ¼ CORNER OF SECTION 8

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Authorized Place of Use:

IRRIGATION						
Twp	Rng	Mer	Sec	Q-Q	Acres	
14 S	14 E	WM	20	SW SW	11.00	

19. A total of 268.0 acre-feet of water may be beneficially used annually under the portion of existing Certificate 83857 proposed for transfer. A total of 180.0 acre-feet of water may be beneficially used annually under the portion of the existing right for Certificate 83651 proposed for transfer. A total of 44.0 acre-feet of water may be beneficially used annually under the existing right for certificate 83732 proposed for transfer.

20. Certificates 83857, 83651, and 83732 do not specify the irrigation season. The irrigation season is February 1 to December 1, pursuant to the Crooked River Decree.

21. There is a supplemental water right, Certificate 83850, covering a portion of the lands (85.4) acres, being 35.8 acres under Certificate 83651 and 49.6 acres under Certificate 83857) on which the primary water rights are proposed for transfer to instream use. By rule, a supplemental right must be included with the transfer or cancelled. However, consistent with OAR 690-380-2240(5), the applicant is proposing, under transfer application T-10734, to move 85.4 acres of supplemental irrigation under Certificate 83850 to the location of another primary right with similar reliability to the existing primary rights. If T-10734 is approved, no supplemental irrigation will remain for the lands proposed for transfer to instream use under T-10730.

22. Application T-10730 proposes to change the character of use to instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values and to establish mitigation credits in the Deschutes Ground Water Study Area.

23. Application T-10730 proposes to change the place of use of the right to create an instream reach from below the Low Line Ditch Diversion (T15S, R16E, Section 8) and from below the Crooked River Diversion (T14S, R14E, Section 24) to the confluence with the Deschutes River.

24. The applicant proposes the quantities of water to be transferred instream to be protected as follows:

Certificate Number	Instream Period	Rate (cfs)	Volume (acre-feet)
83857	Unspecified	0.838	268.0
83651	Unspecified	0.56	180.0
83732	Unspecified	0.138	44.0
	Total	1.536	492.0

25. The applicant proposes that any instream water right established as a result of this instream transfer be additive to existing instream water rights for the same reach established pursuant

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to ORS 537.348 (instream transfer process) and ORS 537.470 (allocation of conserved water process). The applicant also proposes that any instream water right established as a result of this instream transfer replace a portion of any existing instream rights established pursuant to ORS 537.346 (minimum streamflow conversion) and ORS 537.341 (state agency instream application process), with an earlier priority date.

- 26. The application includes a Land Use Information form completed and signed by a representative of Crook County. Additionally, the Department has provided notification of the proposed action to Crook County. Deschutes County and Jefferson County upon receipt of transfer application T-10730.
- 27. Notice of the application for transfer was published on December 2, 2008, pursuant to OAR 690-380-4000. No comments were filed in response to the notice.

Instream Transfer Review Criteria (OAR 690-77-0075 and 690-380-4010)

- 29. Water has been used within the last five years according to the terms and conditions of the right, and there is no information in the record that would demonstrate that the right is subject to forfeiture under ORS 540.610.
- 30. Based upon information provided as part of the application, it appears that while water has been diverted from the Crooked River under each right that a portion of the water diverted under the rights may not have been diverted from the authorized point(s) of diversion.

 Although water may have been diverted from non authorized points of diversion, a diversion structure and ditch, consistent with each certificate, sufficient to use the full amount of water allowed under the existing rights was present within the five-year period prior to submittal of Application T-10730.
- 21. The applicant requested that water be protected instream beginning from below the Low Line Ditch Diversion and from below the Crooked River Diversion to the confluence with the Deschutes River. Each water right proposed for transfer to instream use has specific points of diversion. The portion of each right proposed for transfer to instream use may be protected instream beginning at the authorized point of diversion. Certificate 83857 has four points of diversion associated with specific portions of the right. The instream use resulting from the transfer of a portion of Certificate 83857 to instream use will begin at each of the respective points of diversion.
- 32. A portion of the water diverted at each POD returns to the Crooked River below the POD and is available to downstream water right holders. To prevent injury to downstream water right holders and enlargement, the quantity of water that may be protected instream requires modification to account for both surface and subsurface return flows.

The hydro geologic evaluation of where subsurface return flows occur is generally based on the following information: 1) the local shallow and regional ground water elevations, 2) the shallow and regional head gradient (i.e. ground water flow direction), 3) elevation of nearby streams, 4) elevation of closest gaining stream reaches, 5) distance from nearby streams and gaining stream reaches, and 6) local geologic information. When evaluating for return

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Comment [LKW1]: Added statement about use of alternate POD's but still from same source.

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The applicant has not specified when water is requested to be protected instream. Based on a calculation using the full rate and duty of the three water rights, water may be protected instream for a period of 161 days.

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 III-P Department has identified that sub-irrigation occurs on most of the area on which the portions of Certificates 83857 and 83732 proposed for transfer are located. The sub-irrigation occurs during the early spring when high flow levels are present in the river but by June the Crooked River subsides sufficiently that subirrigation is no longer occurring. §

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flows, the Department generally considers the place of use as a whole and where the majority of return flows occur based upon the presence of surface return flows (overland flow) and the factors described above for any subsurface return flows.

The place of use under each right proposed for transfer is located in close proximity to the Crooked River. A portion of the water diverted to the place of use returns to the river system around **** as a result of overland flow. Remaining return flows take the form of subsurface return flows. Subsurface returns would also return to the river system in the area of ****.

The instream flows at **** have been reduced to the consumptive portion of the rights to account for both surface and subsurface return flows.

- 33. The applicant has not specified when water is requested to be protected instream. Based on a calculation using the full rate and duty of the three water rights, water may be protected instream for a period of 161 days.
- 34. Based on Finding of Fact #31 through #33, on ***, 2011, the applicant agreed to modify the quantities to be transferred and protected instream as follows:

Resulting from Certificate 83857

Reach #1: From POD #1 (as described in Finding of Fact #11) to POD #2 (Low Line Ditch) (as described in Finding of Fact #11)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 - Nov. 8

Reach #2: From POD #2 (Low Line Ditch) (as described in Finding of Fact #11) to POD #7 (as Described in Finding of Fact #11)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
92957	1892	0.17	53.6	Lucy V New 0
83857	1904/1910	0.03	10.0	June 1 – Nov. 8
	Total:	0.20	63.6	

Reach #3: From POD #7 (as Described in Finding of Fact #11) to POD #6 (as described in Finding of Fact #11)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
	1892	0.17	53.6	
83857	1898	0.01	2.0	June 1 - Nov. 8
	1904/1910	0.03	10.0	
	Total:	0.21	65.6	

Reach #4: From POD #6 (as described in Finding of Fact #11) to Lake Billy Chinook (confluence with Deschutes River)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.80	256.0	June 1 - Nov. 8

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1898	0.01	2.0	
1904/1910	0.03	10.0	
Total:	0.84	268.0	

Resulting from Certificate 83651

Reach: From POD for Certificate 83651 (as described in Finding of Fact #13 and 14) to Lake Billy Chinook (confluence with Deschutes River)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.56	180.0	June 1 - Nov. 8

Resulting from Certificate 83732

Reach: From POD for Certificate 83732 (as described in Finding of Fact #15) to Lake Billy Chinook (confluence with Deschutes River)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.137	44.0	June 1 - Nov. 8

- 35. The proposed change, as modified, would not result in enlargement of the right.
- 36. The proposed change, as modified, would not result in injury to other water rights.
- 37. The amount and timing of the proposed instream flow, as modified, is allowable within the limits and use of the original water right.
- 38. The protection of flows within the proposed reaches is appropriate, considering:
 - a) The instream water right begins at the recorded points of diversion;
 - b) The location of confluences with other streams downstream of the points 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 reach of each of the instream water rights.
- 39. There is an instream lease, Il-1081, currently in effect for a portion of the water rights proposed for transfer, specifically Certificates 83857 and 83732, to instream use. The instream lease was approved by the Department on July 27, 2010, as evidenced by Special Order Volume 81, Page 474. A correction order was issued on July 30, 2010, and supersedes the original order, as evidenced by Special Order Volume 81, Page 546. This instream lease is scheduled to terminate on November 30, 2013, and includes a condition allowing for early termination of the lease order. This lease must be terminated before Transfer T-10730 may be approved. Also, the date on which this instream transfer may be approved may be affected by the date on which the existing instream lease is terminated to prevent injury and enlargement.

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- 40. There are existing instream water rights established under ORS 537.348 (instream transfer process) and ORS 537.470 (allocation of conserved water process) within the same reach as that proposed for each of the new instream water rights, which include the use of water for fish and wildlife habitat, aquatic life, recreation, and pollution abatement. There presently are no instream water rights within the proposed reach created as a result of ORS 537.346 (minimum flow conversion) or ORS 537.341 (state agency instream water right application process). However, there is a pending instream water right application filed by the Oregon Department of Fish and Wildlife (ODFW) pursuant to ORS 537.341 to establish an instream water right from Bowman Dam to Lake Billy Chinook for anadromous and resident fish rearing, which if approved will have a priority date of May 11, 1990. Requested flows for this pending instream water right application are at times not available during the instream period identified in Finding of Fact #34.
- 41. By adding to other water rights leased or transferred instream at the same location or created through the conserved water statutes, the instream right will provide protection for additional streamflows previously identified as necessary for conservation, maintenance and enhancement of aquatic and fish life, fish and wildlife habitat and other ecological values.
- 42. By replacing a portion of any instream rights created at the request of state agency or under the minimum streamflow conversion process, the instream right will provide protection for streamflows previously identified as necessary for <u>anadromous and resident fish rearing</u> under earlier priority dates.
- 43. During the period June 1 through November 8, any instream water right established by this transfer application may replace a portion of instream water rights established pursuant to ORS 537.341 or ORS 537.346 and be in addition to instream water rights established pursuant to ORS 537.348 or ORS 537.470 unless otherwise specified by an order approving a new instream water right under these statutes.
- 44. The total monthly quantities of water to be protected under the existing and proposed instream rights in the reach will provide for a beneficial purpose and do not exceed the estimated average natural flow.

Preliminary Award of Deschutes Basin Mitigation Credits

- 45. The mitigation project was originally submitted by the Daniels Group, LLC. However, on March 29, 2010, the application was assigned to Grass Butte, LLC, and PremierWest Bank. Grass Butte, LLC, and PriemierWest Bank (the Applicants) have requested this instream transfer application be used to establish mitigation credits in the Deschutes Ground Water Study Area. The Applicants have also requested that any mitigation credits generated from this project be assigned to Grass Butte, LLC, and PremierWest Bank.
- 46. The Department assigned this mitigation credit project number MP-124.

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Comment [LKW2]: I deleted the finding about the 303d and TMDL since the applicant has only requested water to be protected instream for fish and wildlife puposes. Don't need to establish need for pollution abatement.

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Comment [LKW3]: They've only requested water to be protected instream for fish and wildlife – so I deleted reference to the other two uses. Would only need to include these if they'd requested instream use also for those purposes.

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- 47. The Department provided notice of the mitigation credit project pursuant to OAR 690-521-0300 (6) on March 10, 2009. No comments were received in response to this notice.
- 48. The Department consulted with representatives from ODFW, DEQ, Oregon Parks and Recreation Department, Oregon Department of State Lands, the Oregon Department of Agriculture, and the Department's Watermaster pursuant to OAR 690-521-0300 (7) and OAR 690-505-0630 (2) on March 10, 2009. No comments were received in response to this notice.

49. No changes were made to the instream transfer as a result of <u>public notice</u> or consultation with the above named agencies.

50. The proposed transfer of 123.0 acres of irrigation (67.0 acres under Certificate 83857, 45.0 acres under Certificate 83651, and 11.0 acres under Certificate 83732) to instream use will provide 221.4 acre-feet of mitigation water (120.6 AF from Certificate 83857, 81.0 AF from Certificate 83651, and 19.8 AF from Certificate 83732). Therefore, 221.4 mitigation credits (1.0 mitigation credit = 1.0 AF of mitigation water) may be awarded to this mitigation credit project and assigned to Grass Butte, LLC, and PriemierWest Bank. The mitigation credits may be used to mitigate for ground water permit applications and existing conditioned ground water permits and certificates, providing mitigation pursuant to the Deschutes Ground Water Mitigation Rules, OAR Chapter 690, Division 505, within the Crooked River Zone of Impact and the General Zone of Impact.

51. A total of 492.0 AF is proposed to be transferred to instream use and 221.4 AF of that, as identified above, may be used for mitigation purposes. The amount of water transferred instream and not used for mitigation purposes will benefit instream flow.

- 52. The Department shall award final mitigation credits upon completion of the approved project by the applicant and verification by the Department that the project is complete. The issuance of a certificate(s) for the proposed instream water right shall result in completion of the project and verification that the project is complete.
- 53. Mitigation credits awarded to this mitigation credit project will be valid beginning the first calendar year that water will be protected instream under any new instream water right created as a result of this instream transfer application.

Determination and Proposed Action

The changes in character of use and place of use to instream use proposed in application T-10730 appear to be consistent with the requirements of ORS 540.505 to 540.580, ORS 537.348, OAR 690-380-5000, and OAR 690-077-0075. If protests are not filed pursuant to OAR 690-380-4030, the application will be approved.

This mitigation project appears to result in mitigation credits pursuant to ORS 537.746 and OAR 690-521-0300 and 690-521-0400.

If application T-10730 is approved, the final order will include the following:

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- The changes in character of use and place of use to instream use proposed in application T-10730 are approved.
- Water right certificate 83857 is cancelled. A new certificate confirming the instream water right shall be issued. A new certificate will be issued describing that portion of the right not affected by this transfer.
- Water right certificate 83651 is cancelled. A new certificate confirming the instream water right shall be issued. A new certificate will be issued describing that portion of the right not affected by this transfer.
- Water right certificate 83732 is canceled. A new certificate confirming the instream water right shall be issued.
- 5. The instream water right shall provide for the protection of streamflows for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values, in the Deschutes River as follows:

Resulting from Certificate 83857

Reach #1: From POD #1 (as described in Finding of Fact #13) to POD #2 (Low Line Ditch) (as described in Finding of Fact #13)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 - Nov. 8

Reach #2: From POD #2 (Low Line Ditch) (as described in Finding of Fact #13) to POD #7 (as Described in Finding of Fact #13)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period	
02057	1892	0.17	53.6	Inna I Nau I	
83857	1904/1910	0.03	10.0	June 1 – Nov. 8	
	Total:	0.20	63.6		

Reach #3: From POD #7 (as Described in Finding of Fact #13) to POD #6 (as described in Finding of Fact #13)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
	1892	0.17	53.6	
83857	1898	0.01	2.0	June 1 - Nov. 8
	1904/1910	0.03	10.0	
	Total:	0.21	65.6	

Reach #4: From POD #6 (as described in Finding of Fact #13) to Lake Billy Chinook (confluence with Deschutes River)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
	1892	0.80	256.0	
83857	1898	0.01	2.0	June 1 - Nov. 8
	1904/1910	0.03	10.0	
	Total:	0.84	268.0	

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Resulting from Certificate 83651

Reach: From POD for Certificate 83651 (as described in Finding of Fact #15 and 16) to Lake Billy Chinook (confluence with Deschutes River)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.56	180.0	June 1 - Nov. 8

Resulting from Certificate 83732

Reach: From POD for Certificate 83732 (as described in Finding of Fact #17) to Lake Billy Chinook (confluence with Deschutes River)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.137	44.0	June 1 - Nov. 8

- Water rights upstream of the original point of diversion shall not be subject to regulation for flows in excess of the quantities to which this instream water right is entitled at the original point of diversion.
- 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.
- 8. The instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise identified in a subsequent order establishing a new instream water right under these statutes.
- The right to the use of the water is restricted to beneficial use at the place of use described, and is subject to all other conditions and limitations contained in Certificates 83857, 83651, and 83732 and any related decree.
- The former place of use of the transferred water shall no longer receive water as part of these rights.
- 11. Preliminary Award of Mitigation Credits: Final Award of Mitigation Credits may be made upon completion of the project and verification by the Department that the project has been completed as proposed. Issuance of a new instream water right certificate, as described herein, will result in completion of the project and verification by the Department that the project is complete. If completed as proposed, mitigation credits, in the amount of 221.4 credits, as described herein, may be awarded to this mitigation project and assigned to Grass Butte, LLC and PremierWest Bank. Mitigation credits awarded may be used to satisfy a mitigation obligation of a ground water permit applicant and/or ground water permit/certificate holder in the Crooked River Zone of Impact and the General Zone of Impact.
- 12. Mitigation credits are valid until used to satisfy a mitigation obligation of a ground water permit applicant and/or ground water permit/certificate holder within the Deschutes Ground Water Study Area pursuant to the Deschutes Ground Water Mitigation Rules. Mitigation credits are used when a person submits to the Department documentary evidence

that valid credits have been obtained and assigned to satisfy a mitigation obligation.

Mitigation credits generated by this project will be available for use as mitigation beginning the first calendar year that water will be protected instream under each of the new instream water rights.

13. The instream certificates created as a result of the approval of this transfer shall be identified as a mitigation credit project. Within each instream certificate, the number of mitigation credits, the zone of impact in which the mitigation credits were generated and may be used, and the volume of water dedicated instream solely for instream benefits shall also be specified.

Dated at Salem, Oregon this	day of	2011.
DRAFT		
Phillip C. Ward, Director	-	

This draft Preliminary Determination was prepared by a Reimbursement Authority contractor. If you have questions about the information in this document, you may reach Laura Wilke at (503) 986-0884 or Laura.K.Wilke@wrd.state.or.us.

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Laura Wilke

From: Laura Wilke

Sent: Tuesday, March 08, 2011 9:31 AM

To: 'Terry Sprecher'

Cc: Kara Morris; Dorothy Pedersen Subject: T-10734 - DPD some feedback

Howdy Terry - I was taking a look at the DPD associated with T-10734 in conjunction with reviewing the DPD for T-10730 and found something we need to make sure is addressed in the DPD for T-10734 and cross referenced in the DPD for T-10730.

This is the transfer of the supplemental right under T-10734 to a like primary. I checked in with Dorothy and got the following feedback:

"I agree that T-10730 should mention the presence of the supplemental layered right and what is proposed to be done with it, as per OAR 690-380-2250, unless T-10734 will already have been approved by the time T-10730 is to the DPD stage.

I also agree that the DPD for T-10734 should mention how the primary that the supplemental right is coming off of and the primary that it is going to are related, as per OAR 690-380-2240(5)."

I took a look at the matrix of examples and it looks like there's three possiblities: T-10221, T-10320, and T-8469.

Please give Kara or Dorothy a call if you have questions about changes to the DPD for T-10734. There's a reference already in T-10730 but I think we need to make note of the rule allowing this type of separation of the primary from the supplemental and a reference to what the determination is for T-10734.

Thanks, Laura

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301-1271
Phone: (503) 986-0884
Fax: (503) 986-0903

Laura Wilke

From: Laura Wilke

Sent: Thursday, March 10, 2011 2:18 PM

To: 'Terry Sprecher'

Cc: Kara Morris; Dorothy Pedersen

Subject: RE: T-10730 and related

Howdy Terry - I don't think you need to worry about T-10730. I'll take care of updating the DPD once I have additional info from Jeremy on the return flows. But please take a look at the draft and let me know if you have any comments or questions. Once I have the final version, I'll share that with you as well so you can see how it all turned out. It's the instream angle on these that's always more work than we anticipate.

Priority on your end would be T-10734. We got a long e-mail from Jim today expressing, I'll say, displeasure with the length of the process - although acknowledging that they did put the application on hold in the middle for a year or so. I'm following up with Kara and Dorothy (back in the office tomorrow) on that one and see how we need to respond. But if there's anyway that you could get us a revised draft tomorrow, that would be fantastic.

Jim's really hoping that we can get out all the DPD's before the end of the week. Might be optimistic but I'm going to try and have T-10730 ready if I can get a hold of Jeremy - my only hold up at this point.

I'm here all day today (although I have a meeting from 3:30 to 5:00 PM) and then I'm also here all day tomorrow. Please feel free to give me a call. On T-10734, Kara and Dorothy are going to be your best bets for answering any questions on that one.

Definitely need to discuss the \$\$ piece - we'll still need to have the ownership portion done once we receive that info. I believe that I gave Newton a heads up way back when that a request for additional \$\$ was a possibility. I'm guessing that they won't be pleased but what can you do.

Thanks, Laura

From: Terry Sprecher [mailto:terry.sprecher@bendbroadband.com]

Sent: Thursday, March 10, 2011 2:04 PM

To: Laura Wilke Cc: Kara Morris

Subject: T-10730 and related

Hi Laura/Kara,

I returned to my office a few minutes ago, and am getting caught up. Received several emails from you referencing these related transfers. I'll read them all carefully and respond by tomorrow. Should have revised DPDs back to you by Monday. One question – is the draft DPD you sent for T-10730 finished, or does that need more from my end?

And, what is your availability tomorrow/Monday if questions arise?

FYI – I am just about out of money for this project. We may want to discuss that once the DPDs are completed.

Thank you!

Terry Sprecher, RG, CWRE Sprecher Group 2445 NE Division Street, Suite 300 Bend, OR 97701 DBE/WBE/ESB # 5687

Phone: 541/306-3709 Cell: 541/419-0883

terry.sprecher@bendbroadband.com

Reimbursement Authority Final Deliverables Cover Sheet

for

Transfers

as of 3/30/09

	Contact List	5 y email on 3/30/09	RECEIVE
V	Draft Preliminary Determination (DPD)	0	
W	DPD Cover Letter	ч	MAR 3 1 200
	PD Notice		WATER RESOURCES
	PD Cover Letter		SALEM, OREGON
	Remaining Right Certificates (one for each transfer)	h right that is not entirely af	fected by the
	Instream Water Right Certificate (if neede	ed)	
*NO	TE: Transfer documents should be submitted	d in MS Word format prefer	ably, or "rich text"
	Wang I was a large and a large		
/	following items are enclosed: Review checklist		
	Marked copy of transfer application		
	(for POU changes) Plat Card Report mark	ed to indicate any other righ	ts on the "From"
	lands	ou to maroure any outer right	is on the Trom
A D B	lands	ed to indicate rights overlap	ping proposed POU ation, etc. that will
	lands (for POU changes) Plat Card Report mark Notes or sketches, maps, etc. from evaluat help document what was considered in rea Preliminary Determination. Copies of each certificate that is only parti to show what portion of the right is being	ed to indicate rights overlaption of changes, injury evaluations the findings and determined the transfer	ping proposed POU ation, etc. that will mination in the
	lands (for POU changes) Plat Card Report mark Notes or sketches, maps, etc. from evaluat help document what was considered in rea Preliminary Determination. Copies of each certificate that is only parti to show what portion of the right is being	ed to indicate rights overlaption of changes, injury evaluations the findings and determined in the transfer affected, and what remains the stransfer affected.	ping proposed POU ation, etc. that will mination in the
	lands (for POU changes) Plat Card Report mark Notes or sketches, maps, etc. from evaluat help document what was considered in rea Preliminary Determination. Copies of each certificate that is only part to show what portion of the right is being	ed to indicate rights overlaption of changes, injury evaluations the findings and determined in the transfer affected, and what remains the stransfer affected.	ping proposed POU ation, etc. that will mination in the , marked as needed inchanged.

	Review Checklist	T-10730	Processor: RA	as of 3/30/09	7
	Application				
	The type of change is cle	early indicated			
	The application is appropriate				
			navment Refund Request to	be sent with FO	10.0
No	☐ Land use form matches a	effected tay lots and is signe	d by proper official (from A	LL affected Govt's)	missing >- ne
7	Ditch company, district	and/or BOR sent a copy of	the application and man, if a	ppropriate.	- CHEVONA
No	All required attachments	and/or BOR, sent a copy of received. > Supple A much sister of accepted "to the satisfaction	the application and map, is a	PPTOPTIME	teschetes Genta
	Water right subject to tran	sfer	Sund John Sund	a color acressed	
	Certificated right or Production The right been exercised Delivery system has the	of accented "to the satisfacti	on "	week committee	teritary.
7 ->	The right been exercised	according to terms & condi	tions of certificate > affic	don't of use does it -	
. ,	Delivery system has the	canacity to fully divert the	ate/duty of the right	1 2 410,7 2	over all transferred
	No information in record	that suggests forfeiture	aterdaty of the right.		acre
thitial	☐ No conflicts identified o		reports printed		
flitt 17	Affidavits prepared for r				
art majot	Application Map	ignis that need to be cancer	d of diffinished.		
1.5	Th b	CWDE -:			
	The map has an original	CWRE signature.	OAD 600 300 3100(1)/b/(a	18(d) I POA NULL	p be solit
4//	The map has an original The map size and scale a All authorized and propo	accurate and appropriate per	UAR 090-380-3100(1)(0)(0	d Note Cohech	1
No	Metes and bounds for th	a POD's/POA's are preparly	described on the man	11	
	✓ Metes and bounds for th✓ The POD/POA dimension		and the same of th		1 1
10.	Map acres match the tab		e transfer application and ce	itilicate descriptions.	V. Y
		ecree maps for the rights.	Application man matches	certificate EPS	
	Have necessary aerial pl			certificate 11 5.	
	Determining the "From" a		king some of application and	d cartificates to mark	au)
->	Only the authorized POI				(t)
	Application & certificate				ea)
	Marked on certificate the Ownership	acreage being transferred,	cancelled and remaining by	74 74.	
		4 46 41 1 20 1			
	The deed/ROLI matches			DI	ECEIVED
Andrea	Have current tax lot map		several years old, contact a	ssessor's office)	
(Vot	The applicant is the own			M	AR 3 1 2009
		ROLI have signed the applic			
	_	otarized, signed statement o			
		opy of written notification to	each tien holder identified	on ROLI. SAL	EM, OREGON
	Agent has authorization	to make decisions.		434	
	Evaluation	_	naster ODFW	_NA	
	Reviews/comments/conditio		naster	_ ☐ GW	
		When in the judgment	Prior to diverting	Existing and main	tain & Headgeves -
	-10	When in the judgment	Prior to diverting	Existing and main	tain No comment on
/	VA Fish Screen Devices		P 1. 1 4 1 1	The aretural	wm tom
	Injury: Y W E	nlargement: Y (N)	Hendined + start	afte maine	
	Conditions to avoid enlargen	nlargement: Y N -	Jub : mjak in Ends in	JU22	
			*		
	Materials needed for peer i				
	application marked		Vater right map (if marked)		narked
	deed/ROLI (if marked)	□ p	at card marked printout (if l	POU or Use change)	
	other processing notes				
	RA Processor Checklist last revised	1/14/2008			



Application for Water Right

Transfer

Please type or print legibly in dark ink. If your application is incomplete or inaccurate, we will return it to you. If any requested information does not apply to your application, insert "N/A" to indicate "Not Applicable." As you complete this form, please refer to notes and guidance included on the application. A summary of review criteria and procedures that are generally applicable to these applications is available at www.wrd.state.or.us/OWRD/PUBS/forms.shtml.

	1. TYPE	OF TRANSF	ER APPLICAT	ION	
		Please chec	k one		
	Permanent Transfe Temporary Transf total number of you (begin year:	ears:	✓ Instream ✓ Pern ☐ Time ☐ Drought	nanent	
	2. Al	PPLICANT IN	FORMATION		
Name:	Greg First		Daniels (Th	ne Daniels Gr	oup, LLC)
Address: _	1111 Main Stree	et, Suite 700			
	Vancouver		WA	98660	
	City	,,	State	Zip	
Phone:	Home	(6	360)694-6000 Work	Other	
Fax:	(360) 695-1201	1	E-Mail address:		Isgrouplic.com
	3.	AGENT INFO	ORMATION		
(The age	nt listed is authorized to repr			ting to this transfer	application.)
Name:	David First	J.	Newton		RECEIVED
Address:	521 SW 6th Str	eet, Suite 10			NOV 2 1 2008
	Redmond		OR	97756	WATER RESOURCES DEP
	City		State	Zip	SALEM, OREGON
Phone:	541 325-3905 cell	54	41 504-9960 x2		
	Home		Work	Other	
Fax:	541 504-9961	1	E-Mail address:	dnewton@newton	consultants.com
☐ Pleas	ent is listed above, pleas se send all correspondence se send all correspondence	to Agent. Send	copies of corresp		gent.
				NECEIV	LU
A 140	7/27/2007	Transfer App	1 /1	MAR 3 1 2	2009 FS /

WATER RESOURCES DEPT SALEM, OREGON

T 10730

4. PROPOSED CHANGE(S) TO WATER RIGHT(S)

	Application / Decree	Permit / Previous Transfer	Certificate 8385
1.		T-9687	-81601-
2.			83651
3.			83732
4.			
5.			
6.			
	nstream Transfer	face Water POD to Ground Water tal Groundwater right for Primary ☐ Other §3857	MAR 3 1 200
	110 1 110 11		700 D
		ficate 81601, 83651, and 83	RECEIVED
	n(s) for change(s): <u>Certi</u> eam Transfer for miti	ficate 81601, 83651, and 83	RECEIVED
	eam Transfer for miti	ficate 81601, 83651, and 83	NOV 2 1 2008
Descri vithin used to nvolv	5. White the current water delicated divert, convey and applies multiple rights that has the description must be sufficient.	gation credits. ATER DELIVERY SYSTEM very system <u>or</u> the system that we information on the pumps, canally the water at the authorized place we independent systems, describe that to demonstrate that the full quantity and source and applied at the authorized.	NOV 2 1 2008 WATER RESOURCES DEF as in place at some SAMM, OREGON s, pipelines and sprinklers e of use. If the transfer each system separately. of water to be transferred can
Descri within used to nvolv	the last 5 years. Include the last 5 years. Include to divert, convey and applies multiple rights that has the description must be sufficing to conveyed from the authorized applicant is ready, willing, and	gation credits. ATER DELIVERY SYSTEM very system <u>or</u> the system that we information on the pumps, canally the water at the authorized place we independent systems, describe that to demonstrate that the full quantity and source and applied at the authorized.	NOV 2 1 2008 WATER RESOURCES DEF is in place at some SAHEM, OREGON s, pipelines and sprinklers e of use. If the transfer each system separately. of water to be transferred can location and that the
Descrivithin used to nvolv	5. White the current water deligated and applies multiple rights that has the description must be sufficional to the conveyed from the authorized applicant is ready, willing, and property served by a share the conveyed from the authorized applicant is ready.	gation credits. ATER DELIVERY SYSTEM very system <u>or</u> the system that we information on the pumps, canally the water at the authorized place we independent systems, describe that to demonstrate that the full quantity and source and applied at the authorized that to exercise the right.	NOV 2 1 2008 WATER RESOURCES DEFINES IN place at some SAHEM, OREGON is, pipelines and sprinklers to of use. If the transfer each system separately. Of water to be transferred can location and that the
Descrivithin used to nvolv	5. White the current water deligated and applies multiple rights that has the description must be sufficional to the conveyed from the authorized applicant is ready, willing, and property served by a share the conveyed from the authorized applicant is ready.	gation credits. ATER DELIVERY SYSTEM very system or the system that we information on the pumps, canally the water at the authorized place we independent systems, describe ent to demonstrate that the full quantity and source and applied at the authorized deale to exercise the right. d single 30hp GE motor & submergated by combination of wheel	NOV 2 1 2008 WATER RESOURCES DEF is in place at some Ahram, OREGON s, pipelines and sprinklers e of use. If the transfer each system separately. of water to be transferred can location and that the
Descrivithin used to nvolv Miles properties but Approximately	the the current water deling the last 5 years. Include to divert, convey and applies multiple rights that has the description must be sufficing to conveyed from the authorized applicant is ready, willing, and coroperty served by a share ried main lines & irrigation oximate Capacity = 1	gation credits. ATER DELIVERY SYSTEM very system or the system that we information on the pumps, canally the water at the authorized place we independent systems, describe ent to demonstrate that the full quantity and source and applied at the authorized deale to exercise the right. d single 30hp GE motor & submergated by combination of wheel	NOV 2 1 2008 WATER RESOURCES DEFINED ON SERVING OREGON SERVING OREGON SERVING OREGON SERVING OREGON SERVING OREGON SERVING OF WATER RESOURCES DEFINED OR SERVING OREGON SERVING OREGON SERVING OREGON SERVING OREGON SERVING OREGON SERVING OREGON SERVING OR SERVING O
Descrivithin used to nvolv Miles properties but to but to but the system ights to but the system ight ight the system ight ight the system ight ight the system ight ight ight ight ight ight ight ight	the last 5 years. Include of divert, convey and applies multiple rights that has the conveyed from the authorized population is ready, willing, and property served by a share ried main lines & irrigation capacity: 1.32 that have independent systems are capacity of 30h	gation credits. ATER DELIVERY SYSTEM very system or the system that we information on the pumps, canally the water at the authorized place we independent systems, describe and to demonstrate that the full quantity and source and applied at the authorized of able to exercise the right. d single 30hp GE motor & submerged the describe and systems, describe and single 30hp GE motor & submerged the stems, describe the capacity for externs, describe the capacity for externs, describe the capacity for externs.	NOV 2 1 2008 WATER RESOURCES DEFINED ON SERVING OREGON SERVING OREGON SERVING OREGON SERVING OREGON SERVING OREGON SERVING OF WATER RESOURCES DEFINED OR SERVING OREGON SERVING OREGON SERVING OREGON SERVING OREGON SERVING OREGON SERVING OREGON SERVING OR SERVING O

Last revised: 7/27/2007

Transfer Application/2

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6. EVIDENCE OF BENEFICIAL WATER USE

- Attach one or more Evidence of Use Affidavits (Supplemental Form B) demonstrating that each of the right(s) involved in the transfer have been exercised in the last five years in accordance with the terms and conditions of the right or that a presumption of forfeiture for non-use could be rebutted. The Evidence of Use Affidavit(s) must include supporting documentation such as the following:
 - Copies of receipts from sales of irrigated crops or for expenditures relating to use of water;
 - ► Records such as Farm Service Agency crop reports, irrigation district records, an NRCS farm management plan, or records of other water suppliers;
 - ▶ Dated aerial photographs of the lands or other photographs containing sufficient detail to establish location and date of the photograph; or
 - ► If the right has <u>not</u> been used during the past five years, documentation that the presumption of forfeiture would be rebutted under ORS 540.610(2).

7. AFFECTED DISTRICTS

- Will any of the water rights be located within or served by an irrigation or other water district after the proposed transfer? Yes No
- Is water for any of the rights supplied under a water service agreement or other contract for stored water with a federal agency or other entity?
 ☐ Yes ☐ No

If "Yes", for any of the above, list the name and mailing address of the district, agency and/or entity:

Low Line Ditch Company	US Bureau of Reclamation
13223 NW O'Neil Hwy	1150 N Curtis Road
Redmond, OR 97756	Boise, ID 83706-1234

8. LOCAL GOVERNMENTS

 List the name and mailing address of all local governments (i.e., each county, city, municipal corporation, or tribal government within whose jurisdiction water will be diverted, conveyed or used).

Crook County		RECEIVED
300 NE 3rd Street	RECEIVED	NOV 2 1 2008
Prineville, OR 97754	MAR 3 1 2009	WATER RESOURCES DEPT
T 10730	WATER RESOURCES DEPT SALEM, OREGON	SALEM, OREGON

0 T	ANTO	OWN	EDCIII	D
9. 1	AIND	UWIN	ERSHI	Г

Butler Ranch, Inc. 5294 NW Lone Pin Terrebonne, OR. 9		The Daniels Group, LLC 111 Main Street, Suite 700 Vancouver, WA. 98660	Dallon Miles 16915 NW O'Neil Hwy Redmond, OR. 97745
11.0 Ac under 837	32	64.5 Ac under 81601 64.0 <u>A</u>	3.0 Ac under 81601 45.0 Ac under 83651
Does the applicant of	own the la	nds TO which the right is being t	ransferred?
☐ Yes	П№	N/A - NOT APPLICAL	BLE TO INSTREAM TRANSFERS
If "No", provide the	following	g information:	
Names of Receiving	Landowi	ner(s):	
Address		First	Last
Address:	-		
City	_	State	Zip
the final order is The applicant wi	issued. A	will be responsible for completion of the responsible for completion of chartinue to be sent to the applicant	ould be sent to this landowner. anges. Notices and
에 N/A. (Not applied	cable. App	olication is for an Instream Wate	r Right Transfer.)
	1	0. Other Remarks (optional)	
			RECEIVE
			NOV 2 1 20
			WATER RESOURCES SALEM, OREGO

Transfer Application/4

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WATER RESOURCES DEPT SALEM, OREGON

T 10780

Last revised: 7/27/2007

11. ATTACHMENTS

Check each of the following attachments included with this application. The application will be returned if all required attachments are not included.

	Supplemental Form A -	Land Use Information For Proposed Changes:
	Description of Proposed Change(s) to a	For Instream Transfers:
	Water Right ✓ A separate Supplemental Form A is enclosed for each water right to be affected by this transfer.	Notice of the intent to file an instream transfer application has been provided to each affected local government along the proposed reach, and copies of the notices are enclosed. (For instream
	Supplemental Form B – Evidence of Use Affidavit(s)	transfers a Land Use Information Form is not required.)
>	At least one Evidence of Use Affidavit	For All Other Transfers:
	documenting that the right has been used	☐ Land Use Information Form is enclosed; or
	during the last five years or that the right is not subject to forfeiture under ORS 540.610 is attached. The affidavit provided must be the original (not a copy), and	☐ All of the following criteria are met, therefore a Land Use Information Form is not required: • In EFU zone or irrigation district, • Change in place of use only,
	The Evidence of Use Affidavit must be accompanied by supporting documentation.	No structural changes needed, including diversion works, delivery facilities, other
	Мар	structures, and
	☑ Water Right Transfer	• Irrigation only.
	The map must be prepared by a Certified Water Right Examiner and meet the requirements of OAR 690-380-3100 unless a waiver has been granted. The map provided must be the original, not a copy.	Fees: Amount enclosed: \$_700.00 See the Department's Fee Schedule at www.wrd.state.or.us or call (503) 986-0900.
	☐ Temporary Transfer or Historical POD	Instream Water Right Transfers, also include:
	Change A map meeting the requirements of OAR 690- 380-3100 must be included but need <u>not</u> be prepared by a Certified Water Right Examiner.	Supplemental Form C – Instream Water Right Transfer ✓ Complete this form to describe the desired nature
V	Water Well Report(s)/Well Log(s):	and attributes for the proposed instream water right.
	☐ The application is for a change in point of	
	appropriation or change from surface water to	Temporary Transfers, also include:
	ground water and copies of all water well reports are attached.	Recorded Deed:
	☐ Water well reports are not available and a description of construction details including well depth, static water level, and information necessary to establish the ground water body	☐ The applicant must submit a copy of the current deed of record for the land from which the authorized place of use or point of diversion/appropriation is being moved.
	developed or proposed to be developed is	Affidavit of Consent:
/	attached. N/A. The application does <u>not</u> involve a change in point of appropriation or a change from surface water to ground water, so water well reports are <u>not</u> required.)	☐ If the applicant is NOT the owner of record for the land from which the authorized place of use or point of diversion/appropriation is being moved, a notarized statement from the actual owner of record consenting to the proposed transfer must be
	from surface water to ground water, so water	notarized statement from the actual owner o

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RECEIVED Application/5

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MAR 3 1 2009

WATER PEROURCES DEPT SALCTI Chesta

Before submitting your application to the Department, be sure you have:

- Answered each question completely.
- · Included all the required attachments.
- Provided original signatures for <u>all</u> named deed holders, or other parties, with an interest in the water right.
- Included a check payable to the Oregon Water Resources Department for the appropriate amount.

12. SIGNATURES
■ Check one of the following, as appropriate, and sign the application in the signature box below:
 ✓ In accordance with OAR 690-380-3000(13)(a), I (we) understand that prior to Department approval of a permanent transfer and upon my receipt of a draft Preliminary Determination for the proposed transfer, I (we) will be required [pursuant to OAR 690-380-4010(5)] to provide the following landownership information and evidence demonstrating that I (we) are authorized to pursue the transfer: (a) A report of ownership and lien information that has been prepared by a title company within
the last three months; (b) A copy of written notification of the proposed transfer provided by the applicant to all lien holders on the subject lands unless the report of ownership and lien information shows that a water right conveyance agreement has been recorded for the subject lands. If a water right conveyance agreement has been recorded for the subject lands, a copy of the agreement and identification of the owner of the lands at the time the agreement was recorded must be submitted; and
(c) If the landowner identified in the report of ownership and lien information is <u>not</u> the applicant, a <u>notarized statement consenting to the transfer</u> (attached) signed by the landowner identified in the report or an authorized representative of the entity to whom the interest in the water right has been conveyed as identified in a water right conveyance agreement or other documentation demonstrating that the applicant is authorized to pursue the transfer in the absence of the consent of the landowner.
I (we) affirm that interest in the water right has been conveyed to someone other than the landowner, and documents, including a water right conveyance agreement, report of ownership and lien information, and any required lienholder notification are enclosed, demonstrating that I am (we are) authorized to pursue the transfer. I (we) understand that we may be required to provide additional information upon receipt of the draft Preliminary Determination.
I (we) affirm that the applicant is a municipality, as defined in ORS 540.510(3)(b), and that the right is in the name of the municipality or a predecessor. Therefore, pursuant to OAR 690-380-3000(13)(b), the applicant is NOT required to provide the above described report of ownership and CEIVED lien information.
I (we) affirm that the applicant is an entity with the authority to condemn property and is NOV 2 1 2008 acquiring the property to which the water right proposed for transfer is appurtenant AYER RESOURCES DECONDERS OF CONDEMN ASSET OF THE PROPERTY OF THE
☐ I (we) affirm that this is a temporary transfer and a copy of the deed for the "from" land (and affidavits of consent from any other landowners, if applicable) is enclosed.
THE DANIELS GROUP LLC. applicant signiture By: Gregory W. Daniels, Managing Member applicant signiture name and title if applicable (print) date date
applicant signature name and title if applicable (print) RECEIVED date
Last revised: 7/27/2007 Transfer Application 6 MAR 3 1 2009 FS

1 10730

To Whom It May Concern:

Re: Lienholder consent to water right transfer to and from Dallan Miles' property known as T14S, R14E, Section 28 Tax Lot 200 and Section 21 Tax Lot 200 in Crook County.

As authorized representative of the lienholder on the above referenced property, I hereby consent to the proposed water right transfer referenced by the attached Agreement of Purchase and Sale dated November 26, 2007 plus Addendum A dated November 27, 2007. Should said water right transfer fail to be issued by December 31, 2008 or otherwise be denied by Oregon Water Resources Department, this consent shall become immediately null and void.

Bank or Lienholder Name

WILLIAM WILLEY TSAYL

Representative Signature

Representative Name, Printed

12-7-07

Date

expired 12/3/108

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WATER RESOURCES DEPT SALEM, OREGON

Water Right Transfer Supplemental Form A DESCRIPTION OF PROPOSED CHANGE(S) TO A WATER RIGHT

List only <u>one</u> water right per page. A <u>separate Supplemental Form A</u> must be completed for <u>each</u> certificate, permit, decree, or other right involved in the proposed transfer.

Attach additional copies of Supplemental Form A as needed to describe other certificates, permits, decrees or other rights involved in this transfer.

Certificate Number or other identifying number:	81801	
	7	

1. TYPE OF CHANGE(S) PROPOSED

(Check all that apply.)

Supplemental Form A

Description of Proposed Change(s) to a Water Right

T 10730

-1-

2. CURRENT WATER RIGHT INFORMATION

Water Right Subject to Transfer (check and complete one of the following):

V	Certificated Right	81601 B 3 B 5 7	T-9687
	Certificated Right	Certificate Number	Permit Number or Decree Name
	Adjudicated,		
	Non-certificated Right	Name of Decree	Page Number
	Permit for which Proof has been Approved	Permit Number	Date Claim of Beneficial Use Submitted
	Transferred Right for which Proof has been Filed	Previous Transfer Number	Date Claim of Beneficial Use Submitted
	Name on Permit, Certificate, of County: Crook Authorized Use(s) to be Affect Priority Date(s): 1892 / 1892 If there are multiple Priority is provided on pages 3 through associated with each of the authorized with each of the authorized propriation and places of use Source(s) of Water to be Affective.	ted by Transfer: Irrigation 98 / 1904 / 1910 Dates identified on the wate 6 of this form must identify thorized and proposed pointse.	r right, any information which priority date is ests of diversion or
	Tributary to: Deschutes R If there are multiple Sources is pages 3 through 6 of this form the authorized and proposed p	listed on the water right, an n must identify which source points of diversion or appro	e is associated with each of priation and places of use.
	For applications proposing a		
	Are there Other Water Right with this land?	s, Permits or Ground Water	Registrations associated
	☑ Yes ☐ No ☐ N	N/A – No Change in Place of	Use or Character of Use
	If "Yes", what are the Permit,	Registration or Certificate	Numbers? 80795
RECEIVE		"layered" water use or a r ransfer must be included in in OAR 690-380-2240(5).	right that is supplemental to RECEIVED
ULAFIAFI			NOV 2.1 2008

WATER RESOURCES DEPT

Description of Proposed Change(s) to a Water Right

MAR 3 1 2009

WATER RESOURCES PREMIEntal Form A SALEM, OREGON

-2-

Certificate Number or other identifying number: 8160T 83857

Location of Existing Authorized Point(s) of Diversion or Appropriation to be Changed:

	are involved in the ch additional pages			nly the	portio	n of the water	right you	propose to transfer.)
	Government lot if the information						the tables l	below only
(i.e., th	tion of Existing A	rsion or appro	priation liste					
Inc 1	ROM" point(s) of diversion	on or appropri	ation)					
If Ground Wa OWRD Well I ID No. (or Wel Tag No. L	er, og Source and	Township	Range	Mer	Sec	1/4 1/4	Tax Lot, DLC or Gov't Lot	Survey Coordinates (coordinates from a recognized survey corner)
If Ground Wa OWRD Well I ID No. (or Wel	og Source and Priority Date	F-C-VO			Sec 8	NW-SW	DLC or	(coordinates from a recognized
If Ground Wa OWRD Well I ID No. (or Wel Tag No. L	og Source and Priority Date	Township	Range	W.M.			DLC or Gov't Lot	(coordinates from a recognized survey corner)

POD 2 - LOW YNE Ditch - NO location specified 1904/1910 pronty date Does the water right being transferred involve a ground water source(s)?

> ☐ Yes ☑ No (Surface water source only.)

If "Yes", for each authorized point of appropriation (well) involved, you must either:

Supply a copy of the well log(s) for each point of appropriation that is clearly labeled and associated with the corresponding well in the table above and on the accompanying application map. (NOTE: You may search for well logs on the Department's web page at: http://www.wrd.state.or.us)

If a well log is not available, you must describe the construction of the authorized point of appropriation by completing the table below. Attach additional copies as necessary.

Construction of Existing Authorized Point(s) of Appropriation - (Only needed if no well log is available.) Wells in this listing must be clearly tied to corresponding well location(s) described in the table above and shown on the accompanying application map.

OWRD Well No. as identified in table above	Diameter	Type and size of casing	No. of feet of casing	Intervals casing is perforated (in feet)	Seal depth	Est. depth to water	Est. depth to water bearing stratum	Type of access port or measuring device	Total well depth
N/A									N/A
					CEIV			RECEIV	ED.
				WATER B	R 3 1 7			NOV 2 1 2	

SALEM, OREGON

WATER RESOURCES DEPT

Supplemental Form A

- 3 -

Description of Proposed Change GALEM WHE Bight

13733

Certificate Number or other identifying number:	81601	B3B57	

Will the ENTIRE water right be affected by this transfer? Yes No

If "Yes", the remainder of this page does not need to be completed. Go on to the next page.

If "No", the following information must be provided <u>only</u> for those places of use that are involved in the transfer (i.e., <u>list only the portion of the water right to be affected by the change.</u>) Attach additional pages as necessary.

Government lot and donation land claim numbers must be included in the tables below only if the information is reflected on the existing water right.

Location of Existing Authorized Place of Use to be Affected:

(i.e., the allowed lands listed on the water right that will be affected by the proposed transfer, the "FROM" lands)

Source and Priority Date	Township	Range	Mer	Sec	1/4 1/4 Section	Tax Lot, DLC or Gov't Lot	Acres (if applicable)	
2 1904/1910	T14S	R14E	W.M.	21	SE-SW	200	2.5	V
1892	T14S	R14E	W.M.	20	SW-SW	200	10.0 V	V
111 1892	T14S	R14E	W.M.	29	NW-NW	200	38.0 35-6=100	1
1892	T14S	R14E	W.M.	29	NE-NW	200	5.0 v	V
1892	T14S	R14E	W.M.	29	SW-NW	200	3.0 V	/
oD I 1892	T14S	R14E	W.M.	29	SE-NW	200	8.0	V
1898	T14S	R14E	W.M.	29	NE-NE	200	0.5	V
						Total	67.0	
POD 1= 2	+3.0+8	00 = 13	4 A					
POD 2 =			5 A				RECEIVED	
POD 6 = 10.	0+35.6+						MAR 3 1 2009	
POD 7 =			0.54				WATER RESOURCES	
		-	67.0	A			SALEM, OREGON	PT
				_			RECEIVED	
							NOV 2 1 2008	
						W	TER RESOURCES DEPT	

Supplemental Form A

SALEM, OREGON Description of Proposed Change(s) to a Water Right mapped?

1 11730

-4-

■ Certificate Number or other identifying number: -81601 83857

3. PROPOSED CHANGES TO THE WATER RIGHT

Describe proposed changes to the water right involving point(s) of diversion and/or appropriation. Survey coordinates described below should accurately correspond to the points shown on the accompanying application map. Attach additional pages as necessary.

Location of Proposed Point(s) of Diversion or Appropriation:

(i.e., the "TO" point(s) of diversion or appropriation)

\[\vec{V} \ N/A - Instream Water Right Transfer \]

(NOTE: Complete this table only if a Change in Point of Diversion or Appropriation is being proposed.)

Source	Township	Range	Mer	Sec	¼ ¼ Section	Tax Lot, DLC or Gov't Lot	Survey Coordinates (coordinates from a recognized survey corner)
N/A-							N/A

• If there are proposed point(s) of appropriation (wells) listed in the table above, are the well(s) already constructed? ☐ Yes ☐ No ☑ N/A - No proposed well(s) listed above.

If "Yes", attach and clearly label the corresponding well log(s) for <u>each</u> proposed well, or if well log(s) are <u>not</u> available, describe the construction of the well(s) using the table below. (<u>NOTE</u>: You may search for well logs on the Department's web page at: http://www.wrd.state.or.us)

If "No", describe the anticipated construction for the proposed well(s) in the following table:

Construction of Proposed Point(s) of Appropriation or Well(s)

-5-

Well numbers in this listing must be clearly tied to corresponding well location(s) described in the table above and shown on the accompanying application map.

Well already built? (Yes/No)	If an existing well, OWRD Well Log ID No. (or Well ID Tag No. L-	Diameter	Type and size of casing	No. of feet of casing	Intervals casing is perforated (in feet)	Scal depth	Est. depth to water	Est. depth to water bearing stratum	Type of access port or measuring device	Total well depth
N/A										N/A
					RE	CEIVED		RECEIVED		
						3 1 20			NOV 2 1 2	008
					WATER RES	OURCE, OREGO	S DEPT N	WATER	RESOURCE	ES DEPT

Supplemental Form A

Description of Proposed Change(s) to a Water Right

1 10.30

Certificate Number or other identifying number: 81601 83857

Describe proposed changes to the water right involving place of use. Information described below should accurately correspond to the proposed place of use shown on the accompanying application map. Attach additional pages as necessary.

Location of Proposed Place of Use: (i.e., the "TO" lands)

N/A – Instream Water Right Transfer (NOTE: Complete this table only if a Change in Place of Use is being proposed.)

Source	Township	Range	Mer	Sec	1/4 1/4 Section	Tax Lot, DLC or Gov't Lot	Acres (if applicable)
N/A							N/A
		-					
		-					BEARIN
							RECEIVE
							MAR 3 1 20
						WATE	R RESOURCES
				1		8	R RESOURCES ALEM, OREGO
							CEIVED
						NC	V 2 1 2008
						WATER R	ESOURCES DE
						WATER R	ESOURCES DE

83857	~
Remarks: Lands from C-81601 are proposed to transfer instream for wa	ater mitigation.

Supplemental Form A

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Description of Proposed Change(s) to a Water Right

T (978)

Water Right Transfer Supplemental Form A DESCRIPTION OF PROPOSED CHANGE(S) TO A WATER RIGHT

List only <u>one</u> water right per page. A <u>separate Supplemental Form A</u> must be completed for <u>each</u> certificate, permit, decree, or other right involved in the proposed transfer.

Attach additional copies of Supplemental Form A as needed to describe other certificates, permits, decrees or other rights involved in this transfer.

Certificate Number or other identifying number:	83651
certificate realities of other identifying number.	00001

1. TYPE OF CHANGE(S) PROPOSED

(Check all that apply.)

Luzh.

Point of Diversion or Appropriation	Place of Use	Character of Use
Change (The old point of diversion or appropriation will not be used for the portion of the water right affected by the transfer.) Additional (Both the old and new points of diversion or appropriation will be used for the portion of the water right affected by the transfer.) Historic Point of Diversion or Appropriation Change (Unauthorized point of diversion or appropriation used for more than 10 years.) Surface Water to Ground Water (A new point of appropriation will be used instead of the old point of diversion. The old point of diversion will not be used.) Point of Diversion Change due to Government Action (The old point of diversion or appropriation can no longer be used due to government action.)	□ All of the right will be exercised at a different location than currently authorized (Use of water at the current location will be discontinued.) □ Only a portion of the right will be exercised at a different location than currently authorized (Use of water at the current location will be discontinued.)	Proposed new use: Irrigation
Exchange (Water from another source will be used in exchange for supplying an equal amount of replacement water to that source.)	MAR 3 1 20 WATER RESOURCE SALEM, OREGO	NOV 2 1 2008 DEPT WATER RESOURCES DEF

Supplemental Form A

Description of Proposed Change(s) to a Water Right

T 10730

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2. CURRENT WATER RIGHT INFORMATION

	Certificated Right	83651	N/A	
	Certificated reight	Certificate Number	Permit Number or Decree Name	
7	Adjudicated,			
_	Non-certificated Right	Name of Decree	Page Number	
	Permit for which Proof has	S		
Ш	been Approved	Permit Number	Date Claim of Beneficial Use Submitted	
	Transformed Dight for which	sh.		
	Transferred Right for which Proof has been Filed	Previous Transfer Number	Date Claim of Beneficial Use Submitted	
	Name on Permit, Certificate	e, or Decree: Low Line	Ditch Company V	
	County: Crook V		cert frate also	sta
	Authorized Use(s) to be Aff	ected by Transfer: Irriga	ation - Primary donestic \$ livet	ch
	Priority Date(s): 1903			
	appropriation and places of Source(s) of Water to be Af		oked River RECEIV	ED
	bodiec(s) of trater to be iti	rected of ridiloter.		
			MAR 3 1	
/	Tributary to: Deschutes		MAR 3 1 2	2009 ES D
/	Tributary to: Deschutes	River	WATER RESOURCE SALEM, ORECO	2009 ES D
/	Tributary to: Deschutes If there are multiple Source pages 3 through 6 of this fo	River s listed on the water right rm must identify which so	MAR 3 1 2	2009 ES D
/	Tributary to: Deschutes If there are multiple Source pages 3 through 6 of this fo	River s listed on the water right rm must identify which so d points of diversion or ap	WATER RESOURCE SALEM, ORECE on any information provided on surce is associated with each of propriation and places of use.	2009 ES D
\ -	Tributary to: Deschutes If there are multiple Source pages 3 through 6 of this fo the authorized and proposed For applications proposing	River s listed on the water right, rm must identify which so d points of diversion or ap	WATER RESOURCE SALEM, ORECE on any information provided on surce is associated with each of propriation and places of use.	2009 ES D
	Tributary to: Deschutes If there are multiple Source pages 3 through 6 of this fo the authorized and proposed For applications proposing Are there Other Water Rig with this land?	River s listed on the water right, rm must identify which so d points of diversion or ap	WATER RESOURCE SALEM, ORECO SAL	2009 ES D
	Tributary to: Deschutes If there are multiple Source pages 3 through 6 of this fo the authorized and proposed For applications proposing Are there Other Water Rig with this land?	River s listed on the water right, rm must identify which so d points of diversion or ap a Change in Place of Use this, Permits or Ground W N/A – No Change in Place	WATER RESOURC SALEM, ORECO SALE	2009 ES D
	Tributary to: Deschutes If there are multiple Source pages 3 through 6 of this fo the authorized and proposed For applications proposing Are there Other Water Rig with this land? Yes No If "Yes", what are the Perm Pursuant to ORS 540.510, a	River s listed on the water right, rm must identify which so d points of diversion or ap a Change in Place of Use this, Permits or Ground W N/A – No Change in Place nit, Registration or Certificany "layered" water use of	WATER RESOURC SALEM, ORECO SALE	2009 ES D
	Tributary to: Deschutes If there are multiple Source pages 3 through 6 of this fo the authorized and proposed For applications proposing Are there Other Water Rig with this land? Yes No	River es listed on the water right orm must identify which so d points of diversion or ap a Change in Place of Use this, Permits or Ground W N/A – No Change in Place ont, Registration or Certificany "layered" water use of or transfer must be included	WATER RESOURCE SALEM, ORECO SAL	2009 ES D GON
	Tributary to: Deschutes If there are multiple Source pages 3 through 6 of this fo the authorized and proposed For applications proposing Are there Other Water Rig with this land? Yes No If "Yes", what are the Perm Pursuant to ORS 540.510, a a primary right proposed fo	River es listed on the water right orm must identify which so d points of diversion or ap a Change in Place of Use this, Permits or Ground W N/A – No Change in Place ont, Registration or Certificany "layered" water use of or transfer must be included	WATER RESOURCE SALEM, ORECO SAL	2009 ES C GON

WATER RESOURCES DEPT

Certificate Number or other identifying number:	83651	V

The following information must be provided <u>only</u> for those points of diversion or appropriation that are involved in the transfer (i.e., <u>list only the portion of the water right you propose to transfer.</u>) Attach additional pages as necessary.

Government lot and donation land claim numbers must be included in the tables below only if the information is reflected on the existing water right.

Location of Existing Authorized Point(s) of Diversion or Appropriation to be Changed:

(i.e., the allowed point(s) of diversion or appropriation listed on the water right that will be affected by the proposed transfer, the "FROM" point(s) of diversion or appropriation)

	If Ground Water, OWRD Well Log ID No. (or Well ID Tag No. L)	Source and Priority Date	Township	Range	Mer	Sec	1/4 1/4	Tax Lot, DLC or Gov't Lot	Survey Coordinates (coordinates from a recognized survey corner)
-	Low Line Ditch		T145	R14E	W.M.	24	SE-SW		None Given
		1903							

	Does the	water right	being	transferred	involve a	ground	water	source(s)?
--	----------	-------------	-------	-------------	-----------	--------	-------	----------	----

/	☐ Yes	No (Surface we	ater source only.)
---	-------	----------------	--------------------

If "Yes", for each authorized point of appropriation (well) involved, you must either:

A. Supply a copy of the well log(s) for <u>each</u> point of appropriation that is clearly labeled and associated with the corresponding well in the table above and on the accompanying application map. (NOTE: You may search for well logs on the Department's web page at: http://www.wrd.state.or.us)

or

B. If a well log is <u>not</u> available, you must describe the construction of the authorized point of appropriation by completing the table below. Attach additional copies as necessary.

Construction of Existing Authorized Point(s) of Appropriation – (Only needed if <u>no</u> well log is available.)

Wells in this listing must be clearly tied to corresponding well location(s) described in the table above and shown on the accompanying application map.

/	OWRD Well No. as identified in table above	Diameter	Type and size of casing	No. of feet of casing	Intervals casing is perforated (in feet)	Seal depth	Est. depth to water	Est. depth to water bearing stratum	Type of access port or measuring device	Total well depth
	N/A									N/A
T						REC	EIVED		NAME OF A PART OF STREET	i pm ga
+						MAR	8 1 2009		RECEI	/ED
					WAT	ER RESO	NURCES D	EPT	NOV 2 1	2008

SALEM, OREGON

WATER RESOURCES DEPT

Supplemental Form A

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Description of Proposed Change(s) SALENATOREGION

Certificate Number or other identifying number:	83651	V	

Will the ENTIRE water right be affected by this transfer?

Yes

If "Yes", the remainder of this page does not need to be completed. Go on to the next page.

If "No", the following information must be provided only for those places of use that are involved in the transfer (i.e., list only the portion of the water right to be affected by the change.) Attach additional pages as necessary.

Government lot and donation land claim numbers must be included in the tables below only if the information is reflected on the existing water right.

Location of Existing Authorized Place of Use to be Affected: (i.e., the allowed lands listed on the water right that will be affected by the proposed transfer, the "FROM" lands)

Source and Priority Date	Township	Range	Mer	Sec	¼ ¼ Section	Tax Lot, DLC or Gov't Lot	Acres (if applicable)	
Crooked Rvr 1903	T14S	R14E	W.M.	28	NE-NW	200	20 L	-
Crooked Rvr 1903	T14S	R14E	W.M.	28	NW-NE	200	25 ι	-
						Total >	45	-
							RECEI	VF
							MAR 3 1	201
							WATER RESOURCE SALEM, ORE	ES
							RECEIVED	
							NOV 2 1 2008	1
						WAT	ER RESOURCES D	EPT
							SALEM, OREGON	

Supplemental Form A

Description of Proposed Change(s) to a Water Right

	Certificate Number or other identifying number:	83651	
_			

3. PROPOSED CHANGES TO THE WATER RIGHT

Describe proposed changes to the water right involving point(s) of diversion and/or appropriation. Survey coordinates described below should accurately correspond to the points shown on the accompanying application map. Attach additional pages as necessary.

Location of Proposed	Point(s)	of Diversion	or	Appropriation:
----------------------	----------	--------------	----	----------------

(i.e., the "TO" point(s) of diversion or appropriation)

\[\vec{V} \ N/A - Instream Water Right Transfer \]

(NOTE: Complete this table only if a Change in Point of Diversion or Appropriation is being proposed.)

Source	Township Range Mer		Mer	Sec	¼ ¼ Section	Tax Lot, DLC or Gov't Lot	Survey Coordinates (coordinates from a recognized survey corner)

■ If there are proposed point(s) of appropriation (wells) listed in the table above, are the well(s) already constructed?

Yes
No
N/A - No proposed well(s)
listed above.

If "Yes", attach and clearly label the corresponding well log(s) for <u>each</u> proposed well, or if well log(s) are <u>not</u> available, describe the construction of the well(s) using the table below. (<u>NOTE:</u> You may search for well logs on the Department's web page at: http://www.wrd.state.or.us)

If "No", describe the anticipated construction for the proposed well(s) in the following table:

Construction of Proposed Point(s) of Appropriation or Well(s)

Well numbers in this listing must be clearly tied to corresponding well location(s) described in the table above and shown on the accompanying application map.

Well already built? (Yes/No)	If an existing well, OWRD Well Log ID No. (or Well ID Tag No. L)	Diameter	Type and size of casing	No. of feet of casing	Intervals casing is perforated (in feet)	Seal depth	Est. depth to water	Est. depth to water bearing stratum	Type of access port or measuring device	Total well depth
N/A										N/A
					REC	FIVE	n	REC	EIVED	
						3 1 200	1	NOV	2 1 2008	
				W	ATER RESC SALEM,	URCES	DEPT	WATER RE	SOURCES D	EPT

Supplemental Form A

Description of Proposed Change(s) to a Water Right

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Certificate Number or other identifying number:	83651	~
certificate istalliber of other lacinity ing manifest.	00001	

Describe proposed changes to the water right involving place of use. Information described below should accurately correspond to the proposed place of use shown on the accompanying application map. Attach additional pages as necessary.

Location of Proposed Place of Use: (i.e., the "TO" lands)

N/A – Instream Water Right Transfer (NOTE: Complete this table only if a Change in Place of Use is being proposed.)

Source	Township	Range	Mer	Sec	1/4 1/4 Section	Tax Lot, DLC or Gov't Lot	Acres (if applicable)
N/A						-	N/A
							RECEIVED
							MAR 3 1 2009
						WATER	RESOURCES
						S	RESOURCES DEF LEM, OREGON
							RECEIVED
							NOV 2 1 2008
						WAT	ER RESOURCES D
							SALEM, OREGON

Remarks: 45 acres from lands of C-83651 are proposed to transfer instream
use for water mitigation. Remaining lands to have additional POD under a POD
-transfer 83651, which is filed separately from this in-stream transfer.

Water Right Transfer Supplemental Form A DESCRIPTION OF PROPOSED CHANGE(S) TO A WATER RIGHT

List only <u>one</u> water right per page. A <u>separate Supplemental Form A</u> must be completed for <u>each</u> certificate, permit, decree, or other right involved in the proposed transfer.

Attach additional copies of Supplemental Form A as needed to describe other certificates, permits, decrees or other rights involved in this transfer.

Certificate Number or other identifying number:	83732	V

1. TYPE OF CHANGE(S) PROPOSED

(Check all that apply.)

Point of Diversion or Appropriation	✓ Place of Use	Character of Use
Change (The old point of diversion or appropriation will not be used for the	✓ <u>All</u> of the right will be exercised at a different location than currently	Proposed new use:
portion of the water right affected by the transfer.)	authorized (Use of water at the current location will be	☐ Municipal
Additional (Both the old and new points of diversion	discontinued.) Only a portion of the	☐ Quasi-municipal ☐ Commercial
or appropriation will be used for the portion of the water right affected by the transfer.)	right will be exercised at a different location than	☐ Industrial
☐ Historic Point of Diversion or	currently authorized (Use of water at the current location will be	Instream (complete and attach Supplemental Form C)
Appropriation Change (Unauthorized point of diversion or appropriation	discontinued.)	Domestic (indicate number of households)
used for more than 10 years.) Surface Water to Ground		□ Other
Water (A new point of appropriation will be used instead of the old point of diversion. The old point of diversion will <u>not</u> be used.)		Substitution (A supplemental ground water right will be substituted for a primary surface water right.)
Point of Diversion Change due to Government Action (The old point of diversion or appropriation can no longer be used due to government action.)		Supplemental Use to Primary Use (Primary water right shall be cancelled and the supplemental water right will change to primary use.)
Exchange (Water from another source will be used in	RECEIVED	RECEIVED
exchange for supplying an equal amount of replacement	MAR 3 1 2009	NOV 2 1 2008
water to that source.)	WATER RESOURCES DEPT	WATER RESOURCES DEP SALEM, OREGON

Supplemental Form A

Description of Proposed Change(s) to a Water Right

2. CURRENT WATER RIGHT INFORMATION

Water Right Subject to Transfer (check and complete one of the following): 83732 V Decree Right Vol.1 Pg.449 1892 Certificated Right Permit Number or Decree Name Certificate Number Adjudicated, Non-certificated Right Page Number Name of Decree Permit for which Proof has Date Claim of Beneficial Use Permit Number been Approved Submitted Transferred Right for which Date Claim of Beneficial Use Previous Transfer Number Proof has been Filed Name on Permit, Certificate, or Decree: Butler Ranch Inc. County: Crook County Authorized Use(s) to be Affected by Transfer: Irrigation - Primary Priority Date(s): 12/31/1892 If there are multiple Priority Dates identified on the water right, any information provided on pages 3 through 6 of this form must identify which priority date is associated with each of the authorized and proposed points of diversion or appropriation and places of use. Source(s) of Water to be Affected by Transfer: Crooked River Tributary to: Deschutes River If there are multiple Sources listed on the water right, any information provided on pages 3 through 6 of this form must identify which source is associated with each of the authorized and proposed points of diversion or appropriation and places of use. For applications proposing a Change in Place of Use or Character of Use: Are there Other Water Rights, Permits or Ground Water Registrations associated with this land? □ N/A - No Change in Place of Use or Character of USEVATER RESOURCES DEPT ☐ Yes ☑ No SALEM, OREGON If "Yes", what are the Permit, Registration or Certificate Numbers? N/A Pursuant to ORS 540.510, any "layered" water use or a right that is supplemental to a primary right proposed for transfer must be included in the transfer or be RECEIVED cancelled, except as provided in OAR 690-380-2240(5). NOV 2 1 2008 WATER RESOURCES DEPT

Description of Proposed Change(s) to a WATE HighREGOM

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-2-

Supplemental Form A

Certificate Number	or other identifying number:	83732 🗸	

The following information must be provided <u>only</u> for those points of diversion or appropriation that are involved in the transfer (i.e., <u>list only the portion of the water right you propose to transfer.</u>) Attach additional pages as necessary.

Government lot and donation land claim numbers must be included in the tables below only if the information is reflected on the existing water right.

Location of Existing Authorized Point(s) of Diversion or Appropriation to be Changed:

(i.e., the allowed point(s) of diversion or appropriation listed on the water right that will be affected by the proposed transfer, the "FROM" point(s) of diversion or appropriation)

If Ground Water, OWRD Well Log ID No. (or Well ID Tag No. L)	Source and Priority Date	Township	Range	Mer	Sec	V4 V4	Tax Lot, DLC or Gov't Lot	Survey Coordinates (coordinates from a recognized survey corner)
Butler Ranch Inc.	12/31/1892	T148	R14E	W.M.	20	SE-SW	200	1896'S & 1717'E from W1/4
	Croshed River							01 940

. /*	Does the	water right being transferred involve a ground water source(s)?
V	☐ Yes	☑ No (Surface water source only.)

If "Yes", for each authorized point of appropriation (well) involved, you must either:

- A. Supply a copy of the well log(s) for <u>each</u> point of appropriation that is clearly labeled and associated with the corresponding well in the table above and on the accompanying application map. (<u>NOTE:</u> You may search for well logs on the Department's web page at: http://www.wrd.state.or.us)
 or
- B. If a well log is <u>not</u> available, you must describe the construction of the authorized point of appropriation by completing the table below. Attach additional copies as necessary.

Construction of Existing Authorized Point(s) of Appropriation – (Only needed if <u>no</u> well log is available.)

Wells in this listing must be clearly tied to corresponding well location(s) described in the table above and shown on the accompanying application map.

No. as dentified in able above	Diameter	Type and size of casing	No. of feet of casing	Intervals casing is perforated (in feet)	Seal depth	Est. depth to water	Est. depth to water bearing stratum	Type of access port or measuring device	Total well depth
N/A					ECE	VED		RECEIVE	-N/A
							WATE	R RESOURCE	S DEPT
	able above	ble above	able above casing	entified in size of casing casing casing	entified in able above casing casing perforated (in feet) N/A	N/A	N/A	N/A	N/A

Supplemental Form A

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Description of Proposed Change(s) to a Water Right

_		
	Certificate Number or other identifying number:	83732 🗸

Will the ENTIRE water right be affected by this transfer? ✓ Yes □ No

If "Yes", the remainder of this page does not need to be completed. Go on to the next page.

If "No", the following information must be provided <u>only</u> for those places of use that are involved in the transfer (i.e., <u>list only the portion of the water right to be affected by the change.</u>) Attach additional pages as necessary.

Government lot and donation land claim numbers must be included in the tables below only if the information is reflected on the existing water right.

Location of Existing Authorized Place of Use to be Affected:

(i.e., the allowed lands listed on the water right that will be affected by the proposed transfer, the "FROM" lands)

Source and Priority Date	Township	Range	Mer	Sec	¼ ¼ Section	Tax Lot, DLC or Gov't Lot	Acres (if applicable)
Crooked Rvr 12/04 /1892	T14S	R14E	W.M.	20	sw-sw	200	11.0 (pri)
						100	
							RECEIVED
							MAR 3 1 2009
							WATER RESOURCES DEP SALEM, OREGON
							RECEIVED
							NOV 2 1 2008
						WATI	ER RESOURCES DEPT SALEM, OREGON

Supplemental Form A

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Description of Proposed Change(s) to a Water Right

Certificate Number or other identifying number:	83732 🗸
3. PROPOSED CHANGES TO TH	

Describe proposed changes to the water right involving point(s) of diversion and/or appropriation. Survey coordinates described below should accurately correspond to the points shown on the accompanying application map. Attach additional pages as necessary.

Location of Proposed Point(s) of Diversion or Appropriation:

(i.e., the "TO" point(s) of diversion or appropriation)

N/A – Instream Water Right Transfer

(NOTE: Complete this table only if a Change in Point of Diversion or Appropriation is being proposed.)
--

Source	Township	Range	Mer	Sec	1/4 1/4 Section	Tax Lot, DLC or Gov't Lot	Survey Coordinates (coordinates from a recognized survey corner)
N/A							N/A

1	If there are proposed point(s)	of	appro	priation (wells)	listed in the table above, are the
V	well(s) already constructed?		Yes	□ No	☑ N/A - No proposed well(s)
	listed above.				

If "Yes", attach and clearly label the corresponding well log(s) for <u>each</u> proposed well, or if well log(s) are <u>not</u> available, describe the construction of the well(s) using the table below. (<u>NOTE:</u> You may search for well logs on the Department's web page at: http://www.wrd.state.or.us)

If "No", describe the anticipated construction for the proposed well(s) in the following table:

Construction of Proposed Point(s) of Appropriation or Well(s)

Well numbers in this listing must be clearly tied to corresponding well location(s) described in the table above and shown on the accompanying application map.

Well already built? (Yes/No)	If an existing well, OWRD Well Log ID No. (or Well ID Tag No. L)	Diameter	Type and size of casing	No. of feet of casing	Intervals casing is perforated (in feet)	Seal depth	Est. depth to water	Est. depth to water bearing stratum	Type of access port or measuring device	Total well depth
N/A										N/A
				RE	CEIVE	D		RECE	EIVED	
				MA	R 3 1 20	09		NOV 2	1 2008	
				WATER F	ESOURCES EM, OREGO	DEPT	WAT	ER RESO SALEM, (JRCES DEP	Г

Supplemental Form A

Description of Proposed Change(s) to a Water Right

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	3732

Describe proposed changes to the water right involving place of use. Information described below should accurately correspond to the proposed place of use shown on the accompanying application map. Attach additional pages as necessary.

Location of Proposed Place of Use: (i.e., the "TO" lands)

N/A – Instream Water Right Transfer (NOTE: Complete this table only if a Change in Place of Use is being proposed.)

Source	Township	Range	Mer	Sec	1/4 1/4 Section	Tax Lot, DLC or Gov't Lot	Acres (if applicable)
N/A							N/A
			- 1		RECEIVE		
					MAR 3 1 20	ng RE	CEIVED
				WAT	ER RESOURCES	A	V 2 1 2008
				WA	SALEM, OREGO	N WATER F	ESOURCES DE
						SAL	EM, OREGON

J	Remarks: All lands from C-83732 are proposed to transfer instream for water mitigation.

Water Right Transfer Supplemental Form B AFFIDAVIT ATTESTING TO THE USE OF WATER

,	yn Dov	e					_, in my capa	acity as _F	Previous Owner	,
mailing a	address	0	0.	B	OXI	93	2,5	Sandy	, OR 9	7055
telephon	e numb	per (5	03)	8:	ا حالم	150	, being first	duly sworn	depose and say:	
1. I atte	st that:									
									horized place of a ying transfer appl	
		_				m at s			t five years. The	instream
	e numb					orfeitu		or nentation th	nat a presumption	of
									is attached.	101
2. My k	nowled	ige of	the e	xerci	se or st	atus of	the water ri	ght is base	d on (check one):	
		Person	al ob	serva	tion		C D C			
				JOL TO	tion		☐ Profe	essional exp	pertise	
3. My k	nowled	dge is				e of wa				B3732
3. My k	Perfect.	502757	speci	fic to	the use	TENER.	ater at the fol	llowing loc	ations:	paper-wif 83732
	То	dge is	speci			e of wa			ations: Acres (if applicable)	certif. 83857
ng Dun	То	502757	speci	fic to	the use	TENER.	ater at the fol	llowing loc	ations:	certif. 83857
A M	Tov	vnship S	speci R	fic to	the use	Sec	ya ya Section	llowing loc	Acres (if applicable) 14.4 10 A A A A A A A A A A A A A A A A A A	volic RECEIVED
Daniely Daniely	F 14	S	speci R	fic to	the use	Sec	Swsw	llowing loc	Acres (if applicable) 14.4	white RECEIVED The -art 40 y 2 1 2008
Daniel Daniel	F 14	s S	speci R	fic to	the use	Sec 20	Section SWSW SESW	llowing loc	Acres (if applicable) 14.4	white RECEIVED The -art 40 y 2 1 2008
Daniel Daniel	F 14	s S	speci R	fic to	the use	Sec 20	SWSW SESW NENW	llowing loc	Acres (if applicable) 14.4	WATER RESOURCES DEPT
Daniel Daniel	orphy	s S	speci R	fic to	the use	Sec 20	SWSW SESW NENW SWNW	llowing loc	Acres (if applicable) 14.4	WATER RESOURCES DEPT
Daniely Daniely	orphy	s S	speci R	fic to	the use	Sec 20	SWSW SESW NENW SWNW NWNW	llowing loc	Acres (if applicable) 14.4 10 4 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	WATER RESOURCES DEPT CONSALEM, OREGON 838
Daniely Daniely	orphy	s S	speci R	fic to	the use	Sec 20	SWSW SESW NENW SWNW NWNW	llowing loc	Acres (if applicable) 14.4	WATER RESOURCES DEPT CATSALEM, OREGON 838
Daniely Daniely	orphy	s S	speci R	fic to	the use	Sec 20	SWSW SESW NENW SWNW NWNW	llowing loc	Acres (if applicable) 14.4 10 4 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	WATER RESOURCES DEPT CONSALEM, OREGON 83857 WATER RESOURCES DEPT CONSALEM, OREGON 83857 PECEIVED MAY 0 2 2008

Please print legibly or type. Be as specific as possible. Attach additional pages if you need more space. Supporting documentation must be attached.

Supplemental Form B

Gro	owing hay and alfalfa, cattle grazing	
	The water delivery system used to apply water as authorized by the right is described below: ect diversion from the Crooked River in to mainlines, wheel lines and hand lines.	
6. (One or more of the following documentation supporting the above statements is attached: Copy of a water right certificate that was issued within the last five years (not a remaining	-
	right certificate), Copies of receipts from sales of irrigated crops or for expenditures relating to the use of water,	
	Records such as Farm Service Agency crop reports, irrigation district records, an NRCS farm management plan, or records of other water suppliers,	
	Dated aerial photographs of the lands or other photographs containing sufficient detail to establish the location and date of the photograph,	
		CEIVED
	Instream lease number, RECEIVED NO	V 2 1 2008
	MAR 3 1 2009 WATER B	ESOURCES DEP EM, OREGON
Sign	nature of Affiant Date	_
	Signed and sworn to (or affirmed) before me this the day of Molenber, 20 07 OFFICIAL SEAL CHELSEA STEELE NOTARY PUBLIC-OREGON COMMISSION NO. 390663 COMMISSION NO. 390663	<u>.</u>
M	Y COMMISSION EXPIRES MARCH 15, 2009 My Commission Expires: 44a-66 153	2.10

documentation must be attached.

Supplemental Form B

2 2008

Affidavit Attesting to the Use of Water



P.O. Box 400 Portland, Oregon 97207-0400 I-888-221-7070 fax I-888-800-2851

JOHN SHORT RE: THE DANIELS GROUP, LLC (541)382-9225

November 20, 2007

Account # 22842760-002

Dear John Short:

Thank you for contacting us on November 20, 2007, regarding your account. As requested, enclosed is a copy of a billing analysis of your account.

If you would like more information or have any questions, please call us anytime toll-free at 1-888-221-7070. Any of our customer service representatives are available to take your call.

Sincerely,

Richard, Employee # P16260 Customer Service

Enclosure: Billing Analysis

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WATER RESOURCES DEPT

Para más información, llame al 1-888-225-2611 y podrá hablar con un representante que hable español GON

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WATER RESOURCES DEPT SALEM, OREGON

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Meter Reading History

Meter # 84917896

Site Address: O'NEIL JUNCTION .4E .2 N ONEIL HWY REDMOND OR 97756

Billing Month	Read Date	Read Type	Cycle	Status	Source (*)	Condition Codes	Days	Daily KWH	KWH	KWH Usage	KW	KW Usage	ON KWH	ON KWH Usage	OFF KWH	OFF KWH Usage	Invoice
	07/19/2007	C			S		23	3	26436	58	60	1	0	0	0	0	\$283.07
06	06/26/2007		21		I	VR	32	280	26378	8947	2341	23	0	0	0	0	\$534.90
05	05/25/2007		21		I	VR	29	144	17431	4167	2472	25	0	0	0	0	\$217.61
04	04/26/2007		21		I		29	22	13264	635	168	2	0	0	0	0	\$33.57
03	03/28/2007		21		S	SD	29	0	12629	0	0	0	0	0	0	0	\$0.00
02	02/27/2007		21		S	SD	29	0	12629	0	0	0	0	0	0	0	\$0.00
01	01/29/2007		21		S	SD	32	0	12629	0	0	0	0	0	0	0	\$0.00
12	12/28/2006		21		S	SD	29	0	12629	0	0	0	0	0	0	0	\$0.00
11	11/29/2006		21		S	SD	35	0	12629	0	0	0	0	0	0	0	\$420.24
10	10/25/2006		21		1	VR	26	6	12629	161	1175	12	0	0	0	0	\$7.89
09	09/29/2006		21		I		30	48	12468	1448	2361	24	0	0	0	0	\$69.68
08	08/30/2006		21		I		30	73	11020	2194	2379	24	0	0	0	0	\$105.58
07	07/31/2006		21		I		33	87	8826	2861	2379	24	0	0	0	0	\$136.87
06	06/28/2006		21		I	SU	32	0	5965	0	0	0	0	0	0	0	\$0.00
05	05/27/2006		21		1	RCVR	30	21	5965	639	2383	24	0	0	0	0	\$30.53
04	04/27/2006		21		S	SD	30	0	5326	0	0	0	0	0	0	0	\$0.00
03	03/28/2006		21		S	SD	29	0	5326	0	0	0	0	0	0	0	\$0.00
02	02/27/2006		21		S	SD	31	0	5326	0	0	0	0	0	0	0	\$0.00
01	01/27/2006		21		S	SD	30	0	5326	0	0	0	0	0	0	0	\$0.00
12	12/28/2005		21		S	SD	30	0	5326	0	0	0	0	0	0	0	\$0.00
11	11/28/2005		21		S	SD	33	0	5326	0	0	0	0	0	0	0	\$378.65
10	10/26/2005		21		I	SU	28	0	5326	0	0	0	0	0	0	0	\$0.00
	09/29/2005	S	21		F		0	0	5326	0	0	0	0	0	0	0	\$0.00
	09/28/2005	S			M		0	0	5326	0	0	0	0	0	0	0	\$0.00
09	09/28/2005		21		I		33	94	5326	3115	0	0	0	0	0	0	\$137.80
08	08/26/2005		21		A		29	94	2211	2737	2416	24	0	0	0	0	\$121.08
08	08/26/2005		21	Z	I	VR RECEIV	29	340	9326	9852	2416	24	0	0	0	0	\$0.00

From: Fax number

To: JOHN SHORT

Page: 3/4

Date: 11/21/2007 8:08:59 AM

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WATER RESOURCES DEPT SALEM, OREGON

MAR 3 1 2009 WATER RESOURCES DEPT SALEM, OREGON

From: Fax number To: JOHN SHORT

Page: 4/4

07	07/28/2005	21	I	VR	33	75	99474	2460	2404	24	0	0	0	0	\$116.26
06	06/25/2005	21	I	DK	24	0	97014	0	0	0	0	0	0	0	\$0.00
05	06/01/2005	21	I	SU	35	0	97014	0	0	0	0	0	0	0	\$0.00
04	04/27/2005	21	I	SU	30	0	97014	0	80	1	0	0	0	0	\$0.00
03	03/28/2005	21	S	SDSU	31	0	97014	0	0	0	0	0	0	0	\$0.00
02	02/25/2005	21	S	SD	28	0	97014	0	0	0	0	0	0	0	\$0.00

Comments:

Sources:

A=Adjustment, C=Customer, F=Field Read, I=Itron Read (regular), M=Manual (regular), O=Office Estimate, P=Postcard, S=System Estimate

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WAR 3 1 2009

WATER RESOURCES DEPT

WATER RESOURCES ON

SALEM, CREGON

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NOV 2 1 2008

WATER RESOURCES DEPT
SALEM, OREGON

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Water Right Transfer Supplemental Form B AFFIDAVIT ATTESTING TO THE USE OF WATER

State of Oregon)	
County of Deschutes	SS
I, John A. Short	, in my capacity as _owner / neighbor,
mailing address P.O. Box 1830, Ben	nd, OR 97709
telephone number (541) 408-7415	, being first duly sworn depose and say:
1. I attest that:	
Water was used during the previous water right proposed for transfer	ous five years on the entire authorized place of use of the as described on the accompanying transfer application; or
☐ The water right was leased instreat lease number is as follows:	am at some time within the last five years. The instream ; or
	orfeiture and documentation that a presumption of ebutted under ORS 540.610(2) is attached.
2. My knowledge of the exercise or st	tatus of the water right is based on (check one):
☑ Personal observation	☐ Professional expertise
3. My knowledge is specific to the us	e of water at the following locations:

	Tov	vnship	R	ange	Mer	Sec	1/4 1/4 Section	Gov't Lot or DLC	Acres (if applicable)	
aputy	14	S	14	E	W	28	NE-NW	00200	23.0 20 1. 1 00	hic -cut \$36.57
why							NW-NE	00200	25.0 25 A is upo	ic - certif 03651
y de						21	SE-SW	00200	3.0 2.5A Na	lie? acruge
why						29	NE-NE	00106	0.5 .5A in appl	RECEIVED
										NOV 2 1 2008
										WATER RESOURCES DEPT
								R	ECEIVED	SALEM, OREGON
									AAR 3 1 2009	
									RESOURCES DEPT	RECEIVED
								VALER	LEM, OREGON	MAY 0 2 2008

(continues on reverse side)

WATER RESOURCES DE SALEM, OREGON

Please print legibly or type. Be as specific as possible. Attach additional pages if you need more space. Supporting documentation must be attached.

	ass hay and cattle grazing.		
-			
5 '	The water delivery system used to apply water	er as authorized by the right	is described below:
	tream pump to buried mainline and wheel lines N		
	ch South of railroad tracks.	total or tall out a sector of the sector	341101111111111111111111111111111111111
6.	One or more of the following documentation	supporting the above statem	ents is attached:
	Copy of a water right certificate that was is right certificate),	sued within the last five year	s (not a remaining
	Copies of receipts from sales of irrigated cr water,	ops or for expenditures relati	ng to the use of
	Records such as Farm Service Agency crop farm management plan, or records of other		cords, an NRCS
Ø	Dated aerial photographs of the lands or oth establish the location and date of the photographs		
	Dedicated power usage records or receipts,		RECEIVED
	Instream lease number, Other:	RECEIVED	NOV 2 1 2008
		MAR 3 1 2009	WATER RESOURCES DE
		WATER RESOURCES DEP	T SALEM, OREGON
	, , ,	SALEM, OREGON	
0	Allant	12	7-07
Sign	Fire of Affiant	Date	1 0 /
/			1
	Signed and sworn to (or affirmed) b	peforeme this Hay of	Nov. , 20 07.
		rla	
	OFFICIAL SEAL	A VIIIMILLI TO	Mm
	DANIELLE KINYON NOTARY PUBLIC-OREGON	Notary Public	for Oregon
	() COMMISSION NO. 399585 ()		
	MY COMMISSION EXPIRES JAN. 20, 2010 ()		

Please print legibly or type. Be as specific as possible. Attach additional pages if you need more space. Supporting documentation must be attached.

Supplemental Form B

ME 0 2 2008

Affidavit Attesting to the Use of Water



Oregon Water Resources Department Land Use Information Form

THIS FORM IS NOT REQUIRED IF: 1) water is to be diverted, conveyed, and/or used only on federal lands; or 2) the application is for a water-right transfer, allocation of conserved water, exchange, permit amendment, or ground water registration modification, and all of the following apply: a) only the place of use is proposed for change, b) there are no structural changes, c) the use of water is for irrigation, and d) the use is located in an irrigation district or exclusive farm-use zone.

City	udress: _				P.O. BOX 1	1/11 Mais J	1,00	100	
City:	Caron	Bend		State:	OR Zip: 97	709 Day Phone:	541-40	8-7415	
This app	lication	is related	to a M	easure 37 cl	aim. □ Yes 回 No	469	360	- 694-6	,000
. Land and L	ocation	1							
ransported), or	used. A	pplicants	for mu	inicipal use,	ots where water will be of or irrigation uses within mation requested below	liverted (taken from its irrigation districts may	source), substitu	conveyed te existing a	nd
Township	Range	Section	1/4 1/4	Tax Lot #	Plan Designation (e.g. Rural Residential/RR-5)	Water to be:		Proposed Land Use:	
14 S	14 E	Low Line	Ditch	Company	EFU-2	☑ Diverted ☑ Conveyed	☑ Used	Farm	
1.00						☑ Diverted ☑ Conveyed	☑ Used	Instream	
						☐ Diverted ☐ Conveyed	□Used		
						□ Diverted □ Conveyed	□ Used		
□ Permi	t to Use	or Store \	Water	VEW	ces Department:	☐ Exchange of Wa	ter		OV 2 1 2008 ESOURCES DE
		Conserved Iment or (mited Water Use Licens stration Modification	se			EM, OREGON
ource of water	Res	servoir/Po	ond	☐ Ground W	ater V Surface V	Vater (name)		-	
stimated quant	ity of wa	nter neede	:d:	2		ond	nute 🗆	acre-feet	
ntended use of		☑ Irrigatio □ Munici		□ Commerci □ Quasi-mu		☐ Domestic for ☐ Other	hou	sehold(s)	
nended doe of		res are bein	g transfe	rred instream.	40 acres are changing place	of use. Low Line Ditch beir	ng added a	s additional	
	47.5 ac								
Briefly describe	nt: If th					while you wait, please h with the Water Resourc			ent
riefly describe	nt: If th	eceipt bel	low and	l include it w		with the Water Resource		rtment.	CEIVED

State of Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1266 WATER RESOURCES DEPT SALEM, OREGON

MAY 0 2 2008

MAI U 2 2000

For Local Government Use Only

The following section must be completed by a planning official from each county and city listed unless the project will be located entirely within the city limits. In that case, only the city planning agency must complete this form.

This deals only with the local land-use plan. Do not include approval for activities such as building or grading permits.

Please check the appropriate	e box below and	provide the re-	quested information
------------------------------	-----------------	-----------------	---------------------

- Land uses to be served by proposed water uses (including proposed construction) are allowed outright or are not regulated by your comprehensive plan. Cite applicable ordinance section(s): 18.70.010
- □ Land uses to be served by proposed water uses (including proposed construction) involve discretionary land-use approvals as listed in the table below. (Please attach documentation of applicable land-use approvals which have already been obtained. Record of Action/land-use decision and accompanying findings are sufficient.)

 If approvals have been obtained but all appeal periods have not ended, check "Being pursued".

Type of Land-Use Approval Needed (e.g. plan amendments, rezones, conditional-use permits, etc.)	Cite Most Significant, Applicable Plan Policies & Ordinance Section References	Land-Use Approval:			
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued		
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued		
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued		
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued		
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued		

City or County:	Starr contact.	OALLIM, OTTER
	Staff contact:	WATER RESOURCES DEP
Applicant name:		MAR 3 1 2009
Rec	ceipt for Request for Land Use Information	RECEIVED
If you sign the receipt, you will have 30	ntive: Please complete this form or sign the receipt belo to days from the Water Resources Department's notice de may presume the land use associated with the proposed	ate to return the completed
Government Entity: Croph	Canny	7,
Signature: Salon m	Phone: 541-447-813	Date: 12/11/43
Name: Gandas Mee	ore Title: Assistant	
	V	NATER RESOURCES DEPT SALEM, OREGON
		NOV 2 1 2008
		RECEIVED

MAY 0 2 2008



Oregon Water Resources Department Land Use Information Form

THIS FORM IS NOT REQUIRED IF: 1) water is to be diverted, conveyed, and/or used only on federal lands; or 2) the application is for a water-right transfer, allocation of conserved water, exchange, permit amendment, or ground water registration modification, and all of the following apply: a) only the place of use is proposed for change, b) there are no structural changes, c) the use of water is for irrigation, and d) the use is located in an irrigation district or exclusive farm-use zone.

Greg Daviels

	Applicant	Name: _			The	Daniels Group, LLC &	Emme	H. Ranch, LLC			
	Mailing A	ddress:				P.O. Box OR Zip: 9 Wa 9	1830	1111 Main	JSt J	rite 70	P
	City:		-Bend		State:	OR Zip:	7709	Day Phone:	541-46	8-7415	
		Van	COUNT			Wa 9	B66 1)	360-	694-	6000
	nd and L	, reation	15 Telated	to a M	easure 37 ci	aim. □ Yes ☑ No					
(trans	ported), or	used. A	pplicants	for mu	micipal use,	ots where water will be or irrigation uses with mation requested below	in irriga				and
	Township	Range	Section	1/4 1/4	Tax Lot #	Plan Designation (e.g. Rural Residential/RR-5)		Water to be:		Proposed Land Use:	
V	14	14	29		200	EFU-2	☑ Di	verted 🗹 Conveyed	□ Used	Instream	
-	14	-14	29		106	EFU-2	N Di	verted Z Conveyed	1 12 Used	Instream	-
							□ Di	verted Conveyed	□ Used		
							□ Di	verted Conveyed	Used		
	□ Permi □ Alloca □ Permi	t to Use ation of 0 t Amend	or Store V Conserved Iment or (Water d Water Ground	✓ ☑ W □ Li Water Regi	rces Department: /ater-Right Transfer imited Water Use Licer stration Modification	nse	Exchange of W			
	e of water:				☐ Ground W						RECEIVED
Estim	ated quant	ity of wa	iter neede	d:	1						MAR 3 1 2009
Intend	led use of		☐ Irrigation ☐ Munici		Commerci Quasi-mui	ial □ Industria nicipal ☑ Instream		Domestic for _	hou	usehold(s)	TER RESOURCES DEP SALEM, OREGON
Briefl	y describe:	Perman	ent instrear	n transfe	r					-	SALEW, OTLOOK
											RECEIVED
Note t	o applicar entative si	nt: If the	e Land U.	se Infor	mation For include it w	m cannot be completed with the application file	while;	you wait, please the Water Resou	have a lo	irtment.	
				Recei	pt for Rec	quest for Land Us	e Info	rmation		WAT	TER RESOURCES DEPT SALEM, OREGON

State of Oregon Water Resources Department 725 Summer Street NE, Suite A

Salem, OR 97301-1266

RECEIVED

MAY 0 2 2008

For Local Government Use Only

The following section must be completed by a planning official from each county and city listed unless the project will be located entirely within the city limits. In that case, only the city planning agency must complete this form.

This deals only with the local land-use plan. Do not include approval for activities such as building or grading permits.

Please check the appropriate box below ar	d provide the requested information
---	-------------------------------------

- Land uses to be served by proposed water uses (including proposed construction) are allowed outright or are not regulated by your comprehensive plan. Cite applicable ordinance section(s): 18.20.010
- Land uses to be served by proposed water uses (including proposed construction) involve discretionary land-use approvals as listed in the table below. (Please attach documentation of applicable land-use approvals which have already been obtained. Record of Action/land-use decision and accompanying findings are sufficient.)
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		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued		
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued		
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued		
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued		
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued		

Local governments are invited to express special land-use concerns or make recommendations to the Water Resource Department regarding this proposed use of water below, or on a separate sheet.	s
	-RECEIVED
	- MAR 3 1 2009
W	TER RESOURCES DEPT SALEM, CREGON
Name: Gordon Moora Title: Assistant Dinueton Signature: Solon 3no Phone: 541-447-815 Date: 12/11/4. Government Entity: Great Connty	- -
Note to local government representative: Please complete this form or sign the receipt below and return it to the a If you sign the receipt, you will have 30 days from the Water Resources Department's notice date to return the compl Land Use Information Form or WRD may presume the land use associated with the proposed use of water is compat local comprehensive plans.	eted
Receipt for Request for Land Use Information	RECEIVED
Applicant name:	NOV 2 1 2008
City or County: Staff contact:	WATER RESOURCES DEPT - SALEM, OREGON
Signature: Phone: Date:	-

RECEIVED

Last updated 12/22/06 WR

MAY 0 2 2008

Water Right Transfer Supplemental Form C <u>INSTREAM WATER RIGHT TRANSFER</u>

			aintenance and er sh life, wildlife, f and other ecologic	nhancement ish and cal values.	Recreation Navigation Pollution Abateme		526 As
	0	riginating Water Right Number (as identified in the transfer application)	Priority Date	Source	Proposed Instream Period 7	Rate (cfs)*	Volume (ac-ft)**
B 36	5-	81601	1892/1898/1904/1910	Crooked Rvr	Permanent	0.838	V 268
		83651	1903	Crooked Rvr	Permanent	V 0.560	v 180
		83732	1892 /	Crooked Rvr	Permanent	0.138	v 44
					(Additional Info)		
					Tota	al Volume:	492
miles days	**	and then divide by 1.983- To calculate volume, multi- The quantity allocated du- during that period. The to- during the year under the Additional information	(71; or tiply the rate by the n ring any period may otal volume of water j existing right.	number of days in the not exceed the quant for the year may not e	period and then multiply ity that may be used und exceed the total volume of		the period gright hay be used
this to mile s days wild -	*** 0.4 3.	To calculate volume, multi- The quantity allocated du- during that period. The to- during the year under the Additional information	tiply the rate by the naivering any period may be tal volume of water yexisting right. Rate allowers	number of days in the not exceed the quant for the year may not e ed on Certificate instream water	period and then multiply ity that may be used und exceed the total volume of ess = 1/80cfs; volume right.		
ther to	** 04 3.	To calculate volume, multi- The quantity allocated du- during that period. The to- during the year under the Additional information Identify the location Water is requested	riply the rate by the naring any period may otal volume of water period in Rate allowed to be protected a point of diversion (PO)	instream water at a point. (D), or if the water rig	right. ght has more than one P	by 1.983471 ler the existing of water that n water 4AcFt/	g right may be used Acre
this to	*** 0.4 3.	To calculate volume, multi- The quantity allocated du- during that period. The to- during the year under the Additional information Identify the location Water is requested Location (i.e. the pu- described on the water Water is requested Location of propo- downstream extent of	riply the rate by the naring any period may paral volume of water is existing right. In: Rate allowed to be protected as point of diversion (PO) or right, please provides to be protected as parallel to be protected as paralle	instream water at a point. (D), or if the water rigited the legal description within a reach. In the stream water right record to be considered to be conside	right. ght has more than one P	by 1.983471 ler the existing of water that in the water that water	Acre DD is not pelow
	4.	To calculate volume, multi- The quantity allocated du- during that period. The to- during the year under the Additional information Identify the location Water is requested Location (i.e. the pu- described on the water Water is requested Location of propo- downstream extent of	riply the rate by the naring any period may paral volume of water in existing right. In: Rate allowed to be protected as paral to be protected as parallely please provided to be protected as parallely	instream water at a point. (D), or if the water right the legal description within a reach. In the stream water right reach water right reach water look Line Ditch Diversity R14E, Sec 24) to	right. ght has more than one P on): ach is requested, identify version (T15S, R16E, o confluence with D	by 1.983471. Iter the existing of water that no me 4AcFt/. OD or if a PC. Ty the upstream Sec 8) and beschutes F.	Acre DD is not and pelow River.

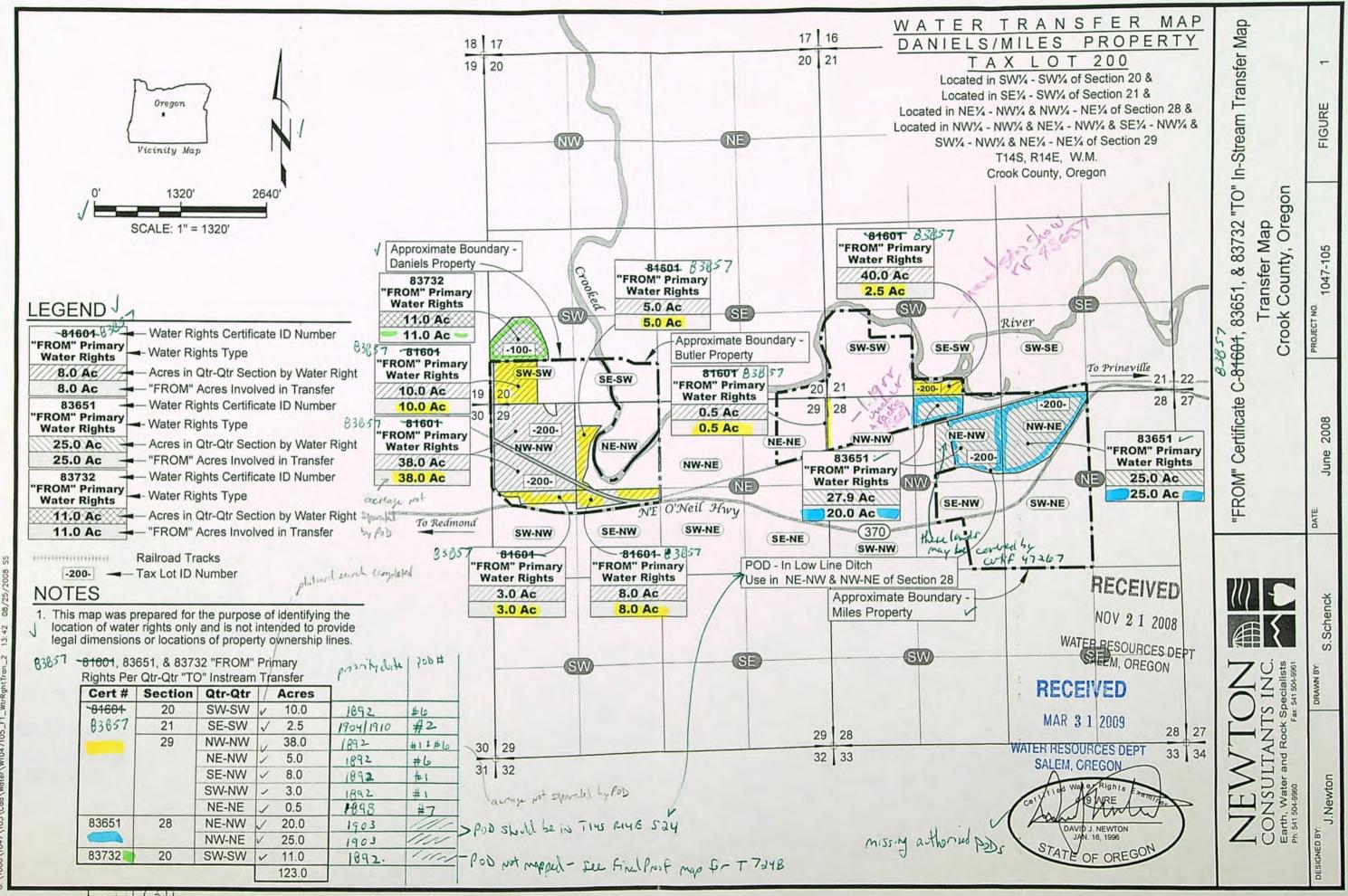
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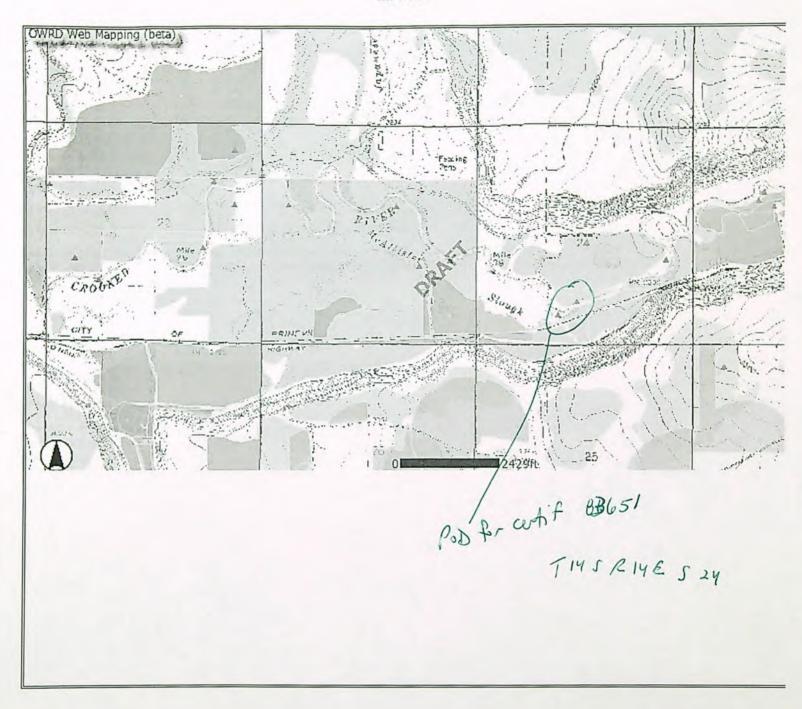
WATER RESOURCES DEPT

5.	Are there any existing instream water rights at the same point or within the s requested reach(es) or lake, or on a portion thereof:	same					
	No						
	New instream water rights generally (but not always) are additive to instream water rights established (instream transfer application process) and ORS 537.470 (allocation of conserved water) portion of instream water rights established under ORS 537.341 (state agency application process (conversion of minimum perennial streamflows) with an earlier priority date.	shed under ORS and replace a					
	Is it your intent to have the proposed instream water right transfer be additive to a water right established under ORS 537.348 and ORS 537.470 and replace a portion instream water right established under ORS 537.341 and ORS 537.346 with an ear date? Yes No. If no, please explain your intent	n of any rlier priority					
	Yes No. If no, please explain your intent Transfer the rights (81601,83732 & 83651) to instream flow within the Crown						
/	with their respective 1892, 1898,1903 & 1904/1910 priority dates.	SKOU TRIVOI					
	If the proposed conversion would add to the amounts of an existing instream water established under ORS 537.341 or 537.346, provide documentation demonstrating additional instream flows are necessary. Supporting documentation should include information of Fish and Wildlife (ODFW) (fish life), Dept. of Environmental Quality (DEQ) (pollution and Parks and Recreation Dept. (recreation).	g why ation from the					
6. V	Is the requested instream flow intended to exceed the estimated average natural flow or level occurring from the drainage system? No; or						
	Yes (Provide supporting documentation that demonstrates why additional flows are significant for the public use requested.); or						
	Yes, and it is presumed that flows that exceed the estimated average natural flow or natural lake levels are significant because:						
	The requested flow does not exceed the maximum amount of any instread application applied for under ORS 537.341 (state agency instream water application process) for the same reach or portion thereof, and the request is for the same public use as the aforementioned instream water right approximately.	right sted public use					
	and For the specified time period that flows are requested to exceed the estimatural flow or lake level, the stream is in an ODFW flow restoration pri (A copy of the priority watershed map indicating the specific watershed involved should the application. Priority watershed maps may be found on the OWRD web page); or	ority watershed					
	The stream is listed as water quality limited and DEQ has provided scientific information that demonstrates that increased flows would improve water scientific information provided by DEQ should be included with the transfer application.	quality. (The					
N/A 7.	For a time-limited instream transfer, please answer the following:	RECEIVED					
	The time-limited instream transfer is for a specific number of years: Begin Year to End Year	NOV 2 1 2008					
	The time-limited instream transfer is to terminate based upon other conditions.	ATER RESOURCES DEP SALEM, OREGON					
Cur	oplemental Form C T 1 0 7 3 0 -2 - RECEIVED Instream Water						
Sup	oplemental Form C T 10730 -2- MAR 3 1 2009	gii Trunaici					



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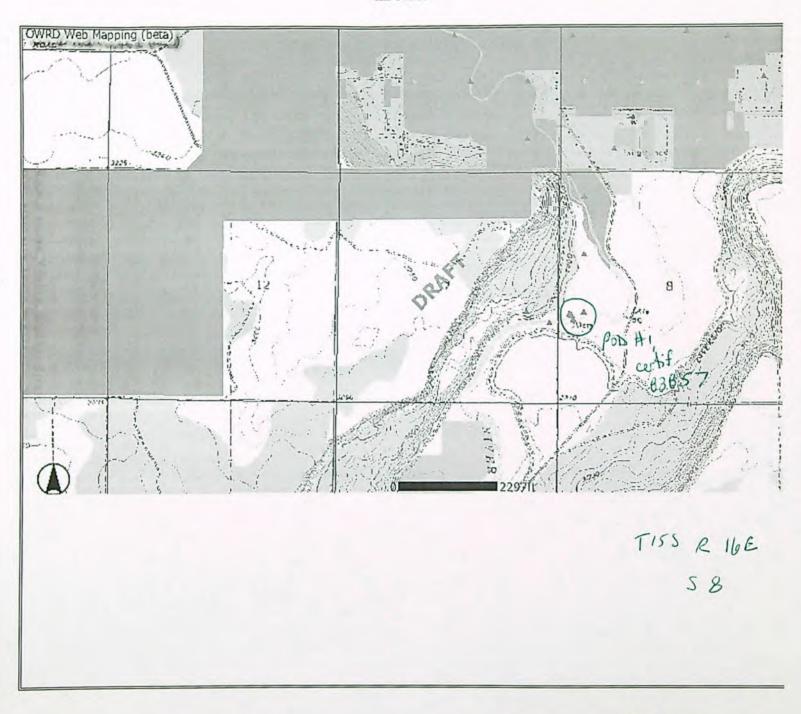


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MAR 3 1 2009 WATER RESOURCES DEPT SALEM, OREGON

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MAR 3 1 2009 WATER RESOURCES DEPT SALEM, CREGON

Terry Sprecher

From: Sent: Laura Wilke [snedaklk@wrd.state.or.us] Thursday, March 12, 2009 8:23 AM

To:

Terry Sprecher

Subject:

FW: Instream Transfer/Mitigation Project - questions - T-10730 / MP-124

Terry – I wanted to share this e-mail I got back from the Watermaster in response to some questions I had. Some of this is stuff I ask about for the mitigation project but is also relevant to the instream transfer review you're completing.

Laura

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer St. NE, Suite A
Salem, Oregon 97301-1271
Phone: (503) 986-0884
Web: www.wrd.state.or.us

From: Jeremy Giffin

Sent: Thursday, March 12, 2009 8:14 AM

To: Laura Wilke

Subject: RE: Instream Transfer/Mitigation Project - questions - T-10730 / MP-124

From: Laura Wilke

Sent: Friday, March 06, 2009 11:56 AM

To: Jeremy Giffin

Subject: Instream Transfer/Mitigation Project - questions - T-10730 / MP-124

Importance: High

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MAR 3 1 2009

WATER RESOURCES DEPT SALEM, CREGON

Hey Jeremy:

This is a preliminary mitigation review request for the instream transfer submitted by the Daniels Group, T-10730, over on the Crooked River. They have requested to use the instream transfer to establish mitigation credits. You've previously completed a WM evaluation and I know we'll have some chatting to do related to that but I wanted to get the ball rolling on the mitigation side of things. Here's a link to the application materials if you need them again:

http://apps2.wrd.state.or.us/apps/wr/wrinfo/wr_transfer_folder_image.aspx?transfer_char=T&transfer_nbr=10730

Instream Transfer (T-10730) Items of Note:

 This is permanent instream transfer to be used to establish mitigation credits – likely will be used in part or full for ground water permit application G-16877 (The Daniels Group).

Maybe, But it looks like the recent crook county amendment that was voted in stops all future destination resorts, and this one had not received an OK from the county prior to the new land use law, so I think this will eventually be cancelled.

 The application requests to protect water instream from below Low Line Ditch (T15S, R16E, Sec 8) and below the Crooked River Diversion (T14S, R14E, Sec 24) to the confluence with the Deschutes River. This will need to be fine tune to match water to each pod authorized by each right. For example, the portion of the right proposed for transfer under Cert 83857 is linked to four different POD's.

OK, Makes since to me.

 Cert 83857 – the location for the Low Line Ditch POD is not specified in the certificate. Is this the same POD as covered by Cert 83651?

No it is not. 83857 has the peoples ID canal diversion as well as the several pumping stations. 83651 POD is different.

In your WM Evaluation you state that a number of acres are subirrigated during part of the irrigation season. Any
feeling at this point as to how many acres may be involved under each right? This is something we will need to dig
into deeper as we proceed with review of the transfer.

Yes, Some of these lands are subirrigated during the early spring high flow levels when the river reaches the root zone level of the fields, however by June the river subsides to low levels and they need to irrigate all of the lands to keep the fields green.

 You also mentioned that NUID benefits from return flows. Do we need to account for return flows below each of the POD's under each right?

No, not from these specific rights these rights are sprinkle irrigated at 1/80th and 4 acre feet over a 6-7 month time period and I do not believe these have return flows.

Mitigation Project questions (MP-124):

Cert 83857:

 What is the availability of each of the priority dates, being 1892, 1898 and 1904/1910? Is each of these priority dates, on average, available the full irrigation season?

Yes these rights are met on a 100% basis. The last time we regulated this stretch was in the drought of 1994 and only because NUID leased stored water from Prineville reservoir and we had to protect it through this reach.

 At what frequency (%) will a new instream use created as a result of this instream transfer be met – considering each priority date?

100% of the time.

- Are there any issues with this water right or the portion requested to be transferred instream? Are there any non use issues, regulation issues, source reliability issues or other issues? Anything that would cause the need to calculate the amount of mitigation generated by the project differently. See questions 2 thru 4 in the memo entitled "Mitigation Water/Credit Determinations using Consumptive Use & Watermaster Distribution Records" under tab 11 of your Deschutes Mitigation desk manual.
- The subirrigation is definitely something that will affect the amount of mitigation made available under this right.
 No issues that I am aware of. Kyle and I discussed it and we feel as if the subirrigation only occurs during the early season and the beneficially use the 4 acre feet every year.
 Cert 83651:
- What is the availability of water under the 1903 priority date? Is this priority dates, on average, available the full irrigation season?

100% of the time.

 At what frequency (%) will a new instream use created as a result of this instream transfer be met – considering the priority date?

100% of the time.

- Are there any issues with this water right or the portion requested to be transferred instream? Are there any non use issues, regulation issues, source reliability issues or other issues? Anything that would cause the need to calculate the amount of mitigation generated by the project differently. See questions 2 thru 4 in the memo entitled "Mitigation Water/Credit Determinations using Consumptive Use & Watermaster Distribution Records" under tab 11 of your Deschutes Mitigation desk manual.
- The subirrigation is definitely something that will affect the amount of mitigation made available under this right.
 Again Kyle and I agree that the subirrigation does not effect the full use of the right as is the case with the other water rights listed above.
 Cert 83732:
- What is the availability of water under the 1892 priority date? Is this priority dates, on average, available the full irrigation season?

100% of the time.

• At what frequency (%) will a new instream use created as a result of this instream transfer be met – considering the priority date?

100% of the time.

- Are there any issues with this water right or the portion requested to be transferred instream? Are there any non use issues, regulation issues, source reliability issues or other issues? Anything that would cause the need to calculate the amount of mitigation generated by the project differently. See questions 2 thru 4 in the memo entitled "Mitigation Water/Credit Determinations using Consumptive Use & Watermaster Distribution Records" under taby

 Deschutes Mitigation desk manual.
 - The subirrigation is definitely something that will affect the amount of mitigation made available under this 192009

Same answer as the other priorities listed above.

But that being said, this is a very complicated transfer and I would like to address the issues as they arise because I still do not feel as if we have worked out all of the potential issues associated with this transfer.

Thanks much! Laura

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer St. NE, Suite A
Salem, Oregon 97301-1271
Phone: (503) 986-0884
Web: www.wrd.state.or.us

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MAR 3 1 2009



Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, Oregon 97301-1271 (503) 986-0900 www.wrd.state.or.us

Watermaster Review Form: Water Right Transfer

	Tra	nsfer Application	: T- <u>10730</u>		Rev	iew Due Date:	12-31-08	
	App	plicant Name: <u>T</u>	he Daniells G	roup, LLC		/		
V	Pro	posed Changes:	⊠ POU	POD	☐ POA	⊠ USE	OTHER	
	Rev	viewer(s): Giffin			Date	e of Review:	Dec. 2, 2008	
	1.	Do you have info Yes No cancellation affic should be filed:	If "Yes", odavit or if you	lescribe the in	formation and i	indicate if you	intend to file a	
	2.	Is there a history has involved the characterize the last time these ripod's.	right and dow frequency of a	nstream water ny regulation	r rights? Ye or explain why	es No No regulation has	Generally not occurred: The	
,	3.	Check here if it a from the current locations where only right that be 72282, 72283 &	use of the righthe return flow enefits from re	nt? 🛛 If you ws likely occur	check the box, and list the wa	generally char ter rights that b	acterize the penefit most: The	
	4.	Are there upstrea ☐ Yes ✓ ☒ No most affected:	If "Yes", d					
J	5.	For POD change old and new POI describe and, if p	Os or within th	ne proposed in	stream reach?		osses between the ck the box,	
	6.	6. Would distribution of water for the right after the proposed change result in regulation of other water rights that would not have occurred if use of the existing right was maximized? ☐ Yes ✓ ☒ No If "Yes", explain:						
	7.	For POU changes, would the original place of use continue to receive water from the same source? Yes No NA If "Yes", explain: However much of the are is sub-irrigated in the early part of the season due to high river flows, but dries out later in the irrigation season.						
	8.	For POU or USE diversion of more If "Yes", explain	e water than ca				The state of the s	

Page 1 of 2

9. Are there other issues not identified through the above questions? "Yes", explain: 10. What alternatives may be available for addressing any issues identified above: ___ 11. Have headgate notices been issued for the source that serves the right? \(\subseteq\) Yes \(\subseteq\) No \(\subseteq\) 12. What water control and measurement conditions should be included in the transfer: May be required Present and Should be Measurement should be in the future. required prior to Devices maintained. diverting water. Present and Should be May be required in the future. Headgates should be required prior to

diverting water.

maintained.

Transfer Application: T-10730

Watermaster Review Form

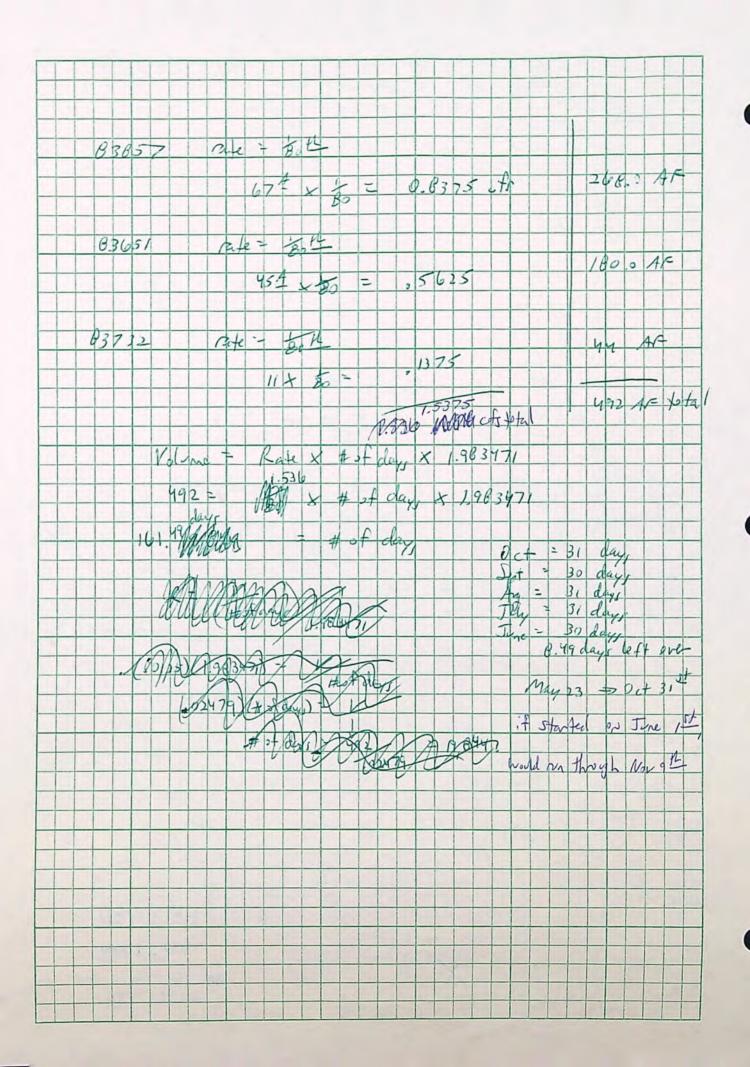
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Lo cfs xeAx , OLS efs x 123A= 1,537 cfs T10730 4115.01 Rog 19709 1.54 cfg max rate wt -81601 83657 Pou The U Insteam 83651 83732 81601 -cancelled T10233 £ PR 83657 P.4-Taplic for the letter from Newton: OWN 81601 83857 >> 67.0 A of pinary I Deniel Group 64.5A 3 67.54 both 83651 >> 45.0 A of pincy I Dalba Miles Atol 45.0 A 83732 => 11.0 A of pimay I Bether Rouch, INC. 11.01 Attach ments 83657 83651 type of use-liverbeli Form A (.137cfs) hists present to tot Descrip ct change 2 POD description majed Type of use - livestock domestic Form B asial is hind of missing 6.6A & Evil of use > dark to be cutain of use ok Abdunt 14 14 20 JUISW but generally bobs of acial IN New web report five to-post 5-porty docs Pod mappel on Fixel Proof For NW NW 5 29 - A not Separated by POD T 7248 - is packet Transfer Map POD not mysed pods not mapped POD int nappeil Notices Intut + file 2 about forms & Laura to- crosh Gurty -InsternT Deschiber & Joffers anding region notification la et bulgarte probably ok fee ? about period & regules Syplen C Instem T RECEIVED MAR 3 1 2009 63857 - 100 h Grabo with 80795 83850

TEX lot maps agree al TMAps

63651 - 11 11



T10730

Review of "To" it stream "lands"

requested - not additive + not replaying - keep original priesty dates

estimated arraye natural flows is applicant regrestry to exceed these? NO

instream reach any return flows that need to be accounted for below the start point of the reach (see watermarker form)

per WM: w right that benefit from return Plows - NUID p.mv

under outer 72281, 72282, 72283, 4 72284

instream reach - any stream flow borres that need to be accomed for below start point of reach? NO (per WM)

source stream & into a recent stream? NO MAR 3 1 2009

WATER RESOURCES DEPT PODs SALEM, OREGON 63857 1 #1 155 16 E 58 NW of 5W 1920'N 4. 340 'E from SW corner of Section & 5 26 arow 3 ml? Low line Ditch \$ #6 MS ME 529 NEST NW 1085'5 1 9 70'W frm NW 4620 of 529 4th #7 145 14E 325'N I 120'W from the JE core of \$ 20 520 SE of SE B3651 20d 145 145 524 SE of SW None given 83732 64 145 IME SZO SESTSW 1896'S 1 1717' & from WYCONE Of 5 20

POD#1 = $\rho_0 D_1 N$ artif 83651; J.4 + 3.0 + 8.0 HAVE 13.4 $A \times .0125 = .1675$ cfs POD 1.N artif 83651 45A $\times .0125 = .036$ fs; $45 \times 4 = .180$ Af POD +2: $J.SA \times .0125 = .036$; $J.S \times 4 = .180$ AF POD #7 $0.SA \times .0125 = .00625$ fs; $3.S \times 4 = .180$ AF POD #0 $50.6 A \times .0125 = .00625$ fs; $50.6 \times 4 = .202.4$ AF POD, N art 83832 11A $\times .0125 = .1375$ cfs; $11 \times 4 = .44$ AF

TOPS. 35500

	Rate & whome from	cf	AF
1st Reach	POD#1 only	.168 .1675	53.6 54
2rd Reach	1 st Reach + 83651	.731 Abayrs. 73	233.6 234
3 d Reach	2d Reach + PD 2	.762 SALYABES,7625	243.6 244
4th Reach	3 d Reach + POD 7	.768 ANGS, 76875	245,6 246
5th Reach	4th Reach + PODL	1.400 80.0875 1.4912	5 448
6th Reach	5th Real + 83832	1.538 BARBA 1.538	75 492

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MAR 3 1 2009

WATER RESOURCES DEPT SALEM, OREGON



STATE OF OREGON

45A transferrel of A T10730

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

Transfered: 45A x 0.0125 cfs/A = 0.564 cfs Remaining = 129,994 × 0.0125 cff = 1.50 cfs

LOW LINE DITCH CO. PRINEVILLE OR 97754

confirms the right to use the waters of CROOKED RIVER, tributary to DESCHUTES RIVER for IRRIGATION OF 165:09 ACRES, DOMESTIC, AND LIVESTOCK.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The date of priority is 1903.

The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed a reasonable amount for domestic and livestock, and 2.06 CUBIC FEET PER SECOND for irrigation, the total quantity being limited to 4.0 acre-feet per acre during each year, or its equivalent in case of rotation, measured at the point of diversion.

The point of diversion is located as follows:

Twp	Rng	Mer	Sec	Q-Q
14 S	14 E	WM	24	SE SW

The use shall conform to such reasonable rotation system as may be ordered by the proper state officer. The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described, and is subject to the existing minimum flow policies established by the Water Policy Review Board. 10730 | RR

A description of the place of use to which this right is appurtenant is as follows:

Twp	Rng	Mer	Sec	Q-Q	Acres	Name of User throu	igh Company's Works
14 S	14 E	WM	22	SW SW	15.00	V. Butler	RECEIVED
14 S	14 E	WM	22	NE SE	32.00	T.F. McCallister	I have be there is to the best
14 S	14 E	WM	22	NW SE	5.00	T.F. McCallister	NOV 9 1 2000
14 S	14 E	WM	22	SW SE	19.00	T.F. McCallister	NOV 2 1 2008
14 S	14 E	WM	22	SE SE	40.00	T.F. McCallister	WATER RECOURSES REPA
14 S	14 E	WM	28-	NW NE	25.00	J.W. Livingston	WATER RESOURCES DEPT
14 S	14 E	WM	28	NE NW	-27.90	J.W. Livingston	SALEM, OREGONO. 0 7.9
14 S	14 E	WM	28	NW NW	1.19	J.W. Livingston	

This certificate describes that portion of the water right confirmed by Certificate 43547, State Record of Water Right Certificates, NOT modified by the provisions of an order of the Water Resources Director entered November 30, 2007, approving Transfer Application T-9829. confirmy out = 83650 linsteam with

The right is subject to all other terms and conditions contained in said decree.

The issuance of this superseding certificate does not confirm the status of the water right in regard to the provisions of ORS 540.610 pertaining to forfeiture or abandonment.

WITNESS the signature of the Water Resources Director, affixed January 31, 2008.

MAR 3 1 2009

WATER RESOURCES DEPT SALEM, OREGON

Certificate 83651

Phillip C. Ward, Director

T-9829-correct.lks

Page 1 of 1

STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

No RR certificate
Needed

No pudry transfer
Other than subject the

THIS CERTIFICATE ISSUED TO

BUTLER RANCH, INC. 5294 NW LONE PINE ROAD TERREBONNE, OREGON 97760

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER for IRRIGATION of 11.0 ACRES.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The date of priority is 1892.

The amount of water to which this right is entitled is limited to an amount actually beneficially used, and shall not exceed 0.137 CUBIC FOOT PER SECOND if available at the original point of diversion: NW% SWW, SECTION 8, T 15 S, R 16 E, W.M., 744.2 FEET SOUTH AND 321 FEET EAST FROM THE WEST 1/4 CORNER OF SECTION 8, or its equivalent in case of rotation, measured at the point of diversion.

The point of diversion is located as follows:

SE 1/4 SW 1/4, Section 20, T. 14 S., R. 14 E., W.M.; 1896 feet South and 1717 feet East from the West % Corner of Section 20.

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each year.

This is a final order in other than a 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.

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T-7248.RA

NOV 2 1 2008

Certificate Number 83732

 WATER RESOURCES DEPT SALEM, OREGON

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MAR 3 1 2009

Page Two

A description of the place of use to which this right is appurtenant is as follows:

SW % SW % 11.0 ACRES SECTION 20 TOWNSHIP 14 SOUTH, RANGE 14 EAST, W.M. No Remaining right Certificate needed

This certificate is issued to confirm a change in POINT OF DIVERSION approved by an order of the Water Resources Director entered July 9, 1997, approving Transfer Application T-7248, and together with certificates 72947, 74199, and 74200 supersedes Certificate 52183, State Record of Water Right Certificates.

The following conditions apply to this right:

- The quantity of water diverted at the new point of diversion, together with that diverted at the old diversion, shall not exceed the quantity of water lawfully available at the original point of diversion.
- When required by the Department, the water user shall install and maintain a headgate, an in-line flow meter, weir, or other suitable device for measuring and recording the quantity of water diverted. The type and plans of the headgate and measuring device must be approved by the Department prior to beginning construction and shall be installed under the general supervision of the Department.

The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described and is subject to all other conditions and limitations contained in the decree.

Issued JAN 0 9 2008.

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NOV 2 1 2008

WATER RESOURCES DEPT SALEM, OREGON

Recorded in State Record of Water Right Certificates numbered 83732.

T-7248.RA

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MAR 3 1 2009

WATER RESOURCES DEPT SALEM, OREGON

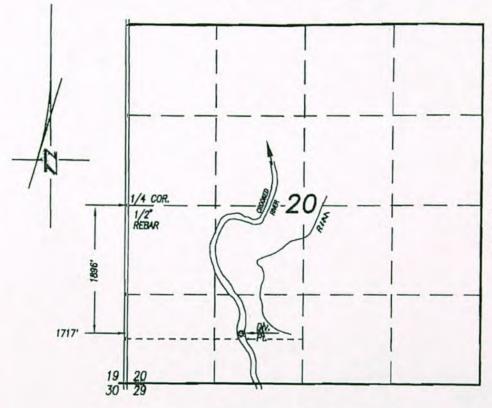
T.14S., R.14E., W.M. CROOK COUNTY

SCALE: 1" = 1320'

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SEP 2 7 1999

WATER RESOURCES DEP SALEM, OREGON



NOTE: THE
ABANDONED DIVERSION
POINT LOCATED 744.2'
SOUTH BY 321' EAST
OF W.1/4 CORNER OF
SECTION 8, T.15S.,
R.16E.,W.M. (PEOPLE'S
IRRIGATION CO.)

THE NEW DIVERSION POINT LOCATED 1896' SOUTH BY 1717' EAST OF W.1/4 CORNER OF SECTION 20, T.14S., R.14E.,W.M.

RECEIVED

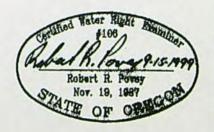
MAR 3 1 2009

WATER RESOURCES DEPT SALEM, OREGON

FINAL PROOF for
POINT OF DIVERSION TRANSFER #7248
BUTLER RANCH, INC.

I, Robert R. Povey, Oregon Certified Water Right Examiner #106, hereby certify this final proof map was prepared under my direct supervision.

The preparation of this map is for the purpose of identifying the location of the water right diversion point only and has no intent to provide dimensions or locations of property ownership lines.



Shows Pad location for certificate 83732

D97-92FP.DWG

569.3 A

7.12cfs = 0.0125 cfs/A

67.0A Transferred off in T 107.

STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

Transferred: 67.0A × 0.0125 cfs/A = 0.8578efs

Remaining: 502.31 × 0.0125 cfs/A = 6.27875 cfs

6.28

PEOPLES IRRIGATION CO. 615221 O'NEIL HWY PRINEVILLE, OR 97754

THIS CERTIFICATE ISSUED TO

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for IRRIGATION OF 569:3 ACRES, LIVESTOCK AND DOMESTIC USE.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The date of priority is 1892, 1895, 1897, 1898, and 1904/1910.

The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed
7.12 CUBIC FEET PER SECOND, or its equivalent in case of rotation, measured at the point of diversion.

RECEIVE

The points of diversion are located as follows:

Survey Coordinates POD Twp Rng Mer Q-Q MAR 3 1 200 15 S 16 E WM NW SW 1920 Feet North and 340 Feet East From SW Corner WATER RESOURCES DEPT of Section 8 Low Line Ditch SALEM, OREGON Pump: 450 feet West from the East 1/4 corner of 14 S 14 E WM NE SE 24

Section 24 14 S 14 E WM 23 SW NE Pump: 1020 feet North and 500 feet East from the center 1/4 corner of Section 23 14 S 14 E WM 23 SW NW Pump: 1000 feet North and 1400 feet West from the center 1/4 corner of Section 23 14 S 14 E WM 29 NE NW Pump: 1085 feet South and 970 feet West from the North 1/4 Corner of Section 29 14 S 14 E WM 20 SE SE Pump: 325 feet North and 120 feet West from the Southeast Corner of Section 20

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each year. The use shall conform to such reasonable rotation system as may be ordered by the proper state officer.

A description of the place of use to which this right is appurtenant is as follows:

IRRIGATION, LIVESTOCK AND DOMESTIC									
Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User	
1895	1	14 S	15 E	WM	26	SW SW	20.0	Cox, F.T	
	1	14 S	15 E	WM	26	SE SW	20.0	Cox, F.T	
	1	14 S	15 E	WM	26	SW SE	20.0	Cox, F.T	
1904/1910	1	14 S	14 E	WM	21	SW NE	40.0	Deschutes Fine Wool Company	
	1	14 S	14 E	WM	21	SE NE	40.0	Deschutes Fine Wool Company	
	1	14 S	14 E	WM	21	NF SW	30.0	Deschutes Fine Wool Company	

T-10233.RA-dip

Page 1 of 2

Certificate 83857

Fra B1601 /T10233

Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User
	1	14 S	14 E	WM	21	NW SW	30.0	Deschutes Fine Wool Company
	1	14 S	14 E	WM	21	SW SW	5.4	Deschutes Fine Wool Company
1904/1910	1	14 S	14 E	WM	21	NE SE	30.0	Deschutes Fine Wool Company
(continued)	1	14 S	14 E	WM	21	NW SE	30.0	Deschutes Fine Wool Company
-	(2)	14 S	14 E	WM	21	SE SW 37	5-40.0	
	2	14 S	14 E	WM	21	SW SE	40.0	Deschutes Fine Wool Company
	2	14 S	14 E	WM	21	SE SE	40.0	Deschutes Fine Wool Company
	3	14 S	14 E	WM	23	SE NE	20.9	Deschutes Fine Wool Company
	4	14 S	14 E	WM	23	NW NE	0.6	Deschutes Fine Wool Company
	4	14 S	14 E	WM	23	NE NW	7.4	Deschutes Fine Wool Company
	5	14 S	14 E	WM	23	NW NW	1.0	Deschutes Fine Wool Company
1892	1	-14-S	-14 E	-WM-	29	NW NW	-2.4	Forrest, Frances
-	1	-14 S	14-E	-WM	29	SW-NW-	-3.0	Forrest, Frances -
-)	-1-	145	14 E	-WM-	29	SENW	8.0	Forrest, Frances
	1	14 S	14 E	WM	30	NE NE	5.6	Forrest, Frances
->	6	14.5	14 E	-WM-	-2 0-	SW-SW-	10:0	Forrest, Frances
->	6	-14-S	14-E	-WM-	-29-	NE NW	5.0	Forrest, Frances -
-	6	14 S	-14 E	-WM-	_29_	-NW-NW_	35.6	Forrest, Frances -
	6	14 S	14 E	WM	30	NE NE	4.4	Forrest, Frances
1898	7-	-14-S	-14-E-	-WM-	29-	-NE NE	0.5	McDowell, D.A.
1897	1	14 S	14 E	WM	26	NE NE	1.0	Messinger, Lucy
	1	14 S	14 E	WM	26	NW NE	15.0	Messinger, Lucy
	_ 1	14 S	14 E	WM	26	NE NW	30.0	Messinger, Lucy
	1	14 S	14 E	WM	26	NW NW	30.0	Messinger, Lucy
1898	1	14 S	14 E	WM	28	NENE	3.5	Weaver, David

The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described.

This certificate describes that portion of the water right confirmed by Certificate 81601, State Record of Water Right Certificates, NOT modified by the provisions of an order of the Water Resources Director entered MAY 0 7 2008, approving Transfer Application T-10233.

The issuance of this superseding certificate does not confirm the status of the water right in regard to the provisions of ORS 540.610 pertaining to forfeiture or abandonment.

WITNESS the signature of the Water Resources Director, affixed MAY 0 7 2008

RECEIVED

MAR 3 1 2009

WATER RESOURCES DEPT SALEM, CREGON

T-10233.RA-dip

Page 2 of 2

Recorded in State Record of Water Right Certificates numbered 83857.

1 10730

From:

Laura Wilke

Sent:

Tuesday, March 03, 2009 3:25 PM

To:

'Terry Sprecher'

Subject:

FW: Transfer review materials for T-10730 (instream)

Attachments: 10730-wm-rev.doc

And here's the WM Evaluation.

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer St. NE, Suite A
Salem, Oregon 97301-1271
Phone: (503) 986-0884
Web: www.wrd.state.or.us

From: Laura Wilke

Sent: Tuesday, March 03, 2009 2:16 PM

To: 'Terry Sprecher'

Subject: Transfer review materials for T-10730 (instream)

Terry:

Here's materials you'll need for review of T-10730:

Review Checklist
DPD template for Instream transfer
Auth POU for Certificate 81601
Auth POU for Certificate 83651
Auth POU for Certificate 83732
DPD cover approve template
DPD cover deny template
PD cover approve template
PD Notice template
ISWR certificate template (generic)
Remaining right certificate template (3 – one for each cert)
Contact list
Deficiency letter template

Supplemental language doc

Please give me a call if you run into any questions with this instream transfer. An example instream transfer to take a look at would be T-9687. And if you look up this transfer in WRIS there's both a remaining right and a confirming instream water right.

Please make sure, as usual, to check completed and pending transfers against the proposed transfer. For example, it looks like there's one transfer that affects 83857, being T-10233 (completed – cert 83857 might be the rr from this transfer). I don't see any other transfers pending against this cert other than T-10730. But you should be able to see what transfers are completed or pending by looking at the individual certificate record, hopefully, including the history at the bottom of the cert record.

I'm going through each transfer one by one instead of sending a mass e-mail. Moving on to the pou and pod transfers next.

Laura

From:

Laura Wilke

Sent:

Monday, August 31, 2009 9:43 AM

To:

'Terry Sprecher'

Subject:

comments recieved on T-10733 & T-10734

Attachments: 10733-comment.ltr.pdf

Howdy Terry – just got in some comments on two of the Daniels Group transfers. These are from the mortgage company and don't raise any injury or enlargement issues – more just expressing interest in the transfers. Got a call last week from them, as well. Very concerned about transfers and potential loss of value to property. They had originally given temporary consent to the transfer but the landowner may have defaulted on the agreement and the end result of the transfers will be to put back less primary than they started out with – potentially reducing the value of the property. Not really anything to address from a transfer perspective except to make note of the comments in the DPD. I'll also make sure they get a copy of the DPD when issued.

Laura

From: Terry Sprecher [terry.sprecher@bendbroadband.com]

Sent: Tuesday, September 01, 2009 10:25 AM

To: Laura Wilke

Subject: RE: Instream Transfer T-10730 / Mitigation Project MP-124 for the Daniels Group

Hi Laura,

I've taken a look at the deficiency letter, revised DPD cover, and revised DPD. Looks like you've got everything covered. Will wait for your comments on T10733 before taking a look at that file.

Thanks.

Terry A. Sprecher, RG, CWRE Sprecher Group DBE/WBE/ESB # 5687

Phone: 541/306-3709 Cell: 541/419-0883

terry.sprecher@bendbroadband.com

From: Laura Wilke [mailto:snedaklk@wrd.state.or.us]

Sent: Wednesday, August 26, 2009 4:02 PM

To: Terry Sprecher

Subject: FW: Instream Transfer T-10730 / Mitigation Project MP-124 for the Daniels Group

Hi Terry – just wanted to let you know that I went ahead and sent the deficiency letter for T-10730. I figured we left something out we can always send another letter later. But please do let me know if you can think of anything else that should be included in an information request.

I'm now working on T-10733 and thinking that we'll also do a deficiency letter on this one too. You came up with a great list of items that should be addressed and most of this stuff would be best to have before we do the DPD. And we definitely can't move forward without the extra \$200.

On T-10733 – I'm also checking in with Jeremy on the reliability comparison between the existing primaries and the new primary. The new primary has to be at least as reliable as the existing, or the transfer won't work. I also asked him for some clarification on his WM Evaluation. He identified that downstream rights benefit from return flows under the current use but didn't identify which water rights benefit. This may or may not be an injury issue that we'll have to take into consideration.

Thanks, Laura

Laura Wilke Flow Restoration Program Coordinator Oregon Water Resources Department 725 Summer St. NE, Suite A Salem, Oregon 97301-1271 Phone: (503) 986-0884

From: Laura Wilke

Web: www.wrd.state.or.us

Sent: Wednesday, August 26, 2009 3:36 PM

To: 'David Newton'

Cc: Jeremy Giffin

Subject: Instream Transfer T-10730 / Mitigation Project MP-124 for the Daniels Group

Hi David:

Attached is a copy of a deficiency letter (and associated attachment) that's going out in the mail for the Daniels Group instream transfer, T-10730. I'm still the work from the contractor on the other transfers and should have further info requests coming along in the near future.

The deficiency letter is being sent to Greg Daniels with a copy to you and to Jeremy Giffin. I wasn't sure what role John Short is playing in these transfers so I didn't send a copy to John but please let me know if the applicant would like copies of materials sent to him as well.

And here's a link to

Thanks, Laura

From:

Laura Wilke

Sent:

Tuesday, August 25, 2009 4:03 PM

To:

'Terry Sprecher'

Subject:

first round on T-10730 (instream for mitigation)

Importance: High

Attachments: 10730-DPD-cov-iswr-MP124 (with edits).doc; 10730-deficiency-ltr-iswr-MP124.doc; 10730-dpd-

approve-iswr-MP124 (with edits).doc; 10730-T3286-map.pdf; FP Map 83850.pdf

Terry - here's the first go round of review for T-10730. I've attached the DPD with edits and the DPD cover letter with edits. I've gone ahead and turned the cover letter into a deficiency letter. I'm thinking a good approach for each of the transfers is to send a deficiency letter for anything you or I turn up as part of review. That way, hopefully, we can have everything we need for the DPD's before we send them to the applicant. And I'm assuming that we'll also have items in the DPD cover letters that will need to be addressed.

Items of note:

- Cert 47267 is not a conflict with any of the rights in T-10730. This right was created when a transfer affected Cert 36478, which resulted in certs 47267 and 43547. Cert 43547 then became certs 83650 and 83651 after another transfer affected cert 43547. I've attached a copy of the transfer map from T-3286, which affected cert 36478.
- See notes in DPD cover explains why a few things are not in the deficiency letter. I also added a few items to the deficiency letter that I identified while reviewing the DPD and cover. I also took a few items out figuring (like items addressing the instream use) that those would be better addressed in the DPD cover when we get to that point.
- I also found the final proof map that goes with the BOR water right. This is their original FP map so it doesn't match up with the current cert (83850) but does show where most of this right is located underneath certs 83857 and 83651. It looks like that they're not proposing to put a new primary under all of the lands covered by cert 83850 - leaving some supplemental without a primary. I've included a note in deficiency letter that they'll either need to include the remaining portion in the instream transfer or cancel that portion that they're not going to put a new primary underneath. I didn't see anything in their cover letter indicating that there's a separate transfer addressing this issue as well. Let me know what you think.

Let me know if you can think of anything else that should be addressed in a deficiency letter. My plan is to mail out the letter on Thursday, if at all possible.

Now I'm moving onto transfer T-

Thanks, Laura

From: Laura Wilke

Sent: Tuesday, August 25, 2009 4:04 PM

To: 'Terry Sprecher'

Subject: first round on T-10730 (instream for mitigation) - with correct deficiency letter copy

Importance: High

Attachments: 10730-deficiency-ltr-iswr-MP124.doc

Terry – here's the first go round of review for T-10730. I've attached the DPD with edits and the DPD cover letter with edits. I've gone ahead and turned the cover letter into a deficiency letter. I'm thinking a good approach for each of the transfers is to send a deficiency letter for anything you or I turn up as part of review. That way, hopefully, we can have everything we need for the DPD's before we send them to the applicant. And I'm assuming that we'll also have items in the DPD cover letters that will need to be addressed.

Items of note:

- Cert 47267 is not a conflict with any of the rights in T-10730. This right was created when a transfer affected Cert 36478, which resulted in certs 47267 and 43547. Cert 43547 then became certs 83650 and 83651 after another transfer affected cert 43547. I've attached a copy of the transfer map from T-3286, which affected cert 36478.
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Let me know if you can think of anything else that should be addressed in a deficiency letter. My plan is to mail out the letter on Thursday, if at all possible.

Now I'm moving onto transfer T-

Thanks, Laura

REIMBURSEMENT AUTHORITY APPLICANT'S AGREEMENT

This Agreement is between the Oregon Water Resources Department, hereafter OWRD, and The Daniels Group, LLC. hereafter Applicants, hereafter known together as the parties.

OWRD Information

Phone:

Fax:

Applicant's Information

The Daniels Group, LLC.

Applicant's Representative

Name: Newton Consultants Inc.

Project Contact: Dorothy Pedersen Title: Water Rights Specialist 725 Summer Street, NE Address:

Email: Dorothy.I.Pedersen@wrd.state.or.us

Address: 1111 Main Street

Project Contact: Dave Newton Contact: Gregory W. Daniels Address: 521 SW 6th Street, Suite 100 Redmond, OR 97756 Suite 700

Salem, OR 97301-1271 Vancouver, WA 98660 Phone Number: 541-504-9960 503 986-0811 Phone Number: 360-694-5700 Fax Number: 541-504-9961 503 986-0901

> Fax Number: 360-695-1201 Email: dnewton@newtonconsultants.com

Email: greg@thedanielsgroupllc.com

1. Purpose The purpose of this Agreement is to expedite the processing of the Transfer Application. (Application Number: T-10730)

- 2. Authority The OWRD has been authorized pursuant to HB 2551(2003 Oregon Laws) to enter into a voluntary agreement with any applicant, permittee or regulated entity (collectively Applicant) for expediting or enhancing a regulatory process. In making this agreement, OWRD shall require the applicant to pay the full cost of expedited process.
- 3. Restrictions. The Daniels Group, LLC, and OWRD agree that this Agreement shall not be construed to restrict in any way the decisions and actions by OWRD. OWRD shall be free to exercise independent judgment consistent with existing laws and regulations.
- 4. Effective Date and Duration. Unless otherwise terminated by non-deposit of funds by the Applicant, this Agreement shall become effective on the date on which both parties have signed the Agreement and the full deposit of the estimated cost of the proposed service.
- 5. Statement of Work. The Statement of Work is contained in Exhibit A attached hereto and incorporated by reference into this Agreement. OWRD agrees to perform this work in accordance with the terms and conditions of this Agreement.

6. Consideration.

- a. The Daniels Group, LLC. shall pay OWRD in advance for actual costs incurred by OWRD as specified in the Statement of work attached and incorporated as Exhibit A. The estimated maximum reimbursement payable to OWRD under this Agreement is \$5,160.00-\$6,000.00 The Daniels Group, LLC. agrees to pay the full amount of \$5,160.00 \$6,000.00 to OWRD prior to commencement of any work stated in this Agreement. This payment will be placed in an account administered by OWRD and drawn upon as costs are actually incurred. If the actual cost of performing the work is less than payments received, OWRD will refund the unspent balance. If the actual cost of processing exceeds the estimate, the Applicant can either elect to terminate this Agreement or amend the Agreement to reflect the increase in cost.
- b. The costs stated in this Agreement do not include the statutory application processing and filing fees.
- 7. Subcontracts. OWRD intends to undertake the work described in this Agreement by assigning the work to a contractor from its established pre-qualified contractor pool

- 8. Contract Documents. This Agreement consists of the following documents which are listed in descending order of precedence: this Agreement and the attached Exhibit A. All attached Exhibits are incorporated into this Agreement by reference.
- 9. Confidentiality. The Daniels Group, LLC. agrees that any information provided to or acquired by OWRD under this Agreement will be subject to the Oregon Public Records Law and shall be considered public records.
- 10. Indemnity. Applicant shall defend, save, hold harmless, and indemnify the State of Oregon, OWRD, Sprecher Group (Contractor) and their officers, employees, and agents from and against all claims, suits, actions, losses, damages, liabilities, costs and expenses of any nature resulting from or arising out of, or relating to the activities of Applicant or its representatives, officers, employees, contractors, or agents under this Agreement or with respect to the expedited service. The Applicant acknowledges that the Oregon Water Resources Department cannot and does not guarantee a favorable review under the subject regulatory process.
- 11. Termination. Applicant may request to terminate this agreement only in writing at anytime during the process. The Applicant agrees to pay for the work done by the Contractor up until the time of the written termination request. OWRD, upon receiving such written termination request from the Applicant and appropriately notifying the Contractor, will refund any unspent balance after paying the contractor for the work done.
- 12. Funds Authorized and Available. By its execution of this Agreement, Applicants certify that sufficient funds are authorized and available to cover the expenditures contemplated by this Agreement.
- 13. Duration of Estimate. The Estimate of Time to complete the work in Exhibit A (Statement of Work) becomes null and void after thirty- (30) days from the date the Applicant's Agreement is mailed. If the Applicant's Agreement is not received by the Department within thirty (30) days of mailing the Agreement, the Applicant must re-apply for a new estimate.
- 14. Completion Date. OWRD, by the execution of this Agreement does not guarantee the completion date indicated in this Agreement. Completion date is only an estimate and may be affected by the Department's workload, issues arising from the processing of the requested services and Applicant's timely response to requests for additional information.
- 15. Captions. The captions or headings in this Agreement are for the convenience only and in no way define limit or describe the scope or intent of any provision of this Agreement.
- 16. Amendment and Merger. The terms of this Agreement shall not be waived, altered, modified, supplemented or amended in any manner whatsoever, except by written instrument signed by both parties. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements or representations, oral or written, not specified herein regarding this Agreement.
- 17. Signatures. All parties, by the authorized representative's signature below, hereby acknowledge that they have read this Agreement, understand it and agree to be bound by its terms and conditions.

For The Dani	els Group, LLC.By:	3-31-2011
	Gregory Daniels, Managing Member	Date
For OWRD:		
	Tracy Louden – Administrator Date	

Mail signed Agreement to:

Salem Opeifa Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1271

Exhibit A

Statement of Work

Application Number: The Daniels Group, LLC.

Name of Applicant: T-10730

Reimbursement Authority Process Itemized Estimate Sheet

For Transfer

777 500	Item	10.0 0.0 10 1 12.0 1.0 13		
	Item	Original	Requested	Total
1	Review of application for completeness.	10.0	0.0	10.0
2	Review of "From" lands to confirm consistency with existing right(s) and ownership.	12.0	1.0	13.0
3	Review of "To" lands for conflicts and preparation of draft deficiency letter (if necessary).	5.0	0.0	5.0
4	Preparation of draft preliminary determination, DPD cover letter and contact list.	6.0	0.0	6.0
5	Preparation of PD public notice, PD cover letter (and remaining right certificate(s) if necessary), and processing documentation.	10.0	6.0	16.0
	Total Estimated Time:	43.0	7.0	50.0

Total estimated cost is 43.0 50.0 hours at \$120.00 per hour = \$5,160.00 \$6,000.00

Total Requested Amount = \$6,000.00 - \$5,160.00 = \$840.00

Proposed Completion of Draft Preliminary Determination: - TBD. *

*Dates are contingent on the Applicant's expeditious resolution of any deficiency and may be affected by Department's work load.

Contacts for Application T-10730

Applicant:

The Daniels Group, LLC, Attention Greg Daniels

1111 Main Street, Suite 700

Vancouver, Washington 98660

Phone:

(360) 694-6000

Fax:

(360) 695-1201

E-mail:

greg@thedanielsgroupllc.com

Agent:

Newton Consultants, Attention David Newton

521 SW 6th Street, Suite 100

Redmond, Oregon 97756

Phone:

(541) 504-9960, x211

Fax:

(541) 504-9961

E-mail:

dnewton@newtonconsultants.com

Receiving Landowner:

N/A - instream transfer

Current Landowners in Addition to Applicant:

Dallon Miles, 16915 NW O'Neil Hwy, Redmond, OR 97745 Butler Ranch, Inc., 5294 Lone Pine Road, Terrebonne, OR 97706

CWRE:

David Newton - CWRE #

District # 11Watermaster - Jeremy Giffin

Local and Tribal Governments:

Crook County, 300 NE 3rd Street, Prineville, OR 97754 Deschutes County Jefferson County

Commenters:

None

Irrigation Districts:

Low Line Ditch Company, 13223 NW O'Neil Highway, Redmond, OR 97756 US Bureau of Reclamation, 1150 N Curtis Road, Boise, ID 83706-1234

From: Jim Newton [jnewton@newtonconsultants.com]

Sent: Friday, January 30, 2009 2:44 PM

To: Salem Opeifa

Cc: Laura Wilke; Dorothy Pedersen; Sarah Henderson

Subject: RE: The Daniels Group Reimbursement Authority Estimates T-10730 to 10734

Thanks Salem, ~Jim

James B. Newton, R.G. Senior Staff Geologist



521 SW 6th Street, Suite 100 Redmond, Oregon 97756 541 504-9960 x235 541 504-9961 fax jnewton@newtonconsultants.com

From: Salem Opeifa [mailto:opeifasb@wrd.state.or.us]

Sent: Friday, January 30, 2009 2:16 PM

To: Jim Newton

Cc: Laura Wilke; Dorothy Pedersen; Sarah Henderson

Subject: RE: The Daniels Group Reimbursement Authority Estimates T-10730 to 10734

Here they are corrected as you suggested. I am copying Dorothy and Laura to let them know that the address and phone number on the applications is incorrect. Thanks for bringing that to our attention.

From: Jim Newton [mailto:jnewton@newtonconsultants.com]

Sent: Friday, January 30, 2009 11:51 AM

To: Salem Opeifa

Subject: The Daniels Group Reimbursement Authority Estimates T-10730 to 10734

Hi Salem

LLC.

On the reimbursement authority agreements for The Daniels Group, LLC there are a few errors on the contract forms and thought it would be best if you could just correct the contracts and resend to us for the applicant's approval.

The corrections are:

-The Greg Daniels Group, LLC should be **The Daniels Group, LLC** (no Greg)

This changes all of the references throughout the contract that call out The Greg Daniels Group,

- -The Contact Name should be: Gregory W. Daniels, as opposed to just Greg.
- -The address should read 1111 Main Street, the contract lists 111.
- -The contact telephone number should be 360-694-5700

I also realized that the address and telephone numbers should also be updated on the transfer application, which

will affect the mailing list the contractor will prepare and the address on the DPD & PD. Because of this, can you forward these corrections to Dorothy, Linda, and the contractor so the contact list is correct when things are mailed out? Although, it appears that the online contact info listed under the transfer numbers is correct Let me know if you have any questions or if there is anything else that you need.

Best Regards, ~Jim

James B. Newton, R.G. Senior Staff Geologist



521 SW 6th Street, Suite 100 Redmond, Oregon 97756 541 504-9960 x235 541 504-9961 fax jnewton@newtonconsultants.com

Appl	ication	Num	ber	10	730
* Apriles	I CHILDII		200		1 40 19

0 141 count #4115 01

Name of Applicant: Greg Daniels, The Daniels Group LLC

Proposed Timeline

12/02/08	Public Notice (start of 30-day comment period). $\rightarrow 3-4$
01/16/09	Completion of draft preliminary determination—I week after contracts signed and removal of deficiencies, but not before the end of the Public Notice comment period and receipt of all agency reviews (Watermaster, groundwater and ODFW as applicable).
02/21/08	Deadline for applicant review of draft preliminary determination30 days or more after draft PD mailed to applicant, depending on issues to be resolved.
5 working days after DPD comments received	Completion of contract work: Submittal of PD cover letter, PD public notice (and remaining rights certificates if applicable)within S business days after comments received from applicant that the draft is satisfactory, or after the end of the period for applicant to comment on draft PD and remedy deficiencies.

For purposes of water right transfers, all deliverables must be in Microsoft Word except remaining right certificates for which electronic copies of the existing certificates are currently available in WordPerfect.

1 Transfer is estat & relief transfer

Estimate

	Item	Time
1	Review of application for completeness.	15
2	Review of "From" lands to confirm consistency with existing right(s) and ownership.	25
3	Review of "To" lands for conflicts and preparation of draft deficiency letter (if necessary).	3
4	Preparation of draft preliminary determination, DPD cover letter and contact list.	6
5	Preparation of PD public notice, PD cover letter (and remaining right certificate(s) if necessary), and processing documentation.	14
	Total Estimated Time:	70

(Indicate the estimated amount of time, in ½ hour increments, needed to complete each item listed.)

Prior to preparing an estimate, contact Department staff if work could not be performed consistent with the proposed timeline. In developing the estimate, review the transfer application, transfer map, existing certificate, and final proof map. Pay particular attention to the clarity of the existing rights and the complexity of the request.

Name of Consultant: Terry Sprecher		
Authorized Representative:	Date:	12/6/10

Application Number 10732

1.45 , reject 4 4115 03

Name of Applicant: Greg Daniels, The Daniels Group LLC

Proposed Timeline

12/02/08	Public Notice (start of 30-day comment period).
01/16/09	Completion of draft preliminary determination—Fweek after contracts signed and removal of deficiencies, but not before the end of the Public Notice comment period and receipt of all agency reviews (Watermaster, groundwater and ODFW as applicable).
02/21/08	Deadline for applicant review of draft preliminary determination30 days or more after draft PD mailed to applicant, depending on issues to be resolved.
5 working days after DPD comments received	Completion of contract work: Submittal of PD cover letter, PD public notice (and remaining rights certificates if applicable)within 5 business days after comments received from applicant that the draft is satisfactory, or after the end of the period for applicant to comment on draft PD and remedy deficiencies.

Estimate

	Item	Time
1	Review of application for completeness.	4
2	Review of "From" lands to confirm consistency with existing right(s) and ownership.	4
3	Review of "To" lands for conflicts and preparation of draft deficiency letter (if necessary).	3
4	Preparation of draft preliminary determination, DPD cover letter and contact list.	2
5	Preparation of PD public notice, PD cover letter (and remaining right certificate(s) if necessary), and processing documentation.	2
	Total Estimated Time:	15

(Indicate the estimated amount of time, in ½ hour increments, needed to complete each item listed.)

Prior to preparing an estimate, contact Department staff if work could not be performed consistent with the proposed timeline. In developing the estimate, review the transfer application, transfer map, existing certificate, and final proof map. Pay particular attention to the clarity of the existing rights and the complexity of the request.

Name of Consultant: Terry S	Sprecher		
Authorized Representative:	Ju -	Date:	12/8/08

Revised 11/5/2004 DIP

Application Number 10731

TAI pape + # 4115.02

Name of Applicant: Greg Daniels, The Daniels Group LLC

Proposed Timeline

12/02/08	Public Notice (start of 30-day comment period)> 1-4
01/16/09	Completion of draft preliminary determination—Y week after contracts signed and removal of deficiencies, but not before the end of the Public Notice comment period and receipt of all agency reviews (Watermaster, groundwater and ODFW as applicable).
02/21/08	Deadline for applicant review of draft preliminary determination30 days or more after draft PD mailed to applicant, depending on issues to be resolved.
5 working days after DPD comments received	Completion of contract work: Submittal of PD cover letter, PD public notice (and remaining rights certificates if applicable)within 5 business days after comments received from applicant that the draft is satisfactory, or after the end of the period for applicant to comment on draft PD and remedy deficiencies.

For purposes of water right transfers, all deliverables must be in Microsoft Word except remaining right certificates for which electronic copies of the existing certificates are currently available in WordPerfect.

1 Transfer a set of 5 relited transfer. Estimate

	Item	Time
1	Review of application for completeness.	5
2	Review of "From" lands to confirm consistency with existing right(s) and ownership.	4
3	Review of "To" lands for conflicts and preparation of draft deficiency letter (if necessary).	3
4	Preparation of draft preliminary determination, DPD cover letter and contact list.	3
5	Preparation of PD public notice, PD cover letter (and remaining right certificate(s) if necessary), and processing documentation.	3
	Total Estimated Time:	18

(Indicate the estimated amount of time, in 1/2 hour increments, needed to complete each item listed.)

Prior to preparing an estimate, contact Department staff if work could not be performed consistent with the proposed timeline. In developing the estimate, review the transfer application, transfer map, existing certificate, and final proof map. Pay particular attention to the clarity of the existing rights and the complexity of the request.

Name of Consultant: Terry S	precher			
Authorized Representative:	5	Date:	12/8/02	

Ar	m	ication	Num	ber	10	73	4
	////	10ation		001	A 7/		

12/02/08

01/16/09

02/21/08

5 working days after

comments

received

DPD

TAI project # 4115.05

Name of Applicant: Greg Daniels, The Daniels Group LLC

and remedy deficiencies.

Proposed Timeline

	_ 3 /
	Public Notice (start of 30-day comment period).
-	Completion of draft preliminary determination—week after contracts signed and removal of deficiencies, but not before the end of the Public Notice comment period and receipt of all agency reviews (Watermaster, groundwater and ODFW as applicable).
İ	Deadline for applicant review of draft preliminary determination30 days or more after draft PD mailed to applicant, depending on issues to be resolved.
	Completion of contract work: Submittal of PD cover letter, PD public notice (and remaining rights certificates if applicable)—within 5 business days after comments received from applicant that the draft is satisfactory, or after the end of the period for applicant to comment on draft PD

For purposes of water right transfers, all deliverables must be in Microsoft Word except remaining right certificates for which electronic copies of the existing certificates are currently available in WordPerfect. Transfer in a fet of 5 related transfers.

610-15

Estimate

	Item	Time
1	Review of application for completeness.	6
2	Review of "From" lands to confirm consistency with existing right(s) and ownership.	6
3	Review of "To" lands for conflicts and preparation of draft deficiency letter (if necessary).	7
4	Preparation of draft preliminary determination, DPD cover letter and contact list.	4
5	Preparation of PD public notice, PD cover letter (and remaining right certificate(s) if necessary), and processing documentation.	5
	Total Estimated Time:	28

(Indicate the estimated amount of time, in 1/2 hour increments, needed to complete each item listed.)

Prior to preparing an estimate, contact Department staff if work could not be performed consistent with the proposed timeline. In developing the estimate, review the transfer application, transfer map, existing certificate, and final proof map. Pay particular attention to the clarity of the existing rights and the complexity of the request.

Name of Consultant: Terry S	precher		
Authorized Representative:	J	Date:	12/8/02

Revised 11/5/2004 DIP

		10777
Application	Numb	er 10/33

Its orgent 4 411504

Name of Applicant: Greg Daniels, The Daniels Group LLC

Proposed Timeline

12/02/08	Public Notice (start of 30-day comment period)> 3 -4
01/16/09	Completion of draft preliminary determination— week after contracts signed and removal of deficiencies, but not before the end of the Public Notice comment period and receipt of all agency reviews (Watermaster, groundwater and ODFW as applicable).
02/21/08	Deadline for applicant review of draft preliminary determination30 days or more after draft PD mailed to applicant, depending on issues to be resolved.
5 working days after DPD comments received	Completion of contract work: Submittal of PD cover letter, PD public notice (and remaining rights certificates if applicable)within 5 business days after comments received from applicant that the draft is satisfactory, or after the end of the period for applicant to comment on draft PD and remedy deficiencies.

For purposes of water right transfers, all deliverables must be in Microsoft Word except remaining right certificates for which electronic copies of the existing certificates are currently available in WordPerfect.

I Transfer in a set of 5 relited transfer

Estimate

	Item	Time
1	Review of application for completeness.	li
2	Review of "From" lands to confirm consistency with existing right(s) and ownership.	5
3	Review of "To" lands for conflicts and preparation of draft deficiency letter (if necessary).	l:
4	Preparation of draft preliminary determination, DPD cover letter and contact list.	4
5	Preparation of PD public notice, PD cover letter (and remaining right certificate(s) if necessary), and processing documentation.	5
	Total Estimated Time:	24

(Indicate the estimated amount of time, in 1/2 hour increments, needed to complete each item listed.)

Prior to preparing an estimate, contact Department staff if work could not be performed consistent with the proposed timeline. In developing the estimate, review the transfer application, transfer map, existing certificate, and final proof map. Pay particular attention to the clarity of the existing rights and the complexity of the request.

Name of Consultant: Terry S	precher		
Authorized Representative:	7-	Date:	12/8/08

From:

Laura Wilke

Sent:

Tuesday, March 03, 2009 2:16 PM

To:

'Terry Sprecher'

Subject:

Transfer review materials for T-10730 (instream)

Attachments: 10730-RA-ReviewChecklist.doc; 10730-auth-pou-83651.doc; 10730-auth-pou-83732.doc; 10730-auth-pou-83857.doc; 10730-dpd-iswr-template-MP124.doc; 10730-iswr-cert-template-MP124.doc; 10730-DPD Cover Approval.doc; 10730-DPD Cover deny.doc; 10730-PD Covertemplate.doc; 10730-rr-83857-template.doc; 10730-rr-83651-template.doc; 10730-rr-83732template.doc; 10730-PD-notice-template.doc; supplemental-lang.dot; Contact List.dot;

Defict et dot

Terry:

Here's materials you'll need for review of T-10730:

Review Checklist DPD template for Instream transfer Auth POU for Certificate 81601 Auth POU for Certificate 83651 Auth POU for Certificate 83732 DPD cover approve template DPD cover deny template PD cover approve template PD Notice template

ISWR certificate template (generic)

Remaining right certificate template (3 – one for each cert)

Contact list

Deficiency letter template Supplemental language doc

Please give me a call if you run into any questions with this instream transfer. An example instream transfer to take a look at would be T-9687. And if you look up this transfer in WRIS there's both a remaining right and a confirming instream water right.

Please make sure, as usual, to check completed and pending transfers against the proposed transfer. For example, it looks like there's one transfer that affects 83857, being T-10233 (completed - cert 83857 might be the rr from this transfer). I don't see any other transfers pending against this cert other than T-10730. But you should be able to see what transfers are completed or pending by looking at the individual certificate record, hopefully, including the history at the bottom of the cert record.

I'm going through each transfer one by one instead of sending a mass e-mail. Moving on to the pou and pod transfers next.

Laura

From:

Salem Opeifa

Sent: To:

Friday, February 27, 2009 3:48 PM Terry Sprecher; Laura Wilke

Subject:

RE: The Daniels Group's Transfer Files

Attachments:

WORK ORDER R09 197 09.pdf; WORK ORDER R09 198 09.pdf; WORK ORDER R09 199

09.pdf: WORK ORDER R09 200 09.pdf; WORK ORDER R09 201 09.pdf











WORK ORDER R09 WORK ORDER R09 WORK ORDER R09 WORK ORDER R09 WORK ORDER R09 197 09.pdf (70 ... 198 09.pdf (70 ... 199 09.pdf (70 ... 200 09.pdf (70 ... 201 09.pdf (70 ... Terry,

Here they are. Please review and let me know if the deliverable date is okay with you.

----Original Message----

From: Terry Sprecher [mailto:terry.sprecher@bendbroadband.com]

Sent: Friday, February 27, 2009 10:43 AM

To: Laura Wilke; Salem Opeifa

Subject: RE: The Daniels Group's Transfer Files

Great news!

Have a nice weekend, both of you.

Terry A. Sprecher, RG, CWRE 541/419-0883

terry.sprecher@bendbroadband.com

----Original Message----

From: Laura Wilke [mailto:snedaklk@wrd.state.or.us]

Sent: Friday, February 27, 2009 9:06 AM

To: Salem Opeifa Cc: Terry Sprecher

Subject: RE: The Daniels Group's Transfer Files

Thanks Salem! Just let me know when Terry and I are ready to roll and I'll get her all the materials she needs to do the review.

Laura

Laura Wilke Flow Restoration Program Coordinator Oregon Water Resources Department 725 Summer St. NE, Suite A Salem, Oregon 97301-1271 Phone: (503) 986-0884 Web: www.wrd.state.or.us

----Original Message----

From: Salem Opeifa

Sent: Thursday, February 26, 2009 5:19 PM

To: Laura Wilke Cc: Terry Sprecher

Subject: The Daniels Group's Transfer Files

Laura,

I just received the packet from Martha, but I am way past when I should be out of here. So, sometime tomorrow I should have the work order ready.

Salem Opeifa

Loan Servicing Specialist Phone: (503) 986-0929 Fax: (503) 986-0904

WORK ORDER

Work Order #: R09 197 09

Water Right Contract Work

This Work Order hereby incorporates by reference all of the terms and conditions contained in the Price Agreement between the State of Oregon acting by and through Oregon Water Resources Department and **Terry Sprecher**.

Contractor Data	Water Resource Data	
Project Contact: Terry Sprecher	Project Officer: Dorothy Pedersen	
Title:	Transfer Adviser	
Address: 551 NW Trenton Avenue Bend, Oregon 97701 Phone: (541) 419-0883 Fax: E-Mail: terry.sprecher@bendbroadband.com	Address: 725 Summer Street NE, Suite A Phone: (503) 986-0890 Fax: (503) 986-0903 E-Mail: Dorothy.l.Pedersen@wrd.state.or.us	

Work Order Effective Date: February 27, 2009.

Part I. General Information. This Work Order is in effect between the contractor and the Department for the processing of water right applications as described in the Master Agreement

Part II. Work; Acceptance Criteria; Deliverables and Delivery Schedule: - See Exhibit A (Statement of Work for delivery schedule.

Part III. Special Considerations. There is no Special Consideration related to this Work Order.

Part IV. Payment Provisions. Unless otherwise specified, payments related to this Work Order shall be made only upon receipt and approval of the final product - The Product includes all deliverables - the Final Check List, Electronic and Paper Reports.

Payment for this work shall be processed upon receiving related invoice and the completed Deliverable Cover Sheet.

Part V. Travel and Other Expenses.

Agency shall not reimburse Contractor for any travel expense under this Contract.

Part VI. Contract Amendments.

The Agency reserves the right to amend the Contract for the Anticipated Amendments, listed below, in accordance with the rules of OAR 125-246-0560.

ANTICIPATED AMENDMENTS

None. Unless specified by the Agency.

Exhibit A Reimbursement Authority Process Itemized Estimate Sheet For Transfer Application

Application Number: T-10730

Name of Applicant: The Daniels Group, LLC.

	Item	Time
1	Review of application for completeness.	10.0
2	Review of "From" lands to confirm consistency with existing right(s) and ownership.	12.0
3	Review of "To" lands for conflicts and preparation of draft deficiency letter (if necessary).	5.0
4	Preparation of draft preliminary determination, DPD cover letter and contact list.	6.0
5	Preparation of PD public notice, PD cover letter (and remaining right certificate(s) if necessary), and processing documentation.	10.0
	Total Estimated Time:	43.0

Estimated date of completion of the Draft Preliminary Determination: - March 23, 2009*

Total estimated cost is 43.0 hours at \$90.00 per hour = \$3,870.00

Maximum compensation under this Work Order is \$3,870.00 (43.0 X \$90.00/hr)

Contractor shall notify OWRD in advance if more than 43.0 hours is needed to complete the work described in the Statement of Work above.

Invoices for this Work Order shall be sent to:

Salem Opeifa Oregon Water Resources Department Loan Servicing Specialist 725 Summer Street NE, Suite A Salem, OR 97301-1271

CONTRACTOR, YOU WILL NOT BE PAID FOR SERVICES RENDERED PRIOR TO NECESSARY APPROVALS.

Agency may terminate this Work Order:

- a. Immediately upon written notice if the Department fails to receive funding from the Applicant.
- b. Upon receiving a written Termination Notice from the Applicant.

Contractor will be paid for all work performed up to the time of the written Termination Notice but not to exceed the total amount of this Work Order.

Name Signature Date APPROVED BY AGENCY: Tracy Louden Date Administrator Administrator Administrative Services Oregon Water Resources Department Reviewed as to Legal Sufficiency by Assistant Attorney General Date

(All work orders more than \$75,000 must be approved by the AG's Office)

Shipping Checklist for Reimbursement Authority Files

File T- <u>10730</u>	Applicant: Greg Daniels, The Daniels Group LLC
Agent/Contact: D	David Newton
Ship to Contracto	or: Terry Sprecher
Items included:	of file folder
	over Letter, if there is one
☐ Transfer Appl	
Transfer map	
Evidence of U	
	ocumentation for evidence of use
Land-use Info	
	ocumentation or Need to ask for ownership info in DPD cover letter
	copy of decree for each right to be transferred
	ap or decree map for each right to be transferred
	hange in POA, SW POD-to-GW POA change) or NA
•	review or Will email watermaster review when available
	(if change in POD) or Will send later or NA
	POA change or POD-to-POA change) or Will send later or NA
Final Delivera	
X Itemized Estir	mate sheet for contractor
Additional thing	s to check: olication processing fees paid
Reimburseme	ent Authority \$125 fee paid for preparing estimate
Date of WRD	initial Public Notice 12/02/2008
Number of sheets	s copied <u>68</u>
File contents cop	ied by Sarah Henderson Date: December 4, 2008

Reimbursement Authority Final Deliverables Cover Sheet

Transfers

Trans	fer # <u>10730</u>	Applicant: Greg Daniels, The Daniels C	Group, LLC
The f	ollowing items have	e been submitted electronically*:	
	Contact List		
	Draft Preliminary	Determination (DPD)	
	DPD Cover Letter		
	PD Notice		
	PD Cover Letter		
	Remaining Right (transfer)	Certificates (one for each right that is not en	tirely affected by the
	Instream Water Ri	ight Certificate (if needed)	
*NOT		ents should be submitted in MS Word forma	at preferably, or "rich text"
The f	ollowing items are	enclosed:	
	Review checklist		
	Marked copy of tra	ansfer application	
	(for POU changes) lands) Plat Card Report marked to indicate any of	ther rights on the "From"
	(for POU changes)) Plat Card Report marked to indicate rights	overlapping proposed POU
		maps, etc. from evaluation of changes, inju- at was considered in reaching the findings a mination.	
		tificate that is only partially included in the ion of the right is being affected, and what r	
	Signature of Cont	tractor:	_ Date:
For I	WRD use only:		
WRD	approval by:		Date:

Application Number 10730

Name of Applicant: Greg Daniels, The Daniels Group LLC

Proposed Timeline

12/02/08	Public Notice (start of 30-day comment period).
01/16/09	Completion of draft preliminary determination1 week after contracts signed and removal of deficiencies, but not before the end of the Public Notice comment period and receipt of all agency reviews (Watermaster, groundwater and ODFW as applicable).
02/21/08	Deadline for applicant review of draft preliminary determination30 days or more after draft PD mailed to applicant, depending on issues to be resolved.
5 working days after DPD comments received	Completion of contract work: Submittal of PD cover letter, PD public notice (and remaining rights certificates if applicable)within 5 business days after comments received from applicant that the draft is satisfactory, or after the end of the period for applicant to comment on draft PD and remedy deficiencies.

For purposes of water right transfers, all deliverables must be in Microsoft Word except remaining right certificates for which electronic copies of the existing certificates are currently available in WordPerfect.

Estimate

	Item	Time
1	Review of application for completeness.	
2	Review of "From" lands to confirm consistency with existing right(s) and ownership.	
3	Review of "To" lands for conflicts and preparation of draft deficiency letter (if necessary).	
4	Preparation of draft preliminary determination, DPD cover letter and contact list.	
5	Preparation of PD public notice, PD cover letter (and remaining right certificate(s) if necessary), and processing documentation.	
	Total Estimated Time:	

(Indicate the estimated amount of time, in 1/2 hour increments, needed to complete each item listed.)

Prior to preparing an estimate, contact Department staff if work could not be performed consistent with the proposed timeline. In developing the estimate, review the transfer application, transfer map, existing certificate, and final proof map. Pay particular attention to the clarity of the existing rights and the complexity of the request.

Name of Consultant: Terry Sprecher		
Authorized Representative:	Date:	

Review Checkhist 1-10/30 Processor. KA	
Application	
☐ The type of change is clearly indicated.	
☐ The application is appropriately signed.	
☐ Appropriate fees were paid. ☐ If overpayment, Refund Request to be sent with	FO
Land use form matches affected tax lots and is signed by proper official. (from ALL affected Co	Govt's)
☐ Ditch company, district and/or BOR, sent a copy of the application and map, if appropriate.	
All required attachments received.	
Water right subject to transfer	
Certificated right or Proof accepted "to the satisfaction"	
☐ The right been exercised according to terms & conditions of certificate.	
Delivery system has the capacity to fully divert the rate/duty of the right.	
No information in record that suggests forfeiture.	
No conflicts identified on the plat cards and plat card reports printed.	
Affidavits prepared for rights that need to be canceled or diminished.	
Application Map	
☐ The map has an original CWRE signature.	
☐ The map size and scale accurate and appropriate per OAR 690-380-3100(1)(b)(c)&(d).	
☐ All authorized and proposed POD's/POA's and POU's shown and clearly labeled.	
Metes and bounds for the POD's/POA's are properly described on the map.	
The POD/POA dimensions & 1/4 1/4 on map match the transfer application and certificate descr	iptions.
Map acres match the tabulation on the certificate.	
☐ Have final proof maps/decree maps for the rights. ☐ Application map matches certificate FI	PS.
Have necessary aerial photos.	
Determining the "From" and "To" Lands (make working copy of application and certificates in	to mark on)
Only the authorized POD's/POA's and POUs to be transferred are listed.	
Application & certificate tabulations match. (Mark on appl. and cert. copies and note correction)	ons needed)
Marked on certificate the acreage being transferred, cancelled and remaining by 1/4 1/4.	
Ownership	
The deed/ROLI matches the <u>"from"</u> lands. (Don't need to check "to" lands.)	
Have current tax lot map. (If transfer application is several years old, contact assessor's office	:e)
The applicant is the owner of the "from" lands.	
All owners on the deed/ROLI have signed the application.	
If necessary, there is a notarized, signed statement of consent from landowners other than app	licant.
If necessary, there is a copy of written notification to each lien holder identified on ROLI.	
Agent has authorization to make decisions.	
Evaluation	
Reviews/comments/conditions received?	
	and maintain
	and maintain
Fish Screen Devices	
Injury: Y N Enlargement: Y N	
Conditions to avoid enlargement/injury –	
Materials needed for peer reviewer	
	rtificate marked
deed/ROLI (if marked) plat card marked printout (if POU or Use cl	nange)
other processing notes	

RA Processor Checklist last revised 1/14/2008

WATER RESOURCES DEPARTMENT REIMBURSEMENT AUTHORITY ESTIMATE APPLICATION

House Bill 2551(2003 Oregon Laws) authorizes the Oregon Water Resources Department to expedite or enhance regulatory processes voluntarily requested under the agreement. The voluntary agreement can be entered into with any person requesting services and agreeing to pay the Department's costs of providing the service.

The Department has established a pool of qualified contractors to perform expedited services for water right transfers and water right certificates.

The purpose of this application is to obtain an estimate from the next qualified contractor in the appropriate pool. There is a non-refundable application fee of \$125.00 per request. The contractor will provide an estimate of the cost and of the time required to process and develop a recommendation on the request of a: (check one):

REQUEST	TYPE	FILE NUMBER
×	Transfer Application	_See Enclosed Transfer_
	Certificate Request	(81601, 83651 & 83732)

Applicant Information

Applicant's Depresentative/Contact

	Applicant Intol tuation	repriedit 3 Representative/contact
Name: (Please Print)	Greg Daniels (The Daniels Group, LLC)	David J. Newton, Newton Consultants
Address:	111 Main Street, Suite 700	521 SW 6th Street, Suite 100
	Vancouver, WA 98660	Redmond, OR 97756
Phone:	360-694-6000	541-504-9960
Fax	360-695-1201	541-504-9961
E-Mail Address:	greg@thedanielsgroupllc.com	dnewton@newtonconsultants.com

I understand the following:

- There is a non-refundable application fee of \$125.00 per request.
- That upon receipt of my non-refundable application fee in the amount of \$ 125.00. OWRD will assign my request to the next contractor in the pool of contractors performing expedited services.
- That this fee covers the copying, the mailing cost, as well as the cost for the contractor to evaluate and provide the estimate for processing of the request.
- That OWRD will provide all pertinent information to the assigned contractor within one (1) business day.
- That OWRD will, within fourteen (14) days, notify me in writing of the estimates of costs and time frame for the expedited service.
- That upon receiving the estimates I may agree or decline to enter into a formal contract to pay the estimated cost in advance to initiate the expedited service.
- An Incomplete of inaccurate application may delay the process and increase the cost to process my request.
- Expedited processing does not guarantee a favorable review of my request,

certify that I am the (check one) Applicant Applicant's Repres	cntative LI Other (Please specify)
Signature: Name Name Name	ne: Divid J. Newton
OWRD USE ONLY	
Contractor Assigned: TOVY Corecher	Total Amount Paid: \$
OWRD Approval:	

Revised 6-21/2004



STATE OF OREGON

WATER RESOURCES DEPARTMENT

RECEIPT # 95005

725 Summer St. N.E. Ste. A

SALEM, OR 97301-4172 (503) 986-0900 / (503) 986-0904 (fax) INVOICE #

RECEIVED FRO	M: 904 The	Daniels	GIOUD	APPLICATION	
BY:	70 1		46	PERMIT	
	HECK:# OTHE	B. (IDENTIEV)		TRANSFER	T10730
	X 191 0			TOTAL REC'D	\$700.00
1083	TREASURY 41	170 WRD M	ISC CASH A	CCT	
0407	COPIES				\$
_	OTHER: (IDEN	TIFY)			\$
0243 I/S L	ease 0244 Mun	i Water Mgmt. Pla	n 024	5 Cons. Water	
	42	270 WRD O	PERATING A	ACCT	
	MISCELLANEOUS		111 111		
0407	COPY & TAPE FEES		76111		\$
0410	RESEARCH FEES				\$
0408	MISC REVENUE: (IDE	NTIFY)			\$
TC162	DEPOSIT LIAB. (IDEN	TIFY)			\$
0240	EXTENSION OF TIME				\$
	WATER RIGHTS:		EXAM FEE		RECORD FEE
0201	SURFACE WATER		\$	0202	\$
0203	GROUND WATER		\$	0204	\$
0205	TRANSFER		\$ 700,00		
	WELL CONSTRUCTION	N	EXAM FEE		LICENSE FEE
0218	WELL DRILL CONSTRU	JCTOR	\$	0219	\$
	LANDOWNER'S PERM	IT		0220	\$
	OTHER (ID	ENTIFY)			
0536	TREASURY 04	137 WELL (CONST. STAI	RT FEE	
0211	WELL CONST START F		\$	CARD#	
0210	MONITORING WELLS		\$	CARD#	
0210			9	CARD#	1
_	OTHER (ID	DENTIFY)			
0607	TREASURY 04	467 HYDRO	ACTIVITY	LIC NUMBER	
0233	POWER LICENSE FEE	(FW/WRD)			\$
0231	HYDRO LICENSE FEE	(FW/WRD)			\$
	HYDRO APPLICATION				\$
	TREASURY	OTHER	/ RDX		
FUND_	TI"	TLE			
OBJ. COD	E VE	NDOR #			
DESCRIP					\$

 DATE:10/13/2008 CK#:191 TOTAL:\$700.00***** BANK:Operating Account (904)
PAYEE:OREGON WATER RESOURCES DEPARTMENT (v0000089)
Property Account Invoice - Date Description

904 1510-0000 81601/83651/83732 water rt trf 81601/83651/83732

Amount

700.00

700.00

RECEIVED

NOV 2 1 2008

WATER RESOURCES DEPT SALEM, OREGON

STATE OF OREGON

WATER RESOURCES DEPARTMENT

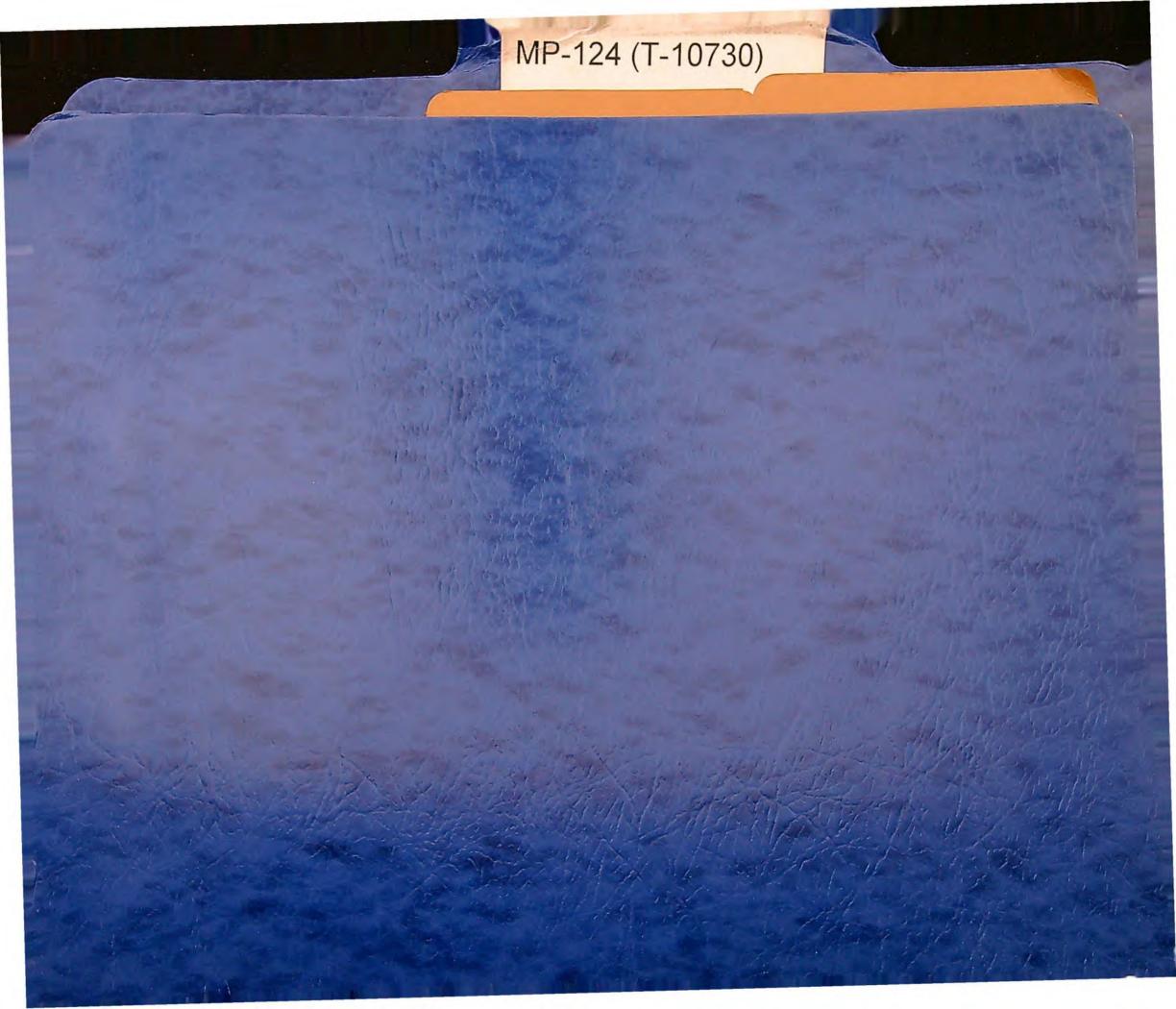
RECEIPT # 99471

725 Summer St. N.E. Ste. A SALEM, OR 97301-4172

INVOICE # _

			(503) 986-090	0 / (503) 986-0904 (fax)					
DECE	EIVED ERO	M: Ameri	T,+10		APPLICATION	TSWR			
BY:	LIVEDTITO	241.0			PERMIT		Ī		
ы:					TRANSFER	1-10430	Ī		
CASH	H: C		THER: (IDENTIF	FY)		I	ח		
		10174 I			TOTAL REC'D	\$300,00	J		
	1000	TDEACHDY	4170 WD	D MICC CACH A	CCT		Ī		
	1083 TREASURY 4170 WRD MISC CASH ACCT								
	0407	COPIES				\$	1		
	OTHER: (IDENTIFY)								
	0243 I/S Lease 0244 Muni Water Mgmt. Plan 0245 Cons. Water								
			4270 WR	D OPERATING A	CCT				
		MISCELLANEOUS	46111						
	0407	COPY & TAPE FEE				\$	1		
	0410	RESEARCH FEES		F . 1 1		\$	4		
	0408	MISC REVENUE:	(IDENTIFY)	(4) ASSIGN	monts	\$300,00	4		
	TC162	DEPOSIT LIAB. (III	DENTIFY)	100-10	750	\$	4		
	0240	EXTENSION OF TI	ME			\$	J		
		WATER RIGHTS:		EXAM FEE		RECORD FEE			
	0201	SURFACE WATER		\$	0202	\$	4		
	0203	GROUND WATER		\$	0204	\$			
	0205	TRANSFER		\$					
		WELL CONSTRUC	TION	EXAM FEE		LICENSE FEE			
	0218	WELL DRILL CONS	STRUCTOR	\$	0219	\$			
		LANDOWNER'S PE	ERMIT		0220	\$			
		OTHER	(IDENTIFY) _						
	0536	TREASURY	0437 WE	LL CONST. STAI	RT FEE				
	0211	WELL CONST STA	RTFEE	\$	CARD #				
	0210	MONITORING WEI	LLS	\$	CARD #				
		OTHER	(IDENTIFY) _						
	0607	TREASURY	0467 HY	DRO ACTIVITY	LIC NUMBER	-	1		
	0233	POWER LICENSE	- The state of the			\$	i		
	0231	HYDRO LICENSE				\$			
		HYDRO APPLICAT				\$	i		
		TREASURY	ОТ	HER / RDX					
	FUND		TITLE						
	OBJ. COD	E	VENDOR #						
		TION				\$	ĺ		
	32337111								

RECEIPT: 99471 Distribution - White Copy - Customer, Yellow Copy - Fiscal, Blue Copy - File, Buff Copy - Fiscal



Laura Wilke

From: Laura Wilke

Sent: Monday, June 06, 2011 9:03 AM

To: 'rick,i.kepler@state.or.us'; 'Amy.M.Stuart@state.or.us'; 'Bonnie.Lamb@state.or.us'; 'NIGG Eric';

'Paul.A.Measeles@state.or.us'; Jeremy Giffin; 'Brett.L.Hodgson@state.or.us';

'ijohnson@oda.state.or.us'; 'richard.walkoski@state.or.us'; 'alex.phillips@state.or.us';

'lanny.r.quackenbush@state.or.us'

Subject: Finalized mitigation credit project - Instream Transfer T-10730 (MP-124)

Greetings Everyone:

I just wanted to let you know that the Final Order approving instream transfer T-10730, mitigation credit project MP-124, has been issued and is available for those of you that would like to take a look at it by clicking on the following link.

Final Order: http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?
<a href="mailto:Type=Order&volume_nbr=84&page_nbr=378&page_char="mailto:Type=Order&volume_nbr=84&page_nbr=378&page_char="mailto:Type=Order&volume_nbr=84&page_nbr=378&page_char="mailto:Type=Order&volume_nbr=84&page_nbr=378&page_char="mailto:Type=Order&volume_nbr=84&page_nbr=378&page_char="mailto:Type=Order&volume_nbr=84&page_nbr=378&page_char="mailto:Type=Order&volume_nbr=84&page_nbr=378&page_char="mailto:Type=Order&volume_nbr=84&page_nbr=378&page_char="mailto:Type=Order&volume_nbr=84&page_nbr=378&page_char="mailto:Type=Order&volume_nbr=84&page_nbr=378&page_nbr=3

Instream Cert 87056: http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?
Type=Cert&cert nbr=87056

Instream Cert 87055: http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?
Type=Cert&cert_nbr=87055

Instream Cert 87057: http://apps.wrd.state.or.us/apps/misc/vault/vault.aspx?
Type=Cert&cert nbr=87057

This transfer and new instream certificate protect water in the the Crooked River, tributary to the Deschutes River. It generates mitigation credits that are available for use in the Crooked River and General Zones of Impact. This is a project that you were previously notified of and provided an opportunity to comment. The Final Order is the result of review of the project and consideration of any comments that were received.

As always, thanks for your time and input on these projects. Let me know if you have any trouble with the above link.

Laura Wilke

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer St. NE, Suite A
Salem, Oregon 97301-1271
Phone: (503) 986-0884
Web: www.wrd.state.or.us



Water Resources Department North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

June 3, 2011

GRASS BUTTE, LLC GREG DANIELS 1111 MAIN ST SUITE 700 VANCOUVER WA 98660 PREMIER WEST BANK 875 RIMROCK WAY, SUITE 100 REDMOND, OREONG 97756

Re: Instream Transfer T-10730 & Mitigation Credit Project MP-124

Thank you for participating in the Instream Transfer and Deschutes Mitigation Credit program. I want to express appreciation for your participation in these programs and cooperation in helping to improve streamflows for fish and aquatic life and to provide mitigation water to ground water users in the Deschutes Ground Water Study Area.

As identified in the attached Final Order, this Instream Transfer has been approved and awarded mitigation credits. Mitigation credits awarded to this project have been assigned to Cascade Timberlands.

These mitigation credits may be used to satisfy the mitigation obligation of a ground water permit or application or may be assigned to any person or mitigation bank. The 221.4 mitigation credits awarded to this project are valid upon issuance of the instream certificate and until used to fulfill the mitigation obligation of a ground water permit application(s) and/or an existing ground water right(s). The mitigation credits may be used in the Crooked River and General Zones of Impact. A ground water user wanting to demonstrate that mitigation credits are being used to satisfy a mitigation obligation needs to submit documentary evidence to the Department showing that mitigation credits have been obtained and assigned to them.

Mitigation credit transactions should be reported to the Water Resources Department. The Department has a Documentary Evidence form, copy enclosed (along with an example), available for your use or any subsequent mitigation credit holder, to assign the credits to a ground water user. The Department's Documentary Evidence form contains pertinent information needed by the Department to evaluate the use and validity of the mitigation credits.

If you decide to assign the mitigation credits to someone other than a ground water user, the Department would like to suggest that the enclosed Assignment of Mitigation Credits form (chain-of-custody) be used to assign credits to another party. An additional Assignment of Mitigation Credit form is also enclosed. Assignment forms will help establish a chain-of-custody for the ownership of the mitigation credits. Please provide a copy of the complete assignment record (from original credit holder to current credit holder) and a blank assignment form to any new credit holders so that they may continue the mitigation credit assignment record as well. A general example is enclosed for your reference.

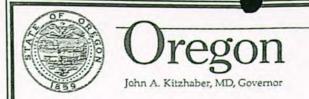
Once the mitigation credits are assigned to a ground water user, the ground water user will need to submit documentary evidence that valid mitigation credits have been obtained to satisfy their mitigation obligation. If credits have changed hands beyond the original credit holder, the Department will ask the ground water user to demonstrate that the credits they are intending to use are indeed valid. A complete assignment record will help demonstrate the validity of the credits being used.

Also enclosed is a copy of the final order and new instream water right certificate. If you have any questions regarding the instream transfer and new certificate or the award of mitigation credits, please call me at (503) 986-0884.

Sincerely,

Laura K. Wilke
Flow Restoration Program Coordinator

c: Jeremy Giffin, Watermaster District 11
Shonee Langford, attorney
David Newton, Agent
Jim Newton, CWRE #82917
Peoples Irrigation Company
Low Line Ditch Company
US Bureau of Reclamation
Butler Ranch, Inc.
South Valley Bank and Trust
file T-10730 & MP-124



Water Resources Department North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271

503-986-0900 FAX 503-986-0904

OREGON WATER RESOURCES DEPARTMENT ASSIGNMENT RECORD FOR MITIGATION CREDITS CHAIN-OF-CUSTODY

Mitigation Credit Project:	MP-124	Mitigation Credits:	221.4
		ain St, Suite 700, Vancouver, WA W Rimrock Way, Suite 100, Redm	
# Mitigation credits	have been assigned to	(Name):	
Mailing Address:			
Phone Number:			
Current Mitigation Credit Hold	er Signature		Date
New Mitigation Credit Holder S			Date
Mitigation Credit Holder:			
# Mitigation credits	have been assigned to ((Name):	
Mailing Address:			
Phone Number:			
Current Mitigation Credit Hold	er Signature		Date
New Mitigation Credit Holder S	Signature		Date
Mitigation Credit Holder:		, N	
# Mitigation credits l	nave been assigned to (Name):	
Mailing Address:			
Phone Number:			
Current Mitigation Credit Holde	er Signature		Date
New Mitigation Credit Holder S	ignature		Date



Water Resources Department North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

ASSIGNMENT RECORD FOR MITIGATION CREDITS CHAIN OF CUSTODY (Additional Form)

Mitigation Credit Project: MP-124	Mitigation Credits:	(# held by current	credit holder)
Mitigation Credit Holder:			
# Mitigation credits have been assigned to (Name):			
Mailing Address:		*	
Phone Number:			
Current Mitigation Credit Holder Signature		Date	
New Mitigation Credit Holder Signature		Date	
Mitigation Credit Holder:			
# Mitigation credits have been assigned to (Name):			
Mailing Address:			
Phone Number:			
Current Mitigation Credit Holder Signature		Date	
New Mitigation Credit Holder Signature		Date	
Mitigation Credit Holder:			
# Mitigation credits have been assigned to (Name):	•		
Mailing Address:			
Phone Number:			
Current Mitigation Credit Holder Signature	-	Date	
New Mitigation Credit Holder Signature		Date	2-28-11



Water Resources Department

North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

DESCHUTES BASIN MITIGATION CREDIT DOCUMENTARY EVIDENCE FORM

This form is to be completed when mitigation credits are obtained from a mitigation credit holder, other than a mitigation bank, by a ground water application/permit/certificate holder to satisfy a mitigation obligation under the Deschutes Ground Water Mitigation rules. <u>Please print in ink or type all information</u>. If there any questions about this form, please contact the Department. Phone: (503) 986-0884

Ground Water User Information:	
Name:	
Name:	T. V. 7
Phone Number (Home and Work-including area code): Ground Water Application, Permit, or Certificate #:	E-Mail (optional):
Mitigation Obligation (amount) (see Notice of Mitigation Obligation or Initial	
Zone of Impact (see Notice of Mitigation Obligation or Initial Review for this inf	
Mitigation Credit Holder Information:	
Mitigation Credit Holder Name:	
Mailing Address:	
Phone Number (including area code): If mitigation credits have changed hands beyond the original credit holder.	E-Mail (optional):
If mitigation credits have changed hands beyond the original credit holder, documentary evidence form to help demonstrate that the credits are valid.	, a complete assignment record should be included with this This information may be obtained from the mitigation credit holde
Mitigation Credit Information:	
In the following table, identify the mitigation project identify from each mitigation project, the zone of impact in which the more than one zone of impact) and the type of mitigation project upon Project Type Codes: Allocation of Conserved Water = ACW Permanent Aquifer Recharge = AR Other =	he credits are to be used (note - many credits may be used within a which the credits are based.
Mitigation Project ID # Mitigation Credits Assigned Zone of MP Add additional mitigation projects and credits, using above format, by a	
Mitigation Project Operator (if other than original credit holder): recharge project operator) Mailing Address:	
Phone Number (including area code):	
For Stored Water Releases (if applicable):	
Name of Reservoir:	Contract Number(s):
The above described mitigation credits have been transferre	ed from mitigation
credit holder, to, g	round water application/permit/certificate holder.
Mitigation Credit Holder Signature	Date
Ground Water Application/Permit/Certificate Holder Signature	Date



Water Resources Department North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

EXAMPLE ONLY - ASSIGNMENT RECORD FOR MITIGATION CREDITS CHAIN OF CUSTODY

Mitigation Credit Project: MP-99	Mitigation Credits: 10.0
Mitigation Credit Holder: John Smith	
#_10.0 Mitigation credits have been assigned to (Name): _B	rian Jones
Mailing Address: 5151 Tiger Drive, Bend, OR 9770	01
Phone Number: <u>(541) 389-9999</u>	*
Signature of John Smith	_12/13/2005
Current Mitigation Credit Holder Signature	Date
Signature of Brian Jones	12/13/2005
New Mitigation Credit Holder Signature	Date
Mitigation Credit Holder: <u>Brian Jones</u>	
# 5.0 Mitigation credits have been assigned to (Name): Ju	udith Niles
* * * * * * * * * * * * * * * * * *	
Mailing Address: 6000 Balmy Road, Redmond, Ore	egon 97756
Phone Number: (541) 677-8888	
Signature of Brian Jones	5/6/2006
Current Mitigation Credit Holder Signature	Date
Signature of Judith Niles	5/6/2006
New Mitigation Credit Holder Signature	Date
Mitigation Credit Holder: Brian Jones	
#_5.0 Mitigation credits have been assigned to (Name): _Ja	ackson Long
Mailing Address: _800 Finders Way, Prineville, Oreg	gon 97754
Phone Number: (541) 888-9999	
Signature of Brian Jones	6/8/2006
Current Mitigation Credit Holder Signature	Date
Simple of Inches I and	61912006
Signature of Jackson Long New Mitigation Credit Holder Signature	
1.0 Innigation ordan model organism	Dutt



Water Resources Department North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

EXAMPLE ONLY - ASSIGNMENT RECORD FOR MITIGATION CREDITS CHAIN OF CUSTODY (Additional Form)

Mitigation Credit Holder: _Judith Niles #	Mitigation Credit Project: MP-99	Mitigation Credits: 5.0 (# held by current credit holder)
Mailing Address: 9090 Perfect Loop, Bend, Oregon 97709 Phone Number:(541) 777-9999 signature of Judith Niles	Mitigation Credit Holder: _Judith Niles	
Phone Number:(541) 777-9999	#_5.0 Mitigation credits have been assigned	to (Name): _Tom Cooper
Signature of Judith Niles Current Mitigation Credit Holder Signature Signature of Tom Cooper New Mitigation Credit Holder Signature Mitigation Credit Holder: # Mitigation credits have been assigned to (Name): Mailing Address: Phone Number: Current Mitigation Credit Holder Signature Date Mitigation Credit Holder: # Mitigation credits have been assigned to (Name): # Mitigation Credit Holder: Date	Mailing Address: 9090 Perfect Loop	b, Bend, Oregon 97709
Current Mitigation Credit Holder Signature signature of Tom Cooper New Mitigation Credit Holder Signature Mitigation Credit Holder: # Mitigation credits have been assigned to (Name): Mailing Address: Phone Number: Current Mitigation Credit Holder Signature Date New Mitigation Credit Holder Signature Date Mitigation Credit Holder Signature Date Mitigation Credit Holder: # Mitigation credits have been assigned to (Name): # Mitigation Credit Holder: Date	Phone Number:(541) 777-9999	
signature of Tom Cooper New Mitigation Credit Holder Signature Mitigation Credit Holder: # Mitigation credits have been assigned to (Name): Mailing Address: Phone Number: Current Mitigation Credit Holder Signature Date Mitigation Credit Holder Signature Date Mitigation Credit Holder: # Mitigation Credit Holder: # Mitigation credits have been assigned to (Name): # Mitigation credits have been assigned to (Name): Phone Number: Current Mitigation Credit Holder Signature Date		
New Mitigation Credit Holder: # Mitigation credits have been assigned to (Name): Mailing Address: Phone Number: Current Mitigation Credit Holder Signature Date Mitigation Credit Holder Signature Date Mitigation Credit Holder: # Mitigation credits have been assigned to (Name): # Mitigation credits have been assigned to (Name): Mailing Address: Phone Number: Current Mitigation Credit Holder Signature Date	Current Willigation Credit Holder Signature	Date
Mitigation Credit Holder: # Mitigation credits have been assigned to (Name): Mailing Address: Phone Number: Current Mitigation Credit Holder Signature Date Mitigation Credit Holder Signature Date Mitigation Credit Holder: # Mitigation credits have been assigned to (Name): Mailing Address: Phone Number: Current Mitigation Credit Holder Signature Date	signature of Tom Cooper	
# Mitigation credits have been assigned to (Name): Mailing Address: Phone Number: Current Mitigation Credit Holder Signature Date New Mitigation Credit Holder Signature Date Mitigation Credit Holder: # Mitigation credits have been assigned to (Name): Mailing Address: Phone Number: Current Mitigation Credit Holder Signature Date	New Mitigation Credit Holder Signature	Date
Mailing Address: Phone Number: Current Mitigation Credit Holder Signature New Mitigation Credit Holder Signature Date Mitigation Credit Holder: # Mitigation credits have been assigned to (Name): Mailing Address: Phone Number: Current Mitigation Credit Holder Signature Date	Mitigation Credit Holder:	
Phone Number:	# Mitigation credits have been assigned	to (Name):
Current Mitigation Credit Holder Signature New Mitigation Credit Holder Signature Date Mitigation Credit Holder: # Mitigation credits have been assigned to (Name): Mailing Address: Phone Number: Current Mitigation Credit Holder Signature Date	Mailing Address:	
New Mitigation Credit Holder Signature Mitigation Credit Holder: # Mitigation credits have been assigned to (Name): Mailing Address: Phone Number: Current Mitigation Credit Holder Signature Date	Phone Number:	
Mitigation Credit Holder: # Mitigation credits have been assigned to (Name): Mailing Address: Phone Number: Current Mitigation Credit Holder Signature Date	Current Mitigation Credit Holder Signature	Date
# Mitigation credits have been assigned to (Name): Mailing Address: Phone Number: Current Mitigation Credit Holder Signature Date	New Mitigation Credit Holder Signature	Date
Mailing Address:	Mitigation Credit Holder:	
Phone Number: Current Mitigation Credit Holder Signature Date	# Mitigation credits have been assigned	to (Name):
Current Mitigation Credit Holder Signature Date	Mailing Address:	
	Phone Number:	
New Mitigation Credit Holder Signature Date	Current Mitigation Credit Holder Signature	Date
	New Mitigation Credit Holder Signature	Date



Ground Water User Information:

Ground Water Application/Permit/Certificate Holder Signature

Water Resources Department

North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

EXAMPLE ONLY - DESCHUTES BASIN MITIGATION CREDIT DOCUMENTARY EVIDENCE FORM

This form is to be completed when mitigation credits are obtained from a mitigation credit holder, other than a mitigation bank, by a ground water application/permit/certificate holder to satisfy a mitigation obligation under the Deschutes Ground Water Mitigation rules. Please print in ink or type all information. If there any questions about this form, please contact the Department.

Ordana Trater Cot.	· ALIOI MANIONI				
	et, City, State, Zip): <u>967 Fairmont D</u> and Work - including area code): (541) 3		97701 (541) 389-000	0	
THORE INUITION (Home	(Home		(work)	(other)	
E-Mail (optional):					
**	cation, Permit, or Certificate				
	n (amount) (see Notice of Mitigation Oblig				
Zone of Impact (see No	otice of Mitigation Obligation or Initial Revi	ew for this information)	: General Zone	of Impact	
Mitigation Credit H	lolder Information:				
Mailing Address: 90	older Name: <u>Tom Cooper</u> 90 Perfect Loop, Bend, Orego		9		4
Phone Number (includi		(541) 777-999			
E-Mail (optional):	(Home)	(work)	(other)		
If mitigation credits have	changed hands beyond the original cr with this documentary evidence form holder.				
Mitigation Credit In	nformation:				
from each mitigation more than one zone of impact)	e, identify the mitigation project project, the zone of impact in and the type of mitigation pro Allocation of Conserved Water = ACW Aquifer Recharge = AR	n which the cred pject upon which Permanent Instream	its are to be used the credits are Transfers = PT	d (note - many credits may be	e used within
Mitigation Project ID	# Mitigation Credits Assigned	Zone of Impact	Mitigation Projec	t Type Code (see above	1
MP-99 Add additional mitigation pa	5.0 rojects and credits by attaching addition	General nal forms or additiona	PT l pages, using above	format, if necessary.	
recharge project operator) Mailing Address:				nple, name of storage project	or aquifer
Phone Number (included)	ding area code):				
For Stored Water Rel	eases (if applicable):				
Name of Reservoir:					
Reservoir Permit/Ce	ertificate:	Contra	act Number(s): _		
	mitigation credits have been t				
credit holder, to		, ground	water application	n/permit/certificate	holder.
4					
signature of Tom Co			_	5-2006	
Mitigation Credit Holder	Signature			Date	
signature of Ken Sm	nith		8-1:	5-2006	

Date

Water Right Transfer Checklist





Transfer T-10730

Transfer Specialist: RA

Transfer Type: Instream

Applicant Name/Address: Greg Daniels, The Daniels Group LLC, 1111 Main Street Suite 700, Vancouver, WA

98660

Agent Name/Address: David J. Newton, 521 SW 6th Street Suite 100, Redmond, OR 97756

CWRE Name/Number: David Newton

Rec Landowner Name/Address: David Butler, Butler Ranch Inc, 5294 NW Lone Pine Road, Terrebonne, OR 97760

Dallon Miles, 16915 NW O'Neil Hwy, Redmond, OR 97745

Irr. District Name/Address: Low Line Ditch Company, 13223 NW O'Neil Hwy, Redmond, OR 97756

Affected Gov'ts Name/Address: US Bureau of Reclamation, 1150 Curtis Road N, Boise, ID 83706-1234

Commentors: Name/Address:

Water Rights Affected

Records Marked	Records Copied	App File No. or Decree Name	Permit No.	Certificate No.	RR/CR Needed	RR/CR Nos.
\boxtimes	\boxtimes			83857	Yes No	
				83651	Yes No	
				83732	Yes No	

Key Dates & Initial Actions

Processing Dates & Actions

Rec'd: 11/21/08	Proposed Action(s): POU POD HST APOD USE OTHER: use/pou	
Fees Pd: 700	WM District: 11	ODFW District: none
Initial Notice: 12/02/08	WM Review sent: <u>12/01/08</u>	ODFW Review sent: none
Acknowledgement Letter Se	nt 🛛	GW Review sent: none

Deficiency Contacts:		Newspaper Pub Affid Due:	
DPD Mailed:			Rec'd:
ODFW contact sheet sent with DP	D, or N/A		blished:
PD Mailed:	-		eminder Sent:
PD Weekly Notice:		Reminder Deadline:	
Preliminary Determination			
☐ Electronic Files uploaded			Determination
☐ PD Cover letter		Fee Refund Due	
☐ PD Notice		Remaining F	Rights
☐ File Assigned/ ModPod upo	lated		
DPD Review (Optional) Reviewer:	Reviewer: Date: Coordinator:		Final Order Review (Salem) Reviewer: 1/25 Date: 5/26/2011 Coordinator: 5/27/11
Comments/Special Issues:			
Special Order Volume: Vol 84 P	ages _ 578	Final Order	Signature Date: 6-3-//
Notice of FO email'd to processors	Jaura/de	ordthy	

Laura Wilke

From:

Laura Wilke

Sent:

Tuesday, March 10, 2009 9:41 AM

To:

'greg@thedanielsgroupllc.com'; 'David Newton'

Subject:

Mitigation Project Public Notice fro MP-124 (T-10730)

Attachments: MP-124-public-notice.pdf

Good Morning:

Attached is a copy of the notice for mitigation project MP-124 that was published this week. The comment period on the mitigation project will end March 31, 2009.

Laura

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer St. NE, Suite A
Salem, Oregon 97301-1271
Phone: (503) 986-0884
Web: www.wrd.state.or.us

Establishment of Mitigation Credits in the Deschutes Basin

ORS 537.746 authorizes the Department to award mitigation credits in the Deschutes Basin to approved mitigation projects. Mitigation credits may be used in the Deschutes Basin, specifically the Deschutes Ground Water Study Area, to mitigate for the impacts of ground water use on surface water flows. Pursuant to OAR Chapter 690, Division 521, upon receipt of notification of a mitigation project, the Department shall give public notice of the intent to establish mitigation credits.

The public is invited to comment on establishment of mitigation credits for the project(s) described below. Comments must be received within 21 days of the date of this public notice. Comments should address the award of mitigation credits to the proposed project and its use for mitigation purposes. Included in this public notice is a preliminary determination as to the amount of mitigation credits that may be available from the proposed project.

Deschutes County

Mitigation Project #: MP-124

Project Applicant:

Greg Daniels - The Daniels Group LLC

Mitigation Project

And Process:

Instream Transfer Application T-10730 for Certificates 83857, 83651, and 83732 (Also see Transfer Section of the December 2, 2009 public notice for application

Subbasin/Source:

Crooked River Subbasin - Crooked River, tributary to

the Deschutes River

Amount of Water:

Proposed Instream: up to 1.537 CFS

Maximum Seasonal Volume -

492.0 AF

Current Use:

Irrigation of 123.0 acres Credits Assigned to: The Daniels Group

Preliminary Mitigation

Credit Determination: 221.4 Mitigation Credits

May be available for use in the Crooked River and

General Zones of Impact

Contact:

Laura Wilke, Phone: (503) 986-0884



Water Resources Department

North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1266 503-986-0900 FAX 503-986-0904

December 2, 2008

GREG DANIELS THE DANIELS GROUP LLC 1111 MAIN ST SUITE 700 VANCOUVER WA 98660

Reference: Instream Transfer 10730

On November 21, 2008 we received your water right transfer application. The application was accompanied by \$700.00. Our receipt 95005 is enclosed.

By copy of this letter, we are asking the Watermaster for a report regarding the potential for injury to existing water rights which may be caused by the change.

We will notify you if additional information or corrections to the application or map are required.

If you have any questions, please call the Transfer Section, (503)986-0900.

cc: Watermaster #11 (via email)

David Newton, Agent Low Line Ditch Company US Bureau of Reclamation Dallon Miles, Landowner Butler Ranch Inc., Landowner

ODFW, (via email)

enclosure

NTEROFFICE MEMO

DAT	ΓE:	November 24, 2008	
TO:		Sarah Henderson	
FRO	OM:	Laura Snedaker	
SUE	BJECT:	Acceptance of IS Transfer Applic	ation/Mitigation Project MP- <u>124</u>
The	attache	d IS transfer application is ok to ac	cept. Please do the following as applicable:
	Pleas	se debit \$ from accoun	nt.
Ø	Please accept application and fees.		
	Refur	Refund Due:	
	Pleas	se put IS transfer application in a tra	ansfer file folder.
	Pleas	se make copy of the IS transfer for	the Watermaster.
	Pleas	se make copy of IS transfer (includi specified) and put in dark blue Mi	ng attachments – unless otherwise tigation Project file folder.
	Pleas	se scan IS transfer application and T-****-application	save to appropriate transfer file folder as
M	Pleas	se put copy of this page in IS transf	er file folder.
Ø	Wate	rmaster Review needed from:	District 11 District
M		e of the application to: Deschutes	
Note	es:	I one but dichot put	name on fetter!

Counties:

Jefferson County – Community Development 66 SE D Street Madras, OR 97741

Deschutes County Community Development Dept. 117 NW Lafayette Ave. Bend, OR 97701



November 20, 2008 Project No. 1047-105

Dorothy Pedersen
Transfer Program Advisor
Laura Wilke
Senior Water Resources Coordinator
Oregon Water Resources Department
725 Summer St. NE, Suite A
Salem, OR 97301

RECEIVED

NOV 2 1 2008

WATER RESOURCES DEPT SALEM, OREGON

THE DANIELS GROUP, LLC TRANSFER APPLICATIONS

Dear Dorothy and Laura:

Enclosed are five transfers to be processed for The Daniels Group, LLC (Daniels) for expedited processing through the Oregon Water Resources Department (OWRD) Reimbursement Authority. These transfers involve certificates 47267, 80795, 81601, 83651, and 83732. With the complexity of the transfers, this letter details the intent of each transfer and how each transfer is related to each other.

CERTIFICATES PROPOSED FOR TRANSFER

Certificate 47267 (Additional POD)

The transfer request for this certificate adds an additional point of diversion (POD) to certificate 47267 for better on-farm access to the authorized water source.

Certificate 80795 (Supplemental Irrigation)

The transfer request for this certificate moves 85.4 acres of supplemental water rights to new lands that currently do not have supplemental water rights. These rights are intended to overly primary water right acreages under certificate 22454. Additionally, this transfer request is intended to allow diversion of water from the authorized POD #11 (listed under the landowners Arnett & Livingston in the original certificate) and POD # 15. The additional PODs are authorized under the certificate, however, are listed under a specific landowner. Discussions with the OWRD indicated that a formal POD transfer was recommended to formalize the POD for the current landowner and will align the authorized POD with better access to water for diversion.

The Daniels Group, Lee Transfer Applications Project No. 1047-105 November 20, 2007

Certificate 80795 (Primary Irrigation)

The transfer request for this portion of the certificate moves 47.4 acres of primary irrigation water rights to a portion of lands that currently have primary rights under certificate 81601. This transfer is intended to replace some of the water rights that the landowner of certificate 81601 will lose by transferring water rights under 81601 instream, as 80795 can not be transferred in-stream as a result of regulation by the U.S. Bureau of Reclamation (BOR). By concurrently performing the transfer of primary irrigation rights under 80795 to replace those currently irrigated by 81601, there would be no layering of primary irrigation rights (as 81601 will be transferred in-stream simultaneously as 80795 will replace lands previously irrigated under 81601).

Certificate 81601, 83651 & 83732 (In-Stream)

The transfer requests for certificates 81601, 83651 and 83732 are to transfer water for protection in-stream for use as mitigation credits. The request for Certificate 81601 proposes to transfer 67.0 acres of primary irrigation rights; the request for C-83651 proposes 45.0 acres of primary irrigation rights to be transferred; and the request for C-83732 proposes 11.0 acres of primary irrigation rights to be transferred in-stream for mitigation credits. These certificates have priority dates ranging from 1892 to 1910.

Certificate 83651 (Additional POD)

The transfer request for the remaining portion of certificate 83651 proposes to add an additional POD for the remaining rights. This additional POD will provide for better onfarm access to the authorized water.

NOTE: Included with transfer documents as applicable are copies of the Land Use Form and the Affidavit of Use Forms, a single original of each form is included with this letter. The original documents are discernable by the blue 'RECEIVED' stamp on each dated May 2, 2008 from the previous submittal of the transfers that were returned by the OWRD.

TRANSFER ENCLOSURES

Enclosed with each transfer application for the above named certificates are applications for expedited processing through the Reimbursement Authority (RA) with the accompanied \$125.00 RA application estimate fee. The RA application and fees are in addition to the standard transfer fees for each also included with each transfer.

RECEIVED

NOV 2 1 2008

WATER RESOURCES DEPT SALEM, OREGON The Daniels Group, LLC Transfer Applications Project No. 1047-105 November 20, 2007

If you have questions regarding these transfers, please feel to contact me at dnewton@newtonconsultants.com, or by telephone at (541) 504-9960, extension 211; or Jim Newton at jnewton@newtonconsultants.com or extension 235.

Singerely,

NEWTON CONSULTANTS, INC.

David J. Newton P.E., C.E.G., C.W.R.E. President

WILKE Laura K

From:

WILKE Laura K

Sent:

Thursday, January 08, 2015 12:15 PM

To:

'josh@movetobend.com'

Subject:

AmericanWest Bank - mitigation credit docs

Attachments:

MP-124-credit-assigment-docs-AmericanWest.pdf

Josh – here are the mitigation credit documents that I have in the mitigation project file. Hopefully, this is everything needed.

Laura

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301-1271
Phone: (503) 986-0884
Fax: (503) 986-0903



Water Resources Department

725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

August 28, 2013

Dale Gilbert, President AmericanWest Bank 110 S Ferrall Street Spokane, WA 99202

Re: Assignment of Mitigation Credits (Mitigation Credit Project MP-124)

On August 14, 2013, the Department received notice that you were assigned 114.51 mitigation credits by Grass Butte, LLC and AmericanWest Bank (formerly Premier West Bank) from Mitigation Credit Project MP-124. The Department has removed these credits from the Grass Butte, LLC and Premier West Bank credit account and deposited them in an account under the name of AmericanWest Bank.

The mitigation credits you now hold may be assigned to any person or mitigation bank and may be used to satisfy the mitigation obligation of a ground water permit application(s) and/or an existing ground water right(s) within the Deschutes Ground Water Study Area, specifically within the Crooked River and/or General Zones of Impact. Mitigation Credits are valid until used to fulfill a mitigation obligation. A ground water user wanting to demonstrate that mitigation credits are being used to satisfy a mitigation obligation needs to submit documentary evidence to the Department showing that mitigation credits have been obtained and assigned to them.

Mitigation credit transactions should be reported to the Water Resources Department. The Department has a Documentary Evidence form, copy enclosed, available for your use or any subsequent mitigation credit holder, to assign the credits to a ground water user. The Department's Documentary Evidence form contains pertinent information needed by the Department to evaluate the use and validity of the mitigation credits.

If you decide to assign the mitigation credits to someone other than a ground water user, the Department would like to suggest that you use the Assignment of Mitigation Credits form you have already begun to assign credits to another party. Additional Assignment of Mitigation Credit forms are attached. These assignment forms will help establish a chain-of-custody for the ownership of the mitigation credits. Please provide a copy of the complete assignment record (original credit holder (Grass Butte, LLC, and Premier West Bank) to current credit holder) and a blank assignment form to any new credit holders so that they may continue the mitigation credit assignment record as well. If you do not have the complete assignment record, you should be able to obtain one from one of the original credits holders (Grass Butte, LLC, and Premier West Bank).

Once the mitigation credits are assigned to a ground water user, the ground water user will need to submit documentary evidence that valid mitigation credits have been obtained to satisfy their mitigation obligation. For credits that have changed hands beyond the original credit holder, the Department will ask the ground water user to demonstrate that the credits they are intending to use are indeed valid. A complete assignment record (from original credit holder to the last credit holder) will help demonstrate the validity of the credits being used. An example is enclosed for your reference.

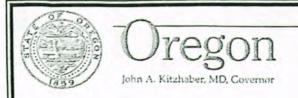
If you have any questions regarding the mitigation credits that you have been assigned, please give me a call at (503) 986-0884.

Sincerely,

Laura K. Wilke

Flow Restoration Program Coordinator

c: Jeremy Giffin, Watermaster District 11 Joseph Kellerman, Hornecker, Cowling, Hassen & Heysell, LLP Paul Christensen, Realvest Corp. for Grass Butte, LLC file MP-124



Water Resources Department North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

ASSIGNMENT RECORD FOR MITIGATION CREDITS CHAIN OF CUSTODY (Additional Form)

Mitigation Credit Project: MP-124	Mitigation Credits: 114.51 (# held by current cred	dit
Mitigation Credit Holder: AmericanWest Bank (110 S Ferra	all St., Spokane, WA 99202)	
# Mitigation credits have been assigned to (Name):		_
Mailing Address:		_
Phone Number:		_
Current Mitigation Credit Holder Signature – Grass Butte, LLC	Date	
Print Name		
Mailing Address		
Current Mitigation Credit Holder Signature – American West Bank	Date	
Print Name		
Mailing Address		
New Mitigation Credit Holder Signature	Date	
Mitigation Credit Holder:		
# Mitigation credits have been assigned to (Name):		_
Mailing Address:		
Phone Number:		_
Current Mitigation Credit Holder Signature	Date	
New Mitigation Credit Holder Signature	Date	
	2-	-28-11



RECEIVED

AUG 1 4 2013

August 13, 2013

WATER RESOURCES DEPT SALEM, OREGON

Oregon Water Resources Department Attn: Laura Wilke 725 Summer Street NE Suite A Salem, OR 97301-1271

Re: Mitigation Credit Chain of Custody (Grass Butte, LLC/AmericanWest Bank)

Dear Laura,

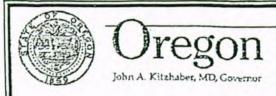
As you are aware AmericanWest Bank has been working on the Grass Butte, LLC transfer of Mitigated Water Credits to the Bank for some time now. In talking with the Banks attorney Joe Kellerman, I understand you have been a tremendous help to date with this important process. Enclosed with this letter is the original signed document by both parties to facilitate the transfer. If further information is required please do not hesitate to contact me directly at 541-923-8638 or email dale.gilbert@premierwest Bank.com.

Respectfully,

Dale Gilbert

Vice President, AmericanWest Bank

Redmond Branch 875 SW Rimrock Way, Suite 100 Redmond, OR 97756



HECEIVED

AUG 1 4 2013

WATER RESOURCES DEPT SALEM, OREGON Water Resources Department North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

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Mitigation Credit Project: MP-124 Mitigati	on Credits: 114.5 (# held by current credit holder)
Mitigation Credit Holder: Grass Butte, LLC and American West Bank	(formerly Premier West Bank)
# Mitigation credits have been assigned to (Name):American	nWest Bank
Mailing Address: 110 S. Ferrall Street, Spokane,	WA 99202
Phone Number 541-282-5156	
60 Chutem	8/6/13
Current Mitigation Credit Holder Signature - Grass Butte, LLC	Date
Print Name Paul E. Christensen	
Mailing Address 205 E 11th St # 200	
Charles .	9/7/13
Current Mitigation Credit Holder Signature - American West Bank	Date
Print Name MICHARL & KOCH	*
Mailing Address 10 S FERRALL SPOKANS, ENA 99202	
SPOKANS, ENA 99202	, ,
ma	3/2/13
New Mitigation Credit Holder Signature	Date
Mitigation Credit Holder:	
# Mitigation credits have been assigned to (Name):	
Mailing Address:	
Phone Number:	
Current Mitigation Credit Holder Signature	Date
New Mitigation Credit Holder Signature	Date



Water Resources Department 725 Summer Street NE, Suite A

> Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

August 28, 2013

Dale Gilbert, President AmericanWest Bank 110 S Ferrall Street Spokane, WA 99202

Re: Assignment of Mitigation Credits (Mitigation Credit Project MP-124)

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If you decide to assign the mitigation credits to someone other than a ground water user, the Department would like to suggest that you use the Assignment of Mitigation Credits form you have already begun to assign credits to another party. Additional Assignment of Mitigation Credit forms are attached. These assignment forms will help establish a chain-of-custody for the ownership of the mitigation credits. Please provide a copy of the complete assignment record (original credit holder (Grass Butte, LLC, and Premier West Bank) to current credit holder) and a blank assignment form to any new credit holders so that they may continue the mitigation credit assignment record as well. If you do not have the complete assignment record, you should be able to obtain one from one of the original credits holders (Grass Butte, LLC, and Premier West Bank).

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If you have any questions regarding the mitigation credits that you have been assigned, please give me a call at (503) 986-0884.

Sincerely,

Laura K. Wilke

Flow Restoration Program Coordinator

c: Jeremy Giffin, Watermaster District 11

Joseph Kellerman, Hornecker, Cowling, Hassen & Heysell, LLP

Paul Christensen, Realvest Corp. for Grass Butte, LLC

file MP-124



Water Resources Department North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

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Mitigation Credit Holder: AmericanWest Bank (110 S Fer	rrall St., Spokane, WA 99202)
Mitigation credits have been assigned to (Name)):
Mailing Address:	
Phone Number:	
Current Mitigation Credit Holder Signature – Grass Butte, LLC	Date
Print Name	
Mailing Address	
Current Mitigation Credit Holder Signature – American West Bank	Date Date
Print Name	
Mailing Address	
New Mitigation Credit Holder Signature	Date
Mitigation Credit Holder:	
Mitigation credits have been assigned to (Name):
Mailing Address:	
Phone Number:	
Current Mitigation Credit Holder Signature	Date
New Mitigation Credit Holder Signature	Date



RECEIVED

AUG 1 4 2013

August 13, 2013

WATER RESOURCES DEPT SALEM, OREGON

Oregon Water Resources Department Attn: Laura Wilke 725 Summer Street NE Suite A Salem, OR 97301-1271

Re: Mitigation Credit Chain of Custody (Grass Butte, LLC/AmericanWest Bank)

Dear Laura,

As you are aware AmericanWest Bank has been working on the Grass Butte, LLC transfer of Mitigated Water Credits to the Bank for some time now. In talking with the Banks attorney Joe Kellerman, I understand you have been a tremendous help to date with this important process. Enclosed with this letter is the original signed document by both parties to facilitate the transfer. If further information is required please do not hesitate to contact me directly at 541-923-8638 or email dale.gilbert@premierwest Bank.com.

Respectfully,

Dale Gilbert

Vice President, AmericanWest Bank

Oregon John A. Kitzhaber, MD, Governor

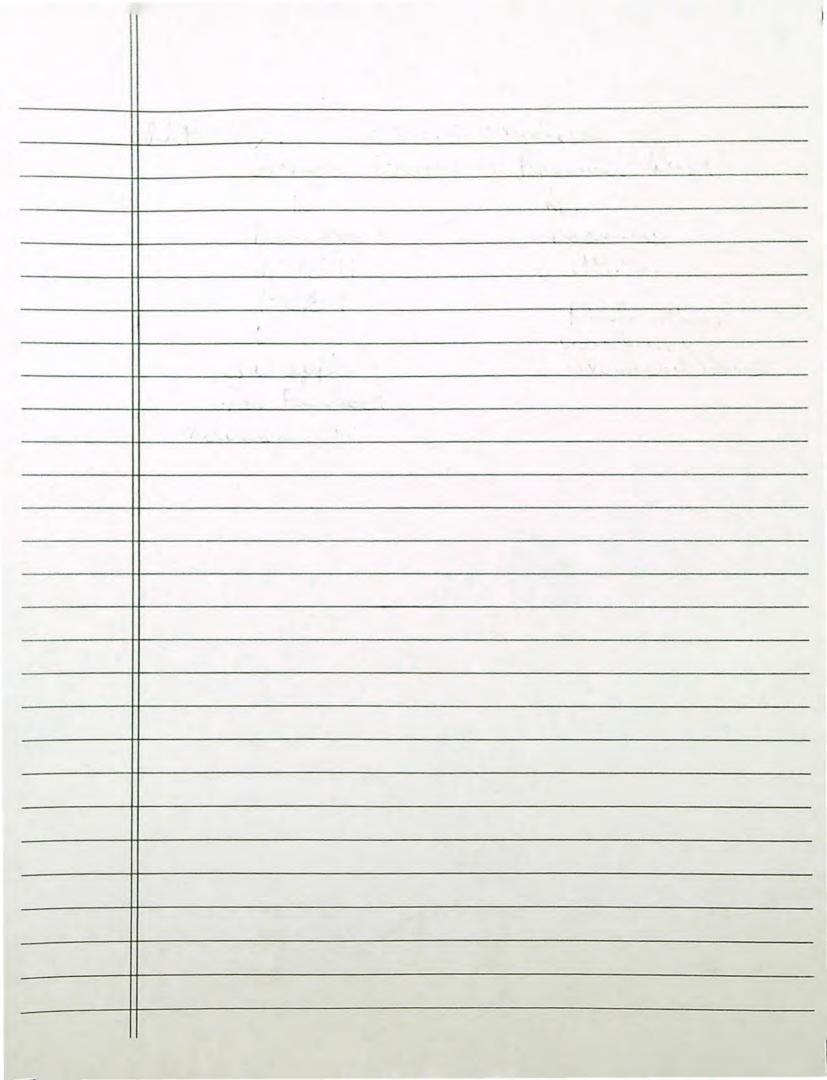
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Print Name Paul E. Christensen	
Mailing Address 205 E 11th St. # 200	
ann.	9/7/13
Current Mitigation Credit Holder Signature - American West Bank	Date .
Print Name Michael E Koch	
Mailing Address 10 S FERRALL SPOKANS, WA 99202	
Stores, - with the contract of	2/2/12
New Mitigation Credit Holder Signature	Date
Mitigation Credit Holder:	
# Mitigation credits have been assigned to (Name):	
Mailing Address:	
Phone Number:	
Current Mitigation Credit Holder Signature	Date
New Mitigation Credit Holder Signature	Date





MP-124 75 (T-10730)

725 Summer Street NE, Suite A
Salem, OR 97301-1271
503-986-0900
FAX 503-986-0904

August 28, 2013

Dale Gilbert, President AmericanWest Bank 110 S Ferrall Street Spokane, WA 99202

Re: Assignment of Mitigation Credits (Mitigation Credit Project MP-124)

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Laura Wilke

From: Joe Kellerman <jek@roguelaw.com>
Sent: Friday, August 02, 2013 8:01 AM
To: Laura Wilke (laura.k.wilke@state.or.us)
Cc: 'Dale Gilbert'
Subject: Business Registry Business Name Search

http://egov.sos.state.or.us/br/pkg web name srch inq.show detl?p be rsn=1354552&p srce=BR INQ&p print=FALS <u>E</u>

Laura:

I do not know if my last email to you made it so I am sending again.

It appears the manager for Grass Butte LLC has now been updated with the Secretary of State.

Please confirm that this issue is now resolved.

Thanks much.

Joe

HOME

OREGON SECRETARY OF STATE ► Corporation Division

business information center business name search oregon business guide

uniform commercial code search

referral list

business registry/renewal forms/fees notary public

documents & data services

Business Name Search

uniform commercial code

New Search	Printer Friendly

Business Entity Data

08-28-2013

11:33

Registry Nbr	Entity Type	Entity Status	Jurisdiction	Registry Date	Next Renewal Date	Renewal Due?
556261-97	DLLC	ACT	OREGON	10-28-2008	10-28-2013	
Entity Name	GRASS B	UTTE, LL	С			
Foreign Name						

New Sea	arch	Printer F	rien	dly	Associ	ated Na	ames	
Туре		PRINCIPA BUSINES		LACE OF				
Addr 1	205	E 11TH ST	STE	200				
Addr 2								
CSZ	VAN	COUVER	WA	98660		Country	UNITED STATES OF	F AMERICA

Please click here for general information about registered agents and service of process.

Туре	AGTREGISTERED AGENT		Start Date	10-28-2008	Resign Date	
Name	DAVID P WEINER					
Addr 1	1515 SW FIFT	TH AVE S	TE 600			
Addr 2						
CSZ	PORTLAND	OR 972	01	Country	UNITED STAT	TES OF AMERICA

Туре	MALMAILING AD	DRESS		
Addr 1	205 E 11TH ST STE	100		
Addr 2				
CSZ	VANCOUVER WA	98660	Country	UNITED STATES OF AMERICA

Туре	MGRMANAGER	Resign Date
Of Record	011751-24 REALVEST CORPORATION	
Addr 1	205 E 11TH ST STE 200	
Addr 2		

New Search Printer Friendly Name History

Business Entity Name	Name Type	Name Status	Start Date	End Date
GRASS BUTTE, LLC	EN	CUR	10-28-2008	

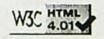
Please read before ordering Copies.

New Search Printer Friendly Summary History

Image Available	Action	Transaction Date	Effective Date	<u>Status</u>	Name/Agent Change	Dissolved By
	AMNDMT TO ANNUAL RPT/INFO STATEMENT	08-01-2013		FI		
	AMENDED ANNUAL REPORT	09-19-2012		FI		
	AMNDMT TO ANNUAL RPT/INFO STATEMENT	06-18-2012		FI		
0	AMENDED ANNUAL REPORT	09-19-2011		FI		
	ANNUAL REPORT PAYMENT	09-20-2010	09-17-2010	SYS		
	AMENDED ANNUAL REPORT	11-04-2009		FI		
	NOTICE LATE ANNUAL	10-30-2009		SYS		
0	ARTICLES OF ORGANIZATION	10-28-2008		FI	Agent	

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For comments or suggestions regarding the operation of this site, please contact: corporation.division@state.or.us



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Laura Wilke

From: Joe Kellerman <jek@roguelaw.com>
Sent: Wednesday, July 24, 2013 2:30 PM

To: 'Dale Gilbert'

Cc: Laura Wilke (laura.k.wilke@state.or.us)

Subject: FW: AmericanWest Bank / Grass Butte

Attachments: Collateral.Surrender.Agreement.pdf

Dale:

Attached is revised agreement with the updated chain of custody form for the mitigation credits.

I believe that form is now acceptable to Laura and the only thing she needs now is to be satisfied that whoever will be signing on behalf of Grass Butte has that status adequately documented and registered with the State of Oregon.

Laura—please confirm I am correct from your perspective.

Dale:

The title company has the deed form and all they need is the estoppel affidavit and we should be in the kill zone.

Let me know when you think everyone is prepared to sign so I can help facilitate Laura's receipt of the mitigation credit assignment /chain of custody transfer.

Laura—once received by you, how long to process assuming you are satisfied with the signor's status and authority?

Thanks much.

Joe

Joseph E. Kellerman Hornecker, Cowling, Hassen & Heysell, LLP 717 Murphy Road Medford, OR 97504 Telephone: 541-779-8900

Fax: 541-773-2635 e-mail: jek@roquelaw.com

From: Judy Sheldon

Sent: Wednesday, July 24, 2013 2:17 PM

To: Joe Kellerman

Subject: AmericanWest Bank / Grass Butte

Joe,

Here is the agreement.

COLLATERAL SURRENDER AGREEMENT

This Agreement is made and entered into this	day of	, 2013,
by and between American West Bank, successor by merg	ger to PremierWes	st Bank (hereinafter
"Bank") and Grass Butte, LLC, an Oregon limited liabil	ity company (here	einafter
"Borrower") and Robert L. Riemenschneider and Loren-	e Riemenschneide	er (hereinafter
collectively "Guarantors");		

WITNESSETH

RECITALS:

- A. Bank has entered into a loan arrangement with Borrower under Bank's loan number 693113818 under the terms of which Bank loaned and Borrower borrowed the sum of \$3,231,069.50. As part of the loan, Borrower executed a promissory note, deed of trust, security agreements and other related documents (hereinafter "Loan"). As of the 14th day of June, 2013, there is due and owing the sum of \$2,200,335.55, plus accrued but unpaid interest at \$76,092.14 plus other charges of \$120.00, plus interest thereafter and costs and attorneys' fees incurred by Bank.
- B. Guarantors are also indebted to Bank under loan number 889124047 in the original principal amount of \$10,830.55. As of May 9, 2013, there is currently due and owing the sum of \$8,781.80 plus accrued but unpaid interest through May 31, 2013 in the amount of \$92.75 and interest accrues at the per diem rate of \$2.38.
- C. Guarantors made, executed and delivered to Bank their guarantees under the terms of which they absolutely and unconditionally guaranteed the full and punctual payment of Borrower's loan number 693113818 in an amount not to exceed \$3,231,069.50 of principal, plus interest, collection costs, expenses and attorneys' fees as set forth in the terms of the guarantee instruments signed by the Guarantors.
- D. The loan is in default in that Borrower and Guarantors have failed to make payments as required under the terms of the Loan. Borrower and Guarantors and each of them have asked the Bank to agree to accept a conveyance of the real property pledged as security for the Loan along with conveyance of mitigated water credits in satisfaction of the obligations owing under the Loan.
- E. Bank is willing to do so only on the terms and conditions hereinafter set forth.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties hereby agree as follows:

 Borrower shall make, execute and deliver to Bank deed in lieu of foreclosure in the form attached hereto as Exhibit A. Borrower shall also make, execute and deliver Assignment Record for Mitigation Credits Chain of Custody in the form attached hereto as Exhibit B and any and all documentation that Bank deems prudent and necessary in order to transfer the mitigated water credits to Bank. Borrower represents and warrants and it owns the real property and mitigated water credits to be conveyed by it to Bank free and clear of any liens and encumbrances of any kind, save and except for the security interest granted in favor of Bank and that Borrower has full right and authority to make the conveyances provided for herein.

- 2. Guarantors shall, contemporaneous upon the execution of this Agreement, pay in full the liability for the loan referenced in Recital B above.
- 3. Upon A) Bank's recordation of deed and lieu and processing of Assignment Record for Mitigation Credits, B) Bank's receipt of an owner's policy of title insurance insuring the real property as being free and clear of all liens and encumbrances except those set forth in Exhibit C hereto; and C) Bank being full satisfied that the mitigated water credits have been fully transferred so that they are vested in Bank's name, then Bank agrees to accept such assets in satisfaction of the indebtedness owing under the Loan and agrees that it shall not seek to recover any deficiency of any sum owing against Borrower or Guarantors on the loans referenced in the Recitals above.
- 4. Borrower and Guarantors and each of them hereby expressly jointly and severally unconditionally and irrevocably forever release and discharge Bank and all of Bank's accounts, affiliates, agents, assigns, attorneys, employees and all other agents acting in concert with them, of and from any and all claims, actions, causes of action, demands and suits of any kind or nature that may exist, or could have existed, contingent or vested, liquidated or unliquidated, known or unknown from the beginning of time through and including the effective date of this Agreement.
- 5. This Agreement may be executed by one or more of the parties hereto in any number separate counterparts and all said counterparts taken together shall be deemed to constitute one and the same instrument.
- 6. Each party by signing below acknowledges that they are entering into this Agreement knowingly and voluntarily and that they have been afforded a fair and reasonable opportunity to consult with independent accounting, financial and/or legal professionals of their own choice concerning this Agreement and other documents or instruments relating to or arising hereunder and that they agree to be bound by the terms of this Agreement.

NOTICE: UNDER OREGON LAW, MOST AGREEMENTS, PROMISES AND COMMITMENTS MADE BY BANK CONCERNING LOANS AND OTHER CREDIT EXTENSIONS WHICH ARE NOT FOR PERSONAL, FAMILY, OR HOUSEHOLD PURPOSES ARE SECURED SOLELY BY THE BORROWER'S RESIDENCE MUST BE WRITING, EXPRESS CONSIDERATION, BE SIGNED BY BANK TO BE ENFORCEABLE.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals as of the date and year first above written.

BANK
AmericanWest Bank
By:
Its Authorized Representative
BORROWER
Grass Butte, LLC
Ву:
Its Authorized Representative
GUARANTORS
Robert L. Riemenschneider
Lorene Riemenschneider

H:\USER\FILES\20920-063\collateral surrender agreement.doc

After Recording Return to Joseph E. Kellerman 717 Murphy Road Medford, OR 97504

Send Tax Statements To: AmericanWest Bank 875 SW Rimrock Way, Suite 100 Redmond, OR 97758

DEED IN LIEU OF FORECLOSURE

Grass Butte, LLC, an Oregon limited liability company, Grantor, hereby conveys to AmericanWest Bank, successor by merger to PremierWest Bank, Grantee, the real property described in Exhibit A attached hereto and incorporated herein by this reference, subject only to those matters appearing on the attached Exhibit A.

This deed is absolute in effect and conveys fee simple title of the premises described on Exhibit A hereto and does not operate as a mortgage, trust conveyance, or security of any kind. Grantor is the owner of the premises, free of all encumbrances, except those matters set forth in Exhibit A hereto.

The consideration for this conveyance is the satisfaction of the obligations contained in that certain promissory note and trust deed pledged as security therefore, which trust deed was recorded on the 30th of December 2009 as instrument number 2009-238359 of the official records of Crook County, Oregon. Said note and trust deed are in default.

Unless there shall be liens upon the real property junior to the trust deed above described, the acceptance by Grantee of this deed effects the satisfaction of said note and trust deed, the beneficial interest of which is held by Grantee described above.

This deed does not effect a merger of the fee ownership and the lien of the trust deed described above. If there shall be liens against said property junior to the lien of the trust deed described above, this deed shall not affect the satisfaction of the promissory notes secured thereby or the trust deed terms nor merger of the fee ownership and the lien of the trust deed described above. Rather, the fee and the lien shall hereafter remain separate and distinct.

By acceptance of this deed, Grantee covenants and agrees that he shall forever forebear taking any action to collect against Grantor on the promissory note given to secure the trust deed described above, other than by foreclosure of that trust deed and that in any proceeding to foreclose the trust deed, Grantee shall not seek, obtain or permit a deficiency judgment against Grantor or Grantor's heirs, assigns, such rights and remedies being hereby waived.

Grantor waives, surrenders, conveys and relinquishes any right of possession, any equity of redemption and any statutory rights of redemption concerning the real property and the trust deed described above, including any right of reinstatement should the trust deed hereafter be foreclosed by advertisement and sale.

Grantor is not acting under any misapprehension as to the legal effect of this deed, nor under any duress, undue influence, or misrepresentation of Grantee, Grantee's agent or attorney, or any other person.

PAGE 1 OF 4

Grantor and each of them, in consideration of Grantee's acceptance of this deed in lieu and other good and valuable consideration hereby jointly and severally release, acquit and discharge Grantee and all other persons, firms, agents of and from any and all actions, causes of action, suits or demands for compensation of any kind or nature, now existing or hereafter occurring, contingent or vested, liquidated or unliquidated.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

GRANTOR

GRASS BUTTE, LLC

		. By:	
		···· Its Authorized R	Representative **
TATE OF OREGO	ON)		
) ss.		
County of)		
Jounty 01			
	day of	, 2013,	, authorized
On thisepresentative of Gr	rass Butte, LLC	personally appeared in th	e above-named matter and
On thisepresentative of Gr	rass Butte, LLC		e above-named matter and
On thisepresentative of Gr	rass Butte, LLC	personally appeared in th	e above-named matter and
On thisepresentative of Gr	rass Butte, LLC	personally appeared in th	e above-named matter and
On thisepresentative of Gr	rass Butte, LLC	personally appeared in th	e above-named matter and ury act and deed.

EXHIBIT A

Located in CROOK COUNTY, OREGON:

TRACTI

In Township 15 South, Range 15 East of the Willamette Meridian, Crook County, Oregon:

Section 4: SW1/4.

Section 9: N¼, N¼N¼SW¼, N½NW¼SE¼, E¼SE¼.

Section 10: SW1/4NE1/4, SE1/4NW1/4, SW1/4, W1/2SE1/4.

Section 14: That portion of the NWWNWW lying Northwesterly of Highway 126, as located and constructed.

Section 15: All that portion lying Northwesterly of Highway 126, as located and constructed.

Section 16: BISE1/4.

Section 22: All that portion lying Northwesterly of Highway 126, as located and constructed.

EXCEPTING THEREFROM all that portion conveyed unto the State of Oregon by Warranty Deed recorded November 24, 2004, MF# 195660, Records of Crook County Oregon.

FRACTI

0084791

Parcel One (1) of Partition Plat No. 2000-29, Recorded September 14, 2000 in Partitions MF No. 157741, Records of Crook County, Oregon, Located in the SW ¼ of Section 20 and the W½ of Section 29, Township 14 South, Range 14 East of the Willamette Meridian, Crook County, Oregon.

EXCEPTING THEREFROM: That portion of the before described parcel of land lying South of the Right-of-Way of the O'Neil Highway, as now located and constructed.

ALSO EXCEPTING THEREFROM: Any portion lying within the boundaries of the City of Prineville Railway.

ALSO EXCEPTING THEREFROM: A parcel of land more particularly described as follows: Beginning at the one-quarter corner common to Sections 20 and 29 said point also being located on the Bast line of said Parcel 1, thence South 00°29'28" West along the Bast line of said Parcel 1 a distance of 363.30 feet more or less to the centerline of the Crooked River, thence along the centerline of said Crooked River along the following courses: thence South 54°14'21" West a distance of 56.05 feet; thence South 44°30'07" West a distance of 65.58 feet; thence South 14°33'27" West a distance of 95.81 feet; thence South 00°48'06" West a distance of 117.79 feet; thence South 22°32'00" West a distance of 36.71 feet; thence South 47°30'21" West a distance of 138.94 feet; thence South 71°21'24" West a distance of 55.60 feet; thence South 81°52'32" West a distance of 47.25 feet; thence South 88°58'53" West a distance of 132.20 feet; thence South 58°51'24" West a distance of 81.09 feet; thence South 40°14'01" West a distance of 117.39 feet; thence South 02°39'10" West a distance of 102.75 feet; thence. South 10°01'40" West a distance of 44.50 feet; thence South 44°12'16" West a distance of 18.16 feet; thence South 50°41'01" West a distance of 113.82 feet; thence North 89°54'26" West a distance of 94.05 feet; thence North 52°16'12" West a distance 77.57 feet; thence North 39°36'33" West a distance of 175.80 feet; thence North 23°26'26" West a distance of 126.38 feet; thence North 04°36'44" West a distance of 30.75 feet; thence North 00°13'53" East a distance of 151.48 feet; thence North 12°45'55" Bast a distance of 128.65 feet; thence North 21°07'47" Bast a distance of 106.39 feet; thence North 37°25'45" Bast a distance of 74.61 feet; thence North 51°35'09" Bast a distance of 64.67 feet; thence

North 65°55'10" Bast a distance of 165.07 feet; thence North 80°09'05" Bast a distance of 117.53 feet;

Oneill Ronch

thence North 43°23'57" East a distance of 74.35 feet; thence North 11°34'20" Bast a distance of 125.53 feet; thence North 23°47'12" West a distance of 90.98 feet; thence North 08°40'48" Bast a distance of 58.11 feet; thence North 02°13'51" Bast a distance of 37.59 feet; thence North 55°12'15" West a distance of 111.61 feet; thence South 86°41'06" West a distance of 125.82 feet; thence North 53°59'58". West a distance of 45.41 feet; thence North 08°06'18" West a distance of 23.32 feet; thence North 14°14'38" Bast a distance of 107.30 feet; thence North 21°C6'47" Bast a distance of 108.01 feet; thence North 31°53'11" West a distance of 127.67 feet; thence North 50°23'16" West a distance of 91.74 feet; thence North 37°48'02" West a distance of 34.25 feet; thence North 04°00'10" Bast a distance of 104.87 feet to the North line of said Parcel 1; thence South 88°54'48" Bast along the North line of said Parcel 1 a distance of 349.17 feet; thence South 88°55'52" Bast along the North line of said Parcel 1 a distance of 349.17 feet; thence South 88°55'52" Bast along the North line of 528.08 feet to the point of beginning.

SUBJECT TO the Right-of-Way of Lone Pine Road.



Water Resources Department North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

ASSIGNMENT RECORD FOR MITIGATION CREDITS CHAIN OF CUSTODY (Additional Form)

Mitigation Credit Project: MP-124	Mitigation Credits: 114.5 1# held by current of	redit holder)
Mitigation Credit Holder: Grass Butte, LLC and American W	est Bank (formerly Premier West Bank))
#114.51 Mitigation credits have been assigned to (Name):	mericanWest Bank	
Mailing Address: 110 S. Ferrall Street, Spo	kane, WA 99202	-
Phone Number: 541-282-5156		
Current Mitigation Credit Holder Signature – Grass Butte, LLC	Date	
Print Name		
Mailing Address		
Current Mitigation Credit Holder Signature - American West Bank	Date	
Print Name		
Mailing Address		
New Mitigation Credit Holder Signature	Date	
Mitigation Credit Holder:		
# Mitigation credits have been assigned to (Name):		
Mailing Address:		
Phone Number:		
Current Mitigation Credit Holder Signature	Date	
New Mitigation Credit Holder Signature	EXHIPIT B Date	
	PAGE / OF /	2024

Laura Wilke

From:

Laura Wilke

Sent:

Wednesday, July 24, 2013 7:39 AM

To:

'Joe Kellerman'

Subject:

RE: Mitigation Credit Project MP-124

Attachments:

Chain of custody - supplemental -Grass Butte American West Bank.doc

Hi Joe – I've got a question about the documentation you sent.

Has the change in manager been filed with the Secretary of State's office? At this point, Greg Daniels, as noted in the operating agreement, is currently identified as the manager on the Secretary of State's web page.

I also put together an example template for the chain-of-custody for the credits given that we currently have two credit holders – Grass Butte, LLC, and Premier West Bank (now known as American West Bank). Both need to sign the form to convey the credits solely to American West Bank. I made a couple changes to the form that might fit this situation a bit better.

I'm comfortable with the documentation supplied to show the bank merger. I just wonder about the documentation showing the current manager for Grass Butte (the company).

Thanks, Laura

From: Joe Kellerman [mailto:jek@roguelaw.com]

Sent: Tuesday, July 23, 2013 7:44 AM

To: 'Laura Wilke'

Subject: RE: Mitigation Credit Project MP-124

Thanks.

Joseph E. Kellerman Hornecker, Cowling, Hassen & Heysell, LLP 717 Murphy Road Medford, OR 97504

Telephone: 541-779-8900 Fax: 541-773-2635

e-mail: jek@roquelaw.com

From: Laura Wilke [mailto:laura.k.wilke@state.or.us]

Sent: Tuesday, July 23, 2013 7:43 AM

To: Joe Kellerman Cc: 'Dale Gilbert'

Subject: RE: Mitigation Credit Project MP-124

Hi Joe – I apologize. This is a very busy time of the year and I've been juggling multiple tasks. However, I will try and look at this tomorrow. If unable to look at it tomorrow, I'll follow up with an additional e-mail.

Laura

From: Joe Kellerman [mailto:jek@roquelaw.com]

Sent: Tuesday, July 23, 2013 7:41 AM

To: 'Laura Wilke' Cc: 'Dale Gilbert'

Subject: RE: Mitigation Credit Project MP-124

Laura:

Sorry to be a pest, but can you advise if you have had a chance to review yet?

We are trying to close this matter this week, and if that is not possible from your perspective, I would like to advise our client reps. and the others involved in this transaction.

Thanks.

Joe

Joseph E. Kellerman Hornecker, Cowling, Hassen & Heysell, LLP 717 Murphy Road Medford, OR 97504 Telephone: 541-779-8900

Fax: 541-773-2635

e-mail: jek@roquelaw.com

From: Laura Wilke [mailto:laura.k.wilke@state.or.us]

Sent: Thursday, July 18, 2013 10:16 AM

To: Joe Kellerman

Subject: RE: Mitigation Credit Project MP-124

Joe – I'll try and take a look at this early next week, if at all possible.

Thanks, Laura

From: Joe Kellerman [mailto:jek@roquelaw.com]

Sent: Thursday, July 11, 2013 10:44 AM

To: 'Laura Wilke'

Subject: RE: Mitigation Credit Project MP-124

Laura:

Thanks much for your reply.

Hope you are feeling better and we appreciate your efforts.

Our client would like to close the transaction before month's end.

When you come up for air, would it be possible for you to let us know if that is realistic from your perspective?

Thanks.

Joe

Joseph E. Kellerman Hornecker, Cowling, Hassen & Heysell, LLP 717 Murphy Road Medford, OR 97504

Telephone: 541-779-8900

Fax: 541-773-2635 e-mail: jek@roquelaw.com

From: Laura Wilke [mailto:laura.k.wilke@state.or.us]

Sent: Thursday, July 11, 2013 10:37 AM

To: Julie Thomas; Joe Kellerman

Subject: RE: Mitigation Credit Project MP-124

Good Morning – I just wanted to let you know that I received the below e-mail and associated attachment. Unfortunately, I've been out sick and haven't had a chance to review. I'm just starting to get back into the swing and assess where I am on my to do list. I might be able to take a look at this next week.

Laura

From: Julie Thomas [mailto:jat@roquelaw.com]

Sent: Tuesday, July 02, 2013 1:40 PM

To: 'laura.k.wilke@state.or.us'

Cc: Joe Kellerman

Subject: Mitigation Credit Project MP-124

Dear Ms. Wilke:

Attached is a letter to you prepared by Joseph E. Kellerman regarding the above, along with the enclosures.

If you have any questions, please do not hesitate to contact our office.

Thank you.

Julie A. Thomas Legal Assistant Hornecker, Cowling, Hassen & Heysell, LLP (541)779-8900



Water Resources Department North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900

FAX 503-986-0904

ASSIGNMENT RECORD FOR MITIGATION CREDITS CHAIN OF CUSTODY (Additional Form)

Mitigation Credit Project: MP-124	Mitigation Credits:(# held by current credit holder)
Mitigation Credit Holder: Grass Butte, LLC and America	n West Bank (formerly Premier West Bank)
# Mitigation credits have been assigned to (Name	e):
Mailing Address:	
Thone Number.	
Current Mitigation Credit Holder Signature – Grass Butte, LLC	Date
Print Name	
Mailing Address	
Current Mitigation Credit Holder Signature – American West Ban	nk Date
Print Name	
Mailing Address	
New Mitigation Credit Holder Signature	Date
Mitigation Credit Holder:	
# Mitigation credits have been assigned to (Name	e):
Mailing Address:	
Phone Number:	
Current Mitigation Credit Holder Signature	Date
New Mitigation Credit Holder Signature	Date

Laura Wilke

From:

Laura Wilke

Sent:

Tuesday, July 23, 2013 7:43 AM

To: Cc:

'Joe Kellerman' 'Dale Gilbert'

Subject:

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To: 'Laura Wilke' Cc: 'Dale Gilbert'

Subject: RE: Mitigation Credit Project MP-124

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We are trying to close this matter this week, and if that is not possible from your perspective, I would like to advise our client reps. and the others involved in this transaction. ND-124 121,49 Facebook -108.49

Thanks.

Joe

Joseph E. Kellerman Hornecker, Cowling, Hassen & Heysell, LLP 717 Murphy Road Medford, OR 97504 Telephone: 541-779-8900

Fax: 541-773-2635 e-mail: jek@roquelaw.com

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Sent: Thursday, July 18, 2013 10:16 AM

To: Joe Kellerman

Subject: RE: Mitigation Credit Project MP-124

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When you come up for air, would it be possible for you to let us know if that is realistic from your perspective?

Thanks.

Joe

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Fax: 541-773-2635

e-mail: jek@roquelaw.com

From: Laura Wilke [mailto:laura.k.wilke@state.or.us]

Sent: Thursday, July 11, 2013 10:37 AM

To: Julie Thomas; Joe Kellerman

Subject: RE: Mitigation Credit Project MP-124

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Laura

From: Julie Thomas [mailto:jat@roquelaw.com]

Sent: Tuesday, July 02, 2013 1:40 PM

To: 'laura.k.wilke@state.or.us'

Cc: Joe Kellerman

Subject: Mitigation Credit Project MP-124

Dear Ms. Wilke:

Attached is a letter to you prepared by Joseph E. Kellerman regarding the above, along with the enclosures.

If you have any questions, please do not hesitate to contact our office.

Thank you.

Julie A. Thomas Legal Assistant Hornecker, Cowling, Hassen & Heysell, LLP (541)779-8900

HORNECKER, COWLING, HASSEN & HEYSELL, L.L.P.

Attorneys at Law

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R. Ray Heysell
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James A. Wallan
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Stefanle L. Burke*
Mark S. Bartholomew
Erle B. Mitton
Erlk C. Larsen, LL.M. **
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Amanda R. Benjamin

717 Murphy Road Medford, OR 97504 (541) 779-8900 Fax: (541) 773-2635 www.roguelaw.com

July 2, 2013

OF COUNSEL

Robert L. Cowling H. Scott Plouse P. David Ingalls

Gregory T. Hornecker 1933-2009 B. Kent Blackhurst 1922-2007 Ervin B. Hogan 1927-2000

*Also admitted in California

**Also admitted in Idaho

VIA E-MAIL ONLY: laura,k, wilke@state.or.us

Laura Wilke State of Oregon

Re: Mitigation Credit Project MP-124

Dear Ms. Wilke:

We spoke on the phone a couple of times about our contemplated transaction which will involve an Assignment Record for Mitigation Credits. We understand that there are 114.51 mitigation credits available on this particular file. We enclose a draft Collateral Surrender Agreement which provides for the assignment of these mitigation credits to our client, AmericanWest Bank. I wanted to send you this documentation in advance to receive your prior input and make sure that we provide you whatever documentation you need to effectuate the transfer once we secure all signatures. Do we need to modify the documents to allow you to effectuate the assignment?

We also enclose herewith Certificate of Merger from the State of Washington, Secretary of State, which shows the merger of PremierWest Bank into AmericanWest Bank. I also enclose a copy of the Operating Agreement and resolution that appointed Realvest Corporation as the manager for Grass Butte, LLC, the assignor of the mitigation credits. If you look at Section 5.5 of the Operating Agreement, it provides that there are no limitations of any kind or nature as to the powers of the managers except as may be set forth in Oregon's Limited Liability Company Act.

If we were to send you a properly executed assignment record for mitigation credits signed by Realvest Corporation on behalf of Grass Butter along with a copy of the signed Collateral Surrender Agreement, would you effectuate the transfer of the credits so that they are vested in American West's name? If not, what further documentation or information would you require?

A An West -> just Am West Banta

HORNECKER, COWLING, HASSEN & HEYSELL

Laura Wilke State of Oregon July 2, 2013 Page 2

Thank you for your courtesies and assistance, and hopefully we will be able to consummate this transaction promptly. We look forward to hearing from you.

Yours truly,

HORNECKER, COWLING, HASSEN & HEYSELL, L.L.P.

JOSEPH E. KELLERMAN

JEK:jat Enc.

c: Client

H:\USER\FILES\20920-063\State of OR (Laura Wilke).L01.doc

Laura Wilke

From:

Julie Thomas <jat@roguelaw.com> Sent: Tuesday, July 02, 2013 1:40 PM

To: 'laura.k.wilke@state.or.us' Cc: Joe Kellerman

Subject: Mitigation Credit Project MP-124

Attachments: State of OR (Laura Wilke).L01 (with enclosure) (PDF-7-2-13).pdf

Dear Ms. Wilke:

Attached is a letter to you prepared by Joseph E. Kellerman regarding the above, along with the enclosures.

If you have any questions, please do not hesitate to contact our office.

Thank you.

Julie A. Thomas Legal Assistant Hornecker, Cowling, Hassen & Heysell, LLP (541)779-8900

COLLATERAL SURRENDER AGREEMENT

This Agreement is made and entered into this	day of	, 2013,
by and between AmericanWest Bank, successor by merg	ger to PremierWes	st Bank (hereinafter
"Bank") and Grass Butte, LLC, an Oregon limited liabil	ity company (here	einafter
"Borrower") and Robert L. Riemenschneider and Loren	e Riemenschneide	er (hereinafter
collectively "Guarantors");		

WITNESSETH

RECITALS:

- A. Bank has entered into a loan arrangement with Borrower under Bank's loan number 693113818 under the terms of which Bank loaned and Borrower borrowed the sum of \$3,231,069.50. As part of the loan, Borrower executed a promissory note, deed of trust, security agreements and other related documents (hereinafter "Loan"). As of the 14th day of June, 2013, there is due and owing the sum of \$2,200,335.55, plus accrued but unpaid interest at \$76,092.14 plus other charges of \$120.00, plus interest thereafter and costs and attorneys' fees incurred by Bank.
- B. Guarantors are also indebted to Bank under loan number 889124047 in the original principal amount of \$10,830.55. As of May 9, 2013, there is currently due and owing the sum of \$8,781.80 plus accrued but unpaid interest through May 31, 2013 in the amount of \$92.75 and interest accrues at the per diem rate of \$2.38.
- C. Guarantors made, executed and delivered to Bank their guarantees under the terms of which they absolutely and unconditionally guaranteed the full and punctual payment of Borrower's loan number 693113818 in an amount not to exceed \$3,231,069.50 of principal, plus interest, collection costs, expenses and attorneys' fees as set forth in the terms of the guarantee instruments signed by the Guarantors.
- D. The loan is in default in that Borrower and Guarantors have failed to make payments as required under the terms of the Loan. Borrower and Guarantors and each of them have asked the Bank to agree to accept a conveyance of the real property pledged as security for the Loan along with conveyance of mitigated water credits in satisfaction of the obligations owing under the Loan.
- E. Bank is willing to do so only on the terms and conditions hereinafter set forth.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties hereby agree as follows:

1. Borrower shall make, execute and deliver to Bank deed in lieu of foreclosure in the form attached hereto as Exhibit A. Borrower shall also make, execute and deliver Assignment Record for Mitigation Credits Chain of Custody in the form attached hereto as

Exhibit B and any and all documentation that Bank deems prudent and necessary in order to transfer the mitigated water credits to Bank. Borrower represents and warrants and it owns the real property and mitigated water credits to be conveyed by it to Bank free and clear of any liens and encumbrances of any kind, save and except for the security interest granted in favor of Bank and that Borrower has full right and authority to make the conveyances provided for herein.

- 2. Guarantors shall, contemporaneous upon the execution of this Agreement, pay in full the liability for the loan referenced in Recital B above.
- 3. Upon A) Bank's recordation of deed and lieu and processing of Assignment Record for Mitigation Credits, B) Bank's receipt of an owner's policy of title insurance insuring the real property as being free and clear of all liens and encumbrances except those set forth in Exhibit C hereto; and C) Bank being full satisfied that the mitigated water credits have been fully transferred so that they are vested in Bank's name, then Bank agrees to accept such assets in satisfaction of the indebtedness owing under the Loan and agrees that it shall not seek to recover any deficiency of any sum owing against Borrower or Guarantors on the loans referenced in the Recitals above.
- 4. Borrower and Guarantors and each of them hereby expressly jointly and severally unconditionally and irrevocably forever release and discharge Bank and all of Bank's accounts, affiliates, agents, assigns, attorneys, employees and all other agents acting in concert with them, of and from any and all claims, actions, causes of action, demands and suits of any kind or nature that may exist, or could have existed, contingent or vested, liquidated or unliquidated, known or unknown from the beginning of time through and including the effective date of this Agreement.
- 5. This Agreement may be executed by one or more of the parties hereto in any number separate counterparts and all said counterparts taken together shall be deemed to constitute one and the same instrument.
- 6. Each party by signing below acknowledges that they are entering into this Agreement knowingly and voluntarily and that they have been afforded a fair and reasonable opportunity to consult with independent accounting, financial and/or legal professionals of their own choice concerning this Agreement and other documents or instruments relating to or arising hereunder and that they agree to be bound by the terms of this Agreement.

NOTICE: UNDER OREGON LAW, MOST AGREEMENTS, PROMISES AND COMMITMENTS MADE BY BANK CONCERNING LOANS AND OTHER CREDIT EXTENSIONS WHICH ARE NOT FOR PERSONAL, FAMILY, OR HOUSEHOLD PURPOSES ARE SECURED SOLELY BY THE BORROWER'S RESIDENCE MUST BE WRITING, EXPRESS CONSIDERATION, BE SIGNED BY BANK TO BE ENFORCEABLE.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals as of the date and year first above written.

BANK
AmericanWest Bank
By: Its Authorized Representative
BORROWER
Grass Butte, LLC
By: Its Authorized Representative
GUARANTORS
Robert L. Riemenschneider
Lorene Riemenschneider

H:\USER\FILES\20920-063\collateral surrender agreement.doc

After Recording Return to Joseph E. Kellerman 717 Murphy Road Medford, OR 97504

Send Tax Statements To: AmericanWest Bank 875 SW Rimrock Way, Suite 100 Redmond, OR 97758

DEED IN LIEU OF FORECLOSURE

Grass Butte, LLC, an Oregon limited liability company, Grantor, hereby conveys to AmericanWest Bank, successor by merger to PremierWest Bank, Grantce, the real property described in Exhibit A attached hereto and incorporated herein by this reference, subject only to those matters appearing on the attached Exhibit A.

This deed is absolute in effect and conveys fee simple title of the premises described on Exhibit A hereto and does not operate as a mortgage, trust conveyance, or security of any kind. Grantor is the owner of the premises, free of all encumbrances, except those matters set forth in Exhibit A hereto.

The consideration for this conveyance is the satisfaction of the obligations contained in that certain promissory note and trust deed pledged as security therefore, which trust deed was recorded on the 30th of December 2009 as instrument number 2009-238359 of the official records of Crook County, Oregon. Said note and trust deed are in default.

Unless there shall be liens upon the real property junior to the trust deed above described, the acceptance by Grantee of this deed effects the satisfaction of said note and trust deed, the beneficial interest of which is held by Grantee described above.

This deed does not effect a merger of the fee ownership and the lien of the trust deed described above. If there shall be liens against said property junior to the lien of the trust deed described above, this deed shall not affect the satisfaction of the promissory notes secured thereby or the trust deed terms nor merger of the fee ownership and the lien of the trust deed described above. Rather, the fee and the lien shall hereafter remain separate and distinct.

By acceptance of this deed, Grantee covenants and agrees that he shall forever forebear taking any action to collect against Grantor on the promissory note given to secure the trust deed described above, other than by foreclosure of that trust deed and that in any proceeding to foreclose the trust deed, Grantee shall not seek, obtain or permit a deficiency judgment against Grantor or Grantor's heirs, assigns, such rights and remedies being hereby waived.

Grantor waives, surrenders, conveys and relinquishes any right of possession, any equity of redemption and any statutory rights of redemption concerning the real property and the trust deed described above, including any right of reinstatement should the trust deed hereafter be foreclosed by advertisement and sale.

Grantor is not acting under any misapprehension as to the legal effect of this deed, nor under any duress, undue influence, or misrepresentation of Grantee, Grantee's agent or attorney, or any other person.

EXHIBIT

PAGE 1 OF 4

DEED IN LIFTLOF FORECLOSURE- Page 1

Grantor and each of them, in consideration of Grantee's acceptance of this deed in lieu and other good and valuable consideration hereby jointly and severally release, acquit and discharge Grantee and all other persons, firms, agents of and from any and all actions, causes of action, suits or demands for compensation of any kind or nature, now existing or hereafter occurring, contingent or vested, liquidated or unliquidated.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195,300, 195,301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

GRANTOR

GRASS BUTTE, LLC

	. Ву:	
	Its Authorized Repre	esentative *
STATE OF OREGON)		
	33.	
County of)		
On this day of	, 2013,	authorized
epresentative of Grass Butte, L	LC personally appeared in the ab	ove-named matter and
cknowledged the foregoing ins	trument to be his/her voluntary ac	ct and deed.
	Notary Public for O	regon
	Notary Public for O My commission exp	

DEED IN LIEU OF FORECLOSURE-Page 2

EXHIBIT A

Located in CROOK COUNTY, OREGON:

ZRACTI)

In Township 15 South, Range 15 East of the Willamette Meridian, Crook County, Oregon:

Section 4: SW1/4.

Section 9: N1/4, N1/4N1/4SW1/4, N1/4NW1/4SB1/4, E1/4SB1/4.

Section 10: SW4NE4, SE4NW4, SW4, W4SE4.

Section 14: That portion of the NW4NW1/4 lying Northwesterly of Highway 126, as located and constructed.

Section 15: All that portion lying Northwesterly of Highway 126, as located and constructed. Section 16: E%E%.

Section 22: All that portion lying Northwesterly of Highway 126, as located and constructed.

EXCEPTING THEREFROM all that portion conveyed unto the State of Oregon by Warranty Deed recorded November 24, 2004, MF# 195660, Records of Crook County Oregon.

TRACTI

Parcel One (1) of Partition Plat No. 2000-29, Recorded September 14, 2000 in Partitions MP No. 157741, Records of Crook County, Oregon, Located in the SW ¼ of Section 20 and the W¼ of Section 29, Township 14 South, Range 14 Bast of the Willamette Meridian, Crook County, Oregon.

EXCEPTING THEREFROM: That portion of the before described parcel of land lying South of the Right-of-Way of the O'Neil Highway, as now located and constructed.

ALSO EXCEPTING THEREFROM: Any portion lying within the boundaries of the City of Prineville Railway.

ALSO HXCEPTING THEREFROM: A parcel of land more particularly described as follows:

Beginning at the one-quarter corner common to Sections 20 and 29 said point also being located on the East line of said Parcel 1, thence South 00°29′28″ West along the East line of said Parcel 1 a distance of 363.30 feet more or less to the centerline of the Crooked River, thence along the centerline of said Crooked River along the following courses: thence South 54°14′21″ West a distance of 56.05 feet; thence South 44°30′07″ West a distance of 65.58 feet; thence South 14°33′27″ West a distance of 95.81 feet; thence South 00°48′06″ West a distance of 117.79 feet; thence South 22°32′00″ West a distance of 36.71 feet; thence South 47°30′21″ West a distance of 138.94 feet; thence South 71°21′24″ West a distance of 55.60 feet; thence South 81°52′32″ West a distance of 47.25 feet; thence South 88°58′53″ West a distance of 132.20 feet; thence South 58°51′24″ West a distance of 81.09 feet; thence South 40°14′01″ West a distance of 117.39 feet; thence South 02°39′10″ West a distance of 102.75 feet; thence South 10°01′40″ West a distance of 44.50 feet; thence South 44°12′16″ West a distance of 18.16 feet; thence South 50°41′01″ West a distance of 113.82 feet; thence North 89°54′26″ West a distance of 94.05

South 10°01'40" West a distance of 44.50 feet; thence South 44°12'16" West a distance of 18.16 feet; thence South 50°41'01" West a distance of 113.82 feet; thence North 89°54'26" West a distance of 94.05 feet; thence North 52°16'12" West a distance 77.57 feet; thence North 39°36'33" West a distance of 175.80 feet; thence North 23°26'26" West a distance of 126.38 feet; thence North 04°36'44" West a distance of 30.75 feet; thence North 00°13'53" East a distance of 151.48 feet; thence North 12°45'55" Bast a distance of 128.65 feet; thence North 21°07'47" East a distance of 106.39 feet; thence North

37°25'45" Bast a distance of 74.61 feet; thence North 51°35'09" Bast a distance of 64.67 feet; thence North 65°55'10" Bast a distance of 165.07 feet; thence North 80°09'05" Bast a distance of 117.53 feet;

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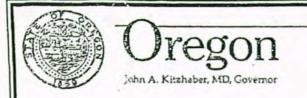
PAGE 3 OF 4

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thence North 43°23'57" East a distance of 74.35 feet; thence North 11°34'20" East a distance of 125.53 feet; thence North 23°47'12" West a distance of 90.98 feet; thence North 08°40'48" East a distance of 58.11 feet; thence North 02°13'51" East a distance of 37.59 feet; thence North 55°12'15" West a distance of 111.61 feet; thence South 86°41'06" West a distance of 125.82 feet; thence North 53°59'58". West a distance of 45.41 feet; thence North 08°06'18" West a distance of 23.32 feet; thence North 14°14'38" East a distance of 107.30 feet; thence North 21°06'47" Bast a distance of 108.01 feet; thence North 31°53'11" West a distance of 127.67 feet; thence North 50°23'16" West a distance of 91.74 feet; thence North 37°48'02" West a distance of 34.25 feet; thence North 04°00'10" East a distance of 104.87 feet to the North line of said Parcel 1; thence South 88°54'48" Bast along the North line of said Parcel 1 a distance of 349.17 feet; thence South 88°55'52" East along the North line of said Parcel 1 a distance of 349.17 feet; thence South 88°55'52" East along the North line of 528.08 feet to the point of beginning.

SUBJECT TO the Right-of-Way of Lone Pine Road.

EXHIBIT A
PAGE 4 OF 4



Water Resources Department North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

ASSIGNMENT RECORD FOR MITIGATION CREDITS CHAIN OF CUSTODY (Additional Form)

	ation Credits: 114.51 (# held by current credit holder)
Mitigation Credit Holder: Grass Butte, LLC, an Oregon limit	ted liability company
#114.51 Mitigation credits have been assigned to (Name):	ericanWest Bank
Mailing Address: 110 S. Ferrall Street, Spokane	, WA 99202
541-282-5156 Phone Number:	
Current Mitigation Credit Holder Signature	Date
New Mitigation Credit Holder Signature	Date
Mitigation Credit Holder:	,
# Mitigation credits have been assigned to (Name):	•
Mailing Address:	
Phone Number:	
Current Mitigation Credit Holder Signature	
New Mitigation Credit Holder Signature	Date
Mitigation Credit Holder:	
# Mitigation credits have been assigned to (Name):	
Mailing Address:	
Phone Number:	
Current Mitigation Credit Holder Signature	Date
New Mitigation Credit Holder Signature	PAGE TOF Day



CERTIFICATE OF MERGER

I, Kim Wyman, Secretary of State of the State of Washington and custodian of its seal, hereby certify that documents meeting statutory requirements have been filed and processed with the Secretary of State merging the listed "Merging Entities" into:

AMERICANWEST BANK

WA Bank Corporation UBI: 600-138-289 Filing Date: April 9, 2013

Merging Entities:

Not Qualified in WA PREMIERWEST BANK



Given under my hand and the Seal of the State of Washington at Olympia, the State Capital

- 13000

Kim Wyman, Secretary of State

Date Issued: 4/9/2013

FILED SECRETARY OF STATE APPROVED,

January W. Ficcilons

DIRECTOR OF BANKS

DEPARTMENT OF FINANCIAL INSTITUTIONS

APR 0 9 2013 STATE OF WASHINGTON

ARTICLES OF MERGER (Washington Filing)

AmericanWest Bank and PremierWest Bank, the parties to a merger effected pursuant to Chapter 30.49 of the Revised Code of Washington, submit the following Articles of Merger to the Washington State Director of Financial Institutions (the "Director"):

- The names of the merging banks are AmericanWest Bank, a Washington state chartered commercial bank, and PremierWest Bank, an Oregon state chartered commercial bank.
 - 2. The resulting state bank in the merger is American West Bank.
- 3. A copy of the Agreement and Plan of Merger (the "Plan of Merger") dated April 1, 2013, by and among Starbuck Bancshares, Inc., PremierWest Bancorp, PremierWest Bank and AmericanWest Bank is attached as Exhibit A and incorporated herein by this reference.
- 4. The merger has been approved by at least a majority of the entire board of directors of AmericanWest Bank as required by Revised Code of Washington Section 30.49.040, and by the holders of at least two-thirds of the outstanding voting stock of AmericanWest Bank as required by Revised Code of Washington Section 30.49.050.
- 5. The merger has been approved by at least a majority of the entire board of directors of PremierWest Bank as required by Revised Code of Washington Section 30.49.040 and Oregon Revised Statutes Section 711.130, and by the holders of at least two-thirds of the outstanding voting stock of PremierWest Bank as required by Revised Code of Washington Section 30.49.050 and Oregon Revised Statutes Section 711.140.
- These Articles of Merger, and the merger of PremierWest Bank with and into AmericanWest Bank, will be effective at 6:00 p.m., Pacific Time, on April 9, 2013.

[Signatures on the Following Page]

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IN WITNESS WHEREOF, the parties hereto have caused these Articles of Merger to be signed by their respective officers thereunto duly authorized as of the date set forth above.

AMERICANWEST BANK

Name: Scott A. Kisting

Title: Chief Executive Officer

PREMIERWEST BANK

By: Name: James M. Ford

Title: President & Chief Executive Officer

[Signature Page to Articles of Merger]

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Exhibit A

AGREEMENT AND PLAN OF MERGER

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AGREEMENT AND PLAN OF MERGER

This Agreement and Plan of Merger (this "Agreement"), dated as of April 1, 2013, by and among STARBUCK BANCSHARES, INC., a Minnesota corporation ("Starbuck"), PREMIERWEST BANCORP, an Oregon corporation ("Bancorp"), PREMIERWEST BANK, an Oregon state-charted commercial bank ("PremierWest") with its principal office at 503 Airport Rd, Medford, OR 97504 and other offices as set forth on Exhibit A attached hereto, and AMERICANWEST BANK, a Washington state-chartered bank with its principal offices at 41 W. Riverside Avenue, Suite 300, Spokane, Washington 99201 and other offices as set forth on Exhibit B attached hereto ("AWB"). Starbuck, Bancorp, PremierWest and AWB are each sometimes individually referred to herein as a "Party" or collectively referred to herein as the "Parties."

WHEREAS, Bancorp is the owner of all of the outstanding capital stock of PremierWest;

WHEREAS, Starbuck is the owner of all of the outstanding capital stock of AWB;

WHEREAS, Starbuck, Pearl Merger Sub Corp., an Oregon corporation and a wholly-owned subsidiary of Starbuck ("Merger Sub"), and Bancorp have entered into an Agreement and Plan of Merger, dated as of October 29, 2012 (the "First-Step Merger Agreement"), whereby, on the terms and subject to the conditions set forth therein, Bancorp will be merged with and into Merger Sub, with Merger Sub surviving as a wholly-owned subsidiary of Starbuck (the "First-Step Merger");

WHEREAS, following the consummation of the First-Step Merger, Starbuck will, indirectly, be the owner of all of the outstanding capital stock of PremierWest;

WHEREAS, immediately following the consummation of the First-Step Merger, Starbuck, PremierWest and AWB intend to, and Bancorp intends that such parties, with the approval of the Washington State Department of Financial Institutions, the Oregon Department of Consumer and Business Services and all other applicable regulatory agencies, effect a merger whereby PremierWest will be merged with and into AWB with AWB as the resulting bank in such merger (the "Second-Step Merger"), on the terms and subject to the conditions of this Agreement and in accordance with the laws of the state of Washington, as amended from time to time ("Washington Law") and the laws of the State of Oregon, as amended from time to time ("Oregon Law");

WHEREAS, the respective boards of directors and respective sole shareholders of each of PremierWest and AWB have approved this Agreement and the Second-Step Merger and declared the Second-Step Merger's advisability;

WHEREAS, the sole shareholder of PremierWest, as well as the other Parties hereto (as applicable), hereby waive any notice required pursuant to Section 711.140 of the Oregon Revised Statutes or otherwise; and

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NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

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- 1. The Second-Step Merger. At the Effective Time (which shall in any event be on the date of the consummation of the First-Step Merger) and on the terms and subject to the conditions of this Agreement and in accordance with the applicable provisions of Washington Law and Oregon Law, the Second-Step Merger shall occur, the separate existence of PremierWest shall cease and AWB shall continue as the resulting bank in such Second-Step Merger. AWB, as the resulting bank after the Second-Step Merger, is hereinafter sometimes referred to as the "Resulting Bank." The name of the Resulting Bank shall be "AmericanWest Bank" and it shall have its principal office at 41 W. Riverside Avenue, Suite 300, Spokane, Washington 99201 and other offices as set forth on Exhibit C attached hereto.
- 2. Filing; Effective Time. On the terms and subject to the conditions of this Agreement and in accordance with Washington Law and Oregon Law, the Parties shall cause the Second-Step Merger to be consummated on the date of the consummation of the First-Step Merger by filing articles of merger, in such appropriate form as determined by the Parties, with the Washington State Department of Financial Institutions (the "Articles of Merger") (the date (which shall in any event be on the date of the consummation of the First-Step Merger) and time of such filings being the "Effective Time") on the date of the consummation of the First-Step Merger, with copies of such filed Articles of Merger and of the resolutions of the directors and sole shareholder of PremierWest approving this Agreement being filed with the Oregon Department of Consumer and Business Services as promptly as practicable thereafter.
- 3. Effect of the Second-Step Merger. At the Effective Time, the effect of the Second-Step Merger shall be as provided in this Agreement and under applicable Washington Law and Oregon Law. Without limiting the generality of the foregoing, at the Effective Time, all the property, rights, privileges, powers and franchises of PremierWest and AWB shall vest in the Resulting Bank, and all debts, liabilities and duties of PremierWest and AWB shall become the debts, liabilities and duties of the Resulting Bank.
- Condition Precedent. The obligation of each Party to effect the Second-Step
 Merger is subject to the consummation of the First-Step Merger at or prior to the Effective Time.
- 5. Termination. This Agreement shall terminate upon the termination of the First-Step Merger Agreement in accordance with its terms. This Agreement may also be terminated at any time prior to the Effective Time by an instrument executed by the Parties.
- 6. Articles of Incorporation and Bylaws. At the Effective Time, the articles of incorporation and bylaws of AWB, each as in effect immediately prior to the Effective Time, shall be the articles of incorporation and bylaws of the Resulting Bank until thereafter amended as provided by Washington Law and the terms of such articles of incorporation and bylaws of the Resulting Bank.
- Directors and Officers. The directors and officers of the Resulting Bank as of
 the Effective Time shall be the directors and officers of AWB immediately prior to the Effective

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Time, and shall hold office from the Effective Time until the respective successors are duly elected or appointed and qualified. The names and mailing addresses of each of the directors and officers of the Resulting Bank are set forth in Exhibit D attached hereto.

- 8. Effect on Capital Stock of PremierWest. On the terms and subject to the conditions of this Agreement, at the Effective Time, by virtue of the Second-Step Merger and without any action on the part of AWB, PremierWest or Starbuck (then, the indirect sole stockholder of PremierWest), all of the capital stock of PremierWest, no par value per share, immediately prior to the Effective Time shall be cancelled and extinguished and shall cease to exist, and no consideration shall be delivered in exchange therefor. Starbuck hereby waives any dissenters' rights that it may have pursuant to Section 30.49.090 of the Revised Code of Washington or Section 711.175 of the Oregon Revised Statutes by virtue of its ownership of all of the shares of capital stock of AWB and PremierWest, and the Parties agree that the matters contemplated by Section 30.49.040(1)(e) of the Revised Code of Washington are not applicable to the Second-Step Merger.
- 9. Effect on Capital Stock of AWB. Each share of common stock of AWB of no par value issued and outstanding immediately prior to the Effective Time shall be converted into one validly issued, fully paid and nonassessable share of common stock of the Resulting Bank of no par value. From and after the Effective Time, each certificate evidencing ownership of shares of the common stock of AWB issued and outstanding immediately prior to the Effective Time shall evidence ownership of such shares of common stock of the Resulting Bank.
- 10. Further Assurances. On and after the date of this Agreement and the Effective Time, the Parties will (a) provide such further assurances to each other, (b) execute and deliver all such further instruments and papers, (c) provide such records and information and (d) take such further action as may be appropriate to carry out the transactions contemplated by, and to accomplish the purposes of, this Agreement.
- 11. Assignment and Binding Effect. No Party may assign its respective rights or obligations under this Agreement without the prior written consent of the other Parties, which consent shall not be unreasonably withheld, conditioned or delayed.
- 12. Complete Agreement. This Agreement, including any and all Exhibits hereto, represents the entire agreement of the Parties with respect to the subject matter hereof. All prior negotiations between the Parties are merged into this Agreement, and there are no understandings or agreements other than those incorporated herein.
- 13. Modifications and Waivers. This Agreement may not be modified except in a writing duly executed by the Parties.
- 14. Counterparts. This Agreement may be executed simultaneously in one or more counterparts (including by facsimile or other electronic means), each of which shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.
- 15. Severability. In the event that any one or more provisions of this Agreement shall for any reason be held invalid, illegal or unenforceable in any respect by any court of competent jurisdiction, such invalidity, illegality or unenforceability shall not affect any other

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provisions of this Agreement, and the Parties shall use their reasonable best efforts to substitute a valid, legal and enforceable provision that, insofar as practical, implements the purposes and intents of this Agreement.

- 16. Governing Law; Waiver of Jury Trial. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Washington, without regard to its principles of conflicts of laws. EACH OF THE PARTIES HERETO WAIVES ANY RIGHT TO REQUEST A TRIAL BY JURY IN ANY LITIGATION WITH RESPECT TO THIS AGREEMENT AND REPRESENTS THAT COUNSEL HAS BEEN CONSULTED SPECIFICALLY AS TO THIS WAIVER.
- 17. Headings, Interpretation. The headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation hereof. The use of the singular pronoun in this Agreement shall be deemed to include the plural (and visa versa), whenever appropriate. Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation."
- 18. Mutual Drafting. This Agreement is the mutual product of the Parties, and each provision hereof has been subject to the mutual consultation, negotiation and agreement of each of the Parties and shall not be construed for or against any Party.

[SIGNATURE PAGE FOLLOWS]

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IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed by their duly authorized officers as of the date first set forth above.

STARBUCK BANCSHARES, INC.

By: Name: Philip A. Donnelly

Title: Executive Vice President, General
Counsel & Secretary

AMERICANWEST BANK

By: Name: Philip A. Donnelly

Title: Executive Vice President, General
Counsel & Secretary

PREMIERWEST BANCORP

By: Name: Ismas M. Roed

Name: James M. Ford Title: President & CEO

PREMIERWEST BANK

By: Name: James M. Ford

Title: President & CEO

[Signature Page to Agreement and Plan of Merger]

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IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed by their duly authorized officers as of the date first set forth above.

STARBUCK BANCSHARES, INC.

By: Name: Philip A. Donnelly

Title: Executive Vice President, General Counsel & Secretary

AMERICANWEST BANK

By: _____

Name: Philip A. Donnelly
Title: Executive Vice President, General
Counsel & Secretary

PREMIERWEST BANCORP

By:

Name: James M. Ford Title: President & CEO

PREMIERWEST BANK

Rv.

Name: James M. Ford Title: President & CEO

[Signature Page to Agreement and Plan of Merger]

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EXHIBIT A Other Offices of PremierWest Bank

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California

2590 North Street, Anderson, CA 96007
1834 Mangrove Ave., Suite 1, Chico, CA 95926
1201 Solano Street, PO Box 768, Corning, CA 96021
333A F St, Davis, CA 95616
9340 E. Stockton Blvd, Elk Grove, CA 95624
701 E. Bidwell St, Folsom, CA 95630
701 C St, Galt, CA 95632
115 W McKnight Way, Grass Valley, CA 95949
6701 N Highway 3, Greenview, CA 96037
312 Maple Street, Mt. Shasta, CA 96067
950 Main Street, Red Bluff, CA 96080
880 Cypress Ave, Redding, CA 96001
4875 Granite Dr, Rocklin, CA 95677
1100 Main St., Ste. 170, Woodland, CA 95695
123 N Main Street, PO Box 1087, Yreka, CA 96097

Oregon

2235 Ashland St (Highway 66), Ashland, OR 97520 2155 N.E. Highway 20, Bend, OR 97701 300 E Pine St, Central Point, OR 97502 44 W Linn Rd, Eagle Point, OR 97524 1409 NE 7th St, Grants Pass, OR 97526 1689 Williams Hwy, Grants Pass, OR 97527 421 S 7th St, Klamath Falls, OR 97601 2600 E Barnett Rd, Medford, OR 97504 3369 Crater Lake Hwy, Medford, OR 97504 300 E Main St, Medford, OR 97501 1455 E McAndrews Rd, Medford, OR 97504 1200 Mira Mar Ave., Medford, OR 97504 875 S.W. Rimrock Way, Ste 100, Redmond, OR 97756 350 NE Garden Valley Blvd, Roseburg, OR 97470 555 SE Kane St, Roseburg, OR 97470 731 W Central Ave, Sutherlin, OR 97479 40 NW Glenhart Ave, Winston, OR 97496

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EXHIBIT B Other Offices of American West Bank

California

200 West Grand Avenue, Escondido, CA 92025¹
42005 Cook Street, Suite 310, Palm Desert, CA 92211
1350 Rosecrans Street, San Diego, CA 92106
4445 Eastgate Mall, Suite 110, San Diego, CA 92121
5901 Priestly Drive, Suite 160, Carlsbad, CA 92008
800 La Terraza Blvd., Suite 102, Escondido, CA 92025
701 B Street, Suite 100, San Diego, CA 92101
12770 High Bluff Drive, Suite 180, San Diego, CA 92130
1801 Huntington Drive, Duarte, CA 91010
306 N. La Brea Ave., Los Angeles, CA 90036
721 E Union Street, Pasadena, CA 91101
255 S. Riverside Ave., Rialto, CA 92376
3999 E. Inland Empire Blvd., Ontario, CA 91764

Idaho

223 Ironwood Dr., Coeur d'Alene, ID 83814
255 W. Hayden Ave., Hayden, ID 83835
120 Railroad Ave., Kellogg, ID 83837
2201 Thain Grade, Lewiston, ID 83501
600 South Jackson, Moscow, ID 83843
100 Main St., Orofino, ID 83544
605 5th St., Sandpoint, ID 83864
1500 Main St. Maries, ID 83861

Utah

2 N. Main St., Ephraim, UT 84627 757 N. Main St., Ephraim, UT 84627 84627 300 N. Milburn Rd., Fairview, UT 84629 105 S. Main St., Loa, UT 84747 210 S. State St., Mt. Pleasant, UT 84647 185 N. Main St., Nephi, UT 84648 1534 S. State St., Orem, UT 84058 1020 E. 800 N., Orem, UT 84097 82 W. Main St., Price, UT 84501 201 E. Center St., Provo, UT 84606 2191 N. Canyon Rd., Provo, UT 84604 9080 Village Shop Dr., Sandy, UT 84094 135 E. 200 North, Salem, UT 84653 10757 S. River Front Pkwy. Ste. 150, South Jordan, UT 84095 885 N. Main St., Springville, UT 84663 308 W. Tabernacle St., St. George, UT 84770

Section of the experience of the control of the experience of the exper

¹ An application to relocate this branch to 355 West Grand Avenue, Suite 001, Escondido, CA 92025 is pending.

175 S. Main St., Ste. 120, Salt Lake City, UT 84111

Washington

921 Hildebrand Lane, Bainbridge Island, WA 98110 2237 NW 57th St, PO Box 70546, Seattle, WA 98107 155 108th Avenue NE, Suite 100, Bellevue, WA 98004 S. 106 2nd St. East, Chewelah, WA 99109 North 407 Main, Colfax, WA 99111 621 S. Main, Colville, WA 99114 639 Morgan St., P.O. Box 520, Davenport, WA 99122 427 East Main, Dayton, WA 99328 261 Basin St. SW, Ephrata, WA 98823 2722 Colby Ave, Suite 100, Everett, WA 1375 NW Mall Street, Suite #1, Issaguah, WA 98027 5920 W. Clearwater Avenue, Kennewick, WA 99336 365 West 3rd, Kettle Falls, WA 99141 1221 N. Liberty Lake Rd., Liberty Lake, WA 99019 408 B. Street, Mabton, WA 98935 322 S. Division St., Moses Lake, WA 98837 14124 N. Newport Highway, Mead, WA 99021 22 East 2nd St., Naches, WA 98937 150 N Bridge St., Palouse, WA 99161 3945 W. Court St., Pasco, WA 99301 18960 Highway 305 N, Poulsbo, WA 98370 1115 Meade Avenue, Prosser, WA 99350 1300 South Grand, Pullman, WA 99163 300 East Main, Pullman, WA 99163 13605 Meridian Ave. E., Puyallup, WA 98373 2590 Queensgate Dr., Richland, WA 99352 5701 First Ave. South, PO Box 80565, Seattle, WA 98108 4022 SW Alaska St., Seattle, WA 98116 41 W. Riverside, Spokane, WA 99201 9506 N. Newport Highway, Spokane, WA 99218 15606 E. Sprague Ave., Veradale, WA 99037 147 North Broadway, Tekoa, WA 99033 1015 A St., Suite 100, Tacoma, WA 98402 104 W. Owen, Uniontown, WA 99179 1010 Yakima Valley Hwy., Sunnyside, WA 98944 215 West Main, Waitsburg, WA 99361 30 West Main, Walla Walla, WA 99362 1850 E Isaacs Ave., Walla Walla, WA 99362 127 W. Yakima Avenue, Yakima, WA 98902 3913 Creekside Loop, Yakima, WA 98902 1212 2nd Avenue, Seattle, WA 98101

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EXHIBIT C Other Offices of the Resulting Bank

California

200 West Grand Avenue, Escondido, CA 920252 42005 Cook Street, Suite 310, Palm Desert, CA 92211 1350 Rosecrans Street, San Diego, CA 92106 4445 Eastgate Mall, Suite 110, San Diego, CA 92121 5901 Priestly Drive, Suite 160, Carlsbad, CA 92008 800 La Terraza Blvd., Suite 102, Escondido, CA 92025 701 B Street, Suite 100, San Diego, CA 92101 12770 High Bluff Drive, Suite 180, San Diego, CA 92130 1801 Huntington Drive, Duarte, CA 91010 306 N. La Brea Ave., Los Angeles, CA 90036 721 E Union Street, Pasadena, CA 91101 255 S. Riverside Ave., Rialto, CA 92376 3999 E. Inland Empire Blvd., Ontario, CA 91764 2590 North Street, Anderson, CA 96007 1834 Mangrove Ave., Suite 1, Chico, CA 95926 1201 Solano Street, PO Box 768, Corning, CA 96021 333A F St, Davis, CA 95616 9340 E. Stockton Blvd, Elk Grove, CA 95624 701 E. Bidwell St, Folsom, CA 95630 701 C St, Galt, CA 95632 115 W McKnight Way, Grass Valley, CA 95949 6701 N Highway 3, Greenview, CA 96037 312 Maple Street, Mt. Shasta, CA 96067 950 Main Street, Red Bluff, CA 96080 880 Cypress Ave, Redding, CA 96001 4875 Granite Dr., Rocklin, CA 95677 1100 Main St., Ste. 170, Woodland, CA 95695 123 N Main Street, PO Box 1087, Yreka, CA 96097

Idaho

223 Ironwood Dr., Coeur d'Alene, ID 83814
255 W. Hayden Ave., Hayden, ID 83835
120 Railroad Ave., Kellogg, ID 83837
2201 Thain Grade, Lewiston, ID 83501
600 South Jackson, Moscow, ID 83843
100 Main St., Orofino, ID 83544
605 5th St., Sandpoint, ID 83864
1500 Main St. Maries, ID 83861

Oregon 2235 Ashland St (Highway 66), Ashland, OR 97520

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An application to relocate this branch to 355 West Grand Avenue, Sulte 001, Escondido, CA 92025 Is pending.

2155 N.E. Highway 20, Bend, OR 97701 300 E Pine St, Central Point, OR 97502 44 W Linn Rd, Eagle Point, OR 97524 1409 NB 7th St, Grants Pass, OR 97526 1689 Williams Hwy, Grants Pass, OR 97527 421 S 7th St, Klamath Falls, OR 97601 2600 E Barnett Rd, Medford, OR 97504 3369 Crater Lake Hwy, Medford, OR 97504 300 E Main St, Medford, OR 97501 1455 E McAndrews Rd, Medford, OR 97504 1200 Mira Mar Ave., Medford, OR 97504 875 S.W. Rimrock Way, Ste 100, Redmond, OR 97756 350 NE Garden Valley Blvd, Roseburg, OR 97470 555 SE Kane St, Roseburg, OR 97470 731 W Central Ave, Sutherlin, OR 97479 40 NW Glenhart Ave, Winston, OR 97496

Utah

2 N. Main St., Ephraim, UT 84627 757 N. Main St., Ephraim, UT 84627 84627 300 N. Milburn Rd., Fairview, UT 84629 105 S. Main St., Loa, UT 84747 210 S. State St., Mt. Pleasant, UT 84647 185 N. Main St., Nephi, UT 84648 1534 S. State St., Orem, UT 84058 1020 E. 800 N., Orem, UT 84097 82 W. Main St., Price, UT 84501 201 E. Center St., Provo, UT 84606 2191 N. Canyon Rd., Provo, UT 84604 9080 Village Shop Dr., Sandy, UT 84094 135 E. 200 North, Salem, UT 84653 10757 S. River Front Pkwy. Ste. 150, South Jordan, UT 84095 885 N. Main St., Springville, UT 84663 308 W. Tabernacle St., St. George, UT 84770 175 S. Main St., Ste. 120, Salt Lake City, UT 84111

Washington

921 Hildebrand Lane, Bainbridge Island, WA 98110
2237 NW 57th St, PO Box 70546, Seattle, WA 98107
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North 407 Main, Colfax, WA 99111
621 S. Main, Colville, WA 99114
639 Morgan St., P.O. Box 520, Davenport, WA 99122
427 East Main, Dayton, WA 99328
261 Basin St. SW, Ephrata, WA 98823

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EXHIBIT D Names and Mailing Address of Directors & Officers of the Resulting Bank

Directors

Names	Mailing Address		
Scott A. Kisting	41 W. Riverside Avenue, Suite 300 Spokane, Washington 99201		
Michael Harmon	41 W. Riverside Avenue, Suite 300 Spokane, Washington 99201		
Spencer Fleischer	41 W. Riverside Avenue, Suite 300 Spokane, Washington 99201		
Gil Klemann	41 W. Riverside Avenue, Suite 300 Spokane, Washington 99201		
Michael J. Gillfillan	41 W. Riverside Avenue, Suite 300 Spokane, Washington 99201		
David I. Matson	41 W. Riverside Avenue, Suite 300 Spokane, Washington 99201		
John B. McCoy	41 W. Riverside Avenue, Suite 300 Spokane, Washington 99201		
Roberto R. Herencia	41 W. Riverside Avenue, Suite 300 Spokane, Washington 99201		

Mailing Address
41 W. Riverside Avenue, Suite 300 Spokane, Washington 99201
41 W. Riverside Avenue, Suite 300 Spokane, Washington 99201
41 W. Riverside Avenue, Suite 300 Spokane, Washington 99201
41 W. Riverside Avenue, Suite 300 Spokane, Washington 99201
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In the matter of the merger of PremierWest Bank, Medford, Jackson County, Oregon, and AmericanWest Bank, Spokane, Spokane County, Washington

CERTIFICATE OF MERGER

TO ALL TO WHOM THESE PRESENTS SHALL COME:

WHEREAS, AmericanWest Bank, Spokane, Spokane County, Washington, has made application for a merger with PremierWest Bank, Medford, Jackson County, Oregon, under provisions of Title 30 RCW; and

WHEREAS, the Director of Banks, Department of Financial Institutions, Richard M. Riccobono ("Director"), has determined the following:

- The resulting state bank, AmericanWest Bank, meets the requirements of state law.
- The Plan provides an adequate capital structure including surplus in relation to its other activities, which are to continue or are to be undertaken.
- 3. The Plan is fair to all parties concerned.
- 4. The Merger is not contrary to the public interest.

NOW, THEREFORE, I, Richard M. Riccobono, the undersigned Director of Banks for the Department of Financial Institutions of the State of Washington,

DO HEREBY CERTIFY, that the necessary instruments have been received and filed in this office on April 9, 2013, which comply with all the requirements of law to validate the Plan, and that the name of the resulting bank is AmericanWest Bank, located in Spokane, Spokane County, Washington; and such Merger is hereby approved effective at 6:00pm on April 9, 2013.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Director of the Department of Financial Institutions at the Capitol, in the City of Olympia, this 9th day of April, 2013.

Director of Banks
Department of Financial Institutions
State of Washington

LIMITED LIABILITY COMPANY OPERATING AGREEMENT

FOR

GRASS BUTTE, LLC

THIS LIMITED LIABILITY COMPANY OPERATING AGREEMENT is made as of the 6th day of February, 2009, by and between ROBERT L. RIEMENSCHNEIDER and LORENE RIEMENSCHNEIDER, husband and wife, ("Riemenschneider"), REALVEST CORPORATION, a Washington corporation, ('Realvest"), and THE DANIELS GROUP, L.L.C., a Washington limited liability company, ('Daniels"), (collectively the "Members"), and GRASS BUTTE, LLG, an Oregon limited liability company (the "Company").

RECITALS:

- A. On October 28, 2008, the Company was formed by filing its Articles of Organization (the "Articles of Organization") pursuant to the Oregon Limited Liability Company Act (the "Act"); and
- B. The Members of the Company desire to express and memorialize their Operating Agreement for the Company in this document;

NOW, THEREFORB, in consideration of the premises and the mutual covenants set forth in this Agreement, the Members agree as follows:

ARTICLEI

ORGANIZATION OF THE COMPANY

- 1.1 Formation. The Company has been organized as a Limited Liability Company pursuant to the Act. Except as otherwise expressly stated, the Act shall govern the rights and liabilities of the Company and the Members.
- Nature of Business. The Company may engage in any lawful business permitted by the Act or the laws of any jurisdiction in which the Company is authorized to do business. The Company shall have the authority to do all things necessary or convenient to accomplish its purpose and operate its business. Without limiting the generality of the foregoing, the Company shall engage in the business of the investment, development and management of the real property described in Bxhibit "A" attached hereto and incorporated herein by this reference, or such other real property as the Members may agree to add to the Company (the "Company Property"). Any real property owned by the Company is hereinafter referred to as "Company Property").

- 1.3 Name. The name of the Company shall be Grass Butte, LLC.
- 1.4 Principal Office. The principal office of the Company shall be 1111 Main Street, Suite 700, Vancouver, WA 98660, and at such other office or offices as the Members may agree.
- 1.5 Term. The Company shall have perpetual existence, unless sooner terminated in accordance with this Agreement.
- 1.6 Registered Office, Registered Agent. The location of the registered office of the Company shall be 1515 SW Fifth, Suite 600, Portland, Oregon 97201, and thereafter at such other location as the Members may designate. The registered agent for the Company at such address shall be David R. Weiner.
- 1.7 Tax Matters Member. The Company's Tax Matters Member must, at all times, be a Member, and shall serve until cessation of membership or replacement by the Members. The initial Tax Matters Member shall be Daniels.

ARTICLE II

MEMBERS AND CAPITAL CONTRIBUTIONS

- Capital Accounts. The Company shall maintain a capital account for each Member, referred to in this Agreement as "Capital Account", in accordance with the capital accounting requirements of the regulations under Section 704 of the Internal Revenue Code of 1986, as amended (the "Code") with the result that the allocations of items of income, gain, deduction, loss and credit under this Agreement shall have "substantial economic effect". Accordingly, among other current requirements of such regulations:
- 2.1.1 <u>Increases in Capital Accounts</u>. Each Member's Capital Account shall be credited with all money and with the fair market value of property contributed by such Member to the Company (net of liabilities secured by such property that the Company is considered to assume or take subject to)!
- 2.1.2 <u>Decreases in Capital Accounts</u>. Each Member's Capital Account shall be charged with all money and with the fair market value of property distributed to such Member by the Company (net of liabilities secured by such property that the Member is considered to assume or take subject to) and
- 2.1.3 <u>In-Kind Distributions</u>. Each Member's Capital Account shall be credited or charged with such Member's share, under paragraph 2.5 of this Agreement, of items of the Company income, gain, deduction, loss and all other items as required by Treasury Regulation Section 1.704-1(b)(2)(iv) taking into account, as to items associated with the Company, the rules of Treasury Regulation Section 1.704-1(b)(4)(i).

Subject to Article IV of this Agreement, to the extent that the regulations under Section 704 of the Code provide for optional procedures of Capital Account maintenance, the Company shall use such procedures as are determined most advantageous by the accountant then serving the Company.

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- 2.2 <u>Initial Contributions</u>. Each of the Members has made or will make Contributions to the Company as set forth in Exhibit "2.2".
- 2.3 Capitalization of Additional Sums. Loans to the Company made pursuant to paragraph 2.6 of this Agreement shall not be capitalized unless all of the Members contribute in the proportions in which they share in the Profits and Losses of the Company and unless all of the Members agree thereto. In addition, sums required to be paid under paragraph 2.4 of this Agreement shall be capitalized.
- Additional Contributions, Contributions, in addition to the initial Contributions, shall be paid by the Members proportionate to their respective Ownership Interests in the Company. The Ownership Interests of the Members in the Company shall not be increased or decreased except upon the unanimous approval of all of the Members. The Managers shall, from time to time, determine if additional Contributions are necessary for any reasonable purpose to meet reasonably anticipated cash requirements. Among the purposes for which additional Contributions may be required are repairs, management expenses, contract, mortgage and note payments and loan repayments (both principal and interest), taxes, assessments, insurance, remodeling, rebuilding, maintenance and the ordinary and usual expenditures in connection with the ownership and operation of real properties. The Company shall notify each Member of the amount such Member is to pay, and the failure to pay the same within thirty (30) days after such written notice is given shall constitute default hereunder in which case the Company and other Members shall have the right to exercise their rights pursuant to paragraphs 2.5 and 7.9 below.
- Failure to Pay Contributions. In the event any Member shall fail to pay such Member's share of a Contribution within the time limited in paragraph 2,4 above (the "Defaulting Member") the non-defaulting Member(s) may loan a "Default Advance" for the account of the Defaulting Member. The Default Advance loan shall include interest at a rate equal to the U.S. Bank published frime interest rate plus five (5%) percent or twelve (12%) percent per annum, whichever is greater, and the Defaulting Member shall immediately pay the Defaulting Advance, together with interest, without further demand or notice. The fact that the Members have borrowed the amount of the delinquent Contribution from one or more Members, or a bank or other firm or person at a lesser rate of interest or without interest, shall not reduce the rate of interest to be paid by the Defaulting Member as set forth above. Any cash distributions, whether from operation or sale of Company Property or otherwise, shall first be offset by any Default Advances, together with interest thereon, before distributing the same to any Defaulting Member, With respect to a particular Default Advance, payments will be allocated among the Members making the Default Advance pro rata in proportion to their respective Default Advance amounts. A Default Advance will be the personal obligation of the Defaulting Member. If a Member is in default pursuant to this paragraph 2.5, the defaulting Member shall have no right to yote on any matters arising out of this Agreement so long as such default continues and said Member's Ownership Interest shall be excluded from the total Ownership Interests

Ownership Interests for the purposes of determining a Majority of the Members.

- Loans by Members. If any Member shall, upon approval by the Managers, advance any sum of money to the Company over and above such Member's Contribution to capital, the same shall be a debt due from the Company to such Member. Such advance of money to the Company shall carry interest only if all of the Members do not advance sums in proportion to their respective interest in the Company. The rate of interest shall be set forth on a promissory note issued by the Company. Interest, therefore, will only be paid to a Member for sums advanced in excess of the sum which would represent an amount equal to the least common denominator of monies advanced by all of the other Members. Such loans shall not be deemed an increase in the Capital Account of the Member advancing the same or entitle such Member to any increased share of the profits of the Company. Such loans may be capitalized, however, only under the terms of paragraph 2.3 of this Agreement. The term of the loan shall be determined in each case by the Managers.
- 2.7 Ownership Interests. The Ownership Interests of the Members in the Company as of . the date of this Agreement shall be as follows:

Riemenschneider			50.00%
Realvest		-	37.50%
Daniels			12.50%
Total;			100%

- 2.8 Title to Company Property. All property owned by the Company shall be owned by the Company as an entity and no Member shall have any ownership interest in such property in the Member's individual name, and each Member's Ownership Interest in the Company shall be personal property for all purposes. Except as otherwise provided in this Agreement, the Company shall hold property owned by the Company in the name of the Company and not in the name or names of any Member of Members.
- 2.9 <u>Payments of Individual Obligations</u>. The Company's credit and assets shall be used solely for the benefit of the Company, and no asset of the Company shall be transferred or encumbered for or in payment of any individual obligation of any Member unless otherwise provided for herein.
- 2.10 <u>Indemnification</u>. The Company shall indemnify to the fullest extent permitted by the Act any Member or former Member of this Company, or any person who may have served as an agent at its request as a Member of another limited liability company, corporation, partnership, joint venture, trust or other enterprise in which the Company has an ownership interest or of which it is a creditor, against any and all costs and expenses, including, but not limited to, attorney's fees, judgments, fines and amounts paid in settlement (before or after legal proceedings are commenced) actually and reasonably incurred in connection with the defense of any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or otherwise in nature, in which such Member may be involved by reason of being or having been such Member of the Company or an agent of such other limited liability company, corporation, partnership, joint venture, trust or other

trust or other enterprise, except in relation to matters as to which the person shall be adjudged in any action, suit or proceeding to be liable for such Member's own negligence or misconduct in the performance of duty to the Company or such other limited liability company, corporation, partnership, joint venture, trust or other enterprise. The foregoing shall not eliminate or limit a Member's liability for:

- 2.10.1 <u>Breach of Loyalty</u>. Any breach of a Member's duty of loyalty to the Company or the other Members as described in this Agreement;
- 2.10.2 <u>Intentional Misconduct</u>. Acts or omissions not in good faith which involve Intentional misconduct or a knowing violation of law;
- 2.10.3 <u>Unlawful Distributions</u>. Any unlawful distribution under the Act, as provided in ORS 63,235; or
- 2.10.4 <u>Improper Benefit</u>. Any transaction not expressly approved or ratified by the Members involving an actual or potential conflict of interest between a Member and the Company from which the Member derives an important personal benefit.
- 2.11 Contribution. If liability is asserted against any of the Members in connection with the execution of any instrument, such as a personal guaranty, on behalf of the Company or in connection with any liabilities of the Company, only the Members who have executed such an instrument, and each of them, jointly and severally, agree to indemnify and hold any of the Members against whom liability is so asserted harmless from any liability, including attorney fees, in excess of that Member's proportionate share (based on relative Ownership Interests of the Members who executed such instrument) of such liability.
- 2.12 <u>Limitation of Liability</u>. Each Member's liability shall be limited as set forth in this Agreement, the Act and other applicable law. A Member will not be personally liable, merely as a Member, for any debts or losses of the Company beyond the Member's respective Contributions, except as otherwise provided by law. A failure to observe any formalities or requirements of this Agreement, the Articles of Organization or the Act shall not be grounds for imposing personal liability on the Members for liabilities of the Company.
- 2.13 Execution of Instruments. Whenever it may be necessary or desirable for the Members to join in the execution of instruments, each Member shall cooperate in executing all such instruments authorized hereunder when requested to personally sign the same, but in the event a Member neglects or refuses to sign any such instruments, such Member shall be bound thereby to the same extent as if such Member had signed the same.
- 2.14 <u>Duties of Members</u>. None of the Members are expected to devote their full time and effort to the conduct of the business of this the Company.

Carlotte Property

- 2.15 Duty of Loyalty. Each Member shall be entitled to enter into transactions that may be considered to be competitive with, or a business opportunity that may be beneficial to, the Company, it being expressly understood that some of the Members may enter into transactions that are similar to the transactions into which the Company may enter, and the Company and each Member waive the right or claim to participate therein. Notwithstanding the foregoing, Members shall account to the Company and shall hold as trustee for it, any property, profit or benefit derived by the Member, without the consent of the Members, in the formation, conduct and winding up of the Company business or for a use or appropriation by the Member of Company assets, including information developed exclusively for the Company and opportunities expressly offered to the Company.
- 2.16 Other Self-Interest. A Member does not violate a duty or obligation to the Company merely because the Member's conduct furthers the interests of the Member. Upon the approval by the Managers, Members may lend money to and transact other business with the Company. The rights and obligations of a Member who lends money to or transacts business with the Company are the same as those of a Person who is not a Member, subject to other applicable law. No transaction with the Company shall be voidable solely because a Member has a direct or indirect interest in the transaction, if the transaction is approved by the Managers.

ARTICLE III

MEETINGS OF MEMBERS

- 3.1 Meetings. Notwithstanding any other provision of this Agreement, if all of the Members shall hold a meeting at any time and place, such meeting shall be valid without call or notice, and any action taken at such meeting shall be the action of the Members.
- 3.2. <u>Yoting</u>. On each matter requiring action by the Members, each Member shall be entitled to vote the Member's Ownership Interest as described in paragraph 2.7 of this Agreement. Except as otherwise stated in the Articles of Organization, this Agreement, the Act or other applicable law, a matter submitted to a vote or for the approval or determination of the Members shall be deemed approved if it receives the affirmative vote of more than fifty (50%) percent of the Ownership Interests of the Company.
- 3.3 Meeting by Telephone. Meetings of the Members may be held by conference telephone or by any other means of communication by which all participants can hear each other simultaneously during the meeting, and such participation shall constitute presence in person at the meeting.
- 3.4 Action by Members Without a Meeting. Action required or permitted to be taken at a meeting of the Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by all of the Members entitled to vote on the action. Action taken under this paragraph is effective when the necessary Members have signed the consent, unless the consent specifies a different effective date.

Page 6. Limited Liability Company Operating Agreement 9702,002a Operating Agms - Grass Butte vi

ARTICLE IV

ALLOCATIONS, DISTRIBUTIONS AND INTERESTS

- 4.1 <u>Definitions.</u> For purposes of this Article IV, the following terms shall have the following meanings:
- 4.1.1 "Capital Account" or "Capital Accounts" shall mean the individual accounts established and maintained pursuant to paragraph 2.1 of this Agreement.
- 4.1.2 'Deficit Capital Account' shall mean the deficit balance in a Member's Capital Account as of the end of the fiscal year, adjusted as may be provided in this Article IV.
 - 4.1.3 "Fiscal Year" means the Company's fiscal year as set forth in paragraph 6.1.
- 4.1.4 "Net Cash from Operations" means the gross cash proceeds from Company operations (including sales and dispositions of Company Property in the ordinary course of business) less the portion thereof used to pay or establish reserves for all Company expenses, debt payments; capital improvements, replacements, and contingencies, all as determined by the Managers. "Net Cash from Operations" shall not be reduced by depreciation, amortization, cost recovery deductions, or similar allowances, but shall be increased by any reductions of reserves previously established pursuant to the first sentence of this definition and the definition of Net Cash from Sales or Refinancings.
- 4.1.5 "Net Cash from Sales or Refinancings" means the net cash proceeds from all sales and other dispositions (other than in the ordinary course of business) and all refinancings of Company Property, less any portion thereof used to establish reserves, all as determined by the Managers. "Net Cash from Sales or Refinancings" shall include all principal and interest payments with respect to any note or other obligation received by the Company in connection with sales and other dispositions (other than in the ordinary course of business) of Company Property.
- 4.1.6 "Net Losses" shall mean, for each Piscal Year, the losses and deductions of the Company determined in accordance with accounting principles consistently applied from year to year under the accounting method adopted by the Company pursuant to paragraph 6.2 of this Agreement, and as reported, separately or in the aggregate, as appropriate, on the Company's information tax return filed for federal income tax purposes, plus any expenditures described in Section 705(a)(2)(B) of the Code.
- 4.1.7 'Net Profits' shall mean, for each Fiscal Year, the income and gains of the Company determined in accordance with accounting principles consistently applied from year to year under the accounting method adopted by the Company pursuant to paragraph 6.2 of this Agreement, and as reported, separately or in the aggregate, as appropriate, on the Company's information tax return filed for federal income tax purposes, plus any income described in Section 705(a)(1)(B) of the

the Code. 1

- 4.1.8 "Ownership Interests" of a Member shall mean the percentage of such Member set forth in paragraph 2.7 of this Agreement, as such percentage may be adjusted from time to time pursuant to the terms hereof. Ownership Interests shall be determined, unless otherwise provided in this Agreement, in accordance with the relative proportions of the Capital Accounts of the Members, effective as of the first day of the Company's Fiscal Year but with all distributions under paragraph 4.3 hereof to be deemed to have occurred on such day immediately prior to determination of Ownership Interest of a Member.
- 4.1.9 "Regulations" means, except where the context indicates otherwise, the permanent temporary or proposed regulations of the Department of the Treasury under the Code as such regulations may be lawfully changed from time to time.
- 4.2 Allocation of Net Profits and Net Losses. Subject to the provision of Section 704(c) of the Code, the Net Profits and Net Losses of the Company for each Fiscal Year shall be allocated according to Ownership Interests as defined in this Agreement.
- 4.3 <u>Distributions Upon Liquidation</u>. Upon liquidation of the Company (or any Member's Ownership Interest), liquidating distributions shall be made in accordance with paragraph 8.5 of this Agreement.
- 4.4 Special Allocations of Capital Accounts. Notwithstanding any other provision of this Article IV, the following shall apply:
- 4.4.1 No allocation of loss, deduction and/or expenditures described in Section 705(a)(2)(B) of the Code shall be charged to the Capital Account of any Member if such allocation would cause or increase a Deficit Capital Account of such Member, except as provided in the next sentence. The amount of the loss, deduction and/or Code Section 705(a)(2)(B) expenditure which would have caused or increased a Deficit Capital Account of such Member shall instead be charged to the Capital Account of any Members which would not have a Deficit Capital Account as a result of the allocation, in proportion to their respective Capital Contributions, or, if no such Members exist, then to the Members in accordance with their Ownership Interests in the Company.
- 4.4.2 In the event any Member unexpectedly receives any adjustments, allocations, or distributions described in Sections 1.704-1(b)(2)(ii)(d)(4),(5) or (6) of the Regulations, which create or increase a Deficit Capital Account of such Member, then items of Company income and gain (consisting of a pro rata portion of each item of Company income, including gross income, and gain for such year and, if necessary, for subsequent years) shall be specially credited to the Capital Account of such Member in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the Deficit Capital Account so created as quickly as possible. It is the intent that this paragraph 4.4.2 be interpreted to comply with the alternate test for economic effect set forth in Section 1.704-1(b)(2)(ii)(d) of the Regulations.

- 4.4.3 Notwithstanding any other portion of this paragraph 4.4, if during a Piscal Year of the Company there is a net decrease in Member nonrecourse debt minimum gain, as defined Section 1.704-2(i)(3), then each Member with a share of that Member nonrecourse debt minimum gain shall be allocated items of income (including gross income) and gain for such year (and if necessary for subsequent years) equal to that Member's share of the net decrease in Member nonrecourse debt minimum gain.
- 4.4.4 Notwithstanding any other portion of this paragraph 4.4, if there is a net decrease in the Company's minimum gain as defined in Section 1.704-2(d) of the Regulations during a Fiscal Year of the Company, then, the Capital Accounts of each Member shall be allocated items of income (including gross income) and gain for such year (and if necessary for subsequent years) equal to that Member's share of the net decrease in Company minimum gain. This paragraph 4.4.4 is intended to comply with the minimum gain charge back requirements of Section 1.704-2 of the Regulations and shall be interpreted consistently therewith.
- 4.4.5 Items of Company loss, deduction and expenditure described in Section 705(a)(2)(B) which are attributable to any nonrecourse debt of the Company and are characterized as. Member nonrecourse deductions under Section 1.704-2(i) of the Regulations shall be allocated to the Members' Capital Accounts in accordance with said Section 1.704-2(i) of the Regulations.
- 4.4.6 Beginning in the first Fiscal Year in which there are allocations of "nonrecourse deductions" (as described in Section 1.704-2(b) of the Regulations), such deductions shall be allocated to the Members in accordance with, and as a part of, the allocations of Company profit or loss for such period.
- 4.4.7 Any credit or charge to the Capital Accounts of the Members pursuant to paragraphs 4.4.1 through 4.4.6 of this Agreement shall be taken into account in computing subsequent allocations of profits and losses pursuant to paragraph 4.2, so that the net amount of any items charged or credited to Capital Accounts pursuant to paragraphs 4.2 and 4.4 shall, to the extent possible, be equal to the net amount that would have been allocated to the Capital Account of each Member pursuant to the provisions of this Article IV if the special allocations required by 4.4.1 through 4.4.6 of this Agreement had not occurred.
- 4.4.8 In accordance with Section 704(c)(1)(A) of the Code and Section 1.704-1(b)(2)(iv) of the Regulations, if a Member contributes property with a fair market value that differs from its adjusted basis at the time of contribution, income, gain, loss and deductions with respect to the property shall, solely for federal income tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company and its fair market value at the time of contribution. Pursuant to Section 704(c)(1)(B) of the Code, if any contributed property described above is distributed by the Company other that to the contributing Member within five (5) years of being contributed, then, except as provided in Section 704(c)(2) of the Code, the contributing Member shall be treated as recognizing gain or loss from the sale of such property in an amount equal to the gain or loss that would have been allocated to such Member under

704(c)(1)(A) of the Code if the property had been sold at its fair market value at the time of distribution.

- 4.4.9 If under Section 1.704-1(b)(2)(iv)(f) of the Regulations, Company Property that has been revalued is properly reflected in the Capital Accounts and on the books of the Company at a book value that differs from the adjusted tax basis of such property, then depreciation, depletion, amortization and gain or loss with respect to such property shall be shared among the Members in a manner that takes account of variation between the adjusted tax basis of such property and its book value, in the same manner as variations between the adjusted tax basis and the fair market value of the property contributed to the Company are taken into account in determining the Members' shares of tax items under Section 704(c) of the Code.
- 4.4.10 All recapture of income tax deductions resulting from the sale or disposition of Company Property shall be allocated to the Member or Members to whom the deduction that gave rise to such recapture was allocated under this Agreement to the extent that such Member is allocated any gain from the sale or other disposition of such property.
- Adjustments to Capital Accounts. The manner in which Capital Accounts are to be maintained pursuant to this Agreement is intended to comply with the requirements of Section 704(b) of the Code and the Regulations promulgated thereunder. If in the opinion of the Company's accountant, the manner in which Capital Accounts are to be maintained pursuant to the provisions of this Agreement should be modified in order to comply with Section 704(b) of the Code and the Regulations thereunder, then notwithstanding anything to the contrary contained in this Agreement, the method in which Capital Accounts are maintained shall be so modified; provided, however, that any change in the manner of maintaining Capital Accounts shall not materially alter the economic agreement between or among the Members.
- 4.6 <u>Distributions</u>, The Managers shall, no less frequently than quarterly during each Fiscal Year, review the financial operations and cash position of the Company and distribute to the Members, in proportion to their respective Ownership Interests, from any Net Cash from Operations or Net Cash from Sales or Refinancing of the Company Property, an amount deemed to be reasonable by the Managers. Notwithstanding the foregoing, any amounts available for distribution by the Company under this paragraph 4.6 shall first be used to repay any loans then outstanding which have been made by any Member to the Company, unless otherwise agreed by the lending party, then reimburse any expenses paid by a Member for and on behalf of the Company if such expenses shall have been approved by the Managers.

4.7 Other Allocation Rules.

4.7.1 <u>Periodic Determination</u>. For purposes of determining the Net Profits, Net Losses, or any other items allocable to any period, Net Profits, Net Losses, and any such other items shall be determined on a daily, monthly, or other basis, as determined by the Members using any permissible method under Code Section 706 and the Regulations thereunder.

- 4.7.2 <u>Proportional Allocations</u>. All allocations to the Members shall, except as otherwise provided, be divided among them in proportion to their Ownership Interests.
- 4.7.3 Sale or Refinance Allocations. To the extent permitted by Section 1.704-2(h)(3) of the Regulations, the Company shall endeavor to treat distributions of Net Cash from Operations or Net Cash from Sales or Refinancings as having been made from the proceeds of a nonrecourse liability or a member nonrecourse debt only to the extent that such distributions would cause or increase an adjusted Capital Account deficit for any Member.

ARTICLE V MANAGEMENT

- 5.1 Number and Qualifications of Managers. As provided in the Articles, the Company will be managed by managers ("Managers"). The number of Managers will be not less than one (1) nor more than three (3). Managers may be individuals or entities, and need not be Members of the Company. If there is only one (1) Manager at any time, the word "Managers" as used in this Operating Agreement will refer to such sole Manager.
- Election of Managers. Managers will be elected at meetings of Members called for the purpose of electing Managers. The meeting notice must state that the purpose, or one of the purposes, of the meeting is election of Managers. Managers will serve for a term ending when the Members next elect Managers, or until Gregory W. Daniels' earlier death, resignation or removal. The Members hereby elect Gregory W. Daniels as the initial Manager of the Company. The Members hereby acknowledge that Daniels may assign his duties as a Manager to any entity in which Gregory W. Daniels is an owner or any entity which he controls.
- Resignation. Any Manager may resign at any time by glving written notice to the Members. The resignation of any Manager will take effect upon receipt of notice of such resignation or at such later time as will be specified in such notice; and, unless otherwise specified in such notice, the acceptance of such resignation will not be necessary to make it effective. The resignation of a Manager who is also a Member will not affect the Manager's rights as a Member and will not constitute a withdrawal as a Member from the Company.
- Removal. The Members may remove Managers for Cause, as that term is defined in this paragraph. If the Members who are not Managers wish to remove Managers for Cause, the determination as to whether Cause exists for the removal of Managers will be arbitrated as provided in Article X. For purpose of this Agreement, "Cause" means: (a) a material breach of this Agreement by Managers; (b) any willful or grossly negligent act by Managers which causes material harm to the Company; (c) Managers' refusal, failure, or inability to perform any material job duties of Managers; (d) any act of fraud on the Company; any criminal act, or any act involving moral turpitude by Managers; or (e) the commission of any act which is materially detrimental to the best interests of the Company. In the event that a Manager is removed for Cause, the Members, other than the Manager removed for Cause, may select a successor Manager.

- 5.5 Authority of the Managers. All decisions to be made by the Managers shall require the approval of all persons serving as Managers. There are no limitations of any kind or nature as to the powers of the Managers other than as set forth in the Act. The Managers will have the sole and exclusive right to manage the business of the Company and will have all of the rights and powers which may be possessed by Managers under the Act and the Articles including, without limitation, the right and power, on behalf and in the name of the Company without the consent or vote of the Members, to:
- 5.5.1 Employees. Hire and terminate Company employees and oversee, control, direct and approve the activities of such employees in the conduct of the Company's business;
- 5.5.2 <u>Litigation</u>. Institute, prosecute, and complain and defend in all courts and administrative proceedings in the Company's name;
- 5.5.3 <u>Property</u>. Purchase, take, receive, lease or otherwise acquire, own, hold, improve, use and otherwise deal in or with real or personal property or any interest in real or personal property, wherever situated, including existing land use and other governmental applications. To perform all acts necessary to manage, develop and operate the Company Property including engaging such persons as Managers deem advisable for such purposes;
- 1.5.5.4 Sell or Encumber. Sell, convey, mortgage, pledge, create a security interest in, lease, exchange, transfer and otherwise dispose of all or any part of the Company Property; including but not limited to executing, delivering and performing on behalf and in the name of the Company any and all agreements and documents deemed necessary or desirable by Managers to carry out the business of the Company, including any lease, deed, easement, bill of sale, mortgage, trust deed, security agreement, contract of sale, development services agreement, property management agreement, real estate brokerage agreement relating to the sale of Company Property or other documents conveying, leasing or granting a security interest in the interest of the Company or any of its assets or any part of thereof, whether held in the Company name, the name of the Managers or otherwise. As indicated above, no vote or signature by the Members will be required;
- 5.5.5 Borrow Money. To borrow or raise monies on behalf of the Company in the Company's name or in the name of the Managers for the benefit of the Company, and, from time to time, to draw, make, accept, endorse, execute and issue promissory notes, drafts, checks, and other negotiable or non-negotiable instruments and evidences of indebtedness, and to secure the payment thereof by mortgage, security agreement, pledge, or conveyance or assignment in trust of the whole or any part of the assets of the Company, including contract rights; and
 - 5.5.6 Contracts, Make contracts, incur liabilities and borrow money.
- 5.6 <u>Limitations on the Authority of the Manager</u>. Without first obtaining the unanimous approval of the Members, the Managers will not have the authority to:
 - (a) file a voluntary petition in bankruptcy on behalf of the Company;

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- (b) dissolve the Company;
- (c) covert the Company to another type of entity;
- (d) merge the Company with another entity;
- (e) borrow funds from the Company;
- (f) do any act in contravention of this Agreement;
- (g) amend this Agreement or the Company's Articles of Organization;
- (h) admit a new Member;
- (i) acquire any land or other real property or interest in land or any other real property other than any easement, right of way, or similar interest reasonably required for the ownership or operation of the Company Property.
- 5.7 Duties and Obligations of the Managers. In addition to such other duties and obligations as the Managers may have, the Managers will be responsible for the following:
- 5.7.1 Separate Business. The Managers will cause the Company to conduct its business and operations separate and apart from that of any Manager or any Affiliate of a Manager.
- 5.7.2 <u>Company Purposes</u>. The Managers will cause the Company to take all actions which may be necessary or appropriate;
 - (1) for the continuation of the Company's valid existence as a limited liability company under the laws of Oregon and of each other jurisdiction in which such existence is necessary to protect the limited liability of the Members or to enable the Company to conduct the business in which it is engaged; and
 - (2) for the accomplishment of the Company's purposes, including the acquisition, development, maintenance, preservation, and operation of Company Property in accordance with the provisions of this Agreement and applicable laws and regulations.
- 5.7.3 Fiduciary Duty. The Managers will be under a fiduciary duty to perform the duties of the Managers in good faith, in a manner the Managers reasonably believe to be in the best interests of the Company and its Members, and with such care as an ordinarily prudent person in a like position would use under similar circumstances. In discharging these duties, the Managers will be fully protected in relying in good faith upon the records required to be maintained under this Agreement and upon such information, opinions, reports or statements by any Member, or agent, or by any other person, as to matters the Managers reasonably believe are within such other person's

professional or expert competence and who has been selected with reasonable care by or on behalf of the Company, including information, opinions, reports or statements as to the value and amount of the assets, liabilities, profits and losses of the Company or any other facts pertinent to the existence and amount of assets from which distributions to the Members might properly be paid and to which the Managers have no knowledge that would cause such reliance to be unwarranted.

5.8 Right to Rely on the Managers.

- 5.8.1 Rellance. Any Person dealing with the Company may rely (without duty of further inquiry) upon a certificate signed by the Managers as to:
 - (1) The identity of the Managers or any Member;
 - (2) The existence or nonexistence of any fact or facts which constitute a condition precedent to acts by a Manager or which are in any other manner germane to the affairs of the Company;
 - (3) The Persons who are authorized to execute and deliver any instrument or document of the Company; or
 - (4) Any act or failure to act by the Company or any other matter whatsoever involving the Company or any Member.
- 5.8.2 <u>Documents</u>. The signature of the Managers will be necessary and sufficient to convey title to any Company Property or to execute any promissory notes, trust deeds, mortgages, or other instruments of hypothecation. The Managers may show a copy of this Agreement to the appropriate parties in order to confirm the same. The signature of the Managers will be sufficient to execute any "statement of company" or other documents necessary to effectuate this or any other provision of this Agreement. The Members appoint the Managers as their attorney[s]-in-fact for the execution of any or all of the documents described in this paragraph 5.7.2.
- 5.9 Indemnity of the Managers. The Managers are not personally liable for any debt, obligation or liability of the Company merely by reason of being Managers and are not liable to the Company or its Members for monetary damages for conduct as Managers. Managers who performs the duties as Managers in accordance with this Agreement will not have any liability by reason of being or having been Managers. The Company will indemnify the Managers against all claims arising out of the Company and make advances for attorneys fees and other expenses of litigation, mediation, arbitration, and negotiation of disputes to the maximum extent permitted under the Act. However, this provision will not eliminate or limit Managers' liability for:
- 5.9.1 <u>Breach of Loyalty</u>. Any breach of a Manager's duty of loyalty to the Company or its Members as described in this Agreement;

- 5.9.2 <u>Intentional Misconduct</u>. Acts or omissions not in good faith which involve intentional misconduct or a knowing violation of law;
 - 5.9.3 Unlawful Distribution. Any unlawful distribution under the Act; or
- 5.9.4 <u>Improper Benefit</u>, Any transaction from which the Managers derive an improper personal benefit.

ARTICLE VI

ACCOUNTING AND RECORDS

- 6.1: Fiscal Year. The Fiscal Year of this the Company shall be the calendar year.
- 6.2 Accounting Method. The Company shall use the cash or accrual method as its basis of accounting as determined by the Managers. The Company shall maintain adequate accounting records. All books, records and accounts of the Company shall be open at all times to inspection by all Members.
- Banking. All funds of the Company shall be deposited in its name in such checking accounts of accounts of savings as shall be designated by the Managers. Checks may be drawn on the Company bank account for the Company purposes only. Checks drawn on any such the Company account may be signed by such person or persons as the Managers may, from time to time, designate in writing.
- Tax Returns. The Managers shall cause all required federal and state income tax returns for the Company to be prepared and timely filed with the appropriate authorities. Within seventy-five (75) days after the end of each Fiscal Year, each Member shall be furnished a statement suitable for use in the preparation of the Member's income tax return, showing the amounts of any distributions, contributions, gains, losses, profits or credits allocated to the Member during the Fiscal Year pursuant to the terms of this Agreement.

ARTICLE VII

TRANSFERS AND ENCUMBRANCES OF OWNERSHIP INTERESTS

- 7.1 Encumbrance of Interests. No Member shall be entitled to encumber such Member's Membership Ownership Interest in the Company.
- 7.2 Restrictions on Transfer During Life. Except as set forth in Section 7.3, no Member shall sell, transfer, assign, or otherwise dispose of all or any part of such Member's Ownership Interest in the Company without the written consent all of the other Members. This paragraph and the restrictions contained herein shall not apply to Daniels so long as Gregory W. Daniels or a permitted assignee of his duties as a Manager is the Manager.

- 7.3 Permitted Transfers. A Member may at any time transfer all or any portion of such Member's Ownership Interest in the Company; (a) to any other Member; (b) to any member of the Member's Family; (c) to the Member's executor, conservator, administrator, trustee or personal representative upon death or adjudicated incompetence or in any other involuntary transfer by operation of law; or (d) upon the consent of all of the other Members. For the purposes of this paragraph 7.3, "Family" shall mean a Member's spouse, siblings, and natural and adoptive linear ancestors or descendants, and trusts, partnerships and limited liability companies in respect of which the Members and such spouse, siblings, ancestors and descendants are the sole beneficiaries, partners, or members, as the case may be.
- 7.4: Conditions to Permitted Transfers. A transfer shall not be permitted under paragraph 7.2 or paragraph 7.3 unless and until the Assignor and Assignee shall execute and deliver to the Company such documents and instruments of conveyance as may be necessary or appropriate in the opinion of counsel to the Company to effect such transfer and to confirm the agreement of the Assignee to be bound by the provisions of this Article VII.

7.5 Rights and Obligations of Assignees and Assignors.

- 7.5.1 No Dissolution. A transfer by any Member or Assignee shall not itself dissolve the Company or entitle the Assignee to become a Member or exercise any rights of a Member, provided that, notwithstanding any other provision of the Act or this Agreement to the contrary, each permitted successor in interest to a deceased or incompetent or otherwise disabled Member (the "Affected Member") shall, upon compliance with paragraph 7.6 (other than paragraph 7.6.1), immediately succeed to the interest of the Affected Member in the Company (including upon any transfer thereto by a predecessor permitted successor) and be automatically admitted as a Substitute Member and have the same rights and obligations in the Company as the Affected Member. The permitted successors in interest to an Affected Member shall be: (i) any executor, conservator, administrator, trustee or personal representative upon death or adjudicated incompetence of the Affected Member; or (ii) any other Member.
- 7.5.2 <u>Voting Restrictions</u>. A transfer by any Member, shall eliminate the Member's power and right to vote (in proportion to the extent of the interest transferred) on any matter submitted to the Members, and, for voting purposes, such interest shall not be counted as outstanding in proportion to the extent of the interest transferred. The foregoing limitation shall not apply to any successor in interest, including, without limitation, the Member's executor, administrator, guardian, conservator or other legal representative, that, pursuant to ORS 63.265, is entitled to exercise the rights of such Member and pursuant to paragraph 7.6.1, is entitled to automatic admission as a Substitute Member.
- 7.5.3 Economic Rights. An Assignee that is not admitted as a Substitute Member pursuant to paragraph 7.6 shall be entitled only to the Economic Rights with respect to the interest transferred and shall have no Management Rights (including, without limitation, rights to any information or accounting of the affairs of the Company or to inspect the books or records of the

Company) with respect to the interest transferred. If the Assignce becomes a Substitute Member, the voting rights associated with the interest transferred shall be restored and be held by the Substitute Member alone. The Assignce shall have no liability as a Member solely as a result of the transfer. For the purposes hereof, "Economic Rights" shall mean a Member's share of the Profits, Losses, or any other items applicable to any period and distributions of Company Property pursuant to the Act, the Articles of Organization, and this Agreement, but shall not include any Management Rights.

- 7.5.4 Court Order. If a court of competent jurisdiction charges an interest in the Company with the payment of an unsatisfied amount of a judgment with interest, to the extent so charged the judgment creditor shall be treated as an Assignee.
- 7.5.5 Transfers to Members. Notwithstanding any other provision of the Act or this Agreement apparently to the contrary, if an Assignee is a Member as of the date of any transfer to such Assignee, such Assignee shall have all the rights and obligations of a Member with respect to such transferred interest, including, without limitation, all Management Rights with respect to such interest.
- 7.6 Admission of Assignee as Substitute Member. Subject to the other provisions of this Article VII, an Assignee may be admitted to the Company as a Substitute Member, but only upon satisfaction of all of the following conditions, upon which satisfaction the Substitute Member shall have, to the extent assigned, the rights and powers, and be subject to the restrictions and liabilities, of a Member under the Act, the Articles and this Agreement, shall be liable for any obligations of the Assigner to make Contributions but shall not be obligated for liabilities reasonably unknown to the Assignee at the time the Assignee becomes a Member:
- 7.6.1 Members' Consent. The Members then entitled to vote consent to such admission:
- 7.6.2 <u>Bound by this Agreement</u>. The Assignee becomes a party to this Agreement as a Member by executing a counterpart signature page to this Agreement and executing such documents and instruments the Managers may reasonably request as necessary or appropriate to confirm such Assignee as a Member in the Company and such Assignee's agreement to be bound by the terms and conditions of this Agreement;
- 7.6.3 Reimbursement of Expenses. The Assignee pays or reimburses the Company for all reasonable legal, filing, and publication costs that the Company incurs in connection with the admission of the Assignee as a Member with respect to the interest transferred; and
- 7.6.4 <u>Legal Authorities</u>. If the Assignee is not a natural person of legal Majority, the Assignee provides the Company with evidence reasonably satisfactory to counsel for the Company of the authority of the Assignee to become a Member and to be bound by the terms and conditions of this Agreement.

- 7.7 Effect of Admission of Substitute Member on Assignor and Company. Notwithstanding the admission of an Assignee as a Substitute Member, the Assignor shall not be released from the Assignor's liability to the Company but such admission shall cause an Assignor that is a Member to cease to be a Member with respect to the interest transferred when the Assignee becomes a Substitute Member. In any such case, pursuant to ORS 63.621(4), the admission of the Assignee as a Substitute Member shall constitute the requisite consent of the Members to continue the business of the Company notwithstanding that such admission will cause the termination of the membership of the Assignor with respect to the interest transferred.
- Distributions and Allocations Regarding Transferred Member Interests. Upon any transfer during any Fiscal Year made in compliance with the provisions of this Article VII, Profits, Losses, each item thereof and all other items attributable to such interest for such Fiscal Year shall be divided and allocated between the Assignor and the Assignee by taking into account their varying interests during such Fiscal Year in accordance with IRC 706(d), using any conventions permitted by law and selected by the Managers. All distributions on or before the date of such transfer shall be made to the Assignor and all distributions thereafter shall be made to the Assignee, Solely for purposes of making such allocations and distributions, the Company shall recognize such transfer not later than the end of the calendar month during which it is given notice of such transfer; provided that, if the Company is given notice of a transfer at least ten (10) Business Days prior to the transfer, the Company shall recognize such transfer as the date of such transfer, and provided, further, that, if the Company does not receive a notice stating the date such interest was transferred and such other information as the Managers may reasonably require within thirty (30) days after the end of the Piscal Year during which the transfer occurs, then all such items shall be allocated, and all distributions shall be made, to the Member that, according to the books and records of the Company, was the owner of the interest on the last day of the Fiscal Year during which the transfer occurs. Neither the Company nor any Member shall incur any liability for making allocations and distributions in accordance with the provisions of this paragraph 7.8, whether or not any Member or the Company has knowledge of any transfer of any interest.

ARTICLE VIII

DISSOLUTION

- 8.1 <u>Dissolution</u>. Except as otherwise expressly provided in this Agreement, the occurrence of any of the following events, hereinafter referred to as a "Dissolution Event," shall dissolve the Company:
 - (a) all of the Members shall vote to dissolve the Company;
 - (b) in the case of a Member who is a natural person, the death of the Member; or
- (c) in the case of a Member that is a corporation, the filing of articles of dissolution or its equivalent, for the corporation or the revocation of its charter.

- (d) the sale of all or substantially all of the Company Property.
- (e) the date of dissolution of the Company as set forth in the Articles of Organization.
- 8.1.1 Treatment of Dissolution Events. If the Members vote to dissolve the Company pursuant to paragraph 8.1(a), the Company shall be liquidated with all reasonable dispatch pursuant to the Act and the terms of this Agreement. Upon the occurrence of any other Dissolution Event enumerated in paragraph 8.1 above, the Company shall not be dissolved or required to be wound up if, within ninety (90) days after the occurrence of a Dissolution Event, if there is at least one (1) remaining Member, all of the remaining Members shall vote to continue the business of the Company; provided, however, unless the Members vote to continue the business of the Company, the Company shall be liquidated with all reasonable dispatch pursuant to the Act and the terms of this Agreement.
- 8.2: Withdrawal. No Member shall have the power or right to withdraw from the Company.
- 8.3 <u>Dissolution and Winding Up.</u> In the event of dissolution of the Company, whether voluntary or involuntary, no further business shall be done in the Company name and no further business shall be transacted for the Company except for actions necessary to the winding up of its affairs and the liquidation of its assets and the distribution of the proceeds of the liquidation. Maintenance of offices to effectuate or facilitate the winding up of the Company affairs shall not be construed to involve a continuation of the Company.
- 8.4! Actual Dissolution. On any dissolution of the Company under this Agreement or applicable law, except as otherwise provided in this Agreement, the continuing operation of the Company's business shall be confined to those activities reasonably necessary to wind up the Company's affairs, discharge its obligations and preserve and distribute its assets in the following order:
- (a) Payment or provision for the payment of all the Company liabilities and obligations (including loans or other indebtedness owed to a Member) and liquidating expenses; and
- (b) Payment to the Members in the amount of the respective Capital Account balances (as determined after taking into account all Capital Account adjustments required under the Treasury Regulations under Section 704 of the Codo), by the end of the taxable year during which the dissolution occurs, or, if later, within ninety (90) days after the date of such dissolution. If the amount available for such distribution is insufficient, payment shall be made pro rata among all of the Members in the same proportion that the positive Capital Account balance of each Member bears to the aggregate amount of the Capital Account balances of all of the Members.
- 8.5 Winding Up. Upon the dissolution of the Company under this Agreement or applicable law, except as otherwise provided under this Agreement, the Company shall continue

solely for the purposes of winding up its affairs in an orderly manner, liquidating its assets, and satisfying the claims of its creditors and the Members, and the Members shall take any action that is inconsistent with, or not necessary to or appropriate for, the winding up of the Company's business and affairs. To the extent not inconsistent with the foregoing, all covenants and obligations in this Agreement shall continue in full force and effect until such time as the Company Property has been distributed pursuant to this paragraph 8.5 and Articles of Dissolution have been filed in accordance with the Act. The Members, or, an agent appointed by the Members, shall be responsible for overseeing the winding up and dissolution of the Company, shall take full account of the Company's liabilities and property, shall cause the Company Property to be liquidated as promptly as is consistent with obtaining the fair value thereof, and shall cause the proceeds therefrom, to the extent sufficient therefor, to be applied and distributed in the following order:

- (a) First, to the payment and discharge of all of the Company's debts and liabilities to creditors other than the Members;
- (b) Second, to the payment and discharge of all of the Company's debts and liabilities to the Members;
- (c) The balance, if any, to the Members in accordance with their Ownership Interests.

No Member shall receive any additional compensation for any services performed pursuant to this paragraph 8.5. Bach Member understands and agrees that by accepting the provisions of this paragraph 8.5 setting forth the priority of the distribution of the assets of the Company to be made upon its liquidation, such Member expressly waives any right which it, as a creditor of the Company, might otherwise have under the Act to receive distributions of assets part passu with the other creditors of the Company in connection with a distribution of assets of the Company in satisfaction of any liability of the Company, and hereby subordinates to said creditors any such right.

- 8.6 No Obligation to Restore Negative Capital Account, Notwithstanding anything to the contrary in this Agreement, upon a liquidation within the meaning of Section 1,704-1(b)(2)(ii)(g) of the Treasury Regulations under Section 704 of the Code, if any Member has a deficit balance in such Member's Capital Account (after giving effect to all contributions, distributions, allocations and other Capital Account adjustments for all taxable years, including the year during which such liquidation occurs), such Member shall have no obligation to make any contribution to the capital of the Company, and the deficit balance of such Member's Capital Account shall not be considered a debt owed by such Member to the Company or to any other person for any purpose whatsoever.
- 8.7 Savings Clause. The allocations of profits and losses set forth in this Agreement are intended to produce final capital account balances that will result in the Members being entitled to receive, upon liquidation and winding up of the Company, distributions pursuant to this Article 8 that are equal in amount to the distributions that the Members would have received in lieu of distributing net proceeds of liquidation to the Members pursuant to Section 4.6. Notwithstanding any other provision in this Article 8 to the contrary, to the extent that the allocations of profits and losses set

losses set forth in this Article 8 would not produce final capital account balances that are consistent with the preceding sentence, the Manager shall reallocate profits (including items of income or gain) and losses (including items of loss or deduction) for the current fiscal year, future fiscal years and, if necessary, any open prior fiscal years in a manner necessary to produce final capital account balances that are, to the maximum extent possible, consistent with the preceding sentence.

ARTICLE IX

GENERAL PROVISIONS

- Rights of Creditors and Third Parties. This Agreement is entered into among the Company and the Members for the exclusive benefit of the Company, its Members, and their successors and assigns. The Agreement is expressly not intended for the benefit of any creditor of any Member or the Company or any other person. Except and only to the extent provided by the Act, no such creditor or third party shall have any rights under this Agreement or any agreement between the Company and any Member with respect to any contribution by such Member or otherwise.
- 9.2 Waiver. No waiver of any right arising out of a breach of any covenant, term or condition of this Agreement shall be a waiver of any right arising out of any other or subsequent breach of the same or any other covenant, term or condition or a waiver of the covenant, term or condition itself.
- 9.3 Benefit. Except as otherwise provided in this Agreement, the covenants, conditions and terms of this Agreement shall extend to and be binding upon and inure to the benefit of the heirs, personal representatives, assigns and successors of the parties hereto.
- 9.4 Attorney's Fees. If any arbitration, mediation, or other proceeding is brought in lieu of litigation, or if suit or action is instituted to enforce or interpret any of the terms of this Agreement, or if suit or action is instituted in a Bankruptcy Court for a United States District Court to enforce or interpret any of the terms of this agreement, to seek relief from an automatic stay, to obtain adequate protection, or to otherwise assert the interests of the Company or a Member in a bankruptcy proceeding the party not prevailing shall pay the prevailing party's costs and disbursements, the fees and expenses of expert witnesses in determining reasonable attorney fees pursuant to the laws of the State of Oregon, the actual cost of a litigation or foreolosure report, and such sums as the court may determine to be reasonable for the prevailing party's attorney fees connected with the trial and any appeal and by petition for review thereof. The prevailing party shall be entitled to request post-judgment attorneys fees and costs from the court after such fees are incurred without filing a different action or suit.
- 9.5 Modification and Amendment. This Agreement and its terms may be modified and added to by the unanimous agreement of the Members. Such a modification shall be in writing and become a part of this Agreement. No Member shall have any vested rights in this Agreement which may not be modified through any such amendment to this Agreement.

- 9.6 Gender and Name. Whenever appropriate, words used in the singular may include the plural, and the plural may include the singular, and the masculine may include the feminine.
- 9.7 Admittance of New Members. New Members may be admitted only upon the affirmative vote of all of the Members. Such admittance shall be effected by the purchase from each of the existing Members of a proportional interest of the Company capital and profits on the terms and conditions approved by the existing Members. The existing Members agree to join with the new Member in causing the Company to file an election under Section 754 of the Code which will adjust the basis of the Company Property so as to reflect the purchase price as of the date of purchase and which will also have the effect of allocating to the existing Members any potential gain under Section 1250 of the Code realized through the date of purchase.
- 9.8 <u>Defects as to Formalities</u>. A failure to observe any formalities or requirements of this Agreement, the Articles of Organization, or the Aot, shall not be grounds for imposing personal liability on the Members for liabilities of the Company.
- No Partnership Intended for Nontax Purposes. The Members have formed the Company under the Act, and expressly do not intend hereby to form a partnership under either the Oregon Uniform Partnership Act or the Oregon Uniform Limited Partnership Act or a Corporation under the Oregon Business Corporation Act. The Members in their capacities as Members of the Company do not intend thereby to be partners of or among each other, or partners as to any third party. To the extent any Member, by word or action, represents to another person that any other Member is a partner of that the Company is a partnership, the Member making the such wrongful representation shall be liable to any other Member that incurs personal liability by reason of such wrongful representation. Notwithstanding the foregoing, the Members acknowledge that it is their intent to be treated as partners solely for federal and state tax purposes, and the Company and the Members will file tax returns consistent with that treatment. The Members agree to make any amendments to this Agreement and the Articles as may be reasonably necessary to ensure that the Members will be treated as partners for federal and state tax purposes.

ARTICLE X

ARBITRATION OF DISPUTES

Dispute Resolution. If any dispute or deadlock arising out of this Agreement either during or after its term, including the question as to whether any particular matter is arbitrable, the matter shall be submitted to mediation and if the parties are unable to reach agreement through such mediation then to binding arbitration. Such mediation shall be conducted by an impartial private mediator in Bend, Deschutes County, Oregon. In the event the parties are unable to agree on a mediator, the dispute shall be submitted to arbitration as provided for herein. In the event the parties have not agreed upon an arbitrator within ten (10) days after either party has demanded arbitration, either party may file a demand for arbitration with the Arbitration Services of Portland, Inc. ("ASP") and a single arbitrator shall be appointed in accordance with the then existing Arbitration Rules of the AAA. Discovery may be conducted either upon mutual consent of the parties, or by order of the

arbitrator upon good cause being shown. In ruling on motions pertaining to discovery, the arbitrator shall consider that the purpose of arbitration is to provide for the efficient and inexpensive resolution of disputes, and the arbitrator shall limit discovery whenever appropriate to insure that this purpose is preserved. The dispute between the parties shall be submitted for determination within sixty (60) days after the arbitrator has been selected. The decision of the arbitrator shall be rendered within thirty (30) days after the conclusion of the arbitration hearing. The decision of the arbitrator shall be in writing and shall specify the factual and legal basis for the decision. Upon stipulation of the parties, or upon a showing of good cause by either party, the arbitrator may lengthen or shorten the time periods set forth herein for conducting the hearing or for rendering a decision. The decision of the arbitrator shall be final and binding upon the parties. Judgment to enforce the decision of the arbitrator, whether for legal or equitable relief, may be entered in any court having jurisdiction thereof, and the parties hereto expressly and irrevocably consent to the jurisdiction of the Oregon Courts for such purpose. 'The arbitrator shall conduct all proceedings pursuant to the then existing Arbitration Rules of the ASP, to the extent such rules are not inconsistent with the provisions of this Section 14.1. In the event a dispute is submitted to arbitration pursuant to this Article, the prevailing party shall be entitled to the payment of its reasonable attorneys' fees and costs, as determined by the arbitrator. The parties shall keep all disputes and arbitration proceedings strictly confidential, except for disclosures of information required by applicable law or regulation.

[Remainder of this page left intentionally blank]

Operating Agreement the day and year first above written.

Grass Butte, LLC an Oregon limited liability company

Robert L. Rlemenschmeider/Lorene Riemenschneider

By:

Gregory W. Daniels, Manager

COMPANY

By:

David N. Fuhrer, President

The Daniels Group, L.L.C., a Washington limited liability company

By:

Gregory W. Daniels, Member

MEMBERS

EXHIBIT "2.2"

INITIAL CONTRIBUTIONS OF MEMBERS (Section 2.2)

Member

Riemenschheider

Contribution

The Real Property described as Tract 1 on Exhibit "A", together with the assignment of that certain \$1,500,000.00 Promissory Note dated July 31, 2004, originally made by Printhead Investors, LLC (now the obligation of Paul E. Christensen) in favor of Riemenschneider

Daniels

Realvest

25% of the real property described as Tract II on Exhibit "A" and the water rights described on Exhibit "A"

75% of the real property described as Tract II on Exhibit "A" and the water rights described on Exhibit "A"

ACTION BY MEMBERS

OF

GRASS BUTTE, LLC

WHEREAS, Section 62-130(5) of Oregon Revised Statutes provides that any action which may be taken at a meeting of the Members may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the Members entitled to vote thereon; and

WHEREAS, Section 5.2 of the Operating Agreement of the Company provides that the Members may elect Managers for the Company; and

WHEREAS, the Members have determined that it is in their best interest to elect a new Manager for the Company:

NOW, THEREPORE, the Members of Grass Butte, LLC hereby take the following actions:

- 1. RESOLVED, that Realvest Corporation is hereby elected as Manager of the Company.
 - The Members of Grass Burte, LLC hereby consent to all the foregoing actions.
 DATED this 3th day of June, 2013.

MEMBERS

LORENE RIEMENSCHNEIDER

EMENSCHNEIDER

Panye, Christensen, Prysident

GREGORY W. DANIELS

CRITICUTE Action by Members



Water Resources Department

North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

June 9, 2011

GRASS BUTTE, LLC GREG DANIELS 1111 MAIN ST SUITE 700 VANCOUVER WA 98660 PREMIER WEST BANK 875 RIMROCK WAY, SUITE 100 REDMOND, OREONG 97756

Re: Instream Transfer T-10730 & Mitigation Credit Project MP-124

On June 3, 2011, the Department issued a Final Order approving Instream Transfer T-10730 and Mitigation Credit Project MP-124, as evidenced by Special Order Volume 84, Page 378. The Department also issued three new instream water right certificates, Certificates 87056, 87055, and 87057.

Shortly following issuance of the instream certificates, a scrivener's error was identified in each of the instream certificates. The zone of impact in which mitigation credits may be used was misidentified as the Little Deschutes Zone of Impact. The zone of impact identified in the certificates should be the Crooked River Zone of Impact and the General Zone of Impact, consistent with the Final Order.

Please find attached with this letter, three superseding certificates, which correctly identify the zones of impact in which mitigation credits may be used for Mitigation Project MP-124.

Information on the use of these mitigation credits was described in the cover letter that accompanied the Final Order. Thank you for participating in the Instream Transfer and Deschutes Mitigation Credit program. I want again to express appreciation for your participation in these programs and cooperation in helping to improve streamflows for fish and aquatic life and to provide mitigation water to ground water users in the Deschutes Ground Water Study Area.

If you have any questions regarding the instream transfer and new certificate or the award of mitigation credits, please call me at (503) 986-0884.

Sincerely,

Laura K. Wilke

Flow Restoration Program Coordinator

c: Jeremy Giffin, Watermaster District 11 Shonee Langford, attorney David Newton, Agent Jim Newton, CWRE #82917 Peoples Irrigation Company

Low Line Ditch Company
US Bureau of Reclamation
Butler Ranch, Inc.
South Valley Bank and Trust
file T-10730 & MP-124

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

STATE OF OREGON WATER RESOURCES DEPARTMENT

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The date of priority is 1903. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed:

Reach	Instream Rates
Reach #1	0.56 Cubic Foot per Second (CFS)
Reach #2	0.50 CFS
Reach #3	0.25 CFS

or its equivalent in case of rotation, measured at the points of diversion, during the period June 1 through November 8.

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

Reach #1: From the POD for Certificate 83651, located approximately at:

Twp	Rng Mer Sec Q-Q				Measured Distances
14 S	14 E	WM	24	SE SW	LOW LINE DITCH: Latitude 44.335984 Degrees and Longitude -120.999700 Degrees

to River Mile 32.9.

Reach #2: From River Mile 32.9 to River Mile 30 where Lone Pine Road crosses the Crooked River.

Reach #3: From River Mile 30 to Lake Billy Chinook.

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. Stream channel losses and gains calculated based on available data and the use of water by senior appropriators will determine the amount of water to which this right is entitled downstream from the original point of diversion within the specified stream reach.

The instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and shall be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise specified by a subsequent order establishing a new instream water right.

This is a final order in other than a 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 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.

T-10730-correct-87056-lkw (MP-124)

Page 1 of 2

Mitigation Credit Award

Mitigation Project:

MP-124

Mitigation Credits Awarded:

221.4, being 120.6 from Certificate 87057, 81.0 from Certificate 87056

and 19.8 from Certificate 87055

Zone of Impact:

These mitigation credits may be used to satisfy a mitigation obligation within the Crooked River Zone of Impact and the General Zone of

Impact

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

Certificate 87094, together with Certificates 87095 and 87096, is Mitigation Project MP-124.

The number of mitigation credits awarded is a portion of the total volume transferred instream, being 492.0 AF, being 268.0 AF under Certificate 87057, 180.0 AF under Certificate 87056, and 44.0 AF under Certificate 87055. 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(s)), 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 water for the above purpose is restricted to beneficial use in the place of use described and is subject to all other terms and conditions of Certificate 83651 and any related decree.

This certificate is issued to correct a scrivener's error in the identification of the zone of impact for mitigation credits described on Certificate 87056. This Certificate supersedes Certificate 87056.

WITNESS the signature of the Water Resources Director, affixed

ench, Water Right Services Administrator, for

PHILLIP'C. WARD, DIRECTOR

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

STATE OF OREGON WATER RESOURCES DEPARTMENT

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The dates of priority are 1892, 1898, and 1904/1910. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed:

Reach	Priority Dates and Instream Rates											
	1892	1898	1904/1910	Totals								
Reach #1	0.17 Cubic Foot per Second (CFS)			0.17 CFS								
Reach #2	0.17 CFS		0.03 CFS	0.20 CFS								
Reach #3	0.17 CFS		0.027 CFS	0.197 CFS								
Reach #4	0.17 CFS	0.01 CFS	0.027 CFS	0.207 CFS								
Reach #5	0.17 CFS	0.006 CFS	0.027 CFS	0.203 CFS								
Reach #6	0.80 CFS	0.006 CFS	0.027 CFS	0.833 CFS								
Reach #7	0.72 CFS	0.006 CFS	0.027 CFS	0.753 CFS								
Reach #8	0.36 CFS	0.003 CFS	0.01 CFS	0.373 CFS								

or it's equivalent in case of rotation, measured at the points of diversion, during the period June 1 through November 8.

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

Reach #1: From the location of diversion #1 authorized previously under Certificate 83857, located approximately at:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
1	15 S	16 E	WM	8	NW SW	1920 FEET NORTH AND 340 FEET EAST FROM THE SW CORNER OF SECTION 8

to the location of diversion #2 authorized previously under Certificate 83857, located approximately at:

POD	Twp	P Rng Mer Sec Q-Q		Q-Q	Measured Distances			
2	14 S	14 E	WM	24	SE SW	LOW LINE DITCH, Latitude 44.335984 degrees and Longitude -120.999700 degrees		

Reach #2: From the location of diversion #2 authorized previously under Certificate 83857 to River Mile 32.9.

This is a final order in other than a 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 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.

T-10730-correct-87057-lkw (MP-124)

Page 1 of 3

Certificate 87096

Reach #3:

From River Mile 32.9 to the location of diversion #7 authorized previously under Certificate 83857, located approximately at:

POD	Twp	Rng	Mer.	Sec	Q-Q	Measured Distances
7	14 S	14 E	WM	20	SE SE	PUMP: 325 FEET NORTH AND 120 FEET WEST FROM THE SE CORNER OF SECTION 20

Reach #4:

At the location of diversion #7 authorized previously under Certificate 83857.

Reach #5:

From just below the location of diversion #7 authorized previously under Certificate 83857 to the location of diversion #6 authorized previously under Certificate 83857, located approximately at:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
6	14 S	14 E	WM	29	NE NW	PUMP: 1085 FEET SOUTH AND 970 FEET WEST FROM THE NORTH 1/4 CORNER OF SECTION 29

Reach #6:

At the location of diversion #6 authorized previously under Certificate 83857.

Reach #7:

From just below the location of diversion #6 authorized previously under Certificate 83857 to River Mile

30 where Lone Pine Road crosses the Crooked River

Reach #8:

From River Mile 30 to Lake Billy Chinook

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. Stream channel losses and gains calculated based on available data and the use of water by senior appropriators will determine the amount of water to which this right is entitled downstream from the original point of diversion within the specified stream reach.

Mitigation Credit Award

Mitigation Project:

MP-124

Mitigation Credits Awarded:

221.4, being 120.6 from Certificate 87096, 81.0 from Certificate 87094

and 19.8 from Certificate 87095

Zone of Impact:

These mitigation credits may be used to satisfy a mitigation obligation within the Crooked River Zone of Impact and the General Zone of

Impact

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

Certificate 87096, together with Certificates 87094 and 87095, is Mitigation Project MP-124.

The number of mitigation credits awarded is a portion of the total volume transferred instream, being 492.0 AF, being 268.0 AF under Certificate 87096, 180.0 AF under Certificate 87094, and 44.0 AF under Certificate 87095. 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(s)), 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 instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and shall be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise specified by a subsequent order establishing a new instream water right.

The right to the use of water for the above purpose is restricted to beneficial use in the place of use described and is subject to all other terms and conditions of Certificate 83857, and any related decree.

This certificate is issued to correct a scrivener's error in the identification of the zone of impact for mitigation credits described on Certificate 87057. This Certificate supersedes Certificate 87057.

Dwight French, Water Right Services Administrator, for

PHILLIP C. WARD, DIRECTOR

T-10730-correct-87057-lkw (MP-124) Page 3 of 3 Recorded in State Record of Water Right Certificates numbered 87096.

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

STATE OF OREGON WATER RESOURCES DEPARTMENT

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The date of priority is 1892. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed:

Reach	Instream Rates
Reach #1	0.137 Cubic Foot per Second (CFS)
Reach #2	0.12 CFS
Reach #3	0.06 CFS

or its equivalent in case of rotation, measured at the points of diversion, during the period June 1 through November 8.

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

#1: At the POD for Certificate 83732, located approximately at:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	20	SE SW	1896 FEET SOUTH AND 1717 FEET EAST FROM THE WEST 1/4 CORNER OF SECTION 20

Reach #2: From just below the POD for Certificate 83732 to River Mile 30 where Lone Pine Road crosses the Crooked River.

Reach #3: From River Mile 30 to Lake Billy Chinook.

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. Stream channel losses and gains calculated based on available data and the use of water by senior appropriators will determine the amount of water to which this right is entitled downstream from the original point of diversion within the specified stream reach.

The instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and shall be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise specified by a subsequent order establishing a new instream water right.

This is a final order in other than a 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 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.

T-10730-correct-87055-lkw (MP124)

Page 1 of 2

Certificate 87095

Mitigation Credit Award

Mitigation Project:

MP-124

Mitigation Credits Awarded:

221.4, being 120.6 from Certificate 87096, 81.0 from Certificate 87094

and 19.8 from Certificate 87095

Zone of Impact:

These mitigation credits may be used to satisfy a mitigation obligation within the Crooked River Zone of Impact and the General Zone of

Impact

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

Certificate 87095, together with Certificates 87094 and 87096, is Mitigation Project MP-124.

The number of mitigation credits awarded is a portion of the total volume transferred instream, being 492.0 AF, being 268.0 AF under Certificate 87096, 180.0 AF under Certificate 87094, and 44.0 AF under Certificate 87095. 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(s)), 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 water for the above purpose is subject to all other terms and conditions of Certificate 83732 and any related decree.

This certificate is issued to correct a scrivener's error in the identification of the zone of impact for mitigation credits described on Certificate 87055. This Certificate supersedes Certificate 87055.

WITNESS the signature of the Water Resources Director, affixed

JUN 0 9 2011

Dwight F

rench, Water Right Services Administrator, for

PHILLIP C. WARD, DIRECTOR

BEFORE THE WATER RESOURCES DEPARTMENT OF THE STATE OF OREGON

In the Matter of Instream Transfer)	FINAL ORDER APPROVING A
Application T-10730 and Mitigation Credit)	CHANGE IN PLACE OF USE AND
Project MP-124, Crook, Deschutes, and)	CHARACTER OF USE AND
Jefferson Counties)	PRELIMINARY AND FINAL AWARD
)	OF MITIGATION CREDITS

Authority

ORS 540.505 to 540.580 establishes the process in which a water right holder may submit a request to transfer the point of diversion, place of use, or character of use authorized under an existing water right. OAR Chapter 690, Division 380 implements the statutes and provides the Department's procedures and criteria for evaluating transfer applications. OAR Chapter 690, Division 077 provides additional criteria for evaluating transfers to instream water rights.

OAR 690-521-0100 to 690-521-0600 establishes the process in which anyone may submit a ground water mitigation project to the Department for the purpose of establishing mitigation credits in the Deschutes Ground Water Study Area.

Pursuant to OAR 690-521-0400 (2), any mitigation credits awarded to a mitigation project are valid until used to fulfill a mitigation obligation of a ground water use in the Deschutes Ground Water Study Area. Valid mitigation credits may be assigned by any person or recognized mitigation bank to any person or other mitigation bank. Mitigation credits are used when a person submits to the Department documentary evidence that valid credits have been obtained and assigned to satisfy a mitigation obligation.

Applicants

GRASS BUTTE, LLC GREG DANIELS 1111 MAIN ST-SUITE 700 VANCOUVER WA 98660 PREMIER WEST BANK 875 SW RIMROCK WAY, SUITE 100 REDMOND, OREGON 97756

Findings of Fact

Background

 On November 21, 2008, The Daniels Group, LLC, filed an application to change the place of use and character of use under Certificates 81601, 83651, and 83732 to instream use. The Department assigned the application number T-10730.

This final order is subject to judicial review by the Court of Appeals under ORS 183.482. Any petition for judicial review must be filed within the 60-day time period specified by ORS 183.482(1). Pursuant to ORS 536.075 and OAR 137-003-0675, you may 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.

- Certificate 81601 has been cancelled and a new Certificate (83857) was issued on May 7, 2008
- 3. On August 26, 2009, the Department requested additional supporting information and clarification of the intent of T-10730.
- 4. On August 28, 2009, the Department received a letter of interest from South Valley Bank and Trust requesting that they be kept informed of the proposed transfer.
- On September 14, 2009, an additional letter was received from South Valley Bank and Trust identifying that the Bank could not consent to the transfer because conditions for their consent were not met. On March 21, 2011, consent to the transfer was received from South Valley Bank and Trust.
- 6. On September 25, 2009, the applicant clarified that the portion of Certificate 81601 (i.e. Certificate 83857) proposed for transfer to instream use include Irrigation, Livestock and Domestic use consistent with the water right of record. In addition, the applicant submitted additional supporting documentation for T-10730 along with revised transfer maps with clarifying information.
- 7. On November 9, 2009, the Department requested further clarification of the intent of T-10730 and additional information necessary to complete the application.
- 8. On March 23, 2010, The Daniels Group requested that a 75% interest in T-10730 and MP-124 be assigned to Realvest Corporation and Premier West Bank and that a 25% interest in T-10730 and MP-124 be assigned to Grass Butte, LLC. On March 23, 2010, Realvest Corporation requested that the 75% interest in T-10730 and MP-124 be assigned to Grass Butte, LLC. On March 23, 2010, Grass Butte, LLC requested that the 25% interest be assigned to Grass Butte, LLC and Premier West Bank.
- 9. On March 29, 2010, the Department approved the assignment requests and concurred that T-10730 is now in the names of Grass Butte, LLC and Premier West Bank.
- 10. On November 3, 2010, the applicant clarified that the portion of Certificate 83651 proposed for transfer to instream use include Irrigation, Livestock and Domestic use consistent with the water right of record.
- 11. On November 3, 2010, the applicant provided further clarification of the intent of T-10730, along with revised transfer maps in support of T-10730.
- 12. On December 13, 2010, the Department requested further clarification of the intent of T-10730, including priority date and POD clarifications, and correcting of clerical errors.
- 13. On December 21 and 22, 2010, the applicant provided clarifying information, along with revised transfer maps.

14. The portion of the first right to be transferred is as follows:

Certificate: 8

83857 in the name of PEOPLES IRRIGATION CO. (confirmed by

Crooked River Decree)

Use:

IRRIGATION OF 67.0 ACRES (0.5 acre under the 1898 priority date, 2.5 acres under the 1904/1910 priority date, and 64.0 acres under the 1892

priority date), LIVESTOCK AND DOMESTIC USE

Priority Dates:

1892, 1898, and 1904/1910

Rate:

0.84 CUBIC FOOT PER SECOND (CFS), being 0.01 CFS under the 1898 priority date, 0.03 CFS under the 1904/1910 priority date, and 0.8 CFS

under the 1892 priority date

Limit/Duty:

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation

season of each year.

Source:

CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Points of Diversion:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
1	15 S	16 E	WM	8	NW SW	1920 FEET NORTH AND 340 FEET EAST FROM THE SW CORNER OF SECTION 8
2						LOW LINE DITCH
6	14 S	14 E	WM	29	NE NW	PUMP: 1085 FEET SOUTH AND 970 FEET WEST FROM THE NORTH 1/4 CORNER OF SECTION 29
7	14 S	14 E	WM	20	SE SE	PUMP: 325 FEET NORTH AND 120 FEET WEST FROM THE SE CORNER OF SECTION 20

Authorized Place of Use:

		IR	RIGATIO	N, LIVI	ESTOC	CK, AND DO	MESTI	
Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User
1892	6	14 S	14 E	WM	20	SW SW	10.0	Forrest, Frances
1904/1910	2	14 S	14 E	WM	21	SE SW	2.5	Deschutes Fine Wool Company
1898	7	14 S	14 E	WM	29	NE NE	0.5	McDowell, D.A.
1892	6	14 S	14 E	WM	29	NE NW	5.0	Forrest, Frances
1892	6	14 S	14 E	WM	29	NW NW	35.6	Forrest, Frances
1892	1	14 S	14 E	WM	29	NW NW	2.4	Forrest, Frances
1892	1	14 S	14 E	WM	29	SWNW	3.0	Forrest, Frances
1892	1	14 S	14 E	WM	29	SE NW	8.0	Forrest, Frances

15. For Certificate 83857, information submitted with the application identifies that POD #2, Low Line Ditch, is the same POD as identified for Certificate 83651 as described in Finding of Fact #16. The Department also has additional information identifying that Low Line Ditch and the POD for Certificate 83651 is more accurately located as described in Findings of Fact #16 and #17. 16. The portion of the second right to be transferred is as follows:

Certificate:

83651 in the name of LOW LINE DITCH CO. (confirmed by Crooked River

Decree)

Use:

IRRIGATION OF 45.0 ACRES, DOMESTIC, AND LIVESTOCK

Priority Date: 1903

Rate:

0.56 CFS

Limit/Duty:

The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed a reasonable amount for domestic and livestock, and 0.56 cubic feet per second for irrigation, the total quantity being limited to 4.0 acre-feet per acre during each year.

Source:

CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	24	SE SW	Unspecified by Certificate

Authorized Place of Use:

	IR	RIGATIO	ON, LI	VESTOCK,	AND DO	MESTIC
Twp	Rng	Mer	Sec	Q-Q	Acres	Name of User through Company's Works
14 S	14 E	WM	28	NW NE	25.0	J. W. Livingston
14 S	14 E	WM	28	NE NW	20.0	J. W. Livingston

- 17. The Crooked River Decree further describes the POD for Certificate 83651 as the Low Line Ditch. In a prior site visit, Department staff further identified that the POD is more accurately located approximately at Latitude 44.335984 degrees and Longitude -120.999700 degrees.
- 18. The third right to be transferred is as follows:

Certificate:

83732 in the name of BUTLER RANCH, INC. (confirmed by Crooked

River (F) Decree)

Use:

IRRIGATION of 11.0 ACRES

Priority Date:

1892

Rate:

0.137 CFS if available at the original point of diversion

Limit/Duty:

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each

Source:

CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	20	SE SW	1896 FEET SOUTH AND 1717 FEET EAST FROM THE WEST 1/4 CORNER OF SECTION 20

Original Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
15 S	16 E	WM	8		744.2 FEET SOUTH AND 321 FEET EAST FROM THE WEST ¼ CORNER OF SECTION 8

Authorized Place of Use:

	IRRIGATION				
Twp	Rng	Mer	Sec	Q-Q	Acres
14 S	14 E	WM	20	SWSW	11.00

- 19. A total of 268.0 acre-feet of water may be beneficially used annually under the portion of existing Certificate 83857 proposed for transfer. A total of 180.0 acre-feet of water may be beneficially used annually under the portion of the existing right for Certificate 83651 proposed for transfer. A total of 44.0 acre-feet of water may be beneficially used annually under the existing right for certificate 83732 proposed for transfer.
- 20. Certificates 83857, 83651, and 83732 do not specify the irrigation season. The irrigation season is February 1 to December 1, pursuant to the Crooked River Decree.
- 21. There is a supplemental water right, Certificate 83850, covering a portion of the lands (85.4 acres, being 35.8 acres under Certificate 83651 and 49.6 acres under Certificate 83857) on which the primary water rights are proposed for transfer to instream use. By rule, a supplemental right must be included with the transfer or cancelled. However, consistent with OAR 690-380-2240(5), the applicant is proposing, under transfer application T-10734, to move 85.4 acres of supplemental irrigation under Certificate 83850 to the location of another primary right with similar reliability to the existing primary rights. If T-10734 is approved, no supplemental irrigation will remain for the lands proposed for transfer to instream use under T-10730.
- 22. Application T-10730 proposes to change the character of use to instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values and to establish mitigation credits in the Deschutes Ground Water Study Area.
- 23. Application T-10730 proposes to change the place of use of the right to create an instream reach from below the Low Line Ditch Diversion and from below the Crooked River Diversion to the confluence with the Deschutes River.
- 24. The applicant proposes the quantities of water to be transferred instream to be protected as follows:

Certificate Number	Instream Period	Rate (cfs)	Volume (acre-feet)
83857	Unspecified	0.838	268.0
83651	Unspecified	0.56	180.0
83732	Unspecified	0.138	44.0
	Total	1.536	492.0

- 25. The applicant proposes that any instream water right established as a result of this instream transfer be additive to existing instream water rights for the same reach established pursuant to ORS 537.348 (instream transfer process) and ORS 537.470 (allocation of conserved water process). The applicant also proposes that any instream water right established as a result of this instream transfer replace a portion of any existing instream rights established pursuant to ORS 537.346 (minimum streamflow conversion) and ORS 537.341 (state agency instream application process), with an earlier priority date.
- 26. The application includes a Land Use Information form completed and signed by a representative of Crook County. Additionally, the Department has provided notification of the proposed action to Crook County, Deschutes County and Jefferson County upon receipt of transfer application T-10730.
- 27. Notice of the application for transfer was published on December 2, 2008, pursuant to OAR 690-380-4000. No comments were filed in response to the notice.
- 28. On March 15, 2011, the Department mailed a copy of the draft Preliminary Determination proposing to approve Transfer Application T-10730 to the applicants. The draft Preliminary Determination cover letter set forth a deadline of April 14, 2011, for the applicants to respond. The applicants requested that the Department proceed with issuance of a Preliminary Determination and provided the necessary information to demonstrate that the applicants are authorized to pursue the transfer.
- 29. On April 13, 2011, the Department issued a Preliminary Determination proposing to approve Transfer T-10730 and mailed a copy to the applicants. Additionally, notice of the Preliminary Determination for the transfer application was published on the Department's weekly notice on April 19, 2011, 2007, and in The Bulletin newspaper on April 15, 22, and 29, 2011 pursuant to ORS 540.520 and OAR 690-380-4020. No protests were filed in response to the notice.
- 30. Following issuance of the Preliminary Determination, the Department identified several scrivener's errors in the description of the instream use provided in Finding of Fact #35 in the Preliminary Determination. These errors have been corrected in Finding of Fact #36 of this Final Order and do not result in any enlargement of the instream use.
 - The Department also identified an error in the description of the coordinate location for the point of diversion described in Finding of Fact #17. This error has also been corrected.
- 31. On June 3, 2011, a Final Order terminating IL-1159 was issued by the Department, as evidenced by Special Order Volume 84, Page 371. As noted in Finding of Fact #42, the Department identified that this lease must be terminated prior to the approval of T-10730.

Instream Transfer Review Criteria (OAR 690-77-0075 and 690-380-4010)

32. Water has been used within the last five years according to the terms and conditions of the rights, and there is no information in the record that would demonstrate that the rights are subject to forfeiture under ORS 540.610.

- 33. Based upon information provided as part of the application, it appears that while water has been diverted from the Crooked River under each right that a portion of the water diverted under the rights may not have been diverted from the authorized point(s) of diversion. Although water may have been diverted from non-authorized points of diversion, a diversion structure and ditch sufficient to use the full amount of water allowed under the existing rights was present within the five-year period prior to submittal of Application T-10730.
- 34. The applicant requested that water be protected instream beginning from below the Low Line Ditch Diversion and from below the Crooked River Diversion to the confluence with the Deschutes River. Each water right proposed for transfer to instream use has specific points of diversion. The portion of each right proposed for transfer to instream use may be protected instream beginning at the authorized point of diversion. Certificate 83857 has four points of diversion associated with specific portions of the right. The instream use resulting from the transfer of a portion of Certificate 83857 to instream use will begin at each of the respective points of diversion.
- 35. A portion of the water diverted at each POD returns to the Crooked River below the POD and is available to downstream water right holders. To prevent injury to downstream water right holders and enlargement, the quantity of water that may be protected instream requires modification to account for both surface and subsurface return flows.

The hydrogeologic evaluation of where subsurface return flows occur is generally based on the following information: 1) the local shallow and regional ground water elevations, 2) the shallow and regional head gradient (i.e. ground water flow direction), 3) elevation of nearby streams, 4) elevation of closest gaining stream reaches, 5) distance from nearby streams and gaining stream reaches, and 6) local geologic information. When evaluating for return flows, the Department generally considers the place of use as a whole and where the majority of return flows occur based upon the presence of surface return flows (overland flow) and the factors described above for any subsurface return flows.

The place of use under each right proposed for transfer is located in close proximity to the Crooked River. A portion of the water diverted to the place of use returns to the river system around the points of diversion or close to the place of use (specifically for those lands that receive irrigation water from POD #1 and #2 under Certificate 83857 located some distance upstream from the place of use) as a result of overland flow. Remaining return flows take the form of subsurface return flows. Subsurface returns would also return to the river system in the area of where Lone Pine Road crosses the Crooked River at River Mile 30.

The instream flows at the points of diversion or near the place of use have been reduced by 10% to account for surface return flows and instream flows at Lone Pine Road have been reduced to the consumptive portion of the rights to account for subsurface return flows.

36. The applicant has not specified when water is requested to be protected instream. Based on a calculation using the full rate and duty of the three water rights, water may be protected instream for a period of 161 days. There is a pending instream water right application submitted by the Oregon Department of Fish and Wildlife for anadromous and resident fish

rearing. Proposed instream flows for this use would generally not be satisfied June through November. With 161 days, water may be protected instream as a result of this transfer from June 1 through November 8.

37. Based on Finding of Fact #34 through #36, on March 15, 2011, the applicant agreed to modify the quantities to be transferred and protected instream as follows (corrections from Preliminary Determination shown in bold and italic):

Resulting from Certificate 83857

Reach #1: From POD #1 (as described in Finding of Fact #14) to POD #2 (Low Line Ditch) (as described in Findings of Fact #14, #15, #16, & #17).

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 – Nov. 8

Reach #2: From POD #2 (Low Line Ditch) to River Mile 32.9.

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period	
83857 1892 1904/1910	1892	0.17	53.6	June 1 – Nov. 8	
	1904/1910	0.03	10.0	Julie 1 – Nov. 8	
	Total:	0.20	63.6		

Reach #3: From River Mile 32.9 to POD #7 (as Described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857 1892 1904/1910	1892	0.17	53.6	June 1 Mars 9
	1904/1910	0.027	8.62	June 1 – Nov. 8
	Total:	0.197	62.22	

Reach #4: At POD #7 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
18	1892	0.17	53.6	
83857	1898	0.01	0.01 2.0	June 1 – Nov. 8
1904/1910	0.027	8.62		
	Total:	0.207	64.22	

Reach #5: From just below POD #7 to POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
1892 83857 1898 1904/1910	0.17	53.6		
	1898	0.006	1.8	June 1 - Nov. 8
	0.027	8.62		
	Total:	0.203	64.02	

Reach #6: At POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
1892 83857 1898 1904/19	1892	0.80	256.0	
	1898	0.006	1.8	June 1 – Nov. 8
	1904/1910	0.027	8.62	

Total:	0.833	266.42	

Reach #7: From just below POD #6 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.72	229.92	June 1 – Nov. 8
	1898	0.006	1.8	
	1904/1910	0.027	8.62	
	Total:	0.753	240.34	

Reach #8: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
	1892	0.36	115.2	June 1 – Nov. 8
83857	1898	0.003	0.9	
	1904/1910	0.01	4.5	
	Total:	0.373	120.6	

Resulting from Certificate 83651

Reach #1: From the POD for Certificate 83651 (as described in Findings of Fact #16 and #17) River Mile 32.9

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.56	180.0	June 1 - Nov. 8

Reach #2: From River Mile 32.9 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.50	159.67	June 1 - Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.25	81.0	June 1 - Nov. 8

Resulting from Certificate 83732

Reach #1: At POD for Certificate 83732 (as described in Finding of Fact #18)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.137	44.0	June 1 - Nov. 8

Reach #2: From just below the POD for Certificate 83732 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.12	38.32	June 1 – Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.06	19.8	June 1 - Nov. 8

- 38. The proposed changes, as modified, would not result in enlargement of the right.
- 39. The proposed changes, as modified, would not result in injury to other water rights.
- 40. The amount and timing of the proposed instream flow, as modified, is allowable within the limits and use of the original water rights.
- 41. The protection of flows within the proposed reaches is appropriate, considering:
 - a) The instream water rights will begin at the recorded points of diversion;
 - b) The location of confluences with other streams downstream of the points 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) Return flows resulting from the exercise of the existing water right would re-enter the river within the proposed reaches and have been accounted for at appropriate points within each proposed reach.
- 42. There is an instream lease, IL-1081, currently in effect for a portion of the water rights proposed for transfer, specifically Certificates 83857 and 83732, to instream use. The instream lease was approved by the Department on July 27, 2010, as evidenced by Special Order Volume 81, Page 474. A correction order was issued on July 30, 2010, and supersedes the original order, as evidenced by Special Order Volume 81, Page 546. This instream lease is scheduled to terminate on November 30, 2014, and includes a condition allowing for early termination of the lease order. This lease must be terminated before Transfer T-10730 may be approved. Also, the date on which this instream transfer may be approved may be affected by the date on which the existing instream lease is terminated to prevent injury and enlargement.
- 43. There are existing instream water rights established under ORS 537.348 (instream transfer process) and ORS 537.470 (allocation of conserved water process) within the same reach as that proposed for each of the new instream water rights, which include the use of water for fish and wildlife habitat, aquatic life, recreation, and pollution abatement. There presently are no instream water rights within the proposed reach created as a result of ORS 537.346 (minimum flow conversion) or ORS 537.341 (state agency instream water right application process). However, there is a pending instream water right application filed by the Oregon Department of Fish and Wildlife (ODFW) pursuant to ORS 537.341 to establish an instream water right from Bowman Dam to Lake Billy Chinook for anadromous and resident fish rearing, which if approved will have a priority date of May 11, 1990. Requested flows for this pending instream water right application are at times not available during the instream period identified in Finding of Fact #36.
- 44. By adding to other water rights leased or transferred instream at the same location or created through the conserved water statutes, the instream right will provide protection for additional

- streamflows previously identified as necessary for conservation, maintenance and enhancement of aquatic and fish life, fish and wildlife habitat and other ecological values.
- 45. By replacing a portion of any instream rights created at the request of state agency or under the minimum streamflow conversion process, the instream right will provide protection for streamflows previously identified as necessary for anadromous and resident fish rearing under earlier priority dates.
- 46. During the period June 1 through November 8, any instream water right established by this transfer application may replace a portion of instream water rights established pursuant to ORS 537.341 or ORS 537.346 and be in addition to instream water rights established pursuant to ORS 537.348 or ORS 537.470 unless otherwise specified by an order approving a new instream water right under these statutes.
- 47. The total monthly quantities of water to be protected under the existing and proposed instream rights in the reach will provide for a beneficial purpose and do not exceed the estimated average natural flow.

Preliminary Award of Deschutes Basin Mitigation Credits

- 48. The mitigation project was originally submitted by the Daniels Group, LLC. However, on March 29, 2010, the application was assigned to Grass Butte, LLC, and PremierWest Bank. Grass Butte, LLC, and PremierWest Bank (the Applicants) have requested this instream transfer application be used to establish mitigation credits in the Deschutes Ground Water Study Area. The Applicants have also requested that any mitigation credits generated from this project be assigned to Grass Butte, LLC, and PremierWest Bank.
- 49. The Department assigned this mitigation credit project number MP-124.
- 50. The Department provided notice of the mitigation credit project pursuant to OAR 690-521-0300 (6) on March 10, 2009. No comments were received in response to this notice.
- 51. The Department consulted with representatives from ODFW, DEQ, Oregon Parks and Recreation Department, Oregon Department of State Lands, the Oregon Department of Agriculture, and the Department's Watermaster pursuant to OAR 690-521-0300 (7) and OAR 690-505-0630 (2) on March 10, 2009. No comments were received in response to this notice.
- 52. No changes were made to the instream transfer as a result of public notice or consultation with the above named agencies.
- 53. The proposed transfer of 123.0 acres of irrigation (67.0 acres under Certificate 83857, 45.0 acres under Certificate 83651, and 11.0 acres under Certificate 83732) to instream use will provide 221.4 acre-feet of mitigation water (120.6 AF from Certificate 83857, 81.0 AF from Certificate 83651, and 19.8 AF from Certificate 83732). Therefore, 221.4 mitigation credits (1.0 mitigation credit = 1.0 AF of mitigation water) may be awarded to this mitigation credit project and assigned to Grass Butte, LLC, and PremierWest Bank. The mitigation credits

may be used to mitigate for ground water permit applications and existing conditioned ground water permits and certificates, providing mitigation pursuant to the Deschutes Ground Water Mitigation Rules, OAR Chapter 690, Division 505, within the Crooked River Zone of Impact and the General Zone of Impact.

- 54. A total of 492.0 AF is proposed to be transferred to instream use and 221.4 AF of that, as identified above, may be used for mitigation purposes. The amount of water transferred instream and not used for mitigation purposes will benefit instream flow.
- 55. The Department shall award final mitigation credits upon completion of the approved project by the applicant and verification by the Department that the project is complete. The issuance of certificates for the proposed instream water right shall result in completion of the project and verification that the project is complete.
- 56. Mitigation credits awarded to this mitigation credit project will be valid beginning the first calendar year that water will be protected instream under any new instream water right created as a result of this instream transfer application.

Conclusions of Law

The changes in character of use and place of use to instream use proposed in application T-10730 are consistent with the requirements of ORS 540.505 to 540.580, ORS 537.348, OAR 690-380-5000, and OAR 690-077-0075.

This mitigation project results in mitigation credits pursuant to ORS 537.746 and OAR 690-521-0300 and 690-521-0400.

Now, therefore, it is ORDERED:

- 1. The changes in character of use and place of use to instream use proposed in application T-10730 are approved.
- Water right certificates 83857, 83651, and 83732 are cancelled. New certificates confirming
 the instream water rights shall be issued. New certificates will be issued describing that
 portion of Certificates 83857 and 83651 not affected by this transfer.
- 3. The instream water rights shall provide for the protection of streamflows for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values in the Deschutes River as follows:

Resulting from Certificate 83857

Reach #1: From POD #1 (as described in Finding of Fact #14) to POD #2 (Low Line Ditch) (as described in Findings of Fact #14, #15, #16, & #17).

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 – Nov. 8

Reach #2: From POD #2 (Low Line Ditch) to River Mile 32.9.

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 - Nov. 8
03037	1904/1910	0.03	10.0	Julie 1 – Nov. 8
	Total:	0.20	63.6	

Reach #3: From River Mile 32.9 to POD #7 (as Described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
02057	1892	0.17	53.6	June 1 – Nov. 8
83857	1904/1910	0.027	8.62	Julie 1 – Nov. 8
	Total:	0.197	62.22	

Reach #4: At POD #7 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	
	1898	0.01	2.0	June 1 – Nov. 8
	1904/1910	0.027	8.62	
	Total:	0.207	64.22	

Reach #5: From just below POD #7 to POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	
	1898	0.006	1.8	June 1 - Nov. 8
	1904/1910	0.027	8.62	
	Total:	0.203	64.02	

Reach #6: At POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.80	256.0	
	1898	0.006	1.8	June 1 - Nov. 8
	1904/1910	0.027	8.62	
	Total:	0.833	266.42	

Reach #7: From just below POD #6 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.72	229.92	
	1898	0.006	1.8	June 1 - Nov. 8
	1904/1910	0.027	8.62	
	Total:	0.753	240.34	

Reach #8: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
1892 83857 1898 1904/191	1892	0.36	115.2	
	1898	0.003	0.9	June 1 – Nov. 8
	1904/1910	0.01	4.5	
	Total:	0.373	120.6	

Resulting from Certificate 83651

Reach #1: From the POD for Certificate 83651 (as described in Findings of Fact #16 and #17) River Mile 32.9

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.56	180.0	June 1 – Nov. 8

Reach #2: From River Mile 32.9 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.50	159.67	June 1 – Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.25	81.0	June 1 – Nov. 8

Resulting from Certificate 83732

Reach #1: At POD for Certificate 83732 (as described in Finding of Fact #18)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.137	44.0	June 1 - Nov. 8

Reach #2: From just below the POD for Certificate 83732 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.12	38.32	June 1 – Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.06	19.8	June 1 – Nov. 8

- 4. Water rights upstream of the original point of diversion shall not be subject to regulation for flows in excess of the quantities to which this instream water right is entitled at the original point of diversion.
- 5. 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.
- 6. The instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and be in addition to instream water rights

established pursuant to ORS 537.348 or 537.470, unless otherwise identified in a subsequent order establishing a new instream water right under these statutes.

- 7. The right to the use of the water is restricted to beneficial use at the place of use described, and is subject to all other conditions and limitations contained in Certificates 83857, 83651, and 83732 and any related decree.
- 8. The former place of use of the transferred water shall no longer receive water as part of these rights.
- 9. Final Award of Mitigation Credits: Final Award of Mitigation Credits may be made upon completion of the project and verification by the Department that the project has been completed as proposed. Issuance of new instream water right certificates, as described herein, result in completion of the project and verification by the Department that the project is complete. Instream certificates are being issued in conjunction with this Final Order. Therefore, mitigation credits, in the amount of 221.4 credits, as described herein, are awarded to this mitigation project and assigned to Grass Butte, LLC and PremierWest Bank. Mitigation credits awarded may be used to satisfy a mitigation obligation of a ground water permit applicant and/or ground water permit/certificate holder in the Crooked River Zone of Impact and the General Zone of Impact.
- 10. Mitigation credits are valid until used to satisfy a mitigation obligation of a ground water permit applicant and/or ground water permit/certificate holder within the Deschutes Ground Water Study Area pursuant to the Deschutes Ground Water Mitigation Rules. Mitigation credits are used when a person submits to the Department documentary evidence that valid credits have been obtained and assigned to satisfy a mitigation obligation. Mitigation credits generated by this project will be available for use as mitigation beginning the first calendar year that water will be protected instream under each of the new instream water rights.
- 11. The instream certificates created as a result of the approval of this transfer shall be identified as a mitigation credit project. Within each instream certificate, the number of mitigation credits, the zone of impact in which the mitigation credits were generated and may be used, and the volume of water dedicated instream solely for instream benefits shall also be specified.

Dated at Salem, Oregon this 3 day of June, 2011.

Dwight French, Water Right Services Administrator, for

PHILLIP C. WARD, DIRECTOR

Mailing date: IUN 0 7 2011

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

LOW LINE DITCH CO PRINEVILLE OR 97754

confirms the right to use the waters of CROOKED RIVER, a tributary to DESCHUTES RIVER for IRRIGATION OF 120.09 ACRES, DOMESTIC, AND LIVESTOCK.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The date of priority is 1903.

The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed a reasonable amount for domestic and livestock, and 1.50 CUBIC FEET PER SECOND for irrigation, the total quantity being limited to 4.0 acre-feet per acre during each year, or its equivalent in case of rotation, measured at the point of diversion.

The point of diversion is located as follows:

Twp	Rng	Mer	Sec	Q-Q
14 S	14 E	WM	24	SE SW

The use shall conform to such reasonable rotation system as may be ordered by the proper state officer. The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described, and is subject to the existing minimum flow policies established by the Water Policy Review Board.

A description of the place of use to which this right is appurtenant is as follows:

Twp	Rng	Mer	Sec	Q-Q	Acres	Name of User Through Company's Works
14 S	14 E	WM	22	SW SW	15.00	V. Butler
14 S	14 E	WM	22	NE SE	32.00	T.F. McCallister
14 S	14 E	WM	22	NW SE	5.00	T.F. McCallister
14 S	14 E	WM	22	SW SE	19.00	T.F. McCallister
14 S	14 E	WM	22	SE SE	40.00	T.F. McCallister
14 S	14 E	WM	28	NE NW	7.90	J.W. Livingston
14 S	14 E	WM	28	NWNW	1.19	J.W. Livingston

The right is subject to all other terms and conditions contained in said decree.

The issuance of this superseding certificate does not confirm the status of the water right in regard to the provisions of ORS 540.610 pertaining to forfeiture or abandonment.

WITNESS the signature of the Water Resources Director, affixed ______ JUN 0 3 2011 ____.

Dwight French, Water Right Services Administrator, for

PHILLIP'C. WARD, DIRECTOR

T-10730.ra-lkw

Page 1 of 1 Recorded in State Record of Water Right Certificates numbered 87058.

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

PEOPLES IRRIGATION CO. 615221 O'NEIL HIGHWAY PRINEVILLE, OR 97754

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER for IRRIGATION OF 502.3 ACRES, LIVESTOCK AND DOMESTIC USE.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The date of priority is 1892, 1895, 1897, 1898, and 1904/1910.

The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 6.28 CUBIC FEET PER SECOND, or its equivalent in case of rotation, measured at the points of diversion.

The points of diversion are located as follows:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
1	15 S	16 E	WM	8	NW SW	1920 FEET NORTH AND 340 FEET EAST FROM SW CORNER OF SECTION 8
2						LOW LINE DITCH
3	14 S	14 E	WM	24	NE SE	PUMP: 450 FEET WEST FROM THE EAST 1/4 CORNER OF SECTION 24
4	14 S	14 E	WM	23	SW NE	PUMP: 1020 FEET NORTH AND 500 FEET EAST FROM THE CENTER 1/4 CORNER OF SECTION 23
5	14 S	14 E	WM	23	SWNW	PUMP: 1000 FEET NORTH AND 1400 FEET WEST FROM THE CENTER 1/4 CORNER OF SECTION 23
6	14 S	14 E	WM	29	NE NW	PUMP: 1085 FEET SOUTH AND 970 FEET WEST FROM THE NORTH 1/4 CORNER OF SECTION 29

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each year. The use shall conform to such reasonable rotation system as may be ordered by the proper state officer.

A description of the place of use to which this right is appurtenant is as follows:

		1	RRIGATIO	N, LIVES	TOCK	AND DOM	ESTIC	
Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User
	1	14 S	15 E	WM	26	SWSW	20.0	Cox, R.T
1895	1	14 S	15 E	WM	26	SE SW	20.0	Cox, R.T
	1	14 S	15 E	WM	26	SW SE	20.0	Cox, R.T
	1	14 S	14 E	WM	21	SW NE	40.0	Deschutes Fine Wool Company
	1	14 S	14 E	WM	21	SE NE	40.0	Deschutes Fine Wool Company
1004/1010	1	14 S	14 E	WM	21	NE SW	30.0	Deschutes Fine Wool Company
1904/1910	1	14 S	14 E	WM	21	NWSW	30.0	Deschutes Fine Wool Company
	1	14 S	14 E	WM	21	SW SW	5.4	Deschutes Fine Wool Company
	1	14 S	14 E	WM	21	NE SE	30.0	Deschutes Fine Wool Company

T-10730.ra-lkw

Page 1 of 2

Certificate 87059

Priority Date	POD	Twp	Rng	Mer	Sec	AND DOMI	Acres	User
Thom, Date	100							
	1	14 S	14 E	WM	21	NW SE	30.0	Deschutes Fine Wool Company
	2	14 S	14 E	WM	21	SE SW	37.5	Deschutes Fine Wool Company
	2	14 S	14 E	WM	21	SW SE	40.0	Deschutes Fine Wool Company
1904/1910	2	14 S	14 E	WM	21	SE SE	40.0	Deschutes Fine Wool Company
(continued)	3	14 S	14 E	WM	23	SE NE	20.9	Deschutes Fine Wool Company
	4	14 S	14 E	WM	23	NW NE	0.6	Deschutes Fine Wool Company
	4	14 S	14 E	WM	23	NE NW	7.4	Deschutes Fine Wool Company
	5	14 S	14 E	WM	23	NW NW	1.0	Deschutes Fine Wool Company
1892	1	14 S	14 E	WM	30	NE NE	5.6	Forrest, Frances
1072	6	14 S	14 E	WM	30	NE NE	4.4	Forrest, Frances
	1	14 S	14 E	WM	26	NE NE	1.0	Messinger, Lucy
1897	1	14 S	14 E	WM	26	NW NE	15.0	Messinger, Lucy
1097	1	14 S	14 E	WM	26	NE NW	30.0	Messinger, Lucy
	1	14 S	14 E	WM	26	NW NW	30.0	Messinger, Lucy
1898	1	14 S	14 E	WM	28	NE NE	3.5	Weaver, David

The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described.

The issuance of this superseding certificate does not confirm the status of the water right in regard to the provisions of ORS 540.610 pertaining to forfeiture or abandonment.

WITNESS the signature of the Water Resources Director, affixed JUN 0 3 2011

Dwight French, Water Right Services Administrator, for

PHILLIP C. WARD, DIRECTOR

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

STATE OF OREGON WATER RESOURCES DEPARTMENT

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The date of priority is 1892. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed:

Reach	Instream Rates
Reach #1	0.137 Cubic Foot per Second (CFS)
Reach #2	0.12 CFS
Reach #3	0.06 CFS

or its equivalent in case of rotation, measured at the points of diversion, during the period June 1 through November 8.

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

#1: At the POD for Certificate 83732, located approximately at:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	20	SE SW	1896 FEET SOUTH AND 1717 FEET EAST FROM THE WEST 1/4 CORNER OF SECTION 20

Reach #2: From just below the POD for Certificate 83732 to River Mile 30 where Lone Pine Road crosses the Crooked River.

Reach #3: From River Mile 30 to Lake Billy Chinook.

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. Stream channel losses and gains calculated based on available data and the use of water by senior appropriators will determine the amount of water to which this right is entitled downstream from the original point of diversion within the specified stream reach.

The instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and shall be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise specified by a subsequent order establishing a new instream water right.

This is a final order in other than a 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 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.

T-10730 ra lkw (MP124)

Page 1 of 2

Certificate 87055

Mitigation Credit Award

Mitigation Project:

MP-124

Mitigation Credits Awarded:

221.4, being 120.6 from Certificate 87057, 81.0 from Certificate 87056

and 19.8 from Certificate 87055

Zone of Impact:

These mitigation credits may be used to satisfy a mitigation obligation

within the Little Deschutes River Zone of Impact

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

Certificate 87055, together with Certificates 87056 and 87057, is Mitigation Project MP-124.

The number of mitigation credits awarded is a portion of the total volume transferred instream, being 492.0 AF, being 268.0 AF under Certificate 87057, 180.0 AF under Certificate 87056, and 44.0 AF under Certificate 87055. 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(s)), will benefit instream flows.

The mitigation credits or mitigation water established by this instream water right may be used to satisfy a mitigation 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 water for the above purpose is subject to all other terms and conditions of Certificate 83732 and any related decree.

This certificate is issued to confirm a change in use and place of use approved by an order of the Water Resources Director recorded in Special Order Volume 34, Page 328, approving Transfer T-10730, and supersedes Certificate 83732, State Record of Water Right Certificates.

WITNESS the signature of the Water Resources Director, affixed

JUN 0 3 2011

Dwight French, Water Right Services Administrator, for

PHILLIPIC. WARD, DIRECTOR

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

STATE OF OREGON WATER RESOURCES DEPARTMENT

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The date of priority is 1903. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed:

Reach	Instream Rates
Reach #1	0.56 Cubic Foot per Second (CFS)
Reach #2	0.50 CFS
Reach #3	0.25 CFS

or its equivalent in case of rotation, measured at the points of diversion, during the period June 1 through November 8.

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

Reach #1: From the POD for Certificate 83651, located approximately at:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	24	SE SW	LOW LINE DITCH: Latitude 44.335984 Degrees and Longitude -120.999700 Degrees

to River Mile 32.9.

Reach #2: From River Mile 32.9 to River Mile 30 where Lone Pine Road crosses the Crooked River.

Reach #3: From River Mile 30 to Lake Billy Chinook.

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. Stream channel losses and gains calculated based on available data and the use of water by senior appropriators will determine the amount of water to which this right is entitled downstream from the original point of diversion within the specified stream reach.

The instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and shall be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise specified by a subsequent order establishing a new instream water right.

This is a final order in other than a 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 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.

T-10730 ra-lkw (MP-124)

Mitigation Credit Award

Mitigation Project:

MP-124

Mitigation Credits Awarded:

221.4, being 120.6 from Certificate 87057, 81.0 from Certificate 87056

and 19.8 from Certificate 87055

Zone of Impact:

These mitigation credits may be used to satisfy a mitigation obligation

within the Little Deschutes River Zone of Impact

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

Certificate 87056, together with Certificates 87055 and 87057, is Mitigation Project MP-124.

The number of mitigation credits awarded is a portion of the total volume transferred instream, being 492.0 AF, being 268.0 AF under Certificate 87057, 180.0 AF under Certificate 87056, and 44.0 AF under Certificate 87055. 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(s)), will benefit instream flows.

The mitigation credits or mitigation water established by this instream water right may be used to satisfy a mitigation 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 water for the above purpose is restricted to beneficial use in the place of use described and is subject to all other terms and conditions of Certificate 83651 and any related decree.

This certificate is issued to confirm a change in use and place of use approved by an order of the Water Resources Director recorded in Special Order Volume 34, Page 378, approving Transfer T-10730, and along with Certificate 87058, supersedes Certificate 83651, State Record of Water Right Certificates.

WITNESS the signature of the Water Resources Director, affixed

JUN 0 3 2011

Dwight French, Water Right Services Administrator, for

PHILLIP C. WARD, DIRECTOR

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

STATE OF OREGON WATER RESOURCES DEPARTMENT

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The dates of priority are 1892, 1898, and 1904/1910. The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed:

Reach	Priority I	Dates and Instrea	m Rates		
Reach	1892	1898		Totals	
Reach #1	0.17 Cubic Foot per Second (CFS)			0.17 CFS	
Reach #2	0.17 CFS		0.03 CFS	0.20 CFS	
Reach #3	0.17 CFS		0.027 CFS	0.197 CFS	
Reach #4	0.17 CFS	0.01 CFS	0.027 CFS	0.207 CFS	
Reach #5	0.17 CFS	0.006 CFS	0.027 CFS	0.203 CFS	
Reach #6	0.80 CFS	0.006 CFS	0.027 CFS · ·	0.833 CFS	
Reach #7	0.72 CFS	0.006 CFS	0.027 CFS	0.753 CFS	
Reach #8	0.36 CFS	0.003 CFS	0.01 CFS	0.373 CFS	

or it's equivalent in case of rotation, measured at the points of diversion, during the period June 1 through November 8.

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

Reach #1: From the location of diversion #1 authorized previously under Certificate 83857, located approximately at:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
1	15 S	16 E	WM	8.	NW SW	1920 FEET NORTH AND 340 FEET EAST FROM THE SW CORNER OF SECTION 8

to the location of diversion #2 authorized previously under Certificate 83857, located approximately at:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
2	14 S	14 E	WM	24	SE SW	LOW LINE DITCH, Latitude 44.335984 degrees and Longitude -120.999700 degrees

Reach #2: From the location of diversion #2 authorized previously under Certificate 83857 to River Mile 32.9.

This is a final order in other than a 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 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.

T-10730 ra-lkw (MP-124) Page 1 of 3 Certificate \$7057

Reach #3:

From River Mile 32.9 to the location of diversion #7 authorized previously under Certificate 83857, located approximately at:

POD	Twp.	Rng	Mer	Sec	Q-Q	Measured Distances
7	14 S	14 E	WM	20	SE SE	PUMP: 325 FEET NORTH AND 120 FEET WEST FROM THE SE CORNER OF SECTION 20

Reach #4:

At the location of diversion #7 authorized previously under Certificate 83857.

Reach #5:

From just below the location of diversion #7 authorized previously under Certificate 83857 to the location of diversion #6 authorized previously under Certificate 83857, located approximately at:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
6	14 S	14 E	WM	29	NE NW	PUMP: 1085 FEET SOUTH AND 970 FEET WEST FROM THE NORTH 1/4 CORNER OF SECTION 29

Reach #6:

At the location of diversion #6 authorized previously under Certificate 83857.

Reach #7:

From just below the location of diversion #6 authorized previously under Certificate 83857 to River Mile

30 where Lone Pine Road crosses the Crooked River

Reach #8:

From River Mile 30 to Lake Billy Chinook

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. Stream channel losses and gains calculated based on available data and the use of water by senior appropriators will determine the amount of water to which this right is entitled downstream from the original point of diversion within the specified stream reach.

Mitigation Credit Award

Mitigation Project:

MP-124

Mitigation Credits Awarded:

221.4, being 120.6 from Certificate 87057, 81.0 from Certificate 87056

and 19.8 from Certificate 87055

Zone of Impact:

These mitigation credits may be used to satisfy a mitigation obligation

within the Little Deschutes River Zone of Impact

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

Certificate 87057, together with Certificates 87055 and 87056, is Mitigation Project MP-124.

The number of mitigation credits awarded is a portion of the total volume transferred instream, being 492.0 AF, being 268.0 AF under Certificate 87057, 180.0 AF under Certificate 87056, and 44.0 AF under Certificate 87055. 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(s)), will benefit instream flows.

The mitigation credits or mitigation water established by this instream water right may be used to satisfy a mitigation 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 instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and shall be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise specified by a subsequent order establishing a new instream water right.

The right to the use of water for the above purpose is restricted to beneficial use in the place of use described and is subject to all other terms and conditions of Certificate 83857, and any related decree.

This certificate is issued to confirm a change in use and place of use approved by an order of the Water Resources Director recorded in Special Order Volume \$4, Page 378, approving Transfer T-10730, and along with Certificate 87059 supersedes Certificate 83857, State Record of Water Right Certificates.

WITNESS the signature of the Water Resources Director, affixed JUN 0 3 2011

Dwight French, Water Right Services Administrator, for

PHILLIP C. WARD, DIRECTOR



April 13, 2011

Water Resources Department

North Mall Office Building 725 Summer Street NE, Suite A Salem, OR 97301-1271 503-986-0900 FAX 503-986-0904

PREMIER WEST BANK 875 RIMROCK WAY, SUITE 100 REDMOND, OREGON 97756

GRASS BUTTE, LLC GREG DANIELS 1111 MAIN ST SUITE 700 VANCOUVER WA 98660

SUBJECT: Transfer Application T-10730 / Mitigation Credit Project MP-124

Please find enclosed the Preliminary Determination indicating that, based on the information available, the Department intends to approve application T-10730 and Mitigation Credit Project MP-124. This document is an intermediate step in the approval process; water may not be used legally as proposed in the transfer application until a Final Order has been issued by the Department. Please read this entire letter carefully to determine your responsibility for additional action.

A public notice is being published in the Department's weekly publication simultaneously with issuance of the Preliminary Determination. The notice initiates a 30-day period in which any person may file either a protest opposing the decision proposed by the Department in the Preliminary Determination or a standing statement supporting the Department's decision.

Because there is a change in character of use, the applicant is responsible for giving public notice of the transfer changes in a local newspaper having a general circulation in the area of the water right. The notice must be published at least once a week for three consecutive weeks. We have prepared the notice for you (enclosed). The deadline for individuals to file protests or standing statements is 30 days after the date of last publication. Please have the newspaper insert the date of last publication in the proper place.

After publication, the Department needs to receive an affidavit specifying the dates the notice was published. Please have the newspaper prepare and mail an original affidavit of publication to me at the address shown in the letterhead, by May 27, 2011.

If no protest is filed, the Department will issue a Final Order consistent with the Preliminary Determination. You should receive a copy of the Final Order about 30 days after the close of the protest period.

If a protest is filed, the application may be referred to a contested case proceeding. A contested case provides an opportunity for the proponents and opponents of the decision proposed in the Preliminary Determination to present information and arguments supporting their position in a quasi-judicial proceeding.

Please do not hesitate to contact me at 503-986-0884 or Laura.K.Wilke@wrd.state.or.us if I may be of assistance.

Sincerely,

Flow Restoration Program Coordinator

cc: Jeremy Giffin, District 11 Watermaster

David Newton, Agent

James Newton, CWRE # 82917

Low Line Ditch Company US Bureau of Reclamation Butler Ranch, Inc.
Dallon Miles
Emmett Ranch, LLC
Peoples Irrigation Company

BEFORE THE WATER RESOURCES DEPARTMENT OF THE STATE OF OREGON

In the Matter of Instream Transfer)	PRELIMINARY DETERMINATION
Application T-10730 and Mitigation Credit)	PROPOSING APPROVAL OF A
Project MP-124, Crook, Deschutes, and)	CHANGE IN PLACE OF USE AND
Jefferson Counties)	CHARACTER OF USE AND
)	PRELIMINARY AWARD OF
)	MITIGATION CREDITS
)	MITIGATION CREDITS

Authority

ORS 540.505 to 540.580 establishes the process in which a water right holder may submit a request to transfer the point of diversion, place of use, or character of use authorized under an existing water right. OAR Chapter 690, Division 380 implements the statutes and provides the Department's procedures and criteria for evaluating transfer applications. OAR Chapter 690, Division 077 provides additional criteria for evaluating transfers to instream water rights.

OAR 690-521-0100 to 690-521-0600 establishes the process in which anyone may submit a ground water mitigation project to the Department for the purpose of establishing mitigation credits in the Deschutes Ground Water Study Area.

Pursuant to OAR 690-521-0400 (2), any mitigation credits awarded to a mitigation project are valid until used to fulfill a mitigation obligation of a ground water use in the Deschutes Ground Water Study Area. Valid mitigation credits may be assigned by any person or recognized mitigation bank to any person or other mitigation bank. Mitigation credits are used when a person submits to the Department documentary evidence that valid credits have been obtained and assigned to satisfy a mitigation obligation.

Applicants

GRASS BUTTE, LLC GREG DANIELS 1111 MAIN ST SUITE 700 VANCOUVER WA 98660 PREMIER WEST BANK 875 SW RIMROCK WAY, SUITE 100 REDMOND, OREGON 97756

Findings of Fact

Background

 On November 21, 2008, The Daniels Group, LLC, filed an application to change the place of use and character of use under Certificates 81601, 83651, and 83732 to instream use. The Department assigned the application number T-10730.

Pursuant to OAR 690-380-4030, any person may file a protest or standing statement within 30 days after the last date of publication of notice of this preliminary determination.

- Certificate 81601 has been cancelled and a new Certificate (83857) was issued on May 7, 2008.
- 3. On August 26, 2009, the Department requested additional supporting information and clarification of the intent of T-10730.
- 4. On August 28, 2009, the Department received a letter of interest from South Valley Bank and Trust requesting that they be kept informed of the proposed transfer.
- On September 14, 2009, an additional letter was received from South Valley Bank and Trust identifying that the Bank could not consent to the transfer because conditions for their consent were not met.
- 6. On September 25, 2009, the applicant clarified that the portion of Certificate 81601 (i.e. Certificate 83857) proposed for transfer to instream use include Irrigation, Livestock and Domestic use consistent with the water right of record. In addition, the applicant submitted additional supporting documentation for T-10730 along with revised transfer maps with clarifying information.
- 7. On November 9, 2009, the Department requested further clarification of the intent of T-10730 and additional information necessary to complete the application.
- 8. On March 23, 2010, The Daniels Group requested that a 75% interest in T-10730 and MP-124 be assigned to Realvest Corporation and Premier West Bank and that a 25% interest in T-10730 and MP-124 be assigned to Grass Butte, LLC. On March 23, 2010, Realvest Corporation requested that the 75% interest in T-10730 and MP-124 be assigned to Grass Butte, LLC. On March 23, 2010, Grass Butte, LLC requested that the 25% interest be assigned to Grass Butte, LLC and Premier West Bank.
- 9. On March 29, 2010, the Department approved the assignment requests and concurred that T-10730 is now in the names of Grass Butte, LLC and Premier West Bank.
- 10. On November 3, 2010, the applicant clarified that the portion of Certificate 83651 proposed for transfer to instream use include Irrigation, Livestock and Domestic use consistent with the water right of record.
- 11. On November 3, 2010, the applicant provided further clarification of the intent of T-10730, along with revised transfer maps in support of T-10730.
- 12. On December 13, 2010, the Department requested further clarification of the intent of T-10730, including priority date and POD clarifications, and correcting of clerical errors.
- 13. On December 21 and 22, 2010, the applicant provided clarifying information, along with revised transfer maps.

14. The portion of the first right to be transferred is as follows:

Certificate:

83857 in the name of PEOPLES IRRIGATION CO. (confirmed by

Crooked River Decree)

Use:

IRRIGATION OF 67.0 ACRES (0.5 acre under the 1898 priority date, 2.5 acres under the 1904/1910 priority date, and 64.0 acres under the 1892

priority date), LIVESTOCK AND DOMESTIC USE

Priority Dates:

1892, 1898, and 1904/1910

Rate:

0.84 CUBIC FOOT PER SECOND (CFS), being 0.01 CFS under the 1898 priority date, 0.03 CFS under the 1904/1910 priority date, and 0.8 CFS

under the 1892 priority date

Limit/Duty:

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation

season of each year.

Source:

CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Points of Diversion:

POD	Twp	Rng	Mer	Sec	Q-Q	Measured Distances
1	15 S	16 E	WM	8	NW SW	1920 FEET NORTH AND 340 FEET EAST FROM THE SW CORNER OF SECTION 8
2						LOW LINE DITCH
6	14 S	14 E	WM	29	NE NW	PUMP: 1085 FEET SOUTH AND 970 FEET WEST FROM THE NORTH 1/4 CORNER OF SECTION 29
7	14 S	14 E	WM	20	SE SE	PUMP: 325 FEET NORTH AND 120 FEET WEST FROM THE SE CORNER OF SECTION 20

Authorized Place of Use:

IRRIGATION, LIVESTOCK, AND DOMESTIC								
Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User
1892	6	14 S	14 E	WM	20	SW SW	10.0	Forrest, Frances
1904/1910	2	14 S	14 E	WM	21	SE SW	2.5	Deschutes Fine Wool Company
1898	7	14 S	14 E	WM	29	NE NE	0.5	McDowell, D.A.
1892	6	14 S	14 E	WM	29	NENW	5.0	Forrest, Frances
1892	6	14 S	14 E	WM	29	NWNW	35.6	Forrest, Frances
1892	1	14 S	14 E	WM	29	NWNW	2.4	Forrest, Frances
1892	1	14 S	14 E	WM	29	SWNW	3.0	Forrest, Frances
1892	1	14 S	14 E	WM	29	SE NW	8.0	Forrest, Frances

- 15. For Certificate 83857, information submitted with the application identifies that POD #2, Low Line Ditch, is the same POD as identified for Certificate 83651 as described in Finding of Fact #16. The Department also has additional information identifying that Low Line Ditch and the POD for Certificate 83651 is more accurately located as described in Findings of Fact #16 and #17.
- 16. The portion of the second right to be transferred is as follows:

Certificate:

83651 in the name of LOW LINE DITCH CO. (confirmed by Crooked River

Decree)

Use:

IRRIGATION OF 45.0 ACRES, DOMESTIC, AND LIVESTOCK

Priority Date: 1903

Rate:

0.56 CFS

Limit/Duty:

The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed a reasonable amount for domestic and livestock, and 0.56 cubic feet per second for irrigation, the total quantity being limited to 4.0 acre-feet per acre during each year.

Source:

CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	24	SE SW	Unspecified by Certificate

Authorized Place of Use:

	IR	RIGATI	ON, LI	VESTOCK,	AND DO	MESTIC
Twp	Rng	Mer	Sec	Q-Q		Name of User through Company's Works
14 S	14 E	WM	28	NW NE	25.0	J. W. Livingston
14 S	14 E	WM	28	NE NW	20.0	J. W. Livingston

- 17. The Crooked River Decree further describes the POD for Certificate 83651 as the Low Line Ditch. In a prior site visit, Department staff further identified that the POD is more accurately located approximately at Latitude 44.33859 degrees North and Longitude 121.01154 degrees West (see Special Order Volume 73, Page 721, Finding #7).
- 18. The third right to be transferred is as follows:

Certificate:

83732 in the name of BUTLER RANCH, INC. (confirmed by Crooked

River (F) Decree)

Use:

IRRIGATION of 11.0 ACRES

Priority Date:

1892

Rate:

0.137 CFS if available at the original point of diversion

Limit/Duty:

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each

year.

Source:

CROOKED RIVER, tributary to the DESCHUTES RIVER

Authorized Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
14 S	14 E	WM	20	SE SW	1896 FEET SOUTH AND 1717 FEET EAST FROM THE WEST 1/4 CORNER OF SECTION 20

Original Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
15 S	16 E	WM	8	NW SW	744.2 FEET SOUTH AND 321 FEET EAST FROM THE WEST 1/4 CORNER OF SECTION 8

Authorized Place of Use:

		IRRIGA'	TION		
Twp	Rng	Mer	Sec	Q-Q	Acres
14 S	14 E	WM	20	SW SW	11.00

- 19. A total of 268.0 acre-feet of water may be beneficially used annually under the portion of existing Certificate 83857 proposed for transfer. A total of 180.0 acre-feet of water may be beneficially used annually under the portion of the existing right for Certificate 83651 proposed for transfer. A total of 44.0 acre-feet of water may be beneficially used annually under the existing right for certificate 83732 proposed for transfer.
- 20. Certificates 83857, 83651, and 83732 do not specify the irrigation season. The irrigation season is February 1 to December 1, pursuant to the Crooked River Decree.
- 21. There is a supplemental water right, Certificate 83850, covering a portion of the lands (85.4 acres, being 35.8 acres under Certificate 83651 and 49.6 acres under Certificate 83857) on which the primary water rights are proposed for transfer to instream use. By rule, a supplemental right must be included with the transfer or cancelled. However, consistent with OAR 690-380-2240(5), the applicant is proposing, under transfer application T-10734, to move 85.4 acres of supplemental irrigation under Certificate 83850 to the location of another primary right with similar reliability to the existing primary rights. If T-10734 is approved, no supplemental irrigation will remain for the lands proposed for transfer to instream use under T-10730.
- 22. Application T-10730 proposes to change the character of use to instream use for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values and to establish mitigation credits in the Deschutes Ground Water Study Area.
- 23. Application T-10730 proposes to change the place of use of the right to create an instream reach from below the Low Line Ditch Diversion and from below the Crooked River Diversion to the confluence with the Deschutes River.
- 24. The applicant proposes the quantities of water to be transferred instream to be protected as follows:

Certificate Number	Instream Period	Rate (cfs)	Volume (acre-feet)
83857	Unspecified	0.838	268.0
83651	Unspecified	0.56	180.0
83732	Unspecified	0.138	44.0
	Total	1.536	492.0

25. The applicant proposes that any instream water right established as a result of this instream transfer be additive to existing instream water rights for the same reach established pursuant to ORS 537.348 (instream transfer process) and ORS 537.470 (allocation of conserved water

process). The applicant also proposes that any instream water right established as a result of this instream transfer replace a portion of any existing instream rights established pursuant to ORS 537.346 (minimum streamflow conversion) and ORS 537.341 (state agency instream application process), with an earlier priority date.

- 26. The application includes a Land Use Information form completed and signed by a representative of Crook County. Additionally, the Department has provided notification of the proposed action to Crook County, Deschutes County and Jefferson County upon receipt of transfer application T-10730.
- 27. Notice of the application for transfer was published on December 2, 2008, pursuant to OAR 690-380-4000. No comments were filed in response to the notice.
- 28. On March 15, 2011, the Department mailed a copy of the draft Preliminary Determination proposing to approve Transfer Application T-10730 to the applicants. The draft Preliminary Determination cover letter set forth a deadline of April 14, 2011, for the applicants to respond. The applicants requested that the Department proceed with issuance of a Preliminary Determination and provided the necessary information to demonstrate that the applicants are authorized to pursue the transfer.

Instream Transfer Review Criteria (OAR 690-77-0075 and 690-380-4010)

- 30. Water has been used within the last five years according to the terms and conditions of the rights, and there is no information in the record that would demonstrate that the rights are subject to forfeiture under ORS 540.610.
- 31. Based upon information provided as part of the application, it appears that while water has been diverted from the Crooked River under each right that a portion of the water diverted under the rights may not have been diverted from the authorized point(s) of diversion. Although water may have been diverted from non-authorized points of diversion, a diversion structure and ditch sufficient to use the full amount of water allowed under the existing rights was present within the five-year period prior to submittal of Application T-10730.
- 32. The applicant requested that water be protected instream beginning from below the Low Line Ditch Diversion and from below the Crooked River Diversion to the confluence with the Deschutes River. Each water right proposed for transfer to instream use has specific points of diversion. The portion of each right proposed for transfer to instream use may be protected instream beginning at the authorized point of diversion. Certificate 83857 has four points of diversion associated with specific portions of the right. The instream use resulting from the transfer of a portion of Certificate 83857 to instream use will begin at each of the respective points of diversion.
- 33. A portion of the water diverted at each POD returns to the Crooked River below the POD and is available to downstream water right holders. To prevent injury to downstream water right holders and enlargement, the quantity of water that may be protected instream requires modification to account for both surface and subsurface return flows.

The hydrogeologic evaluation of where subsurface return flows occur is generally based on the following information: 1) the local shallow and regional ground water elevations, 2) the shallow and regional head gradient (i.e. ground water flow direction), 3) elevation of nearby streams, 4) elevation of closest gaining stream reaches, 5) distance from nearby streams and gaining stream reaches, and 6) local geologic information. When evaluating for return flows, the Department generally considers the place of use as a whole and where the majority of return flows occur based upon the presence of surface return flows (overland flow) and the factors described above for any subsurface return flows.

The place of use under each right proposed for transfer is located in close proximity to the Crooked River. A portion of the water diverted to the place of use returns to the river system around the points of diversion or close to the place of use (specifically for those lands that receive irrigation water from POD #1 and #2 under Certificate 83857 located some distance upstream from the place of use) as a result of overland flow. Remaining return flows take the form of subsurface return flows. Subsurface returns would also return to the river system in the area of where Lone Pine Road crosses the Crooked River at River Mile 30.

The instream flows at the points of diversion or near the place of use have been reduced by 10% to account for surface return flows and instream flows at Lone Pine Road have been reduced to the consumptive portion of the rights to account for subsurface return flows.

- 34. The applicant has not specified when water is requested to be protected instream. Based on a calculation using the full rate and duty of the three water rights, water may be protected instream for a period of 161 days. There is a pending instream water right application submitted by the Oregon Department of Fish and Wildlife for anadromous and resident fish rearing. Proposed instream flows for this use would generally not be satisfied June through November. With 161 days, water may be protected instream as a result of this transfer from June 1 through November 8.
- 35. Based on Finding of Fact #32 through #34, on March 15, 2011, the applicant agreed to modify the quantities to be transferred and protected instream as follows:

Resulting from Certificate 83857

Reach #1: From POD #1 (as described in Finding of Fact #14) to POD #2 (Low Line Ditch) (as described in Findings of Fact #14, #16, & #17).

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 – Nov. 8

Reach #2: From POD #2 (Low Line Ditch) to River Mile 32.9.

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period	
83857	1892	0.17	53.6	June 1 – Nov. 8	
	1904/1910	0.03	10.0		
	Total:	0.20	63.6		

Reach #3: From River Mile 32.9 to POD #7 (as Described in Finding of Fact #14)

Certificate Priority Date Instream Rate (CFS)	Instream Volume (AF)	Instream Period
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02057	1892	0.17	53.6	June 1 – Nov. 8
83857	1904/1910	0.027	8.62	June 1 - 110V. B
	Total:	0.197	62.22	

Reach #4: At POD #7 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	
	1898	0.01	2.0	June 1 – Nov. 8
	1904/1910	0.027	8.62	
	Total:	0.207	64.22	

Reach #5: From just below POD #7 to POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
	1892	0.17	53.6	
83857	1898	0.009	2.87	June 1 – Nov. 8
	1904/1910	0.027	8.62	
	Total:	0.206	65.09	

Reach #6: At POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.80	256.0	June 1 – Nov. 8
	1898	0.009	2.87	
	1904/1910	0.027	8.62	
	Total:	0.836	267.49	

Reach #7: From just below POD #6 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
	1892	0.74	229.92	
	1898	0.009	2.87	June 1 – Nov. 8
	1904/1910	0.027	8.62	
	Total:	0.776	241.41	

Reach #8: From River Mile 30 to to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.37	115.2	
	1898	0.003	0.9	June 1 - Nov. 8
	1904/1910	1904/1910 0.01 4.5	4.5	
	Total:	0.383	120.6	

Resulting from Certificate 83651

Reach #1: From the POD for Certificate 83651 (as described in Findings of Fact #16 and #17) River Mile 32.9

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.56	180.0	June 1 – Nov. 8

Reach #2: From River Mile 32.9 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.50	159.67	June 1 – Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.25	81.0	June 1 – Nov. 8

Resulting from Certificate 83732

Reach #1: At POD for Certificate 83732 (as described in Finding of Fact #18)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.137	44.0	June 1 – Nov. 8

Reach #2: From just below the POD for Certificate 83732 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.12	38.32	June 1 – Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.06	19.8	June 1 – Nov. 8

- 36. The proposed changes, as modified, would not result in enlargement of the right.
- 37. The proposed changes, as modified, would not result in injury to other water rights.
- 38. The amount and timing of the proposed instream flow, as modified, is allowable within the limits and use of the original water rights.
- 39. The protection of flows within the proposed reaches is appropriate, considering:
 - a) The instream water rights will begin at the recorded points of diversion;
 - b) The location of confluences with other streams downstream of the points 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) Return flows resulting from the exercise of the existing water right would re-enter the river within the proposed reaches and have been accounted for at appropriate points within each proposed reach.
- 40. There is an instream lease, IL-1081, currently in effect for a portion of the water rights proposed for transfer, specifically Certificates 83857 and 83732, to instream use. The instream lease was approved by the Department on July 27, 2010, as evidenced by Special Order Volume 81, Page 474. A correction order was issued on July 30, 2010, and supersedes

the original order, as evidenced by Special Order Volume 81, Page 546. This instream lease is scheduled to terminate on November 30, 2013, and includes a condition allowing for early termination of the lease order. This lease must be terminated before Transfer T-10730 may be approved. Also, the date on which this instream transfer may be approved may be affected by the date on which the existing instream lease is terminated to prevent injury and enlargement.

- 41. There are existing instream water rights established under ORS 537.348 (instream transfer process) and ORS 537.470 (allocation of conserved water process) within the same reach as that proposed for each of the new instream water rights, which include the use of water for fish and wildlife habitat, aquatic life, recreation, and pollution abatement. There presently are no instream water rights within the proposed reach created as a result of ORS 537.346 (minimum flow conversion) or ORS 537.341 (state agency instream water right application process). However, there is a pending instream water right application filed by the Oregon Department of Fish and Wildlife (ODFW) pursuant to ORS 537.341 to establish an instream water right from Bowman Dam to Lake Billy Chinook for anadromous and resident fish rearing, which if approved will have a priority date of May 11, 1990. Requested flows for this pending instream water right application are at times not available during the instream period identified in Finding of Fact #35.
- 42. By adding to other water rights leased or transferred instream at the same location or created through the conserved water statutes, the instream right will provide protection for additional streamflows previously identified as necessary for conservation, maintenance and enhancement of aquatic and fish life, fish and wildlife habitat and other ecological values.
- 43. By replacing a portion of any instream rights created at the request of state agency or under the minimum streamflow conversion process, the instream right will provide protection for streamflows previously identified as necessary for anadromous and resident fish rearing under earlier priority dates.
- 44. During the period June 1 through November 8, any instream water right established by this transfer application may replace a portion of instream water rights established pursuant to ORS 537.341 or ORS 537.346 and be in addition to instream water rights established pursuant to ORS 537.348 or ORS 537.470 unless otherwise specified by an order approving a new instream water right under these statutes.
- 45. The total monthly quantities of water to be protected under the existing and proposed instream rights in the reach will provide for a beneficial purpose and do not exceed the estimated average natural flow.

Preliminary Award of Deschutes Basin Mitigation Credits

46. The mitigation project was originally submitted by the Daniels Group, LLC. However, on March 29, 2010, the application was assigned to Grass Butte, LLC, and PremierWest Bank. Grass Butte, LLC, and PriemierWest Bank (the Applicants) have requested this instream transfer application be used to establish mitigation credits in the Deschutes Ground Water

Study Area. The Applicants have also requested that any mitigation credits generated from this project be assigned to Grass Butte, LLC, and PremierWest Bank.

- 47. The Department assigned this mitigation credit project number MP-124.
- 48. The Department provided notice of the mitigation credit project pursuant to OAR 690-521-0300 (6) on March 10, 2009. No comments were received in response to this notice.
- 49. The Department consulted with representatives from ODFW, DEQ, Oregon Parks and Recreation Department, Oregon Department of State Lands, the Oregon Department of Agriculture, and the Department's Watermaster pursuant to OAR 690-521-0300 (7) and OAR 690-505-0630 (2) on March 10, 2009. No comments were received in response to this notice.
- 50. No changes were made to the instream transfer as a result of public notice or consultation with the above named agencies.
- 51. The proposed transfer of 123.0 acres of irrigation (67.0 acres under Certificate 83857, 45.0 acres under Certificate 83651, and 11.0 acres under Certificate 83732) to instream use will provide 221.4 acre-feet of mitigation water (120.6 AF from Certificate 83857, 81.0 AF from Certificate 83651, and 19.8 AF from Certificate 83732). Therefore, 221.4 mitigation credits (1.0 mitigation credit = 1.0 AF of mitigation water) may be awarded to this mitigation credit project and assigned to Grass Butte, LLC, and PremierWest Bank. The mitigation credits may be used to mitigate for ground water permit applications and existing conditioned ground water permits and certificates, providing mitigation pursuant to the Deschutes Ground Water Mitigation Rules, OAR Chapter 690, Division 505, within the Crooked River Zone of Impact and the General Zone of Impact.
- 52. A total of 492.0 ÅF is proposed to be transferred to instream use and 221.4 AF of that, as identified above, may be used for mitigation purposes. The amount of water transferred instream and not used for mitigation purposes will benefit instream flow.
- 53. The Department shall award final mitigation credits upon completion of the approved project by the applicant and verification by the Department that the project is complete. The issuance of certificates for the proposed instream water right shall result in completion of the project and verification that the project is complete.
- 54. Mitigation credits awarded to this mitigation credit project will be valid beginning the first calendar year that water will be protected instream under any new instream water right created as a result of this instream transfer application.

Determination and Proposed Action

The changes in character of use and place of use to instream use proposed in application T-10730 appear to be consistent with the requirements of ORS 540.505 to 540.580, ORS 537.348, OAR 690-380-5000, and OAR 690-077-0075. If protests are not filed pursuant to OAR 690-380-4030, the application will be approved.

This mitigation project appears to result in mitigation credits pursuant to ORS 537.746 and OAR 690-521-0300 and 690-521-0400.

If application T-10730 is approved, the final order will include the following:

- 1. The changes in character of use and place of use to instream use proposed in application T-10730 are approved.
- 2. Water right certificates 83857, 83651, and 83732 are cancelled. New certificates confirming the instream water rights shall be issued. New certificates will be issued describing that portion of Certificates 83857 and 83651 not affected by this transfer.
- 3. The instream water rights shall provide for the protection of streamflows for conservation, maintenance and enhancement of aquatic and fish life, wildlife, fish and wildlife habitat and other ecological values in the Deschutes River as follows:

Resulting from Certificate 83857

Reach #1: From POD #1 (as described in Finding of Fact #14) to POD #2 (Low Line Ditch) (as described in Findings of Fact #14, #16, & #17).

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.17	53.6	June 1 - Nov. 8

Reach #2: From POD #2 (Low Line Ditch) to River Mile 32.9.

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
02057	1892	0.17	53.6	Luca I Man 0
83857	1904/1910	0.03	10.0	June 1 – Nov. 8
	Total:	0.20	63.6	

Reach #3: From River Mile 32.9 to POD #7 (as Described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
02057	1892	0.17	53.6	L 1 M 0
83857	1904/1910	0.027	8.62	June 1 – Nov. 8
	Total:	0.197	62.22	

Reach #4: At POD #7 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857 1898 1904/19	1892	0.17	53.6	June 1 – Nov. 8
	1898	0.01	2.0	
	1904/1910	0.027	8.62	
	Total:	0.207	64.22	

Reach #5: From just below POD #7 to POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857 18.	1892	0.17	53.6	June 1 – Nov. 8
	1898	0.009	2.87	
	1904/1910	0.027	8.62	
	Total:	0.206	65.09	

Reach #6: At POD #6 (as described in Finding of Fact #14)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857 1898 1904/19	1892	0.80	256.0	June 1 – Nov. 8
	1898	0.009	2.87	
	1904/1910	0.027	8.62	
	Total:	0.836	267.49	

Reach #7: From just below POD #6 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83857	1892	0.74	229.92	June 1 – Nov. 8
	1898	0.009	2.87	
	1904/1910	0.027	8.62	
	Total:	0.776	241.41	

Reach #8: From River Mile 30 to to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
***************************************	1892	0.37	115.2	June 1 – Nov. 8
	1898	0.003	. 0.9	
	1904/1910	0.01	4.5	
	Total:	0.383	120.6	

Resulting from Certificate 83651

Reach #1: From the POD for Certificate 83651 (as described in Findings of Fact #16 and #17) River Mile 32.9

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.56	180.0	June 1 - Nov. 8

Reach #2: From River Mile 32.9 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.50	159.67	June 1 - Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83561	1903	0.25	81.0	June 1 - Nov. 8

Resulting from Certificate 83732

Reach #1: At POD for Certificate 83732 (as described in Finding of Fact #18)

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.137	44.0	June 1 – Nov. 8

Reach #2: From just below the POD for Certificate 83732 to River Mile 30 where Lone Pine Road crosses the Crooked River

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.12	38.32	June 1 - Nov. 8

Reach #3: From River Mile 30 to Lake Billy Chinook

Certificate	Priority Date	Instream Rate (CFS)	Instream Volume (AF)	Instream Period
83732	1892	0.06	19.8	June 1 - Nov. 8

- 4. Water rights upstream of the original point of diversion shall not be subject to regulation for flows in excess of the quantities to which this instream water right is entitled at the original point of diversion.
- 5. 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.
- 6. The instream right established by this transfer shall replace a portion of instream water rights established pursuant to ORS 537.341 or 537.346 and be in addition to instream water rights established pursuant to ORS 537.348 or 537.470, unless otherwise identified in a subsequent order establishing a new instream water right under these statutes.
- 7. The right to the use of the water is restricted to beneficial use at the place of use described, and is subject to all other conditions and limitations contained in Certificates 83857, 83651, and 83732 and any related decree.
- 8. The former place of use of the transferred water shall no longer receive water as part of these rights.
- 9. Preliminary Award of Mitigation Credits: Final Award of Mitigation Credits may be made upon completion of the project and verification by the Department that the project has been completed as proposed. Issuance of a new instream water right certificate, as described herein, will result in completion of the project and verification by the Department that the project is complete. If completed as proposed, mitigation credits, in the amount of 221.4 credits, as described herein, may be awarded to this mitigation project and assigned to Grass Butte, LLC and PremierWest Bank. Mitigation credits awarded may be used to satisfy a mitigation obligation of a ground water permit applicant and/or ground water permit/certificate holder in the Crooked River Zone of Impact and the General Zone of Impact.
- 10. Mitigation credits are valid until used to satisfy a mitigation obligation of a ground water permit applicant and/or ground water permit/certificate holder within the Deschutes Ground

Water Study Area pursuant to the Deschutes Ground Water Mitigation Rules. Mitigation credits are used when a person submits to the Department documentary evidence that valid credits have been obtained and assigned to satisfy a mitigation obligation. Mitigation credits generated by this project will be available for use as mitigation beginning the first calendar year that water will be protected instream under each of the new instream water rights.

11. The instream certificates created as a result of the approval of this transfer shall be identified as a mitigation credit project. Within each instream certificate, the number of mitigation credits, the zone of impact in which the mitigation credits were generated and may be used, and the volume of water dedicated instream solely for instream benefits shall also be specified.

Dated at Salem, Oregon this _____ day of April, 2011.

Dwight French, Water Right Services Administrator, for

PHILLIP C. WARD, DIRECTOR

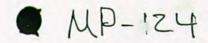
This Preliminary Determination was prepared by a Reimbursement Authority contractor. If you have questions about the information in this document, you may reach Laura Wilke at (503) 986-0884 or Laura.K.Wilke@wrd.state.or.us.

Protests should be addressed to the attention of Field Services Division, Water Resources Department, 725 Summer St. NE, Suite A, Salem, OR 97301-1266.

Notice of Preliminary Determination for Water Right Transfer T-10730 / Mitigation Project MP-124

T-10730 filed by GRASS BUTTE, LLC (1111 MAIN STREET, SUITE 700, VANCOUVER WA, 98660) and by PREMIER WEST BANK (875 RIMROCK WAY, SUITE 100, REDMOND OR, 97756) proposes a change in place of use and character of use under Certificates 83857, 83651, and 83732. The first right allows the use of 0.84 CUBIC FEET PER SECOND (CFS) (priority dates 1898, 1904/1910, and 1892) from the CROOKED RIVER in Sec. 8, T15S, R16E, and Secs. 20, 24, and 29, T14S, R14E, W.M. for IRRIGATION in Secs. 20, 21, and 29. The second right allows the use of 0.56 CFS (priority date 1903) from the CROOKED RIVER in Sec. 24, T 14S, R 14E, W.M. for IRRIGATION in Sec. 28. The third right allows the use of 0.137 CFS (priority date 1892) from the CROOKED RIVER in Sec. 20, T14S, R14E, W.M. for IRRIGATION in Sec. 20. The applicant proposes to create an instream use in the Crooked River (from each point of diversion to Lake Billy Chinook) at a maximum of 1.536 CFS, and to establish mitigation credits in the Crooked River and General Zones of Impact. The Water Resources Department has concluded that the proposed transfer appears to be consistent with the requirements of ORS Chapter 540 and OAR 690-380-5000. The Department has also concluded that the proposed transfer appears to result in mitigation credits pursuant to OAR 690-521-0300 & OAR 690-521-0400.

Any person may file, jointly or severally, with the Department a protest or standing statement within 30 days after the date of final publication of notice in the Department's weekly notice or of this newspaper notice, whichever is later. A protest form and additional information on filing protests may be obtained by calling (503) 986-0883. The last date of newspaper publication is [INSERT DATE OF LAST PUBLICATION]. If no protests are filed, the Department will issue a final order consistent with the preliminary determination.





Oregon Water Resources Department 725 Summer Street NE, Suite A Salem Oregon 97301-1266 (503) 986-0900 www.wrd.state.or.us

Application for Water Right

Transfer

Please type or print legibly in dark ink. If your application is incomplete or inaccurate, we will return it to you. If any requested information does not apply to your application, insert "N/A" to indicate "Not Applicable." As you complete this form, please refer to notes and guidance included on the application. A summary of review criteria and procedures that are generally applicable to these applications is available at www.wrd.state.or.us/OWRD/PUBS/forms.shtml.

	1. TYPE OF TRANS Please ch			7
	Permanent Transfer Temporary Transfer (1 to 5 yrs.) total number of years: (begin year: (end year:	✓ Instream ✓ Per	Transfer manent ne-Limited Transfer	
	2. APPLICANT	INFORMATION	N	
Name:	Greg First	Daniels (T	he Daniels Gr	oup, LLC)
Address: _	1111 Main Street, Suite 70	0		
	Vancouver	WA	98660	
	City	State	Zip	
Phone:		(360)694-6000)	
	Home	Work	Other	
Fax:	(360) 695-1201	E-Mail address:	greg@thedanie	lsgrouplic.com
(The age	3. AGENT IN ant listed is authorized to represent the application David J. First	FORMATION ant in all matters rela Newton Last	ating to this transfer	application.) RECEIVED
Address: _	521 SW 6th Street, Suite 1	00		NOV 2 1 2008
	Redmond	OR	97756	WATER RESOURCES DE
	City	State	Zip	SALEM, OREGON
Phone:		541 504-9960 x	211	
		Work	Other	
Fax:	541 504-9961	E-Mail address:	dnewton@newton	consultants.com
■ If an ag	541 325-3905 cell Home 541 504-9961 gent is listed above, please check one asses send all correspondence to Agent. Sends asses send all correspondence to Applicant.	Work E-Mail address: of the following: nd <i>copies</i> of corres	Other dnewton@newton	consultants.com

4. PROPOSED CHANGE(S) TO WATER RIGHT(S)

	Application / Decree	Permit / Previous Transfer	Certificate
1.		T-9687	81601
2.			83651
3.			83732
4.			
5.			
6.			
	ubstitution of Supplemen	face Water POD to Ground Water tal Groundwater right for Primary	
	listoric POD change	□ Other	
easo	n(s) for change(s): Certi	ficate 81601, 83651, and 83	3732 Permanent RECEIVE
easo	n(s) for change(s): Certi eam Transfer for mitig	ficate 81601, 83651, and 83	NOV 2 1 20
escri ithin sed to	the last 5 years. Include the description must be sufficient must be sufficient.	gation credits. ATER DELIVERY SYSTEM very system or the system that we information on the pumps, canally the water at the authorized place we independent systems, describe and to demonstrate that the full quantity and source and applied at the authorized	WATER RESOURCES as in place at some SAMEM, OREGO s, pipelines and sprinklers e of use. If the transfer each system separately. of water to be transferred can
escriithin sed to volv	the last 5 years. Include to divert, convey and apply the description must be sufficient to conveyed from the authorized applicant is ready, willing, and	gation credits. ATER DELIVERY SYSTEM very system or the system that we information on the pumps, canally the water at the authorized place we independent systems, describe and to demonstrate that the full quantity and source and applied at the authorized	WATER RESOURCES as in place at some SAMEM, OREGO s, pipelines and sprinklers e of use. If the transfer each system separately. of water to be transferred can location and that the
escriithin need to volv	the last 5 years. Include the description must be sufficient water delivation of the last from the authorized applicant is ready, willing, and property served by a shared	gation credits. ATER DELIVERY SYSTEM very system or the system that we information on the pumps, canals by the water at the authorized place we independent systems, describe and to demonstrate that the full quantity and source and applied at the authorized of able to exercise the right. d single 30hp GE motor & submerger	WATER RESOURCES as in place at some Ahrim, OREGO s, pipelines and sprinklers e of use. If the transfer each system separately. of water to be transferred can location and that the
escri ithin ied to volv	the last 5 years. Include the description must be sufficient water delivation of the last from the authorized applicant is ready, willing, and property served by a shared	gation credits. ATER DELIVERY SYSTEM very system or the system that we information on the pumps, canally the water at the authorized place we independent systems, describe ent to demonstrate that the full quantity and source and applied at the authorized of able to exercise the right. d single 30hp GE motor & submergented by combination of wheel	WATER RESOURCES as in place at some Ahrim, OREGO s, pipelines and sprinklers e of use. If the transfer each system separately. of water to be transferred can location and that the
escriithin bed to volv	ibe the current water deligate and the last 5 years. Include to divert, convey and applyies multiple rights that have the description must be sufficient to conveyed from the authorized applicant is ready, willing, and coroperty served by a shared ried main lines & irrigation oximate Capacity = 1.32	gation credits. ATER DELIVERY SYSTEM very system or the system that we information on the pumps, canally the water at the authorized place we independent systems, describe ent to demonstrate that the full quantity and source and applied at the authorized of able to exercise the right. d single 30hp GE motor & submergented by combination of wheel	WATER RESOURCES as in place at some SALEM, OREGO s, pipelines and sprinklers e of use. If the transfer each system separately. of water to be transferred can location and that the ed centrifugal pump; delivered lines and flood irrigation.

Last revised: 7/27/2007

Transfer Application/2

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6. EVIDENCE OF BENEFICIAL WATER USE

- Attach one or more Evidence of Use Affidavits (Supplemental Form B) demonstrating that each of the right(s) involved in the transfer have been exercised in the last five years in accordance with the terms and conditions of the right or that a presumption of forfeiture for non-use could be rebutted. The Evidence of Use Affidavit(s) must include supporting documentation such as the following:
 - Copies of receipts from sales of irrigated crops or for expenditures relating to use of water;
 - Records such as Farm Service Agency crop reports, irrigation district records, an NRCS farm management plan, or records of other water suppliers;
 - ► Dated aerial photographs of the lands or other photographs containing sufficient detail to establish location and date of the photograph; *or*
 - ▶ If the right has <u>not</u> been used during the past five years, documentation that the presumption of forfeiture would be rebutted under ORS 540.610(2).

7. AFFECTED DISTRICTS

Are any of the water rights proposed for transfer located within or served by an irrigation or
other water district? Yes No

- Will any of the water rights be located within or served by an irrigation or other water district after the proposed transfer? ✓ Yes ☐ No
- Is water for any of the rights supplied under a water service agreement or other contract for stored water with a federal agency or other entity? ✓ Yes No

If "Yes", for any of the above, list the name and mailing address of the district, agency and/or entity:

Low Line Ditch Company	US Bureau of Reclamation	
13223 NW O'Neil Hwy	1150 N Curtis Road	
Redmond, OR 97756	Boise, ID 83706-1234	

8. LOCAL GOVERNMENTS

 List the name and mailing address of all local governments (i.e., each county, city, municipal corporation, or tribal government within whose jurisdiction water will be diverted, conveyed or used).

 Crook County
 RECEIVED

 300 NE 3rd Street
 NOV 2 1 2008

 Prineville, OR 97754
 WATER RESOURCES DEPT SALEM, OREGON

Last revised: 7/27/2007

9. LAND OWNERSHIP

Does the applicant own the lands FROM which the right is being transferred? $\ \square$ Yes $\ \square$ No

Butler Ranch, 5294 NW Lone Terrebonne, O	Pine Road	The Daniels Group, LLC 111 Main Street, Suite 700 Vancouver, WA. 98660	Dallon Miles 16915 NW O'Neil Hwy Redmond, OR. 97745
11.0 Ac under	83732	64.5 Ac under 81601	3.0 Ac under 81601 45.0 Ac under 83651
Does the applic	ant own the la	ands TO which the right is being	transferred?
T Yes	ΠNo	N/A - NOT APPLICAL	BLE TO INSTREAM TRANSFERS
If "No", provid	le the followin	g information:	
Names of Recei	iving Landowi	ner(s):	
		First	Last
Address:			
City		State	Zip
Check one of the	e following:		
		will be responsible for completional notices and correspondence shape of the completion of the complet	
		responsible for completion of ch ntinue to be sent to the applicant	
₹ N/A. (Not a	pplicable. App	plication is for an Instream Wate	r Right Transfer.)
	1	0. Other Remarks (optional)	
			RECEIVE
			NOV 2 1 20
			WATER RESOURCES SALEM, OREGO

Transfer Application/4

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T 10730

Last revised: 7/27/2007

11. ATTACHMENTS

Check each of the following attachments included with this application.

The application will be returned if all required attachments are <u>not</u> included.

Su	pplemental Form A –	Land Use Information For Proposed Changes:
	Description of Proposed Change(s) to a	For Instream Transfers:
	Water Right A separate Supplemental Form A is enclosed for each water right to be affected by this transfer.	Notice of the intent to file an instream transfer application has been provided to each affected local government along the proposed reach, and copies of the notices are enclosed. (For instream
Su	pplemental Form B – Evidence of Use Affidavit(s)	transfers a Land Use Information Form is not required.)
2	At least one Evidence of Use Affidavit	For All Other Transfers:
	documenting that the right has been used	☐ Land Use Information Form is enclosed; or
	during the last five years or that the right is not subject to forfeiture under ORS 540.610 is attached. The affidavit provided must be the original (not a copy), <u>and</u>	☐ All of the following criteria are met, therefore a Land Use Information Form is not required: • In EFU zone or irrigation district, • Change in place of use only,
	The Evidence of Use Affidavit must be accompanied by supporting documentation.	 No structural changes needed, including diversion works, delivery facilities, other
Ma	ар	structures, and Irrigation only.
V	Water Right Transfer	
	The map must be prepared by a Certified Water Right Examiner and meet the requirements of OAR 690-380-3100 unless a waiver has been granted. The map provided must be the original, not a copy.	Fees: ✓ Amount enclosed: \$ 700.00 See the Department's Fee Schedule at www.wrd.state.or.us or call (503) 986-0900.
	Temporary Transfer or Historical POD	Instream Water Right Transfers, also include:
	Change A map meeting the requirements of OAR 690-380-3100 must be included but need <u>not</u> be prepared by a Certified Water Right Examiner.	Supplemental Form C – Instream Water Right Transfer ✓ Complete this form to describe the desired nature
W	ater Well Report(s)/Well Log(s):	and attributes for the proposed instream water right.
	The application is for a change in point of	
	appropriation or change from surface water to	Temporary Transfers, also include:
	ground water and copies of all water well reports are attached.	Recorded Deed:
	Water well reports are not available and a description of construction details including well depth, static water level, and information necessary to establish the ground water body	The applicant must submit a copy of the current deed of record for the land from which the authorized place of use or point of diversion/appropriation is being moved.
	developed or proposed to be developed is attached.	Affidavit of Consent:
	N/A. The application does <u>not</u> involve a change in point of appropriation or a change from surface water to ground water, so water well reports are <u>not</u> required.)	☐ If the applicant is NOT the owner of record for the land from which the authorized place of use or point of diversion/appropriation is being moved, a notarized statement from the actual owner of record consenting to the proposed transfer must be submitted.

Last revised: 7/27/2007

Transfer Application/5

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Before submitting your application to the Department, be sure you have:

- Answered each question completely.
- Included all the required attachments.
- Provided original signatures for all named deed holders, or other parties, with an interest in the water right.
- Included a check payable to the Oregon Water Resources Department for the appropriate amount.

		12. SIGNATURES	
Ch	eck one of the following, as ap	ppropriate, and sign the application in th	e signature box below:
	approval of a permanent tra for the proposed transfer, I (the following landownership authorized to pursue the tra (a) A report of ownership the last three months;	and lien information that has been prepare	liminary Determination 90-380-4010(5)] to provide g that I (we) are ed by a title company within
	holders on the subject la water right conveyance conveyance agreement l	ication of the proposed transfer provided by ands unless the report of ownership and lier agreement has been recorded for the subject has been recorded for the subject lands, a content of the lands at the time the agreement	n information shows that a t lands. If a water right opy of the agreement and
	(c) If the landowner identifi a notarized statement of identified in the report of water right has been con-	ed in the report of ownership and lien inforconsenting to the transfer (attached) signer an authorized representative of the entity aveyed as identified in a water right conveys rating that the applicant is authorized to purif the landowner.	ed by the landowner to whom the interest in the ance agreement or other
	landowner, and documents, in and lien information, and any (we are) authorized to pursue t	the water right has been conveyed to son acluding a water right conveyance agreen required lienholder notification are enclose he transfer. I (we) understand that we ma receipt of the draft Preliminary Determi	nent, report of ownership ed, demonstrating that I am ey be required to provide
	right is in the name of the more 3000(13)(b), the applicant is Note in information.	ant is a municipality, as defined in ORS 5 unicipality or a predecessor. Therefore, poor required to provide the above described	d report of ownership and CEIVED
	condemnation. Documentation Therefore, pursuant to OAR 69 above described report of own	ant is an entity with the authority to conduct the water right proposed for transfer on is provided with this application supports 90-380-3000(13)(c), the applicant is NOT reship and lien information. (NOTE: Such an if it has filed a condemnation action to accompany to the support of the su	ing this statement. SALEM, OREGON required to provide the an entity may only apply for
		nporary transfer and a copy of the deed other landowners, if applicable) is enclosed	
I (w	e) affirm that the information	n contained in this application is true and	d accurate.
	E DANIELS GROUP LL applicant signiture v: Gregory W. Daniels	name and title if applicable (print) Managing Member	10-13-08 date
	applican sign ture	name and title if applicable (print)	date
a	pplicant signature	name and title if applicable (print)	date

Transfer Application/6

T 10730

Last revised: 7/27/2007

Last revised: 7/27/2007

Water Right Transfer Supplemental Form A DESCRIPTION OF PROPOSED CHANGE(S) TO A WATER RIGHT

List only <u>one</u> water right per page. A <u>separate Supplemental Form A</u> must be completed for <u>each</u> certificate, permit, decree, or other right involved in the proposed transfer.

Attach additional copies of Supplemental Form A as needed to describe other certificates, permits, decrees or other rights involved in this transfer.

Certificate Number or other identifying number:	81601	

1. TYPE OF CHANGE(S) PROPOSED

(Check all that apply.)

Point of Diversion or Appropriation	Place of Use	Character of Use
☐ Change (The old point of diversion or appropriation will not be used for the portion of the water right affected by the transfer.) ☐ Additional (Both the old and new points of diversion or appropriation will be used for the portion of the water right affected by the transfer.) ☐ Historic Point of ☐ Diversion or ☐ Appropriation Change (Unauthorized point of diversion or appropriation used for more than 10 years.)	☐ All of the right will be exercised at a different location than currently authorized (Use of water at the current location will be discontinued.) ☑ Only a portion of the right will be exercised at a different location than currently authorized (Use of water at the current location will be discontinued.)	Proposed new use: Irrigation Municipal Quasi-municipal Commercial Industrial Instream (complete and attach Supplemental Form C) Domestic (indicate number of households)
☐ Surface Water to Ground Water (A new point of appropriation will be used instead of the old point of diversion. The old point of diversion will not be used.)		Substitution (A supplemental ground water right will be substituted for a primary surface water right.)
Point of Diversion Change due to Government Action (The old point of diversion or appropriation can no longer be used due to government action.)		☐ Supplemental Use to Primary Use (Primary water right shall be cancelled and the supplemental water right will change to primary use.)
Exchange (Water from another source will be used in exchange for supplying an equal amount of replacement water to that source.)		NOV 2 1 2008 WATER RESOURCES DEP

Supplemental Form A

Description of Proposed Change(s) to a Water Right

-1-

2. CURRENT WATER RIGHT INFORMATION

Water Right Subject to Transfer (check and complete one of the following): 81601 T-9687 V Certificated Right Certificate Number Permit Number or Decree Name Adjudicated, Non-certificated Right Name of Decree Page Number Permit for which Proof has been Approved Permit Number Date Claim of Beneficial Use Submitted Transferred Right for which Proof has been Filed Previous Transfer Number Date Claim of Beneficial Use Name on Permit, Certificate, or Decree: Peoples Irrigation Co. County: Crook Authorized Use(s) to be Affected by Transfer: Irrigation - Primary Priority Date(s): 1892 / 1898 / 1904 / 1910 If there are multiple Priority Dates identified on the water right, any information provided on pages 3 through 6 of this form must identify which priority date is associated with each of the authorized and proposed points of diversion or appropriation and places of use. Source(s) of Water to be Affected by Transfer: Crooked River Tributary to: Deschutes River If there are multiple Sources listed on the water right, any information provided on pages 3 through 6 of this form must identify which source is associated with each of the authorized and proposed points of diversion or appropriation and places of use. For applications proposing a Change in Place of Use or Character of Use: Are there Other Water Rights, Permits or Ground Water Registrations associated with this land? V Yes ☐ No □ N/A – No Change in Place of Use or Character of Use If "Yes", what are the Permit, Registration or Certificate Numbers? 80795 Pursuant to ORS 540.510, any "layered" water use or a right that is supplemental to a primary right proposed for transfer must be included in the transfer or be

NOV 2 1 2008

WATER RESOURCES DEPT

SALEM OREGON

Description of Proposed Change(s) to a Water Right

Supplemental Form A

-2-

cancelled, except as provided in OAR 690-380-2240(5).

Certificate Number or other identifying number:	81601
continuente i tamicon en canon tarant, ang tamicon	

The following information must be provided <u>only</u> for those points of diversion or appropriation that are involved in the transfer (i.e., <u>list only the portion of the water right you propose to transfer.</u>) Attach additional pages as necessary.

Government lot and donation land claim numbers must be included in the tables below only if the information is reflected on the existing water right.

Location of Existing Authorized Point(s) of Diversion or Appropriation to be Changed:

(i.e., the allowed point(s) of diversion or appropriation listed on the water right that will be affected by the proposed transfer, the "FROM" point(s) of diversion or appropriation)

If Ground Water, OWRD Well Log ID No. (or Well ID Tag No. L)	Source and Priority Date	Township	Range	Mer	Sec	14.14	Tax Lot, DLC or Gov't Lot	Survey Coordinates (coordinates from a recognized survey corner)
Low Line Ditch	Crooked River	T15S	R16E	W.M.	8	NW-SW	204	Apprx 1920'N, 340'E from SW crnr Sec 8
	Crooked River	T14S	R14E	W.M.	29	NE-NW	200	1085'S, 970'W from N1/4 crnr Sec 29
	Crooked River	T14S	R14E	W.M.	20	SE-SE	200	325'N, 120'W from SE crnr Sec 20

•	Does the water right	being transferred	involve a ground	water source(s)?
---	----------------------	-------------------	------------------	------------------

☐ Yes	☑ No	(Surface	water sour	ce only.)
-------	------	----------	------------	-----------

If "Yes", for each authorized point of appropriation (well) involved, you must either:

A. Supply a copy of the well log(s) for <u>each</u> point of appropriation that is clearly labeled and associated with the corresponding well in the table above and on the accompanying application map. (<u>NOTE</u>: You may search for well logs on the Department's web page at: http://www.wrd.state.or.us)

or

B. If a well log is <u>not</u> available, you must describe the construction of the authorized point of appropriation by completing the table below. Attach additional copies as necessary.

Construction of Existing Authorized Point(s) of Appropriation – (Only needed if <u>no</u> well log is available.)

Wells in this listing must be clearly tied to corresponding well location(s) described in the table above and shown on the accompanying application map.

OWRD Well No. as identified in table above	Diameter	Type and size of casing	No. of feet of casing	Intervals casing is perforated (in feet)	Seal depth	Est. depth to water	Est. depth to water bearing stratum	Type of access port or measuring device	Total well depth
N/A									N/A
								RECEIVE	ED.
								NOV 2 1 2	008

WATER RESOURCES DEPT
Description of Proposed Change CALEM WATER BEST

Supplemental Form A

-3-

T 13739

Certificate Number or other identifying number:	81601	

Will the ENTIRE water right be affected by this transfer? Yes Vo

If "Yes", the remainder of this page does not need to be completed. Go on to the next page.

If "No", the following information must be provided <u>only</u> for those places of use that are involved in the transfer (i.e., <u>list only the portion of the water right to be affected by the change.</u>) Attach additional pages as necessary.

Government lot and donation land claim numbers must be included in the tables below only if the information is reflected on the existing water right.

Location of Existing Authorized Place of Use to be Affected:

(i.e., the allowed lands listed on the water right that will be affected by the proposed transfer, the "FROM" lands)

Source and Priority Date	Township	Range	Mer	Sec	¼ ¼ Section	Tax Lot, DLC or Gov't Lot	Acres (if applicable)
1904/1910	T14S	R14E	W.M.	21	SE-SW	200	2.5
1892	T14S	R14E	W.M.	20	SW-SW	200	10.0
1892	T14S	R14E	W.M.	29	NW-NW	200	38.0
1892	T14S	R14E	W.M.	29	NE-NW	200	5.0
1892	T14S	R14E	W.M.	29	SW-NW	200	3.0
1892	T14S	R14E	W.M.	29	SE-NW	200	8.0
1898	T14S	R14E	W.M.	29	NE-NE	200	0.5
						Total	67.0
							RECEIVE
							NOV 2 1 20
						WA	TER RESOURCES

SALEM, OREGON

Description of Proposed Change(s) to a Water Right

Supplemental Form A

Certificate Number or other identifying number:	81601
Certificate Number or other identifying number:	01001
3. PROPOSED CHANGES TO TH	IE WATER RIGHT
5. I KOI OSED CHANGES TO TH	111111111111111111111111111111111111111
Describe proposed changes to the water right involving	

Location of Proposed Point(s) of Diversion or Appropriation:

accompanying application map. Attach additional pages as necessary.

(i.e., the "TO" point(s) of diversion or appropriation)

[IN] N/A – Instream Water Right Transfer
(NOTE: Complete this table only if a Change in Point of Diversion or Appropriation is being proposed.)

Source	Township	Range	Mer	Sec	¼ ¼ Section	Tax Lot, DLC or Gov't Lot	Survey Coordinates (coordinates from a recognized survey corner)
N/A							N/A

If there are proposed point(s) of appropriation (wells) listed in the table above, are the well(s) already constructed? ☐ Yes ☐ No ☑ N/A - No proposed well(s) listed above.

If "Yes", attach and clearly label the corresponding well log(s) for <u>each</u> proposed well, or if well log(s) are <u>not</u> available, describe the construction of the well(s) using the table below. (<u>NOTE:</u> You may search for well logs on the Department's web page at: http://www.wrd.state.or.us)

If "No", describe the anticipated construction for the proposed well(s) in the following table:

Construction of Proposed Point(s) of Appropriation or Well(s)

Well numbers in this listing must be clearly tied to corresponding well location(s) described in the table above and shown on the accompanying application map.

Well already built? (Yes/No)	If an existing well, OWRD Well Log ID No. (or Well ID Tag No. L)	Diameter	Type and size of casing	No. of feet of casing	Intervals casing is perforated (in feet)	Seal depth	Est. depth to water	Est. depth to water bearing stratum	Type of access port or measuring device	Total well depth
N/A										N/A
								F	ECEIV	ED
								71	NOV 21	2008
								WATER	RESOURC	ES DEPT

Supplemental Form A

Description of Proposed Change(s) to a Water Right

-5-

Certificate Number or other identifying number: 81601

Describe proposed changes to the water right involving place of use. Information described below should accurately correspond to the proposed place of use shown on the accompanying application map. Attach additional pages as necessary.

Location of Proposed Place of Use: (i.e., the "TO" lands)

✓ N/A – Instream Water Right Transfer (NOTE: Complete this table only if a <u>Change in Place of Use</u> is being proposed.)

Source	Township	Range	Mer	Sec	1/4 1/4 Section	Tax Lot, DLC or Gov't Lot	Acres (if applicable)
N/A							N/A
					_		
		-			-		
							-
						RF	CEIVED
							+ +
							V 2 I 2008
						WATER R	SOURCES D M, OREGON

Remarks:	Lands from C-81601	are proposed to transfer	instream for water mitigation.

Supplemental Form A

-6-

Description of Proposed Change(s) to a Water Right

Water Right Transfer Supplemental Form A DESCRIPTION OF PROPOSED CHANGE(S) TO A WATER RIGHT

List only <u>one</u> water right per page. A <u>separate Supplemental Form A</u> must be completed for <u>each</u> certificate, permit, decree, or other right involved in the proposed transfer.

Attach additional copies of Supplemental Form A as needed to describe other certificates, permits, decrees or other rights involved in this transfer.

Certificate Number or other identifying number:	83651	

1. TYPE OF CHANGE(S) PROPOSED

(Check all that apply.)

Point of Diversion or Appropriation	Place of Use	Character of Use
□ Change (The old point of diversion or appropriation will not be used for the portion of the water right affected by the transfer.) □ Additional (Both the old and new points of diversion or appropriation will be used for the portion of the water right affected by the transfer.) □ Historic Point of Diversion or Appropriation Change (Unauthorized point of diversion or appropriation used for more than 10 years.) □ Surface Water to Ground Water (A new point of appropriation will be used	□ All of the right will be exercised at a different location than currently authorized (Use of water at the current location will be discontinued.) ☑ Only a portion of the right will be exercised at a different location than currently authorized (Use of water at the current location will be discontinued.)	Proposed new use: Irrigation Municipal Quasi-municipal Commercial Industrial Instream (complete and attach Supplemental Form C) Domestic (indicate number of households) Other
instead of the old point of diversion. The old point of diversion will <u>not</u> be used.)		supplemental ground water right will be substituted for a primary surface water right.)
Point of Diversion Change due to Government Action (The old point of diversion or appropriation can no longer be used due to government action.)		Supplemental Use to Primary Use (Primary water right shall be cancelled and the supplemental water right will change to primary use.)
Exchange (Water from another source will be used in exchange for supplying an		RECEIVED NOV 2 1 2008
equal amount of replacement water to that source.)		WATER RESOURCES DE
		SALEM, OREGON

Supplemental Form A

Description of Proposed Change(s) to a Water Right

-1-

2. CURRENT WATER RIGHT INFORMATION

Water Right Subject to Transfer (check and complete one of the following):

V	Certificated Right	83651	N/A
	Certificated Right	Certificate Number	Permit Number or Decree Name
П	Adjudicated,		
	Non-certificated Right	Name of Decree	Page Number
	Permit for which Proof has		
П	been Approved	Permit Number	Date Claim of Beneficial Use Submitted
	Transferred Right for which		
	Proof has been Filed	Previous Transfer Number	Date Claim of Beneficial Use Submitted
	Name on Permit, Certificate, of County: Crook Authorized Use(s) to be Affect		
	Priority Date(s): 1903		
	If there are multiple Priority I provided on pages 3 through associated with each of the au appropriation and places of us Source(s) of Water to be Affective.	6 of this form must ident thorized and proposed p se.	ify which priority date is oints of diversion or
	Tributary to: Deschutes R	iver	
	If there are multiple Sources l pages 3 through 6 of this form the authorized and proposed p	must identify which son	arce is associated with each of
	For applications proposing a	Change in Place of Use	or Character of Use:
	Are there Other Water Right with this land?	s, Permits or Ground Wa	ater Registrations associated
	☑ Yes □ No □ N	I/A – No Change in Place	of Use or Character of Use
	If "Yes", what are the Permit,	Registration or Certifica	ate Numbers? 80795
9	Pursuant to ORS 540.510, <u>any</u> a primary right proposed for to cancelled, except as provided	ransfer must be included	

NOV 2 1 2008

WATER RESOURCES DEPT Description of Proposed Change(s) to a Water RIMEM, OREGON

Certificate Number or other identifying number:	83651

The following information must be provided <u>only</u> for those points of diversion or appropriation that are involved in the transfer (i.e., <u>list only the portion of the water right you propose to transfer.</u>) Attach additional pages as necessary.

Government lot and donation land claim numbers must be included in the tables below only if the information is reflected on the existing water right.

Location of Existing Authorized Point(s) of Diversion or Appropriation to be Changed:

(i.e., the allowed point(s) of diversion or appropriation listed on the water right that will be affected by the proposed transfer, the "FROM" point(s) of diversion or appropriation)

If Ground Water, OWRD Well Log ID No. (or Well ID Tag No. L)	Source and Priority Date	Township	Range	Mer	Sec	1414	Tax Lot, DLC or Gov't Lot	Survey Coordinates (coordinates from a recognized survey corner)
Low Line Ditch	Crooked River	T14S	R14E	W.M.	24	SE-SW		None Given

· Do	es the wat	ter right being	transferred	involve a	ground	water	source(s)?
------	------------	-----------------	-------------	-----------	--------	-------	------------

☐ Yes	M No	(Surface	water	source	only.)
-------	------	----------	-------	--------	--------

If "Yes", for each authorized point of appropriation (well) involved, you must either:

- A. Supply a copy of the well log(s) for <u>each</u> point of appropriation that is clearly labeled and associated with the corresponding well in the table above and on the accompanying application map. (<u>NOTE:</u> You may search for well logs on the Department's web page at: http://www.wrd.state.or.us)
- B. If a well log is <u>not</u> available, you must describe the construction of the authorized point of appropriation by completing the table below. Attach additional copies as necessary.

Construction of Existing Authorized Point(s) of Appropriation – (Only needed if <u>no</u> well log is available.)

Wells in this listing must be clearly tied to corresponding well location(s) described in the table above and shown on the accompanying application map.

OWRD Well No. as identified in table above	Diameter	Type and size of casing	No. of feet of casing	Intervals casing is perforated (in feet)	Seal depth	Est. depth to water	Est. depth to water bearing stratum	Type of access port or measuring device	Total well depth
N/A									N/A
								RECEI	/ED
								NOV 2 1	2008

WATER RESOURCES DEPT Description of Proposed Change(s) SALEYALOREGON

Supplemental Form A

Certificate Number or other identifying number:	83651	

Will the ENTIRE water right be affected by this transfer? Yes No

If "Yes", the remainder of this page does not need to be completed. Go on to the next page.

If "No", the following information must be provided <u>only</u> for those places of use that are involved in the transfer (i.e., <u>list only the portion of the water right to be affected by the change.</u>) Attach additional pages as necessary.

Government lot and donation land claim numbers must be included in the tables below only if the information is reflected on the existing water right.

Location of Existing Authorized Place of Use to be Affected:

(i.e., the allowed lands listed on the water right that will be affected by the proposed transfer, the "FROM" lands)

Source and Priority Date	Township	Range	Mer	Sec	¼ ¼ Section	Tax Lot, DLC or Gov't Lot	Acres (if applicable)
Crooked Rvr 1903	T14S	R14E	W.M.	28	NE-NW	200	20
Crooked Rvr 1903	T14S	R14E	W.M.	28	NW-NE	200	25
<i>L</i>						Total >	45
	•						
1							
							RECEIVED
							NOV 2 1 2008
						WAT	ER RESOURCES D SALEM, OREGON

Supplemental Form A

- 4 -

Description of Proposed Change(s) to a Water Right

Sur	scribe proposed vey coordinate ompanying app Location of P (i.e., the "TO" point TE: Complete to	s described olication ma roposed Po n(s) of diversion	the wate below sho up. Attach int(s) of l n or appropr	r right in ould acc addition Diversio iation)	nvolving purately co al pages as n or App	ooint(s) o orrespond s necessar ropriatio N/A – In	f diversion to the property. On:	on and/or oints sho	wn on the Transfer	
	urce Towns			Sec	1/4 1/4 notion	Tax Lot, DLC or Gov't Lot		Survey C inates from	oordinates a recognized st ner)	
	well(s) alra listed abov If "Yes", a well, or if t the table be http://www.	nttach and covell log(s) a vell log(s) a velow. (<u>NOTI</u> wrd.state.or.	learly labore not average not	Yes el the coailable, of search f	□ No rrespondi describe t for well log	ing well l he constr gs on the l	N/A - No og(s) for ruction of Departmen	e <u>ach</u> pro each pro f the well nt's web p	ed well(s) posed (s) using age at:	
Wel	Construction I numbers in this on on the accompa	listing must be	clearly ties					bed in the to	able above ar	nd
Well already built? Yes/No)	If an existing well, OWRD Well Log ID No. (or Well ID Tag No. L-	Diameter	Type and size of casing	No. of feet of casing	Intervals casing is perforated (in feet)	Seal	Est. depth to water	Est. depth to water bearing stratum	Type of access port or measuring device	Total well depth
N/A						-				N/A
								REC	EIVED	
								NOV		
							1	VATER RE	SOURCES D	EPT

Supplemental Form A

Description of Proposed Change(s) to a Water Right

T 10730

Certificate Number or other identifying number: 83651

Describe proposed changes to the water right involving place of use. Information described below should accurately correspond to the proposed place of use shown on the accompanying application map. Attach additional pages as necessary.

Location of Proposed Place of Use: (i.e., the "TO" lands)

N/A – Instream Water Right Transfer (NOTE: Complete this table only if a Change in Place of Use is being proposed.)

le)	Acres (if applicable	Tax Lot, DLC or Gov't Lot	1/4 1/4 Section	Sec	Mer	Range	Township	Source
	N/A							N/A
					-			
			-					
/E	RECEIV							
20	NOV 2 1							
CE	ER RESOURC	WATE						
EGC	SALEM, ORE							

Remarks: 45 acres from lands of C-83651 are proposed to transfer instream use for water mitigation. Remaining lands to have additional POD under a POD transfer 83651, which is filed separately from this in-stream transfer.

Supplemental Form A

-6-

Description of Proposed Change(s) to a Water Right

Water Right Transfer Supplemental Form A DESCRIPTION OF PROPOSED CHANGE(S) TO A WATER RIGHT

List only <u>one</u> water right per page. A <u>separate Supplemental Form A</u> must be completed for <u>each</u> certificate, permit, decree, or other right involved in the proposed transfer.

Attach additional copies of Supplemental Form A as needed to describe other certificates, permits, decrees or other rights involved in this transfer.

 Certificate Number or other identifying number: 83732 		Certificate Number	or other	identifying number:	83732	
---	--	--------------------	----------	---------------------	-------	--

1. TYPE OF CHANGE(S) PROPOSED

(Check all that apply.)

Point of Diversion or Appropriation	Place of Use	Character of Use
 ☑ Change (The old point of diversion or appropriation will not be used for the portion of the water right affected by the transfer.) ☑ Additional (Both the old and new points of diversion or appropriation will be used for the portion of the water right affected by the transfer.) ☑ Only a portion of the right will be exercised at a different location will be used for the portion of the water right affected by the transfer.) 	Only a portion of the right will be exercised at a different location than currently authorized (Use of water at the current location will be	Proposed new use: Irrigation Municipal Quasi-municipal Commercial Industrial Instream (complete and attach Supplemental Form C) Domestic (indicate number of households)
☐ Surface Water to Ground Water (A new point of appropriation will be used instead of the old point of diversion. The old point of diversion will not be used.)		☐ Other ☐ Substitution (A supplemental ground water right will be substituted for a primary surface water right.)
Point of Diversion Change due to Government Action (The old point of diversion or appropriation can no longer be used due to government action.)		Supplemental Use to Primary Use (Primary water right shall be cancelled and the supplemental water right will change to primary use.)
Exchange (Water from another source will be used in exchange for supplying an equal amount of replacement water to that source.)		NOV 2 1 2008 WATER RESOURCES DEP

2. CURRENT WATER RIGHT INFORMATION

Water Right Subject to Transfer (check and complete one of the following): 83732 Decree Right Vol.1 Pg.449 1892 Certificated Right Permit Number or Decree Name Certificate Number Adjudicated, Non-certificated Right Name of Decree Page Number Permit for which Proof has Permit Number Date Claim of Beneficial Use been Approved Submitted Transferred Right for which Proof has been Filed Previous Transfer Number Date Claim of Beneficial Use Name on Permit, Certificate, or Decree: Butler Ranch Inc. County: Crook County Authorized Use(s) to be Affected by Transfer: Irrigation - Primary Priority Date(s): 12/31/1892 If there are multiple Priority Dates identified on the water right, any information provided on pages 3 through 6 of this form must identify which priority date is associated with each of the authorized and proposed points of diversion or

Source(s) of Water to be Affected by Transfer: Crooked River

Tributary to: Deschutes River

appropriation and places of use.

If there are multiple Sources listed on the water right, any information provided on pages 3 through 6 of this form must identify which source is associated with each of the authorized and proposed points of diversion or appropriation and places of use.

For applications proposing a Change in Place of Use or Character of Use:

Are there Other Water Rights, Permits or Ground Water Registrations associated with this land?

☐ Yes ☐ No ☐ N/A – No Change in Place of Use or Character of Use

If "Yes", what are the Permit, Registration or Certificate Numbers? N/A

Pursuant to ORS 540.510, any "layered" water use or a right that is supplemental to a primary right proposed for transfer must be included in the transfer or be cancelled, except as provided in OAR 690-380-2240(5).

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NOV 2 1 2008

WATER RESOURCES DEPT
Description of Proposed Change(s) to a WALENIGH REGON

Supplemental Form A

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Certificate Numbe	r or other identifying	number: 83732

The following information must be provided <u>only</u> for those points of diversion or appropriation that are involved in the transfer (i.e., <u>list only the portion of the water right you propose to transfer.</u>) Attach additional pages as necessary.

Government lot and donation land claim numbers must be included in the tables below only if the information is reflected on the existing water right.

Location of Existing Authorized Point(s) of Diversion or Appropriation to be Changed:

(i.e., the allowed point(s) of diversion or appropriation listed on the water right that will be affected by the proposed transfer, the "FROM" point(s) of diversion or appropriation)

If Ground Water, OWRD Well Log ID No. (or Well ID Tag No. L)	Source and Priority Date	Township	Range	Mer	Sec	1/4 1/4	Tax Lot, DLC or Gov't Lot	Survey Coordinates (coordinates from a recognized survey corner)
Butler Ranch Inc.	12/31/1892	T14S	R14E	W.M.	20	SE-SW	200	1896'S & 1717'E from W1/4

	Does the water right	being transferred	involve a ground	water source(s)	?
--	----------------------	-------------------	------------------	---------------	----	---

☐ Yes ☐ No (Surface water source only.)

If "Yes", for each authorized point of appropriation (well) involved, you must either:

A. Supply a copy of the well log(s) for <u>each</u> point of appropriation that is clearly labeled and associated with the corresponding well in the table above and on the accompanying application map. (NOTE: You may search for well logs on the Department's web page at: http://www.wrd.state.or.us)

or

B. If a well log is <u>not</u> available, you must describe the construction of the authorized point of appropriation by completing the table below. Attach additional copies as necessary.

Construction of Existing Authorized Point(s) of Appropriation – (Only needed if <u>no</u> well log is available.)

Wells in this listing must be clearly tied to corresponding well location(s) described in the table above and shown on the accompanying application map.

OWRD Well No. as identified in table above	Diameter	Type and size of casing	No. of feet of casing	Intervals casing is perforated (in feet)	Seal depth	Est. depth to water	Est. depth to water bearing stratum	Type of access port or measuring device	Total well depth
N/A								RECEIVE	D-N/A
								NOV 2 1 2	008
							WATE	ER RESOURCE SALEM, OREGO	SDEPT

Supplemental Form A

Description of Proposed Change(s) to a Water Right

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Certificate Number or other identifying number:	83732	

Will the ENTIRE water right be affected by this transfer? ✓ Yes \(\subseteq \text{No} \)

If "Yes", the remainder of this page does not need to be completed. Go on to the next page.

If "No", the following information must be provided <u>only</u> for those places of use that are involved in the transfer (i.e., <u>list only the portion of the water right to be affected by the change.</u>) Attach additional pages as necessary.

Government lot and donation land claim numbers must be included in the tables below only if the information is reflected on the existing water right.

Location of Existing Authorized Place of Use to be Affected:

(i.e., the allowed lands listed on the water right that will be affected by the proposed transfer, the "FROM" lands)

Source and Priority Date	Township	Range	Mer	Sec	¼ ¼ Section	Tax Lot, DLC or Gov't Lot	Acres (if applicable)
Crooked Rvr 12/31/1892	T14S	R14E	W.M.	20	SW-SW	200	11.0 (pri)
							RECEIVED
							NOV 2 1 2008
						WATE	R RESOURCES DI SALEM, OREGON

Supplemental Form A

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Description of Proposed Change(s) to a Water Right

Sur	scribe propo vey coordin ompanying Location o	osed che ates de applica f Propo	anges to scribed ation ma	the water below sh p. Attach int(s) of	er right nould ac n addition	ccurately conal pages of the con	point(s) o correspon as necessa propriati	of diversion of to the party.	on and/or points sho	wn on the	ation.
	(i.e., the "TO") TE: Comple						N/A - I ersion or				d.)
		wnship	Range	Mer	Sec	1/4 1/4 Section	Tax Lot, DLC or Gov't Lot		Survey Clinates from	oordinates a recognized s mer)	
N	/A								N	I/A	
	well, or the table http://wv	", attaci if well e below vw.wrd.	log(s) a.c. (<u>NOTE</u> state.or.i	re <u>not</u> av :: You ma us)	vailable y search	orrespond , describe a for well lo	the const	ruction o Departme	f the well nt's web p	(s) using page at:	
Wel	Construction I numbers in the on the according to the ac	his listing	g must be	clearly tie	of Ap	propriati esponding w	on or We	ell(s) n(s) descrit	bed in the to	able above ar	nd
Well- already built? Yes/No)	If an existin well, OWRI Well Log ID I (or Well ID T No. L-	No. Di	ameter	Type and size of casing	No. o feet o casin	f casing i	s Seal depth	Est. depth to water	Est. depth to water bearing stratum	Type of access, port or measuring device	Total well depth
N/A											N/A
									RECE	EIVED	
									NOV 2	1 2008	
								11111		JRCES DEP	

Supplemental Form A

-5-

Description of Proposed Change(s) to a Water Right

Certificate Number or other identifying number: 83732

Describe proposed changes to the water right involving place of use. Information described below should accurately correspond to the proposed place of use shown on the accompanying application map. Attach additional pages as necessary.

Location of Proposed Place of Use: (i.e., the "TO" lands)

N/A – Instream Water Right Transfer (NOTE: Complete this table only if a Change in Place of Use is being proposed.)

Source	Township	Range	Mer	Sec	1/4 1/4 Section	Tax Lot, DLC or Gov't Lot	Acres (if applicable)
N/A							N/A
	1					RI	CEIVED
						NO	V 2 1 2008
							ESOURCES D EM, OREGON

Remarks: All lands from C-83732 are proposed to transfer instream for water mitigation.

Supplemental Form A

-6-

Description of Proposed Change(s) to a Water Right

Water Right Transfer Supplemental Form C INSTREAM WATER RIGHT TRANSFER

Please contact the Depart		or	Time-Limited I		
 Identify the public to Conservation, m of aquatic and find 	use for which the aintenance and en- ish life, wildlife, if and other ecologic	e instream right inhancement [sh and cal values.	Recreation Navigation Pollution Abatemen	e).	
Originating Water Right Number (as identified in the transfer application)	Priority Date	Source	Proposed Instream Period	Rate (cfs)*	Volume (ac-ft)**
81601	1892/1898/1904/1910	Crooked Rvr	Permanent	0.838	268
83651	1903	Crooked Rvr	Permanent	0.56	180
83732	1892	Crooked Rvr	Permanent	0.138	44
			(Additional Info)		
			Tota	Volume:	492
3. Identify the location Water is requested	of the proposed d to be protected a oint of diversion (PC	instream water at a point. DD), or if the water ri	ght has more than one PC		
downstream extent of Crooked River D 4. Recommendations f existing water rights V None	osed reach (if an in f the reach): Below Diversion (T14S, or conditions on s.	stream water right re Low Line Ditch Di R14E, Sec 24) t		Sec 8) and beschutes R	elow liver. iring
Other (such condition month or total ac-fi, the efformonitoring the instread	ffective reach(es) or	lake levels of the inst		ations and the	e strategy
Supplemental Form C		-1- A	ECEIVED stream W	ater Right Ti	ransfer
			JOV 9 1 2000		

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NUV 2 1 2008

WATER RESOURCES DEPT 4. F DAEGON

5.	Are there any existing instr requested reach(es) or lake	ream water rights at the same point or withi	n the same						
	□ No	Yes (identify other instream w -253,73268,74276,75915-916,75993,76027,76088-89,76164,79529,8							
	537.348 (instream transfer application of instream water rights es	ally (but not always) are additive to instream water rights ation process) and ORS 537.470 (allocation of conserved stablished under ORS 537.341 (state agency application I streamflows) with an earlier priority date.	d water) and replace a						
	water right established under	roposed instream water right transfer be addition of ORS 537.348 and ORS 537.470 and replace a hed under ORS 537.341 and ORS 537.346 with No. If no, please explain your	portion of any an earlier priority						
	Transfer the rights (81601,83732 & 83651) to instream flow within the Crooked River								
	with their respective 18	with their respective 1892, 1898,1903 & 1904/1910 priority dates.							
	established under ORS 537.3 additional instream flows are	would add to the amounts of an existing instream 341 or 537.346, provide documentation demons a necessary. Supporting documentation should include (f) (fish life), Dept. of Environmental Quality (DEQ) (polleration).	strating why information from the						
6.	Is the requested instream for level occurring from the dr	low intended to exceed the estimated average rainage system?	e natural flow or						
	Yes (Provide supporting documentation that demonstrates why additional flows are significant for the public use requested.); or								
	Yes, and it is presumed that flows that exceed the estimated average natural flow or natural lake levels are significant because:								
	The requested flow does not exceed the maximum amount of any instream water right application applied for under ORS 537.341 (state agency instream water right application process) for the same reach or portion thereof, and the requested public use is for the same public use as the aforementioned instream water right application; and								
	natural flow or lake (A copy of the priority v	me period that flows are requested to exceed the level, the stream is in an ODFW flow restoration watershed map indicating the specific watershed involved by watershed maps may be found on the OWRD web pages	on priority watershed d should be included with						
	information that der	as water quality limited and DEQ has provided monstrates that increased flows would improve rovided by DEQ should be included with the transfer approvided by DEQ should be included with the transfer approvided.	water quality. (The						
7.		transfer, please answer the following:	RECEIVED						
	The time-limited instream Begin Year	NOV 2 1 2008							
	The time-limited instream Conditions:	n transfer is to terminate based upon other cond	LitionWATER RESOURCES DEPT						

N/A

STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

PEOPLES IRRIGATION CO. 615221 O'NEIL HWY PRINEVILLE, OR 97754

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for IRRIGATION OF 569.3 ACRES, LIVESTOCK AND DOMESTIC USE.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The date of priority is 1892, 1895, 1897, 1898, and 1904/1910.

The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 7.12 CUBIC FEET PER SECOND, or its equivalent in case of rotation, measured at the point of diversion.

The points of diversion are located as follows:

POD	Twp	Rng	Mer	Sec	Q-Q	Survey Coordinates		
1	15 S	16 E	WM	8	NW SW	1920 Feet North and 340 Feet East From SW Corner of Section 8		
2						Low Line Ditch		
3	14 S	14 E	WM	24	NE SE	Pump: 450 feet West from the East ¼ corner of Section 24		
4	14 S	14 E	WM	23	SW NE	Pump: 1020 feet North and 500 feet East from the center 1/4 corner of Section 23		
5	14 S	14 E	WM	23	SW NW	Pump: 1000 feet North and 1400 feet West from the center 1/4 corner of Section 23		
6	14 S	14 E	WM	29	NE NW	Pump: 1085 feet South and 970 feet West from the North 1/4 Corner of Section 29		
7	14 S	14 E	WM	20	SE SE	Pump: 325 feet North and 120 feet West from the Southeast Corner of Section 20		

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each year. The use shall conform to such reasonable rotation system as may be ordered by the proper state officer.

A description of the place of use to which this right is appurtenant is as follows:

	IRRIGATION, LIVESTOCK AND DOMESTIC											
Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User				
1895	1	14 S	15 E	WM	26	SW SW	20.0	Cox, F.T				
	1	14 S	15 E	WM	26	SESW	20.0	Cox, F.T				
	1	14 S	15 E	WM	26	SW SE	20.0	Cox, F.T				
1904/1910	1	14 S	14 E	WM	21	SW NE	40.0	Deschutes Fine Wool Company				
	1	14 S	14 E	WM	21	SE NE	40.0	Deschutes Fine Wool Company				
	1	14 S	14 E	WM	21	NE SW	30.0	Deschutes Fine Wool Company				

T-10233.RA-dip

Page 1 of 2

Certificate 83857

					-	OCK AND I	_	
Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User
	1	14 S	14 E	WM	21	NW SW	30.0	Deschutes Fine Wool Company
	1	14 S	14 E	WM	21	SWSW	5.4	Deschutes Fine Wool Company
1904/1910	1	14 S	14 E	WM	21	NE SE	30.0	Deschutes Fine Wool Company
(continued)	1	14 S	14 E	WM	21	NW SE	30.0	Deschutes Fine Wool Company
	2	14 S	14 E	WM	21	SESW	40.0	Deschutes Fine Wool Company
	2	14 S	14 E	WM	21	SW SE	40.0	Deschutes Fine Wool Company
	2	14 S	14 E	WM	21	SE SE	40.0	Deschutes Fine Wool Company
	3	14 S	14 E	WM	23	SE NE	20.9	Deschutes Fine Wool Company
	4	14 S	14 E	WM	23	NW NE	0.6	Deschutes Fine Wool Compan
	4	14 S	14 E	WM	23	NE NW	7.4	Deschutes Fine Wool Compan
	5	14 S	14 E	WM	23	NW NW	1.0	Deschutes Fine Wool Compan
1892	1	14 S	14 E	WM	29	NW NW	2.4	Forrest, Frances
	1	14 S	14 E	WM	29	SW NW	3.0	Forrest, Frances
	1	14 S	14 E	WM	29	SE NW	8.0	Forrest, Frances
	1	14 S	14 E	WM	30	NE NE	5.6	Forrest, Frances
	6	14 S	14 E	WM	20	SW SW	10.0	Forrest, Frances
	6	14 S	14 E	WM	29	NE NW	5.0	Forrest, Frances
	6	14 S	14 E	WM	29	NW NW	35.6	Forrest, Frances
	6	14 S	14 E	WM	30	NENE	4.4	Forrest, Frances
1898	7	14 S	14 E	WM	29	NE NE	0.5	McDowell, D.A.
1897	1	14 S	14 E	WM	26	NE NE	1.0	Messinger, Lucy
	1	14 S	14 E	WM	26	NW NE	15.0	Messinger, Lucy
	1	14 S	14 E	WM	26	NE NW	30.0	Messinger, Lucy
	1	14 S	14 E	WM	26	NW NW	30.0	Messinger, Lucy
1898	1	14 S	14 E	WM	28	NENE	3.5	Weaver, David

The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described.

This certificate describes that portion of the water right confirmed by Certificate 81601, State Record of Water Right Certificates, NOT modified by the provisions of an order of the Water Resources Director entered <u>MAY 0 7 2008</u> approving Transfer Application T-10233.

The issuance of this superseding certificate does not confirm the status of the water right in regard to the provisions of ORS 540.610 pertaining to forfeiture or abandonment.

WITNESS the signature of the Water Resources Director, affixed MAY 0 7 2008

T-10233.RA-dip

Page 2 of 2

Recorded in State Record of Water Right Certificates numbered 83857.

7 10730

STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

PEOPLES IRRIGATION CO. 615221 O'NEIL HWY PRINEVILLE OR 97754

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for IRRIGATION OF 799.4 ACRES, LIVESTOCK AND DOMESTIC USE.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The date of priority is 1892, 1895, 1897, 1898, and 1904/1910.

The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 9.992 CUBIC FEET PER SECOND, or its equivalent in case of rotation, measured at the point of diversion.

The points of diversion are located as follows:

POD	Twp	Rng	Mer	Sec	Q-Q	Survey Coordinates
1	15 S	16 E	WM	8	NWSW	1920 FEET NORTH & 340 FEET EAST FROM SW CORNER, SECTION 8
2						Low Line Ditch
3	14 S	14 E	WM	24	NE SE	Pump: 450 feet West from the East ¼ Corner of Section 24
4	14 S	14 E	WM	23	SW NE	Pump: 1020 feet North and 500 feet East from the Center ¼ Corner of Section 23
5	14 S	14 E	WM	23	SWNW	Pump: 1000 feet North and 1400 feet West from the Center ¼ Corner of Section 23
6	14 S	14 E	WM	29	NENW	Pump: 1085 feet South and 970 feet West from the North ¼ Corner of Section 29
7	14 S	14 E	WM .	20	SE SE	Pump: 325 feet North and 120 feet West from the Southeast Corner of Section 20

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each year. The use shall conform to such reasonable rotation system as may be ordered by the proper state officer.

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WATER RESOURCES DEPT SALEM, OREGON

Certificate 81601

T-9687.lks

Page 1 of 3

T 10730

A description of the place of use to which this right is appurtenant is as follows:

Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User
1895	1	14 S	15 E	WM	26	SW SW	20.00	Cox, F.T
	1	14 S	15 E	WM	26	SE SW	20.00	Cox, F.T
	1	14 S	15 E	WM	26	SW SE	20.00	Cox, F.T
1904/1910	1	14 S	14 E	WM	21	SW NE	40.00	Deschutes Fine Wool Company
THE WATER	1	14 S	14 E	WM	21	SENE	40.00	Deschutes Fine Wool Company
	1	14 S	14 E	WM	21	NESW	30.00	Deschutes Fine Wool Company
	1	14 S	14 E	WM	21	NWSW	30.00	Deschutes Fine Wool Company
	1	14 S	14 E	WM	21	SWSW	5.40	Deschutes Fine Wool Company
	1	14 S	14 E	WM	21	NE SE	30.00	Deschutes Fine Wool Company
	1	14 S	14 E	WM	21	NW SE	30.00	Deschutes Fine Wool Company
	1	14 S	14 E	WM	23	SWNE	29.50	Deschutes Fine Wool Company
	1	14 S	14 E	WM	23	SENE	19.10	Deschutes Fine Wool Company
	1	14 S	14 E	WM	23	SWNW	28.60	Deschutes Fine Wool Company
	1	14 S	14 E	WM	23	SE NW	23.90	Deschutes Fine Wool Company
	1	14 S	14 E	WM	23	NESW	30.00	Deschutes Fine Wool Company
	1	14 S	14 E	WM	23	NWSW	30.00	Deschutes Fine Wool Company
	1	14 S	14 E	WM	23	SWSW	40.00	Deschutes Fine Wool Company
	2	14 S	14 E	WM	21	SESW	40.00	Deschutes Fine Wool Company
	2	14 S	14 E	WM	21	SW SE	40.00	Deschutes Fine Wool Company
	2	14 S	14 E	WM	21	SE SE	40.00	Deschutes Fine Wool Company
	3	14 S	14 E	WM	23	SE NE	20.90	Deschutes Fine Wool Company
	4	14 S	14 E	WM	23	NWNE	0.60	Deschutes Fine Wool Company
	4	14 S	14 E	WM	23	SWNE	5.30	Deschutes Fine Wool Company
	4	14 S	14 E	WM	23	NENW	7.40	Deschutes Fine Wool Company
	4	14 S	14 E	WM	23	SENW	6.10	Deschutes Fine Wool Company
	5	14 S	14 E	WM	23	NWNW	1.00	Deschutes Fine Wool Company
	5	14 S	14 E	WM	23	SWNW	11.40	Deschutes Fine Wool Company
	5	14 S	14 E	WM	23	SE NW	6.20	Deschutes Fine Wool Company
1892	1	14 S	14 E	WM	29	NWNW	2.40	Forrest, Frances
	1	14 S	14 E	WM	29	SWNW	3.00	Forrest, Frances
	1	14 S	14 E	WM	29	SENW	8.00	Forrest, Frances
	1	14 S	14 E	WM	30	NE NE	5.60	Forrest, Frances
	6	14 S	14 E	WM	20	SWSW	10.00	Forrest, Frances
	6	14 S	14 E	WM	29	NENW	5.00	Forrest, Frances RECEIVED
	6	14 S	14 E	WM	29	NWNW	35.60	Forrest, Frances
	6	14 S	14 E	WM	30	NENE	4.40	Forrest, Frances NOV 2 1 2008
1898	7	14 S	14 E	WM	29	NE NE	0.50	McDowell, D.A.
1897	1	14 S	14 E	WM	26	NENE	1.00	Messinger, Lucy WATER RESOURCES DER
	1	14 S	14 E	WM	26	NW NE	15.00	O TOLO DE
	1	14 S	14 E	WM	26	NENW	30.00	Messinger, Lucy SALEM, OREGON Messinger, Lucy
	1	14 S	14 E	WM	26	NWNW	30.00	Messinger, Lucy
1898	1	14 S	14 E	WM	28	NENE	3.50	Weaver, David

The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described.

This certificate describes that portion of the water right confirmed by Certificate 75556, State Record of Water Right Certificates, NOT modified by the provisions of an order of the Water Resources Director entered 12-5-2005, approving Transfer Application 9687, and recorded at Special Order Volume 67, Page 544.

T-9687.lks Page 2 of 3 Certificate 81601

T 1730

The issuance of this superseding certificate does not confirm the status of the water right in regard to the provisions of ORS 540.610 pertaining to forfeiture or abandonment.

WITNESS the signature of the Water Resources Director, affixed Alecentre 5, 2005

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WATER RESOURCES DEPT SALEM, OREGON

T-9687.lks

Page 3 of 3

Recorded in State Record of Water Right Certificates numbered 81601.

To Whom It May Concern:

Re: Lienholder consent to water right transfer to and from Dallan Miles' property known as T14S, R14E, Section 28 Tax Lot 200 and Section 21 Tax Lot 200 in Crook County.

As authorized representative of the lienholder on the above referenced property, I hereby consent to the proposed water right transfer referenced by the attached Agreement of Purchase and Sale dated November 26, 2007 plus Addendum A dated November 27, 2007. Should said water right transfer fail to be issued by December 31, 2008 or otherwise be denied by Oregon Water Resources Department, this consent shall become immediately null and void.

Bank or Lienholder Name

Representative Signature

Representative Name, Printed

Data

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WATER RESOURCES DEPT SALEM, OREGON

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Last revised: October 13, 2006

Water Right Transfer Supplemental Form B AFFIDAVIT ATTESTING TO THE USE OF WATER

Sta	ate of Oregon)
Co	punty of MULKNOWAY) ss
	Marilyn Dove , in my capacity as Previous Owner ,
m	ailing address P.O. Box 1932, Sandy, OR 97055
	lephone number (503) 826-1950, being first duly sworn depose and say:
1.	I attest that:
V	Water was used during the previous five years on the entire authorized place of use of the water right proposed for transfer as described on the accompanying transfer application; or
	The water right was leased instream at some time within the last five years. The instream lease number is as follows:; or
V	The water right is not subject to forfeiture and documentation that a presumption of forfeiture for non-use would be rebutted under ORS 540.610(2) is attached.
2.	My knowledge of the exercise or status of the water right is based on (check one):
	☑ Personal observation ☐ Professional expertise
3.	My knowledge is specific to the use of water at the following locations:

Tov	vnship	R	ange	Mer	Sec	Section	or DLC	(if applicable)
14	S	14	E	W	20	swsw		14.4
						SESW		15.0
					29	NENW		31.4
						SWNW		4.6
		-				NWNW		38.0
						SENW		8.0
	1							

Townski Poss M. S. W. W. Gov't Lot Acres

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WATER RESOURCES DERT SALEM, OREGON

(continues on reverse side)

Please print legibly or type. Be as specific as possible. Attach additional pages if you need more space. Supporting documentation must be attached.

_	wing hay and alfalfa, cattle grazing	_
		_
	The water delivery system used to apply water as authorized by the right is described below ect diversion from the Crooked River in to mainlines, wheel lines and hand lines.	_
_		
6.	One or more of the following documentation supporting the above statements is attached:	
	Copy of a water right certificate that was issued within the last five years (not a remaining right certificate),	
	Copies of receipts from sales of irrigated crops or for expenditures relating to the use of water,	
	Records such as Farm Service Agency crop reports, irrigation district records, an NRCS farm management plan, or records of other water suppliers,	
	Dated aerial photographs of the lands or other photographs containing sufficient detail to establish the location and date of the photograph,	
		ECEIVED
	Instream lease number ,	
	Other:	NOV 2 1 2008
	WATER	RESOURCES
_	S	ALEM, OREGON
~	TO-05-11	
Sign	ature of Affiant Date	
	Signed and sworn to (or affirmed) before me this 20 day of Malember, 200	Z.
	11/00	
36	OFFICIAL SEAL CHELSEA STEELE NOTARY PUBLIC-OREGON COMMISSION NO. 390663	-
	COMMISSION NO. 570005 COMMISSION EXPIRES MARCH 15, 2009	

RECEIVED documentation must be attached.

Supplemental Form B



P.O. Box 400 Portland, Oregon 97207-0400 I-888-22I-7070 fax I-888-800-285I

JOHN SHORT RE: THE DANIELS GROUP, LLC (541)382-9225

November 20, 2007

Account # 22842760-002

Dear John Short:

Thank you for contacting us on November 20, 2007, regarding your account. As requested, enclosed is a copy of a billing analysis of your account.

If you would like more information or have any questions, please call us anytime toll-free at 1-888-221-7070. Any of our customer service representatives are available to take your call.

Sincerely,

Richard, Employee # P16260 Customer Service

Enclosure: Billing Analysis

Para más información, llame al 1-888-225-2611 y podrá hablar con un representante que hable español.

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WATER RESOURCES DEPT SALEM, OREGON

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Meter Reading History

From: Fax number

To: JOHN SHORT

Page: 3/4

12007 8:08:59 AM

Meter # 84917896

Site Address: O'NEIL JUNCTION .4E .2 N ONEIL HWY REDMOND OR 97756

Billing Month	Read Date	Read Type	Cycle	Status	Source (*)	Condition Codes	Days	Daily KWH	KWH	KWH Usage	KW	KW Usage	ON KWH	ON KWH Usage	OFF KWH	OFF KWH Usage	Invoice
	07/19/2007	C			S		23	3	26436	58	60	1	0	0	0	0	\$283.07
06	06/26/2007		21		I	VR	32	280	26378	8947	2341	23	0	0	0	0	\$534.90
05	05/25/2007		21		I	VR	29	144	17431	4167	2472	25	0	0	0	0	\$217.61
04	04/26/2007		21		I		29	22	13264	635	168	2	0	0	0	0	\$33.57
03	03/28/2007		21		S	SD	29	0	12629	0	0	0	0	0	0	0	\$0.00
02	02/27/2007		21		S	SD	29	0	12629	0	0	0	0	0	0	0	\$0.00
01	01/29/2007		21		S	SD	32	0	12629	0	0	0	0	0	0	0	\$0.00
12	12/28/2006		21		S	SD	29	0	12629	0	0	0	0	0	0	0	\$0.00
11	11/29/2006		21		S	SD	35	0	12629	0	0	0	0	0	0	0	\$420.24
10	10/25/2006		21		I	VR	26	6	12629	161	1175	12	0	0	0	0	\$7.89
09	09/29/2006		21		I		30	48	12468	1448	2361	24	0	0	0	0	\$69.68
08	08/30/2006		21		1		30	73	11020	2194	2379	24	0	0	0	0	\$105.58
07	07/31/2006		21		1		33	87	8826	2861	2379	24	0	0	0	0	\$136.87
06	06/28/2006		21		I	SU	32	0	5965	0	0	0	0	0	0	0	\$0.00
05	05/27/2006		21		1	RCVR	30	21	5965	639	2383	24	0	0	0	0	\$30.53
04	04/27/2006		21		S	SD	30	0	5326	0	0	0	0	0	0	0	\$0.00
03	03/28/2006		21		S	SD	29	0	5326	0	0	0	0	0	0	0	\$0.00
02	02/27/2006		21		S	SD	31	0	5326	0	0	0	0	0	0	0	\$0.00
01	01/27/2006		21		S	SD	30	0	5326	0	0	0	0	0	0	0	\$0.00
12	12/28/2005		21		S	SD	30	0	5326	0	0	0	0	0	0	0	\$0.00
11	11/28/2005		21		S	SD	33	0	5326	0	0	0	0	0	0	0	\$378.65
10	10/26/2005		21		I	SU	28	0	5326	0	0	0	0	0	0	0	\$0.00
	09/29/2005	S	21		F		0	0	5326	0	0	0	0	0	0	0	\$0.00
	09/28/2005	S			M		0	0	5326	0	0	0	0	0	0	0	\$0.00
09	09/28/2005		21		I		33	94	5326	3115	0	0	0	0	0	0	\$137.80
08	08/26/2005		21		A		29	94	2211	2737	2416	24	0	0	0	0	\$121.08
08	08/26/2005		21	Z	I	VR RECEIV	29	340	9326	9852	2416	24	0	0	0	0	\$0.00

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07	07/28/2005	21	I	VR	33	75	99474	2460	2404	24	0	0	0	0	\$116.26
06	06/25/2005	21	I	DK	24	0	97014	0	0	0	0	0	0	0	\$0.00
05	06/01/2005	21	1	SU	35	0	97014	0	0	0	0	0	0	0	\$0.00
04	04/27/2005	21	I	SU	30	0	97014	0	80	1	0	0	0	0	\$0.00
03	03/28/2005	21	S	SDSU	31	0	97014	0	0	0	0	0	0	0	\$0.00
02	02/25/2005	21	S	SD	28	0	97014	0	0	0	0	0	0	0	\$0.00

Comments:

Sources:

A=Adjustment, C=Customer, F=Field Read, I=Itron Read (regular), M=Manual (regular), O=Office Estimate, P=Postcard, S=System Estimate

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WATER RESOURCES DEPT
SALEM, OREGON

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MAY 0 2 2008

Water Right Transfer Supplemental Form B AFFIDAVIT ATTESTING TO THE USE OF WATER

State of Oregon)	
County of Deschutes) s	S
I, _John A. Short	, in my capacity asowner / neighbor,
mailing address P.O. Box 1830, Bend, C	DR 97709
telephone number (<u>541</u>) <u>408-7415</u>	, being first duly sworn depose and say:
1. I attest that:	
	ive years on the entire authorized place of use of the escribed on the accompanying transfer application; or
☐ The water right was leased instream a lease number is as follows:	t some time within the last five years. The instream ; or
	iture and documentation that a presumption of ted under ORS 540.610(2) is attached.
2. My knowledge of the exercise or status	of the water right is based on (check one):
Personal observation	☐ Professional expertise

3.	My Kn	owleage	is specific	to the i	ise of v	vater at ti	ne followi	ng locations:
						STATE OF THE PARTY	NAME OF TAXABLE PARTY.	The state of the s

Tov	vnship	R	ange	Mer	Sec	1/4 1/4 Section	Gov't Lot or DLC	Acres (if applicable)
14	S	14	E	W	28	NE-NW	00200	23.0
						NW-NE	00200	25.0
					21	SE-SW	00200	3.0
					29	NE-NE	00106	0.5
								2
_								

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WATER RESOURCES DE SALEM, OREGON

Please print legibly or type. Be as specific as possible. Attach additional pages if you need more space. Supporting documentation must be attached.

Grass hay and cattle grazing.	
 The water delivery system used to apply water as auth In stream pump to buried mainline and wheel lines North of rail 	
ditch South of railroad tracks.	
6. One or more of the following documentation supporti	ng the above statements is attached:
 Copy of a water right certificate that was issued with right certificate), 	in the last five years (not a remaining
 Copies of receipts from sales of irrigated crops or fo water, 	r expenditures relating to the use of
□ Records such as Farm Service Agency crop reports, farm management plan, or records of other water sup	
	opliers, graphs containing sufficient detail to
farm management plan, or records of other water sup ✓ Dated aerial photographs of the lands or other photo establish the location and date of the photograph, ✓ Dedicated power usage records or receipts,	opliers,
farm management plan, or records of other water sup Dated aerial photographs of the lands or other photo establish the location and date of the photograph, □ Dedicated power usage records or receipts, □ Instream lease number,	ppliers, graphs containing sufficient detail to RECEIVED
farm management plan, or records of other water sup ☐ Dated aerial photographs of the lands or other photographs the location and date of the photograph, ☐ Dedicated power usage records or receipts, ☐ Instream lease number	ppliers, graphs containing sufficient detail to RECEIVED NOV 2 1 2008
farm management plan, or records of other water sup Dated aerial photographs of the lands or other photo establish the location and date of the photograph, □ Dedicated power usage records or receipts, □ Instream lease number,	ppliers, graphs containing sufficient detail to RECEIVED NOV 2 1 2008 WATER RESOURCES DEF
farm management plan, or records of other water sup □ Dated aerial photographs of the lands or other photo establish the location and date of the photograph, □ Dedicated power usage records or receipts, □ Instream lease number	ppliers, graphs containing sufficient detail to RECEIVED NOV 2 1 2008 WATER RESOURCES DE
farm management plan, or records of other water sup Dated aerial photographs of the lands or other photogestablish the location and date of the photograph, Dedicated power usage records or receipts, Instream lease number	Popliers, graphs containing sufficient detail to RECEIVED NOV 2 1 2008 WATER RESOURCES DE SALEM, OREGON
farm management plan, or records of other water support of the lands or other photoestablish the location and date of the photograph, Dedicated power usage records or receipts, Instream lease number	Popliers, graphs containing sufficient detail to RECEIVED NOV 2 1 2008 WATER RESOURCES DE SALEM, OREGON

Please print legibly or type. Be as specific as possible. Attach additional pages if you need more space. Supporting documentation must be attached.

Supplemental Form B

me/ 0 2 2008

Water Right Transfer Supplemental Form B AFFIDAVIT ATTESTING TO THE USE OF WATER

State of Ore	gon)					
State of Ore	D	es	ch	nte	2)	SS				
I, John A	. Shor	t						acity as _c	owner / neighbor	
								duly sworr	depose and say:	
1. I attest										
water	right	propo	sed f	for tra	nsfer a	s desc	ribed on the	accompan	horized place of us	cation; or
☐ The w								thin the las	t five years. The i	nstream
									hat a presumption of is attached.	of
2. My kno	wledg	ge of	the e	xercis	e or sta	atus o	f the water ri	ght is base	d on (check one):	
	☑ P	erson	al ob	servat	ion		□ Profe	essional exp	pertise	
3. My kno	wledg	ge is	speci	fic to	the use	of wa	ater at the fo	llowing loc	ations:	
	Town	ship	Ri	inge	Mer	Sec	Section	Gov't Lot or DLC	Acres (if applicable)	
	14	s	14	E	W	28	NE-NW	00200	23.0	
							NW-NE	00200	25.0	
						21	SE-SW	00200	3.0	
						29	NE-NE	00106	0.5	
							-		RECE	VED
									NOV 2	1 2008
									WATER RESOU SALEM, O	RCES DEPT REGON
										RECEIVED
										MAY 0 2 2008

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WATER RESOURCES [SALEM, OREGON

Please print legibly or type. Be as specific as possible. Attach additional pages if you need more space. Supporting documentation must be attached.

Supplemental Form B

	ass hay and cattle grazing.	
_		
_	·	
	The water delivery system used to apply water as auth stream pump to buried mainline and wheel lines North of rai	
	ch South of railroad tracks.	noud tracks. Those intigation from 20th 20th
6.	One or more of the following documentation supporting	ng the above statements is attached:
	Copy of a water right certificate that was issued with right certificate),	in the last five years (not a remaining
	Copies of receipts from sales of irrigated crops or for water,	r expenditures relating to the use of
	Records such as Farm Service Agency crop reports, farm management plan, or records of other water sup	
Ø	Dated aerial photographs of the lands or other photographs, establish the location and date of the photograph,	graphs containing sufficient detail to
	Dedicated power usage records or receipts,	RECEIVED
	Instream lease number, Other:	
_	ouier.	1101 2 2 2000
_		WATER RESOURCES DEF SALEM, OREGON
_	Allant	12-2-07
(nature of Affiant	Date
Sign		1
Sign		1th ili
Sign	Signed and sworn to (or affirmed) before me	this 7th day of 100., 2007.
Sign	Signed and sworn to (or affirmed) before me OFFICIAL SEAL DANIELLE KINYON NOTARY PUBLIC-OREGON COMMISSION NO. 399585 MY COMMISSION EXPIRES JAN. 20, 2010	this 7th day of Nov., 2007. Mull My Notary Public for Oregon

documentation must be attached. RECEIVED

Supplemental Form B

1 10730

12 0 2 2008

To Whom It May Concern:

Re: Lienholder consent to water right transfer to and from Dallan Miles' property known as T14S, R14E, Section 28 Tax Lot 200 and Section 21 Tax Lot 200 in Crook County.

As authorized representative of the lienholder on the above referenced property, I hereby consent to the proposed water right transfer referenced by the attached Agreement of Purchase and Sale dated November 26, 2007 plus Addendum A dated November 27, 2007. Should said water right transfer fail to be issued by December 31, 2008 or otherwise be denied by Oregon Water Resources Department, this consent shall become immediately null and void.

to	WILLAN	WHN,	VICET	NES I DENT	
Bank or Lienho	older Name		SOM	JANEY / SAIK	

Representative Signature

Representative Name, Printed

12-7-07

Date

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NOV 2 1 2008

WATER RESOURCES DEPT SALEM, OREGON

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MAY 0 2 2008

Water Right Transfer Supplemental Form B AFFIDAVIT ATTESTING TO THE USE OF WATER

State of Oregon)	
County of MULYNOMUL)	ss
I, Marilyn Dove	, in my capacity as Previous Owner,
mailing address P.O. Box 1	932, Sandy, OR 97055
	ASO, being first duly sworn depose and say:
1. I attest that:	
	us five years on the entire authorized place of use of the as described on the accompanying transfer application; or
The water right was leased instreat lease number is as follows:	am at some time within the last five years. The instream; or
	orfeiture and documentation that a presumption of abutted under ORS 540.610(2) is attached.
2. My knowledge of the exercise or st	atus of the water right is based on (check one):
Personal observation	☐ Professional expertise
2 34 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	

3. My knowledge is specific to the use of water at the following locations:

Township		Range		Mer	Sec	Y4 Y4 Section	Gov't Lot or DLC	Acres (if applicable)	
14	S	14	E	W	20	swsw		14.4	TO 500 0
						SESW		15.0	RECEIVED
					29	NENW		31.4	NOV 2 1 2008
						SWNW		4.6	WATER RESOURCES DEPT
						NWNW		38.0	SALEM, OREGON
						SENW		8.0	
									RECEIVED
_			-	-	-	-			MAY 0 2 2008
									WATER RESOURCES DEPT SALEM, OREGON

(continues on reverse side)

Please print legibly or type. Be as specific as possible. Attach additional pages if you need more space. Supporting documentation must be attached.

Supplemental Form B

-1-

-		
	The water delivery system used to apply water as authorize ect diversion from the Crooked River in to mainlines, who	
6. (One or more of the following documentation supporting th	e above statements is attached:
	Copy of a water right certificate that was issued within the right certificate),	ne last five years (not a remaining
	Copies of receipts from sales of irrigated crops or for exp water,	penditures relating to the use of
	Records such as Farm Service Agency crop reports, irrig- farm management plan, or records of other water supplie	
	Dated aerial photographs of the lands or other photograp establish the location and date of the photograph,	hs containing sufficient detail to
	Dedicated power usage records or receipts,	RECEIVED
	Instream lease number,	NOV 9 1 2000
	Other:	NOV 2 1 2008
_		WATER RESOURCES DE SALEM, OREGON
-	8	
Sign	nature of Affiant Dove	11-20-07 Date
	Signed and sworn to (or affirmed) before me this	20th day of Malember, 20 07.
	OFFICIAL SEAL CHELSEA STEELE NOTARY PUBLIC-OREGON COMMISSION NO. 390663 Y COMMISSION EXPIRES MARCH 15, 2009	Netary Public for Oregon ion Expires: 15 2

1 10730

Supplemental Form B

WATER HESOURCES DEPT SHIEM, OREGON

1 2 2008



P.O. Box 400 Portland, Oregon 97207-0400 I-888-221-7070 fax I-888-800-2851

JOHN SHORT RE: THE DANIELS GROUP, LLC (541)382-9225

November 20, 2007

Account # 22842760-002

Dear John Short:

Thank you for contacting us on November 20, 2007, regarding your account. As requested, enclosed is a copy of a billing analysis of your account.

If you would like more information or have any questions, please call us anytime toll-free at 1-888-221-7070. Any of our customer service representatives are available to take your call.

Sincerely,

Richard, Employee # P16260 Customer Service

Enclosure: Billing Analysis

Para más información, llame al 1-888-225-2611 y podrá hablar con un representante que hable español.

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WATER RESOURCES DEPT SALEM, OREGON

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MAY 0 2 2008

WATER RESOURCES DEPT SALEM, OREGON

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RECEIVED NOV 2 1 2008

WATER RESOURCES DEPT

__Meter # 84917896 LEM, OREGON

Site Address: O'NEIL JUNCTION .4E .2 N ONEIL HWY REDMOND OR 97756

Meter Reading History

Billing Month	Read Date	Read Type	Cycle	Status	Source (*)	Condition Codes	Days	Daily KWH	KWH	KWH Usage	KW	KW Usage	ON KWH	ON KWH Usage	OFF KWH	OFF KWH Usage	Invoice
	07/19/2007	C			S		23	3	26436	58	60	1	0	0	0	0	\$283.07
06	06/26/2007		21		I	VR	32	280	26378	8947	2341	23	0	0	0	0	\$534.90
05	05/25/2007		21		I	VR	29	144	17431	4167	2472	25	0	0	0	0	\$217.61
04	04/26/2007		21		I		29	22	13264	635	168	2	0	0	0	0	\$33.57
03	03/28/2007		21		S	SD	29	0	12629	0	0	0	0	0	0	0	\$0.00
02	02/27/2007		21		S	SD	29	0	12629	0	0	0	0	0	0	0	\$0.00
01	01/29/2007		21		S	SD	32	0	12629	0	0	0	0	0	0	0	\$0.00
12	12/28/2006		21		S	SD	29	0	12629	0	0	0	0	0	0	0	\$0.00
11	11/29/2006		21		S	SD	35	0	12629	0	0	0	0	0	0	0	\$420.24
10	10/25/2006		21		I	VR	26	6	12629	161	1175	12	0	0	0	0	\$7.89
09	09/29/2006		21		I		30	48	12468	1448	2361	24	0	0	0	0	\$69.68
08	08/30/2006		21		I		30	73	11020	2194	2379	24	0	0	0	0	\$105.58
07	07/31/2006		21		I		33	87	8826	2861	2379	24	0	0	0	0	\$136.87
06	06/28/2006		21		I	SU	32	0	5965	0	0	0	0	0	0	0	\$0.00
05	05/27/2006		21		I	RCVR	30	21	5965	639	2383	24	0	0	0	0	\$30.53
04	04/27/2006		21		S	SD	30	0	5326	0	0	0	0	0	0	0	\$0.00
03	03/28/2006		21		S	SD	29	0	5326	0	0	0	0	0	0	0	\$0.00
02	02/27/2006		21		S	SD	31	0	5326	0	0	0	0	0	0	0	\$0.00
01	01/27/2006		21		S	SD	30	0	5326	0	0	0	0	0	0	0	\$0.00
12	12/28/2005		21		S	SD	30	0	5326	0	0	0	0	0	0	0	\$0.00
11	11/28/2005		21		S	SD	33	0	5326	0	0	0	0	0	0	0	\$378.65
10	10/26/2005		21		I	SU	28	0	5326	0	0	0	0	0	0	0	\$0.00
	09/29/2005	S	21		F		0	0	5326	0	0	0	0	0	0	0	\$0.00
	09/28/2005	S			M		0	0	5326	0	0	0	0	0	0	0	\$0.00
09	09/28/2005		21		I		33	94	5326	3115	0	0	0	0	0	0	\$137.80
08	08/26/2005		21		A		29	94	2211	2737	2416	24	0	0	0	0	\$121.08
08	08/26/2005		21	Z	I	VR	29	340	9326	9852	2416	24	0	0	0	0	\$0.00

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MAY 0 2 2008

WATER RESOURCES DEPT SALEM. OREGON

To: JOHN SHORT

07	07/28/2005	21	I	VR	33	75	99474	2460	2404	24	0	0	0	0	\$116.26
06	06/25/2005	21	I	DK	24	0	97014	0	0	0	0	0	0	0	\$0.00
05	06/01/2005	21	I	SU	35	0	97014	0	0	0	0	0	0	0	\$0.00
04	04/27/2005	21	I	SU	30	0	97014	0	80	1	0	0	0	0	\$0.00
03	03/28/2005	21	S	SDSU	31	0	97014	0	0	0	0	0	0	0	\$0.00
02	02/25/2005	21	S	SD	28	0	97014	0	0	0	0	0	0	0	\$0.00

Comments:

Sources:

A=Adjustment, C=Customer, F=Field Read, I=Itron Read (regular), M=Manual (regular), O=Office Estimate, P=Postcard, S=System Estimate

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NOV 2 1 2008

WATER RESOURCES DEPT
SALEM, OREGON

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MAY 0 2 2008

WATER RESOURCES DEPT SALEM, OREGON

1 10730



Oregon Water Resources Department Land Use Information Form

THIS FORM IS NOT REQUIRED IF: 1) water is to be diverted, conveyed, and/or used only on federal lands; or 2) the application is for a water-right transfer, allocation of conserved water, exchange, permit amendment, or ground water registration modification, and all of the following apply: a) only the place of use is proposed for change, b) there are no structural changes, c) the use of water is for irrigation, and d) the use is located in an irrigation district or exclusive farm-use zone.

Applicant l	Name:			The Daniels	Group, LLC, Em	mett Ranc	h, LLC & Dallon	Miles		
Mailing Ad	ddress:				P.O.	Box 1830				
City:		Bend		State:	OR Zip:	97709	_ Day Phone: _	541-4	08-7415	
			to a M	leasure 37 cla	aim. □ Yes ⊡ N	o				
Land and L	ocatio	<u>n</u>								
ansported), or oposed service	used. A -area bo	Applicants oundaries	for mu	inicipal use, tax-lot infor	or irrigation uses mation requested	within irrig	ted (taken from it gation districts ma	ay substit	, conveyed ute existing	and
Township	Range	Section	1/4 1/4	Tax Lot #	Plan Designation Rural Residential/I		water to be.		Land Use:	
14 S	14 E	Low Line	Ditch	Company	EFU-2		Diverted Conveyed	□ Used	Farm	
						30	iverted @ Conveyed	I ☑ Used	Instream	
							Diverted Conveyed			
						0.0	Diverted Conveyed	I □ Used		
Description pe of application				Vater Resour	ces Department:				N	OV 2 1 2008
□ Alloca	tion of	or Store \ Conserved dment or (d Water	r 🗆 Li	ater-Right Transf mited Water Use stration Modificat	License	□ Exchange of W	ater		RESOURCES DEP LEM, OREGON
ource of water:	□ Res	servoir/Po	nd	☐ Ground W	ater 🛭 Sui	face Water	(name)			
timated quanti	ty of w	ater neede	:d:	2	_	er second	□ gallons per n	ninute [acre-feet	
tended use of v		☑ Irrigation ☐ Munici		□ Commerci □ Quasi-mur			☐ Domestic for _			
							e. Low Line Ditch be			
int of diversion.									_	
							you wait, please the Water Resou			nent

Receipt for Request for Land Use Information

State of Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1266

RECEIVED

MAY 0 2 2008

The following section must be completed by a planning official from each county and city listed unless the project will be located entirely within the city limits. In that case, only the city planning agency must complete this form.

This deals only with the local land-use plan. Do not include approval for activities such as building or grading permits.

Please check the appropriate box below	and provide the requested information
--	---------------------------------------

Please check the appropriate box be	elow and provide the requested	informatio	<u>n</u>
Land uses to be served by proporegulated by your comprehensiv	osed water uses (including proposed of e plan. Cite applicable ordinance sec	construction) ction(s): 18,	are allowed outright or are not
approvals as listed in the table be already been obtained. Record of	osed water uses (including proposed of elow. (Please attach documentation of of Action/land-use decision and accorded but all appeal periods have not e	of applicable mpanying fin	land-use approvals which have dings are sufficient.)
Type of Land-Use Approval Needed (e.g. plan amendments, rezones,	Cite Most Significant, Applicable Plan Policies & Ordinance Section References	Land	d-Use Approval:
conditional-use permits, etc.)		□ Obtained	☐ Being pursued
		□ Denied	□ Not being pursued
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued
		□ Obtained	Being pursued
		□ Denied	☐ Not being pursued
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued
		Obtained	☐ Being pursued
		□ Denied	☐ Not being pursued
			NOV 2 1 2008
			WATER RESOURCES DEF
Name: Gondos Moor	A Title: A CC	istant	Director
Signature: Saylo ma	Phone: 54)		
Government Entity: Croph C	ah h+y	777-81	
Note to local government representative If you sign the receipt, you will have 30 da Land Use Information Form or WRD may local comprehensive plans.	ys from the Water Resources Departs	ment's notice	date to return the completed
and the same	t for Request for Land Use Ir	nformation	1
Applicant name:			
City or County:	Staff contact:		

RECEIVED

Last updated 12/22/06 WR

Date:

10730

App

City

Signature:

MAY 0 2 2008



Applicant Name:

Mailing Address:

Oregon Water Resources Department Land Use Information Form

The Daniels Group, LLC & Emmett Ranch, LLC

P.O. Box 1830

THIS FORM IS NOT REQUIRED IF: 1) water is to be diverted, conveyed, and/or used only on federal lands; or 2) the application is for a water-right transfer, allocation of conserved water, exchange, permit amendment, or ground water registration modification, and all of the following apply: a) only the place of use is proposed for change, b) there are no structural changes, c) the use of water is for irrigation, and d) the use is located in an irrigation district or exclusive farm-use zone.

(City:		Bend		State: _	OR 2	Zip: 97	709 Day	y Phone:	541-4	08-7415	
	This app	lication	is related	to a M	leasure 37 cl	aim. 🗀 Y	es F No					
. La	nd and L	ocation	1									
transp	orted), or	used. A	pplicants	for m	unicipal use,	or irrigat	water will be of ion uses within quested below	irrigation				and
ſ	Township	Range	Section	44	Tax Lot #		signation (e.g. sidential/RR-5)		Water to be:		Proposed Land Use:	1
	14	14	29		200	_	EFU-2	☑ Diverted	2 Conveyed	☑ Used	Instream	
	14	14	29		106		EFU-2	2 Diverted	☑ Conveyed	☑ Used	Instream	
								□ Diverted	☐ Conveyed	□ Used		
								☐ Diverted	□ Conveyed	□ Used		
ype o	□ Permit	to Use	or Store 'Conserve	Water d Wate		ater-Righ	t Transfer ater Use Licens		hange of W		ATER RES	2 1 2008 SOURCES DEP I, OREGON
ource	of water:	□ Res	ervoir/Po	ond	Ground W	/ater	Surface V	Vater (nam	e)	rooked Ri	ver	
stima	ited quanti	ity of wa	iter neede	:d:	- 1	② cub	oic feet per sec	ond 🗆 ga	allons per m	inute (acre-feet	
tende	ed use of v		□ Irrigation □ Munici		☐ Commerci ☐ Quasi-mu		☐ Industrial ☐ Instream		nestic for _			
riefly	describe:	Perman	ent instream	m transfe	er.							
							be completed application filed					nent

State of Oregon Water Resources Department 725 Summer Street NE, Suite A

Receipt for Request for Land Use Information

Salem, OR 97301-1266

RECEIVED

MAY 0 2 2008

The following section must be completed by a planning official from each county and city listed unless the project will be located entirely within the city limits. In that case, only the city planning agency must complete this form.

This deals only with the local land-use plan. Do not include approval for activities such as building or grading permits.

Please check the appropriate box below and provide the requested information

4	Land uses to be served by proposed water uses (including proposed construction) are allowed outright or are not
	regulated by your comprehensive plan. Cite applicable ordinance section(s): 18. 20.010

0	Land uses to be served by proposed water uses (including proposed construction) involve discretionary land-use
	approvals as listed in the table below. (Please attach documentation of applicable land-use approvals which have
	already been obtained. Record of Action/land-use decision and accompanying findings are sufficient.)
	If approvals have been obtained but all appeal periods have not ended, check "Being pursued".

Type of Land-Use Approval Needed (e.g. plan amendments, rezones, conditional-use permits, etc.)	Cite Most Significant, Applicable Plan Policies & Ordinance Section References	Land-Use Approval:		
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued	
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued	
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued	
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued	
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued	

Department regarding this proposed use	ecial land-use concerns or make recommendations to the Water Resources vater below, or on a separate sheet.
	RECEIVED
	NOV 2 1 2008
	WATER RESOURCES DEPT SALEM, OREGON
Name: Gordon Moero Signature: Solon 3n Government Entity: Crook	Title: Assistant Dine et an Phone: 541-447-8/5 Date: 12/11/43
If you sign the receipt, you will have 30 a	Please complete this form or sign the receipt below and return it to the applicant. from the Water Resources Department's notice date to return the completed resume the land use associated with the proposed use of water is compatible with
Recei	for Request for Land Use Information
Applicant name:	
City or County:	Staff contact:
Signature:	Phone: Date:

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Last updated 12/22/06 WR

MAY 0 2 2008

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Oregon Water Resources Department Land Use Information Form

THIS FORM IS NOT REQUIRED IF: 1) water is to be diverted, conveyed, and/or used only on federal lands; or 2) the application is for a water-right transfer, allocation of conserved water, exchange, permit amendment, or ground water registration modification, and all of the following apply: a) only the place of use is proposed for change, b) there are no structural changes, c) the use of water is for irrigation, and d) the use is located in an irrigation district or exclusive farm-use zone.

The Daniels Group, LLC & Emmett Ranch, LLC

Mailing Addres	s:				P.O. Box 1	830				
City:	Beno	i	State: _	OR Zi	ip:97	709 I	Day Phone: _	541-4	08-7415	
This applicati		i to a M	easure 37 cl	laim. 🗆 Ye	es E No					
and and Locat	ion									
e include the folloported), or used service-area	Applicant	s for mu	inicipal use,	or irrigatio	n uses within	irrigatio				
Township Rang	ge Section	14.1/4	Tax Lot #		gnation (e.g. dential/RR-5)		Water to be:		Proposed Land Use:	
14 14	29		200		FU-2	2 Diver	ed 🛭 Conveyed	d ☑ Used	Instream	-
14 14	29		106	Е	FU-2		ed 🛭 Conveyed	_	Instream	
							ed Conveyed			
						□ Diver	ed Conveyed	d 🗆 Used		
☐ Permit to U☐ Allocation of	se or Store	Water d Water	☑ W	ater-Right	Transfer er Use Licens		xchange of W	/ater		
□ Permit Amo	endment or	Ground	Water Regis	stration Mo	dification					
e of water:	Reservoir/Po	and [Ground W	/ater	☑ Surface V	ater (na	me)	Crooked Riv	ver	
ated quantity of	water needs	:d:	1	@ cubic	c feet per sec	ond 🗆	gallons per n	ninute E	acre-feet	
ded use of water:	☐ Irrigati		Commerci Quasi-mur		☐ Industrial ☑ Instream		omestic for _ ther			
y describe: Perm	nanent instrea	m transfer	г						-	
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to applicants 14	the Land D	lea Info	mation F				sounds outside	house of		
sentative sign the	receipt he	low and	mation ron	m cannot be	e compieted	vniie you	wall, please	nave a to	cai govern	meNOV 2 1 2008
	receipt ee.	Un unu	include il w	vith the app	lication filed	with the	Water Resou	irces Depi	artment.	1101 2 1 2000

State of Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1266

Receipt for Request for Land Use Information

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SALEM, OREGON

MAY 0 2 2008

The following section must be completed by a planning official from each county and city listed unless the project will be located entirely within the city limits. In that case, only the city planning agency must complete this form.

This deals only with the local land-use plan. Do not include approval for activities such as building or grading permits.

Please check the	e appropriate box	below and p	rovide the	requested i	information
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	osed water uses (including proposed of e plan. Cite applicable ordinance sec			are not
approvals as listed in the table be already been obtained. Record of	osed water uses (including proposed of left) of Action/land-use decision and accorded but all appeal periods have not established.	of applicable inpanying fin	land-use approvals whi dings are sufficient.)	and-use ch have
Type of Land-Use Approval Needed (e.g. plan amendments, rezones,	Cite Most Significant, Applicable Plan Policies & Ordinance Section References	Lan	d-Use Approval:	
conditional-use permits, etc.)		☐ Obtained	☐ Being pursued	
		☐ Denied	☐ Not being pursued	
		☐ Obtained ☐ Denied	☐ Being pursued ☐ Not being pursued	
		Obtained	☐ Being pursued	
		□ Denied	☐ Not being pursued	
		Obtained	☐ Being pursued	
		☐ Denied	☐ Not being pursued ☐ Being pursued	
		☐ Obtained ☐ Denied	☐ Not being pursued	
Gordon Moora	Title: 415	1497-810	Dinueton ToDate: 12/11/4	
rnment Entity: Creat C	61 hty			_
to local government representative a sign the receipt, you will have 30 da Use Information Form or WRD may comprehensive plans.	ys from the Water Resources Depart	ment's notice	date to return the comp	pleted
Receip	t for Request for Land Use I	nformation	1	RECEIVED
icant name:				NOV 2 1 2008

RECEIVED

Phone:

Signature:

Last updated 12/22/06 WR

_Date:

MAY 0 2 2008

STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

BUTLER RANCH, INC. 5294 NW LONE PINE ROAD TERREBONNE, OREGON 97760

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER for IRRIGATION of 11.0 ACRES.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The date of priority is 1892.

The amount of water to which this right is entitled is limited to an amount actually beneficially used, and shall not exceed 0.137 CUBIC FOOT PER SECOND if available at the original point of diversion: NW% SW%, SECTION 8, T 15 S, R 16 E, W.M., 744.2 FEET SOUTH AND 321 FEET EAST FROM THE WEST % CORNER OF SECTION 8, or its equivalent in case of rotation, measured at the point of diversion.

The point of diversion is located as follows:

SE % SW %, Section 20, T. 14 S., R. 14 E., W.M.; 1896 feet South and 1717 feet East from the West % Corner of Section 20.

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each year.

This is a final order in other than a 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.

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T-7248.RA

NOV 2 1 2008

Certificate Number 83732

Page Two

A description of the place of use to which this right is appurtenant is as follows:

SW % SW % 11.0 ACRES SECTION 20 TOWNSHIP 14 SOUTH, RANGE 14 EAST, W.M.

This certificate is issued to confirm a change in POINT OF DIVERSION approved by an order of the Water Resources Director entered July 9, 1997, approving Transfer Application T-7248, and together with certificates 72947, 74199, and 74200 supersedes Certificate 52183, State Record of Water Right Certificates.

The following conditions apply to this right:

- The quantity of water diverted at the new point of diversion, together with that diverted at the old diversion, shall not exceed the quantity of water lawfully available at the original point of diversion.
- When required by the Department, the water user shall install and maintain a headgate, an in-line flow meter, weir, or other suitable device for measuring and recording the quantity of water diverted. The type and plans of the headgate and measuring device must be approved by the Department prior to beginning construction and shall be installed under the general supervision of the Department.

The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described and is subject to all other conditions and limitations contained in the decree.

Issued JAN 0 9 2008

RECEIVED

NOV 2 1 2008

WATER RESOURCES DEPT SALEM, OREGON

Recorded in State Record of Water Right Certificates numbered 83732.

T-7248.RA

BEFORE THE WATER RESOURCES DEPARTMENT OF THE STATE OF OREGON

In the Matter of Transfer Application)	FINAL ORDER APPROVING CHANGES
T-10233, Crook County)	IN CHARACTER OF USE, PLACE OF
)	USE AND POINTS OF DIVERSION,
)	AND PARTIAL CANCELLATION OF
)	WATER RIGHTS
)	

Authority

ORS 540.505 to 540.580 establishes the process in which a water right holder may submit a request to transfer the point of diversion, place of use, or character of use authorized under an existing water right. OAR Chapter 690, Division 380 implements the statutes and provides the Department's procedures and criteria for evaluating transfer applications.

ORS 540.621 establishes the process for the owner of land to which a water right is appurtenant to certify under oath that the water right, or a portion thereof, has been abandoned and to voluntarily request that it be cancelled.

Applicant

River Run Ranch LLC (Lorraine Tognoli) 13223 NE Oneil Road Redmond, OR 97756

Agent

Newton Consultants, Inc. 521 SW 6th Street, Suite 100 Redmond, OR 97756

Findings of Fact

Background

- On August 24, 2006, River Run Ranch LLC (Lorraine Tognoli) filed an application to change the character of use, place of use, and additional points of diversion under Certificate 75556, which was superseded by Certificate 81601 on December 5, 2005. The Department assigned the application number T-10233.
- On November 20, 2006, a deficiency letter was sent to the applicant citing deficiencies that
 needed to be corrected on the transfer application and map. On January 3, 2007, the
 applicant sent in a corrected and revised transfer application and map, which included
 additional lands to be transferred under Certificate 81601 and changes in place of use and
 additional points of diversion under Certificate 6313.

This final order is subject to judicial review by the Court of Appeals under ORS 183.482. Any petition for judicial review must be filed within the 60-day time period specified by ORS 183.482(1). Pursuant to ORS 536.075 and OAR 137-003-0675, you may 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.

T-10233.ra-dip

Page 1 of 9

Special Order Volume 74 Page 8/1

On May 22, 2007, Department staff had a phone conference with the applicant's consultant
to discuss additional application and mapping deficiencies. On June 7, August 21 and 23,
2007, the applicant sent in corrected and revised transfer applications and maps.

4. The portion of the first right to be transferred is as follows:

Certificate: 81601 in the name of PEOPLES IRRIGATION CO. (confirmed by Crooked

River (F) Decree, Volume 1 at Page 449)

Use: DOMESTIC, LIVESTOCK and IRRIGATION of 225.1 ACRES

Priority Date: 1904/1910

Rate: 2.81 CUBIC FEET PER SECOND (cfs)

Limit/Duty: ONE-EIGHTIETH cfs per acre, not to exceed 4.0 acre-feet per acre for each

acre irrigated during the irrigation season of each year

Source: CROOKED RIVER, tributary to DESCHUTES RIVER

Authorized Points of Diversion:

POD	Twp	Rng	Mer	Sec	Q-Q	Survey Coordinates
1	15 S	16 E	WM	8	NW SW	1920 feet North and 340 feet East from the SW corner of Section 8
3	14 S	14 E	WM	24	NE SE	Pump: 450 feet West from the East ¼ corner of Section 24
4	14 S	14 E	WM	23	SW NE	Pump: 1020 feet North and 500 feet East from the center ¼ corner of Section 23
5	14 S	14 E	WM	23	SWNW	Pump: 1000 feet North and 1400 feet West from the center 1/4 corner of Section 23

Authorized Place of Use:

		DO	MESTI	C, LIVE	ESTOCK AN	ND IRRIGA	TION
POD	Twp	Rng	Mer	Sec	Q-Q	Acres	Change
1	14 S	14 E	WM	23	SWNE	20.5	POD
1	14 S	14 E	WM	23	SWNE	9.0	POU & POD
1	14 S	14 E	WM	23	SENE	15.6	POU & POD
1	14 S	14 E	WM	23	SENE	3.5	POD
1	14 S	14 E	WM	23	SWNW	23.6	POD
1	14 S	14 E	WM	23	SENW	23.9	POD
1	14 S	14 E	WM	23	NESW	30.0	POU & POD
1	14 S	14 E	WM	23	NWSW	29.0	USE, POU & POD
1	14 S	14 E	WM	23	NWSW	1.0	POU & POD
1	14 S	14 E	WM	23	SWSW	10.8	POU & POD
1	14 S	14 E	WM	23	SWSW	29.2	POD
4	14 S	14 E	WM	23	SWNE	1.9	POD
4	14 S	14 E	WM	23	SWNE	3.4	APOD
.4	14 S	14 E	WM	23	SENW	6.1	POD
5	14 S	14 E	WM	23	SWNW	11.4	POD
5	14 S	14 E	WM	23	SENW	6.2	POD
					TOTAL:	225.1	

5. Application T-10233 proposes to move to and/or add the following points of diversion (as further described in Findings #6 and #7 below), which are located up to approximately one mile both upstream and downstream from the authorized points of diversion, as follows:

Proposed Points of Diversion:

POD	Twp	Rng Mer Sec Q-Q		Sec Q-Q Survey Coordinates			
8	14 S	14 E	WM	23	NWNW	1450 feet North and 2500 feet West from the center of Section 23	
9	14 S	14 E	WM	23	SWNW	565 feet North and 1700 feet West from the center of Section 23	
10	14 S	14 E	WM	23	SWNE 805 feet North and 845 feet East from the center of Se		
11	14 S	14 E	WM	24	SESW	1915 feet South and 845 feet West from the center of Section 24	

6. For the following 129.7 acres of land currently authorized under the right, Application T-10233 proposes to change the points of diversion to:

Proposed Points of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Acres	Proposed POD
14 S	14 E	WM	23	SWNE	20.5	11
14 S	14 E	WM	23	SWNE	1.9	11
14 S	14 E	WM	23	SWNE	3.4	3 & 4
14 S	14 E	WM	23	SENE	3.5	3
14 S	14 E	WM	23	SWNW	35.0	5, 8, 9 & 11
14 S	14 E	WM	23	SENW	36.2	4, 5, 8 & 11
14 S	14 E	WM	23	SWSW	29.2	11
				TOTAL:	129.7	

7. Application T-10233 also proposes to change the place of use and point of diversion for the following 66.4 acres under the right to:

Proposed Place of Use and Proposed Points of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Acres	Proposed POD
14 S	14 E	WM	24	SWSW	17.3	11
14 S	14 E	WM	24	SESW	6.4	3
14 S	14 E	WM	23	NESE	10.5	3
14 S	14 E	WM	23	NESE	17.7	11
14 S	14 E	WM	23	NWSE	14.5	11
				TOTAL:	66.4	

8. Application T-10233 also proposes to change the character of use of up to 116.0 acre-feet of water currently authorized for irrigation of 29.0 acres (listed in the table in Finding of Fact #4) to POND MAINTENANCE in a reservoir proposed to be constructed under Application R-86674 for multi-purpose use, and to change the place of use and the point of diversion as follows:

	POND MAINTENANCE									
Twp	Rng	Mer	Sec	Q-Q	Proposed POD	NOTES				
14 S	14 E	WM	23	NENE	10	Annual duty of water from irrigated acreage to be converted to a maximum total annual volume of				
14 S	14 E	WM	23	NWNE		116.0 acre-feet for maintenance of water level in the reservoir.				
				TOTAL:	Water volu	ime equivalent to the duty from 29.0 acres				

1 10730

12. For the following 150.6 acres of land currently authorized under the right, Application T-10233 proposes to change the points of diversion to:

Proposed Points of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Acres	Proposed POD
14 S	14 E	WM	23	SWNE	3.4	4
14 S	14 E	WM	23	SWNE	22.4	11
14 S	14 E	WM	23	SE NE	24.4	3
14 S	14 E	WM	23	SWNW	35.0	5, 8, 9 & 11
14 S	14 E	WM	23	SENW	36.2	4, 5, 9 & 11
14 S	14 E	WM	23	SWSW	29.2	11
				TOTAL:	150.6	

13. Application T-10233 also proposes to change the place of use and points of diversion for the following 95.4 acres under the right to:

Proposed Place of Use and Proposed Points of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Acres	Proposed POD	NOTES
14 S	14 E	WM	22	SENE	20.0	8 & 11	Layered on Certificate 610
14 S	14 E	WM	22	NESE	7.0	8 & 11	Layered on Certificate 80795
14 S	14 E	WM	22	NWSE	11.9	8 & 11	Layered on Certificate 80795
14 S	14 E	WM	22	SWSE	8.1	8 & 11	Layered on Certificate 80795
14 S	14 E	WM	23	NWNE	0.6	4	
14 S	14 E	WM	23	NENW	7.4	4	
14 S	14 E	WM	23	NENW	1.0	11	
14 S	14 E	WM	23	NWNW	1.0	5	
14 S	14 E	WM	24	NWSW	5.3	3	Layered on Certificate 80795
14 S	14 E	WM	24	NWSW	9.4	11	Layered on Certificate 80795
14 S	14 E	WM	24	SWSW	17.3	11	
14 S	14 E	WM	24	SESW	6.4	3	
				TOTAL:	95.4		

- Notice of the application for transfer was published on August 29, 2006, pursuant to OAR 690-380-4000. No comments were filed in response to the notice.
- 15. On October 1, 2007, the Department mailed a copy of the draft Preliminary Determination proposing to approve Transfer Application T-10233 to the applicant. The draft Preliminary Determination set forth a deadline of November 15, 2007, for the applicant to respond and to resolve deficiencies with the transfer application and map. On November 15 and 23, 2007, the applicant amended the application and maps, and provided the necessary information to demonstrate that the applicant is authorized to pursue the transfer.

- 16. Review of the revised application and maps indicated that some questions and discrepancies remained to be resolved; so on February 13, 2008, the Department mailed a copy of a revised draft preliminary determination to the applicant, with a request for further modification and clarification of the maps and application. On March 5, 2008, the applicant submitted revised maps and application material, thereby remedying the remaining deficiencies.
- 17. On March 7, 2008, the Department issued a Preliminary Determination proposing to approve Transfer T-10233 and mailed a copy to the applicant. Additionally, notice of the Preliminary Determination for the transfer application was published on the Department's weekly notice on March 18, 2008, and in the Central Oregonian newspaper on March 18, 25 and April 1, 2008, pursuant to ORS 540.520 and OAR 690-380-4020. No protests were filed in response to the notice.
- 18. The Oregon Department of Fish and Wildlife (ODFW) has determined that fish screening and/or by-pass devices are necessary at the new points of diversion to prevent fish from entering the diversions and/or safely transport fish back to the body of water from which the fish were diverted and that the diversions are not currently equipped with appropriate fish screening and/or by-pass devices. These diversions may be eligible for screening cost share funds.

Transfer Review Criteria [OAR 690-380-4010(2)]

- 19. Water has been used within the last five years according to the terms and conditions of the rights, and there is no information in the record that would demonstrate that the rights are subject to forfeiture under ORS 540.610.
- A pump, pipeline, and sprinkler system sufficient to use the full amount of water allowed under the existing rights were present within the five-year period prior to submittal of Application T-10233.
- 21. As described in Finding #8 above, 29.0 acres of irrigation rights under Certificate 81601 are being moved to a reservoir, with a surface area of 17.0 acres, for pond maintenance purposes. If the use of water for pond maintenance does not exceed the quantity of water that could have been used for irrigation, enlargement of the right will be avoided. Therefore, the proposed changes to Certificate 81601 would not result in enlargement of the right, provided the annual volume of water diverted for pond maintenance does not exceed 116.0 acre-feet during the irrigation season of each year.
- The proposed changes to Certificate 6313 would not result in enlargement of the water right.
- 23. The proposed changes would not result in injury to other water rights.

Partial Cancellation of a Water Right

- 24. Affidavits certifying that portions of water right Certificates 81601 and 6313 have been abandoned and requesting cancellation of those portions were submitted by the applicant on January 3, 2007, August 23, 2007, and November 15, 2007.
- 25. The portion of the first water right to be cancelled is as follows:

Certificate: 81601 in the name of PEOPLES IRRIGATION COMPANY (confirmed by

Crooked River (F) decree)

Use: IRRIGATION of 5.0 ACRES

Priority Date: 1904/1910

Rate: 0.062 CUBIC FOOT PER SECOND (cfs)

ONE-EIGHTIETH of one cfs per acre, not to exceed 4.0 acre-feet per acre for each acre

irrigated during the irrigation season of each year

Source: CROOKED RIVER, tributary to DESCHUTES RIVER

Authorized Place of Use to be Cancelled:

Twp	Rng	Mer	Sec	Q-Q	Acres
14 S	14 E	WM	23	SWNW	5.0
				TOTAL:	5.0

26. The portion of the second water right to be cancelled is as follows:

Certificate: 6313 in the name of H. L. CORBETT (perfected under Permit S-3397)

Use: SUPPLEMENTAL IRRIGATION of 72.2 ACRES

Priority Date: MAY 21, 1917

Rate: 0.9 CUBIC FOOT PER SECOND (cfs)
Limit/Duty: ONE-EIGHTIETH of one cfs per acre

Source: CROOKED RIVER, tributary to DESCHUTES RIVER

Authorized Place of Use to be Cancelled:

Twp	Rng	Mer	Sec	Q-Q	Acres
14 S	14 E	WM	23	SWNE	5.2
14 S	14 E	WM	23	SWNW	5.0
14 S	14 E	WM	23	SENW	3.8
14 S	14 E	WM	23	NESE	28.2
14 S	14 E	WM	23	NWSE	30.0
				TOTAL:	72.2

Conclusions of Law

The changes in character of use, place of use and points of diversion proposed in transfer application T-10233 are consistent with the requirements of ORS 540.505 to 540.580 and OAR 690-380-5000 and the abandoned rights should be cancelled.

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Establishment of Mitigation Credits in the Deschutes Basin

ORS 537.746 authorizes the Department to award mitigation credits in the Deschutes Basin to approved mitigation projects. Mitigation credits may be used in the Deschutes Basin, specifically the Deschutes Ground Water Study Area, to mitigate for the impacts of ground water use on surface water flows. Pursuant to OAR Chapter 690, Division 521, upon receipt of notification of a mitigation project, the Department shall give public notice of the intent to establish mitigation credits.

The public is invited to comment on establishment of mitigation credits for the project(s) described below. Comments must be received within 21 days of the date of this public notice. Comments should address the award of mitigation credits to the proposed project and its use for mitigation purposes. Included in this public notice is a preliminary determination as to the amount of mitigation credits that may be available from the proposed project.

Deschutes County

Mitigation Project #: MP-124

Project Applicant: Greg Daniels - The Daniels Group LLC

Mitigation Project

And Process: Instream Transfer Application T-10730 for Certificates

83857, 83651, and 83732 (Also see Transfer Section of the December 2, 2009 public notice for application

details)

Subbasin/Source: Crooked River Subbasin - Crooked River, tributary to

the Deschutes River

Amount of Water: Proposed Instream: up to 1.537 CFS

Maximum Seasonal Volume -

492.0 AF

Current Use: Irrigation of 123.0 acres

Credits Assigned to: The Daniels Group

Preliminary Mitigation

Credit Determination: 221.4 Mitigation Credits

May be available for use in the Crooked River and

General Zones of Impact

Contact: Laura Wilke, Phone: (503) 986-0884

From:

Laura Snedaker

Sent:

Friday, March 06, 2009 8:45 AM

To:

Jonnine Skaug

Subject:

Mitigation Credit Project Public Notice for 3/10/2009

Attachments: mitigation project public notice for 3-10-09.doc

Jonnine:

The following mitigation projects are ready for public notice on March 10, 2009:

MP-124 (Instream Transfer T-10730)

The text for the public notice is attached as a word document. Please give me a call if you have any questions.

Thanks! Laura

Laura Snedaker Senior Water Resources Coordinator Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1271 Phone: (503) 986-0884

Web: www.oregon.gov/OWRD

To be included on the first or second page of the public notice:

* Establishment of Mitigation Credits in the Deschutes Basin pursuant to OAR Chapter 690, Division 521 (ORS 537.746)

To be included in the body of the public notice:

Establishment of Mitigation Credits in the Deschutes Basin

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Deschutes County

Mitigation Project #: MP-124

Project Applicant:

Greg Daniels - The Daniels Group LLC

Mitigation Project

And Process:

Instream Transfer Application T-10730 for Certificates 83857,

83651, and 83732 (Also see Transfer Section of the December 2,

2009 public notice for application details)

Subbasin/Source:

Crooked River Subbasin - Crooked River, tributary to the

Deschutes River

Amount of Water:

Proposed Instream:

up to 1.537 CFS

Maximum Seasonal Volume - 492.0 AF

Current Use:

Irrigation of 123.0 acres

Credits Assigned to: The Daniels Group

Preliminary Mitigation

Credit Determination: 221.4 Mitigation Credits

May be available for use in the Crooked River and

General Zones of Impact

Contact:

Laura Wilke, Phone: (503) 986-0884

From: PUSTIS Nancy [Nancy.Pustis@state.or.us]

Sent: Wednesday, March 11, 2009 10:25 AM

To: Laura Wilke

Subject: RE: Deschutes Mitigation Project Review Request for MP-124 (Instream Transfer T-10730)

DSL has no comment.

From: Laura Wilke [mailto:snedaklk@wrd.state.or.us]

Sent: Tuesday, March 10, 2009 11:16 AM

To: KEPLER Rick J; STUART Amy M; Brett.L.Hodgson@coho2.dfw.state.or.us; POTTER John; CRAWFORD Letha;

LAMB Bonnie; NIGG Eric; MEASELES Paul A; James.W.Johnson@state.or.us; PUSTIS Nancy **Subject:** Deschutes Mitigation Project Review Request for MP-124 (Instream Transfer T-10730)

Greetings Everyone:

This is a request for evaluation of a mitigation credit project, MP-124. The Department is seeking your input on how best to protect water instream (shaping), including considering the instream needs of where water is proposed to be protected instream (in this case on the Crooked River, tributary to the Columbia River) in order to make the most effective use of the project and the mitigation water.

Attached to this e-mail is a summary of the proposed project and agency evaluation form (and a summary of existing instream water rights). A copy of the project application can be found by opening the application materials file folder at:

http://apps2.wrd.state.or.us/apps/wr/wrinfo/wr_transfer_folder_image.aspx?transfer_char=T&transfer_nbr=10730

There are two files in this directory, being the application and application map.

The water right to be transferred can be found by typing in the certificate number on the Department's web page at:

http://apps.wrd.state.or.us/apps/wr/wrinfo/wrinfo.php

Please let me know if you have any questions or trouble accessing any of the documents. The deadline for comments is March 31, 2009.

As always, thanks for your time and input on these projects.

Laura

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer St. NE, Suite A
Salem, Oregon 97301-1271
Phone: (503) 986-0884
Web: www.wrd.state.or.us

From:

. .

Laura Wilke

Sent:

Tuesday, March 10, 2009 11:17 AM

To:

'rick.j.kepler@state.or.us'; 'Amy.M.Stuart@state.or.us';

'Brett.L.Hodgson@coho2.dfw.state.or.us'; 'john.potter@state.or.us'; 'letha.crawford@state.or.us'; 'Bonnie.Lamb@state.or.us'; 'NIGG Eric';

'Paul.A.Measeles@state.or.us'; 'James.W.Johnson@state.or.us'; 'PUSTIS Nancy'

Subject:

attachment - Deschutes Mitigation Project Review Request for MP-124 (Instream Transfer T-

10730)

Attachments: Mitigation Credit Project Agency Review Form for MP-124 (T-10730).doc

Greetings Everyone:

This is a request for evaluation of a mitigation credit project, MP-124. The Department is seeking your input on how best to protect water instream (shaping), including considering the instream needs of where water is proposed to be protected instream (in this case on the Crooked River, tributary to the Columbia River) in order to make the most effective use of the project and the mitigation water.

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Laura

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer St. NE, Suite A
Salem, Oregon 97301-1271
Phone: (503) 986-0884
Web: www.wrd.state.or.us

From:

Laura Wilke

Sent:

Tuesday, March 10, 2009 11:39 AM

To:

'jjohnson@oda.state.or.us'

Subject:

FW: attachment - Deschutes Mitigation Project Review Request for MP-124 (Instream

Transfer T-10730)

Attachments: Mitigation Credit Project Agency Review Form for MP-124 (T-10730).doc

HI Jim - I apparently had an address for you that no longer works. Paul set me straight.

Laura

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer St. NE, Suite A
Salem, Oregon 97301-1271
Phone: (503) 986-0884
Web: www.wrd.state.or.us

From: Laura Wilke

Sent: Tuesday, March 10, 2009 11:17 AM

To: 'rick.j.kepler@state.or.us'; 'Amy.M.Stuart@state.or.us'; 'Brett.L.Hodgson@coho2.dfw.state.or.us'; 'john.potter@state.or.us'; 'letha.crawford@state.or.us'; 'Bonnie.Lamb@state.or.us'; 'NIGG Eric';

'Paul.A.Measeles@state.or.us'; 'James.W.Johnson@state.or.us'; 'PUSTIS Nancy'

Subject: attachment - Deschutes Mitigation Project Review Request for MP-124 (Instream Transfer T-10730)

Greetings Everyone:

This is a request for evaluation of a mitigation credit project, MP-124. The Department is seeking your input on how best to protect water instream (shaping), including considering the instream needs of where water is proposed to be protected instream (in this case on the Crooked River, tributary to the Columbia River) in order to make the most effective use of the project and the mitigation water.

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As always, thanks for your time and input on these projects.

Laura

Laura Wilke

Flow Restoration Program Coordinator Oregon Water Resources Department 725 Summer St. NE, Suite A Salem, Oregon 97301-1271 Phone: (503) 986-0884 Web: www.wrd.state.or.us

1

OWRD April 8, 2005

DESCHUTES GROUND WATER MITIGATION CREDIT PROJECT REVIEW SHEET

The Oregon Water Resources Department is requesting an evaluation of the mitigation credit project described below pursuant to OAR 690-521-0300 (7) and OAR 690-505-0630 (2)

Project Summary (the following is to be filled out by WRD):

Date: March 10, 2009

21 Day Deadline Date: March 31, 2009

Mitigation Credit Project ID #: MP-124

Project Applicant's Name: Greg Daniels - the Daniels Group LLC

Type of Mitigation Project: Instream Transfer

Project ID #(ie transfer applic): T-10730

Project Duration: permanent

Potential Mitigation Credits that may be awarded to the project: 221.4 max (1 mitigation credit = 1 AF)

Description of how mitigation credits were determined: In this case, the number of mitigation credits that may be generated by an instream lease are based upon the consumptive use of the originating water right or water rights. For this instream lease, the number of mitigation credits were determined by multiplying the number of irrigated acres to be transferred instream by the irrigation consumptive use factor of 1.8 acre-feet of consumptive use for each acre of irrigation. (123.0 acres * 1.8 AF/acre = 221.4 AF of consumptive use). Potential issues have been identified that may cause the Department to reduce the amount of mitigation credits generated. Issues include subirrigation of a portion of the acres over the first part of the irrigation during high flows. Staff have not yet identified how many acres this affects but it may affect the number of acres that may be transferred instream and/or reduce the amount of consumptive use available from those acres by half or some other appropriate portion.

If the project were awarded mitigation credits, the credits could be used to mitigate a ground water use(s) in the following zone(s) of impact:

\boxtimes	General Zone of Impact	Metolius River Zone of Impact
	Middle Deschutes River Zone of Impact	Upper Deschutes River Zone of Impact
\boxtimes	Crooked River Zone of Impact	Little Deschutes River Zone of Impact

Squaw Creek Zone of Impact

Water Rights to be transferred instream:

Certificate 83857

Water Source: Crooked River

Use: Primary Irrigation

Acres: 67.0 ac of irrigation from 4 POD's

Irrigation Season: February 1 through November 30, by decree

Priority Dates:

1892 (64 acres), 1898 (0.5 acres), and 1904/1910 (2.5 acres)

Mitigation Portion - Rate/Duty (1/80th cfs per acre and 4.0 af/acre limitation):

By Priority Date	1892	1898	1904/1910	Duty
POD #2 - Low Line Ditch			0.031 CFS	10.0 AF
POD#1	0.168 CFS			53.6 AF
POD#6	0.633 CFS			202.4 AF
POD #7		0.006 CFS		2.0 AF
Totals	0.8 CFS	0.006 CFS	0.031 CFS	268.0 AF

POD Locations: POD #2 - Low Line Ditch - location not specified on certificate (but may be T14 S R14E Sec 24 SE SW)

POD #1 – T15S R16E Sec 8 NW SW POD #6 – T14S R14E Sec 29 NW NW POD #7 – T14S R14E Sec 20 SE SE Certificate 83651

Water Source: Crooked River

Use: Primary Irrigation

Acres: 45.0 ac of irrigation

Irrigation Season: February 1 through November 30, by decree

Priority Dates:

1903

Mitigation Portion - Rate/Duty (1/80th cfs per acre and 4.0 af/acre limitation):

By Priority Date	Rate	Duty	
1903	0.562 CFS	180.0 AF	

POD Location: T14S R14E Sec 24 SE SW

Certificate 83732

Water Source: Crooked River

Use: Primary Irrigation

Acres: 11.0 ac of irrigation (entire right)

Irrigation Season: February 1 through November 30, by decree

Priority Dates:

1892

Mitigation Portion - Rate/Duty (1/80th cfs per acre and 4.0 af/acre limitation):

By Priority Date	Rate	Duty	
1892	0.137 CFS	44.0 AF	

POD Location: T14S R14E Sec 20 SE SW

Instream use to be created by the project:

The applicant has requested to protect water instream below Low Line Ditch (T15S, R16E, Sec 8) and below the Crooked River Diversion (T14S, R14E, Sec 24) to the confluence with the Deschutes River.

Instream water rights typically begin at the originally authorized point of diversion and may extend down to the mouth of the source stream, in this case the Crooked River, unless there's a need to protect water for a shorter distance. Cert 83857 has four authorized points of diversion involved in the proposed transfer. Certs 83651 and 83732 each have 1 point of diversion. None of the rights appear to share a common point of diversion, except Low Line Ditch identified in Cert 83857 may be the same POD as that identified in Cert 83651.

Certificate 83857

Possible Reach	1892	1898	1904/1910	Duty
POD #1 to mouth	0.168 CFS			53.6 AF
POD #2 to mouth			0.031 CFS	10.0 AF
POD #7 to mouth		0.006 CFS		2.0 AF
POD #6 to mouth	0.633 CFS			202.4 AF
Max Totals	0.8 CFS	0.006 CFS	0.031 CFS	268.0 AF
Total Instream Max		268.0 AF		

Requested Instream Protection Purpose: Fish and wildlife habitat enhancement.

Note: The amount of water that may be transferred instream may need to be reduced below the POD's to account for return flows to prevent injury to downstream water users.

Water may be protected instream for a period of 161 days at the rate and volume requested. The applicant has requested to protect water during the period: The applicant has not specified a time period during which water is proposed to be protected instream. We could protect water instream at the full rates/duty for 161 day period or the rate may be reduced to protect water over a longer period.

Identify any issues that would limit when water could be protected instream during the irrigation season: <u>The limitation of when water may be protected instream begins with the irrigation season, being February 1 through November 30.</u>

Frequency that new use will likely be met within described reach: Not yet known.

Certificate 83651

Reach	By Priority Date	Rate	Duty	
POD to mouth	1903	0.562 CFS	180.0 AF	

Requested Instream Protection Purpose: Fish and wildlife habitat enhancement.

Note: The amount of water that may be transferred instream may need to be reduced below the POD to account for return flows to prevent injury to downstream water users.

Water may be protected instream for a period of 161 days at the rate and volume requested. The applicant has requested to protect water during the period: The applicant has not specified a time period during which water is proposed to be protected instream. We could protect water instream at the full rates/duty for 161 day period or the rate may be reduced to protect water over a longer period.

Identify any issues that would limit when water could be protected instream during the irrigation season: <u>The limitation of when water may be protected instream begins with the irrigation season, being February 1 through November 30.</u>

Frequency that new use will likely be met within described reach: Not yet known.

Certificate 83732

Reach	By Priority Date	Rate	Duty
POD to mouth	1892	0.137 CFS	44.0 AF

Requested Instream Protection Purpose: Fish and wildlife habitat enhancement.

Note: The amount of water that may be transferred instream may need to be reduced below the POD to account for return flows to prevent injury to downstream water users.

Water may be protected instream for a period of 161 days at the rate and volume requested. The applicant has requested to protect water during the period: The applicant has not specified a time period during which water is proposed to be protected instream. We could protect water instream at the full rates/duty for 161 day period or the rate may be reduced to protect water over a longer period.

Identify any issues that would limit when water could be protected instream during the irrigation season: <u>The limitation of when water may be protected instream begins with the irrigation season, being February 1 through November 30.</u>

Frequency that new use will likely be met within described reach: Not yet known.

Other Instream Water Rights within the same Reach:

Note: This section provides background information on existing instream flow protections already in place and is provided to help agencies make recommendations for shaping of the above described mitigation project.

Identify any instream Water Rights within the same reach as requested by the applicant: See attached table.

WRD Project Contact: Laura Wilke, Field Services Division

Phone: (503)-986-0884 / Fax: (503)-986-0903 / e-mail Laura, K. Wilke@wrd.state.or.us

Mitigation Project (MP-124 (T-10730)) Review Section:

The following is to be completed by the WRD Watermaster, DEQ, ODFW, Parks, Agriculture and DSL:

1.	Will the proposed mitigation project provide a resource benefit within the above identified zone(s) of impact? (yes or no)
	Please explain and if the project will provide a resource benefit, please identify the specific resource that will benefit:
2.	How can the proposed mitigation project be conditioned to enhance resource benefits and to make the most effective use of the mitigation project and mitigation water pursuant to OAR 690-521-0300 (7)? (i.e. time period water should be protected instream)
	Please describe:
3.	Other comments on the above referenced mitigation project:
Ag	ency Representative: Date:
	Agency:

STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

PEOPLES IRRIGATION CO. 615221 O'NEIL HWY PRINEVILLE, OR 97754

confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER, for IRRIGATION OF 569.3 ACRES, LIVESTOCK AND DOMESTIC USE.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The date of priority is 1892, 1895, 1897, 1898, and 1904/1910.

The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed 7.12 CUBIC FEET PER SECOND, or its equivalent in case of rotation, measured at the point of diversion.

The points of diversion are located as follows:

POD	OD Twp Rng Mer Sec Q-Q				Q-Q	Survey Coordinates
1	15 S	16 E	WM	8	NW SW	1920 Feet North and 340 Feet East From SW Corner of Section 8
(2)						Low Line Ditch
3	14 S	14 E	WM	24	NE SE	Pump: 450 feet West from the East ¼ corner of Section 24
4	14 S	14 E	WM	23	SW NE	Pump: 1020 feet North and 500 feet East from the center 1/4 corner of Section 23
5	14 S	14 E	WM	23	SW NW	Pump: 1000 feet North and 1400 feet West from the center 1/4 corner of Section 23
6	14 S	14 E	WM	29	NE NW	Pump: 1085 feet South and 970 feet West from the North ¼ Corner of Section 29
7	14 S	14 E	WM	20	SE SE	Pump: 325 feet North and 120 feet West from the Southeast Corner of Section 20

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each year. The use shall conform to such reasonable rotation system as may be ordered by the proper state officer.

A description of the place of use to which this right is appurtenant is as follows:

IRRIGATION, LIVESTOCK AND DOMESTIC										
Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User		
1895	1	14 S	15 E	WM	26	SW SW	20.0	Cox, F.T		
	1	14 S	15 E	WM	26	SE SW	20.0	Cox, F.T		
	1	14 S	15 E	WM	26	SW SE	20.0	Cox, F.T		
1904/1910	1	14 S	14 E	WM	21	SW NE	40.0	Deschutes Fine Wool Company		
	1	14 S	14 E	WM	21	SE NE	40.0	Deschutes Fine Wool Company		
	1	14 S	14 E	WM	21	NE SW	30.0	Deschutes Fine Wool Company		

T-10233.RA-dip

Page 1 of 2

Certificate 83857

		IR	RIGAT	ION, LI	VEST	OCK AND I	OMEST	ric	
Priority Date	POD	Twp	Rng	Mer	Sec	Q-Q	Acres	User	
	1	14 S	14 E	WM	21	NW SW	30.0	Deschutes Fine Wool Company	
	1	14 S	14 E	WM	21	SW SW	5.4	Deschutes Fine Wool Company	
1904/1910	1	14 S	14 E	WM	21	NE SE	30.0	Deschutes Fine Wool Company	
(continued)	1	14 S	14 E	WM	21	NW SE	30.0	Deschutes Fine Wool Company	-
	2	14 S	14 E	WM	21	SESW	40.0	Deschutes Fine Wool Company-	2.5
4 1	2	14 S	14 E	WM	21	SW SE	40.0	Deschutes Fine Wool Company	
2.500	2	14 S	14 E	WM	21	SE SE	40.0	Deschutes Fine Wool Company	
7:3	3	14 S	14 E	WM	23	SE NE	20.9	Deschutes Fine Wool Company	
	4	14 S	14 E	WM	23	NW NE	0.6	Deschutes Fine Wool Company	
	4	14 S	14 E	WM	23	NE NW	7.4	Deschutes Fine Wool Company	
	5	14 S	14 E	WM	23	NW NW	1.0	Deschutes Fine Wool Company	1.4
1892	1	14 S	14 E	WM	29	NW NW	2.4	Forrest, Frances	-011
	1	14 S	14 E	WM	29	SW NW	3.0	Forrest, Frances)(5	all
	(1)	14 S	14 E	WM	29	SE NW	8.0	Forrest, Frances	all
ila	1	14 S	14 E	WM	30	NE NE	5.6	Forrest, Frances	
Cofac	6	14 S	14 E	WM	20	SW SW	10.0	Forrest, Frances	-all 10.
6	6	14 S	14 E	WM	29	NE NW	5.0	Forrest, Frances Forrest, Frances	-all
	6	14 S	14 E	WM	29	NW NW	35.6		all
,	6	14 S	14 E	WM	30	NE NE	4.4	Forrest, Frances	
1898	7	14 S	14 E	WM	29	NE NE	0.5	McDowell, D.A.	all
1897	1	14 S	14 E	WM	26	NE NE	1.0	Messinger, Lucy	
	1	14 S	14 E	WM	26	NW NE	15.0	Messinger, Lucy	
	1	14 S	14 E	WM	26	NE NW	30.0	Messinger, Lucy	
-	1	14 S	14 E	WM	26	NW NW	30.0	Messinger, Lucy	
1898	1	14 S	14 E	WM	28	NE NE	3.5	Weaver, David	

The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described.

This certificate describes that portion of the water right confirmed by Certificate 81601, State Record of Water Right Certificates, NOT modified by the provisions of an order of the Water Resources Director entered <u>MAY 0 7 2008</u>, approving Transfer Application T-10233.

The issuance of this superseding certificate does not confirm the status of the water right in regard to the provisions of ORS 540.610 pertaining to forfeiture or abandonment.

WITNESS the signature of the Water Resources Director, affixed MAY 0 7 2008

T-10233.RA-dip

Page 2 of 2

Recorded in State Record of Water Right Certificates numbered 83857.

STATE OF OREGON

COUNTY OF CROOK

CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

LOW LINE DITCH CO. PRINEVILLE OR 97754

confirms the right to use the waters of CROOKED RIVER, tributary to DESCHUTES RIVER for IRRIGATION OF 165.09 ACRES, DOMESTIC, AND LIVESTOCK.

This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The date of priority is 1903.

The amount of water to which this right is entitled is limited to an amount actually used beneficially, and shall not exceed a reasonable amount for domestic and livestock, and 2.06 CUBIC FEET PER SECOND for irrigation, the total quantity being limited to 4.0 acre-feet per acre during each year, or its equivalent in case of rotation, measured at the point of diversion.

The point of diversion is located as follows:

Twp	Rng	Mer	Sec	Q-Q		
14 S	14 E	WM	24	SE SW		

The use shall conform to such reasonable rotation system as may be ordered by the proper state officer. The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described, and is subject to the existing minimum flow policies established by the Water Policy Review Board.

A description of the place of use to which this right is appurtenant is as follows:

Twp	Twp Rng Mer		Sec	Q-Q	Acres	Name of User through Company's Works		
14 S	14 E	WM	22	SW SW	15.00	V. Butler		
14 S	14 E	WM	22	NE SE	32.00	T.F. McCallister		
14 S	14 E	WM	22	NW SE	5.00	T.F. McCallister		
14 S	14 E	WM	22	SW SE	19.00	T.F. McCallister		
14 S	14 E	WM	22	SE SE	40.00	T.F. McCallister		
14 S	14 E	WM	28	NW NE	25.00	J.W. Livingston -all		
14 S	14 E	WM	28	NE NW	27.90	J.W. Livingston - 20ac		
14 S	14 E	WM	28	NW NW	1.19	J.W. Livingston		

This certificate describes that portion of the water right confirmed by Certificate 43547, State Record of Water Right Certificates, NOT modified by the provisions of an order of the Water Resources Director entered November 30, 2007, approving Transfer Application T-9829.

The right is subject to all other terms and conditions contained in said decree.

The issuance of this superseding certificate does not confirm the status of the water right in regard to the provisions of ORS 540.610 pertaining to forfeiture or abandonment.

WITNESS the signature of the Water Resources Director, affixed January 31, 2008.

Phillip C. Ward, Director

T-9829-correct.lks

Page 1 of 1

Certificate 83651

STATE OF OREGON COUNTY OF CROOK CERTIFICATE OF WATER RIGHT THIS CERTIFICATE ISSUED TO BUTLER RANCH, INC. 5294 NW LONE PINE ROAD TERREBONNE, OREGON 97760 confirms the right to use the waters of the CROOKED RIVER, a tributary of the DESCHUTES RIVER for IRRIGATION of 11.0 ACRES. This right was confirmed by decree of the Circuit Court of the State of Oregon for Crook County. The decree is of record at Salem, in the Order Record of the Water Resources Director in Volume 1, at Page 449. The date of priority is 1892. The amount of water to which this right is entitled is limited to an amount actually beneficially used, and shall not exceed 0.137 CUBIC FOOT PER SECOND if available at the original point of diversion: NW% SW%, SECTION 8, T 15 S, R 16 E, W.M., 744.2 FEET SOUTH AND 321 FEET EAST FROM THE WEST 1/4 CORNER OF SECTION 8, or its equivalent in case of rotation, measured at the point of diversion. The point of diversion is located as follows: SE % SW %, Section 20, T. 14 S., R. 14 E., W.M.; 1896 feet South and 1717 feet East from the West 1/4 Corner of Section 20. The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second, or its equivalent for each acre irrigated, and shall be further limited to a diversion of not to exceed 4.0 acre-feet per acre for each acre irrigated during the irrigation season of each year. This is a final order in other than a 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. T-7248.RA Certificate Number 83732

Page Two

A description of the place of use to which this right is appurtenant is as follows:

SW 1/2 SW 1/2 11.0 ACRES - O SECTION 20
TOWNSHIP 14 SOUTH, RANGE 14 EAST, W.M.

This certificate is issued to confirm a change in POINT OF DIVERSION approved by an order of the Water Resources Director entered July 9, 1997, approving Transfer Application T-7248, and together with certificates 72947, 74199, and 74200 supersedes Certificate 52183, State Record of Water Right Certificates.

The following conditions apply to this right:

- The quantity of water diverted at the new point of diversion, together with that diverted at the old diversion, shall not exceed the quantity of water lawfully available at the original point of diversion.
- When required by the Department, the water user shall install and maintain a headgate, an in-line flow meter, weir, or other suitable device for measuring and recording the quantity of water diverted. The type and plans of the headgate and measuring device must be approved by the Department prior to beginning construction and shall be installed under the general supervision of the Department.

The right to the use of the water for the above purpose is restricted to beneficial use on the lands or place of use described and is subject to all other conditions and limitations contained in the decree.

Issued JAN 0 9 2008

Ward, Director

Recorded in State Record of Water Right Certificates numbered 83732.

T-7248.RA

From: Jeremy Giffin

Sent: Thursday, March 12, 2009 8:14 AM

To: Laura Wilke

Subject: RE: Instream Transfer/Mitigation Project - questions - T-10730 / MP-124

From: Laura Wilke

Sent: Friday, March 06, 2009 11:56 AM

To: Jeremy Giffin

Subject: Instream Transfer/Mitigation Project - questions - T-10730 / MP-124

Importance: High

Hey Jeremy:

This is a preliminary mitigation review request for the instream transfer submitted by the Daniels Group, T-10730, over on the Crooked River. They have requested to use the instream transfer to establish mitigation credits. You've previously completed a WM evaluation and I know we'll have some chatting to do related to that but I wanted to get the ball rolling on the mitigation side of things. Here's a link to the application materials if you need them again:

http://apps2.wrd.state.or.us/apps/wr/wrinfo/wr_transfer_folder_image.aspx?transfer_char=T&transfer_nbr=10730

Instream Transfer (T-10730) Items of Note:

 This is permanent instream transfer to be used to establish mitigation credits – likely will be used in part or full for ground water permit application G-16877 (The Daniels Group).

Maybe, But it looks like the recent crook county amendment that was voted in stops all future destination resorts, and this one had not received an OK from the county prior to the new land use law, so I think this will eventually be cancelled.

- The application requests to protect water instream from below Low Line Ditch (T15S, R16E, Sec 8) and below the Crooked River Diversion (T14S, R14E, Sec 24) to the confluence with the Deschutes River. This will need to be fine tune to match water to each pod authorized by each right. For example, the portion of the right proposed for transfer under Cert 83857 is linked to four different POD's.
- OK, Makes since to me.
- Cert 83857 the location for the Low Line Ditch POD is not specified in the certificate. Is this the same POD
 as covered by Cert 83651?

No it is not. 83857 has the peoples ID canal diversion as well as the several pumping stations. 83651 POD is different.

- In your WM Evaluation you state that a number of acres are subirrigated during part of the irrigation season.
 Any feeling at this point as to how many acres may be involved under each right? This is something we will need to dig into deeper as we proceed with review of the transfer.
- Yes, Some of these lands are subirrigated during the early spring high flow levels when the river reaches the root zone level of the fields, however by June the river subsides to low levels and they need to irrigate all of the lands to keep the fields green.
- You also mentioned that NUID benefits from return flows. Do we need to account for return flows below each
 of the POD's under each right?

No, not from these specific rights these rights are sprinkle irrigated at 1/80th and 4 acre feet over a 6-7 month time period and I do not believe these have return flows.

Mitigation Project questions (MP-124):

Cert 83857:

What is the availability of each of the priority dates, being 1892, 1898 and 1904/1910? Is each of these
priority dates, on average, available the full irrigation season?

Yes these rights are met on a 100% basis. The last time we regulated this stretch was in the drought of 1994 and only because NUID leased stored water from Prineville reservoir and we had to protect it through this reach.

 At what frequency (%) will a new instream use created as a result of this instream transfer be met – considering each priority date?

100% of the time.

- Are there any issues with this water right or the portion requested to be transferred instream? Are there any
 non use issues, regulation issues, source reliability issues or other issues? Anything that would cause the
 need to calculate the amount of mitigation generated by the project differently. See questions 2 thru 4 in the
 memo entitled "Mitigation Water/Credit Determinations using Consumptive Use & Watermaster Distribution
 Records" under tab 11 of your Deschutes Mitigation desk manual.
 - The subirrigation is definitely something that will affect the amount of mitigation made available under this
 right.

No issues that I am aware of. Kyle and I discussed it and we feel as if the subirrigation only occurs during the early season and the beneficially use the 4 acre feet every year.

Cert 83651:

 What is the availability of water under the 1903 priority date? Is this priority dates, on average, available the full irrigation season?

100% of the time.

 At what frequency (%) will a new instream use created as a result of this instream transfer be met – considering the priority date?

100% of the time.

- Are there any issues with this water right or the portion requested to be transferred instream? Are there any non use issues, regulation issues, source reliability issues or other issues? Anything that would cause the need to calculate the amount of mitigation generated by the project differently. See questions 2 thru 4 in the memo entitled "Mitigation Water/Credit Determinations using Consumptive Use & Watermaster Distribution Records" under tab 11 of your Deschutes Mitigation desk manual.
 - The subirrigation is definitely something that will affect the amount of mitigation made available under this
 right.

Again Kyle and I agree that the subirrigation does not effect the full use of the right as is the case with the other water rights listed above.

Cert 83732:

 What is the availability of water under the 1892 priority date? Is this priority dates, on average, available the full irrigation season?

100% of the time.

 At what frequency (%) will a new instream use created as a result of this instream transfer be met – considering the priority date?

100% of the time.

- Are there any issues with this water right or the portion requested to be transferred instream? Are there any
 non use issues, regulation issues, source reliability issues or other issues? Anything that would cause the
 need to calculate the amount of mitigation generated by the project differently. See questions 2 thru 4 in the
 memo entitled "Mitigation Water/Credit Determinations using Consumptive Use & Watermaster Distribution
 Records" under tab 11 of your Deschutes Mitigation desk manual.
 - The subirrigation is definitely something that will affect the amount of mitigation made available under this
 right.

Same answer as the other priorities listed above.

But that being said, this is a very complicated transfer and I would like to address the issues as they arise because I still do not feel as if we have worked out all of the potential issues associated with this transfer.

Thanks much! Laura Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer St. NE, Suite A
Salem, Oregon 97301-1271
Phone: (503) 986-0884
Web: www.wrd.state.or.us

Preliminary Calculation

MP-124

3/8/2011

MITIGATION WATE	ER/CREDIT CALCUL	ATION FOR IRRIGA	TION (FULL	SEASON)	
Final Calculation					
Number of Acres	CU PER Acre (AF)	Total CU (mitigation	water)		
67.00	1.8	120.6			

cert

83857 Crooked River

original acreage

POD #2		POD #6	POD #7
10.00	2.5	5	0.50
2.40		35.60	
3.00			
8.00			
	10.00 2.40 3.00	10.00 2.5 2.40 3.00	10.00 2.5 5 2.40 35.60 3.00

totals 23.40 2.50 40.60 0.50 0.00 67.00

Preliminary Calculation

MP-124

3/8/2011

MITIGATION WATE	ER/CREDIT CALCUL	ATION FOR IRRIGA	TION (FULL	SEASON)	
Final Calculation					
Number of Acres	CU PER Acre (AF)	Total CU (mitigation	water)		
45.00	1.8	81.0			

cert

83651 Crooked River

original acreage POD

25.00 20.00

totals

45.00

0.00

0.00

0.00

0.00

45.00

Preliminary Calculation

MP-124

3/8/2011

MITIGATION WATE	ER/CREDIT CALCUL	ATION FOR IRRIGA	TION (FULL SEA	SON)
Final Calculation				
Number of Acres	CU PER Acre (AF)	Total CU (mitigation	water)	
11.00	1.8	19.8		

cert

83732 Crooked River

original acreage

11.00

totals 11.00 0.00

0.00

0.00

0.00

11.00

From:

Jon LaMarche

Sent:

Thursday, February 24, 2011 1:31 PM

To:

Laura Wilke

Subject:

RE: zone of impact reviews (and return flow feedback) needed

Attachments: mp-124.doc; mp-124.jpg

Laura,

Here are the findings for MP-124.

How do the zone reviews differ from the return flow feedback? Aren't these the same thing or do you need more specificity for the return flow feedback.

For MP-124, the return flows should all occur above Smith Rocks and our gage there.

-Jonathan

Jonathan La Marche, P.E. Hydrologist Oregon Water Resources Department 1128 NW Harriman Street Bend, OR 97701

tel: 541-330-4659 fax: 541-388-5101

email: jon.l.lamarche@wrd.state.or.us

From: Laura Wilke

Sent: Wednesday, February 16, 2011 8:55 AM

To: Jon LaMarche

Subject: zone of impact reviews (and return flow feedback) needed

Importance: High

Jonathan:

Here's an updated list of applications awaiting review.

It looks like I'm still awaiting zone of impact review and return flow feedback on the following. I've put them in order by priority.

T-10730 (MP-124): http://apps.wrd.state.or.us/apps/wr/wrinfo/wr-transfer-folder-image.aspx? transfer char=T&transfer nbr=10730

T-11163 (MP-143): http://apps.wrd.state.or.us/apps/wr/wrinfo/wr_transfer_folder_image.aspx? transfer_char=T&transfer_nbr=11163

Next would be return flow feedback for (zone review already done):

T-10826 (MP-126): http://apps.wrd.state.or.us/apps/wr/wrinfo/wr-transfer-folder-image.aspx? transfer char=T&transfer nbr=10826

Others with zone review and return flow feedback needed:

T-11000 (MP-130): http://apps.wrd.state.or.us/apps/wr/wrinfo/wr-transfer-folder-image.aspx? transfer char=T&transfer nbr=11000

T-11090 (MP-139): http://apps.wrd.state.or.us/apps/wr/wrinfo/wr-transfer-folder-image.aspx? transfer char=T&transfer nbr=11090

T-11102 (MP-140): http://apps.wrd.state.or.us/apps/wr/wrinfo/wr-transfer-folder-image.aspx? transfer char=T&transfer nbr=11102

T-11110 (MP-141): http://apps.wrd.state.or.us/apps/wr/wrinfo/wr-transfer-folder-image.aspx?
transfer-nbr=11110

T-11111 (MP-142): http://apps.wrd.state.or.us/apps/wr/wrinfo/wr-transfer-folder-image.aspx? transfer char=T&transfer nbr=11110

Also need zone reviews on the following instream leases - will need these for imput into the flow model:

IL-372 (MP-131): http://apps.wrd.state.or.us/apps/wr/wrinfo/wr-transfer-folder-image.aspx? transfer char=IL&transfer nbr=372

IL-1042 (MP-132): http://apps.wrd.state.or.us/apps/wr/wrinfo/wr-transfer-folder-image.aspx?
transfer-nbr=1042

IL-1043 (MP-133): http://apps.wrd.state.or.us/apps/wr/wrinfo/wr_transfer_folder_image.aspx? transfer_char=IL&transfer_nbr=1043

IL-1065 (MP-134): http://apps.wrd.state.or.us/apps/wr/wrinfo/wr_transfer_folder_image.aspx?
transfer_char=IL&transfer_nbr=1065

IL-1071 (MP-135): http://apps.wrd.state.or.us/apps/wr/wrinfo/wr_transfer_folder_image.aspx? transfer_char=IL&transfer_nbr=1071

IL-1074 (MP-136): http://apps.wrd.state.or.us/apps/wr/wrinfo/wr-transfer-folder-image.aspx?
transfer-folder-image.aspx?

IL-1081 (MP-138): http://apps.wrd.state.or.us/apps/wr/wrinfo/wr_transfer_folder_image.aspx?
transfer_char=IL&transfer_nbr=1081

IL-1108 (MP-144) (this one is a recent submission - I just ahavent' sent you the e-mail on this one yet): http://apps.wrd.state.or.us/apps/wr/wrinfo/wr-transfer-folder-image.aspx?transfer-char=IL&transfer-nbr=1108

I think this is it......for now......:) Have a good one!

Thanks, Laura

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301-1271
Phone: (503) 986-0884
Fax: (503) 986-0903

Oregon Water Resources Department

MEMO

February 14, 2011

(Date)

TO

Mitigation Project Application MP-124

FROM

GW: Jonathan La Marche

(Reviewer's Name)

SUBJECT

Mitigation Project Zone of Impact Evaluation for Deschutes Ground Water

Study Area

The source of appropriation is the <u>Crooked</u> River/Creek. The original place of use, if applicable, is within the Crooked sub-basin.

This project proposes to protect water instream within the **Crooked** subbasin.

For all mitigation project types except aquifer recharge and storage releases:

Return flows from the original authorized use normally returned to the surface water system within the <u>Crooked</u> zone(s) of impact and return flows from transmission loss, if any, from the original use would have returned to the surface water system within the <u>Crooked</u> zone(s) of impact.

For aquifer recharge and storage release mitigation projects:

The zone of impact for the mitigation project is the

zone of impact.

Current Zones of Impact:

General Zone of Impact where ground water generally discharges to surface water in the confluence area of the Deschutes River, Crooked River and Metolius River above the Madras gage.

Crooked River Zone of Impact where ground water generally discharges to surface water in the at Osborne Canyon (River Mile 13.8) area.

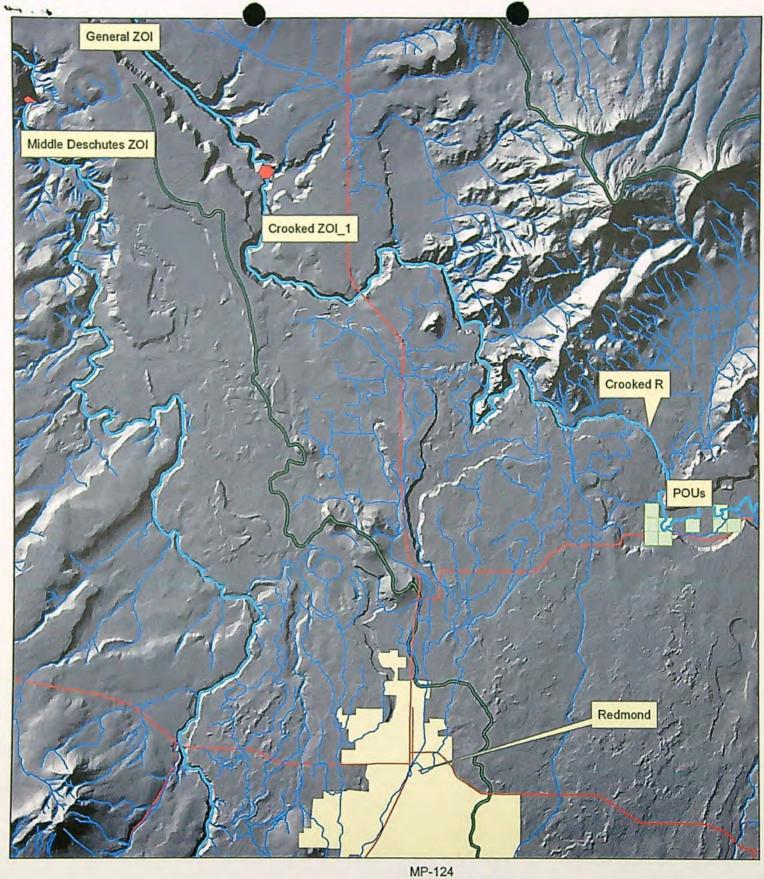
Middle Deschutes River Zone of Impact where ground water generally discharges to surface water in the Sundown Canyon Road (approximately River Mile 125) area.

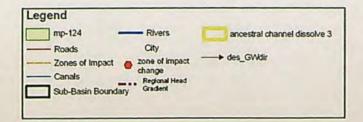
Metolius River Zone of Impact where ground water generally discharges to surface water above the confluence with Jefferson Creek (approximately RM 28).

Whychus Creek Zone of Impact where ground water generally discharges to surface water in the McKinney Butte (RM 16) area.

Upper Deschutes River Zone of Impact where ground water generally discharges to surface water above RM 185, which is downstream from the confluence with Spring River.

Little Deschutes River Zone of Impact where ground water generally discharges to surface water above the mouth of the Little Deschutes River.





POD: Crooked River

POU: As shown see application, Total = 123 acres

On Farm Losses ZOI: Crooked River Transmission Losses ZOI: Crooked River

Other:

49% on farm losses

Expiration: None (permanent), Cert # 81601,83651,83732)

From:

Laura Wilke

Sent:

Friday, March 06, 2009 12:01 PM

To:

Jon LaMarche

Cc:

Ken Lite

Subject: Request for Zone of Impact Determination on Mitigation Credit Project MP-124

Jonathan:

This is a request for a zone of impact determination for MP-124.

This is an instream transfer T-10730 submitted by the Daniels Group LLC with David Newton as the agent. Here's a link to the transfer application materials:

http://apps2.wrd.state.or.us/apps/wr/wrinfo/wr_transfer_folder_image.aspx?transfer_char=T&transfer_nbr=10730

There are two items at this link, one being the application and the other being the map. This transfer is being processed via reimbursement authority.

Let me know if you need anything else. The open comment period on this ends March 31, 2009.

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer St. NE, Suite A
Salem, Oregon 97301-1271
Phone: (503) 986-0884

Phone: (503) 986-0884 Web: www.wrd.state.or.us

From:

Laura Wilke

Sent:

Friday, March 06, 2009 11:56 AM

To:

Jeremy Giffin

Subject:

Instream Transfer/Mitigation Project - questions - T-10730 / MP-124

Importance: High

Hey Jeremy:

This is a preliminary mitigation review request for the instream transfer submitted by the Daniels Group, T-10730, over on the Crooked River. They have requested to use the instream transfer to establish mitigation credits. You've previously completed a WM evaluation and I know we'll have some chatting to do related to that but I wanted to get the ball rolling on the mitigation side of things. Here's a link to the application materials if you need them again:

http://apps2.wrd.state.or.us/apps/wr/wrinfo/wr transfer folder image.aspx?transfer char=T&transfer nbr=10730

Instream Transfer (T-10730) Items of Note:

- This is permanent instream transfer to be used to establish mitigation credits likely will be used in part or full for ground water permit application G-16877 (The Daniels Group).
- The application requests to protect water instream from below Low Line Ditch (T15S, R16E, Sec 8) and below the Crooked River Diversion (T14S, R14E, Sec 24) to the confluence with the Deschutes River. This will need to be fine tune to match water to each pod authorized by each right. For example, the portion of the right proposed for transfer under Cert 83857 is linked to four different POD's.
- Cert 83857 the location for the Low Line Ditch POD is not specified in the certificate. Is this the same POD
 as covered by Cert 83651?
- In your WM Evaluation you state that a number of acres are subirrigated during part of the irrigation season.
 Any feeling at this point as to how many acres may be involved under each right? This is something we will need to dig into deeper as we proceed with review of the transfer.
- You also mentioned that NUID benefits from return flows. Do we need to account for return flows below each
 of the POD's under each right?

Mitigation Project questions (MP-124):

Cert 83857:

- What is the availability of each of the priority dates, being 1892, 1898 and 1904/1910? Is each of these priority dates, on average, available the full irrigation season?
- At what frequency (%) will a new instream use created as a result of this instream transfer be met considering each priority date?
- Are there any issues with this water right or the portion requested to be transferred instream? Are there any
 non use issues, regulation issues, source reliability issues or other issues? Anything that would cause the
 need to calculate the amount of mitigation generated by the project differently. See questions 2 thru 4 in the
 memo entitled "Mitigation Water/Credit Determinations using Consumptive Use & Watermaster Distribution
 Records" under tab 11 of your Deschutes Mitigation desk manual.
 - The subirrigation is definitely something that will affect the amount of mitigation made available under this
 right.

Cert 83651:

- What is the availability of water under the 1903 priority date? Is this priority dates, on average, available the full irrigation season?
- At what frequency (%) will a new instream use created as a result of this instream transfer be met considering the priority date?
- Are there any issues with this water right or the portion requested to be transferred instream? Are there any
 non use issues, regulation issues, source reliability issues or other issues? Anything that would cause the
 need to calculate the amount of mitigation generated by the project differently. See questions 2 thru 4 in the
 memo entitled "Mitigation Water/Credit Determinations using Consumptive Use & Watermaster Distribution
 Records" under tab 11 of your Deschutes Mitigation desk manual.
 - The subirrigation is definitely something that will affect the amount of mitigation made available under this
 right.

Cert 83732

- What is the availability of water under the 1892 priority date? Is this priority dates, on average, available the full irrigation season?
- At what frequency (%) will a new instream use created as a result of this instream transfer be met considering the priority date?
- Are there any issues with this water right or the portion requested to be transferred instream? Are there any
 non use issues, regulation issues, source reliability issues or other issues? Anything that would cause the
 need to calculate the amount of mitigation generated by the project differently. See questions 2 thru 4 in the
 memo entitled "Mitigation Water/Credit Determinations using Consumptive Use & Watermaster Distribution
 Records" under tab 11 of your Deschutes Mitigation desk manual.
 - The subirrigation is definitely something that will affect the amount of mitigation made available under this
 right.

Thanks much! Laura

Laura Wilke
Flow Restoration Program Coordinator
Oregon Water Resources Department
725 Summer St. NE, Suite A
Salem, Oregon 97301-1271
Phone: (503) 986-0884
Web: www.wrd.state.or.us

Information shown in purple boxes show calculation results.

	Instream Ca	lculator	
Application number	Certificate #	Priority Date	
T-10730	83857		
Enter # of Acres			
64.00			
Enter rate/acre (ie 1/80)		Max Instream Rate in C	
0.0125		0.800	Rate A: Based on rate per acre
Enter Full Rate Allowed by Certificate in CFS	Enter total # acres allowed by Certificate		
7.120	569.30	0.800	Rate B: Proportional based on full certificate
Enter duty/acre			
4.00	256.00		
	Lesser of Rate A or B in CFS		
	0.800		
Optional =	Enter alternative rate (cannot be	greater than the lessor	of Rate A or B)
			number days instream
	Based on Less	sor of Rate A or B above	161
	Ba	ased on Alternative Rate	ERR

(u	ter Proposed to be Protect ses number of days instra eed the season of use or extend	eam from above ta	ible)
Based	on Lessor of Rate A or B above		Based on Alternative Rate
	Enter proposed begin date		
begin date		begin date	
end date	6/8/1900	end date	ERR
	OR period may be leased instream		OR period may be leased instream
	Enter proposed end date		Enter proposed end date
end date			
begin date	#######################################	begin date	ERR

Optional - for alternative in	stream periods in	cluding the fu	Il irrigation season
Enter Proposed begin and end date	es		
begin date	3/1/2009	Number of Days in	Identified Period
end date	10/31/2009		245 Days
		CFS rate	
		0	.527

Rate, Duty and Instre Period Calculator for Instream Less and Transfers

Enter appropriate info into blue boxes. Information shown in purple boxes show calculation results.

	Instream Ca	lculator	
Application number	Certificate #	Priority Date	
T-10730	83857		
Enter # of Acres			
50.60			
Enter rate/acre (ie 1/80)		Max Instream Rate in C	
0.0125		0.633	Rate A: Based on rate per acre
Enter Full Rate Allowed by Certificate in CFS	Enter total # acres allowed by Certificate		
7.120	569.30	0.633	Rate B: Proportional based on full certificate
Enter duty/acre			
4.00	202.40		
	Lesser of Rate A or B in CFS		
	0.633		
Optional =	Enter alternative rate (cannot be	greater than the lessor	of Rate A or B)
			number days instream
	Based on Less	sor of Rate A or B above	161
	B	ased on Alternative Rate	ERR

(u	ter Proposed to be Protect ses number of days instre sed the season of use or extend of	am from above ta	ible)
Based	on Lessor of Rate A or B above		Based on Alternative Rate
	Enter proposed begin date		
begin date		begin date	
end date	6/8/1900	end date	ERR
	OR period may be leased instream		OR period may be leased instream
	Enter proposed end date		Enter proposed end date
end date			
begin date	#######################################	begin date	ERR

Enter Proposed begin and	end dates		
begin date		Number of Days in Iden	tified Period
end date	10/31/2009	245	Days
		CFS rate	
		0.417	

Information shown in purple boxes show calculation results.

	Instream Ca	lculator	
Application number	Certificate #	Priority Date	
T-10730	83857		
Enter # of Acres			
13.40			
Enter rate/acre (ie 1/80)		Max Instream Rate in C	
0.0125		0.168	Rate A: Based on rate per acre
Enter Full Rate Allowed by Certificate in CFS	Enter total # acres allowed by Certificate		
7.120	569.30	0.168	Rate B: Proportional based on full certificate
Enter duty/acre			
4.00	53.60		
	Lesser of Rate A or B in CFS		
	0.168		
Optional =	Enter alternative rate (cannot be	greater than the lessor	of Rate A or B)
			number days instream
	Based on Less	sor of Rate A or B above	161
	Ba	ased on Alternative Rate	ERR

(u	ter Proposed to be Protec ses number of days instre eed the season of use or extend o	am from above ta	ible)
Based	on Lessor of Rate A or B above		Based on Alternative Rate
	Enter proposed begin date		
begin date		begin date	
end date	6/8/1900	end date	ERR
	OR period may be leased instream		OR period may be leased instream
	Enter proposed end date		Enter proposed end date
end date			
begin date	#######################################	begin date	ERR

Optional - for alternative instream periods including the full irrigation season				
Enter Proposed begin and end da	tes			
begin date	begin date 3/1/2009 N		ntified Period	
end date	10/31/2009	245	Days	
		CFS rate		
		0.110		

Information shown in purple boxes show calculation results.

	Instream Ca	lculator	
Application number	Certificate #	Priority Date	00117
T-10730	83857	1898	101)74-1
Enter # of Acres			
0.50			
Enter rate/acre (ie 1/80)		Max Instream Rate in C	
0.0125		0.006	Rate A: Based on rate per acre
Enter Full Rate Allowed by Certificate in CFS	Enter total # acres allowed by Certificate		
7.120	569.30	0.006	Rate B: Proportional based on full certificate
Enter duty/acre			
4.00	2.00		
	Lesser of Rate A or B in CFS		
	0.006		
Optional =	Enter alternative rate (cannot be	greater than the lessor	of Rate A or B)
			number days instream
	Based on Less	sor of Rate A or B above	161
	Ba	ased on Alternative Rate	ERR

(u	ter Proposed to be Protect ses number of days instr eed the season of use or extend	eam from above ta	ible)
Based	on Lessor of Rate A or B above		Based on Alternative Rate
	Enter proposed begin date		
begin date		begin date	
end date	6/8/1900	end date	ERR
	OR period may be leased instream		OR period may be leased instream
	Enter proposed end date		Enter proposed end date
end date			
begin date	#######################################	begin date	ERR

Optional - for alternation	ve instream periods in	cluding the full irr	igation season
Enter Proposed begin and er	nd dates		
begin date	3/1/2009	9 Number of Days in Identified Period	
end date	10/31/2009	245	Days
		CFS rate	
		0.004	

	Instream Ca	lculator	
Application number	Certificate #	Priority Date	0010
T-10730	83857		PONAL
Enter # of Acres			
2.50			
Enter rate/acre (ie 1/80)		Max Instream Rate in C	
0.0125		0.031	Rate A: Based on rate per acre
Enter Full Rate Allowed by Certificate in CFS	Enter total # acres allowed by Certificate		
7.120	569.30	0.031	Rate B: Proportional based on full certificate
Enter duty/acre			
4.00	10.00		
	Lesser of Rate A or B in CFS		
	0.031		
Optional =	Enter alternative rate (cannot be	greater than the lessor	of Rate A or B)
			number days instream
	Based on Less	sor of Rate A or B above	161
	Ba	ased on Alternative Rate	ERR

(u	ter Proposed to be Protectives number of days instremed the season of use or extend to	eam from above ta	ible)
Based	on Lessor of Rate A or B above		Based on Alternative Rate
	Enter proposed begin date		
begin date		begin date	
end date	6/8/1900	end date	ERR
	OR period may be leased instream		OR period may be leased instream
	Enter proposed end date		Enter proposed end date
end date			
begin date	#######################################	begin date	ERR

Optional - for alternative ins	stream periods in	cluding the full irri	gation season
Enter Proposed begin and end date	S		
begin date	3/1/2009	3/1/2009 Number of Days in Identified Period	
end date	10/31/2009	245	Days
		CFS rate	
		0.021	

Rate, Duty and Instress

Enter appropriate info into blue boxes.

Information shown in purple boxes show calculation results.

	Instream Ca	lculator	
Application number	Certificate #	Priority Date	1904/1910
T-10730	83857		1992+1898
Enter # of Acres			
67.00			
Enter rate/acre (ie 1/80)		Max Instream Rate in C	
0.0125		0.838	Rate A: Based on rate per acre
Enter Full Rate Allowed by Certificate in CFS	Enter total # acres allowed by Certificate		
7.120	569.30	0.838	Rate B: Proportional based on full certificate
Enter duty/acre			
4.00	268.00		
	Lesser of Rate A or B in CFS		
	0.838		
Optional =	Enter alternative rate (cannot be	greater than the lessor	of Rate A or B)
			number days instream
	Based on Less	sor of Rate A or B above	161
	Ba	ased on Alternative Rate	ERR

(u	ter Proposed to be Protec ses number of days instre eed the season of use or extend of	eam from above ta	ible)
Based	on Lessor of Rate A or B above		Based on Alternative Rate
	Enter proposed begin date		
begin date		begin date	
end date	6/8/1900	end date	ERR
	OR period may be leased instream		OR period may be leased instream
	Enter proposed end date		Enter proposed end date
end date			
begin date	#######################################	begin date	ERR

Optional - for alternative in:	stream periods in	cluding the full irri	gation season
Enter Proposed begin and end date	es		
begin date	3/1/2009	009 Number of Days in Identified Period	
end date	10/31/2009	245	Days
		CFS rate	
		0.551	

Enter appropriate info into blue boxes. Information shown in purple boxes show calculation results.

	Instream Ca	lculator	
Application number	Certificate #	Priority Date	
T-10730	83651		
Enter # of Acres			
45.00			
Enter rate/acre (ie 1/80)		Max Instream Rate in C	
0.0125		0.563	Rate A: Based on rate per acre
Enter Full Rate Allowed by Certificate in CFS	Enter total # acres allowed by Certificate		
2.060	165.09	0.562	Rate B: Proportional based on full certificate
Enter duty/acre			
4.00	180.00		
	Lesser of Rate A or B in CFS		
	0.562		
Optional =	Enter alternative rate (cannot be	greater than the lessor	of Rate A or B)
			number days instream
	Based on Less	sor of Rate A or B above	161
	Ba	ased on Alternative Rate	ERR

(u	ter Proposed to be Protec ses number of days instre eed the season of use or extend of	eam from above ta	ible)
Based	on Lessor of Rate A or B above		Based on Alternative Rate
	Enter proposed begin date		
begin date		begin date	
end date	6/8/1900	end date	ERR
	OR period may be leased instream		OR period may be leased instream
	Enter proposed end date		Enter proposed end date
end date			
begin date	#######################################	begin date	ERR

Optional - for alternative	e instream periods ir	cluding the full irr	igation season
Enter Proposed begin and end	dates		
begin date	3/1/2009	Number of Days in Identified Period	
end date	10/31/2009	245	Days
		CFS rate	
		0.370	

Rate, Duty and Instree Period Calculator for Instream eses and Transfers
Enter appropriate info into blue boxes.

Information shown in purple boxes show calculation results.

	Instream Ca	lculator	
Application number	Certificate #	Priority Date	
T-10730	83732	1892	
Enter # of Acres			
11.00			
Enter rate/acre (ie 1/80)		Max Instream Rate in C	
0.0125		0.138	Rate A: Based on rate per acre
Enter Full Rate Allowed by Certificate in CFS	Enter total # acres allowed by Certificate		
0.137	11.00	0.137	Rate B: Proportional based on full certificate
Enter duty/acre			
4.00	44.00		
	Lesser of Rate A or B in CFS		
	0.137		
Optional =	Enter alternative rate (cannot be	greater than the lessor	of Rate A or B)
			number days instream
	Based on Lessor of Rate A or B above		161
Based on Alternativ			ERR

(u	ter Proposed to be Protect ses number of days instre sed the season of use or extend of	eam from above ta	ible)
Based	on Lessor of Rate A or B above		Based on Alternative Rate
	Enter proposed begin date		
begin date		begin date	
end date	6/8/1900	end date	ERR
	OR period may be leased instream		OR period may be leased instream
	Enter proposed end date		Enter proposed end date
end date			
begin date	######################################	begin date	ERR

Optional - for alternative ins	tream periods in	cluding the full irri	gation season
Enter Proposed begin and end date	S		
begin date		Number of Days in Ident	tified Period
end date	10/31/2009	245	Days
		CFS rate	
		0.091	

Preliminary Calculation MP-124 T-10730 3/5/2009

MITIGATION WATE	R/CREDIT CALCULA	ATION FOR	IRRIGATI	ON (FULL S	EASON)
Preliminary Calcula	tion				
Number of Acres	CU PER Acre (AF)	Total CU (mitigation water)			
67	1.8	120.6			

cert original acreage 83857

1904/1910 1892 1898 2.50 2.40 0.5

3.00 8.00 10.00 5.00 35.60

totals 2.50 64.00 0.50 0.00 67.00

Preliminary Calculat	tion	MP-124	T-10730	3/5/2009	
MITIGATION WATER/CREDIT CALCULATION FOR IRRIGATION (FULL SEASON)					ASON)
Preliminary Calcula	tion				
Number of Acres	CU PER Acre (AF)	Total CU (mitigation water)			
45	1.8	81.0			

83651 cert original acreage

1903 25.00 20.00

0.00 0.00 0.00 45.00 totals 45.00

11	1.8	19.8		
Number of Acres	CU PER Acre (AF)	Total CU (mitigation water)		
Preliminary Calcula				
MITIGATION WATE	ER/CREDIT CALCULA	ATION FOR	RIRRIGATIO	ON (FULL SEASON)
Preliminary Calcula	tion	MP-124	T-10730	3/5/2009

cert

83732

original acreage

1892 entire right 11.00

11.00 totals 0.00 0.00 0.00 11.00