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United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

JUL 8 1980

Mr. James M. Flowers
Secretary
Ady District Improvement Company
Box 95
Midland, OR 97634

Dear Mr. Flowers:

The Ady District Improvement Company completed payment of all construction charges pursuant to its repayment contract on August 5, 1975. You requested that I determine that a general pattern of family size ownerships has been established and exempt the district from the acreage limitation provisions of Reclamation law based on Solicitor's Opinion M-36634,68 I.D. 372, 405 (1961).

The Department has carefully reviewed the factual information with regard to ownership holdings in your district. My Solicitor has advised me that in order to meet the requisite standard, it is not necessary to find that all parcels are now held in ownerships of 160 acres or less. Instead, I must determine whether, in general, the breakup of excess acreage as required by the Reclamation law into family size ownerships has been achieved.

The evidence indicates that all ownerships in your district are approximately 160 acres or less (320 acres for husband and wife). The land in farm enterprises in your district appears to be family businesses as is evidenced by the number of family members involved in each. The landowners in the district also took appropriate action to bring the land into full compliance with Reclamation law in accordance with contract payout provisions in effect in the early 1950's. These efforts represented a good faith on their part to come into compliance with the procedures in effect at that time.

Consequently, I conclude that a general pattern of family sized ownerships has been established. The lands included in the Ady District Improvement Company on the date of this letter are exempt from the acreage limitation and residency provisions of the 1902 Reclamation Act.

Sincerely,

Leisel D. Andrews
SECRETARY

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of George Proctor
his 8th day of August A. D. 1980 at 11:04 o'clock A. M., and
fully recorded in Vol. M80, of Deeds on Page 14787

Fee \$7.00

Wm D. MILNE, County Clerk
By *Bernetha J. Hellock*

Return to:

PROCTOR & PUCKETT
ATTORNEYS AT LAW
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KLAMATH FALLS, OREGON 97601