

**BEFORE THE WATER RESOURCES DEPARTMENT
OF THE
STATE OF OREGON**

In the Matter of the Proposed Short-Term)	DETERMINATION and
Lease of Existing Water Rights for Instream)	FINAL ORDER ON
Use, Certificate 74145, Deschutes County,)	PROPOSED INSTREAM
Oregon,)	LEASE
)	

FINDINGS OF FACT

1. A Short-Term Lease Application, which proposed to lease a portion of certificate 74145 for instream purposes was submitted to the Department by:

Lessor #1	Lessor #2
John and Rebecca Marshall	Swalley Irrigation District
11228 NE 67 th Street	P.O. Box 5126
Kirkland, WA 98033	Bend, OR 97708-5126

Lessee
Deschutes Resources Conservancy
P.O. Box 1560
Bend, OR 97709

2. The Department assigned this lease agreement number L-465.
3. The lease application includes the required information under OAR 690-077-0077(3). The Department provided notice of the lease application pursuant to OAR 690-077-0077(6). No comments were received.
4. The instream lease application has been clarified to identify that the irrigated lands to be leased instream are located at Township 16 South, Range 12 East, Section 29, SE 1/4 SE 1/4, Tax Lot 1200.
5. The lessor shall have the option of terminating the lease each year, prior to the lease being exercised, with 30 days written notice to the Department.
6. Based upon review of the application and information provided by the Department's Watermaster, the Department finds that the lease, as proposed, will not result in injury or enlargement.
7. The lease will terminate on October 31, 2007.

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 137-004-080 and OAR 690-01-005 you may either petition for judicial review or petition the Director for reconsideration of this order.

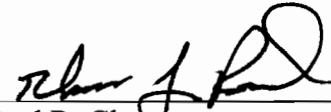
CONCLUSIONS OF LAW

The Department concludes that the lease, as modified above, will not result in injury or enlargement, OAR 690-077-0077.

ORDER

Therefore, it is ORDERED that the Short-Term Lease described herein is APPROVED.

Dated at Salem, Oregon this 31st day of July, 2003.



Paul R. Cleary
Director