

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

In the Matter of the Proposed Short-Term)
Lease of Existing Water Rights for Instream)
Use, Certificates 12058 and 3154, Wallowa)
County

DETERMINATION and
FINAL ORDER ON PROPOSED
INSTREAM LEASE

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 short-term instream lease applications.

Lessor

Les and Nancy Carlsen
84188 Highway 82
Lostine, Oregon 97857

Lessee

Oregon Water Trust
522 SW Fifth Avenue, Suite 825
Portland, Oregon 97204

Findings of Fact

1. Les and Nancy Carlsen and the Oregon Water Trust filed an application to lease all of Certificate 12058 and 3154a portion of Certificate 3154 to instream use. The Department assigned the application number L-617.
2. The rights to be leased are as follows:

Certificate 12058

Twp	Rng	Mer	Sec	Q-Q	Acres
1 S	43 E	WM	14	NW SW	16.00

Point of Diversion

Twp	Rng	Mer	Sec	Q-Q	Survey Coordinates
1 S	43 E	WM	27	NE NW	Sheep Ridge Ditch

Certificate 3154

Twp	Rng	Mer	Sec	Q-Q	Acres
1 S	43 E	WM	14	NE SW	39.50
1 S	43 E	WM	14	NW SW	4.00
1 S	43 E	WM	14	NW SE	30.50

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.

Point of Diversion

Twp	Rng	Mer	Sec	Q-Q	Survey Coordinates
1 S	43 E	WM	14	NW SE	TRACT 1 10;SHEEP RIDGE D

- The lease application includes the information required 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.
- The instream use is as described in the lease application:
 Lostine River
 Tributary to Wallowa River in the Grande Ronde Basin

Instream Reach: From POD (as described in Finding of Fact #2) to next downstream diversion, being Lostine Ditch, approximately 1.5 miles below the Sheep Ridge POD

Certificate	Priority Date	Instream Rate (cfs)	Period Protected Instream
12058	February 18, 1938	0.395	May 1 through July 31
		0.132	August 1 through September 30
3154	1897	1.825	May 1 through July 31
		0.602	August 1 through September 30

- Other conditions to prevent injury and enlargement are: Certificate 4930 is supplemental right, which is not being leased instream. This right shall not be exercised on the lands in this lease, described in Finding of Fact 2, during the term of the lease.
- 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.
- 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.
- The lease will terminate on October 1, 2007.
- The lessor shall not have the option of terminating the lease each year prior to the lease being exercised.

CONCLUSIONS OF LAW

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

ORDER

Therefore, it is ORDERED:

1. That the Short-Term Lease as described herein is APPROVED.
2. The former place of use shall no longer receive water as part of these rights during the term of the lease.

Dated at Salem, Oregon this 11th day of May 2005.


Phillip C. Ward, Director

Mailing date: MAY 13 2005