

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

In the Matter of the Proposed Short-Term)	TERMINATION OF
Lease of Existing Water Rights for Instream)	INSTREAM LEASE
Use, Certificate 44426, Yamhill County,)	& FINAL ORDER
Oregon)	

FINDINGS OF FACT

1. On November 26, 2002, a Short-Term Lease Application, which proposed to lease a portion of certificate 44426 for instream purposes was submitted to the Department by:

Lessor
Michael M. Morris
18935 SW Bellevue Highway
McMinnville, OR 97128

2. The Department assigned this lease agreement number L-349.
3. The lease application contained a provision identifying that the Lessor shall have the option of terminating the lease in any year of the lease with 30 days written notice to the Department prior to the lease being exercised.
4. The lease application requested to protect water instream for five years, terminating on September 30, 2007. A Final Order approving this lease was issued by the Department on January 14, 2003, Special Order Volume 57, Page 40.
5. On August 23, 2004, the Department received a request from the Lessor to terminate the lease at the end of the 2004 irrigation season.

CONCLUSIONS OF LAW

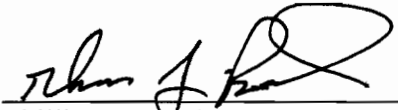
The Department concludes that terminating the lease 30 days in advance of the lease being exercised, beginning June 22, 2005 is consistent with OAR 690-077.

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.

ORDER

Therefore, it is ORDERED that the Short-Term Lease described herein is TERMINATED and no longer in effect as of October 1, 2004.

Dated at Salem, Oregon this 30th day of August, 2004.

for 
Phillip C. Ward,
Acting Director