

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

In the Matter of the Proposed Short-Term) FINAL ORDER
Lease of Existing Water Rights for Instream) TERMINATING INSTREAM
Use, Certificates 5678 and 40409, Wasco) LEASE
County

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.

Lessor

Paul Schanno
82163 Dufer Valley Road
Dufer, Oregon 97201

Findings of Fact

1. On June 1, 2010, the Paul Schanno filed an application to renew instream lease application IL-594 involving Certificates 5678 and 40409. The Department assigned the instream lease application number IL-594.
2. The lease application requested to protect water instream for five years, terminating on October 31, 2014. A Final Order approving this lease was issued by the Department on July 21, 2010, as evidenced by Special Order Volume 81, Page 445. The order contained scrivener errors and a correcting order was issued on August 4, 2010 as evidenced by Special Order Volume 81, Page 596.
3. The final order contained a condition allowing the Lessor to terminate the lease in any year of the lease, prior to the lease being exercised that season, with written notification to the Department.
4. On May 8, 2012, the Department received a request from Larry Toll, Certified Water Rights Examiner and agent for the Lessor, to terminate the lease prior to the 2013 instream use period. The termination of this lease is also requested to be contingent upon the approval of instream transfer T-11120.
3. The lease was exercised during the 2010, 2011, and 2012 water use periods ending on October 31, 2012.

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.

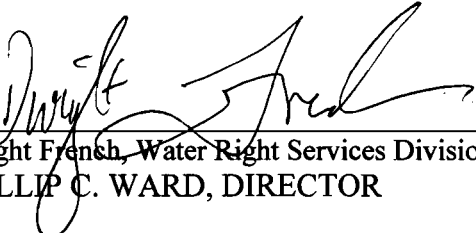
CONCLUSIONS OF LAW

The Department concludes that terminating the lease in advance of the 2013 instream use period is consistent with OAR 690-077.

ORDER

Therefore, it is ORDERED that the Instream Lease described herein is TERMINATED and no longer in effect.

Dated at Salem, Oregon this 30 day of April, 2013.



Dwight French, Water Right Services Division, for
PHILLIP C. WARD, DIRECTOR

Mailing date: **MAY 01 2013**