

**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(s) 68394 and 68395, Crook)	PROPOSED INSTREAM
County, Oregon)	LEASE

FINDINGS OF FACT

1. A Short-Term Lease Application, which proposed to lease a portion of certificates 68394, primary from Ochoco Creek, tributary to the Crooked River, and 68395, supplemental from the Crooked River, tributary to the Deschutes River, for instream purposes was submitted to the Department by:

Lessor #1
Floreine Hudspeth, Rev Living Trust,
Anne Hudspeth Jackson, Trustee
P.O. Box 478
Prineville, OR 97754

Lessor #2
Ochoco Irrigation District
1001 N. Deer Street
Prineville, OR 97754

Lessee
Deschutes Water Exchange
PO Box 1560
Bend, OR 97709

2. The Department assigned this lease agreement number L-366.
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).
4. The Deschutes Water Exchange amended the instream lease application to clarify that the amount of water to be leased instream under certificate 68395 is 0.168 Cubic Foot per Second (CFS) during the period May 1 through October 15.
5. Certificate 68395 is supplemental to certificate 68394. The portion of Certificate 68395 being leased instream will only be protected instream if the full rate and duty under certificate 68394 are not available instream during the period in which water is being leased instream, being May 1 through October 15.
6. The lease will terminate on November 30, 2003.

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.

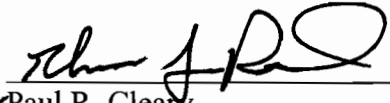
CONCLUSIONS OF LAW

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 12th day of May, 2003.



Paul R. Cleary
Director