

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

In the Matter of the Proposed Short-Term	)	FINAL ORDER TERMINATING
Lease of Existing Water Rights for Instream	)	INSTREAM LEASE
Use, Certificates 76358 and 76714,	)	
Deschutes 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 short-term instream lease applications.

**Lessor #1**

David J. & Denise M. Kupetz  
PO Box 56703  
Portland, OR 97238

**Lessor #2**

Central Oregon Irrigation District (COID)  
1055 SW Lake Court  
Redmond, OR 97756  
[transfers@coid.org](mailto:transfers@coid.org)

**Lessee**

Deschutes River Conservancy (DRC) (formerly Deschutes Resources Conservancy)  
PO Box 1560  
Bend, OR 97709  
[ghubert@deschutesrc.org](mailto:ghubert@deschutesrc.org)

**Findings of Fact**

1. On April 20, 2004, COID, the DRC, and David and Denise Kupetz filed an application to lease a portion of Certificates 76358 and 76714 to instream use. The Department assigned the application number L-546.
2. The lease application requested to protect water instream for five years, terminating on October 31, 2008. A Final Order approving this lease was issued by the Department on July 15, 2004, as evidenced by Special Order Volume 60, Page 604.
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. On January 18, 2007, the Department received a request from COID and David and Denise Kupetz to terminate the lease prior to the 2007 irrigation season.
4. The lease was exercised during the 2004, 2005 and 2006 water use periods ending on October 31, 2006.

<p>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.</p>
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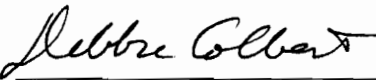
**CONCLUSIONS OF LAW**

The Department concludes that terminating the lease in advance of the 2007 irrigation season is consistent with OAR 690-077.

**ORDER**

Therefore, it is ORDERED that the Short-Term Lease described herein is TERMINATED and no longer in effect.

Dated at Salem, Oregon this 19<sup>th</sup> day of January 2007.

*fm*   
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Phillip C. Ward, Director

Mailing date: JAN 22 2007