

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

In the Matter of Instream Lease IL-1435,	)	FINAL ORDER
Linn County	)	TERMINATING INSTREAM
	)	LEASE

Oregon Revised Statute (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. Oregon Administrative Rule (OAR) Chapter 690, Division 077 implements the statutes and provides the Department's procedures and criteria for evaluating instream lease applications.

**Lessor**

International Paper  
Attn Vaughn Pieschl, Site Manager  
3521 Old Salem Rd. NE  
Albany, OR 97321

**Findings of Fact**

1. On September 25, 2014, Vaughn Pieschl, on behalf of International Paper, filed an application to lease a portion Certificate 85736 for instream use. The Department assigned the instream lease application number IL-1435.
2. A Final Order approving this lease was issued by the Department on November 21, 2014, as evidenced by Special Order Volume 93, Page 840. The instream lease was set to terminate on December 31, 2018.
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 from all parties to the lease. The final order also identified that if the termination request was submitted less than 30 days prior to the instream use period, which begins on January 1 and runs through December 31, or after the water right's period of allowed use had begun, that the Department may issue and order terminating the lease but use of water may not be allowed until the following calendar year, unless the Director determines that enlargement would not occur.
4. On January 20, 2016, the Department received a request from Dan M. Davis, on behalf of International Paper, to terminate the lease. This request was received after the instream use period had already begun for 2016. The termination request is identified as necessary to allow for a Final Order to be issued approving Transfer Application T-12065.

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.

5. Based on information provided by the agent for the transfer applicant, GSI Water Solutions, the transfer applicant/Lessor recognize that no use may occur under the transfer in 2016. In addition, based on information associated with Transfer Application T-12065, use of water is not likely to occur for a number of years. The Department has determined that no injury or enlargement will occur as a result of termination of this instream lease even though some water has been instream beginning January 1, 2016.
3. The lease was exercised during the 2014, 2015 water use periods ending on December 31, 2015, and during a portion of the 2016 water use period.

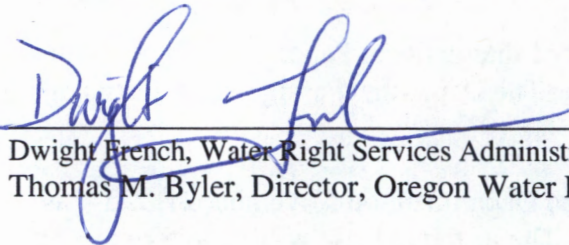
### Conclusions of Law

The Department concludes that terminating the lease within the 2016 instream use period is consistent with OAR 690-077.

### Now, therefore it is ORDERED:

The Instream Lease described herein is TERMINATED and no longer in effect.

Dated at Salem, Oregon this 26 day of January, 2016.



Dwight French, Water Right Services Administrator, for  
Thomas M. Byler, Director, Oregon Water Resources Department

Mailing date: JAN 28 2016

*This document was prepared by Codi Holmes and if you have any questions, please call 503-986-0898.*