

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

In the Matter of the Proposed Short-Term)	FINAL ORDER TO TERMINATE
Lease of Existing Water Rights for Instream)	INSTREAM LEASE
Use, Certificates 72197 and 76714, Crook)	
and Jefferson Counties, Oregon)	

FINDINGS OF FACT

1. On March 21, 2005, a Short-Term Lease Application, which proposed to lease a portion of certificates 72197 (primary) and 76714 (supplemental) for instream purposes was submitted to the Department by:

Lessor #1
Charles and Carleen Hegele
7950 N Lone Pine Rd
Terrebonne, OR 97760

Lessor #2
Crook County Improvement District
2598 N Hwy 97
Redmond, OR 97756

Lessee
Deschutes Resources Conservancy (now known as the Deschutes River Conservancy)
PO Box 1560
Bend, OR 97709

2. The Department assigned this lease agreement number L-611.
3. The lease application requested to protect water instream for five years, terminating on October 31, 2009. A Final Order approving this lease was issued by the Department on April 21, 2005, as evidenced by Special Order Volume 64, Page 207.
4. The Department finds that the instream lease, as exercised, results in injury pursuant to OAR 690-077-0077(8).

CONCLUSIONS OF LAW

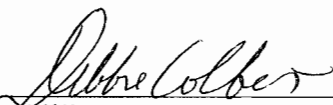
The Department concludes that terminating the lease is necessary in order to prevent injury consistent with OAR 690-077-0077(8).

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.

ORDER

Therefore, it is ORDERED that the Short-Term Lease described herein is TERMINATED and no longer in effect.

Dated at Salem, Oregon this 22nd day of June, 2006.

PCW 

Phillip C. Ward,
Director

Mailing date: JUN 28 2006