

**Oregon Water Resources Department
Water Right Services Division**

Water Right Application G-19228 in the)
name of MCKOEN FAMILY TRUST and)
JIMMY MCKOEN)

PROPOSED FINAL ORDER
TO DENY

Summary: The Department proposes to issue an order denying Application G-19228 because there is a preponderance of evidence that the proposed use of groundwater will measurably reduce the surface water flows necessary to maintain the free-flowing character of a scenic waterway in quantities necessary for recreation, fish and wildlife.

Although it is unlikely that a permit will be issued, if the Department's findings change, prior to the issuance of a permit, the Department must receive the following:

- **Permit recording fees in the amount of \$915.00. A check should be made out to the Oregon Water Resources Department or OWRD.**

Please include the application number on any documents submitted.

Authority

The application is being processed in accordance with Oregon Revised Statute (ORS) 537.615 through 537.628, and 390.826, and Oregon Administrative Rule (OAR) Chapter 690, Divisions 5, 8, 9, 33, 300, 310, 400, 410 and the Klamath Basin Compact (ORS 542.620). These statutes and rules can be viewed on the following website: www.oregon.gov/OWRD/programs/policylawandrules

The Department's main website can be found at: www.oregon.gov/OWRD

The Department shall presume that a proposed groundwater use will ensure the preservation of the public welfare, safety and health as described in ORS 537.525 if:

- a) The proposed use is allowed in the applicable basin program established pursuant to ORS 536.300 and ORS 536.340 or given a preference under ORS 536.310(12);
- b) Water is available;
- c) The proposed use will not injure other water rights; and
- d) The proposed use complies with the rules of the Commission.

ORS 537.621(2); OAR 690-310-0130.

All four criteria must be met for a proposed use to be presumed to ensure the preservation of the public welfare, safety and health. This shall be a rebuttable presumption and may be overcome by a preponderance of evidence that either one or more of the criteria for establishing the presumption are not satisfied, or that the proposed use would not ensure the preservation of the public welfare, safety and health as demonstrated in any comments received, information available in the Department's files or received from other interested agencies, and any other available information. ORS 537.621(2); OAR 690-310-0130(2).

If the Department determines that the presumption is not established, the Department shall determine whether the proposed use will impair or adversely affect the public welfare, safety and health under ORS 537.525 and may either:

- a) Propose denial of the application upon a finding that the use will impair or adversely affect the public welfare, safety and health; or
- b) Make specific findings to demonstrate that even though the presumption is not established, the proposed use will not impair or adversely affect the public welfare, safety and health and propose approval of the application with appropriate modifications or conditions.

OAR 690-310-0140(2).

FINDINGS OF FACT

Application History

1. On December 7, 2021, McKoen Family Trust and Jimmy McKoen filed a complete application for the following water use:

Source: WELL 1 (KLAM 53758) IN LOST RIVER BASIN

Use: IRRIGATION OF 224.2 ACRES

Rate: 2.68 CUBIC FEET PER SECOND (CFS), FURTHER LIMITED TO 672.6 ACRE-FEET (AF) ANNUALLY

Period of Use: SEPTEMBER 2 THROUGH FEBRUARY 28/29

County: KLAMATH COUNTY

Place of Use: SECTION 2, TOWNSHIP 41 SOUTH, RANGE 11 EAST, W.M.

2. On August 9, 2024, the Department mailed the applicant notice of its Initial Review, determining that the appropriation of 2.68 CFS, further limited to 672.6 AF annually, of water from Well 1 (KLAM 53758) in Lost River Basin for irrigation of 224.2 acres from September 2 through February 28/29 of each year is not allowable. The applicant did not notify the Department to stop processing the application within 14 days of that date.
3. On August 13, 2024, the Department provided notice of the application in its weekly public notice, requesting comments and providing information for interested persons about obtaining future notices and a copy of the Proposed Final Order.

Presumption Criterion (a) - Consistency with Basin Program

4. The Commission has not established a basin program for the Klamath River Basin. Therefore, neither the proposed use nor the quantity of the proposed use is restricted as a result of this consideration. ORS 537.621(3)(b); OAR 690-310-0150(2)(b).
5. The proposed groundwater use is not within a designated critical groundwater area. ORS 537.621(3)(b); OAR 690-310-0150(2)(b).

Presumption Criterion (b) - Water Availability

6. An assessment of groundwater availability has been completed by the Department. A copy of this assessment is in the file and can be viewed on the Department's website. Groundwater for the proposed use is not over-appropriated. In addition, the Department has determined that the

proposed groundwater use will not have the potential for substantial interference (PSI) with surface water. OAR 690-009-0040; ORS 537.621(3)(c); OAR 690-310-0150(2)(c); OAR 690-300-0010(57).

Presumption Criterion (c) - Injury Determination

7. If properly conditioned (and if authorized), the proposed use of groundwater will not injure other water rights. ORS 537.621(3)(d); OAR 690-310-0150(2)(e).

Presumption Criterion (d) - Whether the Use Complies with Rules of the Commission

8. Documentation has been submitted from the relevant land-use planning jurisdiction that indicates the proposed use is allowed outright. ORS 537.621(3)(b); OAR 690-310-0150(2)(b).
9. The proposed use is located above the Klamath Scenic Waterway, as designated under ORS 390.826. OAR 690-310-0260 establishes rules the Department uses in determining whether a proposed use will significantly impair the free-flowing character of these waters in quantities necessary for recreation, fish and wildlife.

OAR 690-310-0260 Scenic Waterway Findings

- A. The Department has determined, based upon OAR 690-310-0260, that there is a preponderance of evidence that the proposed use of groundwater will measurably reduce the surface water flows necessary to maintain the free-flowing character of a scenic waterway in quantities necessary for recreation, fish and wildlife. The one CFS limit prescribed in OAR 690-310-0260(11) has been exceeded. OAR 690-310-0260(9)(a)-(c). The applicant did **not** provide evidence to overcome the Department's finding related to impacts to the Klamath State Scenic Waterway. The applicant did **not** provide mitigation consistent with the provisions of ORS 390.835(9)-(10). Therefore, the Department is required to deny the application. OAR 690-310-0260(9)(d).

Presumption that a Proposed Use will Ensure the Preservation of the Public Welfare, Safety and Health under ORS 537.525

10. Because the use does not comply with the rules of the Commission at OAR 690-310-0260, one of the criteria necessary to establish the presumption is not met and the presumption that the proposed groundwater use will ensure the preservation of the public, welfare, safety and health under ORS 537.525 is not established. OAR 690-310-0140(1); OAR 690-310-0150(2)(h).
11. Because the presumption is not established, the Department evaluated whether the proposed use will impair or adversely affect the public welfare, safety and health under ORS 537.525. OAR 690-310-0140(2).
12. In accordance with ORS 537.525(3), in order to insure the preservation of the public welfare, safety and health it is necessary that beneficial use without waste, within the capacity of available sources, be the basis, measure and extent of the right to appropriate ground water. Public welfare, safety and health under ORS 537.525(3) would be impaired or detrimentally affected for the following reasons. The Department finds that groundwater for the proposed use is not within the capacity of available sources. The applicant's proposed point of appropriation is in an area where water levels have been observed to have declined over 30 feet since 2001 with approximately 20 feet of decline occurring since 2020 alone. If additional water use were to be allowed under this

proposed right, that use would have the potential to contribute to declines and lead to permit conditions being triggered on existing rights. This would preclude the perpetual use of the aquifer by limiting the rights of existing users. As such, the proposed use is determined to be not within the capacity of available sources. Therefore, the proposed use will impair or adversely affect the public welfare, safety, and health under ORS 537.525. ORS 537.525; ORS 537.621(2); OAR 690-310-0140(2).

Further Evaluation of the Proposed Use

13. No written comments were received by the close of the comment period. OAR 690-310-0150(1).

Other Criteria and Requirements

14. The amount of water requested, 2.68 CFS, further limited to 672.6 AF annually, is necessary for the proposed use. ORS 537.621(3)(c); OAR 690-310-0150(2)(d).
15. The applicant proposed measures to prevent waste, measure the amount of water appropriated, prevent damage to aquatic life and riparian habitat, prevent discharge of contaminated water to a surface stream and to prevent damage to public uses of any affected surface waters. These measures are included in Sections 6 and 8 of the application. OAR 690-310-0150(2)(j).
16. The proposed use complies with rules of the Water Resources Commission not otherwise described above.


CONCLUSION OF LAW

1. The proposed use will not ensure the preservation of the public welfare, safety and health as described in ORS 537.525.

PROPOSED ORDER

The Department recommends issuing an order denying Application G-19228.

DATED September 23, 2025



Raymond Eliot Crafton
Water Rights Section Manager, for
Ivan Gall, Director
Oregon Water Resources Department

Protests

Under the provisions of ORS 537.153(7) (for surface water) or ORS 537.621(8) (for groundwater), you can protest this Proposed Final Order. If you wish to submit a protest by U.S. mail, please consider mailing early to ensure the Department receives the protest by the deadline specified. Protests must be received by the Water Resources Department no later than **November 7, 2025**.

As provided in ORS 537.621(7), ORS 536.050(1)(j), and OAR 690-002-0025 — 0035, protests must be in writing and include the following:

- Your name, address, and telephone number;
- A description of your interest in the Proposed Final Order, and, if you claim to represent the public interest, a precise statement of the public interest represented;
- A detailed description of how the action proposed in the Proposed Final Order would impair or be detrimental to your interest;
- A detailed description of how the Proposed Final Order is in error or deficient, and how to correct the alleged error or deficiency;
- Any citation of legal authority to support your protest, if known;
- Any information or evidence that the proposed use or the proposed use as modified would preserve the public welfare, safety and health as provided in ORS 537.625(3).
- If you are the applicant, a protest fee of \$720 required by ORS 536.050; and
- If you are not the applicant, a protest fee of \$1,425 required by ORS 536.050 and proof of service of the protest upon the applicant.
- If you are the applicant, a statement of whether or not you are requesting a contested case hearing.

Requests for Standing

Under the provisions of ORS 537.153(7) (for surface water) or ORS 537.621(8) (for groundwater), persons other than the applicant who support a Proposed Final Order can request standing for purposes of participating in any contested case proceeding on the Proposed Final Order or for judicial review of a Final Order.

Requests for standing must be received in the Water Resources Department no later than **November 7, 2025**. Requests for standing must be in writing, and must include the following:

- The requester's name, mailing address and telephone number;
- If the requester is representing a group, association or other organization, the name, address and telephone number of the represented group;
- A statement that the requester supports the Proposed Final Order as issued;
- A detailed statement of how the requester would be harmed if the Proposed Final Order is modified; and
- A standing fee of \$405. If a hearing is scheduled, an additional fee of \$1,020 must be submitted along with a petition for party status.

After the protest period has ended, the Director will either issue a Final Order or schedule a contested case hearing. The contested case hearing will be scheduled only if a protest has been submitted and either:

- upon review of the issues, the director finds that there are significant disputes related to the proposed use of water, or
- the applicant requests a contested case hearing within 30 days after the close of the protest period.

If you do not timely file a protest or timely request a hearing, or if you withdraw a request for a hearing, notify the Department or the administrative law judge that you will not appear or fail to appear at a scheduled hearing, the Director may issue a Final Order by default. If the Director issues a Final Order by default, the Department designates the relevant portions of its files on this matter, including all materials that you have submitted relating to this matter, as the record for purpose of proving a *prima facie* case upon default. OAR 137-003-0670.

You may be represented by an attorney at the hearing. Legal aid organizations may be able to assist a party with limited financial resources. Generally, partnerships, corporations, associations, governmental subdivisions or public or private organizations are represented by an attorney. However, consistent with OAR 690-002-0020 and OAR 137-003-0555, an agency representative may represent a partnership, corporation, association, governmental subdivision or public or private organization if the Department determines that appearance of a person by an authorized representative will not hinder the orderly and timely development of the record in this case.

Notice To Active Duty Servicemembers: Active-duty service members have a right to stay proceedings under the federal Service Members Civil Relief Act. 50 U.S.C. App. §§501-597b. For more information contact the Oregon State Bar at 800-452-8260, the Oregon Military Department at 971-355-4127, or the nearest United States Armed Forces Legal Assistance Office through <http://legalassistance.law.af.mil>.

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- If you have any questions about statements contained in this document, please contact Lucinda Vranizan at Lucinda.R.Vranizan@water.oregon.gov or 971-375-2256.
 - If you have questions about how to file a protest or if you have previously filed a protest and you want to know the status, please contact Will Davidson at Will.D.Davidson@water.oregon.gov or 503-507-2749.
 - If you have any questions about the Department or any of its programs, please contact our Water Resources Customer Service Group at 503-986-0900.
 - Address any correspondence to: Water Right Services Division
725 Summer St NE, Suite A
Fax: 503-986-0901 Salem, OR 97301-1266
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