

August 3, 2005

TO ALL PARTIES TO KLAMATH ADJUCATION CASE 65, CLAIM 247

Re: Klamath Adjudication – Case No. 65, Claim No. 247, Contest No. 1728 and 3531

DOJ File No. 690-600-GN0300-03

Dear Parties:

Enclosed for your records is a fully executed copy of the Stipulation to Resolve Contests and Certificate of Service in the above-entitled matter. This agreement resolves all the remaining issues in this case.

Since all issues in this case have been resolved, there is no need to hold a hearing. Accordingly, the Oregon Water Resources Department will withdraw this case from the Office of Administrative Hearings, pursuant to OAR 137-033-0515(4).

Thank you very much for your courtesies and cooperation in resolving this matter.

Sincerely,

Jesse D. Ratcliffe Stephen E.A. Sanders

Assistant Attorneys General

Natural Resources Section

JDR:tmc/ GENN4483 Enclosure

c: Service List

BEFORE THE OFFICE OF ADMINISTRATIVE HEARINGS STATE OF OREGON for the WATER RESOURCES DEPARTMENT

In the Matter of the Determination of the Relative Rights of the Waters of the Klamath River, a Tributary of the Pacific Ocean

Klamath Irrigation District; Klamath Drainage District; Tulelake Irrigation District; Klamath Basin Improvement District; Ady District Improvement Company; Enterprise Irrigation District; Malin Irrigation District; Midland District Improvement Co.; Pine Grove Irrigation District; Pioneer District Improvement Company; Poe Valley Improvement District; Shasta View Irrigation District; Sunnyside Irrigation District; Don Johnston & Son; Bradley S. Luscombe; Randy Walthall; Inter-County Title Company; Winema Hunting Lodge, Inc.; Reames Golf and Country Club; Van Brimmer Ditch Company; Plevna District Improvement Company; Collins Products, LLC;

Contestants

VS.

Kathleen Hatcher-Mitchell; Melissa K. Hess; Stephen D. Hess;

Claimants/Contestants.

STIPULATION TO RESOLVE CONTEST 1728

Case No. 65

Claim: 247

Contests: 1728 and 3531¹

Claimants/Contestants Kathleen Hatcher-Mitchell, Stephen D. Hess and Melissa K. Hess, and the Oregon Water Resources Department (OWRD), hereby agree and stipulate, and request the Adjudicator to resolve the above captioned Claim and Contest as follows:

Don Vincent voluntarily withdrew from Contest 3531 on December 4, 2000. Berlva Pritchard voluntarily withdrew from Contest 3531 on June 24, 2002. Klamath Hills District Improvement Co. voluntarily withdrew from Contest 3531 on January 15, 2004. The remaining entities comprising Klamath Project Water Users voluntarily withdrew Contest 3531 on April 7, 2005.

A. STIPULATED FACTS

- 1. On January 31, 1991, Claim 247 for a federal reserved Indian water right was filed with OWRD by the Claimants.
 - 2. On October 4, 1999, the Adjudicator issued his Preliminary Evaluation of Claim 247.
- 3. On May 3, 2000, the Claimants filed A Statement of Contest of Preliminary Evaluation of Claim 247, Contest 1728.
- 4. Claimants/Contestants and OWRD agree that Contest 1728 can be resolved without the need for a hearing pursuant to the following:

B. TERMS OF STIPULATION

- 1. Claimants/Contestants and OWRD agree that the Water Right Claim 247 should be approved to the Adjudicator as a federal reserved Indian water right to the extent described in the Inchoate Description of Water Right Claim 247, attached hereto as Exhibit A, and which is incorporated by reference as if set forth fully herein.
- 2. Claimants/Contestants agree that pursuant to the terms of this Stipulation, Contest 1728 has been satisfactorily resolved, and such resolution vitiates the need for a hearing before the Administrative Law Judge.
- 3. The OWRD adjudication staff hereby recommends to the Adjudicator that Claim 247 be withdrawn from the Office of Administrative Hearings. OWRD adjudication staff further recommends that Claim 247 be approved in the Finding of Fact and Order of Determination issued by the Adjudicator as a federal reserved Indian water right in accordance with the Inchoate Description of Water Right Claim 247.
- 4. If the Finding of Fact and Order of Determination issued by the Adjudicator for Claim 247 does not conform to the terms set forth in the attached Inchoate Description of Water Right Claim 247, Claimants/Contestants reserve any rights they may have to file exceptions to

the Finding of Fact and Order of Determination as to Claim 247 in the Circuit Court for Klamath County, and reserve any rights they may have to participate in any future proceedings authorized by law concerning Claim 247.

- 5. Claimants/Contestants agree not to oppose or object to this Agreement or any of its terms, provisions, conditions, or covenants and to support this Agreement if it is challenged in the administrative or judicial phases of the Adjudication or any appeals thereof.
- 6. The signatories to this Stipulation agree that the Stipulation shall not be offered as evidence or treated as an admission regarding any matter herein and may not be used in proceedings on any other claim or contest whatsoever, except that the Stipulation may be used in any future proceeding to interpret and/or enforce the terms of this Stipulation. Further, the signatories to this Stipulation agree that neither the Stipulation nor any of its terms shall be used to establish precedent with respect to any other claim or contest in the Klamath Basin Water Rights Adjudication.
- 7. Each entity or person entering into this Stipulation represents, warrants, and agrees that the person who executed this Stipulation on its behalf has the full right and authority to enter into this Stipulation on behalf of that entity or person and bind that entity or person to the terms of the Stipulation.
- 8. The terms, provisions, conditions, and covenants of this Stipulation are not severable, except, if any term, provision, condition, or covenant of this Stipulation is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the terms, provisions, conditions, and covenants shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.
- 9. This Stipulation may be executed in several counterparts and all documents so executed shall constitute one Stipulation, binding on the signatories, notwithstanding that the

signatories did not sign the same original or the same counterparts. Delivery of an executed signature page to this Stipulation by facsimile transmission shall be as effective as delivery of an original signed counterpart of this Stipulation.

- 10. This Stipulation comprises the entire agreement and no promise, inducement, or representation other than herein set forth has been made, offered, and/or agreed upon, and the terms of this Stipulation are contractual and not merely a recital.
- 11. Claimants/Contestants and OWRD shall each bear their own costs and attorneys' fees.
 - 12. This Stipulation shall be effective as of the date of the last signature hereto.

STIPULATED, AGREED, AND APPROVED BY:

For Klamath Allottee Water Users Association Member Claimant/Contestants Kathleen Hatcher-Mitchell, Stephen D. Hess and Melissa K. Hess

FREDERICKS, PELCYGER & HESTER, LLC

Christopher B. Leahy

Pro Hac Vice: Colorado Bar 23612

7/21/65 Date

For the Oregon Water Resources Department

HARDY MYERS Attorney General

Jesse D. Ratcliffe, #04394 Stephen E.A. Sanders, #85321 Assistant Attorneys General

Michael Reynolds

Agency Representative

Oregon Water Resources Department

Date

BEFORE THE STATE OF OREGON WATER RESOURCES DEPARTMENT

In the Matter of the Determination of **INCHOATE** the Relative Rights of the Waters of Description Of the Klamath River, a Tributary of the Water Right Claim 247 Pacific Ocean Stephen D. Hess Kathleen Hatcher-Mitchell Name and Melissa K. Hess PO Box 1185 Address: PO Box 111 Chiloquin, OR 97624 Beatty, OR 97621 Tributary: Williamson River Larkin Creek Source: Lot: Q/Q: Point Of Township Range Section **NWNE Diversion:** 34 S 7 E 11 **Priority:** 10/14/1864 Duty: Use, Period Of Period Of Use: Rate: Use: 03-01 to 10-16 .14 cfs 3.1 AFA Irrigation Use and Quantity: Acreage: Range Section Q/Q: Lot: Place Of Township 6.8 **NWNE** 34 S 7 E 11 Use: 1.0 **NENW** 34 S 7 E 11 7.8 Total Practicably Irrigable Acreage Tributary: Williamson River Larkin Creek Source: Section Q/Q: Lot: Point Of Township Range **NENW** Diversion: 7 E 11 34 S

10/14/1864

Priority:

Use, Period Of Use and Quantity:	<u>Use:</u> Irrigation		Period Of 03-01 to 1		ite: 5 cfs	3.1 AFA
Place Of Use:	Township 34 S 34 S	Range 7 E 7 E	Section 11 11	<u>Q/Q:</u> NWNE NENW	<u>Lot:</u>	<u>Acreage:</u> 2.4 11.4
		Total Practicably Irrigable Acreage				13.8

The Place of Use is set forth more particularly in the map attached hereto as Exhibit B, and which is incorporated by reference as if set forth fully herein.

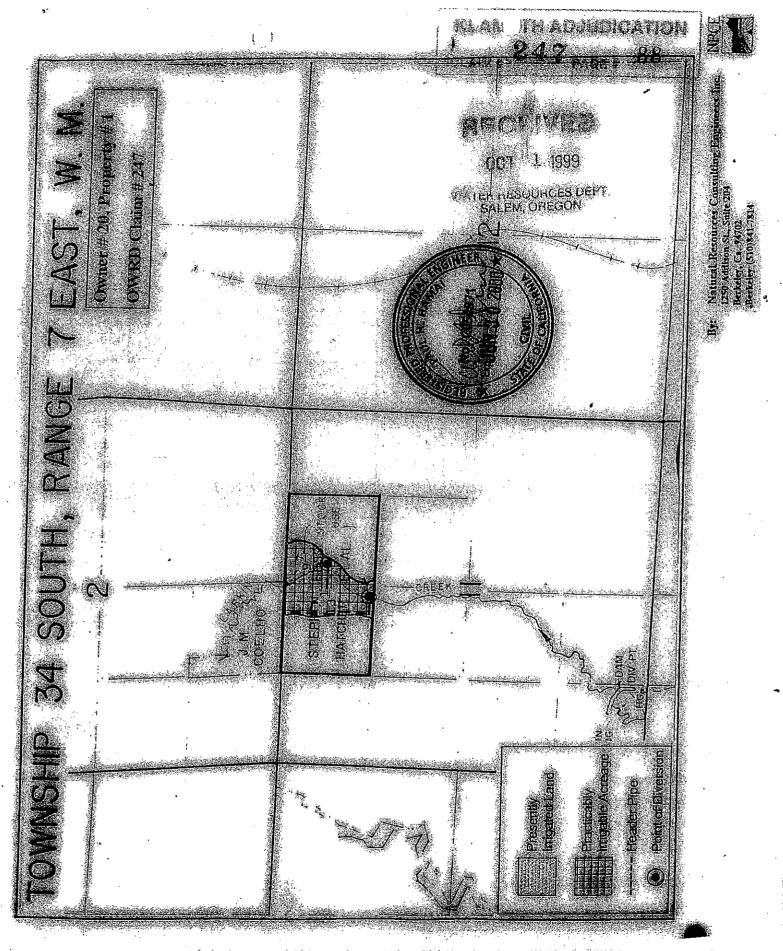


Exhibit "B"
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CERTIFICATE OF SERVICE

I hereby certify that on the 3rd day of August 2005, I served the within STIPULATION TO RESOLVE CONTESTS AND CERTIFICATE OF SERVICE on the parties hereto by regular first-class mail and by e-mail (where an e-mail address is listed below), a true, exact and full copy thereof to:

VIA STATE SHUTTLE MAIL

Dwight W. French / Teri Hranac Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1271 dwight.w.french@wrd.state.or.us teri.k.hranac@wrd.state.or.us Christopher B. Leahy Fredericks, Pelcyger & Hester, LLC 1075 S. Boulder Road, Suite 305 Louisville, CO 80027 cleahy@fphw.com

Jesse D. Ratcliffe #04394 Stephen E.A. Sanders, #85321 Assistant Attorneys General