



DEPARTMENT OF JUSTICE  
GENERAL COUNSEL DIVISION

November 9, 2007

TO ALL PARTIES

Re: Klamath Adjudication – **Consolidated Case No. 209** -- Case Nos. 51, 59, 62, 63, 69, 71, 88, 98, 209, 243, 244, 250, 252, 269 and 270; Claim Nos. 84, 241, 243, 248, 250, 253, 260, 266, 269, 682, 688, 700, 702, 705 and 706; Contest Nos. 1724, 1725, 1729, 1737, 1742, 1744, 1759, 1769, 1770, 1771, 2839, 3260, 3261, 3278, 3473, 3528, 3529, 3532, 3534, 3542, 3547, 3550, 3565, 3569, 3578, 3580, 3581, 3582, 3635, 3745, 3774, 3775, 3777, 3778, 4129, 4204, 4205, 4239, 4241  
DOJ File No. 690-600-GN0276-03

Dear Parties:

Enclosed for your records is a fully executed copy of the STIPULATION TO RESOLVE CONTEST 1742 (Ridenour); STIPULATION TO RESOLVE CONTEST 1729 (Hess); STIPULATION TO RESOLVE CONTEST 1769 (Sheppard-Blair); STIPULATION TO RESOLVE CONTEST 1744 (Sheppard-Blair); STIPULATION TO RESOLVE CONTEST 1737 (Lang); STIPULATION TO RESOLVE CONTEST 3578 (Cauvin, Walch & KPWU); STIPULATION TO RESOLVE CONTEST 1724 (Gallagher); STIPULATION TO RESOLVE CONTEST 1759 (Hicks); and CERTIFICATE OF SERVICE in the above-entitled matter. These agreements resolve all the remaining issues in the case. Accordingly, the Oregon Water Resources Department will withdraw these cases 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  
Assistant Attorney General  
Natural Resources Section

JDR:tmc/GENV8077

Enclosures

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

<del>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 &amp; 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;</del>	STIPULATION TO RESOLVE CONTEST 1744
Contestants	Case No. 71
	Claim: 269
	Contests: 1744 and 3550 <sup>1</sup>

vs.

Mary Sheppard; Marilyn Sheppard;  
Claimant/Contestant.

Claimants/Contestants Mary Sheppard and Marilyn Sheppard, 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:

**A. STIPULATED FACTS**

1. On January 31, 1991, Claim 269 for a federal reserved Indian water right was filed with OWRD by the Claimants.

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<sup>1</sup> Don Vincent voluntarily withdrew from Contest 3550 on December 4, 2000. Berlva Pritchard voluntarily withdrew from Contest 3550 on June 24, 2002. Klamath Hills District Improvement Co. voluntarily withdrew from Contest 3550 on January 15, 2004. The remaining entities comprising Klamath Project Water Users voluntarily withdrew Contest 3550 on April 7, 2005.

2. On October 4, 1999, the Adjudicator issued his Preliminary Evaluation of Claim 269.
3. On May 3, 2000, the Claimants filed A Statement of Contest of Preliminary Evaluation of Claim 269, Contest 1744.
4. The current point of diversion is the Chiloquin Dam within the NESE of Section 3, Township 35 South, Range 7 East, W.M., with a source from the Sprague River, tributary to the Williamson River.
5. On December 1, 2006, Claimants/Contestants timely filed an Affidavit and Request for Additional or Relocated Point(s) of Diversion pursuant to OAR 690-030-0085, describing an alternate or relocated point of diversion that may be added in the future.
6. The alternate or relocated point of diversion is located on the Williamson River, diverted at a point downstream of the Sprague River as required under OAR 690-030-0085 and is located within Lot 10, NENE of Section 21, Township 35 South, Range 7 East, W.M.
7. Claimants/Contestants and OWRD agree that Contest 1744 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 269 should be approved to the Adjudicator as a federal reserved Indian water right to the extent described in the attached Description of Water Right Claim 269.
2. Claimants/Contestants and OWRD agree that use of the original (“Chiloquin Dam”) point of diversion is allowed only until the Chiloquin Dam has been removed, at which time the alternate or relocated point of diversion shall be the only point of diversion for Claim 269.

3. The Sprague River is the source of water for this claim whether water is withdrawn from the Sprague River at the original point of diversion or from the Williamson River at the relocated point of diversion.

4. Claimants/Contestants and OWRD agree that use of water from the relocated point of diversion is authorized only if water is available at the original point of diversion.

5. Claimants/Contestants agree that pursuant to the terms of this Stipulation, Contest 1744 has been satisfactorily resolved, and such resolution vitiates the need for a hearing before the Administrative Law Judge.

6. The OWRD adjudication staff hereby recommends to the Adjudicator that Claim 269 be withdrawn from the Office of Administrative Hearings. OWRD adjudication staff further recommends that Claim 269 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 Description of Water Right Claim 269, attached hereto as Exhibit A, and which is incorporated by reference as if set forth fully herein.

7. If the Finding of Fact and Order of Determination issued by the Adjudicator for Claim 269 does not conform to the terms set forth in the attached Description of Water Right Claim 269, Claimants/Contestants reserve any rights they may have to file exceptions to the Finding of Fact and Order of Determination as to Claim 269 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 269.

8. 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.

9. 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.

10. 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.

11. 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.

12. 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.

13. 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.

14. Claimants/Contestants and OWRD shall each bear their own costs and attorneys' fees.
15. This Stipulation shall be effective as of the date of the last signature hereto.

STIPULATED, AGREED, AND APPROVED BY:

Marilyn Sheppard  
Marilyn Sheppard

Oct 10, 2007  
Date

Mary Sheppard  
Mary Sheppard

/  
Date

Signature not required per change of ownership form received October 29, 2007, along with accompanying documents. *Jesse D. Ratcliffe*

**For the Oregon Water Resources Department**

HARDY MYERS  
Attorney General

Jesse D. Ratcliffe, #04394  
Gerry Clark  
Gerry Clark, OWRD Staff

Date  
NOV 5, 2007  
Date





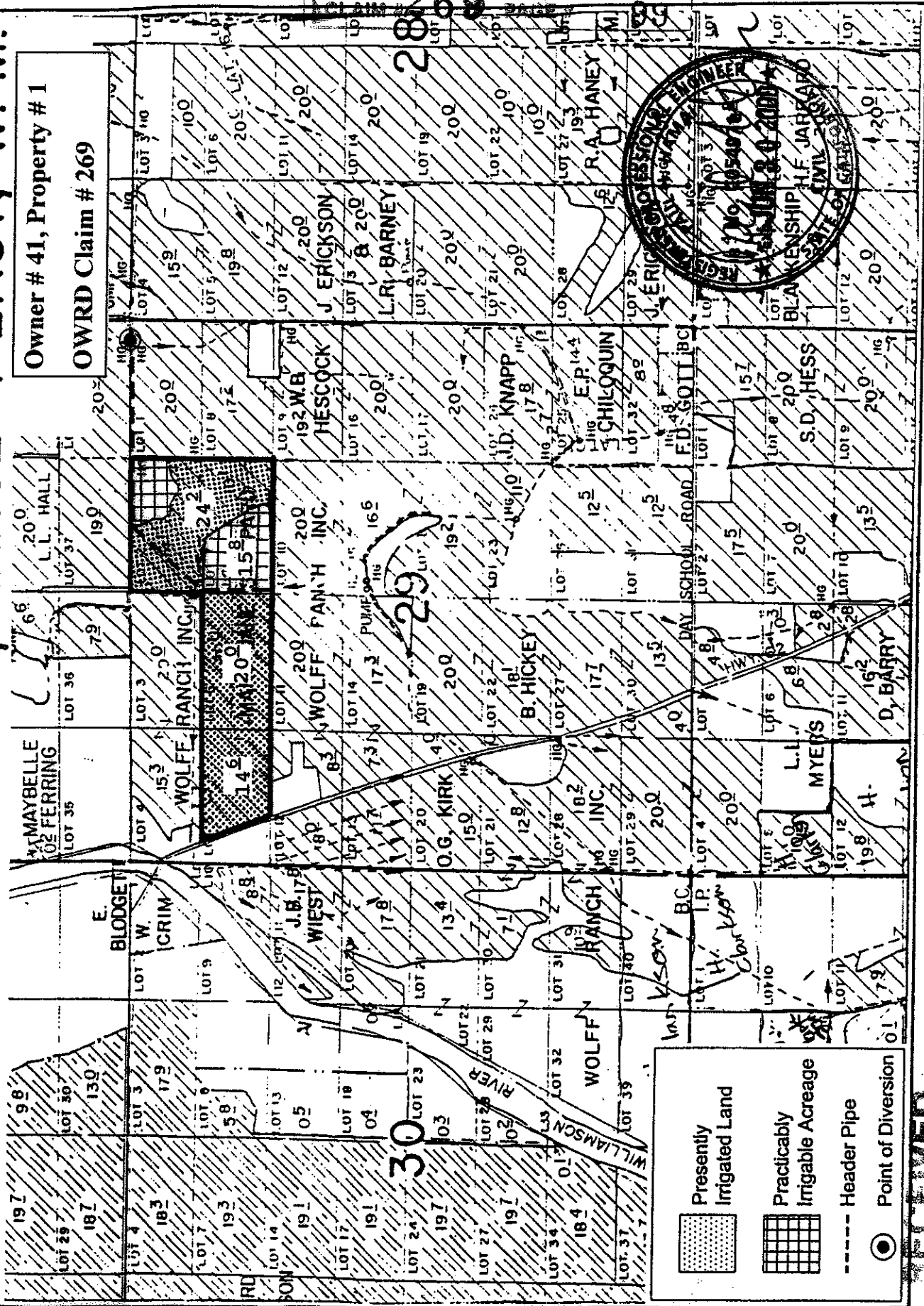










TOWNSHIP 35 SOUTH, RANGE 7 EAST, W. M.

Owner # 41, Property # 1  
OWRD Claim # 269



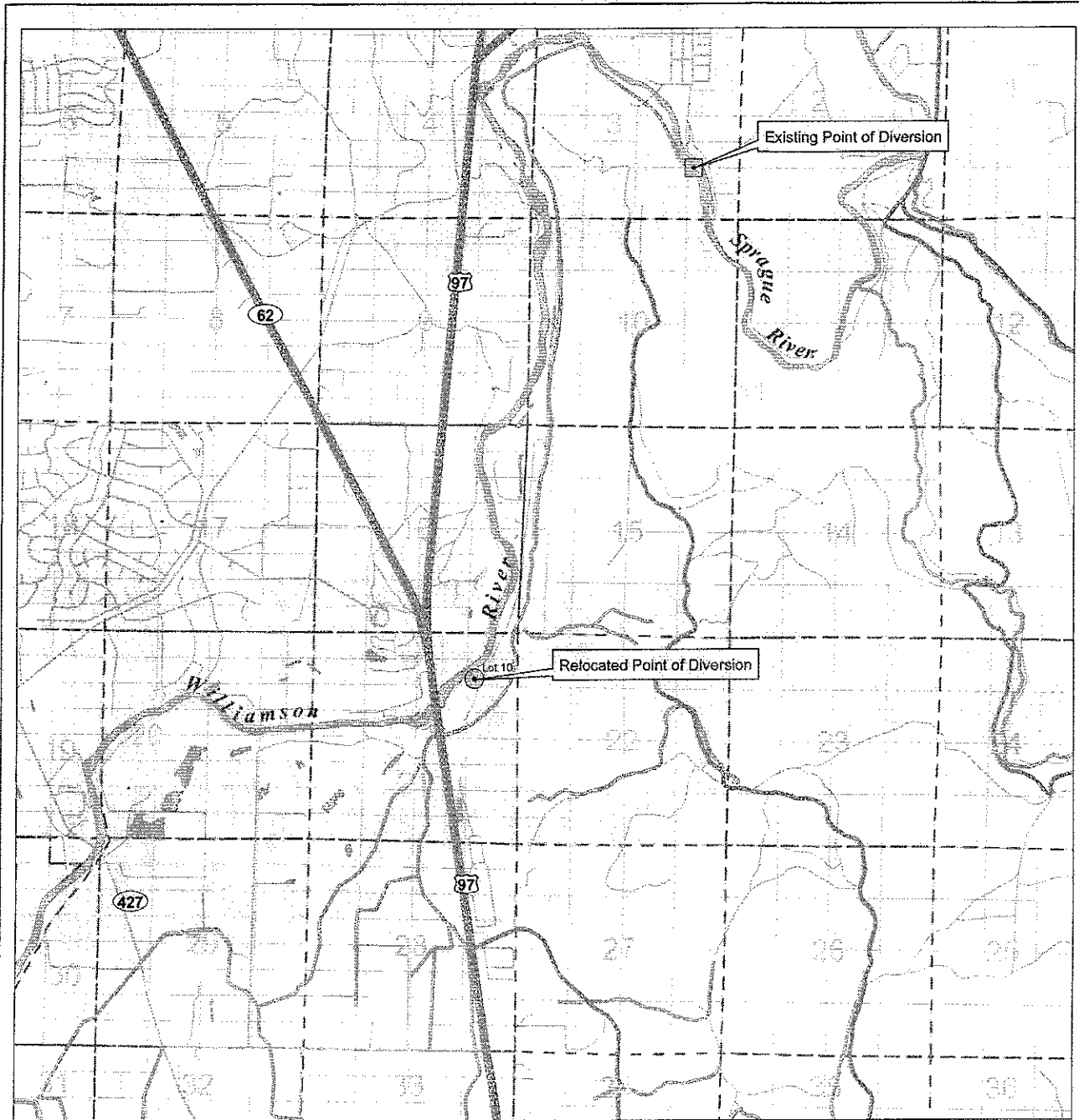
**RECEIVED**

-  Presently Irrigated Land
-  Practically Irrigable Acreage
-  Header Pipe
-  Point of Diversion

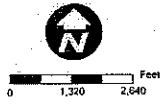


By: Natural Resources Consulting Engineers Inc.  
1250 Addison St., Suite 204  
Berkeley, Ca. 94702  
Berkeley (510)841-7814

1999



EXISTING POINTS OF DIVERSION		
Point of Diversion:	T36S R7E S3 SESE	125' East of the NW corner of the SESE of section 3
RELOCATED POINT OF DIVERSION		
Point of Diversion:	T35S R7E S21 NENE	180' north and 180' east of the SW corner of the NENE of section 21, Lot 10.



**Disclaimer:**  
 This map was prepared for the purpose of identifying the location of a water right only, and is not intended to provide legal dimensions or locations of property ownership lines.

LEGEND	
	Existing Point of Diversion
	Relocated Point of Diversion
	Water Bodies
	Streams and Canals
	Roads
	Sections
	Quarter, Quarter Sections



**RECEIVED**  
 DEC 01 2006  
 WATER RIGHTS DIVISION  
 TALEM, OREGON

**Certified Water Right Examiner**  
 Ronan Igloria, PE CWRE  
 1801 SW 5<sup>th</sup> Ave, Suite 1800  
 Portland, Oregon 97201  
 Oregon Certificate Number: 47174WR

**Map for Alteration to Water Rights Claim #269**  
**Relocated Point of Diversion**  
 Klamath Basin Adjudication

Township 35 South, Range 7 East, W.M.  
 Klamath County, Oregon

Mary Sheppard/Marilyn Sheppard  
 P.O. Box 1279  
 Chiloquin, OR 97624

**HDR** HDR Engineering Inc.  
 October 28, 2006

## CERTIFICATE OF SERVICE

I hereby certify that on the 9th day of November 2007, I served the within  
STIPULATION TO RESOLVE CONTEST 1742 (Ridenour); STIPULATION TO  
RESOLVE CONTEST 1729 (Hess); STIPULATION TO RESOLVE CONTEST 1769  
(Sheppard-Blair); STIPULATION TO RESOLVE CONTEST 1744 (Sheppard-Blair);  
STIPULATION TO RESOLVE CONTEST 1737 (Lang); STIPULATION TO  
RESOLVE CONTEST 3578 (Cauvin, Walch & KPWU); STIPULATION TO RESOLVE  
CONTEST 1724 (Gallagher); STIPULATION TO RESOLVE CONTEST 1759 (Hicks);  
and CERTIFICATE OF SERVICE on the parties hereto by e-mail (if an  
e-mail address is listed below), and by regular first-class mail, a true, exact and full copy  
thereof to:

**VIA STATE SHUTTLE MAIL**

Dwight W. French / Teri Hranac  
Oregon Water Resources Dept.  
725 Summer Street NE, Suite A  
Salem, OR 97301-1271  
[dwight.w.french@wrд.state.or.us](mailto:dwight.w.french@wrд.state.or.us)  
[teri.k.hranac@wrд.state.or.us](mailto:teri.k.hranac@wrд.state.or.us)

Paul S. Simmons / Andrew M. Hitchings  
Somach, Simmons & Dunn  
Hall of Justice Building  
813 Sixth Street, Third Floor  
Sacramento, CA 95814-2403  
[psimmons@lawssд.com](mailto:psimmons@lawssд.com)  
[ahitchings@lawssд.com](mailto:ahitchings@lawssд.com)

Carl V. Ullman  
Water Adjudication Project  
The Klamath Tribes  
P.O. Box 957  
Chiloquin, OR 97624  
[bullman3@earthlink.net](mailto:bullman3@earthlink.net)

**COURTESY COPY:**

Maurice L. Russell  
Administrative Law Judge  
Office of Administrative Hearings  
P.O. Box 14020  
Salem, OR 97309-4020

David Harder  
U.S. Department of Justice  
Environment and Natural Resources Div.  
1961 Stout Street – 8<sup>th</sup> Floor  
Denver, CO 80294  
[david.harder@usdoj.gov](mailto:david.harder@usdoj.gov)

Vanessa Boyd Willard  
U.S. Department of Justice  
Environment and Natural Resources Div.  
1961 Stout Street – 8<sup>th</sup> Floor  
Denver, CO 80294  
[vanessa.willard@usdoj.gov](mailto:vanessa.willard@usdoj.gov)

William M. Ganong  
Attorney at Law  
514 Walnut Street  
Klamath Falls, OR 97601  
[wganong@aol.com](mailto:wganong@aol.com)

Claim 248  
Stephen Hess  
Melissa Hess  
P.O. Box 111  
Beatty, OR 97621

Claim 700  
The Nature Conservancy  
821 S.E. 14<sup>th</sup> Avenue  
Portland, OR 97214-2537

Michael P. Rudd  
Brandsness, Brandsness & Rudd, PC  
411 Pine Street  
Klamath Falls, OR 97601  
[mike@brandsnessrudd.com](mailto:mike@brandsnessrudd.com)

James R. Uerlings  
Boivin, Uerlings & DiIaconi, PC  
803 Main Street, Suite 201  
Klamath Falls, OR 97601  
[jruerlin@cdsnet.net](mailto:jruerlin@cdsnet.net)

Claim 253  
Edward and Cindy Coombs  
27245 Modoc Point Road  
Chiloquin, OR 97624

Laura A. Schroeder / Lynn L. Steyaert  
Schroeder Law Office, P.C.  
1915 NE 39<sup>th</sup> Ave.  
PO Box 12527  
Portland, OR 97212  
[counsel@water-law.com](mailto:counsel@water-law.com)

Richard M. Glick  
Davis, Wright, Tremaine  
1300 SW Fifth Avenue, Suite 2300  
Portland, OR 97201  
[rickglick@dwt.com](mailto:rickglick@dwt.com)

Michael Ratliff  
Ratliff & Whitney-Smith  
905 Main Street, Suite 200  
Klamath Falls, OR 97601  
[dmratlif@aol.com](mailto:dmratlif@aol.com)

Douglas W. MacDougal  
Schwabe, Williamson & Wyatt  
Pacwest Center, Suite 1900  
1211 S.W. 5<sup>th</sup> Avenue  
Portland, OR 97204  
[dmacdougal@schwabe.com](mailto:dmacdougal@schwabe.com)

B.J. Matzen  
Attorney at Law  
435 Oak Avenue  
Klamath Falls, OR 97601  
[bjmatzen@msn.com](mailto:bjmatzen@msn.com)

Claim 250  
Brian E. & Sharon Allen  
37291 Agency Lake Loop Road  
Chiloquin, OR 97624

Claim 700  
Melinda Cauvin / Loren C. Walsh  
P.O. Box 519  
Chiloquin, OR 97624-0519

Linda Long-Bourdet  
Modoc Point Irrigation District  
Agency Representative  
24444 Modoc Point Road  
Chiloquin, OR 97624  
[crterlk@aol.com](mailto:crterlk@aol.com)

Claim 243

Peter M. Bourdet  
P.O. Box 803  
Chiloquin, OR 97624  
[linda@craterlakerealtyinc.com](mailto:linda@craterlakerealtyinc.com)

Steven L. Shropshire

Jordan Schrader PC  
P.O. Box 230669  
Portland, OR 97281  
[steve.shropshire@jordanschrader.com](mailto:steve.shropshire@jordanschrader.com)

Claim 682:

L.A. and Pauline Gienger  
Gienger Investments, Inc.  
Gienger Enterprises  
25050 Modoc Point Road  
Chiloquin, OR 97624

Claims 269 & 702

Marylyn Sheppard-Blair  
P.O. Box 1279  
Chiloquin, OR 97624

Claim 260

Stephen and Beverly Lang  
29029 Doak Road  
Chiloquin, OR 97624

Claim 688

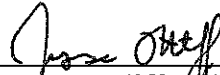
Emmitt W. Hicks  
1836 Wiard Street  
Klamath Falls, Oregon 97603

Courtesy Copy:

John M. Keller  
Keller & Keller P.C.  
P.O. Box 14746  
Portland, OR 97293

Claim 241

Cecil Gallagher  
P.O. Box 647  
Chiloquin, OR 97624



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Jesse D. Ratcliffe, #04394  
Assistant Attorney General