

**BEFORE THE HEARING OFFICER PANEL
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; Klamath Hills District Improvement Company; Malin Irrigation District; Midland District Improvement District; Pine Grove Irrigation District; Pioneer District Improvement Company; Poe Valley Improvement District; Shasta View Irrigation District; Sunnyside Irrigation District; Don Johnston & Son; Modoc Lumber Company; Bradley S. Luscombe; Berlva Pritchard; Don Vincent; Randy Walthall; Inter-County Title Co.; Winema Hunting Lodge, Inc.; Reames Golf and Country Club; Van Brimmer Ditch Co.; Plevna District Improvement Company; Collins Products, LLC,
Contestants,

STIPULATION TO RESOLVE
CONTEST 3392

Case No. 011

Claim No. 111

Contest No. 3392

vs.

C.B. and Jo I. Chapline,
Claimants.

The Klamath Irrigation District; Klamath Drainage District; Tulelake Irrigation District; Klamath Basin Improvement District; Ady District Improvement Company; Enterprise Irrigation District; Klamath Hills District Improvement Company; Malin Irrigation District; Midland District Improvement District; Pine Grove Irrigation District; Pioneer District Improvement Company; Poe Valley Improvement District; Shasta View Irrigation District; Sunnyside Irrigation District; Don Johnston & Son; Modoc Lumber Co.; Bradley S. Luscombe; Berlva

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Pritchard; Don Vincent; Randy Walthall; Inter-County Title Co.; Winema Hunting Lodge, Inc.; Reames Golf and Country Club; Van Brimmer Ditch Co.; Plevna District Improvement Company; Collins Products, LLC, (hereafter collectively referred to as Contestants or Klamath Project Water Users) and the Oregon Water Resources Department (Department), do hereby agree and stipulate as follows:

A. Stipulated Facts

1. On February 1, 1991, C.B. and Jo I. Chapline (Claimants) submitted a statement and proof of claim (Claim 111) to the Department for an unspecified amount of water from the Sprague River for irrigation of 13.2 acres and livestock with a claimed priority date of February 23, 1909.
2. On October 4, 1999, the Adjudicator issued his Preliminary Evaluation of Claim 111, which found that the record did not contain evidence that works were completed within a reasonable time after commencement of construction or use of water and thus, the required pre-1909 elements were not established for this claim.
3. On May 23, 2000, Contestants filed Contest 3392 to Claim 111 and requested a hearing, while also stating their agreement with the Adjudicator's Preliminary Evaluation denying Claim 111.
4. Claimants did not file a contest to the preliminary denial of Claim 111 in the Preliminary Evaluation.
5. The Department and the Contestants agree that Contest 3392 is resolved pursuant to the terms outlined below.

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B. Terms of the Agreement

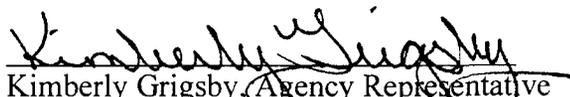
1. Department adjudication staff agrees to recommend to the Adjudicator that Claim 111 be denied in the Final Order of Determination issued by the Adjudicator on the basis that the record does not contain evidence that works were completed within a reasonable time after commencement of construction or use of water, and thus, the required pre-1909 elements are not established for this claim.

2. The Department and the Contestants agree that pursuant to the terms of this Agreement, Contest 3392 has been satisfactorily resolved and a hearing before the Hearing Officer is not required. Under these circumstances, the Contestants waive the right to a contested case hearing before the Hearing Officer Panel for Contest 3392, but explicitly reserve the right to participate in any other future proceedings authorized by law.

3. The Contestants reserve the right to file exceptions to the Final Order of Determination as to Claim 111 in the Circuit Court for Klamath County if the Final Order of Determination issued by the Adjudicator for Claim 111 does not follow the recommendation of Department adjudication staff as indicated in paragraph B1, above.


On Behalf of Contestants

March 14, 2002
Date


Kimberly Grigsby, Agency Representative
On Behalf of the Oregon Water
Resources Department

March 18, 2002
Date

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CERTIFICATE OF SERVICE

I certify that on March 28, 2002, I mailed a true and correct copy of the LETTER TO ADMINISTRATIVE LAW JUDGE, along with a copy of the LETTER TO C.B AND JO CHAPLINE AND ANDREW HITCHINGS and accompanying STIPULATION TO RESOLVE CONTEST 3392, with sufficient first-class postage prepaid to the following:

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