

HARDY MYERS  
Attorney General



PETER D. SHEPHERD  
Deputy Attorney General

**DEPARTMENT OF JUSTICE**  
GENERAL COUNSEL DIVISION

June 16, 2005

TO ALL PARTIES TO THE KLAMATH ADJUDICATION CASE NO. 96, CLAIM 699

Re: Klamath Adjudication – Case No. 96, Claim No. 699, Contest Nos. 1767 and  
3577  
DOJ File No. 690-600-GN0331-03

Dear Parties:

Enclosed for your records is a fully executed copy of the Stipulation to Resolve Contests, Exhibits A and B, 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/GENM9815  
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

<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 1767
Contestants	Case No. 96
	Claim: 699
	Contests: 1767 and 3577 <sup>1</sup>

vs.

Kenneth Knight; Estate of Louis Knight;  
Claimants/Contestants.

Claimant/Contestant Kenneth Knight, Estate of Louis Knight, 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:

---

<sup>1</sup> Don Vincent voluntarily withdrew from Contest 3577 on December 4, 2000. Beriva Pritchard voluntarily withdrew from Contest 3577 on June 24, 2002. Klamath Hills District Improvement Co. voluntarily withdrew from Contest 3577 on January 15, 2004. The remaining entities comprising Klamath Project Water Users voluntarily withdrew Contest 3577 on April 7, 2005.

**A. STIPULATED FACTS**

1. On January 31, 1991, Claim 699 for a federal reserved Indian water right was filed with OWRD by the Claimant.
2. On October 4, 1999, the Adjudicator issued his Preliminary Evaluation of Claim 699.
3. On May 3, 2000, the Claimant filed a Statement of Contest of Preliminary Evaluation of Claim 699, Contest 1767.
4. Claimant/Contestant and OWRD agree that Contest 1767 can be resolved without the need for a hearing pursuant to the following:

**B. TERMS OF STIPULATION**

1. Claimant/Contestant and OWRD agree that the Water Right Claim 699 should be approved to the Adjudicator as a federal reserved Indian water right to the extent described in the Description of Water Right Claim 699, attached hereto as Exhibit A, and which is incorporated by reference as if set forth fully herein.
2. Claimant/Contestant agrees that pursuant to the terms of this Stipulation, Contest 1767 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 699 be withdrawn from the Office of Administrative Hearings. OWRD adjudication staff further recommends that Claim 699 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 699.
4. If the Finding of Fact and Order of Determination issued by the Adjudicator for Claim 699 does not conform to the terms set forth in the attached Description of Water Right Claim 699, Claimant/Contestant reserves any rights they may have to file exceptions to the

Finding of Fact and Order of Determination as to Claim 699 in the Circuit Court for Klamath County, and reserves any rights they may have to participate in any future proceedings authorized by law concerning Claim 699.

5. Claimant/Contestant agrees 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.

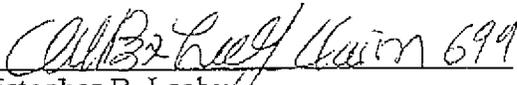
11. Claimant/Contestant and OWRD shall each bear their own costs and attorneys' fees.

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/Contestant Kenneth Knight, Estate of Louis Knight

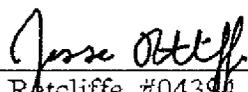
FREDERICKS, PELCYGER & HESTER, LLC

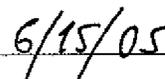
  
\_\_\_\_\_  
Christopher B. Leahy  
Pro Hac Vice; Colorado Bar 23612

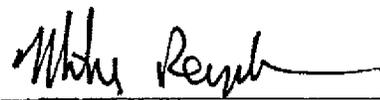
  
\_\_\_\_\_  
Date

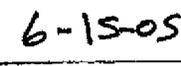
For the Oregon Water Resources Department

HARDY MYERS  
Attorney General

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

  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Michael Reynolds  
Agency Representative  
Oregon Water Resources Department

  
\_\_\_\_\_  
Date

Page 4 - STIPULATION TO RESOLVE CONTEST 1767

BEFORE THE STATE OF OREGON  
WATER RESOURCES DEPARTMENT

In the Matter of the Determination of )  
the Relative Rights of the Waters of )  
the Klamath River, a Tributary of the ) Description Of  
Pacific Ocean ) Water Right Claim     **699**  
\_\_\_\_\_)

**Name and Address:**       Kenneth Knight  
                              Estate of Louis Knight  
                              PO Box 362  
                              Chiloquin, OR 97624

**Source:**               Williamson River                               **Tributary:** Upper Klamath Lake

<b>Point Of Diversion:</b>	<u>Township</u>	<u>Range</u>	<u>Section</u>	<u>Q/Q:</u>	<u>Lot:</u>
	35 S	7 E	3	SWSW	26
	35 S	7 E	4	NESE	20
	35 S	7 E	4	NESE	27
	35 S	7 E	4	SESE	30
	35 S	7 E	4	SESE	37
	35 S	7 E	10	NWNW	1

(There is no actual physical point of diversion. Stock have direct access to river.)

**Priority:**             10/14/1864

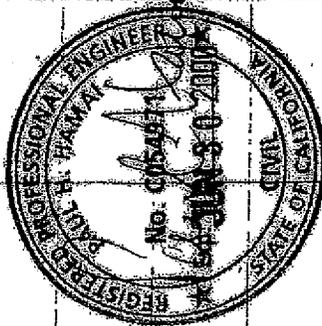
**Use, Period Of Use and Quantity:**   Use:                               Period Of Use:       Rate:  
  Stockwater                               01-01 to 12-31       96 gpd

<b>Place Of Use:</b>	<u>Township</u>	<u>Range</u>	<u>Section</u>	<u>Q/Q:</u>	<u>Lot:</u>	<u>Acreage:</u>
	35 S	7 E	3	SWSW	26	
	35 S	7 E	4	NESE	20	
	35 S	7 E	4	NESE	27	
	35 S	7 E	4	SESE	30	
	35 S	7 E	4	SESE	37	
	35 S	7 E	10	NWNW	1	

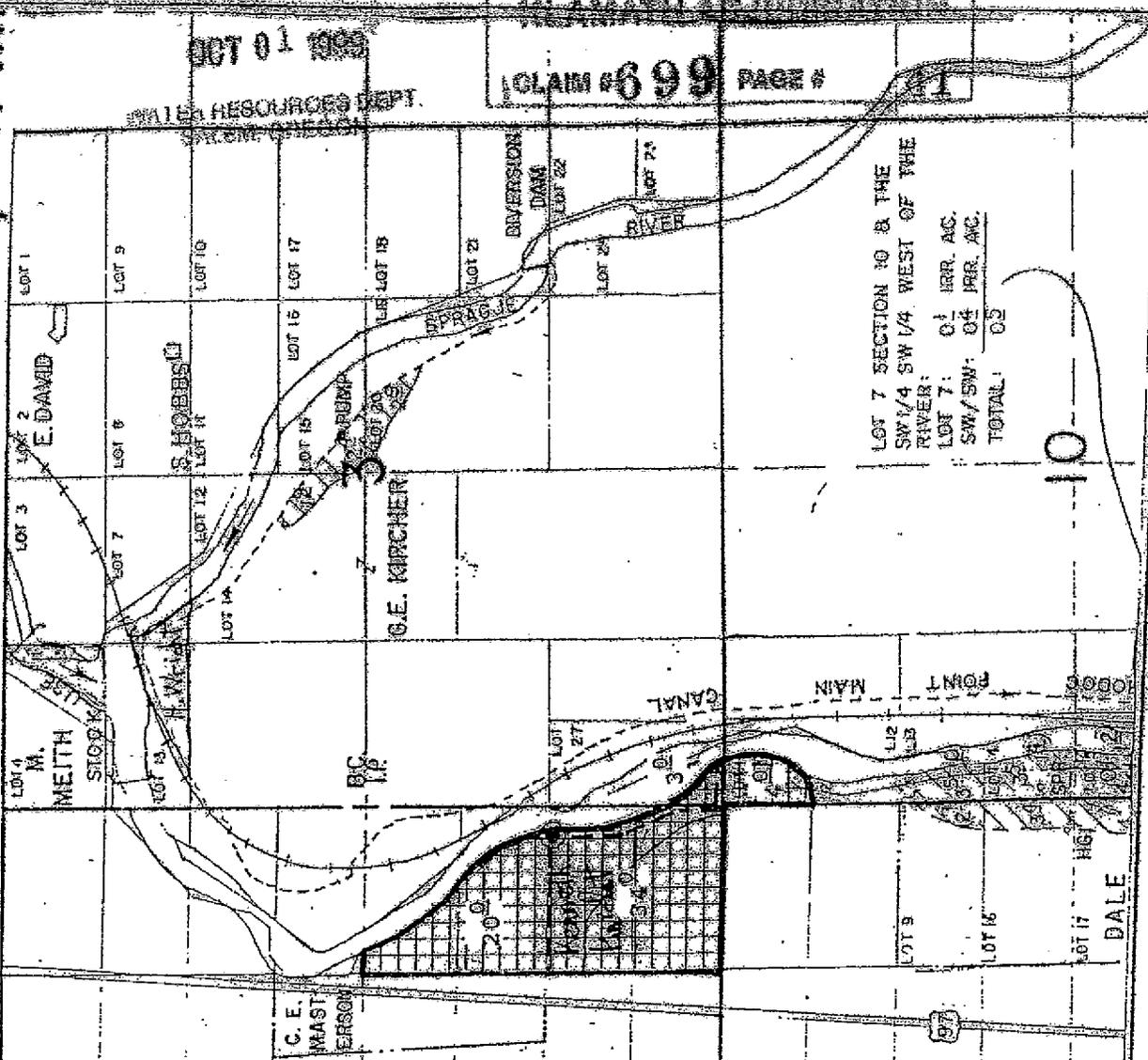


# TOWNSHIP 35 SOUTH, RANGE 7 EAST, W. M.

Owner # 31, Property # 2  
 OWRD Claim # 699



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



LOT 7 SECTION 10 & THE SW 1/4 SW 1/4 WEST OF THE RIVER:  
 LOT 7: 0.1 IRR. AC.  
 SW/SW: 0.4 IRR. AC.  
 TOTAL: 0.5

OCT 01 1999

CLAIM # 699 PAGE # 1

NATURAL RESOURCES DEPT.

By: Natural Resources Consulting Engineers, Inc.  
 1050 Addison St., Suite 204  
 Berkeley, CA 94702  
 Berkeley (510) 841-7634

10/1/99 B  
 1

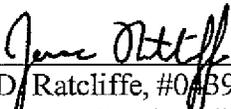
**CERTIFICATE OF SERVICE**

I hereby certify that on the 16th day of June 2005, I served the within  
STIPULATION TO RESOLVE CONTEST AND EXHIBITS on the parties hereto by  
regular first-class mail (with a courtesy copy 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@state.or.us](mailto:dwight.w.french@state.or.us)  
[teri.k.hranac@wrд.state.or.us](mailto:teri.k.hranac@wrд.state.or.us)

Christopher B. Leahy  
Fredericks, Pelcyger & Hester, LLC  
1075 S. Boulder Road, Suite 305  
Louisville, CO 80027  
[cleahy@fphw.com](mailto:cleahy@fphw.com)

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