

HARDY MYERS
Attorney General



PETER D. SHEPHERD
Deputy Attorney General

DEPARTMENT OF JUSTICE
GENERAL COUNSEL DIVISION

January 26, 2006

TO: ALL PARTIES IN KLAMATH BASIN ADJUDICATION OAH CASE 254

Re: Klamath Adjudication – Case No. 254, Claim No. 708, Contest Nos. 2746, 2747, 2748, 2749, 2757, 3075, 3513, 3819 and 4244
DOJ File No. 690-600-GN0225-03

Dear Parties:

Enclosed for your records is a correct copy of Exhibit "B," along with today's Certificate of Service. Please use Exhibit "B" as a replacement in the Stipulation to Resolve Contests in the above-entitled matter. With the correct Exhibit "B," the Stipulation 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).

Please note that Melvin D. Ferguson is receiving this date a complete copy of the Stipulation to Resolve Contests, Exhibit "A," the correct Exhibit "B," and Certificate of Service.

Sincerely,

Jesse D. Ratcliffe
Stephen E.A. Sanders
Assistant Attorneys General
Natural Resources Section

JR1:tmc/GENO9670
Enclosures
c: Service List

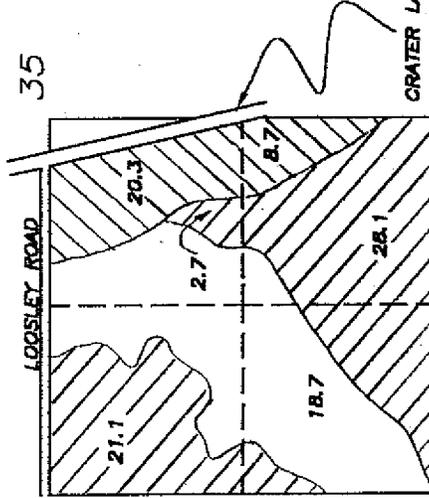
**MAP TO ACCOMPANY
STATEMENT AND PROOF OF
CLAIM TO USE OF WATER OF THE
KLAMATH RIVER AND ITS TRIBUTARIES**

SITUATED IN THE SW1/4
OF SECTION 35, T33S, R7 1/2EWM,
KLAMATH COUNTY, OREGON
JANUARY, 2006

MAP PREPARED FOR
--LaPALOMA ENTERPRISES L.P.--

MAP PREPARED FROM
--HKM ENGINEERING--
--AERIAL PHOTOGRAPH--

/// IRRIGATED LANDS - CROOKED CREEK
/// IRRIGATED LANDS - FORT CREEK



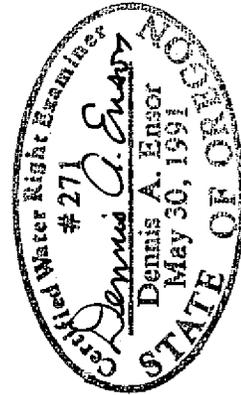
TOTAL AREA
99.6 ACRES
CROOKED CREEK--29.0 ACRES
FORT CREEK--70.6 ACRES
AS SHOWN ON THE 9/9/1853 AERIAL
AND LETTER FROM HKM ENGINEERING
DATED AUGUST 30, 2005

CLAIM NUMBER
PARCEL 5 OF CLAIM # 708
CRATER LAKE HIGHWAY NO. 62



SCALE
1' = 1320'

DIVERSION POINT:
FORT CREEK: NW1/4 NW1/4, CROOKED CREEK;
NW1/4 NE1/4, BOTH IN SECTION 28, T33S,
R7 1/2 EMM, IN THE COUNTY OF KLAMATH



THE PURPOSE OF THIS MAP IS TO IDENTIFY THE
LOCATION OF THE WATER RIGHT APPLICATION. IT IS NOT INTENDED
TO PROVIDE INFORMATION RELATIVE TO THE LOCATION OF
PROPERTY OWNERSHIP BOUNDARY LINES.

EXPIRES 12-31-07

TRU-LINE SURVEYING, INC.
2333 SUMMERS LANE
KLAMATH FALLS, OREGON 97603

CERTIFICATE OF SERVICE

I hereby certify that on the 26th day of January 2006, I served the within
EXHIBIT "B" TO THE STIPULATION TO RESOLVE CONTESTS on the parties
hereto by e-mail and by regular first-class mail, (where an e-mail address is listed below)
and 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@wrд.state.or.us
teri.k.hranac@wrд.state.or.us

Laura A. Schroeder
Schroeder Law Offices
P.O. Box 12527
Portland, OR 97212
las@water-law.com
counsel@water-law.com

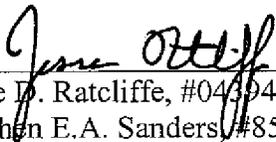
Larry A. Brown
United States Department of Justice
Environment & Natural Resources Div.
General Litigation Section
Ben Franklin Station
Post Office Box 663
Washington, D.C. 20044-0663
klamathcase.enrd@usdoj.gov
larry.brown@usdoj.gov

William M. Ganong
Attorney at Law
514 Walnut Street
Klamath Falls, OR 97601
wganong@aol.com

Paul S. Simmons / Andrew M. Hitchings
Somach, Simmons & Dunn
Hall of Justice Building
813 Sixth Street, Third Floor
Sacramento, CA 95814-2403
psimmons@lawssd.com
ahitchings@lawssd.com

Barbara Scott-Brier
U.S. Department of Justice
Environment & Natural Resources Div.
500 NE Multnomah Street, Suite 607
Portland, OR 97232

Melvin D. Ferguson
Attorney at Law
514 Walnut Avenue
Klamath Falls, OR 97601
melvindferguson@aol.com



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