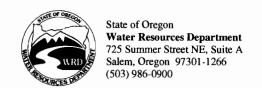
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Optional Identification by Lessor/Lessee:

Application for Instream Lease

A summary of review criteria and procedures that are generally applicable to these applications is available at www.wrd.state.or.us/OWRD/PUBS/forms.shtml.

Pursuant to ORS 537.348(2) and OAR 690-077

Lease Application Number (assigned by WRD): 1170 WATER RESOURCES DEP			
This Lease is between:		SALEM. OREGON	
Lessor #1:			
Name	Gregory Koloen, Muir & McDonald Tannery		
Mailing address	561 SW Hayter St		
City, State, Zip Code	Dallas, OR 97338		
Telephone number	503-551-3907		
Email address	dallasdoggnews@aol.com		
Lessor #2, 3, etc.			
The water right to be lease	d is located in Polk County.		
Lessee (if different than	Oregon Water Resources Department):		
Name	The Freshwater Trust		
Mailing address	65 SW Yamhill St., Ste 200		
City, State, Zip Code	Portland, OR 97204		
Telephone number	503-222-9091 x 24		
Email address	natasha@thefreshwatertrust.org		
Trustee:			
Oregon Water Resources I	Department		
725 Summer Street NE, St	nite A		
Salem, OR 97301-1266			
(503) 986-0900			
~I~ Wa	ater Right Holder and Water Right Informa	tion	
of the property located the water right appurte	sor #1 is the water right holder, or authorized agen at: Township <u>7 S</u> , Range <u>5 W</u> , Section <u>32 and Taxinant to these lands is also appurtenant to lands own blication, then Attachment 1 (tax lot map), needs to</u>	Lot number 200. If ned by others who are	

1.2	Lessor #2 is the (Check one):
	Not applicable
	Official representative of, the irrigation district which conveys water to
	the subject water rights.
	Another party with an interest in the subject water rights representing
1.3	For the water right(s) being leased, list all water rights appurtenant to the same lands. Indicate if there are any supplemental or overlying rights.
	Certificate No. 38639
1.4	Are some or all of the lands being leased part of a Conservation Reserve Enhancement Program. Yes No
1.5	Water Rights Proposed to be Leased Instream. The first right to be leased identified in Section 1.3 is further described as follows: Certificate No.: 38639 Priority date: 1863 Type of use: Industrial Legal Season of Use: January 1 – December 31 (year-round)
	Is the entire water right certificate being leased? Yes No If no, list the acres of the subject water right by legal description of township, range section, and ¼ ¼ which will be dried up as part of this lease, and include a map (Attachment 2) showing the lands which will not receive water.
	Place of use: T, R, Section,1/41/4 acres to be leased Enter additional places of use here, using format above:
	Page (Identify page number of certificate, if certificate is greater than 10 pages.)
	Number of acres being leased, if for irrigation: N/A Acre-feet of storage, if applicable: N/A
	Maximum rate associated with the right to be leased (cfs): .18 cfs
	(Use additional lines if there is more than one rate associated with the water right.)
	Maximum duty associated with the right to be leased (ac-ft): 130.31 (Use additional lines if there is more than one duty associated with the water right.)
	Conditions or other limitations, if any: N/A
If yo	u need to enter another leased right, please use the additional water rights form.
1.6	Validity of rights. Lessor(s) attests (mark one) that:
	the water has been used over the past five years according to the terms and conditions of the water right certificate or as an instream water right or
	the water has <u>not</u> been used over the past five years according to the terms and conditions of the water right certificate, however the water right is not subject to forfeiture under ORS 540.610(2)(_)(include necessary supporting documentation as Attachment 3).

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~II~ Instream Water Right Information

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2.1	Public use. This lease will increase streamflows that will benefit:	WATER RESOURCES DEPT SALEM, OREGON
	 Conservation, maintenance and enhancement of aquatic and fish life, and wildlife habitat Pollution abatement 	
	Recreation and scenic attraction	
2.2	Instream use created by lease. The instream use to be created is described	l as follows:
	Rickreal Creek Tributary to Willamette River in the Willamette Basin.	
	Describe the point of diversion (POD) and any associated reach(es) of the being created. If possible list the reach by river mile. If no reach is ident only one POD listed on the certificate, the lease may be processed to be p POD. (If more than one POD is listed on the certificate, then the POD an reach(es) must be identified): The reach will begin at the POD on Rickrea approximately river mile 14.5 and extend to Rickreal Creek's confluence Willamette River at approximately river mile 88. The reach will continue Willamette River as possible without injury or enlargement Maximum volume in acre-feet: 130.31 af Rate in cfs: .18 cfs (Use the section below to indicate a more restrictive period of use than allowed by the w	ified, and there is rotected at the d any associated at Creek at with the as far down the
	 Conditions to prevent injury, if any: None The instream flow will be allocated on a daily average basis up to the from 4/1 through 9/30. Other (describe): 	e described rate
	If you need to enter more instream uses, please use the additional water ri	ghts form.
2.3	Term of lease. This lease shall terminate on <u>September 30, 2012</u> .	
2.4	Flow protection. The Trustee will regulate use of water from the source, appropriation and the agency enforcement guidance, to assure the water is point of diversion, and through the reach past junior downstream users, so sufficient to meet the demand under priority date of the new instream use As part of regulation activities the watermaster or a designee has access to diversion and place of use for the water rights involved in this lease. No continuously measure the flow of the waterway described in Section 2.2.	s delivered to the long as flow is (see Section 2.2). In the point of
	~III~ Other Information	

3.1 Accuracy. The Undersigned Lessor(s) and Lessee(s) declare that, to the best of their knowledge and belief, the information contained in this application is true, correct and complete. If after the lease order is signed, any information is determined to be false, the lease order may be modified or terminated. The lease only exercises the water rights being leased, for the term of the lease. It shall not be construed to overcome any claim that the

- water right may otherwise be subject to forfeiture for nonuse pursuant to ORS 540.610 during the period of time prior to the execution of the lease.
- 3.2 Lease. Lessor(s) and Lessee(s) agree to lease the water rights listed in Section(s) 1.5 for instream use for the term of this lease through Lessee to the Trustee, the Oregon Water Resources Department, pursuant to the provisions of ORS 537.348(2) and OAR 690-077.
- 3.3 **Precedent.** If a right which has been leased is later proposed to be leased again or transferred to an instream use under ORS 537.348 and OAR 690-077 a new injury review shall be required, and a prior lease shall not set a precedent for the amount of water to be leased or transferred instream.
- Suspension of original use. During the period of the lease, the water right holder agrees to

J. 4	suspension of original use. During the period of the lease, the water right holder agrees to suspend use of water allowed under the subject water rights and under any water right that is supplemental to the subject water rights.	
3.5	 Termination provision. □ For multiyear leases, the Lessor(s) shall have the option of terminating the lease each year with written notice to the Department. The lease may be terminated at any time during the calendar year. However, if the termination request is received less then 30-days prior to the period of allowed instream use or after the period of allowed use has begun for the water right(s) being leased, water may not be used under the right(s) leased until the following calendar year, unless the Director determines that enlargement would not occur. The Department may also require: ■ Written notice to the Department with original signatures; ■ Consent by all parties to the lease; and/or ■ Written notice to the Watermaster's office. ☑ For multiyear leases, the lessor shall not have the option of terminating the lease, without consent by all parties to the lease. 	
3.6	Modification to prevent injury. Allocation of water to the instream use described in Section 2.2 during the term of this lease is not reasonably expected to cause injury to other rights to use water from the same source. If injury is found after this lease is signed, the lease may be modified or terminated to prevent injury.	
3.7	Fees. Pursuant to ORS 536.050, the following fee is included: S400 for an application with four or more landowners or four or more water rights. \$250 for all other applications.	
	ry Koloen, Representative, Muir & McDonald Tannery	
Lessee <u>Natash</u>	na Bellis, Project Manager, The Freshwater Trust Date: 4/20/11	