



State of Oregon
Water Resources Department
725 Summer Street NE, Suite A
Salem, Oregon 97301-1266
(503) 986-0900

Application for Instream Lease Pooled Lease Form

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

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

Optional Identification by Lessor/Lessee: Mitigation Project-Schaad
Lease Application Number (assigned by WRD): IL-1315 MP-182

The water right to be leased is located in Deschutes County.

This Lease is between:

Lessor #2: Irrigation District or Other Water Purveyor

Name Three Sisters Irrigation District
Mailing address P.O. Box 2230
City, State, Zip Code Sisters, OR 97759
Telephone number 541-549-8815
E-mail address** manager@tsidweb.org

Lessee (if different than Oregon Water Resources Department):

Name Deschutes River Conservancy Mitigation Bank
Mailing address 700 NW Hill Street
City, State, Zip Code Bend, OR 97701
Telephone number 541-382-4077
E-mail address** gen@deschutesriver.org

****BY PROVIDING AN E-MAIL ADDRESS, CONSENT IS GIVEN TO RECEIVE ALL CORRESPONDENCE FROM THE DEPARTMENT ELECTRONICALLY. COPIES OF THE FINAL ORDER DOCUMENTS WILL ALSO BE MAILED.**

Trustee:

Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301-1266
(503) 986-0900

~I~ Water Right Holder and Water Right Information

- 1.2 Lessor #2 is the (Check one):
- Official representative of Three Sisters Irrigation District, the irrigation district, which conveys water to the subject water rights.
 - Another party with an interest in the subject water rights representing _____.
 - Not applicable.

- 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(s). 74135

- 1.4 Are some or all of the lands being leased part of a Conservation Reserve Enhancement Program. Yes No or other Federal Program: _____

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.: 74135

(If you need to enter another leased right, please use the additional water right form for pooled instream lease.)

Priority date: 1895 Type of use: IRR and Pond

Legal Season of Use: no season specified

If an irrigation right, total number of acres to be leased: 148 ac IRR and 0.5 ac pond

Total acre-feet of storage to be leased, if applicable: _____

Maximum rate associated with subject water rights (cfs) being leased: 0.02 cfs/ac = 2.96 cfs IRR and 0.01 cfs Pond = total of 2.97 cfs instream

If there is more than one rate associated with a water right, describe below:

Season 1 (cfs) _____ Time period: _____

Season 2 (cfs) _____ Time period: _____

Season 3 (cfs) _____ Time period: _____

Maximum duty associated with subject water rights (ac-ft): no maximum, though TSID delivers based on call

Conditions or other limitations, if any: _____

~II~ Instream Water Right Information

- 2.1 **Public use.** This lease will increase streamflows that will benefit:

- Conservation, maintenance and enhancement of aquatic and fish life, wildlife, and fish and wildlife habitat
 Pollution abatement
 Recreation and scenic attraction

- 2.2 **Instream use created by lease for the water right described in Section 1.5.**

In the Whychus Creek
Tributary to Deschutes River in the Deschutes
Basin.

Instream volume in acre-feet (may be up to the same as the duty identified in Sec 1.5): 452.07 af IRR, 1.53 af pond (pond NOT leased for mitigation)

Instream rate in cfs (may be up to the same as the rate identified in Sec 1.5): 2.96 cfs IRR, 0.01 cfs Pond (pond NOT leased for mitigation)

(If more than one rate, describe the rate associated with each time period or instream reach.)

Rate in CFS: _____

Rate in CFS: _____

(If not certain of the instream rate or volume, please contact the Department for more information on how to fill out this section of the application).

- Instream use protected at the point of diversion (POD).
 Or within a proposed reach.

Describe the proposed reach (an instream reach generally begins at the POD and generally ends at the mouth of the source creek/river). If possible list the reach by river mile): From TSID Main POD T 15 S, R10 E, WM; Sect 21, SWSW 998 feet North and 1211 feet East from the SW Corner of Section 21 (RM 23.5) to Lake Billy Chinook

Please check this box if you are not sure of the proposed reach and want water to be protected within a reach below the POD, if possible.

(If no reach is identified or the above box is not checked, and there is only one POD listed on the certificate, the lease may be processed to be protected at the POD.)

If the POD is not described on the Certificate or if there is more than one POD listed on the certificate, then the specific POD must be described: _____

Conditions to prevent injury, if any (use this section to indicate a more restrictive period of use than allowed by the water right):

- None
 The instream flow will be allocated on a daily average basis up to the described rate from August 15 through October 30.
 Other (describe): _____

(Note: The Department may identify additional conditions to prevent injury and/or enlargement.)

2.3 Term of lease. This lease shall terminate on October 31, 2013.

2.4 Flow protection. The Trustee will regulate use of water from the source, subject to prior appropriation and the agency enforcement guidance, to assure the water is delivered to the point of diversion, and through the reach past junior downstream users, so long as flow is sufficient to meet the demand under priority date of the new instream use (see Section 2.2). As part of regulation activities the watermaster or a designee has access to the point of diversion and place of use for the water rights involved in this lease. No party is required to continuously measure the flow of the waterway described in Section 2.2.

~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 short term lease shall not set a precedent for the amount of water to be leased or transferred instream.
- 3.4 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 than 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;
 - 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:
- \$400 for an application with four or more landowners or four or more water rights.
- \$250 for all other applications.

Lessor #2: *Mac Holachen* Date: 5/29/2013
Three Sisters Irrigation District Manager

Lessee: *Sharon Hubert* Date: 5/30/2013
Deschutes River Conservancy Mitigation Bank

Other Attachments as Needed:

Attachment 1: Tax Lot Map. (See instructions.)

Attachment 2: Detailed map illustrating lands under subject rights to be leased; required if only part of a right is being leased instream. (See instructions.)

Attachment 3: Supporting documentation indicating why a right is valid and not subject to forfeiture even though the right has not been exercised for five or more consecutive years (required if the second box in Section 1.6 is checked).

Attachment 4: Split Season Instream Use Form

Attachment 5: Pooled Lease Water Right Holder Form



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Application for Instream Lease

Attachment 5: Pooled Water Right Holder Form

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

Optional Identification by Lessor/Lessee: _____
Lease Application Number (assigned by WRD): IL-1315-MP-182

This Lease is with:

Lessor #1 (Water Right Holder):

Name John Schaad
Mailing address 1170 McLean Blvd
City, State, Zip Code Eugene, OR 97405
Telephone number 541-344-5217
Email address _____

If additional water right holders, enter water right holder information below

Lessor #2

Three Sisters Irrigation District

P.O. Box 2230

Sisters, OR 97759 541-549-8815 manager@tsidweb.org

Note: The section numbering associated with this form corresponds to that found on the "Standard Instream Lease Application" form. The "Pooled Lease" form and "Pooled Water Right Holder" form(s) are used to provide the same information as the "Standard Instream Lease Application" form. Consequently, the numbering on this form is not always sequential.

~I~ Water Right Holder and Water Right Information

- 1.1 Lessor #1 is the water right holder, or authorized agent for property described in Section 1.5. If the water right appurtenant to these lands is also appurtenant to lands owned by others who are not included in this application, then Attachment 1 (tax lot map), needs to be included.
- 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(s). 74135

- 1.4 Are some or all of the lands being leased part of a Conservation Reserve Enhancement Program. Yes No or other Federal program: _____

1.5 Water Right(s) Proposed to be Leased Instream. Water right holder proposes to lease the water rights shown on the map attached as Exhibit 5-B and described as follows:

[This information may be included on Exhibit 5-A, or an additional map may be attached. Crosshatch the area of water rights being leased. Attached map(s) must identify water right holder, township, range, section and ¼ ¼, tax lot number, map orientation and scale.]

The first right to be leased identified in Section 1.3 is further described as follows:

Certificate Number: _____

(If you need to enter another leased right, please use the Additional Water Right Form for Pooled Water Right Holder.)

T	R	Sect	¼ ¼	Tax Lot	Acres	Type of Use	*Page #	*Priority Date	*Previous Lease #	
*(Identify pertinent page numbers of certificate, if certificate is greater than 10 pages; identify priority date, if there is more than one on the certificate. If any portion of the right proposed to be leased was leased previously, the previous lease number may be identified. Identification of a previous lease is optional.)										
1.	15	11	07	nese	600	38.5	IRR	10	1895	IL-1154
2.	15	11	07	nese	600	0.5	Pond	10	1895	IL-909
3.	15	11	07	nwse	600	30.5	IRR	10	1895	IL-1154
4.	15	11	07	swse	600	40	IRR	10	1895	IL-1154
5.	15	11	07	sese	600	39	IRR	10	1895	IL-1154

Total number of acres, if for irrigation (or other acre equivalent use), by certificate and priority date: C74135: 148 ac IRR, 0.5 ac Pond - 1895

Conditions or other limitations, if any: none

1.6 Validity of rights to be leased as described in Section 1.5 of this form and any Additional Water Right Form for Pooled Water Right Holder. 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 not 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).

~II~ Instream Water Right Information

- 2.3 Term of lease.** This lease shall terminate on October 31, 2013. (If there is a conflict between the Pooled Lease Form and this form, the Pooled Lease Form will be the official term of the lease.)

~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 short term lease shall not set a precedent for the amount of water to be leased or transferred instream.
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- 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 than 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;
 - 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.

Lessor #1: John Schaad
John Schaad

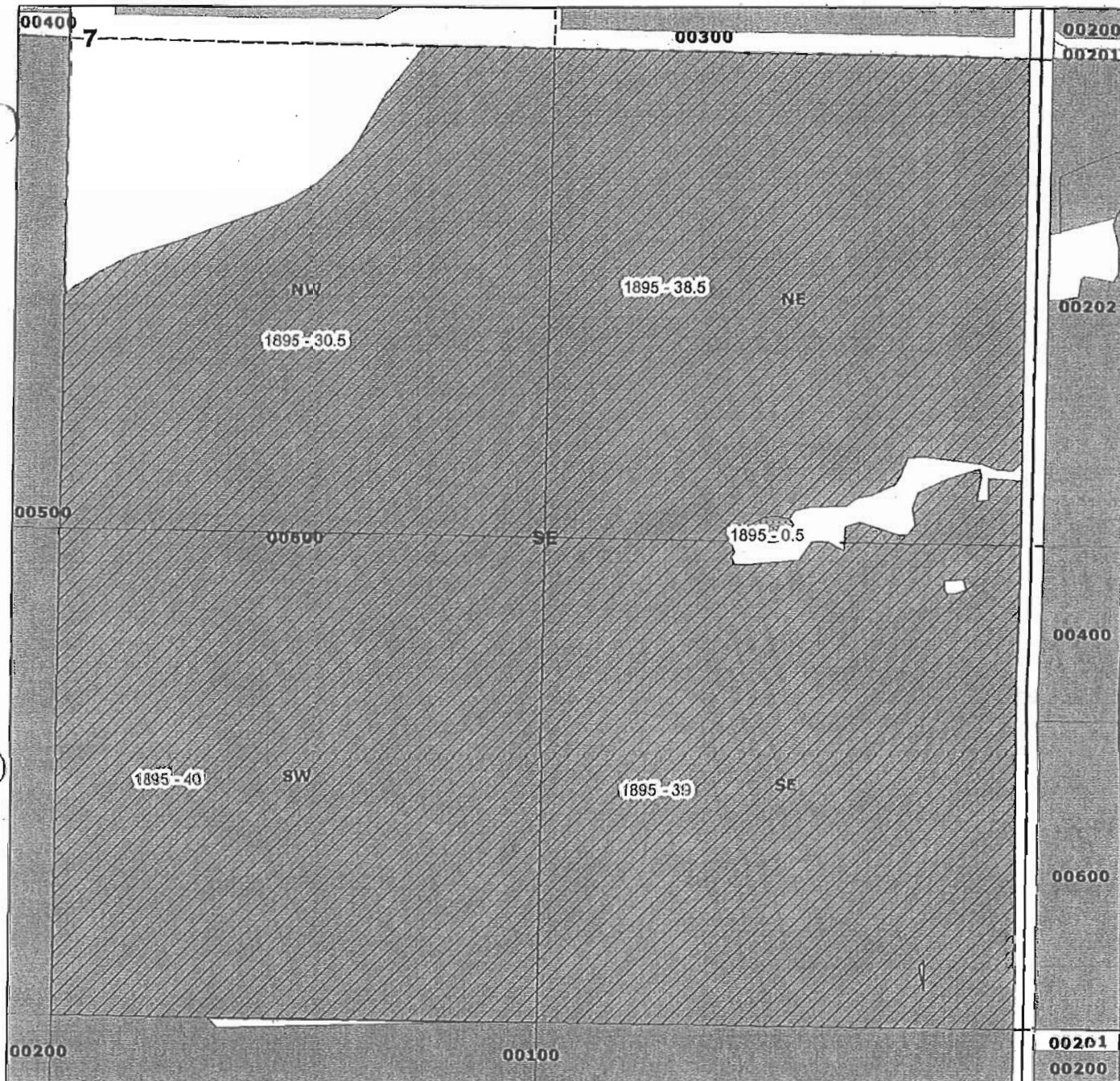
Date: 5/23/2013

For additional Lessors, type in space for signature and date
Three Sisters Irrigation District









Mark Palach 5/23/2013

Other Attachments As Needed:

- Exhibit 5-A: Tax Lot Map. (See instructions.)
- Exhibit 5-B: Detailed map illustrating lands under subject rights to be leased; required if only part of a right is being leased instream. Exhibits 5-A and 5-B may be combined into a single map. (See instructions.)
- Exhibit 5-C: Supporting documentation indicating why a right is valid and not subject to forfeiture even though the right has not been exercised for five or more consecutive years (required if the second box in Section 1.6 of this form is checked)
- Exhibit 5-D: Split Season Instream Use Form

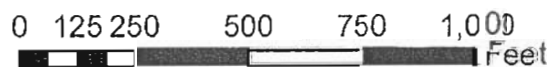


Legend

-  Leased Instream - Pond Maintenance
-  Leased Instream - Irrigation
- Water Rights**
- Priority_Date**
-  1887
-  1895
-  1903
-  1904
-  Quarter Quarters
-  Taxlots

John Schaad
 148 acres instream - 1895
 Certificate 74135

T15S R11E Sect 07
 Tax Lot 600
 NESE
 38.5 acres instream - 1895
 0.5 acres instream - 1895 (pond maintenance)
 NWSE
 30.5 acres instream -1895
 SWSE
 40 acres instream -1895
 SESE
 39 acres instream - 1895
 Deschutes County



Three Sisters Irrigation District

Lot	qQ	Tax lot	Acres	Type	Priority	Owner
3	NEX NWX	900	2.00	IRR	1895	Hurtley, David & Judy
4	NWX NWX	1600	7.50	IRR	1887	Cyrus, Keith & Connie
4	NWX NWX	1600	12.50	IRR	1903	Cyrus, Keith & Connie
4	NWX NWX	1600	1.00	IRR	1904	Cyrus, Keith & Connie
5	SWX NWX	1500	3.50	IRR	1887	Cyrus, Keith & Connie
5	SWX NWX	1600	4.50	IRR	1887	Cyrus, Keith & Connie
5	SWX NWX	1600	2.00	IRR	1904	Cyrus, Keith & Connie
	SEX NWX	1200	1.50	IRR	1895	Hurtley, David & Judy
	SEX NWX	1200	0.50	POND	1895	Hurtley, David & Judy
	SEX NWX	700	1.50	IRR	1887	Hurtley, David & Judy
	SEX NWX	700	12.00	IRR	1895	Hurtley, David & Judy
	NEX SWX	1200	17.50	IRR	1887	Hurtley, David & Judy
	NEX SWX	1200	1.00	IRR	1895	Hurtley, David & Judy
	NEX SWX	500	8.50	IRR	1887	Hurtley, David & Judy
	NEX SWX	600	9.00	IRR	1887	Hurtley, David & Judy
6	NWX SWX	1500	29.50	IRR	1887	Cyrus, Keith & Connie
6	NWX SWX	1500	0.50	POND	1903	Cyrus, Keith & Connie
6	NWX SWX	1500	1.50	POND	1904	Cyrus, Keith & Connie
7	SWX SWX	1500	35.00	IRR	1887	Cyrus, Keith & Connie
	SEX SWX	1300	8.50	IRR	1887	Hurtley, David & Judy
	SEX SWX	1400	8.50	IRR	1887	Hurtley, David & Judy
	SEX SWX	300	8.00	IRR	1887	Hurtley, David & Judy
	SEX SWX	400	8.50	IRR	1887	Hurtley, David & Judy
	NEX SEX	200	17.00	IRR	1889	Cyrus, Willard & Mae
	NEX SEX	200	20.00	IRR	1895	Cyrus, Willard & Mae
	NWX SEX	200	17.50	IRR	1889	Cyrus, Willard & Mae
	NWX SEX	200	19.50	IRR	1895	Cyrus, Willard & Mae
	SWX SEX	200	11.00	IRR	1889	Cyrus, Willard & Mae
	SWX SEX	200	17.00	IRR	1895	Cyrus, Willard & Mae
	SEX SEX	200	9.30	IRR	1889	Cyrus, Willard & Mae
	SEX SEX	200	22.00	IRR	1895	Cyrus, Willard & Mae
	SEX SEX	200	1.00	POND	1895	Cyrus, Willard & Mae

Section 6

	NEX NEX	100	2.00	IRR	1895	Sisters School District
	NEX NEX	300	30.00	IRR	1895	Trachsel, Charles & Rita
	NWX NEX	300	31.50	IRR	1895	Trachsel, Charles & Rita
	SWX NEX	300	34.00	IRR	1895	Trachsel, Charles & Rita
	SEX NEX	300	32.00	IRR	1895	Trachsel, Charles & Rita
	NEX NWX	400	22.00	IRR	1895	Trachsel, Charles & Rita
1	NWX NWX	400	38.00	IRR	1895	Trachsel, Charles & Rita
2	SWX NWX	400	21.00	IRR	1895	Trachsel, Charles & Rita
	SEX NWX	400	32.00	IRR	1895	Trachsel, Charles & Rita
	NEX SWX	500	40.00	IRR	1895	Keeton, Boyd & Hazel
3	NWX SWX	500	34.00	IRR	1895	Keeton, Boyd & Hazel
4	SWX SWX	500	28.00	IRR	1895	Keeton, Boyd & Hazel
4	SWX SWX	500	3.00	POND	1895	Keeton, Boyd & Hazel
	SEX SWX	500	40.00	IRR	1895	Keeton, Boyd & Hazel
	NEX SEX	600	38.50	IRR	1895	Cyrus, Alvin
	NEX SEX	600	0.50	POND	1895	Cyrus, Alvin
	NWX SEX	600	30.50	IRR	1895	Cyrus, Alvin
	SWX SEX	600	40.00	IRR	1895	Cyrus, Alvin
	SEX SEX	600	39.00	IRR	1895	Cyrus, Alvin

Section 7

	NEX NEX	100	6.00	IRR	1889	Tumalo Farms
	NEX NEX	100	4.00	IRR	1895	Tumalo Farms
	NWX NEX	100	35.00	IRR	1895	Tumalo Farms
	SWX NEX	100	41.00	IRR	1895	Tumalo Farms
	SEX NEX	100	14.00	IRR	1889	Tumalo Farms
	SEX NEX	100	12.00	IRR	1895	Tumalo Farms
	NEX NWX	200	37.00	IRR	1895	Tumalo Farms

} John Schaad