

**Short-Term Water Right Lease Agreement
for
Leases of Existing Water Rights for Instream Use**

This Lease Agreement is between:

Lessor #1:

Steven R. and Gretchen K. Jones
14870 SW Bellevue Hwy
McMinnville, Or. 97301

The water right to be leased is located in Yamhill *County*

Lessee/Trustee:

Oregon Water Resources Department
158 12th Street. NE
Salem OR 97310
(503)378-8455

~I~

1.1 Lessor #1 is the owner, or authorized agent for owner (Exhibit A), of property highlighted in Exhibit B.

1.2 Not Applicable. There are no other lessors

1.3 Exhibit C contains copies of all certificated, decreed or permitted rights attached to the property in Exhibit B. Those rights are listed below as follows [Use additional sheet, if necessary]:

Certificate No. 39477

1.4 **Subject Water Rights.** Lessor proposes to lease all of the water rights listed in 1.3, above.

The rights to be leased are further described as follows:
Certificate No: 39477

Sources: South Yamhill River Tributary of Yamhill River
Priority Date: March 9th, 1961
Type of use: Irrigation
Place of use: 0.4 acre SW1/4 NE1/4
39.7 acres NE1/4 SW1/4

11.9 acres NW1/4 SW1/4
11.3 acres SW1/4 SW1/4
All as projected within Henderson DLC 49

12.7 acres Lot 7 (SW1/4 SW1/4)
9.9 acres Lot 6 (SE1/4 SW1/4)
30.1 acres SE1/4 SW1/4
5.3 acres NE1/4 SE1/4
26.1 acres NW1/4 SE1/4
All as projected within Henderson DLC 49

5.3 acres Lot 5 (SW1/4 SE1/4)
20.9 acres SW1/4 SE1/4
15.6 acres SE1/4 SE1/4
Both as projected within Henderson DLC 49
Section 23

37.2 acres NW1/4 NE1/4
10.5 acres SW1/4 NE1/4
40.0 acres NE1/4 NW1/4
40.0 acres NW1/4 NW1/4
14.5 acres SW1/4 NW1/4
15.5 acres SE1/4 NW1/4
All as projected within Payne DLC 73
Section 26

0.6 acre NE1/4 NE1/4
0.5 acre SE1/4 NE1/4
Both projected within Payne DLC 73
Section 27
T. 5s., R. 5w., W.M.

Number of acres: 348.0

Rate: 1.80 cubic feet per second

Duty: 870.0 acre feet

Season of Use: April 1 through September 30

Point of Diversion (POD): SW1/4 SE1/4 as projected within Henderson DLC 49, Section 23, T. 5s., R 5w., W.M., 940 feet North and 780 feet West from NE Corner, Payne DLC73.

Conditions or other limitations, if any: None The Lessor is to gain access to Deer Creek for the Watermaster so that he is able to visually inspect or measure the stream.

- 1.5 **Validity of Rights.** Lessor #1 attests that the subject water rights are legally valid by having been beneficially used according to the terms of the right or permit.
- 1.6 **Lease.** All Lessors agree to lease the water rights listed in 1.4 for instream use for the term of this Agreement through Lessee to Trustee, the Oregon Water Resources

Department, pursuant to the provisions of ORS 537.348(2) and OAR 690-77-077.

1.7 **Suspension of original use.** During the period of the lease, the owner 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.

1.8 **Water use reporting.** The Trustee agrees to fulfill legal obligations related to water use reporting.

~II.~

2.1 **Public Use.** The public use served by the amount, timing and location of the instream use provided for under this lease is (Select one):

- Mitigation of a deficiency in the water supply for an existing instream water right or minimum streamflow located _____.
- Mitigation of a deficiency in water supply identified in an application for an instream water right or *Diack* flow located _____.
- A specific use or need identified by DEQ, Parks or ODFW and further described in *Exhibit E*.
- Provided by evidence contained in Exhibit E, such as a signed statement by Lessee, or other party, explaining how the lease would benefit recreation, scenic attraction, aquatic and fish life, wildlife habitat and ecological values, pollution abatement, navigation or other public uses.

2.2 **Instream use created by lease.** The instream use to be created is described as follows:

A Portion of Certificate No. 39477

South Yamhill River Tributary to Yamhill River in the Willamette Basin,

Location : The Point of diversion (near river mile 26.0) described in section 1.4 above to RM 24.5 (the confluences of Deer Creek).

Priority Date: March 9, 1961

Use: Described in Section 2.1 above

Number of acres: 348.0 acres, 2.90 acres being leased and 345.1 acres being irrigated

Total volume: 870.0 acre ft., 7.20 acre ft being leased and 862.8 acre ft being irrigated

Rate in cfs: 1.80 cfs, 0.014 cfs being leased and 1.786 cfs being irrigated

Period of use: April 1, Through September 30

Conditions to prevent or mitigate injury, if any:

2.3 **Term of lease.** This Lease shall commence on April 1st 2002

and continue through September 30, ~~2017~~
2003 KB

2.4 **Compensation.** The Lessor has agreed to lease a subject water right for the sum of \$1.00, or other valuable considerations and for the benefit of the state of Oregon.

2.5 **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). No party is required to continuously measure the flow of the waterway described in Section 2.2.

Optional Provisions

- 2.6 **Additional monitoring.** None.
- 2.7 **Modification or termination provisions.** None.

~III.~

- 3 **Watermaster review.** By signature below, the watermaster for the district where the subject water right is located verifies that; to the best of the Watermasters knowledge:
- 3.1 Lessor #1 is currently entitled to appropriate water under the water rights described in Section 1.4;
- 3.2 A suitable control will be in place so that WRD staff may regulate use of water under the subject right to ensure water is not diverted or applied on lands to which subject right is attached;
- 3.3. Allocation of water to the new 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;
- 3.4 Necessary conditions to the proposed instream use: Lessor must ensure that none of the acres (owned or Leased) shown in Exhibit D will receive water during the term of the lease and that the rate for the irrigated acres are not exceeded during the term of the lease.

Watermaster: William S. Ferber District 16

William Ferber
Oregon Water Resources Department
158 12th Street NE
Salem, Oregon 97310
(503) 378-8455 Phone; (503)378-6203 Fax

Date: 8.22.2000

~IV.~

The Undersigned Lessor/s, Lessee and Trustee declare that, to the best of their knowledge and belief, the information contained in this lease is true, correct and complete.

Lessor #1: Stan L. Jones Dutchman Jones Date: Aug 3 2000

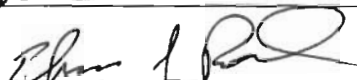
Lessee:



Date:

8.25.2000

So ordered by Trustee:



Date:

8.25.2000

Director, Oregon Water Resources Department

Exhibits:

- Exhibit A: Copy of Property Deed/Power of Attorney Documentation (if needed)
- Exhibit B: Tax Lot Map of Lessor's property
- Exhibit C: Copies of all certificates, permits and decreed rights to be leased

Other Exhibits As Needed:

- Exhibit D: Detailed map illustrating lands under subject rights to be leased
- Exhibit E: Identification of public use to be served by instream use
- Exhibits F, etc:
 - Information related to Optional Provisions, such as Additional Monitoring or Modifications or Termination of lease