

Lease Agreement Number (assigned by WRD): L-491

**STATE OF OREGON  
WATER RESOURCES DEPARTMENT**

**Short-Term Water Right Lease Agreement  
Pursuant to ORS 537.348(2) and OAR 690-077-0077  
for  
Leases of Existing Water Rights for Instream Use**

This Lease Agreement is between:

**Lessor #1:**

(Name) Kerry and Holly Way  
(Mailing address) 478 Crouch Road  
(City, State, Zip Code) Oakland, Oregon 97462  
(Telephone number) 541-459-7861

**Lessor#2, 3, etc.**

The water right to be leased is located in Douglas County

**Lessee (if different than Oregon Water Resources Department):**

(Name) Oregon Water Trust  
(Mailing address) 522 SW Fifth Avenue, Suite 825  
(City, State, Zip Code) Portland, OR 97204  
(Telephone number) 503-525-0141

**Trustee:**

Oregon Water Resources Department  
158 12<sup>th</sup> Street NE  
Salem OR 97301  
(503) 378-8455

~I~

1.1 Lessor #1 is the owner, or authorized agent for owner of property located at: Township 25 S, Range 6 W, Section 21 and Tax Lot number 500 (also S 22 tax lots 1600, 1700, 1800, 1900 and S 27 tax lot 400 and S 28 tax lot 100). If the water right appurtenant to these lands is also appurtenant to lands owned by others, then Attachment 1, (tax lot map of lessor's property) needs to be included.

1.2 Lessor #2 is the (Check one):

Not applicable

**RECEIVED**

**FEB 27 2004**

**WATER RESOURCES DEPT  
SALEM, OREGON**

- 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 lands being leased, list all water rights appurtenant to the lessor's property. Indicate if there are any supplemental or overlying rights.

Certificate No. 49439

1.4 **Subject Water Rights.** Lessor proposes to lease the water rights listed in 1.3. The right(s) to be leased are further described as follows:

Certificate No.: 49439

Priority date: January 26, 1948 Type of use: Irrigation

Legal Season of Use (if not listed on the certificate): March 1 through October 31

Is the entire water right certificate being leased?:  Yes  No

If no, list the acres to be leased by legal description of township, range, section, and 1/4 1/4 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 \_\_, 1/4 1/4 - \_\_\_\_ 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, if for irrigation: 80.45

Acre-feet of storage, if applicable: na

Rate associated with leased rights (cfs): 1.007

(Use additional lines if there is more than one rate associated with the water right.)

Duty associated with leased rights (AF): 201.125

(Use additional lines if there is more than one duty associated with the water right.)

Conditions or other limitations, if any: right is subject to existing minimum flow policies established by the Water Review Board

If you need to enter another leased right, please use last page.

1.5 **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 owner's 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 owner's 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~

2.1 **Public Use.** This lease will increase streamflows which 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.** The instream use to be created is described as follows:

Calapooya River/Creek  
 Tributary to Umpqua River in the Umpqua Basin.

Describe the point of diversion and any associated reach(es) of the instream use being created. If possible list the reach by river mile, if no reach is identified, the lease will be processed to be protected at the point of diversion): The point of diversion is located in the NW1/4 NW1/4, Section 27, SW1/4, SW1/4, Section 22, both as projected within J.T. Daniel DLC No. 44, T 25 S, R 6 W, WM 620 feet South and 600 feet East, 65 feet North and 875 feet East, both from NW Corner, Section 27. The instream use will be from the point of diversion, at approximately river mile 6.5, to the mouth.

Total volume in acre-feet: 201.125  
 Rate in cfs: 1.007 Allowed period of use: March 1 through October 31

**Conditions to prevent injury, if any:**

- None
- The instream flow will be allocated on a daily average basis up to the described rate from July 1 through October 8.
- Other (describe): \_\_\_\_\_

If you need to enter more instream uses, please use last page.

**2.3 Term of lease.** This lease shall terminate on October 31, 2008.

**2.4 Compensation.** The Lessor has agreed to lease 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.

**2.6 Termination provision.**

- For multiyear leases, lessor *shall* have the option of terminating the lease each year, prior to the lease being exercised, with written notice to the Department.
- For multiyear leases, lessor *shall not* have the option of terminating the lease each year, prior to the lease being exercised, with written notice to the Department.

~III~

**RECEIVED**

**FEB 27 2004**

WATER RESOURCES DEPT  
 SALEM, OREGON

**3.1 Accuracy.** 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. If after the lease is signed, any information is determined to be false, the lease may be modified or terminated. This 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.** 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 690-077-0077.

**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- 0070 or OAR 690-077-0075 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 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. In the event that a supplemental water right is not part of this lease, it may be subject to forfeiture.

Lessor #1: Kerry Way Date: 2-22-04

For additional Lessors, type in space for signature and date  
Holly → Holly Way Date 2-22-04

Lessee: Steven Panett Date: \_\_\_\_\_

**3.5 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.**

So ordered by Trustee: \_\_\_\_\_ Date: \_\_\_\_\_

Effective date is April 1, 2004 (if later than the date of the Trustee's signature).

Other Attachments As Needed:

Attachment 1: Tax Lot Map of Lessor's Property (required if landowner is not the sole landowner to lands for which the subject water rights are appurtenant)

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

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 1.5 is checked)

Attachment 4: Split Season Instream Use Form

**RECEIVED**

**FEB 27 2004**

WATER RESOURCES DEPT