RECEIVED

MAY 1 2 1999

Short-Term Water Right Lease Agreement for

LA # 9915.02 => 78 Leases of Existing Water Rights for Instream Use

This Lease Agreement is between:

Lessor:

William R. and Barbara J. Arsenault Paradise Creek Ranch P.O. Box 550 Elkton, OR 97436 (541) 584-2272-Phone

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

Lessee:

Oregon Water Trust 111 SW Naito Parkway Suite 404 Portland, OR 97204 (503) 226-9055-Phone (503) 226-3480-Fax

Trustee

Oregon Water Resources Department 158 12th Street NE Salem, OR 97310 (503) 378-3739-Phone (503) 378-2496-Fax

I.

- 1.1 Lessor is the owner (Exhibit A) of property highlighted in Exhibit B.
- 1.2 Section 1.2 is not applicable.
- 1.3 Exhibit C contains a copy of the certificated right attached to the property in Exhibit B.

 The right is listed below as follows:

Certificate No. 54158

1.4 Subject Water Rights. Lessor proposes to lease the water right listed in 1.3, above.

The right is further described as follows:

RECEIVED

MAY 1 2 1999

WAIER RESOURCES DEPT

Water Right Identification No.: 54158

Source: Paradise Creek Priority date: May 27, 1976 Type of use: Irrigation

Place of use: (map of irrigated lands is in *Exhibit D*.) T 22S, R 8W, S 10, Lot 2, NE¼ NE¼-9.6 acres T 22S, R 8W, S 10, Lot 9, SE¼ NE¼-11.3 acres

T 22S, R 8W, S 11, Lot 5, SW14 NW14-10.4 acres

Number of acres, if for irrigation: 31.3

Rate: 0.25 cfs

Duty: 78.25 acre-feet

Season of use: March 1 to October 31

Point of Diversion (POD):

Lot 5 (SW14 NW14), Section 11, T22S, R8W, WM; 1800 feet South and 100 feet East

from NW Corner, Section 11.

Conditions or other limitations, if any: None

- 1.5 **Validity of Rights.** Lessor attests that the water right to be leased is legally valid by having been beneficially used according to the terms of the right within the last five years immediately preceding the 1999 irrigation year and, if the right is for irrigation, on the lands indicated in *Exhibit D*.
- 1.6 **Lease.** Lessor agrees to lease the subject water right 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 right and under any water right that is supplemental to the subject water right.
- 1.8 **Water use reporting.** The Trustee agrees to fulfill legal obligations related to water use reporting.

П.

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

specific uses and needs identified in Exhibit E as signed off by ODFW.

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

No. 54158

Paradise Creek, tributary to the Umpqua River

Location: ~RM 2 to mouth Priority date: May 27, 1976

Use: Described in Section 2.1, above

Total volume: 78.25 acre-feet

Rate in cfs: 0.25 cfs

Period of use: May 1-October 5

Conditions to prevent or mitigate injury, if any: None

MAY 1 2 1999 WATER RESOURCES DEP

- 2.3 **Term of lease.** This Lease shall commence on March 1, 1999 (not before execution by the parties) and continue through October 31, 2000.
- 2.4 **Compensation.** Lessor has agreed to lease the subject water right herein to the Oregon Water Trust for cash and other considerations and for the benefit of the people 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.** Lessee intends to manage and participate in the protection of the instream use by: possibly collecting information for calculating stream discharge.
- 2.7 **Modification or termination provisions.** None

Ш.

- Watermaster review. By signature below, the watermaster for the district where the subject water right is located verifies that:
- 3.1 Lessor is currently entitled to appropriate water under subject water right described in Section 1.4.
- 3.2 A suitable control is 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: None Watermaster: MAY 1 2 1999 Dave Williams Field Operations, WRD Rm 306 Courthouse Roseburg, OR 97470-1719 (541) 440-4255-Phone (541) 440-6264-Fax Date: 5 - 11 - 99 IV. The Undersigned Lessor, Lessee and Trustee declare that, to the best of their knowledge and belief, the information contained in this lease is true, correct and complete. Date: 4/5/99 Lessor: William R assured Assensed Date: 4-5 Lessor: Berlana J. Date: 4-12-99 So ordered by Trustee: Date: 6/10-99 Director, Oregon Water Resources Department Effective Date of Lease Agreement: Exhibits: Exhibit A: Proof of property ownership Exhibit B: Map of Lessor's property Exhibit C: Copy of the certificate attached to property shown in Exhibit B Exhibit D: Detailed map illustrating lands irrigated by subject right and portion to be leased Identification of public use to be served by instream use Exhibit E: