

Lease Agreement Number: 209

01 AUG 31 AM 9:58

**STATE OF OREGON
WATER RESOURCES DEPARTMENT**

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

This Lease Agreement is between:

Lessor:

Farrell V. and Irene C. Larson
4395 Heinz Blvd
Ontario, OR 97914
(541)889-6332

The water right to be leased is located in Malheur County

Lessee:

Bonneville Power Administration
c/o Dan Daley KEWR-4
P.O. Box 3621
Portland, OR 97208-3621
(503)230-3066

Trustee:

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

~I~

- 1.1 Lessor is the owner (Exhibit A) of property highlighted in Exhibit B.
- 1.2 Not applicable.
- 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.

- Certificate No. 75566
- Certificate No. 76944
- Certificate No. 76948
- Certificate No. 74024
- Certificate No. 74023

RECEIVED

SEP 28 2001

**WATER RESOURCES DEPT.
SALEM, OREGON**

1.4 Subject Water Rights. Lessor proposes to lease a portion of the water rights listed in 1.3, above. The rights to be leased are further described as follows:

Certificate No.: 75566

Priority date: June 27, 1966

Type of use: irrigation

Place of use: Township 17 South, range 46 East, W.M., in portions of Sections 2, 10, 11, 12, 13, 14, 15, 16, 17, 20, 21, 22, 23. A map of irrigated lands is attached as Exhibit D.

Number of acres: 3029.0 (2921.6 acres to be leased)

Place of use:

NE 1/4	SW 1/4	20.90 acres	(20.90 acres to be leased)
SE 1/4	SW 1/4	18.50 acres	(18.50 acres to be leased)
NW 1/4	SE 1/4	20.00 acres	(20.00 acres to be leased)
SW 1/4	SE 1/4	40.00 acres	(40.00 acres to be leased)
SE 1/4	SE 1/4	20.10 acres	(20.10 acres to be leased)
Section 2	T 17 S, R 46 E, W.M.		

SE 1/4	SE 1/4	39.20 acres	(39.20 acres to be leased)
Section 10	T 17 S, R 46 E, W.M.		

NE 1/4	NE 1/4	40.00 acres	(40.00 acres to be leased)
NW 1/4	NE 1/4	30.40 acres	(30.40 acres to be leased)
SW 1/4	NE 1/4	38.20 acres	(38.20 acres to be leased)
SE 1/4	NE 1/4	30.40 acres	(30.40 acres to be leased)
NE 1/4	NW 1/4	23.00 acres	(23.00 acres to be leased)
SE 1/4	NW 1/4	40.00 acres	(40.00 acres to be leased)
NE 1/4	SW 1/4	40.00 acres	(40.00 acres to be leased)
SW 1/4	SW 1/4	40.00 acres	(40.00 acres to be leased)
SE 1/4	SW 1/4	40.00 acres	(40.00 acres to be leased)
NE 1/4	SE 1/4	35.40 acres	(35.40 acres to be leased)
NW 1/4	SE 1/4	40.00 acres	(40.00 acres to be leased)
SW 1/4	SE 1/4	41.00 acres	(41.00 acres to be leased)
SE 1/4	SE 1/4	18.60 acres	(18.60 acres to be leased)
Section 11	T 17 S, R 46 E, W.M.		

SW 1/4	NE 1/4	39.20 acres	(39.20 acres to be leased)
NW 1/4	NW 1/4	19.90 acres	(19.90 acres to be leased)
SW 1/4	NW 1/4	39.20 acres	(39.20 acres to be leased)
SE 1/4	NW 1/4	39.20 acres	(39.20 acres to be leased)
NW 1/4	SW 1/4	7.70 acres	(7.70 acres to be leased)
SW 1/4	SW 1/4	0.20 acres	(0.20 acres to be leased)
NW 1/4	SE 1/4	5.60 acres	(5.60 acres to be leased)
Section 12	T 17 S, R 46 E, W.M.		

NW 1/4	SW 1/4	38.60 acres	(38.60 acres to be leased)
Section 13	T 17 S, R 46 E, W.M.		

NW 1/4	NE 1/4	40.40 acres	(40.40 acres to be leased)
SW 1/4	NE 1/4	7.20 acres	(7.20 acres to be leased)
NE 1/4	NW 1/4	40.00 acres	(40.00 acres to be leased)
NW 1/4	NW 1/4	40.00 acres	(40.00 acres to be leased)
SE 1/4	NW 1/4	3.40 acres	(3.40 acres to be leased)
NE 1/4	SW 1/4	39.70 acres	(39.70 acres to be leased)
NW 1/4	SW 1/4	38.00 acres	(38.00 acres to be leased)
SW 1/4	SW 1/4	38.60 acres	(38.60 acres to be leased)
SE 1/4	SW 1/4	38.60 acres	(38.60 acres to be leased)
NE 1/4	SE 1/4	40.00 acres	(40.00 acres to be leased)
NW 1/4	SE 1/4	40.40 acres	(40.40 acres to be leased)

Section	SW 1/4 14	SE 1/4 T 17 S, R 46 E, W.M.	38.80 acres	(38.80 acres to be leased)
	NE 1/4	NE 1/4	39.40 acres	(39.40 acres to be leased)
	NW 1/4	NE 1/4	39.60 acres	(39.60 acres to be leased)
	SW 1/4	NE 1/4	10.00 acres	(10.00 acres to be leased)
	SE 1/4	NE 1/4	7.40 acres	(7.40 acres to be leased)
	SW 1/4	NW 1/4	1.20 acres	(1.20 acres to be leased)
	SE 1/4	NW 1/4	7.90 acres	(7.90 acres to be leased)
	NE 1/4	SW 1/4	38.80 acres	(38.80 acres to be leased)
	NW 1/4	SW 1/4	38.50 acres	(38.50 acres to be leased)
	SW 1/4	SW 1/4	37.90 acres	(37.90 acres to be leased)
	SE 1/4	SW 1/4	38.80 acres	(38.80 acres to be leased)
	NE 1/4	SE 1/4	39.10 acres	(39.10 acres to be leased)
	NW 1/4	SE 1/4	37.00 acres	(37.00 acres to be leased)
	SW 1/4	SE 1/4	38.80 acres	(38.80 acres to be leased)
	SE 1/4	SE 1/4	38.80 acres	(38.80 acres to be leased)
Section	15	T 17 S, R 46 E, W.M.		
	NE 1/4	SW 1/4	38.60 acres	(38.60 acres to be leased)
	NW 1/4	SW 1/4	38.40 acres	(38.40 acres to be leased)
	SW 1/4	SW 1/4	42.00 acres	(42.00 acres to be leased)
	SE 1/4	SW 1/4	40.60 acres	(40.60 acres to be leased)
	NE 1/4	SE 1/4	39.10 acres	(39.10 acres to be leased)
	NW 1/4	SE 1/4	39.40 acres	(39.40 acres to be leased)
	SW 1/4	SE 1/4	40.20 acres	(40.20 acres to be leased)
	SE 1/4	SE 1/4	40.00 acres	(40.00 acres to be leased)
Section	16	T 17 S, R 46 E, W.M.		
Section	SE 1/4 17	SE 1/4 T 17 S, R 46 E, W.M.	40.20 acres	(40.20 acres to be leased)
Section	NE 1/4 20	NE 1/4 T 17 S, R 46 E, W.M.	21.10 acres	(21.10 acres to be leased)
	NE 1/4	NE 1/4	40.00 acres	(40.00 acres to be leased)
	NW 1/4	NE 1/4	40.00 acres	(40.00 acres to be leased)
	SW 1/4	NE 1/4	40.00 acres	(40.00 acres to be leased)
	SE 1/4	NE 1/4	39.70 acres	(39.70 acres to be leased)
	NE 1/4	NW 1/4	40.00 acres	(40.00 acres to be leased)
	NW 1/4	NW 1/4	40.00 acres	(40.00 acres to be leased)
	SE 1/4	NW 1/4	1.20 acres	(1.20 acres to be leased)
	NE 1/4	SW 1/4	1.40 acres	(1.40 acres to be leased)
	NE 1/4	SE 1/4	39.40 acres	(39.40 acres to be leased)
	NW 1/4	SE 1/4	39.60 acres	(39.60 acres to be leased)
Section	21	T 17 S, R 46 E, W.M.		
	NE 1/4	NE 1/4	39.40 acres	(0.00 acres to be leased)
	NW 1/4	NE 1/4	39.20 acres	(25.20 acres to be leased)
	SW 1/4	NE 1/4	40.00 acres	(26.00 acres to be leased)
	SE 1/4	NE 1/4	40.00 acres	(0.00 acres to be leased)
	NE 1/4	NW 1/4	39.00 acres	(39.00 acres to be leased)
	NW 1/4	NW 1/4	37.20 acres	(37.20 acres to be leased)
	SW 1/4	NW 1/4	38.60 acres	(38.60 acres to be leased)
	SE 1/4	NW 1/4	40.00 acres	(40.00 acres to be leased)
	NE 1/4	SW 1/4	39.80 acres	(39.80 acres to be leased)
	NW 1/4	SW 1/4	34.90 acres	(34.90 acres to be leased)
	NE 1/4	SE 1/4	40.00 acres	(40.00 acres to be leased)
	NW 1/4	SE 1/4	40.00 acres	(40.00 acres to be leased)
Section	22	T 17 S, R 46 E, W.M.		

NE	1/4	NW	1/4	38.60 acres	(38.60 acres to be leased)
NW	1/4	NW	1/4	39.20 acres	(39.20 acres to be leased)
SW	1/4	NW	1/4	39.80 acres	(39.80 acres to be leased)
SE	1/4	NW	1/4	40.00 acres	(40.00 acres to be leased)
NE	1/4	SW	1/4	39.00 acres	(39.00 acres to be leased)
NW	1/4	SW	1/4	39.80 acres	(39.80 acres to be leased)
Section	23	T 17 S, R 46 E, W.M.			

Acre feet of storage: None

Rate: 61.91 cfs (59.71 cfs to be leased)

Duty: 12,116 acre feet (4 acre feet per acre) (11,686.4 acre feet to be leased)

Season of Use: March 1 to October 31

Point(s) of Diversion (POD): Lot 1 (NE1/4 NW1/4), Section 21, T 17 S, R 47 E, WM;
350 Feet South and 1980 feet East from the NW corner, Section 21.

Conditions or other limitations, if any: None

Certificate No.: 76944

Priority date: June 27, 1966

Type of use: irrigation

Place of use: Township 17 South, range 46 East, W.M., in portions of Sections 22, 23, 26,
27. A map of irrigated lands is attached as Exhibit D.

Number of acres: 623.7 (512.3 acres to be leased)

Place of use:

SW	1/4	SW	1/4	37.00 acres	(37.00 acres to be leased)
SE	1/4	SW	1/4	39.70 acres	(39.70 acres to be leased)
SW	1/4	SE	1/4	39.70 acres	(39.70 acres to be leased)
SE	1/4	SE	1/4	39.70 acres	(39.70 acres to be leased)
Section	22	T 17 S, R 46 E, W.M.			

SW	1/4	SW	1/4	39.60 acres	(39.60 acres to be leased)
SE	1/4	SW	1/4	30.30 acres	(30.30 acres to be leased)
SW	1/4	SE	1/4	0.80 acres	(0.80 acres to be leased)
Section	23	T 17 S, R 46 E, W.M.			

NW	1/4	NE	1/4	19.30 acres	(19.30 acres to be leased)
SW	1/4	NE	1/4	30.80 acres	(30.80 acres to be leased)
NE	1/4	NW	1/4	39.10 acres	(39.10 acres to be leased)
NW	1/4	NW	1/4	39.10 acres	(39.10 acres to be leased)
SW	1/4	NW	1/4	39.20 acres	(39.20 acres to be leased)
SE	1/4	NW	1/4	39.20 acres	(39.20 acres to be leased)
Section	26	T 17 S, R 46 E, W.M.			

NE	1/4	NE	1/4	39.20 acres	(0.00 acres to be leased)
NW	1/4	NE	1/4	39.50 acres	(0.00 acres to be leased)
SW	1/4	NE	1/4	39.50 acres	(39.50 acres to be leased)
SE	1/4	NE	1/4	39.30 acres	(39.30 acres to be leased)
NE	1/4	NW	1/4	32.70 acres	(0.00 acres to be leased)

Section 27 T 17 S, R 46 E, W.M.

Acre feet of storage: None

Rate: 12.77 cfs (10.49 cfs to be leased)

Duty: 2494.8 acre feet (4 acre feet per acre) (2049.2 acre feet to be leased)

Season of Use: March 1 to October 31

Point(s) of Diversion (POD): Lot 1 (NE1/4 NW1/4), Section 21, T 17 S, R 47 E, WM;
350 Feet South and 1980 feet East from the NW corner, Section 21.

Conditions or other limitations, if any: None

Certificate No.: 74023

Priority date: October 25, 1968

Type of use: irrigation

Place of use: Township 17 South, range 46 East, W.M., in portions of Sections 10, 11, 14,
15, 21, 23. A map of irrigated lands is attached as Exhibit D.

Number of acres: 186.8

Place of use:

	NE 1/4	SW 1/4	5.70 acres	(5.70 acres to be leased)
	SW 1/4	SW 1/4	5.80 acres	(5.80 acres to be leased)
	NE 1/4	SE 1/4	14.70 acres	(14.70 acres to be leased)
	NW 1/4	SE 1/4	14.20 acres	(14.20 acres to be leased)
	SW 1/4	SE 1/4	5.10 acres	(5.10 acres to be leased)
Section	10	T 17 S, R 46 E, W.M.		
	NW 1/4	NW 1/4	4.90 acres	(4.90 acres to be leased)
	SW 1/4	NW 1/4	9.60 acres	(9.60 acres to be leased)
	NW 1/4	SW 1/4	20.80 acres	(20.80 acres to be leased)
Section	11	T 17 S, R 46 E, W.M.		
	SE 1/4	SE 1/4	15.80 acres	(15.80 acres to be leased)
Section	14	T 17 S, R 46 E, W.M.		
	NE 1/4	NW 1/4	17.00 acres	(17.00 acres to be leased)
Section	15	T 17 S, R 46 E, W.M.		
	SW 1/4	NW 1/4	9.20 acres	(9.20 acres to be leased)
	NW 1/4	SW 1/4	29.60 acres	(29.60 acres to be leased)
Section	21	T 17 S, R 46 E, W.M.		
	NE 1/4	NE 1/4	10.20 acres	(10.20 acres to be leased)
	NW 1/4	NE 1/4	21.40 acres	(21.40 acres to be leased)
	SW 1/4	NE 1/4	2.80 acres	(2.80 acres to be leased)
Section	23	T 17 S, R 46 E, W.M.		

Acres of storage: None

Rate: 4.67 cfs (4.67 cfs to be leased)

Duty: 747.2 acre feet (4 acre feet per acre) (747.2 acre feet to be leased)

Season of Use: March 1 to October 31

Point(s) of Diversion (POD): Lot 1 (NE1/4 NW1/4), Section 21, T 17 S, R 47 E, WM;
350 Feet South and 1980 feet East from the NW corner, Section 21.

Conditions or other limitations, if any: None

Certificate No.: 76948

Priority date: Oct. 25, 1968

Type of use: irrigation

Place of use: Township 17 South, range 46 East, W.M., in portions of 20, 21, 27, 28, 29.
 A map of irrigated lands is attached as Exhibit D.
 Number of acres: 632.7 (108.8 acres to be leased)

SKYLINE FARMS Certificate # (Proposed on Permit #33944)

Place of use:

Section	SE 1/4 20	SE 1/4 T 17 S, R 46 E, W.M.	8.30 acres	(0.00 acres to be leased)
	SW 1/4	SW 1/4	18.40 acres	(0.00 acres to be leased)
	SE 1/4	SW 1/4	36.50 acres	(0.00 acres to be leased)
	SW 1/4	SE 1/4	39.70 acres	(39.70 acres to be leased)
	SE 1/4	SE 1/4	39.30 acres	(39.30 acres to be leased)
Section	21	T 17 S, R 46 E, W.M.		
	NE 1/4	NW 1/4	6.50 acres	(0.00 acres to be leased)
	NW 1/4	NW 1/4	37.20 acres	(0.00 acres to be leased)
	SW 1/4	NW 1/4	38.80 acres	(0.00 acres to be leased)
	SE 1/4	NW 1/4	39.60 acres	(0.00 acres to be leased)
Section	27	T 17 S, R 46 E, W.M.		
	NE 1/4	NE 1/4	24.80 acres	(0.00 acres to be leased)
	NW 1/4	NE 1/4	29.80 acres	(29.80 acres to be leased)
	SW 1/4	NE 1/4	29.40 acres	(0.00 acres to be leased)
	SE 1/4	NE 1/4	36.40 acres	(0.00 acres to be leased)
	NE 1/4	NW 1/4	18.40 acres	(0.00 acres to be leased)
	NW 1/4	NW 1/4	32.20 acres	(0.00 acres to be leased)
	SW 1/4	NW 1/4	39.60 acres	(0.00 acres to be leased)
	SE 1/4	NW 1/4	34.60 acres	(0.00 acres to be leased)
	NE 1/4	SW 1/4	23.70 acres	(0.00 acres to be leased)
	NW 1/4	SW 1/4	17.10 acres	(0.00 acres to be leased)
	NE 1/4	SE 1/4	19.00 acres	(0.00 acres to be leased)
	NW 1/4	SE 1/4	20.20 acres	(0.00 acres to be leased)
Section	28	T 17 S, R 46 E, W.M.		
	NE 1/4	NE 1/4	18.50 acres	(0.00 acres to be leased)
	SE 1/4	NE 1/4	18.40 acres	(0.00 acres to be leased)
	NE 1/4	SE 1/4	6.50 acres	(0.00 acres to be leased)
Section	29	T 17 S, R 46 E, W.M.		

Acres of storage: None

Rate: 15.82 cfs (2.72 cfs to be leased)

Duty: 2531.6 acre feet (4 acre feet per acre) (435.2 acre feet to be leased)

Season of Use: March 15 to October 31

Point(s) of Diversion (POD): Lot 1 (NE1/4 NW1/4), Section 21, T 17 S, R 47 E, WM;
 350 Feet South and 1980 feet East from the NW corner, Section 21.

Conditions or other limitations, if any: None

Certificate No.: 74024

Priority date: October 8, 1965

Type of use: irrigation

Place of use: Township 17 South, range 46 East, W.M., in portions of Sections 2, 10, 11, 12, 13, 14, 15, 16, 17, 20, 21, 22, 23. A map of irrigated lands is attached as Exhibit D.

Number of acres: 159.0 (39.6 acres for lease)

SE	1/4	NW	1/4	40.00 acres	(0.00 acres to be leased)
NE	1/4	SW	1/4	39.80 acres	(0.00 acres to be leased)
NW	1/4	SW	1/4	39.60 acres	(0.00 acres to be leased)
SW	1/4	SW	1/4	39.60 acres	(39.60 acres to be leased)

Section 34 T 17 S, R 46 E, W.M.

Acre feet of storage: None

Rate: 1.92 cfs (0.48 cfs to be leased)

Duty: 477 acre feet (3 acre feet per acre) (118.8 acre feet to be leased)

Season of Use: March 1 to October 31

Point of Diversion (POD): NE1/4 NE1/4, Section 10, T 18 S, R 46 E, WM; 510 feet South and 600 feet West from the NE Corner, Section 10.

Conditions or other limitations, if any: None

1.5 Validity of Rights. Lessor #1 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
- that the water right is not subject to forfeiture under ORS 540.610.

1.6 Lease. Lessor agrees 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.

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:

- 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:

Certificate No.: 75566

Location: POD to the Oregon/Washington state line on the Snake River, a tributary to the Columbia River, in the Columbia River Basin.

Priority date: June 27, 1966

Type of use: Water quality and other public benefits as described in Section 2.1 above.

Total volume: 11,686.4 acre feet

Rate: 59.71 cfs

Period of Use: March 1 to October 31.

Conditions to prevent injury, if any: The instream flow will be allocated on a daily basis, up to the rate, from July 1 to October 7, 2001, or until such time that the total duty for the irrigation season is met. (99 days expected at maximum rate.)

Certificate No.: 76944

Location: POD to the Oregon/Washington state line on the Snake River, a tributary to the Columbia River, in the Columbia River Basin.

Priority date: June 27, 1966

Type of use: Water quality and other public benefits as described in Section 2.1 above.

Total volume: 2049.2 acre feet

Rate: 10.49 cfs

Period of Use: March 1 to October 31

Conditions to prevent injury, if any: The instream flow will be allocated on a daily basis, up to the rate, from July to October 5, 2001, or until such time that the total duty for the irrigation season is met. (98 days expected at maximum rate.)

Certificate No.: 74023

Location: POD to the Oregon/Washington state line on the Snake River, a tributary to the Columbia River, in the Columbia River Basin.

Priority date: October 25, 1968

Type of use: Water quality and other public benefits as described in Section 2.1 above.

Total volume: 747.2 acre feet

Rate: 4.67 cfs

Period of Use: Mar. 1 to Oct. 31

Conditions to prevent injury, if any: The instream flow will be allocated on a daily basis, up to the rate, from July 1 to September 19, 2001, or until such time that the total duty for the irrigation season is met. (81 days expected at maximum rate.)

Certificate No.: 76948

Location: POD to the Oregon/Washington state line on the Snake River, a tributary to the Columbia River, in the Columbia River Basin.

Priority date: October 25, 1968

Type of use: Water quality and other public benefits as described in Section 2.1 above.

Total volume: 435.2 acre feet

Rate: 2.72 cfs

Period of Use: March 1 to October 31

Conditions to prevent injury, if any: The instream flow will be allocated on a daily basis, up to the rate, from July 1 to September 19, 2001, or until such time that the total duty for the irrigation season is met. (81 days expected at maximum rate.)

Certificate No.: 74024

Location: POD on the Malheur River, a tributary to the Snake River, thence to the Oregon/Washington state line on the Snake River, a tributary to the Columbia River, in the Columbia River Basin.

Priority date: October 8, 1965

Type of use: Water quality and other public benefits as described in Section 2.1 above.

Total volume: 118.8 acre feet

Rate: 0.48 cfs

Period of use of Use: March 1 to October 31

Conditions to prevent injury, if any: The instream flow will be allocated on a daily basis, up to the rate, from June 29 to October 31, 2001, or until such time that the total duty for the irrigation season is met. (125 days expected at maximum rate.)

- 2.3 Term of lease.** This Lease shall commence on March 1, 2001 (not before execution by the parties) and continue through October 31, 2001.
- 2.4 Compensation.** The Lessor has agreed to lease subject water right herein to BPA for cash and other consideration 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.

~III~

- 3 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 the water rights 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:

Watermaster: Ron Jacobs
Ron Jacobs, Malheur County, District # 9

Courthouse, #4
251 "B" Street West
Vale, Oregon 97918
Phone: (541) 473-5130
Fax: (541) 473-5522

Date: August 27, 2001

~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.

Lessor: Larson Larson Date: Sept 7, 2001

Lessee: Rick Stamm Date: 9/24/01

So ordered by Trustee: [Signature] Date: OCTOBER 02, 2001

Exhibits:

- Exhibit A: Copy of Property Deed
- Exhibit B: Tax Lot Map of Lessor's property
- Exhibit C: Copies of certificates, permits and decreed rights to be leased
- Exhibit D: Detailed map illustrating lands under subject rights to be leased
- Exhibit E: Identification of public use to be served by instream use