

Lease Agreement Number (assigned by WRD): 276

STATE OF OREGON
WATER RESOURCES DEPARTMENT

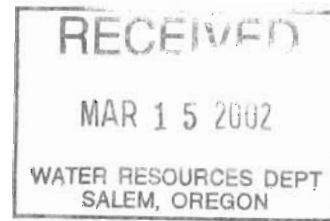
Pooled Lease Form

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:

District:

(Name) Swalley Irrigation District
(Mailing address) PO Box 5126
(City, State, Zip Code) Bend OR 97708-5126
(Telephone number) 541-388-0658



If more than one district, enter district information below:
no

The water right to be leased is located in Deschutes County

Indicate if Lessee is different than Oregon Water Resources Department

Different. If different, enter Lessee information below:

Trustee:

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

~I~

1.1 District and landowner(s) propose to lease the water rights listed below (indicate if any are supplemental):

Certificate No. 74145

1.2 Subject Water Rights. District and Landowners propose to lease the water rights listed in Attachment 5.

The right(s) to be leased are further described as follows:
Certificate No.: 74145

Priority date: 1899 Type of use: Irrigation

Legal Season of Use (if not listed on the certificate):

If an irrigation right, total number of acres to be leased: 184.54

Total acre feet of storage to be leased, if applicable: n/a

Rate associated with leased rights (cfs): 2.22

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

Rate associated with leased rights (cfs): 2.98

Rate associated with leased rights (cfs): 5.52

Duty associated with leased rights (AF): 1767.9

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

Duty associated with leased rights (AF):

Duty associated with leased rights (AF):

Conditions or other limitations, if any:

To repeat information in section 1.2 for a different water right, please see last page below.

~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:

Deschutes River/Creek

Tributary to Columbia in the Deschutes 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): 165 river miles at Bend to 120 river miles Lake Billy Chinook.

Total volume (AF): 1031.08

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

Total volume (AF):

Total volume (AF):

Rate in cfs: 1.27

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

Rate in cfs: 1.70

Rate in cfs: 3.14

Conditions to prevent injury, if any:

- None
- The instream flow will be allocated on a daily average basis up to the described rate from . until .

Other (describe):

To repeat the information in 2.2 for a different instream use, last page below.

- 2.3 Term of lease.** This lease shall terminate on 10/31/02.
- 2.4 Compensation.** The District 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.

~III~

- 3.1 Accuracy.** The Undersigned District 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.** District agree to lease the water rights listed in 1.2 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.

District: Todd A. Roth, MGR Date: 3-13-02

Lessee: _____ 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: [Signature] Date: 4/22/2002

Effective date is _____ (if different than the date of the Trustee's signature).