

Lease Agreement Number 980701

**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:

Willamette Industries Inc.
(J. Edward Henricks - Authorized Agent)
2730 Pacific Blvd. SE
Albany, OR 97321
(541) 926-7771

The water right to be leased is located in LINN 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.41353 Permit No. Not Applicable
- 1.4 **Subject Water Rights.** Lessor proposes to lease all/a portion of the water rights listed in 1.3, above.

The right to be leased are further described as follows:

Certificate: Portion of C-41353

Source: S. Santiam River, Tributary to the Santiam River in the Willamette Basin.

Priority date: June 23, 1969

Type of use: Maintenance of fire suppression system, condensor and grate cooling, maintaining pond, manufacturing, log deck sprinkling and steam power plant

Place of use: Plywood Plant - SE 1/4, SW 1/4, Section 29, T. 13 S., R 1 E., W. M..
(If original use is irrigation, include map of irrigated lands in Exhibit D.)

Number of acres, if for irrigation: N / A

Acre feet of storage: N / A

Rate: 2.47 cfs - S. Santiam River. (1.23 cfs to be leased)

Duty: None

Season of Use: Year-round

Point of Diversion (POD): S. Santiam River - NW 1/4, SW 1/4 1810 feet north and 690 feet East from SW Corner Section 29, T. 13 S., R. 1 E., W. M.

Conditions or other limitations, if any: None

- 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. If the right is for irrigation, beneficial must have occurred in the last five years on all lands indicated in Exhibit D.
- 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 / 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:

S. Santiam River Tributary to Santiam River in the Wilamette Basin.

To be maintained at POD near River Mile 34.6

[Identify applicable points or reaches of instream use by river mile, description or map.]

Priority date: June 23, 1969

Use: Described in Section 2.1, above

Total volume: N / A

Rate in cfs: 1.23 cfs

Period of use: Year-round

Conditions to prevent or mitigate injury, if any: None

2.3 **Term of lease.** This Lease shall commence no sooner than April 21, 1998 (not before execution by all parties) and continue through April 21, 2000 .

2.4 **Compensation.** The Lessor has agreed to lease subject water right for the sum of \$1.00, 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.** Lessor/Lessee intends to manage and participate in the protection of the instream use by: NA

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:

3.1 Lessor #1 is currently entitled to appropriate water under the water rights described in Section 1.4.

3.2 A suitable control is/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: Water from the source identified in Section 1.4 will not be used in the plywood plant (SE 1/4, SW 1/4, Section 29, T. 13 S., R 1 E., W. M. during the term of the lease with the exception of emergency firefighting use exempted under ORS 537.141 (a).

Watermaster: 
(Address & telephone) Lane County Courthouse
125 E. 8th Avenue
Eugene, OR 97401
(541) 687-3620

District 2 3-27-98


Date: 3/27/98

~IV~

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

Lessor: 

Date: 3/27/98

So ordered by Lessee/Trustee: 

Date: 4/24/98

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