

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

This Lease Agreement is between:

LESSOR #1: Kim D Ward & Co. 60801 Brosterhous Road, Bend, Oregon 97702 (503) 382-1636

LESSOR #2, 3, etc.

LESSEE #1: The Central Oregon Irrigation District, Post Office Box 548, Redmond, Oregon 97756. (503)548-6047 Fax# (503)548-0243

TRUSTEE Oregon Water Resources Department 158 12th Street, N.E. Salem, Oregon 97310 378-3739 (fax 378-2496)

I.

- 1.1 Lessor #1 is the owner of the property highlighted in Exhibit B.
- - Official representative of, the irrigation district which conveys water to the subject water rights.
 - ____ Owner, or authorized agent for owner, of the storage facility which is the source of the subject water rights.
 - ____ Another party with an interest in the subject water rights representing.
- 1.3 Exhibit C contains copies of all certificated, decreed or permitted rights attached to the property in Exhibit "D". Those rights are listed below as follows (Use additional sheet, if necessary):

Permit No. N/A Certificate No. 29052 Decree: Adjudication of Deschutes River. Page No.

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:

Water Right Identification No.: (1) 1900 (2) 1907 Priority date: 10-31-1900/12-2-1907

Type of use: irrigation

Place of use: legal description, see Exhibit "C".

(If original use is irrigation, include map of irrigated lands in Exhibit C.)

Number of acres, if for irrigation: 45.0 acres

Acre-feet of storage: N/A

Rate: April 1-30/lcfs per 145 acres = .31 cfs May 1-15/1cfs per 109 acres = .41 cfs May 15-Sept 15/1cfs per 60 acres = .75 cfs Sept 16-30/1cfs per 109 acres = .41 cfs Oct 1-31/1cfs per 145 acres = .31 cfs (or as available supplies allow)

Duty: Approximately 180 acre feet @ 4af/ac depending on available supplies

Season of Use: April 1 thru October, 1995 Point(s) of Diversion (POD): SW1/4 NE1/4, Section 13, Township 18S, Range 11E, W.M; 1520 feet south and 1535 feet west from north east corner of Section 13. Conditions or other limitations:

- 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 rights within the last five years and, if the rights are for irrigation, on all lands indicated in Exhibit "D".
- 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 690-77-077.
- 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.
 - X Mitigation of a deficiency in water supply identified in an application for an instream water right or Diack flow located from North Canal Dam to Lake Billy Chinook.
 - A specific use or need identified by DEQ, Parks or ODF&W 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:

River/Creek Deschutes River
Tributary to Columbia River in the Deschutes Basin
Location: @ Bend, Oregon, from river mile 165 to river mile
120.

Priority date of: 1900/1907

Use: Described in Section 2.1, above

Total Volume: See 1.4 Rate in cfs: See 1.4

Period of use: irrigation season 1995

Conditions to prevent or mitigate injury, if any: None

- 2.3 TERM OF LEASE. This Lease shall commence on May 15, 1995 (not before execution by the parties) and continue through October, 1995.
- 2.4 COMPENSATION. The general nature of the lease compensation is money.
- 2.5 FLOW PORTECTION. 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

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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.

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OPTIONAL PROVISIONS

- 2.6 ADDITIONAL MONITORING. Lessor/Lessee intends to manage and participate in the protection of the instream use by: N/A
- 2.7 MODIFICATION OR TERMINATION PROVISIONS. As necessary

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:
	(Describe,	if any)					

Watermaster: Myle Source District 11
Kyle Gorman

Water Resources Dept. 1340 NW Wall Street Suite 100 Bend, Oregon 97701 (503)388-6669 Fax #388-5101

Date: 6-23-95

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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.

Lessor #1: This Wood	Date: June 6 1995
Lessor #2:	Date:
Lesseer fay a moherly	Date: June 12 1998
So ordered by Trustee: Policia A Tuco Director, Oregon Water Resources Department	Date: June 26, 1995
Effective Date of Lease Agreement: Jun 26,	1995