



State of Oregon
Water Resources Department
 725 Summer Street NE, Suite "A"
 Salem, Oregon 97301-1271
 (503) 986-0900

Application for Short-Term Instream Lease

A summary of review criteria and procedures that are generally applicable to these applications is available at www.wrd.state.or.us/publication/reports/index.shtml.

Pursuant to ORS 537.348(2) and OAR 690-077-0077

Optional Identification by Lessor/Lessee: RO-05-02
 Lease Agreement Number (assigned by WRD): L-666

RECEIVED
 JUN 13 2005
 WATER RESOURCES DEPT.
 SALEM, OREGON

This Lease Agreement is between:

Lessor #1:

(Name) Arrowhead Land and Cattle Company
 (Mailing address) 2909 North Phoenix Road
 (City, State, Zip Code) Medford, OR 97204
 (Telephone number) (541) 535-3240
 (Email address) _____

Lessor #2, 3, etc.

Jim Pendleton of Talent Irrigation District
PO Box 467
Talent, OR 97540
(541) 535-1529
tid@talentid.org

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

Lessee (if different than Oregon Water Resources Department):

(Name) Oregon Water Trust
 (Mailing address) 522 SW Fifth Ave., Suite 825
 (City, State, Zip Code) Portland, OR 97204
 (Telephone number) (503) 525-0141
 (Email address) steve@owt.org

Trustee:

Oregon Water Resources Department
 725 Summer Street N.E., Suite "A"
 Salem, OR 97301-1271
 (503) 986-0900

~I~ Ownership and Water Right Information

- 1.1 Lessor #1 is the owner, or authorized agent for owner of property located at: Township 38
S, Range 1 W, Section 03 and 10 and Tax Lot number
1600 and 100, respectively. If the water right appurtenant to these lands is
 also appurtenant to lands owned by others, then Attachment 1, (tax lot map of lessor's
 property) needs to be included.

1.2 Lessor #2 is the (Check one):

Not applicable

Official representative of Talent Irrigation District, the irrigation district which conveys water to the subject water rights.

Another party with an interest in the subject water rights representing _____.

1.3 For the lands being leased, list all water rights appurtenant to the lessor's property. Indicate if there are any supplemental or overlying rights.

Certificate No. 79212 and Supplemental under Permit 25915

1.4 Are some or all of the lands being leased part of a Conservation Reserve Enhancement Program. Yes No

1.5 **Subject water rights.** Lessor proposes to lease the water rights listed in 1.3.

The right(s) to be leased are further described as follows:

Certificate No.: 79212

Priority date: May 23, 1915 Type of use: Primary and Supplemental Irrigation and for Domestic use for the City of Ashland

Legal Season of Use: April 1 through October 31

Is the entire water right certificate being leased? Yes No

If no, list the acres of the subject water right by legal description of township, range, section, and $\frac{1}{4}$ $\frac{1}{4}$ which will be dried up as part of this lease, and include a map (Attachment 2) showing the lands which will not receive water.

Place of use: T 38 S, R 1 W, Section 3, NE $\frac{1}{4}$ SW $\frac{1}{4}$ - 12.00 acres to be leased

Enter additional places of use here, using format above:

Section 3, NW of SE - 36.65

NE of SE - 13.2

SE of SW - 11.33

SW of SE - 32.02

SE of SE - 4.59

Section 10, NW of NE - 23.38

NE of NE - 7.79

Page 6 for section 3, page 7 for section 10 (Identify page number of certificate, if certificate is greater than 10 pages.)

Number of acres being leased, if for irrigation: 141.16

Acre-feet of storage, if applicable: na

Maximum rate associated with subject water rights (cfs): 1.76

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

Maximum duty associated with subject water rights (ac-ft): NA

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

Conditions or other limitations, if any: The right is limited to not more than the amount specified for each source, and not to exceed 87 CFS at one time, and further, the diversions from Rear Creek, including Ashland Creek and Neil Creek shall not exceed 55 CFS at one time.

The amount of water used for irrigation together with the amount secured under any other prior right existing for the same lands, is limited to a diversion of ONE-Eighthieth of one cubic foot per second (or its equivalent) for each acre irrigated during the irrigation season of each year.

The use shall conform to such reasonable rotation system as may be ordered by the proper state officer.

If you need to enter another leased right, please use the additional water rights form.

1.6 Validity of rights. Lessor(s) 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 as an instream water right or
- the water has not been used over the past five years according to the terms and conditions of the owner's water right certificate, however the water right is not subject to forfeiture under ORS 540.610(2)()(include necessary supporting documentation as Attachment 3).

~II~ Instream Water Right Information

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:

Gaerky Creek
Tributary to Bear Creek in the Rogue Basin.

Describe the point of diversion (POD) and any associated reach(es) of the instream use being created. If possible list the reach by river mile. If no reach is identified, and there is only one POD listed on the certificate, the lease may be processed to be protected at the POD. (If more than one POD is listed on the certificate, then the POD and any associated reach(es) must be identified): The point of diversion for the primary right is the toe of Emigrant Dam being within the SESE of Section 20, Township 39 South, Range 2 East, W.M. The applicant proposes the water be delivered in the East Canal to a point where the canal crosses Gaerky Creek where the water will be discharged through a control structure at a measured rate. The instream right will be protected in Gaerky Creek only at a point immediately below the East Canal, at approximately stream mile 1.45. At such time that the District is supplying water for irrigation from supplemental sources under Permit 25915, the instream right will also be supplied by supplemental sources.

Maximum volume in acre-feet: 372.4

Rate in cfs: 1.41

(Use the section below to indicate a more restrictive period of use than allowed by the water right.)

Conditions to prevent injury, if any:

- None

RECEIVED
JUN 13 2005
WATER RESOURCES DEPT.
SALEM, OREGON

- The instream flow will be allocated on a daily average basis up to the described rate from June 21 through October 31.
- Other (describe): The portion of water protected under this lease shall be based on the same percentage diversion and delivery rate that Talent Irrigation District is diverting to rights of the same priority within the District. The instream rate proposed is estimated based upon a 1/100th cfs per acre rate. In case of shortage of supply where the general allotment on the District has been reduced, the District will deliver less than 2.65 acre feet per acre in accordance with District policy governing temporary instream leases. In the event the District stops delivery of irrigation water prior to October 31, the delivery for instream use shall also stop. Reporting to the watermaster shall be consistent with any required reporting of other District operations.

If you need to enter more instream uses, please use the additional water rights form.

- 2.3 **Term of lease.** This lease shall terminate on October 31, 2005.
- 2.4 **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). As part of regulation activities the watermaster or a designee has access to the point of diversion and place of use for the water rights involved in this lease. No party is required to continuously measure the flow of the waterway described in Section 2.2.

~III~ Other Information

- 3.1 **Accuracy.** 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. 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.** 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 690-077-0077.
- 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.
- 3.4 **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. In the event that a supplemental water right is not part of this lease, it may be subject to forfeiture.
- 3.5 **Termination provision.**
 - For multiyear leases, lessor *shall* have the option of terminating the lease each year, prior to the lease being exercised (____), with 30 day written notice to the Department.

3.6 Modification to prevent injury. 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.

3.7 Fees. Effective October 1, 2003, pursuant to ORS 536.050 (1)(v) (2003 SB 820), the following fee is included:

- \$200 for an application with four or more landowners or four or more water rights.
- \$100 for all other applications.

Lessor #1: Robert Nelson For ALC Date: 6-3-05
Arrowhead Land and Cattle Company

For additional Lessors, type in space for signature and date

Lessor #2: [Signature] Date: 6-8-05
Talent Irrigation District

Lessee: [Signature] Date: 6-2-05
Oregon Water Trust

Other Attachments as Needed:

- Attachment 1: Tax Lot Map of Lessor's Property (required if landowner is not the sole landowner to lands for which the subject water rights are appurtenant)
- Attachment 2: Detailed map illustrating lands under subject rights to be leased (required if only part of a right is being leased instream).
- Attachment 3: Supporting documentation indicating why a right is valid and not subject to forfeiture even though the right has not been exercised for five or more consecutive years (required if the second box in Section 1.6 is checked)
- Attachment 4: Split Season Instream Use Form

RECEIVED
JUN 13 2005
WATER RESOURCES DEPT.
SALEM, OREGON



State of Oregon
Water Resources Department
725 Summer Street NE, Suite A
Salem, Oregon 97301-1271
(503) 986-0900

Additional Water Right Form Standard Application for Short-Term Instream Lease

A summary of review criteria and procedures that are generally applicable to these applications is available at www.wrd.state.or.us/publication/reports/index.shtml.

~I~ Ownership and Water Right Information

Section 1.5 continued from Standard Application for Short-Term Instream Lease.

Subject Water Rights. Lessor proposes to lease the water rights listed in 1.3.

The right(s) to be leased are further described as follows:

Certificate No.: Permit 25915, supplemental to Certificate 79212. This additional water right form describes the same
141.16 acres of rights as on the attached instream lease application.

Priority date: June 8, 1953, for Soda Creek and Little Beaver Creek and September 6, 1915, for all other streams

Type of use: irrigation and supplemental irrigation

Legal Season of Use (if not listed on the certificate): April 1 through October 31

Is the entire water right certificate being leased? Yes No

If no, list the acres to be leased by legal description of township, range, section, and 1/4 1/4, which will be dried up as part of this lease. Include a map (Attachment 3) showing the lands that will not receive water.

Place of use: T 38 S, R 1 W, Section 3, NE 1/4 SW 1/4 - 12.00 acres to be leased

Enter additional places of use here, using format above:

Section 3, NW of SE - 36.65

NE of SE - 13.2

SE of SW - 11.33

SW of SE - 32.02

SE of SE - 4.59

Section 10, NW of NE - 23.38

NE of NE - 7.79

Page _____ (Identify page number of certificate, if certificate is greater than 10 pages.)

Field Code Changed

Field Code Changed

Number of acres, if for irrigation: 141.16

Acre-feet of storage, if applicable: _____

Rate associated with leased rights (cfs): 3.53 (1/40th cfs per acre)

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

Duty associated with leased rights (AF): 4.5 AF/G.C. BR

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

Conditions or other limitations, if any: Delivery of water under this supplemental right must be consistent with TID regulations and policy governing instream leases.

~II~ Instream Water Right Information

Section 2.2 continued from Standard Application for Short-Term Instream Lease.

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

Gaerky Creek

Tributary to Bear Creek in the Rogue Basin.

Field Code Changed

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 may be processed to be

RECEIVED

JUN 13 2005

WATER RESOURCES DEPT.
SALEM, OREGON

protected at the point of diversion): The point of diversion for delivery of supplemental water for irrigation is from the toe of Emigrant Dam being within the SESE of Section 20, Township 39 South, Range 2 East W.M. The applicant proposes the water be delivered in the East Canal to a point where the canal crosses Gaerky Creek where the water will be discharged through a control structure at a measured rate. The instream right will be protected in Gaerky Creek only at a point immediately below the East Canal, at approximately stream mile 1.45. At such time that the District is supplying water for irrigation from supplemental sources under permit 25915, the instream right will also be supplied by supplemental right 25915.

Total volume in acre-feet: 372.4

Rate in cfs: 1.41

Conditions to prevent injury, if any:




None

The instream flow will be allocated on a daily average basis up to the described rate from June 21 through October 31.

Other (describe): The same conditions shall apply to the supplemental as are described for the primary right 79212.

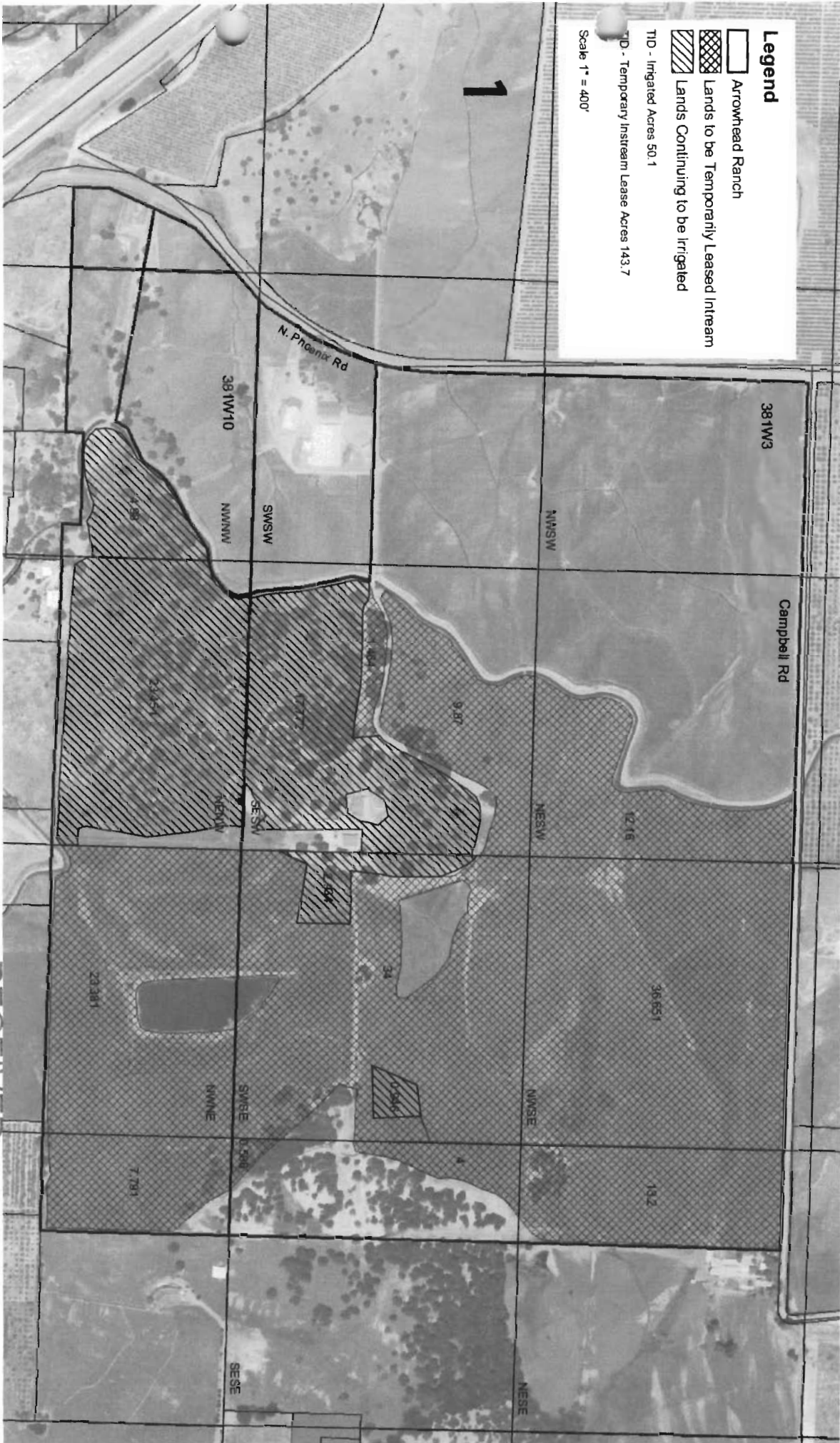
RECEIVED
JUN 13 2005
WATER RESOURCES DEPT.
SALEM, OREGON

Legend

-  Arrowhead Ranch
-  Lands to be Temporarily Leased Instream
-  Lands Continuing to be Irrigated

T1D - Irrigated Acres 50.1
 T1D - Temporary Instream Lease Acres 143.7

Scale 1" = 400'



RECEIVED

JUN 13 2005

WATER RESOURCES DEPT.
 SALEM, OREGON