



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 Pooled Lease Form

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

Optional Identification by Lessor/Lessee: _____
Lease Agreement Number (assigned by WRD): L-519

This Lease Agreement is between:

Lessor #2: Irrigation District or Other Water Purveyor
(Name) Arnold Irrigation District
(Mailing address) PO Box 9220
(City, State, Zip Code) Bend, OR 97708
(Telephone number) (541) 382-7664

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

Lessee (if different than Oregon Water Resources Department):
(Name) Deschutes Resources Conservancy
(Mailing address) 700 NW Hill St
(City, State, Zip Code) Bend, OR 97701
(Telephone number) (541) 322-4079

RECEIVED

APR 16 2004

WATER RESOURCES DEPT
SALEM, OREGON

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

~I~ Ownership and Water Right Information

- 1.2 Lessor #2 is the (Check one):
 Official representative of Arnold Irrigation District, the irrigation district, which conveys water to the subject water rights.
 Another party with an interest in the subject water rights representing _____.
 Not applicable.

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. 74197 and Supplemental 76714

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.: 74197
 Priority date: February 1 - April 25, 1905 Type of use: IRRIG
 Legal Season of Use: April 1 - October 31
 If an irrigation right, total number of acres to be leased: 20.39
 Total acre-feet of storage to be leased, if applicable: _____
 Maximum rate associated with subject water rights (cfs) being leased: 314.4
 If there is more than one rate associated with a water right, describe below:
 Season 1 (cfs) 0.40 Time period: April 1 - May 1, Oct 1 to Nov 1 (see certificate)
 Season 2 (cfs) 0.52 Time period: May 1 - May 15, Sep 15 to Oct 1
 Season 3 (cfs) 0.98 Time period: May 15 - Sept 15
 Maximum duty associated with subject water rights (ac-ft): 15.42
 Conditions or other limitations, if any: _____

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

~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:
Deschutes River
 Tributary to Columbia River in the Deschutes 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): canal diversion river mile 174.5 to Lake Billy Chinook river mile 120

Maximum volume in acre-feet: 111.52
 Rate in cfs: 0.14
 (Use the section below to indicate a more restrictive period of use than allowed by the water right.)
 Rate in cfs: 0.18
 Rate in cfs: 0.34

Conditions to prevent injury, if any:

- None
- The instream flow will be allocated on a daily average basis up to the described rate from April 1 through October 31.
- Other (describe): _____

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

RECEIVED

APR 16 2004

WATER RESOURCES DEPT
 SALEM, OREGON

- 2.3 **Term of lease.** This lease shall terminate on October 31, 2008.
- 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 (January 31st), with 30 day written notice to the Department.
 - For multiyear leases, lessor shall not have the option of terminating the lease each year, prior to the lease being exercised, with 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.

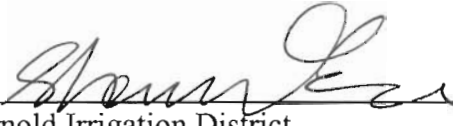
RECEIVED

APR 16 2004

WATER RESOURCES DEPT
SALEM, OREGON

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 #2:  Date: 3/18/04
Arnold Irrigation District

Lessee:  Date: 3-23-04
Deschutes Resource Conservancy

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 1.5 is checked)
- Attachment 4: Split Season Instream Use Form
- Attachment 5: Pooled Lease Landowner Form

RECEIVED
'APR 16 2004
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 for Pooled Instream Lease

~I~

Section 1.2 continued from Pooled District Form.

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.: Supplemental 76714

Priority date: February 28, 1913 Type of use: IRRIG

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

If an irrigation right, total number of acres to be leased: 20.39

Total acre-feet of storage to be leased, if applicable: 20.39

Rate associated with leased rights (cfs): 0.40

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

Rate associated with leased rights (cfs): 0.52

Rate associated with leased rights (cfs): 0.98

Duty associated with leased rights (AF): 0.14

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

Duty associated with leased rights (AF): 0.18

Duty associated with leased rights (AF): 0.34

Conditions or other limitations, if any: _____

~II~

Section 2.2 continued from Pooled District Form.

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

Deschutes River

Tributary to Columbia River 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 may be processed to be protected at the point of diversion): canal diversion river mile 174.5 to Lake Billy Chinook river mile 120

Total volume (AF): 0.14

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

Total volume (AF): 0.18

Total volume (AF): 0.34

Rate in cfs: 0.40

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

Rate in cfs: 0.52

Rate in cfs: 0.98

Conditions to prevent injury, if any:

None

The instream flow will be allocated on a daily average basis up to the described rate from April 1 through October 31.

Other (describe): _____

RECEIVED

APR 16 2004

WATER RESOURCES DEPT
SALEM, OREGON

This table will calculate flow rate factors and duty for the Deschutes River Irrigation Districts instream leases

	Rate (cfs for 1 acre)			
	Swalley	COI	Arnold	Tumalo
Season 1	0.0120	0.0125	0.0196	0.0125
Season 2	0.0161	0.0167	0.0256	0.0167
Season 3	0.0299	0.0309	0.0481	0.0309
Duty (decree) AF	9.58	9.91	15.42	9.91
Lease section 1.2	195.3	202.1	314.4	202.1
(Row 10 only)				
"Rate associated with leased rights (cfs)" Section 1.2				
Season 1	0.25	0.25	0.40	0.25
Season 2	0.33	0.34	0.52	0.34
Season 3	0.61	0.63	0.98	0.63

Rates with the loss factor taken out				
Swalley	COI	Arnold	Tumalo	Number o
0.0069	0.0069	0.0069	0.0069	61
0.0092	0.0092	0.0090	0.0092	30
0.0170	0.0170	0.0168	0.0170	123
5.45 COI				1.51
111.14 af				0.99
				7.53
				10.03
				9.91
				0.12

Report only values on rows 29 & 32-34 for section 2.2

	Duty (Ac-Ft for 1 acre)			
	Swalley	COI	Arnold	Tumalo
Season 1	0.8309	0.8318	0.8303	0.8318
Season 2	0.5471	0.5455	0.5340	0.5636
Season 3	4.1573	4.1414	4.1052	4.1751
Totals	5.5352	5.5187	5.4696	5.5705

Enter the number of acres here for a total duty calculation

	Duty (Ac-Ft)			
20.39	112.86	112.53	111.52	113.58

and for rate purposes (cfs)

Season 1	0.14	0.14	0.14	0.14
Season 2	0.19	0.19	0.18	0.19
Season 3	0.35	0.35	0.34	0.35

gpm

Season 1	62.9	62.9	62.8	62.9
Season 2	84.2	83.9	82.2	83.9
Season 3	156.0	155.4	154.1	155.4

RECEIVED

APR 16 2004

WATER RESOURCES DEPT
SALEM, OREGON



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

Attachment 5: Pooled Landowner Form

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

Optional Identification by Lessor/Lessee: _____
Lease Agreement Number (assigned by WRD): _____

This Lease Agreement is between:

Lessor #1 (Landowner):

(Name) Arnold Irrigation District
(Mailing address) PO Box 9220
(City, State, Zip Code) Bend, OR, 97708
(Telephone number) (541)382-7664



If additional landowners, enter landowner information below

Note: The numbering associated with this form corresponds to that found on the "Standard Instream Lease Application" form. The "Pooled Lease" form and "Pooled Landowner" form(s) are used to provide the same information as the "Standard Instream Lease Application" form. Consequently, the numbering on this form is not always sequential.

~I~ Ownership and Water Right Information

- 1.1 Lessor #1 is the owner, or authorized agent for owner of property located at: Township 18, Range 11, Section 25 and Tax Lot number 04700. 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.
- 1.3 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. 74197 and Supplemental 76714

- 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.** Landowner proposes to lease the water rights shown on the map attached as Exhibit 5-B (this information may be included on Exhibit 5-A, or an additional map may be attached). (Crosshatch the area of water rights being leased). Attached map(s) must identify property owner, Township, Range, Section and 1/4 1/4, tax lot number, map orientation and scale.

T	R	Sect	¼ ¼	Tax Lot	Acres	Type of Use	Certificate #	Page(s) #	Priority*	
*(Identify pertinent page number of certificate, if certificate is greater than 10 pages; identify priority date if there is more than one per certificate)										
1.	18	11	25	NW NW	04700	.20	IRRIG	74197	5	2/5/1905- 4/25/1905
2.										
3.										
4.										
5.										

RECEIVED
APR 16 2004

Total number of acres, if for irrigation, by certificate and priority date: .20 WATER RESOURCES DEPT
Acre-feet of storage, if applicable: _____ SALEM, OREGON

Conditions or other limitations, if any: _____

If you need to enter another leased right, please use the Additional Landowner 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

2.3 Term of lease. This lease shall terminate on October 31, 2008. (If there is a conflict between the Pooled District Form and this form, the Pooled District Form will be the official term of the lease.)

~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.

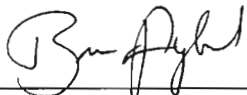
For multiyear leases, lessor *shall* have the option of terminating the lease each year, prior to the lease being exercised (January 31st), with 30 day written notice to the Department provided by the Irrigation District, Other Water Purveyor or Lessee (if different than Department). The lessor must contact the Irrigation District, Other Water Purveyor, or Lessee (if different than Department) to indicate their interest in terminating the lease agreement.

For multiyear leases, lessor *shall not* have the option of terminating the lease each year, prior to the lease being exercised, with 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.

Lessor #1:  Date: 3/17/04
Arnold Irrigation District

For additional Lessors, type in space for signature and date

Lessee:  Date: 3-23-04
Deschutes Resource Conservancy

Other Attachments As Needed:

- Exhibit 5-A: Tax Lot Map of Landowner's Property
- Exhibit 5-B: Detailed map illustrating lands under subject rights to be leased [Exhibits 5-A and 5-B may be combined into a single map]
- Exhibit 5-C: 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 of this form is checked)
- Exhibit 5-D: Split Season Instream Use Form

RECEIVED
APR 16 2004
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 For Pooled Landowner **Instream Lease**

~I~

Section 1.1 continued from Pooled Leasing Landowner Form.

Subject Water Rights. Landowner proposes to lease the water rights shown on the map attached as Exhibit 5-B (this information may be included on Exhibit 5-A, or an additional map may be attached).
 (Crosshatch the area of water rights being leased).

T	R	Sect	¼ ¼	Tax Lot	Acres	Type of Use	Certificate #	Page(s) #	Priority*	
*(Identify pertinent page number of certificate, if certificate is greater than 10 pages; identify priority date if there is more than one per certificate)										
1.	18	11	25	NW NW	04700	.20	SUPP	76714	113	2/28/1913
2.										
3.										
4.										
5.										
6.										
7.										
8.										
9.										
10.										

[Attached map(s) must identify property owner, Township, Range, Section and ¼ ¼, tax lot number, map orientation and scale.]

Total number of acres, if for irrigation, by certificate and priority date: .20
 Acre-feet of storage, if applicable: _____

RECEIVED
 APR 16 2004
 WATER RESOURCES DEPT
 SALEM, OREGON

State of Oregon
WATER RESOURCES DEPARTMENT
NOTICE OF DISTRICT PERMANENT TRANSFER
(ORS 540.580)



Arnold Irrigation District
P.O. Box 9220
Bend, Oregon 97708
PHONE: 541-382-7664 FAX: 541-382-0833

RECEIVED

APR 16 2004

WATER RESOURCES DEPT
SALEM, OREGON

1. **WATER RIGHT**
CERTIFICATE #74197
PRIORITY DATE 02/01/1905 - 04/25/1905
DESCHUTES COUNTY
WATER RIGHT UNDER NAME OF ARNOLD IRRIGATION DISTRICT

2. **APPLICANT**
NAME LESLIE R. HANSEN
ADDRESS 19242 GALEN RD., BEND, OR 97702
ENCUMBRANCES _____

3. **TYPE OF CHANGE:** PERMANENT CHANGE IN PLACE OF USE

4. **LOCATION OF USE**
AUTHORIZED POINT OF DIVERSION _____

LOCATION OF AUTHORIZED PLACE OF USE

TOWNSHIP	RANGE	SECTION	¼, ¼ OF SECTION	TAX LOT	# OF ACRES IRRIGATED	OTHER USE
18	11	25	NW NW	4700	.20	

5. **RECIPIENT**
NAME _____
ADDRESS _____

6. LOCATION OF PROPOSED USE

TOWNSHIP	RANGE	SECTION	¼, ¼ OF SECTION	TAX LOT	# OF ACRES IRRIGATED	OTHER USE

7. **EXHIBITS**
A. Map showing the location of the present and proposed irrigated lands.

Arnold Irrigation District hereby certifies that the applicant and recipient are the deed holders of subject properties; that our files are complete with a copy of the recorded documents; that the applicant's land has been irrigated within the last five years or the right appurtenant is not subject to forfeiture, and that applicant and recipient hereby authorize the transfer proposed herein.

NOTICE IS HEREBY GIVEN that this proposed change is subject to the approval of the Water Resources Department and that the Water Resources Department may reject the transfer or may require mitigation to avoid injury to other water right holders.

ARNOLD IRRIGATION DISTRICT AND APPLICANT, HEREBY SWEAR THAT THE ABOVE NOTICE FOR TRANSFER OF WATER RIGHT AND THE STATEMENTS MADE ARE TRUE AND CORRECT.

APPLICANT: Leslie R Hansen _____ Date 2-4-04

RECIPIENT: [Signature] _____ Date 3/17/04

FOR DISTRICT: _____ Date _____

February 4, 2004

Leslie R. Hansen
19242 Galen Rd.
Bend, OR 97702-7937

Arnold Irrigation District
P. O. Box 9220
Bend, OR 97708

RECEIVED

APR 16 2004

WATER RESOURCES DEPT
SALEM, OREGON

Dear Administrator:

I have been using Arnold Irrigation water since acquiring the property at 19246 Galen Rd. in 1997. I wish to give the .2 acre water rights back to the district.

Yours truly,



Leslie R. Hansen
cc



RECEIVED

APR 16 2004

WATER RESOURCES DEPT
SALEM, OREGON

Scale 1" = 40'
Leased Water

718 R11 S25 NW NW 4700

181124

181125

181126



SILOUX LN

BAKER RD

SHOSHONE RD

SHOSHONE RD

SHOSHONE CIR

INDIAN SUMMER RD

INDIAN SUMMER CIR

UTE LN

GALEN RD

RIVER WOODS DR

PAWNEE LN

WINNEBAGO LN

CHOCTAW RD

KIOWA RD

ARAPAHO



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

Attachment 5: Pooled Landowner Form

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

Optional Identification by Lessor/Lessee: _____
Lease Agreement Number (assigned by WRD): _____

This Lease Agreement is between:

Lessor #1 (Landowner):

(Name) Deschutes County Department of Solid Waste, Attn: Timm Schimke
(Mailing address) 61000 SE 27th St
(City, State, Zip Code) Bend, OR, 97702
(Telephone number) (541)317-3163

RECEIVED

APR 16 2004

WATER RESOURCES DEPT
SALEM, OREGON

If additional landowners, enter landowner information below

Note: The numbering associated with this form corresponds to that found on the "Standard Instream Lease Application" form. The "Pooled Lease" form and "Pooled Landowner" form(s) are used to provide the same information as the "Standard Instream Lease Application" form. Consequently, the numbering on this form is not always sequential.

~I~ Ownership and Water Right Information

- 1.1 Lessor #1 is the owner, or authorized agent for owner of property located at: Township 18, Range 12, Section 09 and Tax Lot number 01300. 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.
- 1.3 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. 74197 and Supplemental 76714
- 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.** Landowner proposes to lease the water rights shown on the map attached as Exhibit 5-B (this information may be included on Exhibit 5-A, or an additional map may be attached). (Crosshatch the area of water rights being leased). Attached map(s) must identify property owner, Township, Range, Section and 1/4 1/4, tax lot number, map orientation and scale.

T	R	Sect	¼ ¼	Tax Lot	Acres	Type of Use	Certificate #	Page(s) #	Priority*	
*(Identify pertinent page number of certificate, if certificate is greater than 10 pages; identify priority date if there is more than one per certificate)										
1.	18	12	09	SW NW	01300	2.00	IRRIG	74197	10	2/5/1905- 4/25/1905
2.	18	12	09	NW NW	01300	1.14	IRRIG	74197	10	2/5/1905- 4/25/1905
3.										
4.										
5.										

Total number of acres, if for irrigation, by certificate and priority date: 3.14
Acre-feet of storage, if applicable: _____

Conditions or other limitations, if any: _____

If you need to enter another leased right, please use the Additional Landowner 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

2.3 Term of lease. This lease shall terminate on October 31, 2008. (If there is a conflict between the Pooled District Form and this form, the Pooled District Form will be the official term of the lease.)

~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

RECEIVED

APR 16 2004

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 (January 31st), with 30 day written notice to the Department provided by the Irrigation District, Other Water Purveyor or Lessee (if different than Department). The lessor must contact the Irrigation District, Other Water Purveyor, or Lessee (if different than Department) to indicate their interest in terminating the lease agreement.

For multiyear leases, lessor *shall not* have the option of terminating the lease each year, prior to the lease being exercised, with 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.

Lessor #1: Timm Schimke Date: 3-17-04
Deschutes County Department of Solid Waste
Timm Schimke

For additional Lessors, type in space for signature and date

Lessee: B. A. [Signature] Date: 3-23-04
Deschutes Resource Conservancy

Other Attachments As Needed:

- Exhibit 5-A: Tax Lot Map of Landowner's Property
- Exhibit 5-B: Detailed map illustrating lands under subject rights to be leased [Exhibits 5-A and 5-B may be combined into a single map]
- Exhibit 5-C: 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 of this form is checked)
- Exhibit 5-D: Split Season Instream Use Form

RECEIVED
APR 16 2004
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 For Pooled Landowner **Instream Lease**

~I~

Section 1.1 continued from Pooled Leasing Landowner Form.

Subject Water Rights. Landowner proposes to lease the water rights shown on the map attached as Exhibit 5-B (this information may be included on Exhibit 5-A, or an additional map may be attached).
 (Crosshatch the area of water rights being leased).

T	R	Sect	¼ ¼	Tax Lot	Acres	Type of Use	Certificate #	Page(s) #	Priority*	
*(Identify pertinent page number of certificate, if certificate is greater than 10 pages; identify priority date if there is more than one per certificate)										
1.	18	12	09	SW NW	01300	2.00	SUPP	76714	118	2/28/1913
2.	18	12	09	NW NW	01300	1.14	SUPP	76714	118	2/28/1913
3.										
4.										
5.										
6.										
7.										
8.										
9.										
10.										

[Attached map(s) must identify property owner, Township, Range, Section and ¼ ¼, tax lot number, map orientation and scale.]

Total number of acres, if for irrigation, by certificate and priority date: 3.14
 Acre-feet of storage, if applicable: _____

RECEIVED
 APR 16 2004
 WATER RESOURCES DEPT
 SALEM, OREGON



RECEIVED

APR 16 2004

WATER RESOURCES DEPT
SALEM, OREGON

Owner: Deschutes County
Department of Solid
Waste

T18 R12 S09 SW NW 200
T18 R12 S09 NW NW 1-14

3.14 ac.
181209BC011300

Scale
1" = 400'

Leased Water

181205

181208

181204

181209

AMERICAN LP

REED MARKET RD

FRANK LN

BROSTERHOUS RD

TRAP CT

CLAY PIGEON CT

HIGMAN ST

REED LN

CHASE RD

DANBORN ST





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

Attachment 5: Pooled Landowner Form

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

Optional Identification by Lessor/Lessee: _____
Lease Agreement Number (assigned by WRD): _____

This Lease Agreement is between:

Lessor #1 (Landowner):

(Name) Brookwood Group, LLC Attn: Dave Sturdevant
(Mailing address) 3214 NE 42nd St., Suite B
(City, State, Zip Code) Vancouver, WA 98663
(Telephone number) (541)617-1057

If additional landowners, enter landowner information below

Note: The numbering associated with this form corresponds to that found on the "Standard Instream Lease Application" form. The "Pooled Lease" form and "Pooled Landowner" form(s) are used to provide the same information as the "Standard Instream Lease Application" form. Consequently, the numbering on this form is not always sequential.

~I~ Ownership and Water Right Information

- 1.1 Lessor #1 is the owner, or authorized agent for owner of property located at: Township 18, Range 11, Section 13 and Tax Lot number 02402. 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.
- 1.3 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. 74197 and Supplemental 76714

- 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.** Landowner proposes to lease the water rights shown on the map attached as Exhibit 5-B (this information may be included on Exhibit 5-A, or an additional map may be attached). (Crosshatch the area of water rights being leased). Attached map(s) must identify property owner, Township, Range, Section and ¼ ¼, tax lot number, map orientation and scale.

RECEIVED

APR 16 2004

WATER RESOURCES DEPT
SALEM, OREGON

T	R	Sect	¼ ¼	Tax Lot	Acres	Type of Use	Certificate #	Page(s) #	Priority*	
*(Identify pertinent page number of certificate, if certificate is greater than 10 pages; identify priority date if there is more than one per certificate)										
1.	18	11	13	SW SE	02402	6.95	IRRIG	74197	2	2/5/1905- 4/25/1905
2.										
3.										
4.										
5.										

Total number of acres, if for irrigation, by certificate and priority date: 6.95
 Acre-feet of storage, if applicable: _____

Conditions or other limitations, if any: _____

If you need to enter another leased right, please use the Additional Landowner 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

2.3 Term of lease. This lease shall terminate on October 31, 2008. (If there is a conflict between the Pooled District Form and this form, the Pooled District Form will be the official term of the lease.)

~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.

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.

WATER RESOURCES DEPT
SALEM, OREGON

APR 16 2004


RECEIVED

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 (January 31st), with 30 day written notice to the Department provided by the Irrigation District, Other Water Purveyor or Lessee (if different than Department). The lessor must contact the Irrigation District, Other Water Purveyor, or Lessee (if different than Department) to indicate their interest in terminating the lease agreement.
- For multiyear leases, lessor *shall not* have the option of terminating the lease each year, prior to the lease being exercised, with 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.

Lessor #1:  Date: 3-17-04
Brookwood Group, LLC (Dave Sturdevant)

For additional Lessors, type in space for signature and date

Lessee:  Date: 3-23-04
Deschutes Resource Conservancy

Other Attachments As Needed:

- Exhibit 5-A: Tax Lot Map of Landowner's Property
- Exhibit 5-B: Detailed map illustrating lands under subject rights to be leased [Exhibits 5-A and 5-B may be combined into a single map]
- Exhibit 5-C: 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 of this form is checked)
- Exhibit 5-D: Split Season Instream Use Form

RECEIVED
APR 16 2004
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 For Pooled Landowner **Instream Lease**

~I~

Section 1.1 continued from Pooled Leasing Landowner Form.

Subject Water Rights. Landowner proposes to lease the water rights shown on the map attached as Exhibit 5-B (this information may be included on Exhibit 5-A, or an additional map may be attached).
 (Crosshatch the area of water rights being leased).

T	R	Sect	¼ ¼	Tax Lot	Acres	Type of Use	Certificate #	Page(s) #	Priority*	
*(Identify pertinent page number of certificate, if certificate is greater than 10 pages; identify priority date if there is more than one per certificate)										
1.	18	11	13	SW SE	02402	6.95	SUPP	76714	110	2/28/1913
2.										
3.										
4.										
5.										
6.										
7.										
8.										
9.										
10.										

[Attached map(s) must identify property owner, Township, Range, Section and ¼ ¼, tax lot number, map orientation and scale.]

Total number of acres, if for irrigation, by certificate and priority date: 6.95

Acres-feet of storage, if applicable: _____

RECEIVED
 APR 16 2004
 WATER RESOURCES DEPT
 SALEM, OREGON

T.8 R.11 S.13 SW SE 2402 6.95 ac.

ON DISTRICT

Scale 1" = 400'

LEGEND:



DENOTES TAX LOT LINE



DENOTES WATER TO BE LEASED



DENOTES WATER TO BE TRANSFERRED OFF

WATER TO REMAIN:

NE SW TL-1300	6.32 AC
NW SE TL-2402	2.51 AC
NW SE TL-2402	1.15 AC
NW SE TL-2402	3.71 AC
NW SE TL-2402	0.05 AC (POND)
SW SE TL 2402	6.95 AC
SW SE TL 2402	10.34 AC
SE SE TL-2402	3.23 AC
NE SE TL-2402	2.65 AC
TOTAL: 36.91 AC	

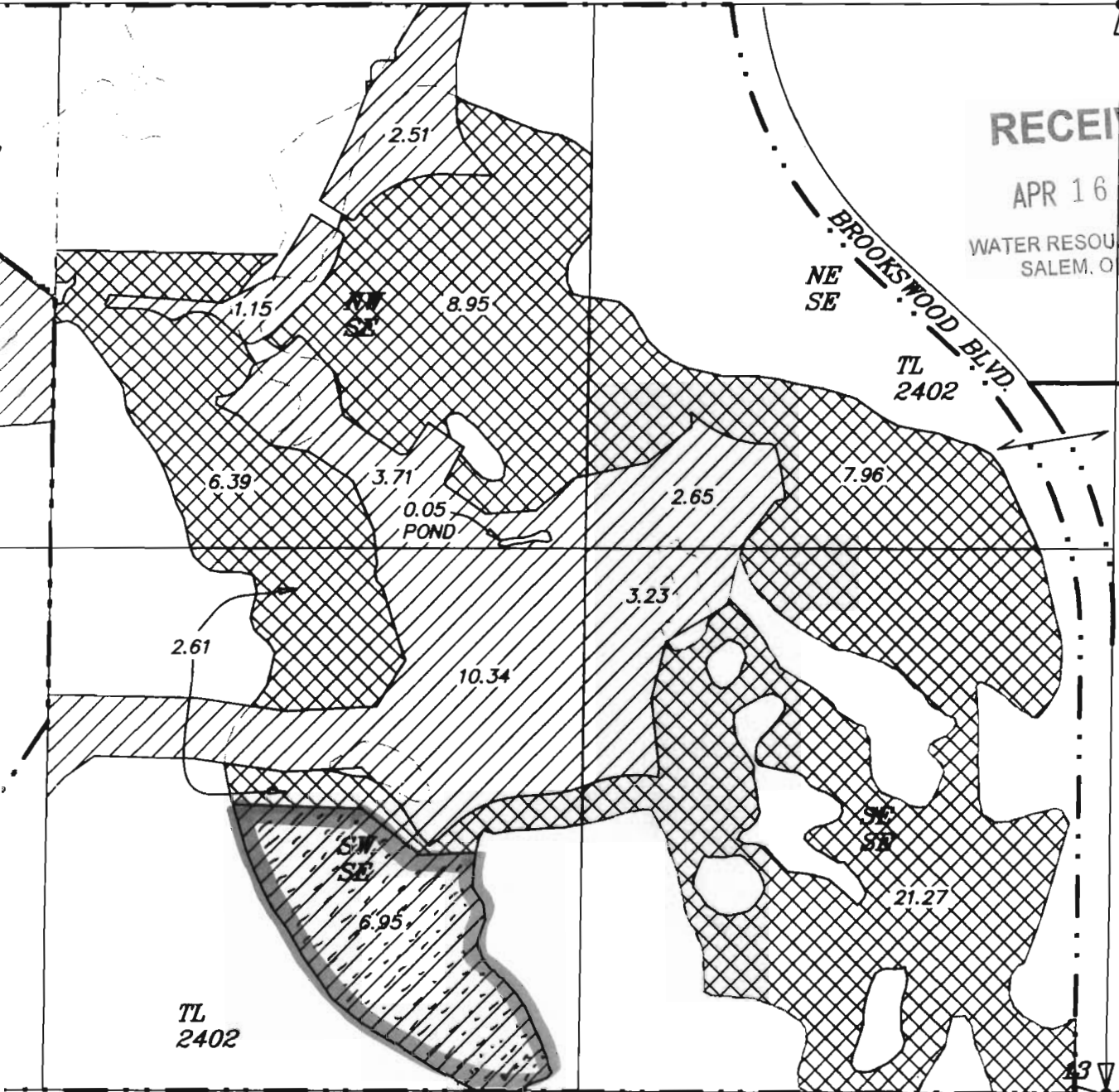
AC
AC
AC
AC
AC
AC
AC

13 18

RECEIVED

APR 16 2004

WATER RESOURCES DEPT
SALEM, OREGON



13 18

24 19



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

Attachment 5: Pooled Landowner Form

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

Optional Identification by Lessor/Lessee: _____
Lease Agreement Number (assigned by WRD): _____

This Lease Agreement is between:

Lessor #1 (Landowner):

(Name) Avion Water Company (See attached sales contract)
(Mailing address) 60813 Parrell Rd.
(City, State, Zip Code) Bend, OR 97702
(Telephone number) 541-382-5482

If additional landowners, enter landowner information below

Note: The numbering associated with this form corresponds to that found on the "Standard Instream Lease Application" form. The "Pooled Lease" form and "Pooled Landowner" form(s) are used to provide the same information as the "Standard Instream Lease Application" form. Consequently, the numbering on this form is not always sequential.

~I~ Ownership and Water Right Information

- 1.1 Lessor #1 is the owner, or authorized agent for owner of property located at: Township 18, Range 12, Section 07 and Tax Lot number 02600. 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.
- 1.3 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. 74197 and Supplemental 76714
- 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.** Landowner proposes to lease the water rights shown on the map attached as Exhibit 5-B (this information may be included on Exhibit 5-A, or an additional map may be attached). (Crosshatch the area of water rights being leased). Attached map(s) must identify property owner, Township, Range, Section and ¼ ¼, tax lot number, map orientation and scale.

RECEIVED

APR 16 2004

WATER RESOURCES DEPT
SALEM, OREGON

T	R	Sect	¼ ¼	Tax Lot	Acres	Type of Use	Certificate #	Page(s) #	Priority*	
*(Identify pertinent page number of certificate, if certificate is greater than 10 pages; identify priority date if there is more than one per certificate)										
1.	18	12	07	SESE	02600	3.00	IRRIG	74197	7	2/5/1905-4/25/1905
2.										
3.										
4.										
5.										

Total number of acres, if for irrigation, by certificate and priority date: 3.00
 Acre-feet of storage, if applicable: _____

Conditions or other limitations, if any: _____

If you need to enter another leased right, please use the Additional Landowner 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

2.3 Term of lease. This lease shall terminate on October 31, 2008. (If there is a conflict between the Pooled District Form and this form, the Pooled District Form will be the official term of the lease.)

~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.

RECEIVED
 APR 16 2004
 WATER RESOURCES DEPT
 SALEM, OREGON

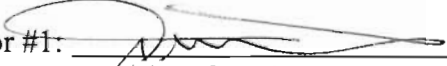
3.4 Suspension of original use. During the period of the lease, the owner agrees to suspend use of water allowed under the subject water rights and under any water right that is supplemental to the subject water rights. In the event that a supplemental water right is not part of this lease, it may be 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 (January 31st), with 30 day written notice to the Department provided by the Irrigation District, Other Water Purveyor or Lessee (if different than Department). The lessor must contact the Irrigation District, Other Water Purveyor, or Lessee (if different than Department) to indicate their interest in terminating the lease agreement.

For multiyear leases, lessor *shall not* have the option of terminating the lease each year, prior to the lease being exercised, with 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.

Lessor #1:  Date: 3/1/04
Jan Wick / Avion Water Company

For additional Lessors, type in space for signature and date

Lessee:  Date: 3/23/04
Deschutes Resource Conservancy

Other Attachments As Needed:

Exhibit 5-A: Tax Lot Map of Landowner's Property

Exhibit 5-B: Detailed map illustrating lands under subject rights to be leased [Exhibits 5-A and 5-B may be combined into a single map]

Exhibit 5-C: 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 of this form is checked)

Exhibit 5-D: Split Season Instream Use Form

RECEIVED

APR 16 2004

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 For Pooled Landowner Instream Lease

~I~

Section 1.1 continued from Pooled Leasing Landowner Form.

Subject Water Rights. Landowner proposes to lease the water rights shown on the map attached as Exhibit 5-B (this information may be included on Exhibit 5-A, or an additional map may be attached).

(Crosshatch the area of water rights being leased).

T	R	Sect	¼ ¼	Tax Lot	Acres	Type of Use	Certificate #	Page(s) #	Priority*	
*(Identify pertinent page number of certificate, if certificate is greater than 10 pages; identify priority date if there is more than one per certificate)										
1.	18	12	07	SESE	02600	3.00	SUPP	76714	115	2/28/1913
2.										
3.										
4.										
5.										
6.										
7.										
8.										
9.										
10.										

[Attached map(s) must identify property owner, Township, Range, Section and ¼ ¼, tax lot number, map orientation and scale.]

Total number of acres, if for irrigation, by certificate and priority date: 3.00

Acre-feet of storage, if applicable: _____

RECEIVED
 APR 16 2004
 WATER RESOURCES DEP™
 SALEM, OREGON



Scale 1" = 400'

Leased water



Owner: Avion Water Company
718 RIZ ST SESE 2600

3.0 ac.
181207DD02600

181208

181207

181217

181218

RECEIVED

APR 16 2004

WATER RESOURCES DEPT
SALEM, OREGON



COPY

BARGAIN AND SALE DEED

Recording requested by and when recorded return to:

Unless a change is requested, all tax statements shall be sent to:

Robert S. Lovlien
Bryant, Lovlien & Jarvis
PO Box 1151
Bend, OR 97709-1151

The true consideration for this transfer is \$3,000.00.

MOUNTAIN RIVER ESTATES, LLC, an Oregon limited liability company, Grantor, conveys to AVION WATER COMPANY, INC., an Oregon corporation, Grantee, the following described real property:

Three (3) acre feet of Arnold Irrigation District water rights located upon the following described real property, to-wit:

See Exhibit "A", which is attached hereto and incorporated herein by reference.

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930.

DATED this 3rd day of SEPT, 2003.

MOUNTAIN RIVER ESTATES, LLC

By: *Jane P. [Signature]*
Its: _____

RECEIVED

APR 16 2004

WATER RESOURCES DEPT
SALEM, OREGON

STATE OF OREGON)
) ss.
COUNTY OF DESCHUTES)

The foregoing instrument was acknowledged before me this 4th day of Sept, 2003, by James Preatwood, who stated that he is the owner of Mountain River Estates, LLC and that he is authorized to execute the foregoing instrument on behalf of the company.

Sherrill L Phillips
Notary Public for Oregon
My Commission Expires: 11-1-04



RECEIVED
APR 16 2004
WATER RESOURCES DEPT
SALEM, OREGON

EXHIBIT "A"

A tract of land located in the Southeast Quarter of the Southeast Quarter (SE1/4 SE1/4) of Section Seven (7), Township Eighteen (18) South, Range Twelve (12) East of the Willamette Meridian, Deschutes County, Oregon and described as follows:

Beginning at a point which is the Northeast corner of said Southeast Quarter of the Southeast Quarter (SE1/4 SE1/4); thence South 89°50'46" West 557.84 feet; thence South 00°07'00" East 388.77 feet; thence South 47°17'00" East, 147.00 feet; thence North 83°27'00" East 139.61 feet; thence North 39°59'00" East 482.82 feet; thence North 00°07'00" East 104.02 feet to the point of beginning.

RECEIVED
APR 16 2004
WATER RESOURCES DEPT
SALEM, OREGON



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

Attachment 5: Pooled Landowner Form

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

Optional Identification by Lessor/Lessee: _____
Lease Agreement Number (assigned by WRD): _____

This Lease Agreement is between:

Lessor #1 (Landowner):

(Name) Bend Metro Parks and Recreation, Attn: Dave Crowthers
(Mailing address) 200 NW Pacific Park Ln
(City, State, Zip Code) Bend, OR, 97701
(Telephone number) (541)389-7275

If additional landowners, enter landowner information below

Note: The numbering associated with this form corresponds to that found on the "Standard Instream Lease Application" form. The "Pooled Lease" form and "Pooled Landowner" form(s) are used to provide the same information as the "Standard Instream Lease Application" form. Consequently, the numbering on this form is not always sequential.

~I~ Ownership and Water Right Information

1.1 Lessor #1 is the owner, or authorized agent for owner of property located at: Township 18, Range 12, Section 03 and Tax Lot number 05600, 05700, 05800, 05900, 06000. 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.

1.3 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. 74197 and Supplemental 76714

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.** Landowner proposes to lease the water rights shown on the map attached as Exhibit 5-B (this information may be included on Exhibit 5-A, or an additional map may be attached). (Crosshatch the area of water rights being leased). Attached map(s) must identify property owner, Township, Range, Section and ¼ ¼, tax lot number, map orientation and scale.

RECEIVED

APR 16 2004

WATER RESOURCES DEPT
SALEM, OREGON

T	R	Sect	¼ ¼	Tax Lot	Acres	Type of Use	Certificate #	Page(s) #	Priority*	
*(Identify pertinent page number of certificate, if certificate is greater than 10 pages; identify priority date if there is more than one per certificate)										
1.	18	12	03	SW SW	05600	.90	IRRIG	74197	T-7653 (See Attach)	2/5/1905- 4/25/1905
2.	18	12	03	SW SW	05700	1.33	IRRIG	74197	T-7653 (See Attach)	2/5/1905- 4/25/1905
3.	18	12	03	SW SW	05800	1.90	IRRIG	74197	T-7653 (See Attach)	2/5/1905- 4/25/1905
4.	18	12	03	SW SW	05900	1.62	IRRIG	74197	T-7653 (See Attach)	2/5/1905- 4/25/1905
5.	18	12	03	SW SW	06000	1.35	IRRIG	74197	T-7653 (See Attach)	2/5/1905- 4/25/1905

Total number of acres, if for irrigation, by certificate and priority date: 7.10

Acre-feet of storage, if applicable: _____

Conditions or other limitations, if any: _____

If you need to enter another leased right, please use the Additional Landowner 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

2.3 Term of lease. This lease shall terminate on October 31, 2008. (If there is a conflict between the Pooled District Form and this form, the Pooled District Form will be the official term of the lease.)

~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.

RECEIVED

APR 16 2004

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.

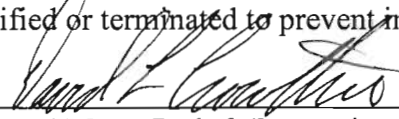
3.4 Suspension of original use. During the period of the lease, the owner agrees to suspend use of water allowed under the subject water rights and under any water right that is supplemental to the subject water rights. In the event that a supplemental water right is not part of this lease, it may be subject to forfeiture.

3.5 Termination provision.

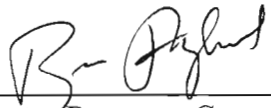
For multiyear leases, lessor *shall* have the option of terminating the lease each year, prior to the lease being exercised (January 31st), with 30 day written notice to the Department provided by the Irrigation District, Other Water Purveyor or Lessee (if different than Department). The lessor must contact the Irrigation District, Other Water Purveyor, or Lessee (if different than Department) to indicate their interest in terminating the lease agreement.

For multiyear leases, lessor *shall not* have the option of terminating the lease each year, prior to the lease being exercised, with 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.

Lessor #1:  Date: 3/17/04
Bend Metro Park & Recreation (Dave Crowthers)

For additional Lessors, type in space for signature and date

Lessee:  Date: 3/23/04
Deschutes Resource Conservancy

Other Attachments As Needed:

- Exhibit 5-A: Tax Lot Map of Landowner's Property
- Exhibit 5-B: Detailed map illustrating lands under subject rights to be leased [Exhibits 5-A and 5-B may be combined into a single map]
- Exhibit 5-C: 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 of this form is checked)
- Exhibit 5-D: Split Season Instream Use Form

RECEIVED

APR 16 2004

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 For Pooled Landowner **Instream Lease**

~I~

Section 1.1 continued from Pooled Leasing Landowner Form.

Subject Water Rights. Landowner proposes to lease the water rights shown on the map attached as Exhibit 5-B (this information may be included on Exhibit 5-A, or an additional map may be attached).
 (Crosshatch the area of water rights being leased).

T	R	Sect	¼ ¼	Tax Lot	Acres	Type of Use	Certificate #	Page(s) #	Priority*
*(Identify pertinent page number of certificate, if certificate is greater than 10 pages; identify priority date if there is more than one per certificate)									
1.	18	12	03	SW SW	05600	.90	SUPP	76714	T-7653 (See Attach) 2/28/1913
2.	18	12	03	SW SW	05700	1.33	SUPP	76714	T-7653 (See Attach) 2/28/1913
3.	18	12	03	SW SW	05800	1.90	SUPP	76714	T-7653 (See Attach) 2/28/1913
4.	18	12	03	SW SW	05900	1.62	SUPP	76714	T-7653 (See Attach) 2/28/1913
5.	18	12	03	SW SW	06000	1.35	SUPP	76714	T-7653 (See Attach) 2/28/1913
6.									
7.									
8.									
9.									
10.									

[Attached map(s) must identify property owner, Township, Range, Section and ¼ ¼, tax lot number, map orientation and scale.]

Total number of acres, if for irrigation, by certificate and priority date: 7.1
 Acre-feet of storage, if applicable: _____

RECEIVED

APR 16 2004

WATER RESOURCES DEPT
 SALEM, OREGON

This table will calculate flow rate factors and duty for the Deschutes River Irrigation Districts instream leases

	Rate (cfs for 1 acre)			
	Swalley	COI	Arnold	Tumalo
Season 1	0.0120	0.0125	0.0196	0.0125
Season 2	0.0161	0.0167	0.0256	0.0167
Season 3	0.0299	0.0309	0.0481	0.0309
Duty (decree) AF	9.58	9.91	15.42	9.91
Lease section 1.2	68.0	70.4	109.5	70.4
(Row 10 only)				
"Rate associated with leased rights (cfs)" Section 1.2				
Season 1	0.09	0.09	0.14	0.09
Season 2	0.11	0.12	0.18	0.12
Season 3	0.21	0.22	0.34	0.22

Rates with the loss factor taken out				
Swalley	COI	Arnold	Tumalo	Number o
0.0069	0.0069	0.0069	0.0069	61
0.0092	0.0092	0.0090	0.0092	30
0.0170	0.0170	0.0168	0.0170	123

5.45 COI	1.51
38.70 af	0.99
coi example	7.53
	10.03
	9.91
	0.12

Report only values on rows 29 & 32-34 for section 2.2

	Duty (Ac-Ft for 1 acre)			
	Swalley	COI	Arnold	Tumalo
Season 1	0.8309	0.8318	0.8303	0.8318
Season 2	0.5471	0.5455	0.5340	0.5636
Season 3	4.1573	4.1414	4.1052	4.1751
Totals	5.5352	5.5187	5.4696	5.5705

Enter the number of acres here for a total duty calculation

Duty (Ac-Ft)				
7.1	39.30	39.18	38.83	39.55

and for rate purposes (cfs)

Season 1	0.05	0.05	0.05	0.05
Season 2	0.07	0.07	0.06	0.07
Season 3	0.12	0.12	0.12	0.12

gpm

Season 1	21.9	21.9	21.9	21.9
Season 2	29.3	29.2	28.6	29.2
Season 3	54.3	54.1	53.6	54.1

RECEIVED

APR 16 2004

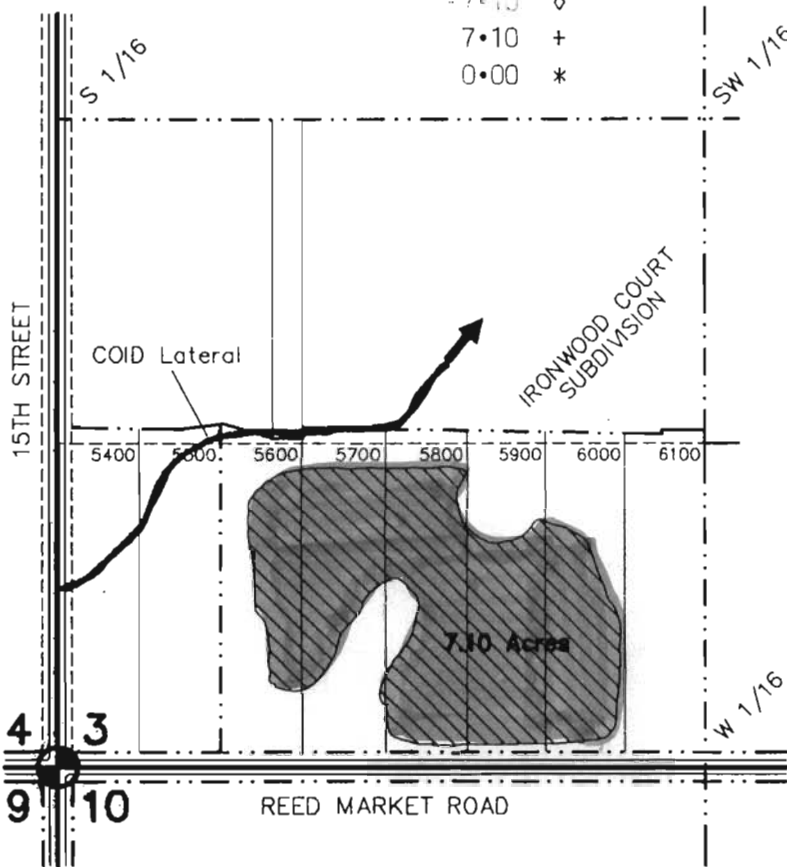
WATER RESOURCES DEPT
SALEM, OREGON

T.18S., R12E., W.M. SECTION 3

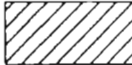
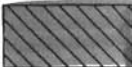
Located In S 1/2, SW 1/4, SW 1/4
TAX LOTS 18-12-03cc-5600,5700,5800,5900,6000,6100

0 • C

18-12-8 TL 100 7.40 NWSW
18-12-8 TL 2400 7.70 NWSW
7.10 ◊
7.10 +
0.00 *



SCALE: 1" = 400'

 Existing Right
0.0 Acres
 Instream Lease
7.10 Acres



TRANSFER APPLICATION MAP UNDER

2-28-96

Application No. _____ Permit No. _____

IN NAME OF

BEND METRO PARKS & RECREATION

Prepared: February 28, 1996, by: Matt Steele

This map is for the purpose of identifying the location of water right only and is not intended to provide legal dimensions or locations of property ownership lines.

RECEIVED

APR 16 2004

WATER RESOURCES DEPT
SALEM, OREGON