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APR 1 1998

WATER RESOURCES DEPT.  
SALES DIVISION

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

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APR - 2 1998  
WATERMASTER  
DISTRICT 13

This Lease Agreement is between:

**Lessor:**

Bill Grimm  
10670 S. Fork Little Butte Creek Road  
Eagle Point, OR 97524  
(541) 830-3215-Phone

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

**Lessee:**

Oregon Water Trust  
111 SW Front Avenue  
Suite 404  
Portland, OR 97204  
(503) 226-9055-Phone  
(503) 226-3480-Fax

**Trustee**

Oregon Water Resources Department  
158 12th Street NE  
Salem OR 97310  
(503) 378-3739-Phone  
(503) 378-2496-Fax

**I.**

- 1.1 Lessor is the owner (*Exhibit A*) of property highlighted in *Exhibit B*.
- 1.2 Section 1.2 is not applicable .
- 1.3 *Exhibit C* contains a copy of the certificated right attached to the property in *Exhibit B*. The right is listed below as follows:  
  
Certificate No. 55267
- 1.4 **Subject Water Rights.** Lessor proposes to lease a portion of the water right listed in 1.3, above.

The right, of which a portion is to be leased, is further described as follows:

Water Right Identification No.: 55267

Source: South Fork Little Butte Creek

Priority date: February 1894

Type of use: Irrigation

Place of use: (map of irrigated lands is in *Exhibit D.*)

T 37S, R 3E, S 18, NE1/4, NE1/4

Number of acres, if for irrigation: 18 acres (10 of which are owned by the lessor, 2.15 of which are to be leased)

Rate: 0.37 cfs (0.2 of which is held by the lessor, 0.043 of which is to be leased)

Duty: None

Season of use: April 1-October 31

Point of Diversion (POD):

T 37S, R 3E, S 18, NE 1/4, NE 1/4, W.M.; 510 FEET SOUTH & 20 FEET WEST FROM NE CORNER SECTION 18

Conditions or other limitations, if any: None

SEASON ON LITTLE BUTTE IS 4-1 TO OCT 1  
JM

- 1.5 **Validity of Rights.** Lessor attests that the subject portion of the water right to be leased is legally valid by having been beneficially used according to the terms of the right within the last five years immediately preceding the 1998 irrigation year and, if the right is for irrigation, on the subject portion of the lands indicated in *Exhibit D.*
- 1.6 **Lease.** Lessor agrees to lease the subject portion of the water right 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 portion of the water right and under any water right that is supplemental to the subject portion of the water right.
- 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:  
  
specific uses and needs identified in *Exhibit E* as signed off by ODFW.
- 2.2 **Instream use created by lease.** The instream use to be created is described as follows:

No. 55267

South Fork of Little Butte Creek, tributary to Little Butte Creek in the Rogue Basin

Location: RM 8.5 to mouth

Priority date: February 1894

Use: Described in Section 2.1, above

Total volume: None

Rate in cfs: 0.043 cfs

Period of use: April 1-October 31 4-1 to 10-1

Conditions to prevent or mitigate injury, if any: None

- 2.3 **Term of lease.** This Lease shall commence on April 1, 1998 (not before execution by the parties) and continue through October 31, 1998.
- 2.4 **Compensation.** Lessor has agreed to lease the subject portion of the water right herein to the Oregon Water Trust for cash and other considerations and for the benefit of the people 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.** Lessee intends to manage and participate in the protection of the instream use by: possibly collecting information for calculating stream discharge.
- 2.7 **Modification or termination provisions.** None

### III.

- 3 **Watermaster review.** By signature below, the watermaster for the district where the subject portion of the water right is located verifies that:
- 3.1 Lessor is currently entitled to appropriate water under subject portion of the water right described in Section 1.4.
- 3.2 A suitable control is in place so that WRD staff may regulate use of water under the subject portion of the right to ensure water is not diverted or applied on lands to which subject portion of the 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: The rate of flow of 0.043 cfs will be added to an existing instream water right of 0.08 cfs that has the same priority date and reach of this instream right. The existing right is described under Special Order Volume 50, Page 572, approving a temporary change in use and place of use. The combined instream right will be for a rate of flow of 0.123 cfs.

Watermaster: *Larry Mentzer* District: 13

~~Bruce Sund~~ *Larry Mentzer*

Field Operations, WRD

~~101 NW "A" Street~~ 10 s. Oakdale, Rm 106

*Medford* ~~Grants Pass, OR 97526~~ 01

(541) ~~474-5385~~ Phone 776-7054

(541) ~~474-5389~~ Fax

Date: 1-3-98

#### IV.

The Undersigned Lessor, 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:

*Bill Grimm*

Date:

*March 21, 98*

Lessee:

*Andrew Purkey*

Date:

*March 30, 1998*

So ordered by Trustee: *Wanda Page*  
Director, Oregon Water Resources Department

Date:

*5/18/98*

Effective Date of Lease Agreement: *5-18-98*

Exhibits: A through D are on record at OWRD, E is attached.

Exhibit A: Proof of property ownership

Exhibit B: Map of Lessor's property

Exhibit C: Copy of the certificate attached to property shown in Exhibit B

Exhibit D: Detailed map illustrating lands irrigated by subject right and portion to be leased

Exhibit E: Identification of public use to be served by instream use