



**Oregon Water Resources Department**  
 725 Summer Street NE, Suite A  
 Salem Oregon 97301-1266  
 (503) 986-0900  
 www.wrd.state.or.us

# Application for a Permit to Use Surface Water

Please type or print in dark ink. If your application is found to be incomplete or inaccurate, we will return it to you. If any requested information does not apply to your application, insert "n/a." Please read and refer to the instructions when completing your application. A summary of review criteria and procedures that are generally applicable to these applications is available at [www.wrd.state.or.us/OWRD/PUBS/forms.shtml](http://www.wrd.state.or.us/OWRD/PUBS/forms.shtml).

## 1. APPLICANT INFORMATION

### A. Individuals

Applicant: Thomas A. Isola Manager  
First Last

Mailing address: \_\_\_\_\_  
 \_\_\_\_\_  
City State Zip

Phone: \_\_\_\_\_  
Home Work Other

\*Fax: \_\_\_\_\_ \*E-Mail address: \_\_\_\_\_

### B. Organizations

*(Corporations, associations, firms, partnerships, joint stock companies, cooperatives, public and municipal corporations)*

Name of organization: RRIP, LTD

Name and title of person applying: Thomas A. Isola

Mailing address of organization: 10772 Modoc Road  
White City OR 97503  
City State Zip

Phone: 541-826-7746  
Day Evening

\*Fax: \_\_\_\_\_ \*E-Mail address: \_\_\_\_\_

\* Optional information

For Department Use		
App. No. _____	Permit No. _____	Date _____

**2. SOURCE AND PROPERTY OWNERSHIP**

**A. The Proposed Source of Water**

Provide the commonly used name of the water body from which water will be diverted, and the name of the stream or lake it flows into. If unnamed, say so:

Source 1: Lost Creek Reservoir Tributary to: Rogue River  
Source 2: \_\_\_\_\_ Tributary to: \_\_\_\_\_  
Source 3: \_\_\_\_\_ Tributary to: \_\_\_\_\_  
Source 4: \_\_\_\_\_ Tributary to: \_\_\_\_\_

If any source listed above is stored water that is authorized under a water right permit, certificate, or decree, attach a copy of the document or list the document number (for decrees, list the volume, page and/or decree name).

---

**B. Applications to Use Stored Water**

*Complete this section if any source listed in item 2A above is stored water.*

Do you, or will you, own the reservoir(s) described in item 2A above?

- Yes.
- No. (Please enclose a copy of your written notification to the operator of the reservoir of your intent to file this application, which you should have already mailed or delivered to the operator.)

If *all* sources listed in item 2A are stored water, the Department will review your application using the expedited process provided in ORS 537.147, unless you check the box below. Please see the instruction booklet for more information.

- By checking this box, you are requesting that the Department process your application under the standard process outlined in ORS 537.150 and 537.153, rather than the expedited process provided by ORS 537.147. To file an application under the standard process, you must enclose the following:
- A copy of a signed non-expired contract or other agreement with the owner of the reservoir (if not you) to impound the volume of water you propose to use in this application.
  - A copy of your written agreement with the party (if any) delivering the water from the reservoir to you.

**RECEIVED**

JUL 02 2008

**C. Property Ownership**

Do you own all the land where you propose to divert, transport, and use water?

Yes (Please check appropriate box below then skip to section 3 'Water Use')

There are no encumbrances

This land is encumbered by easements, rights of way, roads or other encumbrances (please provide a copy of the recorded deed(s) )

No (Please check the appropriate box below.)

I have a recorded easement or written authorization permitting access.

I do not currently have written authorization or easement permitting access.

Written authorization or an easement is not necessary, because the only affected lands I do not own are state-owned submersible lands, and this application is for irrigated and/or domestic use only (ORS 274.040).

You must provide the legal description of: (1) the property from which the water is to be diverted, (2) any property crossed by the proposed ditch, canal or other work, and (3) any property on which the water is to be used as depicted on the map.

List the names and mailing addresses of all affected landowners.

NA

---

---

---

---

**3. WATER USE**

*Please read the instruction booklet for more details on "type of use" definitions, how to express how much water you need and how to identify the water source you propose to use. You must fill out a supplemental form for some uses as they require specific information for that type of use.*

**A. Type(s) of Use(s)**

*See list of beneficial uses provided in the instructions.*

- If your proposed use is **domestic**, indicate the number of households to be supplied with water: \_\_\_\_\_
- If your proposed use is **irrigation**, please attach **Form I**
- If your proposed use is **mining**, attach **Form R**
- If your proposed use is **municipal or quasi-municipal**, attach **Form M**
- If your proposed use is **commercial/industrial**, attach **Form Q**

**RECEIVED**

JUL 02 2008

WATER RESOURCES DEPT  
SALEM, OREGON

**B. Amount of Water**

Provide the amount of water you propose to use from each source, for each use, in cubic feet-per-second (cfs) or gallons-per-minute (gpm). If the proposed use is from storage, provide the amount in acre-feet (af):

*(1 cfs equals 448.8 gpm. 1 acre-foot equals 325,851 gallons or 43,560 cubic feet)*

Source	Type of use	Amount
		<input type="checkbox"/> cfs <input type="checkbox"/> gpm <input type="checkbox"/> af
Lost Cr Res	Irrigation	66.5 <input type="checkbox"/> cfs <input type="checkbox"/> gpm <input checked="" type="checkbox"/> af
		<input type="checkbox"/> cfs <input type="checkbox"/> gpm <input type="checkbox"/> af
		<input type="checkbox"/> cfs <input type="checkbox"/> gpm <input type="checkbox"/> af

**C. Period of Use**

Indicate the time of year you propose to use the water: April 1 through October 31  
*(For seasonal uses like irrigation give dates when water use would begin and end, e.g. March 1–October 31.)*

**D. Acreage**

If you will be applying water to land, indicate the total number of acres where water will be applied or used: 26.60  
*(This number should be consistent with your application map.)*

**4. WATER MANAGEMENT**

**A. Diversion**

What method will you use to divert water from the source?

- Pump (give horsepower and pump type): 45 hp
- Head-gate (give dimensions): \_\_\_\_\_
- Other means (describe): \_\_\_\_\_

**B. Monitoring**

How will you monitor your diversion to be sure you are within the limits of your water right (allowed rate and duty) and you are not wasting water?

- Weir  Meter  Periodic Sampling
- Other means (describe): \_\_\_\_\_

**RECEIVED**

JUL 02 2008

**C. Transport**

How will you transport water to your place of use?

Ditch or canal (give average width and depth):

Width \_\_\_\_\_ Depth \_\_\_\_\_

Is the ditch or canal to be lined?  Yes  No

Pipe (give diameter and total length):

Diameter 6 inch Length 2100 feet

Other (describe) \_\_\_\_\_

**D. Application/Distribution Method**

What equipment will you use to apply water to your place of use? Nelson TR 75 big guns

Irrigation or land application method (check all that apply):

- Flood
- High-pressure sprinkler
- Low pressure sprinkler
- Drip
- Water cannons
- Center pivot system
- Hand lines
- Wheel lines
- Siphon tubes or gated pipe with furrows
- Other, describe \_\_\_\_\_

Distribution method

- Direct pipe from source
- In-line storage (tank or pond)
- Open canal

**E. Conservation**

What methods will you use to conserve water? Why did you choose this distribution or application method? Have you considered other methods to transport, apply, distribute or use water? For example, if you are using sprinkler irrigation rather than drip irrigation, explain. If you need additional space, attach a separate sheet.

Water will be applied as needed to replace evapotranspiration.

\_\_\_\_\_  
\_\_\_\_\_

**RECEIVED**

JUL 02 2008

WATER RESOURCES DEPT  
SALEM, OREGON

5. RESOURCE PROTECTION

**A. Protection Practices**

In granting permission to use water from a stream or lake, the state encourages, and in some instances requires, careful control of activities that may affect the waterway or streamside area. See instruction guide for a list of possible permit requirements from other agencies. Please indicate any of the practices you plan to undertake to protect water resources.

Diversion will be screened to prevent uptake of fish and other aquatic life.

Describe planned actions: There is an existing fish screen that meets ODFW standards.

---

---

Excavation or clearing of banks will be kept to a minimum to protect riparian or streamside areas. Describe planned actions: The pump station is existing. Excavation will not be

necessary.

---

Operating equipment in a water body will be managed and timed to prevent damage to aquatic life. Describe: No excavation necessary, there is an existing pump site.

---

---

Water quality will be protected by preventing erosion and run-off of waste or chemical products. Describe: Water will be applied as needed to replace evapotranspiration

there will not be runoff.

---

Other: \_\_\_\_\_

---

---

**RECEIVED**

JUL 02 2008

WATER RESOURCES DEPT  
SALEM, OREGON

**6. PROJECT SCHEDULE**

*Indicate the anticipated dates that the following construction tasks should begin. If construction has already begun, or is completed, please indicate that date.*

Proposed date construction will begin: System is existing  
Proposed date construction will be completed: October 2010  
Proposed date beneficial water use will begin: October 2010

**7. REMARKS**

*If you would like to clarify any information you have provided in the application, please do so here and reference the specific application question you are addressing.*

This application is for supplemental water right to existing water right certificates 51195, 65021 and 65061. Water by this application will only be used during years of drought.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**8. MAP REQUIREMENTS**

The Department cannot process your application without accurate information showing the source of water and location of water use. You must include a map with this application form that clearly indicates the township, range, section, and quarter/quarter section of the proposed points of diversion and place of use. The map must provide tax lot numbers. See the map guidelines sheet for detailed map specifications.

**RECEIVED**

JUL 02 2008

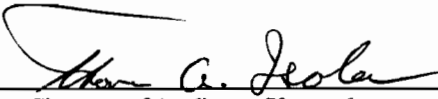
WATER RESOURCES DEPT  
SALEM, OREGON

9. SIGNATURE

By my signature below I confirm that I understand:

- I am asking to use water specifically as described in this application.
- Evaluation of this application will be based on information provided in the application packet.
- I cannot legally use water until the Water Resources Department issues a permit to me.
- If I get a permit, I must not waste water.
- If development of the water use is not according to the terms of the permit, the permit can be canceled.
- The water use must be compatible with local comprehensive land use plans.
- Even if the Department issues a permit to me, I may have to stop using water to allow senior water right holders to get water they are entitled to, and

I swear that all information provided in this application is true and correct to the best of my knowledge:



Signature of Applicant (If more than one applicant, all must sign.)

6/18/08

Date

**Before you submit your application be sure you have:**

- Answered each question completely.
- Attached a legible map which includes township, range, section, quarter/quarter and tax lot number.
- Included a Land Use Information Form or receipt stub signed by a local official.
- Included the legal description of all the property involved with this application. You may supply a copy of the deed, land sales contract, or title insurance policy, to meet this requirement.
- Included a check payable to the Oregon Water Resources Department for the appropriate amount. The Department's fee schedule can be found at [www.wrd.state.or.us](http://www.wrd.state.or.us) or call (503) 986-0900.

**WRD on the web:**  
[www.wrd.state.or.us](http://www.wrd.state.or.us)

**RECEIVED**

JUL 02 2008

WATER RESOURCES DEPT  
SALEM, OREGON





Oregon Water Resources Department

FORM I

FOR IRRIGATION WATER USE

1. Please indicate whether you are requesting a primary or supplemental irrigation water right.

Primary  Supplemental

If supplemental, please indicate the number of acres that will be irrigated for each type of use.

Primary: 0 Acres

Secondary: 12.76 Acres

List the permit or certificate number of the primary water right: No. 65021

2. Please list the anticipated crops you will grow and whether you will be irrigating them for a full or partial season:

- 1. Hay & Pasture Full season Partial season (from: 4/01 to 10/01)
2. Full season Partial season (from: to )
3. Full season Partial season (from: to )
4. Full season Partial season (from: to )

3. Indicate the maximum total number of acre-feet you expect to use in an irrigation season:

31.9 acre-feet

(1 acre-foot equals 12 inches of water spread over 1 acre, or 43,560 cubic feet, or 325,851 gallons.)

4. How will you schedule your applications of water? Will you be applying water in the evenings, twice a week, daily?

- Daily during daytime hours Daily during nighttime hours
Two or three times weekly during daytime Two or three times weekly during nighttime
Weekly, during daytime hours Weekly, during nighttime hours
Other, explain:

RECEIVED

JUL 02 2008

WATER RESOURCES DEPT SALEM, OREGON



Oregon Water Resources Department

FORM I
FOR IRRIGATION WATER USE

1. Please indicate whether you are requesting a primary or supplemental irrigation water right.

Primary Supplemental

If supplemental, please indicate the number of acres that will be irrigated for each type of use.

Primary: 0 Acres

Secondary: 12.36 Acres

List the permit or certificate number of the primary water right: No. 51195

2. Please list the anticipated crops you will grow and whether you will be irrigating them for a full or partial season:

- 1. Hay & Pasture Full season Partial season (from: 4/01 to 10/01)
2. Full season Partial season (from: to )
3. Full season Partial season (from: to )
4. Full season Partial season (from: to )

3. Indicate the maximum total number of acre-feet you expect to use in an irrigation season:

30.9 acre-feet
(1 acre-foot equals 12 inches of water spread over 1 acre, or 43,560 cubic feet, or 325,851 gallons.)

4. How will you schedule your applications of water? Will you be applying water in the evenings, twice a week, daily?

- Daily during daytime hours Daily during nighttime hours
Two or three times weekly during daytime Two or three times weekly during nighttime
Weekly, during daytime hours Weekly, during nighttime hours
Other, explain:

RECEIVED

JUL 02 2008

WATER RESOURCES DEPT
SALEM, OREGON



## Oregon Water Resources Department

### FORM I FOR IRRIGATION WATER USE

1. Please indicate whether you are requesting a primary or supplemental irrigation water right.

Primary     Supplemental

If supplemental, please indicate the number of acres that will be irrigated for each type of use.

Primary:            0            Acres

Secondary:        1.48        Acres

List the permit or certificate number of the primary water right:        No. 65061

2. Please list the anticipated crops you will grow and whether you will be irrigating them for a full or partial season:

- |                             |   |  |
|-----------------------------|---|--|
| 1. <u>Hay &amp; Pasture</u> | <input checked="" type="checkbox"/> Full season | <input type="checkbox"/> Partial season (from: <u>4/01</u> to <u>10/01</u> ) |
| 2. _____                    | <input type="checkbox"/> Full season            | <input type="checkbox"/> Partial season (from: _____ to _____)               |
| 3. _____                    | <input type="checkbox"/> Full season            | <input type="checkbox"/> Partial season (from: _____ to _____)               |
| 4. _____                    | <input type="checkbox"/> Full season            | <input type="checkbox"/> Partial season (from: _____ to _____)               |

3. Indicate the maximum total number of acre-feet you expect to use in an irrigation season:

3.7                                  acre-feet

(1 acre-foot equals 12 inches of water spread over 1 acre, or 43,560 cubic feet, or 325,851 gallons.)

4. How will you schedule your applications of water? Will you be applying water in the evenings, twice a week, daily?

- |   |   |
|---|---|
| <input type="checkbox"/> Daily during daytime hours               | <input checked="" type="checkbox"/> Daily during nighttime hours    |
| <input type="checkbox"/> Two or three times weekly during daytime | <input type="checkbox"/> Two or three times weekly during nighttime |
| <input type="checkbox"/> Weekly, during daytime hours             | <input type="checkbox"/> Weekly, during nighttime hours             |
| <input type="checkbox"/> Other, explain: _____                    |   |

**RECEIVED**

JUL 02 2008

WATER RESOURCES DEPT  
SALEM, OREGON

98 34690

13

10  
10  
20



**CRATER  
TITLE  
INSURANCE**

300 West Main • P.O. Box 250  
Medford, Oregon 97501  
(541) 770-7260 • FAX (541) 770-4013

99  
35-110-31  
600

Order # 9812167RR

**WARRANTY DEED**

KNOW ALL MEN BY THESE PRESENTS, That WILLIAM L. MILLER and MARIAN L. MILLER, Grantor, conveys and warrants to ROGUE RIVER INVESTMENT PARTNERSHIP, Grantee, the following described real property, together with appurtenances, free of encumbrances except as specifically set forth herein, situated in Jackson County #RRIP, LTD., a Nevada Limited Liability Company

See Exhibit A attached hereto and made a part hereof.

**SUBJECT TO:**

For tax purposes, the herein described property has been classified as farm land and assessed at a lower valuation by the County Assessor pursuant to ORS 308.345 to 308.407. If the land becomes disqualified for the special assessment under the statute, an additional tax and interest thereon may be levied, which the grantees herein agree to assume and pay. Real Property and/or Mobile Homes taxes for 1998-99 are now a lien but not yet payable. Rights of the public within the limits of public roadways, and/or rights of private parties within existing roadways or driveways. Easements of record. Any adverse claim based upon the assertion that some portion of said land has been removed from or brought within the boundaries thereof by an avulsive movement of the Rogue River or has been formed by the process of accretion or reliction or has been created by artificial means or has accreted to such portion so created

The true consideration paid for this conveyance is One Hundred Ninety Thousand And 00/100 DOLLARS \$190,000.00.  
 However, the whole consideration includes other value given or provided (check if other consideration statement applies).

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 by ORS 30.930.

Dated this 25<sup>th</sup> day of July 1998

\_\_\_\_\_  
WILLIAM L. MILLER

\_\_\_\_\_  
MARIAN L. MILLER

STATE OF ALASKA                 )  
  ) ss.  
County of                            )

This instrument was acknowledged before me on the 25<sup>th</sup> day of July  
1998 by WILLIAM L. MILLER and MARIAN L. MILLER.

(seal)  
  
 Notary Public for ALASKA  
 My commission expires: 1/14/2001

Other changes to be requested, and all statements to:  
 T190 Divisano Street  
 Las Vegas, NV 89120

Return document to:  
 Crater Title Insurance  
 300 W. Main Street  
 Medford, OR 97501

RECEIVED  
JUL 03 2008  
WATER RESOURCES DEPT.  
SALEM, OREGON

88 34639

Exhibit A

The South Half of the following described property lying Easterly of Medoc (County) Road, as said Half is measured perpendicular to the South line thereof. From the Southwest corner of the North Half of the Southwest Quarter of Section 31, Township 35 South, Range 1 West of the Willamette Meridian, Jackson County, Oregon; run East 536.8 feet to the middle of the County Road, the true point of beginning; thence East, 2228.8 feet, more or less, to Regue River; thence following the meanders of the river Northeasterly 783.53 feet to the A. C. Allen tract, as described in Volume 114, Page 289, Jackson County, Oregon, Deed Records; thence West, 2155.2 feet, more or less, along the South line of said A. C. Allen tract, to the middle of the County Road; thence following the County Road in a Southwesterly direction 808.9 feet, more or less, to the point of beginning.

Jackson County, Oregon  
Recorded  
OFFICIAL RECORDS

JUL 28 1998  
2:00 PM  
*[Signature]*  
COUNTY CLERK

RECEIVED

JUL 03 2008

WATER RESOURCES DEPT.  
SALEM, OREGON

8-

98 36488

98-26492

WARRANTY DEED

16 AFTER RECORDING RETURN TO:  
AMBITHIO 729495-DR  
35 W 31 701 +601

1578  
10  
2/6

JIMMIE D. WRAY and PHILLIS WRAY and Grantor(s) hereby grant, bargain, sell, warrant and convey to: RRID, LTD., A NEVADA LIMITED LIABILITY COMPANY, Grantee(s) and grantee's heirs, successors and assigns the following described real property, free of encumbrances except as specifically set forth herein in the County of JACKSON and State of Oregon, to wit:

SEE EXHIBIT A WHICH IS MADE A PART HEREOF BY THIS REFERENCE

TAX ACCOUNT NO.:

SUBJECT TO: all those items of record and those apparent upon the land, if any, as of the date of this deed and those shown below, if any: 1996-99 REAL PROPERTY TAXES A LIEN NOT YET DUE AND PAYABLE

and the grantor will warrant and forever defend the said premises and every part and parcel thereof against the lawful claims and demands of all persons whomsoever, except those claiming under the above described encumbrances.

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.

The true and actual consideration for this conveyance is \$ 480,000.00.

Until a change is requested, all tax statements shall be sent to Grantee at the following address: 7196 Durango St, Las Vegas, NV 89120

Dated this 30 day of July, 1998

*Jimmie D. Wray*  
JIMMIE D. WRAY

*Phillis Wray by Jim Wray P.M.*  
PHILLIS WRAY

\*RECORDED TO CORRECT LEGAL DESCRIPTION\*

STATE OF Oregon ss. July 30 19 98

COUNTY OF Jackson

Personally appeared the above named Jimmie D. Wray

and acknowledged the foregoing instrument to be his voluntary act.

Before me:



*Donna K. Rick*  
Notary Public for  
My commission expires \_\_\_\_\_

ESCROW NO. AF729495DR

Return to:  
RRID, LTD A NEVADA LIMITED LIABILITY CO

RECEIVED  
JUL 03 2008  
WATER RESOURCES DEPT.  
SALEM, OREGON

JUL-29-1998 14152

HERITILE REDFORD

541 779 3506 P.13

Order No. 725495-DK  
98 36488

Jackson County, Oregon  
Recorded  
OFFICIAL RECORDS

Exhibit 'A'

98 36488  
PARCEL NO. 1:

JUL 31 1998

2:30 PM

Shannon J. [Signature]  
COUNTY CLERK

Tract A:

The North 122 feet, as measured at right angles to the North line, of the North half of the following described tract:

Commencing at the Southwest corner of the North half of the Southwest quarter of Section 21, in Township 35 South, Range 1 West of the Willamette Meridian in Jackson County, Oregon; thence East 690.39 feet to the center line of the Medoc County Road, for the true point of beginning; thence East 2210.5 feet, more or less, to Rogus River; thence Northeasterly following the meanders of said Rogus River, 783.33 feet, more or less, to the A.C. Allen Tract, as described in Volume 114, Page 280, Jackson County, Oregon, Deed Records; thence West, along the South line of said tract, to the center line of said County Road; thence Southwesterly, along said center line, 808.7 feet, more or less, to the true point of beginning.

EXCEPTING THEREFROM that portion conveyed to Jackson County, Oregon, by deed recorded in Volume 533, page 101, Jackson County, Oregon, Deed Records.

Tract B:

The South 90.0 feet of the following described tract, to-wit:

FORM NO. 100 - ACKNOWLEDGMENT BY ATTORNEY-IN-FACT

STATE OF OREGON,

County of Jackson



On this the 30th day of July, 1998, personally appeared

Shannon J. [Signature], who, being duly sworn (or affirmed), did say that he is the attorney in fact for [Signature] and that he executed the foregoing instrument by authority of and in behalf of said principal and he acknowledged said instrument to be the act and deed of said principal.

Before me:

(Official Seal)

[Signature]

(Title of Officer)

RECEIVED

JUL 03 2008

WATER RESOURCES DEPT  
SALEM, OREGON

98 36488

Order No. 729495-DR

## Exhibit 'A'

PARCEL NO. 1:TRACT A:

The North 113 feet, as measured at right angles to the North line, of the North half of the following described tract:

Commencing at the Southwest corner of the North half of the Southwest quarter of Section 31, in Township 35 South, Range 1 West of the Willamette Meridian in Jackson County, Oregon; thence East 698.39 feet to the center line of the Modoc County Road, for the true point of beginning; thence East 2220.5 feet, more or less, to Rogue River; thence Northeasterly following the meanders of said Rogue River, 783.33 feet, more or less, to the A.C. Allen Tract, as described in Volume 114, Page 280, Jackson County, Oregon, Deed Records; thence West, along the South line of said tract, to the center line of said County Road; thence Southwesterly, along said center line, 808.9 feet, more or less, to the true point of beginning.

EXCEPTING THEREFROM that portion conveyed to Jackson County, Oregon, by deed recorded in Volume 352, page 101, Jackson County, Oregon, Deed Records.

TRACT B:

The South 90.0 feet of the following described tract, to-wit:

Commencing at a point 663.35 feet South and 997.5 feet East of the quarter corner of the Township line between Sections 31 and 36, Township 35 South, Range 1 and 2 West of the Willamette Meridian, Jackson County, Oregon, which point is in the center of the County Road in said Section 31; thence East 81.9 feet; thence North 33°40' East 995.2 feet; thence East 2573.12 feet to the West bank of the Rogue River; thence South 58°43' West 454.4 feet; thence South 42°08' West 834.3 feet; thence West 2177.47 feet to the point of beginning.

EXCEPTING THEREFROM that portion conveyed to Jackson County, Oregon, by deed recorded in Volume 352, page 99, Jackson County, Oregon, Deed Records.

PARCEL NO. 2:

The North half, excepting from said North half, the North 113 feet, as measured at right angles to the North line thereof, of the following described tract:

Commencing at the Southwest corner of the North half of the Southwest quarter of Section 31, in Township 35 South, Range 1 West of the Willamette Meridian in Jackson County, Oregon; thence East 698.39 feet to the center line of the Modoc County Road, for the true point of beginning; thence East 2220.5 feet, more or less, to Rogue River; thence Northeasterly following the meanders of said Rogue River, 783.33 feet, more or less, to the A.C. Allen Tract, as described in Volume 114, Page 280, Jackson County, Oregon, Deed Records; thence West, along the South line of said tract, to the center line of said County Road; thence Southwesterly, along said center line, 808.9 feet, more or less, to the true point of beginning.

EXCEPTING THEREFROM that portion conveyed to Jackson County, Oregon, by deed recorded in Volume 352, page 101, Jackson County, Oregon, Deed Records.

30'  
Jackson County, Oregon  
Recorded  
OFFICIAL RECORDS

AUG 07 1998

2:30 PM

*Shelley D. Quinn*  
COUNTY CLERK

RECEIVED

JUL 03 2008

WATER RESOURCES DEPT.  
SALEM, OREGON





PO Box 5286  
Central Point, Oregon 97502  
Phone: 541-664-5599  
Fax: 541-664-5603  
[herb@farbersurveying.com](mailto:herb@farbersurveying.com)

# Fax

<b>To:</b>	Herb Mosgar	<b>From:</b>	Herb
<b>With:</b>	OWRD	<b>Pages:</b>	6
<b>Fax:</b>	(503) 986-0904	<b>Date:</b>	July 3, 2008
<b>Re:</b>	RRIP application	<b>CC:</b>	

● **Comments:**

Following this cover are the deeds of record for this application. Please confirm you have received this fax.

Thanks

Herb

RECEIVED  
JUL 02 2008  
WATER RESOURCES DEPT.  
SALEM, OREGON

JUL 02 2008

WATER RESOURCES DEPT  
SALEM, OREGON

### For Local Government Use Only

The following section must be completed by a planning official from each county and city listed unless the project will be located entirely within the city limits. In that case, only the city planning agency must complete this form.

This deals only with the local land-use plan. Do not include approval for activities such as building or grading permits.

**Please check the appropriate box below and provide the requested information**

Land uses to be served by proposed water uses (including proposed construction) are allowed outright or are not regulated by your comprehensive plan. Cite applicable ordinance section(s): LDO Chapter 4

Land uses to be served by proposed water uses (including proposed construction) involve discretionary land-use approvals as listed in the table below. (Please attach documentation of applicable land-use approvals which have already been obtained. Record of Action/land-use decision and accompanying findings are sufficient.)

**If approvals have been obtained but all appeal periods have not ended, check "Being pursued".**

Type of Land-Use Approval Needed (e.g. plan amendments, rezones, conditional-use permits, etc.)	Cite Most Significant, Applicable Plan Policies & Ordinance Section References	Land-Use Approval:	
		<input type="checkbox"/> Obtained <input type="checkbox"/> Denied	<input type="checkbox"/> Being pursued <input type="checkbox"/> Not being pursued
		<input type="checkbox"/> Obtained <input type="checkbox"/> Denied	<input type="checkbox"/> Being pursued <input type="checkbox"/> Not being pursued
		<input type="checkbox"/> Obtained <input type="checkbox"/> Denied	<input type="checkbox"/> Being pursued <input type="checkbox"/> Not being pursued
		<input type="checkbox"/> Obtained <input type="checkbox"/> Denied	<input type="checkbox"/> Being pursued <input type="checkbox"/> Not being pursued
		<input type="checkbox"/> Obtained <input type="checkbox"/> Denied	<input type="checkbox"/> Being pursued <input type="checkbox"/> Not being pursued
		<input type="checkbox"/> Obtained <input type="checkbox"/> Denied	<input type="checkbox"/> Being pursued <input type="checkbox"/> Not being pursued

Local governments are invited to express special land-use concerns or make recommendations to the Water Resources Department regarding this proposed use of water below, or on a separate sheet.

---



---



---



---



---



---



---

Name: Laura Marshall Title: Planning Tech II  
 Signature: Laura Marshall Phone: 774-6950 Date: 6/10/2008  
 Government Entity: Jackson County Development Services

**Note to local government representative:** Please complete this form or sign the receipt below and return it to the applicant. If you sign the receipt, you will have 30 days from the Water Resources Department's notice date to return the completed Land Use Information Form or WRD may presume the land use associated with the proposed use of water is compatible with local comprehensive plans.



Oregon Water Resources Department
Land Use Information Form

RECEIVED

JUL 02 2008

WATER RESOURCES DEPT
SALEM, OREGON

THIS FORM IS NOT REQUIRED IF: 1) water is to be diverted, conveyed, and/or used only on federal lands; or 2) the application is for a water-right transfer, allocation of conserved water, exchange, permit amendment, or ground water registration modification, and all of the following apply: a) only the place of use is proposed for change, b) there are no structural changes, c) the use of water is for irrigation, and d) the use is located in an irrigation district or exclusive farm-use zone.

Applicant Name: RRIP, LLC
Mailing Address: 10772 Modoc Road
City: White City State: Or Zip: 97503 Day Phone: 541-626-7746

This application is related to a Measure 37 claim. [ ] Yes [x] No

A. Land and Location

Please include the following information for all tax lots where water will be diverted (taken from its source), conveyed (transported), or used. Applicants for municipal use, or irrigation uses within irrigation districts may substitute existing and proposed service-area boundaries for the tax-lot information requested below.

Table with 8 columns: Township, Range, Section, 1/4 1/4, Tax Lot #, Plan Designation (e.g. Rural Residential/RR-5), Water to be: (Diverted, Conveyed, Used), Proposed Land Use: (hay&pasture)

List all counties and cities where water is proposed to be diverted, conveyed, or used. Jacson

B. Description of Proposed Use

Type of application to be filed with the Water Resources Department:

- [x] Permit to Use or Store Water [ ] Water-Right Transfer [ ] Exchange of Water
[ ] Allocation of Conserved Water [ ] Limited Water Use License
[ ] Permit Amendment or Ground Water Registration Modification

Source of water: [x] Reservoir/Pond [ ] Ground Water [x] Surface Water (name) Lost Creek Reservoir-Rogue River

Estimated quantity of water needed: 66.5 [ ] cubic feet per second [ ] gallons per minute [x] acre-feet

Intended use of water: [x] Irrigation [ ] Commercial [ ] Industrial [ ] Domestic for household(s)
[ ] Municipal [ ] Quasi-municipal [ ] Instream [ ] Other

Briefly describe: Supplemental water right for existing certificated water rights

Note to applicant: If the Land Use Information Form cannot be completed while you wait, please have a local government representative sign the receipt below and include it with the application filed with the Water Resources Department.

From: Origin ID: MFRA (541)664-5599  
SUSAN FARBER  
FARBER SURVEYING  
431 OAK STREET



CENTRAL POINT, OR 97502

Ship Date: 30JUN08  
Act/Wgt: 1 LB  
System#: 2561570/INET8061  
Account#: S \*\*\*\*\*

Delivery Address Bar Code



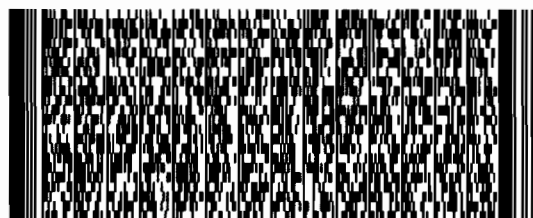
Ref # RRIPI (ISOLA)  
Invoice #  
PO #  
Dept #

SHIP TO: 503-986-0900 **BILL SENDER**  
**WATER CLAIM DEPARTMENT**  
**OREGON WATER RESOURCES**  
**725 SUMMER ST NE STE A**  
**N.E.**  
**SALEM, OR 973011266**

CL8953008/2124

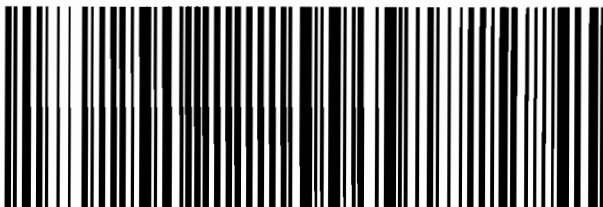
TRK# 7984 7097 3705  
0201

**TUE - 01JUL** **AA**  
**STANDARD OVERNIGHT**



**86 SLEA**

**97301**  
**OR-US**  
**PDX**



**After printing this label:**

1. Use the 'Print' button on this page to print your label to your laser or inkjet printer.
2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

**Warning:** Use only the printed original label for shipping. Using a photocopy of this label for shipping purposes is fraudulent and could result in additional billing charges, along with the cancellation of your FedEx account number.

Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on fedex.com. FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$500, e.g. jewelry, precious metals, negotiable instruments and other items listed in our Service Guide. Written claims must be filed within strict time limits, see current FedEx Service Guide.

# CONTRACT DATA SHEET



U.S. Bureau of Reclamation  
Attn: PN-3322  
1150 North Curtis Road  
Boise ID 83706-1234  
(208) 378-5223

**RECEIVED**

JUL 02 2008

1. Applicant Information:

A. Landowners

WATER RESOURCES DEPT  
SALEM, OREGON

- 1) Name of landowner(s): RRIP, LTD by Thomas A. Isola
- 2) Address: 10772 Modoc Road, White City, OR 97503
- 3) Mailing Address (if different): \_\_\_\_\_
- 4) \_\_\_\_\_  
-(Social Security Number or Employer Identification Number) <sup>1</sup>
- 5) Do you own all of the land where you propose to divert and make use of water? Yes

B. Water User Organizations (Such as Irrigation Districts, Ditch/Canal Companies, Water Control Districts, Water User Associations & Cooperatives, Irrigation Improvement Districts, and similar entities organized according to State Law )

- 1) Name of Organization: NA
- 2) Name & Title of Applicant: \_\_\_\_\_
- 3) Mailing Address of Organization: \_\_\_\_\_
- 4) Taxpayer Identification Number: \_\_\_\_\_  
(Social Security Number or Employer Identification Number)
- 5) Please provide the following information:
  - (a) A description of the area served by the organization (location, total acreage, # of water users, prominent crops, etc.)
  - (b) Copy of organization by-laws, articles of incorporation (if applicable), board resolution authorizing the applicant to represent and bind the organization under contract with the United States.

2. Source of Water (*name of stream, river*) Lost Creek Reservoir

3. Proposed point of diversion: 1650 feet North and 2050 feet West  
of SE corner of Section 31, Township 35 S, Range 1 W,  
Willamette Meridian.

4. A water right permit to divert storage water is required. Application or file number with OWRD if you have applied for a permit to divert storage water: Copy of WRD application enclosed

5. Include a map of lands and diversion points. [Same as required by Oregon Water Resources Department (OWRD) for application for surface/ground water permit].

6. Do you currently hold a right to natural flows for irrigating the property described herein? Yes  
If yes, what is/are the priority date(s)? Certificates 51195 March 29, 1930, 65021 June 30, 1980 and March 29, 1930 (the requested water will be supplemental to these rights)

**RECEIVED**

7. Total quantity of water from storage requested: 66.5 acre-feet.

JUL 02 2008

8. Location of land to be irrigated in each 40-acre tract:

WATER RESOURCES DEPT  
SALEM, OREGON

TOWNSHIP	RANGE	SECTION	40-ACRE TRACT (1/4) (1/4)	NO. of ACRES	TYPE of IRRIGATED CROP
35 S	1 W	31	NE SW	16.08	Hay and pasture
35 S	1 W	31	NW SW	5.97	Hay and pasture
35 S	1 W	31	NW SE	4.55	Hay and pasture

9. What is the present use of the land identified above? [*Farming; idle* (fallow cultivated land); *native* (appears never to have been tilled); *planted pasture or other* (please specify)].  
Farmed for hay and pasture

10. Is the land identified above currently being irrigated? Yes If yes, what is the source? (*natural flows, wells, etc.*) Natural flow of Rogue River (this application is for supplemental water right)

11. Diversion must be screened to prevent uptake of fish and other aquatic life.  
Describe plan(s) to comply with State/Federal fish screen standards: The pump station is existing and Has been inspected by ODFW for compliance with State and Federal standards.

12. Telephone Number where you can be reached during the day: 541-826-7746

Before returning the completed Contract Data Sheet to the address provided on page 1, please check that you have done the following:

- ANSWERED ALL QUESTIONS COMPLETELY
- ATTACHED AND IDENTIFIED ADDITIONAL SHEET(S) AS NECESSARY
- ATTACHED THE REQUIRED MAP
- SUBMIT PAYMENT FOR THE APPROPRIATE CONTRACT ADMINISTRATION FEE <sup>2</sup>, MAKE CHECK PAYABLE TO THE U. S. BUREAU OF RECLAMATION

<sup>1</sup> Section 31001.(i) of the Debt Collection Improvement Act of 1996 (Chapter 10 of Pub. L. 104-134) requires each contractor with an agency of the United States to furnish their taxpayer identifying number (social security number or employer identification number) and each agency to disclose to that contractor its intent to use such number for purposes of collecting and reporting on any delinquent amounts arising out of such contractor's relationship with the Government.

<sup>2</sup> The minimum contract administration fee for most applications is \$100. However, from time to time this fee may be revised to cover the costs of the United States. We recommend you contact this office to verify the current minimum contract administration fee. In the event that the costs to the United States of evaluating the application are in excess of the minimum contract administration fee, an estimate of the reimbursable costs for which advance payment is required will be provided to the applicant.



# United States Department of the Interior



BUREAU OF RECLAMATION  
Pacific Northwest Region  
1150 North Curtis Road, Suite 100  
Boise, Idaho 83706-1234

**JUN 30 2008**

IN REPLY REFER TO:

PN-3324  
WTR-4.00

Mr. Tom Isola  
RRIP, LLC  
7196 Durango Street  
Las Vegas, NV 89120

Subject: Lost Creek Reservoir Water Service Contract No. 089E101671, Rogue River Basin  
Project, Oregon

Dear Mr. Isola:

Enclosed for your records is an original of the fully executed subject contract, which provides for the irrigation use of up to 43.2 acre-feet of stored water from the Lost Creek Reservoir beginning with the 2008 irrigation season. You will be billed annually for subsequent irrigation seasons per article 5 of the subject contract beginning in 2009.

Thank you for executing the subject contract. If you have any questions about the contract, please contact Mr. Bill Parks at the above address or by telephone at 208-378-5344.

Sincerely,

*Claudia S. Coleman*  
*for* Ryan M. Patterson  
Program Manager  
Repayment and Acreage Limitation

Enclosure

cc: Water Rights Division  
Oregon Water Resources Department  
725 Summer Street NE, Suite A  
Salem, OR 97301-1271

Mr. Bruce Sund  
District 14 Watermaster  
942 SW 6th Street, Suite E  
Grants Pass, OR 97526  
(w/encl to each)

**RECEIVED**

JUL 02 2008

WATER RESOURCES DEPT  
SALEM OREGON

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF RECLAMATION  
PACIFIC NORTHWEST REGIONAL OFFICE

ROGUE RIVER BASIN PROJECT, OREGON

## RECORD OF EXECUTION OF CONTRACT

Contractor: RRIP, LLC Contract No: 089E101671

Date of contract: JUN 30 2008 Estimated amount involved: \$445.60 p.a. (includes contract admin. fee)

Purpose: Lost Creek Reservoir water service contract

Remarks: Authority granted to Regional Director to approve and execute by memorandum from the Commissioner dated March 3, 1998; and redelegated to Program Manager, Lands and Repayment, by memorandum dated February 2, 1995.

Place: Boise, Idaho Date: JUN 30 2008

1. Standard form of contract transmitted to the Field Solicitor for legal approval by memorandum dated January 11, 1996, and given legal approval on February 9, 1996, by Kenneth M. Sebby for the Field Solicitor, Boise, Idaho.

ACTING FOR



Ryan M. Patterson  
Program Manager  
Repayment and Acreage Limitation

2. Contract executed and transmitted to the following:

ORIGINAL CONTRACT TO: PN-7632

ORIGINAL TO CONTRACTOR

COPY TO: Oregon Water Resources Department, Salem OR  
District 13 Watermaster, Medford OR

Mr. Michael R. Crouse, National Marine Fisheries Service, Portland OR  
Assistant Solicitor, Water and Power, Washington DC, Attention: ms6415-MIB  
84-56000  
PN-7800, PN-3300, PN-7632

**RECEIVED**

JUL 02 2008

WATER RESOURCES DEPT  
SALEM, OREGON



## FACT SHEET

1. Contracting Water User, Contract Number, Project, and State: RRIP, LLC, Contract No. 089E101671, Lost Creek Reservoir, Rogue River Basin Project, Oregon.
2. Authorization: Section 9(e) of the Act of August 4, 1939 (53 Stat. 1187); Section 8 of the Act of December 22, 1944 (58 Stat. 887, 891); and the Flood Control Act of 1962 (76 Stat. 1173).
3. Status of Environmental Action: The Corps of Engineers published an Environmental Impact Statement for Lost Creek Reservoir on May 5, 1972, and for Applegate Reservoir in July 1972. In compliance with the National Environmental Policy Act, Bureau of Reclamation prepared an Environmental Assessment evaluating the impacts of marketing supplemental irrigation water from Applegate and Lost Creek Reservoirs; and a Finding of No Significant Impact (FONSI) for the water marketing program was published on July 10, 1981, (PN FONSI 81-9). The proposed contract has been categorically excluded by a Categorical Exclusion Checklist dated May 16, 2008.
4. Objective of Contract: To provide for the release and/or diversion of up to 43.2 acre-feet of stored water annually to irrigate not more than 9.6 acres of land.
5. Form of Contract: The form of contract was approved on February 9, 1996, for the Field Solicitor, Boise, Idaho, in a January 11, 1996, memorandum.
6. Delegation of Authority: Authority to approve and execute this contract has been redelegated to the Program Manager, Lands and Repayment, by the Regional Director in a February 2, 1995, memorandum.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF RECLAMATION

Rogue River Basin Project, Oregon

CONTRACT FOR WATER SERVICE

Contents

<u>Article No.</u>	<u>Title</u>	<u>Page No.</u>
1	Preamble .....	1
2-3	Explanatory Recitals .....	1-2
4	Lands for Which Water is Released: Limitations on Diversions.....	2
5	Payments for Water.....	2-4
6	Contract Administration Fee.....	4
7	Charges for Delinquent Payments.....	4
8	Release of Water .....	4-5
9	Special Conditions .....	5-6
10	Term of Contract.....	6-7
11	Termination of Contract.....	7
12	Constraints on the Availability of Water (Water Shortages).....	7
13	Disclaimer .....	7-8
14	Notices .....	8
15	General Provisions.....	8
	Signatures.....	9
	Acknowledgments.....	10
	Exhibit A	

**RECEIVED**

JUL 02 2008

WATER RESOURCES DEPT  
SALEM, OREGON

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF RECLAMATION

Rogue River Basin Project, Oregon

**CONTRACT FOR WATER SERVICE**

THIS CONTRACT, made this 30th day of June, 2008, pursuant to section 9(e) of the Act of August 4, 1939 (53 Stat. 1187) and section 8 of the Act of December 22, 1944 (58 Stat. 887, 891) (which acts are commonly known and referred to as the Reclamation Laws), and the Flood Control Act of 1962 (76 Stat. 1173), between the UNITED STATES OF AMERICA, hereinafter referred to as the United States, represented by the Contracting Officer executing this contract, and **RRIP, LLC**, hereinafter referred to as the Contractor;

WITNESSETH, THAT:

**Explanatory Recitals**

2. WHEREAS, The United States has constructed and operates Applegate and Lost Creek Reservoirs in the Rogue River Basin, Oregon, herein styled the Rogue River Basin Project, from which there is a flow of water that can be used for irrigation of land and other beneficial uses, which flow, as it has been developed or as it will be augmented, has been appropriated by the United States pursuant to the laws of Oregon for beneficial use under the Federal Reclamation Laws; and

3. WHEREAS, the Contractor owns land hereinafter described, for which a water supply from Lost Creek Reservoir is desired to be secured from the United States;

NOW, THEREFORE, in consideration of the premises and the payment by the Contractor to the United States of the charges in the manner hereinafter provided, it is agreed:

**Lands for Which Water is Released: Limitations on Diversions**

4. The United States shall release each year to the Contractor during the irrigation season from April 1 to October 31, inclusive, water from the Rogue River Basin Project for the irrigation of land owned by the Contractor described as follows:

9.6 acres, SW1/4 SE1/4, Section 1, T. 36 S., R. 2 W., W.M.

Of the land described, not more than 9.6 acres are to be irrigated. The amount of water to be released hereunder shall be that quantity which may be applied beneficially in accordance with good usage in the irrigation of the land above described, up to a maximum diversion of 43.2 acre-feet of stored water annually, measured at the point of diversion of said water.

**Payments for Water**

5. (a) An annual payment of \$345.60 for the first irrigation season shall be made to the United States at the time of executing this contract, and subsequent annual payments of \$345.60 will be due on or before April 1 of each succeeding irrigation season in advance of water use. This payment will entitle the Contractor to divert up to a maximum of 43.2 acre-feet of stored water for irrigation of the lands described in Article 4 of this contract. The Contracting Officer will consider adjusting the water service payment downward based on information received from the Contractor, the State of Oregon, or other reliable sources as to the actual amount of stored water diverted each month by the Contractor during the irrigation season and on other factors in addition to the amount of stored water actually diverted, as deemed appropriate by the Contracting Officer.

Any such adjustment will be determined and subtracted from the payment for the next year by the Contracting Officer: Provided, that in order for an adjustment to be made, information on the amounts of stored water diverted each month must be received in writing by the Contracting Officer by December 1 of that year.

(b) The annual charge set forth in (a) above is based on an initial rate of \$8 per acre-foot of stored water; Provided, that such annual charge shall as a minimum be the greater of either the product of \$2 multiplied by the number of acres described in Article 4 of this contract or \$50. From time to time, but not less often than once every 5 years, the rate per acre-foot of stored water and the minimum payment shall be reviewed by the Contracting Officer and revised, if necessary, by the United States for the irrigation water marketing program of the Rogue River Basin Project. Any revision by the Contracting Officer will apply only to future payments and shall be announced by written notice to the Contractor at least 3 months prior to the beginning of the irrigation season to which the new rate would be applicable.

(c) All payments from the Contractor to the United States under this contract shall be made by the medium requested by the United States. The required medium of payment may include checks, wire transfers, or other types of payment specified by the United States. Except when otherwise specified by the United States, all payments shall be made by check.

(d) Upon execution of the contract, the Contractor shall furnish the Contracting Officer with the Contractor's taxpayer's identification number (TIN). The purpose for requiring the Contractor's TIN is for collecting and reporting any delinquent amounts arising out of the Contractor's relationship with the United States.

(e) Payments required hereunder shall be made to the Bureau of Reclamation at the location described in Article 14 of this contract.

#### **Contract Administration Fee**

6. (a) Upon execution of this contract, a \$100 fee for the preparation of this contract is due and payable by the Contractor to the United States.

(b) All future contract actions, including new contracts, contract amendments, supplements, and assignments will be charged a \$100 fee: Provided, That the fee shall be reviewed by the Contracting Officer and revised from time to time to cover costs to the United States.

#### **Charges for Delinquent Payments**

7. (a) The Contractor shall be subject to interest, administrative, and penalty charges on delinquent payments. If a payment is not received by the due date, the Contractor shall pay an interest charge on the delinquent payment for each day the payment is delinquent beyond the due date. If a payment becomes 60 days delinquent, in addition to the interest charge, the Contractor shall pay an administrative charge to cover additional costs of billing and processing the delinquent payment. If a payment is delinquent 90 days or more, in addition to the interest and administrative charges, the Contractor shall pay a penalty charge for each day the payment is delinquent beyond the due date, based on the remaining balance of the payment due at the rate of 6 percent per year. The Contractor shall also pay any fees incurred for debt collection services associated with a delinquent payment.

(b) The interest charge rate shall be the greater of the rate prescribed quarterly in the Federal Register by the Department of the Treasury for application to overdue payments or the interest rate of 0.5 percent per month. The interest charge rate will be determined as of the due date and remain fixed for the duration of the delinquent period.

(c) When a partial payment on a delinquent account is received, the amount received shall be applied first to the penalty charges, second to the administrative charges, third to the accrued interest, and finally to the overdue payment.

#### **Release of Water**

8. (a) Upon payment of the annual payment specified in subarticle 5(a) above, the United States will release water to the Contractor from the Rogue River Basin Project pursuant to

**RECEIVED**

JUL 02 2008

WATER RESOURCES DEPT  
SALEM OREGON

this contract. No water shall be released if the Contractor is delinquent in payment of the required annual payment.

(b) Water diverted pursuant to this contract shall be measured at the following point(s) of diversion in accordance with Oregon State law:

668 feet south and 224 feet east of the west quarter corner of  
Section 6, T. 36 S., R. 1 W., W.M.

The Contractor shall be wholly responsible for securing said water at that point and diverting, conveying, and utilizing it. The Contractor shall be required to conform its diversions and releases to the control of the stream as established by the appropriate State-appointed watermaster. The water to be diverted hereunder shall be measured by means of measuring or controlling devices satisfactory to the Contracting Officer. Such devices shall be furnished, installed, and maintained by and at the expense of the Contractor, but they shall be and remain at all times available for reading and monitoring by the United States or the watermaster whose representative may at all times have access to them over any lands of the Contractor. All losses of water from seepage, evaporation, or other cause, below said point of measurement, shall be borne by the Contractor.

(c) The Contractor shall maintain all fish screens used to divert stored water under this contract at all times in compliance with applicable guidelines from the Oregon Department of Fish & Wildlife and the National Marine Fisheries Service and remain available at all times for inspection by representatives of these agencies at no cost to the United States.

#### **Special Conditions**

9. (a) It is the responsibility of the Contractor to comply with the laws of the State of Oregon regarding the obtaining and perfecting of permits to divert water to the lands described in Article 4. Prior to executing this contract, the Contractor shall secure any easements from the

Corps of Engineers which may be required for constructing facilities to divert and convey the stored water and provide written verification of such agreements to the Contracting Officer. The obligation of the United States to release water under this contract is subject to an operating plan for the Rogue River Basin Project determined in accordance with the law governing the project.

(b) If, at some future date, the Contracting Officer determines there is sufficient demand for irrigation water from the Rogue River Basin Project to justify the formation of an irrigation district, water supply company, or other water user organization, future water service may then be made contingent upon the establishment of such an organization. Under this condition, the Contractor will be notified at least 1 year in advance of the date this contract is terminated and continued water service to the lands described in Article 4 becomes dependent upon membership in the organization established for that purpose.

(c) In the interest of conservation and protection of environmental resources, from time to time, but not less often than once every 5 years, this contract shall be reviewed by the Contracting Officer. The terms and conditions of this contract may be modified, if deemed necessary by the Contracting Officer, to avoid or minimize impacts to candidate, listed or proposed threatened and endangered species, or other valuable natural resources. Any modification by the Contracting Officer shall be announced by written notice to the Contractor.

#### **Term of Contract**

10. This contract shall become effective as of the date first above written and will continue in effect for a period of 40 years unless sooner terminated in accordance with the provisions of Articles 9 or 11 or by agreement of the parties hereto: Provided; that upon expiration of the 40-year term, renewals may be made by the Secretary of the Interior for successive periods



not to exceed 40 years and under terms and conditions mutually agreeable to the parties hereto: Provided further; that the terms and conditions of each renewal shall be negotiated in light of circumstances prevailing at the time of renewal and agreed upon not later than 1 year prior to the expiration of the then existing contract.

#### **Termination of Contract**

11. This contract may be terminated and water service hereunder shall cease at the option of the United States or at any time if the Contractor is delinquent in payment of the water service charge for a period of 90 days or upon failure of the Contractor to abide by any notice, order, rule, or regulation of the United States or the State of Oregon now or hereafter established affecting water service hereunder.

#### **Constraints on the Availability of Water (Water Shortages)**

12. In its operation of the Project, the United States will use all reasonable means to guard against a Condition of Shortage in the quantity of water to be made available to the Contractor pursuant to this Contract. In the event the United States determines that a Condition of Shortage appears probable, the Contracting Officer will notify the Contractor of said determination as soon as practicable.

If there is a Condition of Shortage because of errors in physical operations of the Project, drought, other physical causes beyond the control of the United States, or actions taken by the Contracting Officer to meet current and future legal obligations, then no liability shall accrue against the United States or any of its officers, agents or employees for any damage, direct or indirect, arising therefrom.

#### **Disclaimer**

13. No provision of this contract, nor of any renewal thereof, nor the release of water hereunder will be construed to bind the United States after the expiration of this contract as the basis of a permanent water right. Because of possible fluctuations in reservoir surface elevations and downstream flows associated with the Rogue River Basin Project, the United States does not guarantee the availability of water at the point of the Contractor's diversion facilities as they may

now be constructed or constructed hereafter. Further, the United States will not be held responsible for any acts or omissions of the Contractor's agents or of persons for whom water is released.

### **Notices**

14. Any notice, demand, or request authorized or required by this contract shall be deemed to have been given, on behalf of the Contractor, when mailed, postage prepaid, or delivered to the Program Manager, Repayment and Acreage Limitation, Pacific Northwest Region, Bureau of Reclamation, 1150 North Curtis Road, Suite 100, Boise, Idaho 83706-1234, and on behalf of the United States, when mailed, postage prepaid, or delivered to RRIP, c/o Tom Isola, 7196 Durango Street, Las Vegas, NV 89120. The designation of the addressee or the address may be changed by notice given in the same manner as provided in this article for other notices.

### **General Provisions**

15. The general provisions applicable to this contract are listed below. The full text of these general provisions is attached as Exhibit A and is hereby made a part of this contract.

- a. GENERAL OBLIGATION -- BENEFITS CONDITIONED UPON PAYMENT
- b. CONTINGENT UPON APPROPRIATION OR ALLOTMENT OF FUNDS
- c. OFFICIALS NOT TO BENEFIT
- d. CHANGES IN CONTRACTOR'S ORGANIZATION
- e. ASSIGNMENT LIMITED -- SUCCESSORS AND ASSIGNS OBLIGATED
- f. BOOKS, RECORDS, AND REPORTS
- g. COMPLIANCE WITH FEDERAL RECLAMATION LAWS
- h. PROTECTION OF WATER AND AIR QUALITY
- i. WATER CONSERVATION
- j. EQUAL EMPLOYMENT OPPORTUNITY
- k. COMPLIANCE WITH CIVIL RIGHTS LAWS AND REGULATIONS
- l. PRIVACY ACT COMPLIANCE
- m. MEDIUM FOR TRANSMITTING PAYMENTS
- n. CONTRACT DRAFTING CONSIDERATIONS

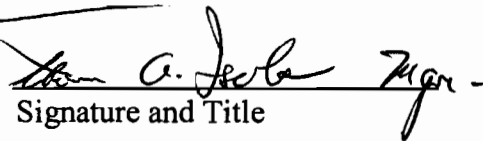
**RECEIVED**

JUL 02 2008

**WATER RESOURCES DEPT  
SALEM OREGON**

IN WITNESS WHEREOF, the parties hereto have signed their names the day and year first above written.

**RRIP, LLC**


By:   
Signature and Title

Attest:

By:   
Signature and Title

**UNITED STATES OF AMERICA**

**ACTING FOR**

  
Program Manager  
Repayment and Acreage Limitation  
PN Region  
Bureau of Reclamation  
1150 North Curtis Road, Suite 100  
Boise, ID 83706-1234

STATE OF OREGON  
: SS  
County of JACKSON

On this 18<sup>th</sup> day of June, 2008, before me, a notary public, personally appeared THOMAS A. ISOLA and \_\_\_\_\_ known to me to be the official(s) that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of **RRIP, LLC**, for the uses and purposes therein mentioned, and on oath stated that he/she/they (*please circle one*) is/are authorized to execute said instrument on its behalf.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal as of the day and year first above written.



Susan Morgan Farber

Notary Public in and for the State of OREGON

Residing at: JACKSON Co - PO. Box 5286 - Central Point 97502  
My commission expires: April 21, 2012

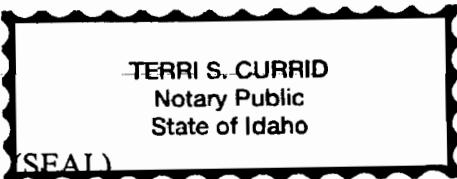
(SEAL)

\*\*\*\*\*

STATE OF IDAHO )  
: SS  
County of Ada )

On this 3<sup>rd</sup> day of June, 2008, personally appeared before me Claudia Coleman, to me known to be the official of the UNITED STATES OF AMERICA that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of said United States, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal as of the day and year first above written.



Terri S. Currid

Notary Public in and for the State of IDAHO

Residing at: Boise, ID  
My commission expires: 2/27/2014

(SEAL)

**RECEIVED**  
JUL 02 2008  
WATER RESOURCES DEPT  
SALEM, OREGON

**GENERAL PROVISIONS --- ROGUE RIVER BASIN PROJECT**

**GENERAL OBLIGATION--BENEFITS CONDITIONED UPON PAYMENT**

(a). (1) The obligation of the Contractor to pay the United States as provided in this contract is a general obligation of the Contractor notwithstanding the manner in which the obligation may be distributed among the Contractor's water users and notwithstanding the default of individual water users in their obligation to the Contractor.

(2) The payment of charges becoming due pursuant to this contract is a condition precedent to receiving benefits under this contract. The Contractor shall not deliver water under the terms and conditions of this contract for lands or parties that are in arrears in the advance payment of water rates as levied or established by the Contractor.

**CONTINGENT UPON APPROPRIATION OR ALLOTMENT OF FUNDS**

(b). The expenditure or advance of any money or the performance of any obligation of the United States under this contract shall be contingent upon appropriation or allotment of funds. Absence of appropriation or allotment of funds shall not relieve the Contractor from any obligations under this contract. No liability shall accrue to the United States in case funds are not appropriated or allotted.

**OFFICIALS NOT TO BENEFIT**

(c). No Member of or Delegate to the Congress, Resident Commissioner, or official of the Contractor shall benefit from this contract other than as a water user or landowner in the same manner as other water users or landowners.

**CHANGES IN CONTRACTOR'S ORGANIZATION**

(d). While this contract is in effect, no change may be made in the Contractor's organization, by inclusion or exclusion of lands or by any other changes which may affect the respective rights, obligations, privileges, and duties of either the United States or the Contractor under this contract including, but not limited to, dissolution, consolidation, or merger, except upon the Contracting Officer's written consent.

**ASSIGNMENT LIMITED--SUCCESSORS AND ASSIGNS OBLIGATED**

(e). The provisions of this contract shall apply to and bind the successors and assigns of the parties hereto, but no assignment or transfer of this contract or any right or interest therein by either party shall be valid until approved in writing by the other party.

**BOOKS, RECORDS, AND REPORTS**

(f). The Contractor shall establish and maintain accounts and other books and records pertaining to administration of the terms and conditions of this contract, including the Contractor's water supply data; the water users' land-use (crop census), land-ownership, land-leasing, and water-use data; and other matters that the Contracting Officer may require. Reports shall be furnished to the Contracting Officer in such form and on such date or dates as the Contracting Officer may require. Subject to applicable Federal laws and regulations, each party to this contract shall have the right during office hours to examine and make copies of the other party's books and records relating to matters covered by this contract.

## COMPLIANCE WITH FEDERAL RECLAMATION LAWS

(g). The parties agree that the delivery of irrigation water or use of Federal facilities pursuant to this contract is subject to Federal reclamation law, including but not limited to the Reclamation Reform Act of 1982 (43 U.S.C. 390aa *et seq.*), as amended and supplemented, and the rules and regulations promulgated by the Secretary of the Interior under Federal reclamation law.

## PROTECTION OF WATER AND AIR QUALITY

(h). (1) Project facilities used to make available and deliver water to the Contractor shall be operated and maintained in the most practical manner to maintain the quality of the water at the highest level possible as determined by the Contracting Officer: *Provided, That* the United States does not warrant the quality of the water delivered to the Contractor and is under no obligation to furnish or construct water treatment facilities to maintain or improve the quality of water delivered to the Contractor.

(2) The Contractor shall comply with all applicable water and air pollution laws and regulations of the United States and the State of Oregon and shall obtain all required permits or licenses from the appropriate Federal, State, or local authorities necessary for the delivery of water by the Contractor; and shall be responsible for compliance with all Federal, State, and local water quality standards applicable to surface and subsurface drainage and/or discharges generated through the use of Federal or Contractor facilities or project water provided by the Contractor within the Contractor's Project Water Service Area.

(3) This article shall not affect or alter any legal obligations of the Secretary to provide drainage or other discharge services.

## WATER CONSERVATION

(i). Prior to the delivery of water provided from or conveyed through federally constructed or federally financed facilities pursuant to this contract, the Contractor shall develop a water conservation plan, as required by Section 210(b) of the Reclamation Reform Act of 1982 (RRA) and Part 427.1 of the Water Conservation Rules and Regulations effective January, 1, 1998.

## EQUAL EMPLOYMENT OPPORTUNITY

(j). During the performance of this contract, the Contractor agrees as follows:

(1) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, disability, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, disability, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of this nondiscrimination clause.

(2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, disability, or national origin.

(3) The Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the Contracting Officer, advising the labor union or workers' representative of the Contractor's commitments under Section 202 of Executive

**RECEIVED**

A - 2

JUL 02 2008

WATER RESOURCES DEPT  
SALEM OREGON

Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(5) The Contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the Contracting Agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(6) In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965 or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(7) The Contractor will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions, including sanctions for noncompliance: *Provided, however*, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

#### COMPLIANCE WITH CIVIL RIGHTS LAWS AND REGULATIONS

(k). (1) The Contractor shall comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), Section 504 of the Rehabilitation Act of 1973 (P.L. 93-112, as amended), the Age Discrimination Act of 1975 (42 U.S.C. 6101 *et seq.*), Title II of the Americans with Disabilities Act of 1990 if the entity is a State or local government entity [Title III if the entity is a non-government entity], and any other applicable civil rights laws, as well as with their respective implementing regulations and guidelines imposed by the U.S. Department of the Interior and/or Bureau of Reclamation.

(2) These statutes require that no person in the United States shall be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity receiving financial assistance from the Bureau of Reclamation on the grounds of race, color, national origin, disability, or age. By executing this contract, the Contractor agrees to immediately take any measures necessary to implement this obligation, including permitting officials of the United States to inspect premises, programs, and documents.

(3) The Contractor makes this agreement in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property discounts, or other Federal financial assistance extended after the date hereof to the Contractor by the Bureau of Reclamation, including installment payments after such date on account of arrangements for Federal financial assistance which were approved before such date. The Contractor recognizes and agrees that such Federal assistance will be extended in reliance on the representations and agreements made in this article and that the United States reserves the right to seek judicial enforcement thereof.

(4) Complaints of discrimination against the Contractor shall be investigated by the Contracting Officer's Office of Civil Rights.

### PRIVACY ACT COMPLIANCE

(l). (1) The Contractor shall comply with the Privacy Act of 1974 (5 U.S.C. 552a) (Privacy Act) and the Department of the Interior rules and regulations under the Privacy Act (43 CFR 2.45 *et seq.*) in maintaining landholder certification and reporting records required to be submitted to the Contractor for compliance with Sections 206, 224(c), and 228 of the Reclamation Reform Act of 1982 (96 Stat. 1261), and pursuant to 43 CFR 426.18.

(2) With respect to the application and administration of the criminal penalty provisions of the Privacy Act (5 U.S.C. 552a(i)), the Contractor and the Contractor's employees who are responsible for maintaining the certification and reporting records referenced in (a) above and are considered to be employees of the Department of the Interior. See 5 U.S.C. 552a(m).

(3) The Contracting Officer or a designated representative shall provide the Contractor with current copies of the Interior Department Privacy Act regulations and the Bureau of Reclamation Federal Register Privacy Act System of Records Notice (Interior/WBR-31, Acreage Limitation) which govern the maintenance, safeguarding, and disclosure of information contained in the landholders' certification and reporting records.

(4) The Contracting Officer shall designate a full-time employee of the Bureau of Reclamation to be the System Manager responsible for making decisions on denials pursuant to 43 CFR 2.61 and 2.64 and amendment requests pursuant to 43 CFR 2.72. The Contractor is authorized to grant requests by individuals for access to their own records.

(5) The Contractor shall forward promptly to the System Manager each proposed denial of access under 43 CFR 2.64 and each request for amendment of records filed under 43 CFR 2.71; notify the requester accordingly of such referral; and provide the System Manager with information and records necessary to prepare an appropriate response to the requester. These requirements do not apply to individuals seeking access to their own certification and reporting forms filed with the Contractor pursuant to 43 CFR 426.18 unless the requester elects to cite the Privacy Act as authority for the request.

### MEDIUM FOR TRANSMITTING PAYMENTS

(m). 1) All payments from the Contractor to the United States under this contract shall be by the medium requested by the United States on or before the date payment is due. The required method of payment may include checks, wire transfers, or other types of payment specified by the United States.

2) Upon execution of the contract, the Contractor shall furnish the Contracting Officer with the Contractor's taxpayer's identification number (TIM). The purpose for requiring the Contractor's TIM is for collecting and reporting any delinquent amounts arising out of the Contractor's relationship with the United States.

### CONTRACT DRAFTING CONSIDERATIONS

(n). Articles 1 through 15 of this Contract have been drafted, negotiated, and reviewed by the parties hereto, each of whom is sophisticated in the matters to which this Contract pertains, and no one party shall be considered to have drafted the stated articles.

**RECEIVED**

JUL 02 2008

**WATER RESOURCES DEPT  
SALEM, OREGON**

A - 4