

Application for a Permit to Use Surface Water



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

SECTION 1: APPLICANT INFORMATION AND SIGNATURE

Applicant Information

| | | | |
|------------------------|-------|------------|----------|
| NAME SEE APPENDIX A | | PHONE (HM) | |
| PHONE (WK) | CELL | | FAX |
| ADDRESS | | | |
| CITY | STATE | ZIP | E-MAIL * |

Organization Information

| | | | |
|---------|-------|-------|----------|
| NAME | | PHONE | FAX |
| ADDRESS | | | CELL |
| CITY | STATE | ZIP | E-MAIL * |

Agent Information – The agent is authorized to represent the applicant in all matters relating to this application.

| | | | |
|---|-------------|-----------------------|---------------------------------------|
| AGENT / BUSINESS NAME PHILIP SCUDERI | | PHONE 919-740-5972 | FAX 541-488-4458 |
| ADDRESS 1331 LITTLE APPLGATE RD | | | CELL 919-740-5972 |
| CITY JACKSONVILLE | STATE OR | ZIP 97530 | E-MAIL * PHILIPSCUDERIJR@GMAIL.COM |

Note: Attach multiple copies as needed

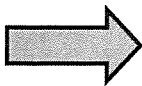
* By providing an e-mail address, consent is given to receive all correspondence from the department electronically. (paper copies of the final order documents will also be mailed.)

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By my signature below I confirm that I understand:

JUN 24 2013

- 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. SALEM, OR
- I cannot legally use water until the Water Resources Department issues a permit to me.
- The Department encourages all applicants to wait for a permit to be issued before beginning construction of any proposed diversion. Acceptance of this application does not guarantee a permit will be issued.
- If I begin construction prior to the issuance of a permit, I assume all risks associated with my actions.
- 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 cancelled.
- The water use must be compatible with local comprehensive land use plans.
- Even if the Department issues a permit, I may have to stop using water to allow senior water right holders to get water to which they are entitled.



I (we) affirm that the information contained in this application is true and accurate.

SEE APPENDIX B

| | | |
|---------------------|------------------------------------|------|
| Applicant Signature | Print Name and title if applicable | Date |
| Applicant Signature | Print Name and title if applicable | Date |

APPENDIX A

NAME: JACQUELINE LUCAS

PHONE: 541-899-9989 CELL: 541-499-2333

ADDRESS: 485 LITTLE APPLGATE RD

CITY: JACKSONVILLE STATE: OREGON ZIP: 97530

E-MAIL: LUCASMORRIS.JACKIE@GMAIL.COM

NAME: JANET CHRISTIE

PHONE: 541-944-1107

ADDRESS: 2578 HAPPY VALLEY DR.

CITY: MEDFORD STATE: OREGON ZIP: 97501

E-MAIL: *Suncris60@yahoo.com*

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NAME: JULIET ANDERSON

PHONE: 541-899-3910

ADDRESS: 1201 LITTLE APPLGATE RD

CITY: JACKSONVILLE STATE: OREGON ZIP: 97530

E-MAIL: *Julietharrisanderson@gmail.com*

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APPENDIX B

APPLICANT SIGNATURE Jacqueline Lucas PRINT NAME Jacqueline Lucas
DATE: 6/18/13

APPLICANT SIGNATURE Janet Christie PRINT NAME Janet Christie
DATE: 6/18/13

APPLICANT SIGNATURE Juliet Anderson PRINT NAME Juliet Anderson
DATE: 6/18/13

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SECTION 2: PROPERTY OWNERSHIP

Please indicate if you own all the lands associated with the project from which the water is to be diverted, conveyed, and used.

- Yes
- There are no encumbrances.
 - This land is encumbered by easements, rights of way, roads or other encumbrances.
- No
- 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 irrigation and/or domestic use only (ORS 274.040).
 - Water is to be diverted, conveyed, and/or used only on federal lands.

List the names and mailing addresses of all affected landowners (*attach additional sheets if necessary*).

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.

SECTION 3: SOURCE OF WATER

A. 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: <u>Applegate Reservoir</u> | Tributary to: <u>Applegate River</u> |
| Source 2: _____ | Tributary to: _____ |
| Source 3: _____ | Tributary to: _____ |
| Source 4: _____ | Tributary to: _____ |

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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

Do you, or will you, own the reservoir(s) described in item 3A 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 3A 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.

SECTION 4: WATER USE

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 | USE | PERIOD OF USE | AMOUNT |
|--|----------------------|------------------------|--|
| Applegate Reservoir Applegate River | Irrigation and Stock | April 1st-October 31st | <input type="checkbox"/> cfs <input type="checkbox"/> gpm <input checked="" type="checkbox"/> af |
| | 132 | | <input type="checkbox"/> cfs <input type="checkbox"/> gpm <input 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 |

For irrigation use only:

Please indicate the number of primary and supplemental acres to be irrigated.

Primary: 25.19 Acres Supplemental: _____ Acres

List the Permit or Certificate number of the underlying primary water right(s): T8969, T8965, T8972, T8970

Indicate the maximum total number of acre-feet you expect to use in an irrigation season: 132

- If the use is **municipal or quasi-municipal**, attach **Form M**
- If the use is **domestic**, indicate the number of households: _____
- If the use is **mining**, describe what is being mined and the method(s) of extraction: _____

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SECTION 5: WATER MANAGEMENT

A. Diversion and Conveyance

What equipment will you use to pump water from your source?

Pump (give horsepower and type): 20 HP Electric Pump

Other means (describe): _____

Provide a description of the proposed means of diversion, construction, and operation of the diversion works and conveyance of water. __

A pump station has been established on the Applegate River and fish screens are in place. Water is pumped in a pressurized pipe to the point of use.

B. Application Method

What equipment and method of application will be used? (e.g., drip, wheel line, high-pressure sprinkler)

Drip Irrigation and high pressure sprinklers, water cannon and hand lines are used.

C. Conservation

Please describe why the amount of water requested is needed and measures you propose to: prevent waste; measure the amount of water diverted; prevent damage to public uses of affected surface waters.

Drip irrigation and high pressure sprinklers are used where appropriate to minimize water use

SECTION 6: RESOURCE PROTECTION

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: _____

Excavation or clearing of banks will be kept to a minimum to protect riparian or streamside areas.
Describe planned actions: _____

Operating equipment in a water body will be managed and timed to prevent damage to aquatic life.
Describe: _____

Water quality will be protected by preventing erosion and run-off of waste or chemical products.
Describe: _____

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SECTION 7: PROJECT SCHEDULE

Date construction will begin: Pumps were installed and systems built when transfers were approved

Date construction will be completed: Completion will occur within 5 years of issuance of Permit

Date beneficial water use will begin: Water use will begin as soon as possible

SECTION 8: WITHIN A DISTRICT

Check here if the point of diversion or place of use are located within or served by an irrigation or other water district.

| | | |
|--------------------------|---------|-----|
| Irrigation District Name | Address | |
| City | State | Zip |

SECTION 9: REMARKS

Use this space to clarify any information you have provided in the application.

Once Permits are issued time linked transfer will be completed and the Little Applegate River point of diversion will no longer be used.

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Date _____

(For staff use only)



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

WE ARE RETURNING YOUR APPLICATION FOR THE FOLLOWING REASON(S):

- SECTION 1: _____
- SECTION 2: _____
- SECTION 3: _____
- SECTION 4: _____
- SECTION 5: _____
- SECTION 6: _____
- SECTION 7: _____
- SECTION 8: _____
- SECTION 9: _____
- Land Use Information Form _____
- 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.
- Fees _____

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MAP

- Permanent quality and drawn in ink
- Even map scale not less than 4" = 1 mile (example: 1" = 400 ft, 1" = 1320 ft, etc.)
- North Directional Symbol
- Township, Range, Section, Quarter/Quarter, Tax Lots
- Reference corner on map
- Location of each well, and/or dam if applicable, by reference to a recognized public land survey corner (distances north/south and east/west)
- Indicate the area of use by Quarter/Quarter and tax lot clearly identified
- Number of acres per Quarter/Quarter and hatching to indicate area of use if for primary irrigation, supplemental irrigation, or nursery
- Location of main canals, ditches, pipelines or flumes (if well is outside of the area of use)
- Other _____

Land Use Information Form



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

NOTE TO APPLICANTS

In order for your application to be processed by the Water Resources Department (WRD), this Land Use Information Form must be completed by a local government planning official in the jurisdiction(s) where your water right will be used and developed. The planning official may choose to complete the form while you wait, or return the receipt stub to you. Applications received by WRD without the Land Use Form or the receipt stub will be returned to you. Please be aware that your application will not be approved without land use approval.

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) The existing and proposed water use is located entirely within lands zoned for exclusive farm-use or within an irrigation district;
 - b) The application involves a change in place of use only;
 - c) The change does not involve the placement or modification of structures, including but not limited to water diversion, impoundment, distribution facilities, water wells and well houses; and
 - d) The application involves irrigation water uses only.

NOTE TO LOCAL GOVERNMENTS

The person presenting the attached Land Use Information Form is applying for or modifying a water right. The Water Resources Department (WRD) requires its applicants to obtain land-use information to be sure the water rights do not result in land uses that are incompatible with your comprehensive plan. Please complete the form or detach the receipt stub and return it to the applicant for inclusion in their water right application. You will receive notice once the applicant formally submits his or her request to the WRD. The notice will give more information about WRD's water rights process and provide additional comment opportunities. You will have 30 days from the date of the notice to complete the land-use form and return it to the WRD. If no land-use information is received from you within that 30-day period, the WRD may presume the land use associated with the proposed water right is compatible with your comprehensive plan. Your attention to this request for information is greatly appreciated by the Water Resources Department. If you have any questions concerning this form, please contact the WRD's Customer Service Group at 503-986-0801.

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Land Use Information Form



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

Applicant: SEE APPENDIX A
First Last

Mailing Address: _____

City State Zip Daytime Phone: _____

A. Land and Location

Please include the following information for all tax lots where water will be diverted (taken from its source), conveyed (transported), and/or used or developed. 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.

| Township | Range | Section | ¼ ¼ | Tax Lot # | Plan Designation (e.g., Rural Residential/RR-5) | Water to be: | | | Proposed Land Use: |
|----------|-------|---------|------|-----------|---|-----------------------------------|--|-------------------------------|--------------------|
| T.39S | R.3W | 10 | NENE | 2001/2015 | EFU | <input type="checkbox"/> Diverted | <input checked="" type="checkbox"/> Conveyed | <input type="checkbox"/> Used | Agriculture |
| T.39S | R.3W | 11 | NWSE | 400 | EFU | <input type="checkbox"/> Diverted | <input checked="" type="checkbox"/> Conveyed | <input type="checkbox"/> Used | Stock |
| T.39S | R.3W | 11 | NESE | 201 | EFU | <input type="checkbox"/> Diverted | <input checked="" type="checkbox"/> Conveyed | <input type="checkbox"/> Used | " " |
| | | | NWSE | | | <input type="checkbox"/> Diverted | <input type="checkbox"/> Conveyed | <input type="checkbox"/> Used | |

List all counties and cities where water is proposed to be diverted, conveyed, and/or used or developed:

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B. Description of Proposed Use

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

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

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Source of water: Reservoir/Pond
 Ground Water
 Surface Water (name) _____

Estimated quantity of water needed: 132
 cubic feet per second
 gallons per minute
 acre-feet

Intended use of water: Irrigation
 Commercial
 Industrial
 Domestic for _____ household(s)
 Municipal
 Quasi-Municipal
 Instream
 Other _____

Briefly describe:

This is the completion of a State and Federal Govt. Project to convert use of Little Applegate River water use to use of stored water in the Applegate Reservoir.

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

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 the proposed water uses (including proposed construction) are allowed outright or are not regulated by your comprehensive plan. Cite applicable ordinance section(s): Table 4.2-1
- Land uses to be served by the 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 |

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.

Ag 1 Farm use outright permitted in EFD zoning per
Table 4.2-1. *[Signature]*

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Name: Youngsook Kim Title: Planner JACKSON COUNTY
SALEM, OR DEVELOPMENT SVCS

Signature: *[Signature]* Phone: 541-774-6946 Date: 6/19/13

Government Entity: Jackson County

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.

Receipt for Request for Land Use Information

Applicant name: _____

City or County: _____ Staff contact: _____

Signature: _____ Phone: _____ Date: _____



LAND-USE COMPATABILITY STATEMENT

THIS DOCUMENT IS SOLELY FOR THE PURPOSES OF REPLYING TO ANOTHER AGENCY'S REQUEST FOR COMMENTS! THIS IS NOT A LAND-USE PERMIT.

ZONING:

ZIS NUMBER:ZON2013-00734

SITE ADDRESS:485 LITTLE APPLGATE RD

PROJECT:ZON2013-00734

PRIMARY PARCEL NUMBER:39-3W-10-2015

PRINT DATE:06/19/2013

ASSOCIATED LOTS:39-3W-10-2004

LAST UPDATED:06/19/2013 2:29:39PM

39-3W-11-201

LAST UPDATED:06/19/2013 2:29:39PM

39-3W-11-400

LAST UPDATED:06/19/2013 2:29:39PM

LAST UPDATED:06/19/2013 2:29:39PM

Primary Owner

LUCAS-MORRIS JACQUELINE

Address: 485 LITTLE APPLGATE RD JACKSONVILLE, OR 9

PURPOSE OF LUC/ PROJECT DESCRIPTION:

LUC- OWRD

GENERAL LUC INFORMATION:

6/19/13...FARM/ AG USE IS OUT RIGHT PERMITTED IN EFU ZONING PER TABLE 4.2-1. NO DEVELOPMENT IS PROPOSED OR AUTHROIZES WITH THIS LUC. WATER USE FOR IRRIGATION IS SIGNED OFF BY ZONING DEPARTMENT. YSK

There are no overlays currently identified for this case. This does not necessarily mean there are no overlays applicable to this property.

There are no structures / improvements identified under the Structure/Size section of this case.

There are no structures / improvements identified under the Height / Setback section of this case.

CONDITION DETAILS:

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Condition

JUN 24 2013 Hold Level

Edited

Status

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Staff Signature

Assigned Staff: Young-sook Kim

ZIS Recipient Signature

S-8794

PN Draft 10/09/2012

Contract No. 13XX101801

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION

Rogue River Basin Project, Oregon

CONTRACT FOR EXCHANGE OF WATER SERVICE

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PN Draft 10/09/2012

Contract No. 13XX101801

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION

Rogue River Basin Project, Oregon

CONTRACT FOR EXCHANGE OF WATER SERVICE

THIS CONTRACT, made this 1st day of April, 2013, pursuant to section 14 of the Act of August 4, 1939 (53 Stat. 1187), as amended and supplemented; section 8 of the Act of December 22, 1944 (58 Stat. 887, 891); the Flood Control Act of 1962 (76 Stat. 1173); and section 5.a. (2) of the Endangered Species Act (Act of December 28, 1973, 87 Stat. 884) between the UNITED STATES OF AMERICA, hereinafter referred to as the United States, represented by the Contracting Officer executing this contract, and the Friends of the Salmon Irrigation Corporation 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 Project, from which there is a flow of water that can be used for irrigation of land, 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

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3. WHEREAS, the Contractor represents that its members hold senior water rights on the Little Applegate River as established by the State of Oregon Rogue River Decree, which if left instream, would significantly enhance both fish habitat and fish passage; and

4. WHEREAS, the Contractor is participating with the Oregon Water Trust and local, State, and Federal partners in the Little Applegate River Streamflow and Fish Habitat Improvement Project, which in addition to the exchange provided herein, consists of the construction of an irrigation distribution system, installation of pumping plants on the Applegate River and Little Applegate River, and the removal or notching of one or more diversion dams on the Little Applegate River, the goal of which is to improve fish passage and habitat conditions for anadromous fish and to conserve water through improved irrigation methods; and

5. WHEREAS, the State of Oregon Water Resources Department is expected to process time limited transfers to enable the members of the Contractor to transfer their Little Applegate River water rights to instream flow use and to process permits for additional points of diversion on the main stem of the Applegate River; and

6. WHEREAS, the Contractor represents that its members own the land hereinafter described and have agreed to enter into time limited transfers through the State of Oregon to transfer Little Applegate River out-of-stream water rights to instream use for 1.02 cubic feet per second for habitat enhancement and streamflow improvement, as consideration for out-of-stream use of up to 0.71 cubic feet per second of water from the Applegate Reservoir located on the Applegate River in Jackson County, Oregon; and

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7. WHEREAS, the United States recognizes that the exchange of water provided hereunder would benefit the public interest and the interests of the United States in the protection and restoration of habitat critical to Endangered Species Act listed and candidate species and the conservation of surface water through more efficient irrigation methods.

NOW, THEREFORE, in consideration of the premises hereinafter provided, it is agreed:

Lands for Which Water is Furnished: Limitations on Deliveries

8. Upon issuance of the necessary water permit(s) and final order(s) by the State of Oregon approving the time limited transfer(s), acceptable in form to the United States, of the out-of-stream water rights to instream flow water rights as set forth in subarticle 9(a), the United States shall make available each year to the Contractor during the irrigation season from April 1 to October 31, inclusive, water from Applegate Reservoir in the Project for the irrigation of land served by the Contractor described as follows:

See Exhibit A hereto attached and by this reference made a part hereof.

Of the land described, not more than 46.19 acres are to be irrigated. The amount of water to be made available from Applegate Reservoir in the Project hereunder shall be that quantity which may be applied beneficially in accordance with good usage in the irrigation of the land above described, but not to exceed a maximum diversion of 242 acre-feet of stored water annually, measured at the points of delivery of said water.

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Exchange of Water Rights

9. (a) The United States agrees to annually furnish up to 242 acre-feet of stored water with a rate of up to 0.71 cubic feet per second (with a rate of up to 1/65th cubic feet per second per acre and a duty of up to 5.25 acre-feet per acre) to the Contractor from Applegate Reservoir for the irrigation of 46.19 acres described in Exhibit A of this contract, and in exchange as consideration for the stored water provided herein, the Contractor agrees that the following out-of-stream water rights from the Little Applegate River for 40.19 acres with a rate of up to 1.02 cubic feet per second will be transferred to instream flow rights with the State of Oregon under Oregon State law and administrative rules

| Certificate # | Priority Date | Rate <i>cubic feet per second</i> | Acres | Rate <i>Per acre</i> |
|----------------------|----------------------|---|--------------|--------------------------------|
| 16389 | 1885 | 0.53 | 21.0 | 1/40 th |
| 32964 | 1908 | 0.12 | 6.11 | 1/50 th |
| 56492 | 1854 | 0.37 | 13.08 | 1/35 th |
| Totals | | 1.02 | 40.19 | |

The duty of up to 5.25 acre-feet per acre was determined separately from the rate of up to 1/65th cubic feet per second per acre, and neither the duty nor the water provided annually under this contract will be used to change the rate of up to 0.71 cubic feet per second provided to the 46.19 acres described in Exhibit A of this contract.

(b) The Contractor shall provide copies of the time limited transfer(s), final time limited transfer order(s) and necessary water permit(s), and the water right certificate(s), hereinafter referred to as the Exchange Documentation, to the Contracting Officer.

(c) The Contractor shall provide copies of any changes, amendments, or cancellations of Exchange Documentation within sixty (60) days of receipt from the State of Oregon to the Contracting Officer.

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(d) Upon receipt of the full and complete Exchange Documentation, or any changes thereto, the Contracting Officer will review the documentation for acceptability as consideration for the initial and continued releases of stored water.

(e) The use of stored water for irrigation will be furnished at no cost to the Contractor, and the transfer of the out-of-stream water rights to instream flow water rights will be furnished to the State of Oregon at no cost to the United States.

Furnishing of Water

10. (a) Upon receipt of Exchange Documentation acceptable in form to the Contracting Officer and to the Contractor, the United States will furnish water from Applegate Reservoir in the Project pursuant to this contract; Provided, that actions consistent with the requirements of the National Historic Preservation Act and State cultural resources laws shall occur if archeological deposits are discovered during construction of any associated facilities, and compliance with State burial laws shall occur if any human remains are encountered during construction. The Contractor must notify the United States Forest Service for any discoveries during construction of the pump plant and pipeline construction and contact the Natural Resources Conservation Service for discoveries during on-farm construction.

(b) Water for the purposes hereof shall be made available and measured at the following point(s) of diversion:

- (1) 865 feet east and 130 feet north of west ¼ corner of Sec. 3, T. 39 S., R. 3 W., W.M.
- (2) 1,310 feet south and 380 feet west of NE corner of Section 4, T. 39 S., R. 4 W., W.M.
- (3) 230 feet north and 480 feet west of south ¼ corner of Sec. 3, T. 39 S., R. 4 W., W.M.

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The Contractor shall receive said water at the point of diversion and 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 State watermaster. The water to be delivered hereunder shall be measured by means of measuring methods satisfactory to the State watermaster. Such methods shall be maintained by and at the expense of the Contractor, but they shall be and remain at all times available for review by the United States or the State 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) If requested, the Contractor shall, to the extent practicable, submit to the Contracting Officer an advance schedule of water deliveries. Changes in such schedule may be made only upon sufficient advance notice to the Contracting Officer to allow the United States to adjust releases to meet the new schedules. The Contractor will provide information in writing to the Contracting Officer by December 1 of each year as to the actual amount of stored water diverted during the irrigation season for the lands described in Exhibit A of this contract. The Oregon Water Resources Department, through the Jackson County Watermaster's Office, will provide, or ensure that it will be provided, in writing to the Contracting Officer by December 1 of each year the amount of instream flow water attributed to the Little Applegate River water rights described in subarticle 9(a); obtained from the State watermaster or other sources whose measurement methodology is approved by the State watermaster and the United States, as outlined in Exhibit C to the contract.

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(d) 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 the fish screens shall remain available at all times for inspection by representatives of these agencies.

Special Conditions

11. (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 stored water to the lands described in Exhibit A. 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.

(b) The obligation of the United States to furnish water under this contract is subject to an operating plan for the Project determined in accordance with the law governing the project and other applicable State and Federal laws, including but not limited to the Endangered Species Act (16 U.S.C. § 1531 *et seq.*) (ESA). Furthermore, the obligation of the United States to furnish water under this contract shall be subject and subordinate to a determination of water availability to be made annually by the United States taking into account the operating plan for the Project developed by the Corps of Engineers, water forecasts, and other factors, including but not limited to those that may affect the ability of the United States under the ESA to provide flows for candidate, listed, or proposed species or to protect or preserve designated or proposed critical habitat.

(c) In the interests of conservation and protection of environmental resources, from time to time, but not less often than once every five (5) years, this contract shall be reviewed by the Contracting Officer. The terms and conditions of this contract, including the

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amount of stored water provided hereunder, may be modified, as determined by the Contracting Officer, to avoid or minimize impacts to species and/or critical habitat that are proposed, listed, or designated under the ESA, or to special status species (plants/animals) or habitat designated by the State or Indian Tribes that are not covered by the ESA. Any modification to the contract by the Contracting Officer shall be announced by written notice to the Contractor.

Term of Contract

12. This contract shall become effective upon issuance of final time limited transfer order(s) and necessary water permit(s) by the State of Oregon in a form deemed acceptable by the Contracting Officer and shall continue for a period of twenty-five (25) years and shall be automatically renewed for successive twenty-five (25) year periods, unless terminated in accordance with article 13 below; Provided, that no less often than once every five (5) years, this contract shall be reviewed by the Contracting Officer to ensure that it provides sufficient benefits to the United States. Such review(s) will be done at the same time as review(s) to be done by the Contracting Officer under subarticle 11(c).

Termination of Contract

13. (a) This contract may be terminated in whole or in part, and water service hereunder shall cease in whole or in part at the option of the United States upon failure of the Contractor or a member 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 or failure to comply with the conditions specified in subarticles 9(a) and 10(a) or the transfer documents. If this contract is terminated as to any member, the contract and the application of its provisions to other members shall not be affected thereby and shall remain in effect to the greatest extent permitted by law.

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(b) This contract may be terminated unilaterally by the United States if it determines that it does not provide sufficient benefits to the United States; Provided, it gives at least two (2) years advance notice in writing to the Contractor.

(c) The Contractor may terminate this contract unilaterally in the event that less stored water is furnished to the Contractor than water provided for instream flows from the Little Applegate River water rights described in subarticle 9(a); Provided, the Contractor has given at least 60-days advance notice in writing to the United States. The United States may terminate this contract unilaterally in the event that all water rights from the Little Applegate River provided in subarticle 9(a) are not made available for instream flows; Provided, the United States has given at least 60-days advance notice in writing to the Contractor.

(d) The Contractor may immediately terminate this contract unilaterally in the event the terms and conditions of this contract are modified, if deemed necessary by the Contracting Officer, to avoid or minimize impacts to candidate, listed or proposed threatened and endangered species, or special status species (plants/animals) or habitat designated by the State or Indian Tribes that are not covered by the ESA as set forth in subarticle 11(c).

(e) The United States may immediately terminate this contract unilaterally and cease delivery of stored water upon a determination by the United States that time limited transfers that provide for instream flows from the Little Applegate River water rights as set forth in subarticle 9(a) are not protected instream by the State of Oregon.

(f) In the event of termination, the Contractor and its members agree that all Contractor and member water rights to water stored in Applegate Reservoir shall be cancelled by the State of Oregon.

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Disclaimer

14. By signing this contract, each member asserts his or her ratification of the contract, agrees that the Contractor represents him or her, and agrees to execute the final time limited transfer order(s) and necessary water permit(s) described herein. No provision of this contract or the furnishing of water hereunder shall confer on the Contractor a permanent water right. Because of possible fluctuations in reservoir surface elevations and downstream flows associated with the 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. The United States assumes no responsibility or liability for any illegal taking of endangered species at the Contractor's point(s) of diversion arising from the Contractor's use of water furnished under this contract. Further, the United States shall not be liable for any acts or omissions of the Contractor's agents or of persons to whom water is furnished.

Constraints on the Availability of Water (Water Shortages)

15. (a) 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.

(b) 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.

(c) The Contractor assumes no liability for conditions of shortage in the Little Applegate River due to drought or other circumstances beyond the control of the Contractor.

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Notices

16. 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 N. Curtis Road, Suite 100, Boise, Idaho 83706-1234, and on behalf of the United States, when mailed, postage prepaid, or delivered to Philip Scuderi Jr, Friends of the Salmon Irrigation Corporation, 1331 Little Applegate Road, Jacksonville, Oregon 97530. 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

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

- a. CONTINGENT ON APPROPRIATION OR ALLOTMENT OF FUNDS
- b. PROTECTION OF WATER AND AIR QUALITY
- c. EQUAL EMPLOYMENT OPPORTUNITY
- d. COMPLIANCE WITH FEDERAL RECLAMATION LAWS
- e. ASSIGNMENT LIMITED--SUCCESSORS AND ASSIGNS
OBLIGATED
- f. OFFICIALS NOT TO BENEFIT
- g. CHANGES IN CONTRACTOR'S ORGANIZATION
- h. BOOKS, RECORDS, AND REPORTS
- i. COMPLIANCE WITH CIVIL RIGHTS LAWS AND REGULATIONS
- j. PRIVACY ACT COMPLIANCE
- k. CONTRACT DRAFTING CONSIDERATIONS

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

The members of the FRIENDS OF THE SALMON IRRIGATION CORPORATION listed in Exhibit A:

Philip Vanden J
Catherine Clark, Vanden
Julius Anderson
James K. Lee
Ronald Morris
Jackie Yuna-Morris

Attest:

By: _____
Signature and Title

UNITED STATES OF AMERICA

Loni J Lee

Regional Director
PN Region
Bureau of Reclamation
1150 N. Curtis Road, Suite 100
Boise, ID 83706-1234

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STATE OF OREGON)

: SS
County of JACKSON)

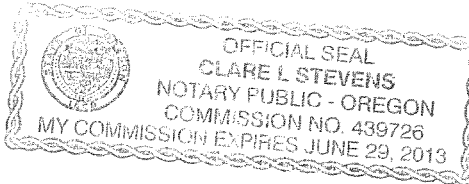
On this 21 day of March, 2013, before me, a Notary Public, personally appeared before me the following persons PHILIP SCUDERI JR., CATHERINE CLARK SCUDERI, JULIE ANDERSON, JANET L. CHRISTIE, RONALD B. MORRIS, JANIE LORAS MORRIS

whose names are subscribed to the foregoing instrument and acknowledged that they are members of the Friends of the Salmon Irrigation Corporation for which a water supply is to be provided under the contract and have executed this contract document as their free and voluntary act and deed and on oath stated that they are authorized to execute said instrument.

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

Clare L. Stevens

(SEAL)



Notary Public in and for the
State of OREGON
Residing at: 7604 Hwy 238 Jacksonville, Ore
My commission expires: 6/29/2013

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EXHIBIT A

Listing of members of the Friends of the Salmon Irrigation Corporation and the acreage in each quarter-quarter section to be irrigated under this contract.

| TOWNSHIP 39 SOUTH - RANGE 3 WEST, WILLAMETTE MERIDIAN | | | |
|--|--------------|----------------|--|
| NAME | ACRES | SECTION | 40-ACRE TRACT |
| Jacqueline Lucas & Ron Morris | 9.19 | 10 | NENE 9.19 acres |
| Philip Scuderi Jr & Catherine Clark Scuderi | 21 | 11 | SWSE 15.85 acres NWSE 5.15 acres |
| Janet Christie | 5 | 11 | NWSE 5 acres |
| Juliet Anderson | 11 | 11 | NWSE 5.23 acres NESW 5 acres SWSE 0.77 acres |
| TOTAL NO. OF ACRES | 46.19 | | |

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GENERAL PROVISIONS --- ROGUE RIVER BASIN PROJECT

CONTINGENT ON APPROPRIATION OR ALLOTMENT OF FUNDS

a. 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.

PROTECTION OF WATER AND AIR QUALITY

b. (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.

EQUAL EMPLOYMENT OPPORTUNITY

c. 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 Order 11246 of September 24, 1965 (EO 11246), 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 EO 11246, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(5) The Contractor will furnish all information and reports required by EO 11246, 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.

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(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 EO 11246, and such other sanctions may be imposed and remedies invoked as provided in EO 11246 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 EO 11246, 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 that the United States enter into such litigation to protect the interests of the United States.

COMPLIANCE WITH FEDERAL RECLAMATION LAWS

d. 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.

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.

OFFICIALS NOT TO BENEFIT

f. 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

g. 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.

BOOKS, RECORDS, AND REPORTS

h. 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; 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 CIVIL RIGHTS LAWS AND REGULATIONS

i. (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.

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(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

j. (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 (1) 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.

CONTRACT DRAFTING CONSIDERATIONS

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

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Oregon

Theodore R. Kulongoski, Governor

Water Resources Department
North Mall Office Building
725 Summer Street NE, Suite A
Salem, OR 97301-1266
503-986-0900
FAX 503-986-0904

November 14, 2007

Bureau of Reclamation
Attn: Ryan Patterson
1150 North Curtis Road, Suite 100
Boise, ID 83706-1234

Dear Mr. Patterson:

The Oregon Water Resources Department (OWRD) supports the Farmer's/Buck and Jones Ditch Project (also known as the Lashep Project) as part of its efforts under the Oregon Plan for Salmon and Watersheds. The purpose of this project is to enhance streamflows in the Little Applegate River by transferring out-of-stream irrigation water rights to instream flow water rights and substituting the use of live flow for irrigation purposes with stored water. When the project is fully implemented, OWRD through the Jackson County Watermaster's Office will take on the responsibility of protecting the new instream water rights on the Little Applegate consistent with their priority dates.

To help meet the objectives of this project, OWRD intends to install and maintain a gauging station on the Little Applegate River with a telemetric link to the Bureau of Reclamation's Hydromet System. This gauge will provide data that will help OWRD monitor streamflows and the new instream water rights. The proposed gauging station will record and display real time instream flow data as outlined in paragraph 10(c) of the proposed contract. OWRD/Jackson County Watermaster's Office "...will also provide, or ensure that it will be provided, in writing to the Contracting Officer by December 1 of each year the amount of instream flow water attributed to the Little Applegate River water rights described in subarticle 9(a); obtained from the State watermaster of other sources whose measurements methodology is approved by the State watermaster and the United States."

We value our continued partnership with the water users participating in the Lashep project and with the Bureau of Reclamation. We look forward to implementing the next phase of this important project.

Sincerely,

Debbie Colbert
Field Services Division Administrator

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