

555.340 Water rights; sale price; lien on lands; lien list; expenditures of state; repayment from sale of lands and rights; replacement or surrender of contracts with Columbia Southern Irrigation Company. (1) Subject to ORS 555.350, the prices to be paid for the sale of water rights on private lands as well as Carey Act lands, in the Tumalo Project, shall be \$40, with interest at five percent from the date of contract of sale, in addition to which there shall be a charge of \$2.50 per acre for the nonirrigable Carey Act lands; provided, however, that no new lien shall be placed upon any lands having a complete vested water right on June 3, 1913. A certified copy of the lien list shall be prepared by the Water Resources Commission, showing the price to be paid for water rights for each small subdivision or farm unit of Carey Act land in the project. A certified copy of the lien list shall be filed in the records of Crook County. From and after the date of reclamation of any tract designated in the list a valid lien in favor of the State of Oregon shall exist against each tract in the list for the amount designated therein until the same, together with accruing interest, has been paid in full.

(2) The total amount to be realized from the sale of Carey Act lands and water rights for private lands shall insure the return to the state of all money expended by it in the reclamation of the lands in the project with interest at five percent from the date of the contract of sale, in addition to any further sums or amounts which are found necessary to be paid on account of the project.

(3) Any person who holds a contract with the Columbia Southern Irrigation Company or its successors in interest, for any tract in the project, may execute a new contract with the state for reclamation, under the provisions of ORS 555.310 to 555.410, of the land described in the original contract with the company, or a new selection, receiving credit thereon for the principal paid to the company under the original contract; or, may surrender the contract and receive, in cash, the full amount of principal paid to the company on the contract; provided, however, that no contract holder shall be entitled to a refund of the money as herein provided unless an assignment of all rights, title and interest in and to the contract and the land described therein was filed with the Desert Land Board on or before July 1, 1917; provided, further, that refunds shall be made to contract holders pro rata as funds may become available from time to time after July 1, 1915. The failure to comply with the above option by any contract holder under the old Columbia Southern Project shall render the contract void and the lands embraced therein shall revert to the state and be subject to reentry.

555.350 Increase of lien against unsold land; reduction of amount due to state. The Water Resources Commission may increase the reclamation lien against the land not now sold in the Tumalo Project as fixed in ORS 555.340, if such increase is necessary or expedient in the completion of the project. The commission may reduce the amount due the state on account of the construction of the Tumalo Project by the amount expended by any such district or the federal government in completing the reclamation of the lands embraced within the project or any amount which may be expended in discharging the obligations of the state incurred under and pursuant to ORS 555.320, 555.340 and 555.380, or otherwise.

555.360 Arrangements to settle, cultivate and reclaim Carey Act lands; contract provisions; sale of water rights to private lands; rules; fees. The Water Resources Commission shall make all necessary arrangements to secure the settlement, cultivation and reclamation of Carey Act lands in the Tumalo Project; accept applications for the entry of the lands; make contracts for the purchase of water rights and release of lien for the lands; make rules for their cultivation and settlement; and prescribe the forms to be used for such purposes. Each contract with purchasers shall provide for payment of the full amount of lien assessed against the tract covered by the contract within a period of not to exceed 20 years, with interest on deferred payments at five percent per annum, and shall also provide for payment of an annual maintenance fee, to be fixed by the commission. Contracts executed before May 27, 1913, may be brought under the terms of ORS 555.310 to 555.410, and the rate of interest thereunder shall be five percent from and after December 1, 1916. Contracts for the sale of water rights to private lands within the project shall be upon the same terms and conditions as for Carey Act lands, and the commission shall in addition require the purchaser to give a first mortgage on such private lands, to the state, as security for the payments due under the contract. The contracts with purchasers, both on Carey Act and private lands, shall provide for the sale of a proportionate interest in the reclamation system to each purchaser, and for transfer of the reclamation system to the purchasers when the water rights for a majority of the lands in the project have been fully paid for, the state retaining an interest proportionate to the unpaid balance on the contracts.

555.370 Cancellation of contract upon default. Upon failure of any purchaser having a contract with the Water Resources Commission to make payments of principal and interest according to the terms of the