

6-15-1923 Contract

Symbol Ilr-733

C O N T R A C T

Between the United States and the Idaho Power Company,
Relative to Power Rights at American Falls, Idaho.

Dated June 15, 1923.

DEPARTMENT OF THE INTERIOR
UNITED STATES RECLAMATION SERVICE
MINIDOKA IRRIGATION PROJECT.

Contract between the United States and Idaho Power Company relative to
power rights at American Falls, Idaho.

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1. THIS AGREEMENT, Made this 15th day of June, 1923 in
2. pursuance of the Act of Congress of June 17, 1902, (32 Stat.,
3. 388) and acts amendatory thereof or supplementary thereto,
4. between THE UNITED STATES OF AMERICA, hereinafter styled the
5. United States, acting for this purpose by Hubert Work
6. Secretary of the Interior, and the IDAHO POWER COMPANY, a
7. corporation organized under the laws of the State of Maine
8. and authorized to do business in the State of Idaho, and
9. having its principal place of business at Boise, Idaho.
10. hereinafter styled the company, its successors and
11. assigns.

2. Purpose and Plans of United States.

12. WHEREAS, the United States contemplates the con-
13. struction of a large reservoir at American Falls, Idaho, to
14. store the flood water and winter flow of Snake River and
15. make the same available for the reclamation of large areas
16. of public lands of the United States including the North
17. Side Pumping Division of the Minidoka Project and other por-
18. tions of the Snake River Valley, and to supplement the water
19. supply of various projects in the Snake River Valley now
20. having an inadequate or insufficient water supply during
21. part of the irrigation season. And

3. Company Public Service Corporation.

22. WHEREAS, the company is a public service corporation
23. furnishing electricity throughout the Southern portion
24. of the State of Idaho for light, heat, and power and
25. irrigation purposes. And

4. Interference with Rights of Company.

26. WHEREAS, said electricity is, to a large extent, generated
27. by the company in hydro-electric plants owned by it
28. and located on the Snake River at American Falls and various
29. points below and the water which it uses and claims for use
30. at American Falls is or would be also used, to a large extent,
31. in its plants located and to be located at points below on
32. the stream, so that the storing by the United States of winter
33. flow at American Falls will interfere with certain power
34. and other rights of company at American Falls and points below
35. and

5. Use of Property Owned by Company.

36. WHEREAS, a portion of said proposed American Falls dam
37. and reservoir will be located on land owned by the company
38. and the construction and operation of the same will also make
39. necessary the destruction of or interfere with certain generating
40. stations and other property of the company; and

6. Company's Prior Filings at American Falls.

41. WHEREAS the company has at American Falls water filings
42. prior to the American Falls filings of the United States
43. sufficient to embrace the entire amount of water reserved

44. to the company under this contract.

7. Need of United States for Power.

45. AND WHEREAS, the said proposed North Side Pumping
46. Division of the Minidoka Project of the United States is a
47. pumping project and the United States will require in con-
48. nection with the said project a large power plant for the
49. development of a large amount of electric power for pump-
50. ing water upon the lands of the said project.

8. Mutual Covenants.

51. NOW, THEREFORE, WITNESSETH: That for and in con-
52. sideration of the covenants and agreements of the par-
53. ties herein, upon the conditions herein named, the par-
54. ties covenant and agree:

9. Property to be Conveyed to United States.

55. The Company hereby agrees, upon the terms and condi-
56. tions hereinafter stipulated, to sell and by good and
57. sufficient deed convey to the United States of America,
58. free of tax liens and of liens or incumbrances created,
59. granted or imposed by itself or its public utility pred-
60. ecessors, all its right, title and interest in and to the
61. following described real estate, situated in the counties
62. of Power and Bingham, State of Idaho, to-wit: (a) The prop-
63. erty described in the list of land descriptions hereto
64. attached as Exhibit "A" and made a part of this contract:
65. and any other real property owned by the company, if any
66. such there be, under the proposed dam or reservoir to be

67. constructed by the United States in connection with the
68. American Falls Reservoir project; the said proposed dam
69. to be located and constructed upstream from the company's
70. American Falls Dam as now constructed and north of the
71. right of way of the Oregon Short Line Railroad Company's
72. bridge property as now located at American Falls; the ti-
73. tle to be conveyed to the United States in all cases to be
74. as full and complete as title as the company has, Provided,
75. however, that to the extent hereinafter expressly provided
76. and to no greater extent than hereinafter expressly
77. provided, and subject to all the terms, conditions and
78. provisions hereinafter set out, the Company shall have and
79. there is reserved to the Company, the right to store the
80. water which it is to receive from the Proposed American Falls
81. Reservoir, upon that part of the property and rights describ-
82. ed in Paragraph 9, located within the reservoir, and agreed
83. to be conveyed by the Company to the United States insofar
84. as such reservation to the Company does not conflict with any
85. of the rights hereinafter granted or agreed to be allowed to
86. the United States or any of the limitations or restrictions
87. hereinafter agreed to be placed upon the rights of the Company.
88. (b) The two power plants at American Falls known as
89. the Island Power plant and the West Side plant, except as to
90. the water rights otherwise provided for in this contract to-
91. gether with the following described tracts of land on which
92. said plants are located, to-wit:

93. The following described parcel of land situated in
94. Lot 5 Sec. 31, T. 7 S., R. 31 E., B. M., beginning at a
95. point on the low-water line, on the West bank of Snake
96. River where the continuation (in a straight line) of
97. the North boundary line of lot five of section thirty-one
98. Township seven south of Range thirty-one east of Boise
99. Meridian, would intersect the said low-water line on the
100. West bank of Snake River; thence west along said north
101. boundary line of said lot five for a distance of 211.5 feet
102. to a stake on the south boundary line of the right of way
103. of the Oregon Short Line Railroad; thence westerly along
104. the south boundary line of said right of way, for a distance
105. of 270 feet to a stake; thence South $43^{\circ} 14'$ East for a
106. distance of 386 feet; thence due East to the intersection
107. of the low-water line on the west bank of Snake River;
108. thence along the low-water line on the said west bank of
109. said Snake River, following the meandering thereof, to the
110. point of beginning, containing about two acres, more or less
111. reserving to the Company from said property in said lot five,
112. rights of way and easements for occupancy and use by the
113. Company for the purpose of erecting, operating and maintaining
114. electric transmission lines, and structures and equipment
115. appurtenant thereto for substation, sectionalizing and switch-
116. ing purposes, said rights of way and easements, including
117. the right of ingress and egress over the property of the
118. United States, to be located as mutually agreeable to the

119. United States and the Company.

120. Also the following described piece or parcel of
121. land situated in Lot 12 of Section Thirty (30) Town-
122. ship Seven (7) South, Range Thirty-one (31) East of the
123. Boise Meridian, commencing at a point on the west bank
124. of the Snake River where the easterly boundary line of the
125. right of way of the Oregon Short Line Railroad Company
126. intersects the said bank of Snake River; thence running
127. along the bank of said Snake River in a southerly direction
128. for a distance of eighty feet; thence in a straight line in
129. a westerly direction to the intersection of the east bound-
130. ary line of said railroad company's right of way one hundred
131. and seventy-five feet; and thence along the easterly bound-
132. ary line of said railroad right of way to the place of be-
133. ginning.

134. Also the following described tract of land lying in
135. the river channel of Snake River between Lots 4 and 12, of
136. Section 30, T. 7 S., R. 31 E., B.M. Beginning at a point
137. where the South boundary of Lot 14, Block 20 of the Original
138. Townsite of American Falls intersects the west boundary of
139. Lot 4 Sec. 30, T. 7 S. R. 31 E., B.M., thence in a northerly
140. direction along said west boundary of Lot 4 to the northwest
141. corner of said Lot 4, thence in a straight line across the
142. channel of Snake River to the north east corner of Lot 12,
143. Sec. 30, T. 7 S., R. 31 E., B.M., thence in a southerly

144. direction along the east boundary of said Lot 12 to the
145. southeast corner of said Lot 12; thence in an easterly di-
146. rection along the south boundary of said Sec. 30 to a point
147. where a due north and south line, through a point 25 feet
148. due east from the southeast corner of what is known as the
149. Island Plant power house belonging to the Company, intersects
150. the south boundary of said Sec. 30; thence due north to the
151. center line of the Oregon Short Line Railroad as now located;
152. thence in a straight line in a north-westerly direction to
153. the point of intersection of the east toe of the intake to
154. the said Island Plant with the downstream toe of the company's
155. American Falls dam; thence along the toe of the east face of
156. the east pier or abutment wall of the headworks of said Island
157. plant to the upstream toe of the company's said American Falls
158. dam; thence southeasterly along the upstream toe of that por-
159. tion of the company's said American Falls dam which the com-
160. pany will retain to the easterly toe of the division dam to be
161. constructed by the United States between the westerly end of
162. that portion of the company's dam which the company will retain
163. and the government's proposed American Falls reservoir dam (re-
164. ferred to in Paragraph 15 of this agreement): thence in a straight
165. line in an easterly direction to the point of beginning, and
166. all rights of the Company in the tailrace from said Island and
167. West Side plants; and the United States shall have and there
168. is granted to the United States the right of ingress and egress

169. for pedestrian traffic over the Company's wood-steel
170. bridge leading from the east bank of Snake River to the
171. said Island Plant, so long as said bridge may be maintained
172. by the Company, reserving to the Company, and the Company
173. shall have the right and easement of junction, tie, abutment
174. and support of the portion of the Company's American Falls
175. dam to be retained by it to the portion of said dam to be
176. conveyed to the United States and to the headworks of
177. said Island Plant and to said division dam to be constructed
178. by the United States between the portion of the Company's
179. dam to be retained by it and the Government's proposed
180. American Falls reservoir dam; reserving further to the Com-
181. pany the west portion of the Company's dam as described
182. and with the limitations contained in Paragraph 9 (c), and
183. reserving further to the Company and the Company shall have
184. the right and easement of junction, tie, abutment and sup-
185. port of the Company's said wood-steel bridge upon the pro-
186. perty adjacent to said Island Plant; and reserving further
187. to the Company and the Company shall have the rights and
188. easements of flowage and pondage on and over the premises
189. conveyed to the United States under this agreement and lying
190. south of the down stream toe of the Government's proposed
191. American Falls dam and east of said proposed division dam
192. and the headrace or works of said Island Plant for the pur-
193. pose of utilizing the Company's water rights and rights to
194. the use of water; and further reserving to the Company, and

195. the Company shall have the easement and right to waste
196. and discharge such water over said lands lying south of
197. the downstream toe of the Government's proposed American
198. Falls dam and east of said division dam and the head race
199. or works of said Island plant, and through and over the
200. Company's American Falls dam and works and along and against
201. the works and property of the United States. The Company
202. agrees to so maintain and operate the said power plants
203. and other structures to be conveyed to the United States
204. until delivery of possession thereof to the United States
205. that the same will be delivered to the United States in
206. as good condition as they now are, ordinary wear and
207. tear and any damage directly or indirectly caused by
208. the United States excepted. Provided, however, that
209. should the company on account of any extraordinary
210. accident or calamity be unable to deliver such plants in
211. such condition, it shall have the option to deliver them
212. as they then are and shall furnish to the United States
213. free of charge as demanded by the officer of the United
214. States in charge of said American Falls Reservoir the
215. equivalent output of power of such plants minus the amount
216. of power which may actually be developed at these plants
217. by the United States - such power to be delivered on the
218. generator voltage bus of the Island plant and such deliv-
219. ery to terminate on April 1st, 1928. The power developed
220. at said West Side and Island Plants or delivered by the

221. company under this subdivision shall after the delivery
222. of the deeds provided for in subdivision (d) hereof be
223. considered a part of and not in addition to the power
224. right otherwise defined to be in the United States under
225. the terms of this agreement.

226. (c) The property described in Exhibit "B" attached
227. hereto and made a part hereof; and the west portion of
228. the present dam and spillway at American Falls up to and
229. including the intake to the Island plant; reserving, how-
230. ever, to the company all and every of the rights it now
231. has to use, maintain and operate said property in connec-
232. tion with the use, maintenance and operation of its East
233. Side plant, until such time as the United States has con-
234. structed the division dam in accordance with the provisions
245. of Paragraph 15 hereof and has made the provision for the
236. discharge of water into the pool between the government's
237. proposed American Falls reservoir dam and the Company's
238. East Side plant in compliance with the terms of said Para-
239. graph 15, Provided that the United States shall, after
240. making second payment, have the right to demolish such por-
241. tion of the present dam and spillway at American Falls west
242. of the Island plant intake as may be necessary for the con-
243. struction of the proposed government power plant and other
244. works at American Falls, providing that by so doing no in-
245. terference is had with the operation of the Company's East
246. Side Plant.

247. (d) All the company's water rights, appropriations
248. water filings and permits, at American Falls, or used or
249. intended to be used in connection with the company's power
250. plants and proposed plants at American Falls, except the
251. rights, whether primary or tertiary, expressly reserved
252. to the company, as hereinafter set out. The water rights
253. of the company transferred to the United States for use
254. for power purposes shall be considered as impressed with
255. a right in the United States to change the use of such
256. water from power to irrigation or to store the same for
257. irrigation whenever the Secretary of Interior shall decide
258. that such water is required for irrigation purposes. But
259. it is expressly agreed and understood that the water rights
260. and rights to the use of water which it is herein agreed
261. that the Company shall have are reserved out of its exist-
262. ing appropriations and rights as independent rights under
263. its own filings and appropriations and of the dates of prior-
264. ity to which the Company is entitled under such appropria-
265. tions and are not to be considered as mere contract rights
266. under contract with the United States.

267. (e) The right to limit all other rights of the company
268. on Snake River at whatever points and in whatever counties
269. the same may be located insofar as and no farther than the
270. rights allowed and granted to the United States to store
271. and use water as herein provided may interfere with any
272. rights of the company at any lower points on Snake River.

10. Company's Primary Summer Power Right.

274. It is agreed and understood that the company reserves
275. and it shall have as against the United States and those
276. claiming or that may hereafter claim under them, the first
277. or primary right at American Falls to use for power purposes
278. at American Falls the following amounts of water during the
279. following periods of each year:
280. 100 second-feet beginning April 1st, increasing uniformly
281. to 2500 second-feet on May 1st, and continuing at that
282. amount to September 15th inclusive, then decreasing uniformly
283. to 100 second-feet on October 31st and thence except as here-
284. inafter provided from November 1st to March 31st inclusive.
285. The above described power right so reserved to the com-
286. pany shall be considered as prior and superior to all other
287. rights at American Falls. The company may also have a pri-
288. mary right to use at any time any water brought to American
289. Falls by it from beyond the Snake River water shed, or any
290. stored water acquired by the company from storage capacity
291. hereafter constructed above American Falls provided that it
292. is understood and agreed that the company's right to store
293. water, except water brought by the company from beyond the
294. Snake River watershed, in such capacity above American Falls
295. shall be inferior and subordinate to the right of the United
296. States to provide for building and to fill and use 3,000,000
297. acre-feet of storage capacity, including the capacity of the
298. American Falls Reservoir anywhere on Snake River in addition
299. to the storage capacity now available in Jackson Lake Reser-
300. voir and Lake Walcott.

11. Government's Summer Power Right at American Falls.

301. The United States shall have and the company hereby
302. grants to the United States as against the company a
303. secondary power right at American Falls to that amount
304. of water which will generate continuously for delivery
305. from the generator bus bars in the Government power
306. station at American Falls 6,700 kilowatts beginning
307. on April 1st, increasing uniformly to 25,000 kilowatts
308. on May 1st and to 30,000 kilowatts on June 1st, contin-
309. uing at that amount to August 15th, inclusive, then de-
310. creasing uniformly to 25,000 kilowatts in September 15th,
311. and to 5,500 kilowatts on October 31st, and none from No-
312. vember 1st to March 31st inclusive, except in connection
313. with the 10,000 kilowatts as authorized in Paragraphs
314. 24 and 19 hereof. In no case, however, except as au-
315. thorized by Paragraph 13, shall the water utilized under
316. this power right exceed 1,500 second-feet on April 1st,
317. increasing uniformly to 5,000 second-feet on May 1st,
318. and to 6,000 second-feet on June 1st, continuing at that
319. amount to September 15th inclusive, and decreasing uni-
320. formly to 1,500 second-feet on October 31st. The secondary
321. power right granted to the United States under this paragraph
321a. shall be inferior and subordinate to the primary power right
321b. reserved to the company in paragraph 10 hereof, and shall be
321c. prior and superior to all power rights of the company at Amer-
321d. ican Falls other than the rights reserved under Para. 10 here
321e. and the right to the storage provided in Para. 19. Provided,

322. however, that if the Company, through the refusal, for
323. any reason, of the United States or its successors in
324. control of said reservoir to comply with the terms of
325. this agreement, fails to receive for its own use at its
326. plants at American Falls, unless its right to such water
327. has been taken under the power of eminent domain, the
328. amount of water and at the times and in the manner con-
329. templated by this agreement, it shall have the right to
330. make up such deficiency (during the time of such refusal
331. and no longer) out of the appropriations, water filings,
332. and permits which it now holds, and the amount which the
333. United States shall have the right to store or use out of
334. said appropriations, shall be reduced accordingly. It is
335. agreed and understood that errors or inaccuracies in the
336. release or delivery of water from the reservoir shall not
337. be construed as a refusal by the United States to comply
338. with the terms of this agreement. Nothing contained in
339. this contract shall be construed to make the United States
340. in any way responsible for the delivery of the water to any
341. of the plants of the Company after the same has been re-
342. leased by the United States for the Company from the res-
343. ervoir at American Falls.

12. Company's Additional Summer Power Right.

344. The company reserves and shall have as against the
345. United States a tertiary power right at American Falls to
346. all additional water released or wasted from the reservoir

347. as released or wasted by the United States from April 1st
348. to October 31st inclusive over and above the amounts re-
349. quired to furnish the primary rights reserved to the com-
350. pany in paragraph 10 hereof, and the secondary right grant-
351. ed to the United States under Paragraph 11 hereof.

352. Should the company fail for five years after a storage
353. capacity of 1,500,000 acre-feet or more has been provided at
354. American Falls, to make provision to utilize all the ter-
355. tiary power provided in Paragraph 12, then the United States
356. shall become entitled as against the company to develop and
357. use any unused portion thereof, but should the United States
358. fail, for a period of three years after becoming vested
359. with the right to develop and use such undeveloped portion
360. of said tertiary power, to make provision to utilize the
361. same then thereafter either party may by making such pro-
362. vision become entitled to utilize such undeveloped portion
363. of said tertiary power right.

13. Substitution of Acre-feet for Second-feet.

364. During the period from April 1st to October 31st in-
365. clusive, either party may take instead of the continuous
366. flow specified above in Paragraphs 10 and 11 an equivalent
367. amount of water each day in varying amounts during various
368. hours of the day, providing the number of acre-feet taken
369. by either party during any one day of twenty-four hours
370. shall not exceed a number double the number of second-feet
371. specified in the above schedules in Paragraphs 10 and 11

372. for such day.

14. Company's Summer Regulation of 5,000 Acre-feet.

373. The company may accumulate from time to time in stor-
374. age capacity that would otherwise be unused in the American
375. Falls reservoir out of the amounts of water to which it is
376. entitled under Paragraph 10, an amount not exceeding 5,000
377. acre-feet, and use the same as desired, except that after the
378. reservoir has been filled in any year, the company shall be
379. entitled under this paragraph only to that part of the 5,000
380. acre-feet accumulated after the filling of the reservoir and
381. subject to the limitation of maximum delivery and gate or
382. outlet capacity herein provided, and provided further that
383. the company shall release upon demand by the United States
384. such portion of the said 5,000 acre-feet as the company may
385. have accumulated whenever the available stored water in the
386. American Falls Reservoir to which the present Minidoka pro-
387. ject and extensions thereof diverting from Lake Walcott are
388. entitled amounts to less than 5,000 acre-feet, and in any
389. event release all claim to any part of said 5,000 acre-feet
390. of accumulated water remaining after September 30th.

15. Outlet Works and Division Dam for Company

391. The United States will provide for the company in the
392. proposed dam to be constructed by the United States discharge
393. works sufficient for a 6,000 second-feet delivery with a
394. loss of head net not to exceed two feet. Such discharge works
395. shall discharge into the pool between the proposed reservoir

396. dam and the company's east side plant and shall be as low
397. as, and similar to the outlets connecting with the power
398. plant to be constructed by the United States, and shall be
399. so constructed that the company may and is given the right
400. to attach its penstocks directly thereto and shall be pro-
401. vided with protecting devices similar to those to be pro-
402. vided for the intakes to the proposed Government power
403. plant at American Falls. The United States shall construct
404. and maintain as a part of the American Falls storage dam, a
405. division dam between the westerly and of that portion of the
406. company's American Falls dam which the company will retain,
407. and the Government's proposed American Falls Reservoir dam to
408. an elevation five feet above the present concrete crest of com-
409. pany's dam, and of sufficient strength to retain the water on
410. the easterly side up to the crest of said dam, and provision
411. shall be made whereby the Company shall not be required dur-
412. ing any flood to discharge over that portion of the com-
413. pany's American Falls dam and spillway retained by the
414. company any greater portion of the flood than would have
415. been discharged over that portion retained had said dam
416. and spillway not been changed from its present condition.

16. Company's Primary Storage Capacity.

417. In part consideration for the rights and property to
418. be conveyed to the United States by the company, and as a
419. part of the cost of the proposed development at American
420. Falls the United States grants to the company and the com-

421. pany shall be entitled to the perpetual use of 45,000
422. acre-feet of storage capacity in the reservoir to be con-
423. structed by the United States, such capacity to be for
424. storing the water reserved to the company, and the water
425. referred to in the last sentence of Paragraph 10, the
426. company's right to such storage capacity to be on an equal
427. basis in all respects, except as otherwise provided herein,
428. with other primary storage capacity rights in the reservoir,
429. as defined in the contracts between the United States and
430. the Irrigation Companies and Districts cooperating with the
431. United States in the construction of said reservoir, a form
432. of which contract is attached hereto and marked Exhibit "C".

17. Operation and Maintenance Charges

433. For the purpose of determining the operation and main-
434. tenance charge to be paid by the company, each acre-feet of
435. secondary storage capacity provided for in Paragraph 18 shall
436. be considered as the equivalent of $7/20$ (seven-twentieths)
437. of an acre-foot of primary storage capacity and the company
438. will pay to the United States each year a proportionate part
439. of the total cost of operation and maintenance of the reser-
440. voir, and distribution of the waters therefrom to the head
441. of the ditches and to the power plants of the company di-
442. verting water from Snake River below said reservoir in the
443. proportion that 134,250 acre-feet is of the total available
444. capacity of the reservoir plus 89,250 acre-feet, the times,
445. conditions, and manner of billing or stating such charge to
446.

447. the company and of paying the same to the United States
448. to be the same as provided in the contracts between the
449. United States and the various irrigation companies and dis-
450. tricts cooperating in the construction of said reservoir.

18. Company's Secondary Storage Capacity.

451. Between October 1st of any year and June 10th of the
452. following year, the company shall have and is hereby grant-
453. ed for the purpose of regulating and controlling the water
454. reserved to the company under Paragraph 19 hereof, and the
455. water which may be acquired under the last sentence of Par-
456. agraph 10, a secondary right to use not to exceed 255,000
457. acre-feet of storage capacity in the reservoir when such
458. capacity is not then required and not being used by the
459. owners of irrigation rights to the use of such capacity,
460. but shall have no further right to use any part of said
461. 255,000 acre-feet of capacity or any water stored therein
462. after the reservoir is first filled each season, and the
463. company shall in any event release on April 1st of each
464. year all right and claim to such capacity and water stored
465. therein, except 60,000 acre-feet, and shall release all right
466. and claim to the remainder, if any, on June 10th of each year.

19. Company's Reserved Water Right of 300,000 Acre-Feet.

467. It is agreed that in addition to the primary right re-
468. served in Paragraph 10, the company reserves and shall have
469. the right (for power development at American Falls and to
470. such extent as provided in Paragraph 21 hereof for power
471. development at points below Milner) to 300,000 acre-feet

472. of water flowing into the reservoir after October 1st of
473. any year which shall be the first 300,000 acre-feet flow-
474. ing into the reservoir after October 1st and actually
475. storable therein, except that precedence shall be given
476. for the release through the American Falls Reservoir dam
477. to the amount of water, if any, required to supply the
478. amount of power not exceeding 10,000 kilowatts, half-hour
479. peak, needed to supply the power demands and uses on the
480. Minidoka Project and its proposed extensions, and including
481. the town of Minidoka and the territory now supplied by the
482. United States, and the camps, buildings, construction work,
483. dam and adjacent grounds of the United States at American
484. Falls, but not elsewhere in the old or new town of American
485. Falls except that if the company should refuse to extend
486. its lines into the new or government townsite at American
487. Falls and furnish service in such townsite, then the United
488. States may do so. The extension of power lines into the
489. new townsite and furnishing of power to customers therein
490. shall not be construed as waiving any of the rights of
491. either party as to the amount of damage which may be al-
492. lowed the company in condemnation or otherwise for the
493. removal of the old town or otherwise. Nothing in this
494. paragraph contained shall be construed to deny the United
495. States the right to store and use for irrigation purposes
496. the water herein authorized to be used for the generation
497. of said winter power of not exceeding 10,000 kilowatts,

498. half-hour peak, whenever the Secretary of the Interior
499. shall decide that such water is required
500. for irrigation purposes. The expression "10,000 kilowatts,
501. half-hour peak", wherever it occurs in this contract shall
502. be interpreted as meaning that the average for any half-
503. hour interval must not exceed 10,000 kilowatts.

20. Company Right to Primary Storage Water.

504. The water required to fill the 45,000 acre-feet of
505. primary storage capacity allowed the company under Para-
506. graph 16 hereof shall be a part of the 300,000 acre-feet
507. of water reserved to the company under Paragraph 19 hereof,
508. and the company shall have no right to require the turning
509. out for the company of more than 300,000 acre-feet in any one
510. year beginning October 1st in addition to the primary rights
511. set forth in Paragraph 10 and the holdover authorized in
512. this paragraph. The company shall have the privilege of
513. holding after October 1st and until November 15th any water
514. which it may have remaining in its own storage capacity of
515. 45,000 acre-feet, but the company's right shall expire on
516. November 15th to any amount so held over beyond that date.

21. Company's Rights below Milner Dam

517. The company's right to demand the turning out of water
518. from the reservoir for release by and use below Milner Dam
519. shall be limited to the 45,000 acre-feet of primary storage
520. rights, the water referred to in the last sentence of Para-
521. graph 10, and to such portion of the 255,000 acre-feet men-

522. tioned in Paragraph 18 as is needed for beneficial use for
523. power development at Shoshone Falls or Twin Falls but net
524. exceeding the amount that may be necessary to make the

525. total flow at the head of Shoshone Falls:

526.	790	second-feet	October 1st to November 30th, incl.	
527.	890	" "	December 1st to January 31st,	"
528.	790	" "	February 1st to February 12th,	"
529.	690	" "	February 13th to April 15th,	"
530.	790	" "	April 16th to June 10th,	"

531. exclusive of any part of the company's said 45,000 acre-feet
532. of primary storage and the water referred to in the last
533. sentence of Paragraph 10.

534. Provided, however, that the amount of water released
535. past Milner for maintaining the flow at Shoshone Falls be-
536. tween October 1st and June 10th inclusive, as listed above,
537. shall be a part of the 255,000 acre-feet of primary storage
538. water which the Company may have stored in its secondary
539. storage capacity in the reservoir, and provided that it re-
540. leases such water from the American Falls Reservoir in such
541. a way that the required flow can be maintained at Shoshone
542. Falls by the utilization of storage capacity in Lake Walcott net
543. to exceed 3,000 acre-feet of storage capacity.

544. Nothing in this paragraph is to be construed as abridg-
545. ing the Company's right to release from the Reservoir and
546. have passed by Milner at any time any part of its 45,000
547. acre-feet of primary stored water stored in its primary
548. storage capacity, or held over as provided for in Paragraph
549. 20.

22. Twin Falls Power Site.

550. Should the company construct a power plant at Twin
551. Falls, then the flow to be maintained below the Milner dam
552. shall be measured and determined at Twin Falls instead
553. of Shoshone Falls and the schedule of flow set out in the
554. foregoing paragraph shall be reduced 100 second-feet for
555. each period, but nothing herein contained shall be construed
556. as waiving any rights of the United States at Twin Falls
557. or any other power site on Snake River, owned or controlled
558. in whole or in part by the United States, or implying that any
559. license, permit or right will be granted the company.

23. Government's Winter Power Rights.

560. In securing the winter power not exceeding half-hour
561. peak of 10,000 kilowatts provided for the United States
562. under paragraph 19 hereof, the United States shall secure
563. at the Minidoka Power plant so much of said power as it is
564. reasonably practicable to secure from the installed machin-
565. ery at said plant without releasing water which otherwise
566. might be held for irrigation, generating at American Falls
567. the balance, if any, of the amount required. Nothing here-
568. in contained shall be construed to prevent the United States
569. from obtaining the ten thousand kilowatts at its American
570. Falls plants when the Minidoka plant, is closed or out of oper-
571. ation on account of enlargement, improvement or repairs.

24. Storage Rights of United States and Winter Waste.

572. The United States shall have and the company hereby
573. grants to the United States as against the company the right

574. to store in the American Falls Reservoir for use for
575. irrigation and domestic purposes and for the power use
576. set forth in Paragraph 11 and for the development of an
577. amount of power not exceeding 10,000 kilowatts, half-hour
578. peak, as defined in Paragraph 19, all of the storable
579. water at American Falls not specifically reserved to the
580. company or granted to the company as against the United
581. States. The company reserves and as against the United
582. States shall have the right to use for power purposes at
583. American Falls water released or wasted between November
584. 1st and March 31st, inclusive, in excess of the amount
585. herein specified to be allowed to the United States for
586. power under the foregoing provisions of this contract.
587. The availability of water for waste shall be determined
588. by the U. S. Reclamation Service by assuming a year be-
589. ginning October 1st of 200,000 acre-feet less storable run-
590. off than the lowest year of record at the time of such
591. determination, and such water as under this assumption
592. is not necessary to provide 300,000 acre-feet for the com-
593. pany and to fill existing storage capacity will be consid-
594. ered available for wasting. Until some lower year is ob-
595. served the lowest year of record shall be deemed to have
596. a storable run-off of 1,500,000 acre-feet, including the
597. 300,000 acre-feet reserved to the company. The United
598. States agrees that such water as may be available for
599. waste during the winter shall be released as nearly uni-
600. formly as may be practicable, or in such other manner as

601. to secure its reasonable availability for beneficial use for
602. power development. During the development period, the com-
603. pany shall have the right to use for power purposes, until
604. demanded by the United States, the water granted to the
605. United States for power purposes, but this water shall be
606. available for use by the United States for power purposes,
607. on its demand.

25. Release of Liens.

608. The company shall secure from the trustee, or other per-
609. son or persons having power to release, and shall deliver to
610. the United States a valid release of all the property and
611. rights described in Para. 9 (a) to 9 (e) inclusive, and Para.
612. 24 from the lien of any mortgage, deed of trust or other in-
613. cumbrance created or granted by the company or its public
614. utility predecessors and a release of all tax liens.

26. Abstract.

615. In consideration of the premises, the company further
616. agrees upon receipt of notice that this contract has been
617. signed by the Secretary of the Interior, to furnish promptly
618. at its own expense, an abstract of title which shall later be
619. extended to include any instruments subsequently recorded in
620. connection herewith, and also the record of conveyance made
621. pursuant to this agreement provided that if the company fails
622. or refuses to furnish proper abstract of title within sixty (60)
623. days after notice that this agreement has been signed, or if
624. within such period written request be made by the company,
625. such abstract may be procured by the United States at the
625a. expense of the company and the cost thereof

626. deducted from the purchase price.

27. Payments by the United States.

627. In consideration whereof the United States agrees that
628. it will purchase said property on the terms herein expressed,
629. and upon the signing of the usual Government vouchers there-
630. for and their further approval by the proper Government of-
631. ficials, it will, as full payment for the property, and
632. rights herein agreed to be conveyed to the United States,
633. and for all damages for entry upon the above described prop-
634. erty, and the construction, operation and maintenance of
635. Reclamation works under said act, and for all claims by the
636. company for surveys, examinations, opinions of experts, and
637. expenses of whatsoever kind incurred in connection with the
638. consummation of this contract, in addition to the storage
639. capacity rights herein granted to the company, cause to be
640. paid the sum of one million (\$1,000,000) Dollars in in-
641. stalments as hereinafter provided by United States Treasury
642. warrant or fiscal officer's check, which sum shall become
643. due and payable in four equal annual instalments, the first
644. of which will be due and payable after the furnishing of the
645. abstract and other evidence of title herein provided and
646. concurrently with delivery of the deeds to the property des-
647. scribed in Paragraph 9 (a), and one instalment on the same day
648. of each year thereafter until the full amount herein spec-
649. ified has been paid. Provided that concurrently with receiv-
650. ing said second instalment the company shall deliver to the
651. United States a deed conveying to the United States all

652. the company's right, title and interest to the West Side
653. and Island plants, other than water rights except as herein
654. otherwise provided and land described in Paragraph 9 (b)
655. and release from tax liens and other liens agreed to be
656. released in Paragraph 25 and concurrently with the receipt
657. of the third instalment, the company shall deliver to the
658. United States the deed and assignment of the properties des-
659. cribed in Paragraph 9 (c), and concurrently with the receipt
660. of the fourth instalment shall deliver the deeds and assign-
661. ments of the remainder of the property and rights herein
662. agreed to be conveyed. Provided that the company may retain
663. the possession and use of all the property herein agreed to
664. to be conveyed or assigned until the first annual instalment
665. has been paid, but that upon the payment of the first annual
666. instalment the United States may take possession of the land
667. needed for the proposed dam and reservoir as described in
668. Paragraph 9 (a), and upon payment of the second annual in-
669. stalment may take possession of the West Side power plant and
670. Island Plant and be entitled to use so much water under the
671. existing appropriations now owned by the Company and used in
672. connection with said plants, as may be necessary for the oper-
673. ation of said plants to their respective capacity, provided,
674. however, that the right of the United States to the use of
675. such water shall terminate absolutely upon the transfer of
676. the water rights to be conveyed by the Company under Para-
677. graph 9 (d) hereof, or upon the vesting of the water rights

678. mentioned in Paragraph 31 hereof upon the failure of the
679. United States to make certain payments, and provided fur-
680. ther, that the water used by the United States at said
681. plants shall not be deducted from the amount of water which
682. the Company is entitled to receive after the rights of the
683. Company become restricted to the amounts specified in Para-
684. graphs 10 and 19 hereof, and neither the consent of the
685. Company to the use of such water nor the use of such water
686. by the United States, shall operate to vest any title or
687. permanent right to the use of such water in the United States,
688. and the United States may take possession of all of the chan-
689. nel west of and including the Island plant and headrace, and
690. property described in 9 (b), but it is understood and agreed
691. that the company may retain the possession and use of all of the
692. other property and rights herein agreed to be conveyed or as-
693. signed to the United States until the completion of the pay-
694. ments herein provided for. The United States may pay any
695. instalments before due and thereupon shall be entitled to
696. take the property and receive the deeds provided to be taken
697. or delivered upon the payment of such instalment. It is
698. expressly understood that the first instalment to be paid
699. by the United States hereunder includes the claim of the com-
700. pany for reimbursement for all expenses of whatsoever kind
701. which it has incurred in connection with the consummation of
702. this contract, including surveys, investigations, examinations,
703. and opinions of experts, and for obtaining data and inform-

704. ation upon which to base this agreement.

28. Continued Use of Rights by Company until
Storage Capacity is Provided.

705. As against the United States the company shall be
706. entitled to continue the use of the water at American Falls
707. covered by the company's present appropriations and filings
708. (except such as the United States may become entitled to
709. use to operate the Island and West Side Plants under this
710. agreement) until such time as the 45,000 acre-feet of pri-
711. mary storage capacity herein granted to the company shall
712. have been first provided for the Company and until that time
713. the company shall be entitled to right of way over the lands
714. and rights conveyed to the United States by the company and
715. located in the bed of the river for the purpose of and to
716. the extent necessary for such continued use by the company
717. of said filings and appropriations in so far as such right of
718. way can be used by present structures and extensions without
719. increasing the hazard of flooding the construction work of
720. the United States. Nothing in this contract shall be con-
721. strued as giving the company a right to demand right of way
722. or flowage easement across any land unwatered for construc-
723. tion purposes by the United States except to the extent nec-
724. essary to pass the natural flow of the river.

29. Distribution System in American Falls.

725. The company shall not by anything herein contained be
726. deemed to have transferred any of its poles, lines, or
727. other property not described in Paragraph 9 located in

728. the present town of American Falls or connecting the dis-
729. tribution system in said town with its generating plants,
730. or to have released the United States from any damages to
731. said poles, lines, distributing system or such other prop-
732. erty on account of the relocation of said town made nec-
733. essary by the construction and operation of the proposed
734. reservoir.

30. Reservation in Deed of Reserved Rights.

735. It is the intent of this agreement that all power
736. rights at American Falls except those granted to the United
737. States herein shall be reserved to the company and that the
738. deeds and conveyances by the company to the United States
739. may contain a reservation in favor of the company of the
740. rights reserved to it under the provisions of this agreement.

31. Failure of Appropriation.

741. Where the payments of this contract extend beyond the
742. current fiscal year it is understood that the contract is
743. made contingent upon Congress making the necessary appro-
744. priations for expenditures thereunder after such current
745. year has expired. In case such appropriation as may be
746. necessary to carry out this contract is not made the com-
747. pany hereby releases the United States from all liability
748. due to the failure of Congress to make such appropriation.

749. Any instalment or portion thereof not paid when due
750. shall thereafter bear interest at the rate of 6% per annum
751. payable annually and should any instalment remain due and

752. unpaid for a period of fifteen years the Company shall
753. have the right to waive and surrender to the United States
754. such due and unpaid installments. The effect of such waiver
755. or surrender shall be to modify paragraph 24 hereof to the
756. following extent:

757. If only the first installment shall have been paid the
758. grant to the United States as therein provided to store
759. in American Falls reservoir all the storable water not
760. reserved to the Company or granted to it as against the
761. United States shall be limited to such storable water over
762. 2700 second-feet; if only the first two installments shall
763. have been paid, such grant shall be limited to the stor-
764. able water not reserved to Company or granted to it as
765. against the United States over 2200 second-feet; and if
766. the first three payments shall have been made, then over
767. and above 1700 second feet, such additional amounts of
768. water as listed above to be retained by Company in lieu
769. of cash which it would otherwise be entitled to. The
770. provisions of this paragraph shall not impair the right,
771. title or interest of the United States in any property
772. theretofore conveyed to it by the Company or otherwise
773. affect this agreement or the rights hereunder. Should
774. such waiver and surrender of unpaid installments be made
775. as herein provided and should the United States fail to
776. construct a reservoir of sufficient capacity to provide
777. the storage capacity herein agreed, granted or agreed to

778. be furnished to the company the United States shall not
779. be liable in damages for failure to provide such storage
780. capacity.

32. Company's Remedy for Failure to Receive Storage.

781. It is the understanding and intent of the parties
782. that the storage capacity rights herein granted to the
783. company shall be vested rights in it but that if by change
784. of Law, a court or commission decision or in any other way
785. than by errors or inaccuracies in delivery or release
786. of water from the reservoir the company shall be refused or
787. denied the right to and use of said capacity or any thereof.
788. the Company shall be entitled to recover the damages which
789. it may suffer, and to such other relief as a court of
790. competent jurisdiction may adjudge the Company entitled to
791. under the terms of this agreement and the situation of the
792. parties, but in case of any errors or inaccuracies in the
793. delivery or release of water the company shall have and
794. be limited to the same rights and redress as provided for
795. the Irrigation Companies and Districts in the contracts,
796. the form of which is attached hereto and marked Exhibit "C",
797. between the United States and the Irrigation Companies and
798. Districts cooperating with the United States in the con-
799. struction of the Reservoir.

33. Liens and Incumbrances.

800. Liens or incumbrances existing against said premises
801. and of which the company agrees to secure the release, may

802. at the option of the United States be removed at the time
803. of conveyance by reserving the amount necessary from the
804. purchase price and discharging the same with the money so
805. reserved, but this provision shall not be construed to au-
806. thorize the incurring of any lien or incumbrance as against
807. this agreement, nor as an assumption of the same by the
808. United States.

34. Effective when Signed By the Secretary.

809. This agreement shall become effective to bind the
810. United States to purchase said premises immediately upon its
811. approval or signature by the Secretary of the Interior,
812. provided, however, that it shall be of no further force
813. or effect unless signed by the Secretary of the Interior,
814. within ninety days after its execution by the Company and
815. authorization, ratification or approval by the board of di-
816. rectors of the company which shall be evidenced by a cer-
817. tified copy of the resolution filed with the Director of
818. the Reclamation Service.

35. Binding on Successors and Assigns.

819. This agreement shall inure to the benefit of and be
820. binding upon the successors and assigns of the company, and
821. also upon the successors and assigns of the United States.

36. No Waiver of Rights of Federal Power Commission or State.

822. The execution of this contract shall not be construed
823. as waiving any authority, jurisdiction or control which the
824. Federal Power Commission may have over the company or its

825. assigns at American Falls or elsewhere, and the approval
826. of this contract by W. G. Swendsen Comm. Rec. representing the State
827. of Idaho shall not be construed as waiving or abridging
828. any lawful jurisdiction, authority, or control which such
829. officer or the State of Idaho may have over the waters of
830. the state or the issuing of permits, certificates or li-
831. censes thereto.

37. Cooperation with reference to Water Rights.

832. In complying with the laws of Idaho relating to per-
833. fecting water filings made by either party at American Falls
834. both parties shall cooperate so that to the extent permitted
835. by statute and the administrative officers having jurisdiction,
836. the construction of works and use by either party shall ap-
837. ply to proof on the permit of the earliest priority of the
838. class on which such proof can be made. In the event the
839. company desires to transfer and change the points of
840. diversion and use, or any of them, of any of its appropria-
841. tions, rights or permits now held by it in connection with
842. the Island and West Side Power Plants, the Company as against
843. the United States shall have the right at any time after the
844. right of the United States to use the Company's water in con-
845. nection with said Island and West Side Plants' terminates as
846. provided in Paragraph 27 hereof, to transfer and change such
847. points of diversion and use from the Island and West Side
848. Plants to the East Side Plant, or any other plant or plants
849. constructed by the Company at American Falls, subject to the

850. provisions and limitations of this contract in respect to
851. the time of use and amount of water to which the Company may
852. be entitled; and the United States shall cooperate with the
853. company in making such transfer and change; and in the event
854. the United States desires to transfer and change the points
855. of diversion and use of the water rights or any part thereof
856. conveyed to the United States by the Company and to which it
857. may be entitled under the terms of this contract from the
858. present points of diversion and use to any plant or plants
859. owned by the United States at American Falls, the United
860. States shall have as against the Company the right to make
861. such transfer and change in such points of diversion and
862. use subject to the provisions and limitations of this con-
863. tract in respect to the time of use and amount of water to
864. which it may be entitled, and the Company shall cooperate
865. with the United States in securing such transfer and change.

38. Agency Clause.

866. The contractor expressly warrants that he has employed
867. no third person to solicit or obtain this contract in his
868. behalf, or to cause or procure the same to be obtained upon
869. compensation in any way contingent, in whole or in part upon
870. such procurement; and that he has not paid, or promised or
871. agreed to pay, to any third person, in consideration of such
872. procurement, or in compensation for services in connection
873. therewith, any brokerage, commission, or percentage upon the
874. amount receivable by him hereunder; and that he has not, in

875. estimating the contract price demanded by him, included
876. any sum by reason of any such brokerage, commission, or
877. percentage; and that all monies payable to him hereunder
878. are free from obligation to any other person for services
879. rendered, or supposed to have been rendered, in the pro-
880. curement of this contract. He further agrees that any
881. breach of this warrant shall constitute adequate cause
882. for the annulment of this contract by the United States,
883. and that the United States may retain to its own use from
884. any sums due or to become due thereunder an amount equal
885. to any brokerage, commission, or percentage so paid, or
886. agreed to be paid: (Provided, however, it is understood
887. that this covenant does not apply to the selling of goods
888. through a bona fide commercial representative employed by
889. the contractor in the regular course of his business in deal-
890. ing with customers other than the Government and whose
891. compensation is paid, in whole or in part, by commissions
892. on sales made, nor to the selling of goods through estab-
893. lished commercial or selling agents or agencies regularly
894. engaged in selling such goods.)

39. Member of Congress Clause.

895. No Member of or Delegate to Congress, or Resident
896. Commissioner, after his election or appointment or either
897. before or after he has qualified and during his continuance
898. in office, and no officer, agent, or employee of the Govern-
899. ment, shall be admitted to any share or part of this con-
900. tract or agreement, or to any benefit to arise thereupon.

901. Nothing, however, herein contained shall be construed to
902. extend to any incorporated company, where such contract
903. or agreement is made for the general benefit of such in-
904. corporation or company, as provided in Section 116 of the
905. Act of Congress approved March 4, 1909 (35 Stat., L. 1109).

IN WITNESS WHEREOF the parties have hereto signed their
names the day and year first above written. Said Company
acting in pursuance of a resolution of its Board of Di-
rectors duly adopted on October 13th, 1921.

UNITED STATES OF AMERICA

By (Sgd) Hubert Work
Secretary of the Interior

IDAHO POWER COMPANY

By (Sgd) F. F. Johnson
President

(Seal)

ATTEST:

(Sgd) Clarence T. Ward
Secy.

(Seal)

Approved except as to Exhibit "C"

(Sgd) W. G. Swendsen
Commissioner of Reclamation

6-29-1923 Supp Contract

DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
MINIDOKA IRRIGATION PROJECT.

CONTRACT BETWEEN THE UNITED STATES AND THE IDAHO POWER COMPANY,
SUPPLEMENTARY TO CONTRACT OF JUNE 15, 1923.

THIS CONTRACT, made this 29th day of June, 1923, in pursuance of the act of June 17, 1903 (32 Stat., 388) and acts amendatory thereof or supplementary thereto, between the United States of America, hereinafter styled the United States, by E. C. Finney First Assistant, Secretary of the Interior, and the IDAHO POWER COMPANY, hereinafter styled the Company, a corporation organized and existing under the laws of the State of Maine, WITNESSETH:

2. WHEREAS, contract dated June 15, 1923, between the United States and the Idaho Power Company provides for payment by the Government to the Company of the sum of \$1,000,000. in four annual installments with the option to the United States of making earlier payment; and

3. WHEREAS the first installment of \$250,000. under said contract of June 15, 1923, became due and was paid to the Company by the Government of the United States on June 28th, 1923, and the second installment of \$250,000, due and payable under said contract on June 28, 1924, for a good and sufficient consideration as expressed in contract dated June 27th, 1923, between the United States and the

Company, was paid by the United States to the Company on June 28th, 1923; and

4. WHEREAS the Company is willing to allow the United States a discount of \$30,000. upon the third installment of \$250,000. due and payable on June 28th, 1925, under said contract of June 15th, 1923, the payment thereof to be made on June 30th, 1923;

5. NOW, THEREFORE, in consideration of said discount of \$30,000. the United States agrees to pay the Company on June 30th, 1923, the sum of \$220,000. and the Company agrees to accept the same in full payment of the third installment of \$250,000. due on June 28th, 1925, under said contract of June 15th, 1923. The fourth and final installment of \$250,000. under said contract of June 15th, 1923, will be due and payable on June 28th, 1926.

6. The said contract of June 15th, 1923, shall in all other respects remain the same.

7. No Member of or Delegate to Congress, or Resident Commissioner, after his election or appointment, or either before or after he has qualified and during his continuance in office, and no officer, agent or employee of the Government shall be admitted to any share or part of this contract or agreement, or to any benefit to arise thereupon. Nothing, however, herein contained shall be construed to extend to any incorporated company, where such contract or agreement is made

for the general benefit of such incorporation or company, as provided in Section 116 of the Act of Congress approved March 4, 1909 (35 Stat., 1109).

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

THE UNITED STATES OF AMERICA,

By (Sgd) E. C. Finney
First Assistant--Secretary of the Interior

IDAHO POWER COMPANY,

By (Sgd) D. F. McGee
Vice-President

ATTEST:

(Sgd) E. P. Summerson

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

On this 29th day of June, 1923, before me
Wm. F. Hoecker, Notary Public, personally appeared, D. F.
McGEE, known to me to be a Vice-President of IDAHO POWER
COMPANY, the corporation which executed the within instru-
ment, and acknowledged to me that such corporation executed
the same.

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

(Sgd) Wm. F. Hoecker
Notary Public New York County No. 164
New York County Register's No. 4027
Commission expires March 30, 1924.

I, E. P. SUMMERSON, Assistant Secretary of IDAHO
POWER COMPANY, a Maine corporation, hereby certify that the
following is a true copy of the resolution duly adopted by
a majority of all the Executive Committee of the Board of
Directors of said Company, at a meeting thereof held June
25th, 1923:

WHEREAS the United States desires to make pay-
ment of the third installment of \$250,000. due under
its contract with this Company, dated June 15th, 1923,
two years in advance of the date required in said con-
tract, at a discount of six per cent annually of said
installment;

NOW, THEREFORE, be it

RESOLVED that D. F. McGee
Vice-President of this Company, be and he hereby
is authorized and directed to accept such discount
and to accept \$220,000. in full payment of said
third installment, and to sign such contracts,
documents or papers as may be necessary to con-
summate said transaction.

WITNESS my hand and the seal of said corporation
this 29th day of June, 1923.

(Sgd) E. P. Summerson (LS)

(SEAL)

Minnesota

THIS SUPPLEMENT to that certain agreement made and entered into the 15th day of June, 1923, by and between the United States of America, acting for that purpose by Hubert Work, Secretary of the Interior, and Idaho Power Company, a corporation organized under the laws of the State of Maine and authorized to do business in the State of Idaho, WITNESSETH that:

WHEREAS, Paragraph 34, lines 809 to 818, inclusive, of the aforementioned contract, provides that the said agreement is to become effective immediately upon its approval or signature by the Secretary of the Interior, with a proviso that it shall be of no further force or effect unless signed by the said Secretary within ninety days after its execution by the Company and authorization by the Board of Directors of the Company; and

WHEREAS, the following resolution was passed unanimously at a special meeting of the Board of Directors of said Company held April 3, 1923:

"VOTED that the President of the Company be, and he hereby is, authorized, in his discretion, to extend the time for the execution by the Secretary of the Interior on behalf of the United States of America of that certain proposed contract between this Company and the United States of America, in connection with the construction by the United States of a reservoir at American Falls, for such time as in his judgment is in accordance with the best interests of this

Company, not longer, however, than July 12, 1923, the date of the regular meeting of this Board, and to report at the regular meeting of this Board on July 12, 1923 of any action taken in connection with this authorization; and

FURTHER RESOLVED that the President of the Company be, and he hereby is, authorized and directed to, in case any extension of time is granted in accordance with this authorization, recommend to the Corporate Trustees under this Company's mortgages and deeds of trust that such extension be approved by such Trustees."

and

WHEREAS, a duly certified copy of the said resolution is hereto attached, marked Exhibit "A" and made a part of this supplement;

NOW, THEREFORE, I. F. F. Johnson, President of the said Company, pursuant to the authority vested in me by the said resolution, do by these presents extend to the 12th day of July, 1923 the time within which the aforementioned contract may be executed by the Secretary of the Interior on behalf of the United States of America, and agree that Paragraph 34 of the said contract be modified to provide that said contract shall be in full force and effect if signed by the Secretary of the Interior at any time prior to July 12, 1923, said signature to have the same force and

effect as if it had been duly affixed to the said contract within
the time limited in said Paragraph 34 thereof.

WITNESS my hand and seal this 26th day of May, 1923,

Done at Boise, Idaho.

IDAHO POWER COMPANY,

By F. F. JOHNSON
President

(SEAL)

STATE OF IDAHO)
)
COUNTY OF ADA) SS

On this 23rd day of June, in the year 1923,
before me, E. C. Kiersted, Notary Public, personally appeared
F. F. Johnson, known to me to be the President of the corpora-
tion that executed the within instrument and acknowledged to
me that such corporation executed the same.

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

E. C. Kiersted
Notary Public

(SEAL)

Residing at Boise, Idaho.

My Commission expires April 22, 1924.

EXHIBIT "A"

IDAHO POWER COMPANY

Minutes of Special Meeting

Of Board of Directors

April 3, 1923.

A special meeting of the Board of Directors of the Idaho Power Company was held at the office of the Company in the Electric Building, on Tuesday, April 3, 1923, at 10 o'clock A. M., pursuant to a call of the Chairman of the Board and to a notice of the meeting duly given in writing more than five days prior to the date of the meeting.

There being a quorum present, the following business was considered and acted upon:

The matter of the proposed contract between this Company and the United States Government, covering the construction by the Government of a reservoir at American Falls, and the necessary extension of time for the execution of such contract by the Secretary of the Interior on behalf of the United States of America, was then discussed, and, it having been moved by Mr. Ostrander, seconded by Mr. Bremer, it was unanimously

"VOTED that the President of the Company be, and he hereby is, authorized, in his discretion, to extend the time for the execution by the Secretary of the

Interior on behalf of the United States of America
of that certain proposed contract between this Company
and the United States of America, in connection with
the construction by the United States of a reservoir
at American Falls, for such time as in his judgment is
in accordance with the best interests of this Company,
not longer, however, than July 12, 1923, the date of
the regular meeting of this Board, and to report at
the regular meeting of this Board on July 12, 1923 of
any action taken in connection with this authorization;
and

FURTHER RESOLVED that the President of the Company
be, and he hereby is, authorized and directed to, in
case any extension of time is granted in accordance
with this authorization, recommend to the Corporate
Trustees under this Company's mortgages and deeds of
trust that such extension be approved by such Trustees."

* * * * *

There being no further business to come before the meeting,
it was, upon motion duly made, seconded and carried, declared
adjourned.

(Sgd.) A. J. Priest

Secretary

STATE OF IDAHO)
)
COUNTY OF ADA.) ss.

I, A. J. Priest, Secretary of the Idaho Power Company,
hereby certify:

The foregoing is a true and correct copy of a portion
of the minutes of a special meeting of the Board of
Directors of the Idaho Power Company held on April 3, 1923.

IN WITNESS WHEREOF, I have hereunto subscribed my
name and affixed the corporate seal of said Company this
26th day of May, 1923.

A. J. Priest
Secretary

(CORPORATE SEAL)

1923 Contract A-C exhibits

LIST OF LANDS

1. Lots 1, 2, 3, 4, 5, Block 1, Riverside Addition to
 2. American Falls
 3. Lots 13 and 14, Block 20, Original Townsite of Am. Falls
 4. reserving to the company from the conveyance of said lots
 5. 13 and 14 all parts of said lots under Snake River or in
 6. the bed thereof and not conveyed to the United States un-
 7. der the provisions of Paragraph 9 (b) and all flowage, re-
 8. port and pondage rights required for the necessary oper-
 9. ation and maintenance of the property and the water re-
 10. tained by the company
 11. Lots 16, 17, 18, 19 and 20, Block 3, Riverside Addition
 12. to American Falls
 13. Lots 17, 18, 19, Block 6, Riverside Addition to Am. Falls
 14. Lots 20, 21, 22, 23, 24, 25, 26, 27, Block 1, Riverside Addition
 15. to American Falls
 16. Lots 28 to 29 inclusive, Block 24, Riverside Addition to Am. Falls
 17. Lots 28 to 30 " Block 15 " " " " "
 18. Lots 28, 29 & 30 " Block 22 " " " " "
 19. Lots 24 to 31 incl & 37 1/2 " 30 " " " " "
 20. Lots 1 to 18 inclusive " 31 " " " " "
 21. Lots 9 to 22 inclusive " 32 " " " " "
 22. Lots 3 to 14 inclusive " 43 " " " " "
 23. Lots 1, 2, 3 and 4 " 44 " " " " "
 24. Lots 1 to 18 incl 21, 22, 23, 24, 25, Block 21 " " " " "

24. Blocks 56 to 60 inclusive, of Riverside Addition to
25. American Falls, being described as, Commencing at a
26. point on the left bank of Snake River from whence the
27. Southeast corner of Section 19, Township 7 South, Range
28. 31 East, Boise Meridian, bears South 8 degrees, 33 min-
29. utes East 3269.1 feet; thence South 11 degrees, 42 min-
30. utes West 202.3 feet; thence South 64 degrees, 46 min-
31. utes East 296.7 feet; thence South 52 degrees, 29 minutes
32. East 157.6 feet; thence South 27 degrees, 42 minutes East
33. 135.4 feet; thence South 12 degrees, 11 minutes East 90
34. feet; thence South 6 degrees, 42 minutes West 231.6 feet;
35. thence South 34 degrees, 03 minutes West 350 feet; thence
36. South 27 degrees, 45 minutes West 386.5 feet; thence South
37. 30 degrees, 40 minutes West 200 feet; thence South 44 de-
38. grees, 07 minutes West 602 feet; thence North 40 degrees,
39. 32 minutes West 279.2 feet to a point on the left bank
40. of the Snake River; thence up stream along said left bank
41. of Snake River to the place of beginning. The meander line
42. of said bank from the point last above described being sub-
43. stantially as follows: North 25 degrees, 24 minutes West
44. 891.6 feet; thence North 55 degrees, 49 minutes West 418
45. feet; thence North 56 degrees, 56 minutes West 1151.8 feet;
46. thence North 38 degrees, 36 minutes West 396.8 feet; thence
47. north 21 degrees, 13 minutes, East 679 feet; thence South
48. 69 degrees, 37 minutes East 451.2 feet; thence South 57 de-
49. grees, 12 minutes East 683.6 feet; thence South 74 degrees

89.09 A

50. 23 minutes East 499.2 feet ; thence North 87 degrees 46
51. minutes East 816.7 feet; thence South 64 degrees, 49 min-
52. utes East 163.3 feet to the place of beginning, comprising
53. 89.09 acres, more or less.

54. A parcel of land situated in Lot 12, Sec. 30, T 7
55. S., R. 31 E., B.M. beginning at a point on the west bank
56. of Snake River, north of the Oregon Short Line Railroad
57. and one hundred feet from the center of the track of said
58. railroad, at the westerly end of the bridge across the Snake
59. River and at right angles to the center line of said bridge;
60. thence in a southwesterly direction following the line of
61. the right of way of said railroad one hundred feet from the
62. center of the track as it now lies for five hundred thirty-
63. three and 3/10 feet (533.3); thence North 0 degrees and 30
64. minutes East one thousand feet to a line parallel with the
65. center line of the wagon bridge across the Snake River and
66. thirty-three feet south of said center line thence north
67. eighty-five degrees and forty minutes East one hundred and
68. two and 6/10 (152.6) feet to the bank of Snake River; thence
69. South twenty-six degrees and thirty minutes East eight hun-
70. dred and fifty feet to the place of beginning, containing
71. six and 53/100 (6.53) acres, more or less.

6.53 A

72. All of that part of Lot 12 Section 30 Township 7 South
73. Range 31 East Boise Meridian described as follows to - wit:
74. Commencing at a point on the North line of Lot 12 Section 30
75. R. 31 E. B.M. back 211 feet and thence North 38

76 agrees 40' East 3332 3 feet from the NW corner of
77 said Section 30 thence South 0 degrees 20' West 243 feet
78 more or less to the NW corner of that certain tract
79 of land lying in said Lot 12 Section 30 North of the Ore-
80 gon Short Line right of way, which said tract of land was
81 conveyed to the Idaho Consolidated Power Company by A.H.
82 Tarbet in a quit claim deed, dated August 23, 1904, said
83 deed being recorded on September 13, 1904, in Book 53 of
84 Deeds at Page 47 of the records of the County Recorder of
85 Blaine County Idaho thence North 35 degrees 40' East 102.8
86 feet more or less along the north line of the above des-
87 cribed tract of land conveyed by A.H. Tarbet to the Idaho
88 Consolidated Power Company to the low water line of the west
89 bank of the Snake River thence northerly along the said low
90 water line of the said west bank of the Snake River to its
91 intersection with the north line of said Lot 12, Section 30.
92 thence North 33 degrees 30' East 215 feet more or less along
93 the said North line of said Lot 12 Section 30, to the place
94 of beginning comprising 0.71 acres, more or less

95 All that part of Lot 9, Section 30, Township 7 South
96 Range 31 East Third Meridian described as follows; commencing
97 at a point on the North line of Lot 9 Section 30 T 7 S
98 R 31 E 3rd M. thence said point to North 33 degrees 41'
99 1001 feet to the SE corner of section 30, thence South
100 30 degrees 20' East 333 feet to a point thence South 75 de-
101 grees 30' East 100 feet to a point thence South 3 degrees
102 20' East 100 feet to a point thence North 39 degrees 41'

103 East 96 feet to a point on the North 6 degrees 26' West
104 444 feet to a point on the South line of said Lot 9 Section
104A: 30, thence North 81 degrees 30' East 70 feet more or less
105 along said South line of said Lot 9 Section 30 to the
106 low water line of the West bank of Snake River, thence north
107 only along the said low water line of the said West bank
108 of the Snake River to an intersection with the north line
109 of said Lot 9 Section 30 thence South 89 degrees 41' West
110 646 feet more or less along the said north line of said
111 Lot 9, Section 30 to the place of beginning comprising
112 7.73 acres, more or less

113 Lots 8 and 9 in Section 30, Township 7 South, Range
114 31 East, Boise Meridian, comprising approximately 56.26
115 acres, more or less

116 Lots Seven (7) Eight (8) Twelve (12) Thirteen (13)
117 and Fourteen (14) in Section Nineteen (19), Township 7 South
118 Range 31 East B.M.

119 Lots 9 and 10 and $E\frac{1}{2}$ of the $SW\frac{1}{4}$ of Section 19, Township
120 7 South, Range 31 East, Boise Meridian, comprising 118.27
121 acres.

122 Lots 5 and 6 in Section 19, Township 7 South, Range 31
123 East, Boise Meridian, comprising 97.61 acres

124 Lots One (1) and Four (4) in Section Thirteen (13) Township
125 7 South, Range 30 East, Boise Meridian

126 The $W\frac{1}{2}$ of the $SW\frac{1}{4}$ of section 19 and Lots 4, 5, 6, 7, 11
127 and 15 in said Section 19, Township 7 South, Range 31 East

12. Boise Meridian, east 1st 23 miles, also otherwise described,
13. as the NE 1/4 of the NE 1/4 of said section 17, comprising in all
14. one 25 acres

264.957

131. Lots One (1) Two (2) Three (3) Eight (8) Ten (10)
132. Twelve (12) and Thirteen (13) in Section Eighteen (18) in
133. Township 7 South Range 31 East Boise Meridian

109.76 a.

134. Lot One (1) Northeast Quarter (NE 1/4) and the Northwest
135. Quarter (NW 1/4) East Half of the Southwest Quarter (E 1/2 SW 1/4),
136. Northwest Quarter of the Southwest Quarter (NW 1/4 SW 1/4) and that
137. certain parcel of land described as follows to-wit: Commenc-

67
490.0

138. ing at the Northwest corner of the NE Quarter (NE 1/4) of
139. Section 17 Township 7 South Range 31 East Boise Meridian
140. thence South 31 degrees 30' East 241.3 feet along the East
141. and West center line of said Section 17 to a point thence
142. South 1 degree 07' East 134.3 feet to a point thence South
143. 89 degrees 00' East 174.7 feet to a point; thence North 1
144. degree 08' East 141.3 feet to a point; thence North 35 degrees
145. 03' East 139.12 feet to a point; thence South 77 degrees 09'
146. West 428.04 feet to a point; thence South 53 degrees 14' West
147. 431.70 feet to a point on the East and North center line of said
148. Section 17 thence South 1 degree 11' West 160 feet

149. along the West and East center lines of said Section 17 to
150. the point of beginning, containing 10 acres more or less;

24.03

151. All of which is situated in the Boise Meridian

152. and is subject to the right of way of the Boise Meridian

31.7

153. and is subject to the right of way of the Boise Meridian

7

16.77

158 All of that part of lot 7, in Sec. 7, Township 7
159 North, Range 31 East, Boise Meridian, as follows:
160 Commencing at a point on the West line of Section 7, Town-
161 ship 7 North, Range 31 East, Boise Meridian, which said point
162 is South 1 degree 22' East 500 feet from the N. E. corner of
163 said Section 7, thence South 57 degrees 32' East 320 feet
164 to a point, thence South 45 degrees 22' East 500 feet to
165 a point on the South line of lot 7, Section 7, thence South
166 50 degrees 22' East 450 feet, more or less, along the said
167 South line of said lot 7, Section 7, to the low water line
168 of the West bank of Snake River, thence Northerly along
169 the said low water line of the West bank of the Snake River
170 to its intersection with the West line of the said Section
171 7, thence North 1 degree 22' East 100 feet more or less
172 along the said West line of said Section 7, to the place of
173 beginning, comprising 3.33 acres, more or less.

170 Lot One (1) in Section Seven (7) Township 7 South
171 Range 31 East Boise Meridian

172 Lots One (1) Two (2) Three (3) and Four (4), Southeast
173 quarter (SE $\frac{1}{4}$), Southeast quarter of the Southwest quarter
174 (SE $\frac{1}{4}$ SW $\frac{1}{4}$), Southeast quarter of the Northeast Quarter (SE $\frac{1}{4}$ NE $\frac{1}{4}$)
175 and that certain parcel of land particularly described
176 as follows: Commencing at a point on the North and South
177 center line of Section 9, Township 7 North, Range 31 East,
178 Boise Meridian, which said point is North 1 degree 22'
179 East 500 feet from the North quarter corner of said Section

6.56

12.95 ac.

3.53 ac.

130 3; thence South 10 degrees, 41' West 571.0 feet to a point;
131 thence South 0 degrees 44' East 541 feet to a point; thence
132 South 45 degrees, 00' West 459.5 feet to a point; thence
133 South 15 degrees 24' East 602.6 feet to a point; thence South
134 45 degrees, 45' West 1071.9 feet to a point; thence South
135 70 degrees 21' West 1420.4 feet, more or less to a point on
136 the West line of said Section 6, which point is South 1 de -
137 gree, 22' East 6212.0 feet from the Northwest Corner of said
138 Section 3; thence South 1 degree 22' East 142 feet more or
139 less a long said West line of said Section 3 to its intersec -
140 tion with the low water line of the North bank of Snake Ri -
141 ver; thence easterly along said low water line of said North
142 bank of Snake River to a point where it crosses the North
143 and South center line of said Section 3, thence South 1 de -
144 gree 11' East 2249 feet more or less along said North and
145 South center line of said Section 3 to the point of beginning,
146 comprising 67.14 acres more or less, all in Section 3, Town -
147 ship 7 South Range 31 East, 3rd Meridian.

148 Lots One (1) and Two (2), Northwest Quarter (NW¹), South-
149 west quarter (SW¹), Northeast quarter (SE¹), South half of
150 the Northwest quarter (SW¹), all in Section Nine (9), Town-
151 ship 7 South Range 31 East, 3rd Meridian.

152 Lot One (1), South half quarter (SH¹), South half of
153 the Northwest quarter (SW¹), Northwest quarter of the Northwest
154 quarter (NW¹), all in Section Ten (10), Town-
155 ship 7 South Range 31 East, 3rd Meridian.

5716

622.08

470.00

218. All of the land in the Northwest quarter of the North-
219. west quarter (1/4) of the East half (1/2) of Township
220. South Range 31 East, Boise Meridian, Idaho, does
221. follow the following: Commencing at the Northwest corner of Sec-
222. tion 11 Township 7 South, Range 31 East, Boise Meridian
223. thence South 89 degrees 32' East 380 feet along the North
224. boundary line of the said Section 11 to a point; thence
225. South 27 degrees 32' West 1071.7 feet to a point; thence
226. North 89 degrees 32' West 340 feet to a point on the West
227. boundary line of the said Section 11; thence North 1 degree
228. 29' West 935 feet along the said West boundary line of the
229. said Section 11 to the place of beginning, comprising 10.00
230. acres more or less.

231. Lot One (1) in Section Five (5) Township 7 South, Range
232. 31 East, Boise Meridian.

233. Lots One (1) and Two (2) in Section Four (4) Township 7
234. South, Range 31 East, Boise Meridian.

235. Lots Three (3), Four (4), Five (5) and Six (6) The
236. South half of the Northwest quarter (1/4) and all that
237. part of the East half of the Northwest quarter (1/4) des-

238. cribed as follows: Commencing at the Northeast corner of
239. Lot Five (5) of Section Two (2) Township 7 South, Range 31
240. East, Boise Meridian thence South 89 degrees 32' East 1000
241. feet more or less along the East line of the said Lot Five to the

242. Northwest corner of the Northwest quarter (1/4) of the said East half

243. of the said Section Two (2) Township 7 South, Range 31 East, Boise

13.06A

40.00

33.10

232 of said East Bank of said Snake River to its intersection
233 with the East line of Lot Six (6) of said Section 2, Township
234 7 South Range 31 East 2 E. thence South 0 degrees 09'
235 East 345 feet more or less along said East line of said Lot
236 6 to a point; which said point is 617 feet North 0 degrees
237 09' West from the Southeast corner of said Lot 6, thence
238 North 41 degrees 51' East 1977.1 feet to a point on the North
239 and South center line of said Section 2, thence North 0
240 degrees 11' West 530 feet along said North and South cen-
241 ter line of said Section 2 to its intersection with the
242 East and West center line of said Section 2; thence North
243 69 degrees 54' West 1322.3 feet along said East and West
244 center line of said Section 2 to the place of beginning,
245 comprising 39.27 acres more or less all in Section 2
246 of said Township 7 South Range 31 East. Union Nevada.

247 Southwest quarter (SW¹/₄) of Section 1, Township 7 South, Range 31 East, Union Nevada.
248 1 South, Range 31 East, Union Nevada.

249 A release from damages by reason of the construction
250 or completion of dam or weir across the Snake River, for
251 Lots 3, 6, 9, 10, 11 and 12 in Block 20 of the Original
252 Townsite of American Falls, and

253 Lots 21 and 22 Block 27 of Riverside Addition to
254 American Falls, and

255 A portion of certain lots in Block 30, and a portion
256 of Lots 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.

259 A portion of certain lots in Block 30, and a portion
260 of Lots 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.

line across the same and described as follows: Beginning
at a point on the South line of Lot 23 Block 23 from which
the Southeast corner of Lot 24 of said block bears North 33
degrees 34' West 100 feet thence North 33 degrees 47
East 51.9 feet to a point; thence North 5 degrees 56' East
47.3 feet to a point; thence North 45 degrees 49' East 67.87
feet to a point on the North line of Lot 25 of said block
23, thence South 89 degrees 54' East 29.6 feet along the
North line of Lot 25 of said Block 23 to a point; thence
South 3 degrees 25' East 22.5 feet to a point, thence South
45 degrees East 20.9 feet to a point, thence North 1 degree
27' East 11.5 feet to a point on the North line of ^{Lot 24} Lot 24
of said Block 23 which is 7.3 feet North 89 degrees 54'
West from the Northwest corner of Lot 24 of said Block 23.
The lot is intended to describe a portion across said lot
which is the portion of a piece of the lot which is
to be used in connection with the portion of the lot which is
said lot and is further defined and that said piece is
at a height of about 3 inches below the level of the floor
of the building building on the said lots at the
time it was constructed.
A right of way and easement across Block 23 of the
Original District of Columbia for the construction
of a sewer and drainage of a sewer sewer and catchment
basin and other structures and other works and other
works and other structures and other works and other

234 egress over the property of the Company and to be located
235 as mutually agreeable to the United States and the Company
236 a right of way and easement on Lots 1 and 2 of Block
237 65 of the Original Townsite of American Falls for the
238 raising or enlargement of the railroad bed or embankment
239 adjacent to the said lots.

document and by letter of the 11th day of June 1871
from the said State of New York to the said State of
Ohio in Book II of the Public Lands of the said State of
Ohio, which conveys to the said State of Ohio the right
to lease and convey to third persons the public lands
waters on water above and from the lands hereinafter de-
scribed situated part in the County of Hamilton and part in
the County of Raper, Ohio, and are more fully described
as follows to-wit:

1. The first step is to identify the problem. In this case, the problem is that the company is not meeting its sales targets.

1- [illegible]
2- [illegible]
3- [illegible]
4- [illegible]
5- [illegible] +97)

1. The first quarter of 1964 was a period of relative stability in the economy. The second quarter was a period of rapid growth. The third quarter was a period of slow growth. The fourth quarter was a period of rapid growth.

360.00

86.35

152.36

308.33

450.50

175.42

24. Lots One, Two, Three, Four, Six, Seven, Eight, Nine,
25. Eleven, and Twelve, Southwest quarter of Northeast quarter,
26. Northwest quarter of Southeast quarter, and East half of
27. Southwest quarter of Section Thirty-four.

IN TOWNSHIP SEVEN SOUTH, RANGE THIRTY-ONE EAST,
BOISE MERIDIAN.

28. Lots Five, Six, Eight, Nine, Ten and Eleven, Northwest
29. quarter of Southwest quarter, and South half of Northwest Quarter
30. of Section Three.

31. Lots Five, Seven, Nine, Ten, Eleven and Twelve, South
32. half of Northeast quarter, Southeast quarter of Northwest
33. quarter, and North half of Southeast quarter of Section Four.

34. Lots five, Six and Seven of Section Five.

35. Lot Five of Section Eight,
36. together with any and all buildings, fences, fixtures, im-
37. provements and other appurtenances attached or appertaining
38. to said premises.

EXHIBIT "C"

Contract for Construction of American Falls Reservoir, Idaho

Approved as to form by the Department of the Interior

March 6, 1920

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THIS AGREEMENT, made this _____ day of _____
19____, between the UNITED STATES OF AMERICA, pursuant to the
provisions of the National Reclamation Act of June 17, 1902
(32 Stat., 388) and acts amendatory thereof or supplementary
thereto particularly Section two of the Act of Feb. 21, 1911
(36 Stat., 925), acting for this purpose through _____
_____ of the U. S. Reclamation Serv-
ice, subject to the approval of the proper supervisory officer
of said Service, hereinafter referred to as the "United States",
and _____
hereinafter referred to as the "Contractor", WITNESSETH:

2. WHEREAS, the United States contemplates the construc-
tion of that certain irrigation project in the Snake River Valley,
in the State of Idaho, known as the North Side Pumping Unit of
the Minidoka Project, the irrigable lands of the same being
located on the North side of Snake River and to the North and
West of the constructed units of the Minidoka Project; and the
United States desires to secure at some convenient location on
Snake River above the Minidoka Project, a suitable storage
reservoir, or storage capacity sufficient to furnish the stored
water needed in connection with the irrigation of the lands of
the project, and any other project, or projects, in Snake River
Valley which may be undertaken by the United States; and,

3. WHEREAS, there are a number of other proposed projects and proposed extensions of projects both above and below American Falls, including a very large acreage of arid land which may be reclaimed by storing and saving the flood water and winter flow now going to waste in Snake River; and

4. WHEREAS, the landowners under many of the existing canals in the Snake River Valley have suffered a heavy loss of crops on account of a shortage of water during certain portions of the irrigation season of 1919, and other years, and in order to supplement the vested rights of the existing canals in the valley and guard against a repetition of the losses which have occurred in the past, desire to provide for the construction of an additional reservoir or reservoirs on Snake River; and various individuals, canal companies and irrigation districts diverting water from Snake River and from the South Fork of Snake River have indicated that they desire to secure, and are willing to pay for additional storage to an aggregate amount of about Seven Hundred Forty Thousand (740 000) acre-feet to supplement the rights of existing canals diverting from Snake River and the South Fork of Snake River; and,

5. WHEREAS, the applicants for such storage (80%) per cent of the proposed supplemental storage have expressed a preference for having the work handled by the U. S. Reclamation Service and,

6. WHEREAS, the best site on Snake River for the construction of a large reservoir is at American Falls, this site being especially desirable for reservoir purposes on account of possessing the necessary topographical and geological features and being so located as to collect all the return flow and unused water from the entire watershed of the Upper Snake River and its tributaries and to make said waters available for use below American Falls: and,

7. WHEREAS, it is feasible to construct at American Falls a reservoir of from Six Hundred Thousand (600,000) to Three Million (3,000,000) or more acre-feet capacity, as may be required to meet the needs of the parties desiring to cooperate in the proposed enterprise: and,

8. WHEREAS, the cost per acre-foot of storage in such reservoir decreases rapidly with the increase in the size of the reservoir, so that the cost per acre-foot of constructing a reservoir, to store Two Million Five Hundred Thousand (2,500,000) acre-feet would be only about one-half as great as the cost per acre-foot to construct a reservoir to store Six Hundred Thousand (600,000) acre-feet; and it is to the interest of all parties desiring additional storage water from Snake River or the South Fork of Snake River, that such reservoir be built to as large capacity as possible within the limits of the available water supply, and that all parties should cooperate for the purpose of storing and saving as much as possible of the flood water and winter flow now going to waste in Snake River; and,

9. WHEREAS, the United States has constructed on the South Fork of Snake River, at Jackson Lake, Wyoming, a storage reservoir, known as the Jackson Lake Reservoir, having a capacity of about Eight Hundred Forty-seven Thousand (847,000) acre-feet of which about One Hundred Two Thousand (102,000) acre-feet have been acquired by projects in the upper valley above American Falls, and the remainder thereof by the projects in the lower valley, below American Falls, i. e., the Minidoka Project, the North Side Twin Falls Project, and the South Side Twin Falls project; and,

10. WHEREAS, if the proposed reservoir be constructed at American Falls, the said projects of the lower valley can be supplied from said reservoir, and the water which such lower projects are now entitled to receive from Jackson Lake can be released for the use of such parties in the upper valley as shall cooperate in providing storage at American Falls for such exchange; and,

11. WHEREAS, the United States through its Indian Service, has constructed the Blackfoot Reservoir on the Blackfoot River, a tributary of Snake River, for the irrigation of the lands of the Fort Hall Indian Project, and the Lands of the Fort Hall project can be irrigated from Snake River when additional storage shall have been provided on Snake River for such purpose, and the waters of the Blackfoot Reservoir can then be diverted to irrigate arid lands in the vicinity of Boncroft, Idaho, and between Pocatello and American Falls, for which no water would otherwise be available; and,

12. WHEREAS, the Contractor owns and operates that certain irrigation canal known as the _____ canal, which diverts water from the Snake River at a point on the _____ bank thereof in Section _____, Twp. _____ Range _____, B.M. for the irrigation of about _____ acres of _____ County, Idaho, and is engaged in Operating the said canal for the purpose of furnishing water to the lands lying thereunder; and

13. WHEREAS, the Contractor desires to secure the use of _____ Acre-feet of storage capacity to supplement the rights of the land owners under its said canal; and,

14. WHEREAS, the Contractor, its canal being located below American Falls, is willing to receive in lieu of the water which it is entitled to receive from Jackson Lake reservoir, an equal amount of water from American Falls Reservoir when said American Falls reservoir shall have been constructed and water stored therein for the purpose of such exchange; and the storage of the winter flow of the Snake River in the American Falls reservoir will increase materially, the safe annual yield of the reservoir, give greater assurance of a full supply of irrigation water to the Contractor and reduce the damage to its canal system and the expense of operation and upkeep occasioned by the running of water in said system during the non-irrigation or winter season.

15. NOW THEREFORE, it is hereby agreed by the parties hereto as follows:

Construction of American Falls Reservoir by United States

16. The United States will construct on Snake River at or near American Falls, Idaho, a dam of sufficient size to create a storage reservoir to be known as American Falls Reservoir, of from Six Hundred Thousand (600,000) acre-feet to Three Million (3,000,000) or more, acre-feet capacity, as the Secretary of the Interior shall find to be needed to meet the requirements of the United States and of the parties desiring to share in the benefits of such reservoir and able and willing to advance their respective pro-rata shares of the funds necessary for such construction.

Determination of Size of Reservoir

17. When, in the opinion of the Secretary of the Interior, there shall have been executed and approved a sufficient number of contracts of this nature to make feasible the construction of American Falls Reservoir, and the first and second payments have been made thereunder as herein provided, he shall ascertain the amount of storage desired for proposed Government irrigation projects, and shall then determine the size of the reservoir to be constructed and send the contractor a statement of the approximate height of the dam so decided upon and the Secretary's estimate of the storage capacity which will be made available thereby; provided that if after any such statement shall have

been issued, other parties shall desire to participate in the construction of the reservoir, the Secretary may if he deem it advisable, admit them to such participation on terms not more favorable than the terms provided in this contract, in which event he shall redetermine the size of the reservoir to be constructed, and send the Contractor a revised statement of the approximate height of the dam and estimate of the storage capacity, and such statement shall supersede any previously issued.

Statement of Cost of Reservoir

18. Upon completion of American Falls Reservoir, the Secretary of the Interior shall make a statement of the total cost thereof, which shall include all cost and expense of whatsoever nature or kind in connection with, growing out of, or resulting from, the construction of the reservoir, including the cost and expense of labor, material, equipment engineering, superintendence, administration, overhead, rights, rights of way, property and damages of all kinds; including also the construction of buildings, railways, bridges, power plants, canals, or other property to replace similar property affected by the reservoir. This statement shall name the Contractor's pro rata share of the cost in the proportion stated in this contract. If the amount chargeable to the Contractor under this contract as ascertained by such statement, be in excess of the advance payments made by the Contractor hereunder, then the Contractor shall pay to the United States the amount of such excess; but if the amount so chargeable to the Contractor be less than the advance payments made by the Contractor, the

United States shall refund the difference to the Contractor, so that when the final settlement shall have been made the Contractor will have paid its pro rata share of the cost of the reservoir as finally determined in said statement.

Storage Capacity to which Contractor will be Entitled

19. The Contractor applies for and shall be entitled to the use and benefit of, the proportionate share of the storage capacity made available by the construction of American Falls Reservoir as estimated in the statement of the Secretary of the Interior, which _____ acre-feet is to such total storage capacity in acre-feet.

Amount to be Paid by the Contractor

20. The Contractor shall pay to the United States in instalments, as hereinafter provided, the proportionate share of the total cost of American Falls Reservoir which _____ acre-feet is of the total storage capacity of the reservoir as estimated in the statement of the Secretary of the Interior, in accordance with Article 17 hereof.

First Instalment to be paid by the Contractor

21. At the time this contract is executed by the Contractor, there shall be paid by the Contractor to the United States, a first instalment hereunder consisting of Ten Cents (10¢) for each acre-foot of capacity applied for as above stated. Should this contract not be approved by the United States such payment shall be returned in full to the Contractor.

However, should the contract be approved and thereafter cancelled under Article 22 or Article 28 hereof, only that portion of such payment as may remain unexpended by the United States shall be returned to the Contractor.

Second Instalment to be Paid by the Contractor

22. Within ninety (90) days after the Contractor shall have been notified by the Secretary of the Interior, of the approval of this contract, the Contractor shall pay to the United States, as the second instalment toward the cost of the reservoir, the sum of _____

_____ Dollars, being at the rate of Two (\$2.00) Dollars per acre-foot of the storage capacity applied for by the Contractor. Should the Contractor fail to make such payment within the time specified, the Secretary of the Interior shall have the right to cancel this contract and terminate the Contractor's rights thereunder, and after such termination, the Contractor shall have no right of any sort in said American Falls Reservoir, nor any of the waters thereof.

Third and Subsequent Instalments to be Paid by the Contractor

23. The third and subsequent instalments shall be paid by the Contractor upon quarterly estimates of the amount of moneys needed for each three-months period, made by the U. S. Reclamation Service. At least Sixty (60) days prior to the beginning of the quarterly or three-months period for which such estimate is made, the U. S. Reclamation Service will notify the Contractor of the amount of money needed for use during such quarter

and at least thirty (30) days prior to the beginning of such quarter, the Contractor shall pay to the United States its pro rata share of the total amount so estimated to be needed during such three months period, the Contractor to pay the same proportionate part of each quarterly estimate which it has agreed to pay of the total cost of the reservoir, i. e., the proportionate part which _____ acre-feet is of the total capacity of the proposed reservoir as estimated by the Secretary of the Interior in the statement provided for in Article 17 hereof.

Cancellation and Damages upon Failure to make Payment

24. Should the Contractor fail to pay the third or any subsequent instalment as the same comes due under the terms of this contract, the Secretary of the Interior may, at his option, cancel the contract, and terminate all rights hereunder. The amount of damage which would result from any such default of the contractor in making any such payment involving, among other things, the consequent delay in the completion and use of the reservoir, the possible difficulties of securing funds for the completion thereof in case of such default, and the loss or extra cost per acre-foot which might result should it be necessary to change the plan and size of the reservoir after the work is begun, being uncertain, the parties hereby estimate and agree that in case of such default of the Contractor and the cancellation or termination of this contract

on that account, the damage to the United States on account of such default will be the sum of Two Dollars and ten cents (\$2.10) per acre-foot of the storage capacity proposed to be furnished for the Contractor in the reservoir, i. e., the sum of _____

Dollars; and the parties hereby agree that in case of the failure of the Contractor to pay any such subsequent instalment as agreed, the liquidated damages shall be the amount of the said first and second instalments, to wit: _____

_____ Dollars. In case of cancellation under this Article, all instalments subsequent to the second, paid by the Contractor, shall be refunded to the Contractor.

Suit upon Failure to Make Payment

25. In case of failure of the Contractor to pay any instalment under this contract, the Secretary of the Interior, instead of cancelling or terminating the contract, may at his option, continue the contract and enforce payment by foreclosure of the lien herein provided, or by other suit against the Contractor, or its bondsmen, or both.

Additional Obligation on Account of Defaulting Contractors

26. Should any party who agrees to cooperate in the construction and use of the proposed American Falls Reservoir, after signing a contract similar to this contract and making the first and second payments thereunder (a) fail to make subsequent payments and its contract be cancelled on that

account, and (b) should such default result in insufficient funds being available for carrying on the said work, and (c) should no new party or parties be found ready and willing to take over the interest of such defaulting party, and make the payments necessary to complete payments for such defaulting party's share of the reservoir, then it is agreed that the Contractor, together with all the other parties remaining in the said enterprise, will take over at the cost thereof, less the amount agreed on as liquidated damages, and pro rate among themselves in proportion to their respective interests in the said reservoir, the storage capacity intended for such defaulting party, and in the same ratio will complete the payments that should have been made by such defaulting party; Provided that any such extra capacity or rights in such reservoir so secured by the Contractor on account of the failure or default of some other party may be sold by the Contractor whenever a purchaser can be found for the same.

Security for Faithful Performance of Contract

27. As security for the payment of the sums herein agreed to be paid by the Contractor in connection with the construction of American Falls Reservoir, and for the faithful performance of the other conditions of this contract relating to said construction, the Contractor (Insert either of the following two conditions:)

1.

will give a surety bond in the sum of Ten Dollars (\$10.00) per acre-foot for the number of acre-feet named in Article 19 hereof, in form and with sureties satisfactory to the Director of the U. S. Reclamation Service, or will give other security satisfactory to said Director.

2.

hereby gives and grants to the United States a mortgage lien upon the above described ditch or canal property of the Contractor for all the sums, instalments and amounts herein agreed to be paid by the Contractor up to a maximum amount of Ten (\$10.00) Dollars per acre-foot for the number of acre-feet named in Article 19 hereof. It is understood that the Contractor is to pay its pro rata share of the cost of the reservoir as defined herein whether more or less than Ten (\$10.00) Dollars per acre-foot, but that the said Ten (\$10.00) Dollars per acre-foot is the maximum amount of the lien hereby given to secure said payments. This lien shall remain in effect until all payments herein provided for shall have been made, or this contract shall have been terminated as herein provided, and such lien may be foreclosed in the manner provided by law for the foreclosure of a mortgage: Provided, that the United States hereby consents and agrees that the

lien or mortgage hereby given to the United States upon the Contractor's ditch or canal property, shall be subordinate and secondary to the lien of any mortgage or deed of trust which may be given by the Contractor to secure the payment of money borrowed by the Contractor and paid to the United States under the terms of this contract, and the Contractor is authorized to give a lien prior and superior to the lien of the United States to secure the payment of the money so borrowed by the Contractor and actually paid to the United States to fulfill the Contractor's obligation hereunder.

Abandonment of Enterprise

28. If the said second instalment shall not be received on a sufficient number of contracts to make it feasible to build a reservoir of at least Six Hundred Thousand (600,000) acre-feet at American Falls, then at any time after the expiration of nine (9) months after the Contractor shall have been notified of the approval of this contract by the Secretary of the Interior, the said second payment of Two (\$2.00) Dollars per acre-foot, and the unexpended balance, if any, of the first payment of Ten Cents (10¢) per acre-foot will be refunded to the Contractor upon its demand and the contract thereby cancelled.

Exchange of Water by Parties Diverting above American Falls

29. The Contractor consents that whenever any party diverting above American Falls has stored water in American Falls Reservoir, and the said reservoir is in condition to hold the water until the same can be used, such party shall have the right to exchange such stored water in American Falls Reservoir for an equal amount of the stored water in Jackson Lake Reservoir, which exchange shall be made automatically without further action by such party, and shall have the right to hold over such carry-over water in Jackson Lake Reservoir instead of American Falls Reservoir, and in case of any shortage in the water supply necessary to fill Jackson Lake Reservoir to full capacity, in any following year, the party carrying over such stored water from a previous year shall have the use and benefit of the water carried over so far as necessary to fill the full share of reservoir capacity to which such party is entitled. The contractor also consents that after American Falls Reservoir shall have been completed, used for three (3) years, and found by the Secretary of the Interior, to be an efficient and successful reservoir, and as reliable a storage right as the Minidoka Project right in Jackson Lake Reservoir, then a permanent exchange may be made of storage capacity in American Falls Reservoir belonging to parties diverting above American Falls for an equal number of acre-feet of storage capacity in Jackson Lake Reservoir. It is understood that the exchange

provided for in this contract, and other similar contracts, are to be made out of the Minidoka Project's portion of Jackson Lake Reservoir in so far as the Minidoka Project right is sufficient to furnish the water required for exchanges; but should a larger amount be required for exchange, than is available from the Minidoka right, the excess of exchange required over the amount available from the Minidoka right, will be exchanged out of the rights of the North or South Side Twin Falls Projects in Jackson Lake Reservoir.

Exchange of Water by Parties Diverting below American Falls

30. The Contractor agrees that when water available for exchange purposes is stored in American Falls Reservoir, the United States may deliver to the Contractor at the outlets off American Falls Reservoir, in lieu of water which the Contractor is entitled to receive from Jackson Lake Reservoir, an equal amount of water from the American Falls Reservoir, so that the Jackson Lake water will be available for use on lands above American Falls. And the Contractor consents that a similar exchange may be made with any other party to a contract of this nature diverting below American Falls who has rights in Jackson Lake Reservoir.

Furnishing of Water to Contractor

31. Each year after the American Falls Reservoir shall have been completed, or shall be sufficiently near completion to permit the storage of water therein, the United States will furnish the Contractor in said reservoir, the Contractor's proper-

tionate share of the water actually available therein, that is, an amount of water equal to the proportionate part of the stored water actually available from American Falls Reservoir, that _____ acra-feet is of the total capacity thereof as estimated by the Secretary of the Interior in the statement provided for in Article 17 hereof; together with an amount equal to the Contractor's proportionate share of the water available from any capacity which may have been taken over from a defaulting party as provided in Article 28 hereof, if paid for by the Contractor and not assigned; Provided, that the Contractor order and pay for the same in the manner herein agreed; or if the same is not ordered out by the Contractor the United States will hold it over in American Falls Reservoir subject to provisions of Article 34 hereof and such regulation as the engineer in charge may deem necessary for the safety or repair of the reservoir.

Officer in Charge of Distribution of Water

32. The distribution of the water after it is turned out of ~~Jackson Lake~~ ^{American Falls} reservoir will be in charge of the proper State officer or other officer, charged by law with the distribution of stored water from Snake River and the regulation of headgates for such purpose.

Ordering Water from United States Officer

33. The water to be delivered to the Contractor under the provisions of this contract shall be turned out of ~~Jackson Lake~~ ^{American Falls} Reservoir as ordered by the Contractor, at a rate not in excess of the Contractor's pro rata share of the outlet capacity of the reservoir, provided the United States be notified by the Contractor of the times and rates of delivery desired, in abundant time to enable it to transmit the proper instructions to its agent in charge of the dam and storage reservoir, and in any event, at least three (3) days prior to the time that delivery is to begin or any change in the rate of delivery is to be made.

Ordering of Water from State or Other Officer

34. Instead of notifying the United States of the amount of water to be turned out each day for the Contractor, the Contractor may, if it so desires, notify the State officer, or other officer in charge of the distribution of stored water from Snake River of the amount of flow, or number of second-feet which it desires to maintain in its canal during the various periods of the irrigation season and authorize or allow such officer to order out the amount of stored water which in his judgment will be required to maintain the desired flow in the Contractor's canal, and in that event the said officer will be regarded as the Contractor's agent for the purpose of ordering the stored water. Should the Contractor divert water from Snake River to which it is not entitled and which rightfully belongs to another, when there is stored water flowing in the river, then and by that event, it authorizes the officer of the United States in charge of the reservoir and the said officer in charge of the distribution of the stored water, to deduct the amount of such wrongful diversion from the supply of stored water to which the Contractor would otherwise be entitled.

Point of Delivery of Water and Losses in Transit

35. The stored water to which the Contractor is entitled will be delivered and measured to the Contractor at the outlets of American Falls Reservoir, and the Contractor will stand its pro rata share of any losses which may occur between the American Falls Reservoir and the headgates of the Contractor's canal.

Shortage of Water

36. Should there ever, in any year, be such a shortage in the flow of Snake River available for storage in American Falls Reservoir, that such flow available for storage, together with any surplus held over in said reservoir from previous years, is insufficient to fill the reservoir to full capacity, then in such year any party entitled to water from said reservoir, who shall have conserved and held over in said reservoir from the previous year any part of the water which such party was entitled to have received during such previous year, shall be entitled to the use and benefit of the water so held over by such party to the extent that such hold-over water may be necessary to complete the filling of such party's pro rata share of the reservoir capacity.

Complaints regarding Water Supply

37. The United States, and its agents in charge of American Falls and Jackson Lake reservoirs will use their best efforts and best judgment to deliver and turn out for each of the several parties entitled to receive water from the said reservoirs, its correct and proper share of the water actually available from said reservoirs, and should the Contractor, or any of its shareholders or water right holders at any time feel aggrieved on account of any alleged shortage in the water supply delivered hereunder, or any alleged mistakes or inaccuracies in the division of the water among the parties entitled to receive water from said reservoirs, such party shall, at once, report to the officer of the United States in charge of said reservoirs such alleged shortage, or error in the division or delivery of the water, and such officer shall promptly investigate any such complaint, and if he finds that the proper proportionate share of the available stored-water supply to which such party is entitled is not being delivered for such party, he will correct the delivery so that the correct proportionate share as nearly as practical, to which such party is entitled, will be delivered to or for such party at the point of delivery herein provided; and if dissatisfied with the decision of such officer, such party may apply to the Court for an order for the correction of any alleged error in the delivery or division of the waters of the said reservoirs, but neither the United States nor its officers or agents shall be liable in damages on account of any such alleged shortage or mistake in the delivery or division of the waters of the said reservoirs.

Distribution of Water under Warren Act Required

38. The Contractor agrees to distribute the amount of stored water furnished to it under this contract in full compliance with the provisions of Section 2 of the Act of Congress of February 21, 1911 (36 Stat., 925), known as the Warren Act.

Advance Payment for Operation and Maintenance

39. The cost of operation and maintenance of the American Falls reservoir shall include all cost and expense of whatsoever nature or kind in connection with, growing out of, or resulting from the operation, maintenance and betterment of the said reservoir, and shall be determined and paid in the following manner: On or before the first delivery of stored water during the first season that water is available for delivery from the American Falls Reservoir and on or before April 1st of each year thereafter, the United States shall furnish the Contractor an estimate of the cost to be incurred during that calendar year for the above named operation and maintenance of the American Falls Reservoir, and during the said first season on or before thirty (30) days after the date of delivery of said estimate and each year thereafter on or before May 1st, following the delivery of said estimate, the Contractor shall pay

the United States its proportionate share (in the proportion that its share of the reservoir capacity is of the total capacity as said share and total are determined and defined in Articles 17, 19, and 26 hereof) of said estimated cost, Provided that, after the permanent exchange of reservoir capacity provided for in Article 29 hereof, if any part of the Contractor's right in Jackson Lake Reservoir be so exchanged, the Contractor shall pay an additional proportionate share of the cost of operation and maintenance of the American Falls Reservoir instead of the Jackson Lake Reservoir, to the extent of the amount or portion of Jackson Lake Reservoir capacity which may have been permanently exchanged as aforesaid.

Advance Payment for Distribution of Stored Water

40. The cost of distribution of stored water from the American Falls Reservoir shall include all cost and expense of whatsoever nature or kind in connection with, growing out of, or resulting from the distribution of stored water from said reservoir including the protection of said stored water between said reservoir and the headgates of the parties entitled to such water, and the prevention of the diversion of said water by parties not entitled thereto and shall be determined and

paid in the following manner: On or before the first delivery of stored water during the first season that water is available for delivery from said reservoir, the United States shall furnish the Contractor an estimate of the cost and expense to be incurred during that calendar year for the above named distribution of stored water; and during said first season on or before thirty (30) days after the date of delivery of said estimate, the Contractor shall pay the United States its proportionate share (i.e. the proportion that its share of the reservoir capacity is of the total capacity as determined and defined under the provisions of Articles 19 and 23 hereof) of said estimated cost and expense. On or before April 1st of each year after the first delivery of stored water, the United States shall furnish the Contractor with a statement of the total number of acre-feet of stored water delivered from said American Falls Reservoir during the preceding season to or for the parties entitled to receive water therefrom and the number of acre-feet of stored water so delivered for the Contractor from said reservoir, and the United States shall also furnish the Contractor an estimate of the cost and expense to be incurred during the calendar year, then current, in the above named distribution of stored water, and on or before May 1st of each

year after the year of the first delivery of stored water from said reservoir the Contractor shall pay the United States its proportionate share (in the proportion that the number of acre-feet of stored water delivered from said reservoir for the Contractor during the preceding season is of the total number of acre-feet of stored water delivered from said reservoir to or for all the parties entitled to receive water therefrom during said preceding season) of said estimated cost and expense.

Change in Division of Distribution Costs from Jackson

Lake Reservoir

41. Should all the parties now holding rights in the Jackson Lake Reservoir consent to a change in the present method of dividing the cost and expense of distribution of stored water therefrom, then the said cost and expense shall be divided in proportion to the amounts of water delivered therefrom to the several parties in a manner similar to the method provided herein for dividing the cost and expense of the distribution of stored water from the American Falls Reservoir, and it is agreed that by signing this contract any party now holding rights in the Jackson Lake Reservoir consents that said cost and expense shall be so divided.

Adjustment to Actual Instead of Estimated Cost of
Operation and Maintenance of the Reservoir
and Distribution of Stored Water

42. On or before April 1st of each year the United States shall furnish the Contractor a statement of the actual cost and expense of said operation and maintenance of the reservoir, and distribution of stored water during the preceding year, including the items mentioned in Articles 39 and 40, and within thirty (30) days after the delivery of said statement the Contractor shall pay to the United States, or the United States shall refund or credit to the Contractor, a sufficient amount of money so that the total amount paid by the Contractor to the United States as finally adjusted for each year's operation and maintenance of the reservoir and distribution charges shall be its proportionate share as defined in Articles 39, 40, and 41 hereof, of said actual cost and expense as shown by said statement.

Interest on Past Due Charges

43. Any and all charges, both for construction and for operation, maintenance and distribution herein agreed to be paid by the Contractor to the United States, if not paid when due shall bear interest from and after the date that the same come due until paid, at the rate of ten (10%) per cent per annum.

Lien to Secure Past Due Charges

44. All charges referred to in Article 43 shall be and remain a lien on the Contractor's share or interest in the American Falls Reservoir until paid or until the contract is cancelled or terminated by the Secretary of the Interior as herein provided, and such lien may be foreclosed in the manner provided by law for the foreclosure of a mortgage.

Withholding of Water When Charges Remain Unpaid

45. No water need be turned out or delivered from _____ for the Contractor during any year until all charges herein provided to be paid by the Contractor prior to that time, shall have been paid.

Future Enlargement of American Falls Reservoir

46. Should the American Falls Reservoir be constructed of insufficient capacity to store and control the full water supply available for storage at the American Falls site, the United States reserves the right at some future time, at its own cost and expense, or with funds advanced by other parties who may desire to cooperate in such enlargement, to enlarge the reservoir and to use or dispose of the additional capacity and additional water supply made available by such enlargement, in which event the contractor shall have no right or interest in the additional water or capacity made available by such enlargement; Provided, that should such additional capacity cost less per acre-foot, as estimated and stated by the Secretary of the

Interior after the completion of the enlargement, than the capacity in the original reservoir, then the Contractor shall be given such credit or rebate as will reduce the cost of the Contractor's share in the reservoir to the average cost per acre-foot of the entire reservoir, including such enlargement.

Advisory Board

47. The various parties contracting with the United States for the construction of the American Falls Reservoir shall select an advisory board of seven members, in the election of which the several parties shall vote in proportion to the number of acre-feet of water contracted for by such, in manner similar to the election of directors of private corporations under the laws of Idaho. This board shall act in an advisory capacity in representing the contracting parties in conferences with officers of the United States concerning the various important questions which may arise from time to time in connection with the construction and use of the American Falls Reservoir; Provided, that no one contractor shall have more than one representative or member on said board.

Successors and Assigns bound by Contract

48. This contract shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.

Member of Congress Clause

49. No Member of or Delegate to Congress, or Resident Commissioner, after his election or appointment, or either before or after he has qualified and during his continuance in office, shall be admitted to any share or part of this contract or agreement, or to any benefit to arise thereupon. Nothing, however, herein contained shall be construed to extend to any incorporated company, where such contract or agreement is made for the general benefit of such incorporation or company, as provided in section 116 of the Act of Congress approved March 4, 1909 (35 Stat., 1109).

IN WITNESS WHEREOF, the parties have hereunto attached their names and seals the day and year first above written.

UNITED STATES OF AMERICA

by _____

ATTEST: _____

by _____
President

Secretary

(corporate seal)

APPROVED _____

THIS SUPPLEMENT TO AN ORDER OF PROBATE NO. _____ MADE, FOR
 STATE OF IDAHO _____ }
 COUNTY OF _____ } ss.

On this _____ day of _____
 _____, before me

and authorized by its business in the State of Idaho,
a Notary Public, personally appeared

known to me to be the _____ of the
_____ of the _____,
corporation that executed the within instrument, and acknowledged
the foregoing document, provided that the said attorney
to me that such corporation executed the same.

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

Notary Public

(SEAL) This is to certify that _____
Residing at:
My commission expires

(appropriate resolution of Board of Directors to be attached)

1923 Deeds

Those two certain power plants at American Falls, Power County, State of Idaho, known as Island Power Plant and the West Side Plant, except as to those certain water rights otherwise provided for in that certain contract between the United States of America, acting for that those by Hubert Work, Secretary of the Interior, and Idaho Power Company, a corporation, dated 15th day of June, 1923, which said contract has been placed of record in the office of the order of the said County of Power, State of Idaho, together with the following described tracts and on which said plants are located, to-wit:

The following described parcel of land situated in Lot 5, Sec. 31, T. 7 S., R. 31, E. B.M., beginning at a point on the low-water line, on the West bank of Snake River where the continuation (in a straight line) of the North boundary line of lot five of section thirty-one, Township seven south of Range thirty-one east of Boise Meridian, would intersect the said low-water line on the West bank of Snake River; thence west along said north boundary line of said lot five for a distance of 211.5 feet to a stake on the south boundary line of the right of way of the Oregon Short Line Railroad; thence westerly along the south boundary line of said right of way, for a distance of 270 feet to a stake; thence South 43° 14' East for a distance of 386 feet; thence due West to the intersection of the low-water line on the west bank of Snake River; ~~thence along the low-water line on the west bank of Snake River;~~ thence along the low-water line on the said west bank of said Snake River, following the meandering thereof, to the point of beginning; containing about two acres, more or less, reserving to the Company from said property in said lot five, rights of way and easements for occupancy and use by the Company for the purpose of erecting, operating and maintaining electric transmission lines, and structures and equipment appurtenant thereto for substation, sectionalizing and switching purposes, said rights of way and easements, including the right of ingress and egress over the property of the United States, to be located as mutually agreeable to the United States and the Company.

Also the following described piece or parcel of land situated in Lot 12 of Section 30 Township Seven (7) South, Range Thirty-one (31) East of the Boise Meridian, commencing at a point on the west bank of the Snake River where the easterly boundary line of the right of way of the Oregon Short Line Railroad Company intersects the said bank of Snake River; thence running along the bank of said Snake River in a southerly direction for a distance of eighty feet; thence in a straight line in a westerly direction to the intersection of the east boundary line of said railroad company's right of way one hundred and seventy-five feet; and thence along the easterly boundary line of said railroad right of way to the place of beginning.

Also the following described tract of land lying in the river channel of Snake River between Lots 4 and 12, of Section 30, T. 7 S., R. 31 E.B.M. Beginning at a point where the South boundary of Lot 14, Block 20 of the Original Townsite of American Falls intersects the west boundary of Lot 4, Sec. 30, T. 7 S., R. 31 E.B.M., thence in a northerly direction along said west boundary of Lot 4 to the northwest corner of said Lot 4, thence in a straight line across the channel of Snake River to the northeast corner of Lot 12, Sec. 30, T. 7 S., R. 31 E.B.M., thence in a southerly direction along the east boundary of said Lot 12 to the southeast corner of said Lot 12; thence in an easterly direction along the south boundary of said Sec. 30 to a point where a due north and south line, through a point 25 feet due east from the southeast corner of what is known as the Island Plant power house belonging to the Company, intersects the south boundary of said Sec. 30; thence due north to the center line of the Oregon Short Line Railroad as now located; thence in a straight line in a northwesterly direction to the point of intersection of the east toe of the intake to the said Island Plant with the downstream toe of the Company's American Falls Dam; thence along the toe of the east face of the east pier or abutment wall of the headworks of said Island plant to the upstream toe of the Company's said American Falls dam; thence southeasterly along the upstream toe of that portion of the Company's said American Falls dam which the United States will retain to the easterly toe of the division dam to be constructed by the United States between the westerly end of that portion of the Company's dam which the Company will retain and the proposed American Falls reservoir dam (referred to in Paragraph 15 of the aforementioned contract between the parties hereto, dated June 15, 1923; thence in a straight line in an easterly direction to the point of beginning, and all rights of the Company in the tailrace from said Island and West Side plants; and the United States shall have and there is granted to the United States the right of ingress and egress for pedestrian traffic over the Company's wood-steel bridge leading from the east bank of Snake River to the said Island Plant, so long as said bridge may be maintained by the Company, reserving to the Company, and the Company shall have the right and easement of junction, tie, abutment, and support of the portion of the Company's American Falls dam to be retained by it to the portion of said dam to be conveyed to the United States and to the headworks of said Island Plant and to said division dam to be constructed by the United States between the portion of the Company's dam to be retained by it and the proposed American Falls reservoir dam; reserving further to the Company the west portion of the Company's dam as described and with the limitations contained in Paragraph 9 (c) of the aforementioned contract between the parties hereto, dated June 15, 1923, and reserving further to the Company and the Company's said wood-steel bridge upon the property adjacent to said Island Plant; and reserving further to the Company and the Company shall have the rights and easements of flowage and pondage on and over the premises conveyed to the United States under the said contract dated June 15, 1923, and lying south of the down stream toe of the proposed American Falls dam described in said contract and east of the proposed division dam also described therein, and the headrace or works of said Island Plant for the purpose of utilizing the Company's water rights and rights to the use of water; and further reserving to the Company, and the Company shall have the easement and right to waste and discharge such water over said lands lying south of the downstream toe of the proposed American Falls dam and east of said division dam and the head race works of said Island Plant, and through and over the Company's American Falls dam and works and along and against the works and property of the United States.

TOGETHER WITH All and singular the tenements, hereditaments and appurtenances thereunto belonging or appertaining, the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

Excepting, however, and there is hereby retained and reserved to the Grantor, from the rights of the Company and Grantor herein otherwise conveyed in and to that portion of the above described property located within what is known and referred to as the American Falls reservoir in that certain contract between the parties hereto, dated June 15, 1923, hereinbefore referred to, the right to store, hold and impound water upon said property, out of

the water rights, water appropriations, permits and rights to the use of water held by the Company and Grantor, whether acquired before or after the execution of this indenture, to the extent specified in said contract, and subject to the terms thereof.

The Company, Grantor herein, warrants the title of all the above property as against liens or encumbrances created, granted, or imposed by the Company or The Company's public utility predecessors, and warrants the property described herein against taxes and taxes levied or assessed against the interest of the Grantor in said premises.

It is expressly agreed and understood between the parties hereto that the rights retained by the Company under said contract of June 15, 1923, and excepted from this conveyance are deemed necessary or convenient for the maintenance, operation, use and enjoyment of property owned and retained by the Company, and this deed is made pursuant to the provisions of said contract and shall be construed in harmony with the intent of the parties as set therein but it is also expressly understood and agreed that the rights and property saved and reserved to the Company under this deed shall be deemed and considered an exception to the grant and nothing in this conveyance shall ever be construed or deemed to constitute an implied grant or a re-grant from the United States to the Company of any right or easement expressly saved or excepted from this conveyance or otherwise reserved for the use and benefit of the Company, and any rights or easements saved or excepted to the Company from this conveyance shall pass by assignment or conveyance from the Company to its successors and assigns, and such successors and assigns shall take with notice of, and subject to, any rights the United States may then have under said contract of June 15, 1923, between the parties hereto.

TO HAVE AND TO HOLD the same, unto the United States, Grantee, and to its successors and assigns forever.

IN WITNESS WHEREOF, Said Company, Grantor herein, has caused its corporate name to be hereunto subscribed by its President, its corporate seal affixed, attested by its Secretary the day and year first above written.

(CORPORATE SEAL)

ATTEST: A. J. Priest, Secretary.

STATE OF IDAHO)
COUNTY OF ADA) ss.

IDAHO POWER COMPANY,

BY T. F. Johnson, President.

On this 22nd day of June, in the year 1923, before me, M. E. Hughes, a Notary Public in and for the State of Idaho, personally appeared F. F. Johnson, known to me to be the President of the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

(NOTARIAL SEAL)

M. E. HUGHES, Notary Public,
Residing at Boise, Idaho.

Recorded at request of Barry Dibble, at 4:20 P.M. July 7, 1923, in Book 46, Page 442.

Instrument No. 31020

THIS INDENTURE made this 22nd day of June, in the year of our Lord, One Thousand Nine Hundred and Twenty-three between the IDAHO POWER COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Maine, and authorized to do business in the State of Idaho, party of the first part, and hereinafter designated and referred to as "Grantor," and the UNITED STATES OF AMERICA, party of the second part, hereinafter designated and referred to as the "Grantee,"

WITNESSETH: That the said Grantor for and in consideration of the sum of One Dollar to it in hand paid in pursuance of the provisions of the Act of Congress of June 17, 1908 (32 Stat. 388) receipt whereof is hereby acknowledged, and other valuable considerations, has granted, bargained and sold, and by these presents does grant, bargain, sell, convey and confirm unto said Grantee and to its assignees and successors in interest forever, all of the Grantor's rights, title and interest, excepting the rights hereinafter expressly retained and excepted, in and to the following described property; situated in Power County, State of Idaho, to-wit:

Lots 1, 2, 3, 4 and 5 in Block 19, and Lots 13 and 14 in Block 20 of the Original Town site of American Falls, not including, however, and saving and excepting from the conveyance of said Lots 13 and 14 all parts of said Lots under Snake River or in the bed thereof, and all flowage, raparian and pondage rights required for the occupancy, operation and maintenance of the property, dam and works, of the Grantor; it is understood, however, that in the event the Grantor, upon the payment of the second installment under that certain contract between the Grantor and Grantee dated June 15, 1923, conveys to said Grantee the property described in Paragraph 9 (b) thereof, nothing herein contained shall in any way limit or restrict such conveyance insofar as it may convey any part of said Lots 13 and 14 under Snake River or in the bed thereof.

Lots 16, 17, 18, 19 and 20, Block 3, Riverside Addition to American Falls.
Lots 17, 18, 19, Block 6, Riverside Addition to American Falls.
Lots 20, 21, 22, 23, 24, 26, 27 Block 7, Riverside Addition to American Falls.
Lots 23 to 29, inclusive, Block 14, Riverside Addition to American Falls.
Lots 25 to 30, inclusive, Block 16, Riverside Addition to American Falls.
Lots 28, 29 & 30, Block 22, Riverside Addition to American Falls.
Lots 24 to 38, inclusive, and 37-1/2, Block 30, Riverside Addition to American Falls.
Lots 1 to 18, inclusive, Block 31, Riverside Addition to American Falls.
Lots 9 to 22, inclusive, Block 28, Riverside Addition to American Falls.
Lots 5 to 14, inclusive, Block 43, Riverside Addition to American Falls.
Lots 1, 2, 3 and 4, Block 44, Riverside Addition to American Falls.
Lots 9 to 16, inclusive, and 23, 24 and 25, Block 54, Riverside Addition to American Falls.

That part of Lots 25, 26 and 27 of Block 23, Riverside Addition to American Falls lying west of a line parallel with and 95 feet west of east line of Lot 24 of said Block.

Block 56 to 60 inclusive, of Riverside Addition to American Falls, being described as, Commencing at a point on the left bank of Snake River from whence the Southeast corner of Section 19, Township 7 South, Range 31 East, Boise Meridian, bears South 8 degrees, 23 minutes East 3269.1 feet; thence South 11 degrees, 42 minutes West 202.3 feet; thence South 64 degrees, 46 minutes East 296.7 feet; thence South 52 degrees, 29 minutes East 157.6 feet; thence South 27 degrees, 42 minutes East 135.4 feet; thence South 12 degrees, 11 minutes East 90 feet; thence South 6 degrees, 42 minutes West 231.6 feet; thence South 34 degrees, 03 minutes West 350 feet; thence South 27 degrees, 45 minutes West 386.5 feet; thence South 30 degrees, 40 minutes West 200 feet; thence South 44 degrees, 07 minutes West 602 feet; thence North 40 degrees, 32 minutes, West 279.2 feet to a point on the left bank of the Snake River thence up stream along said left bank of Snake River to the place of beginning. The meander line of said bank from the point last above described being substantially as follows; North 25 degrees, 24 minutes West 891.6 feet; thence North 56 degrees, 49 minutes West 418 feet; thence North 66 degrees, 56 minutes West 1151.8 feet; thence North 38 degrees, 36 minutes West 296.8 feet; thence North 21 degrees, 13 minutes, East 679 feet; thence South 89 degrees, 37 minutes East 451.2 feet; thence South 57 degrees, 12 minutes East 668.6 feet; thence South 74 degrees 23 minutes East 499.2 feet; thence North 87 degrees, 46 minutes East 816.7 feet; thence South 64 degrees, 49 minutes East 163.3 feet to the place of beginning, comprising 89.09 acres, more or less.

A parcel of land situated in Lot 12, Sec. 30, T. 7 S., R. 31 E.B. M., beginning at a point on the west bank of Snake River, north of the Oregon Short Line Railroad, and one hundred feet from the center of the track of said railroad, at the westerly end of the bridge across the Snake River, and at right angles to the center line of said bridge; thence in a southwesterly direction, following the line of the right of way of said railroad, one hundred feet from the center of the track as it now lies, for five hundred thirty-three and 3/10 feet (533.3); thence North 0 degrees and 20 minutes East one thousand feet to a line parallel with the center line of the wagon bridge across the Snake River, and thirty-three feet South of said center line; thence north eighty-five degrees and forty minutes East one hundred and two and 6/10 (102.6) feet to the bank of Snake River; thence South twenty-six degrees and thirty minutes East eight hundred and fifty feet to the place of beginning, containing six and 53/100 (6.53) acres, more or less.

All of that part of Lot 12, Section 30, Township 7 South, Range 31 East, Boise Meridian, described as follows, to-wit: Commencing at a point on the North line of Lot 12, Section 30 T. 7 S., R. 31 E.B.M., which said point bears North 58 degrees, 46', East 2592.6 feet from the SW corner of said Section 30, thence South 0 degrees 20' West 243 feet more or less to the NW corner of that certain tract of land lying in said Lot 12, Section 30, North of the Oregon Short Line right of way, which said tract of land was conveyed to the Idaho Consolidated Power Company by A. H. Tarbet in a quit claim deed, dated August 23, 1904, said deed being recorded on September 13, 1904, in Book 53 of Deeds at Page 47 of the records of the County Recorder of Blaine County, Idaho, thence North 85 degrees 40' East 102.6 feet, more or less, along the north line of the above described tract of land conveyed by A. H. Tarbet to the Idaho Consolidated Power Company to the low water line of the west bank of the Snake River; thence northerly along the said low water line of the said west bank of the Snake River to its intersection with the north line of said Lot 12, Section 30, thence South 89 degrees, 30' West 108 feet, more or less along the said North line of said Lot 12 Section 30, to the place of beginning, comprising 0.71 acres, more or less.

All that part of Lot 9, Section 30, Township 7 South, Range 31 East, Boise Meridian, described as follows: Commencing at a point on the North line of Lot 9, Section 30, T. 7 S. R. 31 E.B.M., which said point is North 89 degrees 41' East 1065 feet from the W 1/4 corner of Section 30, thence South 30 degrees, 19' East 553 feet to a point, thence South 75 degrees 8' East 813.7 feet to a point, thence South 0 degrees 18' East 187 feet to a point; thence North 89 degrees 41' East 94 feet to a point; thence South 0 degrees 20' West 444 feet to a point on the South line of said Lot 9, Section 30, thence North 89 degrees 30' East 107 feet more or less along said South line of said Lot 9, Section 30, to the low water line of the West bank of Snake River, thence northerly along the said low water line of the said west bank of the Snake River to an intersection with the north line of said Lot 9, Section 30, thence South 89 degrees, 41' West 646 feet more or less, along the said North line of said Lot 9, Section 30, to the place of beginning, comprising 7.73 acres, more or less.

Lots 5 and 8 in Section 30, Township 7 South, Range 31 East, Boise Meridian, comprising, according to the government plat thereof, approximately 66.26 acres, more or less.

Lots Seven (7), Eight (8), Twelve (12), Thirteen (13) and Fourteen (14) in Section Nineteen (19), Township 7 South Range 31 East, B. M.

Lots 9 and 10 and E-1/2 of the SW 1/4 of Section 19, Township 7 South, Range 31 East, Boise Meridian, comprising 118.27 acres.

Lots 5 and 6 in Section 19, Township 7 South, Range 31 East, Boise Meridian, comprising 87.61 acres.

Lots One (1) and Four (4) in Section Thirteen (13) Township 7 South, Range 30 East, Boise Meridian.

The W 1/2 of the SE 1/4 of Section 18; and Lots 4, 5, 6, 7, 11 and 15 in said Section 18, Township 7 South, Range 31 East, Boise Meridian, (said lot 15 being also otherwise described as the SE 1/4 of the SE 1/4 of said Section 18) comprising in all 264.95 acres.

Lots One (1), Two (2), Three (3), Eight (8), Ten (10), Twelve (12) and Thirteen (13) in Section Eighteen (18) in Township 7 South, Range 31 East, Boise Meridian.

Lot One (1), Northeast Quarter (NE 1/4) and the Northwest Quarter (NW 1/4) East Half of the southwest quarter (E 1/2 SW 1/4) Northwest Quarter (NW 1/4) and that certain parcel of land described as follows, to-wit: Commencing at the Northwest corner of the SE quarter (SE 1/4) of Section 17, Township 7 South, Range 31 East, Boise Meridian, thence South 89 degrees, 33' East 2863 feet along the East and West center line of said Section 17 to a point, thence South 1 degree, 07' East 545 feet to a point; thence North 89 degrees 33' West 1074.7 feet to a point; thence North 1 degree, 09' West 165 feet to a point; thence North 8 degrees 53' West 405.09 feet to a point; thence South 77 degrees 39' West 428.64 feet to point; thence South 48 degrees 14' West 431.13 feet to a point on the North and South center line of said Section 17; thence North 1 degree, 10' 30" West 630 feet along the North and South center line of said Section 17, to the point of beginning, comprising 24.03 acres more or less, all in Section 17, Township 7 South, Range 31 East, Boise Meridian.

Lot 8, in Section 7, South, Range 31 East, Boise Meridian, comprising 31.70 acres.
 Lot 9 in Section 7, Township 7 South, Range 31 East, Boise Meridian, comprising 14.77 acres.

All of that part of Lot 7, in Section 7, Township 7 South, Range 31 East, Boise Meridian, described as follows: Commencing at a point on the East line of Section 7, Township 7 South, Range 31 East, Boise Meridian, ~~where said point is South 1 degree, 22' East~~, Boise Meridian, which point is South 1 degree, 22' East 580 feet from the ~~the~~ corner of said Section 7; thence South 73 degrees 38' West 620 feet to a point; thence South 43 degrees 52' West 709.6 feet to a point on the South line of Lot 7, Section 7; thence South 88 degrees 53' East 450 feet, more or less, along the said South line of said Lot 7, Section 7, to the low water line of the West bank of Snake River; thence Northeasterly along the said low water line of the West Bank of the Snake River to its intersection with the east line of the said Section 7; thence North 1 degree, 22' West 162 feet more or less along the said east line of said Section 7, to the place of beginning, comprising 6.56 acres, more or less.

Lot One (1) in Section Seven (7) Township 7 South, Range 31 East, Boise Meridian.
 Lots One (1) Two (2) Three (3) and Four (4), Southeast quarter (SE $\frac{1}{4}$) Southeast quarter of the Southwest quarter (SW $\frac{1}{4}$ SW $\frac{1}{4}$), Southeast Quarter of the Northeast Quarter (SE $\frac{1}{4}$ NE $\frac{1}{4}$) and the certain parcel of land particularly described as follows: Commencing at a point on the North line of Section 8, Township 7 South, Range 31 East, Boise Meridian, which said point is South 1 degree, 12' East 594 feet from the North quarter corner of said Section 8; thence South 58 degrees 56' West 387.6 feet to a point; thence South 0 degrees 44' East 316 feet to a point; thence South 45 degrees, 00' West 459.6 feet to a point; thence South 15 degrees 24' East 602.6 feet to a point; thence South 45 degrees, 45' West 1074.9 feet to a point; thence South 70 degrees 21' West 1428.4 feet, more or less to a point on the West line of said Section 8, which point is South 1 degree, 22' East, 3238.0 feet from the Northwest corner of said Section 8, thence South 1 degree, 22' East 162 feet more or less along said West line of said Section 8 to its intersection with the low water line of the North bank of Snake River; thence easterly along said low water line of said North bank of Snake River to a point where it intersects the North and South center line of said Section 8; thence North 1 degree 12' West 2049 feet more or less along said North and South center line of said Section 8 to the point of beginning, comprising 57.16 acres, more or less; all in Section 8, Township 7 South, Range 31 East, Boise Meridian.

Lots One (1) and Two (2); Northwest Quarter (NW $\frac{1}{4}$, Southwest Quarter (SW $\frac{1}{4}$) Southeast quarter (SE $\frac{1}{4}$) South half of the Northeast quarter (S $\frac{1}{2}$ NE $\frac{1}{4}$) all in Section Nine, Township 7 South, Range 31 East, Boise Meridian.
 Lot One (1) Southwest quarter (SW $\frac{1}{4}$) South half of the Northwest quarter (S $\frac{1}{2}$ NW $\frac{1}{4}$), Northeast quarter of the Northwest quarter (NE $\frac{1}{4}$ NW $\frac{1}{4}$), Northeast quarter (NE $\frac{1}{4}$) all in Section ten (10) and Township 7 South, Range 31 East, Boise Meridian.
 All of that part of the Northwest quarter of the Northwest quarter (NW $\frac{1}{4}$ NW $\frac{1}{4}$) of Section Eleven (11), Township 7 South, Range 31 East, Boise Meridian, Idaho; described as follows, to-wit: Commencing at the Northwest corner of Section 11, Township 7 South, Range 31 East, Boise Meridian, thence South 89 degrees, 32' East 860 feet along the North boundary line of the said Section 11 to a point; thence South 27 degrees 32' West 1071.7 feet to a point; thence North 89 degrees 32' West 340 feet to a point on the West boundary line of the said Section 11, thence North 1 degree 28' West 955 feet along the said West boundary line of the said Section 11 to the place of beginning, comprising 13.06 acres, more or less.
 Lot One (1) in Section Five (5) Township 7 South, Range 31 East, Boise Meridian.
 Lots One (1) and Two (2) in Section Four (4) Township 7 South, Range 31 East, Boise Meridian.
 Lots Three (3), Four (4), Five (5) and Six (6), the South half of the Northwest quarter (S $\frac{1}{2}$ NW $\frac{1}{4}$), and all that part of the East half of the Southwest quarter (E $\frac{1}{2}$ SW $\frac{1}{4}$) described as follows: Commencing at the Northeast corner of Lot Five (5) of Section Two (2), Township 7 South, Range 31 East, Boise Meridian, thence South 0 degrees, 09' East 1605 feet more or less along the East line of said Lot 5 to its intersection with the low water line of the said East Bank of Snake River; thence southerly along said low water line of said East Bank of the said Snake River to its intersection with the East line of Lot Six (6) of said Section 2, Township 7 South, Range 31 East, B. M., thence South 0 degrees 09' East 345 feet more or less along said East line of said Lot 6 to a point; which said point is 617 feet North 0 degrees 09' west from the Southeast corner of said Lot 6, thence North 41 degrees 51' East, 1977.1 feet to a point on the North and South center line of said Section 2, thence North 0 degrees, 11' West 530 feet along said North and South center line of said Section 2 to its intersection with the East and West center line of said Section 2; thence North 89 degrees 54' West 1522.3 feet along said East and West center line of said Section 2 to the place of beginning, comprising 38.29 acres, more or less, all in Section 2, Township 7 South, Range 31 East, Boise Meridian.

Southwest quarter (SW $\frac{1}{4}$) of Section Thirty-five (35) Township 6 South, Range 31 East, Boise Meridian.
 That certain release, given by Philbrick and Greenwood on January 29, 1915, to the Southern Idaho Water Power Company and its successors, from all damage or claims of any kind for injury done to Lots 3, 8, 9, 10, 11 and 12 in Block 20 of the Original Townsite of American Falls by reason of the construction or completion of a dam or weir across the Snake River above American Falls and the maintenance thereof when completed to the height of that portion then constructed according to the plans of said Company.

That certain release, made and executed by W. B. Grabaugh, Bessie Grabaugh and Charles Jonathan Berdan on October 23d, 1917, to the Grantor herein, and its successors in interest from all claim or damage in connection with Lots 21 and 22, Block 37, of Riverside Addition to American Falls, by reason of the construction, maintenance or operation of a concrete dam across Snake River near American Falls at a height of approximately 4291.579 feet with flash boards or impounding devices so as to raise the waters of Snake River to a height of 4296.579 feet.

That certain release made and executed by Minnie Schmidt, Charles Schmidt and William Schmidt, on January 29, 1915, to the Southern Idaho Water Power Company and William T. Wallace and their successors and assigns in interest, from all claims or damage by reason of flooding a portion of certain lots in Block 20 and a portion of Lots 25, 26, 27, 28 and 29 in Block 23 of Riverside Addition to the Townsite of American Falls, Idaho, due to the construction of a dam in Snake River near American Falls, provided the high water line in said River at or on said lots does not reach a height of more than 6 feet above the top of such dam or at an elevation of 106, using the top of said dam as elevation 100. The portion of said lots in Block 30 and Block 23, Riverside Addition to American Falls hereinbefore referred to is more particularly described as follows: All that part of said lots lying to the West of a line across the same

which the Southeast corner of Lot 24 of said Block bears North 89 degrees 34' West 131.10 feet, thence North 23 degrees, 47' east 71.9 feet to a point; thence North 6-degrees 56' East 47.6 feet to a point; thence North 43 degrees 49' East 37.87 feet to a point on the North line of Lot 25 of said Block 23; thence South 89 degrees 34' East 29.6 feet along the North line of Lot 25 of said Block 23 to a point; thence South 3 degrees 25' East 22.6 feet to a point; thence South 68 degrees East 20.9 feet to a point; thence North 1 degree 37' East 30.3 feet to a point in the North line of said Lot 24 of said Block 23, which is 7.3 feet North 89 degrees 34' West from the Northeast corner of Lot 24 of said Block 23. Said line is intended to describe a course across said lots which is the intersection of plane at the elevation of 6 feet above said dam with the surface of the ground on said lots, and it is further understood that said plane is at a height of 1 foot and 3 inches below the level of the floor of the main laundry building now on the said lots as the same is now constructed.

A right of way and easement across Block 63 of the Original Townsite of American Falls for the construction, operation and maintenance of a covered sewer and septic tank or other covered sewerage disposal works, said rights of way and easements to include the right of ingress and egress over the property of the Company and to be located as mutually agreeable to the United States and the Company.

A right of way and easement on Lots 1 and 2 of Block 63 of the Original Townsite of American Falls, for the raising or enlargement of the railroad fill or embankment adjacent to the said lots.

TOGETHER WITH ALL and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, the reversion and reversions, remainder and remainders rents, issues and profits thereof.

Excepting, however, and there is hereby retained, from the rights of the Grantor in and to that portion of the above described property located within what is known and referred to as the American Falls Reservoir in that certain contract between the parties hereto, dated June 15, 1923, the right to store, hold and impound water upon said property, out of the water rights, water appropriations, permits and rights to the use of water held by the Grantor, whether acquired before or after the execution of this indenture, to the extent specified in said contract, and subject to the terms thereof.

The Grantor warrants the title of all the above described property against liens or encumbrances created, granted, or imposed by the Grantor or the Grantor's public utility predecessors, and warrants the property described herein against taxes and tax liens levied or assessed against the interest of the Grantor in said premises.

It is expressly agreed and understood between the parties hereto that the rights retained by the Grantor under said contract of June 15, 1923, and excepted from this conveyance are deemed necessary or convenient for the maintenance, operation, use and enjoyment of other property owned and retained by the Grantor, and this deed is made pursuant to the provisions of said contract and shall be construed in harmony with the intent of the parties as set out therein, but it is also expressly understood and agreed that the rights and property saved and reserved to the Grantor under this deed shall be deemed and considered as excepted from the grant and nothing in this conveyance shall ever be construed or deemed to constitute an implied grant or a regrant from the Grantee to the Grantor of any right of easement expressly saved or excepted from this conveyance or otherwise reserved for the use and benefit of the Grantor; and any rights or easements saved or excepted to the Grantor from this conveyance shall pass by assignment or conveyance from the Grantor to its successors and assigns and such successors and assigns shall take with notice of, and subject to, any rights the United States may then have under said contract of June 15, 1923, between the parties hereto.

TO HAVE AND TO HOLD the same, unto the Grantee and to its successors and assigns forever. IN WITNESS WHEREOF, Said Grantor has caused its corporate name to be hereunto subscribed by its President, its corporate seal affixed, attested by its Secretary, the day and year first above written.

(CORPORATE SEAL)

ATTEST: A. J. Priest, Secretary.

STATE OF IDAHO)
COUNTY OF ADA) ss

IDAHO POWER COMPANY,
By T. F. Johnson, President.

On this 22nd day of June in the year 1923, before me M. E. Hughes, a Notary Public in and for the State of Idaho, personally appeared T. F. Johnson, known to me to be the President of the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

(SEAL)

M. E. Hughes, Notary Public,
Residing at Boise, Idaho.

Recorded at request of Barry Dibble at 4:25 P.M. July 7, 1923, in Book 46, Page 444.
G. A. Coon, Recorder.

INDEXED
Instrument No. 31021.

THIS INDENTURE, Made this 22nd day of June, in the year of our Lord, One thousand Nine hundred and Twenty-three between the IDAHO POWER COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Maine, and authorized to do business in the State of Idaho, party of the first part, and hereinafter designated and referred to as "Grantor" and the UNITED STATES OF AMERICA, party of the second part, hereinafter designated and referred to as the "Grantee".

WITNESSETH: That the said Grantor for and in consideration of the sum of One Dollar, (\$2 Stat. 388), receipt whereof is hereby acknowledged, and other valuable consideration, has granted, bargained and sold, and by these presents does grant, bargain, sell, convey and confirm unto said Grantee and to its assignees and successors in interest forever, all of

the Grantor's rights, title and interest, excepting the rights hereinafter expressly retained and excepted, in and to the following described property, situated in Power County, State of Idaho, to-wit:

The west portion of the Grantor's present dam and spillway at American Falls, County of Power, State of Idaho, up to and including the intake to the Grantor's Island Power Plant at said American Falls, County of Power, State of Idaho; reserving, however, to the Grantor all and every of the rights it now has to use, maintain and operate said property in connection with the use, maintenance and operation of its certain power plant at American Falls, County of Power, State of Idaho, known as its East Side plant, until such time as the Grantee has constructed the division dam in accordance with the provisions of Paragraph 15 of that certain contract between the parties hereto, dated June 15, 1923, and has made the provision for the discharge of water into the pool between the proposed American Falls reservoir dam and the Grantor's said East Side plant in in compliance with the terms of said Paragraph 15 of the aforementioned contract, provided that the Grantee shall, after making the second payment provided for in the aforementioned contract between the parties hereto, dated June 15, 1923, have the right to demolish such portion of the present dam and spillway at American Falls, west of the said intake to the said Island power plant as may be necessary for the construction of the proposed power plant and other works at American Falls contemplated by said contract providing that by so doing no interference is had with the operation of the Grantor's said East Side plant.

That certain easement conveyed by Arthur Humphrey and Fay T. Humphrey, his wife, on February 10, 1916, by instrument recorded in Book 19 of Deeds, Page 554, on February 29, 1916, at 10:5 A.M. which conveys among other things, the right, privilege and easement to flood, impound and release at will waters on, under, over and from the lands hereinafter described situated part in the County of Bingham and part in the County of Power, Idaho, and more particularly described as follows, to-wit:

IN TOWNSHIP SIX SOUTH, RANGE THIRTY-ONE EAST,
BOISE MERIDIAN.

Northeast quarter, North half of Southeast quarter, East half of Southwest quarter, and Southwest quarter of Southwest quarter of Section Twenty-two.

West Half of Northwest quarter and Lot Eight of Section twenty-three.
Lot Seven, West Half of Northwest quarter, and Southwest quarter of Southwest quarter of Section Twenty-five.

Lots One, Two, Three, Four, Five and Six, South half of Northeast quarter, and Northeast quarter of Southeast quarter of Section twenty-six.

Lots Two, Three, Four, Northwest quarter of Northeast quarter, and West half of Section Twenty-seven.

Lots Two, Three, Four and Five and Northwest quarter of Southeast quarter of Section Thirty-three.

Lots One, Two, Three, Four, Six, Seven, Eight, Nine, Eleven, and Twelve, Southwest quarter of Northeast quarter, Northwest quarter of Southeast quarter, and East half of Southwest quarter of Section thirty-four.

IN TOWNSHIP SEVEN SOUTH, RANGE THIRTY-ONE EAST, BOISE MERIDIAN.

Lots Five, Six, Eight, Nine, Ten and Eleven, Northwest quarter of Southwest quarter, and South half of Northwest quarter of Section Three.

Lots Five, Seven, Nine, Ten, Eleven and Twelve, South half of Northeast quarter, South east quarter of Northwest quarter, and North half of Southeast quarter of Section Four.

Lots five, Six and Seven of Section Five.

Lot Five of Section Eight.

together with any and all buildings, fences, fixtures, improvements, and other appurtenances attached or appertaining to said premises.

TOGETHER WITH ALL and singular the tenements, hereditaments and appurtenances thereunto belonging or appertaining, the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

Excepting however, and there is hereby retained and reserved to the Grantor, from the rights of the Grantor herein otherwise conveyed in and to that portion of the above described property located within what is known and referred to as the American Falls Reservoir in the certain contract between the parties hereto, dated June 15, 1923, hereinbefore referred to, the right to store, hold and impound water upon said property, out of the water rights, water appropriations, permits and rights to the use of water held by the Grantor, whether acquired before or after the execution of this indenture, to the extent specified in said contract, and subject to the terms thereof.

The Grantor warrants the title of all the above described property as against liens or encumbrances created, granted, or imposed by the Grantor or the Grantor's public utility predecessors, and warrants the property described herein against taxes and tax liens levied or assessed against the interest of the Grantor in said premises.

It is expressly agreed and understood between the parties hereto that the rights retained by the Grantor under said contract of June 15, 1923, and excepted from this conveyance are deemed necessary or convenient for the maintenance, operation, use and enjoyment of other property owned and retained by the Grantor, and this deed is made pursuant to the provision of said contract and shall be construed in harmony with the intent of the parties as set out therein, but it is also expressly understood and agreed that the rights and property saved and reserved to the Grantor under this deed shall be deemed and considered as excepted from the grant and nothing in this conveyance shall ever be construed or deemed to constitute an implied grant or a re-grant from the Grantee to the Grantor or any right or easement expressly saved or excepted from this conveyance or otherwise reserved for the use and benefit of the Grantor, and any rights or easements saved or otherwise reserved for the use and benefit of the Grantor, shall pass by assignment or conveyance from the Grantor to its successors and assigns, and such successors and assigns shall take with notice of, and subject to, any rights the United States may then have under said contract of June 15, 1923, between the parties hereto.

TO HAVE AND TO HOLD, the same, unto the said Grantee, and to its successors and assigns forever.

IN WITNESS WHEREOF, Said Grantor has caused its corporate name to be hereunto subscribed by its President, its corporate seal affixed, attested by its Secretary, the day and year first above written.

(CORPORATE SEAL)

IDAHO POWER COMPANY,
BY F. F. Johnson,
President.

ATTEST:

A. J. Priest,
Secretary.

STATE OF IDAHO)
COUNTY OF ADA) ss.

On this 22nd day of June, in the year 1923, before me M. E. Hughes, a Notary Public in and for the State of Idaho, personally appeared F. F. Johnson, known to me to be the President of the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

(CORPORATE SEAL)

M. E. Hughes, Notary Public,
Residing at Boise, Idaho.

Recorded at request of Barry Dibble at 4:30 P.M. July 7, 1923, Book 46 Page 447.
C. A. Coon, Recorder.

Instrument No. 30896

COMPARED

THIS INDENTURE WITNESSETH, That A. R. Morton, unmarried, for and in consideration of the sum of Ten Dollars and other valuable considerations to him paid, has bargained and sold and by these presents does bargain, sell and convey unto L. D. Brown the following described premises, to-wit:

The Northeast quarter (NE $\frac{1}{4}$) of Section Twenty-two (22) and the Southeast quarter of the Southeast quarter (SE $\frac{1}{4}$ SE $\frac{1}{4}$) of Section 15; all in Township 10 South of Range Thirty-East of the Boise Meridian, in Power County, Idaho, containing 200 acres.

\$1.00 I.R.S. affixed and cancelled.

TO HAVE AND TO HOLD the said premises with their appurtenances unto the said L.D. Brown, his heirs and assigns forever. And he the said Grantor does hereby covenant to and with the said Grantee his heirs and assigns, that he is the owner in fee simple of said premises, that they are free from all incumbrances, and that he will warrant and defend the same from all lawful claims whatsoever.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 29th day of May, 1923

Done in presence of

Jno. R. Sibley
A. Allgood

A. R. Morton (SEAL)

STATE OF OREGON)
COUNTY OF POWELL) ss.

On this 29th day of May, A.D. 1923, personally came before me, a Notary Public in and for said County and State, the within named A.R. Morton, unmarried, to me personally known to be the identical person described in and who executed the within instrument and acknowledged that he executed the same freely for the uses and purposes therein named.

IN WITNESS my hand and seal this 29th day of May, 1923.

Jno. R. Sibley, Notary Public
for Oregon.

My commission expires Sept. 27, 1924.

Witnessed at 9:00 A.M. June 29, 1923, in Book 46 of Deeds at Page 449.

C. A. Coon, Recorder of Conveyances.

INST. 31042.

COMPARED

ADMINISTRATOR'S DEED.

THIS INDENTURE, made this twenty-third day of July, 1923, at American Falls, Power County, Idaho, by and between ELMER E. DECKER, the duly appointed, qualified and acting Administrator of the Estate of Lydia H. Bliss, Deceased, the party of the first part, and FRANK C. FARR, of American Falls, Power County, Idaho, the party of the second part, WITNESSETH:

That, whereas, on the 10 day of February, 1923, the Probate Court of Power County, Idaho, made an order of sale authorizing the said party of the first part to sell certain real estate of the said estate of Lydia H. Bliss, deceased, situate in the County of Power, State of Idaho, specified and particularly described in said order of sale, and which said order of sale, now on file and of record in said Probate Court, is hereby referred to and made a part hereof of this indenture, and

WHEREAS, under and by virtue of said order of sale and pursuant to legal notices given thereof, the said party of the first part, on the 10th day of March, 1923, sold, subject to confirmation of said Probate Court, the said real estate in said Power County, Idaho, and specified and described in said order of sale as aforesaid, and at such sale the said party of the second part became the purchaser of the whole of said real estate particularly described for the sum of twelve hundred dollars (\$1200) lawful money of the United States, he being the highest and best bidder and that being the highest and best sum bid. and

4-23-1929 Contract

THIS AGREEMENT, Made this 23rd day
of April, 1928 in pursuance of the Act of
Congress of June 17, 1902 (32 Stat., 388) and acts
amendatory thereof or supplementary thereto, between
THE UNITED STATES OF AMERICA, hereinafter styled the
United States, acting for this purpose by Jos. M. Dixon,
First Assistant Secretary of the Interior, and
IDAHO POWER COMPANY, a corporation organized under the
laws of the State of Maine but authorized to do busi-
ness in the State of Idaho, and having its principal
place of business at Boise, Idaho, hereinafter styled
the Company, its successors and assigns, WITNESSETH
that

WHEREAS, the parties hereto entered into a
certain contract under date of June 15, 1923 whereby
the Company conveyed to the United States certain
real property, two certain power plants and all the
Company's water rights, appropriations, water filings
and permits at American Falls, Idaho, except those
certain rights expressly reserved to the Company as
in said contract set forth; and

WHEREAS, holdover storage remaining in unsold
storage space in the American Falls reservoir at the

end of each irrigation season may, to the extent and only to the extent hereinafter provided for, be utilized temporarily for the generation of hydro-electric power under conditions which will permit the United States to obtain a substantial return from storage which could not be used either for irrigation or for any other useful purpose.

NOW, THEREFORE, it is mutually agreed as follows:

A. Idaho Power Company shall be permitted, and is hereby authorized, to use at American Falls, Idaho, from October 1 of each year to April 30 of the following year from the American Falls reservoir:

(1) All water required to generate at the so-called Minidoka dam the power requirements of the Minidoka (Idaho) project of the United States, provided, however, that the so-called Island and West Side plants of the United States at American Falls may be operated by the United States in the event that accident, necessary repair work, or construction work at the Minidoka plant of the United States should make it impracticable to generate all of such power requirements at the latter plant, in which event the United States agrees to restore its Minidoka plant to full operating conditions with all possible diligence, so far as consistent with ordinary construction methods, and the laws and regulations applicable to government work.

(2) The inflow to the American Falls reservoir to the extent of 300,000 acre feet reserved to the Company under said contract of June 15, 1923. The first 255,000 acre feet of storage water (utilized by the Company in addition to that provided in paragraph A. (1) above) used by the Company shall be considered used out of the water reserved to the Company under paragraph 19 of said contract of June 15, 1923.

(3) Holdover storage remaining in unsold storage space in the American Falls reservoir at the end of each irrigation season to the extent that such holdover storage is owned by the United States and, in addition, the unused portion of any holdover storage allotted to the Minidoka North Side Gravity Extension (Gooding) Project. It is agreed that if the Secretary of the Interior, or such officer as he shall specially designate for that purpose, shall find during any winter that conditions on the Snake River watershed are such that it is considered advisable to withhold from the Company a part of the said holdover storage referred to in this paragraph, for the purpose of insuring an adequate irrigation supply for the ensuing season, then such portion as the Secretary, or such officer of the United States, shall deem necessary for that purpose may be withheld from the Company, and in that event the payments

for the year in which any part of such holdover storage may be withheld will be reduced at the rate of Sixty Dollars (\$60.00) for every one thousand acre feet so withheld. It is further agreed that if the United States shall lease for irrigation purposes for use during any irrigation season stored water from said American Falls reservoir in excess of the amount withheld from the Company under the provision immediately preceding this sentence, then and in that event the payments for the year in which such stored water may be so leased will be reduced at the rate of Sixty Dollars (\$60.00) for every one thousand acre feet of such excess of such leases.

(4) Such additional water as the Secretary of the Interior, or such officer of the United States as he shall specially designate for that purpose, shall decide can be wasted without any danger of jeopardizing the filling of the reservoir.

B. The Company shall have, and is hereby granted, the use of unsold storage space or capacity belonging to the United States in the American Falls reservoir subject to the conditions in this agreement provided, to the extent necessary to regulate the water provided in A. (3) hereof for the power uses in this agreement contemplated.

(1) The Company shall pay to the United States the sum of Thirty One Thousand Dollars (\$31,000.00) per year (payable quarterly in advance, the first

quarterly payment to be due and payable on October 1, 1928), so long as there may be 500,000 acre feet or more unsold storage capacity available in the American Falls reservoir, provided that said annual payment of Thirty One Thousand Dollars (\$31,000.00) will be reduced Sixty Dollars (\$60.00) for every thousand acre feet that the unsold storage capacity is less than 500,000 acre feet in any year. The storage capacity reserved for uncompleted divisions of the Minidoka project will be considered as unsold storage capacity for the purposes of this subdivision B. (1) until the canal systems for such new divisions of the Minidoka project have been completed, and during the time that the lands under such canal systems are only partially reclaimed the storage capacity reserved for such divisions will be considered as leased or sold storage capacity to the extent only that such reserved capacity has been actually used on such new divisions during the preceding irrigation season and as unsold capacity as to the remainder of the amount of storage capacity reserved for such new divisions. It is agreed and understood that the Company is not to be considered liable for any operation and maintenance charges in connection with the American Falls reservoir or the charges for distribution of stored water therefrom except those charges for which the

Company is liable under paragraph 17 of said contract of June 15, 1923, i. e., for the charges in connection with the water stored in the 45,000 acre feet of primary and the 255,000 acre feet of secondary storage capacity/defined in said contract.

C. The Company will furnish the United States, during the months of April to October inclusive, of each year, such power as is needed and ordered for use on the Minidoka project up to 7,500 K.W., of which 3,000 K.W. is understood to be standby power only. The company will furnish emergency standby service during winter months in amounts not in excess of 3,000 kilowatts, when it has spare hydroelectric capacity; the United States agrees to give advance notice of its standby requirements when it can do so, confining such standby requirements as far as possible to off peak hours. It is agreed and understood that by standby power is meant power used to replace power temporarily lost or unavailable on account of a breakdown or interruption in operation of the power system of the Minidoka power plant of the United States. The United States agrees to use all possible diligence, as far as consistent with ordinary construction methods and the laws and regulations applicable to government work, in restoring the power thus temporarily lost. For the power so furnished by the Company, the United States will make available to the Company during the twelve months' period beginning April 1 of each year surplus power from the said Mini-

Minidoka power plant on the basis of two kilowatt hours of such surplus power for each kilowatt hour so furnished by the Company during said twelve months' period. By surplus power is meant power for which the United States has no other use or market, and which can be generated at the said Minidoka power plant with the installed machinery and equipment without waste of water. In case the government can not, from its Minidoka plant, or if American Falls plants are operating, from its present American Falls plants, during the seven months' period from April to October, inclusive, of any year, or from its Minidoka plant during the succeeding five winter months, make available to the Company sufficient power at the rate of two kilowatt-hours for each kilowatt-hour furnished by the Company, to compensate for power furnished by the Company, such power as can not thus be compensated for will be paid for on May 1 following at the rate of 3-1/2 mills per kilowatt hour. It is understood, however, that no money payment shall be made to the Company by the United States for any power furnished by the Company for which the United States has made available surplus power for compensation. Any surplus power ordered and accepted by the Company in excess of the amount required to compensate for power furnished to the United States will be paid for, on May 1 following, at the rate of 1-3/4 mills per kilowatt hour, it being understood, however, that with the two sys-

tems operating in synchronism there will be at times a flow of power from one system to the other when not ordered or needed, but such flow of power not ordered or needed shall not be considered as power furnished by either party to the other. Power is to be delivered at 132,000 volts at the Minidoka power plant of the United States and to be metered at 33,000-volts.

D. The Company shall construct and operate, at its own cost, a 132,000-volt branch line to connect its Shoshone Falls-American Falls 132,000-volt transmission line with a substation at the Minidoka power plant, such branch line to be completed by the time the United States has the substations provided for in article E. hereof ready for use.

E. The United States shall construct and operate, at its own cost, a 7,500-kilowatt 132,000 to 33,000-volt substation at the Minidoka power plant, such substation to be constructed in accordance with the general plan outlined in the letter of March 30, 1928, from the Acting Chief Engineer of the U. S. Bureau of Reclamation to the Chief Engineer of the Idaho Power Company, a copy of which said letter is attached hereto and made a part hereof.

F. United States reserves the right to rent, sell, use or dispose of unsold or unleased water in American Falls reservoir for irrigation purposes at any time, subject to the conditions hereinbefore set forth.

G. This agreement shall take effect May 1, 1929, and

shall continue in effect until October 1, 1938 unless sooner terminated in the manner hereinafter provided.

H. The Company may terminate this agreement on October 1, 1934, or on October 1 of any year thereafter, by two years' advance notice to the Secretary of the Interior, in writing. The United States may terminate this agreement on October 1, 1932, or on October 1 of any year thereafter, by two years' advance notice to the Company, in writing, provided, however, that payment for power furnished by the Company during the six months preceding the termination of this agreement may be made in surplus power made available for the Company by the United States during the six months following the termination of this agreement. In case Congress fails to make the appropriations necessary to enable the United States to carry out this contract, it shall immediately terminate upon the exhaustion of available appropriations, and the Company hereby releases the United States from all claims for damages due to such termination.

I. This agreement is not to alter, amend, or affect in any way the terms and conditions of said contract dated June 15, 1923, between the United States and the Idaho Power Company, excepting insofar as the winter release of water is changed for the period of this agreement.

J. This agreement shall inure to the benefit of and be binding upon the successors and assigns of the Company, and also upon the successors and assigns of the United States.

K. The execution of this agreement shall not be construed as waiving any authority, jurisdiction or control which the Federal Power Commission may have over the Company or its assigns at American Falls or elsewhere, and shall not be construed as waiving or abridging any lawful jurisdiction, authority, or control which the State of Idaho may have over the waters of the state or the issuing of permits, certificates or licenses thereto.

L. No member of or Delegate to Congress, or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom. Nothing, however, herein contained shall be construed to extend to this contract if made with a corporation for its general benefit.

IN WITNESS WHEREOF the parties have hereto signed their names the day and year first above written, said Company acting in pursuance of a resolution of its Board of Directors duly adopted on June 18th, 1928.

UNITED STATES OF AMERICA

(Sgd.) JOS. M. DIXON

By First Assistant Secretary
of the Interior.

IDAHO POWER COMPANY

(SEAL)

ATTEST:

By (Sgd) F. F. JOHNSON
President.

(Sgd) JAMES L. BOONE
Secretary.

April 1925 Deed

THIS INDENTURE, Made this 3rd day of April, in the year of our Lord one thousand nine hundred and twenty-five, between Idaho Power Company, a corporation organized under the laws of the State of Maine and authorized to do business in the State of Idaho with its principal place of business in the City of Boise, County of Ada, State of Idaho, the party of the first part, and the United States of America, the party of the second part,

WITNESSETH, That the said party of the first part, for and in consideration of the sum of Thirteen Thousand and no/100 Dollars (\$13,000.00), and pursuant to and in compliance with that certain contract between the parties hereto dated the 19th day of February, 1925, and approved by P. W. Dent, Acting Commissioner, Bureau of Reclamation, as of March 21, 1925, does by these presents remise, release and forever QUITCLAIM, unto the said party of the second part, and to its successors and assigns, the following described property situate, lying and being in the County of Power, State of Idaho, particularly described as follows, to-wit:

All the right of way of that portion of the Idaho Power Company's distribution system, including all rights and rights of way thereunto belonging and situated in and applying to that portion of the Original Townsite of American Falls and all Additions thereto except Reclamation Addition lying north and west of the South and east Boundary of the right of way for the relocated line of the Oregon Short Line Railroad Company, and the right to all poles, pole lines, parts and appurtenances left by the Idaho Power Company in the said portion of the town of American Falls to be flooded by the American Falls Reservoir and the right to flood and submerge the same with the waters of said reservoir.

TO HAVE AND TO HOLD, All and singular the said property, together with the appurtenances unto the party of the second part, and its successors and assigns forever.

It is understood, however, that the Power Company may have the privilege of meeting demands of electric service in such portion, if any, of the above described land which is not flooded and which is used for commercial or residential uses.

IN WITNESS WHEREOF, The said Idaho Power Company, party of the first part, has caused these presents to be executed by its corporate officers thereunto duly authorized the day and year first above written.

(Corporate Seal)

Idaho Power Company,

By. F.F. Johnson, President.

Attest:

A. J. Priest, Secretary

State of Idaho, } ss.
County of Ada

On this 3rd day of April, in the year 1925, before me, M. E. Hughes, a Notary Public in and for said County, personally appeared F. F. Johnson, known to me to be the President of the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

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

(Notarial Seal)

M. E. Hughes, Notary Public
Residing at Boise, Idaho.

\$13.00 I. R. S, Attached and Cancelled.

Recorded at the request of M. M. Myers, at 3:00 P.M., July 23, 1925, in Book 14 of Quitclaims at page 463. C. A. Coon, recorder.

Instrument No. 36298

COMPARED

0250.1

INDEXED

THIS INDENTURE, Made this 29 day of July in the year of our Lord one thousand nine hundred and twenty-five, between Highway District Number One, Power County, Idaho, a municipal corporation, organized under the laws of the State of Idaho, and having its principal place of business at American Falls, County of Power, State of Idaho, the party of the first part, and THE UNITED STATES OF AMERICA, the party of the second part,

WITNESSETH, That the said party of the first part, having been hereunto duly authorized by resolution of its Board of Commissioners, for and in consideration of the sum of - Twenty-three thousand and 00/100 (\$23,000) - - - - - dollars of the money of the United States of America, to it in hand paid in pursuance of the provisions of the Act of Congress of June 17, 1902 (32 Stat. I. 388), by the said party of the second part, the receipt whereof is hereby acknowledged, does by these presents remise, release and forever QUITCLAIM, unto the said party of the second part, and to its assigns forever all those certain lots, pieces, or parcels of land, situate, lying and being in - - - - - County of Power, State of Idaho, bounded and particularly described as follows, to-wit:

All its right of way and easements to lands that will be flooded by the construction and operation of the American Falls Dam and Reservoir together with a release from all damages to roads, bridges and other structures owned or controlled by the Grantor occasioned by the construction of said Dam and Reservoir.

Together, With all and singular the tenements, hereditaments and appurtenances hereunto belonging or in anywise appertaining, and the reversion and reversions, remainder

April 1926 Deed

INDEXED

COMPARED

Instrument No. 38454

THIS INDENTURE, made this 12th day of April in the year of our Lord, one thousand nine hundred twenty-six between Idaho Power Company, a corporation organized and existing under and by virtue of the laws of the State of Maine, and fully authorized to do business in the State of Idaho, party of the first part, hereinafter designated and referred to as "Grantor", and the United States of America, party of the second part, and hereinafter designated and referred to as "Grantee".

WITNESSETH: That,

WHEREAS, under the terms and conditions of Article 9 (d) of that certain contract between the parties hereto, made and entered into under date of June 15, 1923, particular provision is made for the conveyance from the said Grantor to the said Grantee of all of Grantor's water rights, appropriations, water filings and permits at American Falls, County of Power, State of Idaho, used or intended to be used in connection with the Grantor's Power plants and proposed plants at American Falls, except those certain rights expressly reserved out of its existing appropriations and rights as independent rights to the said Grantor under the terms and conditions of the aforementioned contract between the parties hereto dated June 15, 1923, and

WHEREAS, under the terms and conditions of sub-section (e) of Article 9 of said contract of June 15, 1923, the Grantor has agreed to convey to the grantee the right to limit all other rights of the Company on Snake River at whatever points and in whatever counties the same may be located insofar as and no farther than the rights allowed and granted to the United States to store and use water as provided in said contract of June 15, 1923, may interfere with any rights of the Company at any lower points on Snake River.

AND WHEREAS, it is the desire and intent of the parties hereto that all the said Grantor's rights, appropriations, water filings and permits agreed in said contract of June 15, 1923 to be conveyed by the Grantor to the Grantee, shall be conveyed to the said Grantee wholly in accordance with the terms, provisions, reservations and exceptions set forth in the aforementioned contract between the parties hereto dated June 15, 1923, which said contract was recorded at pages 361 to 379, Book 11 of Contracts of the official records of Power County, Idaho, said contract also having been recorded August 1, 1923, pages 347 to 377 of Book F of Misc1. of the official records of Bingham County, Idaho, and on November 13, 1923, beginning at page 399 of Book 2 of Agreements and Bonds of the official records of Gooding County, Idaho, and on October 10, 1923, beginning at page 299 of Book 69 of the official records of Jerome County, Idaho, and on January 22, 1924, beginning at page 268 of Book 5 (v) of Bonds and Agreements of the official records of Owyhee County, Idaho.

NOW, THEREFORE, for and in consideration of the sums of money agreed in the said contract of June 15, 1923, to be paid by the Grantee to the Grantor, the receipt of which is hereby acknowledged, the said Grantor has granted, bargained and sold, and by these presents does grant, bargain, sell, convey and confirm unto the said Grantee, and to its assigns and successors in interest forever all the Grantor's water rights, and appropriations, water filings and permits at American Falls, for use or intended to be used in connection with the Grantor's power plants and proposed power plants at American Falls, in accordance with and subject to those certain agreements, exceptions and reservations set forth in the said contract between the parties hereto dated June 15, 1923, which said contract, recorded as aforesaid, is hereby made a part of this indenture as fully and completely as if incorporated herein.

The water rights of the Grantor transferred to the United States for use for Power purposes shall be considered as impressed with a right in the United States to change the use of such water from power to irrigation, or to store the same for irrigation whenever the Secretary of the Interior shall decide that such water is required for irrigation purposes. But it is expressly agreed and understood that the water rights and rights to the use of water which it was agreed in said contract of June 15, 1923, that the Grantor should have, are reserved out of its existing appropriations and rights as independent rights under its own filings and appropriations and are not to be considered to which the Grantor is entitled under such appropriations and are not to be considered as mere contract rights under contract with the United States. And the Grantor has further granted, bargained, sold and by these presents does grant, bargain, sell, convey and confirm unto the said Grantee and to its assigns and successors in interest forever the right to limit all other rights of the Grantor on Snake River at whatever points and in whatever counties the same may be located insofar as and no farther than the rights allowed and granted to the United States to store and use water as provided in said contract of June 15, 1923, may interfere with any rights of the Grantor at any lower points on Snake River.

TO HAVE AND TO HOLD the same unto the said Grantee, and to its successors and assigns forever.

IN WITNESS WHEREOF, Grantor has caused its corporate name to be hereunto subscribed by its Vice President, and has caused its corporate seal to be hereunto affixed and attested by its Secretary, the day and year first above written.

(Corporate Seal)

IDAHO POWER COMPANY

Attest: E. Summers, Assistant Secretary

By D. F. McGee, Vice President

State of New York }
County of New York } ss.

On this 13th day of April, in the year 1926, before me Eva E. Castaneda, a Notary Public in and for the County of New York, State of New York, personally appeared D. F. McGee, known to me to be the Vice President of the Corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

Idaho Power 1929

THIS AGREEMENT, Made this 23rd day
of April, 1928 in pursuance of the Act of
Congress of June 17, 1902 (32 Stat., 388) and acts
amendatory thereof or supplementary thereto, between
THE UNITED STATES OF AMERICA, hereinafter styled the
United States, acting for this purpose by Jos. M. Dixon,
First Assistant Secretary of the Interior, and
IDAHO POWER COMPANY, a corporation organized under the
laws of the State of Maine but authorized to do busi-
ness in the State of Idaho, and having its principal
place of business at Boise, Idaho, hereinafter styled
the Company, its successors and assigns, WITNESSETH
that

WHEREAS, the parties hereto entered into a
certain contract under date of June 15, 1923 whereby
the Company conveyed to the United States certain
real property, two certain power plants and all the
Company's water rights, appropriations, water filings
and permits at American Falls, Idaho, except those
certain rights expressly reserved to the Company as
in said contract set forth; and

WHEREAS, holdover storage remaining in unsold
storage space in the American Falls reservoir at the

end of each irrigation season may, to the extent and only to the extent hereinafter provided for, be utilized temporarily for the generation of hydro-electric power under conditions which will permit the United States to obtain a substantial return from storage which could not be used either for irrigation or for any other useful purpose.

NOW, THEREFORE, it is mutually agreed as follows:

A. Idaho Power Company shall be permitted, and is hereby authorized, to use at American Falls, Idaho, from October 1 of each year to April 30 of the following year from the American Falls reservoir:

(1) All water required to generate at the so-called Minidoka dam the power requirements of the Minidoka (Idaho) project of the United States, provided, however, that the so-called Island and West Side plants of the United States at American Falls may be operated by the United States in the event that accident, necessary repair work, or construction work at the Minidoka plant of the United States should make it impracticable to generate all of such power requirements at the latter plant, in which event the United States agrees to restore its Minidoka plant to full operating conditions with all possible diligence, so far as consistent with ordinary construction methods, and the laws and regulations applicable to government work.

(2) The inflow to the American Falls reservoir to the extent of 300,000 acre feet reserved to the Company under said contract of June 15, 1923. The first 255,000 acre feet of storage water (utilized by the Company in addition to that provided in paragraph A. (1) above) used by the Company shall be considered used out of the water reserved to the Company under paragraph 19 of said contract of June 15, 1923.

(3) Holdover storage remaining in unsold storage space in the American Falls reservoir at the end of each irrigation season to the extent that such holdover storage is owned by the United States and, in addition, the unused portion of any holdover storage allotted to the Minidoka North Side Gravity Extension (Gooding) Project. It is agreed that if the Secretary of the Interior, or such officer as he shall specially designate for that purpose, shall find during any winter that conditions on the Snake River watershed are such that it is considered advisable to withhold from the Company a part of the said holdover storage referred to in this paragraph, for the purpose of insuring an adequate irrigation supply for the ensuing season, then such portion as the Secretary, or such officer of the United States, shall deem necessary for that purpose may be withheld from the Company, and in that event the payments

for the year in which any part of such holdover storage may be withheld will be reduced at the rate of Sixty Dollars (\$60.00) for every one thousand acre feet so withheld. It is further agreed that if the United States shall lease for irrigation purposes for use during any irrigation season stored water from said American Falls reservoir in excess of the amount withheld from the Company under the provision immediately preceding this sentence, then and in that event the payments for the year in which such stored water may be so leased will be reduced at the rate of Sixty Dollars (\$60.00) for every one thousand acre feet of such excess of such leases.

(4) Such additional water as the Secretary of the Interior, or such officer of the United States as he shall specially designate for that purpose, shall decide can be wasted without any danger of jeopardizing the filling of the reservoir.

B. The Company shall have, and is hereby granted, the use of unsold storage space or capacity belonging to the United States in the American Falls reservoir subject to the conditions in this agreement provided, to the extent necessary to regulate the water provided in A. (3) hereof for the power uses in this agreement contemplated.

(1) The Company shall pay to the United States the sum of Thirty One Thousand Dollars (\$31,000.00) per year (payable quarterly in advance, the first

quarterly payment to be due and payable on October 1, 1928), so long as there may be 500,000 acre feet or more unsold storage capacity available in the American Falls reservoir, provided that said annual payment of Thirty One Thousand Dollars (\$31,000.00) will be reduced Sixty Dollars (\$60.00) for every thousand acre feet that the unsold storage capacity is less than 500,000 acre feet in any year. The storage capacity reserved for uncompleted divisions of the Minidoka project will be considered as unsold storage capacity for the purposes of this subdivision B. (1) until the canal systems for such new divisions of the Minidoka project have been completed, and during the time that the lands under such canal systems are only partially reclaimed the storage capacity reserved for such divisions will be considered as leased or sold storage capacity to the extent only that such reserved capacity has been actually used on such new divisions during the preceding irrigation season and as unsold capacity as to the remainder of the amount of storage capacity reserved for such new divisions. It is agreed and understood that the Company is not to be considered liable for any operation and maintenance charges in connection with the American Falls reservoir or the charges for distribution of stored water therefrom except those charges for which the

Company is liable under paragraph 17 of said contract of June 15, 1923, i. e., for the charges in connection with the water stored in the 45,000 acre feet of primary and the 255,000 acre feet of secondary storage capacity/defined in said contract.

C. The Company will furnish the United States, during the months of April to October inclusive, of each year, such power as is needed and ordered for use on the Minidoka project up to 7,500 K.W., of which 3,000 K.W. is understood to be standby power only. The company will furnish emergency standby service during winter months in amounts not in excess of 3,000 kilowatts, when it has spare hydroelectric capacity; the United States agrees to give advance notice of its standby requirements when it can do so, confining such standby requirements as far as possible to off peak hours. It is agreed and understood that by standby power is meant power used to replace power temporarily lost or unavailable on account of a breakdown or interruption in operation of the power system of the Minidoka power plant of the United States. The United States agrees to use all possible diligence, as far as consistent with ordinary construction methods and the laws and regulations applicable to government work, in restoring the power thus temporarily lost. For the power so furnished by the Company, the United States will make available to the Company during the twelve months' period beginning April 1 of each year surplus power from the said Mini-

Minidoka power plant on the basis of two kilowatt hours of such surplus power for each kilowatt hour so furnished by the Company during said twelve months' period. By surplus power is meant power for which the United States has no other use or market, and which can be generated at the said Minidoka power plant with the installed machinery and equipment without waste of water. In case the government can not, from its Minidoka plant, or if American Falls plants are operating, from its present American Falls plants, during the seven months' period from April to October, inclusive, of any year, or from its Minidoka plant during the succeeding five winter months, make available to the Company sufficient power at the rate of two kilowatt-hours for each kilowatt-hour furnished by the Company, to compensate for power furnished by the Company, such power as can not thus be compensated for will be paid for on May 1 following at the rate of 3-1/2 mills per kilowatt hour. It is understood, however, that no money payment shall be made to the Company by the United States for any power furnished by the Company for which the United States has made available surplus power for compensation. Any surplus power ordered and accepted by the Company in excess of the amount required to compensate for power furnished to the United States will be paid for, on May 1 following, at the rate of 1-3/4 mills per kilowatt hour, it being understood, however, that with the two sys-

tems operating in synchronism there will be at times a flow of power from one system to the other when not ordered or needed, but such flow of power not ordered or needed shall not be considered as power furnished by either party to the other. Power is to be delivered at 132,000 volts at the Minidoka power plant of the United States and to be metered at 33,000-volts.

D. The Company shall construct and operate, at its own cost, a 132,000-volt branch line to connect its Shoshone Falls-American Falls 132,000-volt transmission line with a substation at the Minidoka power plant, such branch line to be completed by the time the United States has the substations provided for in article E. hereof ready for use.

E. The United States shall construct and operate, at its own cost, a 7,500-kilowatt 132,000 to 33,000-volt substation at the Minidoka power plant, such substation to be constructed in accordance with the general plan outlined in the letter of March 30, 1928, from the Acting Chief Engineer of the U. S. Bureau of Reclamation to the Chief Engineer of the Idaho Power Company, a copy of which said letter is attached hereto and made a part hereof.

F. United States reserves the right to rent, sell, use or dispose of unsold or unleased water in American Falls reservoir for irrigation purposes at any time, subject to the conditions hereinbefore set forth.

G. This agreement shall take effect May 1, 1929, and

shall continue in effect until October 1, 1938 unless sooner terminated in the manner hereinafter provided.

H. The Company may terminate this agreement on October 1, 1934, or on October 1 of any year thereafter, by two years' advance notice to the Secretary of the Interior, in writing. The United States may terminate this agreement on October 1, 1932, or on October 1 of any year thereafter, by two years' advance notice to the Company, in writing, provided, however, that payment for power furnished by the Company during the six months preceding the termination of this agreement may be made in surplus power made available for the Company by the United States during the six months following the termination of this agreement. In case Congress fails to make the appropriations necessary to enable the United States to carry out this contract, it shall immediately terminate upon the exhaustion of available appropriations, and the Company hereby releases the United States from all claims for damages due to such termination.

I. This agreement is not to alter, amend, or affect in any way the terms and conditions of said contract dated June 15, 1923, between the United States and the Idaho Power Company, excepting insofar as the winter release of water is changed for the period of this agreement.

J. This agreement shall inure to the benefit of and be binding upon the successors and assigns of the Company, and also upon the successors and assigns of the United States.

K. The execution of this agreement shall not be construed as waiving any authority, jurisdiction or control which the Federal Power Commission may have over the Company or its assigns at American Falls or elsewhere, and shall not be construed as waiving or abridging any lawful jurisdiction, authority, or control which the State of Idaho may have over the waters of the state or the issuing of permits, certificates or licenses thereto.

L. No member of or Delegate to Congress, or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom. Nothing, however, herein contained shall be construed to extend to this contract if made with a corporation for its general benefit.

IN WITNESS WHEREOF the parties have hereto signed their names the day and year first above written, said Company acting in pursuance of a resolution of its Board of Directors duly adopted on June 18th, 1928.

UNITED STATES OF AMERICA

(Sgd.) JOS. M. DIXON

By First Assistant Secretary
of the Interior.

IDAHO POWER COMPANY

(SEAL)

ATTEST:

By (Sgd) F. F. JOHNSON
President.

(Sgd) JAMES L. BOONE
Secretary.

Letter of 7-9-1923

State of Idaho
DEPARTMENT OF RECLAMATION
Boise

July 9, 1923

Re: American Falls Project.

Honorable C. C. Moore,
Governor of Idaho,
B u i l d i n g.

Dear Sir:

Pursuant to your request I went to Washington, D. C. for the purpose of looking after the State's interest and the interest of its citizens who are participating in the construction of the proposed American Falls reservoir, and it is my pleasure to offer the following report.

In order that you may have a full understanding of the reservoir enterprise as it now stands and is conceived, it seems necessary to make a brief reference to the various steps that have been taken in connection with the project, from its inception to the present time. A large part of the matter referred to in the following is doubtless already known to you, and I therefore apologize for references to the project historic matter in this communication.

The shortage of water experienced in the Snake River valley in 1919 and the subsequent crop loss from drouth during that year acted to stimulate interest in and created a demand for additional storage on the Snake River. Prior to that time the matter of building the American Falls reservoir for the purpose of regulating the flow of Snake River in the interest of irrigation had received much serious consideration and considerable data had been collected by private interests and submitted to the State for its consideration. Because of the many complications entering into the development of the project, such as the moving of the town of

American Falls, the main line of the Oregon Short Line Railroad, acquisition of Indian lands, etc., together with the condition of the State's reclamation credit, the project was not consummated as a private enterprise.

The United States Reclamation Service, largely in the interest of a further development and extension of its Minidoka project, began negotiations with various districts and canal companies in the Snake River valley who desire and need additional water, according to the writer's information, early in 1919, with the result that a definite plan of procedure was matured, in which the Federal government would construct a reservoir, conditioned upon their being able to secure subscriptions for sufficient water which, added to the quantity necessary for the reclamation of the Minidoka Extension project, would make the construction of the reservoir feasible. You will understand that the feasibility of the project depends upon constructing a reservoir with a capacity at least approximating 700,000 to 800,000 acre feet. It is my understanding that upon this basis the plan was presented to Congress for the purpose of securing funds to meet the government's prorata share of the cost, and upon such presentation various appropriations have been made.

In the mean time, contracts were negotiated between the Federal government and the private canal companies and districts in the Snake River valley, providing for the purchase by such companies and districts, of storage rights in the proposed reservoir. Under the provisions of these original purchase contracts the purchaser obligated himself to pay various sums of money to the Federal government at such time or times as the same may be needed for construction, in addition to making a small payment of ten cents per acre foot at the time of entering into the contract. Immediately following the execution of these contracts a financial depression hit Idaho and particularly its agricultural interests, which made it impossible for these purchasers to comply with the provisions of their contracts.

Prior to the time of my departure for Washington (about May 28, 1923) the Federal government had expended about \$500,000 on the enterprise and virtually no funds had been contributed by the private interests.

The construction of the reservoir will ultimately interfere with the power rights and property of the Idaho Power Company at American Falls and at other down river points on the Snake River. For example, Shoshone Falls, Lower Salmon Falls

interference was, therefore, necessary. Negotiations were opened with the Power Company some two or three years ago, with the result that after considerable study and deliberation, involving many conferences in which the writer participated, as the representative of the State of Idaho, an agreement was finally reached, signed and executed by the Power Company, which in substance, provided for the acquisition of all the rights necessary in connection with the construction of a reservoir to a capacity of about 1,500,000 to 1,600,000 acre feet capacity.

Under the provisions of this contract the Power Company released control and ownership of a considerable area of land which it had heretofore acquired through various means, situated above American Falls reservoir dam, and inside of the proposed reservoir, the said land having been acquired by the power company for use in connection with their forebay pondage or storage, together with ownership and control of its water rights, permits, etc., and two old power plants at American Falls known as the Island and West Side plants.

As a consideration for these rights, the power company is to receive \$1,000,000 in cash, payable in four equal installments. One upon the approval of the contract by the Secretary of the Interior, the second in one year, at which time title to the power plants mentioned in the foregoing was to pass, and the other payments to be made within three and four years respectively from the date of the execution of such contract. In addition to this cash consideration, the power company is to have a right to 45,000 acre feet of water and reservoir capacity for their use at American Falls and elsewhere on the lower reaches of the Snake River exclusively for power purposes and to be drawn off as they desire, also a right to the use of 100 second feet of water beginning April 1st of each year, increasing uniformly to 2500 second feet on May 1st and continuing at that amount to September 15th inclusive, then decreasing uniformly to 100 second feet on October 31st. This last mentioned right or water, while available to the power company for power purposes during the foregoing period each year at American Falls, is not lost to irrigation, but under the provisions of the contract as executed, is available for diversion to the Minidoka project or the Twin Falls projects for irrigation uses, in satisfaction of rights which have already accrued. In addition to the foregoing consideration, the power company obtained a secondary right to the use of 255,000 acre feet capacity of the American Falls reservoir under certain restricted conditions.

which will not interfere with the use of the reservoir for irrigation purposes until a capacity greater than the million and a half acre feet is created.

Briefly, it may be stated that the contract between the power company and the government provides for the regulation of Snake River in the interest of irrigation, adequate to the needs of a million and a half acre feet, reservoir capacity. If and when the reservoir is constructed beyond this capacity, it will be necessary, if the reservoir is to be filled each year, to acquire additional power rights. It is my belief that the contract as consummated is satisfactory, adequately protects the interests of the State, and is fair and equitable.

All of the titles to property acquired under the provisions of the said power contract go to the United States Government.

One of the necessary and important steps in providing for the building of this reservoir was the execution and approval of the power contract by the Secretary of the Interior. This contract was presented to him in the fall of 1921 and the writer, acting upon the request of Governor Davis, went to Washington, D. C. in January, 1922 for the purpose of urging an approval of this contract. The then Secretary of the Interior, upon a consideration of the matter, declined to approve the contract for the reason that private companies and districts who had subscribed for water in the American Falls reservoir had not fulfilled the conditions of the contract in relation to the payment of monetary demands, and it may be stated that in my belief, the Secretary was quite justified in taking this position, since upon the approval of the said contract the government would have been required to pay over \$250,000 and to obligate itself to pay the additional sums in cash, hereinbefore referred to, when the same became due. This the government was probably not justified in doing until it was definitely assured that the subscribing companies would fulfill the terms of their purchase contracts and pay the sums required thereunder. We were advised by the Secretary of the Interior that he would use his efforts to secure an extension of time within which to approve the said power contract, conditioned upon subscribing companies organizing an irrigation district embodying their lands and other lands that might desire additional water, issuing district bonds and thus providing a means of financing private subscribers.

Acting upon this assurance, steps were immediately taken to organize what is known as the American Falls Reservoir Irrigation District, embracing approximately 480,000 acres of land under the various canal systems in the Snake River valley. Appropriate steps were taken to organize this district

and the matter was pushed as rapidly as possible until the organization was finally created and the bonds voted. Through the efforts of the Secretary of the Interior and the State, extensions of time were secured from the power company within which the Secretary of the Interior may approve the power contract.

The foregoing contains a brief outline of the various steps taken and the conditions obtaining on June 1, 1923.

In order to close up the transaction, secure the approval of the power contract by the Secretary of the Interior and make available Federal funds that had been appropriated for the project, it first became necessary to negotiate and execute a contract between the Reclamation Service and the American Falls Reservoir District. This contract was finally agreed upon and executed by both parties on the 15th day of June, 1923.

Under its provisions the district will acquire 280,000 acre feet of water from the American Falls reservoir, with an option to secure an additional 20,000 acre feet for the use and benefit of unentered and unsold Carey Act lands and school lands situated under the North Side Twin Falls canal systems. As a consideration for such water, the district agreed to pay the actual prorata cost of the reservoir construction, including rights of way and other items entering into the completed project, the said money to be paid upon demand from the United States, at such times and in such amounts as may be necessary to meet the district's prorata share of the construction costs, and that a payment of ten cents per acre foot shall be made upon the signing of the said contract or when it becomes effective, and that a further sum of \$2.00 per acre foot shall be payable within ninety days after the signing of said contract.

The contract further provides that the district shall pay a penalty of ten per cent on any sums that are not paid when due.

The exact cost of the reservoir is not known but from data now available and assuming that a reservoir of one and a half million acre feet will be constructed, it is quite certain that the cost will not exceed \$6.00 per acre foot.

After this contract was negotiated and agreed upon and ready for delivery, the question of purchasing the Indian lands situated in the reservoir, was taken up with the Interior Department and after considerable discussion and deliberations it was finally held by the Solicitor for the said Department, that the Secretary

did not have authority to purchase these lands, but that an act of Congress ratifying the appraised price and granting such authority to the Secretary, would be necessary. This contention was a surprise to the officers of the district and to the writer, it having been generally understood that such act of Congress was unnecessary. The Solicitor, in explaining his position, pointed out that the Secretary, under existing statutes, had authority to purchase rights of way including Indian lands, provided the owner was willing to sell. Ex-Senator Fred T. Dubois appeared at the Interior Department as a representative of the Indians and indicated that they were not willing to sell at the appraised price, hence the holding of the Solicitor. It was pointed out, however, that other means of obtaining these lands might be employed, the Solicitor holding that the consent of the Indians to the sale might be had in an agreement with two-thirds of the male adult Indians on the reservation, or that the same may be acquired by condemnation. You will understand that most of the lands in this status are tribal lands, that is, they have not been allotted to individual Indians, hence, the transfer is a deal between the tribe and not with individuals, or is a deal between the United States Government by and with the consent of Congress.

About a year and a half ago the Secretary of the Interior appointed a Commission to cruise the Indian lands and to appraise them. This Commission consisted of Mr. Dietz, the then irrigation engineer for the United States Indian Irrigation Service in this territory, Capt. Hair, a representative of the United States General Land Office, and Mr. Banks, an engineer in the employ of the United States Reclamation Service. This commission conducted a very careful and exhaustive investigation and rendered a very complete report and appraisal. I have carefully examined the report and am generally familiar with the Indian lands, and it is my belief that the appraised price is more than fair to the Indians, it having been made before the present deflation in Idaho land values. This opinion is, I am sure, concurred in by practically all of the interested persons who are familiar with the situation. I entertain no doubt but what these lands will be acquired at a price not exceeding the appraised amount, and that possession will be had sufficiently soon to prevent any delay in the development or use of the enterprise.

In order to protect owners of land in the American Falls district, the contract as drawn and executed, was delivered and accepted and approved by the parties under the following conditions: That in the event the Secretary of the Interior or

other proper officer of the United States fail, either by securing necessary legislation, condemnation or otherwise, to obtain the Indian lands essential to a construction of the reservoir, then and in that event all of the obligations resting upon the said district under the contract are held for naught and regarded as fully discharged, and no demands are to be made upon the district under the said contract until the said Indian lands are secured and the district so notified and that no demands for payments under the said contract shall be made and no penalties for delinquencies shall attach until after the said lands are obtained, the district notified and given a reasonable time thereafter within which to sell its bonds.

Two other contracts have been negotiated and signed providing for the purchase of American Falls water, and because of the newspaper interview given out by the Honorable Mr. Crampton of the appropriations committee of the House of Representatives, who recently visited Idaho, in which it was indicated that the conditions under which the American Falls reservoir district are securing storage water are more favorable than the terms under which other subscribers are obtaining the same benefit, and are not in harmony with the representations made to Congress when the appropriations for this enterprise were made, it seems desirable to compare the terms and conditions of the contracts between the government^{and} American Falls district and between the government and other subscribers,--hence the following:

The American Falls reservoir district contract provides for the purchase of water from American Falls reservoir and in the event American Falls reservoir is not built and it can not be built and utilized unless the Indian lands are obtained, then the said district obtains nothing. As a protection to the land owners in the district, the delivery of the contract under the restrictions recited in the foregoing, seemed absolutely necessary.

The other subscribers, for example, Milner Low Lift irrigation district and New Sweden irrigation district, which have already put up their money, have contracted to purchase water in Jackson Lake, which water is now available and being used by them and in the event the American Falls reservoir is not built, they will actually acquire a water supply at an agreed price of \$10.00 per acre foot. In the event the American Falls reservoir is built then the price these companies are to pay for their water will be adjusted to equal the per acre foot price of American Falls water. These subscribers, therefore, are perfectly secure and are perfectly protected and justified

in turning their money over to the Federal government in advance of the government's acquiring the said Indian lands.

It is my understanding that the Snake River Valley irrigation district has also executed a contract, or is expecting to execute a contract providing for the purchase of storage water, and it is my information that while the money under this contract has not actually been paid, the same will be paid in the near future when the said district sells its bonds, and that its contract contemplates the purchase of Jackson Lake water under the same terms and conditions as the contract between the two districts last above mentioned. The same ten per cent penalty for delinquent payments attaches to all of these contracts, including the American Falls Reservoir district contract.

With respect to the allegation that the representations made to Congress when American Falls reservoir appropriations were made were not fulfilled by the terms and conditions of the American Falls reservoir contract as delivered, I offer the following explanation.

The Federal government had, prior to the signing of the said contract with the American Falls reservoir district, expended in round numbers, \$500,000 on the project and had available in appropriations for use prior to June 30, 1923, and additional sum approximating \$1,200,000. The \$500,000 previously expended had, with the exception of the comparatively small amount spent for engineering and investigations, gone to purchase rights of way, consisting principally of real property in the town of American Falls. In order to obtain the unexpended balance of the appropriation, it was necessary to encumber the same before June 30th. This was accomplished by the Secretary's approving the power contract and making the payments provided therein, together with the approving of purchase contracts of a considerable amount of additional property in the town of American Falls. In signing the power contract an agreement was reached whereby the power company would accept not only the first payment but additional payments when the Government saw fit to make them, and would discount the advance payments in an amount equaling 6% on the sum of said advanced payments, to be calculated over the period between the time of such payments and the time when they were actually due. It is my recent information that the Government has taken advantage of this tender and has actually paid the first three installments due under the contract, with a total aggregate amount of \$750,000 less the foregoing discounts. It is my further understanding that sufficient property has

been acquired at American Falls or that purchase contracts have been executed in a sufficient amount to utilize the unexpended balance of the appropriation.

Thus, all of the money the Government has thus far invested and under ordinary circumstances all it will invest before the American Falls reservoir district money is put up, with the exception of the comparatively small amount for engineering and other executive costs, has gone to purchase real property, including power rights and real property at American Falls. The title to this property, including all of the power rights acquired, passes to the United States government and in the event Indian lands are not secured and the reservoir is not built, the government still has its investment protected, it being assumed that the government has bought wisely and that the property it has acquired with these respective sums is worth what it cost.

The writer was advised by the manager of the American Falls reservoir district and its board of directors, that they were perfectly willing to make their money available, even in advance of the acquisition of the said Indian lands, provided they were permitted to come in with the government on an equal basis and participate prorata with it in the ownership of the property acquired.

In addition to the foregoing, it was recognized that the government had invested and will continue to invest, under the project as it is now planned and outlined and under the contracts that are approved, certain sums of money prior to the making of any payments or furnishing of any cash by the American Falls reservoir district. A provision was therefore incorporated in the contract between the said district and the government, under which the government or other subscribers for water in American Falls who pay their money in advance of the payments by the said district, may receive interest on any sums advanced, at the rate of 6% per annum up to the time the money from the said district is actually put up.

An analysis of the foregoing readily leads to the conclusion that the contracts as executed are absolutely fair and equitable, and that all of the parties are afforded proper protection, and it is my belief that Mr. Crampton, upon giving out the interview he did, possessed only erroneous and misleading information, and was not acquainted with the actual facts.

In addition to the foregoing, contracts for the purchase of American Falls water, a contract was also executed between the Empire Irrigation District and the government providing for 110,000 acre feet of American Falls water. This contract is upon the same basis and under the same terms and conditions as the American Falls reservoir contract. The Empire district comprises a total of about 90,000 acres of land situated in Barnock and Caribou counties, about 50,000 acres of which are desirable and irrigable and to which water will be dedicated, the said area being a part of or one unit of what is known as the Greater Fort Hall project. The American Falls water acquired by this district is to be exchanged for water in Jackson Lake, the said Jackson Lake water is to be exchanged for water in the Blackfoot Marsh reservoir, thus making Blackfoot Marsh reservoir water available to the lands in the said Empire district. You will understand that because of the topographic conditions, lands in the Empire district are not susceptible of irrigation from the Snake River, while on the other hand the lands to which Blackfoot Marsh reservoir water is now being dedicated, being lands in the Fort Hall project, may readily be watered from Snake River. In order that the Empire district may carry out its plan, it also negotiated and executed a contract with the United States Indian Service providing for the said exchange of water. The consummation of this transaction between the government and the Empire district does not interfere with or prevent in any way the ultimate development of other units in the Greater Fort Hall project, but on the contrary, the plan adopted by the said district is in harmony with the general plan of development of the Greater Fort Hall project and merely constitutes a unit of it.

The following summary is offered for your convenience. First, American Falls reservoir is definitely assured, the Federal government already having expended approximately \$1,700,000 on the enterprise, and has appropriated, according to my information, \$400,000 additional, which is available during the present fiscal year. Under the present plan the government will obtain 520,000 acre feet of water in the reservoir for use on its Minidoka Extension project of 120,000 acres.

Second, the American Falls Reservoir District has subscribed and contracted for 280,000 acre feet of water with an option on an additional 20,000 acre feet, and has actually authorized the issuance of \$2,700,000 in bonds, the proceeds of which go to make up a five-year interest fund on the said issue and to meet its prorata cost of the reservoir construction.

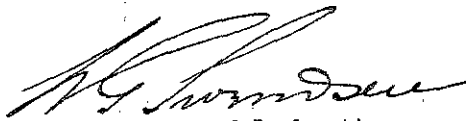
Third, the Empire district has subscribed for 110,000 acre feet in the reservoir and authorized bonds in the sum of \$2,500,000, the proceeds of which are to be used for building a canal and irrigation system and for the payment of their prorata share of the cost of the reservoir. The New Sweden irrigation district has actually purchased Jackson Lake water under a contract which, if the American Falls reservoir is built, ties them into the enterprise to the extent of 25,000 acre feet. Their bonds have been sold and the money is up and they are already obtaining the benefits of Jackson Lake water.

Fourth, the Milner Low Lift irrigation district has actually acquired Jackson Lake water under a contract and conditions similar to that of the New Sweden district and they are at the present time using Jackson Lake water. The Snake River Valley irrigation district has authorized its bonds and I am advised, has executed a contract for the purchase of Jackson Lake water under the same conditions and terms as the New Sweden Irrigation District.

It seems, therefore, certain that what I regard the greatest single development Idaho has ever known is actually assured and under way. Great credit is due the public spirited men and organizations who have been active in bringing these negotiations to a successful end.

In the foregoing, I have endeavored to briefly set out the status of the American Falls project and the contracts relating thereto. Copies of these contracts are on file in my office and open to public inspection. If you desire additional data, or if the foregoing outline is not perfectly clear, I shall be glad to supplement the same, either verbally or in writing, upon your request.

Respectfully,


Commissioner of Reclamation

WGS:P

Letter of 11-10-1923

Portland, Oregon

November 10, 1923

To the Honorable Secretary of the Interior,

Washington, D. C.

Dear Sir:

The contracts between the United States and the American Falls Reservoir and Empire Irrigation Districts, dated June 15, 1923, provide, in paragraph 18, that the undersigned "board" shall make a report and recommendations to your Honor regarding the value and disposition of certain power rights reserved by the United States in its contract of the same date with the Idaho Power Company. Accordingly, it is our pleasure to submit herewith a report and recommendations. The said recommendations are here repeated for your convenience:

We recommend:

- (a) That the interest, if any, not retained by the Power Company in the said "tertiary power right" be excluded from the rights to be charged to government power development at American Falls and that the same shall attach to the reservoir as an asset thereof under the provisions of the contracts between the U. S. and the American Falls Reservoir and the Empire Irrigation Districts.
- (b) That $34\frac{1}{2}\%$ of the amount paid or to be paid by the U. S. to the Idaho Power Company under its contract with said Company of June 15, 1923, be charged to the government power development at American Falls, it being understood that this percentage is intended to apply to the net payment after deduction of rebate.

Respectfully,

W. G. SWENDSEN

D. C. HENNY

10-21-1921 Meeting Minutes

October 14, 1921.

STATE OF IDAHO
Department of Reclamation
W. G. Swendsen, Commissioner.
Boise.

October 12, 1921.

In Re: American Falls Reservoir.
Contract between United States of
America and Idaho Power Company.

Honorable D. W. Davis,
Governor of Idaho and Chairman
of the State Board of Land Commissioners,
Capitol Building, Boise, Idaho.

Dear Governor:

Reference is had to the contract covering the purchase of the necessary rights of way etc. by the United States, through its Reclamation Service, from the Idaho Power Company, required in connection with the American Falls Reservoir construction, which contract you forwarded to me for consideration.

It is my pleasure to advise you that I have given this matter careful consideration, and acting in accord with our conversation, I have executed an approval of the same on Page 37 with the exception of Exhibit "G".

Acting upon the suggestion of the United States Reclamation Department and the Secretary of the Interior, and upon your specific request, I attended a conference at Washington, D. C., in June of this year where representative of the Power Company, the United States Reclamation Service, and a Committee representing certain of the water users in Idaho who are prospective purchasers of storage in American Falls, were present.

The representatives of the water users present at this conference were members of the Advisory Board which has been selected by the various Canal Companies and individuals who are by contracts purchasing storage rights in American Falls from the United States, and were a committee specifically designated by said Advisory Board to attend this conference.

After a considerable deliberation and discussion, all of the pertinent and general questions and issues entering into this contract were finally agreed upon by all parties, including the Committee representing the Advisory Board, and the matter of incorporating the details of the contract into proper form for execution was left to representatives of the Power Company and the Reclamation Service. This work of preparing the contract has been concluded and the contract attached hereto is the result.

The State is in no way directly a party to the contract and its consideration thereof is only had because of the great importance of this development to the State generally, and because of the present attitude of the Secretary of the Interior to closely co-operate with the State in all development and to act in harmony with its desires, the Secretary having indicated to the writer, and I think to yourself, that he would look with favor upon the State's approval of this contract, even to the extent of requiring such approval before he would execute the same.

Under the provisions of this contract the Power Company are selling and conveying to the United States certain real estate necessary in connection with the erection of the dam at American Falls and in connection with the inundation of lands in the reservoir basin, in addition to conveying certain of their water rights and power plant property at American Falls.

While it is true under the provisions of this contract the Power Company are retaining certain of their water rights for power uses, it is my belief that the present contract is so prepared as to safeguard the interests of the state in the best use of its water supply, and since under the provisions of our constitution the use of water for irrigation purposes is declared to be a superior use, it should be possible, if future demands for irrigation require, to have this water supply which under the provisions of this contract is retained by the Power Company for power uses, applied to irrigation use either by friendly purchase or condemnation. The facts are that under this contract the Power Company are giving up a considerable part of their rights in and to the use of water for power purposes so that the same may be used for irrigation, and the water rights retained by them for power uses will not be required to meet irrigation needs for some years to come. It would, therefore, be poor business judgment to purchase at this time all of the water power rights and thus burden the water users with an investment for which they would have no use for some time.

In considering this contract from the State's view point, the question of the State's right and ownership of its water supply has received my careful deliberation, and Paragraph 36 on pages 35 and 36 was incorporated to cover this question.

October 14, 1921.

From a purely legal standpoint this paragraph perhaps is not necessary since a state official probably has no authority to convey, either by implication or otherwise, any rights the state may have. It was incorporated merely to clarify the situation.

Approval of Exhibit "C" is withheld for the reason that it is not a part of this contract and not essential to its operation and execution, and for the further reason that the same has not been formally presented for the State's consideration and approval. I have read Exhibit "C" and deem it of vital importance to our present citizens who expect to obtain an additional water supply under its provisions, and it is my thought that if and when the same is offered for the State's consideration and approval the same should be given very careful deliberation in company with the interested parties, all to the end that their interests and the interests of the State may be properly safe-guarded.

Prompt consideration and execution of this contract is desirable since work on the American Falls Reservoir cannot be started until this contract is executed.

Yours very truly,

(Sd.) W. G. Swendsen

Commissioner of Reclamation.

After careful consideration of the matter, it was moved, seconded and unanimously carried, that the State Board of Land Commissioners approve this contract.

At this time the proceedings of the Department of Public Investments for the month of September, 1921, were presented to the Board for approval and confirmation.

On September 1, 1921:

A farm loan of \$2800 was allowed to Fred W. Emery, of Lewiston.

Release of mortgage was issued for loan #2447, for \$800 James R. Biggs, Caldwell, paid in cash.

Order for warrant #810 was drawn for \$1524.08, farm loan of Sarah Clark, Acoquia, paid by warrant #26561.

Order for warrant #811 was drawn for \$5.92, farm loan of Sarah Clark, Acoquia, paid by warrant #26562.

Order for warrant #812 was drawn for \$5080.28, farm loan of Erling Paulsen, Blackfoot, paid by warrant #26563.

Order for warrant #813 was drawn for \$19.72, farm loan of Erling Paulsen, Blackfoot, paid by warrant #26564.

On September 2, 1921:

Order for warrant #814 was drawn for \$4572.78, farm loan of Joseph A. Johnson, Victor, paid by warrant #26811.

Order for warrant #815 was drawn for \$17.22, farm loan of Joseph A. Johnson, Victor, paid by warrant #26812.

Order for warrant #816 was drawn for \$2542.05, farm loan of James R. Hansen, Tetonia, paid by warrant #26813.

Order for warrant #817 was drawn for \$7.95, farm loan of James R. Hansen, Tetonia, paid by warrant #26814.

Order for warrant #818 was drawn for farm loan of George M. Bassett, of Wilder, for \$1016.17, paid by warrant #26815.

Order for warrant #819 was drawn for farm loan of George M. Bassett, of Wilder, for \$3.88, paid by warrant #26816.

Order for warrant #820 was drawn for \$400.00, farm loan of Michael Bayer, Copeland, paid by warrant #26817.

On September 3, 1921:

A farm loan was allowed Brigham E. Homer, of Guyan, of \$5000.

October 14, 1921.

On September 6, 1921:

A farm loan of \$200 was allowed to R. H. Kennedy, of Lake.

A farm loan of \$2500 was allowed to H. G. Allen, of American Falls.

On September 7, 1921:

A farm loan was allowed for \$2000 to Robert P. Hyde, of Benewah.

A renewal loan was allowed J. W. Ramsey, of Sandpoint, for \$1000, for loan #1870.

A farm loan of \$3000 was allowed Silas Wilson, of Nampa, as renewal of #829, as of 8-16-21.

A farm loan of \$5000 was allowed Silas Wilson and John Pipher, of Nampa, as renewal of loan #1774, as of 8-22-21.

Order for warrant #821 was drawn for \$2034.23, farm loan of Al Josephson, of Malad, paid by warrant #27733.

Order for warrant #822 was drawn for \$5.77, farm loan of Al Josephson, of Malad, paid by warrant #27734.

Order for warrant #823 was drawn for \$4048.46, farm loan of James R. Pfost and Charles Howland, of Cambridge, paid by warrant #27735.

Order for warrant #824 was drawn for \$11.54, farm loan of James Pfost and Charles Howland of Cambridge, paid by warrant #27736.

Order for warrant #825 was drawn for \$1500, farm loan of Fulton R. Croese of Jordan Valley, paid by warrant #27737.

On Sept. 9, 1921:

Release of mortgage was issued for loan #1716, Oliver Seetin, of Sweet, paid by cash, \$800.

On Sept. 10, 1921:

Order for warrant #826 was drawn for \$1500, for purchase of bonds, Common School District #6, Payette County.

Order for warrant #827 was drawn for \$250.00, farm loan of Aerial G. Barnes, of Preston.

On Sept. 12, 1921:

Order for warrant #828 was drawn for \$5000, for Ind. School District #9, Bannock County, for purchase of bonds, paid by warrant #28333.

On Sept. 12, 1921:

Order for warrant #829 was drawn for \$1000, farm loan of Ammon A. Sorensen, Arbon, paid by warrant #28334.

Order for warrant #830 was drawn for \$1000, farm loan of Franklin E. Sorensen, Arbon, paid by warrant #28335.

On Sept. 13, 1921:

A farm loan of \$1500 was allowed G. S. Randall, of Pauline, as renewal of loan #1825.

Release of mortgage was issued for loan #1816, John W. Stoddard, of Cannett, paid by cash.

Release of mortgage was issued for loan #1665, Frank W. Tucker, of Orofino, paid by cash.

Release of mortgage was issued for loan #1946, Arnold Ray, of Boise, paid by cash.

Order for warrant #831 was drawn for \$400.00, farm loan of Effie J. Slater, Rupert, paid by warrant #28336.

On Sept. 14, 1921:

A farm loan of \$800.00 was allowed T. M. Osborn, of Hailey.

Order for warrant #832 was drawn for \$1526.56, farm loan of Joe G. Wood, of Fairfield, paid by warrant #28336.

October 14, 1921.

Order for warrant #834 was drawn for \$3.44, farm loan of Joe C. Wood, of Fairfield, paid by warrant #28569.

Order for warrant #834 was drawn for \$300, farm loan of Geo. H. Batchelder, of Boise, paid by warrant #28570.

On Sept. 14, 1921:

Release of mortgage was issued for loan #1862, Wm. H. Shaw, Priest River, for \$2000, paid by cash.

Release of mortgage was issued for loan #829, Silas Wilson, of Hampa, for \$4000, paid by renewal.

Release of mortgage was issued for loan #1830, Aerial W. Kames, of Preston, for \$1000, paid by renewal.

Release of mortgage was issued for loan #1829, Michael F. Bayer, of Copeland, for \$600, paid by renewal.

Release of mortgage was issued for loan #1789, Timothy M. Woodley, of Maled, for \$2000, paid by renewal.

Release of mortgage was issued for loan #1500, Amelia D. Frieman, Boise, for \$4000, paid by renewal.

Release of mortgage was issued for loan #1774, John Pipher & Silas Wilson, of Hampa, for \$5000, paid by renewal.

Release of mortgage was issued for loan #1605, Charles W. King, of Bonners Ferry, for \$1200, paid by renewal.

Release of mortgage was issued for loan #1757, Samuel Hunsinger, of Aberdeen, for \$2300, paid by renewal.

Release of mortgage was issued for loan #1740, Chas. V. and John Doumeaq, of Whitebird, for \$1500, paid by renewal.

Release of mortgage was issued for loan #1699, Roy Elbert Carpenter, of Eagle, for \$1000, paid by renewal.

Release of mortgage was issued for loan #1599, Chas. M. Lawrence, of Rigby, for \$1000, paid by renewal.

Release of mortgage was issued for loan #2602, Algeray Penfold, of Bliss, for \$4000, paid by renewal.

Order for warrant #835 was drawn for \$1017.70, farm loan of J. W. Thompson, May, Idaho, paid by warrant #28577.

Order for warrant #836 was drawn for \$2.30, farm loan of J. W. Thompson, of May, paid by warrant #28578.

Order for warrant #827 was drawn for \$2544.27, farm loan of Malinda J. Thompson, of May, paid by warrant #28579.

Order for warrant #838 was drawn for \$5.73, farm loan of Malinda J. Thompson, of May, paid by warrant #28579.

Order for warrant #839 was drawn for \$508.86, farm loan of James M. Hanley, of Boise, paid by warrant #28583.

Order for warrant #840 was drawn for \$1.15, farm loan of James M. Hanley, of Boise, paid by warrant #28584.

Order for warrant #841 was drawn for \$500, farm loan of David S. Lutes, Orefino, paid by warrant #28591.

Order for warrant #842 was drawn for \$600, farm loan of W. E. Brown, of Payette, paid by warrant #28582.

Order for warrant #843 was drawn for \$814.15, farm loan of Parley C. Rammell, of Tetonis, paid by warrant #28585.

Order for warrant #844 was drawn for \$1.85, farm loan of Parley C. Rammell, of Tetonis, paid by warrant #28586.

On Sept. 20, 1921:

A farm loan of \$800 was allowed Geo. W. Wilkin, of Grangeville, as of 8-16-21.

October 14, 1922.

Release of mortgage was issued for loan #2380, Miles Gannon, Boise, for \$4000, paid by cash.

On Sept. 21, 1922:

Order for warrant #845 was drawn for \$5000, farm loan of Kate Marshall, of Burley, paid by warrant #29151.

Order for warrant #846 was drawn for \$5200, farm loan of Eli Foregren, of Preston, paid by warrant #29152.

Order for warrant #847 was drawn for \$3500, farm loan of Alex Klug, of Challis, paid by warrant #29153.

Order for warrant #848 was drawn for \$800, farm loan of Herman D. Koplin, of Blackfoot, paid by warrant #29155.

Order for warrant #849 was drawn for \$8000, Ind. School Dist. #1, Oneida Co., school bonds, paid by warrant #29154.

On Sept. 22, 1921:

Order for warrant #850 was drawn for \$2056.98, farm loan of Hyrum S. Heibaur, of Paul, paid by warrant #29598.

Order for warrant #851 was drawn for \$4.02, farm loan of Hyrum S. Heibaur, of Paul, paid by warrant #29597.

Order for warrant #852 was drawn for \$1527.98, farm loan of Edward L. Evans, of Grandview, paid by warrant #29598.

Order for warrant #853 was drawn for \$2000, School District #76, Canyon County, paid by warrant #29555.

On Sept. 23, 1921:

Release of mortgage was issued for loan #2999, E. M. Bolitho, R #3, Boise, \$5000, paid by renewal.

Release of mortgage was issued for loan #1730, David S. Lutes, of Fraser, for \$500, paid by renewal.

Release of mortgage #1849 was issued to Effie J. Slater, of Rupert, for \$1000, paid by renewal.

Release of mortgage #1819 was issued to George H. Batchelder, of Boise, for \$600, paid by renewal.

Release of mortgage #1562 was issued to Sarah E. Yantis, of Fruitvale, for \$1500, paid by renewal.

Release of mortgage #1836 was issued to Charles J. Cressy, of American Falls, for \$550, paid by renewal.

Release of mortgage #1704 was issued to James A. Handy, of Mayburn, for \$1000, paid by renewal.

Order for warrant #857 was drawn for \$2800, Geo. T. Ellis, of Council, paid by renewal.

On Sept. 24, 1921:

Order for warrant #858 was issued to Edward L. Evans, of Grandview, for \$2.02, paid by warrant #29564.

On Sept. 26, 1921:

The application of Wm. Cunningham of Buhl, was cancelled at his request.

The application of Alonso N. Andrews, of Driggs, was cancelled at his request.

A farm loan was allowed May E. Wilcox, of Kendrick, for \$1300, renewal of #1901.

A farm loan was allowed Peter R. Vannairdale, of Lenore, for \$800, renewal of #1711.

A farm loan was allowed LeRoy Walker, of Ashshka, for \$400, renewal of #1815.

Order for warrant #859 was issued to Thos. H. Conlin, of Lamont, for \$4076.97, paid by warrant #29686.

October 14, 1921.

Order for warrant #860 was issued to Thos. H. Conlin, of Lamont, for \$3.05, paid by warrant #29687.

On Sept. 28, 1921:

A farm loan was allowed R. D. See, of Buhl, for \$4000, renewal of loan #1978.

Order for warrant #861 was issued to J. M. Taylor, of Whitebird, for \$480.00, paid by warrant #29677.

Order for warrant #862 was issued to J. M. Taylor, of Whitebird, for \$3720, paid by warrant #29678.

Order for warrant #863 was issued to Walter S. Friedrich, of Arbon, for \$5000, paid by warrant #29680.

Order for warrant #864 was issued to Ind. School Dist. #4, Madison County, paid by warrant #29679, for \$18,000.

On Sept. 29, 1921:

A farm loan was allowed for \$1500 to Joseph A. Nelson, of Preston.

On Sept. 30, 1921:

Application of J. M. Paulsen, of Wilder, for \$2200, was cancelled, as it had never been completed and had been on file since July 15, 1919.

Application of O. W. Price, of Briggs, for \$800, was cancelled, as it had never been completed and had been on file since February 11, 1919.

It was moved, seconded and unanimously carried, that the foregoing proceedings be approved, ratified, confirmed and adopted as an order and resolution of this Board.

At this time the official transactions of the State Land Department for the month of September, 1921, were presented to the State Board of Land Commissioners for approval and confirmation.

PAID BY WARRANT

September 7	No. 3856	To R. E. Conley
" 10	" 3857	" Boise-Payette Lumber Co.
" 11	" 3858	" Oms D. Jackson
" 11	" 3859	" E. G. Johnson
" 15	" 3860	" Edwin Tinsley
" 15	" 3861	" O. M. Cooper
" 15	" 3862	" W. I. Kennedy
" 15	" 3863	" O. M. Cooper & E. W. Cooper
" 27	" 3864	" Charles L. Bourland
" 27	" 3865	" Nathan S. Carter
" 30	" 3866	" S. G. King
" 30	" 3867	" J. M. Taylor

Whereupon it was moved, seconded and unanimously carried that the above action of the State Land Department be approved, confirmed and adopted as an order and resolution of this Board.

At this time the official transactions of the State Land Department for the month of September, 1921, were presented to the State Board of Land Commissioners for approval and confirmation.

STATE LAND SELECTIONS

September 29 Boise Land Office Serial Nos. 026031 to 026034 inc., - 2451.41 acres

Whereupon it was moved, seconded and unanimously carried that the above action of the State Land Department be approved, confirmed and adopted as an order and resolution of this Board.

October 14, 1921.

At this time the official transactions of the State Land Department for the month of September, 1921, were presented to the State Board of Land Commissioners, for approval and confirmation.

LEASES ISSUED

<u>NUMBER</u>	<u>ACRES</u>	<u>KIND</u>	<u>LESSEE</u>	<u>ADDRESS</u>
3071	240	Grasing	D. H. Manwaring	Rexburg, Idaho
3072	160	Agri.	" "	" "
3168	40	Grasing	W. H. Manwaring	" "
3398	80	Agri.	L. L. Hanson	Newdale, Idaho.
3586	40	"	Henry M. Hodgson	Teton, Idaho.
3587	280	Grasing	Chas. F. Cook	Thornton, Idaho.
3588	320	Agri.	" "	" "
3589	280	Grasing	Abner Widdison	Rexburg, Idaho.
3590	160	Agri.	John M. Fausett	" "
3591	40	Grasing	Wood Livestock Co.	Spencer, Idaho.
3592	320	Agri.	Clyde P. Packer	Rexburg, Idaho.
3594	74.25	"	James Byrne	" "
3595	320	Grasing	W. Widdison	Rexburg, Idaho.
3596	80	Agri.	D. S. Bailey	Drummond, Idaho.
3597	200.69	"	Geo. W. Brindley	Thornton, Idaho.
3598	40	"	J. F. Cook	" "
3599	80	"	Fred L. Nielson	Clementsville, Idaho.
3600	80	"	Lyman H. Floyd	Driggs, Idaho.
3601	120	Grasing	G. Schwendiman	Newdale, Idaho.
3602	120	Agri.	" "	" "
3603	80	"	" "	" "
3604	160	Agri.	L. L. Hanson	Newdale, Idaho.
3605	80	"	Evan B. Floyd	Driggs, Idaho.
3606	200	"	W. J. Smith	Rigby, Idaho.
3607	160	"	Jane H. Widdison	Newdale, Idaho.
3608	40	"	Zano Pinkston	Brunson, Idaho.
3609	40	Grasing	" "	" "
3610	40	"	S. H. Moss	Felt, Idaho.
3611	40	Agri.	C. R. Wilson	Buhl, Idaho.
3612	640	Grasing	Hill & Ganshaw	Pocatello, Idaho.
3613	640	Agri.	C. E. Lloyd	St. Anthony, Idaho.
3614	2,120	Grasing	Grange Creek Sheep Co.,	Boise, Idaho.
3615	80	Agri.	J. H. Wheeler	Rockland, Idaho.
3616	200	"	Wm. Watt	McGowan, Idaho.
3617	85.21	Grasing	D. O. Strunk	Boise, Idaho.
3618	320	Agri.	John W. Nealey	Rexburg, Idaho.
3619	40	"	W. J. Matthews	Arling, Idaho.
3620	80	"	Lorin Park	Rigby, Idaho.
3621	160	"	A. J. Stanger	Idaho.

Whereupon it was moved, seconded and unanimously carried that the above action of the State Land Department be approved, confirmed and adopted as an order and resolution of this Board.

At this time the official transactions of the State Land Department for the month of September, 1921, were presented to the State Board of Land Commissioners, for approval and confirmation.

LEASES ASSIGNED

<u>Number</u>	<u>Date</u>	<u>By</u>	<u>To</u>
2621	9-8-21	Roy B. Anderson, Driggs, Ida.	First Nat. Bank, Driggs.
2625	"	Virginia K. " " "	" " " "
3264	"	" " " "	" " " "
3570	"	Roy B. " " "	" " " "
3571	"	Virginia K. " " "	" " " "
2507	9-7-21	L. B. Morse, Rigby, Ida.	W. J. Smith, Antelope.
66	9-22-21	Lawford F. Matson, Rigby.	Warfield Smith, Rigby.
1116	"	Leon E. Hall, Arbon, Ida.	M. D. Hargett, Arbon.

Whereupon it was moved, seconded and unanimously carried that the above action of the State Land Department be approved, confirmed and adopted as an order and resolution of this Board.

October 14, 1921.

At this time it was called to the attention of State Board of Land Commissioners, that one Wade H. Ross had filed application for Homestead Entry Serial No. Boise-026029, said entry covering Lots 8 and 9 of Section 16, Township 4 North, Range 3 West, B. M., the State being notified by the United States Land Office, Boise, Idaho, to show cause, if any there be, within 30 days from the date of said notice - September 28, 1921, why said entry should not be allowed.

Whereupon, it was moved, seconded and unanimously carried, that the State Land Commissioner be, and he is, hereby authorized to file protest against the allowance or acceptance, or the issuance of final certificate or patent to said Wade H. Ross for the Homestead Entry above referred to, covering Lots 8 and 9, Section 16, Township 4 North, Range 3 West, B. M.

Whereupon the Board adjourned.

J. W. Davis
Governor and Chairman

ATTEST:

W. H. Mack
State Land Commissioner.

Boise, Idaho, October 15, 1921.

The State Board of Land Commissioners of the State of Idaho met this day in special session, pursuant to the call of the Governor.

PRESENT:

Hon. D. W. Davis, Governor & Chairman.
Robert O. Jones, Secretary of State.
E. G. Gallet, State Auditor.

Whereupon the following proceedings were had, to-wit:

At this time the State Board of Land Commissioners had under consideration the application of J. R. Field, of Emmett, Idaho, for the renewal of Farm Loan No. 298, in the sum of \$7,000.00 for a term of five years, on the following described land:

1920? Storage Amounts ltr

To the Honorable Secretary of the Interior,

Washington, D. C.

Dear Sir:

1. Storage on the Snake River consists at present of Jackson Lake, Henry's Lake and Walcott Lake Reservoirs. The capacity of these reservoirs is entirely insufficient for the prevention of large spring and winter flow waste.

2. Various non-government irrigation projects are in need of additional water, which can be secured only by additional storage. The United States is proposing to build a North Side pumping division of the Minidoka Project, which will require large storage for its irrigation supply, as well as summer power to pump its supply to the lands.

3. In order to permit such additional irrigation development in the Snake River Valley, the United States will build a large reservoir at American Falls, and has entered into a contract, dated June 15, 1923, with the Idaho Power Company, under which rights of way and certain water rights of that Company have been secured, which are essential to the carrying out of the American Falls storage plan. This contract requires the payment by the U. S. of One Million Dollars, three-fourths of which has been paid to date.

4. In this contract the right to the use of certain storage and release water for the generation of power is reserved to the company, the remaining rights becoming the property of the U. S. These remaining rights consist of a large amount of summer power mainly intended for the use of the North Side pumping division of the Minidoka Project, of a certain amount of winter power for the benefit of the Commercial Unit of the Minidoka Project and conditionally of tertiary power from surplus summer flow for such use as can be made of it in the future.

5. The United States has also entered into contracts with irrigation districts shown in the following table, in which it undertakes to construct a reservoir at American Falls for the use and benefit of the said several districts and the Government Minidoka Project, and extensions thereof.

Name of District	Area of Land in District	Quantity of Water Contracted for-A.F.
American Falls Reservoir District	407,000 acres	300,000 A. F.
Empire Irrigation District	90,000 "	110,000
New Sweden Irrigation District	24,000 "	25,000
SNAKE RIVER VALLEY Irrig. District	25,000 "	20,000
Milner Low Lift Irrig. District	9,400 "	20,000
T o t a l	555,400	475,000

Practically all of the lands in these districts are now occupied and producing crops. They are already supplied with water from existing irrigation works, except the Empire District, a large portion of which is devoted to dry farming. The American Falls reservoir storage, for which they have now subscribed, will therefore constitute a supplemental or insurance water supply.

Under present plans 520,000 acre feet of water from the said reservoir are to be used in the irrigation of the Minidoka Extension Project, covering about 120,000 acres.

Under these contracts the cost of the reservoir is to be borne by the districts and the government prorata, according to their respective rights in the reservoir.

6. The contracts of June 15, 1923, with American Falls Reservoir and Empire Districts, contain under the heading "Statement of Cost of Reservoir", a clause 18, which provides for a Board which is to make recommendations to your honor on certain questions, hereinafter quoted:

7. Under the provisions of the said contracts, the undersigned are designated as such Board, D. C. Henny being substituted for Mr. A. P. Davis by order of the Acting Secretary, Mr. E. C. Finney, in his letter of July 19, 1923, to Mr. D. W. Davis, Commissioner of Reclamation.

8.

QUESTION (a)

"Whether the interest if any not retained by the Power company in the said "tertiary power right" shall be retained by the United States for use in connection with its project or projects and included in the rights to be charged to government power development at American Falls, or whether the said "tertiary right" shall be excluded from the rights to be charged to said government power development at American Falls and shall attach to the reservoir as an asset thereof the net proceeds of which asset, if any net proceeds are realized, shall be prorated to the several contracting parties holding irrigation storage rights in the reservoir, including the United States in proportion to their respective shares in the reservoir, (it being agreed and understood that in the event that such tertiary right shall attach to the reservoir as an asset thereof as above provided, the Secretary of the Interior shall have power to contract for the use or disposal of such tertiary right at such price or rate as he shall find to be the reasonable value thereof)".

9. The "tertiary" right in question (a) refers to tertiary power mentioned in our Section 4 as being the right to the use for power of water released between April 1 and October 31 from the American Falls Reservoir in excess of that required for the satisfaction of prior power rights in the use of water released from the reservoir.

10. We have estimated the extent of these tertiary rights and find that they fluctuate greatly with the annual runoff and are besides dependent upon the size of the reservoir to be built, as is shown by the following table, which in its lower part, gives the power which can be

developed by their use:

(Table on following page)

11. The power available from Nov. 1 to March 31 listed in the table is independent of tertiary rights hereunder discussion, the latter referring solely to power use of water released from April 1 to October 31. The power was estimated on the basis of penstock connection with the dam giving increased head, due to reservoir filling.

12. The years 1917 and 1919 were selected because the former represents a year of average runoff and the latter the lowest year of runoff during a 23-year period. The table shows that in either case, and for a one and one-half million as well as a one million A. F. reservoir tertiary right will yield practically no power during August, September and October, while during the earlier four months of the irrigation season the power varies greatly.

13. The rights would have a somewhat greater value to the Power Company than to the U. S. because the Company reserves in paragraph 24 of its June 15, 1923 contract with the U. S. the right for power use of surplus water during the November-March period. The power thus secured to it as shown in the table, taken in conjunction with the power under tertiary rights which cover the April-October period, makes power available during a far longer continuous period of each year than is the case with the U. S.

14. In addition to this advantage on the part of the Company, there is the further advantage that its American Falls Plant is connected with the plants of its neighbor, the Utah Power and Light Company to the East and that after it has completed the contemplated connection with its own plants to the West, a wide interchange of power will be possible over a large area for general commercial and irrigation pumping use.

15. A very considerable peak load is imposed upon the Idaho Power Company system during summer months. American Falls tertiary power may therefore be of considerable value to the Company in supplying this demand, thus making the development thereof by them all the more likely.

16. The situation, therefore, is that if the tertiary rights are of value to the U. S., they are likely to be of greater value to the Company, which has a right during the first five years, to secure them. The value of tertiary rights, if any, which may ultimately revert to the government, is therefore dependent upon numerous factors at present unknown. In these circumstances it is impossible at present to assign any logical value to the interest of the U. S. in tertiary rights, and it is deemed best to leave this interest consolidated with the general storage rights. It is, therefore, recommended that:

The interest, if any, not retained by the Power Company in the said "tertiary power right" be excluded from the rights to be charged to government power development at American Falls and that the same shall attach to the reservoir as an Asset thereof, under the provisions of the contract between the U. S. and the American Falls Reservoir District, dated June 15, 1923.

MONTHLY AVERAGE POWER AVAILABLE IN K. W.

Year		1917		1919	
Reservoir Capacity		1040000 A. F.	1500000 A. F.	1040000 AF.	1500000 A. F.
Reservoir at end of previous season		Empty	Full	Empty	Full
November	0	52600	57500	0	32000
December	0	45500	49800	0	26300
January	6900	38800	42400	0	22200
February	23000	41700	45600	20600	25200
March	24000	43400	47500	30700	30700
(Company Rights under Paragraph 24 of Contract)				13300	33800
April		33800		42000	
May	79400		30800	27200	46100
June	120000			16100	29800
July	74800			2000	17800
August	0			0	0
September	0			0	0
October	0			0	0
(Tertiary Rights under Paragraph 12 of Contract)					

QUESTION (b)

17. This question requires the determination of:

"The percentage of the money payment to be made by the United States to the Power Company which shall be charged to the government power development at American Falls, consideration to be given to any discount that may be allowed by said Power Company, to the end that the United States shall have its proportionate share of said discount."

18. The government power to be developed at American Falls, if no tertiary rights are to be used, will consist, as mentioned in Section 14 of this report, of summer power for irrigation pumping and winter power for the Minidoka project.

19. Referring first to the government winter power for the Minidoka Project, it should be understood that the Minidoka Project has a power development at the Minidoka Dam which is used for the production of seasonal power required for irrigation pumping by the South Side Minidoka Division. It is also used for the production of winter power distributed over, and used upon, the Minidoka Project. Water required to pass the said Minidoka Dam to satisfy lower irrigation rights has been sufficient to produce pumping power for the present Minidoka Project except in the extremely low year 1919. The water available during the irrigation season for power will in future be increased through release from American Falls Reservoir. For several years past, power installation at Minidoka has been insufficient to meet requirements for irrigation and commercial power during the period of maximum irrigation demand. Shortage has been made up by an exchange arrangement with the Idaho Power Company. Minidoka summer power rights are, therefore, satisfied without a waste of water to irrigation. To generate 8,000 K.W. winter power from the existing Minidoka plant requires a flow of 2,700 second feet, for which a court decree has been granted. This amount is in excess of power rights above, or winter rights below, and therefore implies a waste of water which might otherwise be impounded in the proposed American Falls Reservoir and made available for irrigation. As nearly as may be determined from a consideration of all available data, this waste amounts to about 649,000 acre feet annually. If the provisions of the contract between the government and the Idaho Power Company are carried out, this waste may be reduced to 400 second feet over the six months period, or 144,000 acre feet each season, thus making a saving of approximately 501,000 acre feet for the ultimate benefit of American Falls storage. The winter capacity of the present Minidoka plant is 8,000 K. W. A reduction of flow will leave a deficit which is, under the provisions of the said power contract, to be made up from winter power generated at American Falls. Under the new arrangement the Government will have to operate during the non-irrigating season not only the Minidoka but also its proposed American Falls plant, thus increasing operating costs. As a compensation for such increased operating costs and additional 2,000 K. W. winter power right is to be granted the Minidoka Project, making a total of 10,000 K. W.

20. The equity of this offset may be tested by the following estimates. Additional annual cost to Minidoka Project is estimated by Mr. Dibble as follows:

6 months American Falls Power House	
operation at \$1670	\$10,020
6 months Transmission Line operation	
42 miles at \$7.30 per mi. per mo.	1,840

Interest on additional substation	
capacity 6% on \$32,050	\$1,920
	13,780

Additional annual income from winter
power sale taken from substations
estimated by Mr. Dibble as follows:

2000 K.W. at \$6.46	\$12,920
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21. On the basis of the foregoing figures the additional 2000 K. W. allowed to the Minidoka project may produce an annual income closely approaching the additional annual expenditure imposed on the project by the exchange. The undersigned are of the opinion, however, that the foregoing estimated additional cost of operating the American Falls plant during six months non-irrigation period appears very liberal. An operating organization must be maintained during six months irrigating season and even though no current were generated in winter, the entire force could probably not be laid off, since the plant will need heating during cold weather and require other attention. Little, if any, saving might be expected by discharging the operating force at the end of each irrigating season and employing and organizing a new force again each year. Usually persons performing such service demand continuous employment and if only six months yearly employment is provided, correspondingly higher wages would have to be paid.

Winter demands will not necessitate the operation of proposed American Falls plant to capacity, thus annual overhauling and repair of equipment can proceed uninterruptedly during the winter.

When the exchange plan is carried out continuity of service to Minidoka Commercial Power consumers will be more fully assured by the use of two generating stations thus provided.

However, the matter of releasing the major portion of the water now dedicated to winter power uses, for irrigation storage, is extremely important to the State and to all of the prospective owners of American Falls storage, since it is fully realized that water in this territory is more valuable for irrigation than for power, and in consideration of all of these circumstances, we believe that no charge should be made for the said additional 2000 K.W. winter power privilege.

We urge, however, the importance of pursuing a policy in the expansion of winter power uses which will leave the greatest possible amount of water available for irrigation.

22. The questions of tertiary right and of winter power from the American Falls reservoir having been thus disposed of, there remains consideration of the summer power rights reserved to the U. S. under its June 15, 1923, contract with the Idaho Power Company. These rights are secondary to certain primary power rights reserved to the Company and are limited both as to total output and as to water consumed as follows:

April 1	Power Output 6700 K. W.	Power Water 1500 Sec. Ft.
	increasing to	
May 1	25000	5000
June 1	30000	6000
	maintained at	
August 15	30000	6000
	decreasing to	
September 15	25000	5000
	decreasing to	
October 31	5500	1500

23. The listed power water will always be available after supplying prior power rights owned by the Idaho Power Company in years of ordinary runoff. In low years there is likely to be a shortage in September, which, in a year like 1919 with a one million acre-foot reservoir, may amount to 8%.

24. The power may be partly used on the North Side Pumping Division, of the Minidoka Project, the maximum requirements for power of which are estimated as follows:

Area Acres	Gross Diversaion sec.ft.	Lift Feet	Required Generating Cap. KW	Successive Totals--KW
13500	258	43	1500	1500
58900	1130	86	13100	14600
9200	176	100	2400	17000
25000	479	129	8300	25300
8200	157	150	3200	28500

25. This board does not deal with the extent to which it may be feasible to develop the proposed North Side pumping division of the Minidoka Project in the near future, but presents the foregoing figures as indicating the probable largest single item of potential market for the government's proposed pumping power development at American Falls. Other market for such power may develop, since, under existing conditions, a considerable amount of power is now consumed in irrigation pumping throughout southern and south-eastern Idaho. The present pumping unit of the Minidoka Project is somewhat short of power during the period of maximum irrigation. If the contentions of the South Side Minidoka pumping settlers are sustained, a further shortage of power for the use of this unit will result from the necessity of pumping additional water. The amount of additional power that may be necessary to make up this shortage is not known to the undersigned Board. Some of the lands in the American Falls Reservoir District are underpumping plants now using commercial current to the extent to 1500 kilowatts at a cost of \$36,000 a year for five months service, and, under the provisions of their purchase contract, this cost increases to \$40,000 per year if six months service is demanded. The Milner Low Lift Irrigation District, also a subscriber for water in the proposed American Falls Reservoir, is likewise a pumping project, using, under existing conditions, 800 K.W. at an annual cost of about \$17,000. The two consumers have each expressed their desire to obtain power from the American Falls government plant in the event development cost does not materially exceed the present estimates of the United States.

The foregoing indicates a present possible market for any American Falls seasonal power not ultimately needed by the government, and the Board is inclined to recommend that since these consumers are participating in the construction of the American Falls reservoir, they be given an opportunity to obtain the benefits and use of any surplus government power that may exist at American Falls, conditioned upon their contributing prorata to the cost thereof.

In addition to these, other prospective pumping projects, situated in the Snake River Valley, may be found commercially feasible and thus a considerable market for seasonal power may be created.

26. It is herein assumed that, owing to the seasonal distribution of the summer power rights under discussion, and because of the total absence of a market for such seasonal power for purposes other than irrigation, valuation is to be based on their use for irrigation pumping.

27. Determination of the value of rights before they are developed and a market created is, in the nature of the case, difficult and peculiarly subject to individual judgment. The results depend greatly upon the selection of a theory underlying valuation.

28. A theory of valuation based upon a comparison of the actual cost of developing commercial power in Idaho with the estimated cost of the proposed government American Falls plant appeared logical and has been carefully considered by the Board.

29. The existing southern Idaho power is largely owned and has been developed by the Idaho Power Company and its predecessors. The business of this Company is still in rather a development stage and while the per K. W. cost of installed power may be determined from the records, market conditions are not firmly enough established to permit the drawing of conclusions as to the maximum sum that may be expended per K. W. installed and keep within the allowable limits of commercial feasibility. The per K. W. installed value of any power installation depends, in addition to other conditions, very largely upon the load factor imposed upon the system and until the construction and market development period has passed, any load factor determination is necessarily a forecast.

30. It is the Board's understanding that under existing conditions, the Idaho Power Company derives little or not net revenue from its pumping load. The reason for this condition undoubtedly grows out of the fact that some of its large customers, notably the Gem Irrigation District, because of high lift and consequent large amount of power consumed annually per acre irrigated, are financially unable to meet their power payments, thus the Power Company revenue from pumping service is materially reduced. It is possible, therefore, that if all of the power company's customers were actually meeting their payments, the existing rates would yield a fair net return. It should be remembered, however, that the present power pumping rate is tentative. The Utilities Commission is now considering a rate schedule for this and other classes of service and when final rates are fixed and the Company's development period passed, a fair net return for pumping power may be realized.

31. The value of the rights in question considered upon this theory and using existing Idaho Power Company's system load factor and per K. W.

installed costs, and estimated load factor and K. W. costs of proposed government American Falls plant in the comparison, is found to be very small.

32. In spite of the above, it is evident that the power rights must have value to the North Side Minidoka Division lands if this unit is financially feasible, including a reasonable allowance for power rights and if it cannot purchase the required power elsewhere at less cost.

33. The value might, therefore, be approximated by estimating what the said North Division can afford to pay for the power rights. The estimated cost of the Division runs close to \$100 per acre if fully completed. The maintenance and operation cost must include the operation during summer of the power plant, as well as pumping plants, and may well reach, and even exceed, \$2 per acre per year. It is clear that financial feasibility at present cannot leave much margin for power rights.

34. The North Side Pumping Division has a maximum area of 115,000 acres. If the value of power rights required by it were to be placed at \$3 per acre, or a total of \$345,000, from one-third to one-half of this sum would come back to said Division as its part of the credit allowed to general American Falls Reservoir interests, according to whether a $1\frac{1}{2}$ million or a 1 million A. F. reservoir be finally decided upon. The net cost of power right to the Division would, therefore, on such valuation amount to either \$2 or \$1.50 per acre.

35. The line of feasibility of the North Division cannot by any one be drawn as closely as within \$2 per acre. Determining power value by this method cannot, therefore, yield dependable results, although it is well to bear in mind that an excessive value placed on these rights may have a seriously deterrent effect upon the construction and the settlement of the unit.

36. The proposed contract between the U. S. and the Gem Irrigation District for the sale of power rights at Arrowrock dam has been quoted as furnishing a means of determining the value of similar rights at American Falls. The proposed contract is for \$10 per H. P. or \$13.33 per K. W.

37. In applying this method of valuation, it is necessary to take into account differences in available head, which averages greater at Arrowrock than at American Falls, and requires a correspondingly smaller construction cost at that point than at American Falls. On the other hand, American Falls site has the advantage of being on the railroad, thus eliminating cartage and highway construction costs, which may be a considerable item in the proposed Arrowrock plant costs. Sand, gravel and cement are more readily accessible at American Falls than at Arrowrock.

38. In a report of April 4, 1923, a board of U.S. engineers referred to this means of valuation and judged that existing differences justified a relative value at American Falls of \$10. The reduction from \$13.33 to \$10 seems to us somewhat excessive, especially considering the serious September shortage to which Arrowrock power may be subject in years of low runoff. A comparative value of \$11.50 per K. W. seems, however, reasonable, and from this for a 30,000 K. W. maximum power right at American Falls, a total value of \$345,000 would result.

39. It must be admitted, however, that this method of valuation has the serious disadvantage that its basis, namely, the \$10 per H. P. price to be paid for rights at Arrowrock, is in itself, so far as we know, arbitrary and not founded on value of power rights in the valley.

40. In the above mentioned report value of American Falls rights was ascertained primarily by separating the cost of certain features acquired in the contract with the Idaho Power Company and deemed to have been more specially purchased for the purpose of permitting the development of irrigation power at American Falls from the total property and rights purchased from the Idaho Power Co. at a cost of \$1,000,000. To the cost of these features was added the cost of fulfilling obligations assumed under said contract, likewise judged to refer more specifically to the requirements of irrigation power development.

41. A valuation was made on the above basis as follows:

West Side & East Side Power Plants	\$75,000
Cost of Division Wall	40,000
Cost of 45,000 A. F. primary storage for Idaho Power Co. at \$3.40	153,000
Incidentals	32,000
	\$300,000

42. Like all the other methods, the above method is subject to serious objections. It is not seen why the purchase of power plants and the expense of a division wall does not likewise arise from the necessity of constructing a government power plant for furnishing substitute winter power from American Falls for the Minidoka project. Nor is it clear why the large item (\$153,000) figured for cost of primary storage for the Idaho Power Co. does not fundamentally result from the need of acquiring general irrigation storage rights.

43. Moreover, if Idaho Power Company primary storage is to be charged to power rights at all, it is believed that neither the excessively high unit cost should be used which would result from estimating the cost of a very small 45,000 A. F. reservoir, nor the rather low unit cost actually applied by the said Board based on the additional expense involved in increasing large primary storage by that amount. If this element be used in determination of cost it is more nearly fair to all concerned to estimate it at the average cost per A. F. based on a 1 million or a $1\frac{1}{2}$ million A. F. capacity reservoir.

44. If the board of engineer's value be adopted after correction for A. F. cost of primary company storage, using \$5.75 as the average cost per A. F. instead of \$3.40, a valuation higher by $45,000 \times 2.35$ or by about \$106,000 would be found, making the total \$406,000. As stated, however, the soundness of this method, and especially the logic of including the cost of the division wall and of Company primary storage in their entirety in the valuation of irrigation power rights, is seriously questioned.

45. The methods of valuation above outlined are all, as stated, subject to grave drawbacks. Some give results clearly too low and others too high. In this connection it should also be borne in mind that no certainty as yet exists of a full market for these rights.

46. The use to be made of pumping power on lands outside the North Side Pumping Division of the Minidoka projects is problematical. As to power consumption, by this division itself the tabulation in paragraph 25 shows that if for instance 100 feet pumping lift should be found to be the feasible limit, only 17000 K. W. out of a total of 30,000 K. W. would be needed by this division. About 40% of the rights may, therefore, lie unused for a long time, unless other market preferred to in paragraph 25 hereof develops.

47. The problem, therefore, is very complex. It cannot be solved by close logical reasoning and results can only be reached on general principles of fairness and equity.

48. On that basis we find that \$345,000.00 is a fair value of the U. S. summer rights at American Falls, and we recommend:

That 34½% of the amount paid or to be paid by the U. S. to the Idaho Power Co. under its contract with said Company of June 15, 1923, be charged to the government power development at American Falls, it being understood that this percentage is intended to apply to the net payment after deduction of rebate.

49. In arriving at the foregoing conclusion and recommendation, consideration has been given by the Board to the broad questions of public policy involved, keeping in mind the best interests of the public, including the settlers now on lands participating in the construction of the American Falls reservoir and those who may subsequently enter lands on the Minidoka Extension Project. Due account has also been taken of the interests of the State and the Government, to the end that they may be co-ordinated and that the greatest good may ultimately come from a development and use of the water supply involved.

The valuation and percentage recommended by the Board are based upon existing power market conditions and particularly upon what it is thought the Minidoka project can well afford to pay for the rights it is to obtain. If a market, able to bear the present pumping power rate of \$18.00 per h. p. a year were now actually in existence for the full 30,000 K. W. seasonal power, then a somewhat higher value would necessarily result.

If Your Honor desires more detailed information than is contained herein, the Board would be glad to endeavor to supply the same, either in a discussion of the subject, or otherwise, at your pleasure.

Respectfully submitted,

W. G. SWENDSEN

D. C. HENNY