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FEB 29 2008

DEPARTMENT OF
WATER RESOURCES

Attorneys for Pioneer Irrigation District
and Settlers Irrigation District

Scott L. Campbell, ISB No. 2251
Dylan B. Lawrence, ISB No. 7136
Andrew J. Snook, ISB No. 7761
MOFFATT, THOMAS, BARRETT, ROCK &
FIELDS, CHARTERED
101 S. Capitol Blvd., 10th Floor
Post Office Box 829
Boise, Idaho 83701
Telephone (208) 345-2000
Facsimile (208) 385-5384
18-946.24

IN THE DISTRICT COURT OF THE FIFTH JUDICIAL DISTRICT
OF THE STATE OF IDAHO, IN AND FOR THE COUNTY OF TWIN FALLS

In Re SRBA,
Case No. 39576

Subcase No. 63-3614
(Anderson Ranch Reservoir)

**AFFIDAVIT OF DYLAN B. LAWRENCE IN
SUPPORT OF PIONEER AND SETTLERS
IRRIGATION DISTRICTS' MOTION FOR
SUMMARY JUDGMENT**

STATE OF IDAHO)
) ss.
County of Ada)

I, DYLAN B. LAWRENCE, having been duly sworn upon oath, depose and state
as follows:

1. I am one of the attorneys of record for Pioneer Irrigation District and Settlers Irrigation District (collectively, the "Districts") in this action, and make this affidavit based upon personal knowledge.

2. Attached hereto as Exhibit A is a true and correct copy of the Idaho Department of Water Resources' recommendation for water right no. 63-3614 filed on September 24, 2002.

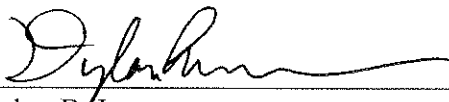
3. Attached hereto as Exhibit B are true and correct copies of Pioneer Irrigation District's and Settlers Irrigation District's Standard Form 1 Objections to the Idaho Department of Water Resources' recommendation for water right no. 63-3614.

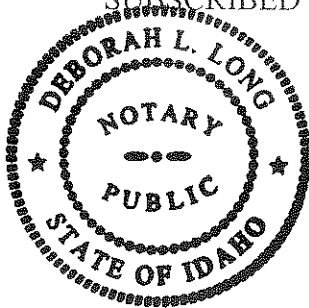
4. Attached hereto as Exhibit C is a true and correct copy of a contract between Pioneer Irrigation District and the Bureau of Reclamation for irrigation storage water in Anderson Ranch Reservoir.

5. Attached hereto as Exhibit D is a true and correct copy of a contract between Settlers Irrigation District and the Bureau of Reclamation for irrigation storage water in Anderson Ranch Reservoir.

6. Attached hereto as Exhibit E is a true and correct copy of the original license for water right no. 63-3614 issued on December 17, 1956, by the state of Idaho.

Further your affiant sayeth naught.


Dylan B. Lawrence



SUBSCRIBED AND SWORN to before me this 28th day of February, 2008.

Deborah Long
NOTARY PUBLIC FOR IDAHO

Residing at Boise, Idaho

My Commission Expires 10/10/13

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 28th day of February, 2008, I caused a true and correct copy of the foregoing **AFFIDAVIT OF DYLAN B. LAWRENCE IN SUPPORT OF PIONEER AND SETTLERS IRRIGATION DISTRICTS' MOTION FOR SUMMARY JUDGMENT** to be served by the method indicated below, and addressed to the following:

Albert P. Barker
BARKER ROSHOLT & SIMPSON
1010 W. Jefferson, Suite 102
Post Office Box 2139
Boise, Idaho 83701-2139
Facsimile (208) 344-6034

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

Daniel V. Steenson
RINGERT CLARK CHTD.
455 S. Third Street
Post Office Box 2773
Boise, Idaho 83701-2773
Facsimile (208) 342-4657

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

Jerry A. Kiser
STOPPELLO & KISER
620 W. Hays Street
Boise, Idaho 83702
Facsimile (208) 336-1027

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

John K. Simpson
Barker Rosholt & Simpson
1010 W. Jefferson, Suite 5102
P.O. Box 2139
Boise, ID 83701-2139
Facsimile (208) 344-6034

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

S. Bryce Farris
RINGERT CLARK CHTD.
455 S. Third Street
Post Office Box 2773
Boise, Idaho 83701-2773
Facsimile (208) 342-4657

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

Shelley M. Davis
BARKER ROSHOLT & SIMPSON
1010 W. Jefferson, Suite 102
Post Office Box 2139
Boise, Idaho 83701
Facsimile (208) 344-6034

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

Travis L. Thompson
Barker Rosholt & Simpson
113 Main Avenue, Suite 303
Twin Falls, ID 83301-6167
Facsimile (208) 735-2444

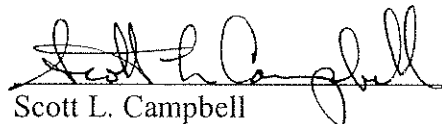
☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

United States Department of Justice
Environment and Natural Resources Division
United States Department of Justice
550 West Fort Street, MSC 033
Boise, ID 83724

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

Director
Idaho Department of Water Resources
322 E. Front Street, 6th Floor
P.O. Box 83720
Boise, ID 83720
Facsimile (208) 287-6700

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile



Scott L. Campbell

EXHIBIT A

09/24/2002

IDAHO DEPARTMENT OF WATER RESOURCES
RECOMMENDED WATER RIGHTS ACQUIRED UNDER STATE LAW

RIGHT NUMBER: 63-3614

NAME AND ADDRESS: UNITED STATES OF AMERICA ACTING THROUGH
REGIONAL DIRECTOR PN REGION
BUREAU OF RECLAMATION
1150 N CURTIS RD SUITE 100
BOISE ID 83706-1234

SOURCE: SOUTH FORK BOISE RIVER TRIBUTARY: BOISE RIVER

QUANTITY: 493,161.00 AFY
TOTAL RESERVOIR CAPACITY IS 493,161 ACRE FEET WHEN FILLED TO ELEVATION
4196.0 FEET AND MEASURED AT THE UPSTREAM FACE OF THE DAM.

PRIORITY DATE: 12/09/1940

POINT OF
DIVERSION: T01S R08E S1 NWSE Lot 4 Within ELMORE County

PURPOSE AND
PERIOD OF USE:

<u>PURPOSE OF USE</u>	<u>PERIOD OF USE</u>	<u>QUANTITY</u>
POWER FROM STORAGE	01/01 12/31	493,161.00 AFY
IRRIGATION FROM STORAGE	03/15 11/15	487,961.00 AFY
MUNICIPAL STORAGE	01/01 12/31	5,200.00 AFY
IRRIGATION STORAGE	01/01 12/31	487,961.00 AFY
MUNICIPAL FROM STORAGE	01/01 12/31	5,200.00 AFY
POWER STORAGE	01/01 12/31	493,161.00 AFY
INDUSTRIAL STORAGE	01/01 12/31	5,200.00 AFY
INDUSTRIAL FROM STORAGE	01/01 12/31	5,200.00 AFY

THE USE OF WATER FOR IRRIGATION UNDER THIS RIGHT MAY BEGIN AS EARLY
AS MARCH 1 AND MAY CONTINUE TO AS LATE AS NOVEMBER 15, PROVIDED
OTHER ELEMENTS OF THE RIGHT ARE NOT EXCEEDED. THE USE OF WATER
BEFORE MARCH 15 UNDER THIS REMARK IS SUBORDINATE TO ALL WATER RIGHTS
HAVING NO SUBORDINATED EARLY IRRIGATION USE AND A PRIORITY DATE
EARLIER THAN THE DATE A PARTIAL DECREE IS ENTERED FOR THIS RIGHT.

PLACE OF USE:

09/24/2002

IDAHO DEPARTMENT OF WATER RESOURCES
RECOMMENDED WATER RIGHTS ACQUIRED UNDER STATE LAW

THE PLACE OF USE IS WITHIN THE BOISE FEDERAL RECLAMATION
PROJECT WITHIN ADA, CANYON, ELMORE COUNTIES, IDAHO AND
MALHEUR COUNTY OREGON (BIG BEND IRRIGATION DISTRICT).

OTHER PROVISIONS NECESSARY FOR DEFINITION OR ADMINISTRATION OF THIS WATER RIGHT:

THIS PARTIAL DECREE IS SUBJECT TO SUCH GENERAL PROVISIONS
NECESSARY FOR THE DEFINITION OF THE RIGHTS OR FOR THE
EFFICIENT ADMINISTRATION OF THE WATER RIGHTS AS MAY BE
ULTIMATELY DETERMINED BY THE COURT AT A POINT IN TIME NO
LATER THAN THE ENTRY OF A FINAL UNIFIED DECREE. SECTION
42-1412(6), IDAHO CODE.

EXPLANATORY MATERIAL: BASIS OF CLAIM - License

EXHIBIT B

RECEIVED

JAN 14 2003

Department of Water Resources

IN THE DISTRICT COURT OF THE FIFTH JUDICIAL DISTRICT OF THE
STATE OF IDAHO, IN AND FOR THE COUNTY OF TWIN FALLS

In Re SRBA

Case No. 39576

A. Subcase 63-03614

(Insert water right number)

STANDARD FORM 1
OBJECTION

Please fill in the following information:

B. NAME AND ADDRESS OF PERSON OBJECTING

Name: Pioneer Irrigation District

Address: P.O. Box 426

Caldwell, ID 83606

Daytime Phone: 208-459-3617

Name & Address of Attorney, if any:

Scott Campbell & Angela Schaer Kaufmann

Moffatt Thomas Barrett Rock & Fields, Chtd

P.O. Box 829, Boise, ID 83701-0829

C. CLAIMANT OF WATER RIGHT AS LISTED IN DIRECTOR'S REPORT

Name: Pioneer Irrigation District

Address: P.O. Box 426

Caldwell, ID 83606

D. I object to the following elements as recommended in the Director's Report. (Please check the appropriate box(es)).

1. ☒ **Name and Address**
Should be: See Attachment A
2. ☐ **Source**
Should be: _____
3. ☒ **Quantity**
Should be: See Attachment A & A-1
4. ☒ **Priority Date**
Should be: See Attachments A & A-1
5. ☐ **Point(s) of Diversion**
Should be: _____
6. ☐ **Instream Flow Description**
Should be: _____
7. ☒ **Purpose(s) of Use**
Should be: See Attachments A & A-1
8. ☐ **Period of Year**
Should be: _____
9. ☒ **Place of Use**
Should be: See Attachments A & A-1

11. I object because:

- ☐ This water right should not exist.
- ☐ This water right was not recommended, but should be recommended with the elements described above.

E. REASONS SUPPORTING OBJECTION(S): See Attachment A

F. VERIFICATION (Must be Completed)

State of Idaho)
)ss.
County of Ada)

Angela Schaefer Kaufmann, duly sworn, upon oath, deposes and says:
(Name of person filing objection)

That I am the party/claimant filing this objection, as defined by I.C. §§ 42-1401A(1) and (6) or that I am the attorney for the party/claimant objecting and that I have read this objection, know its contents and believe that the statements are true to the best of my knowledge.

(Signature of person filing objection)

Angela Schaefer Kaufmann
(Attorney signing in representative capacity)

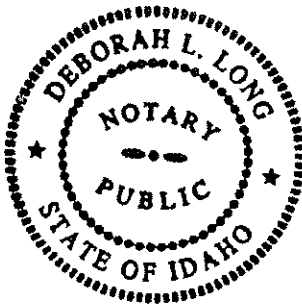
Subscribed and sworn to before me on:

January 13 2003

Notary Public for

Residing at: Boise

My Commission Expires: 10/10/07



INSTRUCTIONS FOR MAILING

You must mail the objection, to the Clerk of the Court. **FAX filings will not be accepted.** You must also send a copy to all the parties listed below in the Certificate of Mailing.

G.

CERTIFICATE OF MAILING

I certify that on January 13, 2003, I mailed the original and copies of this objection, including all attachments, to the following persons:

1. Original to:

Clerk of the District Court
Snake River Basin Adjudication
253 Third Avenue North
PO Box 2707
Twin Falls, ID 83303-2707

2. One copy to the claimant of the water right at the following address:

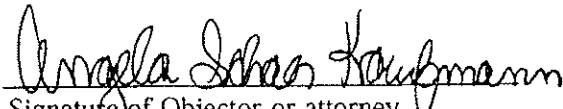
Name: Pioneer Irrigation District
Address: P.O. Box 426
Caldwell, ID 83606

3. Copies to:

IDWR Document Depository
PO Box 83720
Boise, ID 83720-0098

Chief, Natural Resources Division
Office of the Attorney General
State of Idaho
PO Box 44449
Boise, ID 83711-4449

United States Department of Justice
Environment and Natural Resource Division
550 West Fort Street, MSC 033
Boise, ID 83724


Signature of Objector or attorney
mailing on Objector's behalf

ATTACHMENT A
63-3614

Pioneer Irrigation District ("Pioneer") has a contract with the Bureau of Reclamation for irrigation storage water from Anderson Ranch Reservoir. Pioneer has a right to use 16000 acre feet of water from Anderson Ranch Reservoir to irrigate 35350.5 acres owned by landholders within Pioneer's service area. The Idaho Department of Water Resources has recommended that Pioneer' water right claim for that amount of water, 63-3614A, be disallowed.

Pioneer has filed or will file an objection to that recommendation, and further objects to the recommendation for SRBA Claim Number 63-3614, because the Idaho Department of Water Resources has indicated that claim number 63-3614A has been recommended as 63-3614. Pioneer asserts an ownership interest in 63-03614 to the extent that water right, as recommended, includes 63-3614A. This ownership interest is a full ownership interest, in accordance with Idaho law, the Reclamation Act of 1902, 43 U.S.C. § 372, and the United States Supreme Court decision in *Ickes v. Fox*, 300 U.S. 82, 57 S.Ct. 412, 416-17 (1937). In the alternative, Pioneer asserts a beneficial ownership interest.

If this claim is decreed, it must specifically provide that use of water for power purposes is subordinate to and subject to the use of water for irrigation purposes. This can be accomplished by the inclusion of the following language, taken directly from the quantity element on the license for this right:

493,161 ac. feet [acre feet] for irrigatio and such power as may be generated by use of water for irrigation use.

See Exhibit A-1.

State of Idaho

License and Certificate of Water Right

Water License No. R-698

 493,161 ac.ft. for irrigation
 and such power as can be gen-
 erated by use of water released
 Amount for irrigation use.

Water District No.

Priority December 9, 1940

THIS IS TO CERTIFY that UNITED STATES OF AMERICA (Bureau of Reclamation)

of Boise, Idaho, made application for a permit to appropriate the
 public waters of the State of Idaho, dated December 9, 1940; that Permit No. R-698
 was issued under said application; that Certificate of Completion of works, with a carrying capacity of
 493,161 ~~acres~~ ^{acre} feet, was issued thereunder on August 30, 1952, showing that said works
 were completed on the 6th day of February, 1951; and that on the 21st
 day of February, 1956, The U. S. Bureau of Reclamation

of Boise, State of Idaho, made proof to the satisfaction of the
 State Reclamation Engineer of Idaho, of the right to use the waters of South Fork
 Boise River, a tributary of Snake River, for the purpose of Irrigation and Power
 under Use Permit No. R-698 of the Department of Reclamation
 and that said right to the use of said waters has been perfected in accordance with the laws of Idaho,
 and is hereby confirmed by the State Reclamation Engineer of Idaho and entered of record in Volume
 9 of Licenses at page 5885, on the 17th day of December, 1956;

The right hereby confirmed dates from December 9, 1940;

The Point of Diversion is located

in the Lot 4, Sec. 1, Tp. 1 S., R. 8 E., B. M. County Elmore

That the amount of water to which such right is entitled and hereby confirmed, for the purposes
 aforesaid, is limited to an amount actually needed and beneficially used for said purposes, and shall
 not exceed 493,161 ~~acres~~ ^{acre} ~~feet~~ ^{feet}

Description and location of use:

Twp.	Range	Sec.	Forty-acre Tract	No. Acres Described in Permit	No. Acres Actually Irrigated
Irrigation of cultivated lands of the Boise Federal Reclamation Project in Ada and Canyon counties as more particularly described in Certificate of Comple- tion of Works issued in connection with Permit No. R-698, including all lands for contracts under Federal Reclamation laws for space in Anderson Ranch Reservoir.					

Townships 1,2,3,4,5 N., Range 1 E., B.M.

"	2,3,4 N.	"	2 "	" "
"	2 & 3 N.	"	3 "	" "
"	1 S.	"	1 W.	" "
"	1,2,3,4,5 N.	"	1 "	" "
"	1 S.	"	2 "	" "
"	1,2,3, 4 N.	"	2 "	" "
"	2,3,4, 5 N.	"	3 "	" "
"	2,3,4, 5 N.	"	4 "	" "
"	3,4,5, 6 N.	"	5 "	" "
"	4,5, 6 N.	"	6 "	" "

"	21 & 22 S.	"	46 E.	W.M. (Willamette-Meridian)
"	21 S.	"	47 "	" "

Corrected
 2/27/57
 Mark R. Kulp

WITNESS the seal and signature of the State Reclamation Engineer, affixed at Boise, Idaho, this

17th day of December, 1956.

Mark R. Kulp /s/

State Reclamation Engineer.

(SEAL)

Attachment A-1

State of Idaho
License and Certificate of Water Right

Water License No. R-698

493,161 ac.ft. for irrigation
and such power as can be gen-
erated by use of water released
Amount for irrigation use.

Water District No.

Priority December 9, 1940

THIS IS TO CERTIFY that UNITED STATES OF AMERICA (Bureau of Reclamation)
of Boise, Idaho, made application for a permit to appropriate the
public waters of the State of Idaho, dated December 9, 1940; that Permit No. R-698
was issued under said application; that Certificate of Completion of works, with a carrying capacity of
493,161 ^{acres} ~~acres~~ feet, was issued thereunder on August 30, 1952, showing that said works
were completed on the 6th day of February, 1951; and that on the 21st
day of February, 1956, The U. S. Bureau of Reclamation

of Boise, State of Idaho, made proof to the satisfaction of the
State Reclamation Engineer of Idaho, of the right to use the waters of South Fork
Boise River, a tributary of Snake River, for the purpose of Irrigation and Power
, under Use Permit No. R-698 of the Department of Reclamation
and that said right to the use of said waters has been perfected in accordance with the laws of Idaho,
and is hereby confirmed by the State Reclamation Engineer of Idaho and entered of record in Volume
9 of Licenses at page 5886, on the 17th day of December, 1956;
The right hereby confirmed dates from December 9, 1940;

Ts. 1, 2, 3, 4, 5 N., R. 1 E.B.M. Ts. 2, 3, 4 N. R. 2 E.B.M., Ts. 2 & 5 N. R. 3 E.B.M.
T. 1 S. R. 1 W.B.M., Ts. 1, 2, 3, 4, 5 N. R. 1 W.B.M., T. 1 S. R. 2 W.B.M. Ts. 1, 2, 3, 4, N. R. 2 W.
B.M. Ts. 2, 3, 4, 5 N. R. 3 W.B.M. (Ts. 21 & 22 S. R. 46 E.) Ts. 2, 3, 4, 5, N. R. 4 W.B.M. Ts.
3, 4, 5, 6 N. R. 5 W.B.M. Ts. 4, 5, 6 N. R. 6 W.B.M. and Tp. 21 S. R. 47 E. Willamette Meridian.

The right to the use of the water aforesaid hereby confirmed is restricted to the lands or place
of use herein described, as provided by the laws of Idaho.

WITNESS the seal and signature of the State Reclamation Engineer, affixed at Boise, Idaho, this
17th day of December, 1956.

Mark R. Kulp /s/
State Reclamation Engineer.

(SEAL)

DISTRICT COURT - SRBA
TWIN FALLS CO., IDAHO
FILED _____

2003 JAN 31 AM 10 47

IN THE DISTRICT COURT OF THE FIFTH JUDICIAL DISTRICT OF THE
STATE OF IDAHO, IN AND FOR THE COUNTY OF TWIN FALLS

In Re SRBA

Case No. 39576

A Subcase 63-03614
(Insert water right number)

STANDARD FORM 1
OBJECTION

AMENDED

Please fill in the following information:

B NAME AND ADDRESS OF PERSON OBJECTING

Name: Settlers Irrigation District

Address: P.O. Box 7571

Boise, ID 83707

Daytime Phone: 208-344-2471

Name & Address of Attorney, if any:

Scott Campbell & Angela Schaer Kaufmann

Moffatt Thomas Barrett Rock & Fields Chtd.

P.O. Box 829, Boise, ID 83701-0829

C CLAIMANT OF WATER RIGHT AS LISTED IN DIRECTOR'S REPORT

Name: Settlers Irrigation District

Address: P.O. Box 7571

Boise, ID 83707

D I object to the following elements as recommended in the Director's Report. (Please check the appropriate box(es)).

1. ☒ **Name and Address**
Should be: See Attachment A
2. ☐ **Source**
Should be: _____
3. ☒ **Quantity**
Should be: See Attachment A & A-1
4. ☒ **Priority Date**
Should be: See Attachment A & A-1
5. ☐ **Point(s) of Diversion**
Should be: _____
6. ☐ **Instream Flow Description**
Should be: _____
7. ☒ **Purpose(s) of Use**
Should be: See Attachment A & A-1
8. ☒ **Period of Year**
Should be: See Attachment A & A-1
9. ☒ **Place of Use**
Should be: See Attachment A & A-1

11. I object because:

- ☐ This water right should not exist.
- ☐ This water right was not recommended, but should be recommended with the elements described above.

E REASONS SUPPORTING OBJECTION(S): See Attachment A & A-1



VERIFICATION (Must be Completed)

State of Idaho)
)ss.
County of Ada)

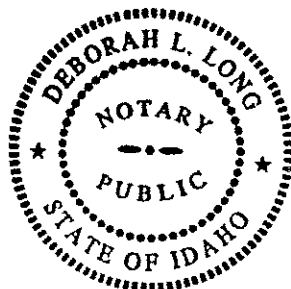
Angela Schaer Kaufmann, duly sworn, upon oath, deposes and says:
(Name of person filing objection)

That I am the party/claimant filing this objection, as defined by I.C. §§ 42-1401A(1) and (6) or that I am the attorney for the party/claimant objecting and that I have read this objection, know its contents and believe that the statements are true to the best of my knowledge.

(Signature of person filing objection)

Angela Schaer Kaufmann
(Attorney signing in representative capacity)

Subscribed and sworn to before me on: January 30, 2003



Deborah Long
Notary Public for Idaho
Residing at: Boise, Idaho
My Commission Expires: 10/10/07

INSTRUCTIONS FOR MAILING

You must mail the objection, to the Clerk of the Court. **FAX filings will not be accepted.** You must also send a copy to all the parties listed below in the Certificate of Mailing.



CERTIFICATE OF MAILING

I certify that on January 30, 2003, I mailed the original and copies of this objection, including all attachments, to the following persons:

1. Original to:

Clerk of the District Court
Snake River Basin Adjudication
253 Third Avenue North
PO Box 2707
Twin Falls, ID 83303-2707

2. One copy to the claimant of the water right at the following address:

Name: Settlers Irrigation District

Address: P.O. Box 7571

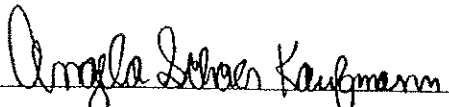
Boise, ID 83707

3. Copies to:

IDWR Document Depository
PO Box 83720
Boise, ID 83720-0098

Chief, Natural Resources Division
Office of the Attorney General
State of Idaho
PO Box 44449
Boise, ID 83711-4449

United States Department of Justice
Environment and Natural Resource Division
550 West Fort Street, MSC 033
Boise, ID 83724


Signature of Objector or attorney
mailing on Objector's behalf

ATTACHMENT A
63-03614

Settlers Irrigation District ("Settlers") has a contract with the Bureau of Reclamation for irrigation storage water from Anderson Ranch Reservoir. Settlers has a right to use 5810 acre feet of water from Anderson Ranch Reservoir to irrigate 12,322 acres owned by landholders within Settlers' service area. The Idaho Department of Water Resources has recommended that Settlers' water right claim for that amount of water, 63-3614B, be disallowed.

Settlers has filed or will file an objection to that recommendation, and further objects to the recommendation for SRBA Claim Number 63-3614, because the Idaho Department of Water Resources has indicated that claim number 63-3614B has been recommended as 63-3614. Settlers asserts an ownership interest in 63-03614 to the extent that water right, as recommended, includes 63-3614B. This ownership interest is a full ownership interest, in accordance with Idaho law, the Reclamation Act of 1902, 43 U.S.C. § 372, and the United States Supreme Court decision in *Ickes v. Fox*, 300 U.S. 82, 57 S.Ct. 412, 416-17 (1937). In the alternative, Settlers asserts a beneficial ownership interest in 5,810 acre feet of water, appurtenant to lands within Settlers' boundaries, with the United States holding only nominal title.

If this claim is decreed, it must specifically provide that use of water for power purposes is subordinate to and subject to the use of water for irrigation purposes. This can be accomplished by the inclusion of the following language, taken directly from the quantity element on the license for this right:

493,161 ac. feet [acre feet] for irrigation and such power as may be generated by use of water for irrigation use.

See Exhibit A-1. Moreover, the period of use for power from Storage Municipal from Storage and Industrial from Store.

In order to properly define and administer this right, at a minimum, a remark should be included which provides that any change to any element of this right must be undertaken in accordance with the transfer proceedings of Idaho law, that any transfers must be undertaken only with the approval of Settlers Irrigation District as to Settlers' share of the storage water rights in Anderson Ranch Reservoir, and that any uncontracted space must be made available for irrigation use.

State of Idaho

License and Certificate of Water Right

Water License No. R-698

Water District No. _____

493,161 ac.ft. for irrigation
and such power as can be gen-
erated by use of water released
Amount for irrigation use.

Priority December 9, 1940

THIS IS TO CERTIFY that UNITED STATES OF AMERICA (Bureau of Reclamation)
of Boise, Idaho, made application for a permit to appropriate the
public waters of the State of Idaho, dated December 9, 1940; that Permit No. R-698
was issued under said application; that Certificate of Completion of works, with a carrying capacity of
493,161 ~~acres~~ ^{acres} feet, was issued thereunder on August 30, 1952, showing that said works
were completed on the 6th day of February, 1951; and that on the 21st
day of February, 1956, The U. S. Bureau of Reclamation

of Boise, State of Idaho, made proof to the satisfaction of the
State Reclamation Engineer of Idaho, of the right to use the waters of South Fork
Boise River, a tributary of Snake River, for the purpose of Irrigation and Power
under Use Permit No. R-698 of the Department of Reclamation
and that said right to the use of said waters has been perfected in accordance with the laws of Idaho,
and is hereby confirmed by the State Reclamation Engineer of Idaho and entered of record in Volume
9 of Licenses at page 5886, on the 17th day of December, 1956;
The right hereby confirmed dates from December 9, 1940;

The Point of Diversion is located
in the Lot ~~1/4~~ 4 ~~1/4~~ Sec. 1, Tp. 1 S., R. 8 E., B. M. County Elmore

That the amount of water to which such right is entitled and hereby confirmed, for the purposes
aforesaid, is limited to an amount actually needed and beneficially used for said purposes, and shall
not exceed 493,161 ~~acres~~ ^{acres} ~~cubic feet per second~~

Description and location of use:

Twp.	Range	Sec.	Forty-acre Tract	No. Acres Described in Permit	No. Acres Actually Irrigated
Irrigation of cultivated lands of the Boise Federal Reclamation Project in Ada and Canyon counties as more particularly described in Certificate of Comple- tion of works issued in connection with Permit No. R-698, including all lands for contracts under Federal Reclamation laws for space in Anderson Ranch Reservoir.					
Townships 1,2,3,4,5 N., Range 1 E., B.M.					
"	"	"	2,3,4 N.	" 2 "	" "
"	"	"	2 & 3 N.	" 3 "	" "
"	"	"	1 S.	" 1 W.	" "
"	"	"	1,2,3,4,5 N.	" 1 "	" "
"	"	"	1 S.	" 2 "	" "
"	"	"	1,2,3, 4 N.	" 2 "	" "
"	"	"	2,3,4, 5 N.	" 3 "	" "
"	"	"	2,3,4, 5 N.	" 4 "	" "
"	"	"	3,4,5, 6 N.	" 5 "	" "
"	"	"	4,5, 6 N.	" 6 "	" "
"	"	"	21 & 22 S.	" 46 E.	N.M. (Willamette-Meridian)
"	"	"	21 S.	" 47 "	" "

*Corrected
9/27/57
Mark R. Kulp*

WITNESS the seal and signature of the State Reclamation Engineer, affixed at Boise, Idaho, this
17th day of December, 1956.

Mark R. Kulp /s/

State Reclamation Engineer.

(SEAL)

State of Idaho
License and Certificate of Water Right

493,161 ac.ft. for irrigation
and such power as can be gen-
erated by use of water released
Amount for irrigation use.

Water License No. R-698
Water District No.

Priority December 9, 1940

THIS IS TO CERTIFY that UNITED STATES OF AMERICA (Bureau of Reclamation)
of Boise, Idaho, made application for a permit to appropriate the
public waters of the State of Idaho, dated December 9, 1940; that Permit No. R-698
was issued under said application; that Certificate of Completion of works, with a carrying capacity of
493,161 ~~acres~~ ^{acres} feet, was issued thereunder on August 30, 1952, showing that said works
were completed on the 6th day of February, 1951; and that on the 21st
day of February, 1956, The U. S. Bureau of Reclamation

of Boise, State of Idaho, made proof to the satisfaction of the
State Reclamation Engineer of Idaho, of the right to use the waters of South Fork
Boise River, a tributary of Snake River, for the purpose of Irrigation and Power,
under Use Permit No. R-698 of the Department of Reclamation
and that said right to the use of said waters has been perfected in accordance with the laws of Idaho,
and is hereby confirmed by the State Reclamation Engineer of Idaho and entered of record in Volume
9 of Licenses at page 5886, on the 17th day of December, 1956;
The right hereby confirmed dates from December 9, 1940;

Ts. 1, 2, 3, 4, 5 N., R. 1 E.B.M. Ts. 2, 3, 4 N. R. 2 E.B.M., Ts. 2 & 3 N. R. 3 E.B.M.	Ts. 1, 2, 3, 4, 5 N. R. 1 W.B.M., T. 1 S. R. 2 W.B.M. Ts. 1, 2, 3, 4, N. R. 2 W.	Ts. 2, 3, 4, 5 N. R. 3 W.B.M. (Ts. 21 & 22 S. R. 46 E.) Ts. 2, 3, 4, 5, N. R. 4 W.B.M. Ts.	Ts. 4, 5, 6 N. R. 6 W.B.M. and Tp. 21 S. R. 47 E. Willamette Meridian.
T. 1 S. R. 1 W.B.M., Tp. 1, 2, 3, 4, 5 N. R. 1 W.B.M., T. 1 S. R. 2 W.B.M. Ts. 1, 2, 3, 4, N. R. 2 W.	Ts. 2, 3, 4, 5 N. R. 3 W.B.M. (Ts. 21 & 22 S. R. 46 E.) Ts. 2, 3, 4, 5, N. R. 4 W.B.M. Ts.	Ts. 4, 5, 6 N. R. 6 W.B.M. and Tp. 21 S. R. 47 E. Willamette Meridian.	

The right to the use of the water aforesaid hereby confirmed is restricted to the lands or place
of use herein described, as provided by the laws of Idaho.

WITNESS the seal and signature of the State Reclamation Engineer, affixed at Boise, Idaho, this
17th day of December, 1956.

Mark R. Kulp /s/
State Reclamation Engineer.

(SEAL)

EXHIBIT C

November 10, 1943

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION

Symbol Ilr-1479

BOISE PROJECT, IDAHO

Contract with Pioneer Irrigation District concerning construction
of Anderson Ranch Reservoir and related matters

THIS AGREEMENT, Made this 10 day of November,
1943, under the provisions of the Act of Congress of June 17, 1902
(32 Stat. 388) and acts amendatory thereof or supplementary thereto,
and particularly the Act of August 4, 1939 (53 Stat. 1187), known as
~~the Reclamation Project Act of 1939, together hereinafter referred to~~
as the Federal Reclamation Law, between the UNITED STATES OF AMERICA,
hereinafter referred to as the United States, acting for this purpose
through the ^{Acting} Secretary of the Interior, hereinafter referred to as the
Secretary, and the PIONEER IRRIGATION DISTRICT, an irrigation district
organized under the laws of the State of Idaho and located in Canyon
and Ada Counties, Idaho, hereinafter referred to as the District;

WITNESSETH:

Explanatory Recitals

2. WHEREAS, under the authority of the Federal Reclamation Law,
The United States constructed that certain irrigation project in the
State of Idaho commonly known as the Boise Project, and also known as
the Boise Reclamation Project; and

3. WHEREAS, the United States and the District entered into a
Warren Act contract under date of February 27, 1913, under which the
United States agreed to furnish for the use of the District a propor-

tionate part of the stored water available from Arrowrock Reservoir, and also agreed to construct a drainage system for the District, and the District agreed to pay the United States for the same on the terms and conditions more fully set out therein; and, whereas, amendatory contracts were made by the United States and the District under dates of June 15, 1915 and November 30, 1926, which said contract of February 27, 1913 as amended by said contracts of June 15, 1915 and November 30, 1926 are hereinafter referred to as the Government-District contract; and

4. WHEREAS, the water users within the District have suffered a shortage of water during certain irrigation seasons in the past and, in order to improve their water supply, desire the construction of additional storage capacity; and

5. WHEREAS, the Secretary has caused investigations to be made of a proposed reservoir on the South Fork of the Boise River at or near the Anderson Ranch site, of approximately Five Hundred Thousand (500,000) acre-feet capacity, hereinafter referred to as the Anderson Ranch Reservoir, and the District, together with the other irrigation districts of the Arrowrock Division of the Boise Project, has requested the construction thereof; and

6. WHEREAS, the total cost of the proposed Anderson Ranch Reservoir, of sufficient size to create a storage reservoir of approximately 500,000 acre-feet capacity, and appurtenant works including facilities for the generation of electrical power at Anderson Ranch Reservoir, and related flood control improvements at Arrowrock Reservoir, is estimated to be the sum of \$13,100,000, of which \$400,000 is the estimated cost of the

flood control improvements at Arrowrock Reservoir and \$2,400,000 is the estimated cost of the power plant, and of which sum of \$13,100,000 the proportionate allocation for the storage of water for irrigation is \$4,650,000, the proportionate allocation for flood control is \$5,050,000, and the proportionate allocation for the generation of electrical power (including the estimated cost of the power plant) is \$3,400,000; and

7. WHEREAS, that portion of the actual cost of the Anderson Ranch Reservoir allocated to irrigation is the proportionate part of the Anderson Ranch Reservoir cost (exclusive of the cost of the power plant and of the Arrowrock flood control improvements) that \$4,650,000 is of \$10,300,000; and

8. WHEREAS, the District desires to enter into a contract with the United States for certain additional storage water to be made available by said Anderson Ranch Reservoir;

NOW, THEREFORE, In consideration of the mutual and dependent stipulations and covenants herein contained, it is hereby mutually agreed by and between the parties hereto as follows:

Works To Be Constructed

9. The United States, subject to article 37 and article 40 of this contract, will construct, on the South Fork of the Boise River at or near the Anderson Ranch site, a dam and reservoir (to be known as the Anderson Ranch Dam and Anderson Ranch Reservoir) designed to provide a storage capacity of approximately Five Hundred

Thousand (500,000) acre-feet, and, at its option, may enlarge the outlet gates at Arrowrock Dam with a view to providing improved flood control facilities, and may construct a power plant in connection with the said Anderson Ranch Dam.

General Repayment Obligation of the District

10. As its general repayment obligation under this contract, the District shall pay to the United States, in the installments hereinafter provided, the following amount:

Should the actual cost of the Anderson Ranch Reservoir (exclusive of the power plant and of Arrowrock flood control improvements) as determined and stated by the Secretary in the notice and statement provided for in Article 11 (a) hereof, be the same as the estimated cost of \$10,300,000, the general repayment obligation of the District shall be \$284,580.

Should the said actual cost exceed or be less than the said estimated cost, then the general repayment obligation of the District shall be that percentage of said actual cost which \$284,580 is of said estimated cost of \$10,300,000, as said actual cost is conclusively determined by the Secretary in accordance with the provisions of article 18 hereof, subject, however, to the limitation, that the maximum general repayment obligation of the District under this contract shall not exceed \$313,038.

Terms of Payment of Construction Installments

11. (a) Whenever the construction of Anderson Ranch Reservoir is substantially completed, or is advanced to a point where storage water

in an amount exceeding 275,000 acre-feet becomes available for irrigation use from said storage reservoir, the Secretary shall so announce, and shall give to the District notice thereof, hereinafter referred to as the tentative construction cost notice. Said notice shall be given prior to September 1 of the year in which given and shall include a statement of the cost of the Anderson Ranch Reservoir, as then estimated, and of the District's general repayment obligation under Article 10 of this contract, based on said statement of cost. Said tentative construction cost notice shall govern the amount of repayment obligation installments ~~until such time as the cost and the District's general repayment obligation based thereon can be determined by the Secretary, and the statement thereof submitted to the District in a final construction cost notice.~~ Any difference between the District's general repayment obligation as stated in the tentative construction cost notice and said obligation as stated in the final construction cost notice shall be spread in such a manner as to maintain approximately equal overall annual payments as hereinafter provided for in this article, as increases or decreases as the case may be, in the installments on account of Anderson Ranch Reservoir coming due after said final construction cost notice has been given to the District.

The Secretary's determinations of cost and of the District's general repayment obligation in each of said notices shall be conclusive.

// (b) At the time the Secretary gives to the District the tentative construction cost notice provided in (a) of this article, stating the District's general repayment obligation, the Secretary shall determine

the respective amounts of the first ten (10) successive annual installments of said obligation. The respective amounts of said first ten (10) installments shall be determined so that the annual installments, including the then estimate of those following the tenth, on account of Anderson Ranch Reservoir, when combined with the then unaccrued installments to be paid by the District for the repair, resurfacing, improvement and enlargement of Arrowrock Dam (hereinafter referred to as Arrowrock repairs), and the Secretary's then estimate of the probable annual construction installments to be paid by the District under the Government-District contract, form a combined, overall schedule of approximately equal annual installments throughout the forty (40) year repayment period within which the District's general repayment obligation under this contract shall be paid. In the year in which the tenth annual installment due from the District on account of Anderson Ranch Reservoir accrues, the Secretary shall determine the respective amounts of the remaining thirty (30) installments of the District's general repayment obligation under this contract in the same manner as provided above for the first ten installments, excepting that the determination in said tenth installment year shall be made upon consideration of the then unaccrued installments on account of Arrowrock repairs and the Secretary's then estimate of probable annual construction installments to be paid by the District under the Government-District contract. In no event, however, shall any annual installment to be paid by the District, on account of Anderson Ranch Reservoir be less than \$3,000.

//, (c) The District agrees to pay the general repayment obligation, in the forty (40) successive annual installments, scheduled under (b) of this article; and there being no irrigation block designated by the Secretary and no development period fixed by him, the first installment shall become due and payable in the calendar year following immediately after the one in which the Secretary gives the tentative construction cost notice provided for in (a) of this article. Each year's installment on account of Anderson Ranch reservoir shall become due and payable from the District to the United States one-half on July 1 and one-half on December 31 of the year in question.

(d) Each year the installment of the District's general repayment obligation scheduled for such year shall be the construction charges due and payable by the District for such year, and the normal and percentage plan of payment shall not apply thereto unless such normal and percentage plan shall be hereafter adopted and provided for by supplemental contract, as authorized in Article 39 hereof.

District's Percentage of Stored Water
from Anderson Ranch Reservoir

12. Subject to the holdover rights provided for in Article 16 hereof, and the allowance of similar holdover rights provided for by contracts with other contracting districts and companies entitled to receive stored water from Anderson Ranch reservoir, the United States, in the manner and subject to the conditions provided in this contract, will release for the use of the District each year (as ordered by the District as nearly as is reasonably practi-

cable six and twelve hundredths per cent (6.12%) of the stored water actually available from said reservoir that year for irrigation purposes, as determined by the Secretary.

Optional With Secretary to Measure and Deliver
Anderson Storage Either at Outlets of Anderson Ranch
Reservoir or at Outlets of Arrowrock Reservoir

13. At the option of the Secretary, the Anderson Ranch Reservoir stored water to which the District is entitled may be measured and delivered to or for the District either at the outlets of the Anderson Ranch Reservoir or at the outlets of the Arrowrock Reservoir.

Secretary Authorized to Determine the Administration
of the Reservoirs and the Holding of Water Therein

14. In all matters not expressly covered by the provisions of this contract, the Secretary is authorized to determine the proper administration of the said Anderson Ranch Reservoir and Arrowrock Reservoir and the water supply therefrom, and his authority shall include but not be limited to the authority to determine the length of time and the extent to which the stored water belonging to either of said reservoirs may be held in the other without injury to the holders of rights to water therefrom.

All Rights in Reservoir of Equal Priority

15. It is agreed that all parties contracting with the United States for stored water for irrigation purposes from said Anderson Reservoir shall be entitled to proportionate rights to stored water available for irrigation purposes from said reservoir and that the rights of the District under this contract shall be in all respects on a par as to priority and dignity of rights with the rights of the other contracting parties, except as to holdover rights, which holdover rights shall be as provided for in Article 16 hereof.

Holdover Rights and Reservations For
Power and Flood Control and Temporary Holding
In One Reservoir of Water Belonging to Another

16. The rights provided for in this article will be referred to as the District's holdover rights. The District will be allowed to hold over in Anderson Ranch Reservoir from year to year stored water to which it may be entitled in any irrigation season but does not use during such season, and will be given credit therefor the following year or years subject to the following conditions and limitations:

(a) The District shall not be entitled to hold over to its credit in said reservoir at any one time more stored water than can be stored, subject to paragraph (g) of this article, in twelve and twenty-four hundredths per cent (12.24%) of the available storage capacity of the reservoir usable for irrigation; that is to say, twelve and twenty-four hundredths per cent (12.24%) of the capacity thereof other than that reserved for control of flash floods and that reserved for power.

(b) Whenever the combined amount of storage water in the Arrowrock Reservoir and the Anderson Ranch Reservoir reaches a point where there remains in the two reservoirs only 45,000 acre-feet unfilled capacity, and additional water shall be available for storage, then such additional storable water shall be considered stored in reservoir capacity made available therefor by reducing and eliminating holdover storage in the following manner: Water shall be considered released from holdover storage of the contracting party having on hand the largest amount of holdover storage water in per cent of its maximum holdover storage as fixed by (a) of this article until such per cent is reduced to that of

the party having on hand the next highest per cent, then from both parties' holdover storage, etc., until no party has holdover storage on hand. Any holdover right to and interest in water considered released under this paragraph shall be extinguished and terminated.

(c) It is fully agreed and understood that 75,000 acre-feet of the initial capacity in the Anderson Ranch Reservoir, and such water as can be stored therein, is reserved to the United States as dead storage and removable storage for power purposes, and that the removable part of the water stored in said 75,000 acre-feet of initial capacity may be held by the United States for release for power development purposes

after the end of the irrigation season. Anderson Ranch Reservoir stored waters released for power production while Arrowrock Reservoir is not full, shall be considered stored in Arrowrock Reservoir, and in equal amounts may be subsequently replaced in Anderson Ranch Reservoir by storing therein waters storable in Arrowrock Reservoir, provided such replacement is effected prior to the next spill at Arrowrock Reservoir over the wasteway thereof.

(d) It is understood and agreed that a combined total of 45,000 acre-feet of empty storage space shall be kept available in the Anderson Ranch and Arrowrock Reservoirs for control of flash floods, except when used for control of such floods. Of water temporarily impounded in said 45,000 acre-feet capacity, when released, six and twelve hundredths per cent (6.12%) of it, or any part of said percentage, may be diverted for the use of the District if it so desires.

(e) It is further understood and agreed that for flood control purposes it is most desirable that the empty storage space should be maintained in Arrowrock Reservoir rather than in Anderson Ranch Reservoir,

and that the attempt will be made, so far as practicable, to keep the empty storage space in Arrowrock Reservoir so that it may be available to control floods from the largest possible watershed. With this purpose in view and for the purpose of making better use of the available water supply for power and irrigation purposes, storage water belonging to the Arrowrock Reservoir or the Deer Flat Reservoir may be held temporarily in the Anderson Ranch Reservoir, or vice versa, instead of holding the same in the reservoir in which it belongs on the basis of priority of right; but the temporary holding of such stored water in the Anderson Ranch Reservoir shall not in any way affect the rights of the several

districts to the water in question, and such rights shall be considered to be the same as if said stored water were held at all times in the reservoir in which it properly belongs on the basis of priority of right. Storage water belonging in Arrowrock Reservoir or Deer Flat Reservoir but temporarily held in Anderson Ranch Reservoir will be turned down to the reservoir in which it belongs at or prior to the time that water available for storage in the Anderson Ranch Reservoir becomes available in sufficient quantity to fill the full storage capacity thereof other than the capacity thereof reserved exclusively for control of flash floods.

(f) For the purpose of a more prompt and accurate control of the water supply at canal headgates, and other beneficial purposes including but not limited to the carrying of peak loads at the power plant at the Anderson Ranch Reservoir, stored water belonging in Anderson Ranch Reservoir, or to the holders of rights in said water, and holdover storage or storage otherwise credited to the Anderson Ranch Reservoir, may likewise be held temporarily in unused space in Arrowrock Reservoir

without in any way impairing or affecting the rights of the parties entitled to such water; but such water shall not remain in Arrowrock Reservoir at any time when such use of Arrowrock capacity would injuriously affect the holders of Arrowrock storage rights in the benefit or enjoyment of such Arrowrock rights.

(g) In the filling of the available Anderson Ranch Reservoir capacity, except that reserved for power which will be filled first and except that amount of 45,000 acre-feet capacity reserved for control of flash floods, the reservoir management will endeavor so to handle the filling thereof that the same will serve both for the benefit of irrigation and for the benefit of flood control, and may for flood control purposes evacuate so much of its capacity as is deemed advisable with such releases to be first from holdover storage water on hand, in the same manner and with the same effect as provided in Article 16 (b).

(h) Holdover storage will be charged its pro rata share of evaporation and seepage losses.

General Obligation of the District

17. The District's obligation hereunder is a general repayment obligation under which the District as a whole is obligated to pay to the United States the full amount or amounts herein agreed upon according to the terms stated, notwithstanding any individual default in the payment to the District by any individual water user of any assessments, tolls, or other charges levied by the District; and while the District, so far as its powers under the laws of Idaho permit, may distribute said obligation among its landowners in a manner that takes into account the productivity of the various chasses of lands of its landowners and the benefits accruing to said lands by reason of the construction

herein provided, no such distribution of said obligation shall in any manner be deemed to relieve the District, or any of its landowners, or any land therein, of the District's general obligations to the United States.

Computation of Cost

18. The cost of the Anderson Ranch Reservoir, which shall be the basis of determining the District's obligation as provided in Article 11 hereof, shall embrace all expenditures of whatsoever kind in connection with, growing out of, or resulting from the work described, including the cost of labor, material, equipment, investigations, engineering, legal work, superintendence, administration, overhead, rights of way, property, and damages of all kinds, and also including expenditures made for any of said above-mentioned purposes incurred prior to the date of this contract. The determination of what costs are properly chargeable hereunder, and the amount thereof, shall be conclusively made by the Secretary.

Cost of Operation and Maintenance to be Paid in Advance

19. For the year in which the first general repayment obligation instalment becomes due, as provided in Article 11 (c) above, and for each year thereafter, the District will pay to the United States in advance, in the manner hereinafter provided, its share of the operation and maintenance costs of Anderson Ranch Reservoir. Payment shall be made on the basis of annual estimates made by the Secretary. Such annual estimates, hereinafter referred to as the operation and maintenance charge notice, shall contain a statement of the estimated cost to be incurred during the calendar year covered by said notice for the

operation and maintenance of Anderson Ranch Reservoir, a statement of the part of said estimated costs allocated to the storage of water for irrigation, and the District's share thereof. The District's share shall be six and twelve hundredths per cent (6.12%) of the part of said estimated costs allocated by the Secretary to the storage of water for irrigation.

Such operation and maintenance charge notice shall be given to the District and to the Board of Control of the Arrowrock Division, Boise Project, on or before April 1 of the calendar year covered by said notice. The District agrees to pay its share of the estimated cost of operation and maintenance allocated to the storage of water for irrigation as set out in said notice on or before May 1 of the year in which said notice is given. ^{if here} Whenever in the opinion of the Secretary, funds so advanced will not be adequate to meet the District's share of costs of operating and maintaining Anderson Ranch Reservoir, he may give to the District and to the Board of Control a supplemental operation and maintenance charge notice stating therein the amount of the District's share, determined in the manner above provided, of the additional amount required for such operation and maintenance. The District shall pay its share of such additional amount, as set forth in said supplemental notice, on or before the due date fixed by the Secretary in said notice. If funds advanced by the District under this Article exceed the District's share of the actual cost and maintenance for the year for which advanced, as determined conclusively by the Secretary, the excess will be credited to operation and maintenance charges due from the district subsequent to the determination of such excess.

There shall be included in the operation and maintenance costs covered by the provisions of this Article an annual equitable charge, as determined by the Secretary, to cover general expenses and the cost of bookkeeping, accounting, clerical and legal work of the Bureau of Reclamation in connection with the accounts and collections for storage water from Anderson Ranch Reservoir.

Any expense incurred in running or protecting the Anderson Ranch Reservoir water in the channel of Boise River or the South Fork thereof or in diverting the same into the District's canals shall be considered a part of the cost of operation and maintenance of the Anderson Ranch Reservoir and charged accordingly in like manner as other operation and maintenance expenses in connection with said reservoir.

Water Rental Before Commencement of Construction Cost Repayment

20. Prior to the year in which the first general repayment obligation instalment provided for in Article 11 (c) accrues, storage water, if available, may be released for the use of the District only upon advance payment by the District to the United States of a charge per annum per acre-foot, or other charge, to be fixed by the Secretary each year and to be paid in advance of delivery of water. After the expiration of the water rental period, if any, any such charges collected and which the Secretary determines to be in excess of the cost of operation and maintenance, during the period, allocated by the Secretary to the District shall be credited to the general repayment obligation of the District under this contract in the manner determined by the Secretary.

Release of Water in Case of Default

21. No water from the Anderson Ranch Reservoir shall be delivered to or for the District if the District shall be in arrears in the advance payment of the operation and maintenance charges provided for in Article 19 or in arrears in the payment of any other operation and maintenance charges due to the United States, or more than twelve (12) months in arrears in the payment, as required by the terms of this contract, of the general repayment obligation instalments provided for in Article 11 of this contract, or more than twelve months in arrears in the payment of any other construction charge instalments due to the United States.

The District agrees that it will refuse to deliver water to lands or parties which are in arrears in the advance payment of operation and maintenance charges due from said lands or parties to the United States or to the District, or to lands or parties who are in arrears for more than twelve months in the payment of the amounts due from said lands or parties to the United States or to the District for the general repayment obligation instalments due from the District to the United States under this or any other contract. The provisions of this Article are not exclusive and shall not in any manner prevent the United States from exercising any other remedy given by this contract or by law to enforce the collection of any payments due under the terms of this contract.

Penalty for Delinquent Payments

22. In the event that any payment provided for in this contract is not made on or before the date that such payment is due and payable, there shall be added to the amount unpaid a penalty of one-half of one

per cent (1/2%) on the day following the due date, and there shall be added a like penalty of one-half of one per cent of said unpaid amount on the first day of each calendar month thereafter so long as such default shall continue.

Title to Reservoir in the United States

23. Pursuant to the provisions of section 6 of the Act of June 17, 1902 (32 Stat. 388), title to the Anderson Ranch Reservoir shall remain in the United States until otherwise provided by Congress.

Power Resources to Remain Perpetually in the United States

24. The rights and resources which may be used or useful for the development of power, and any plant or plants and appurtenant structures and facilities which may be now or hereafter constructed by or under the authority of the United States which may be used or useful for the development of hydroelectric power, are hereby reserved to and shall be and remain in the exclusive control, possession and ownership of the United States: Provided, That no costs, as determined by the Secretary and which are in his opinion, attributable solely to power development, shall be taken into account in determining the District's construction cost obligation under this contract. All revenues, including miscellaneous revenues from or incident to the establishment or use of power plants or appurtenant structures and facilities, and from the use, sale or other disposal of power in any form, shall be and remain the property of the United States and shall be disposed of as provided in the Interior Department Appropriation Act, 1939, (Act of May 9, 1938, 52 Stat. 291, 322).

Operation and Maintenance of Works by the United States

25. The works constructed by the United States under the provisions of Article 9 above will be operated and maintained by the United States as a part of the reserved works of the Arrowrock Division of the Boise Project in the same manner as that provided in the Government-District contract, but the District's share of the cost of operation and maintenance of said works shall be paid by the District as provided in Article 19 above.

Economical Use of Water

26. (a) It is understood and agreed that if Anderson Ranch Reservoir is to be effective in reducing water shortages in dry cycles, it is essential that the District take every reasonable measure to effect economical and efficient use of water by every water user within the District; and the District agrees to take such measures. It is further understood and agreed that whenever wasteful, inefficient or uneconomical use of water is being made by a water user within the District, the District with the advice and cooperation of the Bureau of Reclamation will take such action as may be necessary to correct such wasteful, inefficient, or uneconomic use of water.

(b) The District agrees to distribute storage water made available to the District under the provisions of this contract and to use the same only upon lands within the District, upon like terms and conditions as provided for the use and distribution of storage water made available to the District under the provisions of the Government-District Contract.

District to Use All Powers to Collect Charges

27. The District agrees it will cause to be levied and collected all necessary assessments, and will use all the powers and resources of the District, including the taxing power of the District, and the power to withhold delivery of water, to pay to the United States all charges provided in this contract in full on or before the day that the same become due.

Shortage of Water

28. On account of drought, inaccuracy of distribution, or other causes, it is expected there will occur at times a shortage in the quantity of storage water which normally can be made available from Anderson Ranch Reservoir, and in no event shall any liability accrue against the United States or any of its officers, agents, or employees for any damages, direct or indirect, arising from any such shortage; and the payments to the United States provided for herein shall not be reduced because of any such shortage or damage.

Losses in Running Stored Water to be Deducted

29. A pro rata share of such losses, if any, as may be incurred in running the Anderson Ranch Reservoir stored water from the reservoir to the head of the Phyllis Canal will be charged to the District.

Contract to be Authorized by Electors
and Confirmed by Court

30. The District agrees that, upon the execution of this contract, it will proceed promptly to secure the authorization of this contract by the electors of said District, and will secure a decree of the proper

court of the State of Idaho approving and confirming this contract and decreeing and adjudging the same to be a lawful, valid and binding general obligation of the District, and decreeing the same to be lawful and valid, and promptly will apportion the benefits of this contract to the lands of the District and will secure a confirmation court decree confirming such apportionment as provided for in the Idaho statutes. The District shall furnish certified copies of such decrees to the Secretary. In the event that in the opinion of the Secretary satisfactory confirmatory decrees are not promptly secured as herein provided, the Secretary may terminate this contract.

Waste Water, Seepage, and Return Flow Water
Not Abandoned and Right Reserved to Recapture the Same

31. It is agreed and understood that the United States does not abandon or relinquish any of the waste, seepage or return flow water resulting from the use, application or conveyance of the said Anderson Ranch Reservoir water, but that the same is reserved and intended to be retained for the benefit of the Boise Project.

Assignment of Contract

32. No assignment or transfer of this contract, or any part hereof, or interest therein, shall be valid until approved by the Secretary. All rights for breach of this contract are reserved to The United States as provided in Section 3737 of the Revised Statutes of the United States.

Secretary the Arbiter -- Secretary's Acts,
Decisions and Determinations Conclusive

33. In the event of disputes between the parties hereto arising out of this contract involving questions of fact, and in so far as the provisions hereof require a determination of fact to be made, the Secretary is hereby designated as the arbiter of such questions and as the one required to make such determination of facts; and his decision therein shall be conclusive and binding on the parties hereto. In all acts, matters and determinations provided in this contract to be done, determined or decided by the Secretary or by the United States, it is agreed that the acts, decisions, findings and determinations by the Secretary shall be final and conclusive and shall be accepted as final and conclusive by all the parties to this contract and by all persons claiming any rights under or by virtue of this contract or in any wise based upon or arising out of this contract or any act or proceeding carried on thereunder.

Changes in Organization of District

34. While this contract is in effect no change will be made in the District, either by inclusion or exclusion of lands, by partial or total consolidation or merger with another district, by proceedings to dissolve, or otherwise, except upon the Secretary's written assent thereto.

Rules and Regulations

35. The Secretary reserves the right, so far as the purport thereof may be consistent with the provisions of this contract, to make rules and regulations and to add to and modify them, as may be deemed proper and

necessary to carry out this contract and to supply necessary details of its administration, and, by suitable rules and regulations, to provide for the administration of the Anderson Ranch Reservoir and the water supply thereof as to any details of such administration not expressly covered by the terms of this contract; and the District agrees to observe such rules and regulations.

Representative of Secretary

36. It is agreed and understood that where this contract requires action by the Secretary, said action may be taken for and on behalf of the Secretary by his representative duly authorized in writing by the Secretary. Written notice of any such authority shall be mailed to the District within one week from the date of such authorization.

Obligation to Proceed Contingent Upon the Execution of Contracts in Form Satisfactory to the Secretary Covering the Full Amount Allocated to Irrigation

37. The obligation of the United States to proceed with the construction provided for under the provisions of Article 9 hereof is contingent upon the execution and confirmation of contracts in form satisfactory to the Secretary providing for the repayment to the United States of the full proportionate part of the cost of the Anderson Ranch Reservoir allocated to irrigation.

Substitution of Payette or Salmon River Water

38. It is agreed that in lieu of the water which the District is entitled to receive from the Boise River and its tributaries and the reservoirs thereon, or any part of such water, the United States, at the option of the Secretary, shall have the right to substitute an

equal amount of water from the Payette River or the Salmon River, or in part from the Payette and in part from the Salmon, and in the event of such substitution the Secretary, upon the completion of the necessary tunnels and other works to such extent as may be necessary to convey such Payette River or Salmon River water to the Boise River immediately above the government diversion dam, for the Arrowrock Division of the Boise Project, will make, by appropriate credits, such readjustment, if any, in the charges against the District as he shall then find to be equitable in view of the changed conditions then applicable to the water supply furnished for the District, but such readjustment, if any, shall not increase the financial obligations of the District under this contract nor reduce the amount of water which the District is entitled to receive under this contract.

Rights to Include Obligations in
Contract Under Reclamation Project Act of 1939

39. In the event that the District enters into an amendatory contract under the provisions of section 4 of the Reclamation Project Act of 1939 (53 Stat. 1187) for the purpose of securing the benefits of said section of said act, the right is reserved to the District to have included in such amendatory contract the construction charge obligations of the District under this contract, and in that event the then unaccrued portion of the charges for the costs incurred in the Arrowrock repairs shall be treated as part of the Arrowrock dam construction charges, as authorized by Act of April 22, 1940 (54 Stat. 155).

Contingent Upon Appropriation or Allotment of Funds

40. The expenditure of any money or the performance of any work by the United States herein provided for which may require appropriations of money by Congress or the allotment of funds, shall be contingent upon such appropriations or allotments being made. The failure of Congress so to appropriate funds, or the failure of an allotment of funds shall not relieve the District from any obligations under this contract and no liability shall accrue to the United States in case such funds are not so appropriated or allotted.

Officials Not to Benefit

41. 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, but this restriction shall not be construed to extend to this contract if made with a corporation or company for its general benefit.

Former Contracts Remain in Effect

42. All provisions to the Government-District Contract, to the extent that they are not inconsistent with the terms and provisions of this contract, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this contract
to be executed the day and year first above written.

UNITED STATES OF AMERICA

By (Sgd.) Oscar L. Chapman
Acting Secretary of the Interior

PIONEER IRRIGATION DISTRICT

By (Sgd.) J. O. Baum
President

(SEAL) x

Attest:

(Sgd.) Fred L. Evans
Secretary

EXHIBIT D

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION

BOISE PROJECT, IDAHO

Contract with Settlers Irrigation District concerning construction of
Anderson Ranch reservoir and related matters.

THIS AGREEMENT, Made this 26th day of July,
1943, under the provisions of the Act of Congress of June 17, 1902
(32 Stat. 388) and acts amendatory thereof or supplementary thereto,
and particularly the Act of August 4, 1939 (53 Stat. 1187), known as
the Reclamation Project Act of 1939, together hereinafter referred to
as the Federal Reclamation Law, between the UNITED STATES OF AMERICA,
hereinafter referred to as the United States, acting for this purpose
through the Acting Secretary of the Interior, hereinafter referred to
as the Secretary, and the Settlers Irrigation District, an irrigation
district organized under the laws of the State of Idaho and located in
Ada County, Idaho, hereinafter referred to as the District;

WITNESSETH:

Explanatory Recitals

2. WHEREAS, under the authority of the Federal Reclamation Law,
the United States constructed that certain irrigation project in the
State of Idaho commonly known as the Boise project, and also known as
the Boise reclamation project; and

3. WHEREAS, the United States and the District entered into con-
tract dated February 9, 1918, contract dated February 18, 1919 and
amended September 19, 1921, and contract dated June 12, 1931, all of

which are hereinafter collectively referred to as the Government-District contract; and

4. WHEREAS, the water users within the District have suffered a shortage of water during certain irrigation seasons in the past and, in order to improve their water supply, desire the construction of additional storage capacity; and

5. WHEREAS, the Secretary has caused investigations to be made of a proposed reservoir on the south fork of the Boise river at or near the Anderson Ranch site, of approximately five hundred thousand (500,000) acre-feet capacity, hereinafter referred to as the Anderson Ranch reservoir, and the District, together with the other irrigation districts of the Arrowrock Division of the Boise project, has requested the construction thereof; and

6. WHEREAS, the total cost of the proposed Anderson Ranch reservoir, of sufficient size to create a storage reservoir approximately 500,000 acre-feet capacity, and appurtenant works including facilities for the generation of electrical power at Anderson Ranch reservoir, and related flood control improvements at Arrowrock reservoir, is estimated to be the sum of \$13,100,000, of which \$400,000 is the estimated cost of the

flood control improvements at Arrowrock Reservoir and \$2,400,000 is the estimated cost of the power plant, and of which sum of \$13,100,000 the proportionate allocation for the storage of water for irrigation is \$4,650,000, the proportionate allocation for flood control is \$5,050,000, and the proportionate allocation for the generation of electrical power (including the estimated cost of the power plant) is \$3,400,000; and

7. WHEREAS, that portion of the actual cost of the Anderson Ranch Reservoir allocated to irrigation is the proportionate part of the Anderson Ranch Reservoir cost (exclusive of the cost of the power plant and of the Arrowrock flood control improvements) that \$4,650,000 is of \$10,300,000; and

8. WHEREAS, the District desires to enter into a contract with the United States for certain additional storage water to be made available by said Anderson Ranch Reservoir;

NOW, THEREFORE, In consideration of the mutual and dependent stipulations and covenants herein contained, it is hereby mutually agreed by and between the parties hereto as follows:

Works To Be Constructed

9. The United States, subject to article 37 and article 40 of this contract, will construct, on the South Fork of the Boise River at or near the Anderson Ranch site, a dam and reservoir (to be known as the Anderson Ranch Dam and Anderson Ranch Reservoir) designed to provide a storage capacity of approximately Five Hundred

Thousand (500,000) acre-feet, and, at its option, may enlarge the outlet gates at Arrowrock Dam with a view to providing improved flood control facilities, and may construct a power plant in connection with the said Anderson Ranch Dam.

General Repayment Obligation of the District

10. As its general repayment obligation under this contract, the District shall pay to the United States, in the installments hereinafter provided, the following amount:

Should the actual cost of the Anderson Ranch Reservoir (exclusive of the power plant and of Arrowrock flood control improvements) as determined and stated by the Secretary in the notice and statement provided for in Article 11 (a) hereof, be the same as the estimated cost of \$10,300,000, the general repayment obligation of the District shall be \$52,080.

Should the said actual cost exceed or be less than the said estimated cost, then the general repayment obligation of the District shall be that percentage of said actual cost which \$52,080 is of said estimated cost of \$10,300,000, as said actual cost is conclusively determined by the Secretary in accordance with the provisions of article 18 hereof, subject, however, to the limitation, that the maximum general repayment obligation of the District under this contract shall not exceed \$65,100.

Terms of Payment of Construction Installments

11. (a) Whenever the construction of Anderson Ranch Reservoir is substantially completed, or is advanced to a point where storage water

in an amount exceeding 275,000 acre-feet becomes available for irrigation use from said storage reservoir, the Secretary shall so announce, and shall give to the District notice thereof, hereinafter referred to as the tentative construction cost notice. Said notice shall be given prior to September 1 of the year in which given and shall include a statement of the cost of the Anderson Ranch Reservoir, as then estimated, and of the District's general repayment obligation under Article 10 of this contract, based on said statement of cost. Said tentative construction cost notice shall govern the amount of repayment obligation installments until such time as the cost and the District's general repayment obligation based thereon can be determined by the Secretary, and the statement thereof submitted to the District in a final construction cost notice. Any difference between the District's general repayment obligation as stated in the tentative construction cost notice and said obligation as stated in the final construction cost notice shall be spread in such a manner as to maintain approximately equal overall annual payments as hereinafter provided for in this article, as increases or decreases as the case may be, in the installments on account of Anderson Ranch Reservoir coming due after said final construction cost notice has been given to the District.

The Secretary's determinations of cost and of the District's general repayment obligation in each of said notices shall be conclusive.

(b) At the time the Secretary gives to the District the tentative construction cost notice provided in (a) of this article, stating the District's general repayment obligation, the Secretary shall determine

the respective amounts of the first ten (10) successive annual installments of said obligation. The respective amounts of said first ten (10) installments shall be determined so that the annual installments, including the then estimate of those following the tenth, on account of Anderson Ranch Reservoir, when combined with the then unaccrued installments to be paid by the District for the repair, resurfacing, improvement and enlargement of Arrowrock Dam (hereinafter referred to as Arrowrock repairs), and the Secretary's then estimate of the probable annual construction installments to be paid by the District under the Government-District contract, form a combined, overall schedule of approximately equal annual installments throughout the forty (40) year repayment period within which the District's general repayment obligation under this contract shall be paid. In the year in which the tenth annual installment due from the District on account of Anderson Ranch Reservoir accrues, the Secretary shall determine the respective amounts of the remaining thirty (30) installments of the District's general repayment obligation under this contract in the same manner as provided above for the first ten installments, excepting that the determination in said tenth installment year shall be made upon consideration of the then unaccrued installments on account of Arrowrock repairs and the Secretary's then estimate of probable annual construction installments to be paid by the District under the Government-District contract. In no event, however, shall any annual installment to be paid by the District, on account of Anderson Ranch Reservoir be less than \$1,000.

(c) The District agrees to pay the general repayment obligation, in the forty (40) successive annual installments, scheduled under (b) of this article; and there being no irrigation block designated by the Secretary and no development period fixed by him, the first installment shall become due and payable in the calendar year following immediately after the one in which the Secretary gives the tentative construction cost notice provided for in (a) of this article. Each year's installment on account of Anderson Ranch reservoir shall become due and payable from the District to the United States one-half on July 1 and one-half on December 31 of the year in question.

(d) Each year the installment of the District's general repayment obligation scheduled for such year shall be the construction charges due and payable by the District for such year, and the normal and percentage plan of payment shall not apply thereto unless such normal and percentage plan shall be hereafter adopted and provided for by supplemental contract, as authorized in Article 39 hereof.

District's Percentage of stored Water
from Anderson Ranch Reservoir

12. Subject to the holdover rights provided for in Article 16 hereof, and the allowance of similar holdover rights provided for by contracts with other contracting districts and companies entitled to receive stored water from Anderson Ranch reservoir, the United States, in the manner and subject to the conditions provided in this contract, will release for the use of the District each year (as ordered by The District as nearly as is reasonably practi-

cable one and twelve hundredths per cent (1.12%) of the stored water actually available from said reservoir that year for irrigation purposes, as determined by the Secretary.

Optional With Secretary to Measure and Deliver
Anderson Storage Either at Outlets of Anderson Ranch
Reservoir or at Outlets of Arrowrock Reservoir

13. At the option of the Secretary, the Anderson Ranch Reservoir stored water to which the District is entitled may be measured and delivered to or for the District either at the outlets of the Anderson Ranch Reservoir or at the outlets of the Arrowrock Reservoir.

Secretary Authorized to Determine the Administration
of the Reservoirs and the Holding of Water Therein

14. In all matters not expressly covered by the provisions of this contract, the Secretary is authorized to determine the proper administration of the said Anderson Ranch Reservoir and Arrowrock Reservoir and the water supply therefrom, and his authority shall include but not be limited to the authority to determine the length of time and the extent to which the stored water belonging to either of said reservoirs may be held in the other without injury to the holders of rights to water therefrom.

All Rights in Reservoir of Equal Priority

15. It is agreed that all parties contracting with the United States for stored water for irrigation purposes from said Anderson Reservoir shall be entitled to proportionate rights to stored water available for irrigation purposes from said reservoir and that the rights of the District under this contract shall be in all respects on a par as to priority and dignity of rights with the rights of the other contracting parties, except as to holdover rights, which holdover rights shall be as provided for in Article 16 hereof.

Holdover Rights and Reservations For
Power and Flood Control and Temporary Holding
In One Reservoir of Water Belonging to Another

16. The rights provided for in this article will be referred to as the District's holdover rights. The District will be allowed to hold over in Anderson Ranch Reservoir from year to year stored water to which it may be entitled in any irrigation season but does not use during such season, and will be given credit therefor the following year or years subject to the following conditions and limitations:

(a) The District shall not be entitled to hold over to its credit in said reservoir at any one time more stored water than can be stored, subject to paragraph (g) of this article, in two and twenty-four hundredths per cent (2.24%) of the available storage capacity of the reservoir usable for irrigation; that is to say, two and twenty-four hundredths per cent (2.24%) of the capacity thereof other than that reserved for control of flash floods and that reserved for power.

(b) Whenever the combined amount of storage water in the Arrowrock Reservoir and the Anderson Ranch Reservoir reaches a point where there remains in the two reservoirs only 45,000 acre-feet unfilled capacity, and additional water shall be available for storage, then such additional storable water shall be considered stored in reservoir capacity made available therefor by reducing and eliminating holdover storage in the following manner: Water shall be considered released from holdover storage of the contracting party having on hand the largest amount of holdover storage water in per cent of its maximum holdover storage as fixed by (a) of this article until such per cent is reduced to that of

the party having on hand the next highest per cent, then from both parties' holdover storage, etc., until no party has holdover storage on hand. Any holdover right to and interest in water considered released under this paragraph shall be extinguished and terminated.

(c) It is fully agreed and understood that 75,000 acre-feet of the initial capacity in the Anderson Ranch Reservoir, and such water as can be stored therein, is reserved to the United States as dead storage and removable storage for power purposes, and that the removable part of the water stored in said 75,000 acre-feet of initial capacity may be held by the United States for release for power development purposes after the end of the irrigation season. Anderson Ranch Reservoir stored waters released for power production while Arrowrock Reservoir is not full, shall be considered stored in Arrowrock Reservoir, and in equal amounts may be subsequently replaced in Anderson Ranch Reservoir by storing therein waters storable in Arrowrock Reservoir, provided such replacement is effected prior to the next spill at Arrowrock Reservoir over the wasteway thereof.

(d) It is understood and agreed that a combined total of 45,000 acre-feet of empty storage space shall be kept available in the Anderson Ranch and Arrowrock Reservoirs for control of flash floods, except when used for control of such floods. Of water temporarily impounded in said 45,000 acre-feet capacity, when released, one and twelve hundredths per cent (1.12%) of it, or any part of said percentage, may be diverted for the use of the District if it so desires.

(e) It is further understood and agreed that for flood control purposes it is most desirable that the empty storage space should be maintained in Arrowrock Reservoir rather than in Anderson Ranch Reservoir

and that the attempt will be made, so far as practicable, to keep the empty storage space in Arrowrock Reservoir so that it may be available to control floods from the largest possible watershed. With this purpose in view and for the purpose of making better use of the available water supply for power and irrigation purposes, storage water belonging to the Arrowrock Reservoir or the Deer Flat Reservoir may be held temporarily in the Anderson Ranch Reservoir, or vice versa, instead of holding the same in the reservoir in which it belongs on the basis of priority of right; but the temporary holding of such stored water in the Anderson Ranch Reservoir shall not in any way affect the rights of the several districts to the water in question, and such rights shall be considered to be the same as if said stored water were held at all times in the reservoir in which it properly belongs on the basis of priority of right. Storage water belonging in Arrowrock Reservoir or Deer Flat Reservoir but temporarily held in Anderson Ranch Reservoir will be turned down to the reservoir in which it belongs at or prior to the time that water available for storage in the Anderson Ranch Reservoir becomes available in sufficient quantity to fill the full storage capacity thereof other than the capacity thereof reserved exclusively for control of flash floods.

(f) For the purpose of a more prompt and accurate control of the water supply at canal headgates, and other beneficial purposes including but not limited to the carrying of peak loads at the power plant at the Anderson Ranch Reservoir, stored water belonging in Anderson Ranch Reservoir, or to the holders of rights in said water, and holdover storage or storage otherwise credited to the Anderson Ranch Reservoir, may likewise be held temporarily in unused space in Arrowrock Reservoir

without in any way impairing or affecting the rights of the parties entitled to such water; but such water shall not remain in Arrowrock Reservoir at any time when such use of Arrowrock capacity would injuriously affect the holders of Arrowrock storage rights in the benefit or enjoyment of such Arrowrock rights.

(g) In the filling of the available Anderson Ranch Reservoir capacity, except that reserved for power which will be filled first and except that amount of 45,000 acre-feet capacity reserved for control of flash floods, the reservoir management will endeavor so to handle the filling thereof that the same will serve both for the benefit of irrigation and for the benefit of flood control, and may for flood control purposes evacuate so much of its capacity as is deemed advisable with such releases to be first from holdover storage water on hand, in the same manner and with the same effect as provided in Article 16(b).

(h) Holdover storage will be charged its pro rata share of evaporation and seepage losses.

General Obligation of the District

17. The District's obligation hereunder is a general repayment obligation under which the District as a whole is obligated to pay to the United States the full amount or amounts herein agreed upon according to the terms stated, notwithstanding any individual default in the payment to the District by any individual water user of any assessments, tolls, or other charges levied by the District; and while the District, so far as its powers under the laws of Idaho permit, may distribute said obligation among its landowners in a manner that takes into account the productivity of the various classes of lands of its landowners and the benefits accruing to said lands by reason of the construction

herein provided, no such distribution of said obligation shall in any manner be deemed to relieve the District, or any of its landowners, or any land therein, of the District's general obligations to the United States.

Computation of Cost

18. The cost of the Anderson Ranch Reservoir, which shall be the basis of determining the District's obligation as provided in Article 11 hereof, shall embrace all expenditures of whatsoever kind in connection with, growing out of, or resulting from the work described, including the cost of labor, material, equipment, investigations, engineering, legal work, superintendence, administration, overhead, rights of way, property, and damages of all kinds, and also including expenditures made for any of said above-mentioned purposes incurred prior to the date of this contract. The determination of what costs are properly chargeable hereunder, and the amount thereof, shall be conclusively made by the Secretary.

Cost of Operation and Maintenance to be Paid in Advance

19. For the year in which the first general repayment obligation instalment becomes due, as provided in Article 11 (c) above, and for each year thereafter, the District will pay to the United States in advance, in the manner hereinafter provided, its share of the operation and maintenance costs of Anderson Ranch Reservoir. Payment shall be made on the basis of annual estimates made by the Secretary. Such annual estimates, hereinafter referred to as the operation and maintenance charge notice, shall contain a statement of the estimated cost to be incurred during the calendar year covered by said notice for the

operation and maintenance of Anderson Ranch Reservoir, a statement of the part of said estimated costs allocated to the storage of water for irrigation, and the District's share thereof. The District's share shall be one and twelve hundredths per cent (1.12%) of the part of said estimated costs allocated by the Secretary to the storage of water for irrigation.

Such operation and maintenance charge notice shall be given to the District and to the Board of Control of the Arrowrock Division, Boise Project, on or before April 1 of the calendar year covered by said notice. The District agrees to pay its share of the estimated cost of operation and maintenance allocated to the storage of water for irrigation as set out in said notice on or before May 1 of the year in which said notice is given. Whenever in the opinion of the Secretary, funds so advanced will not be adequate to meet the District's share of costs of operating and maintaining Anderson Ranch Reservoir, he may give to the District and to the Board of Control a supplemental operation and maintenance charge notice stating therein the amount of the District's share, determined in the manner above provided, of the additional amount required for such operation and maintenance. The District shall pay its share of such additional amount, as set forth in said supplemental notice, on or before the due date fixed by the Secretary in said notice. If funds advanced by the District under this Article exceed the District's share of the actual cost and maintenance for the year for which advanced, as determined conclusively by the Secretary, the excess will be credited to operation and maintenance charges due from the District subsequent to the determination of such excess.

There shall be included in the operation and maintenance costs covered by the provisions of this Article an annual equitable charge, as determined by the Secretary, to cover general expenses and the cost of bookkeeping, accounting, clerical and legal work of the Bureau of Reclamation in connection with the accounts and collections for storage water from Anderson Ranch Reservoir.

Any expense incurred in running or protecting the Anderson Ranch Reservoir water in the channel of Boise River or the South Fork thereof or in diverting the same into the District's canals shall be considered a part of the cost of operation and maintenance of the Anderson Ranch Reservoir and charged accordingly in like manner as other operation and maintenance expenses in connection with said reservoir.

Water Rental Before Commencement of Construction Cost Repayment

20. Prior to the year in which the first general repayment obligation instalment provided for in Article 11 (c) accrues, storage water, if available, may be released for the use of the District only upon advance payment by the District to the United States of a charge per annum per acre-foot, or other charge, to be fixed by the Secretary each year and to be paid in advance of delivery of water. After the expiration of the water rental period, if any, any such charges collected and which the Secretary determines to be in excess of the cost of operation and maintenance, during the period, allocated by the Secretary to the District shall be credited to the general repayment obligation of the District under this contract in the manner determined by the Secretary.

Release of Water in Case of Default

21. No water from the Anderson Ranch Reservoir shall be delivered to or for the District if the District shall be in arrears in the advance payment of the operation and maintenance charges provided for in Article 19 or in arrears in the payment of any other operation and maintenance charges due to the United States, or more than twelve (12) months in arrears in the payment, as required by the terms of this contract, of the general repayment obligation instalments provided for in Article 11 of this contract, or more than twelve months in arrears in the payment of any other construction charge instalments due to the United States. The District agrees that it will refuse to deliver water to lands or parties which are in arrears in the advance payment of operation and maintenance charges due from said lands or parties to the United States or to the District, or to lands or parties who are in arrears for more than twelve months in the payment of the amounts due from said lands or parties to the United States or to the District for the general repayment obligation instalments due from the District to the United States under this or any other contract. The provisions of this Article are not exclusive and shall not in any manner prevent the United States from exercising any other remedy given by this contract or by law to enforce the collection of any payments due under the terms of this contract.

Penalty for Delinquent Payments

22. In the event that any payment provided for in this contract is not made on or before the date that such payment is due and payable, there shall be added to the amount unpaid a penalty of one-half of one

per cent (1/2%) on the day following the due date, and there shall be added a like penalty of one-half of one per cent of said unpaid amount on the first day of each calendar month thereafter so long as such default shall continue.

Title to Reservoir in the United States

23. Pursuant to the provisions of section 6 of the Act of June 17, 1902 (32 Stat. 388), title to the Anderson Ranch Reservoir shall remain in the United States until otherwise provided by Congress.

Power Resources to Remain Perpetually in the United States

24. The rights and resources which may be used or useful for the development of power, and any plant or plants and appurtenant structures and facilities which may be now or hereafter constructed by or under the authority of the United States which may be used or useful for the development of hydroelectric power, are hereby reserved to and shall be and remain in the exclusive control, possession and ownership of the United States: Provided, That no costs, as determined by the Secretary and which are in his opinion, attributable solely to power development, shall be taken into account in determining the District's construction cost obligation under this contract. All revenues, including miscellaneous revenues from or incident to the establishment or use of power plants or appurtenant structures and facilities, and from the use, sale or other disposal of power in any form, shall be and remain the property of the United States and shall be disposed of as provided in the Interior Department Appropriation Act, 1939, (Act of May 9, 1938, 52 Stat. 291, 322).

Operation and Maintenance of Works by the United States

25. The works constructed by the United States under the provisions of Article 9 above will be operated and maintained by the United States as a part of the reserved works of the Arrowrock Division of the Boise Project in the same manner as that provided in the Government-District contract, but the District's share of the cost of operation and maintenance of said works shall be paid by the District as provided in Article 19 above.

Economical Use of Water

26. (a) It is understood and agreed that if Anderson Ranch Reservoir is to be effective in reducing water shortages in dry cycles, it is essential that the District take every reasonable measure to effect economical and efficient use of water by every water user within the District; and the District agrees to take such measures. It is further understood and agreed that whenever wasteful, inefficient or uneconomical use of water is being made by a water user within the District, the District with the advice and cooperation of the Bureau of Reclamation will take such action as may be necessary to correct such wasteful, inefficient, or uneconomic use of water.

(b) The District agrees to distribute storage water made available to the District under the provisions of this contract and to use the same only upon lands within the District, upon like terms and conditions as provided for the use and distribution of storage water made available to the District under the provisions of the Government-District Contract.

District to Use All Powers to Collect Charges

27. The District agrees it will cause to be levied and collected all necessary assessments, and will use all the powers and resources of the District, including the taxing power of the District, and the power to withhold delivery of water, to pay to the United States all charges provided in this contract in full on or before the day that the same become due.

SHORTAGE OF WATER

28. On account of drought, inaccuracy of distribution, or other causes, it is expected there will occur at times a shortage in the quantity of storage water which normally can be made available from Anderson Ranch Reservoir, and in no event shall any liability accrue against the United States or any of its officers, agents, or employees for any damages, direct or indirect, arising from any such shortage; and the payments to the United States provided for herein shall not be reduced because of any such shortage or damage.

Losses in Running Stored Water to be Deducted

29. A pro rata share of such losses, if any, as may be incurred in running the Anderson Ranch Reservoir stored water from the reservoir to the head of the Settlers Canal will be charged to the District.

Contract to be Authorized by Electors
and Confirmed by Court

30. The District agrees that, upon the execution of this contract, it will proceed promptly to secure the authorization of this contract by the electors of said District, and will secure a decree of the proper

court of the State of Idaho approving and confirming this contract and decreeing and adjudging the same to be a lawful, valid and binding general obligation of the District, and decreeing the same to be lawful and valid, and promptly will apportion the benefits of this contract to the lands of the District and will secure a confirmation court decree confirming such apportionment as provided for in the Idaho statutes. The District shall furnish certified copies of such decrees to the Secretary. In the event that in the opinion of the Secretary satisfactory confirmatory decrees are not promptly secured as herein provided, the Secretary may terminate this contract.

Waste Water, Seepage, and Return Flow Water
Not Abandoned and Right Reserved to Recapture the Same

31. It is agreed and understood that the United States does not abandon or relinquish any of the waste, seepage or return flow water resulting from the use, application or conveyance of the said Anderson Ranch Reservoir water, but that the same is reserved and intended to be retained for the benefit of the Boise Project.

Assignment of Contract

32. No assignment or transfer of this contract, or any part hereof, or interest therein, shall be valid until approved by the Secretary. All rights for breach of this contract are reserved to The United States as provided in Section 3737 of the Revised Statutes of the United States.

Secretary the Arbiter -- Secretary's Acts,
Decisions and Determinations Conclusive

33. In the event of disputes between the parties hereto arising out of this contract involving questions of fact, and in so far as the provisions hereof require a determination of fact to be made, the Secretary is hereby designated as the arbiter of such questions and as the one required to make such determination of facts; and his decision therein shall be conclusive and binding on the parties hereto. In all acts, matters and determinations provided in this contract to be done, determined or decided by the Secretary or by the United States, it is agreed that the acts, decisions, findings and determinations by the Secretary shall be final and conclusive and shall be accepted as final and conclusive by all the parties to this contract and by all persons claiming any rights under or by virtue of this contract or in any wise based upon or arising out of this contract or any act or proceeding carried on thereunder.

Changes in Organization of District

34. While this contract is in effect no change will be made in the District, either by inclusion or exclusion of lands, by partial or total consolidation or merger with another district, by proceedings to dissolve, or otherwise, except upon the Secretary's written assent thereto.

Rules and Regulations

35. The Secretary reserves the right, so far as the purport thereof may be consistent with the provisions of this contract, to make rules and regulations and to add to and modify them, as may be deemed proper and

necessary to carry out this contract and to supply necessary details of its administration, and, by suitable rules and regulations, to provide for the administration of the Anderson Ranch Reservoir and the water supply thereof as to any details of such administration not expressly covered by the terms of this contract; and the District agrees to observe such rules and regulations.

Representative of Secretary

36. It is agreed and understood that where this contract requires action by the Secretary, said action may be taken for and on behalf of the Secretary by his representative duly authorized in writing by the Secretary. Written notice of any such authority shall be mailed to the District within one week from the date of such authorization.

Obligation to Proceed Contingent Upon the Execution
of Contracts in Form Satisfactory to the Secretary
Covering the Full Amount Allocated to Irrigation

37. The obligation of the United States to proceed with the construction provided for under the provisions of Article 9 hereof is contingent upon the execution and confirmation of contracts in form satisfactory to the Secretary providing for the repayment to the United States of the full proportionate part of the cost of the Anderson Ranch Reservoir allocated to irrigation.

Substitution of Payette or Salmon River Water

38. It is agreed that in lieu of the water which the District is entitled to receive from the Boise River and its tributaries and the reservoirs thereon, or any part of such water, the United States, at the option of the Secretary, shall have the right to substitute an

equal amount of water from the Payette River or the Salmon River, or in part from the Payette and in part from the Salmon, and in the event of such substitution the Secretary, upon the completion of the necessary tunnels and other works to such extent as may be necessary to convey such Payette River or Salmon River water to the Boise River immediately above the government diversion dam, for the Arrowrock Division of the Boise Project, will make, by appropriate credits, such readjustment, if any, in the charges against the District as he shall then find to be equitable in view of the changed conditions then applicable to the water supply furnished for the District, but such readjustment, if any, shall not increase the financial obligations of the District under this contract nor reduce the amount of water which the District is entitled to receive under this contract.

Rights to Include Obligations in
Contract Under Reclamation Project Act of 1939

39. In the event that the District enters into an amendatory contract under the provisions of section 4 of the Reclamation Project Act of 1939 (53 Stat. 1187) for the purpose of securing the benefits of said section of said act, the right is reserved to the District to have included in such amendatory contract the construction charge obligations of the District under this contract, and in that event the then unaccrued portion of the charges for the costs incurred in the Arrowrock repairs shall be treated as part of the Arrowrock dam construction charges, as authorized by Act of April 22, 1940 (54 Stat. 155).

Contingent Upon Appropriation or Allotment of Funds

40. The expenditure of any money or the performance of any work by the United States herein provided for which may require appropriations of money by Congress or the allotment of funds, shall be contingent upon such appropriations or allotments being made. The failure of Congress so to appropriate funds, or the failure of an allotment of funds shall not relieve the District from any obligations under this contract and no liability shall accrue to the United States in case such funds are not so appropriated or allotted.

Officials Not to Benefit

41. 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, but this restriction shall not be construed to extend to this contract if made with a corporation or company for its general benefit.

Former Contracts Remain in Effect

42. All provisions of the Government-District Contract, to the extent that they are not inconsistent with the terms and provisions of this contract, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this contract
to be executed the day and year first above written.

UNITED STATES OF AMERICA

By (Sgd.) Oscar L. Chapman
Acting Secretary of the Interior

SETTLERS IRRIGATION DISTRICT

By (Sgd.) Fred Rosti
President

(Seal) *

Attest:

(Sgd.) Frank L. Cox
Secretary

EXHIBIT E

5886

State of Idaho License and Certificate of Water Right

Water License No. R-698

Water District No.

 493,161 ac.ft. for irrigation
and such power as can be gen-
erated by use of water released
Amount for irrigation use.

Priority December 9, 1940

THIS IS TO CERTIFY that UNITED STATES OF AMERICA (Bureau of Reclamation)
of Boise, Idaho, made application for a permit to appropriate the
public waters of the State of Idaho, dated December 9, 1940; that Permit No. R-698
was issued under said application; that Certificate of Completion of works, with a carrying capacity of
493,161 ^{acre} ~~acres~~ feet, was issued thereunder on August 30, 1952, showing that said works
were completed on the 6th day of February, 1954; and that on the 21st
day of February, 1956, The U. S. Bureau of Reclamation

of Boise, State of Idaho, made proof to the satisfaction of the
State Reclamation Engineer of Idaho, of the right to use the waters of South Fork
Boise River, a tributary of Snake River, for the purpose of Irrigation and Power,
under Use Permit No. R-698 of the Department of Reclamation
and that said right to the use of said waters has been perfected in accordance with the laws of Idaho,
and is hereby confirmed by the State Reclamation Engineer of Idaho and entered of record in Volume
9 of Licenses at page 5886, on the 17th day of December, 1956;
The right hereby confirmed dates from December 9, 1940;

The Point of Diversion is located

in the Lot 4, Sec. 1, Tp. 1 S., R. 8 E., B. M. County Elmore

That the amount of water to which such right is entitled and hereby confirmed, for the purposes
aforesaid, is limited to an amount actually needed and beneficially used for said purposes, and shall
not exceed 493,161 ^{acre} ~~cubic feet~~ ~~per second~~

Description and location of use:

Twp.	Range	Sec.	Forty-acre Tract	No. Acres Described in Permit	No. Acres Actually Irrigated
Irrigation of cultivated lands of the Boise Federal Reclamation Project in Ada and Canyon counties as more particularly described in Certificate of Comple- tion of Works issued in connection with Permit No. R-698, including all lands for contracts under Federal Reclamation laws for space in Anderson Ranch Reservoir.					
Townships 1, 2, 3, 4, 5 N., Range 1 E., B.M.					
"	"	"	2, 3, 4 N.	" 2 "	" "
"	"	"	2 & 3 N.	" 3 "	" "
"	"	"	1 S.	" 1 W.	" "
"	"	"	1, 2, 3, 4, 5 N.	" 1 "	" "
"	"	"	1 S.	" 2 "	" "
"	"	"	1, 2, 3, 4 N.	" 2 "	" "
"	"	"	2, 3, 4, 5 N.	" 3 "	" "
"	"	"	2, 3, 4, 5 N.	" 4 "	" "
"	"	"	3, 4, 5, 6 N.	" 5 "	" "
"	"	"	4, 5, 6 N.	" 6 "	" "
"	"	"	21 & 22 S.	" 46 E.	W.M. (Willamette-Meridian)
"	"	"	21 S.	" 47 "	" "

Corrected
11/17/57
Mark R. Kulp

WITNESS the seal and signature of the State Reclamation Engineer, affixed at Boise, Idaho, this
17th day of December, 1956.

Mark R. Kulp /s/

State Reclamation Engineer.

(SEAL)

Exhibit E to Affidavit of Dylan B. Lawrence

5886

State of Idaho

License and Certificate of Water Right

Water License No. R-698

Water District No.

493,161 ac.ft. for irrigation
and such power as can be gen-
erated by use of water released
Amount for irrigation use.

Priority December 9, 1940

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of Boise, Idaho, made application for a permit to appropriate the
public waters of the State of Idaho, dated December 9, 1940; that Permit No. R-698
was issued under said application; that Certificate of Completion of works, with a carrying capacity of
493,161 ^{acres} ~~acres~~ feet, was issued thereunder on August 30, 1952, showing that said works
were completed on the 6th day of February, 1951; and that on the 21st
day of February, 1956, The U. S. Bureau of Reclamation

of Boise, State of Idaho, made proof to the satisfaction of the
State Reclamation Engineer of Idaho, of the right to use the waters of South Fork
Boise River, a tributary of Snake River, for the purpose of Irrigation and Power,
under Use Permit No. R-698 of the Department of Reclamation
and that said right to the use of said waters has been perfected in accordance with the laws of Idaho,
and is hereby confirmed by the State Reclamation Engineer of Idaho and entered of record in Volume
9 of Licenses at page 5886, on the 17th day of December, 1956;
The right hereby confirmed dates from December 9, 1940;

Ts. 1, 2, 3, 4, 5 N., R. 1 E.B.M. Ts. 2, 3, 4 N. R. 2 E.B.M., Ts. 2 & 5 N. R. 3 E.B.M.	Ts. 1, 2, 3, 4, 5 N. R. 1 W.B.M., T. 1 S. R. 2 W.B.M. Ts. 1, 2, 3, 4, N. R. 2 W.	Ts. 1, 2, 3, 4, 5 N. R. 3 W.B.M. (Ts. 21' & 22' S. R. 46 E.) Ts. 2, 3, 4, 5, N. R. 4 W.B.M. Ts.	Ts. 1, 2, 3, 4, 5 N. R. 5 W.B.M. Ts. 4, 5, 6 N. R. 6 W.B.M. and Tp. 21 S. R. 47 E. Willamette Meridian.
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The right to the use of the water aforesaid hereby confirmed is restricted to the lands or place
of use herein described, as provided by the laws of Idaho.

WITNESS the seal and signature of the State Reclamation Engineer, affixed at Boise, Idaho, this
17th day of December, 1956.

Mark R. Kulp /s/

State Reclamation Engineer.

(SEAL)

Exhibit E to Affidavit of Dylan B. Lawrence