

WELL USE AGREEMENT

COPIES

THIS INDENTURE, made this _____ day of _____, 1987, by and between James A. and Betty J. Nichols, husband and wife, and their assigns and successors in interest, as party of the first part, and Joyce L. Nichols and her assigns and successors in interest, as party of the second part.

WITNESSETH:

WHEREAS, it is necessary for the two parties to share in the maintenance, repair, and use of an existing domestic well located on property owned by Joyce L. Nichols in the $N\frac{1}{2}N\frac{1}{2}NW\frac{1}{4}NE\frac{1}{4}$, Section 31, Township 46 North, Range 2 West. Approximately one half of the available water will be diverted to property owned by James A. and Betty J. Nichols in the $S\frac{1}{2}N\frac{1}{2}NW\frac{1}{4}NE\frac{1}{4}$ Section 31, Township 46 North, Range 2 West. Water will be diverted across a previously recorded Waterline Easement granted by Joyce L. Nichols to James A. and Betty J. Nichols. The above described properties are situated in Benewah County, within the State of Idaho.

WITNESSETH:

Each party is entitled to one half of the available water supply which is estimated to be 12-15 gallons/minute. This would equal a flow to each household of approximately 6-7½ gallons/minute. No additional households may be hooked up to this well without mutual consent of both parties. Domestic household use by both parties will have first priority prior to the diversion of any water for other uses. If the total output of the well drops below 5 gallons/minute then all necessary steps will be taken to bring the supply up to an adequate level for both parties. This may require installing a separate holding tank with pump or drilling a new well.

WITNESSETH:

All maintenance and/or repair costs to the well, pump, wires, control box and other associated items will be shared equally between both parties. Each party will be responsible for their individual waterlines from the well to their house. The cost of electricity for the pumping of water is metered to the Joyce L. Nichols residence. James A. and Betty J. Nichols and their assigns and successors in interest will pay to Joyce L. Nichols and her assigns and successors in interest five dollars per month or the actual cost of electricity for pumping, whichever is greater, on a monthly basis.

WITNESSETH:

Any maintenance and/or repair work to the well and its associated parts will be mutually discussed and agreed on by both parties prior to doing the work. Neither party is to be left without water due to the negligence and/or lack of cooperation from the other party. If either party cannot agree to any of the above provisions of this agreement then a mutually agreed upon third party will be appointed to settle any and all disputes.

James A. Nichols

Joyce L. Nichols

Betty J. Nichols