WATER SUPPLY BANK LEASE CONTRACT No. 1160

ATTACHMENT A WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

The water rights or portions thereof leased to the bank are described as follows:

Source and Location of Point(s) of Diversion for Water Right No(s): 35-2604

GROUND WATER SENENE Sec. 6 Twp 02N Rge 37E BONNEVILLE County

		Seas	on of	Use	Diversion	Values		
Water Right	Beneficial Use	From		То	Rate (CFS)	Volume (AF)		
35-2604	IRRIGATION	4/01	to	10/31	2.56 cfs	760.0 AF		
				Totals:	2.56 cfs	760.0 AF		

PLACES OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

Twp	Rng	Sec	NE			NW			SW				SE				T. 1		
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	Totals
02N	37E	5					22.0 L3	30.0 L4	39.0	30.0									121.0
02N	37E	6	30.0 L1			39.0													69.0

Total Acres: 190.0

ADDITIONAL CONDITIONS OF ACCEPTANCE

- 1. The water rights referenced above will be rented from the bank at the current rental rate.
- 2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
- 3. While a right is in the bank, the lessor may <u>not</u> use the right without approval of the Department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
- 4. A right accepted into the bank stays in the bank until the Board releases it, or the lease term expires. A right may be released from the bank upon request, provided the Board approves the release. Unless approved by the Department, leased rights may not be immediately available for release.
- 5. While a water right is in the bank, forfeiture provisions are stayed pursuant to Idaho Code § 42-223(5).
- 6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
- 7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.

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- 8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.
- 9. In accordance with Idaho Code § 42-248 and § 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
- 10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - Rental payments will go to the lessor(s) of record at the beginning of the rental season, even
 if the Department processes a Notice of Change in Water Right Ownership during the rental
 season.
 - b. New lessor(s) of record will receive payment for any subsequent rental seasons.
- 11. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.
- 12. 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.
- 13. Use of water under this right may be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 120.
- 14. The unleased portion of this water right is limited to the irrigation of 10 acres, a diversion rate of 0.14 cfs and a diversion volume of 40 af in a single irrigation season.