

Robert L. Harris (ISB # 7018)
rharris@holdenlegal.com
HOLDEN, KIDWELL, HAHN & CRAPO, P.L.L.C.
1000 Riverwalk Dr., Ste. 200
P.O. Box 50130
Idaho Falls, Idaho 83405
Telephone: (208) 523-0620
Facsimile: (208) 523-9518

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Department of Water Resources
Eastern Region

BEFORE THE DEPARTMENT OF WATER RESOURCES
OF THE STATE OF IDAHO

IN THE MATTER OF APPLICATION
FOR PERMIT NO. 35-14467 IN THE
NAME OF GOLD EMBLEM FARMS

STIPULATION FOR
WITHDRAWAL OF PROTESTS

THIS STIPULATION FOR WITHDRAWAL OF PROTESTS (this "Stipulation") is made and entered into as of the 21st day of October, 2016, by and between Gold Emblem Farms (hereinafter, "Gold Emblem"), an Idaho general partnership, A&B Irrigation District, American Falls Reservoir District #2, Burley Irrigation District, Milner Irrigation District, Minidoka Irrigation District, North Side Canal Company, and Twin Falls Canal Company (hereinafter, collectively the "Coalition"), Idaho Power Company, an Idaho Corporation (hereinafter, "IPCO"), and the Idaho Ground Water Appropriators, Inc., an Idaho Corporation (hereinafter, "IGWA"). The Coalition, Idaho Power, and IGWA are hereinafter collectively referred to as the "Protestants". Gold Emblem and the Protestants may hereinafter be collectively referred to as the "Parties."

RECITALS:

- A. Gold Emblem filed the above-referenced application for permit on May 5, 2016 (hereinafter, "35-14467"). 35-14467 seeks a new water right for the irrigation of up to 125.2 acres.
- B. As mitigation for the depletive effects of the new diversion occurring through the exercise of 35-14467, Gold Emblem proposed to use a certain water right owned by Areva Enrichment Services LLC ("Areva"), identified as Water Right No. 35-13855 (the "Water Right").

- C. The Protestants protested 35-14467 for various reasons.
- D. In lieu of participating in an administrative hearing as provided for under Idaho law concerning 35-14667, the Parties hereby agree as set forth below, the result of which is withdrawal of the Protestants' protests in this matter.

AGREEMENTS:

- 1. **Conditions To Be Included On The Water Right Permits.** IDWR shall include the following conditions, or conditions substantially in the same form, in the final order issuing the permit for 35-14667:
 - a. "Use of water under this right will 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."
 - b. "Prior to diversion of water under this right, the right holder shall install and maintain a flow meter measuring device and lockable controlling works of a type acceptable to the Department as part of the diverting works."
 - c. "This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the place of use."
 - d. "This right is for the use of trust water which is identified and defined in the Swan Falls Settlement. The right shall be subject to review <5> years after its initial approval (date of permit approval) to re-evaluate the availability of trust water for the authorized use and to re-evaluate the public interest criteria for reallocating trust water. This right shall remain subject to review by the director consistent with the terms and limits imposed upon trust water rights by the State and arising out of the Swan Falls Settlement. Further, this right is within a moratorium area requiring mitigation as provided below. Regulation of this right to satisfy the minimum flows of 3900 cfs from April 1 through October 31 and 5600 cfs from November 1 through March 31 measured at the Murphy gaging station shall not be required so long as mitigation is satisfied and reported to IDWR."
 - e. "To mitigate for the depletion of water resulting from the use of water under this right and to prevent injury to senior water right holders, the right holder shall cease diverting and using water as authorized by the following water rights for the purposes and amounts specified below. Moreover, the official records for the following water rights will be changed to show the diversion and use of water is not authorized because the rights, or a portion thereof, are being dedicated to mitigation purposes."

Right No.	Use	Changed Mitigation Rate to Mitigation (cfs)	Mitigation Volume (AF)	Mitigation Acres
35-13855	Industrial	0.76	506.8	N/A

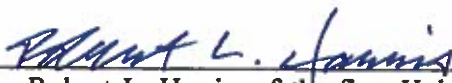
If the specified mitigation right, or portions thereof, is sold, transferred, leased, used on any place of use, or is not deliverable due to a shortage of water or a priority call, then the amount of water authorized for diversion under this right approval shall be reduced by the same proportion as the reduction in mitigation rights."

- f. "In the event the right holder does not maintain the right to use water right 35-13855 for mitigation purposes, this right shall terminate and be of no further force or effect. The right holder shall not have the right to submit a substitute mitigation plan."
- g. "The authorized point of diversion for this right is an existing well which shall be the only location used to divert water under this right. This permit does not authorize the construction of any new well."
- h. "This right may be used to irrigate the place of use described herein and may not be amended through a transfer application to authorize irrigation of land outside of the NW1/4 of section 13 and the NE1/4 of section 14, township 3N., range 34 E., Boise Meridian."
- i. "The diversion and use of water described in this right may be subject to additional conditions and limitations agreed to by the protestants and the right holder under a separate agreement to which the Department is not a party. Because the Department is not a party, the Department is not responsible for enforcement of any aspect of the agreement not specifically addressed in other conditions herein."
- j. "Noncompliance with any condition of this right, including the requirement for mitigation, is cause for the director to issue a notice of violation, cancel or revoke the right, or, if the right is included in a water district, request that the watermaster curtail diversion and use of water."

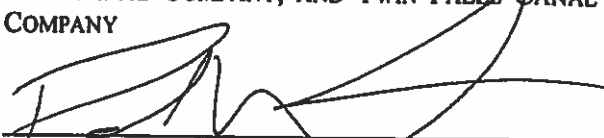
2. **Resolution of Protests.** This Stipulation is intended to resolve the protests filed by the Protestants. Resolution of this protest is conditioned upon the approval, by IDWR, of the conditions set forth in Paragraph 1 in substantially the same form as set forth herein. If the conditions are not included on the permit for 35-13855, then this Stipulation shall be void. The Parties reserve the right to challenge any decision from IDWR that does not include the conditions set forth in Paragraphs 1.

3. **Reservation of Rights.** The Parties agree and acknowledge that this Stipulation only resolves the Protestants' protest of 35-14667, and that the Protestants reserve all rights to pursue protests to other applications for permits and/or transfers in the future.
4. **Reliance Upon Statements/Integration and Merger.** The Parties hereto specifically acknowledge that they were represented by counsel in this matter, and agree that other than as is set forth herein, they have executed this Stipulation without relying upon any statements or representations written or oral, as to any statement of law or fact made by any other party or attorney. The Parties to this Stipulation have read and understand the Stipulation, and warrant and represent that this Stipulation is executed voluntarily and without duress or undue influence on the part of or on behalf of any party. This agreement represents the sole entire and integrated Stipulation by and between the Parties hereto, and supersedes any and all prior understandings or agreements whether written or oral except as specifically provided herein.
5. **Successors and Assigns.** This Stipulation shall be binding upon and shall inure to the benefit of each Party's officers, directors, shareholders, heirs, successors and assigns, and shall be specifically enforceable.
6. **Waiver and Modification.** No provision of this Stipulation may be waived, modified, or amended except by written agreement executed by all of the Parties hereto.
7. **Enforcement and Interpretation.** This Stipulation is a valid and binding obligation of the parties, and their successors or assigns. It shall be admissible and enforceable according to its terms, and venue in any subsequent action shall rest within the State of Idaho. This Stipulation is subject to interpretation in accordance with the laws of the State of Idaho.
8. **Counterparts.** This Stipulation may be executed in counterparts, each of which is deemed an original but all of which constitute one and the same instrument. The signature pages may be detached from each counterpart and combined into one instrument.

GOLD EMBLEM FARMS

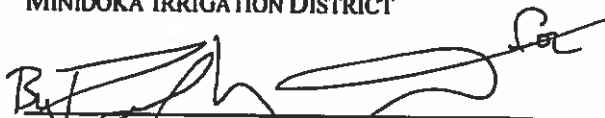

By: Robert L. Harris, of the firm Holden, Kidwell,
Hahn, & Crapo, P.L.L.C.
Attorneys for Gold Emblem Farms

A&B IRRIGATION DISTRICT, BURLEY IRRIGATION DISTRICT, MILNER IRRIGATION DISTRICT, NORTH SIDE CANAL COMPANY, AND TWIN FALLS CANAL COMPANY


By: Paul L. Arrington, of the firm Barker, Rosholt & Simpson, LLP

Attorneys for A&B Irrigation District, Burley Irrigation District, Twin Falls Canal Company, North Side Canal Company, and Milner Irrigation District

AMERICAN FALLS RESERVOIR DISTRICT #2 AND MINIDOKA IRRIGATION DISTRICT


By: W. Kent Fletcher, of the firm Fletcher Law Office

Attorneys for Minidoka Irrigation District

IDAHO POWER COMPANY


By: John K. Simpson, of the firm Barker, Rosholt & Simpson, LLP

Attorneys for Idaho Power Company

IDAHO GROUND WATER APPROPRIATORS, INC.

By: Randall C. Budge, of the firm, Racine, Olsen, Nye, Budge & Bailey, Chtd.
Attorneys for Idaho Ground Water Appropriators, Inc.

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MINIDOKA IRRIGATION DISTRICT

By: W. Kent Fletcher, of the firm Fletcher Law Office

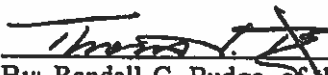
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