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State of Idaho
Department of Water Resources

Permit to Appropriate Water

NO. 27-12276

Priority: April 10, 2015

Maximum Diversion Volume: 153.5 AF

This is to certify, that NUWEST INDUSTRIES INC DBA AGRIUM CPO
3010 CONDA ROAD
SODA SPRINGS ID 83276

has applied for a permit to appropriate water from:

Source: SURFACE RUNOFF

and a permit is APPROVED for development of water as follows:

<u>BENEFICIAL USE</u>	<u>PERIOD OF USE</u>	<u>ANNUAL VOLUME</u>
WATER QUALITY IMPROVEMENT	01/01 to 12/31	153.5 AF

LOCATION OF POINT(S) OF DIVERSION:

SURFACE RUNOFF	NW ¼ SE ¼	Sec. 32, Twp 06S, Rge 44E, B.M.	CARIBOU County
SURFACE RUNOFF	SE ¼ SE ¼	Sec. 32, Twp 06S, Rge 44E, B.M.	CARIBOU County
SURFACE RUNOFF	L2 (SW ¼ NE ¼)	Sec. 4, Twp 07S, Rge 44E, B.M.	CARIBOU County
SURFACE RUNOFF	SW ¼ SE ¼	Sec. 4, Twp 07S, Rge 44E, B.M.	CARIBOU County
SURFACE RUNOFF	SW ¼ SE ¼	Sec. 4, Twp 07S, Rge 44E, B.M.	CARIBOU County

PLACE OF USE: WATER QUALITY IMPROVEMENT

Twp Rge Sec	NE				NW				SW				SE				Totals
	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
06S 44E 32													X			X	
07S 44E 4			X												X		
07S 44E 9	X	X															

CONDITIONS OF APPROVAL

1. Proof of application of water to beneficial use shall be submitted on or before September 01, 2020.
2. Subject to all prior water rights.
3. The seven evaporation ponds established by the storage of water under this right shall not exceed a total capacity of 153.5 acre-feet.

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4. 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 record for the following water right will be changed to show that diversion and use of water is not authorized because the rights, or portion thereof, are being dedicated to mitigation purposes.

Right No.	Use Changed to mitigation	Mitigation Rate (cfs)	Mitigation Acres	Mitigation Period
27-88	Irrigation	0.440	21.9	8/1/2015 – 12/31/2020

Right No.	Use Changed to mitigation	Mitigation Rate (cfs)	Mitigation Acres	Mitigation Period
27-11273	Irrigation	0.460	23.0	8/1/2015 – 12/31/2020

Right No.	Use Changed to mitigation	Mitigation Rate (cfs)	Mitigation Acres	Mitigation Period
27-2165	Irrigation	1.120	56.0	8/1/2015 – 12/31/2020

If the specified mitigation right, or portion 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 to the mitigation rights.

5. 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. 27.
6. Prior to diversion of water under this right, the right holder shall install a lockable device, subject to the approval of the Department, in a manner that will provide the watermaster suitable control of the diversion.
7. Consistent with the Blackfoot River Management Plan, the right holder shall provide Water District 27 a biweekly report describing the amount of water captured and stored in the evaporation ponds authorized under this right.
8. 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.

This permit is issued pursuant to the provisions of Section 42-204, Idaho Code. Witness the signature of the Director, affixed at Boise, this 7th day of August, 2015.


for GARY SPACKMAN, Director

IDAHO DEPARTMENT OF WATER RESOURCES
Proof Report

2/28/2017

Water Right 27-88

Owner Type **Name and Address**
Current Owner BEAR LAKE GRAZING CO
835 ALTON RD
MONTPELIER, ID 83254
(208)847-0636

Priority Date: 10/4/1886

Basis: Decreed

Status: Active

Source
SHEEP CREEK

Tributary
LANES CREEK

Beneficial Use	From	To	Diversion Rate	Volume
IRRIGATION	04/15	07/01	0.440 CFS	
MITIGATION BY NON-USE	04/15	07/01	0.440 CFS	
Total Diversion			0.440 CFS	

Source and Point(s) of Diversion

SHEEP CREEK NESENE Sec. 32, Twp 06S, Rge 44E, CARIBOU County

Place Of Use

MITIGATION BY NON-USE within CARIBOU County

			NE				NW				SW				SE				Totals
Twp	Rng	Sec	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
06S	44E	33							X		X	X							

IRRIGATION within CARIBOU County

			NE				NW				SW				SE				Totals
Twp	Rng	Sec	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
06S	44E	33							8.0		4.8	9.1							21.9

POU Total Acres: 21.9

Conditions of Approval:

1. SOURCE WAS RECORDED AS "HIGHLAND CREEK" IN DECREE. USGS DOES NOT INDICATE SOURCE IS NAMED.
2. C18 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.
3. 257 This water right is entitled to the protections of paragraph x.d of water right 27-11375.

Comments:

1. jcefalo 2/28/2017 Mitigation by Non-Use
This right will be held unused through December 31, 2020 to mitigate for Permit 27-12276.

VERIFICATION OF NON-USE OF WATER RIGHTS

As a portion of the consideration for a Lease Agreement dated June 1, 2015, between NU-WEST INDUSTRIES, INC., a Delaware corporation ("Nu-West"), and Bear Lake Grazing Company, ("BLGC"), BLGC agrees not use its Water Right Nos. 27-88 and 27-11273 for the duration of Nu-West's mining and reclamation activities at the Lanes Creek mine site to support Nu-West's application to the Idaho Department of Water Resources for a water right permit to allow diversion, collection and evaporation of surface water runoff from the Lanes Creek mine. This period of non-use is anticipated to include irrigation seasons for 2015 through 2019, with a one-year extension through 2020 if needed.

Bear Lake Grazing Company

By: Joan R. Bunderson

Joan R. Bunderson

Managing General Partner

State of Idaho)
County of Bear Lake) ss:



On this 30 day of June, in the year 2015, before me, Sari Stenholm, a notary public, personally appeared Joan R. Bunderson, known or identified to me to be the Managing General Partner of Bear Lake Grazing Company and the person who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he executed the same in said corporation name.

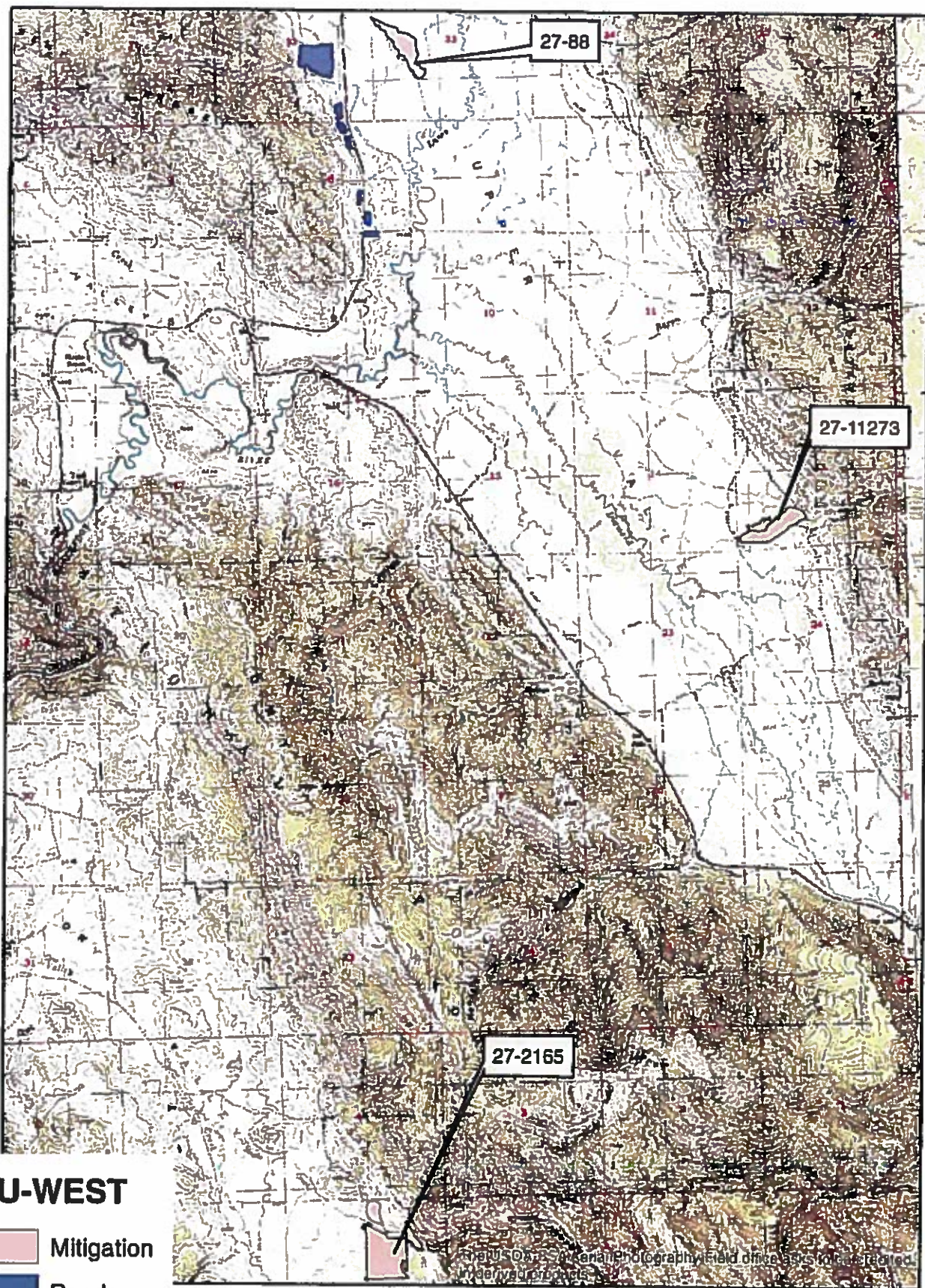
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Sari Stenholm
Notary Public for Idaho
Residing at Montpelier ID 83254
My Commission Expires 10-15-2020

RECEIVED

JUL 01 2015

Department of Water Resources
Eastern Region



NU-WEST

-  Mitigation
-  Ponds

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