

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT NO. 85

RECEIVED

FEB 06 2017

**DEPARTMENT OF
WATER RESOURCES**

This is to certify that:

MIDNIGHT SUN INC VIII
1314 12TH AVE S STE 5
NAMPA, ID 83651

filed an application to rent water from the Water Supply Bank ("Bank"). The Idaho Water Resource Board ("Board"), being authorized to operate a Bank and to contract by and through the Director of the Idaho Department of Water Resources ("Director, Department") for rental of water from the Bank, agrees to rent water as follows:

Summary of Water Rights or Portions Rented from the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate Per Acre (CFS/AC)	Volume Per Acre (AF/AC)
2-7062	4/9/1970	SNAKE RIVER	3.7	925.5	185.1	0.02	5.00
2-7157C	10/24/1974	SNAKE RIVER	6.0	1,356.8	301.5	0.02	4.50
Combined Rental Totals			9.7	2,282.3	486.6	0.02	4.69

Term of Rental: This rental shall take effect when all parties have signed it and shall continue in effect until December 31, 2020

Annual Rental Fee:

2017: \$38,799.10
2018: \$45,646.00
2019: \$45,646.00
2020: \$45,646.00

SUPPORT DATA

IN FILE # 2-7062

The full fee for the rental of the above-described right(s) is \$38,799.10 for year 2017 and \$45,646.00 per year for years 2018 - 2020. The rental fee includes an administrative fee of \$3,879.91 for year 2017 and \$4,564.60 per year for years 2018 - 2020.

An annual payment shall be received by the Department on or before December 31 each year preceding the use of the rented water rights. The agreement will be void if payment is not received by the due date in a given year. Rental fees are non-refundable. To voluntarily terminate the agreement early, notify the Department in writing prior to the rental fee due date.

Total Water Use Authorized Under Rental Agreement 85

Beneficial Use	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate/Acre (CFS/AC)	Volume/Acre (AF/AC)
IRRIGATION	9.7	*1946.4	486.6	0.02	4.0
Combined Total	9.7	*1946.4	486.6	0.02	4.0

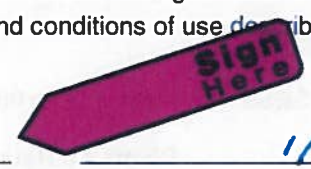
*** The authorized water usage reflects a reduction from the water right elements rented to account for the reduced standard headgate volume at the rental place-of-use.**

Detailed water right conditions are attached.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT

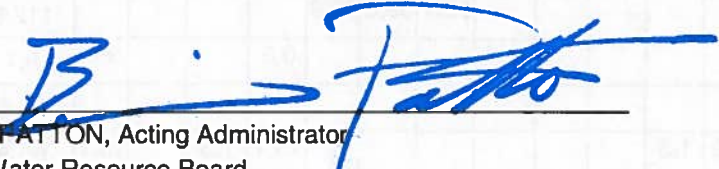
The undersigned renter agrees to use the water rented under this agreement in accordance with the Water Supply Bank rules and in compliance with the limitations and conditions of use described in this agreement:


Signature of Renter  1/30/17
Date

CHARLES W. BAYAN
Printed Name
Vice President
Title

*Title required if signing on behalf of a company or organization or with power of attorney

Having determined that this agreement satisfied the provisions of Idaho Code § 42-1763 and IDAPA 37.02.03.030 (Water Supply Bank Rule 30), for the rental and use of water under the terms and condition herein provided, and none other, I hereby execute this Rental Agreement on behalf of the Idaho Water Resource Board.

By  Date 2/7/2017
BRIAN PATTON, Acting Administrator
Idaho Water Resource Board

Rental approved by IDWR  Date 2-7-2017

WATER SUPPLY BANK RENTAL AGREEMENT NO. 85

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

SNAKE RIVER

SESE

Sec. 4, Twp 06S, Rge 08E,

OWYHEE County

Beneficial Use
IRRIGATION

Diversion Rate
9.70 CFS

Volume
2282.3 AF

BENEFICIAL USE & SEASON OF USE

Water Right No.

From

To

Diversion Rate

2-7062

3/15

11/15

3.70 CFS

2-7157C

3/1

11/15

6.00 CFS

RENTERS PLACE OF USE: IRRIGATION

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
06S	08E	4									33.1	39.8	39.9						112.8
06S	08E	5													0.3			9.4	9.7
06S	08E	8	20.1	15.5															85.6
06S	08E	9	4.0	5.1		10.0	15.9	1.3							15.1	1.3		13.1	65.8
06S	08E	10									0.8	1.3							2.1
06S	08E	15						0.7	1.1		1.0								2.8
06S	08E	16	14.3	0.1	1.1	13.4			0.7	14.9					26.3	23.0	5.6	6.0	105.4
06S	08E	17			20.3						11.3		14.5	38.4	1.8	40.1	26.0		152.4

Total Acres: 486.6

RENTAL AGREEMENT CONDITIONS OF ACCEPTANCE

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. Rental of the specified right from 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.
3. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.
4. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
5. Renter agrees to hold the Board, the Director and the state of Idaho harmless from all liability on account of negligent acts of the renter while using water.
6. Renter acknowledges and agrees that the Director may terminate authorization for the use of a water right based on a water right's priority date. This rental for mitigation by non-use may be ineffective if the mitigating water right is not in priority.

7. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
8. The right holder shall maintain a measuring device and lockable controlling works of a type approved by the Department in a manner that will provide the watermaster suitable control of the diversion(s).
9. 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. 2.
10. Water shall not be diverted under right 2-7157C when flows in the Snake River are below established minimum flow amounts of 3,300 cfs at Murphy and 4,750 cfs at Weiser.
11. Rights 2-7062 and 2-7157C 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 lands above.
12. This rental agreement does not grant any right-of-way or easement across the land of another.
13. The following rights are diverted through point of diversion described above: 2-10053, 2-7022B, 2-7019B, 2-2260, 2-7102B, 2-7023B, 2-10510 and 2-10442.
14. Pursuant to Section 42-1412(6), Idaho Code, Rights 2-7062, and 2-7157C are subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as may be determined by the Snake River Basin Adjudication court at a point in time no later than the entry of the final unified decree.
15. Rights 02-7059, 02-7060A, 02-7060B, 02-7061, 02-7062, 02-7064, 02-7168A, 02-7168B, 02-7237A, 02-7275, 02-7279A, 02-7279B and 02-7157C when combined shall not exceed a total diversion rate of 48.44 cfs.

Idaho Water Resource Board

Water Supply Bank Rental Agreement

Effective until December 31, 2020

This map depicts the **rental place of use** pursuant to the rental agreement and is attached to the agreement solely for illustrative purposes.



- Authorized Rental Point of Diversion
- Authorized Rental Place of Use
- Townships
- PLS Sections
- Quarter Quarters



Miles
 0 0.25

STATE OF IDAHO
WATER RESOURCE BOARDAPPLICATION TO RENT WATER
FROM THE BOARD'S WATER SUPPLY BANK

RECEIVED

OCT 25 2016

DEPARTMENT OF
WATER RESOURCESApplicant Name: Midnight Sun Inc. VIII

Is this application being submitted with a lease application as a lease/rental package?

Yes ☐ No ☒

If yes, specify companion water rights in Section 4

This application must be completed according to the minimum requirement checklist below. This checklist is part of the rental application and must be included with the rental application. Applications that do not meet the minimum requirements will not be placed in the processing queue and may be returned until all minimum requirements have been met.

Rental applications should be submitted well in advance of the desired start date for the use of rental water. Rental applications may be processed as early as November 1 of the year prior to the intended use of rental water. Any rental application received on or before November 1 for use in the next year will be assigned a received date of November 1. Rental applications submitted more than one year in advance of the proposed start date for the use of rental water will not be accepted and will be returned to applicants. Rental applications may be returned to applicants if the desired start date for the use of rental water cannot be accommodated by the Water Supply Bank. Rental requests will not be accepted once the rental season of use period has concluded.

One rental application per beneficial use of water. For multiple beneficial uses of water, separate rental requests should be submitted for each unique beneficial use of water. One rental application can be submitted if you propose to rent water from multiple sources.

For additional instructions on completing a rental application, visit the Bank's website at http://idwr.idaho.gov/water_supply_bank.

MINIMUM REQUIREMENT CHECKLIST

Check All Items as Either Attached (Yes) or Not Applicable (N/A)

Yes

- ☒ Completed *Application to Rent Water from the Board's Water Supply Bank*
- ☒ Confirmation that this form has been printed single sided, per requirement of the Water Supply Bank

Attachment N/A Yes

- 2 ☒ A map showing the proposed point(s) of diversion, place(s) of use, and water diversion and distribution systems proposed to be used with your rental request
- 3A ☒ ☐ Detailed information on a proposed use of rental water
- 3F ☒ ☐ Authorization from the owner/operator of the rental point(s) of diversion
- 3H ☒ ☐ Water modeling to account for the impacts of the rental request
- 3J ☒ ☐ Documents justifying a rate of flow greater than 0.02 cfs/acre
- 3K ☒ ☐ Authorization from the owner/operator of the property at the proposed rental place(s) of use
- 4B ☒ ☐ Explanation of how the rental water will sufficiently accomplish your rental purposes
- 4C ☒ ☐ Explanation of consumptive use amounts for water rights experiencing a change in nature of use

Department Use Only – Proposed Water Right(s)

**STATE OF IDAHO
WATER RESOURCE BOARD**

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A. Applicant Midnight Sun Inc. VIII c/o Charles W. Bryan

Mailing Address	<u>1314 12th Ave. South</u>	<u>Nampa</u>	ID.	<u>83651</u>
	Street	City	State	Zip Code
Email Address	<u>charles.bryan@ubs.com</u>		Phone Number	<u>208.466.0419</u>

B. Is this application being completed by an authorized representative on behalf of the applicant? Yes ☒ No ☐
 If yes, representatives (includes company employees if the applicant is a corporation, as well as legal counsel or consultants) should provide their information below if they desire to be included on correspondence with the rental applicant.

Representative	<u>Hal N. Anderson</u>	Professional Title	<u>Managing Partner</u>
Organization	<u>Idaho Water Engineering</u>	Relationship to Applicant	<u>Consultant</u>
Mailing Address	<u>2918 N. El Rancho Pl. , Boise ID. 83704</u>		
Email Address	<u>hal@idahowaterengineering.com</u>	Phone Number	<u>208.830.5525</u>

2. MAP

Create a map of the proposed point(s) of diversion, place(s) of use and water diversion, delivery and distribution systems. Make sure the rental place of use is outlined and annotated with legal land descriptions (Township, Range, Section and Quarter-Quarters) or with GPS coordinates. For irrigation purposes, mark the number of acres you desire to irrigate. Attach the map to this application and label it **Attachment 2**.

3. DESCRIPTION OF PROPOSED USE FOR RENTAL WATER

A. Describe why you desire to rent water and provide a detailed description of your proposed use. If the proposed use is not for irrigation, describe in detail how you determined the amount of rental water required. If the space below is insufficient, attach additional sheets as required and label them **Attachment 3A**:

Existing water rights have acreage limitation of 800 acres per year. Permissible Place of Use is 4128 acres. This rental is to provide for the irrigation of an additional 486.6 acres within the Permissible Place of Use.

B. Enter the desired and/or minimum rates of flow, volume, or irrigable acres requested for your rental purposes:

Desired Rate (Cubic Feet/Second)	Desired Volume (Acre-Foot)	Minimum Rate* (Cubic Feet/Second)	Minimum Volume* (Acre-Foot)	Desired Acres (if applicable)
9.73 CFS	2250.5 AF	CFS	AF	486.6 AC

* Sometimes water rights provide an exceptionally low rate per acre and/or low volume per acre. This section is meant to establish an acceptable range of water sufficient for your proposed water use. Please see question 4B and complete if necessary.

C. This section must be completed in full. Enter the proposed start date and latest possible start date for using rental water as well as the number of years you would like to rent water. The latest possible start is the latest possible date by which you would be willing to pay for a rental and be able to benefit from utilizing rental water.

Desired Start Date (month/day/year)	Latest Possible Start Date (month/day/year)	*Mark Desired Rental Duration (Calendar Years)					**Applicant's preference if rental application cannot be processed prior to the latest possible start?	
03/15/2017	03/15/2017	☐ 1	☐ 2	☐ 3	☐ 4	☒ 5	☒ Process application as soon as possible	☐ Return application to applicant

* The number of years permissible for a rental is subject to the lease contract duration for the water right(s) being rented.

** Per Idaho Code 42-201, it is unlawful to divert or use water without a valid water right. Water Supply Bank rental applicants are not authorized to utilize rental water prior to the execution of an approved rental agreement. Rental requests may be returned to applicants if no water is available from the Bank to fulfill a rental request.

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

- D. Describe your water distribution system and how rental water will be delivered from the point(s) of diversion (POD) to the proposed place of use (POU):

Pump in Snake River delivered by buried pipe and open ditch

- E. Describe the physical type (pump, headgate, etc.) and location of the POD from which rental water is proposed to be diverted:

POD Description	Water Source	Other Water Rights Diverted from this POD
Twp06S R08E S4Lot8	Snake River	2-2260, 2-7019B, 2-7029D, 2-7022B, 2-7023B
		2-70102B, 2-10053
		2-7102B 2-10510
		2-10422

If the POD(s) above are located where water is turned into a canal, lateral or ditch, or if they are located on your property but are serviced by water that is delivered via a canal, lateral or ditch, your rental request must include documented authorization from all relevant canal companies, irrigation districts and/or water delivery entities, confirming that they consent to your diversion of water from their system.

- F. Has documented consent from all relevant water delivery entities been obtained? Yes ☐ N/A ☒
If yes, include documented consent as Attachment 3F.

- G. Do any POD(s) identified in Question 3E divert from a water source that may require water modeling? Yes ☐ No ☒
Refer to the Water Modeling Requirements Information Sheet to determine if a rental POD may require water modeling.

- H. Has water modeling been provided with your rental request? Yes ☐ N/A ☒
If yes, label modeling Attachment 3 H.
Rental applications that require modeling will be returned if modeling is not provided.

- I. Specify the desired beneficial use of water and the requested season of use or number of acres required:

- ☐ Irrigation 486.6 (number of acres) Duration: Subject to IDWR standard seasons of use
- ☐ Commercial from: 03/15 (mm/dd) to: 11/15 (mm/dd)
- ☐ Stockwater from: _____ (mm/dd) to: _____ (mm/dd)
- ☐ Industrial from: _____ (mm/dd) to: _____ (mm/dd)
- ☐ Other: _____ from: _____ (mm/dd) to: _____ (mm/dd)

- J. For irrigation uses, do you propose to divert water at a rate greater than 0.02 cfs/acre? N/A ☐ Yes ☐ No ☒
If yes, justify the rate of flow and attach any supporting documents as Attachment 3J. Justification may include information on soil composition, conveyance losses, crop type, irrigation systems, public access areas, etc. A rate of 0.03 cfs/acre is permissible for irrigation of 5 acres or less.

- K. Do you own the land at the proposed rental place of use (POU)? Yes ☒ No ☐
If no, attach documentation from the POU owner/operator confirming your authorization to use the POU and label it Attachment 3K.

- L. List all other water rights and sources of water at the rental place of use for the same purpose, including privately owned water rights and water received from a municipal supplier, an irrigation district, a canal company or any other water delivery entity. Explain why additional water is required:

2-2260, 2-7019B, 2-7029D, 2-7022B, 2-7023B, 2-70102B, 2-10053

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

4. RENTAL REQUESTS FOR SPECIFIC WATER RIGHTS

A. Are you requesting to rent specific water rights?

Yes ☒ No ☐

If yes, specify below the elements of the water rights you are requesting to rent. If no, continue to Question 4B.

Important Information: Diversion rates and volumes sought for rent must be proportionate to the per acre diversion rates and per acre volume limits of the water right under lease contract to the Water Supply Bank. Prior to completing this section, applicants should review all water right lease contracts and any active rental agreements to determine which elements of a water right are available to satisfy a rental request. Lease and rental documents are searchable via [IDWR's website](#).

Water rights identified below must either already be leased to the Bank or a lease proposal should accompany this rental request. **Rental requests for water rights not yet leased to the Bank will be returned if companion lease applications are not provided with the rental request.** For leased rights featuring combined limits, rentals must be consistent with combined diversion rate, volume or acre limits. Combined limits should be listed on a row below water right numbers.

Water Right Elements Leased to Water Supply Bank					Leased totals, minus water right elements involved in active rental agreements, equals water right elements available for rent	Water Supply Bank Rental Request		
Water Right Number (leave blank if sub-total of combined limits)	Nature of Use	Diversion Rate (CFS)	Volume (AF)	Acres (AC)		Diversion Rate (CFS)	Volume (AF)	Acres (AC)
2-7062	Irrigation	4.1	1025	205		2.36	590	118
2-7157C	Irrigation	7.37	1660	368.6		7.37	1660	368.6
Applicants must ensure the requested rate per acre and volume per acre do not exceed the rate per acre and volume per acre limits of water rights leased to the Water Supply Bank					TOTAL	9.73	2250.5	486.6
						CFS	AF	AC

**Attach multiple copies of this page if space above is insufficient to list all water rights requested to be rented on this application.*

B. If water right conditions, combined limits, or the sum of all water right elements being requested provide an unconventional duty of water (e.g., an unusually low rate per acre or volume per acre for irrigation use), explain how your proposed rental will sufficiently accomplish your intended purposes. Attach a separate page if space is insufficient and label it **Attachment 4B**:

C. Does your rental request propose to change the nature of use for any water right(s) being rented?

Yes ☐ No ☒

If yes, explain how the water right(s) will be converted to new uses. Include the historic, consumptive use amounts for the water right being rented if you have it, as well as the new consumptive use amount for your proposed beneficial use. If space below is insufficient, attach a separate page and label it **Attachment 4C**:

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

5. ADDITIONAL INFORMATION

- A. Is this the first time that rental water is being requested for this purpose at the rental place of use? Yes ☐ No ☒
If no, list previous rental requests/agreements and explain why you have not secured a permanent water right for your needs:

This is a 5 year extension of a Rental Agreement approved in 2012. Midnight Sun and Lessor have agreed to extend the lease agreement for another 5 years. The new Lease Agreement and Notice of Acceptance are attached to this application.

- B. Have you or do you intend to submit an application for permit or transfer proposing a similar use as this rental? Yes ☒ No ☐
If yes, describe:

- C. Was this rental application submitted in response to a Notice of Violation (NOV) or a pending NOV? Yes ☐ No ☒
If yes, describe the date and location of the NOV.

- D. Additional Information

Renter and Lessor have agreed to a rental rate based on current rental rate established by the Nez Perce Agreement. Renter and Lessor understand that the current rental rate is due to increase in 2018.

DECLARATION

I hereby assert that the information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in rejection of the application or cancellation of an approval. I understand that if this rental application is approved, it will be subject to the provisions of Section 42-1766, Idaho Code and all applicable state and federal laws. I understand that the submission of a rental application provides no guarantee for approval of a rental agreement. I also understand that, per Idaho Code 42-201, it is unlawful to divert or use water without a valid water right and that I am not authorized to utilize water as proposed in this application prior to the execution of an approved rental agreement.


Signature of Applicant

Christopher W. Bayan
Printed Name of Applicant

10/25/16
Date


Signature of Representative

Hal N. Anderson
Printed Name of Representative

10/25/16
Date

Mail to:

Idaho Department of Water Resources
P.O. Box 83720
Boise, ID 83720-0098

Midnight Sun Rental Application -- Attachment 2

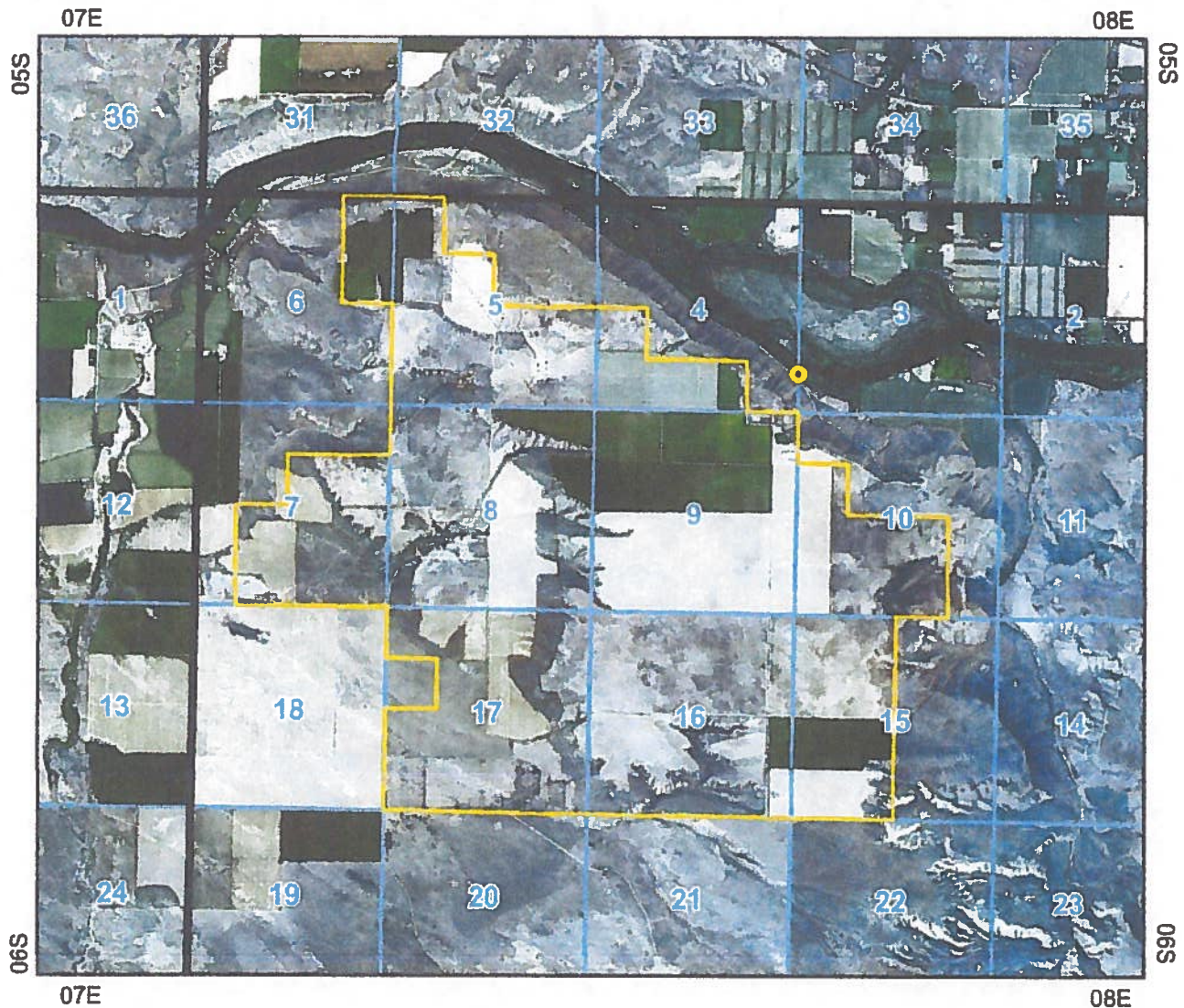
State of Idaho
Department of Water Resources

Water Right

2-2260

IRRIGATION

The map depicts the place of use for the water use listed above and point(s) of diversion of this right as currently derived from interpretations of the paper records and is used solely for illustrative purposes. Discrepancies between the computer representation and the permanent document file will be resolved in favor of the actual water right documents in the water right file.

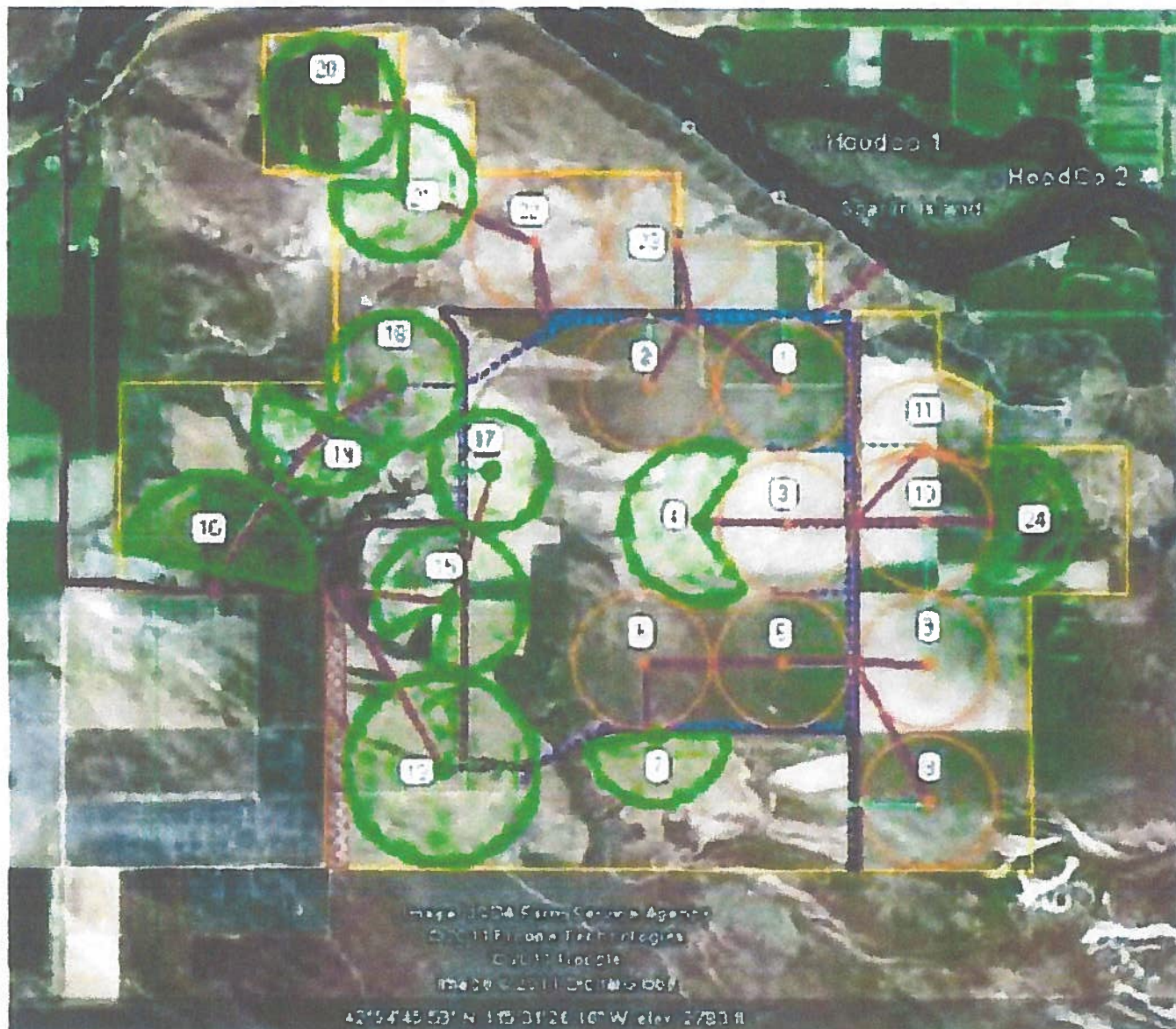


0 0.5 1 2 Miles

- Point of Diversion
- Place Of Use Boundary
- Townships
- PLS Sections



Subject Plat with New Pivots

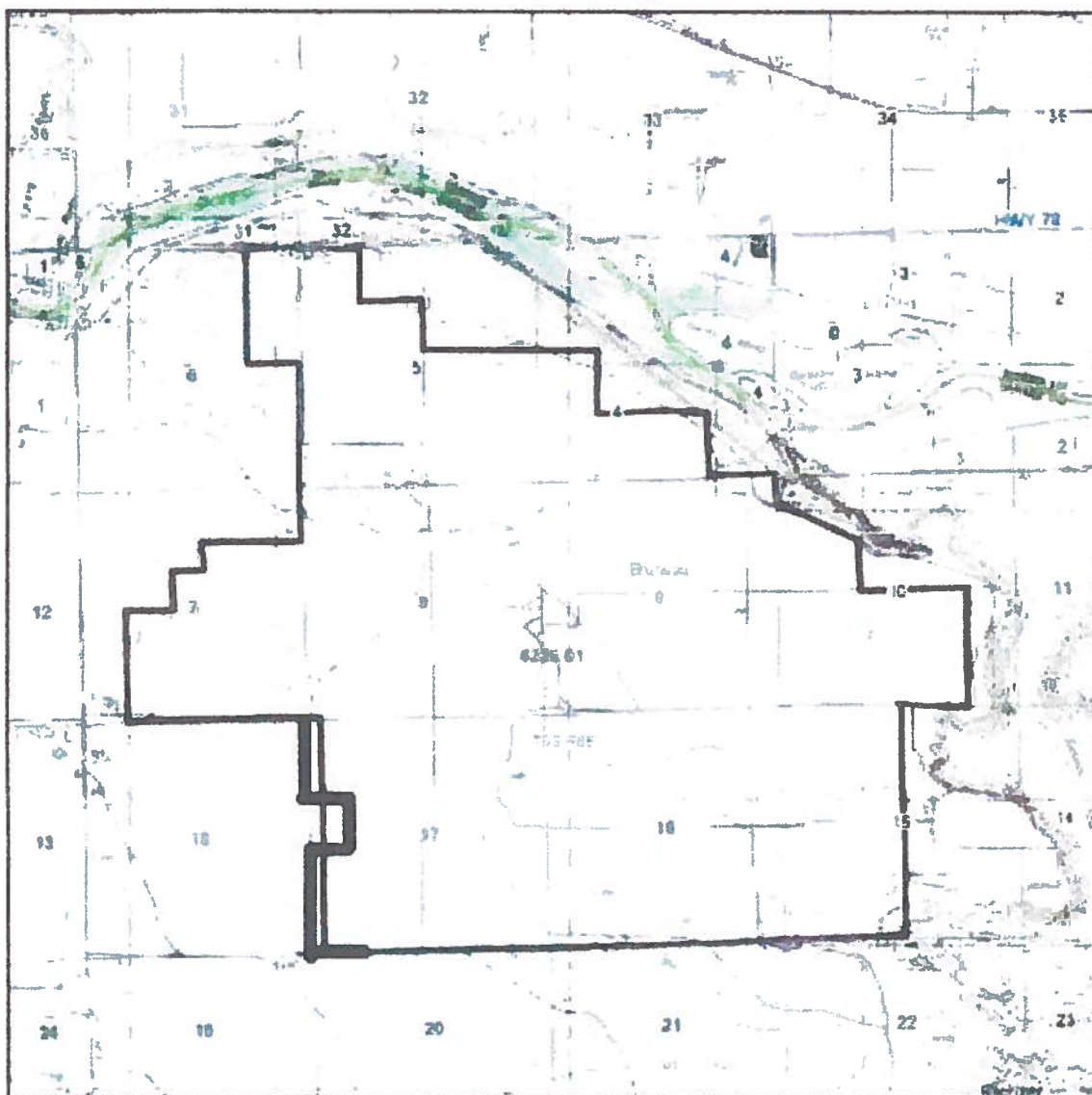


Orange pivots = Midnight Sun Inc. VII UBS AgriVest, LLC

Green pivots = Tenants

Lines are mainlines

Topography Map



PROP. NUMBER 07 05' 7 06, 10' 21' 10.26
DATE 08/19

9-55-8E
Owyhee County
Idaho



Copyright © 2012
www.AgData.com



6/5/2012

Field Station provided by Farm Service Agency on 01/02/2008. Aerial photography provided by Aerial Photography Field Office.

Legal Description

Legal Description

Tract I:

In Township 6 South, Range 8 East, Boise Meridian, Owyhee County, Idaho

Section 4: West Half of the Southwest Quarter, Southeast Quarter of the Southwest Quarter, Southwest Quarter of the Southeast Quarter

Section 5: Government Lot 4, South Half of the Northwest Quarter, South Half

Section 6: Government Lot 1, Southeast Quarter of the Northeast Quarter

Section 7: South Half of the Northeast Quarter, Southeast Quarter, East Half of the Southwest Quarter

Section 8: All

Section 9: South Half, Northwest Quarter, South Half of the Northeast Quarter,

Northwest Quarter of the Northeast Quarter, West Half of the Northeast Quarter of the Northeast Quarter, Northeast Quarter of the Northeast Quarter of the Northeast Quarter

Section 10: Southwest Quarter of the Northwest Quarter, Southwest Quarter, West Half of the Southeast Quarter

Section 15: West Half

Section 16: All

Section 17: East Half, Southwest Quarter of the Northwest Quarter less the westerly 330 feet, Northeast Quarter of the Northwest Quarter, Northwest Quarter of the Northwest Quarter less the westerly 330 feet, Southeast Quarter of the Northwest Quarter, East Half of the Southwest Quarter and the West Half of the Southwest Quarter less the westerly 330 feet.

Tract II:

In Township 6 South, Range 8 East, Boise Meridian, Owyhee County, Idaho

Section 9: Southeast Quarter of the Northeast Quarter of the Northeast Quarter

Tract III:

A parcel of land in the North Half of the Northwest Quarter of Section 10, Township 6 South, Range 8 East, Boise Meridian, Owyhee County, Idaho, more particularly described as follows:

Commencing at the quarter corner common to Sections 9 and 10, Township 6 South, Range 8 East, Boise Meridian:

thence North 0°03' West a distance of 1320 feet to the REAL POINT OF BEGINNING;

thence North 0°03' West a distance of 731.8 feet to a point;

thence South 77°55'30" East a distance of 731.7 feet to a point;

thence South 61°48'30" East a distance of 681.9 feet to a point;

thence South 81°42' East a distance of 331.9 feet to a point;

thence South 48°51' East a distance of 67.5 feet to a point;

thence South 0°21' East a distance of 162.2 feet to a point;

thence South 89°54' West a distance of 1694.9 feet to the REAL POINT OF BEGINNING.

UBS Farmland Investors LLC
P.O. Box 53
1314 12th Ave. So., Ste. 5
Nampa, ID. 83653

Charles W. Bryan, Jr., Director
Tel. +208-466-0419
Fax +208-463-7675
charles.bryan@ubs.com

www.ubs.com

John Terry Field & Leslie A. Field
P.O. Box 217
Grandview, ID. 83724

October 3, 2016

**Notice of Acceptance of Renewal
Water Rental Agreement February 2, 2012**

Dear Terry and Leslie,

Our Water Rental Agreement expires December 31, 2016. This letter is our notice of intent to renew the agreement for an additional five years as indicated in paragraph 3 of the agreement. If you are agreeable, please sign below and return as soon as possible in the self-addressed and stamped envelope. We will have Hal Anderson of Idaho Water Engineering extend the rental application with IDWR.

As always, it is a pleasure working with you. Thank you for leasing your water and please call if you have any questions.

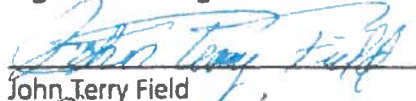
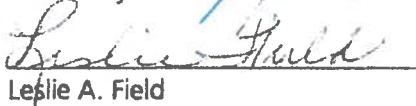
Best Regards,

UBS Farmland Investors LLC



Charles W. Bryan, Jr., Director

Signature of Agreement:


John Terry Field
Leslie A. Field

WATER RENTAL AGREEMENT

THIS AGREEMENT is made and entered into this 10th day of October, 2016, by and between **JOHN TERRY FIELD** and **LESLIE A. FIELD**, husband and wife, hereinafter collectively "Lessor," and **MIDNIGHT SUN, INC. VIII**, a Delaware corporation qualified to conduct business in the State of Idaho, hereinafter "Lessee."

WITNESSTH:

WHEREAS, Lessor owns natural flow water rights 02-07157C and 02-07062 from the Snake River in Owyhee County, Idaho; appurtenant to certain lands for irrigation; and

WHEREAS, Lessor proposes a private lease of 1,660 acre feet of the water authorized for diversion under water right 02-07157C and 407 acre feet of the water authorized for diversion under water right 02-07062 through the Water Supply Bank of the Idaho Water Resource Board ("IWRB") for 2017, 2018, 2019, 2020, and 2021; and

WHEREAS, the parties wish to reduce their Agreement to writing;

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein contained, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. **LEASE OF WATER.** Lessor agrees to lease, and Lessee agrees to rent from Lessor 1,660 acre feet of the water authorized for diversion under water right 02-07157C and 407 acre feet of the water authorized for diversion under water right 02-07062 from the Snake River in Owyhee County, Idaho, presently decreed appurtenant to certain lands for irrigation purposes, the yield of said water rights to be beneficially used by Lessee for whatever purposes and at whatever places of use proposed by Lessee, all as approved through the Water Supply Bank of the IWRB and the Idaho Department of Water Resources ("IDWR"). Lessor

hereby agrees to prepare and submit a lease application to the Water Supply Bank, and Lessee hereby agrees to prepare and submit a rental application to the Water Supply Bank, to effectuate this transaction. To the extent either application is denied, or is approved with conditions that are unacceptable to either party, this Agreement shall be null and void.

2. TERM. This Agreement shall be for a five (5) year term beginning on January 1, 2017, and shall remain in full force and effect until December 31, 2021.

3. RENEWAL. This Agreement may be renewed for an additional five (5) year term and afterwards may be negotiated on an annual basis. Renewal shall occur in accordance with the following procedures: (1) Lessee provides Lessor written Notice of Intent to Renew at least sixty (60) days before completion of the final year of the then existing five (5) year term; (2) Lessor provides Lessee written Notice of Acceptance of Renewal at least thirty (30) days before completion of the final year of the then existing five (5) year term; (3) this Agreement shall be renewed for an additional five (5) year term if the actions described in both subsections (1) and (2) hereof have occurred in accordance with their terms.

4. PROCEDURE. Lessor and Lessee shall submit their lease and rental applications to the Water Supply Bank requesting the issuance of the lease and the rental agreements. If approved by IDWR, the agreements shall be signed by the respective parties and shall be timely returned to IDWR, with the Lessee submitting payment with the signed rental agreement, payable to the Water Supply Bank. The parties understand the Water Supply Bank will then deduct its ten percent (10%) administrative fee, and will remit payment to the Lessor for the remaining ninety percent (90%) at the end of the year for which the payment is made.

5. RENTAL. The annual rental rate shall be the current rental rate as determined by IWRB/IDWR, per acre foot of water rented each year this Agreement is in effect, less the

applicable ten percent (10%) administrative fee payable to the IDWR/IWRB as above set out. Payments shall be made in accordance with the Water Supply Bank Rules. The annual rental rate has been agreed upon without regard to the market value of the fee ownership of water rights 02-07157C and 02-07062 and may or may not be commensurate therewith.

6. NO GUARANTEE ON YIELD. Lessor makes no guarantee as to the yield of the water rights or as to preferred points of diversion, places of use, or purposes of use as may be proposed by the Lessee, it being acknowledged that such changes require the consent of IWRB and IDWR.

7. NON-DEDICATION OF WATER. In accordance with the provisions of Idaho Code Section 42-1764, the rental and distribution of water under this Agreement shall not constitute a dedication of the water to the uses of Lessee. In addition, nothing in this Agreement shall be deemed to grant a right to Lessee to receive water from Lessor on any basis other than as herein provided in this private lease.

8. NOTICES. All notices, demands, or other writings in this Agreement provided to be given or made or sent, or which may be given or made or sent, by any party to the other, shall be deemed to have been fully given or made or sent when made in writing and deposited in the United States mail, registered and postage prepaid, and addressed as follows:

To Midnight Sun, Inc. VIII:
Midnight Sun, Inc. VIII
% UBS Farmland Investors LLC
P.O. Box 53
Nampa, ID 83753

Midnight Sun, Inc. VIII
c/o UBS Farmland Investors LLC
Attention: General Counsel and James McCandless
Ten State House Square-15th Floor
Hartford, Connecticut 06103

To John Terry Field and Leslie A Field:

John Terry Field

Leslie A. Field

38167 State Hwy 78

Grand View, Idaho 83624-5039

The address to which any notice, demand, or other writing may be given or made or sent to any party as above provided may be changed by written notice given by the party as above provided.

9. **RIGHT OF FIRST REFUSAL/OPTION TO PURCHASE.** Lessor grants Lessee the right of first refusal and the option to purchase water right(s) 02-07157C, and that portion rented of 02-07062 in accordance with the following procedures: (1) Lessor shall provide Lessee with written notice of Lessor's intent to sell the water right(s) at least sixty (60) days before executing any agreement, contract, or other instrument that provides for the sale of the water right(s) to any party other than Lessee; (2) Lessor's written notice shall specify the terms and conditions under which Lessor would sell the water right(s) to Lessee; (3) Lessee may exercise its option to purchase the water right(s) by providing to Lessor written notice of Lessee's exercise of its option to purchase within forty-five (45) days of the date of receipt by Lessee of Lessor's written notice of intent to sell the water right(s); (4) upon Lessee's completion of the procedures of subsection (3) hereof, Lessor and Lessee shall negotiate an Agreement to Purchase Water Right(s) that sets forth the details of the purchase and sale of the water right(s) between Lessor and Lessee; (5) Lessor and Lessee shall complete the purchase and sale of the water right(s) in accordance with the procedures of this section if both parties execute the Agreement to Purchase Water Right(s) described in subsection (4) hereof; and (6) Lessor shall not proceed with negotiations or enter into any agreements for sale of the water right(s) to any party other

than Lessee while any of the procedures and actions described in subsections (1) through (5) are occurring.

10. TIME OF ESSENCE; MATERIALITY. The parties acknowledge and agree that time is of the essence, and that each provision hereof is made and declared to be a material, necessary and essential part of this Agreement.

11. EXECUTION AUTHORIZATION. The parties to this Agreement represent and warrant that they have the right and authority to execute this Agreement, and that any and all required authorizations have been duly obtained.

12. AGREEMENT MODIFICATION OR AMENDMENT. None of the parties to this Agreement or any other person or entity may orally or by conduct, modify, delete, vary or contradict the terms of this Agreement or this Section. This Agreement may be modified or amended only by a written agreement signed by each of the named parties to this Agreement.

13. AGREEMENT BINDING ON HEIRS, ETC. This Agreement shall be binding upon and shall inure to the benefit of the parties and their respective legal representatives, heirs, successors, and assigns.

14. GOVERNING LAW. This Agreement is entered into in the State of Idaho and shall be construed and interpreted in accordance with its laws.

15. NO PARTNERSHIP INTENDED. The parties acknowledge and agree that this Agreement shall not be deemed to be, nor intended to give rise to, a partnership, joint venture or any other relationship, except one of lessor/lessee.

16. GENERAL. The invalidity or unenforceability of any provision herein, or any portion thereof, shall in no way affect the enforceability of the remaining provisions of this

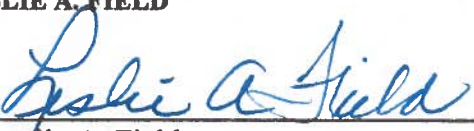
Agreement, which remaining provisions shall remain in full force and effect as if this Agreement had been executed with the invalid portion thereof eliminated.

LESSOR:

By: **JOHN TERRY FIELD**

By _____
John Terry Field

By: **LESLIE A. FIELD**

By _____
Leslie A. Field

LESSEE:

By: **MIDNIGHT SUN, INC. VIII**

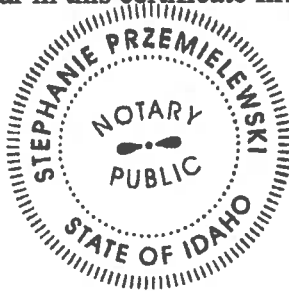
By _____
Charles W. Bryan, Jr., Vice President

STATE OF IDAHO)

County of Canyon) ss.

On this 25th day of October, 2016 before me
Stephanie Przemielewski, personally appeared **JOHN TERRY FIELD**, known or identified
to me (or proved to me on the oath of _____), to be the person
whose name is subscribed to the within instrument, and acknowledged to me that he executed the
same.

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



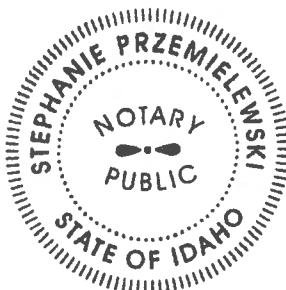
Steph Przemielewski
NOTARY PUBLIC FOR IDAHO
Residing at Ada Co.
My Commission Expires 04/17/2020

STATE OF IDAHO)

County of Canyon) ss.

On this 25th day of October, 2016 before me
Stephanie Przemielewski, personally appeared **LESLIE A. FIELD**, known or identified to
me (or proved to me on the oath of _____), to be the person
whose name is subscribed to the within instrument, and acknowledged to me that she executed
the same.

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



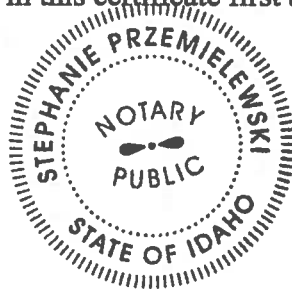
Steph Przemielewski
NOTARY PUBLIC FOR IDAHO
Residing at Ada Co.
My Commission Expires 04/17/2020

STATE OF IDAHO

County of Canyon)
) ss.
)

On this 10th day of October, 2016 before me
Stephanie Przemielewski, personally appeared **CHARLES W. BRYAN, JR.** known or
identified to me (or proved to me on the oath of _____) to be the
vice-president of **MIDNIGHT SUN, INC. VIII**, the corporation that executed the instrument or the
person who executed the instrument on behalf of said corporation, and acknowledged to me that
such corporation executed the same.

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



Stephanie Przemielewski
NOTARY PUBLIC FOR IDAHO
Residing at Ada County
My Commission Expires 04/17/2020



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098

Phone: (208) 287-4800 • Fax: (208) 287-6700 • Website: www.idwr.idaho.gov

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

February 8, 2017

MIDNIGHT SUN INC VIII
1314 12TH AVE S STE 5
NAMPA ID 83651

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NOS. 2-7062 and 2-7157C**

Dear Renter:

Please find enclosed a receipt in the amount of **\$38,799.10** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 2,282.3 acre-feet of water for irrigation of 486.6 acres during 2017. Upon receipt of this fully executed agreement, you are authorized to divert water in compliance with the conditions of water use described in the agreement.

Pursuant to the Water Supply Bank Rules, 90% or \$34,919.19 of the rental fee will be paid to the lessor(s) and 10% or \$3,879.91 will be retained by the Department to offset administrative costs.

If you have any questions, please contact this office at (208) 287-4800.

Sincerely,

 Water Supply Bank

Enclosures: Receipt No. C102984
Rental Agreement (copy)

c: Sascha Marston – Fiscal
Angie Grimm – IDWR Western Regional Office
Rob Whitney – State Water District No. 02
Hal Anderson – Idaho Water Engineering



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098

Phone: (208) 287-4800 • Fax: (208) 287-6700 • Website: www.idwr.idaho.gov

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

January 23, 2017

MIDNIGHT SUN INC VIII
1314 12TH AVE S STE 5
NAMPA ID 83651

RE: **APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NOS. 2-7062 and 2-7157C**

*****TIME SENSITIVE RESPONSE REQUIRED*****

Dear Applicant:

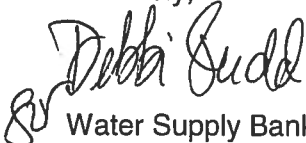
The Department of Water Resources acknowledges receipt of your application to rent water from the Water Supply Bank. **I have enclosed a Water Supply Bank Rental Agreement for your review and signature.** Upon signature and return of the original agreement, together with the rental fee described below, the Department will also sign the original agreement and return an executed copy to you. Execution of the agreement and compliance with the conditions of approval authorize diversion and use of water as provided in the agreement.

A rental fee of \$38,799.10 was calculated based on the current rental rate of \$17.00 per acre-foot times a diversion volume of 2,282.3 acre-feet. An annual payment shall be received by the Department prior to the execution of this agreement and prior to January 1 in all subsequent years for the duration of the rental period. The agreement will be void if payment is not received prior to the due date in a given year. If you would like to terminate the agreement prior to the end of the rental period, you must submit written notice of your intent to the Department at least 30 days prior to the rental fee due date.

Please send a check for \$38,799.10 made payable to the Idaho Department of Water Resources, **together with the signed rental agreement, within 14 days** so I can complete processing. Pursuant to the Water Supply Bank Rules, 90% or \$34,919.19 of the rental fee will be paid to the lessor(s) and 10% or \$3,879.91 will be retained by the Department to offset administrative costs.

If you have any questions, please contact this office at (208) 287-4800.

Sincerely,


Debbie Sudd

Water Supply Bank

Enclosure

c: IDWR Front Desk
Hal Anderson – Idaho Water Engineering

MEMORANDUM

To: Right(s) 2-7062 and 2-7157C
From: Michele Edl
Date: January 20, 2017
Re: Review & Analysis of Midnight Sun's Application to Rent Water from the State Water Supply Bank

PURPOSE/NARRATIVE: On October 25, 2016, Hal Anderson (managing partner, Idaho Water Engineering) submitted a WSB rental application on behalf of Midnight Sun Inc. VIII. The application requested to rent water for five years (2017-2021) for irrigation of 486.6 acres within a 4128-acre permissible place-of-use. Rights 2-7062 and 2-7157C were identified in the rental proposal. Those rights are currently leased to the WSB but are available for rent only until 2020, limiting the duration of the rental agreement.

AUTHORITY TO FILE: According to available Owyhee County taxlot information, the proposed place-of-use is property is owned by Midnight Sun Inc. VIII. Charles Bryan (vice president, Midnight Sun Inc. VIII) signed the application.

The proposed rental point-of-diversion is existing pumping station WMIS #1001455, (UBS Indian Hills). The pumping station is located on BLM property and on the southern bank of the Snake River. It is the authorized POD for the following water rights: 2-10053, 2-7022B, 2-7019B, 2-2260, 2-7102B, 2-7023B, 2-10510 and 2-10442.

I requested and received a copy of the BLM documents which authorize Midnight Sun's access to the POD.

WATER RIGHT VALIDITY: Rights 2-7062 and 2-7157C were accepted into the WSB for an indefinite period beginning April 2001. During the 2015 season, the owners of the rights were contacted and they agreed to extend the term of the leases for 5 more years or through 2020.

A review of recent aerial photography shows that Right 2-7157C has been idled at its authorized POU.

However, a portion of the POU of 2-7062 found to be irrigated in recent years. (See Enforcement case E2014-474). To resolve the violation, another WSB rental package has been stacked onto the ground under the offending pivot. As long as Layne Astle, (the pivot operator) maintains his rental, then 2-7062 can be considered to be in a lease contract with the IWRB and available for rent.

With the approval of this rental agreement, the rental availability of Right 2-7062 has been exhausted.

The entirety of Right 2-7157C is available to rent.

Right 2-7062 is partially rented but sufficient quantities of the rights are available to fill the balance of Midnight Sun's rental request.

INJURY TO OTHER WATER RIGHTS: No injury is apparent.

The rights are within the Trust Water Right area. Right 2-7257C is subordinated by the Swan Falls agreement but 2-7062 is not.

ENLARGEMENT OF USE: No enlargement is anticipated.

There is no change in NOU but the lease and rental locations do not have the same standard SOU. The rental rate and volume have been made proportionate to the leased elements of the rights.

LOCAL PUBLIC INTEREST: Review staff has no information to suggest this application is inconsistent with the local public interest.

BENEFICIAL USE/CONSERVATION OF WATER RESOURCES: The rental appears consistent with the conservation of water resources in Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS: The rented rights are subject to Water District #2. Comment was requested from Western Region and the watermaster. Neither were opposed to the rental.

In a review of the rental availability of 2-7062, I found that due to a discrepancy between two WSB legacy databases, less water was actually available that had been rented in the past.

Based on the instructions I received from Midnight Suns consultant, I utilized 2-7062 down to zero availability before using any of 2-7257C. Because less of 2-7062 was available, more of 2-7257C was used to fill the rental request and the rental amounts differ from what was proposed.

Water Right No.	Rented Vol (AF)	Lessor Fee (90%)	Administrative Fee (10%)	Total Fee @ \$17 (2017)	Rental Amounts		Lessor Fee (90%)	Administrative Fee (10%)	Total Fee @ \$20 (2018-2022)
					Rate	Acres			
02-7062	925.5	\$14,160.15	\$1,573.35	\$15,733.50	3.70	185.10	\$16,659.00	\$1,851.00	\$18,510.00
02-7157C	1356.8	\$20,759.04	\$2,306.56	\$23,065.60	6.00	301.50	\$24,422.40	\$2,713.60	\$27,136.00
Total	2282.3	\$34,919.19	\$3,879.91	\$38,799.10	9.70	486.60	\$41,081.40	\$4,564.60	\$45,646.00
calculated by Michele Edl									
02-7062	rate	volume	acre	af/ac	cfs/ac	trimester vol			
decreed		4.1	1025	205	5.00	0.020			
leased		4.1	1025	205	5.00	0.020			
Grand View Mutual		0.23	57.5	11.5	5.00	0.020	this piece rented thru 2019		
available		3.87	967.5	193.5	5.00	0.020			
Astle		0.17	42	8.4	5.00	0.020	this piece rented thru 2018		
available		3.7	925.5	185.1	5.00	0.020			
Midnight Sun rental		3.7	925.5	185.1	5.00	0.020	HG= 4.0 for the Midnight Sun POU		
remaining		0	0	0					
Midnight Sun use		3.7	740.40	185.1	4.00	0.0200			
02-7157C	rate	volume	acre	af/ac	cfs/ac	trimester vol			
decreed		7.37	1660	368.6	4.50	0.020			
leased		7.37	1660	368.6	4.50	0.020			
available		7.37	1660	368.6	4.50	0.020			
Midnight Sun rental		6	1356.8	301.5	4.50	0.0199	HG= 4.0 for the Midnight Sun POU		
remaining		1.37	303.2	67.1	4.52				
Midnight Sun use		6	1206.00	301.5	4.00	0.020			
total rental		9.7	2282.3	486.6					
total use		9.7	1946.4	486.6	4.00	0.020			

Edl, Michele

From: Whitney, Rob
Sent: Thursday, January 19, 2017 1:37 PM
To: Edl, Michele
Subject: RE: request for comment on Midnight Sun WSB rental

Michele,

I have no concerns with this rental.

RW

From: Edl, Michele
Sent: Wednesday, January 18, 2017 11:34 AM
To: Grimm, Angie <Angie.Grimm@idwr.idaho.gov>; Whitney, Rob <Rob.Whitney@idwr.idaho.gov>
Subject: request for comment on Midnight Sun WSB rental

Angie, Rob,

I have completed my review of the first of three WSB rentals that will be placed on Midnight Sun Inc VIII property located Twp 6S Rge 8E. Midnight Sun currently has 911-acres-worth of water rights authorized for irrigation use within a 4128-acre PPU. It has requested a rental for an additional 486.6-acres worth of water.

Owyhee Farming Co LLC is a tenant of Midnight Sun on the PPU. Owyhee Farming has submitted two other rental requests which propose rentals of water for another 1460 acres worth of water and I will be processing those applications ASAP. In sum, the three rentals will cover most of the irrigation seen in recent aerial photography.

I have attached a copy of my review memo and a PDF map illustrating the Midnight Sun rental acres.

When you get a minute, please let me know if you have any comments or concerns.

Thank you.

Michele

Edl, Michele

From: Grimm, Angie
Sent: Thursday, January 19, 2017 8:54 AM
To: Edl, Michele
Subject: RE: request for comment on Midnight Sun WSB rental

Michele,

No local area concerns from the region perspective come to mind on this rental. Thank you for the opportunity to comment.

Regards,
Angie

From: Edl, Michele
Sent: Wednesday, January 18, 2017 11:34 AM
To: Grimm, Angie <Angie.Grimm@idwr.idaho.gov>; Whitney, Rob <Rob.Whitney@idwr.idaho.gov>
Subject: request for comment on Midnight Sun WSB rental

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I have attached a copy of my review memo and a PDF map illustrating the Midnight Sun rental acres.

When you get a minute, please let me know if you have any comments or concerns.

Thank you.

Michele

Edl, Michele

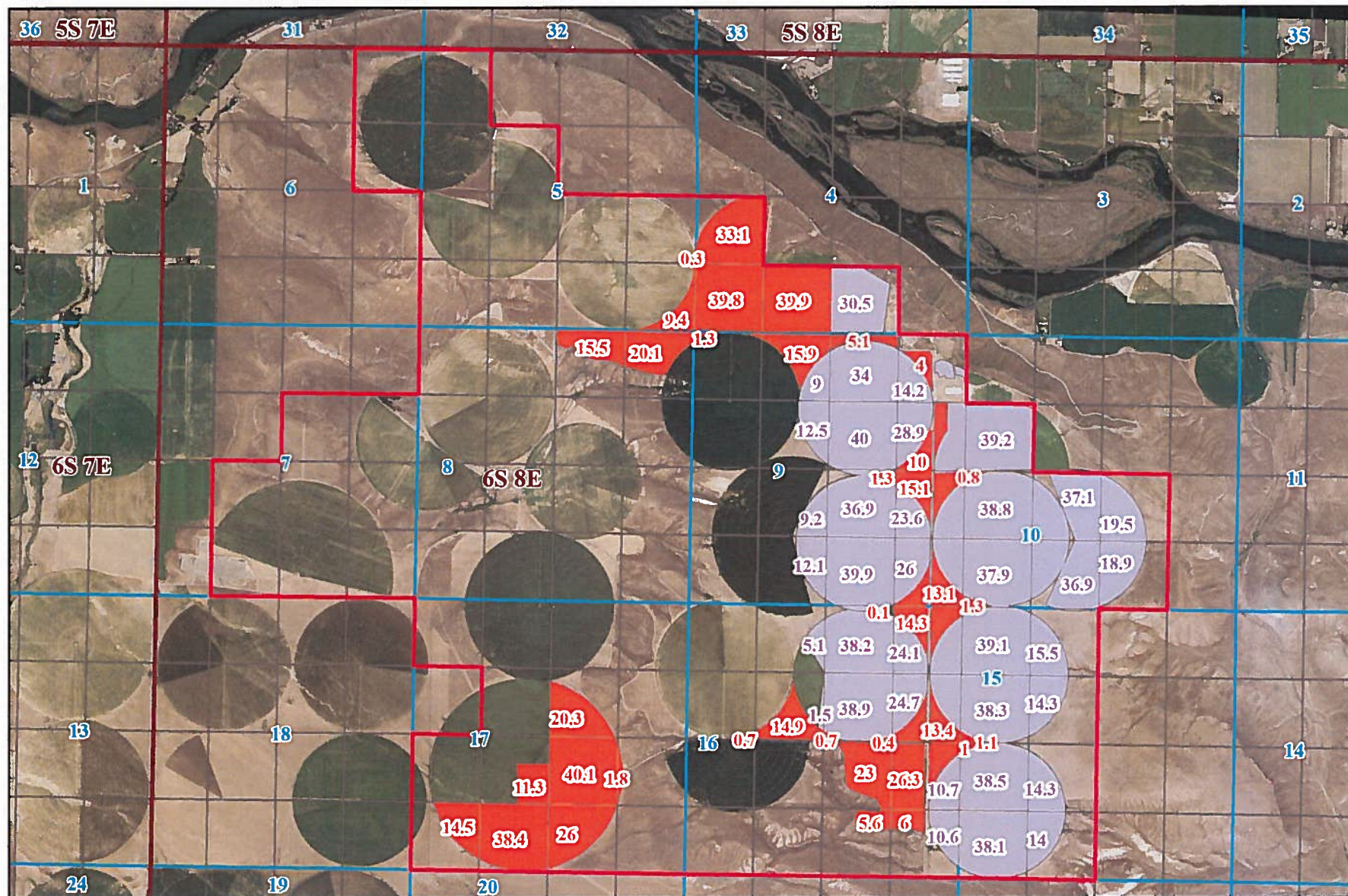
From: Greg Sullivan <greg.sullivan@brockwayeng.com>
Sent: Wednesday, January 18, 2017 1:10 PM
To: 'Hal Anderson'; Edl, Michele
Subject: FW: Midnight Sun PPU
Attachments: Midnight Sun WRs and Rental.jpg; Owhyee Farm Rentals.jpg; Exhibit A.pdf

Michele,

I double checked the current PPU on the Midnight Sun Farm and the PPU boundary does not match property boundaries very well. There are some Midnight Sun property that is excluded from the PPU that should be included and there is some BLM property included in the PPU that should be excluded. So I had to adjust the rentals POUs and the 911 acre POU for the water rights again. Since the water right PPU must stay within the PPU I had to move some acres around and replace them with rented water. Only two QQ were ultimately affected by this change. Sec 10 NWNW and Sec 16 NENW.

Hopefully everything is right now. I have no idea how the recent transfer was approved without someone at IDWR catching these property ownership issues. I did adjust the PPU on my shapes to match the Midnight Sun properties. But, my PPU does not match the IDWR PPU shape for the water rights owned by Midnight Sun.

Greg Sullivan
Brockway Engineering
2016 North Washington Street, Suite 4
Twin Falls, Idaho 83301
208-736-8543



0 1,250 2,500 5,000 Feet

HOODCO FARM

Rental Map

Midnight Sun Water Rights 911.0 Acres

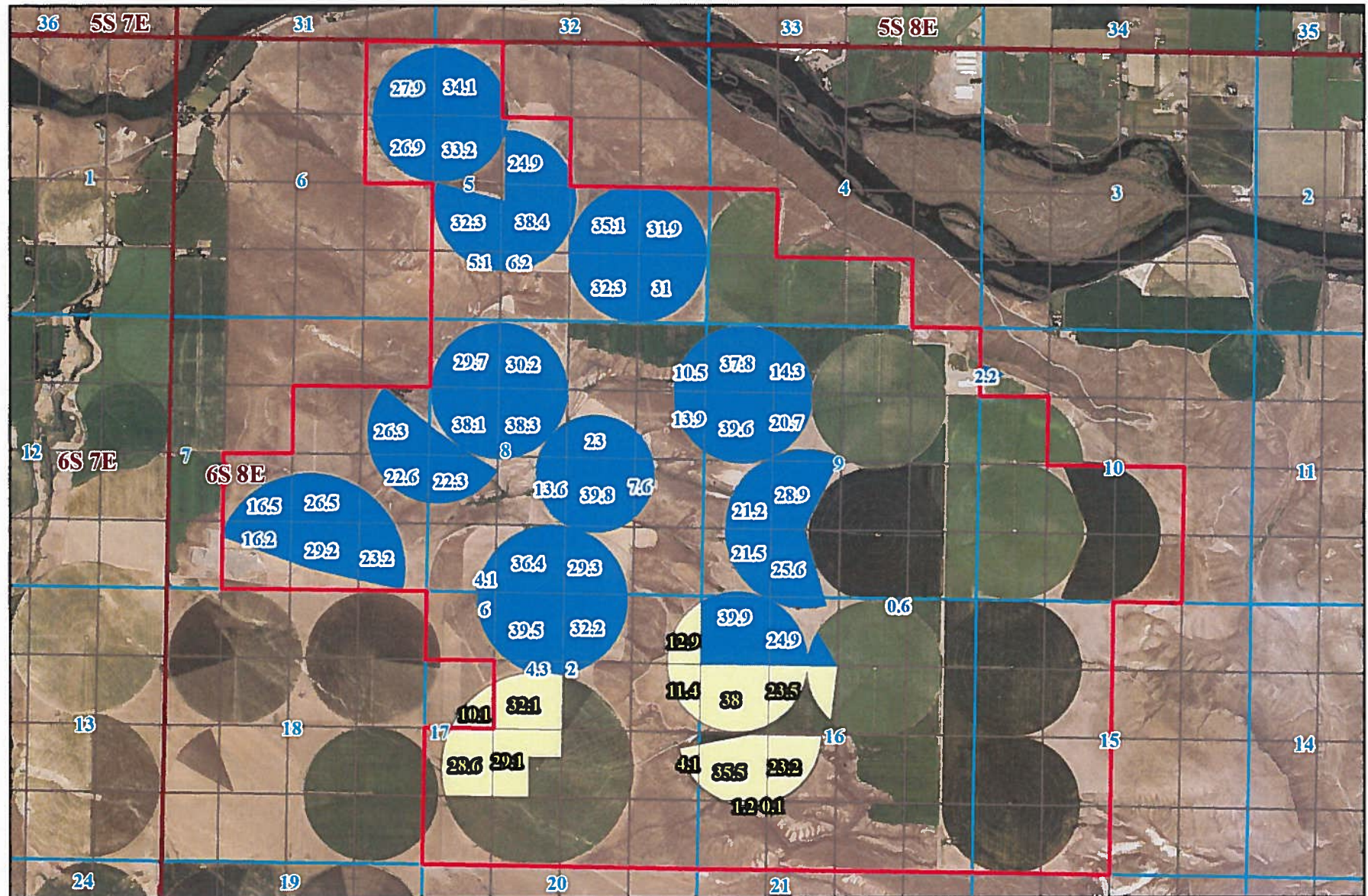
Midnight Sun Rental 486.6 Acres

Owhyee Farming Rental 250 Acres and 1217.8 Acres

NAIP 2015 AERIAL

Legend

- Hoodco Farm PPU
- Hoodco WR POU QQ
- Hoodco Farm Midnight Sun Rental



0 1,250 2,500 5,000 Feet

HOODCO FARM

Rental Map

Midnight Sun Water Rights 911.0 Acres

Midnight Sun Rental 486.6 Acres

Owhyee Farming Rental 250 Acres and 1217.8 Acres

NAIP 2015 AERIAL

Legend

- Hoodco Farm PPU
- Hoodco 2017 Rental QQ
- Hoodco 2017 Rental 2

Exhibit A

Owyhee Farming Company, LLC
Rental Analysis
Brockway Engineering
Greg Sullivan

Water Rights 2-2260, 2-7019B, 2-7019D, 2-7022B, 2-7023B, 2-7102B, 2-10422, 2-10510

Twp.	Rge.	Sec.	NE 1/4				NW 1/4				SW 1/4				SE 1/4				
			NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	
6S	8E	4										0.0	0.0	0.0			30.5		30.5
		5			0.0		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0
		6	0.0			0.0									0.0				0
		7			0.0	0.0				0.0	0.0			0.0	0.0	0.0	0.0	0.0	0
		8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0
		9	14.2	34.0	40.0	28.9	9.0	0.0	0.0	12.5	9.2	0.0	0.0	12.1	23.6	36.9	39.9	26.0	286.3
		10						0.0	39.2	0.0	37.1	38.8	37.9	36.9		19.5	18.9		228.3
		15					15.5	39.1	38.3	14.3	14.3	38.5	38.1	14.0					212.1
		16	24.1	38.2	38.9	24.7	5.1	0.0	0.0	1.5	0.0	0.0	0.0	0.0	10.7	0.0	0.0	10.6	153.8
		17	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0
																			911

Water Bank Rental Acres From Midnight Sun

Twp.	Rge.	Sec.	NE 1/4				NW 1/4				SW 1/4				SE 1/4				
			NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	
6S	8E	4										33.1	39.8	39.9			0.0		112.8
		5			0.0		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.0	0.0	9.4	9.7
		6	0.0			0.0									0.0				0
		7			0.0	0.0				0.0	0.0			0.0	0.0	0.0	0.0	0.0	0
		8	20.1	15.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	35.6
		9	4.0	5.1	0.0	10.0	15.9	1.3	0.0	0.0	0.0	0.0	0.0	0.0	15.1	1.3	0.0	13.1	65.8
		10						0.0	0.0	0.0	0.0	0.8	1.3	0.0		0.0	0.0		2.1
		15					0.0	0.7	1.1	0.0	0.0	1.0	0.0	0.0					2.8
		16	14.3	0.1	1.1	13.4	0.0	0.0	0.7	14.9	0.0	0.0	0.0	0.0	26.3	23.0	5.6	6.0	105.4
		17	0.0	0.0	20.3	0.0	0.0	0.0	0.0	0.0	11.3	0.0	14.5	38.4	1.8	40.1	26.0	0.0	152.4
																			Acres to be Rented 486.6

Water Bank Rental Acres From Owyhee Farming

Twp.	Rge.	Sec.	NE 1/4				NW 1/4				SW 1/4				SE 1/4				
			NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	
6S	8E	4										0.0	0.0	0.0			0.0		0
		5			0.0		0.0	34.1	33.2	24.9	38.4	32.3	5.1	6.2	31.9	35.1	32.3	31.0	304.5
		6	27.9			26.9									0.0				54.8
		7			0.0	26.3				0.0	16.5			16.2	22.6	26.5	29.2	23.2	160.5
		8	10.5	0.0	23.0	13.9	30.2	29.7	38.1	38.3	13.6	22.3	4.1	36.4	7.6	39.8	29.3	0.0	336.8
		9	0.0	0.0	0.0	0.0	14.3	37.8	39.6	20.7	28.9	21.2	21.5	25.6	0.0	0.0	0.0	0.0	209.6
		10						2.2	0.0	0.0	0.0	0.0	0.0	0.0		0.0	0.0		2.2
		15					0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0					0
		16	0.0	0.6	0.0	0.0	24.9	39.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	65.4
		17	0.0	32.2	2.0	0.0	39.5	6.0	0.0	4.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	84
																			Acres to be Rented 1217.8

Exhibit A

Owyhee Farming Company, LLC

Rental Analysis

Brockway Engineering

Greg Sullivan

Water Bank Rental Acres From Owyhee Farming

Twp.	Rge.	Sec.	NE 1/4				NW 1/4				SW 1/4				SE 1/4				
			NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	
6S	8E	4										0.0	0.0	0.0			0.0		0
		5			0.0		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0
		6	0.0			0.0											0.0		0
		7			0.0	0.0				0.0	0.0			0.0	0.0	0.0	0.0	0.0	0
		8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0
		9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0
		10						0.0	0.0	0.0	0.0	0.0	0.0	0.0		0.0	0.0		0
		15					0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0					0
		16	0.0	0.0	0.0	0.0	0.0	0.0	38.0	23.5	23.2	35.6	1.2	0.1	0.0	0.0	0.0	0.0	121.6
		17	12.9	0.0	0.0	11.4	0.0	0.0	10.2	32.1	29.1	28.6	0.0	0.0	4.1	0.0	0.0	0.0	128.4
Acres to be Rented																			250.0

Total Acres Irrigated

Twp.	Rge.	Sec.	NE 1/4				NW 1/4				SW 1/4				SE 1/4				
			NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	
6S	8E	4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	33.1	39.8	39.9	0.0	0.0	30.5	0.0	143.3
		5	0.0	0.0	0.0	0.0	0.0	34.1	33.2	24.9	38.4	32.3	5.1	6.2	32.2	35.1	32.3	40.4	314.2
		6	27.9	0.0	0.0	26.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	54.8
		7	0.0	0.0	0.0	26.3	0.0	0.0	0.0	0.0	16.5	0.0	0.0	16.2	22.6	26.5	29.2	23.2	160.5
		8	30.6	15.5	23.0	13.9	30.2	29.7	38.1	38.3	13.6	22.3	4.1	36.4	7.6	39.8	29.3	0.0	372.4
		9	18.2	39.1	40.0	38.9	39.2	39.1	39.6	33.2	38.1	21.2	21.5	37.7	38.7	38.2	39.9	39.1	561.7
		10	0.0	0.0	0.0	0.0	0.0	2.2	39.2	0.0	37.1	39.6	39.2	36.9	0.0	19.5	18.9	0.0	232.6
		15	0.0	0.0	0.0	0.0	15.5	39.8	39.4	14.3	14.3	39.5	38.1	14.0	0.0	0.0	0.0	0.0	214.9
		16	38.4	38.9	40.0	38.1	30.0	39.9	38.7	39.9	23.2	35.6	1.2	0.1	37.0	23.0	5.6	16.6	446.2
		17	12.9	32.2	22.3	11.4	39.5	6.0	10.2	36.4	40.4	28.6	14.5	38.4	5.9	40.1	26.0	0.0	364.8
Acres to be Rented																			2865.4

Edl, Michele

From: Hal Anderson <hal@idahowaterengineering.com>
Sent: Wednesday, January 18, 2017 11:23 AM
To: Edl, Michele
Cc: 'Greg Sullivan'; charles.bryan@ubs.com
Subject: FW: Midnight Sun authorization to access POD
Attachments: BLM Assignment of RoW.pdf; BLM RoW.pdf

Michele,
Here is the BLM Assignment of Right of Way for Midnight Sun that you were looking for. Let me know if you need anything else. --Hal

Hal N. Anderson

Managing Partner
Idaho Water Engineering
2918 N. El Rancho Place, Boise ID. 83704
Website: www.idahowaterengineering.com
e-mail: hal@idahowaterengineering.com
Office: (208) 378-1513
Cell: (208) 830-5525
Fax: (888) 538-7703

From: charles.bryan@ubs.com [<mailto:charles.bryan@ubs.com>]
Sent: Wednesday, January 18, 2017 8:26 AM
To: hal@idahowaterengineering.com
Subject: RE: Midnight Sun authorization to access POD

Here you go Hal.
Thanks,
Charlie

Charles W Bryan Jr, Director
UBS Farmland Investors LLC
1314 12th Ave South, Ste 5
Nampa, ID 83651
(208) 466-0419 office
(208) 899-1419 cell
charles.bryan@ubs.com

From: Hal Anderson [<mailto:hal@idahowaterengineering.com>]
Sent: Tuesday, January 17, 2017 7:26 PM
To: Bryan, Charles
Subject: FW: Midnight Sun authorization to access POD

Charlie,
I have not done any work for Qwyhee Farming so I am not aware of what they have done on the transfer. Did you say you purchased these rights and if so do you have any documentation of an easement agreement? --Hal

From: Edl, Michele [<mailto:Michele.Edl@idwr.idaho.gov>]
Sent: Tuesday, January 17, 2017 10:34 AM

To: hal@idahowaterengineering.com, Greg Sullivan <greg.sullivan@brockwayeng.com>

Subject: Midnight Sun authorization to access POD

Mr. Anderson, Mr. Sullivan,

Midnight Sun and its tenant Owyhee Farming, access water from the Snake River at pumping station point-of-diversion that appears to be located on BLM property. So far, I haven't been able to locate a new easement agreement or the assignment of an existing easement agreement which authorizes that access.

Do either of you have knowledge of an easement agreement? Can you provide me a copy for the water rights files?

Thank you.

Michele Edl



United States Department of the Interior
BUREAU OF LAND MANAGEMENT
BUREAU OF LAND MANAGEMENT
Jarbidge Field Office
2878 Addison Ave. East
Twin Falls, Idaho 83301



In Reply Refer To:
2800/21930
(IDT010) P

April 20, 2016

CERTIFIED MAIL: Hand Delivered
RETURN RECEIPT REQUESTED

Decision

Midnight Sun VIII	:	
Attn: Charles Bryan	:	Assignment/Amendment
PO Box 53	:	IDI- 21930
Nampa, ID 83653	:	

Assignment Approved
Right-of-Way Grant Amended
Rental Determined
Monitoring Fee Determined

The Bureau of Land Management (BLM), Jarbidge Field Office received an application requesting approval of the formal assignment of the right-of-way (ROW) identified as IDI-21930 from Danskin Cattle LLC., to Midnight Sun VIII. The application also requested to amend the ROW to include an additional pipeline for irrigation purposes within the ROW.

The BLM has completed a review of both requests. This ROW grant authorizes the operation and maintenance of : a pump facility measuring 100 ft. x 150 ft., an access road and turnaround measuring 30 ft. x 850 ft., a building for a domestic well and pump site measuring 10 ft. x 16 ft. and 3 pipelines; 1) pipeline (domestic purposes) measuring 4 in. diameter by 1250 ft. long, 2) pipeline (irrigation purposes) 30 in. diameter by 1250 ft. long , and 3) ROW amended to include - pipeline (irrigation purposes) measuring 20 in. by 1250 ft. long. All 3 pipelines will be located within the right 30 ft. wide x 1250 ft. in length.

Midnight Sun VIII also applied to amend their application to construct a 20 in. pipeline x 1250 ft. in length adjacent to the existing 30 in. x 1250 ft. pipeline for irrigation purposes.

Boise Meridian, Idaho
T. 6 S., R. 8 E., Section 3, lot 12.

T. 6 S., R. 8 E., Section 4, lot 8 (portions of).
Totaling approximately 1.79 acres.

All of the paperwork and fees have been received for the assignment. The rental balance due for the years 2016-2025 was received from Midnight Sun VIII on April 20, 2016. Therefore, the assignment of the ROW is approved. Midnight Sun VIII is now the official holder and the interest previously held by Cattle LLC., is hereby terminated.

Enclosed is a copy of your ROW grant, serial number IDI-21930 with an expiration date of December 31, 2045. The advance rental is determined to be \$525.26 for a ten year period (5/1/2016 through 12/31/2025). The monitoring fee has been determined to be a category 3 with a fee of \$806.00. Both payments were received on April 20, 2016.

This decision may be appealed to the Interior Board of Land Appeals, Office of the Secretary, in accordance with the regulations contained in 43 CFR, Part 4 and the enclosed Form ID 1842-1. If an appeal is taken, your notice of appeal must be filed in this office (at the above address) within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

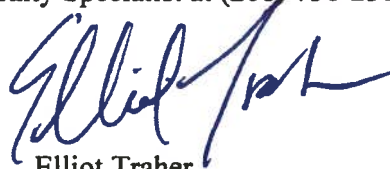
If you wish to file a petition pursuant to regulation 43 CFR 4.21 (58 FR 4939, January 19, 1993) or 43 CFR 2804.1 for stay of the effectiveness of this decision during the time that your appeal is being reviewed by the Board, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the notice of appeal and petition for a stay must also be submitted to each party named in this decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Standards for Obtaining a Stay

Except at otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards:

- 1) The relative harm to the parties if the stay is granted or denied,
- 2) The likelihood of the appellant's success on the merits,
- 3) The likelihood of immediate and irreparable harm if the stay is not granted, and
- 4) Whether the public interest favors granting the stay.

If you have any questions please contact Lisa Claxton, Realty Specialist at (208) 736-2360 or by email lclaxton@blm.gov.


Elliot Traher
Field Manager

Enclosure: Form 1842-1 (2 pp)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
RIGHT-OF-WAY GRANT/TEMPORARY USE PERMIT

Issuing Office
JARBIDGE FIELD OFFICE
Serial Number
IDI-21930

1. A (right-of-way) (permit) is hereby granted pursuant to:

- a. ☒ Title V of the Federal Land Policy and Management Act of October 21, 1976 (90 Stat. 2776; 43 U.S.C. 1761);
- b. ☐ Section 28 of the Mineral Leasing Act of 1920, as amended (30 U.S.C. 185);
- c. ☐ Other (describe) _____

2. Nature of Interest:

- a. By this instrument, the holder:

Midnight Sun VIII
PO Box 53
Nampa, ID 83653

receives a right to construct, operate, maintain, and terminate: a pump facility measuring 100 ft. x 150 ft., an access road and turnaround measuring 30 ft. x 850 ft., a building for a domestic well and pump site measuring 10 ft. x 16 ft. and 3 pipelines; 1) pipeline (domestic purposes) measuring 4 in. diameter by 1250 ft. long, 2) pipeline (irrigation purposes) 30 in. diameter by 1250 ft. long, and 3) pipeline (irrigation purposes) measuring 20 in. by 1250 ft. long. All 3 pipelines are located within the right 30 ft. wide x 1250 ft. in length on public lands described as follows:

Boise Meridian,
T. 6 S., R. 8 E.,
Sec. 3: Lot 12, (portion of).
Sec. 4: Lot 8, (portion of)

- b. The right-of-way or permit area granted herein is: **contains about 1.79 acres**, more or less.
- c. This instrument shall terminate on **December 31, 2045, about 30 years** from its effective date unless, prior thereto, it is relinquished, abandoned, terminated, or modified pursuant to the terms and conditions of this instrument or of any applicable Federal law or regulation.
- d. This instrument ☒ may ☐ may not be renewed. If renewed, the right-of-way or permit shall be subject to the regulations existing at the time of the renewal and any other terms and conditions that the authorized officer deems necessary to protect the public interest.
- e. Notwithstanding the expiration of this instrument or any renewal thereof, early relinquishment, abandonment, or termination, the provisions of this instrument, to the extent applicable, shall continue in effect and shall be binding on the holder, its successors, or assigns, until they have fully satisfied the obligations and/or liabilities accruing herein before or on account of the expiration, or prior termination, of the grant.

3. Rental:

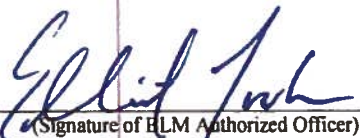
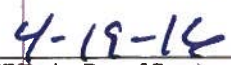
For and in consideration of the rights granted, the holder agrees to pay the Bureau of Land Management fair market value rental as determined by the authorized officer unless specifically exempted from such payment by regulation. Provided, however, that the rental may be adjusted by the authorized officer, whenever necessary, to reflect changes in the fair market rental value as determined by the application of

sound business management principles, and so far as practicable and feasible, in accordance with comparable commercial practices.

4. Terms and Conditions

- a. This grant or permit is issued subject to the holder's compliance with all applicable regulations contained in Title 43 Code of Federal Regulations part 2800 and 2880.
- b. Upon grant termination by the authorized officer, all improvements shall be removed from the public lands within 90 days, or otherwise disposed of as provided in paragraph (4)(d) or as directed by the authorized officer.
- c. Each grant issued pursuant to the authority of paragraph (1)(a) for a term of 20 years or more shall, at a minimum, be reviewed by the authorized officer at the end of the 20th year and at regular intervals thereafter not to exceed 10 years. Provided, however, that a right-of-way or permit granted herein may be reviewed at any time deemed necessary by the authorized officer.
- d. The stipulations, plans, maps, or designs set forth in exhibits **A (Stipulations)** and **B (Right-of-Way Map)**, attached hereto, are incorporated into and made a part of this grant instrument as fully and effectively as if they were set forth herein in their entirety.
- e. Failure of the holder to comply with applicable law or any provision of this right-of-way grant or permit shall constitute grounds for suspension or termination thereof.
- f. The holder shall perform all operations in a good and workmanlike manner so as to ensure protection of the environment and the health and safety of the public.

IN WITNESS WHEREOF, The undersigned agrees to the terms and conditions of this right-of-way grant or permit.

	
(Signature of Holder)	(Signature of BLM Authorized Officer)
	
(Title)	(Title)
	
(Date)	(Effective Date of Grant)

**RIGHT-OF-WAY GRANT
IDI-21930 EXHIBIT A
STIPULATIONS**

Site Specific Stipulations

1. The Holder is responsible to place an absorbent pad at pump site in case of spill.
2. The painting of any facilities related to this ROW must be approved by the Authorized Officer in advance to ensure that proposed colors are compatible with the surrounding viewshed and BLM's Visual Resource Management guidelines.
3. Refueling during construction would not occur within the ROW.
4. The Holder is responsible to construct two water bars on each approach to the pump facility, in an effort to control sediment and erosion. The water bars shall be designed (per USFS enclosure), constructed and maintained to provide an effective cross drainage for road surface water. Water bars should not extend beyond the road prism. Only material which resist rutting, prevents erosion and downstream sedimentation shall be placed in water bars.

General Terms

5. The Holder shall conduct all activities associated with the construction, operation, maintenance, and termination of the ROW within the authorized limits of the ROW.
6. The Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant or permit.
7. The authorized officer may suspend or terminate in whole, or in part, any notice to proceed which has been issued when, in his judgment, conditions arise which result in the approved terms and conditions being inadequate to protect the public health and safety or to protect the environment.
8. 60 days prior to expiration or relinquishment of the ROW, the Holder shall contact the authorized officer to arrange a joint inspection of the ROW. This inspection will be held to agree to an acceptable termination (and rehabilitation) plan. This plan shall include, but is not limited to, removal of facilities, drainage structures, or surface material, recontouring, topsoiling, or seeding. The authorized officer must approve the plan in writing prior to the Holder's commencement of any termination activities.
9. There is reserved to the Secretary of the Interior, or his/her lawful delegate, the right to grant additional ROW or permits for compatible uses on, over, under or adjacent to the land involved in this grant.
10. The Holder shall notify the authorized officer of any change of mailing address within 30 days of such change.
11. If any emergency repair activity results in disturbance outside a previously disturbed area and/or the existing ROW boundary, the Holder will notify the authorized officer within 3 days of the occurrence. Upon review, the authorized officer may conclude the emergency repair activity is a substantial deviation. Substantial deviations require an amendment.
12. The Holder shall protect all survey monuments found within the ROW. Survey monuments include, but are not limited to, General Land Office and Bureau of Land Management Cadastral Survey Corners, reference corners, witness points, U.S. Coastal and Geodetic benchmarks and triangulation stations, military control monuments, and recognizable civil (both public and private) survey monuments. In the event of obliteration or disturbance of any of the above, the Holder shall immediately report the incident, in writing, to the authorized officer and the respective installing authority if known. Where General Land Office or Bureau of Land Management survey monuments or references are obliterated during Holder's operations, the Holder shall secure the services of a registered land surveyor or Bureau cadastral surveyor to restore the disturbed monument and references using surveying procedures found in the Manual of Surveying Instructions for the Survey of the Public Lands of the United States, latest edition. The Holder shall record such survey in the appropriate county and send a copy to the authorized officer. If the Bureau cadastral surveyors or other Federal surveyors are used to restore the disturbed survey monument, the Holder shall be responsible for the survey cost.
13. The Holder shall permit free and unrestricted public access upon the ROW for all lawful purposes except for those specific areas designated as restricted by the authorized officer to protect the public, wildlife, livestock, or facilities constructed within the ROW.

14. No signs or advertising devices shall be placed on the ROW or on adjacent public lands, except those posted by or at the direction of the authorized officer.
15. The Holder shall conduct all activities associated with the operation and termination of the ROW within the authorized limits of the ROW. If at any time the Holder wishes to reconstruct, remodel or relocate any portion of the ROW, or the improvements, in a manner that has been determined to be a substantial deviation, prior written authorization must be obtained from the authorized officer.
16. Right-of-Way shall be maintained in a sanitary condition at all times; waste materials at those sites shall be disposed of promptly at an appropriate waste disposal site. 'Waste' means all discarded matter including, but not limited to, human waste, trash, garbage, refuse, oil drums, petroleum products, ash, and equipment that are a result of the Holder's activities.
17. Holder shall comply with the applicable Federal and State Laws and regulations concerning the use of pesticides (i.e. insecticides, herbicides, fungicides, rodenticide, and other similar substances) in all activities/operations under this grant. Pesticides shall be used only in accordance with their registered uses and within the limitations imposed by the Secretary of the Interior. Prior to the use of pesticides, the Holder shall obtain from the authorized officer written approval of a plan showing the type and quantity of material to be used, pest(s) to be controlled, method of application, location of storage and disposal of containers, and any other information deemed necessary by the authorized officer. Pesticides shall not be permanently stored on public lands authorized for use under this grant. Applicator(s) shall hold a current applicator's license or be under the direct supervision of a licensed applicator.
18. The Holder shall inform the authorized officer within 48 hours of any accidents on Federal lands that require reporting to the Department of Transportation as required by 49 CFR Part 195 (hazardous liquids transported by pipeline).
19. Construction and/or maintenance-related traffic shall be restricted to routes approved by the authorized officer. New access roads or cross-country vehicle travel will not be permitted unless prior written approval is given by the authorized officer. Authorized roads used by the Holder shall be rehabilitated or maintained when construction activities are complete.
20. During conditions of extreme fire danger or when the State of Idaho and/or the Idaho State Director issues a fire restriction order, operations shall be limited or suspended in specific areas, or additional measures may be required by the authorized officer.
21. In accordance with 43 CFR 2805.12(d) (or subsequent revisions), the Holder shall do everything reasonable to prevent and suppress wildfires on or in the immediate vicinity of the ROW. The Holder will immediately report fires to the BLM authorized officer or Fire Dispatch (insert phone number here) and take all necessary fire suppression actions, when safe to do so, with their personnel and equipment on any fires they cause to ignite.
22. Pursuant to 43 CFR 10, the Holder of this authorization must immediately notify the authorized officer, by telephone, with written confirmation, immediately upon the discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Further, pursuant to 43 CFR 10.4 (c) and (d), the Holder must stop activities in the vicinity of the discovery and protect it until notified to proceed by the authorized officer. The BLM Authorized Officer will determine avoidance, protection or mitigation measures in consultation with the Holder, Idaho SHPO, and affected Tribes. Costs associated with the discovery, evaluation, protection or mitigation of the discovery shall be the responsibility of the Holder.
23. Operations and maintenance within the ROW shall comply with the most current nest management guidelines provided by the U.S. Fish and Wildlife Service (USFWS) as clarified in ID-IB-2010-039, or most recent guidance.
24. The Holder shall be responsible for weed control, including noxious weeds and non-native invasive plants that result from construction, use, or maintenance authorized in the Holder's ROW grant. The Holder must coordinate with the Authorized Officer and/or local authorities for acceptable weed control measures (within limits imposed in the grant stipulations) prior to implementing weed treatments. If herbicides are to be used for weed control, the applicator(s) shall hold a current State of Idaho applicator's license or be under the direct supervision of a licensed applicator.
25. The Holder is responsible for ensuring the undercarriages of equipment and/or vehicles used within the ROW are free of all soil and plant material prior to operating on public lands to reduce the establishment of new invasive, non-native species and/or the spread of existing species to new areas.

26. The Holder shall seed all disturbed areas with an agreed upon seed mixture, using an agreed upon method suitable for the location. Seeding shall be repeated if a satisfactory stand is not obtained as determined by the authorizing officer upon evaluation after the 2016 growing season.

Edl, Michele

From: Greg Sullivan <greg.sullivan@brockwayeng.com>
Sent: Monday, January 16, 2017 5:02 PM
To: Edl, Michele; 'Hal Anderson'
Subject: RE: Midnight Sun and Owyhee Farming WSB rentals
Attachments: Midnight Sun WRs and Rental.jpg; Owyhee Farm Rentals.jpg; Exhibit A.pdf

Michele,

The additional 111.0 acres was from a transfer that was approved by IDWR in 2015 or 2016.

I talked with Jim McClelland regarding the new acres that were transferred into the Midnight Sun Farm. I believe he called and talked with someone representing Midnight Sun and they decided to reduce the large Owyhee Farm rental.

I have attached updated maps of the proposed POUs for the three rentals and the permanent water rights POU within the PPU.

I have also attached a spreadsheet that identifies per QQ the water rights to be used.

Let me know if there is anything else that needs to be addressed to get these applications processed.

Greg Sullivan
Brockway Engineering
2016 North Washington Street, Suite 4
Twin Falls, Idaho 83301
208-736-8543

From: Edl, Michele [mailto:Michele.Edl@idwr.idaho.gov]
Sent: Wednesday, January 11, 2017 6:57 PM
To: Hal Anderson <hal@idahowaterengineering.com>; Greg Sullivan <greg.sullivan@brockwayeng.com>
Subject: Midnight Sun and Owyhee Farming WSB rentals

Mr. Anderson and Mr. Sullivan,

As part of my review of the water rights associated with Midnight Sun Inc's 4128-acre PPU, I queried the IDWR database and found that Midnight Sun Inc owns two additional rights that do not appear to have been considered in either rental proposal but appear to be appurtenant to the PPU. Those two additional rights are: 2-10422 and 2-10510. I believe that these rights recently changed ownership and their places of use were transferred. Now they appear to occupy space within the PPU.

In total the eight rights are limited to 911.0 acres within the PPU. The six rights that both of you mention are: 2-2260, 2-7019B, 2-7019D, 2-7022B, 2-7023B, 2-7102B and 2-10053 (stockwater) and I agree that this group of six is limited to 800 acres with the PPU.

So I need a clarification. What is Midnight Sun's intention for rights 2-10422 and 2-10510? Should they be covering 110 acres of the PPU?

Thank you.
Michele Edl



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098

Phone: (208) 287-4800 • Fax: (208) 287-6700 • Website: www.idwr.idaho.gov

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

October 27, 2016

MIDNIGHT SUN INC VIII
1314 12TH AVE SOUTH
NAMPA ID 83651

RE: APPLICATION(S) TO RENT WATER FROM THE WATER SUPPLY BANK

Dear Applicant:

The Idaho Department of Water Resources (Department) acknowledges receipt of your application(s) to rent water from the Water Supply Bank (Bank). Your rental request has been placed into the queue for processing and will be considered as time permits. Filing a rental application does not authorize diversion and use of water; it is unlawful to use water without a valid water right or an approved Water Supply Bank rental agreement.

Rental requests are reviewed as of November first in the year preceding the intended use of water. Rental requests should be submitted well in advance of the date for the intended use or rental water. **You are not authorized to divert any water for purposes associated with your rental request until you have paid the rental fee and you and the Department have both signed and executed a rental agreement.**

You can check the status of your rental application by reviewing the Department's processing spreadsheet, accessible from the Water Supply Bank's website at:
http://www.idwr.idaho.gov/WaterManagement/WaterRights/WaterSupply/ws_default.htm

Regards,

Christine Field
Water Supply Bank Support

C: Hal Anderson – Idaho Water Engineering