

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Transfer No.

81060

MINIMUM REQUIREMENTS CHECKLIST
TO BE SUBMITTED WITH APPLICATION FOR TRANSFER

RECEIVED

JUN 22 2016

Department of Water Resources

Eastern Region

An application for transfer must be prepared in accordance with the minimum requirements listed below to be acceptable for processing by the Department. Incomplete applications will be returned. The instructions, fee schedule, Part 2A reports and additional Part 2B forms are available from any Department office or on the Department's website at www.idwr.idaho.gov.

Name of Applicant(s) Nu-West Mining Inc, a wholly owned subsidiary of Nu-West Industries, Inc dba Agrium CPO

Check whether each item below is *attached* (Yes) or *not applicable* (N/A) for the proposed transfer.

Yes **N/A** * Means the item is always required and must be included with the application.

- ☒ * Completed Application for Transfer of Water Right form, Part 1.
- ☒ * Signature of applicant(s) or applicant's authorized representative on Application for Transfer Part 1. Include evidence of authority labeled Attachment #3 (see below) if signed by representative.
- ☒ * Application for Transfer Part 2A. Attach a Part 2A report describing each water right in the transfer as currently recorded.
- ☒ ☐ Complete and attach an Application for Transfer Part 2B for each water right for which only a portion is proposed to be changed through this transfer application.
- ☒ * Application for Transfer Part 3A is always required (see Attachment #7a below); Parts 3B and 3C must be completed for transfer applications proposing to change the nature of use of the water right(s) or proposing changes to supplemental right(s).
- ☒ * Correct fee submitted with transfer application form. (Fee schedule is on website and instructions for application for transfer.)

Attachments to Application - Label each attachment with the corresponding number shown below as Attachment #1-10.

- ☐ ☒ #1 If the applicant is a business, partnership, organization, or association, and not currently registered in the State of Idaho as a business entity, attach documentation identifying officers authorized to sign or act on behalf of right holder. (See Part 1.)
- ☐ ☒ #2a Water Right ownership documentation if Dept. records do not show the applicant as the current water right owner. **
- ☐ ☒ #2b If the ownership of the water right will change as a result of the proposed transfer to a new place of use, attach documentation showing land and water right ownership at the new place of use. Include documentation for all affected land and owner(s).**
** Additional fee(s) required for water right ownership changes; see fee schedule.
- ☐ ☒ #3 Documentation of authority to make the change if the applicant is not the water right owner.
- ☐ ☒ #4 Power of Attorney or documentation providing authority to sign or act on the applicant's behalf. (See Part 1.)
- ☐ ☒ #5 If the transfer application proposes to change the point of diversion for a water right affecting the Eastern Snake Plain Aquifer (ESPA), attach the results of an ESPA analysis and a detailed mitigation plan to offset any depletions to hydraulically connected reaches of the Snake River. ESPA transfer spreadsheet and model grid labeled cells are available on the Department's website at www.idwr.idaho.gov/WaterManagement/WaterRights/WaterRightTransfers/resources.htm.
- ☐ ☒ #6 Notarized statement of agreement or a statement on official letterhead signed by an authorized representative from each lien holder or other entity with financial interest in the water right(s) or land affected by the proposed transfer. (See Part 1.5.c.)
- ☒ * #7a Attach a map identifying the proposed point(s) of diversion, place(s) of use, and water diversion and distribution system details as described on the application. Include legal description labels. If only a portion of the right is proposed to be changed, identify the current location of the part of the existing right(s) proposed to be changed. (See Part 3A.)
- ☐ ☒ #7b If the transfer application proposes to change the place or purpose of use of an irrigation right attach a Geographic Information System (GIS) shape file, or an aerial photo or other image clearly delineating the location and extent of existing acres and changes to the place of use. If some or all of any right is leased to the Water Supply Bank, you must also show the the specific location and/or acres to be idled at the new, proposed place of use to satisfy lease requirements.
- ☐ ☒ #8a If the transfer application proposes to change the nature of use or period of use for one or more rights, provide documentation describing the extent of historic beneficial use for the water rights proposed to be transferred and document how enlargement will be avoided. (See Part 3B.) Additional fee required for proposed changes to nature of use; see fee schedule.
- ☐ ☒ #8b If the transfer application proposes to change the place of use of a supplemental irrigation right, provide documentation regarding the historic use of the supplemental right(s) and availability or reliability of the primary right(s) being supplemented, both before and after the proposed change. (See Part 3C.)
- ☐ ☒ #9 Water Supply Bank information for all rights proposed for transfer and currently leased to the Bank. (Attachment WSB)
- ☐ ☒ #10 Other. Please describe: _____

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

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Department of Water Resources
Eastern Region

**APPLICATION FOR TRANSFER OF WATER RIGHT
PART 1**

Name of Applicant(s) Nu-West Mining Inc. (Nu-West Industries, Inc. dba Agrium CPO) Phone (208) 637-0440
Mailing address 3010 Conda Road, Soda Springs, ID 83276 Email al.haslam@agrium.com

- ☐ If applicant is not an individual and not registered to do business in the State of Idaho, attach documentation identifying officers authorized to sign or act on behalf of the applicant. Label it **Attachment #1**.
- ☐ Attach water right ownership documentation if Department records do not show the transfer applicant as the current water right owner. Label it **Attachment #2a**.
- ☐ If the ownership of the water right will change as a result of the proposed transfer to a new place of use, attach documentation showing land and water right ownership at the new place of use. Include documentation for all affected land and owner(s). Label it **Attachment #2b**.
- ☐ Attach documentation of authority to make the proposed change if the applicant is not the water right owner. Label it **Attachment #3**.

Provide contact information below if a consultant, attorney, or any other person is representing the applicant in this transfer process.

☐ No Representative

Name of Representative _____ Phone _____
Mailing address _____ Email _____

- ☐ Send all correspondence for this application to the representative and not to the applicant.
OR
- ☐ Send original correspondence to the applicant and copies to the representative.
- ☐ The representative may submit information for the applicant but is not authorized to sign for the applicant.
OR
- ☐ The representative is authorized to sign for the applicant. Attach a Power of Attorney or other documentation providing authority to sign for the applicant and label it **Attachment #4**.

I hereby assert that no one will be injured by the proposed changes and that the proposed changes do not constitute an enlargement in use of the original right(s). 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.



Signature of Applicant or Authorized Representative

Alan Haslam, Vice President

Print Name and Title if applicable

6/9/2016

Date

Signature of Applicant or Authorized Representative

Print Name and Title if applicable

Date

A. PURPOSE OF TRANSFER

1. ☒ Change point of diversion ☒ Add diversion point(s) ☒ Change place of use
☐ Change nature of use ☐ Change period of use ☐ Other _____
2. Describe your proposal in narrative form, including a detailed description of non-irrigation uses to justify amounts transferred (i.e. number of stock, etc.), and provide additional explanation of any other items on the application. Attach additional pages if necessary and label it **Part 1A.2**.
Agrium CPO proposes to transfer a portion (40 ac-ft) of the water rights under 27-7302, adding points of diversion and places of use, to offset anticipated consumptive water volumes of the new mine. Stormwater runoff will remain in mine ponds for evaporation; during high flow, it may be pumped into backfill to maintain approp. freeboard in ponds.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT
PART 1 Continued

B. DESCRIPTION OF RIGHTS AFTER THE REQUESTED CHANGES. IF THE RIGHTS ARE BEING SPLIT, DESCRIBE PORTIONS TO BE CHANGED AS THEY WOULD APPEAR AFTER THE REQUESTED CHANGES.

1.	Right Number	Amount (cfs/ac-ft)	Nature of Use	Period of Use	Source & Tributary
All or Part ☐ ☒	27-7302	40 ac-ft	mining storage	01/01 to 12/31	surface water/Angus Cr
☐ ☐				to	
☐ ☐	08/01/2016			to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	

Total authorized under rights _____ cfs and/or 150 AFA acre-feet.

2. Total amount of water proposed to be transferred or changed _____ cubic feet per second and/or 40 acre-feet per year.

3. Point(s) of Diversion:

- ☐ No changes to point(s) of diversion are proposed - the following chart is therefore not completed. (Proceed to #4.)
☐ Attach Eastern Snake Plain Aquifer analysis if this transfer proposes to change a point of diversion affecting the ESPA.
 Label it Attachment #5.

See Attachment 3a for supplemental POD list

New ?	Lot	%	%	%	Sec	Twp	Rge	County	Source	Local name or tag #
Y			NE	NE	08	7S	44E	CARIBOU	surface water	
Y			NW	NW	09	7S	44E	CARIBOU	surface water	
Y			SW	NW	09	7S	44E	CARIBOU	surface water	
Y			NE	SW	09	7S	44E	CARIBOU	surface water	
Y			NW	SE	09	7S	44E	CARIBOU	surface water	

4. Place of use: (If irrigation, identify with number of acres irrigated per 1/4 tract.)

- ☐ No changes to place of use are proposed - the following chart is therefore not completed. (Proceed to #5.)

Twp	Rge	Sec	NE 1/4				NW 1/4				SW 1/4				SE 1/4				Acres Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
6S	43E	36														X	X	X	
7S	44E	08			L2	L1									X				
7S	44E	05							L4	L3	X	X		X		X	X	X	
7S	44E	08	X	X															
7S	44E	09						X	X	X	X					X			
6S	44E	31											L4						

08/01/2016

Total Acres (for irrigation use)

AMENDED

81060

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT

PART 1 Continued

B. DESCRIPTION OF RIGHTS AFTER THE REQUESTED CHANGES. IF THE RIGHTS ARE BEING SPLIT, DESCRIBE PORTIONS TO BE CHANGED AS THEY WOULD APPEAR AFTER THE REQUESTED CHANGES.

1.	Right Number	Amount (cfs/ac-ft)	Nature of Use	Period of Use	Source & Tributary
All or Part ☐ ☒	27-7302	40 ac-ft	mining	01/01 to 12/31	surface water/Angus Cr
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	

Total authorized under rights _____ cfs and/or 150 AFA acre-feet.

2. Total amount of water proposed to be transferred or changed _____ cubic feet per second and/or 40 acre-feet per year.

3. Point(s) of Diversion:

- ☐ No changes to point(s) of diversion are proposed - the following chart is therefore not completed. (Proceed to #4.)
- ☐ Attach Eastern Snake Plain Aquifer analysis if this transfer proposes to change a point of diversion affecting the ESPA. Label it Attachment #5.

See Attachment 3a for supplemental POD list

New ?	Lot	¼	¼	¼	Sec	Twp	Rge	County	Source	Local name or tag #
Y			NE	NE	08	7S	44E	CARIBOU	surface water	
Y			NW	NW	09	7S	44E	CARIBOU	surface water	
Y			SW	NW	09	7S	44E	CARIBOU	surface water	
Y			NE	SW	09	7S	44E	CARIBOU	surface water	
Y			NW	SE	09	7S	44E	CARIBOU	surface water	

4. Place of use: (If irrigation, identify with number of acres irrigated per ¼ ¼ tract.)

- ☐ No changes to place of use are proposed - the following chart is therefore not completed. (Proceed to #5.)

Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Acre Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
6S	43E	36														X	X	X	
7S	44E	06			L2	L3									X				
7S	44E	05							L4	L3	X	X		X		X	X		
7S	44E	08	X																
7S	44E	09			X			X	X	X	X								
6S	44E	31											L4						

Total Acres (for irrigation use) _____

SUPERCEDED

81000

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT

PART 1 Continued

5. General Information:

- a. Describe the complete diversion system, including how you will accommodate a measuring device and lockable controlling works should they be required now or in the future:

Agrium CPO will work with the Water Master to install measuring devices and lockable controlling works if required. Also see attached Description of Change

- b. Who owns the property at the point(s) of diversion? USFS, IDL, IDFG, BLM, Nu-West Industries

If other than the applicant, describe the arrangement enabling the applicant to access the property for the diversion system:
Federal Phosphate Lease I-05975

- c. Are the lands from which you propose to transfer the water right subject to any liens, deeds of trust, mortgages, or contracts? If yes, ☐ attach a notarized statement from the holder of the lien, deed of trust, mortgage or contract agreeing to the proposed changes on official letterhead signed by an authorized representative. Label it **Attachment #6**. List the name of the entity and type of lien: No

It is the applicant's responsibility to provide notice to lien holder, trustee, mortgagor, or contract holder of the proposed changes that may impact or change the value of the water rights or affected real property. Any misrepresentation of legal encumbrance on this application may result in rejection of the application or cancellation of an approval.

- d. Are any of the water rights proposed for transfer currently leased to the Water Supply Bank?

If yes, ☐ complete Attachment WSB.

- e. Describe the effect on the land now irrigated if the place or purpose of use is changed pursuant to this transfer:
Water right 27-7302 is for mining purposes and not irrigation, therefore no impacts anticipated.

- f. Describe the use of any other water right(s) for the same purpose or land, or the same diversion system as right(s) proposed to be transferred at both the existing and proposed point(s) of diversion and place(s) use:
Not applicable as water right 27-7302 is for mining purposes and not irrigation

- g. To your knowledge, has/is any portion of the water right(s) proposed to be changed:

Yes No

- | | | |
|--------------------------|-------------------------------------|---|
| ☐ | ☒ | undergone a period of five or more consecutive years of non-use, |
| ☐ | ☒ | currently leased to the Water Supply Bank, |
| ☐ | ☒ | currently used in a mitigation plan limiting the use of water under the right, or |
| ☐ | ☒ | currently enrolled in a Federal set-aside program limiting the use of water under the rights? |

If yes, describe:

Decree amendment for 27-7302 by the Court in SRBA 2013 extended 5 yr use limit to 2018. Since Agrium filed its claim in SRBA, water quality analysis twice/yr since late 1990's identified elevated selenium, requiring temp discontinued use due to water quality concerns beyond Agrium's control within the meaning of ID Code S.42-223

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT

PART 2

A. DESCRIPTION OF RIGHT(S) AS RECORDED

For each water right listed in Part 1B.1 of the application, attach a **Part 2A** report obtained from any Department office or from the Department's website @ www.idwr.idaho.gov, Water Right Transfers, Step 1. Insert Part 2A reports into the application following Part 1.

B. IF ONLY A PORTION OF THE RIGHT IS PROPOSED TO BE CHANGED, DESCRIBE THE PORTION BEING CHANGED AS IT APPEARS BEFORE THE REQUESTED CHANGES

- ☐ Complete and attach one copy of Part 2B for each right for which only a portion is proposed to be changed. If the entire right is proposed to be changed, Part 2B is not applicable. Additional copies of the Part 2B form can be obtained from any Department office or from the Department's website @ www.idwr.idaho.gov, Water Right Transfers, Step 3, or Water Right Forms, Changes in Use. Insert completed Part 2B forms into the application following Part 2A of the same water right.

Right Number: 27-7302

1. amount 40 ac-ft (cfs/ac-ft) for mining purposes from 01/01 to 12/31
 amount _____ (cfs/ac-ft) for _____ purposes from _____ to _____
 amount _____ (cfs/ac-ft) for _____ purposes from _____ to _____
 amount _____ (cfs/ac-ft) for _____ purposes from _____ to _____
 amount _____ (cfs/ac-ft) for _____ purposes from _____ to _____
 amount _____ (cfs/ac-ft) for _____ purposes from _____ to _____
 amount _____ (cfs/ac-ft) for _____ purposes from _____ to _____
 amount _____ (cfs/ac-ft) for _____ purposes from _____ to _____
2. Lands irrigated or place of use: (If irrigation, identify with number of acres irrigated per $\frac{1}{4}$ tract.)

[illegible]

Page _____ of _____

**IDAHO DEPARTMENT OF WATER RESOURCES
APPLICATION FOR TRANSFER OF WATER RIGHT
PART 2A**

Current Water Right No.: 27-7302

Current Owner: NU WEST MINING INC

Priority Date: 3/4/1982

Origin: Water Right

Status: Active

Basis: Decreed

Source

MABEY CREEK

Tributary

DRY VALLEY CREEK

<u>Beneficial Use</u>	<u>From To</u>	<u>Diversion Rate</u>	<u>Annual Volume</u>
MINING STORAGE	01/01 to 12/31		3.6 AF
MINING FROM STORAGE	01/01 to 12/31		150 AF
	<u>Total Diversion</u>		150 AF

Location of Point(s) of Diversion

MABEY CREEK

NE1/4SE1/4NE1/4

Sec. 9, Twp 08S, Rge 44E B.M.

CARIBOU County

Place of Use

MINING FROM STORAGE Within CARIBOU County

T08S R44E S9

T08S R44E S10

Place of Use: MINING STORAGE same as MINING FROM STORAGE

Conditions of Approval:

1. The haul roads of the Mabey Canyon Mine referenced above are located on and used in connection with Federal Phosphate Lease I-04 and related U.S. Forest Service Special Use Permits, which were attached to the original Permit Application for such rights and contained in IDWR's records
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.
4. Water is used for dust abatement on haul roads at the Mabey Canyon Mine.

Decreed Date: 1/30/2008

8 1 0 6 0

Point of Diversion/Place of Use Supplement

Attachment to: ☐ Application for Permit to appropriate Water
☐ Application for Amendment of Permit

☒ Application for Transfer**
☐ Beneficial Use Field Report

☐ Adjudication Claim
☐ Statutory Claim

Location of points of diversion (POD):

New POD?	Twp	Rge	Sec	Govt Lot	¼	¼	¼	County	Source	Local name or well/diversion tag #
☒ Yes	6S	43E	36			NW	SE	Caribou	surface water	
☒ Yes	6S	43E	36			SW	SE	Caribou	surface water	
☒ Yes	7S	44E	06	L2				Caribou	surface water	
☒ Yes	7S	44E	06	L1				Caribou	surface water	
☒ Yes	7S	44E	06			NE	SE	Caribou	surface water	
☒ Yes	7S	44E	05	L4				Caribou	surface water	
☒ Yes	7S	44E	05			NW	SW	Caribou	surface water	
☒ Yes	7S	44E	05			NE	SW	Caribou	surface water	
☒ Yes	7S	44E	05			SW	SE	Caribou	surface water	
☒ Yes	7S	44E	05			NW	SE	Caribou	surface water	

Description of place of use (POU):

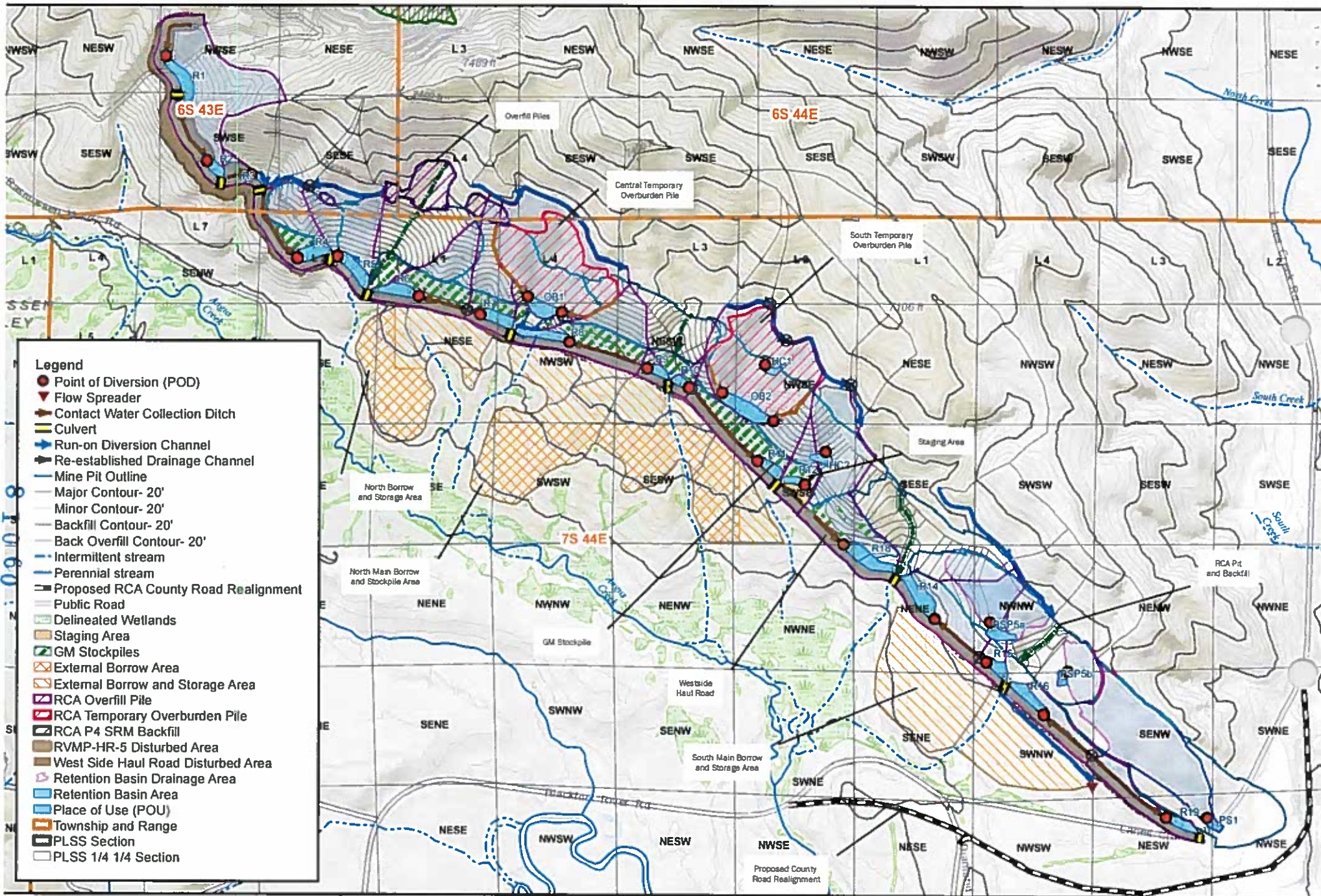
- a. If water is for irrigation, indicate acreage in each subdivision in the tabulation below.
- b. If water is used for other purposes, place a symbol of the use (example: D for Domestic) in the corresponding place of use below.

[illegible]

****If this supplemental sheet is for an Application for Transfer, insert this page into Part 1B of the application.**

Page _____

8 1 0 6 0



Brown AND Caldwell

Date: March 2016
Project No. 148744
Client: Agrium

Map Coordinate System: NAD 1983 UTM Zone 12N
Notes: Proposed conditions throughout Mining are presented.
The Point of Diversion(POD) is located at inlet of each retention basin.
Place of Use (POU) is the retention basin itself.

1 in = 1,368 feet
0 500 1,000 Feet



Figure 7a
Points of Diversion
Consumptive Water Rights Permit
Rasmussen Valley Mine Project



RECEIVED

JUN 22 2016

Department of Water Resources
Eastern Region

Agrium Conda Phosphate Operations*

3010 Conda Road
Soda Springs, ID 83276
Tel: 208-547-4381
Fax: 208-547-2550

June 20, 2016

Idaho Department of Water Resources
Eastern Regional Office
900 N. Skyline Drive, Suite A
Idaho Falls, Idaho 83402-1718

Attention: Mr. James Cefalo, Water Resource Program Manager

**RE: Application for Permit to Appropriate the Public Waters of the State of Idaho, and
Application for Transfer of Water Right – Agrium Rasmussen Valley Mine Project
Soda Springs, Idaho**

Dear Mr. Cefalo:

The attached Applications and associated application fees are being submitted in support of Agrium's Rasmussen Valley Mine Project.

Nu-West Mining Inc, a wholly owned subsidiary of Nu-West Industries, Inc., doing business as Agrium Conda Phosphate Operations (Agrium CPO or Agrium), proposes to mine phosphate resources and reclaim historical mining areas on Federal Phosphate Lease I-05975 which is commonly referred to as the Rasmussen Valley Mine (RVM). Mining and reclamation activities are anticipated to begin in 2017 and extend through 2024.

The enclosed Application for Permit to Appropriate the Public Waters of the State of Idaho has been prepared to address the diversion of surface storm water from existing intermittent drainage channels around the perimeter of the mine site during the life of the mine. Natural drainage patterns will be re-established upon completion of all mining and reclamation

* A Registered Name of Nu-West Industries, Inc.

activities. A cheque is included in the amount of \$100, which is the amount due for appropriating 20 acre-feet per year.

The enclosed Application for Transfer of Water Right has been prepared to offset anticipated consumptive water volumes associated with the Rasmussen Valley Mine. Agrium is proposing to transfer (or 'exchange') a portion of a water right that is already held by Agrium. A cheque is included in the amount of \$500, which is the amount due for transferring 40 acre-feet per year.

Thank-you for your consideration of these requests. Please feel free to call Chris Guedes, Mine Permitting Project Lead at (208) 909-5324 with any questions or concerns regarding these applications.

Sincerely,



Alan Haslam
Vice President

CC: Chris Guedes, Agrium CPO

Enclosures:

- Application for Permit to Appropriate the Public Waters of the State of Idaho and associated cheque in the amount of \$100.
- Application for Transfer of Water Right and associated cheque in the amount of \$500.



Agrium Conda Phosphate Operations*

3010 Conda Road
Soda Springs, ID 83276
Tel: 208-547-4381
Fax: 208-547-2550

DESCRIPTION OF CHANGE

**RASMUSSEN VALLEY MINE PROJECT
SODA SPRINGS, IDAHO**

BY:

**AGRIUM CONDA PHOSPHATE OPERATIONS
SODA SPRINGS, IDAHO**

June 07, 2016

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1. Rasmussen Valley Mine

1.1 INTRODUCTION

This Description of Change is submitted to the Idaho Department of Water Resources by Nu-West Mining, Inc., a wholly owned subsidiary of Nu-West Industries, Inc., doing business as Agrium Conda Phosphate Operations (hereafter referred to as "Agrium"), in association with an Application for Transfer of Water Right. This document describes Agrium's approach to offset anticipated consumptive water uses of mining and reclamation activities at the new Rasmussen Valley Mine located northeast of Soda Springs, Idaho.

1.2 BACKGROUND

Agrium submitted the Rasmussen Valley Mine and Reclamation Plan to the Bureau of Land Management (BLM) in November 2011, thereby expressing intentions of developing a new phosphate mine in southeast Idaho. The submittal of the plan initiated BLM's lead in development of an Environmental Impact Statement to fulfill their requirements under the National Environmental Policy Act, which requires the analysis of environmental impacts and alternatives prior to a decision from BLM regarding the project. The BLM issued a Draft Environmental Impact Statement (Draft EIS) in September 2015, and the Final EIS is anticipated to be completed in the fall of 2016. The Draft EIS sets forth a preferred alternative for the project, named the Rasmussen Collaborative Alternative (RCA), which includes several changes from the original mine plan submitted by Agrium. The EIS is being developed by the BLM and the USFS (Lead Agencies) in coordination with the Idaho Department of Lands (IDL) and the (United States Army Corps of Engineers (USACE) (Cooperating Agencies), and in cooperation with the IDL, the Idaho Department of Fish and Game (IDFG), the USEPA, the Idaho Department of Water Resources (IDWR), and the United States Fish and Wildlife Service (USFWS) (collectively referred to 'agencies').

The Rasmussen Valley Mine (RVM) is on federal phosphate lease (I-05975) located approximately 18 miles northeast of Soda Springs in Caribou County, Idaho. The location of RVM is shown in Figure 1. The site surface and mineral ownership are outlined in Figure 2. Mining activities at the RVM are expected to occur over a five-year period; the entire mining operation is expected to occur over a seven-year period, including infrastructure and reclamation activities (2017 - 2024).

Proposed mining features and Best Management Practices (BMPs) implemented at the RVM will minimize potential discharges of constituents of potential concern (COPCs) to the 5th level HUC's known as Lane's Creek-Diamond Creek and Upper Blackfoot River. During mining and reclamation, both Meade Peak-containing materials and non-Meade Peak-containing materials will be piled at the site. While the handling of these materials will be managed in such a way to reduce the potential risk of selenium and other COPCs being released, selenium in the Meade Peak overburden may be mobilized and released to

surface water. Storm water runoff, therefore, that comes into contact with exposed Meade Peak overburden will be characterized as 'contact water' and will be managed on site. Specifically, during mining and reclamation, storm water runoff from disturbed surfaces (such as overburden piles, haul roads, etc.; see Figure 3) will be stored in collection ponds (also referred to as "retention basins") and not be allowed to infiltrate into the shallow aquifer where it could express to wetlands or surface water. Consumption of contact water during mining at the RVM will be offset through the transfer (perhaps better characterized as an exchange) of an existing downstream water right owned by Nu-West Mining Inc., 27-7302. An Application for Transfer is therefore being submitted to IDWR to address this consumptive use.

Surface runoff from non-disturbed areas above the pit as well as growth media and alluvium stockpiles is characterized as non-contact water and can be discharged to surface water per the site National Pollutant Discharge Elimination System (NPDES) Multi-Sector General Permit (MSGP) and the associated Storm Water Pollution Prevention Plan (SWPPP).

This Description of Change is being submitted to IDWR in order to present Agrium's approach to:

- Quantify anticipated surface water diversion and consumptive use during mining and reclamation activities at the RVM; and
- Coordinate the exchange of a portion of Nu-West's Water Right 27-7302 to offset proposed consumptive use at the RVM.

2. Rasmussen Valley Mine – Surface Water Consumptive Use

2.1 STORM WATER RUNOFF COLLECTION AND EVAPORATION

The Rasmussen Valley Mine will include areas of surface disturbance including; the open pit, a haul road, access roads, growth media stockpiles, alluvium stockpiles, borrow areas, surface water management features, and a staging area. RVM features are outlined in Figure 3. Storm water runoff from RVM disturbance areas will be managed by a network of collection ditches which will route contact water runoff to a series of retention basins (see Figure 4) to prevent potentially polluted runoff from impacting down gradient surface water bodies (Blackfoot River and Angus Creek).

Water that is captured by the network of collection ditches will be managed by either:

- a) Transfer to retention basins or mine pits for disposal through evaporation (i.e. consumption), or
- b) Characterization and discharge per the site NPDES MSGP storm water permit.

2.2 SURFACE WATER CONSUMPTIVE USE DURING MINING

Mining at the RVM site will be conducted in nine phases, with concurrent reclamation. Retention basins are proposed along the haul road and at the toe of overburden piles to capture all surface runoff that is classified as contact water (Figure 4). A total of 26 retention basins were required based on the site topography and proposed mining features layout in order to manage surface water runoff in contact with mining disturbances. Retention basins were placed at low points along the haul road in order to manage runoff from the roadway surfaces as well as upslope run-on where applicable. In addition, retention basins were placed at the toe of overburden piles and pre-stripping areas in order to collect runoff exposed to mining disturbances. Drainage area boundaries were delineated using topographic survey data for the Site and then digitized using ArcGIS software. Drainage areas were then calculated using ArcGIS' intrinsic spatial tools.

These basins are sized for runoff from the 100-year, 24-hour storm event plus capacity for a maximum day snowmelt runoff. Contact water that accumulates in the retention basins will be allowed to evaporate or, if necessary to ensure adequate freeboard, may be pumped onto un-reclaimed backfill or into the mine pit where it will be managed as pit water. The volume of contact water that will be captured and consumed in this fashion was estimated based on the average annual runoff at the mine site over the basins' contributing areas. The mine will be operated and reclaimed at the same time. Through this concurrent reclamation, as one phase is mined, the waste overburden from that phase will be placed directly into a previously mined phase. Therefore the basins listed in Table 2 will be installed and reclaimed at different times throughout the life of the mine. At no time should all of these basins be operational and collecting water at one time. In order to provide a conservative, worst case, analysis,

however, the consumptive volumes presented herein do not take this into account. The calculations for consumed annual runoff volumes are based on all basins being operational for the entire life of the mine. The average annual runoff was estimated based on the in-situ water balance parameters listed in Table 1 below.

Table 1. In-Situ Water Balance Parameters Used To Estimate Average Annual Runoff	
PARAMETER	ESTIMATED VALUE
Precipitation	23.44 in/yr
Evapotranspiration	16.88 in/yr
Sublimation	2.82 in/yr
Net percolation/recharge	2.58 in/yr
Runoff	1.16 in/yr

A summary of the average volume of water that will be diverted to contact water retention basins during mining and potentially evaporated on an annual basis is provided in Table 2 below. The drainage areas presented are for the maximum contributing drainage to each of the 26 contact water basins throughout the life of mining. This equates to an annual consumption of 36.6 acre-feet.

Table 2. Annual Consumptive Volume During Mining and Reclamation in Contact Water Retention Basins		
Basin ID	Drainage Area	Annual Runoff Volume ¹
	Acres	Acre-feet
SB-OB1	30.7	3.0
SB-OB2	33.9	3.3
SB-PS1	23.0	2.2
SB-PSP5a	5.8	0.6
SB-PSP5b	5.8	0.6
SB-R1	20.5	2.0
SB-R10	1.9	0.2
SB-R11	26.2	2.5
SB-R12	5.8	0.6
SB-R13	3.8	0.4
SB-R14	23.7	2.3
SB-R15	3.2	0.3
SB-R16	10.9	1.1
SB-R17	12.2	1.2
SB-R18	26.9	2.6
SB-R19	6.4	0.6
SB-R2	7.7	0.7
SB-R3	2.6	0.2
SB-R4	12.2	1.2
SB-R5	22.4	2.2
SB-R6	13.4	1.3

Table 2. Annual Consumptive Volume During Mining and Reclamation in Contact Water Retention Basins		
Basin ID	Drainage Area	Annual Runoff Volume ¹
	Acres	Acre-feet
SB-R7	18.6	1.8
SB-R8	23.0	2.2
SB-R9	2.6	0.2
SB-HC1	6.4	0.6
SB-HC2	29.4	2.8
All Basins Subtotal ²	378.9	36.6
1. Annual consumptive volumes were calculated based on the estimated average annual runoff depth of 1.16 inches over the contributing drainage area.		
2. Several basins are in place temporarily for only one or two phases. The "All Basins" subtotal conservatively includes every basin that may be in place throughout the mining duration regardless of timing.		
3. SB-R13 and SB-R17 are not included on the drainage map because they are replaced by a larger basin, SB-R18 in later phases.		

2.3 SURFACE WATER CONSUMPTIVE USE DURING RECLAMATION

The RVM will operate under a concurrent reclamation plan. When mining operations end, a substantial portion of the reclamation will have already occurred. Reclamation activities for the final phases will continue for approximately one more year; the final phases will be backfilled and remaining surface disturbance areas scheduled for reclamation will be reclaimed. Disturbance areas will be re-contoured to blend with surrounding topography, the approved cover will be placed and re-vegetated. Surface water collection features will remain in place until vegetation is re-established on reclaimed surfaces. This conservative measure proposed by Agrium will ensure that soil potentially entrained in reclamation surface run-off will not impact surface waters. During the final phases of reclamation, surface water collection retention basins will be reclaimed and surface water drainages will be re-established. Final reclamation topography and site drainage patterns are included in Figure 5.

As shown in Figure 5, runoff routed to collection retention basins during reclamation will not come into contact with mine waste and ore, but rather growth media and alluvial material only. It is anticipated that Agrium will be able to characterize and discharge this water pursuant to its MSGP storm water permit. Storm water runoff that meets surface water quality standards may be allowed to outflow to natural drainages (Blackfoot River and Angus Creek).

2.4 SURFACE WATER CONSUMPTIVE USE - SUMMARY

Collection of surface water runoff at the Rasmussen Valley Mine is estimated to occur for 7 years as summarized in Table 3. During the final phases of reclamation and beyond, runoff at the site will no longer be collected.

Table 3. Estimated Annual Runoff Collection by Contact-Water Retention Basins at the Rasmussen Valley Mine Site – Life of Mine			
Year	Activity ¹	Estimated Volume of Annual Surface Water Runoff Stored/Diverted ²	Estimated Volume of Annual Surface Water Consumed
		Ac-ft	Ac-ft
2017	Infrastructure	0.0	0.0
2018	Mining Year 1	36.6	36.6
2019	Mining Year 2	36.6	36.6
2020	Mining Year 3	36.6	36.6
2021	Mining Year 4	36.6	36.6
2022	Mining Year 5	36.6	36.6
2023	Year 6- Post-mining Reclamation	36.6	36.6
2024	Year 7- Post-mining Reclamation ³	0.0	0.0
1. Dates are estimated. Mining activities may occur over a period of less than 5 years.			
2. Annual consumptive volumes were calculated based on the estimated average annual runoff depth of 1.16 inches over the contributing drainage area. Estimated volume is the maximum possible consumptive volume in any one year.			
3. By the end of reclamation at the end of Year 7, all retention basins will be removed.			

In the interest of being conservative, and to appropriately plan for consumptive water right mitigation, Agrium will plan to offset for 40 acre-feet per year for RVM.

3. Consumptive Use Offset

Agrium proposes to offset the proposed consumption of surface water at the RVM through a transfer (or exchange) of existing water rights.

3.1 OFFSET THROUGH EXCHANGE OF EXISTING WATER RIGHTS

Agrium proposes to offset the proposed collection and consumption of surface water at the RVM through transfer (perhaps better characterized as an exchange) of a portion of existing Water Right 27-7302 to provide sufficient offset volume. Located in Basin 27 in the Upper Blackfoot River drainage area, Water Right 27-7302 is an industrial surface water right currently owned by Nu-West Mining Inc., a wholly owned subsidiary of Nu-West Industries, Inc (dba Agrium) and therefore well suited to offset/exchange rights for RVM. A map is included as Figure 6 which shows the POD for 27-7302 in relation to the RVM site. Table 4 below provides summary information for 27-7302.

Table 4. Water Right 27-7302						
Water Right Number	Owner	Source	Period	Beneficial Use	Volume (AFA)	Total Diversion (AFA)
27-7302	Nu West Mining, Inc.	Mabey Creek, Dry Valley Creek	01/01 - 12/31	Mining storage	3.6 AFA	150 AFA
			01/01 - 12/31	Mining from Storage	150 AFA	

Water Right 27-7302 provides Nu-West up to 150 acre-feet per year for mining purposes. A copy of the Water Right Report for 27-7302 is included in Attachment A.

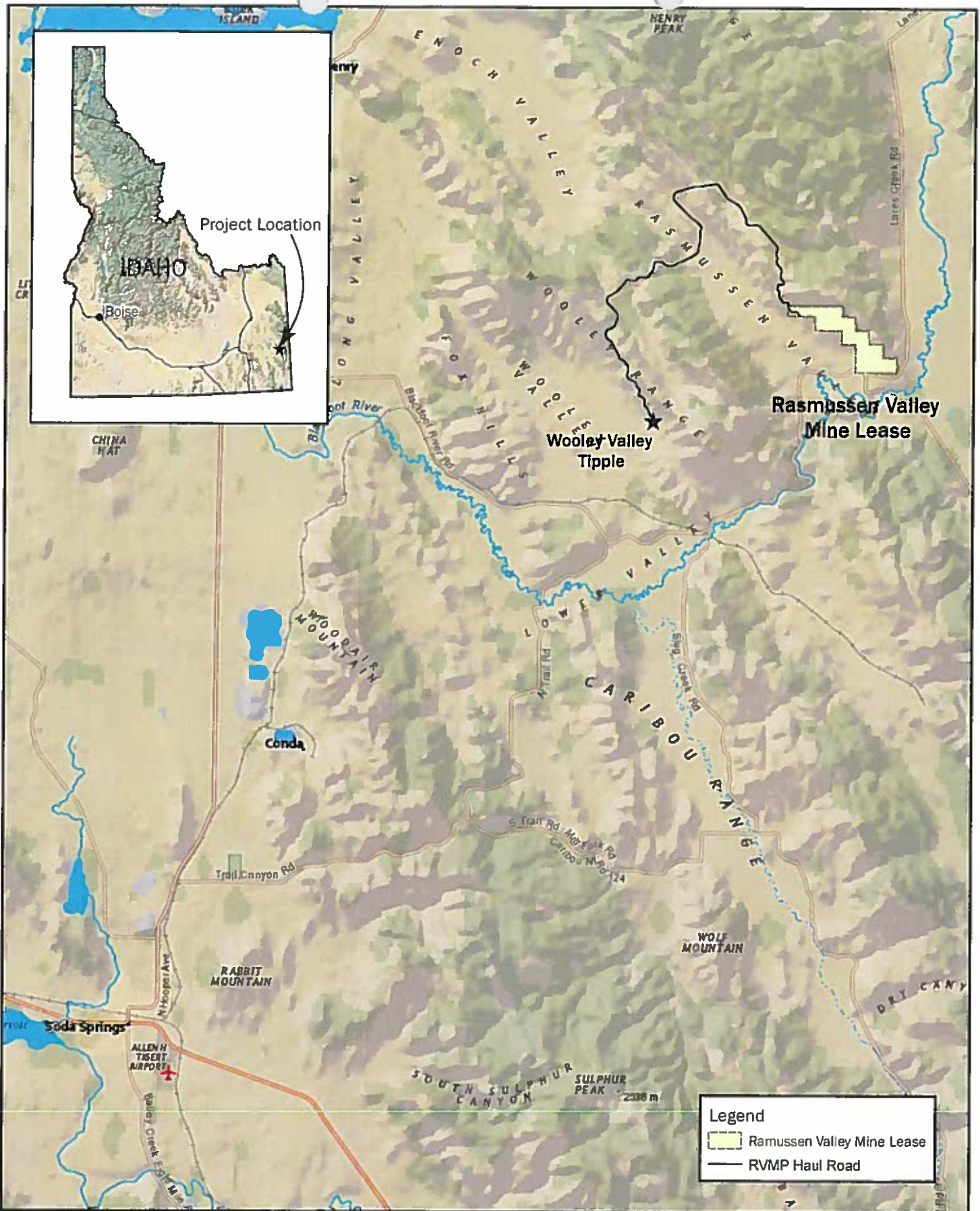
In order to offset the proposed collection and consumption of surface water at the RVM, Agrium proposes to exchange 40 acre-feet per year from Water Right 27-7302. This application is allowable under Idaho Code Sections 42-222 and 42-240, pending approval for this offset approach by the Director of the IDWR.

Annual surface water consumptive use at the RVM will be estimated by visually monitoring collection basin volumes and by measuring water pumped from collection basins into the backfill. Upon IDWR's request, an annual summary report will be provided to IDWR that includes volumes required and provided for the prior year. In the event that insufficient volume is provided in any year, Agrium will secure additional mitigation volume for the upcoming year through the Idaho Water Supply Bank and/or amendment of this Plan.

3.2 CONCLUSION

Agrium will fully offset hydrological impacts to the Upper Blackfoot River drainage that result from the diversion and potential consumption (evaporation) of surface water during the mining and reclamation activities at the RVM. With that, Agrium respectfully requests timely approval of the subject permit application.

FIGURES



Brown AND Caldwell

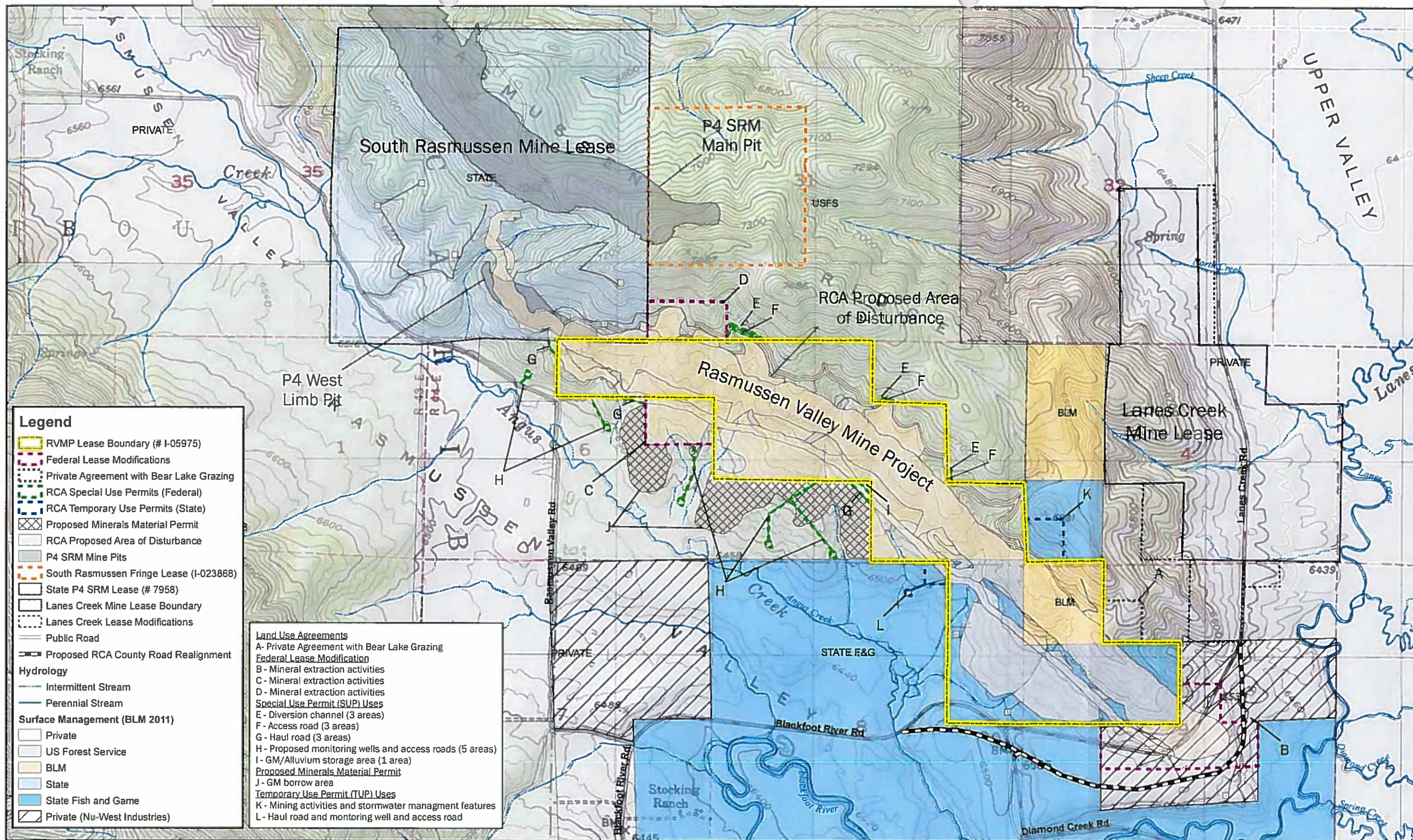
Date: March 2016
 Project No: 148744
 Client: Agrium

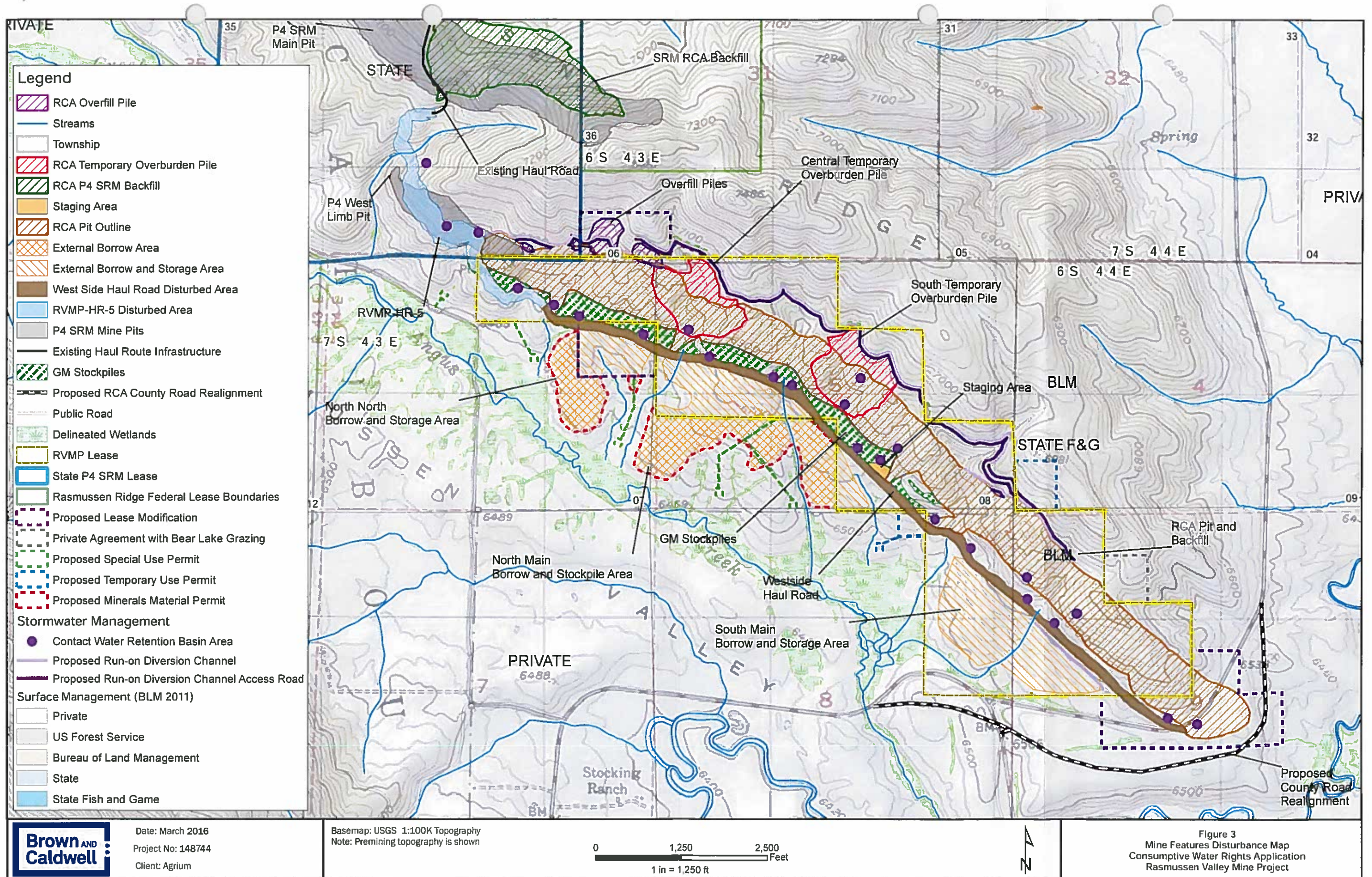
Basemap: National Geographic

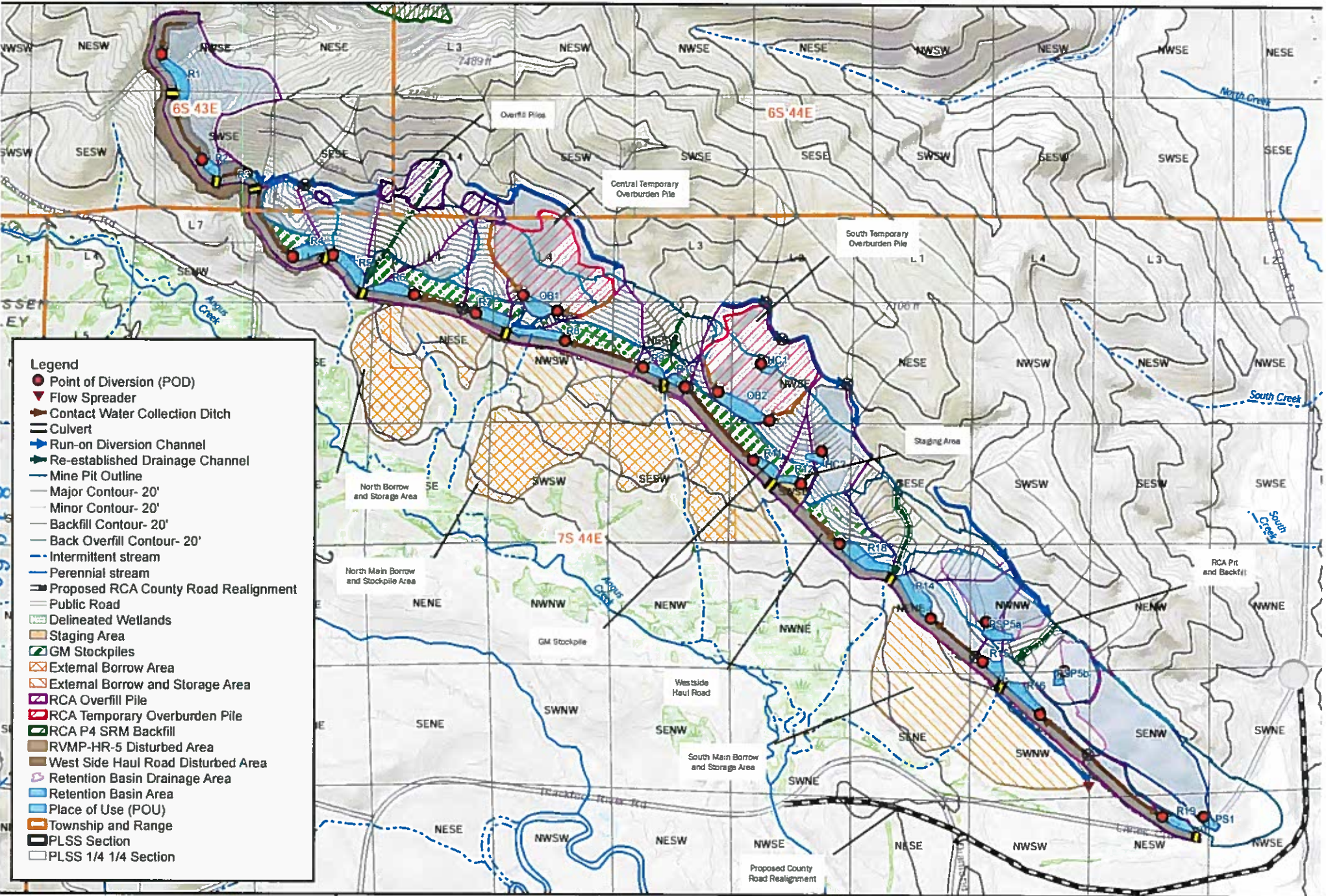
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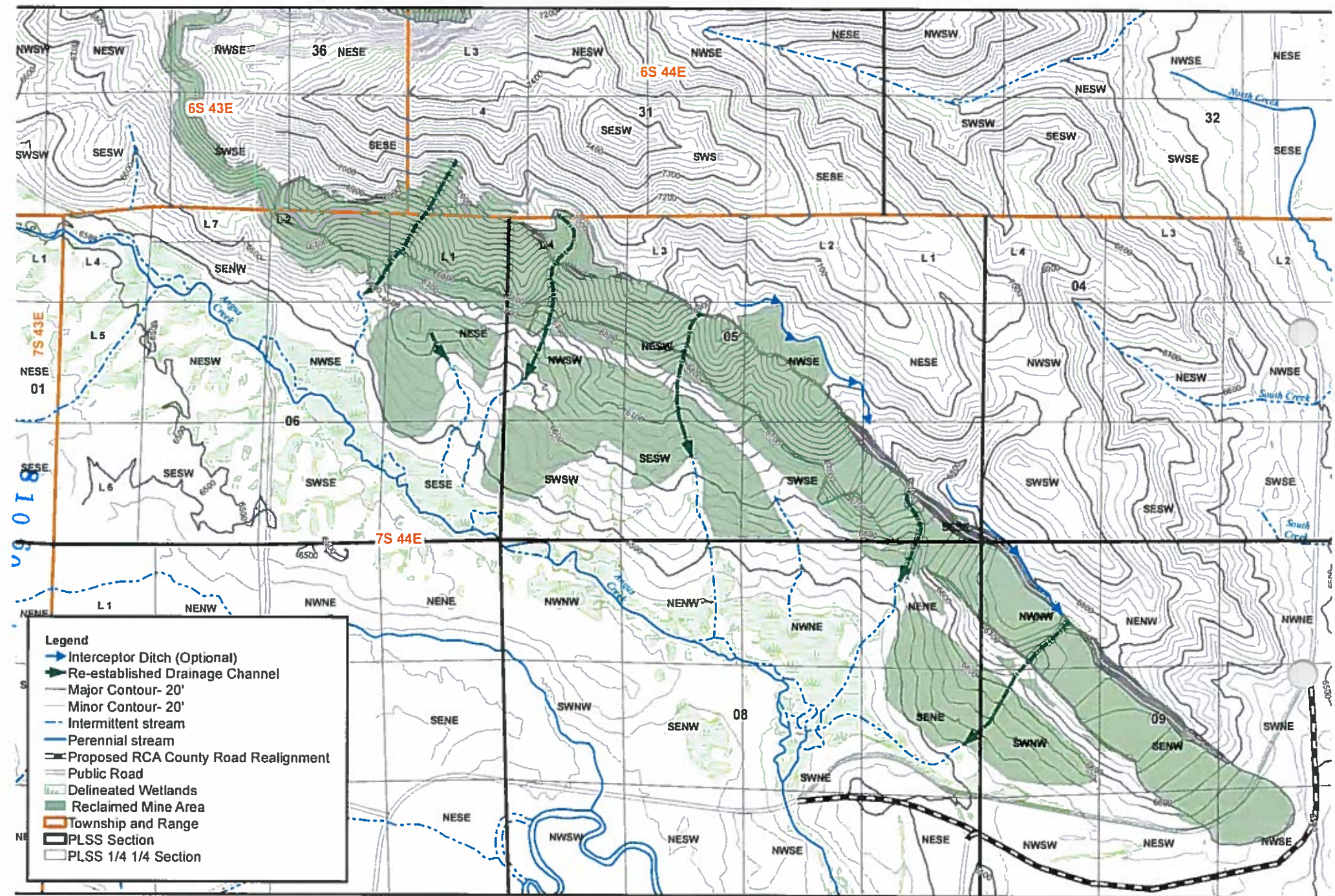


Figure 1
 Site Location Map
 Consumptive Water Rights Application
 Rasmussen Valley Mine Project







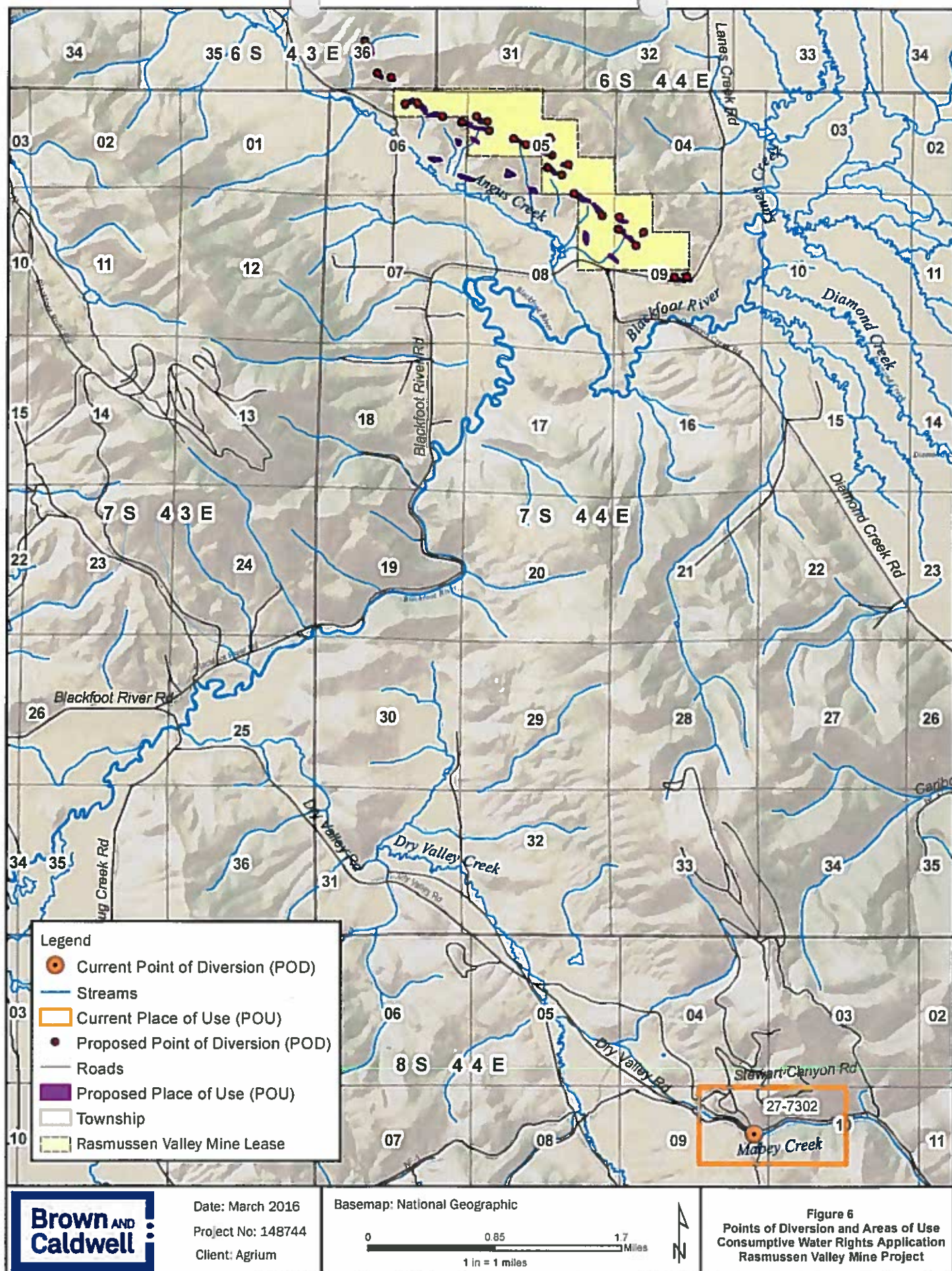


Date: March 2016
 Project No.: 148744
 Client: Agrium

Map Coordinate System: NAD 1983 UTM Zone 12N
 Notes: Proposed conditions after final reclamation are presented,

1 in = 1,370 feet
 0 500 1,000 Feet

Figure 5
 Final Reclamation Map
 Consumptive Water Rights Permit
 Rasmussen Valley Mine Project



Attachment A
Water Right Report (27-7302)

IDAHO DEPARTMENT OF WATER RESOURCES
Water Right Report

3/7/2016

WATER RIGHT NO. 27-7302

<u>Owner Type</u>	<u>Name and Address</u>
Current Owner	NU WEST MINING INC ATTN JON GOODE 3010 CONDA RD SODA SPRINGS, ID 83276 (208)547-4381
Original Owner	CONDA PARTNERSHIP PO BOX 37 CONDA, ID 83230 (208)547-4381

Priority Date: 03/04/1982
Basis: Decreed
Status: Active

<u>Source</u>	<u>Tributary</u>
MABEY CREEK	DRY VALLEY CREEK

<u>Beneficial Use</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
MINING STORAGE	01/01	12/31		3.6 AFA
MINING FROM STORAGE	01/01	12/31		150 AFA
Total Diversion			150 AFA	

Location of Point(s) of Diversion:

MABEY CREEK NESENE Sec. 09 Township 08S Range 44E CARIBOU County

Place(s) of use:

Place of Use Legal Description: MINING FROM STORAGE CARIBOU County

Township Range Section Lot Tract Acres Lot Tract Acres Lot Tract Acres Lot Tract Acres

08S 44E 9
 10

Conditions of Approval:

- 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.
1. C18
 2. Water is used for dust abatement on haul roads at the Mabey Canyon Mine.
The haul roads of the Mabey Canyon Mine referenced above are located on and used in connection with Federal Phosphate Lease I-04 and related U.S. Forest Service Special Use Permits, which were attached to the original Permit Application for such rights and contained in IDWR's records
 - 3.
 4. 257 This water right is entitled to the protections of paragraph x.d of water right 27-11375.

Dates:

Licensed Date:

Decreed Date: 01/30/2008

Permit Proof Due Date: 5/1/1983

Permit Proof Made Date: 2/3/1983

Permit Approved Date: 4/15/1982

Permit Moratorium Expiration Date:

Enlargement Use Priority Date:

Enlargement Statute Priority Date:

Water Supply Bank Enrollment Date Accepted:

Water Supply Bank Enrollment Date Removed:

Application Received Date:

Protest Deadline Date:

Number of Protests: 0

Other Information:

State or Federal: S

Owner Name Connector:

Water District Number: 27

Generic Max Rate per Acre:

Generic Max Volume per Acre:

Civil Case Number:

Old Case Number:

Decree Plaintiff:

Decree Defendant:

Swan Falls Trust or Nontrust:

Swan Falls Dismissed:

DLE Act Number:

Cary Act Number:

Mitigation Plan: False