



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](http://www.idwr.idaho.gov)

C.L. "BUTCH" OTTER  
Governor

GARY SPACKMAN  
Director

January 6, 2017

FRANK AND CINDY BACHMAN  
PO BOX 186  
BRUNEAU ID 83604

**RE: Expiration of Water Supply Bank Rental Agreement for water rights: 2-2356, 2-7071**

Renter,

This letter is to inform you that your rental agreement(s) to rent the above listed water rights from the Water Supply Bank (Bank) expired at the end of 2016.

Once the rental agreement concludes, any diversion or use of water under the rental agreement will no longer be authorized and, if occurring, may be subject to an enforcement action.

If you wish to rent water in the future, please download a rental application from: <http://idwr.idaho.gov>. You may submit rental applications on November 1 of the year prior to the intended use of rental water. **YOU ARE ENCOURAGED TO FILE AN APPLICATION AT LEAST 3 MONTHS PRIOR TO THE DATE YOU DESIRE TO USE RENTAL WATER.**

If you have any questions about this matter, please contact me at (208) 287-4918.

Sincerely,

A handwritten signature in black ink, appearing to read 'RB', with a long horizontal line extending to the right.

Remington Buyer  
Water Supply Bank Coordinator

Enclosures:

APR 29 2016

STATE OF IDAHO  
DEPARTMENT OF WATER RESOURCES  
**WATER SUPPLY BANK RENTAL AGREEMENT**

DEPARTMENT OF  
WATER RESOURCES

This is to certify that: **FRANK AND CINDY BACHMAN**  
**PO BOX 186**  
**BRUNEAU ID 83604**  
**208-845-2090**

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 | Priority Date | Source | Tributary | Rented Rate | Annual Rented Volume | Acre Limit | Total Rented Acres |
|-------------|---------------|--------|-----------|-------------|----------------------|------------|--------------------|
|-------------|---------------|--------|-----------|-------------|----------------------|------------|--------------------|

|                             |            |             |                |          |           |    |         |
|-----------------------------|------------|-------------|----------------|----------|-----------|----|---------|
| 2-2356                      | 09/03/1964 | Snake River | Columbia River | 0.71 cfs | *180.0 af | NA | 36.0 ac |
| Total Annual Combined Limit |            |             |                | 0.71 cfs | *180.0 af | NA | 36.0 ac |

|                             |            |             |                |          |          |    |         |
|-----------------------------|------------|-------------|----------------|----------|----------|----|---------|
| 2-7071                      | 11/07/1970 | Snake River | Columbia River | 0.69 cfs | 156.2 af | NA | 34.7 ac |
| Total Annual Combined Limit |            |             |                | 0.69 cfs | 156.2 af | NA | 34.7 ac |

|                                      |                |                 |           |                |
|--------------------------------------|----------------|-----------------|-----------|----------------|
| <b>Annual Combined Rental Totals</b> | <b>1.4 cfs</b> | <b>336.2 af</b> | <b>NA</b> | <b>70.7 ac</b> |
|--------------------------------------|----------------|-----------------|-----------|----------------|

\*The volume of water available for irrigation use under this right is limited to 162.0 acre-ft.

**Term of Rental:** This rental is in effect from the day the Idaho Water Resource Board signs the rental agreement and shall be in effect until December 31, 2016.

**Rental Fee: \$5,715.40**

The fee for rental of the above-described water is \$5,715.40 per year. Ten percent (\$571.54) will be retained by the Department to offset administrative costs, and the remainder will be paid to the lessor(s).

**No administrative fees will be refunded once the fee is collected.**

Detailed water right conditions are attached.

## SUPPORT DATA

IN FILE # 2-2356

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:

Frank L. Bachman      FRANK L. BACHMAN      4-22-16  
Signature of Renter      Printed Name and Title\*      Date

Cindy L. Bachman      Cindy L. Bachman      4-22-16  
Signature of Renter      Printed Name and Title\*      Date

\*Please provide title of signatory 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 Brian Patton      Date 5/27/2016  
BRIAN PATTON, Acting Administrator  
Idaho Water Resource Board

Rental Approved by IDWR Chg. West      Date 5-27-2016

STATE OF IDAHO  
DEPARTMENT OF WATER RESOURCES  
**WATER SUPPLY BANK RENTAL AGREEMENT**

**WATER USE DETAILS**

**LOCATION OF POINT(S) OF DIVERSION**

SNAKE RIVER  
ELMORE County

L1(NE¼SE¼)

Sec. 33

Twp 05S

Rge 6E

**BENEFICIAL USE**

IRRIGATION

**SEASON OF USE**

03/15 TO 11/15

**RENTER'S PLACE OF USE:**          IRRIGATION

| Twp | Rge | Sec | NE |    |    |    | NW |     |    |    | SW  |    |      |      | SE |    |     |    | Totals |
|-----|-----|-----|----|----|----|----|----|-----|----|----|-----|----|------|------|----|----|-----|----|--------|
|     |     |     | NE | NW | SW | SE | NE | NW  | SW | SE | NE  | NW | SW   | SE   | NE | NW | SW  | SE |        |
| 05S | 06E | 27  |    |    |    |    |    |     |    |    | 0.3 |    | 25.0 | 36.0 |    |    | 1.7 |    | 63.0   |
|     |     | 34  |    |    |    |    |    | 7.7 |    |    |     |    |      |      |    |    |     |    | 7.7    |

Total Acres:    70.7

**CONDITIONS APPLICABLE TO ALL RENTED WATER RIGHTS**

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 does not constitute a dedication of the water to renter's place of use, and upon expiration of this agreement, the points of diversion and place of use of the water shall revert to those authorized under the water right and/or again be available to rent from the bank.
4. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
5. Use of water under this agreement shall not prejudice any pending permanent transfer applications that the renter has filed to modify other water rights for irrigation of the subject lands nor shall it prejudice any future rental agreement that may be made of the subject water right after this rental agreement expires.
6. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
7. 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.
8. Renter acknowledges and agrees that the Director may terminate diversion of water if the Director determines there is not a sufficient water supply for the priority of the right or portion thereof being rented.
9. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
10. The renter must diligently pursue a permanent water right to provide for the uses authorized under this rental agreement.

11. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.5 afa per acre at the field headgate for irrigation of the lands above.
12. Use of water under this agreement 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.
13. The following rights are diverted through point(s) of diversion described above: 2-2124 and 2-2092B.



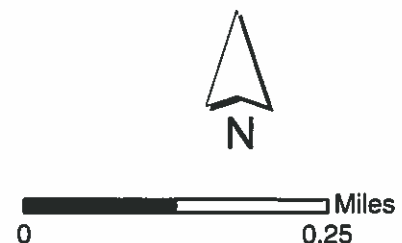
# Idaho Water Resource Board Water Supply Bank Rental Agreement

Effective until December 31, 2016

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



STATE OF IDAHO  
WATER RESOURCE BOARD

RECEIVED

SEP 04 2015

DEPARTMENT OF  
WATER RESOURCESAPPLICATION TO RENT WATER  
FROM THE BOARD'S WATER SUPPLY BANKApplicant Name: Frank & Cindy BachmanIs this application being submitted with a lease application as a lease/rental package? Yes ☒ No ☐

An *Application to Rent Water from the Board's Water Supply Bank* must be completed in accordance with the minimum requirement checklist below to be acceptable for processing by the Idaho Department of Water Resources (IDWR). 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.**

Applications to rent water should be submitted well in advance of the desired start date for the use of water. Rental applications may be submitted as early as November 1 of the year prior to the intended use of rental water. Rental applications submitted more than one year in advance of the proposed start date for water use will not be accepted and will be returned to applicants. Rental applications will not be processed if they are received after the end of the rental season of use.

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

For additional instructions on completing a rental application, visit the Department's website at [www.idwr.idaho.gov](http://www.idwr.idaho.gov).

| Checked All Items as Either Attached (Yes) or Not Applicable (N/A) |                                     |                                                                                                                                                              |                                                                                                       |
|--------------------------------------------------------------------|-------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|
| <b>YES</b>                                                         |                                     |                                                                                                                                                              |                                                                                                       |
|                                                                    | <input checked="" type="checkbox"/> | Completed <i>Application to Rent Water from the Board's Water Supply Bank</i>                                                                                |                                                                                                       |
| <b>Attachment</b>                                                  | <b>N/A</b>                          | <b>YES</b>                                                                                                                                                   |                                                                                                       |
| 2                                                                  | <input checked="" type="checkbox"/> | 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                                                                 | <input type="checkbox"/>            | <input checked="" type="checkbox"/>                                                                                                                          | Detailed information on a proposed use of rental water                                                |
| 3E                                                                 | <input checked="" type="checkbox"/> | <input type="checkbox"/>                                                                                                                                     | Authorization from the owner/operator of the rental point(s) of diversion                             |
| 3G                                                                 | <input checked="" type="checkbox"/> | <input type="checkbox"/>                                                                                                                                     | Water modeling to account for the impacts of the rental request                                       |
| 3J                                                                 | <input checked="" type="checkbox"/> | <input type="checkbox"/>                                                                                                                                     | Documents justifying a need to rent water for irrigation at a rate of flow greater than 0.02 cfs/acre |
| 3K                                                                 | <input type="checkbox"/>            | <input checked="" type="checkbox"/>                                                                                                                          | Authorization from the owner/operator of the property at the proposed rental place(s) of use          |
| 4B                                                                 | <input checked="" type="checkbox"/> | <input type="checkbox"/>                                                                                                                                     | Explanation of how the rental water will sufficiently accomplish your rental purposes                 |
| 4C                                                                 | <input checked="" type="checkbox"/> | <input type="checkbox"/>                                                                                                                                     | Explanation of consumptive use amounts for water rights experiencing a change in nature of use        |

| Department Use Only – Proposed Water Right(s) |        |
|-----------------------------------------------|--------|
| 2-7071                                        | 2-2356 |

STATE OF IDAHO  
WATER RESOURCE BOARD

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A. Applicant Frank & Cindy Bachman

Mailing Address PO Box 186, Bruneau, ID 83604

Email Address febachman@copper.net

Phone Number 208-845-2090

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 Lori Graves

Professional Title Water Rights Specialist

Organization SPF Water Engineering, LLC

Relationship to Applicant Consultant

Mailing Address 300 E. Mallard Dr., Ste 350, Boise, ID 83706

Email Address lgraves@spfwater.com

Phone Number 208-383-4140

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 place of use is outlined with an obvious, bolded line. For irrigation purposes, note that the place of use outlined on your map cannot exceed the number of acres you are proposing to rent. Attach the map to this application and label it **Attachment 2**.

3. DESCRIPTION OF PROPOSED USE FOR RENTAL WATER

A. Describe the purpose of your rental request. Include any anticipated rates of water application, water use practices or number of stock (if any). If the proposed use is not for irrigation, please provide a detailed description of the proposed use and how you determined the amount of rental water required. Attach additional sheets if required and label it **Attachment 3A**:  
Irrigation of owned and leased ground; see proposed transfer application included as Attachment 3A.

B. Enter the desired and/or minimum necessary rates of flow, volume, or irrigable acres requested for your rental purposes: See 4.A.

| Desired Rate<br>(Cubic Feet/Second) | Desired Volume<br>(Acre-Foot) | Minimum Rate*<br>(Cubic Feet/Second) | Minimum Volume*<br>(Acre-Foot) | Acres (if applicable)<br>(Acre) |
|-------------------------------------|-------------------------------|--------------------------------------|--------------------------------|---------------------------------|
| 1.67 CFS                            | 5 AF                          | 1.43 CFS                             | 4 AF                           | 80 AC                           |

*Sometimes water rights available for rent 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. Enter the proposed start date and latest possible start date for using rental water. Also provide the number of years you would like to rent water:

| Proposed Start Date<br>(month/day/year) | Latest Possible Start<br>(month/day/year) | * Proposed Rental<br>Duration<br>(Max 5 Years) | ** For multi-year rentals, indicate whether you desire to rent<br>water for remaining years if a rental request cannot be<br>approved for the first year? |                                                                                      |
|-----------------------------------------|-------------------------------------------|------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|
| 3/15/2015                               | 4/15/2015                                 | 5                                              | <input checked="" type="checkbox"/> Yes, approve rental for all<br>remaining future years.                                                                | <input type="checkbox"/> No, return rental request if<br>first year is unapprovable. |

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

\*\* Subject to the availability of rentable water. A multi-year rental that cannot begin during the first year requested may be approved for some or all remaining years, depending on availability. Rental requests will be returned if no water is available to rent in the first and/or subsequent years of the rental request.

STATE OF IDAHO  
WATER RESOURCE BOARD

**Application to Rent Water (Continued)**

- D. Refer to the map you created in item 2 and specify the location of the point(s) of diversion (POD) from which rental water is proposed to be diverted:

| Water Source | TWP | RGE | SEC | ¼ | ¼  | ¼  | County | Other water rights for the same purpose diverted from this POD |
|--------------|-----|-----|-----|---|----|----|--------|----------------------------------------------------------------|
| Snake River  | 5S  | 6E  | 33  |   | NE | SE | Elmore | 2-2124, 2-2092B                                                |
|              |     |     |     |   |    |    |        |                                                                |
|              |     |     |     |   |    |    |        |                                                                |
|              |     |     |     |   |    |    |        |                                                                |

The entry in this grid must match the map from item 2 on the application.

- E. Do you own and/or possess the authority to divert water from the above POD(s)? Yes ☒ No ☐  
If no, provide documentation from the owner/operator confirming your authorization to use the POD(s) and label it **Attachment 3E**.
- F. Do any POD(s) identified in Question 3D 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.*
- G. Has water modeling been provided with your rental request? Yes ☐ No ☒  
If yes, include as **Attachment 3G**. Otherwise please explain why modeling was not provided:

*Rental applications that require modeling will be returned if modeling is not provided.*

- H. Specify the proposed beneficial use: ☒ Irrigation ☐ Commercial ☐ Industrial ☐ Municipal  
☐ Groundwater Recharge ☐ Mining ☐ Stockwater ☐ Other: \_\_\_\_\_
- I. Refer to the map you created in item 2 and specify below the places you propose to use water. If for irrigation, specify the number of acres to be irrigated per ¼ ¼ tract. Otherwise indicate usage by marking the ¼ ¼ tracts with the first letter of your proposed use identified above:

| TWP                                                                       | RGE | SEC | NE |    |    |    | NW |    |    |    | SW |    |    |    | SE |    |    |    | TOTALS                       |
|---------------------------------------------------------------------------|-----|-----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|------------------------------|
|                                                                           |     |     | NE | NW | SW | SE | NE | NW | SW | SE | NE | NW | SW | SE | NE | NW | SW | SE |                              |
| 5S                                                                        | 6E  | 27  |    |    |    |    |    |    |    |    |    |    | 25 | 36 |    |    | 2  |    | 63                           |
|                                                                           |     | 34  |    |    |    |    |    | 7  |    |    |    |    |    |    | 10 |    |    |    | 17                           |
|                                                                           |     |     |    |    |    |    |    |    |    |    |    |    |    |    | L1 |    |    |    |                              |
|                                                                           |     |     |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |                              |
|                                                                           |     |     |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |                              |
|                                                                           |     |     |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |                              |
| The entry in this grid must match the map from item 2 on the application. |     |     |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    | Total Acres (for irrigation) |
|                                                                           |     |     |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    | 80                           |

- J. For irrigation uses, do you propose a water diversion rate greater than 0.02 cfs/acre? N/A ☐ Yes ☒ No ☐  
If yes, explain the justification for this rate of flow and attach any supporting documents as **Attachment 3J**:  
Duty of water decreed to specific water rights proposed for lease

- 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**. \*Lease for acres in S27 included as Attachment 3K1. Lease for acres in S34 included as Attachment 3K2.

- L. Describe your water distribution system and how water will be delivered from the POD(s) to the proposed POU(s):  
Existing pump station consisting of two 125-hp pumps; pressurized irrigation system.

STATE OF IDAHO  
WATER RESOURCE BOARD

**Application to Rent Water (Continued)**

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

See the purchase and sale agreement and maps attached to the proposed transfer application included as

Attachment 3A

**4. RENTAL REQUESTS FOR SPECIFIC WATER RIGHTS**

A. Are you requesting to rent specific water rights?

Yes ☒ No ☐

If yes, specify below the water rights you are requesting to rent. Otherwise continue to Section 5 of this application form.

**Please note:** Diversion rates and volumes to be rented from a leased water right must be proportionate to the per acre diversion rates and per acre volume limits of the water right leased to the Bank. Applicants should query a water right's rental availability by reviewing active lease and rental documents, searchable via [IDWR's website](#), to ensure all elements of a water right remain available in sufficient quantity to satisfy a rental request.

Water rights identified below must either already be leased to the Bank or a lease proposal should accompany the 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 with combined limits, applicants should request to rent against the combined limit diversion rate, volume or acre limits.

| Elements of Water Rights Leased to the Bank (Contract Details)                                                                                                                   |               |              |            |             |            |              |            | Leased totals minus water actively engaged in rental agreement equals rental availability | Rental Request |           |            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------|------------|-------------|------------|--------------|------------|-------------------------------------------------------------------------------------------|----------------|-----------|------------|
| Water Right Number                                                                                                                                                               | Nature of Use | Water Source | Rate (CFS) | Volume (AF) | Acres (AC) | Start (year) | End (year) |                                                                                           | Rate (CFS)     | Vol. (AF) | Acres (AC) |
| 2-7071                                                                                                                                                                           | Irrigation    | Snake R      | 0.92       | 207         | 46         | 2015         | 2020       |                                                                                           | 0.92           | 207       | 46         |
| 2-2356                                                                                                                                                                           | Irrigation    | Snake R      | 0.75       | 190         | 34         | 2015         | 2020       |                                                                                           | 0.75           | 190       | 34         |
|                                                                                                                                                                                  |               |              |            |             |            |              |            |                                                                                           |                |           |            |
|                                                                                                                                                                                  |               |              |            |             |            |              |            |                                                                                           |                |           |            |
|                                                                                                                                                                                  |               |              |            |             |            |              |            |                                                                                           |                |           |            |
|                                                                                                                                                                                  |               |              |            |             |            |              |            |                                                                                           |                |           |            |
|                                                                                                                                                                                  |               |              |            |             |            |              |            |                                                                                           |                |           |            |
|                                                                                                                                                                                  |               |              |            |             |            |              |            |                                                                                           |                |           |            |
| <b>Applicants must ensure the requested rate per acre and volume per acre do not exceed the rate per acre and volume per acre that have been leased to the Water Supply Bank</b> |               |              |            |             |            |              |            | <b>TOTAL</b>                                                                              | 1.67<br>CFS    | 397<br>AF | 80<br>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**:

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STATE OF IDAHO  
WATER RESOURCE BOARD

Application to Rent Water (Continued)

- C. Does your rental request propose to change the nature of use for any water right(s) being requested? 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, as well as the new consumptive use amount for your proposed beneficial use. Attach a separate page if space is insufficient and label it Attachment 4C:

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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:

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- 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: See Attachment 3A: Proposed transfer application

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- 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.

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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.

Frank L. Bachman  
Signature of Applicant

FRANK L. BACHMAN  
Printed Name of Applicant

5-5-15  
Date

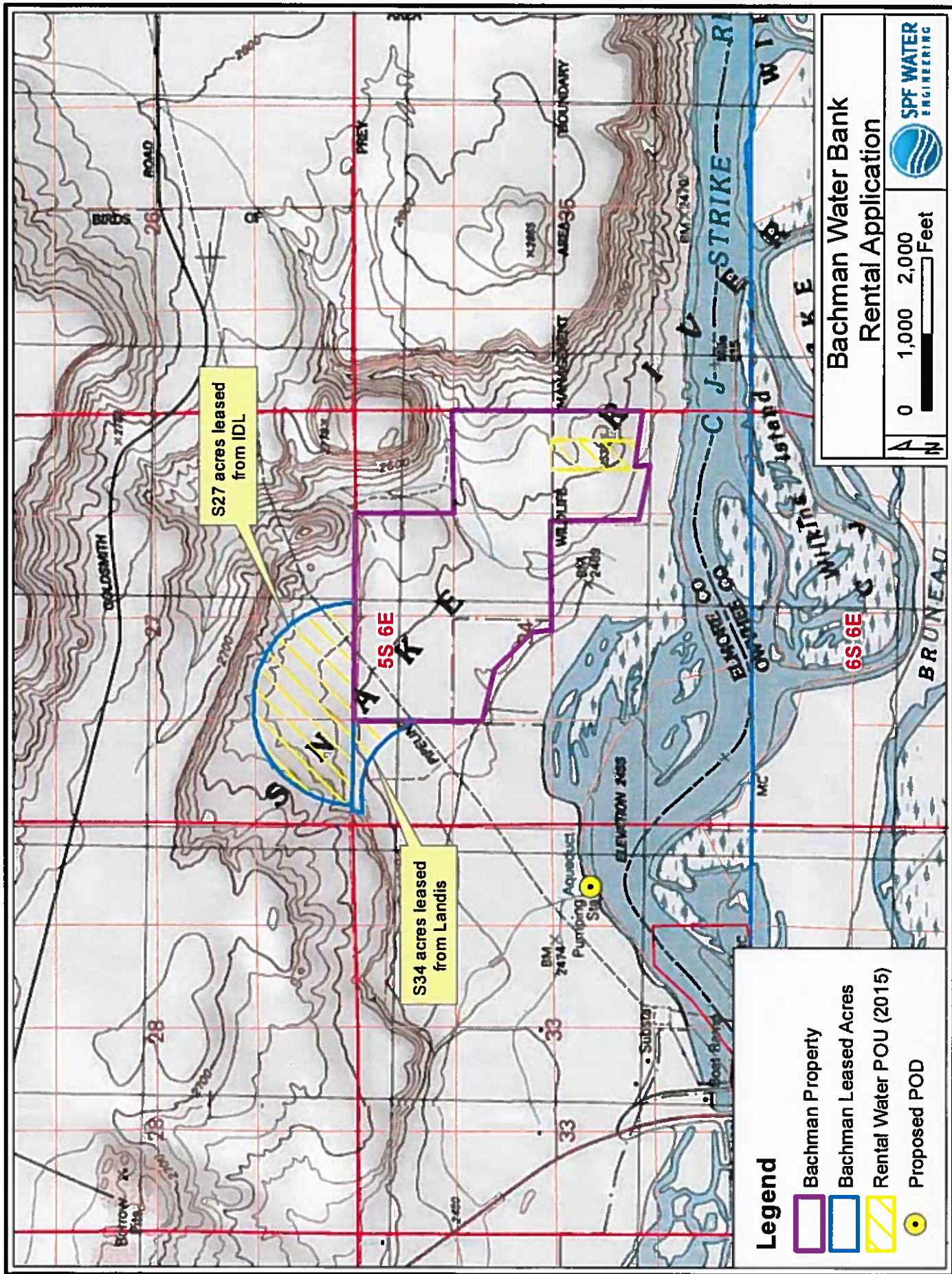
Cindy L. Bachman  
Signature of Representative

Cindy L. Bachman  
Printed Name of Representative

5-5-15  
Date

Mail to:

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



STATE OF IDAHO  
DEPARTMENT OF WATER RESOURCES

Transfer No. \_\_\_\_\_

## MINIMUM REQUIREMENTS CHECKLIST TO BE SUBMITTED WITH APPLICATION FOR TRANSFER

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](http://www.idwr.idaho.gov).

Name of Applicant(s) Frank L. and Cindy L. Bachman

**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](http://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

## APPLICATION FOR TRANSFER OF WATER RIGHT PART 1

Name of Applicant(s) Frank & Cindy Bachman Phone 208-845-2090  
Mailing address PO Box 186, Bruneau, ID 83604 Email febachman@copper.net

- ☐ 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 SPF Water Engineering, LLC Phone 208-383-4140  
Mailing address 300 E. Mallard Dr., Ste 350, Boise, ID 83706 Email lgraves@spfwater.com

- ☐ 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.

Frank L. Bachman  
Signature of Applicant or Authorized Representative

FRANK L. BACHMAN  
Print Name and Title if applicable

5-5-15  
Date

Cindy L. Bachman  
Signature of Applicant or Authorized Representative

Cindy L. Bachman  
Print Name and Title if applicable

5-5-15  
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 consolidate irrigation
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**.  
(1) change the point of diversion from an abandoned pump station to an existing pump station currently used; (2) change the irrigation place of use to a permissible place of use for irrigation flexibility; (3) transfer 22 acreof water right 2-2277 to applicant's proposed PPU as authorized in the purchase and sale agreement (Attachment 3); and (4) consolidate authorized irrigation rate and volume applicable to 196 acres to 188 acres within the proposed PPU.

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<br>(cfs/ac-ft) | Nature of Use | Period of Use | Source & Tributary   |
|-----------------------------------------------------------------------------|--------------|-----------------------|---------------|---------------|----------------------|
| All or Part<br><input checked="" type="checkbox"/> <input type="checkbox"/> | 2-10497      | 2.66/787.5            | Irrigation    | 3/15 to 11/15 | Snake R./Columbia R. |
| <input type="checkbox"/> <input checked="" type="checkbox"/>                | 2-2277       | 0.34/99               | Irrigation    | 3/15 to 11/15 | Snake R./Columbia R. |
| <input type="checkbox"/> <input type="checkbox"/>                           |              |                       |               | to            |                      |
| <input type="checkbox"/> <input type="checkbox"/>                           |              |                       |               | to            |                      |
| <input type="checkbox"/> <input type="checkbox"/>                           |              |                       |               | to            |                      |
| <input type="checkbox"/> <input type="checkbox"/>                           |              |                       |               | to            |                      |
| <input type="checkbox"/> <input type="checkbox"/>                           |              |                       |               | to            |                      |
| <input type="checkbox"/> <input type="checkbox"/>                           |              |                       |               | to            |                      |
| <input type="checkbox"/> <input type="checkbox"/>                           |              |                       |               | to            |                      |

Total authorized under rights 3.0 cfs and/or 886.5 acre-feet.

2. Total amount of water proposed to be transferred or changed 3.0 cubic feet per second and/or 886.5 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.

| New ? | Lot | ¼ | ¼  | ¼  | Sec | Twp | Rge | County | Source      | Local name or tag # |
|-------|-----|---|----|----|-----|-----|-----|--------|-------------|---------------------|
| No    | 1   |   | NE | SE | 33  | 5S  | 6E  | Elmore | Snake River |                     |
|       |     |   |    |    |     |     |     |        |             |                     |
|       |     |   |    |    |     |     |     |        |             |                     |
|       |     |   |    |    |     |     |     |        |             |                     |
|       |     |   |    |    |     |     |     |        |             |                     |

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 |             |
| 5S                               | 6E  | 34  |      | 40 | 40 | 40 | 40   |    |    | 22 |      |    |    |    | 37   | 3  |    |    | 222         |
|                                  |     | 34  |      |    |    |    |      |    |    |    |      |    |    |    | L1   | L2 |    |    |             |
|                                  |     |     |      |    |    |    |      |    |    |    |      |    |    |    |      |    |    |    |             |
|                                  |     |     |      |    |    |    |      |    |    |    |      |    |    |    |      |    |    |    |             |
|                                  |     |     |      |    |    |    |      |    |    |    |      |    |    |    |      |    |    |    |             |
|                                  |     |     |      |    |    |    |      |    |    |    |      |    |    |    |      |    |    |    |             |
|                                  |     |     |      |    |    |    |      |    |    |    |      |    |    |    |      |    |    |    |             |
|                                  |     |     |      |    |    |    |      |    |    |    |      |    |    |    |      |    |    |    |             |
| Total Acres (for irrigation use) |     |     |      |    |    |    |      |    |    |    |      |    |    |    |      |    |    |    | *222        |

\*188 acres irrigation within a 222-acre permissible place of use (PPU)

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:

Existing pump station consisting of two 125-hp pumps; pressurized irrigation system. Flow meters and lockable controlling works are to be installed this summer.

- b. Who owns the property at the point(s) of diversion? Idaho Power

If other than the applicant, describe the arrangement enabling the applicant to access the property for the diversion system:  
Special Use Permit No. 2055-5-008

- 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: \_\_\_\_\_

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:

Per the Purchase and Sale Agreement included as Attachment 3, applicants purchased and are proposing to transfer water appurtenant to 22 of the 43 acres in the W1/2NW, Section 34 under right 2-2277. The 22-acre area is part of a PPU proposed on an accompanying transfer application in the names of Melody and Tim Landis.

- 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:

The proposed pump station is authorized for water rights 2-2124 and 2-2092B and proposed for water right 2-2277.

- 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:

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

**Current Water Right No.: 2-2277**

**Current Owner:** MELODY F LANDIS  
**Priority Date:** 2/26/1964  
**Origin:** Water Right  
**Status:** Active  
**Basis:** Decreed

**Source**

SNAKE RIVER

**Tributary**

COLUMBIA RIVER

**Beneficial Use**

IRRIGATION

**From To**

03/15 to 11/15

**Diversion Rate**

0.66 CFS

**Annual Volume**

193.5 AF

**Total Diversion**

0.66 CFS

193.5 AF

**Location of Point(s) of Diversion**

SNAKE RIVER

SW1/4SE1/4NW1/4

Sec. 34, Twp 05S, Rge 06E B.M.

ELMORE County

**Place of Use**

**IRRIGATION Within ELMORE County**

T05S R06E S34

NWNW

31.00

T05S R06E S34

SWNW

12.00

Total Acres: 43

**Conditions of Approval:**

1. 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.
2. S39 The use of water for irrigation under this right may begin as early as March 1, provided other elements of the right are not exceeded. The use of water before March 15 under this remark is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than the date a partial decree is entered for this right.
3. C05 Right includes accomplished change in place of use pursuant to Section 42-1425, Idaho Code.

Decreed Date: 2/10/2010

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

**Current Water Right No.: 2-10497**

**Current Owner:** FRANK L BACHMAN  
CINDY L BACHMAN

**Priority Date:** 2/26/1964

**Origin:** Water Right

**Status:** Active

**Basis:** Decreed

**Source**

SNAKE RIVER

**Tributary**

COLUMBIA RIVER

**Beneficial Use**

IRRIGATION

**From To**

03/15 to 11/15

**Total Diversion**

**Diversion Rate**

2.66 CFS

2.66 CFS

**Annual Volume**

787.5 AF

787.5 AF

**Location of Point(s) of Diversion**

SNAKE RIVER

ELMORE County

SW1/4SE1/4NW1/4

Sec. 34, Twp 05S, Rge 06E B.M.

**Place of Use**

**IRRIGATION Within ELMORE County**

|               |            |       |               |      |       |
|---------------|------------|-------|---------------|------|-------|
| T05S R06E S34 | NWNE       | 15.00 | T05S R06E S34 | SWNE | 41.00 |
| T05S R06E S34 | SENE       | 30.00 | T05S R06E S34 | NENW | 42.00 |
| T05S R06E S34 | SENW       | 22.00 | T05S R06E S34 | NESE | 20.00 |
| T05S R06E S34 | Lot 2 NWSE | 4.00  |               |      |       |

Total Acres: 174

**Conditions of Approval:**

1. S39 The use of water for irrigation under this right may begin as early as March 1, provided other elements of the right are not exceeded. The use of water before March 15 under this remark is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than the date a partial decree is entered for this right.
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. C05 Right includes accomplished change in place of use pursuant to Section 42-1425, Idaho Code.

Decreed Date: 2/10/2010

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](http://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](http://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: 2-2277

1. amount 0.34 cfs/99 ac-ft (cfs/ac-ft) for Irrigation purposes from 3/15 to 11/15  
 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]



# **REAL ESTATE PURCHASE AND SALE AGREEMENT**

AGREEMENT, made this 26 day of October, 2012, between Melody Landis, also known as Melody F. Landis, a married woman dealing with her sole and separate property and estate, whose address is 20028 Highway 51, Mountain Home, Idaho 83647, hereinafter designated in as the "Seller", and Frank L. Bachman and Cindy L. Bachman, husband and wife, whose address is P. O. Box 186, Bruneau, Idaho 83604, hereinafter designated in the singular and by masculine gender as the "Buyer".

IN CONSIDERATION OF the sum of [REDACTED] (\$[REDACTED]), hereinafter designated as the "Earnest Money" and in consideration of the mutual promises and covenants herein contained, the Seller promises and agrees to sell to the Buyer and the Buyer promises and agrees to purchase from the Seller, the real and personal property described herein on the following terms and conditions.

1. **DESCRIPTION OF PROPERTY.** The real and personal property to be sold is located in the County of Elmore, State of Idaho, and is more particularly described in Exhibit A that is attached hereto and by this reference made a part hereof.

2. **PURCHASE PRICE.** The total purchase price for the above-described property shall be [REDACTED] (\$[REDACTED]), which shall be payable as follows:

a. The sum of [REDACTED] (\$[REDACTED]) as Earnest Money, which sum has been deposited in and received by Guaranty Title, Inc., 206 South 3rd East, Mountain Home, Idaho 83647, the closing agent.

b. The sum of [REDACTED] (\$[REDACTED]) at the time of closing as hereinafter provided.

c. The balance of the purchase price in the amount of [REDACTED] (\$[REDACTED]) shall be payable as follows:

(1) The interest due on the principal balance payable of the \$ [REDACTED] shall be paid in full the 1<sup>st</sup> day of February, 2013.

(2) The sum of \$ [REDACTED] on or before the 1<sup>st</sup> day of February, 2014, and the like sum of \$ [REDACTED] on or before the 1<sup>st</sup> day of February each and every year thereafter, up to and including the 1<sup>st</sup> day of February, 2028, when the entire principal balance due on the purchase price, together with all of the interest due shall be paid in full.

Interest shall be charged upon the principal balance remaining from time to time unpaid from the date of closing at the rate of [REDACTED] per annum. Each payment made hereunder shall first be applied to the interest then due and unpaid and the balance of each payment shall be applied upon the principal balance due hereunder.

The Buyer may pay all or any portion of the purchase price due hereunder before the due date thereof without penalty, and interest shall be charged only on the principal balance remaining from time to time unpaid. Any prepayment by the Buyer shall not relieve the Buyer from the payment of the regular annual payments provided for herein.

3. **CONVEYANCE OF TITLE.** The title to the real property to be conveyed to the Buyer by the Seller shall be by standard warranty deed, conveying to the Buyer good and merchantable fee simple title, free and clear of all liens and encumbrances, except patent reservations, easements and rights-of-way of record, visible easements and to any existing tenancies. Title to the personal property to be conveyed to Buyer by the Seller shall be conveyed by a standard bill of sale. The title to the personal property shall be marketable in the Buyer and shall be conveyed free and clear of all security interests, covenants, conditions, liens, and encumbrances.

4. **SECURITY FOR PAYMENT.** At the time of closing and the conveyance of the above-described property from the Seller to the Buyer, the Buyer shall execute and deliver to the Seller a standard promissory note in the amount of \$ [REDACTED], the balance due hereunder, payable according to the terms provided for above and a standard Mortgage in recordable form with the Seller as the mortgagee thereon, securing said promissory note and the payments due thereunder.

5. **TITLE INSURANCE.** The Seller shall within a reasonable time after closing furnish to the Buyer an owner's policy of title insurance in the amount of the purchase price of the real property showing marketable and insurable title, subject only to the liens and encumbrances herein mentioned. Prior to closing the transaction, the Seller shall furnish to the Buyer a commitment for title insurance showing the condition of the title to said premises. Buyer shall have five days from receipt of the commitment or until twenty-four hours prior to closing, whichever is less, within which to object in writing to the condition of the title as set forth in the report. If the Buyer does not so object, the Buyer shall be deemed to have accepted the conditions of the title.

6. **CLOSING.** The sale and purchase of the above-described property shall be closed on the \_\_\_\_ day of October, 2012, at \_\_\_\_ o'clock \_\_.M. at Guaranty Title, Inc., unless otherwise agreed in writing by the parties hereto. This agreement shall constitute not only the agreement of purchase and sale between Buyer and Seller but also instructions to closing agent for the consummation of the agreement through the escrow. The closing agent shall prepare any further escrow instructions restating or amending this agreement as necessary to consummate this transaction. The closing agent's fees and costs for closing this sale shall be paid one-half by the Seller and one-half by the Buyer.

7. **PURCHASE CONTINGENT ON FINANCING.** The purchase and sale of the property described herein is contingent on Buyer obtaining financing for the purchase of the property. Buyer has made application for financing for the purchase and shall make a best effort to procure the financing prior to closing. If buyer is unable to obtain financing for the purchase prior to closing neither party shall be obligated to complete this sale and the Earnest Money shall be returned to buyer.

8. **TAXES.** All taxes levied and assessed against said property shall be prorated as of the date of closing, the Seller paying all taxes levied and assessed against said property prior to closing and the Buyer paying all taxes levied and assessed against said property subsequent to closing.

9. **POSSESSION.** Possession of the above-described property shall be delivered by the Seller to the Buyer at the time of closing.

10. **RISK OF LOSS.** Risk of loss from fire or other casualty to any improvements located on the above-described property shall be on the Seller until closing and the transfer of title.

11. **DEPOSIT OF MONEY AND INSTRUMENTS WITH CLOSING AGENT.** On or before the closing date, Buyer and Seller shall deposit with the closing agent all funds and instruments necessary to complete this sale.

12. **WATER RIGHTS.** The sale of the above-described real property shall include all appurtenant water rights. The Seller owns Idaho Water Right No. 2-2277 consisting of water rights to irrigate 217 acres. There are 43 acres of water rights that are appurtenant to the West Half of the Northwest Quarter of Section 34, Township 5 South, Range 5 East, Boise Meridian, that are owned by Seller. Seller shall transfer all but 21 acres of those water rights consisting of 3.0 cfs to Buyer to be utilized by Buyer to irrigate the property being purchased by Buyer from Seller, even though Buyer is not purchasing the West Half of the Northwest Quarter of Section 34 from Seller. The Buyer and Seller shall diligently pursue with the Idaho Department of Water Resources the transfer of the water rights being sold by Seller to Buyer that are now appurtenant to the West Half of the Northwest Quarter of Section 34 to the property being purchased by Buyer from Seller. In addition the Seller shall execute and deliver to Buyer any and all assignments or other documents necessary to transfer the water rights to the property to Buyer.

**13. ACCESS EASEMENT.** As part of the consideration for the purchase price to be paid by the Buyer, the Seller shall grant to the Buyer an access easement twenty-five feet wide from State Highway 51 over and across real property owned by the Seller in Sections 33 and 34, Township 5 South, Range 6 East, Boise Meridian, in Elmore County, Idaho, to the boundary of the property being purchased by the Buyer for the use by Buyer to get farm equipment to the property being purchased by Buyer from Seller pursuant to the terms of this agreement. The access easement shall continue in full force and effect so long as Buyer or a member of Buyer's family owns the property purchased from Seller. If Buyer sells the property to a third party who is not related to Buyer, then the easement shall terminate. The Seller may move the existing road that constitutes the access easement so long as the new road or access easement provides access for Buyer's farm equipment to the property purchased by Buyer from Seller. The access easement is depicted on Exhibit B that is attached hereto and by this reference made a part hereof.

**14. ASSIGNMENT OF IDAHO POWER COMPANY SPECIAL USE PERMIT.** It is understood by the parties that irrigation pumps, the electrical equipment to operate the pumps and pipelines that are a part of this sale are located on land adjacent to C. J. Strike Reservoir that is owned by Idaho Power Company. The Seller has Special Use Permit No. 2055-S-008 with Idaho Power Company permitting the use of a portion of Sections 33 and 34 in Township 5 South, Range 6 East, Boise Meridian, Elmore County, Idaho, for buried sprinkler irrigation mainlines, two irrigation pumps located on the Snake river, a cattle watering access and use of the exiting Idaho Power Company roadway, a copy of which Permit is attached hereto as Exhibit C and by this reference made a part hereof. The real property covered in the permit is contained within the boundaries of the federally licensed C. J. Strike hydroelectric project. The Seller shall assign to Buyer Special Use Permit No. 2055-S-008 with Idaho Power Company, except the right

of cattle watering access, and shall assist and cooperate with Buyer in obtaining the express written consent of Idaho Power Company to the assignment of the Permit by Seller to Buyer as required by the Permit.

**15. WATER PIPELINE EASEMENT.** As part of the consideration for the purchase price to be paid by the Buyer, the Seller shall grant to the Buyer a permanent irrigation water pipeline easement and right of way to use, construct, install, maintain, operate, repair or replace a pipeline for the conveyance of irrigation water over, across, through and under the location of the existing pipeline from the existing pump station located on or near Lot 1 in Section 33, Township 5 South, Range 6 East, Boise Meridian in Elmore County, Idaho, and running over, across, through and under the location of the existing pipeline on the property of the Seller located in Lot 1 of Section 33 and the Northwest Quarter of Section 34 in Township 5 South, Range 6 East, Boise Meridian in Elmore County, Idaho, to the real property described in Exhibit A that Buyer is purchasing from Seller and as depicted on Exhibit D that is attached hereto and by this reference made a part hereof.

**16. HAZARDOUS SUBSTANCES.** The Seller warrants to the Buyer that the real property is not contaminated with any hazardous substances and that she has not placed nor brought onto the property any hazardous substances (as "hazardous substance" is defined by the Comprehensive Environmental Response, Compensation and Liability Act, as amended from time to time) or materials the removal of which is required or the maintenance of which is prohibited or penalized by any applicable local, state or federal law, ordinance, rule, regulation or requirement and to the best of Seller's knowledge, the property is free of all such hazardous substances and materials. The Seller further warrants to the Buyer that the real property is not subject to any pending, threatened, or likely federal, state, or local "superfund" lien, proceedings,

claim, liability, or action for the cleanup, removal, or remediation of any hazardous substance from the real property. Each of the representations, warranties and covenants contained in this Section 13 shall survive delivery of the deed described in Section 3 above.

**17. DEFAULT BY BUYER.** If Seller executes this agreement and title to said premises is marketable and insurable and the Buyer neglects or refuses to comply with the terms or any conditions of sale within five (5) days from the date on which said term or condition is to be complied with, then the Earnest Money shall be forfeited and considered as liquidated damages to the Seller, and Buyer's interest in the premises shall be immediately terminated. Such forfeiture and acceptance by the Seller and the closing agent of the earnest money as liquidated damages shall not constitute a waiver of other remedies available to Seller and closing agent.

**18. DEFAULT BY SELLER.** If Seller, after approval and acceptance, is unable to furnish good title or defaults in any undertaking or provision of this agreement, Buyer may at his option either recover the earnest money deposited with the closing agent, or pursue any other remedy available to Buyer in law or equity.

**19. ATTORNEY FEES.** In the event of default by either of the parties in their performance of the terms and conditions of this agreement, the defaulting party agrees to pay all attorney fees and costs incurred by the non-defaulting party or the prevailing party in case of suit.

**20. ATTORNEY'S EMPLOYMENT.** The parties acknowledge that this agreement was prepared by the attorney for the Buyer. Seller is advised to seek the advice of independent counsel if she so desires.

**21. NO BROKER EMPLOYED IN SALE.** Seller and Buyer each represents and warrants that they have not dealt with either a broker or finder in connection with the transaction contemplated by this agreement, and, insofar as they know, no broker or other person is entitled

to any commission or fee with respect to any such transaction. Further, each party shall indemnify the other against any claim or loss incurred or suffered as a result of any broker's commission or finder's fee alleged to be payable because of any statement, act, or omission of the indemnifying party.

22. **HEADINGS.** Headings in this Real Estate Purchase and Sale Agreement are for convenience only and shall not be used to interpret or construe its provisions.

23. **GOVERNING LAW.** This instrument shall be governed by and construed in accordance with the laws of the State of Idaho.

24. **FACSIMILE TRANSMISSION.** Facsimile transmission of any signed original document and retransmission of any signed facsimile transmission shall be the same as delivery of an original. At the request of either party or the closing agent, the parties will confirm facsimile transmitted signatures by signing an original document.

25. **FURTHER DOCUMENTS AND ASSURANCES.** Buyer and Seller shall each, diligently and in good faith, undertake all actions and procedures reasonably required to place the escrow in condition for closing as and when required by this agreement. Buyer and Seller shall provide all further information and execute and deliver all further documents and instruments reasonably required by the escrow holder or the title insurance company.

26. **COUNTERPARTS.** This instrument may be executed in one or more counterparts, each of which shall constitute one and the same instrument.

27. **TIME OF THE ESSENCE.** Time is of the essence of this agreement.

28. **ENTIRE AGREEMENT.** This agreement shall supersede all prior agreements between the parties relating to the subject matter hereof, and no warranties, representations, or agreements with regard thereto, except for those contained herein, shall be binding upon the parties.

29. **SURVIVAL OF REPRESENTATIONS, WARRANTIES, COVENANTS AND AGREEMENTS.** All representations, warranties, covenants and agreements of the Seller set forth in this agreement shall survive the closing and shall survive the recording of the Warranty Deed.

30. **HEIRS AND ASSIGNS.** Unless expressly otherwise stated, this agreement is the final agreement and shall be binding upon the heirs, personal representatives, successors and assigns of the respective parties hereto.

**IN WITNESS WHEREOF** the parties hereto have set their hands the day and year in this agreement first above written.

Melody F. Landis  
Melody Landis, also known as Melody F. Landis

Timothy D. Landis  
Timothy D. Landis

SELLER,

Frank L. Bachman  
Frank L. Bachman

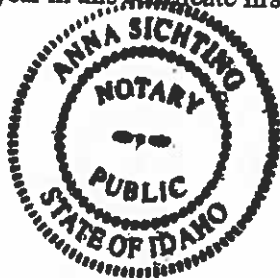
Cindy L. Bachman  
Cindy L. Bachman

BUYER.

STATE OF IDAHO, )  
COUNTY OF Elmore ) ss.

On this 26<sup>th</sup> day of October, 2012, before me, the undersigned, a Notary Public in and for said state, personally appeared Melody Landis, also known as Melody F. Landis, and Timothy D. Landis, husband and wife, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they 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.



Anna Sighting  
Notary Public for Idaho,  
Residing at: Mountain Home, Idaho.  
My commission expires: 11/19/2017

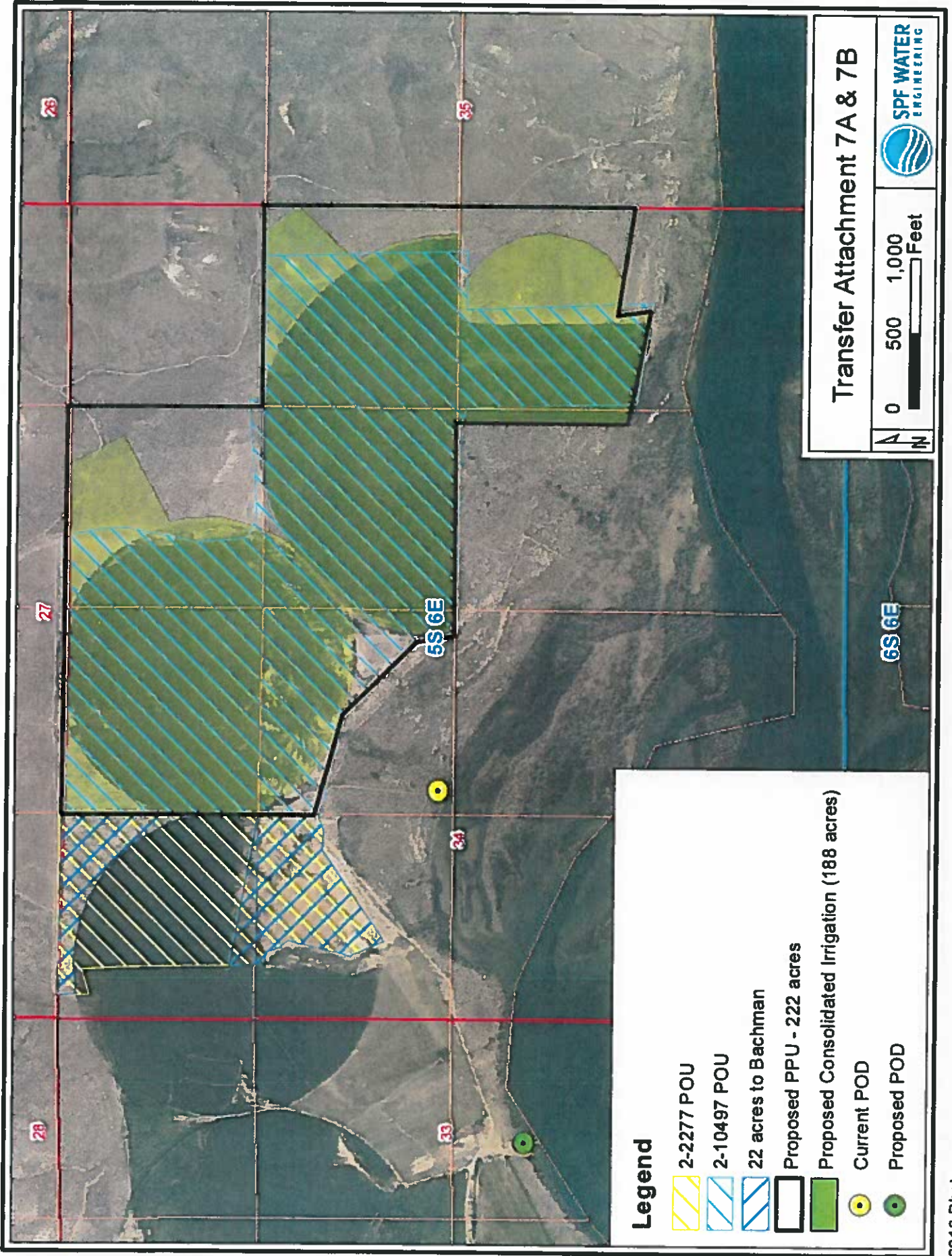
STATE OF IDAHO, )  
COUNTY OF Elmore ) ss.

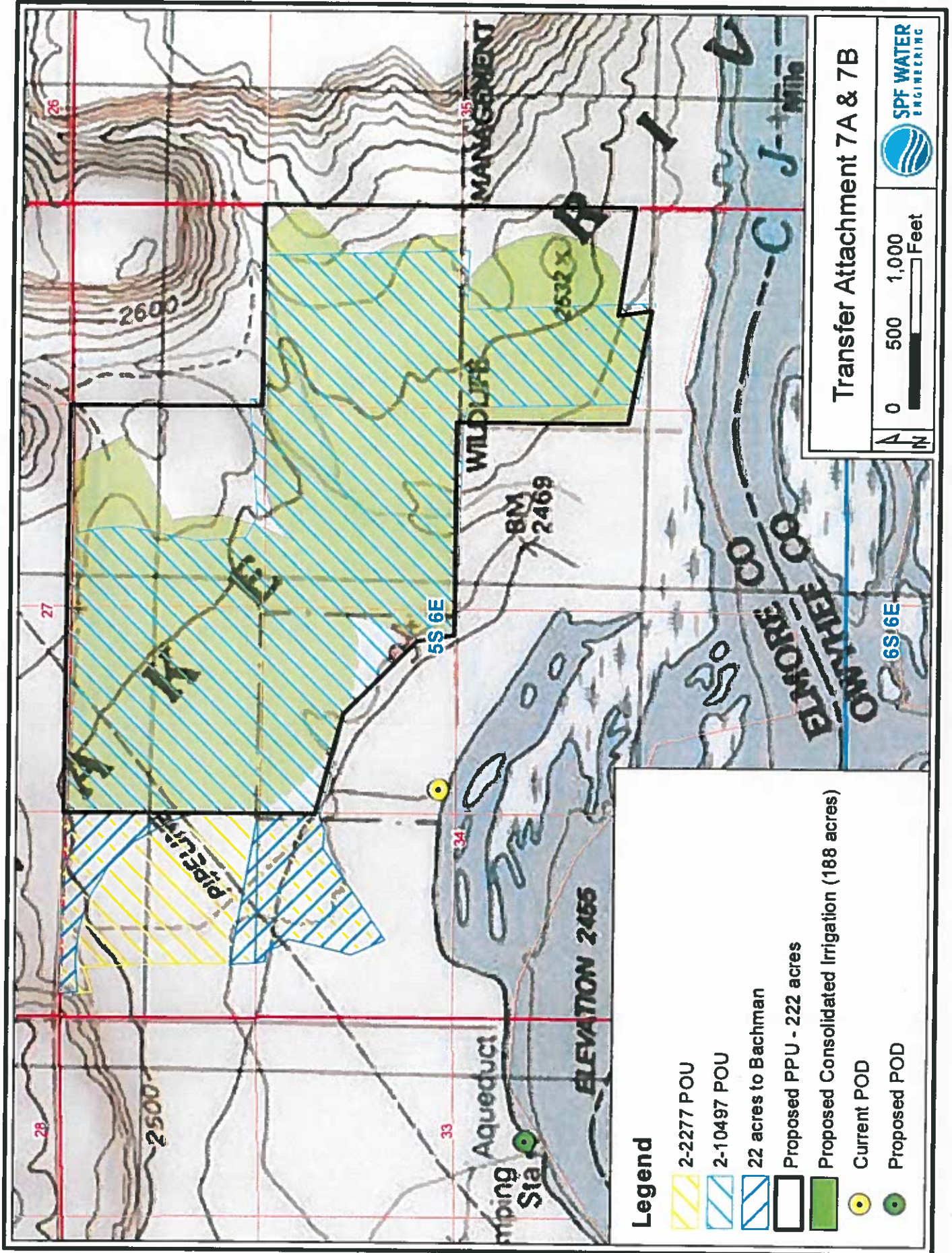
On this 26<sup>th</sup> day of October, 2012, before me, the undersigned, a Notary Public in and for said state, personally appeared Frank L. Bachman and Cindy L. Bachman, husband and wife, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they 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.



Anna Sighting  
Notary Public for Idaho,  
Residing at: Mountain Home, Idaho.  
My commission expires: 11/19/2017





**Legend**

- 2-2277 POU
- 2-10497 POU
- 22 acres to Bachman
- Proposed PPU - 222 acres
- Proposed Consolidated Irrigation (188 acres)
- Current POD
- Proposed POD

**Transfer Attachment 7A & 7B**







**FARMING LEASE**  
**No. C600002**  
**BACHMAN LAND & LIVESTOCK**

This certifies that this is a true and correct copy of this document, the original of which is on file with the Idaho Department of Lands (IDL).

Lucy Terry May 4, 2015  
 IDL Representative Date

**SUMMARY OF LEASE PROVISIONS:**

**Lessor:** STATE OF IDAHO  
 By and through the State Board of Land Commissioners  
 300 North 6<sup>th</sup> Street, Suite 103  
 PO Box 83720  
 Boise ID 83720-0050

**Lessee:** Bachman Land & Livestock  
 Frank L Bachman  
 PO Box 186  
 Bruneau, ID 83804-0186

**Lease Term:** Commencement: April 20, 2013      May 1, 2015 Lease Adjustment  
 Expiration: ~~December 31, 2022~~      Expiration: December 31, 2016

**Rent:** The annual rent payment is due on January 1st of each year.

**FARMING:** 2015 Lease Assignment  
 Irrigation 63  
 Irrigation 30~ acres at \$30.00 per acre

Rent terms are more particularly described in Section 2. Rental Rate and Modification of Rent of the Lease Provisions.

**Leased Premises Legal Description:** See Attachment B

The Lessor, in consideration of the rental paid and the covenants, conditions and restrictions hereinafter set forth, in the Lease (including the Lease Provisions, Signature Page and all Attachments, including any Special Terms and Conditions), does hereby lease and demise unto the Lessee the lands (Leased Premises) described in Attachment B for the uses specified herein.

**Primary Use of Leased Premises:** Farming

**Bond:** N/A

**Liability Insurance:** N/A

**Lease Index:** SUMMARY OF LEASE PROVISIONS  
 LEASE PROVISIONS  
 SIGNATURE PAGE  
 ATTACHMENT A – SPECIAL TERMS AND CONDITIONS  
 ATTACHMENT B – LEASED PREMISES LEGAL DESCRIPTION  
 ATTACHMENT C – SITE MAP(S)  
 ATTACHMENT D – REPORTS

## LEASE PROVISIONS

### 1. Use of Premise.

- A. **Farming Use.** The Lessee is authorized to use the number of acres identified on this lease as cropland. The location and management of said acres shall be designated in this written Lease. Said use shall be in accordance with this Lease, the Lessee's approved Summary of Lease Provisions, Lease Provisions, and all Attachments, including any Special Terms and Conditions attached hereto. No use of the leased land for cropping purposes shall occur prior to the final approval of the written Lease by Lessor. Lessee shall pay to Lessor an additional rental for the identified acres of cropland whether cultivated or not in an amount determined by Lessor pursuant to Lessor's current cropland rental policy, along with the annual base rental payment as set forth in *Section 2. Rental Rate and Modification of Rent* of these Lease Provisions.

### 2. Rental Rate and Modification of Rent.

- A. **Annual Rent Payment.** Lessee agrees to pay to Lessor, in lawful money of the United States, each year's rent for every acre and/or AUM covered by this Lease, in an amount to be calculated pursuant to Lessor's most current formulas for each applicable use at the time the rental is calculated or recalculated. The rent shall be payable on or before the annual rental payment due date of each successive year. Lessee shall pay the annual rental to Lessor without abatement, offset, or deduction of any kind, unless otherwise authorized by the Lessor through a completed Lease Adjustment form provided by the Lessor. Lessor reserves the right to increase or decrease the annual rent. Lessee will be notified one hundred eighty (180) calendar days in advance of the due date of any increase in rental. REMOVE HIGHLIGHT LEAVE TEXT
- B. **Late Payment Charge.** In the event any rent due hereunder is not paid in full when due, Lessee shall pay, in addition to such rent, a late charge in the first calendar month of such delinquency the amount of Twenty-five Dollars (\$25.00) or one percent (1%) of the unpaid rent, whichever is greater. For each subsequent calendar month of such delinquency, Lessee shall pay an additional late charge equal to one percent (1%) of the then unpaid delinquency. The parties acknowledge and agree that the late charge described herein is a reasonable attempt to estimate and to compensate Lessor for higher administration costs associated with administering such late payments and is not intended as a penalty. By assessing this late charge, Lessor does not waive any right to declare a breach and to pursue any right or remedy available to Lessor by reason of such breach, after expiration of any applicable notice or cure period.
- C. **Lien.** The amount of the rent, late charge, and interest shall constitute a lien in favor of the State of Idaho against all of Lessee's improvements and other property on the Leased Premises, including, but not limited to, crops and livestock.

### 3. Lease Provisions and Special Terms and Conditions.

- A. **Lease Provisions and Special Terms and Conditions.** Prior to issuance of this Lease, Lessee and Lessor must agree to written Lease Provisions and any Special Terms and Conditions. The content of the Lease Provisions and any Special Terms and Conditions shall address all activities that may take place under this Lease and include, but not be limited to, farming, the construction of improvements, the vegetation, noxious weed control and other factors identified by Lessor as necessary for inclusion in the Lease Provisions and any Special Terms and Conditions based on the specific characteristics of the Leased Premises and/or of Lessee's use of the Leased Premises.
- B. **Modification of Lease Provisions and Special Terms and Conditions.** Lessor may review and modify any Lease Provisions or any Special Terms and Conditions upon changes in conditions, laws, or regulations, provided that Lessor shall give Lessee thirty (30) calendar days notice of any such modifications prior to the effective date thereof. Prior to Lessee instituting any changes, Lessee must submit, in writing, the proposed changes to Lessor for approval. No changes shall occur prior to Lessor's written approval of the amended Lease Provisions and any Special Terms and Conditions. Modifications mutually agreeable to both Lessor and Lessee may be made at any time.

- C. **Compliance Required.** Lessee shall abide by all Lease Provisions and any Special Terms and Conditions. If Lessee fails to abide by all Lease Provisions and any Special Terms and Conditions, Lessee will be deemed in breach of this Lease and the Lease will be subject to cancellation in accordance with *Section 17. Lessee's Default*, of these Lease Provisions.
- D. **Reimbursement for Non-Standard Administrative Costs.** The Lessee shall reimburse the Lessor for administrative costs incurred to address issues of compliance. Lessor's request for payment to Lessee will include a detailed description of the work completed and actual expense incurred.
- E. **See Attachment A of this Lease for any Special Terms and Conditions in effect as of the date of execution of this Lease.**

**4. Subleasing or Assignment.**

- A. **Written Approval Required.** Lessee shall not sublease or authorize another person to use any part of Lessee's interest under this Lease, or assign this Lease, without the prior written consent of Lessor to be evidenced by Lessor's execution of consent forms provided by Lessor for that purpose. Any request for approval of a sublease or assignment must be in writing, complying with the statutes or rules governing subleasing, and accompanied by a copy of the proposed sublease agreement and the appropriate processing fee. Lessor may withhold consent for any reason. Any attempt by Lessee to sublease Lessee's interest in the Leased Premises or any part of the Leased Premises or to assign this Lease, shall be void unless Lessor has given such prior written consent. No request for Lessor's approval of any assignment or sublease will be considered unless all rent due has been paid in full, and Lessee is in good standing under the terms of the Lease. No sublease will act as a release of Lessee's obligations hereunder unless Lessor executes a separate written release of Lessee. Lessor has no obligation to so release Lessee, and Lessor can withhold such release at Lessor's sole discretion. Any sublease or assignment will be subject to, but not limited to, to the existing Lease Provisions and any Special Terms and Conditions. The sublease cannot go beyond the Lease expiration date.
- B. **Additional Rental Due.** In the event the Leased Premises is subleased in accordance with all terms and conditions of *Section 4. Subleasing or Assignment* of these Lease Provisions, for an amount greater than the base rental, Lessee shall in addition to Lessee's annual base rental pay to Lessor an amount equal to one-half (1/2) the difference between Lessee's base rental rate herein established, and the rental rate paid by Sublessee.
- C. **Improvements.** Upon approved sublease or assignment, ownership of any existing Lessee-owned improvements under this Lease must be separately negotiated between Lessee and such Sublessee or Assignee.
- D. **Copies to be Filed.** Copies of all assignments, subleases, pasturage or any other agreement of any kind or nature involving the use of the Leased Premises by another person shall be timely filed with Lessor.

**5. Leasehold Mortgage.**

Lessee shall not mortgage, pledge or otherwise dispose of Lessee's interest in the Lease, or any portion thereof, without prior written consent of Lessor. Lessee shall use mortgage or deed of trust forms provided by Lessor, and shall submit completed forms and appropriate fee to Lessor for review and approval. The term of a mortgage agreement shall not exceed the Lease term. Lessor may accept or reject a leasehold mortgage at its discretion.

**6. Environmental, Safety and Sanitary Requirements.**

- A. **No Hazardous Materials.** Lessee shall neither commit nor permit the use, placement, transport or disposal of any hazardous waste, including, but not limited to, petroleum products, such as oil, gasoline, or any other substance that is or is suspected to be a hazardous substance or material on the Leased Premises except the customary use associated with weed and pest control, machinery, equipment and vehicles. Lessee shall be responsible, and shall pay all costs for the removal or other appropriate remedial action regarding any hazardous waste, substances, or materials which Lessee may have caused to be introduced on the Leased Premises. Any such remediation or removal or storage must be conducted in accordance with applicable

federal, state, or local law, regulation, rule or ordinance and Lessee shall immediately, upon the introduction of any hazardous waste, substances or materials onto the Leased Premises, contact the Idaho Department of Environmental Quality (DEQ) and enter into a consent order for remediation with DEQ, provided however, Lessee shall not forestall commencing any necessary remediation while negotiating the terms of any consent order with DEQ, unless Lessee is so authorized in writing by Lessor. In event of introduction of any hazardous waste, substances or materials, Lessor may also require Lessee to enter into consent orders or other agreements with any other relevant agency. Lessee shall indemnify, defend and hold Lessor harmless from all costs, expenses, damages or fines relating to pollution and hazardous materials including, without limiting the generality of the foregoing, attorney fees and costs of defense or of enforcement of Lessor's rights hereunder. The amount of any costs incurred by Lessor due to Lessee's violation of this provision shall constitute a lien in favor of the State of Idaho against all of the Lessee's improvements and other property on the Leased Premises including, but not limited to, crops.

- B. **Fire and Safety Regulations.** Lessee shall comply with all applicable federal, state and local laws, rules, regulations and ordinances for fire protection and prevention. Lessee agrees to keep the Leased Premises free from fire hazards as determined by Lessor. Lessee is prohibited from burning garbage or household trash and any burning on the land, including the burning of wood, weeds or other debris, but excepting campfires necessary for the use under this Lease, requires the prior written permission of Lessor. Any burning must comply with applicable federal, state or local law, regulation, rule or ordinance.
- C. **Sanitary Requirements.** Concerning activities authorized under this Lease, Lessee shall at all times keep the Leased Premises in a clean and sanitary condition, free of trash, garbage and litter so the Leased Premises is maintained in the same or better condition as when this Lease was issued. Lessee shall not dispose of sewage except in conformity with applicable federal, state, and local law, rules and regulations pertinent to Lessee's use and shall dispose of sewage on the Leased Premises only if specifically authorized by Lessor. The Lessee shall not store trash on the Leased Premises nor transport trash, garbage, litter or debris onto the Leased Premises. Lessee shall dispose of all trash, garbage and carcasses in conformity with all legal requirements. Lessee is responsible for all costs associated with sewage, garbage and litter disposal.

**7. No Warranty of Suitability - Quiet Enjoyment - Public Use.**

- A. **No Warranty.** Lessee acknowledges that neither Lessor nor any agent of Lessor has made any representation or warranty with respect to the Leased Premises or concerning the suitability of the Leased Premises for the uses intended by Lessee. Lessee acknowledges that it has accepted the Leased Premises in an AS IS CONDITION, accepting any and all known or unknown faults therein.
- B. **Quiet Enjoyment.** Lessor agrees that Lessee, upon payment of the rent and performing the terms of this Lease, may quietly have, hold and enjoy the Leased Premises, for the purposes and uses allowed hereunder, during the term hereof. Lessee acknowledges that the Lease is non-exclusive, and Lessor retains the right to use of the Leased Premises, or to grant rights to others for use of the Leased Premises, to the extent any such use does not materially interfere with Lessee's purpose and uses allowed hereunder, unless otherwise provided for in this Lease.
- C. **Public Use.** Lessee must allow the general public the right to use the Leased Premises for any lawful use available to the public for lands owned by the State of Idaho. However, nothing in this Lease authorizes or purports to authorize trespass on private lands to reach state-owned lands, including the Leased Premises. Public use of State lands shall not be restricted without prior written approval of Lessor. This Lease is not an exclusive control lease as described under Idaho Code § 36-1603(b).

**8. Water Right and Water Use.**

- A. **List of Pre-Existing Water Rights to be Used on, or Diverted From, the Leased Premises.**

Water Right Nos.: None Defined

The Lessee represents that the above lists include each and every water right that the Lessee, or its authorized agents, owns for use on, or diversion from, the Leased Premises and that the Lessee owns no other water rights for use on, or diversion from, the Leased Premises. To the extent that the Lessee

represents that it owns water rights for use on, or diversion from, the Leased Premises that are not on record with the Idaho Department of Water Resources and any relevant water right adjudication court (for example, unclaimed *de minimis* stockwater rights), the Lessee shall set forth below for each such right(s) the following: (a) source of water, (b) quantity of water, (c) priority date, (d) point of diversion, (e) place of use, and (f) number and type of livestock providing the basis for the right:

Water Right Nos.: None Defined

As a condition of this Lease, the Lessor grants use of the above listed water rights to the Lessee, or its authorized agents, for exclusive use in association with the Leased Premise. Use of the above listed water rights shall be limited to the term and uses authorized by the Lease. The use of any water rights listed above shall be in conformance with the terms of the right and with Idaho water law.

Unclaimed Water Rights: None Defined

The Lessee represents that the above lists include each and every water right that the Lessee, or its authorized agents, owns for use on, or diversion from, the Leased Premises and that the Lessee owns no other water rights for use on, or diversion from, the Leased Premises.

- B. Future Water Rights and Water Use Generally. The establishment of any new water rights during the term of this Lease shall be by and for Lessor and no claim thereto shall be made by Lessee. Such water rights shall attach to and become appurtenant to the Leased Premises, and the Lessor shall be the owner thereof. The use of any water rights by the Lessee shall be in conformance with Idaho water law. Lessee must receive the prior written consent of Lessor or its authorized agent, and the prior written consent of any department or agency of the State of Idaho having jurisdiction to regulate water rights or water use in and for the State of Idaho for any of the following:
- i. To drill and use a water well,
  - ii. To develop and use any source of water,
  - iii. To cause any water to be conveyed off the Leased Premises,
  - iv. To bring water onto the Leased Premises.
- C. Water Systems. If water is supplied to the Leased Premise by a water system operated by the State of Idaho, the use of such system and the supply of water provided thereby may be curtailed or terminated upon thirty (30) calendar days written notice of Lessee from Lessor or its authorized agent. Neither Lessor nor its agents and employees nor any entity of the State of Idaho shall be liable in any manner for damage or inconvenience to the Lessee by reason of failure or, damage to, or termination or curtailment of the operation of any water system or source supplying water to the Leased Premises.
- D. Improvements in Aid of Water Use. Improvements (pre-existing or future) made in aid of any and all water use on, or diversion from, the Leased Premises are subject to the permit requirements of this Lease.
- E. No Right of Access to Water Rights Upon Expiration or Termination of Lease. Upon Expiration or Termination of this Lease, the Lessee shall have no right to access any point of diversion or any place of use of any water right on the Leased Premises without the prior written consent of the Lessor.

9. Noxious Weeds.

- A. The Lessee shall cooperate with Lessor or any other agency authorized to undertake programs for control or eradication of noxious weeds. Lessee shall take measures to control noxious weeds on the Leased Premises in accordance with Title 22, Chapter 24, Idaho Code, except those resulting from activities beyond the Lessee's control. Costs for control of noxious weeds on the Leased Premises shall be the responsibility of the Lessee, unless otherwise provided for in the Special Terms and Conditions included in Attachment A.
- B. The Lessee shall ensure that prior to moving onto the Leased Premises that all equipment is free of noxious weeds and their seeds as defined by the Idaho Department of Agriculture and local Coordinated Weed Management Area. Cleaning of contaminated equipment and vehicles shall not take place on any state endowment land, including the Leased Premises.

- C. All straw and forage used for livestock feed, with the exception of that grown on the Leased Premises or on Lessee's immediately adjacent land, must be certified in accordance with the Idaho Department of Agriculture Forage and Straw Certification Rules (IDAPA 02.06.31) and must be certified as Idaho State Noxious Weed Free.

**10. Construction of Improvements.**

- A. **Permit Required.** Lessee shall not construct or reconstruct, initiate or place improvements or structures of any character (herein referred to as "improvements") on or to the Leased Premises without the prior expressed, and written permission of Lessor. Said permission shall be in the form of a permit issued by Lessor, and shall be required for any improvement or structure on the Leased Premises including, but not limited to, range improvements, buildings or other structures, water developments, fences, vegetation treatment, or the clearing of land. Lessee shall submit project plans to the Lessor. If the project plans are approved and permitted in writing by Lessor, then Lessee shall construct and implement the improvements in full compliance with the approved plans, the permit and all applicable building codes, rules and laws. Permitted improvements shall be the property of Lessee, unless otherwise provided in the permit or this Lease. Failure to obtain a written permit prior to construction and implementation of any improvement will be considered a trespass violation and may result in cancellation of the Lease or cause the Lessor to initiate proceedings to recover damages as provided for in IDAPA 20.03.14. Any improvement associated with the uses authorized in this Lease and placed on endowment land prior to January 1, 1970 is considered grandfathered and properly authorized even though there may be no documentation of authorization.
- B. **Condition of Improvements.** At all times during the term of this Lease, Lessee shall keep all improvements in good repair and functional condition to the satisfaction of Lessor. Any and all fences shall be neat, stock-proof, lawful fences and gates.
- C. **Maintenance of Improvements.** Lessee may be required to remove or reconstruct improvements in poor or non-servicable condition. Existing maintenance agreements on lands acquired from the federal government shall remain in effect until amended by the parties involved. If maintenance is not being accomplished, Lessor shall provide a letter to Lessee informing Lessee of the violation of the Lease. If work is not begun within thirty (30) calendar days and completed in a timeframe specified by the Lessor, Lessor may contract repairs and bill Lessee for actual costs incurred.
- D. **Removing Improvements.** Lessee shall not remove, relocate or otherwise alter any improvements without prior written permission from Lessor.
- E. **Cost of Improvements.** Any permitted improvement constructed by or at the request of Lessee, shall be constructed at Lessee's own expense, unless Lessor and Lessee shall have entered into a prior written cost sharing agreement for construction of such improvement.
- F. **Permitted Improvements At Lease Expiration/Termination.** Upon expiration or termination of this Lease for any reason, other than a default by Lessee, and in the event Lessor leases the Leased Premises to a new lessee, Lessor shall require the new lessee to pay Lessee the then existing value of the permitted improvements in accordance with the then existing statutes and rules. Said value shall be determined through a valuation conducted by Lessor or by Lessee's documented cost of construction if the improvement was authorized after July 1, 2009. Improvement payments shall be first applied towards any rent or other monies due to Lessor before being disbursed to Lessee. Lessor does not hereby agree or become obligated to pay any such value to Lessee, such obligation shall be solely on the subsequent lessee, if any. Any improvement which Lessee is entitled or required to remove upon expiration of the Lease must be removed within six (6) months of the expiration of the Lease, otherwise it is deemed abandoned and title to such abandoned improvement shall vest in the State of Idaho. Provided, however, Lessor may authorize, in writing, prior to the expiration of the six (6) month time period, additional time for removal of improvement(s) by Lessee. Failure of Lessee to remove any such improvement within the extended time period established by Lessor shall constitute an abandonment of Lessee's rights to such improvement.
- G. **Improvements Not Approved.** At any time during the term of the Lease, or upon expiration or termination of this Lease for any reason, Lessor may require, at Lessor's sole discretion, that Lessee remove any

improvement placed on the Leased Premises without a prior permit from Lessor. The full cost of such removal, including the restoration of the Leased Premises, shall be solely Lessee's. In the event Lessor does not elect to require such removal, Lessee's failure to secure such permit shall constitute forfeiture. Title to any improvement placed on the Leased Premises without a permit from Lessor shall, at Lessor's option, immediately vest in Lessor without waiver of Lessor's right to require removal of the same by Lessee.

- H. **Lessor's Removal of Improvement.** Lessor may, at its discretion, remove or have removed the abandoned or non-permitted improvement and Lessee shall be responsible for the full cost of removal and restoration of the Leased Premises. Nothing in this section of the Lease shall relieve Lessee from the obligation to remove any improvement as required by Lessor under other terms within this Lease or the permit authorizing the improvement.

11. **No Liens.**

Lessee will not permit or suffer any liens of any kind or nature to be effected on or enforced against the Leased Premises, including, but not limited to, any mechanics' liens or material suppliers' liens for any work done or materials furnished on the Leased Premises at Lessee's instance or request. Lessee shall ensure that full payment is made for any and all materials joined or affixed to the Leased Premises pursuant to this Lease and for any and all persons who perform labor on the land.

12. **Sale, Exchange or Change in Use of Leased Premises.**

- A. **Sale.** Lessor may sell all or any portion of the Leased Premises during the term of this Lease. Lessor will notify Lessee that the Leased Premises are being considered for sale at the time the proposed sale is scheduled for submission to the Land Board for approval. Lessee will be notified of a scheduled sale at least thirty (30) calendar days prior to sale date. Lessee shall deliver immediate possession of the land sold unto Lessor, or to the person or party as may be specified in writing by Lessor or Lessor's designee, unless the land remains subject to the Lease, or unless Lessee is to be permitted to harvest a growing crop before surrendering possession. When creditable improvements are present, and Lessee delivers possession of the land, Lessor shall value them in accordance with Idaho Code § 58-313, or the then existing applicable statute or rule, and Lessee shall be paid for the improvements by the purchaser on the day of sale. Lessee shall have the rights provided by *Section 10. Construction of Improvements, F. Permitted Improvements At Lease Expiration/Termination* of these Lease Provisions, and the then existing statutes or rules with respect to compensation for permitted improvements placed upon the Leased Premises by Lessee.
- B. **Consent To Land Exchange.** Lessee acknowledges that the Leased Premises, or any portion thereof, may be the subject of a future land exchange by Lessor, and Lessee hereby consents to the inclusion of any such land, or portion thereof, in any land exchange deemed necessary or appropriate by Lessor. This consent is given in compliance with Idaho Code § 58-138. In the event Lessor chooses to include the Leased Premises, or any portion thereof, in any proposed land exchange in the future, Lessor shall provide Lessee with at least thirty (30) days written notice from the Director of the Department of Lands. Upon the consummation of the proposed land exchange, that portion of lands included within the exchange shall be deleted from this Lease, and Lessee's lease payment obligation for the ensuing year shall be reduced proportionately. Lessee shall be entitled to continue to use the lands included within any such exchange for the balance of the year in which the exchange occurs unless otherwise notified in writing by Lessor, in which event the lease payment for such year shall be prorated.
- C. **Change In Use.** The Lease may be cancelled in whole or in part upon one hundred eighty (180) calendar days written notice by Lessor if the use of the Leased Premises is to be changed to any other use that is incompatible with the use authorized by this Lease, as designated by Lessor. In the event of early cancellation due to change in land use, Lessee will be entitled to a prorata refund of the premium bid for a conflicted lease.

**13. Relationship of the Parties.**

Lessee is not an officer, employee or agent of Lessor. In no event shall any official, officer, employee or agent of Lessor or of the State of Idaho be in any way personally liable or responsible for any covenant or obligation contained in this Lease, express or implied, nor for any statement, representation or warranty made in connection herewith.

**14. Reservations by Lessor.**

Lessor expressly reserves and excepts the following rights:

- A. To enter upon the Leased Premises, or any portion thereof, during the term of this Lease for any purpose, including, but not limited to, the purpose of inspecting the Leased Premises.
- B. All rights not expressly granted to Lessee under this Lease, including, but not limited to, all rights to timber, oil and gas, geothermal rights, mineral rights, easements and rights-of-way, water, and fee title to the Leased Premises, and title to all appurtenances and improvements placed thereon by Lessor.
- C. To grant easements and rights-of-way over and across the Leased Premises. Lessor shall coordinate with Lessee before processing any easement applications on the Leased Premises. The grantee of such easement shall, before exercising the same, pay Lessee the reasonable value of any permitted improvements and any growing and immature crops, if crops or improvements are impacted by the easement. Said value shall be determined by Lessor's valuation.
- D. To issue other leases on the Leased Premises. Such other leases may be for any purpose deemed appropriate by Lessor, including, but not limited to, the exploration and development of oil, gas, geothermal and mineral resources as provided by Title 47, Idaho Code. In the event any such other lease is granted by Lessor, the other lessee shall, before exercising the same, pay Lessee the reasonable value of any permitted improvements and any growing and immature crops, if crops or improvements are impacted by the other lease. Said value shall be determined by Lessor's valuation. If the other lease conflicts with the grazing use or makes consumptive use of forages, the grazing rental will be adjusted to reflect such loss of use.
- E. To require that changes be made in the use under this Lease, and/or to the improvements on the Leased Premises, including, but not limited to, the sanitation or other facilities for the protection of public health, safety, preservation of property or water quality.
- F. To reserve as Lessor's sole property any and all water appurtenant to Lessor's land or from any source arising thereon and to hold water rights for any beneficial use that may be developed as a result of this Lease, and as further provided in *Section 8. Water Right and Water Use* of these Lease Provisions.
- G. Rights of ingress, egress, and access, over and across the Leased Premises for Lessor and its lessees, permittees, contractors, and assigns on existing roads, or on suitable alternative roads provided by Lessee.
- H. To change the use of the Leased Premises, in whole or in part, for other uses that will better achieve the objective of Lessor. Upon a change in use this Lease may, at Lessor's discretion, be terminated in whole or as to the affected part. In the event of any such termination due to a change in use, the provisions of *Section 10. Construction of Improvements* of these Lease Provisions, relating to compensation for permitted improvements shall apply.
- I. To sell timber on the Leased Premises or otherwise conduct forest management activities, Lessor reserves the right to restrict or prohibit grazing use on all or portions of the Leased Premises for timber management purposes. Lessee will be given not less than one hundred eighty (180) calendar days written notice of any such restrictions or termination of grazing use, together with a map of the restricted area.
- J. To restrict or prohibit grazing on all or any portion thereof of the Leased Premises in response to emergency conditions such as, but not limited to, fires, flooding and drought.

- K. To sell all or any portion of the Leased Premises at any time during the term of this Lease, and as further provided in *Section 12. Sale, Exchange or Change-in-Use of Leased Premises* of these Lease Provisions.
- L. To harvest seed from plants on land not under a farming lease. Lessor will coordinate the harvesting activities with Lessee to minimize impacts on farming operations.
- M. To close roads for road protection, wildlife protection or administrative purposes. Planned road closures will be reviewed with Lessee prior to action by Lessor.
- N. To claim all permanent improvements placed upon the Leased Premises remaining after six (6) months in cases of abandonment by Lessee or to take possession immediately in cases of cancellation upon breach of any of the conditions of the Lease. No improvements will be disposed of by Lessor until all appeals have been exhausted.

**15. Indemnification.**

Lessee shall indemnify, defend and hold harmless Lessor, the State of Idaho, its officers, agents and employees from and against any liability, claims, actions, damages, costs, expenses or losses, including reasonable attorney's fees and costs caused by or arising out of the performance, acts or omissions of Lessee, Lessee's agents, officers or employees, or persons using the Leased Premises with Lessee's permission, or otherwise arising out of Lessee's use or occupation of the Leased Premises; or arising from the failure of the same to comply with any applicable state, federal, local, law, statute, rule, regulation, act, or provision of this Lease. This duty to indemnify, defend and hold harmless shall encompass any claims which include or allege negligence of Lessor, its agents, officers or employees other than claims which arise solely out of negligence on the part of Lessor, and this duty shall survive the termination or expiration of this Lease.

**16. Payment of Taxes, Assessments or Fees – Lien.**

Unless otherwise provided, Lessee shall pay all water charges, fees, assessments or taxes of whatsoever nature that may be legally levied or assessed against the Leased Premises herein described, or any portion thereof or on any improvements thereto. If the same is not paid, it shall constitute a lien in favor of the State of Idaho against all improvements, or crops growing on the Leased Premises.

**17. Lessee's Default.**

- A. **Lessee's Failure to Comply.** Lessee's failure to comply with the Lease Provisions and any Special Terms and Conditions shall be a breach giving rise to a basis for termination of the Lease. Lessor shall provide Lessee thirty (30) calendar days written notice of the cancellation and, if applicable, the corrective action required of Lessee. The notice shall specify a reasonable time to make a correction or cure the violation or breach, if such breach is subject to correction or cure. If the corrective action or cure is not taken within the specified time or does not occur, then the Lease shall be automatically terminated on the date specified in the written cancellation notice without any further notice or demand, unless otherwise agreed by Lessor in writing. Lessee shall not, while in default, remove any of the improvements, or crops thereon, whether crops are harvested or not unless directed by Lessor. In addition to the rights and remedies specifically granted to Lessor under this Lease, Lessor shall have such other rights and remedies against Lessee as are available at law or in equity, and Lessor's pursuit of any particular remedy for breach shall not, in and of itself, constitute a waiver or relinquishment of any other compatible claim of Lessor against Lessee.
- B. **Lessor's Performance Upon Lessee Default.** In the event Lessee fails to perform any act or do anything which Lessee is required to do under the terms of this Lease, Lessor shall have the right, but not the obligation, to perform on behalf of Lessee, any such action. Lessee shall immediately reimburse Lessor for all costs and expenses, including attorney fees, (including fees from the Office of the Attorney General of the State of Idaho), incurred by Lessor in performing any such act or thing. Lessee's obligation to pay costs hereunder shall be deemed to be additional rent fully due and payable on demand from Lessor.

**18. Surrender of Land.**

Lessee shall, at the termination or expiration of this Lease, deliver immediate possession and vacate the Leased Premises, leaving it in the same or better condition than it was in at the time of Lessee's entry on such premises

under this agreement, except for reasonable use and wear, acts of God, or damage by causes beyond the control of Lessee, and upon vacating shall leave the demised land free and clear of all rubbish and debris, and with all improvements in good order and condition.

**19. Cancellation By Mutual Agreement.**

Leases may be cancelled by mutual agreement between the Lessor and the Lessee. The Lessor will not unreasonably withhold approval of a request for cancellation by a Lessee.

**20. Notices.**

- A. Notices. Any notice or any demand given under the terms of this Lease shall be deemed given and delivered on the date when personally delivered or if mailed, the date same is deposited in the United States Mail, and mailed by regular or certified mail, postage prepaid and properly addressed to the appropriate party.
- B. Addresses. Until changed by notice in writing, notice, demands, and communications under this Lease shall be addressed to Lessor at:

Idaho State Board of Land Commissioners  
300 North 6th Street, Suite 103  
PO Box 83720  
Boise, Idaho 83720 0050

and to Lessee at the address set forth at the beginning of this Lease. Any notice or correspondence mailed to Lessee at the last identified address shall be deemed effective delivery. It is Lessee's duty to notify Lessor, in writing, of any change in mailing address.

**21. Waiver.**

The waiver by Lessor of any breach of any term, covenant or condition of this Lease shall not be deemed to be a waiver of any past, present or future breach of the same or any other term, covenant or condition of this Lease. The acceptance of rent by Lessor hereunder shall not be construed to be a waiver of any violation of the term(s) of this Lease. No payment by the Lessee of a lesser amount than shall be due according to the terms of this Lease shall be deemed or construed to be other than a part payment on account of the most recent rent due, nor shall any endorsement or statement of any check or letter accompanying any payment be deemed to create an accord and satisfaction.

**22. Attorneys' Fees and Costs.**

In the event Lessor initiates a legal proceeding of any kind instituted under this Lease or to obtain performance of any kind under this Lease, and Lessor prevails, Lessor shall be awarded such additional sums as the court may adjudge for reasonable attorney's fees (including fees from the Office of the Attorney General of the State of Idaho) and to pay all costs and disbursements incurred in such proceeding, including, but not limited to, accountants' fees and fees of appraisers or other experts.

**23. Lessee's Compliance with Applicable Laws and Rules.**

- A. Full compliance. Lessee shall fully comply with all applicable federal, state, or local statutes, ordinances, rules, regulations and laws now existing or hereafter enacted. This shall include, but not be limited to, all applicable rules and regulations and standards promulgated by the State Board of Land Commissioners or the Idaho Department of Lands, including but not limited to, the rules governing leasing of endowment lands, IDAPA 20.03.14.
- B. No Waste or Nuisance. Lessee shall not use the Leased Premises in any manner that would constitute loss or waste, nor shall Lessee allow the same to be committed thereon. Lessee shall not do anything which will create a nuisance or a danger to persons or property.

**24. Miscellaneous.**

- A. **No Trespass.** Lessee shall not allow Lessee's livestock to graze or run at large over any lands of Lessor in a manner not approved within the Lease Terms and Special Provisions, nor shall Lessee authorize any other person to graze or run livestock over Lessor's lands without the express written consent of Lessor.
- B. **Appraisals and Valuations.** Any appraisal or valuation by Lessor called for in this Lease shall be done by Lessor in accordance with applicable state law and regulations, and the then existing policy of Lessor.
- C. **Subject to Existing Leases/Easements.** This Lease is expressly subject to any right-of-way, easement, lease or contract, including, but not limited to, any present or future timber sale contract, that are now in force and effect or that may hereafter be granted relating to the Leased Premises.
- D. **Timber.** This Lease does not authorize Lessee to cut any timber growing on the Leased Premises. Any unauthorized use of such timber by the Lessee or with his knowledge or consent, shall work a forfeiture of this Lease without notice, and said Lessee shall be responsible for damages in the amount of treble the value of the timber used or taken and all other damages. Said timber value to be determined by Lessor.
- E. **Modification.** This Lease may be modified only by a fully executed Lease Adjustment on a form provided by Lessor.
- F. **Binding on Heirs and Successors.** This Lease, including the Lease Provisions and any Special Terms and Conditions, shall inure to the benefit and be binding upon the heirs, executors, successors, sublessees, and assigns of the parties.
- G. **Lessee's Non-Discrimination.** Lessee shall not discriminate against any person because of race, creed, religion, color, sex, national origin or disability.
- H. **Entire Agreement.** This Lease, including the Summary of Lease Provisions, the Lease Provisions, the Signature Page and all Attachments attached hereto, contains the entire agreement between the parties concerning the subject matter hereof and supersedes any and all prior agreements. The execution of this Lease has not been induced by either party, or any agent of either party, by representations, promises or undertakings not expressed herein and, further, there are no collateral agreements, stipulations, covenants, promises, inducements or undertakings whatsoever between the respective parties concerning this Lease except those which are expressly contained herein.
- I. **Governing Law and Forum.** This Lease shall be construed in accordance with and governed by the laws of the State of Idaho and the parties consent to the jurisdiction of Idaho State courts located in Ada County in the event of any dispute with respect to this Lease.
- J. **Severability.** In the event any provision of this Lease shall be held invalid or unenforceable according to law, for any reason whatsoever, then the validity, legality or enforceability of the remaining provisions shall not in any way be affected or impaired.
- K. **Counterparts.** This agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

This Lease, including the Summary of Lease Provisions, Lease Provisions, Signature Page, and all Attachments, is made and entered into by and between the State of Idaho, acting by and through the State Board of Land Commissioners and Bachman Land & Livestock.

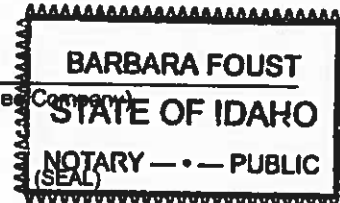
IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly executed the day and year first above written.

LESSEE SIGNATURES

Bachman Land & Livestock  
x by: Frank L. Bachman (Lessee/Company) x (Individual owner) (Lessee/Company)

x Cindy L. Bachman (Lessee/Company)

x \_\_\_\_\_ (Lessee/Company)



STATE OF Idaho )  
COUNTY OF Butte )s

On this 23<sup>rd</sup> day of April, in the year 2013, before me Barbara Foust, a Notary Public, personally appeared Frank Bachman Cindy Bachman proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is (are) subscribed to the within instrument, and acknowledged that he (she) (they) executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year last above written.

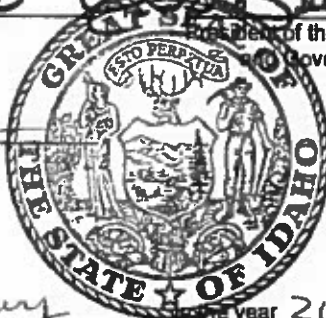
Notary Public: Barbara Foust  
Commission expires: Oct 3, 2017

LESSOR SIGNATURES

COUNTERSIGNED: STATE BOARD OF LAND COMMISSIONERS OF THE STATE OF IDAHO

Ben Yursa Secretary of the State of Idaho  
C. L. Butch Otter President of the State Board of Land Commissioners and Governor of the State of Idaho

Thomas M. Schultz, Jr.  
Director Department of Lands

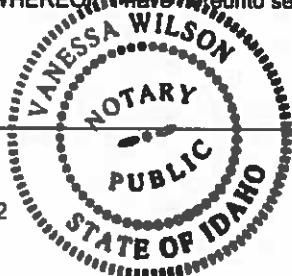


STATE OF IDAHO )  
COUNTY OF ADA )s

(SEAL)

On this 2nd day of May, in the year 2013, before me, a Notary Public in and for said State, personally appeared C. L. "Butch" Otter known to me to be the president of the State Board of Land Commissioners of the State of Idaho and the Governor of the State of Idaho; and Ben Yursa, known to me to be the Secretary of the State of Idaho and Thomas M. Schultz, Jr., known to me to be the Director, that executed the within instrument, and acknowledged to me that the State Board of Land Commissioners of the State of Idaho and the State of Idaho executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year last above written.



Notary Public: Vanessa Wilson  
Commission expires: 8-11-2014

**Attachment A**  
**SPECIAL TERMS AND CONDITIONS**

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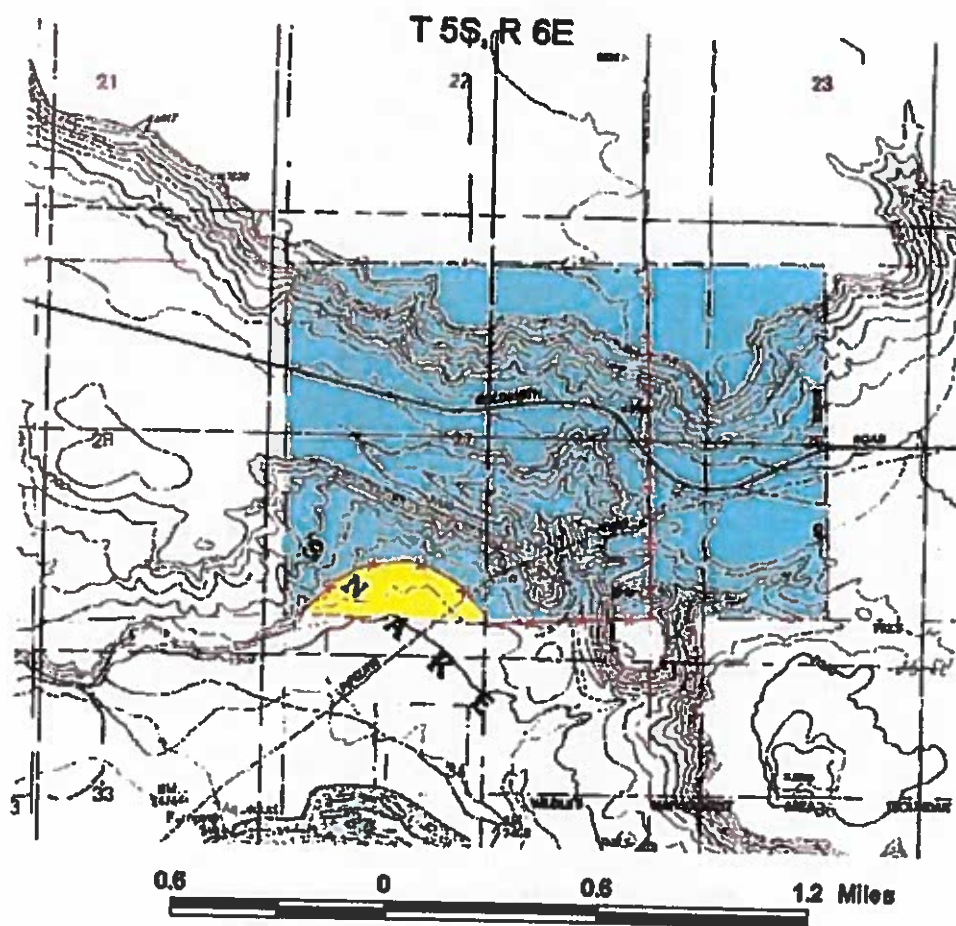
**Attachment B**  
**LEASED PREMISES LEGAL DESCRIPTION**

| <b>Township<br/>Range<br/>Section</b> | <b>Legal Description</b> | <b>Grazing<br/>Acres</b> | <b>Wasteland<br/>Acres</b> | <b>Dryland<br/>Acres</b> | <b>Irrigated<br/>Acres</b> | <b>AUMS</b> | <b>County</b> | <b>Fund</b> |
|---------------------------------------|--------------------------|--------------------------|----------------------------|--------------------------|----------------------------|-------------|---------------|-------------|
| 05S-06E 27                            | PTS S2SW & SWSE          | 0                        | 0                          | 0                        | 30                         | 0           | Elmore        | NS          |

# Attachment C SITE MAP(S)

MAP #1

C600002



Fence  
C-8309  
State endowment land



ByDJohnson



Attachment D  
**ANNUAL CROP PRODUCTION REPORT**  
REPORTING YEAR 20\_\_\_\_\_

Lease Number: C600002 Lessee Name: \_\_\_\_\_  
FSA Office: \_\_\_\_\_ Farm Number: \_\_\_\_\_ Tract Number(s): \_\_\_\_\_

***Please fill out the information below as it applies to the leased state endowment trust lands portion of your operation. Please complete both the front and back side of this form.***

**CROPS PLANTED ON LEASE IN 20\_\_\_\_\_**

NONE ☐ (explain): \_\_\_\_\_ (fallow, enrolled in CRP, etc.)

CROP 1 – type: \_\_\_\_\_ (wheat, barley, hay, etc.)

☐ Dryland – acres: \_\_\_\_\_ Yield: \_\_\_\_\_  
☐ Irrigated – acres: \_\_\_\_\_ Yield: \_\_\_\_\_

CROP 2 – type: \_\_\_\_\_ (wheat, barley, hay, etc.)

☐ Dryland – acres: \_\_\_\_\_ Yield: \_\_\_\_\_  
☐ Irrigated – acres: \_\_\_\_\_ Yield: \_\_\_\_\_

CROP 3 – type: \_\_\_\_\_ (wheat, barley, hay, etc.)

☐ Dryland – acres: \_\_\_\_\_ Yield: \_\_\_\_\_  
☐ Irrigated – acres: \_\_\_\_\_ Yield: \_\_\_\_\_

**FEDERAL PAYMENTS FOR ACRES IN LEASE IN 20\_\_\_\_\_**

NONE ☐

Program Name: \_\_\_\_\_  
Crop Type: \_\_\_\_\_ Acres: \_\_\_\_\_ Yield: \_\_\_\_\_ Payment Rate: \_\_\_\_\_

Program Name: \_\_\_\_\_  
Crop Type: \_\_\_\_\_ Acres: \_\_\_\_\_ Yield: \_\_\_\_\_ Payment Rate: \_\_\_\_\_

Program Name: \_\_\_\_\_  
Crop Type: \_\_\_\_\_ Acres: \_\_\_\_\_ Yield: \_\_\_\_\_ Payment Rate: \_\_\_\_\_

**CROPPING SCHEDULE / ROTATION PLAN**

Do you intend to modify this coming year's cropping schedule/rotation plan? ☐ Yes ☐ No

If Yes, please explain:

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CROP 1 – type: \_\_\_\_\_ (wheat, barley, hay, etc.)

☐ Dryland – acres: \_\_\_\_\_ Yield: \_\_\_\_\_

☐ Irrigated – acres: \_\_\_\_\_ Yield: \_\_\_\_\_

CROP 2 – type: \_\_\_\_\_ (wheat, barley, hay, etc.)

☐ Dryland – acres: \_\_\_\_\_ Yield: \_\_\_\_\_

☐ Irrigated – acres: \_\_\_\_\_ Yield: \_\_\_\_\_

SIGNED: \_\_\_\_\_  
LESSEE

\_\_\_\_\_  
DATE

\*\*\*\*\* Area and Bureau Office Use Only \*\*\*\*\*

(IDL DATE STAMP)



## INSTRUMENT ADJUSTMENT

Instrument No.: **C600002**

Individual or  
Entity of Record: **Fank L. Bachman**

Current Conditions: Expiration: December 31, 2022

Current Cost: \$30.00 Per Acre

New Conditions: Expiration: December 31, 2016

New Cost: \$30.00 Per Acre

***NOTE:** Provide legal description(s) on the 'Attachment - Property Description' when making any adjustments to the property descriptions or to the number of AUMs. Highlight all changes in yellow or use red font.*

Justification: Lynn Bachman (Manager) is requesting that an additional 33 acres from Lease G6625 be incorporated into his cropland lease while maintaining a single lease number. An instrument assignment form has been received. This adjustment will align the expiration dates of the two leases so that a third lease is not required.

**ATTENTION:** If the adjustment results in a credit of \$50 or less, the credit will be applied to future rent. *If the adjustment results in a credit greater than \$50 and you wish to receive a refund, please check the refund box below. All balances not refunded will be applied to future rent.*

☐ I request a refund for any balance over \$50.

# INSTRUMENT HOLDER ACCEPTANCE

We, the undersigned, hereby agree that this Adjustment shall become part of State of Idaho Instrument No. C600002, and that beginning May 1, 2015, and ending December 31, 2016, the above rates, acreages and conditions shall apply in accordance with this Adjustment.

Date 5-1-15 Instrument Holder/Designated Agent Frank L. Bachman Company Name (if applicable) \_\_\_\_\_

Date \_\_\_\_\_ Instrument Holder/Designated Agent \_\_\_\_\_ Company Name (if applicable) \_\_\_\_\_  
 STATE OF Idaho ss  
 County of Oneida  
 On this 1st day of May, in the year 2015, before me, a Notary Public in and for said State, personally appeared Frank L. Bachman  
 known or identified to me to be the person(s) whose name(s) is/are subscribed to the within instrument as Instrument Holder, and acknowledged to me that said person(s) executed the same

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year last above written.

Barbara Foust  
 Notary Public  
 My Commission Expires \_\_\_\_\_

MY COMMISSION EXPIRES  
 October 3, 2017  
 BONDED THRU NOTARY PUBLIC UNDERWRITER

## IDAHO DEPARTMENT OF LANDS APPROVAL:

5/1/15  
 Date Approved

Robert D. Pictor  
 IDL Representative  
AREA MANAGER  
 Title

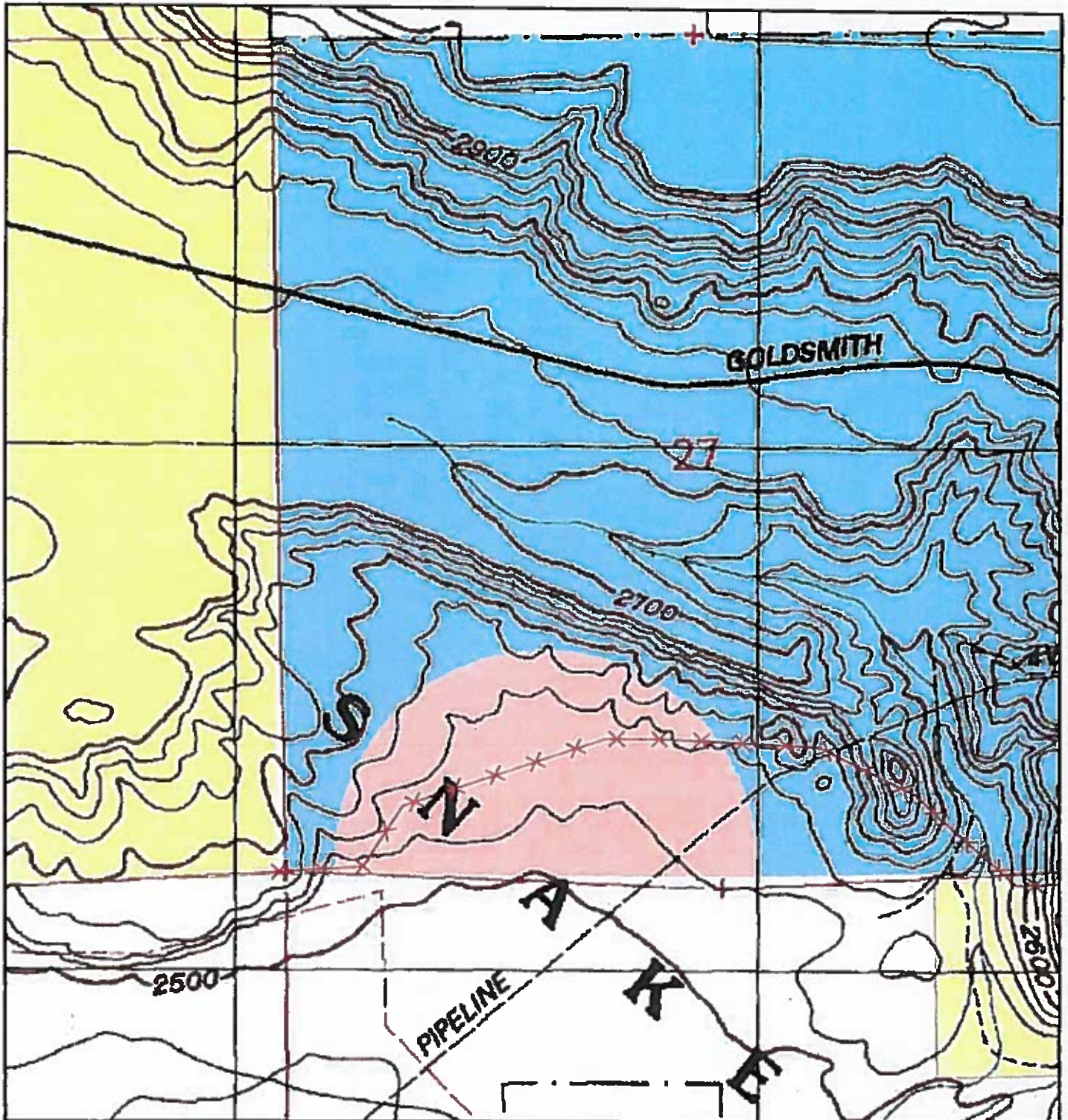
STATE OF Idaho  
 County of Oneida

On this 1st day of May, in the year 15, before me, a Notary Public in and for said State, personally appeared Frank L. Bachman  
 known or identified to me to be the person(s) whose name(s) is/are subscribed to the within instrument as Instrument Holder, and acknowledged to me that said person(s) executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year last above written.

[Signature]  
 Notary Public  
 My Commission Expires: 12/17/2016

Crop Lease C600002  
T05S R06E Sec 27



Legend

- Fence
- Grazing Lease
- State Land
- Private
- BLM

2/23/2015  
Scale 1:10,000



0 0.25 0.5 0.75 Miles



ATTACHMENT A - Property Description

## FARM LEASE

LEASE, made this <sup>TH</sup>13 day of December, 2012, between TIMOTHY D. LANDIS and MELODY F. LANDIS, husband and wife, whose address is 20028 Highway 51, Mountain Home, Idaho 83647, hereinafter designated in the singular and by masculine gender as the "Owner", and FRANK L. BACHMAN and CINDY L. BACHMAN, husband and wife, whose address is P. O. Box 186, Bruneau, Idaho 83604, hereinafter designated in the singular and by masculine gender as the "Lessee".

IN CONSIDERATION OF the covenants and agreements herein mentioned to be kept and performed by the Lessee, the Owner hereby leases, lets and demises unto the said Lessee real property located in the County of Elmore, State of Idaho, that is particularly described in Exhibit A that is attached hereto and by this reference made a part hereof and that is depicted on Exhibit B that is attached hereto and by this reference made a part hereof as Pivots Numbers 1, 2 and 3, and Field Number 1, hereinafter sometimes referred to as the "Leased Premises".

TO HAVE AND TO HOLD the same unto the said Lessee subject to the terms and conditions herein provided.

1. TERM. The term of this lease shall commence on the date hereof and shall end on December 31, 2017, or on the date harvest is completed by Lessee and his crops removed from the premises for the 2017 farming, if Lessee's crops are not removed prior to December 31, 2017.

2. RENT. The Lessee shall pay to the Owner as rent for the Leased Premises the sum of \$           per farmable acre per year for each year of the term of this lease. There is approximately two hundred (200) farmable acres. The Lessee shall pay the sum of \$           to the Owner on or before the 15<sup>th</sup> day of April of each year of the lease term and the balance of the rent due for

COPY

that year on or before the 15<sup>th</sup> day of December of that year. The parties shall determine the exact amount of farmable acres prior to the 15<sup>th</sup> day of December of each year of this lease and the Lessee shall pay to the Owner the balance due for the annual lease payment based on the amount of farmable acres on or before the 15<sup>th</sup> day of December of each year of this lease.

**3. REMOVAL OF SURFACE IRRIGATION SYSTEM, AND REMOVAL AND CONSTRUCTION OF NEW ROADS.** It is understood by the parties that the Leased Premises is currently irrigated by a surface irrigation system. As part consideration for this lease the Lessee shall remove and fill in the canals and ditches that make up the surface irrigation system and also remove the adjacent trees. The Lessee shall also remove approximately 5,000 feet of the existing roads depicted on Exhibit C that is attached hereto and construct and establish new roads as depicted on Exhibit D that is attached hereto. The Lessee shall have the work described in this paragraph completed by the spring of 2013 and in sufficient time for the Owner to install the new irrigation pivot and equipment as provided in the next paragraph.

**4. IRRIGATION PIVOTS, EQUIPMENT AND PIPE.** The Owner shall install a new pivots, pump, motor, and all other irrigation pipe and equipment to adequately irrigate the crops to be grown on the Leased Premises by Lessee as depicted on Exhibit B.

**5. MAINTENANCE OF IRRIGATION EQUIPMENT.** The Owner shall maintain all irrigation equipment at his own expense, provided however, that Lessee shall repair or replace all irrigation equipment damaged or lost by him, his employees or agents. If any necessary repairs or replacements to any irrigation equipment are not made by the Owner within 24 hours after the need for such repairs or replacements become known to him, then in that event, the Lessee shall have the right to make the necessary repairs or replacements, and the cost and expense thereof shall be borne by the Owner and the Owner shall immediately reimburse the Lessee for any

expenses paid by the Lessee in making any such repairs or replacements. Any repairs or replacements to irrigation equipment necessitated by the negligent acts of the Lessee, his agents, servants or employees shall be made promptly by the Lessee at his own expense. In the event that the Lessee shall make any payments, perform any acts, or cause any acts to be performed for or on behalf of the Owner that the Owner should have performed pursuant to this lease, then the Lessee may deduct the cost thereof or the reasonable value thereof together with interest from the date paid at the rate of seven percent (7%) per annum from rent when next due. Lessee shall notify Owner of this option when taken and shall give a full accounting of all amounts paid or of the reasonable value of the acts so paid or performed. Lessee shall make no repairs or replacements of a non-emergency nature on Owner's behalf without the prior written approval of Owner, which approval shall not be unreasonably withheld.

6. ELECTRICAL POWER COSTS. The Owner shall pay all costs of electrical power for the irrigation pump and system that supplies irrigation water to the Leased Premises and shall hold Lessee harmless therefrom.

7. LABOR AND EQUIPMENT. Lessee shall furnish at his own expense all labor, machinery, equipment and implements necessary to till, farm and cultivate the farming land in a good and farmer-like manner and according to the usual course of husbandry.

8. CROPS AND SEED. All seeds for sowing and planting crops on the Leased Premises shall be furnished at the sole expense of Lessee. Unless specifically stated herein, all costs stemming from the production and harvest of said crops are the responsibility of Lessee.

9. REAL PROPERTY TAXES. The Owner shall pay all ad valorem taxes levied and assessed against the Leased Premises and property during the term of this lease.

10. RETURN OF PROPERTY. At the termination of this Lease as provided above, or earlier

in the event of default, Lessee agrees to peacefully surrender all of the real and personal property subject to this Lease in as good a condition as when accepted by Lessee, normal wear and tear from the ordinary use thereof excepted. Further, Lessee at the termination of the Lease will have all of his property removed from the Leased Premises.

11. INSURANCE. Lessee shall provide liability insurance in the amount of \$ [REDACTED] with Owner as an additional named insured to protect Owner from any claim of liability for injury or loss arising out of Lessee's farming of the property, use of the equipment, or any act related to Lessee's farming operation. Lessee shall be responsible for insuring his own property used on the farm or in his farming operation.

12. PROPER FARMING PRACTICES. Lessee shall apply accepted farming practices and care of the Leased Premises. Lessee shall apply chemicals and fertilizers according to the existing labels, laws and regulations, and in a manner so as not to cause harm to the land, water or adjoining lands. Lessee will not store on the property any hazardous substances as so defined by Federal, State, or local laws and regulations. Lessee shall use all products on the farm in a manner in compliance with all local, State and Federal laws and regulations. Lessee will use the property for farming only and for no other purpose.

13. TITLE TO CROPS. Title to all crops shall be in and remain in the name of the Lessee. So long as the Lessee is not in default in the lease payments provided for in this lease, the Owner shall have no interest in the crops grown on the leased premises and shall place no liens of any kind on said crops.

14. PUMP STATION. It is understood by the parties that there is a pump station located in U.S. Government Lot 1, Section 33, Township 5 South, Range 6 East, Boise Meridian that provides irrigation water from the Snake River to the Leased Premises. The Owner shall pay

\_\_\_\_\_ of all electrical power costs to run the pump station and shall pay \_\_\_\_\_ of the replacement, repair and maintenance costs of the pump station. It is understood by the parties that the Lessee is purchasing adjacent real property from the Owner and as a part of the purchase agreement shall pay \_\_\_\_\_ of the electrical power costs and \_\_\_\_\_ of the replacement, repair and maintenance costs of the pump station for the property being purchased from the Owner.

15. NO PARTNERSHIP CREATED. This Lease shall not be construed as creating the relationship of partners, joint venturers, principal and agent, or any other form of joint enterprise between the Owner and Lessee. Neither party shall be liable for any debts or obligations incurred by the other, nor shall either party have authority to bind the other in any contract with third parties.

16. NO ASSIGNMENT OR SUBLEASE WITHOUT PRIOR WRITTEN APPROVAL. The Lessee shall not assign this lease nor sublease any part of the Leased Premises without first obtaining the prior written consent of the Owner, which consent shall not be unreasonably withheld.

17. DEFAULT OR BREACH. Each of the following events shall constitute a default or breach of the Lease by Lessee:

(a) If Lessee shall file a petition in bankruptcy court for insolvency or for reorganization under any bankruptcy act, or shall voluntarily take advantage of any such act or shall make an assignment for the benefit of creditors;

(b) If an involuntary proceeding under any bankruptcy law or insolvency act shall be instituted against Lessee, if a receiver or trustee shall be appointed for all or part of the property of Lessee, and such proceeding shall not be dismissed or the receivership or trusteeship shall not

be vacated within ten (10) days after the institution of any such appointment;

- (c) If Lessee fails to pay the lease payments to Owner as provided herein;
- (d) If Lessee shall fail to perform or comply with any of the conditions and terms of this Lease;
- (e) If Lessee shall vacate or abandon the Leased Premises;
- (f) If Lessee fails to take possession of the Leased Premises at the time set forth herein or within ten (10) days after notice the Leased Premises is available for occupancy; and
- (g) If Lessee fails to comply with any law, ordinance, regulation or restrictions applicable to use of the land and farming on the property that is subject to this Lease, after notice as provided below.

18. REMEDIES FOR DEFAULT. If default be made in the performance of any of the terms and conditions hereof to be kept and performed by the Lessee, the Owner or his assigns shall first give the Lessee thirty (30) days' notice in writing specifying wherein the Lessee has failed to comply with the terms hereof and which said notice shall be delivered to the Lessee personally or may be sent to the Lessee by registered or certified mail, addressed to the Lessee at the address provided herein. If sent by mail, said notice shall be deemed served upon the Lessee upon the date it is deposited in the United States mail with postage prepaid, certified or registered and addressed as above mentioned. If Lessee fails to correct such default within said thirty-day period, then the Owner or his assigns may without further notice declare this Lease terminated and re-enter and retake possession of the Leased Premises, with or without process of law, and may remove the Lessee or any other persons occupying said premises, and Lessee agrees that in case of such default he will immediately deliver up peaceable possession of the Leased Premises to the Owner or his assigns upon demand. If the Owner retakes possession of said premises for

default of the Lessee in complying with the terms hereof after notice as mentioned above, then the Owner may do or perform all things agreed to be done by the Lessee, remaining undone, and the Owner may retain or sell sufficient of the crops produced upon said premises that would have otherwise belonged to the Lessee if he had performed the conditions hereof, to pay for all costs and expenses of every kind incurred by the Owner in performing the things left undone by the Lessee, and the residue remaining, if any, of such crops necessary to provide Lessee with his proportionate share of the crops shall belong to the Lessee after all conditions are fulfilled. The remedies herein mentioned shall be construed as cumulative and not as alternative or exclusive.

19. ATTORNEY'S EMPLOYMENT. The parties acknowledge that this agreement was prepared by the attorney for the Lessee. The Owner is advised to seek the advice of independent counsel if he so desires.

20. ATTORNEY'S FEES. In the event it becomes necessary for either of the parties hereto to place this Lease in the hands of an attorney for enforcement of their rights hereunder after default of the other Party, or to institute suit for enforcement of their rights hereunder after such default, then the defaulting Party agrees, in either case, to pay a reasonable attorney's fee, including paralegal fees, incurred by the other party, in addition to other damages allowed by law. The defaulting party further agrees to pay to the non-defaulting party any fees incurred by the non-defaulting party to send notice of default to the defaulting party in the sum of \$ [REDACTED]. The payment of such cost shall be made before the notice of default is cured.

21. GOVERNING LAW. This Lease shall be governed by the laws of the State of Idaho regardless of the forum or venue of any dispute hereunder.

22. PARAGRAPH HEADINGS. Paragraph headings in this Lease are for the convenience of the parties only, and are not to be construed as a part of this Lease or in any way limiting or

amplifying the provisions thereof.

23. COVENANT. The Owner hereby covenants that the Lessee performing the terms and conditions hereof shall peacefully and quietly have, hold and enjoy the said Leased Premises and property during the term hereof.

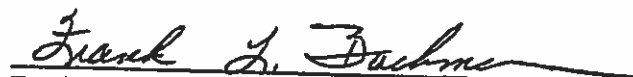
24. HEIRS, SUCCESSORS AND ASSIGNS. The terms and conditions of the Lease shall extend to and be binding upon the heirs, administrators, successors, executors and assigns of the respective parties hereto.

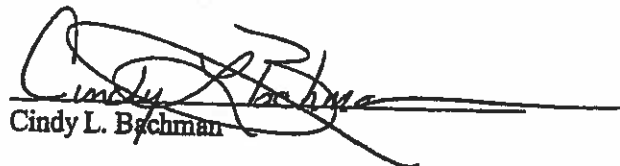
IN WITNESS WHEREOF, said parties have hereunto set their hands the day and year in this agreement first above written.

  
Timothy D. Landis

  
Melody F. Landis

OWNER,

  
Frank L. Bachman

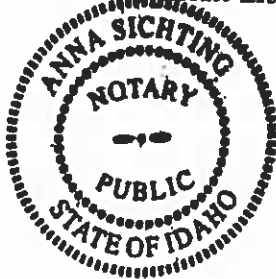
  
Cindy L. Bachman

LESSEE.

STATE OF IDAHO, )  
COUNTY OF Elmore ) ss.

On this 13<sup>th</sup> day of December, 2012, before me, the undersigned, a Notary Public in and for said state, personally appeared TIMOTHY D. LANDIS and MELODY F. LANDIS, husband and wife, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they 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.

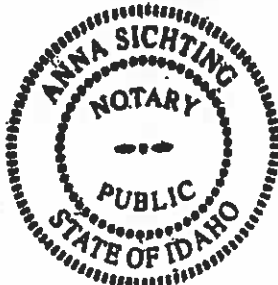


Anna Sighting  
Notary Public for Idaho  
Residing at: Mtn. Home, Idaho.  
My commission expires: 7/9/2017

STATE OF IDAHO, )  
COUNTY OF Elmore ) ss.

On this 13<sup>th</sup> day of December, 2012, before me, the undersigned, a Notary Public in and for said state, personally appeared FRANK L. BACHMAN and CINDY L. BACHMAN, husband and wife, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they 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.



Anna Sighting  
Notary Public for Idaho  
Residing at: Mtn. Home, Idaho.  
My commission expires: 7/9/2017

# EXHIBIT A

The North One-Half of Section 33, Township 5 South, Range 6 East, Boise Meridian, Elmore County, Idaho, SAVING, EXCEPTION AND EXCLUDING therefrom the following described property:

Commencing at a point upon the West boundary line of Section 33, Township 5 South, Range 6 East, Boise Meridian, which point is located 1898.4 ft. South of the North corner of said Section 33, and which said point is located 583.8 ft. South from the point where said West Section line is intersected by the Southwesterly boundary line of the right of way for State Highway #51;

Thence South from the point of beginning along the Section line 734 Ft. M/L, to the Southwest corner of the Northwest Quarter of said Section 33;

Thence East along the quarter section line 923 ft., more or less, to the point of intersection with the Westerly boundary line of the right of way for State Highway #51;

Thence northwesterly along the westerly boundary line of the right of way for said State Highway 1055 Ft. M/L, to a point 558.3 ft. Southeasterly from the point of intersection of the Westerly boundary line of said highway with the West section line of said Section 33;

Thence South 68°07' West 352.7 Ft. more or less, to the point of beginning.

Said parcel lies within the NW¼ of Section 33, Township 5 South, Range 6 East, Boise Meridian, South of the right of way for State Highway #51, in Elmore County, Idaho, and contain 11.6 acres more or less.

\*\*\*\*\*

U. S. Government Lots 1 and 2, Section 33, Township 5 South, Range 6 East, SAVING, EXCEPTION AND EXCLUDING therefrom the following described property:

A parcel of land lying in the S½ of Section 33, Township 5 South, Range 6 East; better described as follows:

Beginning at the section corner common to sections 28, 29, 32 & 33, Township 5 South, Range 6 East; Thence South 3217.8 feet to a point on the west line of the NW¼SW¼, Township 5 South, Range 6 East, this point being the Real Point of Beginning;

Thence S 79°21' E. 844.4 feet;

Thence S 66°06' E. 1982.0 feet;

Thence N 60°44' E 200.6 feet;

Thence N 8°52' E 1065.1 feet;

Thence N 79°04' E 1688.7 feet;

Thence N 82°17' E. 795.4 feet to a point on the east line of Lot 1, Section 33, Township 5 South, Range 6 East;

Thence South to a point on the North bank of the Snake River;

Thence westerly along the meander line of the North Bank of the Snake River to a point where said line intersects the North-South section line between Sections 32 & 33, Township 5 South, Range 6 East;  
Thence North to the REAL POINT OF BEGINNING.  
Containing 123.5 acres more or less.

\*\*\*\*\*

The Northwest Quarter of the Northwest Quarter and the Southwest Quarter of the Northwest Quarter, Section 34, Township 5 South, Range 6 East, Boise Meridian.

\*\*\*\*\*

A parcel of land lying in a portion of Gov't Lot 1 and also in a portion of Gov't Lot 2 of Section 33, Township 5 South, Range 6 East, Boise Meridian, Elmore County, Idaho, said parcel being more particularly described as follows:

Commencing at a 5/8 inch rebar marking the corner common to Sections 28, 29, 32 and 33; thence S 0°00'00" E 2640.35 feet along the west line of said Section 33 to an Idaho Power Company monument marking the W1/4 Corner of said Section 33; thence continuing S 0°00'00" E 577.45 feet along said west line to an Idaho Power Company monument; thence S 79°58'48" E 844.02 feet (formerly S 79°21' E 844.40 feet) to a 1.5 inch pipe; thence S 66°44'51" E 1981.73 feet (formerly S 66°06' E 1982.00 feet) to an Idaho Power Company monument; thence N 60°05'07" E 200.15 feet (formerly N 60°44' E 200.60 feet) to an Idaho Power Company monument; thence N 8°09'11" E (formerly N 8°52' E) 236.30 feet to a 5/8 inch rebar, said rebar being the POINT OF BEGINNING;

Thence continuing N 8°09'11" E (formerly N 8°52' E) 828.80 feet to a point;  
Thence N 78°29'29" E (formerly N 79°04' E) 1688.70 feet to a point;  
Thence N 81°39'17" E (formerly N 82°17' E) 795.40 feet to an Idaho Power Company monument;  
Thence S 68°26'13" W 961.65 feet to a 5/8 inch rebar;  
Thence S 61°05'34" W 1901.88 feet to the POINT OF BEGINNING.

Said parcel contains 20.55 acres, more or less, and is subject to all existing easements and right-of-ways of record or implied.

EXHIBIT B

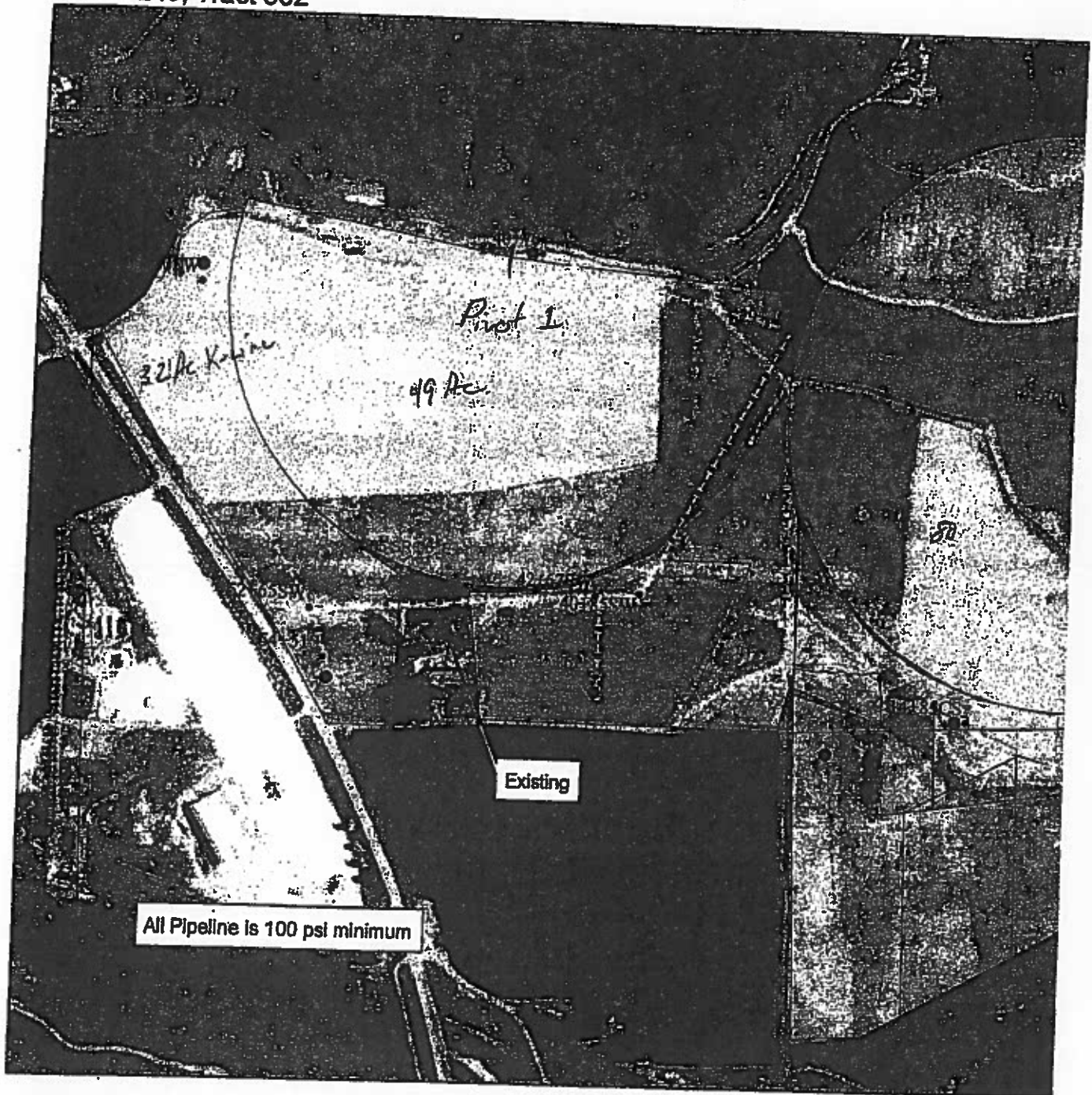
Sprinkler System Design

Customer(s): TIMOTHY D LANDIS

District: ELMORE SOIL & WATER CONSERVATION DISTRICT

Legal Description: T5S, R6E, Sec 34

Farm 243, Tract 332



gn

Date: 9/7/2012

Field Office: MOUNTAIN HOME

25 Ac Up to Agency: NRCS

Assisted By: MARIKA KEARSLEY

25 Ac Above

8 Ac  
Filed 1

### Legend

 Sprinkler

• Thrust Blocks

### PRV size

• 2"

• 3"

• 4"

### Pipe Size

--- 1.5"

--- 4"

6"

--- 8"

--- 10"

--- 12"

--- 15"

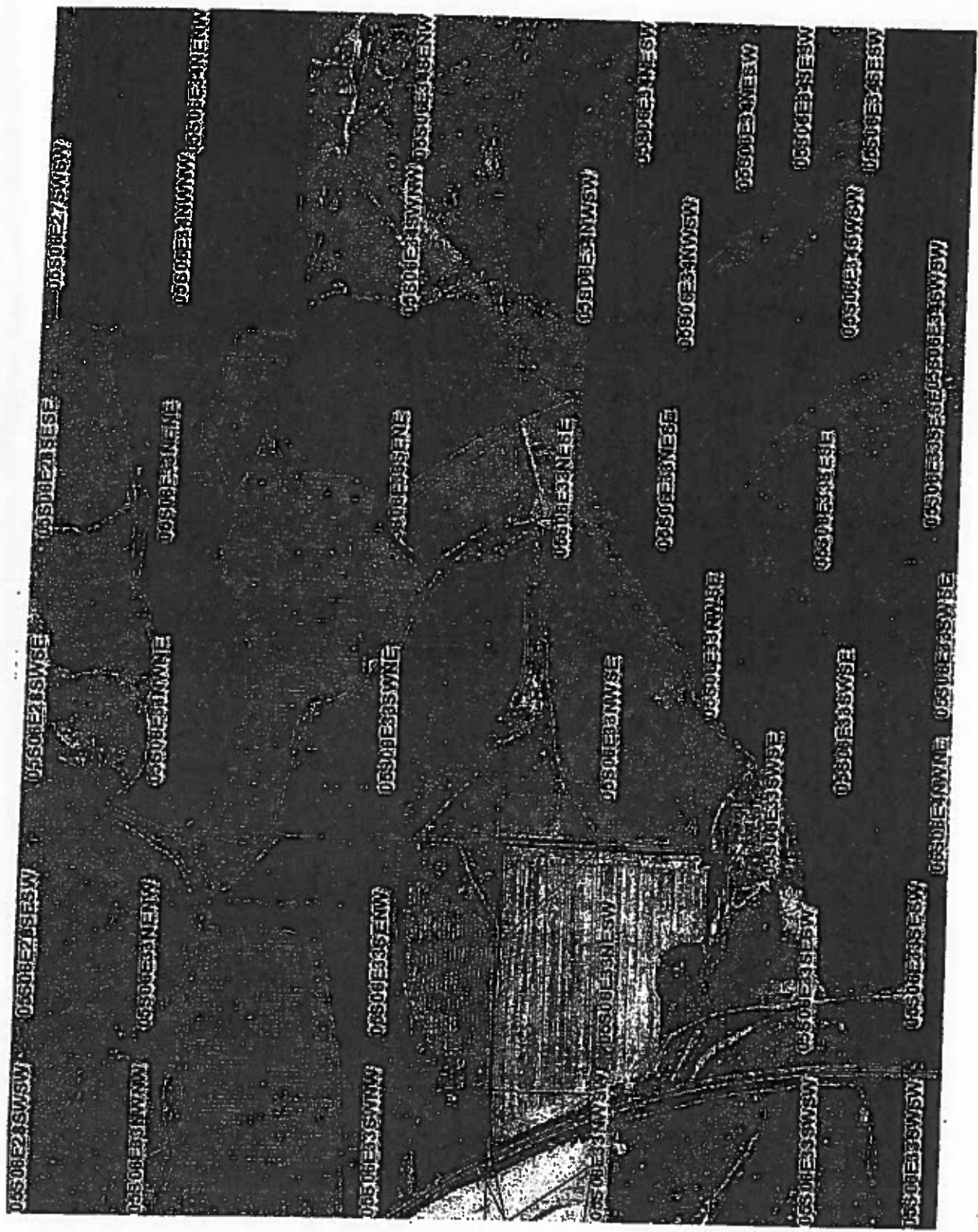
Existing

1,200 1,600  
Feet



ROAD TO BE  
REMOVED

EXHIBIT C

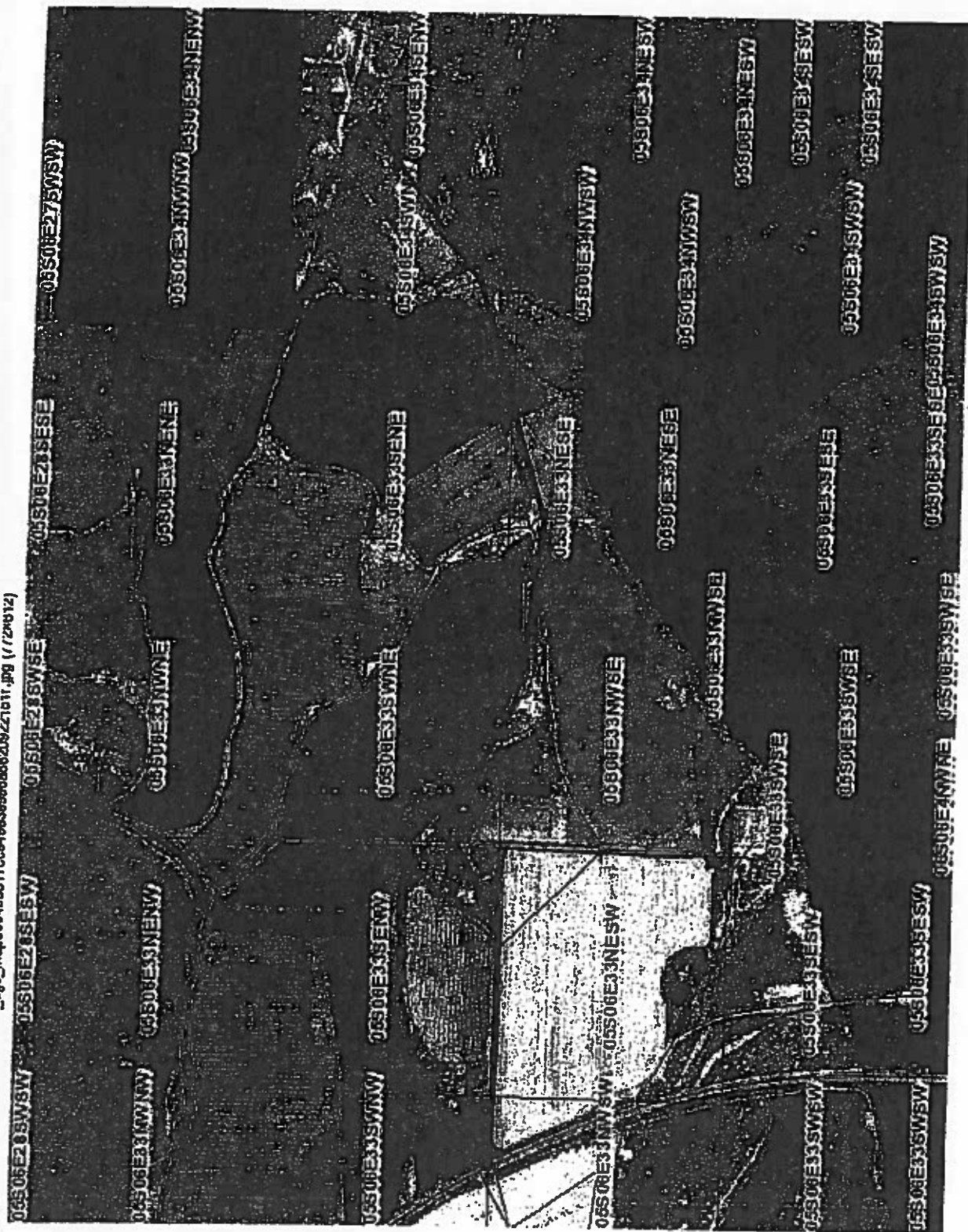


ROAD

EXHIBITED

1/1

...\_img\_11mapoutput.pdf (1/20/12)



May 28, 2015

Remington Buyer  
Idaho Water Supply Bank  
322 E. Front St.  
P.O. Box 83720  
Boise, ID 83720-0098

Re: *Water Bank Rental Application for Frank and Cindy Bachman*

Dear Mr. Buyer:

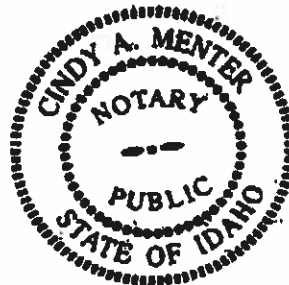
Gingerich Brothers Farms owns portions of water rights 2-7071 and 2-2356 being leased to the Idaho Water Supply Bank (IWSB). Gingerich Brothers Farms would like the IWSB to rent water from the leased acres to Frank and Cindy Bachman, for irrigation of 80 acres in the SWSW, SESW and SWSE, Section 27; and the NWNW and Lot 1, Section 34, all in Township 5S, Range 6E.

Sincerely,

*Verlin Gingerich (Partner)*  
Gingerich Brothers Farms  
Verlin Gingerich, Partner

JUNE 2-2015  
Date

State of Idaho }  
County of Elmore } ss.



Subscribed and sworn (or affirmed) before me this 2 day of June, 2015.

*Cindy A. Menter*  
Notary Public

Residing at Mtn Home, Idaho  
My Commission Expires Aug 7, 2019.



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](http://www.idwr.idaho.gov)

C.L. "BUTCH" OTTER  
Governor

GARY SPACKMAN  
Director

June 1, 2016

FRANK BACHMAN  
CINDY BACHMAN  
PO BOX 186  
BRUNEAU ID 83604

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK  
WATER RIGHT NOS. 2-2356 and 2-7071**

Dear Renter:

Please find enclosed a receipt in the amount of \$5,715.40 and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 336.2 acre-feet of water for irrigation of 70.7 acres during 2016. 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 \$5,143.86 of the rental fee will be paid to the lessor(s) and 10% or \$571.54 will be retained by the Department to offset administrative costs.

If you have any questions, please contact me at (208) 287-4946.

Sincerely,

 Michele Edl  
Sr. Water Resource Agent

Enclosures: Receipt No. C101936  
Rental Agreement (copy)

c: Sascha Marston – Fiscal  
Angie Grimm – IDWR Western Regional Office  
Rob Whitney – State Water District No. 2  
Lori Graves – SPF Water Engineering  
Liz Cresto - IDWR



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](http://www.idwr.idaho.gov)

C.L. "BUTCH" OTTER  
Governor

GARY SPACKMAN  
Director

April 20, 2016

FRANK BACHMAN  
CINDY BACHMAN  
PO BOX 186  
BRUNEAU ID 83604

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK  
WATER RIGHT NOS. 2-2356 and 2-7071**

**\*\*\*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 \$5,715.40 was calculated based on the current rental rate of \$17.00 per acre-foot times a diversion volume of 336.2 acre-feet.

**Please send a check for \$5,715.40 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 \$5,143.86 of the rental fee will be paid to the lessor(s) and 10% or \$571.54 will be retained by the Department to offset administrative costs.

If you have any questions, please contact me at (208) 287-4946.

Sincerely,

*for* Michele Edl  
Sr. Water Resource Agent

Enclosure

c: IDWR Front Desk  
Lori Graves – SPF Water Engineering

APR 29 2016

DEPARTMENT OF  
WATER RESOURCES

To Whom it May Concern:

Please remove the 162 ac-ft limiting condition involving water right 2-2356 from the rental contract. The information provided below justifies rental of all 180 ac-ft authorized under the right at 5 ac-ft/acre.

Using ET Idaho 2012 for Bruneau, alfalfa (frequent cuttings) with 20% exceedance (hot, dry year) has a growing season precipitation deficit of 1092 mm (3.58 feet). Assuming an irrigation efficiency of 71%, the irrigation requirement ( $3.58' / 0.71$ ) is 5.0 feet.

### ET Idaho 2012 -- Evapotranspiration and Consumptive Irrigation Water Requirements for Idaho

Please read suggestions for improving this site to enhance its timeliness and utility. Copyright 2012, University of Idaho.

#### Bruneau (NWS -- 101125)

Statistics based on thirty year normal spans 1967 to 2010 years

For a different land cover or crop check on the above link

You can highlight this table and copy via the clipboard to a Microsoft Excel or OpenOffice spreadsheet to plot or otherwise work with this data

| Alfalfa - frequent cuttings                                  |        |      |      |      |      |      |      |      |      |      |      |      |                             |                                 |        |
|--------------------------------------------------------------|--------|------|------|------|------|------|------|------|------|------|------|------|-----------------------------|---------------------------------|--------|
| Precipitation Deficit <a href="#">Click here for a graph</a> |        |      |      |      |      |      |      |      |      |      |      |      |                             |                                 |        |
|                                                              | Jan    | Feb  | Mar  | Apr  | May  | Jun  | Jul  | Aug  | Sep  | Oct  | Nov  | Dec  | Growing Season <sup>a</sup> | Non Growing Season <sup>b</sup> | Annual |
| <b>Mean<sup>c</sup></b>                                      | mm/day |      |      |      |      |      |      |      |      |      |      |      | mm                          |                                 |        |
| Monthly <sup>d</sup>                                         | 0.10   | 0.11 | 0.20 | 0.30 | 0.55 | 0.70 | 0.72 | 0.75 | 0.65 | 0.40 | 0.20 | 0.10 | 10.92                       | 0                               | 10.92  |
| 15 Day Moving Average <sup>e</sup>                           | 0.16   | 0.15 | 0.15 | 0.25 | 0.51 | 0.72 | 0.70 | 0.65 | 0.50 | 0.30 | 0.15 | 0.10 |                             |                                 |        |
| 7 Day Moving Average <sup>f</sup>                            | 0.22   | 0.19 | 0.16 | 0.30 | 0.70 | 0.90 | 0.80 | 0.65 | 0.45 | 0.25 | 0.10 | 0.10 |                             |                                 |        |
| 3 Day Moving Average <sup>g</sup>                            | 0.10   | 0.11 | 0.19 | 0.30 | 0.50 | 0.70 | 0.65 | 0.60 | 0.45 | 0.25 | 0.10 | 0.10 |                             |                                 |        |
| <b>Standard Deviation<sup>h</sup></b>                        | mm/day |      |      |      |      |      |      |      |      |      |      |      | mm                          |                                 |        |
| Monthly <sup>d</sup>                                         | 0.61   | 0.30 | 0.10 | 0.05 | 0.05 | 0.04 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05                        | 0.05                            | 0.05   |
| 15 Day Moving Average <sup>e</sup>                           | 0.10   | 0.20 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 |                             |                                 |        |
| 7 Day Moving Average <sup>f</sup>                            | 0.05   | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 |                             |                                 |        |
| 3 Day Moving Average <sup>g</sup>                            | 0.05   | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 |                             |                                 |        |
| <b>20% Exceedance<sup>i</sup></b>                            | mm/day |      |      |      |      |      |      |      |      |      |      |      | mm                          |                                 |        |
| Monthly <sup>d</sup>                                         | 0.10   | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 | 10.92                       | 0                               | 10.92  |
| 15 Day Moving Average <sup>e</sup>                           | 0.05   | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 |                             |                                 |        |
| 7 Day Moving Average <sup>f</sup>                            | 0.05   | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 |                             |                                 |        |
| 3 Day Moving Average <sup>g</sup>                            | 0.05   | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 |                             |                                 |        |

On 5/27/16, Shelley & I spoke with Terry Scanlan about this request. Terry proposed using the 20% exceedance figures for the precip. deficit. However, Departmental Policy says to use the monthly mean. Using the monthly mean @ 75% efficiency - we get 4.5 af/ac. SPF's request to use 5 af/ac has been declined.

-Cherie Palmer

## MEMORANDUM

**To:** Water Right(s) 2-2356 and 2-7071  
**From:** Michele Edl  
**Date:** April 15, 2016  
**Re:** Review & Analysis of Bachman Application to Rent Water from the State Water Supply Bank

---

**PURPOSE/NARRATIVE:** On September 4, 2015, the Water Supply Bank received a lease-rental proposal submitted by Frank and Cindy Bachman. The rental application proposed to rent all available water which has been leased to the State Water Supply Bank under water rights 2-7071 and 2-2356.

The rental application proposed to rent water to irrigate 63.0 acres in Twp 5S, Rge 6E, sec 27 and 17 acres in Twp 5S, Rge 6E, sec 34. The applicant requested a rental agreement with a 5-year duration.

**AUTHORITY TO FILE:** According to available Elmore County taxlot information, the proposed place-of-use is owned by either Melody Landis or the State of Idaho. The application includes a copy of the Bachman's adjusted lease agreement with the Department of Lands, which appears to expire in December 31, 2016 and a copy of the farm lease agreement between the Bachmans and the Landises, which appears to expire December 31, 2017.

The proposed point-of diversion is an existing pumping station on Idaho Power Company property. It is the authorized POD for decreed water rights 2-2124 and 2-2092B, which are for irrigation use and are owned by Melody Landis or Tim Landis.

The original rental proposal did not provide sufficient documentation that the Bachmans were authorized to use the POD. Lori Graves, (Water Rights Specialist, SPF Water Engineering LLC) is assisting the Bachmans and the Landises with their recent water rights processes. On April 12, 2016, Ms. Graves provided an electronic copy of Idaho Power Company's Special Use Permit 2055-S-2013-01. The IPCo use permit was issued to Frank and Cindy Bachman on June 13, 2013 and it will expire on March 30, 2018.

Although the rental application requested a 5-year rental, the duration of the rental will be limited by the land lease agreement with the State of Idaho, to the 2016 season only. On 4/12/2016, I confirmed with IDL that the Bachman's current crop lease agreement expires December 31, 2016. The IDL lease program manager stated that a new agreement has likely been proposed but would not be approved until mid-summer 2016.

### **WATER RIGHT VALIDITY:**

A portion of water right 2-7071 was leased to the Water Supply Bank in October 2015. The current lease expires in 2019. Approval of this rental proposal will exhaust the rental availability of the right for 2016.

A review of aerial photography shows the sufficient acres have been idled at the authorized POU.

A portion of water right 2-2356 was leased to the Water Supply Bank in October 2015. The current lease expires in 2019. Approval of this rental proposal will exhaust the rental availability of the right for 2016.

A review of aerial photography shows the sufficient acres have been idled at the authorized POU.

**INJURY TO OTHER WATER RIGHTS:** With authorization to use the POD, the WSB assumes that the pumping station has the capacity to divert water for this rental use in addition to the diversions for existing water rights.

No other injury is anticipated.

**ENLARGEMENT OF USE:**

Processing of the WSB rental has been delayed while Western Region processed two applications for transfer (numbered 80123 and 80124) which acted on rights which were appurtenant to the rental POU. Prior to the transfers, the pivot corner in the NWNWNW of section 34 was covered by water right 2-2277. On approval of the transfer 80123, the pivot corner should be without a water right for the irrigation and will need WSB water.

If the transfer is approved and the water right changes are completed as they appear on the transfer as of 4/12/2016, then no enlargement is evident through the rental.

Right 2-2356 has an unusually long SOU which is more generous than that associated with the rental location. The rental agreement will be limited to the amounts available under standard rate and volume for the rental area.

**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 right(s) are subject to Water District 2. The watermaster and Western Region have been consulted. Neither are opposed to this lease-rental.

Pending application for Transfer 80123 proposes a change in the POU of WR# 2-2277. If the transfer is not approved, then the rental can not be approved either. As of the date of this memo, the transfers have not been approved but the Western Region Manager expects that they will be.

| Bachman WSB lease-rental 2016 v2 |                 |                  |                          |                         |                |       |  |  |                                         |
|----------------------------------|-----------------|------------------|--------------------------|-------------------------|----------------|-------|--|--|-----------------------------------------|
| Water Right No.                  | Rented Vol (AF) | Lessor Fee (90%) | Administrative Fee (10%) | Total Fee @ \$17 (2016) | Rental Amounts |       |  |  |                                         |
|                                  |                 |                  |                          |                         | Rate           | Acres |  |  |                                         |
| 2-2356                           | 180.0           | \$2,754.00       | \$306.00                 | \$3,060.00              | 0.71           | 36.00 |  |  |                                         |
| 2-7071                           | 156.2           | \$2,389.86       | \$265.54                 | \$2,655.40              | 0.69           | 34.70 |  |  |                                         |
| Total                            | 336.2           | \$5,143.86       | \$571.54                 | \$5,715.40              | 1.40           | 70.70 |  |  |                                         |
| limited to                       | 318.2           |                  |                          |                         |                |       |  |  |                                         |
| Bachman WSB lease-rental 2016    |                 |                  |                          |                         |                |       |  |  |                                         |
| Water Right No.                  | Rented Vol (AF) | Lessor Fee (90%) | Administrative Fee (10%) | Total Fee @ \$17 (2016) | Rental Amounts |       |  |  |                                         |
|                                  |                 |                  |                          |                         | Rate           | Acres |  |  |                                         |
| 2-2356                           | 156.2           | \$2,478.60       | \$275.40                 | \$2,754.00              | 0.71           | 36.00 |  |  |                                         |
| 2-7071                           | 156.2           | \$2,389.86       | \$265.54                 | \$2,655.40              | 0.69           | 34.70 |  |  |                                         |
| Total                            | 318.2           | \$4,868.46       | \$540.94                 | \$5,409.40              | 1.40           | 70.70 |  |  |                                         |
| calculated by                    |                 |                  |                          |                         |                |       |  |  |                                         |
| Michele Edl                      |                 |                  |                          |                         |                |       |  |  |                                         |
| 2-2356                           | rate            | volume           | acre                     | af/ac                   | cfs/ac         |       |  |  |                                         |
| leased 2016-19                   | 0.71            | 180.0            | 36.0                     | 5.00                    | 0.020          |       |  |  |                                         |
| available                        | 0.71            | 180.0            | 36.0                     | 5.00                    | 0.020          |       |  |  | non-standard SOU; see SRBA decree       |
| adjusted                         | 0.71            | 162.0            | 36.0                     | 4.50                    | 0.020          |       |  |  | adjusted to standard for acres leased   |
| for Bachman                      | 0.71            | 162.0            | 36.0                     | 4.50                    | 0.020          |       |  |  |                                         |
| 2-7071                           |                 |                  |                          |                         |                |       |  |  |                                         |
| leased 2016-19                   | 0.8             | 180.5            | 40.1                     | 4.50                    | 0.020          |       |  |  |                                         |
| available                        | 0.8             | 180.5            | 40.1                     | 4.50                    | 0.020          |       |  |  |                                         |
| for Bachman                      | 0.69            | 156.2            | 34.7                     | 4.50                    | 0.020          |       |  |  |                                         |
| original request                 | 1.67            | 397.0            | 80.0                     | 4.96                    | 0.021          |       |  |  |                                         |
| reduced for less ac              | 1.40            | 318.2            | 70.7                     | 4.50                    | 0.020          |       |  |  | excludes 10 ac in Lot 1 covered by xfer |

**Edl, Michele**

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**From:** Whitney, Rob  
**Sent:** Wednesday, April 13, 2016 4:14 PM  
**To:** Edl, Michele  
**Subject:** RE: Bachman WSB lease rental 2016

Michele,

I have no concerns.

RW

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**From:** Edl, Michele  
**Sent:** Tuesday, April 12, 2016 5:05 PM  
**To:** Whitney, Rob; Van Dyke, Nick  
**Cc:** Miller, Nick  
**Subject:** Bachman WSB lease rental 2016

Gentlemen,

I have completed my review of the 2016 lease-rental for Frank and Cindy Bachman. If the name is familiar, it may be because they also have two transfers (80123 and 80124) which are almost, but not yet, approved.

Approval of the rental will authorize irrigation of 76.1 acres for the 2016 season. The rental package exhausts the value of the two proposed rights for 2016.

The rental application (dated 9/4/2015) stated that the latest possible start date would be 4/15/2015. I believe that that date is a typo. I have assumed that 4/15/2016 is the latest possible start date, and I have assumed that the almost-approved transfer will indeed take existing water from the pivot corner, removing the water right overlap and making it possible to apply water to that corner from the WSB.

I have attached a copy of my review memo and a jpg showing the rental and lease POUs. When you get a minute, please let me know if you have any concerns about this lease-rental.

Thanks.  
Michele Edl  
208-287-4946

**Edl, Michele**

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**From:** Lori Graves [LGraves@spfwater.com]  
**Sent:** Tuesday, April 12, 2016 9:50 AM  
**To:** Edl, Michele  
**Cc:** Terry Scanlan; Lynn Bachman; febachman@copper.net  
**Subject:** RE: Bachman WSB rental application  
**Attachments:** ID Power Special Use Permit for POD.pdf

Good Morning Michele,

This email is in response to your information request letter attached to the email below.

**Request item 1:** Proof Backmans have the required authority over all of the proposed places of use.

Included as Attachment 3K2 of the rental application is a farm lease between Landis and Backmans authorizing Bachmans to farm the Landis property. The lease is good thru 2017.

**Request item 2:** Proof that Backmans have the required authority over the point of diversion.

Attached is a Special Use Permit from Idaho Power to Bachmans allowing them access and use of the pump station. The permit is good thru March 30, 2018, at which time it will be renewed.

Please let me know if there are any further questions.

Regards,  
Lori Graves

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**From:** Edl, Michele [<mailto:Michele.Edl@idwr.idaho.gov>]  
**Sent:** Friday, April 08, 2016 4:56 PM  
**To:** Lori Graves <[LGraves@spfwater.com](mailto:LGraves@spfwater.com)>; [febachman@copper.net](mailto:febachman@copper.net)  
**Subject:** Bachman WSB rental application

Lori Graves,  
Frank and Cindy Bachman,

I have attached:

- a letter which will be sent with a copy of the rental application from this office on Monday and
- a copy of the Bachman WSB rental proposal for the 2016 season.

Sincerely,  
Michele Edl

|                                 |   |                                    |
|---------------------------------|---|------------------------------------|
| Frank and Cindy Bachman         | ) |                                    |
| P.O. Box 186                    | ) |                                    |
| Bruneau, Idaho 83604            | ) | LICENSED PROJECTS                  |
| Ph: (208) 845-2090              | ) | C. J. Strike 2055                  |
|                                 | ) |                                    |
|                                 | ) |                                    |
| Issued:                         | ) | SPECIAL USE PERMIT                 |
|                                 | ) | Irrigation Pump, buried irrigation |
| By: Carolyn Bock                | ) | lines, access road use             |
| Director, Corporate Real Estate | ) |                                    |
|                                 | ) |                                    |
| No. 2055-S-2013-01              | ) |                                    |

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#### SPECIAL USE PERMIT – C.J. STRIKE PROJECT LANDS

Permission is hereby granted by Idaho Power Company (IPC) to Frank and Cindy Bachman, hereinafter called Permittee, to use a portion of the area contained within the boundaries of the federally licensed C.J. Strike hydroelectric project (Project). This permission is subject to the conditions set out below and pertains to the following described lands or improvements located in a portion of Sections 33 and 34, Township 5 South, Range 6 East, Elmore County, Idaho.

#### PERMITTED USE AND FACILITIES

This Special Use Permit (Permit) is issued for the purpose of: (1) buried sprinkler irrigation main lines (2) one irrigation pump (of two) currently located on the Snake River (3) non-exclusive access to the pump location and (4) nonexclusive use of an existing Idaho Power Company roadway, said facilities and access being further described and depicted in Exhibit A, sheets 1 through 4, attached hereto and incorporated herein. (1) The buried sprinkler irrigation main lines shall be limited to piping irrigation water from the irrigation pump located on the Snake River to Permittee's adjoining farmlands for the irrigation of said farmlands. (2) The irrigation pumps were previously permitted to W. LaVern Miller under Permission and Agreement documents dated May 15, 1956, August 29, 1974 and May 19, 1976 (Idaho Power numbers 7, 55 and 56 respectively, Landis being the successor of Miller in said Permission and Agreement documents, and Bachman being the successor of Landis for the permission of one pump). (3) The nonexclusive access to the irrigation pump is a fenced access approximately 50 feet wide, and is also used by Landis to allow cattle from Landis' adjoining land to access the Snake River for watering purposes. (4) The nonexclusive use of existing roadways shall be limited to accessing Permittee's adjoining farmlands for the operation and maintenance of said farmlands.

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## SPECIAL CONDITIONS

1. The term of this Permit, unless otherwise terminated pursuant to the terms and conditions of this Permit, shall be five (5) years commencing on March 15, 2013, and continuing through March 30, 2018, both dates inclusive. Permittee may renew this Permit for additional terms upon providing IPC with written notice of such intent no later than sixty (60) days before the expiration of the then current term. (No notice of approaching expiration will be sent by IPC.) Any right herein granted to IPC shall apply to any extension or renewal of the term herein stated and to any right or option on the part of Permittee.

2. In the event the lands or waters under this Permit are subsequently no longer subject to the regulatory requirements of the Federal Energy Regulatory Commission (FERC), or its successors, then an annual fee based on market value may be charged. All such payments shall be paid without demand to:

Idaho Power Company  
Attention: Corporate Cashier  
Permit 2055-S-2013-01  
P.O. Box 447  
Salt Lake City, UT 84110-0447

3. This Permit may be revoked by IPC with or without cause at any time provided that written notice be given Permittee at least thirty (30) days prior to such revocation, in which event a prorated portion of any advance fees paid by Permittee shall be refunded by IPC. Such written notice shall be mailed by registered or certified mail, return receipt requested, to the last known address of Permittee. If such revocation is made to comply with IPC's license issued by FERC for the Project, or made in the interest of public health, public safety, or environmental protection, revocation is effective upon mailing of written notice to Permittee. IPC's right to revoke this Permit extends to any and all extensions, renewals or options to extend or renew this Permit.

Upon revocation or expiration of this Permit, Permittee shall, within 180 days, remove at Permittee's expense all structures and other improvements, except those owned by IPC, unless otherwise agreed upon by Permittee and IPC in writing. Permittee shall leave Project lands and waters in a condition at least as good as its condition prior to the execution of this Permit. If Permittee fails to remove all such structures or improvements within 180 days, they shall become the property of IPC, but that will not relieve Permittee of liability for the cost of their removal and restoration of the site.

4. This Permit may be assigned or transferred only with the express written consent of IPC. Any assignee or transferee shall be subject to and bound by all of the terms, conditions and limitations of this Permit.

5. This Permit, and the uses and occupancies granted herein are subject at all times

to the terms and conditions of IPC's license issued by FERC for the Project.

6. Permittee's use of Project lands and waters shall not endanger health, create a nuisance, or otherwise be incompatible with overall public recreational use of the Project.

7. Permittee shall take all reasonable precautions to ensure that the construction, operation, and maintenance of any structures or facilities on the Project lands and waters will occur in a manner that will protect the scenic, recreational, and environmental values of the Project.

8. Permittee shall not unduly restrict public access to Project waters.

9. This Permit is subject to the right of FERC, IPC, and/or their successors and assigns, to take reasonable remedial action to correct any violation of the terms and conditions of this Permit or of IPC's license issued by FERC for the Project, for the protection and enhancement of the Project's scenic, recreational and other environmental values.

10. Permittee understands that IPC is under no obligation to maintain Project water levels. Permittee shall have no claim against IPC for losses of any nature due to fluctuation in Project water levels, nor will Permittee have any claims whatsoever against IPC for damages or injury to any persons or property resulting from any fluctuation in Project water levels.

11. Permittee shall comply with all federal, state, county and municipal laws, ordinances, and regulations now or as may be in effect from time to time, which are applicable to the area, use or operation covered by this Permit. Permittee shall, at their expense, bring the area, use, and operation covered by this Permit into compliance with any such laws, ordinances or regulations.

Permittee shall obtain at their own expense all permissions, such as building permits, and zoning clearances required by federal, state, county and municipal laws, ordinances, and regulations prior to beginning construction of improvements on the Premises.

12. Permittee shall, at its own expense, procure and maintain, during the entire term of this Permit, the following types of insurance:

a. General Liability Insurance covering the Premises, including (i) bodily injury liability and (ii) property damage liability, with a combined single limit of not less than Two Million Dollars (\$2,000,000) each occurrence and in the aggregate. Such insurance shall provide for occurrence based coverage and shall have such other terms, conditions, and endorsements of coverage as are deemed prudent by IPC from time to time.

b. Automobile Liability Insurance with a combined single limit of at least Two Million Dollars (\$2,000,000).

c. Permittee shall also be responsible for insuring Permittee's Facilities and any Improvements constructed by Permittee and all other personal property located on the

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Premises against perils covered by a fire and extended coverage property damage policy. IPC shall not be liable to Permittee for any loss or damage to Permittee's property, and there shall be no subrogated claim by Permittee's insurance carrier against IPC. Permittee shall obtain from its insurer a waiver of subrogation in favor of IPC.

d. Workers' Compensation Insurance and Employer's Liability Insurance of not less than One Million Dollars (\$1,000,000). When permitted by law, the insurance policies required under this Section 12 shall contain waivers of the insurer's subrogation rights against IPC. Permittee shall reimburse IPC for any costs (including tax audit assessments) incurred by IPC as a result of Permittee utilizing agents, independent contractors and/or subcontractors who are not recognized as insured by the State in which the Premises are located.

Permittee shall cause each of its agents, independent contractors and subcontractors entering on the Premises to maintain, at all times during the Term of this Lease, at least the following insurance:

a. Commercial General Liability Insurance, including (i) bodily injury, (ii) property damage, (iii) contractual liability coverage covering its obligations of indemnity and defense, and (iv) personal and advertising injury with a combined single limit of not less than Two Million Dollars (\$2,000,000) each occurrence and in the aggregate. Such insurance shall provide for occurrence based coverage and shall have such other terms, conditions, and endorsements of coverage as are deemed prudent by IPC from time to time

b. Workers' Compensation Insurance and Employer's Liability Insurance of not less than One Million Dollars (\$1,000,000). When permitted by law, the insurance policies required under this Section 19 shall contain waivers of the insurer's subrogation rights against IPC. Permittee shall reimburse IPC for any costs (including tax audit assessments) incurred as a result of utilizing Permittee's agents, independent contractors and/or subcontractors who are not recognized as insured by the state of Idaho.

c. Automobile Liability Insurance with a combined single limit of at least Two Million Dollars (\$2,000,000).

Insurance required under this Section 12 shall: (a) be issued on a U.S. policy by one or more carriers acceptable to IPC and licensed to do business in the state where services are rendered; (b) name IPC as an additional insured or loss payee, as its interests may appear; and (c) not be able to be canceled or materially changed unless IPC is given written notice of such cancellation or change at least thirty (30) days in advance; and (d) provide for severability of interests; and (e) provide primary coverage. Prior to Permittee's use or occupation of the Premises, Permittee shall provide IPC with a Certificate of Insurance evidencing the coverage required hereunder, mailed in accordance with Section 22 below.

13. Permittee shall protect, defend, indemnify, and hold harmless IPC, its officers, directors, and employees against and from any and all losses, liability, suits, damages, claims, actions, costs, and expenses of any nature, including court costs and attorney's fees, growing out

of injury to or death of Permittee's employees, agents, or guests, or any other person or persons, including without limitation, foreseeable trespassers, or out of loss, destruction or damage to property, or out of the treatment, storage, release, cleanup, or disposal of hazardous or toxic substances, materials or wastes upon IPC or adjacent property (whether or not permitted by IPC) arising in any way in connection with, or relating to the occupancy or use of Project lands or waters under this Permit by Permittee, its agents, employees, or guests, providing such injury to persons or damage to property is not due to the sole and active negligence of IPC.

14. Permittee shall not treat, store, release or dispose of any hazardous or toxic substances, materials or wastes upon Project lands or waters or adjacent IPC land. As used herein, the terms "hazardous or toxic substances, materials or wastes" shall mean any substance which is toxic, ignitable, explosive, reactive or corrosive or otherwise defined as "hazardous," "toxic" or a similar classification by any local, state or federal law or regulation, including but not limited to, substances regulated by or under the Federal Water Pollution Control Act (33 U.S.C. §1321, et. seq.), the Federal Clean Air Act (42 U.S.C. §7401, et. seq.), the Federal Resource Conservation and Recovery Act (42 U.S.C. §6901, et. seq.), the Idaho Environmental and Health Protection Act (I. C. §39-101, et. seq.), the Oregon Revised Statutes Chapters 465 and 466, the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. §9601, et. seq.), the Toxic Substance Control Act (15 U.S.C. §2601, et. seq.), or under the Solid Waste Disposal Act (42 U.S.C. §6991, et. seq.), petroleum or its derivatives and products, asbestos, or polychlorinated biphenyls (PCBs).

15. Permittee shall do everything reasonably within its power and shall require its employees, contractors, and the employees of its contractors to do everything reasonably within their power, to prevent damage to property and suppress fires on or near the lands to be used or occupied under this Permit.

16. Permittee shall, at all times, be solely responsible for the safety and maintenance of any and all facilities, structures, and other improvements permitted herein and shall maintain such facilities, structures, and other improvements to the highest standards of repair, safety, orderliness, neatness, and sanitation.

17. Development plans; layout plans; construction, reconstruction; or alterations of improvements; or revisions of layout or construction plans for the area covered by this Permit must be approved in advance and in writing by IPC.

All buildings must be painted a natural, earth-tone color that blends with the natural environment.

18. Permittee shall exercise diligence in maintaining in a good and presentable manner and in protecting from damage and waste the lands, waters and other property covered by and used in connection with this Permit, including but not limited to, not allowing an accumulation of unused equipment or materials or growth of noxious weeds on such lands, waters or other property. Permittee shall pay IPC for any damage or costs to IPC resulting from negligence or from the violation of the terms or conditions of this Permit or of any law or

regulation applicable to federally licensed hydroelectric projects by Permittee, or by any agents or employees of Permittee acting within the scope of their agency or employment.

19. Permittee absolves IPC from liability for loss or damage to Permittee by reason of IPC's entry onto the Premises, except for such loss or damage caused by IPC's sole negligence.

20. IPC requires the following stipulations regarding land management activities on the permit area.

a) IPC requires noxious weed control within the area covered by this permit. IPC is willing to incorporate noxious weed control activities within the area covered by this permit as part of annual weed control activities within the C. J. Strike FERC Project Boundary. However, Permittee will be required to reimburse the company for the time and materials used in controlling weeds resulting from Permittee's use of project lands and water.

b) IPC requires revegetation of areas that are disturbed by Permittee for operation and maintenance of roads, irrigation lines, and pumps. IPC will determine that either desirable plant species will become established within the disturbed area without the need for active revegetation or will develop and implement a revegetation plan. To facilitate revegetation, material excavated during maintenance activities shall be stockpiled and used as backfill for the excavated area. Excess material shall be broadcast in the area in a manner that creates minimal disturbance. Permittee will be required to reimburse the company for the time and materials used for revegetation efforts.

c) IPC requires surveys and an impact analysis of sensitive, candidate and threatened and endangered species if the potential exist that these species exist in areas where major maintenance or upgrades are required of roads, irrigation lines, and pumps. No excavation shall take place until IPC has informed the Permittee that proposed activities can proceed. These activities extend to both land based activities and those proposed in the reservoir.

21. The following stipulations for the protection of cultural resources in the immediate area shall apply to this Permit:

a) All activities of the Permittee shall be restricted to the designated permit area.

b) Permittee activities allowed within the permit area are limited to domestic animal passage for the purpose of accessing the river, and vehicular access (excluding heavy or tracked equipment) for the purposes of pump station use and/or above-ground maintenance of the pump station equipment.

c) All other possible Permittee activities within the permit area must be approved according to the project approval process defined in the C.J. Strike Historic Properties Management Plan (HPMP). The HPMP project approval process begins with a Permittee project proposal and is concluded through consultation with the Idaho State Historic Preservation Office (SHPO). From the time of the initial Permittee project proposal, approval would likely take a minimum of 90 days. The scope of the project may require additional cultural resources

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instigations within the permit area which could increase the time necessary for project approval.

d) If in the course of carrying out allowed activities (section b) or approved project activities (section c) authorized by the permit, the Permittee should observe cultural materials (i.e.: stone tools, pottery, human skeletal remains, buried archaeological features of any type [fire pits, hearths, anthropogenic soils, ash or soil stains], or other prehistoric or historic artifacts), all activity must cease immediately in the area of the discovery and the IPC Cultural Resource Manager must be notified. Work cannot resume in the area of the discovery until clearance is received in writing from the IPC Cultural Resource Manager.

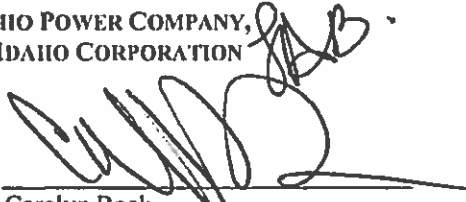
22. Any notice, demand, request, consent or approval given under this Permit shall be in writing and shall be deemed given and delivered on the date when personally delivered or, if mailed, four (4) days after deposit in the United States mail, in a sealed envelope, by registered or certified mail, return receipt requested, with postage prepaid, addressed to the appropriate party at the address set forth below:

Idaho Power Company  
Corporate Real Estate – Land Acquisition, CHQ-3  
Re: C.J. Strike Permit 2055-S-2013-01  
P.O. Box 70, Boise, ID 83707  
  
Ph : (208) 388-2200

Permittee:  
  
Frank and Cindy Bachman  
P.O. Box 186  
Bruneau, Idaho 83604  
Ph: (208) 845-2090

This permit acknowledged and agreed to by the parties signing below.

IDAHO POWER COMPANY,  
AN IDAHO CORPORATION

By:   
Carolyn Bock,  
Director, Corporate Real Estate

Date: 6/21/2013

PERMITTEE:

FRANK AND CINDY BACHMAN

By:   
Print Name: FRANK L. BACHMAN  
Date: 6-13-2013

By:   
Print Name: Cindy L. Bachman  
Date: 6-13-2013

**Exhibit A**

**Description and Location of Permitted Facilities**

**[Refer to attached Exhibit A drawings, Sheets 1 – 4.]**

# EXHIBIT A-1

## LEGEND:

- RIGHT-OF-WAY
- SECTION
- SECT 1/4
- SECT 1/4
- PARCEL
- COUNTY
- BOUNDARY
- EASEMENT
- WATERLINE
- SHORELINE
- TR
- ROAD CENTERLINE
- FENCELINE



- FOUND 1/2" REBAR
- FOUND/SET 1/2"
- REBAR W/ PLASTIC CAP
- FOUND/SET 1/2"
- REBAR W/ PLASTIC CAP
- W/RETS CORNER OR REF CORNER
- RIGHT-OF-WAY MONUMENT
- FOUND BRASS/ALUM MONUMENT
- SECTION MARK
- FOUND/NOT FOUND SECTION COR
- FOUND/NOT FOUND 1/4 SEC. COR
- FOUND/NOT FOUND 1/4 SEC. COR
- NEW EXISTING POLE
- NEW EXISTING WPT
- SECTOR

Projection NAD 8308

|                                                         |                 |
|---------------------------------------------------------|-----------------|
| Frank & Cindy Bachman                                   |                 |
| Permit for Irrigation Pump, Irrigation Lines and Access |                 |
| C J Strike Project Lands                                |                 |
| Access to Pump                                          |                 |
| IDAHO POWER COMPANY                                     |                 |
| ELMORE COUNTY, IDAHO                                    |                 |
| T55 RGE SEC 33, BM                                      |                 |
| IDAHO POWER COMPANY                                     |                 |
| SCALE 1"=150'                                           | DATE 6-5-18     |
| APPROVED                                                | DWG 20.01655481 |
| REV 1                                                   | SHY 1 of 4 55   |

TRACT D & MELODY F LANDS

TRACT D & MELODY F LANDS

C J STRIKE RESERVOIR

(E) 16" UG pipe to be changed out to a 15" pipe

Fenced Access area to pump

718.18  
3.113  
BASIS OF BEARING

POINT OF COMMENCEMENT

CA 342001 31 124 884  
CA 124 884  
31 124 884

CP1 340 20 1 17 0  
08.62

1" P.O.R. Center to 1"

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# EXHIBIT B-1

## LEGEND

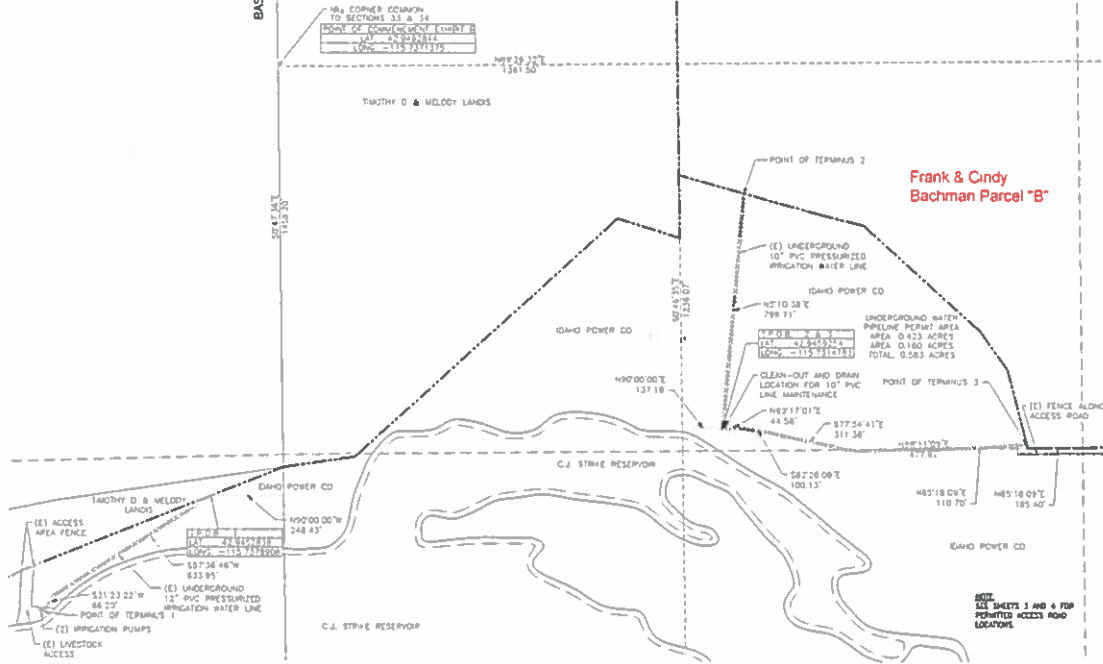
- RIGHT-OF-WAY
- SECTION
- SECT 1/4
- SECT 1/8
- PARCEL
- COUNTY
- BOUNDARY
- EASEMENT
- WATERLINE
- SHORELINE
- TIE
- ROAD CENTERLINE
- FENCELINE
- FOUND 1/2" REBAR
- FOUND 1/2" PLASTIC CAP
- FOUND 3/4" PLASTIC CAP
- FOUND 1" PLASTIC CAP
- POINT CORNER OF NET CORNER
- POINT-OF-BAY WORK/VENT
- FOUND BRASS/BLU. MONUMENT
- BENCH MARK
- 1/2 1/2 FOUND/NOT FOUND SECTION COR
- 1/2 1/2 FOUND/NOT FOUND 1/4 SEC. COR
- 1/2 1/2 FOUND/NOT FOUND 1/8 SEC. COR
- NEW/EXISTING POLE
- II NEW/EXISTING STUB
- II SECTOR

Projection NAD 83/94

**Frank & Cindy Bachman**  
**Permit for Irrigation Pump**  
**Irrigation Lines and Access**  
**C J Stike Project Lands**  
**Irrigation Line Location**

IDAHO POWER COMPANY  
 ELMORE COUNTY, IDAHO  
 T55 R6E SEC 33, BW

|       |         |          |                 |
|-------|---------|----------|-----------------|
| SCALE | 1"=150' | DATE     | 6-3-10          |
| BY    | DWG     | APPROVED | DWG 200-165548M |
| REV   | 2 of 4  | 55       |                 |



# EXHIBIT C-1

Frank & Cindy Bachman

Frank & Cindy Bachman

Frank & Cindy Bachman

## LEGEND:

- RIGHT-OF-WAY
- SECTION
- SECT 1/4
- SECT 1/4
- PARCEL
- COUNTY
- BOUNDARY
- CASEMENT
- WATERLINE
- SHORELINE
- TR
- ROAD CENTERLINE
- FENCELINE
- FOUND 1/2" REBAR
- FOUND/SET 1/2" REBAR & PLASTIC CAP
- FOUND/SET 3/4" REBAR & PLASTIC CAP
- WITNESS CORNER OR REF CORNER
- RIGHT-OF-WAY MONUMENT
- FOUND BRASS/ALUM MONUMENT
- BECHEN MARK
- FOUND/NOT FOUND SECTION COR
- FOUND/NOT FOUND 1/4 SEC. COR
- FOUND/NOT FOUND 1/4 SEC. COR
- NEW/EXISTING POLE
- NEW/EXISTING TOWER
- SECTION

Projection NAD 83/07

**Frank & Cindy Bachman**  
**Permit for Irrigation Pump,**  
**Irrigation Lines and Access**  
**C J Sinka Project Lands**  
**ACCESS ROAD**

IDAHO POWER COMPANY  
 ELMORE COUNTY, IDAHO  
 T55 R6E SEC 33, BM

Client: Frank & Cindy Bachman, Rural Idaho

SCALE 1"=150'

DATE 8-2-18

APPROVED DWG. 200-165548N

REV 3 of 4 55

# EXHIBIT D-1

## LEGEND:

- RIGHT-OF-WAY
- SECTION
- SECT 1/4
- SECT 1/4
- PARCEL
- COUNTY
- BOUNDARY
- EASEMENT
- WATERLINE
- SHORELINE
- FC
- ROAD CENTERLINE
- FENCELINE
- FOUND 1" PEGB
- FOUND/SET 1/2" PEGB w/PLASTIC CAP
- FOUND/SET 3/4" PEGB w/PLASTIC CAP
- 6" W/CS CORNER OR REF CORNER
- RIGHT-OF-WAY MONUMENT
- FOUND BRASS/ALUM MONUMENT
- BENCH MARK
- ✚ FOUND/NOT FOUND SECTION COR
- ✚ FOUND/NOT FOUND 1/4 SEC COR
- ✚ FOUND/NOT FOUND 1/8 SEC COR
- NEW/EXISTING POLE
- || NEW/EXISTING UTILITY
- || SECTION

Projection NAD 83/06

| LINE | LENGTH | BEARING     |
|------|--------|-------------|
| 1    | 1.10   | S43.28.11.7 |
| 2    | 0.76   | S61.32.17.7 |
| 3    | 0.73   | S60.28.21.7 |
| 4    | 0.73   | S60.18.21.7 |
| 5    | 1.10   | S43.39.22.7 |
| 6    | 0.76   | S71.18.27.7 |
| 7    | 0.73   | S60.21.11.7 |
| 8    | 0.76   | S71.18.27.7 |
| 9    | 1.10   | S43.39.22.7 |
| 10   | 0.76   | S61.32.17.7 |
| 11   | 0.73   | S60.28.21.7 |
| 12   | 0.73   | S60.18.21.7 |
| 13   | 1.10   | S43.28.11.7 |
| 14   | 0.76   | S61.32.17.7 |
| 15   | 0.73   | S60.28.21.7 |
| 16   | 0.73   | S60.18.21.7 |
| 17   | 1.10   | S43.39.22.7 |
| 18   | 0.76   | S71.18.27.7 |
| 19   | 0.73   | S60.21.11.7 |
| 20   | 0.76   | S71.18.27.7 |
| 21   | 1.10   | S43.39.22.7 |
| 22   | 0.76   | S61.32.17.7 |
| 23   | 0.73   | S60.28.21.7 |
| 24   | 0.73   | S60.18.21.7 |
| 25   | 1.10   | S43.28.11.7 |
| 26   | 0.76   | S61.32.17.7 |
| 27   | 0.73   | S60.28.21.7 |
| 28   | 0.73   | S60.18.21.7 |
| 29   | 1.10   | S43.39.22.7 |
| 30   | 0.76   | S71.18.27.7 |
| 31   | 0.73   | S60.21.11.7 |
| 32   | 0.76   | S71.18.27.7 |
| 33   | 1.10   | S43.39.22.7 |
| 34   | 0.76   | S61.32.17.7 |
| 35   | 0.73   | S60.28.21.7 |
| 36   | 0.73   | S60.18.21.7 |
| 37   | 1.10   | S43.28.11.7 |
| 38   | 0.76   | S61.32.17.7 |
| 39   | 0.73   | S60.28.21.7 |
| 40   | 0.73   | S60.18.21.7 |
| 41   | 1.10   | S43.39.22.7 |
| 42   | 0.76   | S71.18.27.7 |
| 43   | 0.73   | S60.21.11.7 |
| 44   | 0.76   | S71.18.27.7 |
| 45   | 1.10   | S43.39.22.7 |
| 46   | 0.76   | S61.32.17.7 |
| 47   | 0.73   | S60.28.21.7 |
| 48   | 0.73   | S60.18.21.7 |
| 49   | 1.10   | S43.28.11.7 |
| 50   | 0.76   | S61.32.17.7 |
| 51   | 0.73   | S60.28.21.7 |
| 52   | 0.73   | S60.18.21.7 |
| 53   | 1.10   | S43.39.22.7 |
| 54   | 0.76   | S71.18.27.7 |
| 55   | 0.73   | S60.21.11.7 |
| 56   | 0.76   | S71.18.27.7 |
| 57   | 1.10   | S43.39.22.7 |
| 58   | 0.76   | S61.32.17.7 |
| 59   | 0.73   | S60.28.21.7 |
| 60   | 0.73   | S60.18.21.7 |
| 61   | 1.10   | S43.28.11.7 |
| 62   | 0.76   | S61.32.17.7 |
| 63   | 0.73   | S60.28.21.7 |
| 64   | 0.73   | S60.18.21.7 |
| 65   | 1.10   | S43.39.22.7 |
| 66   | 0.76   | S71.18.27.7 |
| 67   | 0.73   | S60.21.11.7 |
| 68   | 0.76   | S71.18.27.7 |
| 69   | 1.10   | S43.39.22.7 |
| 70   | 0.76   | S61.32.17.7 |
| 71   | 0.73   | S60.28.21.7 |
| 72   | 0.73   | S60.18.21.7 |
| 73   | 1.10   | S43.28.11.7 |
| 74   | 0.76   | S61.32.17.7 |
| 75   | 0.73   | S60.28.21.7 |
| 76   | 0.73   | S60.18.21.7 |
| 77   | 1.10   | S43.39.22.7 |
| 78   | 0.76   | S71.18.27.7 |
| 79   | 0.73   | S60.21.11.7 |
| 80   | 0.76   | S71.18.27.7 |
| 81   | 1.10   | S43.39.22.7 |
| 82   | 0.76   | S61.32.17.7 |
| 83   | 0.73   | S60.28.21.7 |
| 84   | 0.73   | S60.18.21.7 |
| 85   | 1.10   | S43.28.11.7 |
| 86   | 0.76   | S61.32.17.7 |
| 87   | 0.73   | S60.28.21.7 |
| 88   | 0.73   | S60.18.21.7 |
| 89   | 1.10   | S43.39.22.7 |
| 90   | 0.76   | S71.18.27.7 |
| 91   | 0.73   | S60.21.11.7 |
| 92   | 0.76   | S71.18.27.7 |
| 93   | 1.10   | S43.39.22.7 |
| 94   | 0.76   | S61.32.17.7 |
| 95   | 0.73   | S60.28.21.7 |
| 96   | 0.73   | S60.18.21.7 |
| 97   | 1.10   | S43.28.11.7 |
| 98   | 0.76   | S61.32.17.7 |
| 99   | 0.73   | S60.28.21.7 |
| 100  | 0.73   | S60.18.21.7 |

Frank & Cindy Bachman

IDAHO POWER CO  
ROAD WAY PERMIT AREA  
AREA 1.015 ACRES

NOTE:  
SEE SHEET D-2 FOR  
LOCATIONS OF 1/2" PVC HIGH  
PRESSURE IRRIGATION PIPES

**Frank & Cindy Bachman**  
**Permit for Irrigation Pump**  
**Irrigation Lines and Access**  
**C J Snake Project Lands**  
**ACCESS ROAD**

IDAHO POWER COMPANY  
ELMORE COUNTY, IDAHO  
T5S R6E SEC 33, 34  
IDAHO POWER COMPANY (BUSE, IDAHO)  
SCALE 1"=100' DATE 8-3-16  
DWG 2017-165548P  
REV 4 of 4 55



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 • Web Site: [www.idwr.idaho.gov](http://www.idwr.idaho.gov)

GARY SPACKMAN  
Director

C.L. "BUTCH" OTTER

Governor

April 8, 2016

**RESPONSE DEADLINE**  
**April 15, 2016**

FRANK AND CINDY BACHMAN  
PO BOX 186  
BRUNEAU ID 83604

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK**

Dear Applicants:

I have been assigned to assist in the processing of an Application to Rent Water from the Idaho Water Resource Board's Water Supply Bank which has been submitted on your behalf by Lori Graves (Water Rights Specialist, SPF Water Engineering). Although the rental application package was received in September 2015, IDWR has been unable to process it. The rental application has been on hold while processing of a transfer, which also affected the rental POU and POD, was completed.

As the transfer is still not approved and the proposed latest start date for the rental is now only a week away, I have taken a renewed look at the rental application. I have found that even with the transfer application (attachment 3A), the rental proposal can not be processed as it was submitted for the following reasons:

- According to available Elmore County taxlot information, the proposed places-of-use are owned by Melody Landis or the BLM. The application includes a copy of the Bachman's lease agreement with the BLM, but it does not provide any documentation which grants the Bachmans authority over the Landis property.
- The proposed point-of diversion is an existing pumping station on Idaho Power Company property. It is the authorized POD for decreed water rights 2-2124 and 2-2092B which are for irrigation use and are owned by Melody Landis or Tim Landis. The rental proposal does not provide authorization for the Bachmans to use the POD. Because there is no authorization to use the POD included in the rental application it's not known if the pumping station has the additional capacity to divert water for this rental use in addition to the diversions for exiting water rights. Injury to other water rights appears possible.

This letter is notice that the attached application for rental of water from the Water Supply Bank is deficient. **Please provide the following information within 7 days of the date of this letter or the application will be denied:**

- proof that the Bachmans do have the required authority over all of the proposed places-of-use.
- proof that the Bachmans do have the required authority over the point-of-diversion.

If you have any questions regarding this matter, please contact me, Michele Edl, at (208) 287-4946; [michele.edl@idwr.idaho.gov](mailto:michele.edl@idwr.idaho.gov) or Cherie Palmer, Water Rights Supervisor at (208) 287-4944; [cherie.palmer@idwr.idaho.gov](mailto:cherie.palmer@idwr.idaho.gov)

Sincerely,

A handwritten signature in black ink, appearing to read 'Michele Edl', with a stylized flourish at the end.

Michele Edl

Enclosure: Rental Application

c: LORI GRAVES  
SPF WATER ENGINEERING LLC  
300 E MALLARD DR STE 350  
BOISE ID 83706

**Edl, Michele**

---

**From:** Miller, Nick  
**Sent:** Thursday, April 07, 2016 2:00 PM  
**To:** Edl, Michele  
**Cc:** Merriman, Danielle  
**Subject:** RE: Bachman-Landis xfers

Michele,

I spoke with Danni and she said the POU has not been changed since the apps were submitted. She did say the only thing holding up the approval is information on what the ownership will be for a split portion (it will either remain in the applicant's name or go to the other party).

I hope this is enough info for you to continue processing your rental. Otherwise, we'll likely have the approvals done a week or so after we hear back from the applicant.

Nick.

---

**From:** Edl, Michele  
**Sent:** Thursday, April 07, 2016 12:27 PM  
**To:** Miller, Nick  
**Subject:** Bachman-Landis xfers

Nick Miller,

I have a water supply bank lease/rental assignment which is on hold pending the conclusion of two transfers. I believe that those transfers have made it through without protest and maybe even are awaiting signature on your desk.

Transfer 80123 is of most interest to me. It changes the POU and pulls water off of a proportion of the POU. The water supply bank application requests is to rent water and put it back onto that same field (and others) and it cannot be processed until the native water is transferred off. We received the rental request in November 1, 2015. So it has been on hold since then.

#### MY QUESTIONS

Is there any reason that the transfer won't be approved?

Will the transfer to be approved as it was submitted or have there been POU changes that would impact the rental?

I would like to finish processing the rental. So please let me know.

Thank you.

Michele Edl  
287-4946

**Thiel, Sandra**

---

**From:** Edl, Michele  
**Sent:** Thursday, December 24, 2015 4:33 PM  
**To:** LGraves@spfwater.com  
**Cc:** Thiel, Sandra; Palmer, Cherie  
**Subject:** Bachman WSB rental

Lori Graves,

As I stated in my phone message, Sandy Thiel asked me for a little help with the WSB lease-rental package that you submitted on behalf of Frank and Cindy Bachman.

In my review I found at least 2 problems with the proposal.

**1)The quantity of water requested for rental is not available from the listed rights.**

The leases for WR#s 2-2356 and 2-7071 total less than the Bachmans are requesting to rent.

**2)Aerial photography of the intended place-of-use for the rented water shows another problem; a portion is already covered by a water right.**

The POU for WR# 2-2277 already covers that portion of the proposed rental POU that lies in the NW quarter of section 34. WR# 2-2277 appears sufficient for the use at 0.015 cfs per acre so the WSB is unlikely to approve rental of additional water to be stacked onto the existing POU. I have attached jpg which illustrates the issue.

In addition, WR# 2-2277 is held by Melody Landis so the Bachmans do not appear to have any authority over that right. Transfer 80124 lists WR# 2-2277 as one of the rights it acts on. So its not clear how the Bachmans have authority over the right for the transfer proposal either. Have you already cleared that ownership change through Western Region? Maybe I just don't have access to the scanned images?

I understand that the Bachmans are leasing the portion of the land that is not being actively irrigated by the pivot in the NW quarter of section 34. Is there a reason that they can't encourage Ms. Landis to lease the pivot corner and other unused portions of WR# 2-2277 into the bank for the Bachmans to rent?

In summary, the WSB lease-rental proposal that you have submitted on behalf of the Bachmans exceeds the quantity of water available to rent and requests a rental POU which is not owned by the applicant.

**The lease-rental package cannot be processed as it has been submitted, so I am recommending that the proposal be returned to you.**

As you can see by the address line, I have cc'd both Sandy and Cherie who are now out of the office. You still may be able to amend this rental proposal to their satisfaction.

Sincerely,  
Michele Edl

## MEMORANDUM

**To:** Water Right(s) 2-2356 and 2-7071

**From:** Michele Edl

**Date:** December 24, 2015

**Re:** Review & Analysis of Bachman Application to Rent Water from the State Water Supply Bank

---

**PURPOSE/NARRATIVE:** On September 4, 2015, submitted a lease-rental proposal on behalf of Frank and Cindy Bachmann. The rental application proposed to rent all available water which has been leased to the State Water Supply Bank under water rights 2-7071 and 2-2356.

The rental application proposes to rent water to irrigate 63.0 acres in Twp 5S, Rge 6E, sec 27 and 17 acres in Twp 5S, Rge 6E, sec 34. The applicant requested a rental agreement with a 5-year duration.

**AUTHORITY TO FILE:** According to available Elmore County taxlot information, the proposed place-of-use is owned by either Melody Landis or the BLM. The application includes a copy of the Bachmans lease agreement with the BLM, but it does not provide any documentation which grants the Bachman authority over the Landis property.

The proposed point-of diversion is an existing pumping station on Idaho Power Company property. It is the authorized POD for decreed water rights 2-2124 and 2-2092B which are for irrigation use and are owned by Melody Landis or Tim Landis. The rental proposal does not provide authorization for the Bachmans to use the POD.

**WATER RIGHT VALIDITY:**

Water right 2-7071 was leased to the Water Supply Bank in October 2015. The current lease expires in 2019. Approval of this rental proposal will exhaust the rental availability of the right.

Water right 2-2356 was leased to the Water Supply Bank in October 2015. The current lease expires in 2019. Approval of this rental proposal will exhaust the rental availability of the right.

The rental agreement will be limited to the amounts available.

**INJURY TO OTHER WATER RIGHTS:** There is no authorization to use the POD so it's not known if the pumping station has the additional capacity to divert water for this rental use in addition to the diversions for exiting water rights.

**ENLARGEMENT OF USE:** No enlargement is evident through the rental.

Right 2-2356 has an unusually long SOU which is more generous than that at the rental location. The rental agreement will limit the use of the rented rights to the standards applicable to the rental location.

**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 right(s) are subject to Water District 2. The watermaster and Western Region have been consulted and are not opposed to the rentals.

Pending application for Transfer 80123 proposes a change in the POU of WR# 2-2277. Approval of that transfer might resolve the authority over the POU that is lacking from this rental proposal.

This application should be amended to clarify injury and authority concerns.

| Water Right No.           | Rented Vol (AF) | Lessor Fee (90%) | Administrative Fee (10%) | Total Fee @ \$17 (2016 and 2017) | Rental Amounts |              | Lessor Fee (90%)                  | Administrative Fee (10%) | Total Fee @ \$20 (2018-2022) |
|---------------------------|-----------------|------------------|--------------------------|----------------------------------|----------------|--------------|-----------------------------------|--------------------------|------------------------------|
|                           |                 |                  |                          |                                  | Rate           | Acres        |                                   |                          |                              |
|                           |                 | \$0.00           | \$0.00                   | \$0.00                           | 0.66           | 43.00        | \$0.00                            | \$0.00                   | \$0.00                       |
|                           |                 | \$0.00           | \$0.00                   | \$0.00                           |                |              | \$0.00                            | \$0.00                   | \$0.00                       |
| <b>Total</b>              | <b>0.0</b>      | <b>\$0.00</b>    | <b>\$0.00</b>            | <b>\$0.00</b>                    | <b>0.66</b>    | <b>43.00</b> | <b>\$0.00</b>                     | <b>\$0.00</b>            | <b>\$0.00</b>                |
| calculated by Michele Edl |                 |                  |                          |                                  |                |              |                                   |                          |                              |
| <b>2-2356</b>             |                 |                  |                          |                                  |                |              |                                   |                          |                              |
| leased 2016-19 available  | 0.71            | 180              | 36                       | 5.00                             | 0.020          |              | non-standard SOU; see SRBA decree |                          |                              |
|                           | 0.71            | 180              | 36                       | 5.00                             | 0.020          |              |                                   |                          |                              |
| <b>2-7071</b>             |                 |                  |                          |                                  |                |              |                                   |                          |                              |
| leased 2016-19 available  | 0.8             | 180.5            | 40.1                     | 4.50                             | 0.020          |              |                                   |                          |                              |
|                           | 0.8             | 180.5            | 40.1                     | 4.50                             | 0.020          |              |                                   |                          |                              |
| requested                 | 1.67            | 397.00           | 80.00                    | 4.96                             | <b>0.021</b>   |              |                                   |                          |                              |
| deficit                   | <b>-0.16</b>    | <b>-36.50</b>    | <b>-3.90</b>             |                                  |                |              |                                   |                          |                              |
| <b>2-2277</b>             | <b>0.66</b>     | <b>193.5</b>     | <b>43</b>                | <b>4.50</b>                      | <b>0.015</b>   |              |                                   |                          |                              |

**Thiel, Sandra**

---

**From:** Grimm, Angie  
**Sent:** Tuesday, December 01, 2015 2:50 PM  
**To:** Merriman, Danielle  
**Cc:** Thiel, Sandra  
**Subject:** FW: Transfer 80123

Danie,

Hi there! Just wanted to give you a heads up about this WSB activity Sandra is working on that may affect your transfers for Bachman and Landis. We'll want to make sure to coordinate with WSB staff before we get too far with processing these ones...

Thanks,  
Angie

---

**From:** Grimm, Angie  
**Sent:** Friday, November 20, 2015 8:05 AM  
**To:** Thiel, Sandra  
**Subject:** RE: Transfer 80123

Landis also has a transfer 80124... that might fit into the picture too somehow?

---

**From:** Thiel, Sandra  
**Sent:** Thursday, November 19, 2015 10:14 AM  
**To:** Grimm, Angie  
**Subject:** RE: Transfer 80123

Thanks for the quick response. I'm still trying to figure out exactly what they plan to do. Lori Graves from SPF submitted the rental application and I may need to get more information from her. It is a bit complicated. The Bachmans (renter) are leasing land from the Department of Lands and from private individuals by the name Landis. The Landiss have a water right that covers part of their land. There isn't a water right on the DOL land. I'm going to request some form of overlap analysis for the existing water rights, the transfer and the rental. I just thought I would check on the transfer first. I'll keep you posted.

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**From:** Grimm, Angie  
**Sent:** Thursday, November 19, 2015 9:54 AM  
**To:** Thiel, Sandra  
**Subject:** RE: Transfer 80123

Good morning Sandra! Good to hear from you =) Transfer No. 80123 has been assigned, but not yet advertised. It's in the very initial stages as it's been assigned to staff we are training to beginning processing transfers this morning! What is the nature of the overlap? Perhaps I can get with the agent assigned and we can call you to discuss this?

Angie

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**From:** Thiel, Sandra  
**Sent:** Thursday, November 19, 2015 9:45 AM  
**To:** Grimm, Angie  
**Subject:** Transfer 80123

Good morning, I have a water supply bank rental application that will partially overlap transfer 80123. Can you tell me the status of that transfer?

**Sandra Beer Thiel**

Idaho Department of Water Resources

322 East Front Street

Boise, Idaho 83720-0098

(208)287-4881

[sandra.thiel@idwr.idaho.gov](mailto:sandra.thiel@idwr.idaho.gov)



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](http://www.idwr.idaho.gov)

C.L. "BUTCH" OTTER  
Governor

GARY SPACKMAN  
Director

September 17, 2015

FRANK AND CINDY BACHMAN  
PO BOX 186  
BRUNEAU ID 83604

**RE: APPLICATION(S) TO RENT 2-7071 AND 2-2356 FROM THE WATER SUPPLY BANK**

Dear Applicant:

The Idaho Department of Water Resources (Department) acknowledges receipt of your rental application to irrigate 80 acres from the Idaho Water Resource Board's Water Supply Bank (Bank).

Your application indicates the latest possible start date for rental water is April 15, 2015. Because the latest possible start date has passed, your application is denied for the 2015 season. **The Department does not permit water users to legalize the diversion of water occurring in the past through a rental application or subsequent rental agreement.** Typically applications requesting water in the past are denied and returned to the applicant. However, in this case, you are requesting water for future years. Your application will be put in the queue for processing in 2016 and will be processed as time allows.

Filing a rental application itself does not authorize diversion and use of water. In order to increase your chances of receiving an approved rental, it is imperative that rental applications are received early. The Department begins accepting rental applications beginning **November 1** of the prior year. The later you wait to submit a rental application, the less likely the Department will have time to process the application by the requested start date or at all. For any future filing please submit your rental applications at an earlier time. Finally it is important for you to understand that you are not authorized to divert any water for the purposes described in this application until you have paid the rental fee and you and the Department have both signed a rental agreement.

In 2015, any use associated with your proposed rental request is considered unauthorized and, if occurring, will be subject to any necessary enforcement action.

Additional information about the Bank may be found on the Department's website [www.idwr.idaho.gov](http://www.idwr.idaho.gov). You may also contact me at (208) 287-4944.

Sincerely,

Cherie Palmer, Water Right Supervisor  
Water Allocation Bureau

ex 219

C: Lori Graves-SPF Engineering