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WATER RESOURCES
WESTERN REGION

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Attorneys for D. Michael Preston and Shekinah Industries, Inc.

**BEFORE THE DEPARTMENT OF WATER RESOURCES
FOR THE STATE OF IDAHO**

IN THE MATTER OF APPLICATION FOR
TRANSFER NO. 78356 IN THE NAME OF
SHEKINAH INDUSTRIES

STIPULATION AND AGREEMENT
FOR WITHDRAWAL OF PROTEST

Protestant Mayfield Townsite ("Mayfield") through its attorneys Moore Smith Buxton & Turcke, Chtd. and Applicant Shekinah Industries, Inc. and D. Michael Preston (together "Shekinah") through their attorneys Givens Pursley LLP, hereby stipulate and agree to Mayfield's withdrawal with prejudice of its protest filed in the above-captioned Transfer provided that:

1. Any approval of the Transfer include a subordination condition for each of Shekinah's water rights, as transferred, substantially as follows:

"This water right shall be subordinated to 63-32499 in the event of priority administration of water rights with points of diversion within administrative basin 63."

2. The above-stated subordination condition shall apply only if, and to the extent that, Mayfield's amended application for permit 63-32499 currently on file ("Mayfield Application") is approved by IDWR and a license ultimately is issued for municipal purposes for no greater quantity of water diverted to, or consumed

by, the municipal uses sought by the Mayfield Application and reflective of actual beneficial use established at the time of licensing;

3. The above-stated subordination provision shall not be interpreted as requiring that Shekinah provide or otherwise be responsible for Mayfield's mitigation for depletion to the reach of the Snake River above Swan Falls Dam contemplated by the Department's November 4, 2013 Final Order Regarding Water Sufficiency ("Sufficiency Order");
4. Shekinah does not object to Mayfield using the municipal water right resulting from the Mayfield Application for irrigation to the extent that such use is authorized by any resulting permit or license issued by the Department.

Respectfully submitted this 23rd day of September, 2014.

GIVENS PURSLEY LLP

By



Michael C. Creamer

*Attorneys for D. Michael Preston and
Shekinah Industries, Inc.*

MOORE SMITH BUXTON & TURCKE, CHTD.

By



Bruce M. Smith

Attorneys for Mayfield Townsite, LLC

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 23rd day of September, 2014, a true and correct copy of the foregoing was served by United States mail, postage prepaid and properly addressed to the following:

Shekinah Industries, Inc.
Attn: Michael Preston
420 Bitterroot Dr.
Boise, ID 83709

Bruce Smith
Moore Smith
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