

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

RECEIVED
MAY 27 2014
DEPARTMENT OF
WATER RESOURCES

This is to certify that: **OWYHEE FARMING**
PO BOX 310
AMERICAN FALLS IDAHO 83211

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

<u>Water Right</u>	<u>Rented Rate</u>	<u>Annual Rented Volume</u>	<u>Acre Limit</u>	<u>Total Rented Acres</u>
57-00179	0.02 CFS	890 AF	NA	197.8 AC
57-00180B	0.01 CFS	890 AF	NA	197.8 AC
57-00181	3.50 CFS	890 AF	NA	197.8 AC
57-07152	NA	175.9 AF	NA	197.8 AC
COMBINED RENTAL TOTALS:	3.50 CFS	890 AF	NA	197.8 AC
2-2361	2.74 CFS	921.1 AF	182.9 AC	200.6 AC
2-2370	0.07 CFS	17.5 AF	3.5 AC	200.6 AC
2-7001	2.88 CFS	10.2 AF	200.6 AC	200.6 AC
2-10020	2.72 CFS	3.0 AF	186.4 AC	200.6 AC
COMBINED RENTAL TOTALS:	2.74 CFS	951.8 AF	200.6 AC	200.6 AC
OVERALL RENTAL TOTALS:	6.24 CFS	903 AF	200.6 AC	200.6 AC
Term of Rental:	April 25, 2014 to December 31, 2014			
Rental Fee:	\$15,351.00 annually			

The fee for rental of the above-described water is \$15,351.00. Ten percent (\$1,535.10) will go to the Department for administrative costs, and the remainder will be paid to the lessor. An annual payment shall be received by the Department prior to February 1, the beginning of the irrigation season, each year for the duration of the rental period. The agreement will be void if payment is not received prior to the due date in a given year. To terminate the agreement prior to the end of the rental period, written notice must be received by the Department at least 30 days prior to the rental fee due date.

Detailed water right specific limitations and conditions are attached.

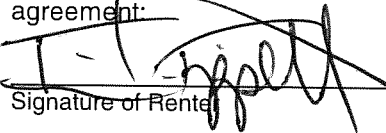
SUPERCEDED

SUPPORT DATA

IN FILE # 2-2361

SCANNED
MAY 28 2014

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


Signature of Renter

Tim M. Tippet
Printed Name and Title*

5/15/14
Date

Signature of Renter

AUTHORIZED Agent
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 satisfies 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 conditions herein provided, and none other, I hereby execute this Rental Agreement on behalf of the Idaho Water Resource Board.

By 
BRIAN PATTON, Acting Administrator
Idaho Water Resource Board

Date 05-27-2014



SCANNED

MAY 28 2014

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. 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. 57D.
12. 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.

**WATER SUPPLY BANK RENTAL AGREEMENT
WATER RIGHT NO. 57-00180B**

The 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 below:

Renter: **OWYHEE FARMING**
 PO BOX 310
 AMERICAN FALLS IDAHO 83211

Priority Date: 4/1/1865

Source: SINKER CREEK **Tributary to:** SNAKE RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	03/01	to 11/15	0.01 CFS	NA
	Total:		0.01 CFS	NA

LOCATION OF RENTER'S POINT(S) OF DIVERSION:

SINKER CREEK SE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 11 Twp 04S Rge 02W OWYHEE County

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	
03S	01W	5		33.2	33.6		33.8			33.0						33.4	33.6		200.6

Total Acres: 200.6

Acre limit within place of use described: 197.8 AC

COMBINED LIMITS OF RENTED RIGHT:

<u>Combined Rights</u>	<u>Rented Rate</u>	<u>Rented Volume</u>	<u>Total Rented Acres</u>
57-00179, 57-00180B, 57-00181, 57-07152	3.50 CFS	890 AF	197.8 AC

CONDITIONS OF WATER USE

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 action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.
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. 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. 57D.
12. 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.

**WATER SUPPLY BANK RENTAL AGREEMENT
WATER RIGHT NO. 57-00181**

The 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 below:

Renter: **OWYHEE FARMING**
 PO BOX 310
 AMERICAN FALLS IDAHO 83211

Priority Date: 12/26/1906

Source: SINKER CREEK **Tributary to:** SNAKE RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	03/01	to 11/15	3.50 CFS	NA
	Total:		3.50 CFS	NA

LOCATION OF RENTER'S POINT(S) OF DIVERSION:

SINKER CREEK SE¼NW¼ Sec. 11 Twp 04S Rge 02W OWYHEE County

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	
03S	01W	5		33.2	33.6		33.8			33.0						33.4	33.6		200.6

Total Acres: 200.6

Acre limit within place of use described: 197.8 AC

COMBINED LIMITS OF RENTED RIGHT:

<u>Combined Rights</u>	<u>Rented Rate</u>	<u>Rented Volume</u>	<u>Total Rented Acres</u>
57-00179, 57-00180B, 57-00181, 57-07152	3.50 CFS	890 AF	197.8 AC

CONDITIONS OF WATER USE

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 action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.
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. 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. 57D.
12. 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.

WATER SUPPLY BANK RENTAL AGREEMENT

WATER RIGHT NO. 57-07152

The 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 below:

Renter: **OWYHEE FARMING**
PO BOX 310
AMERICAN FALLS IDAHO 83211

Priority Date: 10/30/1975

Source: SINKER CREEK **Tributary to:** SNAKE RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
STORAGE	03/01	to 11/15	3.50 CFS	N/A
IRRIGATION STORAGE	Total:			3.50 CFS
				N/A

LOCATION OF RENTER'S POINT(S) OF DIVERSION:

SINKER CREEK SE¼NW¼ Sec. 11 Twp 04S Rge 02W OWYHEE County

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	
03S	01W	5		33.2	33.6		33.8			33.0						33.4	33.6		200.6

Total Acres: 200.6

Acre limit within place of use described: N/A

COMBINED LIMITS OF RENTED RIGHT:

<u>Combined Rights</u>	<u>Rented Rate</u>	<u>Rented Volume</u>	<u>Total Rented Acres</u>
57-00179, 57-00180B, 57-00181, 57-07152	3.50 CFS	890 AF	197.8 AC

CONDITIONS OF WATER USE

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. The water rented under this agreement is appurtenant to irrigation of 197.8 acres.
3. 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.
4. 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.
5. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
6. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use..

7. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
8. 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.
9. 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.
10. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
11. The renter must diligently pursue a permanent water right to provide for the uses authorized under this rental agreement.
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. 57D.
13. 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.

WATER SUPPLY BANK RENTAL AGREEMENT

WATER RIGHT NO. 2-2361

The 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 below:

Renter: **OWYHEE FARMING**
PO BOX 310
AMERICAN FALLS IDAHO 83211

Priority Date: 1/8/1965

Source: SINKER CREEK **Tributary to:** SNAKE RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	03/01	to 11/15	2.74 CFS	441 AF
	Total:		2.74 CFS	441 AF

LOCATION OF RENTER'S POINT(S) OF DIVERSION:

SINKER CREEK SE¼NW¼ Sec. 11 Twp 04S Rge 02W OWYHEE County

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	
03S	01W	5		33.2	33.6		33.8			33.0						33.4	33.6		200.6

Total Acres: 200.6

Acre limit within place of use described: 182.9 AC

COMBINED LIMITS OF RENTED RIGHT:

<u>Combined Rights</u>	<u>Rented Rate</u>	<u>Rented Volume</u>	<u>Acre Limit</u>	<u>Total Rented Acres</u>
2-2361, 2-2370, 2-7001 & 2-10020	2.74 CFS	189.2 AF	200.6 AC	200.6 AC

CONDITIONS OF WATER USE

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 action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.

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. 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. 57D.
12. 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.



WATER SUPPLY BANK RENTAL AGREEMENT
WATER RIGHT NO. 2-2370

The 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 below:

Renter: OWYHEE FARMING
PO BOX 310
AMERICAN FALLS IDAHO 83211

Priority Date: 4/30/1965

Source: SINKER CREEK **Tributary to:** SNAKE RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	03/01	to 11/15	0.07 CFS	8 AF
		Total:	0.07 CFS	8 AF

LOCATION OF RENTER'S POINT(S) OF DIVERSION:

SINKER CREEK SE¼NW¼ Sec. 11 Twp 04S Rge 02W OWYHEE County

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	
03S	01W	5		33.2	33.6		33.8			33.0						33.4	33.6		200.6

Total Acres: 200.6

Acre limit within place of use described: 3.5 AC

COMBINED LIMITS OF RENTED RIGHT:

<u>Combined Rights</u>	<u>Rented Rate</u>	<u>Rented Volume</u>	<u>Acre Limit</u>	<u>Total Rented Acres</u>
2-2361, 2-2370, 2-7001 & 2-10020	2.74 CFS	189.2 AF	200.6 AC	200.6 AC

CONDITIONS OF WATER USE

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 action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.
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. 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. 57D.
13. 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.



**WATER SUPPLY BANK RENTAL AGREEMENT
WATER RIGHT NO. 2-7001**

The 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 below:

Renter: **OWYHEE FARMING**
 PO BOX 310
 AMERICAN FALLS IDAHO 83211

Priority Date: 7/15/1967

Source: SINKER CREEK **Tributary to:** SNAKE RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	03/01	to 11/15	2.88 CFS	432 AF
	Total:		2.88 CFS	432 AF

LOCATION OF RENTER'S POINT(S) OF DIVERSION:

SINKER CREEK SE¼NW¼ Sec. 11 Twp 04S Rge 02W OWYHEE County

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	
03S	01W	5		33.2	33.6		33.8			33.0						33.4	33.6		200.6

Total Acres: 200.6

Acre limit within place of use described: 200.6 AC

COMBINED LIMITS OF RENTED RIGHT:

<u>Combined Rights</u>	<u>Rented Rate</u>	<u>Rented Volume</u>	<u>Acre Limit</u>	<u>Total Rented Acres</u>
2-2361, 2-2370, 2-7001 & 2-10020	2.74 CFS	189.2 AF	200.6 AC	200.6 AC

CONDITIONS OF WATER USE

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. The water rented under this agreement is appurtenant to irrigation of 200.6 acres.
3. 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.
4. 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.
5. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
6. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.

7. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
8. 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.
9. 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.
10. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
11. The renter must diligently pursue a permanent water right to provide for the uses authorized under this rental agreement.
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. 57D.
13. 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.



**WATER SUPPLY BANK RENTAL AGREEMENT
WATER RIGHT NO. 2-10020**

The 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 below:

Renter: **OWYHEE FARMING**
 PO BOX 310
 AMERICAN FALLS IDAHO 83211

Priority Date: 9/3/1970

Source: SINKER CREEK **Tributary to:** SNAKE RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	03/01	to 11/15	2.72 CFS	402 AF
	Total:		2.72 CFS	402 AF

LOCATION OF RENTER'S POINT(S) OF DIVERSION:

SINKER CREEK SE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 11 Twp 04S Rge 02W OWYHEE County

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	
03S	01W	5		33.2	33.6		33.8			33.0						33.4	33.6		200.6

Total Acres: 200.6

Acre limit within place of use described: 186.4 AC

COMBINED LIMITS OF RENTED RIGHT:

<u>Combined Rights</u>	<u>Rented Rate</u>	<u>Rented Volume</u>	<u>Acre Limit</u>	<u>Total Rented Acres</u>
2-2361, 2-2370, 2-7001 & 2-10020	2.74 CFS	189.2 AF	200.6 AC	200.6 AC

CONDITIONS OF WATER USE

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. The water rented under this agreement is appurtenant to irrigation of 186.4 acres.
3. 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.
4. 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.
5. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
6. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.

7. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
8. 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.
9. 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.
10. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
11. The renter must diligently pursue a permanent water right to provide for the uses authorized under this rental agreement.
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. 57D.
13. 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.



Water Supply Bank No. _____
(for Department use only)STATE OF IDAHO
WATER RESOURCE BOARDAPPLICATION TO RENT WATER
FROM THE WATER SUPPLY BANK

RECEIVED

FEB 05 2014

DEPARTMENT OF
WATER RESOURCESName of Renter Owyhee Farming Company, LLC Phone _____Mailing address PO Box 310 American Falls, Idaho 83211 Email _____

A. DESCRIPTION OF WATER SOUGHT FOR RENT

1. <u>Maximum Flow Rate (cfs)</u>	<u>Maximum Volume (ac-ft)</u>	<u>Nature of Use</u>	<u>Period of Use</u>
<u>4.02</u>	<u>802</u>	<u>Irrigation</u>	<u>3/01</u> to <u>11/15</u>
_____	_____	_____	_____ to _____
_____	_____	_____	_____ to _____
Total: <u>4.02</u>	<u>802</u>		

2. Source of water Sinker Creek tributary to Snake River

3. Point(s) of Diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
04S	02W	11			SE	NW	Owyhee

4. Lands to be irrigated or place of use:

Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
03S	01W	5		33.2	33.6		33.8			33.0						33.4	33.6		200.6

If the use is for irrigation, show total number of acres proposed through rental. **Total Acres** 200.6

B. OWNERSHIP

1. Do you own the land at the proposed point of diversion?

Yes X No _____ If no, list owner, contact information, and provide documentation of the authority to use the proposed point of diversion. _____

2. Do you own the land at the proposed place of use?

Yes _____ No X If no, list owner, contact information, and provide documentation of the authority to use the proposed place of use. See attached lease agreement

C. MAP

Attach a map identifying the proposed point(s) of diversion, place(s) of use, and water diversion and distribution system details as described by this application in section A. Include legal description labels.

D. GENERAL INFORMATION

1. Please provide a description of the proposed diversion system. Existing pumps, main lines, new pivots
2. Describe any other water rights diverted through the same point(s) of diversion or used for the same purpose(s) as described above.
57-179, 57-180B, 57-181, 57-7152, 57-7385, 2-2361, 2-2370, 2-7001, 2-10020
3. Will the proposed place of use receive water from any other source?
No ☒ Yes ☐ If yes, describe. _____
4. If the proposed use is not for irrigation, please provide a detailed description of the proposed use and how you determined the amount of water required. Attach additional sheets if needed. N/A
5. Are there any other applications pending before the Department, such as an application for permit or transfer, for the same use(s) proposed by this rental?
No ☒ Yes ☐ If yes, describe. _____
6. Was this rental application submitted in response to a Notice of Violation or a pending Notice of Violation?
No ☐ Yes ☐ If yes, describe. _____

E. RENTAL TERM

1. Do you wish to rent water from the Board's bank for more than one (1) year?
No ☐ Yes ☒
If yes, please specify the number of years desired through proposed rental. 5

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.

If this application is approved, the applicant agrees to the following:

1. The use of water under this agreement shall be subject to the provisions of Section 42-1766, Idaho Code.
2. Renter shall comply with all applicable state and federal laws while using water under this agreement.
3. Renter shall hold the Board, the Director, and the state of Idaho harmless from all liability on account of negligent acts of the renter.
4. 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.
5. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
6. Renter is not authorized to use water proposed by this application until the rental fees are paid in full and the renter receives an executed copy of the agreement signed by the Director.

Amy Lee Family Company LLC by [Signature] member Loose Fork member 1-24-14
Signature of Applicant Printed Name and Title* Date

Signature of Applicant Printed Name and Title* Date

*Please provide title of signatory if signing on behalf of a company or organization or with power of attorney

N

F A R M L E A S E

THIS FARM LEASE is made this 1st day of February, 2011, by and between Wintercamp Ranch Trust hereinafter referred to as the "Lessor", and Owyhee Farming Company, LLC., hereinafter referred to as the "Lessee".

W I T N E S S E T H :

On and subject to the covenants, terms, conditions and agreements herein contained, Lessor herewith leases to Lessee and Lessee herewith leases from Lessor, the following described real property, including all improvements thereon, situated in Owyhee County, Idaho, all hereinafter referred to as "the Property", to-wit:

In Township 3 South, Range 1 West, Boise Meridian, Owyhee County, Idaho

Section 5: Government lots 2 and 3, Southwest Quarter of the Northeast Quarter, Southeast Quarter of the Northwest Quarter, West Half of the Southeast Quarter, and the Northeast Quarter of the Southwest Quarter

EXCEPTING there from the easterly 25 feet of the following described property:

Government lot 2, the Southwest Quarter of the Northeast Quarter and the West Half of the Southeast Quarter in Section 5, Township 3 South, Range 1 West, Boise Meridian, Owyhee County, Idaho

The phrase "the Property" shall include in addition to the above-described real property all current fencing now located thereon. The Lessor will be placing multiple wind turbines on the non irrigated portions of the Property that will not impact the farmable irrigated portion of the Property. Lessor will receive all revenue generated by wind turbines. Lessee will not have any interest or ownership in the wind turbines.

1. TERM OF LEASE. The term of this Lease is for 10 crop year periods which shall commence on the 15th day of February, 2011 and shall terminate on November 1, 2020, or as soon as all crops grown during the 2020 crop season are harvested, but in no event later than November 1, unless renewed or sooner terminated in any manner hereinafter provided.

2. RENT. The rent for the premises in the 2011 thru 2020 crop years shall be [REDACTED] each year (based on 220 irrigable acres) due on or before February 15, 2011, and each February 1 thereafter, to, and including, February 15, 2020. All rental payments shall be made to Wintercamp Ranch Trust.

3. INTEREST ON DELINQUENT RENT. In the event of the nonpayment of rent by Lessee to Lessor in the full amount and at the time(s) required by this Lease, with such nonpayment continuing for more than ten (10) days after due, then the full amount of delinquent rent, without notice or demand, shall commence to bear interest from the due date at the rate of eighteen percent (18%), per annum, until paid in full. No default on account of delinquent rent payment(s) shall be cured until the interest required by this paragraph is paid in addition to the delinquent rent payment(s).

4. USE OF THE PROPERTY. The Property shall be used by Lessee for the growing and harvesting of only one or more of the following crops: potatoes, wheat, hay corn, and/or sweet corn and may include second cropping and planting of cover crops. Lessee covenants and agrees to operate, farm and maintain the Property in a good, husband-like manner according to the best standards followed in the area in which the Property is situated, and without unnecessary interruptions or delays Lessee shall furnish at Lessee's sole expense all labor, machinery, equipment, supplies, fertilizers, seeds,

pesticides, chemicals and everything else reasonably necessary and proper to end that the Property will produce crops of good quantity and quality.

5. RETURN OF THE PROPERTY. At the termination of this Lease, Lessee agrees to plant Property to a perennial grass crop to prevent soil erosion and shall deliver up the Property in as good a condition as the same was at the time Lessee took possession hereunder, natural deterioration, depreciation, reasonable wear and tear due to reasonable use and occupancy in conformance with the provisions of this Lease and Act of God alone excepted.

6. CONDITION OF THE PROPERTY. Lessee herewith certifies and agrees that Lessee has personally inspected the Property and that the Property is tenantable and suitable for the uses and purposes of Lessee.

7. WASTE. Lessee shall not commit or permit spoil or waste on any of the Property and shall surrender peaceful possession thereof to Lessor at the termination of this Lease in a clean and neat condition, free and clear of all refuse and debris.

8. TAXES. Lessor shall pay all real estate taxes and assessments levied by Owyhee County, Idaho, against the Property during the term of this Lease. Lessee shall pay all personal property taxes assessed by any governmental agency against personal property owned by Lessee or in which Lessee has rights which is maintained or used at any time on the Property.

9. WATER. Lessee shall pay all water charges assessed or billed for irrigation water delivered, used on or supplied to the Property. Lessee plans on moving water rights to the Property on a temporary basis. Lessor does not now or will ever have any ownership or controlling interest in Lessee's water rights for water used on Property. Lessor shall cooperate with Lessee in the transfer of said water rights, if necessary, and shall relinquish said rights to Lessee upon the termination of this lease. In the event that

Lessee is not able to transfer irrigation water rights in any particular year of this agreement the Lessee will not be required to pay the Lessor annual rent payment for that year.

10. UTILITIES. Lessee shall pay all charges, including any interest and penalty charges for late payment, for electricity or other utilities used on the Property.

11. INDEMNITY AND INSURANCE. Lessee shall defend, indemnify and hold Lessor harmless from all claims, liability and damages arising out of or in connection with the possession, use, occupation or operation of the Property or mere presence thereon by Lessee or Lessee's agent, employees, independent contractors, successors, assigns, family, invitees, licensees, or any third persons either lawfully or unlawfully on the Property and shall procure and keep in full force during the term of this Lease a policy or policies of liability and property damage insurance in amounts reasonably adequate to defend, indemnify and protect Lessee, Lessee's family or any third person or persons and/or property arising out of or in connection with the possession, use, occupation and operation of the Property and shall also carry public liability and property damage insurance with reference to any motor vehicle used in connection with the possession, use, occupation and operation of the Property.

12. OPERATING EXPENSES. Lessee shall defend, indemnify and hold Lessor completely harmless from and shall, except as otherwise specifically provided herein, pay or provide for all expenses incurred in any way in the use and operation of the Property and performance of Lessee's covenants herein, and whether incurred by Lessee, Lessee's agents, employees, or independent contractors, or by third persons, including but not limited to, costs of seed, sets, roots, nursery stock, fertilizer, pesticides, chemicals, cultivation and harvesting costs, transportation costs, labor, custom work, equipment hired, agricultural testing and consulting charges.

13. ENCUMBRANCES. Lessor covenants and agrees to keep the Property free and clear of all liens, security interests and encumbrances of any kind or nature (all hereinafter "encumbrances"); provided that, Lessee may, as is reasonably necessary to permit Lessee's effective agricultural use of the Property, encumber the crops growing or to be grown by Lessee on the Property (but not the Property) with crop financing or operating loans, but only to the extent that any such liens or encumbrances are subordinate to Lessor's right to receive full and timely rent as required herein. In furtherance of Lessor's covenants contained in this paragraph, Lessor agrees to discharge any encumbrances which may be filed or recorded against the Property and all crops thereon for any reason arising out of Lessee's possession, use, occupation and maintenance of the Property and to discharge any encumbrances at Lessor's own cost and expense. Failure of Lessor to discharge any encumbrances in the manner herein provided, shall be deemed a breach of this Lease entitling Lessee to withhold payment of this Lease and surrender lease payment to lien holder to protect Lessee's claim to crops and crop proceeds from the Property. Lessee understands that Lessor has a Real Estate Contract on the Property with a balance of 5 annual payments due. Lessee agrees to make scheduled payments on Real Estate Contract.

14. IMPROVEMENTS. Lessee may, at the sole cost and expense of Lessee, make such repairs, additions and improvements to the Property as are deemed necessary to properly irrigate, drain and farm the Property. The nature of the repairs, additions or improvements made shall be at the sole discretion of Lessee but shall, unless removable or changeable without substantial damage to the Property, become the property of the Lessor at the termination of this Lease; provided that, Lessee shall not remove, destroy or substantially alter any existing improvements or those hereafter placed on the Property by Lessor, if any, including irrigation systems, structures or fences, without prior written

consent of Lessor. At the end of the lease term, Lessee shall remove the above-ground portions of the irrigation system, including, but not limited to, center pivot irrigators, booster pumps, motors, electrical equipment and switch gear. Lessor shall be entitled to the valves and underground portions of the system located on Lessor's property.

15. WEEDS. During the term of this Lease, particularly during the growing season and immediately after completion of harvest, Lessee shall, at the sole cost and expense of Lessee, cut, burn, pull, treat or otherwise dispose of all noxious weeds on the Property, particularly those which may grow or accumulate along fences, ditches or other improvements, field borders, rights-of-way, drains, roads and other cultivated areas, which shall include disposing of all noxious weeds before the same go to seed regardless of whether such disposal is required by law. In the event Lessee does not dispose of all weeds as required by this paragraph, Lessor shall have the right to dispose of same and Lessee hereby specifically agrees that Lessee will, on demand of Lessor, reimburse Lessor for all costs and expenses incurred by Lessor in disposing thereof.

16. CHEMICALS. Lessee covenants and agrees that Lessee shall not, during the term of this Lease, use any chemical, pesticides or fertilizers on the Property, where such use is prohibited by any product label or governmental authority; or, if such use is not prohibited but is restricted in any manner, Lessee shall not violate any use restriction. Lessee agrees not to use any chemicals that would prevent a perennial grass crop from being established at the termination of this agreement.

17. IRRIGATION. Lessee shall irrigate and water the Property in such a manner as to properly water all crops and to prevent erosion, washing away of the soil, or the drying up of farm crops and to irrigate the Property and the crops grown thereon in a good husband-like manner in accordance with the best prevailing local crop irrigation practices. Lessee agrees to assume all responsibility and liability for the disposal of waste

water off the Property in a lawful manner without damage to adjoining or neighboring lands at the sole cost and expense of Lessee and to defend, indemnify and hold Lessor harmless therefrom.

18. INSPECTION. Lessee agrees to permit Lessor, and Lessor's agents, free and unlimited access to the Property at all reasonable times for the purpose of construction and maintenance of purpose Wind Turbine Project, inspection or of making repairs, additions or alterations to portions of the Property under the control of Lessor, if any; provided that, this right to repair shall not be construed as an agreement or requirement on the part of Lessor to make any repairs, additions or alterations to the Property.

19. REPAIRS BY LESSOR. Neither Lessor nor Lessor's successors or assigns shall be held to any covenant respecting the condition of the Property or improvements thereon, nor to any agreement for alterations, improvements or repairs unless said agreement is in writing and either contained in this Lease or attached to and made part of this Lease.

20. REMOVAL OF SOIL, GRAVEL. Lessee shall not remove or permit removal of any soil, sand or gravel from the Property.

21. FAILURE TO PAY OR PERFORM. If Lessee fails to pay any sums required to be paid to any third parties by the terms of this Lease in the full amount and precisely at the times required or fails to provide or maintain insurance or to perform any other act(s) as herein required, Lessor may, but shall not be obligated, to make such payment, to effect such insurance or to perform such act(s) and all sums paid or expenses incurred by Lessor including attorney's fees reasonably incurred by Lessor together with interest on all of said sums at the rate of eighteen percent (18%), per annum, from the dates of payment or expenditure until repaid, shall be payable by Lessee to Lessor

immediately on Lessor's demand, all without prejudice to any other rights Lessor may have by reason of such defaults.

22. LESSEE'S DEFAULT. Lessee shall be in default of this Lease if Lessee (a) fails to timely observe or perform any term, covenant, condition herein set forth; (b) fails or neglects to make the full amount of any payment of rent, interest or any other amounts required to be paid by Lessee in the full amount and precisely when obligated to do so; (c) becomes or is declared insolvent or makes an assignment for the benefit of creditors, or files any debtor's petition or any petition is filed against Lessee under any bankruptcy, wage earner's, reorganization or similar act; (d) permits the Property or any part thereof or Lessee's interest therein to be attached, seized or in any manner restrained or impounded by process of any court; (e) abandons the Property for more than twenty (20) consecutive days (unless the Property is otherwise occupied); or (f) assigns, transfers or sublets the Property or any portion thereof, or assigns or transfers this Lease or any interest therein in any manner other than as permitted by the terms of this Lease.

23. LESSOR'S REMEDIES. In the event Lessee is in default of this Lease, Lessor may, at Lessor's election, exercise the following remedies:

- (a) Suit for Delinquencies. Lessor may institute suit for any sums then due and payable under this Lease as of the date of the judgment and any sums which have been advanced by Lessor pursuant to the provisions of this Lease, together with interest on all of said sums at the rate or rates specified in this Lease from the date each such amount was advanced or due, as the case may be, to and including the date of collection;
- (b) Forfeiture and Repossession. Lessor may cancel and render void all rights, titles, and interests of Lessee and Lessee's assigns and successors in this Lease and in the Property (including all of Lessee's then existing rights, interest and estates therein and improvements thereon, including all crops) by giving a Notice of Intent to Forfeit and said cancellation and forfeiture shall become effective if the default specified in the Notice of Intent to Forfeit has not been fully cured within twenty (20) days thereafter. Upon forfeiture of this Lease, Lessor may retain all payments made hereunder by Lessee and may take immediate possession of the Property and summarily

eject Lessee or any person or persons claiming by, through or under Lessee remain in possession of the Property more than three (3) days after such forfeiture, Lessee, or such person or persons, shall be deemed as unlawfully detaining the Property and Lessor shall be entitled to institute an action for summary possession of the Property and may recover from Lessee or such person or persons in such proceedings, the fair rental value of the Property for the use thereof from and after the date of forfeiture, plus costs, including Lessor's reasonable attorney's fees;

- (c) Specific Performance. Lessor may institute suit to specifically enforce any of Lessee's covenants hereunder, and the same may include redress by mandatory or prohibitive injunction;
- (d) Remedies under the Uniform Commercial Code. Lessor shall have and Lessee hereby grants to Lessor, all of the rights and remedies contained in the Washington Uniform Commercial Code, RCW Title 62A, in effect as of the date of Lessee's default and to the extent such rights and remedies may be applicable to the type or types of collateral affected thereby.

All the foregoing remedies are cumulative and are not mutually exclusive and may be exercised in conjunction with each other to the extent permitted by law or in equity and shall be in addition to other rights or remedies granted by law or in equity for breach of this Lease.

24. WAIVER OF CERTAIN DEFENSES. In any action or proceeding to enforce any remedy provided herein, no defense of adequacy of security, or that resort must first be had against the security, or that Lessor must first pursue any other person shall be asserted. Without limiting the generality of the foregoing, Lessee, in the event Lessee is in default of this Lease, expressly waives any legal or equitable rights that Lessee may have with respect to marshaling of assets and this waiver shall be binding upon all parties claiming by, through, or under Lessee and all other parties claiming any interest in the Property. In the event any check is tendered which is not honored upon first presentation because of any stop payment directive or insufficient funds, the payee's rights shall be reinstated as if such check had not been delivered.

25. OTHER SECURITY. Lessor may resort for the payment of any sums due hereunder to any other security held by Lessor in such order and manner as Lessor may elect. Without affecting the liability of any other person for the payment of any obligation mentioned herein and without affecting any remedies hereunder with respect to any of the Property, Lessor may, without notice, release any person so liable, extend the maturity or modify the terms of any such obligation, or grant other indulgences, take or release any other security or make compositions or other arrangements with debtors. Lessor may also accept additional security, either concurrently herewith or thereafter, and sell the same or otherwise realize thereon, either before, concurrently with, or after the exercise of any remedy hereunder.

26. NOTICE. Any notice, declaration, demand or communication to be given by a party to this Lease to the other shall be in writing and transmitted to the other party by certified U.S. Mail, return receipt requested, postage fully prepaid, addressed as follows:

To Lessor: Wintercamp Ranch Trust
 P.O. Box 1
 Murphy, ID 83650

To Lessee: Owyhee Farming Company LLC
 P.O. Box 310
 American Falls, ID 83211

the mailing and certifying of any such notice as herein provided shall be sufficient service thereof. All notices complying with this paragraph shall be deemed effective (2) business days following the deposit thereof in the U.S. Mail, irrespective of the date of actual receipt of such notice by the addressee. Either party may by notice change such address for notice.

27. PEACEFULLY HOLD. Lessor hereby covenants that upon Lessee paying the rent hereby reserved and observing and performing several covenants herein contained, Lessee shall peacefully hold and enjoy the property during the term of this lease.

28. ASSIGNMENT. Lessee shall not convey, transfer or assign this lease or any interest in the property, or any portion thereof, or enter into any sublease of all or any portion of the property without first obtaining the written consent of Lessor which consent will not be reasonably withheld so long as any potential assignee or sub-Lessee can establish his financial ability and business acumen to perform Lessee's obligations specified in this Lease.

29. ATTORNEY'S FEES. If either party shall be in default under this lease, the non-defaulting party shall have the right at the defaulting party's expense, to retain an attorney or collection agency to make any demand, enforce any remedy, or otherwise protect or enforce such party's rights under this lease. The defaulting party hereby covenants and agrees to pay all costs and expenses so incurred by the non-defaulting party, including but without limitation, arbitration and court costs, collection agency charges, notice expenses, title search expenses, and reasonable attorney's fees (with or without arbitration or litigation), and the failure of the defaulting party to promptly pay the same shall cause a failure of cure of the specified default and shall in itself constitute a further and additional default of this lease. In the event either party hereto institutes any action (including arbitration) to enforce the provisions of this lease or for any cause arising out of this lease, the prevailing party in such action shall be entitled to reimbursement from the losing party for all of its court costs and reasonable attorney's fees and fees or costs normally charged or advanced by such attorneys for items such as reports, photocopies, telephone tolls, mileage, travel, boarding, expert fees, accounting

fees or other advanced costs and fees, including such costs and fees that are incurred on appeal and in the enforcement in any judgment. In the event it is necessary for either party to employ counsel or incur expense, in or out of court in any bankruptcy or reorganization proceedings, to enforce, establish or protect such party's rights hereunder, such party who prevails therein or so protects or establishes such party's rights hereunder shall be entitled to recover all reasonable attorney's fees and expenses so incurred. All payments and reimbursements required by this paragraph shall be due and payable on demand, and may be offset against any sums owed to the party so liable in order of maturity, and shall bear interest at the rate of eighteen percent (18%), per annum, from the date of demand to and including the date of collection or the due date of any sum against which the same is offset, as the case may be.

30. NON-WAIVER. Any extension of time in payments or acceptance or part thereof or failure of Lessor to promptly enforce any breach of this lease shall not be construed as a waiver on the part of the Lessor of the strict performance of all of the terms, covenants, agreements or conditions herein, and shall not prejudice any of Lessor's rights or remedies.

31. TIME OF ESSENCE. Time is specifically declared to be of the essence of this lease and of the payment of all sums and the performance of all acts required to be done and performed by the parties hereto.

32. PARAGRAPH HEADINGS. The capitalized and underscored word or words appearing at the commencement of paragraphs and subparagraphs of this lease are included only as a guide to the contents thereof and are not to be considered as controlling, enlarging or restricting the language or meaning of those paragraphs or subparagraphs.

33. NUMBER AND GENDER. The use of any gender or neutral term shall include all genders, and the use of any number shall be construed as singular or plural, as the case may require. The terms "Lessor" and "Lessee" refer to either the singular or the plural, as the case may be.

34. INVALIDITY. In the event any portion of this lease should be held to be invalid by any court of competent jurisdiction, such holding shall not affect the remaining provisions hereof. In all provisions of this lease where Lessee may be obligated to pay interest to Lessor, it is the intention of Lessor to charge a lawful rate of interest, and in the event it is determined by any court of competent jurisdiction that any rate herein provided for exceeds the maximum permitted by law for a transaction of the character evidenced by these presents, the amount so determined to be above the legal rate shall be applied against principal due hereunder or, if such principal has been paid, or otherwise at the discretion of the then holder of this lease, said excess shall be refunded to Lessee on demand without interest, and the interest rates specified hereunder shall be reduced to the maximum rate then permitted by law for the type of transaction to which this lease pertains.

35. LEGAL RELATIONSHIP. The parties to this lease execute the same solely as a landlord and a tenant. No partnership, joint venture or joint undertaking shall be construed from these presents, and except as herein specifically provided, neither party shall have the right to make any representations for, act on behalf of, or be liable for the debts of the other. Unless otherwise specifically provided herein, no third party is intended to be benefited by this lease.

36. APPLICABLE LAW/CONSTRUCTION/VENUS. This lease shall be governed and interpreted in accordance with the laws of the State of Idaho. In the event this lease is in conflict with the provisions of any law or statutes governing the subject

matter hereof, such law or statute only to the extent of such conflict shall be controlling. The venue of any action brought to interpret or enforce any provision of this lease shall be laid in the county in which the property is situated. All sums herein referred to shall be calculated by and payable in the lawful currency of the United States.

37. ENTIRE AGREEMENT. This lease contains the entire agreement of the parties hereto and, except for any agreements or warranties otherwise stated in writing to survive the execution and delivery of this lease, supersedes all of their previous understandings and agreements, written and oral, with respect to this transaction. Neither Lessor nor Lessee shall be liable to the other for any representations made by any person concerning the property or regarding the terms of this lease, except to the extent that the same are expressed in this lease. This lease may be amended only by written instrument executed by Lessor and Lessee or their lawful successors and assigns subsequent to the date hereof.

38. HEIRS AND SUCCESSORS. This lease is and shall be binding upon the heirs, successors and assigns of the parties to the same extent that the parties are bound.

39. LIMITATION OF LIABILITY AND REMEDIES. Lessee agrees that Lessor's liability for any breach of this lease, or for any breach of any duty arising from or related to this lease; shall be limited to the amount of rent Lessee has paid to Lessor hereunder as of the time of the discovery of the breach, and Lessee's remedy for any breach of any duty by Lessor arising from or related to this lease shall be termination of the lease and recovery of any rent paid to Lessor hereunder while Lessor is in breach.

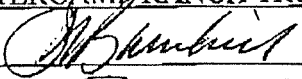
40. SCRUTINY. This lease has been submitted to the scrutiny of all parties and their respective legal counsel and shall be given a fair and reasonable interpretation in accordance with the words hereof without consideration or weight being given to this being drafted by or for one of the parties. If in fact one of the parties has not submitted

this lease to the scrutiny of their legal counsel, such party stipulates that, despite having had the opportunity to do so, they waived the same and elected to proceed without the benefit of such legal review. .

IN WITNESS WHEREOF, the parties hereto have executed this agreement the say and year first above written.

LESSOR

WINTERCAMP RANCH TRUST

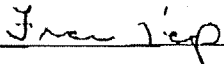
By: 

Title: TRUSTEE

DON BARNHILL

LESSEE

OWYHEE FARMING LLC

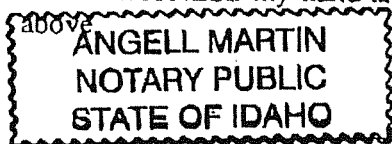
By: 

Title: member

STATE OF Idaho)
 County of Canyon) ss.

On this 17th day of Feb, 2011, before me, the undersigned, a Notary Public in and for the State of Idaho duly commissioned and sworn, personally appeared Donald Barthill, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year last written



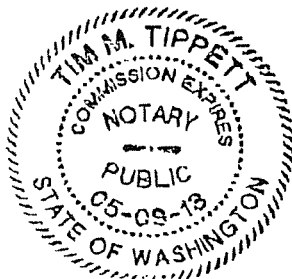
Angell Martin
 Notary Public in and for the State of
~~Washington~~, residing at Nampa ID
Idaho

Ex 1.20.17

STATE OF WASHINGTON)
 County of FRANKLIN) ss.

On this 28th day of FEBRUARY, 2011, before me, the undersigned, a Notary Public in and for the State of WASHINGTON duly commissioned and sworn, personally appeared FRANK TIEGS, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year last written above.



Tim Tippet
 Notary Public in and for the State of
 Washington, residing at PASCO..



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

GARY SPACKMAN
Director

C.L. "BUTCH" OTTER
Governor

May 28, 2014

LANCE FUNK
OWYHEE FARMING
PO BOX 310
AMERICAN FALLS ID 83211

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 02-2361, 02-2370, 02-7001, 02-10020, 57-00179, 57-00180B, 57-00181 AND 57-07152**

Dear Renter:

Please find enclosed a receipt in the amount of **\$15,351.00** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 903 acre-feet of water for irrigation of 200.6 acres during 2014. 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 \$13,815.90 of the rental fee will be paid to the lessor(s) and 10% or \$1,535.10 will be retained by the Department to offset administrative costs.

If you have any questions, please contact me at (208) 287-4879.

Sincerely,

for Clay W. ...

Sandra Thiel
Water Resource Planner

Enclosure(s): Receipt No. C098896
Rental Agreement (copy)

c: Sascha Marston – Fiscal
Rachel Sommer – IDWR Western Regional Office
Chad Nettleton – State Water District No. 57D
Greg Sullivan – Brockway Engineering



State of Idaho

DEPARTMENT OF WATER RESOURCES

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

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

GARY SPACKMAN
Director

C.L. "BUTCH" OTTER
Governor

May 20, 2014

OWYHEE FARMING
PO BOX 310
AMERICAN FALLS ID 83211

**RE: REQUEST FOR RETURN OF SIGNED RENTAL AGREEMENT AND PAYMENT FOR
WATER RIGHT(S) 2-2361, 2-2370, 2-7001, 2-10020, 57-179, 57-180B, 57-181 & 57-
7152**

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

Dear Applicant:

The Department of Water Resources ("department") mailed a **Water Supply Bank Rental Agreement ("agreement") for your review and signature** on May 5, 2014. The signed agreement and rental fee has not been returned to the department.

Please sign the rental agreement and return it with the rental payment in the amount of \$15,351.00 within ten (10) days of this letter to complete processing. Diversion and use of the water right(s) is not authorized under the proposed agreement until it has been signed by both the renter and the department. Any use associated with your proposed rental request before it has been executed is considered unauthorized and, if occurring, will be subject to any necessary enforcement action.

If the signed rental agreement and fee is not received by the department within the 10-day period, the rental application will be returned, and the proposed rental right(s) made available for other rental applicants. You can reapply to rent water from the Bank again in the future by submitting a new rental application form that will be processed in turn with other pending applications.

If you have questions regarding this matter, please contact me at 287-4879.

Sincerely,


for Sandra Thiel

Water Resource Planner

c: Greg Sullivan-Brockway Engineering PLLC



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

GARY SPACKMAN

Director

May 5, 2014

C.L. "BUTCH" OTTER

Governor

OWYHEE FARMING
PO BOX 310
AMERICAN FALLS ID 83211

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 2-2361, 2-2370, 2-7001, 2-10020, 57-179, 57-180B, 57-181
AND 57-7152**

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

Dear Applicant:

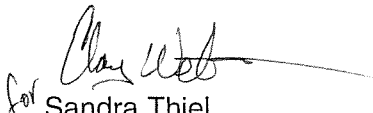
The Department of Water Resources acknowledges receipt of your application to rent water from the Water Supply Bank. **I have enclosed a Water Supply Bank Rental Agreement for your review and signature.** Upon signature and return of the original agreement, together with the rental fee described below, 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 \$15,351.00 was calculated based on the current rental rate of \$17.00 per acre-foot times a diversion volume of 903 acre-feet. A payment shall be received by the Department prior to the execution of this agreement.

Please send a check for \$15,351.00 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 \$13,815.90 of the rental fee will be paid to the lessor(s) and 10% or \$1,535.10 will be retained by the Department to offset administrative costs.

If you have any questions, please contact me at (208) 287-4879.

Sincerely,


for Sandra Thiel
Water Resource Planner

Enclosure(s)

c: IDWR Front Desk
Greg Sullivan-Brockway Engineering PLLC

No. W 98608		Due no later than Dec 31, 2013		Annual Report Form				2. Registered Agent and Address (NO PO BOX)	
Return to: SECRETARY OF STATE 700 WEST JEFFERSON PO BOX 83720 BOISE, ID 83720-0080 NO FILING FEE IF RECEIVED BY DUE DATE		1. Mailing Address: Correct in this box if needed. OWYHEE FARMING COMPANY, LLC LANCE D FUNK PO BOX 310 AMERICAN FALLS ID 83211 USA		RICHARD F GOODSON 877 MAIN STREET STE 1000 BOISE ID 83702					
				3. <u>New</u> Registered Agent Signature:*					
4. Limited Liability Companies: Enter Names and Addresses of at least one Member or Manager.									
Office Held	Name	Street or PO Address	City	State	Country	Postal Code			
MEMBER	PASCO FARMING INC	PO BOX 3350	PASCO	WA	USA	99302			
MEMBER	LANCE D FUNK	PO BOX 310	AMERICAN FALLS	ID	USA	83211			
5. Organized Under the Laws of: ID W 98608		6. Annual Report must be signed.* Signature: Lance D Funk Name (type or print): Lance D Funk Date: 10/17/2013 Title: Member							
Processed 10/17/2013		* Electronically provided signatures are accepted as original signatures.							

No. C 171405		Due no later than Feb 28, 2014 Annual Report Form		2. Registered Agent and Address (NO PO BOX)			
Return to: SECRETARY OF STATE 700 WEST JEFFERSON PO BOX 83720 BOISE, ID 83720-0080 NO FILING FEE IF RECEIVED BY DUE DATE		1. Mailing Address: Correct in this box if needed. PASCO FARMING, INC. JANELLE MCCLORY PO BOX 3350 PASCO WA 99302 USA		RICHARD F GOODSON 877 MAIN ST STE 1000 BOISE ID 83702			
				3. <u>New</u> Registered Agent Signature:*			
4. Corporations: Enter Names and Business Addresses of President, Secretary, and Directors. Treasurer (optional).							
Office Held	Name	Street or PO Address	City	State	Country	Postal Code	
PRESIDENT	FRANKLIN S TIEGS	6610 W COURT ST #B	PASCO	WA	USA	99301	
SECRETARY	FRANKLIN S TIEGS	6610 W COURT ST #B	PASCO	WA	USA	99301	
DIRECTOR	FRANKLIN S TIEGS	6610 W COURT ST #B	PASCO	WA	USA	99301	
5. Organized Under the Laws of: WA C 171405		6. Annual Report must be signed.* Signature: Tim Tippet Date: 02/11/2014 Name (type or print): Tim Tippet Title: Vice President					
Processed 02/11/2014		* Electronically provided signatures are accepted as original signatures.					

MEMORANDUM

To: File: 2-2361, 2-2370, 2-7001, 2-10020, 57-179, 57-180B, 57-181, 57-7152

From: Sandra Thiel

Date: April 15, 2014

Re: Review of Application to Rent Water from the State Water Supply Bank

PURPOSE/NARRATIVE: The Department received a rental application from Owyhee Farming Company LLC to rent 4.02 cfs and 802 acre feet to irrigate 200.6 acres. The lease points of diversion are within water districts 02 and 57-D. The rental point of diversion is also within 57-D. The water will be delivered through existing pumps and main lines. They will install new pivots. They want to rent the water for 5 years.

It is important to note this package contains water from Sinker Creek and The Snake River and that the applicants ought only Sinker Creek Water. Because of the way the rights are stacked, we need to rent both Sinker Creek and Snake River water and this rental package reflects that.

AUTHORITY TO FILE: The land to receive rental water belongs to the Winteramp Ranch Trust. Owyhee Farming Company is leasing the land and has submitted a copy of the farm lease agreement.

INJURY TO OTHER WATER RIGHTS: No injury is apparent.

ENLARGEMENT OF USE: No enlargement is evident.

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 conservation of water resources in Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS: Comments were solicited for both Western and the water master, Chad Nettleton. Mr. Nettleton did not respond. Steve Lester replied that he had no objections so long as the pod remains at the Sinker Creek diversion.

Lease POU
Rental POU

Lease POD

Sinker Creek

Snake River

Rental and Lease PODs



The USDA-FSA Aerial Photography Field Office asks to be credited in derived products.

Thiel, Sandra

From: Lester, Steve
Sent: Monday, April 21, 2014 3:20 PM
To: Thiel, Sandra
Subject: RE: Water Supply Bank Rental

Sandy –

I met with John & we looked it over. Assuming not using a different creek POD for those Sinker Creek rights, looks good.

Steve

From: Thiel, Sandra
Sent: Wednesday, April 16, 2014 9:23 AM
To: Lester, Steve
Subject: Water Supply Bank Rental

Hello, We received an application to rent water from the water supply bank from Owyhee Farming Company to rent water to irrigate 200 acres. I've attached my review memo and a map showing the location of both the acres they would like to rent water from and the POU/POD for the rental. Please let me know if you have any concerns by April 30. Thanks Steve.

Sandra Beer Thiel
Idaho Department of Water Resources
322 East Front Street
Boise, Idaho 83720-0098
(208)287-4881
sandra.thiel@idwr.idaho.gov

No. W 98608		Due no later than Dec 31, 2013 Annual Report Form		2. Registered Agent and Address (NO PO BOX)		
Return to: SECRETARY OF STATE 700 WEST JEFFERSON PO BOX 83720 BOISE, ID 83720-0080 NO FILING FEE IF RECEIVED BY DUE DATE		1. Mailing Address: Correct in this box if needed. OWYHEE FARMING COMPANY, LLC LANCE D FUNK PO BOX 310 AMERICAN FALLS ID 83211 USA		RICHARD F GOODSON 877 MAIN STREET STE 1000 BOISE ID 83702		
				3. <u>New</u> Registered Agent Signature:*		
4. Limited Liability Companies: Enter Names and Addresses of at least one Member or Manager.						
Office Held	Name	Street or PO Address	City	State	Country	Postal Code
MEMBER	PASCO FARMING INC	PO BOX 3350	PASCO	WA	USA	99302
MEMBER	LANCE D FUNK	PO BOX 310	AMERICAN FALLS	ID	USA	83211
5. Organized Under the Laws of: ID W 98608		6. Annual Report must be signed.* Signature: Lance D Funk Name (type or print): Lance D Funk Date: 10/17/2013 Title: Member				
Processed 10/17/2013		* Electronically provided signatures are accepted as original signatures.				



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

GARY SPACKMAN
Director

C.L. "BUTCH" OTTER
Governor

April 16, 2014

CHAD NETTLETON
14568 JOYCE RANCH RD
MURPHY ID 83650

RE: Water Supply Bank Lease Applications Water Right No(s). 02-02361, 02-02370, 02-07001. 02-10020, 57-00179, 57-00180B, 57-00181 AND 57-07152

Dear Mr. Nettleton:

The Idaho Department of Water Resources received an application from Owyhee Farming Company to rent water rights from the Water Supply Bank. They plan to rent 4.02 cfs and 802 acre feet to irrigate 200.6 acres. The lease points of diversion are within water districts 02 and 57-D. The rental point of diversion is also within 57-D. The water will be delivered through existing pumps and main lines. They will install new pivots. They want to rent the water for 5 years. The land to receive rental water belongs to the Winteramp Ranch Trust. Owyhee Farming Company is leasing the land. I have enclosed a map showing the area leased into the bank and the land where Owyhee Farming Company plans to apply the rented water.

Please let us know if you have any objections or concerns regarding this application within 14 days. Review can be completed as soon as your response is received. Prompt response to this request is appreciated so your recommendation can be considered during the review process. I have enclosed a recommendation form for your convenience.

If after 14 days from the date of this letter the department has not received your written recommendation, IDWR will presume you do not oppose approval of the application and you have no comments for the Department to consider.

If you have any questions about this application, please contact me at (208)287-4879 or contact the applicant.

Sincerely,

Sandra Thiel
Water Resource Planner

Enclosure