

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

RECEIVED

AUG 05 2013

DEPARTMENT OF
WATER RESOURCES

This is to certify that: P4 PRODUCTION LLC
PO BOX 816
SODA SPRINGS ID 83276
(208) 547-4300
tjb@racinelaw.net

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	Rented Rate	Annual Rented Volume	Total Rented Acres
	27-7072	0.21 CFS	60.2 AF*	NA
COMBINED RENTAL TOTALS:		0.21 CFS	60.2 AF*	NA

*Actual diversion and use under this rental is limited to 43 AF.

TERM OF RENTAL: August 28, 2013 to November 15, 2013

RENTAL FEE: \$1,023.40

Detailed water right specific limitations and conditions attached.

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:

Dated this 1st day of August, 2013.

By: Randy Vranes
(Print Name)

Randy Vranes
(Signature)

Business Unit Lead Mineral Activities
(Title if on behalf of company or organization)

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 this 5th day of August, 2013.

Brian Patton
BRIAN PATTON, Acting Administrator
Idaho Water Resource Board

WATER RIGHT NO. 27-7072

WATER SUPPLY BANK RENTAL AGREEMENT

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: P4 PRODUCTION LLC
PO BOX 816
SODA SPRINGS ID 83276
(208) 547-4300
tjb@racinelaw.net

Priority Date: 03/09/1977

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
INDUSTRIAL	08/29	to 11/15	0.21 CFS	60.2 AF*
	Total:		0.21 CFS	60.2 AF*

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

GROUND WATER	NE¼SE¼	Sec. 22	Twp 07S	Rge 42E	CARIBOU County
GROUND WATER	SW¼NE¼	Sec. 22	Twp 07S	Rge 42E	CARIBOU County

RENTER'S PLACE OF USE: INDUSTRIAL

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
07S	42E	22				X									X			X	
07S	42E	27	X	X			X												
07S	42E	26		X	X		X	X	X	X	X	X				X			

Total Acres: NA

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 17.2 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. This rental agreement does not authorize the construction of a well.
7. 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.
8. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
9. 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.

**WATER RIGHT NO. 27-7072
WATER SUPPLY BANK RENTAL AGREEMENT**

CONDITIONS OF WATER USE

10. 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.
11. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
12. *Actual diversion and use under this rental is limited to 43 AF.
13. Industrial use is for dust abatement in association with mining operations.

