



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

C.L. "BUTCH" OTTER

Governor

GARY SPACKMAN

Director

March 25, 2013

DERUYTER PROPERTIES LP
PO BOX 580
MARSING ID 83639

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 02-2262**

Dear Renter:

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 **\$11,172.40** was calculated based on the current rental rate of \$17.00 per acre-foot times a diversion volume of 657.2 acre-feet. An annual payment shall be received by the Department prior to the execution of this agreement and prior to March 15 in all subsequent years 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. If you would like to terminate the agreement prior to the end of the rental period, you must submit written notice of your intent to the Department at least 30 days prior to the rental fee due date.

Please send a check for \$11,172.40 made payable to the Idaho Department of Water Resources, together with the signed rental agreement, to my attention within 14 days so I can complete the processing. Pursuant to the Water Supply Bank Rules, 90% or \$10,055.16 of the rental fee will be paid to the lessor(s) and 10% or \$1,117.24 will be retained by the Department to offset administrative costs. If you have any questions, please contact me at (208) 287-4944.

Sincerely,

Cherie Palmer
Sr. Water Resource Agent

Enclosure(s)

c: IDWR Front Desk
John Westra – IDWR Western Regional Office
Corbin Knowles – Watermaster, Water District 02
ERO Resources Corp – David B. Shaw

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

This is to certify that: DERUYTER PROPERTIES LP
PO BOX 580
MARSING ID 83639
(208) 965-7940

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
2-2262	3.29 CFS	657.2 AF	164.3 AC

COMBINED RENTAL TOTALS:	3.29 CFS	657.2 AF	164.3 AC
------------------------------------	-----------------	-----------------	-----------------

TERM OF RENTAL: April 1, 2013, to October 1, 2013
April 1, 2014, to October 1, 2014
April 1, 2015, to October 1, 2015
April 1, 2016, to October 1, 2016
April 1, 2017, to October 1, 2017

RENTAL FEE: \$11,172.40

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 _____ day of _____, 20_____.

By: _____
(Print Name) (Signature)

(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 _____ day of _____, 20_____.

BRIAN PATTON, Acting Administrator
Idaho Water Resource Board

WATER RIGHT NO. 02-2262
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: DERUYTER PROPERTIES LP
 PO BOX 580
 MARSING ID 83639

Priority Date: 12/6/1963

Source: SNAKE RIVER **Tributary to:** COLUMBIA RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	03/15	to 11/15	3.29 CFS	657.2 AF
	Total:		3.29 CFS	657.2 AF

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

SNAKE RIVER L4 (NW¼NW¼) Sec. 1 Twp 06S Rge 07E Elmore County

RENTER'S PLACE OF USE: IRRIGATION

Twp	Rge	Sec	NE				NW				SW				SE				
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	Totals
05S	07E	36		31.7	21.8		4.1	0.5	16.2	26.1	30	33.9							164.3

Total Acres: 164.3

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 164.3 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.

**WATER RIGHT NO. 02-2262
WATER SUPPLY BANK RENTAL AGREEMENT
CONDITIONS OF WATER USE**

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. 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. 02.

