



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

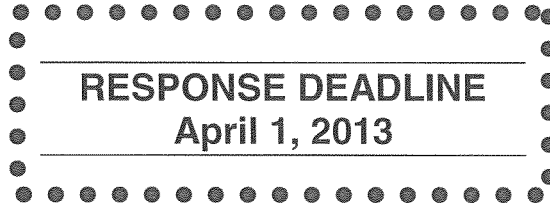
Governor

GARY SPACKMAN

Director

January 7, 2013

HOUGHLAND FARMS INC
1842 W 800 S
PINGREE ID 83262-1253



RE: ANNUAL RENTAL FEE DUE FOR RENTAL OF WATER RIGHT NO. 35-14249 (now water rights 25-14380, 35-14280, 25-14381, and 25-14382).

Dear Renter:

In accordance with the Water Supply Bank Rental Agreement signed by you in March, 2012 your annual rental payment for Water Right No. **35-14249** is due on April 1, 2013. The total rental fee for this water right is **\$5,626.60**.

Please remit the amount listed above to the Idaho Department of Water Resources promptly if you intend to use this water right for the current rental period of April 1, 2013 through October 31, 2013.

The rental agreement authorizes diversion of water under Water Right No. 35-14249 during the 2012 through 2015 irrigation seasons. Upon receipt of the 2013 rental fee, you will be authorized to divert water in accordance with the conditions of water use described in the agreement. The rental agreement will be void if the payment is not received by the due date.

Pursuant to the Water Supply Bank Rules, 90% or \$5,063.94 of the rental fee will be paid to the lessor and 10% or \$562.66 will be retained by the Department to offset administrative costs.

If you have questions regarding this matter, please contact me at 287-4907.

Sincerely,

Monica Van Bussum
Sr. Water Resource Agent

cc: IDWR Front Desk
IDWR Eastern Regional Office
James Cefalo, Watermaster WD 120
Luke Marchant, Holden Kidwell Hahn & Crapo PLLC