

Water Supply Bank No. _____
(For Department Use Only)

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DEC 06 2012

DEPARTMENT OF
WATER RESOURCES

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO RENT WATER
FROM THE WATER SUPPLY BANK

Name of Renter Formation Capital Corporation, U.S. Phone (208) 756-4578

Mailing address 812 Shoup Street, Salmon, Idaho 83467 Email prufe@formcap.com

A. DESCRIPTION OF WATER SOUGHT FOR RENT

1. Maximum Flow Rate (cfs) See Attached Maximum Volume (ac-ft) _____ Nature of Use _____ Period of Use _____
_____ to _____
_____ to _____
_____ to _____
Total: _____

2. Source of water Bucktail Creek tributary to _____

3. Point(s) of Diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
21N	18E	17			NW	NE	Lemhi
21N	18E	20			NE	NE	Lemhi

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	
21N	18E	21	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
21N	18E	20	X			X													

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

B. OWNERSHIP

1. Do you own the land at the proposed point of diversion? Yes ☐ No ☒

If no, list owner, contact information, and provide documentation of the authority to use the proposed point of diversion. Mining claims and U.S. Forest Service approval of mine operations plan

2. Do you own the land at the proposed place of use? Yes ☐ No ☒

If no, list owner, contact information, and provide documentation of the authority to use the proposed place of use. same

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. portable pumps with intake pipes in Bucktail Creek

2. Describe any other water rights diverted through the same point(s) of diversion or used for the same purpose(s) as described above.

3. Will the proposed place of use receive water from any other source? Yes ☒ No ☐
If yes, describe. Right 75-13977

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. See Attached

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? Yes ☐ No ☒
If yes, describe. _____

6. Was this rental application submitted in response to a Notice of Violation or a pending Notice of Violation? Yes ☐ No ☒
If yes, describe. _____

E. RENTAL TERM

1. Do you wish to rent water from the Board's bank for more than one (1) year? Yes ☒ No ☐
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.



Signature of Applicant

William Scales President

Printed Name and Title*

12/4/12

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

Mail to: Idaho Department of Water Resources, P.O. Box 83720, Boise, ID 83720-0098

ATTACHMENT A

Application to Rent Water From the Water Supply Bank Formation Capital Corporation, U.S.

B. Description of Use Proposed

1. Nature of intended use

Mining (1.0 cfs)

Diversion to storage (1.0 cfs)

Mining storage (50 AF)

Mining from storage (50 AF)

2. Location of points of diversion

T21N, R18E, S17, NWNE (Lemhi County)

T21N, R18E, S20, NENE (Lemhi County)

3. Season of use

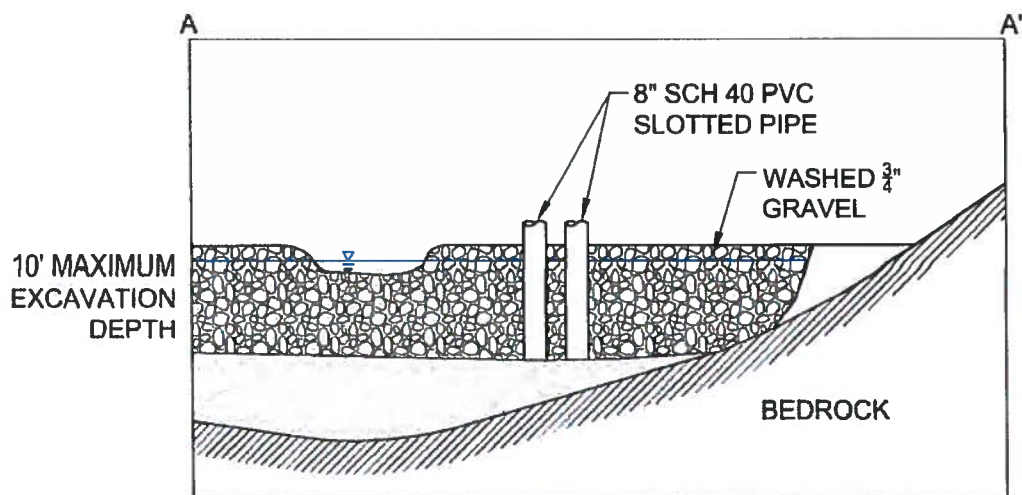
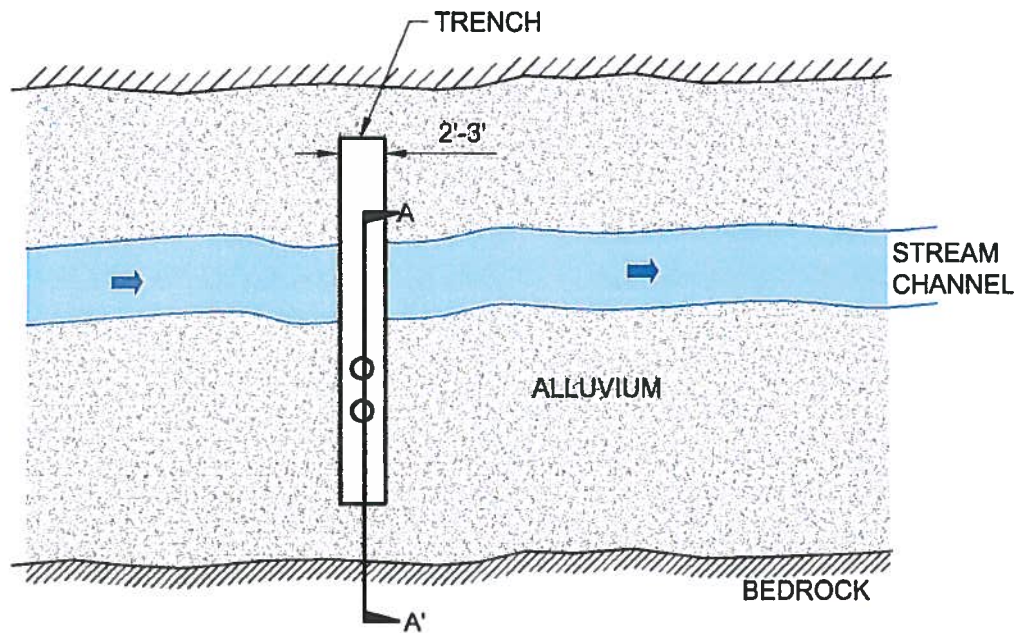
1/1 to 12/31, for all four uses.

4. Description of diverting works

The two points of diversion would be surface diversions directly from Bucktail Creek.

5. Place of use

The intended use of water is for various uses associated with a cobalt mine. The place of use would be all of T21N, R18E, S21, and the NENE and NESE quarter-quarter sections of T21N, R18E, S20.

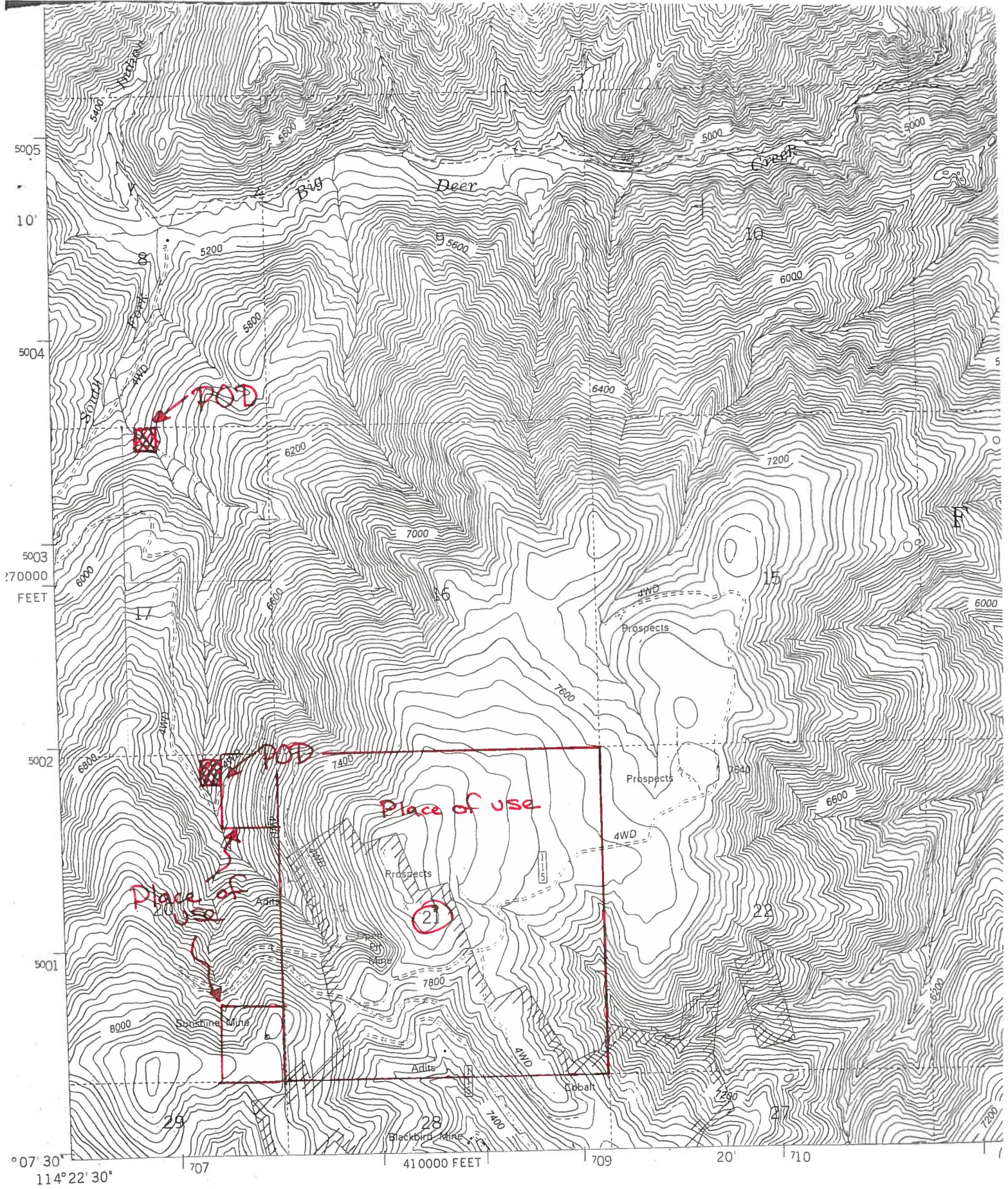


IDAHO COBALT PROJECT
POST MINING GROUNDWATER
CAPTURE PLAN

ALLUVIAL AND SURFACE WATER
COLLECTION SYSTEM

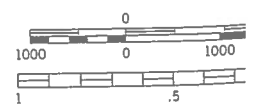
FIGURE

3



Provisional base map prepared by the U. S. Geological Survey.
 Control by USGS and NOS/NOAA
 Topography by photogrammetric methods from aerial photographs
 taken 1985. Field checked 1986. Map edited 1989.
 Transverse Mercator Projection. 1927 North American datum
 10,000-foot grid based on Idaho coordinate system, central zone
 1000 meter Universal Transverse Mercator grid ticks, zone 11

*Archive LT-13
 Lucas Topo w/T4P*



CONTO
 NATIONAL GEO

