

**STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
WATER SUPPLY BANK LEASE ACCEPTANCE**

This is to certify that: DALTON GARDENS IRRIGATION DISTRICT
6360 N 4TH ST
DALTON GARDENS ID 83815
(208) 772-5639

has requested to lease the water right(s) listed below to 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") the acquisition of water rights for the Board's Bank, agrees to lease the water right to the Bank as follows:

Summary of Water Rights or Portions Leased to the Bank

Water Right	Lease Rate	Lease Volume	Acre Limit	Total Leased Acres
95-467	11.73 CFS	3155.3 AF	N/A	1174.8 AC
95-467A	5.03 CFS	1079.4 AF	N/A	1174.8 AC
COMBINED LEASE TOTALS:	16.76 CFS	4234.7 AF	N/A	1174.8 AC

TERM OF LEASE:

Lease Begin Date: February 7, 2008

Expiration Date: December 31, 2012

RENTAL AVAILABILITY:

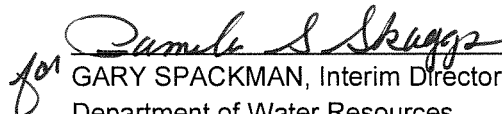
Season of Use: April 1 to October 31

MINIMUM PAYMENT ACCEPTABLE:

Current Rental Rate

Detailed Lease Acceptance attached.

Dated this 25th day of June, 20 12


for GARY SPACKMAN, Interim Director
Department of Water Resources

**WATER RIGHT NO. 95-467
WATER SUPPLY BANK LEASE ACCEPTANCE**

The water right or portion thereof leased to the bank is described as follows:

Lessor: DALTON GARDENS IRRIGATION DISTRICT
6360 N 4TH ST
DALTON GARDENS ID 83815
(208) 772-5639

Priority: June 27, 1906

Source: HAYDEN LAKE

Tributary: SINKS

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/01	to 10/31	11.73 CFS	3155.3 AF
	Total:		11.73 CFS	3155.3 AF

LOCATION OF POINT(S) OF DIVERSION:

HAYDEN LAKE	L2 (SE1/4NW1/4)	Sec. 19,	Twp 51N,	Rge 03W, B.M.	KOOTENAI County
HAYDEN LAKE	L5 (NE1/4SW1/4)	Sec. 19,	Twp 51N,	Rge 03W, B.M.	KOOTENAI County

PLACE OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

Dalton Gardens Irrigation District (See Condition #11)
Total Acres: 1174.8

COMBINED LIMITS OF LEASED RIGHT:

<u>Combined Rights</u>	<u>Rate</u>	<u>Volume</u>	<u>Acres</u>
95-467 & 95-467A	16.76 CFS	4234.7 AF	1174.8 AC

CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, the lease term expires, or upon request from the lessor to change the term of the lease.
5. While a water right is in the bank, forfeiture provisions are stayed.
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.
8. Acceptance of a right into 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.

**WATER RIGHT NO. 95-467
WATER SUPPLY BANK LEASE ACCEPTANCE**

CONDITIONS OF ACCEPTANCE

9. In accordance with Idaho Code § 42-248 and 42-1409(6), all owners of water rights are required to notify the department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. Upon acceptance of a water right into the Board's water supply bank, the owner of the right may withdraw the right within thirty (30) days of acceptance into the bank if the owner does not agree with the conditions of acceptance.
11. Leased portions of Rights 95-467 and 95-467A are limited to irrigation of 1174.8 acres within the boundary of Dalton Gardens Irrigation District pursuant to Section 43-323, Idaho Code.
12. The total instantaneous diversion of water from all points of diversion under leased portions of Rights 95-467 and 95-467A shall not exceed 16.76 cfs, nor total combined annual volume of 4234.7 af.
13. Leased portions of Rights 95-467 and 95-467A when combined with all other water rights shall provide no more than 0.02 cfs per acre nor more than 3.0 afa per acre at the field headgate.
14. Use of water under this right 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. 95A.
15. The period of use for the irrigation described in this approval may be extended to a beginning date of 3/15 and an ending date of 11/15 provided that beneficial use of the water can be shown and other elements of the right are not exceeded. The use of water before 4/1 and after 10/31 is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than the date of this approval.

The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.

**WATER RIGHT NO. 95-467A
WATER SUPPLY BANK LEASE ACCEPTANCE**

The water right or portion thereof leased to the bank is described as follows:

Lessor: DALTON GARDENS IRRIGATION DISTRICT
6360 N 4TH ST
DALTON GARDENS ID 83815
(208) 772-5639

Priority Date: 05/01/1958

Source: HAYDEN LAKE **Tributary:** SINKS

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/01	to 10/31	5.03 CFS	1079.4 AF
	Total:		5.03 CFS	1079.4 AF

LOCATION OF POINT(S) OF DIVERSION:

HAYDEN LAKE	L2 (SE1/4NW1/4)	Sec. 19,	Twp 51N,	Rge 03W, B.M.	KOOTENAI County
HAYDEN LAKE	L5 (NE1/4SW1/4)	Sec. 19,	Twp 51N,	Rge 03W, B.M.	KOOTENAI County

PLACE OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

Dalton Gardens Irrigation District (See Condition #11)
Total Acres: 1174.8

COMBINED LIMITS OF LEASED RIGHT:

<u>Combined Rights</u>	<u>Rate</u>	<u>Volume</u>	<u>Acres</u>
95-467 & 95-467A	16.76 CFS	4234.7 AF	1174.8 AC

CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, the lease term expires, or upon request from the lessor to change the term of the lease.
5. While a water right is in the bank, forfeiture provisions are stayed.
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.
8. Acceptance of a right into 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.

**WATER RIGHT NO. 95-467A
WATER SUPPLY BANK LEASE ACCEPTANCE**

CONDITIONS OF ACCEPTANCE

9. In accordance with Idaho Code § 42-248 and 42-1409(6), all owners of water rights are required to notify the department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
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