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DEPARTMENT OF
WATER RESOURCES

STATE OF IDAHO
WATER RESOURCE BOARD

WSB No. _____
Receipt No. 0094893
Date/by 3/20/2012 SR9
(For Department Use Only)

**APPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANK**

Name of Seller/Lessor Nu-West Mining, Inc. Attn: Katy McKinley Phone (208) 547 4688
Mailing address 3010 Conda Road, Soda Springs, ID 83276 Email katy.mckinley@agrium.com

A. DESCRIPTION OF WATER RIGHT, OR PORTION THEREOF, OFFERED TO THE BANK

If the entire right is for sale or lease, check here ☒, list the water right number, and skip to Part B.

<u>Water Right Number</u>	<u>Amount (cfs/ac-ft)</u>	<u>Nature of Use</u>	<u>Period of Use</u>
<u>27-7059</u>	_____	_____	_____ to _____
	_____	_____	_____ to _____
	_____	_____	_____ to _____

Total Amount: _____

2. Source of water _____ tributary to _____

3. Point(s) of Diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County

4. Lands irrigated or place of use: *See Part D for additional information regarding 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	

If the right is for irrigation, show total number of acres offered to the bank. **Total Acres** _____

B. OWNERSHIP

- Are you currently listed in IDWR's records as the owner of the water right being offered to the bank? Yes ☒ No ☐
If no, provide documentation of your authority to sign on behalf of the right holder OR attach a Notice of Change in Water Right Ownership form along with the required documentation and fee.
- Is the diversion works or system owned or managed by an irrigation district or water delivery company? Yes ☐ No ☒
If yes, provide written consent from the company, corporation or irrigation district to the proposed sale or lease and list name of entity:

C. GENERAL INFORMATION

1. Please provide a description of the current diversion system.

The water diversion system is a well.

2. Describe any other water rights used for the same purpose or at the same place of use as described above.

None

3. Will the present place of use continue to receive water from any source?

Yes ☐ No ☒

If yes, describe.

4. Has any portion of this water right undergone a period of five or more consecutive years of non-use?

Yes ☒ No ☐

If yes, describe and attach watermaster records or other evidence to demonstrate that the right has not been lost through abandonment or forfeiture pursuant to Section 42-222(2), Idaho Code. Please see attached justification.

5. Is this water right involved in any other Department process such as an application for transfer or a mitigation plan? Yes
- ☐
- No
- ☒

If yes, describe.

D. REQUIRED ITEMS

This form must be signed and submitted with the following REQUIRED items:

1. Plat map, survey map or aerial photograph clearly showing the specific acres proposed to be idled by this lease application.
2. Filing fee of \$250.00. If you are submitting more than one lease application and the rights have a common place of use or common diversion rate or common diversion volume, the combined maximum fee is \$500.00.

E. SALE/LEASE AGREEMENT

1. Is the water right, or portion thereof, described above offered to the Idaho Water Resource Board (IWRB) for sale
- ☐
- or lease
- ☒
- .

If lease, for a period from 03/14/2012 to 02/15/2016 (not to exceed 5 years).
(Month / Day / Year) (Month / Day / Year)

2. Show the minimum payment acceptable to the Seller/Lessor. The minimum payment may be shown as the "current rental rate" as established by the IWRB. Include the method of determining the minimum payment if other than the current rental rate.

The minimum payment acceptable to the lessor for this water right is the current rental rate of \$14/acre-foot

I hereby assert that the information contained in this application is true to the best of my knowledge, and that I have the authorities necessary to offer this right for sale or lease to the Idaho Water Resource Board.

The owner/lessor acknowledges the following:

1. Payment to the owner/lessor is contingent upon the sale or rental of the right from the bank.
2. While a right is in the bank, the owner/lessor of the right may not use the right even if the right is not rented from the bank.
3. A right accepted into the bank stays in the bank until the Board releases it or the lease term expires.
4. While a right is in the bank, forfeiture provisions are stayed.
5. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right.

Signature of Applicant

Printed Name and Title*

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

Goode, Jon

From: Thoms, Gary S.
Sent: Tuesday, March 13, 2012 11:33 AM
To: Goode, Jon
Cc: Conrad, Jeffrey; McKinley, Katy
Subject: RE: Attorney/Client Confidential: Water Banking Application

Hi Jon,

I am fine with the documents. As far as the delegation of authority guidelines, since this is a lease of 1 to 5 years, anyone with A4/N4 authority or above can sign.

Please give me a call if you have any questions.

Regards,

Gary

From: McKinley, Katy
Sent: Monday, March 12, 2012 2:48 PM
To: Thoms, Gary S.; Conrad, Jeffrey
Cc: Hill, Teresa A.; McCullough, Mick; Goode, Jon; Hart, Mitchell; 'Beaton, Kevin J.'
Subject: RE: Attorney/Client Confidential: Water Banking Application

Gary and Jeffrey-

Can you please review the water banking application and provide Jon Goode with an e-mail letting him know that this document is approved for signature and also meets Agrium's Delegation of Authority rules. If you feel further discussion or clarification is needed please do not hesitate to give me a call. If we need the larger group I am also happy to set up a conference call.

Thanks!

Katy

Katy McKinley
Mine Permitting Manager
Agrium Conda Phosphate Operations
P.O. Box 758
Soda Springs, ID 83276
office- (208) 547-4688
cell- (208) 390-2328

From: Beaton, Kevin J. [<mailto:KJBEATON@stoel.com>]
Sent: Monday, February 27, 2012 9:17 AM
To: McKinley, Katy
Cc: Hill, Teresa A.; Thoms, Gary S.; Conrad, Jeffrey; McCullough, Mick; Goode, Jon; Hart, Mitchell
Subject: RE: Attorney/Client Confidential: Water Banking Application

Katy:

I apologize for the delay in responding back to you and the group on this. I have reviewed the application and justification and it meets applicable laws and can be signed by the Company.

From: McKinley, Katy [<mailto:Katy.McKinley@agrium.com>]

Sent: Thursday, February 16, 2012 1:15 PM

To: Beaton, Kevin J.

Cc: Hill, Teresa A.; Thoms, Gary S.; Conrad, Jeffrey; McCullough, Mick; Goode, Jon; Hart, Mitchell

Subject: Attorney/Client Confidential: Water Banking Application

Privileged and Confidential

Attorney – Client Privileged

Attorney – Client Work Product/Communication

Kevin-

I have been working with Teresa Hill from your office regarding this water banking application for the Maybe Canyon shop well. It has been fully vetted and we are confident that we have all the correct pieces into place.

Prior to Jon's signature on the justification letter and the application, can you please provide our legal team with your agreement that this document meets with applicable local laws and you believe it is ready for signature?

Thanks so much,

Katy

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