

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

This is to certify that: OWYHEE FARMING COMPANY LLC
PO BOX 310
AMERICAN FALLS ID 83211

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
2-2261D	0.43 CFS	108.5 AF	21.7 AC
2-7064	6.36 CFS	1590.0 AF	318.0 AC
2-7237A	5.90 CFS	1475.0 AF	295.0 AC
2-10181	3.20 CFS	640.0 AF	160.0 AC
2-10189	2.83 CFS	473.6 AF	141.5 AC
2-10316	1.60 CFS	320.0 AF	80.0 AC
2-10434	5.00 CFS	1000.0 AF	250.0 AC
2-10450	7.92 CFS	1584.0 AF	396.0 AC

**COMBINED
RENTAL TOTALS:** **33.24 CFS 7191.1 AF 1662.2 AC**

TERM OF RENTAL: March 15, 2012 to October 31, 2012
March 15, 2013 to October 31, 2013
March 15, 2014 to October 31, 2014
March 15, 2015 to October 31, 2015
March 15, 2016 to October 31, 2016

RENTAL FEE: \$100,675.40

The fee for rental of the above-described water is \$100,675.40 per year. An annual payment shall be received by the Department prior to March 15 each year 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. To terminate the agreement prior to the end of the rental period, written notice must be received by the Department at least 30 days prior to the rental fee due date.

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 25 day of January, 20 12.

By: Lance Funk
(Print Name)

[Signature]
(Signature)
member
(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 8th day of February, 20 12.

[Signature]
for GARY SPACKMAN, Interim Director
Department of Water Resources

WATER RIGHT NO. 2-2261D

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: OWYHEE FARMING COMPANY LLC
PO BOX 310
AMERICAN FALLS ID 83211

Priority Date: 12/19/1963

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	0.43 CFS	108.5 AF
	Total:		0.43 CFS	108.5 AF

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

SNAKE RIVER SE¼SE¼ Sec. 4 Twp 06S Rge 08E OWYHEE County

RENTER'S PLACE OF USE: IRRIGATION

Twps	Rge	Sec	NE				NW				SW				SE				
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	Totals
06S	08E	4										31.2	31.8	32.6			29.8		125.4
		5			0.6		0.6	29.7	38.5	25.6	34.5	26.5	7.4	11.1	30.9	32.4	31.5	30.2	299.5
		6	23.1			30									0.8				53.9
		7			18.5	27.7				6.3	13.7			16.3	18.9	32.6	27.8	24.2	186.0
		8	15.1		20.5	18.3	25.8	22.7	35.7	31.3		16.9	12.5	33.6	2.3	32	32.7	2.2	301.6
		10						5.1	37.7	15.2	18.2	39.1	38.3	13					166.6
		15					13.5	38.3	37.6	13.1	14.4	38	39.3	15.4					209.6
		17	13.9	34.4	7.5	13.5	12.6	3.6	1.2	30.6	35.4	35.1	31	31.3	8.3	10.6	35.7	14.9	319.6

Total Acres: 1662.2

Acre Limit within Place of Use described: 21.7

CONDITIONS OF WATER USE

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. 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.
3. 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.
4. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
5. 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.
6. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.

**WATER RIGHT NO. 2-2261D
WATER SUPPLY BANK RENTAL AGREEMENT**

CONDITIONS OF WATER USE

7. 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.
8. 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.
9. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
10. The use of water for irrigation under this right may begin as early as March 1 provided other elements of the right are not exceeded. The use of water before March 15 under this remark is subordinate to all water rights having no subordinated early irrigation use and a priority date earlier than the date a partial decree is entered for this right.
11. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the place of use described above.

WATER RIGHT NO. 2-7064

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: OWYHEE FARMING COMPANY LLC
PO BOX 310
AMERICAN FALLS ID 83211

Priority Date: 04/23/1970

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	6.36 CFS	1590.0 AF
	Total:		6.36 CFS	1590.0 AF

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

SNAKE RIVER SE¼SE¼ Sec. 4 Twp 06S Rge 08E OWYHEE County

RENTER'S PLACE OF USE: IRRIGATION

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
06S	08E	4										31.2	31.8	32.6			29.8		125.4
		5			0.6		0.6	29.7	38.5	25.6	34.5	26.5	7.4	11.1	30.9	32.4	31.5	30.2	299.5
		6	23.1			30									0.8				53.9
		7			18.5	27.7				6.3	13.7			16.3	18.9	32.6	27.8	24.2	186.0
		8	15.1		20.5	18.3	25.8	22.7	35.7	31.3		16.9	12.5	33.6	2.3	32	32.7	2.2	301.6
		10						5.1	37.7	15.2	18.2	39.1	38.3	13					166.6
		15					13.5	38.3	37.6	13.1	14.4	38	39.3	15.4					209.6
		17	13.9	34.4	7.5	13.5	12.6	3.6	1.2	30.6	35.4	35.1	31	31.3	8.3	10.6	35.7	14.9	319.6

Total Acres: 1662.2

Acre Limit within Place of Use described: 318.0

CONDITIONS OF WATER USE

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. 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.
3. 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.
4. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
5. 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.
6. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.

**WATER RIGHT NO. 2-7064
WATER SUPPLY BANK RENTAL AGREEMENT**

CONDITIONS OF WATER USE

7. 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.
8. 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.
9. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
10. The use of water for irrigation under this right may begin as early as March 1 provided other elements of the right are not exceeded. The use of water before March 15 under this remark is subordinate to all water rights having no subordinated early irrigation use and a priority date earlier than the date a partial decree is entered for this right.
11. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the place of use described above.

WATER RIGHT NO. 2-7237A
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: OWYHEE FARMING COMPANY LLC
 PO BOX 310
 AMERICAN FALLS ID 83211

Priority Date: 12/23/1976

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	5.90 CFS	1475.0 AF
	Total:		5.90 CFS	1475.0 AF

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

SNAKE RIVER SE¼SE¼ Sec. 4 Twp 06S Rge 08E OWYHEE County

RENTER'S PLACE OF USE: IRRIGATION

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
06S	08E	4										31.2	31.8	32.6			29.8		125.4
		5			0.6		0.6	29.7	38.5	25.6	34.5	26.5	7.4	11.1	30.9	32.4	31.5	30.2	299.5
		6	23.1			30									0.8				53.9
		7			18.5	27.7				6.3	13.7			16.3	18.9	32.6	27.8	24.2	186.0
		8	15.1		20.5	18.3	25.8	22.7	35.7	31.3		16.9	12.5	33.6	2.3	32	32.7	2.2	301.6
		10						5.1	37.7	15.2	18.2	39.1	38.3	13					166.6
		15					13.5	38.3	37.6	13.1	14.4	38	39.3	15.4					209.6
		17	13.9	34.4	7.5	13.5	12.6	3.6	1.2	30.6	35.4	35.1	31	31.3	8.3	10.6	35.7	14.9	319.6

Total Acres: 1662.2

Acre Limit within Place of Use described: 295.0

CONDITIONS OF WATER USE

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. 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.
3. 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.
4. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
5. 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.
6. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.

**WATER RIGHT NO. 2-7237A
WATER SUPPLY BANK RENTAL AGREEMENT**

CONDITIONS OF WATER USE

7. 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.
8. 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.
9. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
10. The use of water for irrigation under this right may begin as early as March 1 provided other elements of the right are not exceeded. The use of water before March 15 under this remark is subordinate to all water rights having no subordinated early irrigation use and a priority date earlier than the date a partial decree is entered for this right.
11. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the place of use described above.

WATER RIGHT NO. 2-10181
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: OWYHEE FARMING COMPANY LLC
 PO BOX 310
 AMERICAN FALLS ID 83211

Priority Date: 04/09/1970

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	3.20 CFS	640.0 AF
	Total:		3.20 CFS	640.0 AF

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

SNAKE RIVER SE¼SE¼ Sec. 4 Twp 06S Rge 08E OWYHEE County

RENTER'S PLACE OF USE: IRRIGATION

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
06S	08E	4									31.2	31.8	32.6			29.8			125.4
		5			0.6		0.6	29.7	38.5	25.6	34.5	26.5	7.4	11.1	30.9	32.4	31.5	30.2	299.5
		6	23.1			30									0.8				53.9
		7			18.5	27.7				6.3	13.7			16.3	18.9	32.6	27.8	24.2	186.0
		8	15.1		20.5	18.3	25.8	22.7	35.7	31.3		16.9	12.5	33.6	2.3	32	32.7	2.2	301.6
		10						5.1	37.7	15.2	18.2	39.1	38.3	13					166.6
		15					13.5	38.3	37.6	13.1	14.4	38	39.3	15.4					209.6
		17	13.9	34.4	7.5	13.5	12.6	3.6	1.2	30.6	35.4	35.1	31	31.3	8.3	10.6	35.7	14.9	319.6

Total Acres: 1662.2

Acre Limit within Place of Use described: 160.0

CONDITIONS OF WATER USE

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. 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.
3. 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.
4. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
5. 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.
6. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.

**WATER RIGHT NO. 2-10181
WATER SUPPLY BANK RENTAL AGREEMENT**

CONDITIONS OF WATER USE

7. 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.
8. 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.
9. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
10. The use of water for irrigation under this right may begin as early as March 1 provided other elements of the right are not exceeded. The use of water before March 15 under this remark is subordinate to all water rights having no subordinated early irrigation use and a priority date earlier than the date a partial decree is entered for this right.
11. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the place of use described above.

WATER RIGHT NO. 2-10189

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: OWYHEE FARMING COMPANY LLC
PO BOX 310
AMERICAN FALLS ID 83211

Priority Date: 02/25/1963

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	04/01	to 10/31	2.83 CFS	473.6 AF
	Total:		2.83 CFS	473.6 AF

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

SNAKE RIVER SE¼SE¼ Sec. 4 Twp 06S Rge 08E OWYHEE County

RENTER'S PLACE OF USE: IRRIGATION

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
06S	08E	4										31.2	31.8	32.6			29.8		125.4
		5			0.6		0.6	29.7	38.5	25.6	34.5	26.5	7.4	11.1	30.9	32.4	31.5	30.2	299.5
		6	23.1			30									0.8				53.9
		7			18.5	27.7				6.3	13.7			16.3	18.9	32.6	27.8	24.2	186.0
		8	15.1		20.5	18.3	25.8	22.7	35.7	31.3		16.9	12.5	33.6	2.3	32	32.7	2.2	301.6
		10						5.1	37.7	15.2	18.2	39.1	38.3	13					166.6
		15					13.5	38.3	37.6	13.1	14.4	38	39.3	15.4					209.6
		17	13.9	34.4	7.5	13.5	12.6	3.6	1.2	30.6	35.4	35.1	31	31.3	8.3	10.6	35.7	14.9	319.6

Total Acres: 1662.2

Acre Limit within Place of Use described: 141.5

CONDITIONS OF WATER USE

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. 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.
3. 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.
4. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
5. 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.
6. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.

**WATER RIGHT NO. 2-10189
WATER SUPPLY BANK RENTAL AGREEMENT**

CONDITIONS OF WATER USE

7. 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.
8. 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.
9. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
10. 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.
11. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the place of use described above.

WATER RIGHT NO. 2-10316

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: OWYHEE FARMING COMPANY LLC
PO BOX 310
AMERICAN FALLS ID 83211

Priority Date: 04/09/1970

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	1.60 CFS	320.0 AF
	Total:		1.60 CFS	320.0 AF

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

SNAKE RIVER SE¼SE¼ Sec. 4 Twp 06S Rge 08E OWYHEE County

RENTER'S PLACE OF USE: IRRIGATION

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
06S	08E	4										31.2	31.8	32.6			29.8		125.4
		5			0.6		0.6	29.7	38.5	25.6	34.5	26.5	7.4	11.1	30.9	32.4	31.5	30.2	299.5
		6	23.1			30									0.8				53.9
		7			18.5	27.7				6.3	13.7			16.3	18.9	32.6	27.8	24.2	186.0
		8	15.1		20.5	18.3	25.8	22.7	35.7	31.3		16.9	12.5	33.6	2.3	32	32.7	2.2	301.6
		10						5.1	37.7	15.2	18.2	39.1	38.3	13					166.6
		15					13.5	38.3	37.6	13.1	14.4	38	39.3	15.4					209.6
		17	13.9	34.4	7.5	13.5	12.6	3.6	1.2	30.6	35.4	35.1	31	31.3	8.3	10.6	35.7	14.9	319.6

Total Acres: 1662.2

Acre Limit within Place of Use described: 80.0

CONDITIONS OF WATER USE

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. 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.
3. 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.
4. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
5. 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.
6. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.

**WATER RIGHT NO. 2-10316
WATER SUPPLY BANK RENTAL AGREEMENT**

CONDITIONS OF WATER USE

7. 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.
8. 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.
9. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
10. The use of water for irrigation under this right may begin as early as March 1 provided other elements of the right are not exceeded. The use of water before March 15 under this remark is subordinate to all water rights having no subordinated early irrigation use and a priority date earlier than the date a partial decree is entered for this right.
11. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the place of use described above.

WATER RIGHT NO. 2-10434
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: OWYHEE FARMING COMPANY LLC
 PO BOX 310
 AMERICAN FALLS ID 83211

Priority Date: 02/25/1963

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	04/01 to	10/31	5.00 CFS	1000.0 AF
	Total:		5.00 CFS	1000.0 AF

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

SNAKE RIVER SE¼SE¼ Sec. 4 Twp 06S Rge 08E CASSIA County

RENTER'S PLACE OF USE: IRRIGATION

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
06S	08E	4										31.2	31.8	32.6			29.8		125.4
		5			0.6		0.6	29.7	38.5	25.6	34.5	26.5	7.4	11.1	30.9	32.4	31.5	30.2	299.5
		6	23.1			30									0.8				53.9
		7			18.5	27.7				6.3	13.7			16.3	18.9	32.6	27.8	24.2	186.0
		8	15.1		20.5	18.3	25.8	22.7	35.7	31.3		16.9	12.5	33.6	2.3	32	32.7	2.2	301.6
		10						5.1	37.7	15.2	18.2	39.1	38.3	13					166.6
		15					13.5	38.3	37.6	13.1	14.4	38	39.3	15.4					209.6
		17	13.9	34.4	7.5	13.5	12.6	3.6	1.2	30.6	35.4	35.1	31	31.3	8.3	10.6	35.7	14.9	319.6

Total Acres: 1662.2

Acre Limit within Place of Use described: 250.0

CONDITIONS OF WATER USE

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. 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.
3. 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.
4. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
5. 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.
6. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.

**WATER RIGHT NO. 2-10434
WATER SUPPLY BANK RENTAL AGREEMENT**

CONDITIONS OF WATER USE

7. 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.
8. 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.
9. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
10. 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.
11. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the lands above.

WATER RIGHT NO. 2-10450 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: OWYHEE FARMING COMPANY LLC
PO BOX 310
AMERICAN FALLS ID 83211

Priority Date: 02/25/1963

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	7.92 CFS	1584.0 AF
	Total:		7.92 CFS	1584.0 AF

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

SNAKE RIVER SE¼SE¼ Sec. 4 Twp 06S Rge 08E CASSIA 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
06S	08E	4										31.2	31.8	32.6			29.8		125.4
		5			0.6		0.6	29.7	38.5	25.6	34.5	26.5	7.4	11.1	30.9	32.4	31.5	30.2	299.5
		6	23.1			30									0.8				53.9
		7			18.5	27.7				6.3	13.7			16.3	18.9	32.6	27.8	24.2	186.0
		8	15.1		20.5	18.3	25.8	22.7	35.7	31.3		16.9	12.5	33.6	2.3	32	32.7	2.2	301.6
		10						5.1	37.7	15.2	18.2	39.1	38.3	13					166.6
		15					13.5	38.3	37.6	13.1	14.4	38	39.3	15.4					209.6
		17	13.9	34.4	7.5	13.5	12.6	3.6	1.2	30.6	35.4	35.1	31	31.3	8.3	10.6	35.7	14.9	319.6

Total Acres: 1662.2

Acre Limit within Place of Use described: 396.0

CONDITIONS OF WATER USE

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. 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.
3. 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.
4. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
5. 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.
6. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.

**WATER RIGHT NO. 2-10450
WATER SUPPLY BANK RENTAL AGREEMENT**

CONDITIONS OF WATER USE

7. 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.
8. 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.
9. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
10. The use of water for irrigation under this right may begin as early as March 1 provided other elements of the right are not exceeded. The use of water before March 15 under this remark is subordinate to all water rights having no subordinated early irrigation use and a priority date earlier than the date a partial decree is entered for this right.
11. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the place of use described above.



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 • Website: www.idwr.idaho.gov

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

March 18, 2015

OWYHEE FARMING CO LLC
PO BOX 310
AMERICAN FALLS ID 83211

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 2-2370, 2-7001, 2-10020, 57-179, 2-2361, 2-2261D, 2-7064,
2-7237A, 2-10181, 2-10189, 2-10316, 2-10434 AND 2-10450**

Dear Renter:

Please find enclosed a receipt in the amount of **\$116,026.40** in connection with the rental of 9032.9 acre-feet of water for irrigation during 2015. Upon receipt of this letter, you are authorized to divert water in compliance with the conditions of water use described in your rental agreement.

Pursuant to the Water Supply Bank Rules, 90% or \$104,423.76 of the rental fee will be paid to the lessor(s) and 10% or \$11,602.64 will be retained by the Department to offset administrative costs.

If you have any questions, please contact me at (208) 287-4944.

Sincerely,

Clay Webster
Water Resource Agent
WSB Process Point of Contact

Enclosure(s): Receipt No. C100105

c: Sascha Marston – Fiscal