

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

This is to certify that: BURLEY WEST INVESTMENTS LLC
PO BOX 584
RUPERT ID 83350
(801) 552-7642

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
45-2509	4.24 CFS	1,080.0 AF	270.0 AC	358.6 AC
45-13522	1.05 CFS	354.4 AF	88.6 AC	358.6 AC
COMBINED LEASE TOTALS:	4.24 CFS	1,434.4 AF	NA	358.6 AC

TERM OF LEASE:

Lease Begin Date: April 26, 2011

Expiration Date: December 31, 2016

RENTAL AVAILABILITY:

Season of Use: March 15 to November 15 annually

MINIMUM PAYMENT ACCEPTABLE:

Current Rental Rate

Detailed Lease Acceptance attached.

Dated this 6th day of May, 2011


for GARY SPACKMAN, Interim Director
Department of Water Resources

**WATER RIGHT NO. 45-2509
WATER SUPPLY BANK LEASE ACCEPTANCE**

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

Lessor: BURLEY WEST INVESTMENTS LLC
PO BOX 584
RUPERT ID 83350
(801) 552-7642

Priority Date: 11/30/1955

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	03/15	to 11/15	4.24 CFS	1,080.0 AF
	Total:		4.24 CFS	1,080.0 AF

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER SW $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 32 Twp 10S Rge 22E CASSIA County

PLACE OF USE TO BE IDLED UNDER THIS LEASE: 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	
10S	22E	31													41	5.6			46.6
10S	22E	32					38	38	36	41	37	40			41	41			312

Total Acres: 358.6

Limited to acres within place of use described above: 270.0

COMBINED LIMITS OF LEASED RIGHT:

<u>Combined Rights</u>	<u>Rate</u>	<u>Volume</u>	<u>Acres</u>
45-2509 AND 45-13522	4.24 CFS	1,434.4 AF	358.6 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.

WATER RIGHT NO. 45-2509
WATER SUPPLY BANK LEASE ACCEPTANCE

CONDITIONS OF ACCEPTANCE

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.
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. Use of this right with Right No. 45-13522 is limited to a total combined diversion rate of 4.24 cfs and to a total combined annual diversion volume of 1,434.4 AF.
12. This right is limited to the irrigation of 270 acres within the place of use described above in a single irrigation season.
13. Right No. 45-13522 is an enlargement of this right pursuant to Section 42-1426, Idaho Code.
14. Use of this right with Right No. 45-13522 is limited to the irrigation of a combined total of 358.6 acres in a single irrigation season.

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. 45-13522
WATER SUPPLY BANK LEASE ACCEPTANCE

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

Lessor: BURLEY WEST INVESTMENTS LLC
 PO BOX 584
 RUPERT ID 83350
 (801) 552-7642

Priority Date: 03/15/1976

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u> <u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	03/15 to 11/15	1.05 CFS	354.4 AF
	Total:	1.05 CFS	354.4 AF

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER SW $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 32 Twp 10S Rge 22E CASSIA County

PLACE OF USE TO BE IDLED UNDER THIS LEASE: 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
10S	22E	31													41	5.6			46.6
10S	22E	32					38	38	36	41	37	40			41	41			312

Total Acres: 358.6

Limited to acres within place of use described above: 88.6

COMBINED LIMITS OF LEASED RIGHT:

<u>Combined Rights</u>	<u>Rate</u>	<u>Volume</u>	<u>Acres</u>
45-2509 AND 45-13522	4.24 CFS	1,434.4 AF	358.6 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.

**WATER RIGHT NO. 45-13522
WATER SUPPLY BANK LEASE ACCEPTANCE**

CONDITIONS OF ACCEPTANCE

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.
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. Use of this right with Right No. 45-2509 is limited to a total combined diversion rate of 4.24 cfs and to a total combined annual diversion volume of 1,434.4 AF.
12. This right is limited to the irrigation of 88.6 acres within the place of use described above in a single irrigation season.
13. Use of this right with Right No. 45-13522 is limited to the irrigation of a combined total of 358.6 acres in a single irrigation season.
14. This water right is subordinate to all water rights with a priority date earlier than April 12, 1994, that are not decreed as enlargements pursuant to Section 42-1426, Idaho Code. As between water rights decreed as enlargements pursuant to Section 42-1426, Idaho Code, the earlier priority right is the superior right.
15. This right is based upon an enlargement of Right No. 45-2509 pursuant to Section 42-1426, Idaho Code.

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.