

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

This is to certify that: UNITED WATER IDAHO INC
PO BOX 19420
BOISE ID 83719-0420
(208) 362-7325

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
	63-8236	1.78 CFS	167.0 AF	N/A
COMBINED RENTAL TOTALS:		1.78 CFS	167.0 AF	N/A

TERM OF RENTAL: February 1, 2011 to December 31, 2011

RENTAL FEE: \$233.80

The total fee for rental of the above-described water is \$2,338.00. The undersigned renter is also the lessor under this agreement, and is therefore obligated to pay only the administrative fee of \$233.80.

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 17th day of FEB, 2011.

By: SCOTT RHEAD
(Print Name)

[Signature]
(Signature)

DIR OF Engr. for Ch. for water
(Title if on behalf of company or organization)

Having determined that this agreement satisfies the provisions of Section 42-1763, Idaho Code, and, IDAPA 37.02.03030 (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 23rd day of February, 2011.

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

**WATER RIGHT NO. 63-8236
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: UNITED WATER IDAHO INC
PO BOX 19420
BOISE ID 83719-0420
(208) 362-7325

Priority Date: 11/28/1975

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
MUNICIPAL	02/01	to 12/31	1.78 CFS	167.0 AF
	Total:		1.78 CFS	167.0 AF

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

GROUND WATER SE¼NW¼ Sec. 31 Twp 03N Rge 03E ADA County

RENTER'S PLACE OF USE: MUNICIPAL

Place of use is within the service area of United Water Idaho as provided for under Idaho law. The place of use is generally described as within the city limits of Boise and the surrounding service area.

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 the ongoing Snake River Basin Adjudication or 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. This rental agreement does not authorize the construction of a well.
6. Use of water under this agreement shall not prejudice any action of the Department in its consideration of the application for transfer filed by the applicant for this same use.
7. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
8. 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.
9. 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.
10. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
11. Point of diversion is locally known as the Micron Oregon Trail Well.