

WA

PORTNEUF IRRIGATING COMPANY

c/o Arimo Corporation
925 West 100 North, Suite F
P.O. Box 540478
North Salt Lake, UT 84054

RECEIVED

JAN 04 2011

DEPARTMENT OF
WATER RESOURCES

December 29, 2010

Via Email: monica.vanbussum@idwr.idaho.gov & US Postal Service

Ms. Monica Van Bussum
Coordinator, State Water Supply Bank
Idaho Department of Water Resources
322 East Front Street
P.O. Box 83720
Boise, ID 83702-0098

VIA CERTIFIED MAIL, RRR
#7002 0460 0002 9610 9383

RE: *Application To Sell Or Lease A Water Right To The Water Supply Bank*
(the "Bank Application")

Dear Ms. Van Bussum:

Portneuf Irrigating Company ("PIC"), an Idaho non-profit corporation operating an irrigation canal to deliver water to its shareholders, desires to collectively lease, through the State of Idaho Water Resources Board Water Supply Bank (the "Bank"), 10.5 CFS of water for the full irrigation of 600 acres. To that end, please find attached PIC's Bank Application (the "Application").

PIC's water rights as shown on the Bank Application provide for the irrigation of 3,117.6 acres by a flow of 55 CFS from the Portneuf River. Because the place of use under the PIC Water Rights is merely 3,117.6 acres within a much larger digitized polygon, we are not providing a detailed listing of the current place of use before taking into account the proposed Bank Application.

However, in satisfaction of Section A (4) of the Bank Application, please find attached an aerial photograph which outlines the approximately 2,518 acres that PIC will continue to irrigate once the Bank Application is approved.