

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

This is to certify that: LAMBERT PRODUCE CO INC
 DOUBLE C FARMS
 203 E 1100 S
 BURLEY ID 83318
 (208) 678-2668

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
45-2254A	2.60 CFS	880 AF	220 AC
45-2382	1.96 CFS	488 AF	122 AC
45-2520	3.31 CFS	1074.8 AF	268.7 AC

**COMBINED
 RENTAL TOTALS:**

9.74 CFS 2442.8 AF 610.7 AC

TERM OF RENTAL:

March 15, 2006, through November 15, 2006

RENTAL FEE:

\$34,199.20

The total fee for rental of the above-described water is \$ 34,199.20. The undersigned renter is also the lessor under this agreement, and is therefore obligated to pay only the administrative fee of \$ 3,419.92.

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 9 day of Nov, 20 10

By:

(Print Name)

Copy King

(Signature)

Copy King

(Title if on behalf of company or organization)

Manager / Partner

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 12th day of November, 20 10.

for Monica VanBusen
 GARY SPACKMAN, Interim Director
 Department of Water Resources

WATER RIGHT NO. 45-2254A
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: LAMBERT PRODUCE CO INC
 DOUBLE C FARMS
 203 E 1100 S
 BURLEY ID 83318
 (208) 678-2668

Priority Date: 04/12/1948

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	2.60 CFS	880 AF
	Total: 2.60 CFS			880 AF

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

GROUND WATER	SW $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$	Sec. 25 Twp 12S	Rge 22E	CASSIA County
GROUND WATER	SE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$	Sec. 15 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	SW $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$	Sec. 17 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	NE $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$	Sec. 20 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	SW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$	Sec. 20 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	SW $\frac{1}{4}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$	Sec. 20 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	SW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$	Sec. 20 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	NW $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$	Sec. 21 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	SW $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$	Sec. 22 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	SW $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$	Sec. 26 Twp 12S	Rge 22E	CASSIA County
GROUND WATER	SE $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$	Sec. 26 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	NE $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$	Sec. 31 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	SW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$	Sec. 35 Twp 12S	Rge 22E	CASSIA County
GROUND WATER	NW $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$	Sec. 4 Twp 13S	Rge 23E	CASSIA County
GROUND WATER	SE $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$	Sec. 8 Twp 13S	Rge 23E	CASSIA County
GROUND WATER	SE $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$	Sec. 8 Twp 13S	Rge 23E	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	
12S	23E	15				34				4	22			39			2		101
12S	23E	16			2											16	17		35
12S	23E	22							7										7
12S	23E	31													28				28
12S	23E	32	29	30	33	31	28	28	32	32									243
13S	23E	4										26	27						53
13S	23E	5													37	3	4	38	82

Total Acres: 549

**WATER RIGHT NO. 45-2254A
WATER SUPPLY BANK RENTAL AGREEMENT
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. Measurement condition if applicable (see below).
4. 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.
5. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
6. This rental agreement does not authorize the construction of a well.
7. 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.
8. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
9. 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.
10. 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.
11. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
12. The renter must diligently pursue a permanent water right to provide for the uses authorized under this rental agreement.
13. Use of water under this agreement will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 140.
14. This rental agreement is to satisfy the Consent Order and Agreement signed by the renter on July 20, 2009, to mitigate for 549 acres in the years 2005 through 2008 using water rights 45-2254A, 45-2382 and 45-2520.

WATER RIGHT NO. 45-2382 **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: LAMBERT PRODUCE CO INC
 DOUBLE C FARMS
 203 E 1100 S
 BURLEY ID 83318
 (208) 678-2668

Priority Date: 06/14/1951

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	1.96 CFS	488 AF
	Total: 1.96 CFS			488 AF

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

GROUND WATER	SW $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$	Sec. 25 Twp 12S	Rge 22E	CASSIA County
GROUND WATER	SE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$	Sec. 15 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	SW $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$	Sec. 17 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	NE $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$	Sec. 20 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	SW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$	Sec. 20 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	SW $\frac{1}{4}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$	Sec. 20 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	SW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$	Sec. 20 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	NW $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$	Sec. 21 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	SW $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$	Sec. 22 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	SW $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$	Sec. 26 Twp 12S	Rge 22E	CASSIA County
GROUND WATER	SE $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$	Sec. 26 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	NE $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$	Sec. 31 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	SW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$	Sec. 35 Twp 12S	Rge 22E	CASSIA County
GROUND WATER	NW $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$	Sec. 4 Twp 13S	Rge 23E	CASSIA County
GROUND WATER	SE $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$	Sec. 8 Twp 13S	Rge 23E	CASSIA County
GROUND WATER	SE $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$	Sec. 8 Twp 13S	Rge 23E	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	
12S	23E	15				34				4	22			39			2		101
12S	23E	16			2											16	17		35
12S	23E	22							7										7
12S	23E	31													28				28
12S	23E	32	29	30	33	31	28	28	32	32									243
13S	23E	4										26	27						53
13S	23E	5													37	3	4	38	82

Total Acres: 549

**WATER RIGHT NO. 45-2382
WATER SUPPLY BANK RENTAL AGREEMENT
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. Measurement condition if applicable (see below).
4. 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.
5. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
6. This rental agreement does not authorize the construction of a well.
7. 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.
8. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
9. 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.
10. 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.
11. The renter must diligently pursue a permanent water right to provide for the uses authorized under this rental agreement.
12. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
13. Use of water under this agreement will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 140.
14. This rental agreement is to satisfy the Consent Order and Agreement signed by the renter on July 20, 2009, to mitigate for 549 acres in the years 2005 through 2008 using water rights 45-2254A, 45-2382 and 45-2520.

WATER RIGHT NO. 45-2520 **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: LAMBERT PRODUCE CO INC
 DOUBLE C FARMS
 203 E 1100 S
 BURLEY ID 83318
 (208) 678-2668

Priority Date: 03/28/1956

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	3.31 CFS	1074.8 AF
	Total:		3.31 CFS	1074.8 AF

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

GROUND WATER	SW $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$	Sec. 25 Twp 12S	Rge 22E	CASSIA County
GROUND WATER	SE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$	Sec. 15 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	SW $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$	Sec. 17 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	NE $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$	Sec. 20 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	SW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$	Sec. 20 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	SW $\frac{1}{4}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$	Sec. 20 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	SW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$	Sec. 20 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	NW $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$	Sec. 21 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	SW $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$	Sec. 22 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	SW $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$	Sec. 26 Twp 12S	Rge 22E	CASSIA County
GROUND WATER	SE $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$	Sec. 26 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	NE $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$	Sec. 31 Twp 12S	Rge 23E	CASSIA County
GROUND WATER	SW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$	Sec. 35 Twp 12S	Rge 22E	CASSIA County
GROUND WATER	NW $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$	Sec. 4 Twp 13S	Rge 23E	CASSIA County
GROUND WATER	SE $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$	Sec. 8 Twp 13S	Rge 23E	CASSIA County
GROUND WATER	SE $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$	Sec. 8 Twp 13S	Rge 23E	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	
12S	23E	15				34				4	22			39			2		101
12S	23E	16			2											16	17		35
12S	23E	22							7										7
12S	23E	31													28				28
12S	23E	32	29	30	33	31	28	28	32	32									243
13S	23E	4										26	27						53
13S	23E	5													37	3	4	38	82

Total Acres: 549