

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

This is to certify that: RANCH PROPERTIES LLC
3663 E 3500 N
KIMBERLY ID 83341

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
45-11969	0.27 CFS	80.0 AF	20.0 AC
COMBINED RENTAL TOTALS:	0.27 CFS	80.0 AF	20.0 AC

TERM OF RENTAL:

March 15, 2010 to November 15, 2010

March 15, 2011 to November 15, 2011

March 15, 2012 to November 15, 2012

March 15, 2013 to November 15, 2013

March 15, 2014 to November 15, 2014

RENTAL FEE:

\$112.00 per year

The fee for rental of the above-described water is \$1,120.00 per year. The undersigned renter is also the lessor under this agreement, and is therefore obligated to pay only the administrative fee of \$112.00 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 24th day of July, 2010.

By: RON Patrick
(Print Name)

Ron Patrick
(Signature) Member
Ranch Properties LLC
(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 27th day of July, 2010.

Shelley W. Keen
for GARY SPACKMAN, Interim Director
Department of Water Resources

WATER RIGHT NO. 45-11969 **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: RANCH PROPERTIES LLC
 3663 E 3500 N
 KIMBERLY ID 83341

Priority Date: 06/01/1939

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	03/15	11/15	0.27 CFS	80.0 AF
Total:			0.27 CFS	80.0 AF

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

GROUND WATER L9 (SE¼NE¼) Sec. 29 Twp 10S Rge 24E 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	
10S	24E	28						11.0	5.0										16.0
								L4	L4										
10S	24E	29	0.7		7.1	24.0					15.0	9.3				16.0			72.1
			L9		L9	L9					L11	L12				L10			
10S	24E	30													5.7			0.8	6.5
															L8			L8	

Total Acres: 94.6

Acre Limit within Place of Use described: 20.0

CONDITIONS OF WATER USE

- The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
- 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.
- 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.
- Upon specific notification of the Department, the right holder shall install and maintain data loggers to record water usage information at the authorized point(s) of diversion in accordance with Department specifications.
- Prior to diversion and use of water under this agreement, the right holder shall install and maintain acceptable measuring device(s) at the authorized point(s) of diversion, in accordance with Department specifications, or shall obtain an approved variance from the Department to determine the amount of water diverted from power records or to maintain an existing measuring device.

**WATER RIGHT NO. 45-11969
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CONDITIONS OF WATER USE

6. 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.
7. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
8. This rental agreement does not authorize the construction of a well.
9. 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.
10. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
11. 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.
12. 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.
13. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.

