

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

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

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

	<u>Water Right</u>	<u>Lease Rate</u>	<u>Lease Volume</u>	<u>Acre Limit</u>	<u>Total Leased Acres</u>
	63-8236	1.78 CFS	N/A	N/A	N/A
COMBINED LEASE TOTALS:		1.78 CFS	N/A	N/A	N/A

TERM OF LEASE:

Lease Begin Date: February 1, 2010

Expiration Date: December 31, 2010

RENTAL AVAILABILITY:

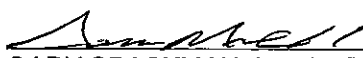
Season of Use: 02/01 to 12/31

MINIMUM PAYMENT ACCEPTABLE:

Current Rental Rate

Detailed Lease Acceptance attached.

Dated this 6TH day of APRIL, 20 10


FOR GARY SPACKMAN, Interim Director
Department of Water Resources

**WATER RIGHT NO. 63-8236
WATER SUPPLY BANK LEASE ACCEPTANCE**

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

Lessor: 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>
MUNICIPAL	01/01	to 12/31	1.78 CFS
	Total:		1.78 CFS

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER NW¼SE¼ Sec. 25 Twp 03N Rge 02E ADA County

PLACE OF USE DESCRIBED UNDER THE LEASED WATER RIGHT: MUNICIPAL

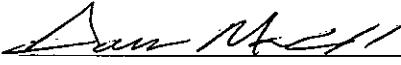
Place of use is within the service area of United Water Idaho as provided for under Idaho law. The place of use is generally described as within the city limits of Boise and the surrounding service area.

CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. 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 section 42-351, Idaho Code, for illegal diversion and use of water, and may include civil penalties pursuant to Section 42-1701B, Idaho Code.
3. 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.
4. While a water right is in the bank, forfeiture provisions are stayed.
5. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
6. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.
7. 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 the ongoing Snake River Basin Adjudication or any other department application process.
8. 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.

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.

Dated this 6TH day of APRIL, 2010



GREGORY SPACKMAN, Interim Director
Department of Water Resources