

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

This is to certify that: J.R. SIMPLOT COMPANY
PO BOX 27
BOISE ID 83707
(208) 336-2110

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>Right</u>	<u>Lease Rate</u>	<u>Lease Volume</u>	<u>Acre Limit</u>	<u>Total Leased Acres</u>
	61-2165	5.03 cfs	1,413.0 af	N/A	314.0 ac
COMBINED LEASE TOTALS		5.03 cfs	1,413.0 af	N/A	314.0 ac

TERM OF LEASE:

Lease Begin Date: June 01, 2005

Expiration Date: Indefinite

RENTAL AVAILABILITY:

Season of Use: March 01 to November 01

MINIMUM PAYMENT ACCEPTABLE:

Current Rental Rate

Detailed Lease Acceptance attached.

Dated this 7th day of September, 20 06



Chief, Water Allocation Bureau

WATER RIGHT NO. 61-2165
WATER SUPPLY BANK LEASE ACCEPTANCE

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

Lessor: J.R. SIMPLOT COMPANY
 PO BOX 27
 BOISE ID 83707
 (208) 336-2110

Priority Date: 12/02/1963

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	03/01	to 11/01	5.03 CFS	1,413.0 AF
			Total: 5.03 CFS	1,413.0 AF

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER	SESE	Sec.31	Twp.04S	Rge.04E	ELMORE County
GROUND WATER	SENW	Sec.05	Twp.05S	Rge.04E	ELMORE County
GROUND WATER	NWNW	Sec.05	Twp.05S	Rge.04E	ELMORE County
GROUND WATER	SENE	Sec.06	Twp.05S	Rge.04E	ELMORE County
GROUND WATER	NESW	Sec.05	Twp.05S	Rge.04E	ELMORE County
GROUND WATER	NESE	Sec.05	Twp.05S	Rge.04E	ELMORE County
GROUND WATER	NESE	Sec.05	Twp.05S	Rge.04E	ELMORE County

PLACE OF USE TO BE IDLED UNDER THIS LEASE: 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	
05S	04E	4												40.0					40.0
05S	04E	5									39.0	39.0	40.0	40.0	40.0	37.0	40.0	39.0	274.0

Total Acres: 314.0

Acre Limit within Place of Use described: N/A

COMBINED LIMITS OF LEASED RIGHT:

<u>Combined Rights</u>	<u>Rate</u>	<u>Volume</u>	<u>Acres</u>
61-2162, 61-2163, 61-2165, 61-7170, 61-12039	16.36 CFS	N/A	1,166.0 AC

CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.

**WATER RIGHT NO. 61-2165
WATER SUPPLY BANK LEASE ACCEPTANCE**

CONDITIONS OF ACCEPTANCE

3. While a right is in the bank, the owner of the right 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.
4. 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.
5. While a water right is in the bank, forfeiture provisions are stayed.
6. Use of rights 61-2162, 61-2163, 61-2165, 61-7170 and 61-12039 are limited when combined to one or more of the following in accordance with the conditions of approval on the water rights: total combined diversion rate, annual diversion volume, and total acres authorized for irrigation.
7. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
8. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.
9. 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 any other department application process.
10. In accordance with Sections 42-248 and 42-1409(6), Idaho Code, all owners of water rights are required to notify the department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
11. 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 7th day of September, 2006


Chief, Water Allocation Bureau

RECEIVED

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STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

DEPARTMENT OF
WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT

This is to certify that: J.R. SIMPLOT SELF-DECLARATION OF REVOCABLE TRUST
PO BOX 27
BOISE ID 83707
(208) 336-2110

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

	Right	Rented Rate	Annual Rented Volume	Total Rented Acres
	61-2165	5.03 cfs	453.8 af	314.0 ac
COMBINED	61-2162	2.88 cfs	439.9 af	297.0 ac
RENTAL TOTALS:		7.91 cfs	893.7 af	611.0 ac

TERM OF RENTAL: 08/14/06 to 10/31/06

RENTAL FEE: \$12,511.80

The total fee for rental of the above-described water is \$ 12,511.80. The renter is also the lessor under this agreement and is therefore obligated to pay only the administrative fee of \$1,251.18.

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 25th day of September, 2006.

J.R. Simplot, Trustee

by Ronald N. Graves
(Print Name)

J.R. Simplot, Trustee

by Ronald N. Graves
(Signature)

Attorney in Fact

Attorney in Fact

(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 4th day of October, 2006.

Gay Spackman
KARL J. DREHER, Director
Department of Water Resources

SUPPORT DATA

IN FILE # 61-2162

SCANNED

WATER RIGHT NO(S). 61-2165
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: J.R. SIMPLOT SELF-DECLARATION OF REVOCABLE TRUST
 PO BOX 27
 BOISE ID 83707
 (208) 336-2110

Priority Date: 12/02/1963

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	08/14	to 10/31	5.03 CFS	453.8 AF
	Total: 5.03 CFS			453.8 AF

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

GROUND WATER	NWSW	Sec. 04	Twp 05S	Rge 04E	ELMORE County
GROUND WATER	NESW	Sec. 05	Twp 05S	Rge 04E	ELMORE County
GROUND WATER	SENE	Sec. 06	Twp 05S	Rge 04E	ELMORE County
GROUND WATER	NWNW	Sec. 05	Twp 05S	Rge 04E	ELMORE County
GROUND WATER	NESE	Sec. 05	Twp 05S	Rge 04E	ELMORE County
GROUND WATER	SENE	Sec. 05	Twp 05S	Rge 04E	ELMORE County
GROUND WATER	SESE	Sec. 31	Twp 04S	Rge 04E	ELMORE 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		
04S	04E	31																	40.0	40.0
04S	04E	32			40.0	39.0		40.0		40.0	40.0	40.0	40.0	40.0		39.0	40.0	39.0		477.0
04S	04E	33											39.0							39.0
05S	04E	5			36.0			19.0												55.0

Total Acres: 611.0

**WATER RIGHT NO(S). 61-2165
WATER SUPPLY BANK RENTAL AGREEMENT**

CONDITIONS OF WATER USE

1. The use of water under this agreement shall be subject to the provisions of Section 42-1766, Idaho Code.
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. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
7. 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.
8. 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.
9. Failure of the right holder to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.

WATER RIGHT NO(S). 61-2162
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: J.R. SIMPLOT SELF-DECLARATION OF REVOCABLE TRUST
 PO BOX 27
 BOISE ID 83707
 (208) 336-2110

Priority Date: 01/22/1964

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	08/14	to 10/31	2.88 CFS	439.9 AF
	Total: 2.88 CFS			439.9 AF

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

GROUND WATER	NWSW	Sec. 04	Twp 05S	Rge 04E	ELMORE County
GROUND WATER	NESW	Sec. 05	Twp 05S	Rge 04E	ELMORE County
GROUND WATER	SE1NE	Sec. 06	Twp 05S	Rge 04E	ELMORE County
GROUND WATER	NWNW	Sec. 05	Twp 05S	Rge 04E	ELMORE County
GROUND WATER	NESE	Sec. 05	Twp 05S	Rge 04E	ELMORE County
GROUND WATER	SENW	Sec. 05	Twp 05S	Rge 04E	ELMORE County
GROUND WATER	SESE	Sec. 31	Twp 04S	Rge 04E	ELMORE 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	
04S	04E	31																	40.0
04S	04E	32																	40.0
04S	04E	33																	39.0
05S	04E	5																	36.0

Total Acres: 611.0

**WATER RIGHT NO(S). 61-2162
WATER SUPPLY BANK RENTAL AGREEMENT**

CONDITIONS OF WATER USE

1. The use of water under this agreement shall be subject to the provisions of Section 42-1766, Idaho Code.
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. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
7. 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.
8. 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.
9. Failure of the right holder to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.