

RECEIVED

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

JUL 01 2009

WATER SUPPLY BANK RENTAL AGREEMENT

DEPARTMENT OF
WATER RESOURCES

This is to certify that: SUNVIEW DAIRY LLC
6600 SW BLANKSMA RD
MOUNTAIN HOME ID 83647
(208) 941-3908

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
	61-2188	0.68 CFS	152.4 AF	34.2 AC
	61-7151	0.29 CFS	103.2 AF	25.8 AC
COMBINED RENTAL TOTALS:		0.68 CFS	255.6 AF	60.0 AC

TERM OF RENTAL: March 15, 2009 to November 15, 2009

RENTAL FEE: \$357.84

The total fee for rental of the above-described water is \$3,578.40. In accordance with a request from the lessor, the undersigned renter is obligated to pay only the administrative fee of \$357.84.

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 5 day of June, 2009.

By: Ed DeGroot
(Print Name)

[Signature]
(Signature)

Sunview Dairy
(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 1st day of JULY, 2009.

[Signature]
-DAVID R. TUTHILL, JR., Director-
FOR Department of Water Resources

WATER RIGHT NO. 61-2188
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: SUNVIEW DAIRY LLC
 6600 SW BLANKSMA RD
 MOUNTAIN HOME ID 83647
 (208) 941-3908

Priority Date: 02/17/1966

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	0.68 CFS	152.4 AF
	Total:		0.68 CFS	152.4 AF

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

GROUND WATER NW¼NW¼ Sec. 36 Twp 04S Rge 05E ELMORE County

RENTER'S PLACE OF USE: IRRIGATION

Twp	Rge	Sec	NE				NW				SW				SE				
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	Totals
04S	05E	36															30.0	30.0	60.0

Total Acres: 60.0

Acre Limit within Place of Use described: 34.2

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. 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. 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.
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 renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.

WATER RIGHT NO. 61-7151
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: SUNVIEW DAIRY LLC
 6600 SW BLANKSMA RD
 MOUNTAIN HOME ID 83647
 (208) 941-3908

Priority Date: 04/09/1973

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/01 to	10/31	0.29 CFS	103.2 AF
	Total:		0.29 CFS	103.2 AF

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

GROUND WATER NW¼NW¼ Sec. 36 Twp 04S Rge 05E ELMORE County

RENTER'S PLACE OF USE: IRRIGATION

Twp	Rge	Sec	NE				NW				SW				SE				
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	Totals
04S	05E	36															30.0	30.0	60.0

Total Acres: 60.0

Acre Limit within Place of Use described: 25.8

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. 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. 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.
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 renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.