

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

This is to certify that: IDAHO WATER RESOURCE BOARD
PO BOX 83720
BOISE ID 83720-0098

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
71-2014	1.50 CFS	129.3 AF	43.1 AC
71-10762	1.47 CFS	129.3 AF	43.1 AC
COMBINED RENTAL TOTALS:	2.97 CFS	129.3 AF	43.1 AC

TERM OF RENTAL: 05/01/2008 to 10/31/2008

RENTAL FEE: \$239.44

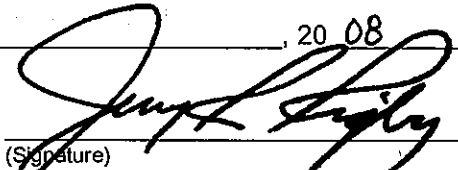
The total fee for rental of the above-described water is \$2,394.44 based on a negotiated agreement between the lessor and renter. The lessor has agreed to donate the use of water under the rights referenced above in 2008. Therefore, the renter is obligated to pay only the administrative fee of \$239.44.

Detailed water right specific limitations and conditions attached.

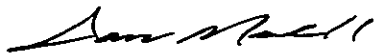
The undersigned renter agrees to use the water rented under this agreement in accordance with the Water Supply Bank rules and in compliance with the limitations and conditions of use described in this agreement:

Dated this 30th day of June, 20 08

By: Jerry Rigby
(Print Name)


(Signature)
Chairman, INRB
(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 30th day of JUNE, 2008.


FOR DAVID R. TUTHILL, JR., Director
Department of Water Resources

**WATER RIGHT NO. 71-2014
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: IDAHO WATER RESOURCE BOARD
PO BOX 83720
BOISE ID 83720-0098

Priority Date: 04/08/1916

Source: FOURTH OF JULY CREEK

Tributary: SALMON RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
INSTREAM FLOW	05/01	to 10/31	1.50 CFS	129.3 AF
	Total:		1.50 CFS	129.3 AF

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

Under water right 72-16664:

INSTREAM FLOW L5 (NWNESW) Sec. 22 Twp 11N Rge 18E CUSTER County (Beginning of Reach)

INSTREAM FLOW L3 (NESWNW) Sec. 25 Twp 16N Rge 20E CUSTER County (Ending of Reach)

Under water right 75-13316:

INSTREAM FLOW SWSW Sec. 16 Twp 24N Rge 21E LEMHI County (Beginning of Reach)

INSTREAM FLOW SESE Sec. 31 Twp 25N Rge 05E IDAHO County (Ending of Reach)

RENTER'S PLACE OF USE:

Instream flow throughout the designated Salmon Wild and Scenic River from the beginning point to the ending point as identified above, for water right no(s). 72-16664 and 75-13316.

CONDITIONS OF WATER USE

1. Rental of the leased portions of rights 71-2014 and 71-10762 is limited to the annual consumptive use volume of 86.2 acre-feet, or a continuous diversion rate of 0.24 cfs from May 1 to October 31, 2008.
2. The use of water under this agreement shall be subject to the provisions of Section 42-1766, Idaho Code.
3. 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.
4. Upon Department request, the renter shall provide for the measurement of water used under this agreement in a manner acceptable to the Director and shall report the total quantity of water used under this agreement at the end of the rental term.
5. 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.
6. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
7. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
8. 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.
9. 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.
10. 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. 71-10762
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: IDAHO WATER RESOURCE BOARD
PO BOX 83720
BOISE ID 83720-0098

Priority Date: 08/11/1927

Source: FOURTH OF JULY CREEK

Tributary: SALMON RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
INSTREAM FLOW	05/01	10/31	1.47 CFS	129.3 AF
	Total:		1.47 CFS	129.3 AF

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

Under water right 72-16664:

INSTREAM FLOW L5 (NWNESW) Sec. 22 Twp 11N Rge 18E CUSTER County (Beginning of Reach)

INSTREAM FLOW L3 (NESWNW) Sec. 25 Twp 16N Rge 20E CUSTER County (Ending of Reach)

Under water right 75-13316:

INSTREAM FLOW SWSW Sec. 16 Twp 24N Rge 21E LEMHI County (Beginning of Reach)

INSTREAM FLOW SESE Sec. 31 Twp 25N Rge 05E IDAHO County (Ending of Reach)

RENTER'S PLACE OF USE:

Instream flow throughout the designated Salmon Wild and Scenic River from the beginning point to the ending point as identified above, for water right no(s). 72-16664 and 75-13316.

CONDITIONS OF WATER USE

1. Rental of the leased portions of rights 71-2014 and 71-10762 is limited to the annual consumptive use volume of 86.2 acre-feet, or a continuous diversion rate of 0.24 cfs from May 1 to October 31, 2008.
2. The use of water under this agreement shall be subject to the provisions of Section 42-1766, Idaho Code.
3. 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.
4. Upon Department request, the renter shall provide for the measurement of water used under this agreement in a manner acceptable to the Director and shall report the total quantity of water used under this agreement at the end of the rental term.
5. 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.
6. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
7. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
8. 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.
9. 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.
10. 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.