



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098
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C. L. "BUICK" OTTER
Governor

DAVID R. TUTHILL, JR.
Interim Director

March 26, 2007

V&R FARMS LLC
715 SOUTH 750 EAST
BURLEY ID 83318

RE: ANNUAL RENTAL FEE DUE FOR WATER RIGHT 45-13962

Dear Renter:

In accordance with the Water Supply Bank Rental Agreement signed by you in May 2006, your annual rental payment for Water Right No. 45-13962 was due on March 15, 2007. The total annual rental fee for this water right is \$3,528.00. Because you are both the lessor and the renter under this agreement, you are obligated to pay only the ten percent (10%) administrative fee equal to **\$352.80**.

Please remit the amount listed above to the Idaho Department of Water Resources promptly if you intend to use this water right for the current rental period of 3/15/07 to 11/15/07.

The rental agreement authorizes diversion of water under Water Right No. 45-13962 during the 2006 and 2007 irrigation seasons. Upon receipt of the 2007 rental fee, you will be authorized to divert water in accordance with the conditions of water use described in the agreement. The rental agreement will be void if the payment is not received within thirty (30) days of the date of this letter.

If you have questions, please feel free to contact me.

Sincerely,

Diana L. Ball
Water Allocation Bureau