

Before the Idaho Water Resource Board

APPLICATION TO RENT WATER
FROM THE WATER SUPPLY BANKRECEIVED
JUL 22 2005
Department of Water Resources
Southern RegionApplicant CLEAR SPRINGS FOODS, INC. Phone 208-543-3416Address P.O. Box 712City BUHL State IDAHO Zip Code 83316

RECEIVED

A. DESCRIPTION OF WATER SOUGHT TO RENT

JUL 25 2005

DEPARTMENT OF
WATER RESOURCES

1. Source of water CLEAR SPRING
tributary to CLEAR LAKE
2. Maximum volume of water 32 AF.
3. Maximum rate of diversion 0.16 cfs.

B. DESCRIPTION OF USE PROPOSED

1. Nature of intended use IRRIGATION
2. Location of point of diversion ^{SE of} SE 1/4 NE 1/4, Section 02, (LOT 5)
Township 09S, Range 14E, B.M. GOODING County.
3. Season of use: From 3/15 to 11/15
4. Description of diverting works: SPRING COLLECTION BOX
Pump HP _____ Lift _____ Pump type _____
Canal name, if appropriate _____
5. Place of use:

- a. If water is for irrigation, describe the number of acres to be irrigated by
40-acre tract, section, township and range.

8 ACRES INCLUDING LAWN AND SHRUBBERY AT VISTOR CENTER.
TOWNSHIP 09S, RANGE 14E, SECTION 1, TRACTS SWNW LOT 5 and
NWSW LOT 12, SECTION 2, LOT 5 SENE and LOT 8 NESE

b. If water is not for irrigation, describe the nature of the intended use and the place of use.

6. Describe any other water rights used for the same purposes as rental water sought under this application.

7. Who owns the property at the point of diversion?

CLEAR SPRINGS FOODS, INC.

8. Who owns the property at the place of use?

CLEAR SPRINGS FOODS, INC.

9. Are you seeking a rental for more than one (1) year? YES (yes or no)
If yes, for how many years? INDEFINITE

10. Remarks: SEE ATTACHED EXCHANGE AGREEMENT. AGREEMENT
STATES WATER EXCHANGE WILL BE REVENUE NEUTRAL.
CLEAR SPRINGS FOODS, INC. WILL PAY ADMINISTRATIVE COSTS FOR
LEASE.

7-21-05
Date

John R. MacMillan
Signature of Applicant

FOR DEPARTMENT USE ONLY

Received by Cy Date 7-22-05 Time 08:00

Published in _____ Pub. dates _____

Protests filed by _____

Hearing held by _____

Action recommended _____

EXCHANGE OF WATER RIGHTS AGREEMENT

This Exchange Agreement ("Agreement") is made and entered into this 20th day of July, 2005, by CLEAR SPRINGS FOODS, INC. ("Clear Springs Foods") that is a party to, beneficiary, or holder of interest in water right 36-02703 and CLEAR LAKE RANCH PUD MASTER ASSOCIATION, INC. ("Clear Lake Ranch") that is a party to, beneficiary, or holder of interest in water right 36-4148 A.

RECITALS:

- A. Clear Springs Foods holds fish propagation water right 36-2703 dated Nov. 23, 1933 for 40 cubic feet per second (cfs) diverted from Clear Springs.
- B. Clear Lake Ranch holds an irrigation water right 36-04148 A dated Sept. 9, 1912 for 1.5 cfs diverted from Clear Springs of which 0.6 cfs has been sold to Clear Lake Country Club and for which a transfer application (71435) has been received by the Idaho Department of Water Resources dated Aug. 5, 2004.
- C. Clear Lake Ranch holds water right 36-8329 dated June 2, 1987 for 1.5 cfs diverted from Clear Springs of which 1.5 cfs is for fire protection, 0.7 cfs is for domestic residential use and 0.2 cfs is for commercial use.
- D. Clear Springs Foods made a water delivery call May 2, 2005 in which Clear Lake Ranch water right 36-8329 is junior and potentially subject to curtailment.
- E. Clear Springs Foods holds water right 36-07148 dated Jan. 1, 1971 for 1.67 cfs diverted from Clear Springs of which 0.8 cfs was, prior to adjudication, for commercial use but subsequent to adjudication is for fish propagation and domestic use only. Clear Springs Foods irrigates approximately 8 acres of visitor center grounds and shrubbery but does not have a decreed water right for irrigation.
- F. It is to the mutual benefit of the parties hereto that an exchange agreement be formalized that ensures the right of Clear Lakes Ranch to divert water from Clear Springs to satisfy their 0.7 cfs domestic residential use and 0.2 cfs for commercial use and further that the exchange agreement ensure the right of Clear Springs Foods to divert water from Clear Springs to satisfy their need to irrigate approximately 8 acres of visitor center grounds and shrubbery.

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

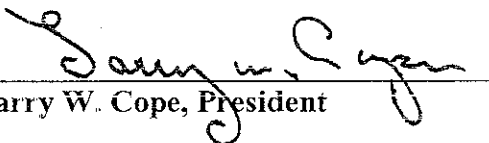
1. **Exchange:** Clear Springs Foods hereby subordinates 0.9 cfs of their water right 36-2703 to Clear Lake Ranch for domestic residential and commercial use under water right no. 36-8329, in exchange for Clear Lake Ranch's lease of 0.16 cfs of their water right 36-04148 A to Clear Springs Foods for irrigation use. The parties to this Agreement acknowledge that Clear Springs' subordination identified herein constitutes adequate

IN WITNESS WHEREOF the parties hereunto set their hands the day and year first above written pursuant to resolutions of their respective boards of directors authorizing executing of this agreement.

CLEAR LAKE RANCH PUD MASTER ASSOCIATION, INC.

By 

CLEAR SPRINGS FOODS, INC.

By 
Larry W. Cope, President