

**STARTING
LEFT
SIDE OF
FILE**

Before the Idaho Water Resource Board

WATER SUPPLY BANK RENTAL AGREEMENT

The Idaho Water Resource Board ("Board") being authorized to operate a Water Supply Bank ("bank") and to contract by and through the Director of the Idaho Department of Water Resources ("Director") for rental of water from the bank agrees to rent water as follows:

1. Renter: IDAHO POWER COMPANY
2. Address: P.O. Box 70 Boise ID 83707
3. Source of water: SNAKE RIVER
4. Volume of water rented: 43,606.9 AF, Max rate: N/A cfs.
5. Diversion period from May 1, 2002 to November 15, 2002.
6. Use of water: Hydropower at Hells Canyon Complex
7. a) Renter's point of diversion:

Legal description: Brownlee, Oxbow, and Hells Canyon Projects

Pump HP: N/A Lift: N/A

Canal or conveyance works Hells Canyon Complex

b) Renter's place of use:

Legal description: N/A

Total number of acres to be irrigated: N/A
8. The right from which water will be rented is See High-Lift Pumpers from the Snake River Lease application acceptance letters.

The U.S. Bureau of Reclamation and Bonneville Power Administration agree to pay \$ 50 per acre-foot for rental of the above described water and agrees to use the water in compliance with the Water Supply Bank rules and in compliance with the conditions of water use shown below:

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Conditions of water use under this agreement:

1. The use of water under this agreement shall be subject to the provisions of Section 42-1766, Idaho Code.
2. Rental of the right(s) from the bank is contingent upon a determination that the acres associated with the rental application have a valid Snake River water right(s), and that they qualify for payment as provided in Memorandum of Agreement ("MOA") No. 1425-02-MA-10-3460 between the U.S. Bureau of Reclamation and the Idaho Department of Water Resources regarding Rental of Water From High-Lift Pumpers on the Snake River, said agreement dated May 10, 2002.
3. Acceptance of a right into the bank does not confirm the validity of the right or any elements of the water right.
4. Rental of the right(s) from the bank shall be from May 1, 2002 to November 15, 2002, and the right(s) will be considered released from the bank on December 31, 2002.
5. Use of water under this agreement does not constitute a dedication of the water to renter's use and upon expiration of this agreement, the place of use of the water shall revert to its original place of use and/or again be available to rent from the bank.
6. Renter agrees to comply with Water Supply Bank Rules while using water under this agreement.

Dated this 8th day of August, 2002.

Jonathan C. Brooks
Renter

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 7th day of August, 2002.

Karl J. Dreher
KARL J. DREHER, Director
Department of Water Resources

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State of Idaho

DEPARTMENT OF WATER RESOURCES

1301 North Orchard Street, Boise, ID 83706 - P.O. Box 83720, Boise, ID 83720-0098
Phone: (208) 327-7900 Fax: (208) 327-7866 Web Site: www.idwr.state.id.us

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

August 7, 2002

JONATHON C BOWLING
IDAHO POWER COMPANY
1221 W IDAHO STREET
BOISE ID 83702

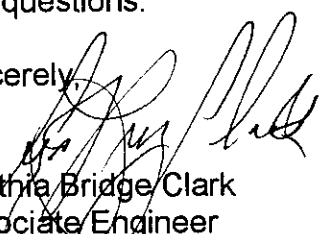
RE: Revised Water Supply Bank Rental Agreement between the Idaho Department of
Water Resources and Idaho Power Company

Dear Mr. Bowling:

Copies of the Water Supply Bank Rental Application and Rental Agreement, signed on August 6, 2002, have been received at the State office of the Department of Water Resources. As we discussed on the telephone earlier today, the Department has recommended a few changes to the conditions set forth on the Rental Agreement. The revised version of the Agreement is attached for your review and signature. The Rental Application will remain unchanged, and the Rental Agreement signed on August 6, 2002 will be superseded by the attached version, dated August 7, 2002.

Thank you for the additional review. Please contact me at (208) 327-7898 if you have any questions.

Sincerely,


Cynthia Bridge Clark
Associate Engineer
Water Right Permits Section

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An IDACORP Company

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Department of Water Resources

Jonathon C. Bowling, P.E.
Engineering Project Leader
Water Management Department

(208) 388-2905
(208) 388-6495 FAX
jbowling@idahopower.com

August 6, 2002

Cynthia Bridge Clark
State of Idaho
Department of Water Resources
1301 N. Orchard St.
Boise, ID 83720

Dear Ms. Clark,

Attached please find signed copies of the Water Bank Rental Application and Rental Agreement pursuant to the agreement between the State of Idaho, Department of Water Resources and the U.S. Bureau of Reclamation for the rental of water in the Middle Snake River for augmentation purposes.

Idaho Power Company has agreed to facilitate this agreement between the above-mentioned parties and is under no financial obligation. As agreed, the U.S. Bureau of Reclamation will be financially responsible for the leased water.

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

Sincerely,

A handwritten signature in cursive script that reads "Jonathon C. Bowling".

Jonathon C. Bowling, P.E.
Engineering Project Leader

c: John P. Prescott
James C. Tucker

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Before the Idaho Water Resource Board

**APPLICATION TO RENT WATER
FROM THE WATER SUPPLY BANK**

Applicant IDAHO POWER COMPANY Phone (208) 388-2905
Address P.O. Box 70
City Boise State ID Zip Code 83707

A. DESCRIPTION OF WATER SOUGHT FOR RENTAL

1. Source of water SNAKE RIVER
which is tributary to _____
2. Maximum volume of water sought 43,606.9 AF.
3. Maximum rate of diversion N/A cfs.

B. DESCRIPTION OF USE PROPOSED

1. Nature of use HYDROPOWER, HELL CANYON COMPLEX
2. Location of point of diversion 1/4 1/4, Section _____, (BROWNLEE DAM, DEER, AND HELL CANYON DAMS)
Township _____, Range _____, B.M. _____ County. _____
3. Season of use: From MAY 1, 2002 to NOVEMBER 15, 2002.
4. Description of diverting works: N/A
Pump HP _____ Lift _____ Pump type _____
Canal name, if appropriate N/A
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.

N/A

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

POWER GENERATION PURPOSES AT THE HELLS CANYON
COMPLEX. (SEE MEMORANDUM OF AGREEMENT NO.
1425-02-NA-10-3460)

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

N/A

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

N/A

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

N/A

9. Are you seeking a rental for more than one (1) year? No

If so, how many years? _____

10. Remarks: See Attached

8/6/02
Date

Jonathan C. Bowling
Signature of Applicant
Engineering Leader

FOR DEPARTMENT USE ONLY

Received by _____ Date _____ Time _____

Published in _____ Pub. dates _____

Protests filed by _____

Hearing held by _____

Action recommended _____

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**ATTACHMENT
APPLICATION TO RENT WATER
FROM THE WATER SUPPLY BANK**

Entities Leasing to Water Supply Bank	Acres Submitted on Application	Acres-feet per acre	Maximum Vol. Acre-feet
Bell Rapids Mutual Irrigation Co	4386.9	3.0	13160.7
Sailor Creek Water Co	185	2.83	523.55
Grindstone Butte Mutual Canal Co	2627	3.0	7881
South Elmore Irrigation Co	2530.2	2.88	7286.976
Clover Hollow LLC	1071.5	2.88	3085.92
Falcon Butte Farms	929.9	3.0	2789.7
Murphy Flats Farm	2959.7	3.0	8879.1
TOTALS:	14690.2 ac		43606.9 af

Notes:

1. Water rented from the Water Supply Bank ("bank") under this application is based on Memorandum of Agreement No. 1425-02-MA-10-3460 between the U.S. Bureau of Reclamation and the Idaho Department of Water Resources. It shall only include water leased to the bank by the entities listed above.
2. The acreages and volumes listed above were compiled from the Applications submitted by the corresponding entities to lease water to the Water Supply Bank.
3. The volume of water available for lease is contingent upon the determination that the acres associated with the rental applications have a valid Snake River water right(s), and that they qualify for payment as provided in Memorandum of Agreement No. 1425-02-MA-10-3460.

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Before the Idaho Water Resource Board

WATER SUPPLY BANK RENTAL AGREEMENT

The Idaho Water Resource Board ("Board") being authorized to operate a Water Supply Bank ("bank") and to contract by and through the Director of the Idaho Department of Water Resources ("Director") for rental of water from the bank agrees to rent water as follows:

1. Renter: IDAHO POWER COMPANY
2. Address: P.O. Box 70, Boise, ID 83707
3. Source of water: SNAKE RIVER
4. Volume of water rented: 43,606.9 AF, Max rate: N/A cfs.
5. Diversion period from May 1, 2002 to November 15, 2002.
6. Use of water: Hydropower at Hells Canyon Complex
7. a) Renter's point of diversion:
Legal description: Brownlee, Oxbow, and Hells Canyon Projects
Pump HP: N/A Lift: N/A
Canal or conveyance works Hells Canyon Complex
- b) Renter's place of use:
Legal description: N/A

Total number of acres to be irrigated: N/A
8. The right from which water will be rented is See High-Lift Pumpers from the Snake River Lease application acceptance letters.

The U.S. Bureau of Reclamation and Bonneville Power Administration agree to pay \$ 50 per acre-foot for rental of the above described water and agrees to use the water in compliance with the Water Supply Bank rules and in compliance with the conditions of water use shown below:

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Conditions of water use under this agreement:

1. The use of water under this agreement shall be subject to the provisions of Section 42-1766, Idaho Code.
2. Rental of the right(s) from the bank is contingent upon a determination that the acres associated with the rental application have a valid Snake River water right(s), and that they qualify for payment as provided in Memorandum of Agreement ("MOA") No. 1425-02-MA-10-3460 between the U.S. Bureau of Reclamation and the Idaho Department of Water Resources regarding Rental of Water From High-Lift Pumpers on the Snake River, said agreement dated May 10, 2002.
3. Acceptance of a right into the bank does not confirm the validity of the right or any elements of the water right.
4. Rental of the right(s) from the bank shall be from May 1, 2002 to November 15, 2002, and the right(s) will be considered released from the bank on December 31, 2002.
5. The renter shall provide information as needed for the determination of the amount of the water diverted in a manner acceptable to the Director.
6. Use of water under this agreement does not constitute a dedication of the water to renter's land and upon expiration of this agreement, the place of use of the water shall revert to its original place of use and/or again be available to rent from the bank.
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.

Dated this 6th day of August, 2002.

Jonathan C. Bowling
Renter
Engineering Leader

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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 ____ day of _____, 200__.

KARL J. DREHER, Director
Department of Water Resources

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DEPARTMENT OF WATER RESOURCES

Water Right No. _____

**ATTACHMENT TO APPLICATION TO LEASE A WATER RIGHT TO THE WATER
SUPPLY BANK – DESCRIBING CRITERIA FOR THE LEASE OF WATER
FROM HIGH-LIFT PUMPERS ON THE SNAKE RIVER**

The Idaho Department of Water Resources (IDWR) will accept Water Supply Bank Lease Applications from high-lift pumpers on the Snake River pursuant to a Memorandum of Agreement (MOA) between IDWR and the U.S. Bureau of Reclamation (Reclamation). The total rental price for up to a maximum of 3 acre-feet per acre is \$50 per acre-foot (including a 10% fee for administrative costs to IDWR of \$4.55). The rental period shall be from May 1 to the end of the irrigation season, provided that by August 15 a lessor who did not divert water prior to acceptance of the lease may give notice that the lessor requires the use of water on and after September 1 for land or crop preparation purposes for the 2003 irrigation season. Leased water rights must be appurtenant to lands that satisfy the following criteria:

1. The acres were fully irrigated in 2001, or
2. The acres were either fully irrigated or under the federal Conservation Reserve Program (CRP) in 2000 and included in the Idaho Power buyback program in 2001, or
3. The acres were under the federal CRP program in 2001 and the lessor has satisfied Reclamation and IDWR that the acres would have been fully irrigated for crops in 2002 had the water rights not been placed in the Water Bank for use by Idaho Power/ Reclamation.

IDWR will take the following steps to quantify the amount of water accepted for lease into the Water Bank and rented for the purposes described in the MOA:

1. Map the field boundaries to which the water rights are appurtenant and verify the number of acres in each field using GIS.
2. Establish the volume of water diverted per acre, up to a maximum of 3 acre-feet per acre, based upon the average historic diversion divided by the total acres, which will be determined using US Geological Service and IDWR data (1988 to 1993) or as demonstrated by the lessor to the satisfaction of IDWR.

IDWR shall make lease payments and determine any pro rata reductions in the amount to be paid to a lessor in accordance with the provisions of Section II.e.2 of the MOA.

**APPLICANT HEREBY ACKNOWLEDGES RECEIPT OF A COPY OF THE MOA AND
CERTIFIES THAT THE LANDS ASSOCIATED WITH THE WATER RIGHTS
SOUGHT TO BE PLACED IN THE WATER SUPPLY BANK SATISFY THE
ACCEPTANCE CRITERIA SET OUT ABOVE.**

DATED this 7th day of JUNE, 2002.

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by John Burt
D. A. Berg

Clonette H. H.C.
(Signature of Applicant/Authorized Agent)
by J. A. Berg
Henry S. Kitting

MEMORANDUM OF AGREEMENT

No. 1425-02-MA-10-3460

Between the United States Bureau of Reclamation
and the Idaho Department of Water Resources

Regarding

RENTAL OF WATER FROM HIGH-LIFT PUMPERS ON THE SNAKE RIVER

This Memorandum of Agreement (MOA) is entered into by and between the United States Bureau of Reclamation (Reclamation) and the Idaho Department of Water Resources (IDWR) and shall be effective as of the date of execution and shall remain in force until December 31, 2002. The purpose of this MOA is to clarify the understandings of IDWR and Reclamation regarding the lease of certain irrigation water rights held by high-lift pumpers on the Snake River.

I. Background

In order to meet Reclamation's obligation under the Federal Columbia River Power System Biological Opinion, Reclamation must attempt to provide flow augmentation of 427,000 acre-feet of water for delivery at Lower Granite Dam. The Idaho Legislature authorized Reclamation to annually rent up to 427,000 acre-feet of storage water during 2002 to 2004, under I.C. § 42-1763B. It is not expected that storage water from the Upper Snake River Basin Rental Pool in Water District No. 1 will be available this year for rental by Reclamation. Therefore, Reclamation intends to obtain natural flow water from the Idaho State Water Bank (Water Bank) through a pilot program implemented through this MOA to help meet its 427,000 acre-feet flow augmentation obligation. Rules governing the Water Bank provide that rentals shall be approved only for use in Idaho unless there is compliance with the provisions of I.C. § 42-401(3). In order to avoid the complexities of seeking approval for out-of-state use, Idaho Power Company (Idaho Power) has agreed to rent the water for Reclamation, using it for power generation purposes at the Hells Canyon complex.

II. Implementing Actions

a. Acceptance of Leases by IDWR

IDWR will approve leases per the attached list (Attachment A) based on documented historic pumping amounts, up to a maximum of three (3) acre-feet per acre. IDWR will determine the amount of water that the lessor would have diverted to the land absent the lease, based upon IDWR records or as otherwise demonstrated by the lessor to the satisfaction of IDWR. IDWR will approve leases for water rights under this MOA from persons who are on the list of irrigators who received commitment letters from Reclamation, but only for water rights appurtenant to acres that would have been fully irrigated in 2002 based upon the following criteria:

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1. The acres were fully irrigated in 2001, or
2. The acres were either fully irrigated or under the federal Conservation Reserve Program (CRP) in 2000 and included in the Idaho Power buyback program in 2001, or
3. The acres were under the federal CRP in 2001 and the lessor has satisfied Reclamation and IDWR that the acres would have been fully irrigated for crops in 2002 had the water rights not been placed in the Water Bank for use by Idaho Power/Reclamation.

IDWR will take the following steps to quantify the amount of water accepted for lease into the Water Bank and rented for the purposes described in this MOA:

1. Map the field boundaries to which the water rights are appurtenant and verify the number of acres in each field using GIS.
2. Establish the volume of water diverted per acre, up to a maximum of 3 acre-feet per acre, based upon the average historic diversion divided by the total acres, which will be determined using US Geological Service and IDWR data (1988 to 1993) or as demonstrated by the lessor to the satisfaction of IDWR.

b. Rental Applications

Idaho Power will submit separate rental applications for each water right rented from the Water Bank. IDWR will not approve an Idaho Power rental associated with this MOA without the prior consent of Reclamation to ensure it is compatible with Reclamation's understanding of the water rights to be rented. The rental period shall be from May 1 through the end of the irrigation season, provided that on or before August 15, a lessor who did not divert water prior to acceptance of the lease, may inform Reclamation that the lessor requires the use of water for some period between September 1 and the end of the irrigation season. Reclamation will inform IDWR and Idaho Power of any scheduled use of water by a lessor between September 1 and December 31, 2002. However, in no case may a lessor irrigate beyond the end of the irrigation season specified in the lessor's water right. A lessor, with the prior approval of Reclamation and IDWR, may divert water during the irrigation season for limited testing of irrigation equipment. Any use of water by a lessor between September 1 and the end of the irrigation season shall be limited to land or crop preparation purposes to enable the growing of a specific crop during the subsequent irrigation season. A lessor shall not be authorized to use the water for crop production during the 2002 irrigation season, unless the use occurred prior to acceptance of the lease. In such case, water may not again be used by the lessor until the 2003 irrigation season. Any authorized use of water by a lessor between September 1 and the end of the irrigation season shall result in a pro-rata reduction of the lease payment due, based upon the volume of water diverted.

c. Lessors

Reclamation must ensure that there will be an increased amount of water in the river as a result of leases approved in accordance with this MOA. Therefore, Reclamation

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has negotiated with parties who will dry up land by not irrigating to produce crops during the 2002 irrigation season. Their names are on the appended list identified as Attachment A. The rentals by Idaho Power described in this MOA shall be limited to these parties, unless other parties are added through amendment of the MOA. Water rights other than those described in Attachment A will not be rented. While Reclamation understands that there is a first-in first-out rule, the water rights currently in the Water Bank do not satisfy Reclamation's need for ensuring that the Water Bank rentals will result in increased waterflows in the river. Reclamation requires that land must not produce irrigated crops during the lease period and that the land would have been irrigated but for the subject lease.

d. Administration by IDWR

1. IDWR will periodically confirm through satellite data and field visits that the land from which the water rights were leased is not being irrigated contrary to the provisions of this MOA.
2. IDWR will use its best efforts to ensure that the Snake River is regulated so that the rented water rights provide instream flow. IDWR will seek to verify the results of this pilot program by arranging with Idaho Power to acquire the daily power readings for the high-lift pumps that normally supply the idled lands. IDWR will use existing information regarding pump size, efficiency, lift, and any new data that may become available to quantify daily volume diversion rates. These daily rates will be analyzed to estimate daily flow increases to the Snake River. At the end of the irrigation season, IDWR will summarize findings regarding the estimated daily flow increases to the Snake River resulting from the Water Bank rentals. The payments to the lessors will not be affected by this data gathering.

e. Payment

1. Idaho Power has agreed to rent natural flow water, which will be paid for by Reclamation and the Bonneville Power Administration and which will count towards Reclamation's 427,000 acre-feet flow augmentation water. Idaho Power will submit water rental applications to the Water Bank for power generation purposes at the Hells Canyon Complex. The payments to the Water Bank shall include the required 10-percent fee for administrative costs. Reclamation will transfer funds to IDWR for this purpose. The price paid will be \$50 per acre-foot inclusive of any State charge for administrative costs. Thus, the rental rate will be \$45.45 per acre-foot, and the fee for administrative costs will be \$4.55. IDWR shall credit all funds to the Water Administration Account, and any interest earned shall accrue to that account.
2. IDWR shall make lease payments to a lessor in accordance with a payment schedule acceptable to the lessor, provided that the final twenty-five percent

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(25%) of the total lease payment shall not be paid until after the end of the irrigation season. Payments will be reduced in accordance with the following:

- a. Any discrepancies in the number of acres identified by IDWR that result in less acres that should have been eligible for payment under the lease after acceptance of the lease shall result in a pro-rata reduction of the total lease payment due to the lessor.
- b. Any authorized use of water by a lessor between September 1 and the end of the irrigation season shall result in a pro-rata reduction of the lease payment due, based upon the volume of water diverted.
- c. Any authorized diversion of water during the irrigation season for limited testing of irrigation equipment, previously approved by Reclamation and IDWR, will result in a pro-rata reduction of the lease payment due, based upon the volume of water diverted.
- d. Any unauthorized use of water that is covered by a lease will result in a pro-rata adjustment in the total lease payment due, although other remedies are available to IDWR or to Reclamation, including, but not limited to, immediate termination of the lease.

Any part of the payment by Reclamation not used for the purposes authorized under this MOA will be reimbursed to Reclamation by December 1, 2002.

III. Term of Agreement

This Agreement shall become effective on the date of the last signature hereto and will terminate on December 31, 2002.

GENERAL PROVISIONS

1. Officials Not To Benefit

No member of or delegate to Congress, or resident Commissioner, shall be admitted to any share or part of this MOA or to any benefit that may arise out of it.

2. Covenant Against Contingent Fees

The recipient warrants that no person or agency has been employed or retained to solicit or secure this MOA upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide offices established and maintained by the recipient for the purpose of securing agreements or business. For breach or violation of this warranty, the Government shall have the right to annul this MOA without liability or, in its discretion, to deduct from the MOA amount, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

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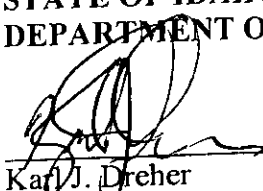
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3. Triplicate Originals

This MOA is executed in triplicate. Each of the documents with an original signature of each party shall be an original

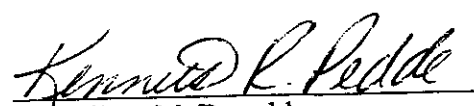
IN WITNESS WHEREOF, the parties have executed this MOA on the date following their respective signatures.

**STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES**


Karl J. Dreher
Director

May 10, 2002
Date

**UNITED STATES
BUREAU OF RECLAMATION**


J. William McDonald
Regional Director

5/10/02
Date

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ATTACHMENT A

Lessors under Reclamation MOA # 1425-02-MA-10-3460

1. Bell Rapids Mutual Irrigation Company
2. Sailor Creek Water Company
3. Grindstone Butte Mutual Canal Company
4. South Elmore Irrigation Company
5. Clover Hollow LLC
6. Falcon Butte Farms
7. Mr. George Grant

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JUN 07 2002

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Form No. 42-1781
3-82

Water Supply Bank No. _____

Water Right No. _____

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
APPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE
WATER SUPPLY BANK

Name of Seller/Lessor CLOVER HOLLOW LLC Phone 208-587-8594
 Post office address P.O. Box 606 MTN. HOME, ID 83647

A. DESCRIPTION OF RIGHT AS RECORDED**1. Right evidenced by:**

a. Decree No. _____ Decreed to _____ (Name)
 in case of _____ vs _____
 dated _____ in _____ county of _____
 (Name of court)

b. License No. _____ Issued by the Idaho Department of Water Resources.

c. Permit No. _____ Issued by the Idaho Department of Water Resources.

2. Source of water _____ tributary to _____

3. Date of priority _____

4. Water is used for the following purposes:

amount _____ for _____ purposes from _____ to _____
 amount _____ for _____ purposes from _____ to _____
 amount _____ for _____ purposes from _____ to _____
 (month/day — both dates inclusive)

5. Total amount of water under right: a. _____ cubic feet per second
 &/or
 b. _____ acre feet per annum

6. Location of point of diversion is _____ 1/4 of _____ 1/4 of Section _____
 Township _____ Range _____, B.M. in _____ County
 Additional points of diversion, if any _____

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PORTION OF RIGHTS TO BE LEASED FOR YEAR 2002 TO IDWR WATER SUPPLY BANK

7. Lands irrigated or place of use:

TWP.	RANGE	SEC.	NE¼				NW¼				SW¼				SE¼				TOTALS
			NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	
4S	7E	33													40	40	40	40	160
4S	7E	21								40					40	40	40	40	200
4S	7E	31					40	40	40	40					40	40	40	40	301.5
SEE JACK POST APPLICATION FOR BAL OF CLOVER HOLLOW DETAILS																			420

CL. HOLL
BERGH

CL. HOLL
BENTZ

POST

LEASED
Total number of acres to be irrigated 1,081.5

B. DESCRIPTION OF PORTION OF RIGHT FOR SALE OR LEASE (If the entire right is for sale or lease, omit part B.)

1. Amount of water: a. _____ cubic feet per second
&/or
b. _____ acre feet per annum

2. Point of diversion _____ ¼ _____ ¼, Section _____ Township _____

Range _____, B.M., _____ County

Additional points _____

3. Place of use:

TWP.	RANGE	SEC.	NE¼				NW¼				SW¼				SE¼				TOTALS
			NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	

SEE ABOVE

Total number of acres to be irrigated _____

C. ADDITIONAL INFORMATION ABOUT RIGHT, OR PORTION THEREOF, FOR SALE OR LEASE

1. Explain how the seller/lessor acquired the right, or portion thereof, and attach a copy of the deed to the land to which it is appurtenant or other evidence of ownership of the right.

PURCHASED BY CLOVER HOLLOW - 1994

2. Describe the frequency of water use under the right, or portion thereof, during the past 5 years. Attach water-master records, pumping power bills, or other evidence to demonstrate that the right has not been lost through abandonment or forfeiture:

IRRIGATED
ALL LAND FARMED IN EXCESS OF 5 YEARS EXCEPT
DURING 2001 - (POWER BUYBACK)

3. Describe the relative availability of water to fill the right, or portion thereof. Attach evidence to support the availability:

ALL WATER FROM SNAKE RIVER

4. Describe any other water rights with the same purpose and place of use as the right, or portion thereof. Will the present place of use continue to receive water from any source? If so, describe.

N/A

5. If the water right is a permit, describe the work accomplished toward developing the right.

N/A

6. If the right to the use of the water or the use of the diversion works or irrigation system is represented by shares of stock in a company or corporation, or if such works or system is owned or managed by an irrigation district, a written consent of the sale or lease must be attached.

7. If the right is included in an ongoing adjudication, a copy of the claim must be provided with this application.

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8. Draw a map indicating the point(s) of diversion and place of use of the right, or portion thereof. Show clearly the land involved by section, township and range.

[illegible]

SCALE: 2 inches equal 1 mile. Draw plan in ink.

9. Remarks W/A

D. SALE/LEASE AGREEMENT

1. The water right, or portion thereof, described above is offered to the Idaho Water Resource Board:

_____ For sale

_____ For lease for period from 1 MAY 2002 to 10/31/2002
(year) (year)

_____ As a gift to the State of Idaho.

2. The minimum payment acceptable to the Seller/Lessor is: (Include the method of determining the minimum payment)

As per MOA

3. Payment contingent on subsequent sale or leasing of this right, or portion thereof, is:

 X Acceptable Not Acceptable

I hereby assert that the information contained in this application is true to the best of my knowledge, and that I have the authorities necessary to offer the sale or lease of this right to the Idaho Water Resource Board. (See MOA)

6/7/02 D. C. Bess ATTACHMENT
(Date) (Signature of applicant)
for CLOVERHOLLOW LLC

FOR DEPARTMENT USE ONLY

Received by _____ Date _____ Preliminary check by _____

Watermaster recommendation requested on _____ Received _____

Recommended for _____ approval _____ denial by _____

MICRO-5

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JUN 27 2002

DEPARTMENT OF WATER RESOURCES



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NOV 14 2003

JUN 27 2002

Clower Hollow, LLC

Land that will not be irrigated this year

Clower Hollow Total (1071.5

INCORRECT!
(State of the
APP, CBI)

MICROFILM

2024 4 2003

RECEIVED

JUN 27 2002

Department of Water Resources



CUSTOMER CONSENT FORM

(To Release Idaho Power Company Customer Account Information)

I, the customer of record, do hereby agree and allow Idaho Power Company to release the following account information (Indicate information to be released):

- ☒ Electrical Usage
☒ Irrigation Information
☐ Credit Information
☒ Service Location / Address
☐ Other _____

This information may be released to the following person(s) or representative of the following organization(s):

Name Department of Water Resource Attn: Cynthia Bridger Clark
 Address 1301 W. Orchard St. Box 83720
Bowen, Id. 83720

Information may be released on the following account:

Name Clower Hollow, LLC
 Service Location Refer to attached
 Account Number _____

List additional accounts on the back.

Signed Clower Hollow LLC [Signature] Date 6-18-02
 CUSTOMER OF RECORD

DBA P.C. Bergh-Bergh Farms - 25%
[Signature] - 25%

This authorization is valid until _____ (Date)

NOV 4 2003

CLOVER HOLLOW

6/14/02

IDAHO POWER ACCOUNT #S & LOCATIONS

<u>ACT #</u>	<u>SERVICE LOCATIONS</u> (MTN. HOME)
7731944438 (SA 1815751788)	058 07E 1701
3380083411 (SA 6717352004)	045 07E 2701
338 0083411 (SA 6672944046)	05 ^S 06E 0501
338 0083411 (SA 8422001933)	055 07E 1708
338 0083411 (SA 24573003)	045 07E 2702
338 0083411 (SA 9602 098617)	055 07E 0501

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NOV 14 2003



An IDACORP Company

IDAHO POWER COMPANY
P.O. BOX 70
BOISE, IDAHO 83707

RECEIVED

JUN 27 2002

DEPARTMENT OF WATER RESOURCES

Clover Hollow LLC
P O Box 606
Mt Home, ID 83647-0606

March 23, 2001

Dear Customer:

This letter is to confirm that your Offer to Reduce Electrical Energy Consumption submitted in response to Idaho Power Company's Request for Proposals issued February 16, 2001, has been accepted. Enclosed is a copy of your Offer to Reduce Electrical Energy Consumption which is signed by Idaho Power Company. Also enclosed is a copy of your Offer Form Worksheet which details the Offered Energy Reduction of 17,330,036 you have committed to provide during the 2001 growing season and the Base Energy Consumption Amount of 17,330,036 from which the actual energy reduction provided will be computed.

As stated in Idaho Power's Request for Proposals, the metered service points included in your accepted offer must remain connected for electric service during the full term of the program. If you have metered service points that are currently not connected for service, you do not need to contact us. Idaho Power will confirm that each metered service point is connected for service, and if it is not, will coordinate to have our crews perform the necessary work. If you prefer to have your service disconnected during the winter, you may contact us after November 15, 2001 to request a service disconnection.

As a condition for participating in the Irrigation Buy Back Program, you are required to remain as the responsible party for each of the metered service points included in your accepted offer. If you become the responsible party for additional metered service points not included in your offer, Idaho Power will include the energy consumption for each additional metered service point in computing both a revised Base Energy Consumption Amount and the actual energy reduction provided. Becoming the responsible party for metered service points not included in your offer could affect your ability to provide the energy reduction committed to in your offer.

Idaho Power will begin making monthly payments in May for energy reductions actually provided, as detailed in the Request for Proposals. If you would prefer to have your payments deferred until 2002, please contact us. Interest will not be paid on deferred payments.

We look forward to your participation in this program. If you have any questions, please feel free to contact us.

Sincerely,

Idaho Power Company

Contact Numbers:
In Boise 388-2323
Outside Boise 1-800-488-6151

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NOV 14 2001



000497

OFFER FORM WORKSHEET

Bid #

2

Account Information as of: 2/16/2000

Base Energy Consumption Amount
Total of Avg kWh from below

17,330,036

Tax ID #: 820469345T

Offered Energy Reduction
(kWh)

17,330,036

Bid Price
(Cents per kWh)

15¢

CLOVER HOLLOW LLC

P.O. Box 606

MOUNTAIN HOME, ID 83647-0606

of Acres taken
out of Production
(By County Name)

of Acres / County Name

4,000 / ELMORE

of Acres / County Name

IRRIGATION METERED SERVICE POINTS

Meter Ser #	IPCo Location #	Service City	HP	Max kW	Avg kWh	kWh Reduced
64868945	0365 HP 30	MOUNTAIN HOME	30	40	54,116	
51051116	0370 HP 325	MOUNTAIN HOME	325	264	505,920	
3473445	0480 HP 375	MOUNTAIN HOME	375	349	738,000	
2628353	0485 HP 2450 IDR	MOUNTAIN HOME	2,500	1,728	4,158,240	
2628352	0627 CLAMPITTIDR	MOUNTAIN HOME	4,800	3,720	9,214,800	
2628341	0630 HP 1300	MOUNTAIN HOME	1,300	1,020	2,658,960	

MICAC

NOV 14 2003

OFFER TO REDUCE ELECTRICAL ENERGY CONSUMPTION

This offer is made in response to the Request for Proposals ("RFP") issued by Idaho Power on or about February 16, 2001. The undersigned is an irrigation customer of Idaho Power receiving service under Rate Schedule 24 ("Bidder"). In consideration for the compensation specified on the attached worksheet, Bidder hereby offers to reduce its consumption of electrical energy in the total amount specified on the attached worksheet ("Offered Energy Reduction") during the 2001 growing season.

1. Bidder Data

Bidder's name: CLOVER HOLLOW L.L.C.
Mailing address: P.O. BOX 606, MTN. HOME, ID. 83647
Telephone No.: 208-587-8594
Fax No. (if any): 208-587-6730
E-mail (if any): pbergh@micron.net

Bidder is a (select one) () sole proprietor, () general partnership,
() corporation, () limited partnership, (☒) limited liability company,
() other _____.

If the information provided by Bidder in this Paragraph 1 is different than the information shown on the attached worksheet, please mark this box. ☐

- 2. Bidder Verification of Data On Worksheet.** Bidder understands that the information concerning the Bidder and the metered service points for Bidder shown on the attached worksheet are based on the best information currently available to Idaho Power. Bidder states that it has carefully reviewed the metered service points data and consumption data for each metered service point shown on the attached worksheet. Bidder has verified with Idaho Power any corrections to the data and has

indicated those corrections to the data on the space provided on the worksheet.

3. Contract Terms and Conditions. By making this offer, Bidder agrees that it will comply with all of the terms, conditions, warranties, covenants and representations contained in the RFP, and acknowledges that all of the definitions, terms, conditions, warranties and covenants contained in the RFP are included in this offer by reference.

4. Binding Agreement. The undersigned Bidder understands that this offer is binding and if this signed offer is accepted by Idaho Power, this offer will constitute a contract between Idaho Power and the Bidder. Bidder further understands that Idaho Power has encouraged Bidder to consult legal counsel prior to signing this offer. Bidder further understands that if Idaho Power has not notified Bidder of its acceptance of this offer by 5:00 p.m. (MST) on March 15, 2001, the offer is deemed rejected, but this offer cannot be withdrawn or revoked by Bidder prior to that time.

Offered:

By

Irrigation Customer - Bidder

Its

Date

Accepted:

IDAHO POWER COMPANY

Maggie Buley

**NOW
STARTING
RIGHT
SIDE OF
FILE**



State of Idaho

DEPARTMENT OF WATER RESOURCES

1301 North Orchard Street, Boise, ID 83706 - P.O. Box 83720, Boise, ID 83720-0098
Phone: (208) 327-7900 Fax: (208) 327-7866 Web Site: www.idwr.state.id.us

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

February 6, 2003

PA BERGH
CLOVER HOLLOW LLC
PO BOX 606
MOUNTAIN HOME ID 83647

**RE: FINAL PAYMENT FOR RENTAL OF WATER FROM HIGH-LIFT PUMPERS FROM
THE SNAKE RIVER TO THE WATER SUPPLY BANK. WATER RIGHT NOS. 2-
2386, 2-2387, 2-7148, and 2-7291.**

Dear Mr. Bergh:

During the 2002 irrigation season, Clover Hollow, LLC leased all or portions of the water right licenses referenced above to the Water Supply Bank ("bank"). Enclosed is a state warrant in the amount of \$36,372.50 for the second and final payment for rental of water from the Water Supply Bank. Also enclosed is a map identifying the lands that qualified for payment.

Payment for rental of the right(s) from the bank was contingent upon a determination that the acres associated with the rental application have a valid Snake River water right(s), and that they qualify for payment as provided in Memorandum of Agreement ("MOA") No. 1425-02-MA-10-3460 between the U.S. Bureau of Reclamation ("USBR") and the Idaho Department of Water Resources ("department"). Eligibility of the lands was verified by the department based on interpretation of satellite imagery and field visits. As specified in the MOA, the rental rate for the right holder is \$45.45 per acre-foot (af). The annual diversion volume was determined using US Geological Survey and IDWR data (up to a maximum of 3 acre-feet per acre). Based on the available data, payment to Clover Hollow, LLC will be calculated at 2.88 acre-feet per annum per acre (afa per acre).

The department received an application from Clover Hollow to lease water to the bank on June 7, 2002 identifying 1081.5 acres to be dried up in accordance with the MOA. Subsequent documents were submitted as clarification material that erroneously identified a total of 1071.5 acres. Though the first payment from the bank was issued as a percentage of 1071.5 acres, the total payment is based on water appurtenant to a maximum total of 1081.5 acres as specified on the original lease application.

The total number of acres considered for payment is based on measurement of the lands using available satellite imagery, and may differ from the totals specified on the lease

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applications to the bank. In the case of Clover Hollow, 1081.5 acres were specified on the lease application, and 1093.3 acres were measured by the department. The maximum number of acres eligible for payment shall not exceed the total number of acres specified for lease on the entity's application.

On October 8, 2002, the department sent a warrant for \$105,190.62 to Clover Hollow, as the first payment for rental of water from the bank. The first payment was calculated based on 75% of the *estimated eligible acres*. Lands recommended for denial or whose eligibility was in question, were not included in the total estimated eligible acres. Since the initial payment, the boundary of one field was changed to exclude buildings and land that have not been irrigated in 2000 or 2001, in accordance with the MOA. The adjustment was made based on 1987, 2000, and 2001 satellite imagery and infrared photography.

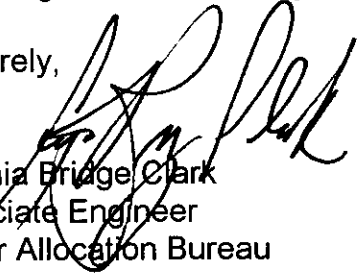
The attached map identifies the eligibility status of lands as determined by the department. It indicates whether the lands are eligible or ineligible, and identifies the number of acres measured.

The total payment issued to Clover Hollow was calculated based on the total number of acres determined to be eligible for payment multiplied by 2.88 afa per acre, and further multiplied by \$45.45 per acre-foot. The second payment represents the difference between the first and total payments. Below is a summary of the payments issued to Clover Hollow for rental of the referenced water rights from the bank:

Acres Requested on Lease App. (ac)	Total Eligible Acres (ac)	Authorized Diversion Rate (afa per acre)	Irrigation Reductions (af)	Total Volume Rented (af)	Payment(s) to Applicant @ \$45.45 per acre-foot		
					1st Payment	2 nd Payment	Total Payment to Applicant
1081.5	1081.5	2.88	0.0	3114.7	\$105,190.62	\$36,372.50	\$141,563.12

This payment is considered to be the final payment for the rental of water rights for the 2002 irrigation season. If you have questions, please feel free to contact the department.

Sincerely,


Cynthia Bridge Clark
Associate Engineer
Water Allocation Bureau

Enclosures

c: Western Regional Office

Debbie Allen
IDWR, Fiscal Section

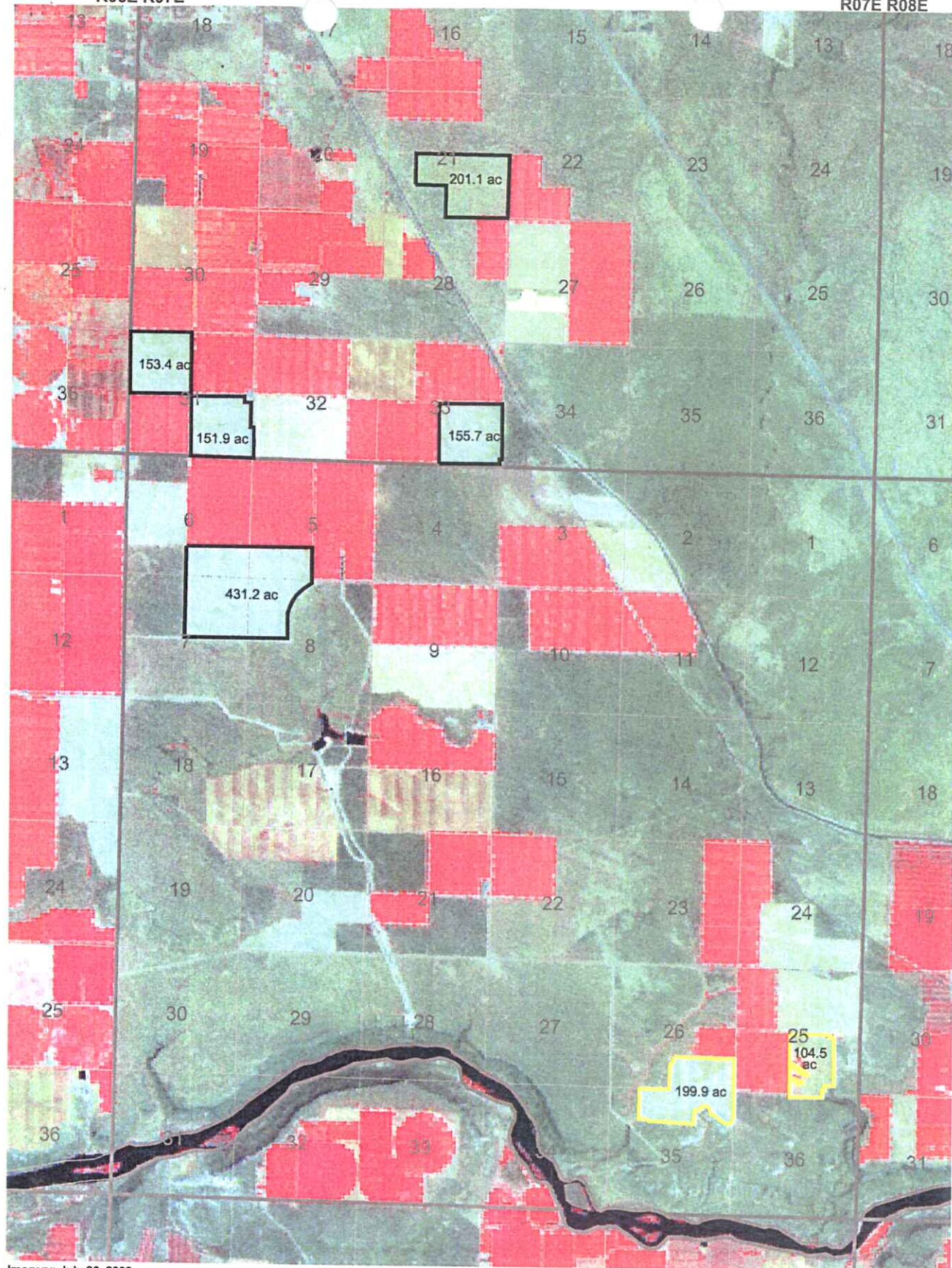
Rich Rigby, ESA Coordinator
Bureau of Reclamation
1150 N Curtis, PN 3030
Boise ID 83706-1234

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NOV 14 2003

R06E R07E

R07E R08E

T04S
T05ST05S
T06S

Imagery: July 26, 2002

2000 0 2000 4000 Meters



Prepared by: M. Wilkins
Idaho Department of Water Resources
1301 North Orchard Street
Boise, ID 83706
(208) 327-7900

Clover Hollow LLC

Acreages for Final Payment for Rental of Water from High-Lift Pumps from the Snake River to the Water Supply Bank

Prepared: February 5, 2003

ELIGIBLE
INELIGIBLE
Township/Range Lines
Section Lines

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NOV 14 2003



State of Idaho

DEPARTMENT OF WATER RESOURCES

1301 North Orchard Street, Boise, ID 83706 - P.O. Box 83720, Boise, ID 83720-0098
Phone: (208) 327-7900 Fax: (208) 327-7866 Web Site: www.idwr.state.id.us

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

October 8, 2002

PA BERGH
CLOVER HOLLOW LLC
PO BOX 606
MOUNTAIN HOME ID 83647

**RE: PAYMENT NO. 1 FOR RENTAL OF WATER FROM HIGH-LIFT PUMPERS
FROM THE SNAKE RIVER TO THE WATER SUPPLY BANK**

Dear Mr. Bergh:

On September 5, 2002, the Department of Water Resources ("department") requested confirmation of the payment schedule preferred by the High-Lift Pumpers leasing water to the Water Supply Bank ("bank"). Clover Hollow LLC ("Clover Hollow") identified Option 2, which provides for one partial payment of up to 75% of the total potential payment to be issued prior to final review, and a second payment for the remaining sum to be issued after eligibility findings are finalized by the department.

Enclosed is a state warrant in the amount of \$105,190.62 for the first payment for rental of water from High-Lift Pumpers from the Snake River to the Water Supply Bank. Also enclosed is map identifying the lands that qualified for the first payment.

Estimates of lands eligible for payment are based on review of associated water rights, satellite imagery interpretations, field visits, and flow measurements in accordance with the criteria delineated in Memorandum of Agreement ("MOA") No. 1425-02-MA-10-3460 between the U.S. Bureau of Reclamation ("USBR") and the Idaho Department of Water Resources. As specified in the MOA, the rental rate is \$45.45 per acre-foot, and the annual diversion volume was determined using US Geological Service and IDWR data (up to a maximum of 3 acre-feet per acre). Based on the available data, the annual diversion volume for Clover Hollow is 2.88 acre-feet per acre (afa).

The first payment has been calculated based on 75% of the *estimated eligible acres only*. Lands that will be recommended for denial or whose eligibility is in question, have not been included in the total estimated eligible acres. Please note, that the total acres are based on those measured using available satellite imagery, and may differ from the totals specified on the applications to the bank. The maximum number of acres eligible for payment shall not exceed the total number of acres identified on the entity's application. Additionally, please note that the eligibility status is yet to be finalized and may change pending final review.

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NOV 12 2002

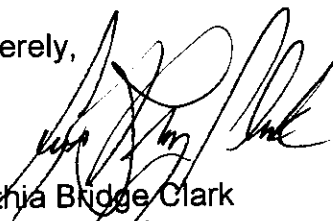
The attached map identifies the eligibility status of lands based on the review to date. It indicates whether the lands are eligible, ineligible or whether there are questions surrounding their eligibility at this time.

Below is a total summary for the first payment:

Acres Requested on App.	Estimated Eligible Acres	Acre-feet per acre	Estimated Eligible Acre-feet	Estimated Payment(s) @ \$45.45 per acre-foot		
				1st Payment (75%)	2nd Payment (25% or remainder)	Estimated Total Payment
1071.5	1071.5	2.88	3085.9	\$105,190.62	\$35,063.54	\$140,254.16

If you have questions, please feel free to contact the department.

Sincerely,



Cynthia Bridge Clark
Associate Engineer
Water Allocation Bureau

Enclosures

c: Western Regional Office
Water right nos. 2-2386, 2-2387, 2-7148, 2-7291

Rich Rigby, ESA Coordinator
Bureau of Reclamation
1150 N Curtis, PN 3030
Boise ID 83706-1234

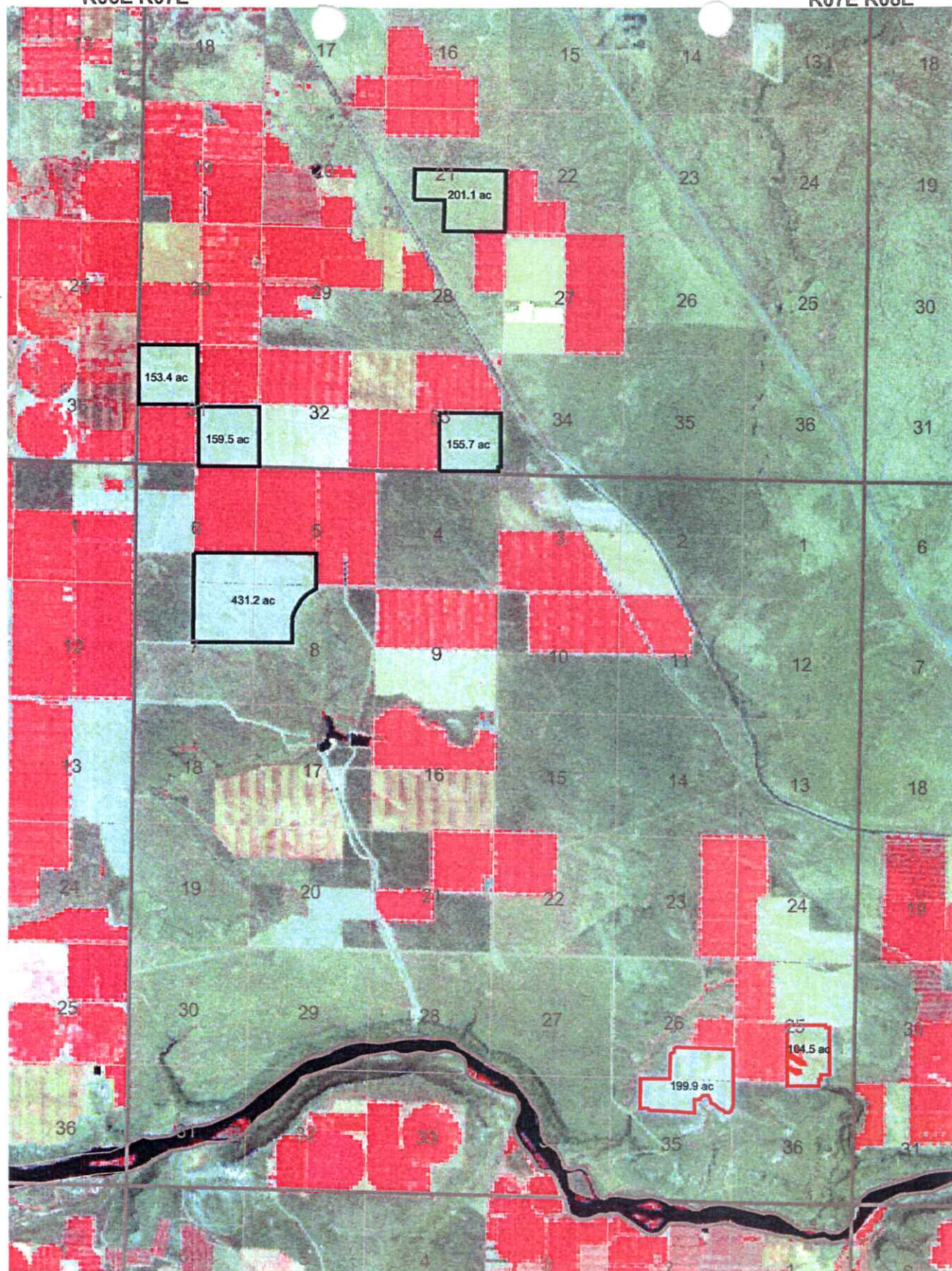
Debbie Allen
IDWR, Fiscal Section

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NOV 18 2002

R06E R07E

R07E R08E

T04S
T05ST05S
T06S

Imagery: July 26, 2002

2000 0 2000 4000 Meters

- ELIGIBLE
- INELIGIBLE
- Township/Range Lines
- Section Lines



Prepared by:
Idaho Department of Water Resources
1301 North Orchard Street
Boise, ID 83709
(208) 327-7900

Clover Hollow LLC
Payment No.1 Acreage Estimates for Rental of Water from
High-Lift Pumpers from the Snake River to the Water Supply Bank

Prepared: October 1, 2002

MICROFILMED

OCT 18 2002

Clover Hollow LLC
P. O. Box 606
Mountain Home, ID 83647
September 10, 2002

Cynthia Bridge Clark
Idaho Dept of Water Resources
P. O. Box 83720
Boise, ID 83720-0098

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SEP 12 2002

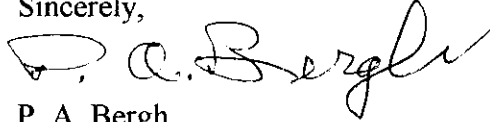
Department of Water Resources

Ref: Your letter dated 9/5/02 (water rental payment schedule)

Dear Ms. Clark,

The Clover Hollow LLC hereby elects payment for Snake River water rental for the year 2002 in accordance with Option 2 of the referenced letter, i.e. 75% of the total potential payment. Payment is requested as soon as possible.

Sincerely,



P. A. Bergh
Member
Clover Hollow LLC

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NOV 14 2003



State of Idaho

DEPARTMENT OF WATER RESOURCES

1301 North Orchard Street, Boise, ID 83706 - P.O. Box 83720, Boise, ID 83720-0098
Phone: (208) 327-7900 Fax: (208) 327-7866 Web Site: www.idwr.state.id.us

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

September 5, 2002

PA BERGH
CLOVER HOLLOW LLC
PO BOX 606
MOUNTAIN HOME ID 83647

**RE: PAYMENT SCHEDULE FOR RENTAL OF WATER FROM THE WATER
SUPPLY BANK; LEASED BY HIGH-LIFT PUMPERS FROM THE SNAKE
RIVER**

Dear Mr. Bergh:

The department has conducted a preliminary review of the Application to Sell or Lease a Water Right to the Water Supply Bank that you submitted to this office in the name of Clover Hollow LLC.

To date, this review includes identification of the associated water rights, and an evaluation of acreage eligibility based on satellite imagery from the 2000 and 2001 irrigation seasons in accordance with the criteria set forth in the Memorandum of Agreement ("MOA") No. 1425-02-MA-10-3460 between the U.S. Bureau of Reclamation and the Idaho Department of Water Resources ("department"), and in the applicant agreement. Confirmation that lands were not irrigated during the 2002 irrigation season will be based on evaluation of satellite images, field visits, and flow measurements.

The purpose of this letter is to request written confirmation of a payment schedule preferred by each applicant. Part II, Section e, of the MOA, states: "IDWR shall make lease payments to the lessor in accordance with a payment schedule acceptable to the lessor, provided that the final twenty-five percent (25%) of the total lease payment shall not be paid until after the end of the irrigation season." The department is prepared to issue payments based on the preliminary review of eligible acres. At least 25% of the total potential payment will be retained until the end of the irrigation season to cover adjustments for any lands found to be ineligible as defined in the MOA.

Options for payment include:

1. One final payment for all of the acres determined to be eligible. The payment will be issued on a preferred date after the end of the irrigation season, once the eligibility findings are complete and an agreement on the total amount is reached between the applicant and the department.

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NOV 18 2002

2. Partial payment(s) up to 75% of the total potential payment, as requested by the applicant, can be issued prior to the final review. At least 25% of the total potential payment will be withheld until the eligibility findings are complete and an agreement on the total amount is reached between the applicant and the department.

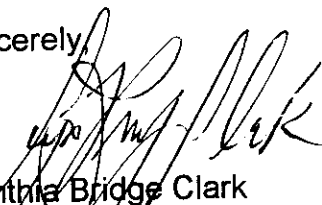
Please submit your request in writing by describing the preferred payment option. Specify the date you would like the final payment issued for option no. 1, or for option no. 2, specify the dates for issuance and the percentage amounts of the early and final payments. All payments will be issued to the name and address provided on the Water Supply Bank application.

Applicants will be notified of the total number of acres determined to be eligible after the irrigation season is complete (November 15, 2002), and will be given an opportunity to appeal any acres found to be ineligible by the department.

Additionally, with regards to late season irrigation, Part II, Section b, of the MOA states: "The rental period shall be from May 1 through the end of the irrigation season, provided that on or before August 15, a lessor who did not divert water prior to acceptance of the lease, may inform Reclamation that the lessor requires the use of water for some period between September 1 and the end of the irrigation season." Please note that the date to request authorization has past. Therefore unless you have already notified the USBR of your intent to use water, late season irrigation is not authorized under the MOA.

If you have questions, please feel free to contact the department.

Sincerely,



Cynthia Bridge Clark
Associate Engineer
Water Allocation Bureau

c: Western Regional Office
Water right nos. 2-2386, 2-2387, 2-7148, 2-7291

Rich Rigby, ESA Coordinator
Bureau of Reclamation
1150 N Curtis, PN 3030
Boise ID 83706-1234

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NOV 18 2002



State of Idaho

DEPARTMENT OF WATER RESOURCES

1301 North Orchard Street, Boise, ID 83706 - P.O. Box 83720, Boise, ID 83720-0098
Phone: (208) 327-7900 Fax: (208) 327-7866 Web Site: www.idwr.state.id.us

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

July 23, 2002

PA BERGH
CLOVER HOLLOW LLC
PO BOX 606
MOUNTAIN HOME ID 83647

RE: APPLICATION TO LEASE PORTIONS OF WATER RIGHT 2-2386, 2-2387, 2-7148, AND 2-7291 TO THE WATER SUPPLY BANK

Dear Mr. Bergh:

The department has conducted an initial review of the Application to Sell or Lease a Water Right to the Water Supply Bank ("bank") that you submitted to this office in the name of Clover Hollow LLC. The application was submitted in connection with the lease of water rights ("rights") from high-lift pumpers on the Snake River.

Please consider that the offered part(s) of the water rights are accepted into the bank under the following terms:

1. Payment for rental of the right(s) from the bank is contingent upon a determination that the acres associated with the rental application have a valid Snake River water right(s), and that they qualify for payment as provided in Memorandum of Agreement ("MOA") No. 1425-02-MA-10-3460 between the U.S. Bureau of Reclamation and the Idaho Department of Water Resources regarding Rental of Water From High-Lift Pumpers on the Snake River, said agreement dated May 10, 2002.
2. While part(s) of a right(s) is in the bank, the owner of the right may not use that part of the right. As specified in the MOA, however, a lessor who did not divert water prior to the acceptance of the lease may give notice that the lessor requires the use of water on and after September 1, 2002 for land or crop preparation purposes for the 2003 irrigation season.
3. While a right is in the bank, forfeiture provisions are stayed.
4. Acceptance of a right into the bank does not confirm the validity of the right or any elements of the water right.

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NOV 14 2003

5. The right(s) will be considered released from the bank on December 31, 2002.

If you have questions, please feel free to contact the Department.

Sincerely,

L. GLEN SAXTON, P.E.
Chief, Water Allocation Bureau

c: IDWR Regional Office
Water right nos. 2-2386, 2-2387, 2-7148, 2-7291

Rich Rigby
ESA Coordinator
Bureau of Reclamation
1150 N Curtis, PN 3030
Boise ID 83706-1234

MICROFILMED

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