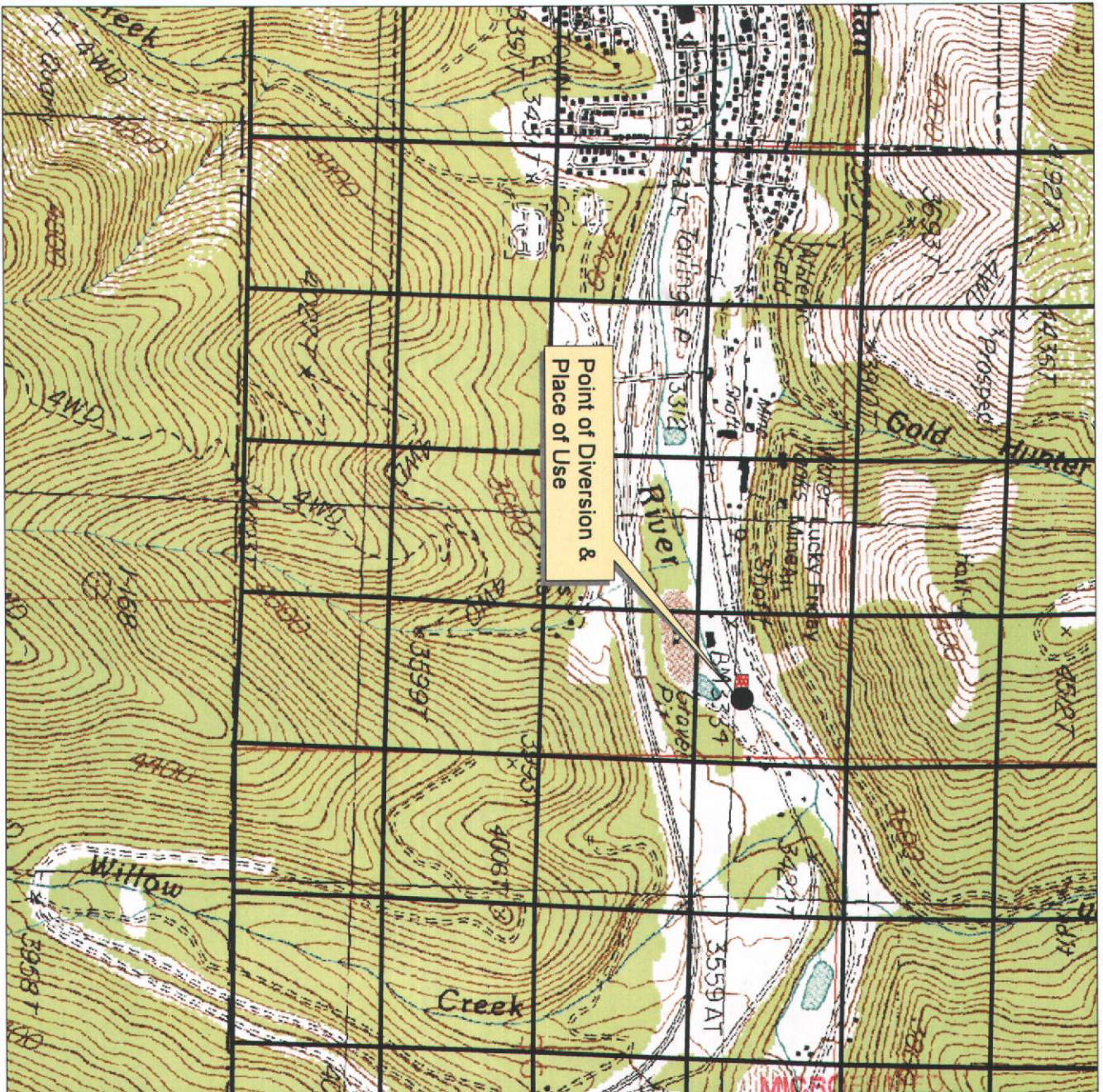




MAR 26 2003

EXHIBIT A
to the License Agreement
Shoshone Co. Fire Dist. No. 3 & Hecla

INST 26 25
#394114 35 36

ay Fraction
3028

00" W
34'

Proposed Location of Pipeline



Tract 3
1.01 Acres

N 22° 49' 30" W
25.00'

Tract 2
1.83 Acres

OLP

STA
393+54.78

STA
393+13.8

To Accompany
License Agreement between
Hecla Mining Company &
Shoshone Co. Fire Dist. No. 3
Portion of
NE1/4 NE1/4 Section 35
Township 48 North, Range 5 East B.M.
Shoshone County, Idaho
Scale 1" = 100'

MICROFILMED
MAR 26 2003

S 34° 27' 47" W
892.59'

522.58'

S 22° 49' 30" E
25.00'
S 67° 10' 30" W
350.00'

N 67° 11' 49" E
323.22'

VS

Department of Water Resources

1. Permit No. 94-7391 Telephone No. 208 744-1157

2. Name of Permit Holder(s): SHOSHONE COUNTY FIRE DIST #

3. Mailing Address: PO BOX 83, MULLAN, IDAHO 83401
City MULLAN State ID Zip *#*\$

4. Source of Water: S/F CDA River GROUNDWATER (well), Date Drilled: mo. _____ / yr. _____
Well Driller: _____ Drilling Permit Number: _____

5. Use(s) (as authorized by the water right permit):
Domestic (No. of households): 0.04 CFS Stockwater (No. and type of stock): _____
Irrigation (No. of acres): _____ Other: Fire Protection 0.59 CFS

6. Total rate of diversion and/or volume for which proof is submitted: 0.63 CFS cfs OR _____ acre-feet

7. Measuring Device Requirement: (refer to the approval conditions on your permit and respond accordingly)
(This question is **not optional**. Please check either yes or no. Proofs returned not checked accordingly, will be considered incomplete)

Measuring Device: Is a measuring device required? Yes _____ or No X
Has the measuring device been installed? Yes _____ or No X

8. Fee Enclosed: \$ 100.00 (See Fee Schedule on back of the instructions for filing proof of beneficial use)

9. Person to contact to accompany the Department representative during field examination of the water system.
Name: Terry Storjohann Telephone Number: 208 744-1157
Address: 456 Willow Cr Rd - Mullan, ID

10. The information given on this form is my true statement of the extent to which the above numbered permit has been developed and water has been diverted. I agree to relinquish any undeveloped portion of the permit to the State of Idaho.

Date: 9/8/03

MICROFILMED

MAR 29 2004

State of Idaho
Department of Water Resources
Permit to Appropriate Water

NO. 94-07391

Priority: May 24, 2002

Maximum Diversion Rate: 0.59 CFS

This is to certify, that SHOSHONE COUNTY FIRE DIST 3
PO BOX 83
MULLAN ID 83846-0083

has applied for a permit to appropriate water from:

Source: SOUTH FORK COEUR D ALENE RIVER **Tributary:** COEUR D ALENE RIVER

and a permit is APPROVED for development of water as follows:

<u>BENEFICIAL USE</u>	<u>PERIOD OF USE</u>	<u>RATE OF DIVERSION</u>
DOMESTIC	01/01 to 12/31	0.04 CFS
FIRE PROTECTION	01/01 to 12/31	0.59 CFS

LOCATION OF POINT(S) OF DIVERSION:

SOUTH FORK COEUR D ALENE RIVER
NE $\frac{1}{4}$ NE $\frac{1}{4}$, Sec. 35, Twp 48N, Rge 05E, B.M., SHOSHONE County

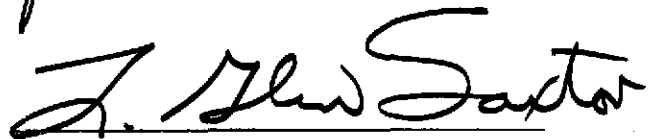
PLACE OF USE: DOMESTIC same as FIRE PROTECTION

Twp Rge Sec	NE				NW				SW				SE				
	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	Totals
48N 05E 35	X																

CONDITIONS OF APPROVAL

1. Proof of application of water to beneficial use shall be submitted on or before October 01, 2003.
2. Subject to all prior water rights.
3. Water shall not be diverted for fire protection use under this right except to fight or repel an existing fire.
4. Domestic use if for a fire station.

This permit is issued pursuant to the provisions of Section 42-204, Idaho Code. Witness the signature of the Director, affixed at Boise, this 26th day of September, 2002


for
KARL J DREHER, Director

MICROFILMED

MAR 26 2003

69927

Ident. No. 94-7391

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
APPLICATION FOR PERMIT

RECEIVED
AUG - 1 2002

To appropriate the public waters of the State of Idaho

Department of Water Resources

1. Name of Applicant Shoshone County Fire District #3 Phone (208) 744-1157
Mailing address PO Box 83 Mullan, ID 83846-0083
2. Source of water supply South Fork Coeur d'Alene River which is a tributary of CD A RIVER
3. Location of point of diversion is Township 48N Range 5 East BM Sec. 35 in the NE1/4 NE1/4
NE 1/4, 1/4, Govt. Lot _____, B.M., Shoshone County;
additional points of diversion if any: _____
4. Water will be used for the following purposes: Fire Protection & Domestic (Not for drinking)
- Amount ~~XXXXXXX~~ for Fire Protection purposes from Jan 1 to Dec 31 (both dates inclusive)
(cfs or acre-feet per annum)
- Amount 4.9 CFS for Fire Protection purposes from Jan. 1 to Dec. 31 (both dates inclusive)
(cfs or acre-feet per annum)
- 004 Amount 100 AFPA for Domestic (not drinking) from Jen 1 to Dec 31 (both dates inclusive)
(cfs or acre-feet per annum)
- Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)
- Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)
- Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)
5. Total quantity to be appropriated is (a) 4.9 CFS and/or (b) 100
cubic feet per second acre feet per annum
6. Proposed diverting works: two 8" pipes from the
- a. Describe type and size of devices used to divert water from the source intake to a Tank (well) and is to be gravity fed
- b. Height of storage dam _____ feet; active reservoir capacity _____ acre-feet; total reservoir capacity _____ acre-feet
- c. Proposed well diameter is _____ inches; proposed depth of well is _____ feet
- d. Is ground water with a temperature of greater than 85°F being sought? _____
- e. If well is already drilled, when? _____; Drilling firm _____
Well was drilled for (well owner) _____; Drilling Permit No. _____
7. Time required for completion of works and application of water to proposed beneficial use is 1 years (minimum 1 year)
8. Description of proposed uses (if irrigation only, go to item 9):
- a. Hydropower; show total feet of head and proposed capacity in kW. _____
- b. Stockwatering; list number and kind of livestock. _____
- c. Municipal; show name of municipality. _____
- d. Domestic; show number of households. 1 FIRE STATION
- e. Other; describe fully. FIRE PROTECTION USE IS FOR 1-4,000 GAL FIRE TRUCK

MICROFILMED

MAR 26 2003

9. Description of place of use:

a. If water is for irrigation, indicate acreage in each subdivision in the tabulation below.

b. If water is used for other purposes, place a symbol of the use (example: D for Domestic) in the corresponding place of use below. See instructions for standard symbols.

TWP	RGE	SEC	NE				NW				SW				SE				TOTALS
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
48N	5E	35	D																
			F																

Total number of acres to be irrigated _____

10. Describe any other water rights used for the same purposes as described above. _____

11. a. Who owns the property at the point of diversion? HELLA

b. Who owns the land to be irrigated or place of use? SAGWADE CO. FIRE DIST. #3

c. If the property is owned by a person other than the applicant, describe the arrangement enabling the applicant to make this filing: SEE ATTACHED AGREEMENT

12. Remarks: _____

13. MAP OF PROPOSED PROJECT REQUIRED - Attach an 8½"x11" map clearly identifying the proposed point of diversion, place of use, section #, township & range. (A photocopy of a USGS 7.5 minute topographic quadrangle map is preferred.)

BE IT KNOWN that the undersigned hereby makes this application for permit to appropriate the public waters of the State of Idaho as herein set forth.

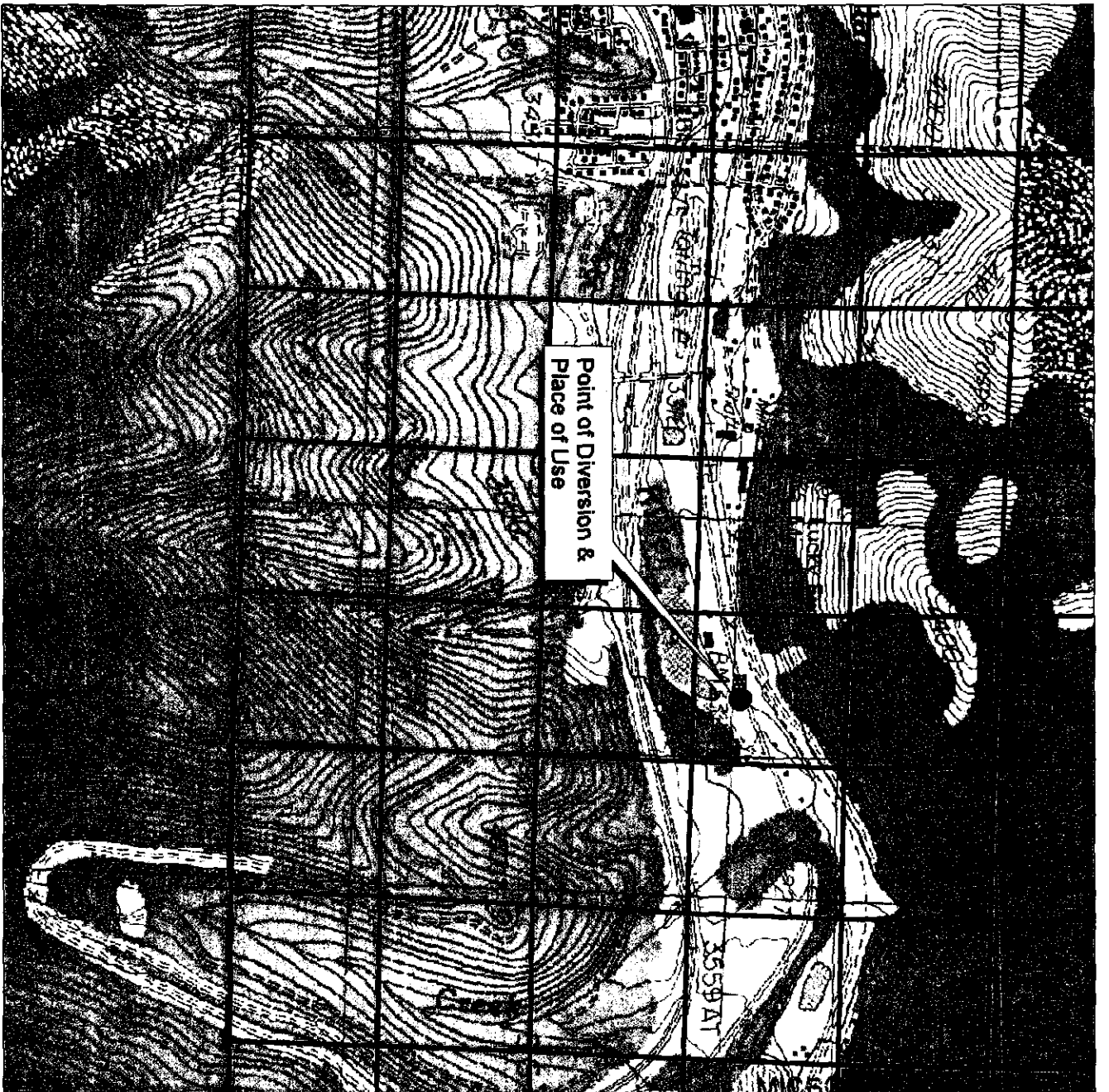
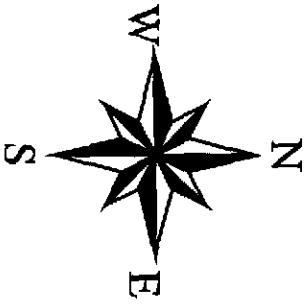
MICROFILMED

MAR 26 2003

[Signature]
Signature of Applicant (and title, if applicable)

Received by JB Date 5-24-02 Time 11:07 Preliminary check by AK
 Fee \$ 250 Received by JB # 1015034 Date 5-24-02
 Publication prepared by JB Date 6/12/02 Published in Sagwaide Co News Press 6/20 & 27/02
 Publication approved JB Date 7/1/02

Quad IndexQuadcov.shp
T48n05e.shp





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

November 10, 2003

SHOSHONE COUNTY FIRE DIST 3
PO BOX 83
MULLAN ID 83846-0083

PROOF ACKNOWLEDGMENT LETTER

RE: PERMIT NO. 94-7391

Dear Permit Holder:

The department acknowledges receipt of the proof of beneficial use form submitted for the above referenced permit. The next step in the process of developing a water right is for the department to contact you to schedule a field examination to determine and confirm the use being made of the water, and that it meets the permitted beneficial use.

Be advised that Section 42-248, Idaho Code, requires you or the owner of these water rights to maintain current ownership and address records on file with the department. Forms to file a change of ownership of a water right and/or a change in the address of the water right owner are available from any department office, or at the department's website at: www.idwr.state.id.us.

If you have questions, please contact the **Northern** Regional Office of the department in Coeur d'Alene (208) 769-1450.

Sincerely,

Deborah J. Gibson
Administrative Assistant
Water Allocation Bureau

Encl.

c: IDWR - Regional Office (w/encl.)

MICROFILMED

MAR 23 2004

ANALYSIS SHEET FOR PROOF OF BENEFICIAL USE

Permit No.: 94-7391

Reviewed By: dgibson

Date: November 7, 2003

	<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>
Proof received timely?	X		Drilling permit required?		X
License examination fee required?	X		Drilling permit No.:		
Appropriate fee submitted?	X		Drilling permit upgrade needed?		
Receipt No.:		N015034, C070843	Well driller's report filed?		
Additional Amount Due:			Measuring device required?		X
Name and address same as permit?	X		Measuring device installed?		
Are the water uses correct?	X		Measure device waiver requested?		

Priority Calculation

Date proof received		09/10/2003
Date proof due	-	10/01/2003
Lapse notice sent	-	
No. of days late	=	0
Holiday allowance	+	
Priority date	+	05/24/2002
New priority date	=	05/24/2002

Deficiencies of Actions Items

Acknowledge proof.

July 31, 2003

SHOSHONE COUNTY FIRE DIST 3
PO BOX 83
MULLAN, ID 83846-0083

PROOF DUE NOTICE

RE: PERMIT NO. 94-7391

Dear Permit Holder:

One of the conditions of approval of the above referenced water permit was that proof of the extent of your beneficial use must be submitted to this office on or before October 01, 2003. (See last page of your approval permit or your last approved extension request.) Enclosed is a form which when accompanied by the license examination fee or a completed field examination report prepared by a certified water right examiner may be used to submit the required proof.

If you have not fully completed your project, and you or a previous owner of this permit have not received a prior extension of time, you may request an extension of time if the delay is for reasonable cause as provided in Section 42-204, Idaho Code. If you have been prevented from proceeding by a governmental agency or by litigation which might bring title to the water in question, more than one extension of time can be granted. An extension of time request form is enclosed for your convenience.

Either an acceptable proof of beneficial use submittal or an acceptable request for an extension of time must be received by this department on or before the above described proof due date. If neither is received, the department will send you a lapse notice. Within sixty (60) days of the mailing of the lapse notice, the permit will no longer be of any force nor effect.

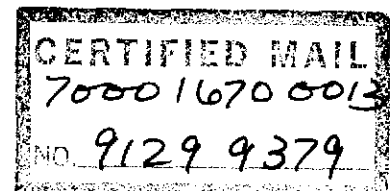
Sincerely,

Deborah J. Gibson, Administrative Assistant
Water Allocation Bureau

Enclosures

MICROFILMED

MAR 29 2004





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 26, 2002

SHOSHONE COUNTY FIRE DIST 3
PO BOX 83
MULLAN ID 83846-0083

RE: Permit No. 94-7391

Permit Approval Notice

Dear Permit Holder:

The Department of Water Resources has issued the enclosed permit authorizing you to establish a new water right. Please be sure to thoroughly review the conditions of approval and remarks listed on your permit.

The permit is a PRELIMINARY ORDER issued by the Department pursuant to Section 67-5243, Idaho Code. It can and will become a final order without further action by the Department unless a party petitions for reconsideration or files an exception and/or brief within fourteen (14) days of the service date as described in the enclosed information sheet.

Enclosed is a form entitled 'Instructions for Proof of Beneficial Use.' Please read the instructions carefully since you must take further action to develop this permit into a licensed water right. Also enclosed is a form entitled 'Proof of Beneficial Use.' If your project is already completed, you should complete and submit this form immediately.

Please note that a separate stream channel alteration permit must be obtained from the Department prior to any activity in the stream channel other than construction or maintenance of the diversion structure for your water right(s). Applications for stream channel alteration permits must be filed a least sixty days prior to the commencement of work in the stream.

MICROFILMED
SEP 26 2002

Also, please note that water right owners are required to report any change of water right ownership and/or mailing address to the Department within 120 days of the change. Failure to report these changes could result in a \$100 late filing fee. Contact any office of the Department or visit the Department's homepage on the Internet to obtain the proper forms and instructions.

If you have any questions, please contact me at 208-327-7946.

Sincerely,

for *Sharla Curtis*
Shelley W. Keen
Water Rights Supervisor

Enclosure(s)

MICROFILMED
MAR 23 2003

CERTIFICATE OF SERVICE

I hereby certify that on September 26, 2002 I mailed a true and correct copy, postage prepaid, of the foregoing PRELIMINARY ORDER(Approved Permit) to the person(s) listed below:

RE: WATER RIGHT NO.

94-7391

SHOSHONE COUNTY FIRE DIST 3

PO BOX 83

MULLAN ID 83846-0083



Deborah J. Gibson
Secretary

MICROFILMED

SEP 28 2002

EXPLANATORY INFORMATION TO ACCOMPANY A PRELIMINARY ORDER

(Required by Rule of Procedure 730.02)

The accompanying order or approved document is a "**Preliminary Order**" issued by the Department of Water Resources (Department) pursuant to section 67-5243, Idaho Code. It can and will become a final order without further action of the Department unless a party petitions for reconsideration, files an exception and brief, or requests a hearing as further described below:

PETITION FOR RECONSIDERATION

Any party may file a petition for reconsideration of a preliminary order with the department within fourteen (14) days of the service date of this order. The department will act on a petition for reconsideration within twenty-one (21) days of its receipt, or the petition will be considered denied by operation of law. See Section 67-5243(3) Idaho Code.

EXCEPTIONS AND BRIEFS

Within fourteen (14) days after a) the service date of a preliminary order, b) the service date of a denial of a petition for reconsideration from this preliminary order, or c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration from this preliminary order, any party may in writing support or take exceptions to any part of a preliminary order and may file briefs in support of the party's position on any issue in the proceeding with the Director. Otherwise, this preliminary order will become a final order of the agency.

REQUEST FOR HEARING

Unless a right to a hearing before the Department or the Water Resource Board is otherwise provided by statute, any person aggrieved by any final decision, determination, order or action of the Director of the Department and who has not previously been afforded an opportunity for a hearing on the matter may request a hearing pursuant to section 42-1701A(3), Idaho Code. A written petition contesting the action of the Director and requesting a hearing shall be filed within fifteen (15) days after receipt of the denial or conditional approval.

ORAL ARGUMENT

If the Director grants a petition to review the preliminary order, the Director shall allow all parties an opportunity to file briefs in support of or taking exceptions to the preliminary order and may schedule oral argument in the matter before issuing a final order. If oral arguments are to be heard, the Director will within a reasonable time period notify each party of the place, date and hour for the argument of the case. Unless the Director orders otherwise, all oral arguments will be heard in Boise, Idaho.

CERTIFICATE OF SERVICE

All exceptions, briefs, requests for oral argument and any other matters filed with the Director in connection with the preliminary order shall be served on all other parties to the proceedings in accordance with IDAPA Rules 37.01.01302 and 37.01.01303 (Rules of Procedure 302 and 303).

FINAL ORDER

The Director will issue a final order within fifty-six (56) days of receipt of the written briefs, oral argument or response to briefs, whichever is later, unless waived by the parties or for good cause shown. The Director may remand the matter for further evidentiary hearings if further factual development of the record is necessary before issuing a final order. The department will serve a copy of the final order on all parties of record.

Section 67-5246(5), Idaho Code, provides as follows:

Unless a different date is stated in a final order, the order is effective fourteen (14) days after its issuance if a party has not filed a petition for reconsideration. If a party has filed a petition for reconsideration with the agency head, the final order becomes effective when:

- (a) the petition for reconsideration is disposed of; or
- (b) the petition is deemed denied because the agency head did not dispose of the petition within twenty-one (21) days.

APPEAL OF FINAL ORDER TO DISTRICT COURT

Pursuant to sections 67-5270 and 67-5272, Idaho Code, if this preliminary order becomes final, any party aggrieved by the final order or orders previously issued in this case may appeal the final order and all previously issued orders in this case to district court by filing a petition in the district court of the county in which:

- i. A hearing was held,
- ii. The final agency action was taken,
- iii. The party seeking review of the order resides, or
- iv. The real property or personal property that was the subject of the agency action is located.

The appeal must be filed within twenty-eight (28) days of this preliminary order becoming final. See section 67-5273, Idaho Code. The filing of an appeal to district court does not itself stay the effectiveness or enforcement of the order under appeal.

Comment Report

94-7391

1. dball 6/4/2002 Legal Notice Remarks

Comment: Domestic use is for 1 Fire Station.

Fire Protection use is for 1 - 4,000 gallon fire truck

2. dgibson 9/25/2002 Permit Review

Comment: Review of the file and application completed. The only question I have is what is the capacity of the storage tank.

UNCLASSIFIED

MAR 26 2003

**IDAHO DEPARTMENT OF WATER RESOURCES
APPROPRIATION APPLICATION ANALYSIS SHEET**

W.R. # 94-7391

APPLICATION ID # 69927
INITIAL REVIEW

ENT. 6/4 BCA 6/4 OK to Publish 6/4

APPLICANT: SANDHOLE COUNTY FIRE DIST. BY: AB DATE: 5/24/02

ITEM REQUIRED INFORMATION

1. ☒ Name and Address
2. ☒ Source
3. ☒ Point of Diversion & County
4. ☒ Quantity
☒ Nature of Proposed Use
5. ☒ Period of Use
6. ☒ Total Quantity
7. ☒ Description of diverting works
8. ☒ Time required for b/u
9. ☒ Proposed use
10. ☒ Place of use or acres irrigated
11. ☒ Other water Rights
12. ☒ Ownership
13. ☒ Map
14. ☒ Signature
15. ☒ Fee (Amt, receipt, acknowledgement)

**RECEIVED
AUG - 1 2002**

Department of Water Resources

*** Send info sheet Y() N()

ADDITIONAL INFORMATION

- (Yes)(No)
- ☒ Shape File Created Date 5-25 By: AB
- Field check: by _____
- Field report attached _____
- Analysis Supp. attached(>5cfs/500af) _____
- Water delivered by water master? Water District # _____

PROCESSING

- (Yes)(No) PRIORITY DATE: 5/24/02
- ☒ (Include Moratorium Remark)
- ☒ Statewide Advertising: (Diversion rate greater than 10 cfs or 1,000 af).
- ADVERTISE IN: SANDHOLE County

LETTERS SENT REQUESTING:

- () Dam Information () Fish Information
- () Power Information () Other: N/A

INFORMATION RECEIVED:

- () Dam Information () Fish Information
- () Power Information () Other: N/A

GROUNDWATER SECTION

WD Permit No.'s:	Tag #	Type:	Fees	Receipt No.	Upgrade Needed?
_____	_____	Dom. Non-Dom.	Paid \$ _____	_____	Y() N()
_____	_____	Dom. Non-Dom.	Paid \$ _____	_____	Y() N()
_____	_____	Dom. Non-Dom.	Paid \$ _____	_____	Y() N()

- _____ Groundwater management area
- _____ Critical ground water area
- _____ Well Drilling Permit required
- _____ Well Drilling Application and Fees received
- _____ Well Drilling Application approved?

Remarks: _____

FINAL REGIONAL PROCESSING/REVIEW

- (Yes)(No)
- _____ Notice of pending void order issued. Final order response date: ____/____/____
- _____ Further information required from applicant
- 7/1 _____ Affidavit of publication received
- 7/1 _____ Application published correctly. If not, record action taken: _____

6/12 _____ Publication dates and paper recorded on application

- _____ Protests received,
- _____ Measuring device required
- _____ Measuring port required
- _____ Special conditions:
- _____ Special conditions of approval supplement and/or cover letter attached:

Final protest date: 7/8/02

Sr. Agent initial AB

Approval Recommended by: AB

Date: 7/26/02

The following application(s) have been filed to appropriate the public waters of the State of Idaho:

94-7391

SHOSHONE COUNTY

FIRE DISTRICT 3

PO BOX 83

MULLAN ID 83846-0083

Point(s) of Diversion NENE S35 T48N

R05E SHOSHONE County

Source SOUTH FORK COEUR D'ALENE RIVER Tributary To COEUR

D'ALENE RIVER

Use:

DOMESTIC 01/01 to 12/31 0.04 CFS

Use:

FIRE PROTECTION 01/01 to 12/31

0.59 CFS

Total Diversion: 0.59 CFS

Date Filed: 05/24/2002

Place Of Use: DOMESTIC and FIRE PROTECTION

T48N R05E S35 NENE

Remark:

Domestic use if for 1 Fire Station

Fire Protection use is for 1-4,000 gallon fire truck

Permits will be subject to all prior water rights. Protests may be submitted based on the criteria of Sec 42-203A, Idaho Code.

Any protest against the approval of this application must be filed with the Director, Dept. of Water Resource, Northern Region, 1910 Northwest

Bldg, Suite 210, Coeur d'Alene ID 83814 together with a protest fee of \$25.00 for each application on or before 07/08/2002. The protestant must also send a copy of the protest to the applicant.

KARL J DREHER, Director

Legal #SHO355

2 x 6-20/27/2002

PROOF OF PUBLICATION

) DEPT. Of Water resources
) 1920 North West Blvd.
) Coeur D Alene, ID 83814

RECEIVED

JUL 01 2002

IDWR/North

s/ Daniel C. Drewry, being first duly sworn deposes and says: SHOSHONE NEWS-PRESS, a daily newspaper of general circulation in said county, published in the city of Kellogg, in the County of Shoshone and the State of Idaho, and which has been published continuously in said county for a period of 78 weeks immediately prior to the publication of this notice hereinafter described, and that the

LEGAL NOTICE

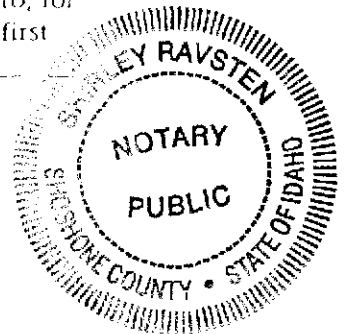
#355

of which the annexed is a true copy, was published in each regular weekly/daily issue of said newspaper, and not in supplement thereto, for a period of two (2) consecutive weeks/days, the first publication thereof being in the issue dated 6/20, 27/02

STATE OF IDAHO)

COUNTY OF)

) Shoshone



On this 28th day of June in the year of 2002 before me a Notary Public, personally appeared Daniel C. Drewry known or identified to me to be the person whose name subscribed to the within instrument, and being by me first duly sworn, declared that the statements therein are true, and acknowledged to me that he executed the same

Notary Public for Idaho
Residing in Kellogg, Idaho
My Commission expires:

09/14/07

MICROFILMED

SEP 11 2002

SHOSHONE
COUNTY **NEWS-PRESS**

401 Main Kellogg, Idaho 83837
783-1107

DEPT. OF WATER RESOURCES
1910 NORTHWEST BLVD.
COEUR D'ALENE, ID 83814

RECEIVED

JUL 01 2002

IDAHO

Acct. # 01112326

Legal Publication # 355
Permit #94-7391

44 lines x 2
6/20, 27 /02

\$68.64

I hereby certify that the foregoing account is just
and correct, that the amount claimed is legally due,
after allowing all just credits, and that no part of
same has been paid.

Shoshone News Press
Claimant (Firm Name)

By Shirley R. Austin
Name and Title

MICROFILMED

SEP 25 1998

The following application(s) have been filed to appropriate the public waters of the State of Idaho:

94-7391

SHOSHONE COUNTY FIRE DISTRICT 3

PO BOX 83

MULLAN ID 83846-0083

Point(s) of Diversion NENE S35 T48N R05E SHOSHONE County

Source SOUTH FORK COEUR D ALENE RIVER Tributary To COEUR D ALENE RIVER

Use: DOMESTIC 01/01 To 12/31 0.04 CFS

Use: FIRE PROTECTION 01/01 To 12/31 0.59 CFS

Total Diversion: 0.59 CFS

Date Filed: 05/24/2002

Place Of Use: DOMESTIC and FIRE PROTECTION

T48N R05E S35 NENE

Remark: Domestic use is for 1 Fire Station.

Fire Protection use is for 1 - 4,000 gallon fire truck

Permits will be subject to all prior water rights. Protests may be submitted based on the criteria of Sec 42-203A, Idaho Code.

Any protest against the approval of this application must be filed with the Director, Dept. of Water Resource, Northern Region, 1910 Northwest Blvd, Suite 210, Coeur D' Alene ID 83814 together with a protest fee of \$25.00 for each application on or before 07/08/2002. The protestant must also send a copy of the protest to the applicant.

KARL J DREHER, Director

Published on June **20** and 27, 2002

MICROFILM

MAY 28 2002



State of Idaho
DEPARTMENT OF WATER RESOURCES

NORTHERN REGION, Suite No. 210 • 1910 Northwest Blvd. • Coeur d'Alene, Idaho 83814-2615
(208) 769-1450

Fax (208) 769-1454

June 12, 2002

DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

LEGAL NOTICE DEPARTMENT
SHOSHONE COUNTY NEWS PRESS
PO BOX 149
KELLOGG ID 83837

FAXED TO 784-6791
MID AFTERNOON 6/12/02

RE: Application for Permit No. 94-7391

Dear LEGAL NOTICE DEPARTMENT:

Enclosed you will find a legal notice which we wish to have published in your newspaper on the dates indicated (once a week for two consecutive weekly issues). If you cannot publish the notice on the proposed dates, please contact us immediately.

An affidavit of publication must be submitted to the Department along with the publication bill. Please send the affidavit and bill to this office before 07/08/2002. Your cooperation is appreciated.

Sincerely

Dianne Ball
Administrative Assistant

MIDFALL 11-14

MIDFALL 11-14



State of Idaho
DEPARTMENT OF WATER RESOURCES

NORTHERN REGION, Suite No. 210 • 1910 Northwest Blvd. • Coeur d'Alene, Idaho 83814-2615
(208) 769-1450 Fax (208) 769-1454

DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

June 12, 2002

SHOSHONE COUNTY FIRE DISTRICT 3
PO BOX 83
MULLAN ID 83846-0083

RE: Application for Permit No 94-7391

Dear Applicant(s):

The Department of Water Resources acknowledges receipt of your water right application. Please refer to the above referenced number in all future correspondence regarding this application.

A legal notice of the application has been prepared and is scheduled for publication in the Shoshone County News Press on June 20 and 27, 2002. Submittal of protests to this application will be allowed for a period ending ten days after the second publication.

If the application is protested you will be sent a copy of the protest(s). All protests must be resolved before the application can be considered for approval. If the protest(s) cannot be resolved voluntarily, the Department will conduct a conference and/or hearing on the matter.

If the application is not protested, it will be forwarded to our State Office in Boise for final processing. The State Office will notify you of any action taken on the application and will send you a copy of the permit if approved. A typical processing time for an unprotested application is about eight to twelve weeks.

Please feel free to contact this office if you have any questions.

Sincerely,

Allen Beardslee
Senior Water Resource Agent

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JUN 23 2002

SHOSHONE COUNTY FIRE
DISTRICT #3.

(6)

CORPORATE OFFICERS:

CHAIRMAN - BRUCE VAN BROEK
SECRETARY - JAMES "ED" WILSON
TREASURER - TERRY J. STORJOHANN

License agreement
exists between
Hells Mining Lucky Friday Unit and
Shoshone Co Fire Dist #3

MICHAEL

MAR 28 2000



State of Idaho
DEPARTMENT OF WATER RESOURCES

NORTHERN REGION, Suite No. 210 • 1910 Northwest Blvd. • Coeur d'Alene, Idaho 83814-2615
(208) 769-1450

Fax (208) 769-1454

DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

June 04, 2002

IDAHO DEPT OF LANDS
3780 INDUSTRIAL AVE SOUTH STE 1
COEUR D ALENE, ID 83815

Application to Permit No. 94-7391

IDAHO DEPT OF LANDS :

The Department of Water Resources is seeking written comment and/or recommendations from your agency regarding the above referenced water right application. A copy of the application is enclosed for your reference.

This office can complete the processing of an unprotected application as soon as the protest period is past; therefore, your prompt response to this request is appreciated. If your agency desires to file a formal protest against the approval of this application, your written protest along with a \$25.00 filing fee must be received in this office by July 8, 2002.

Please contact this office if you have any questions regarding the application.

Sincerely,

Dianne Ball
Administrative Assistant

Enclosure(s)

MICROFILMED

JUN 24 2002

Ball, Dianne

From: Ball, Dianne
Sent: Tuesday, June 04, 2002 10:34 AM
To: Ray Hennekey IDFG Cd'A (E-mail)
Subject: Application for Permit No. 94-7391 Shoshone County Fire Dist #3 - needing your comments by 7/8/02

Dear IDAHO DEPT OF FISH & GAME :

The Department of Water Resources is seeking written comment and/or recommendations from your agency regarding the above referenced water right application. A copy of the application is included as an attached for your reference.



WRProof Report
Shoshone County...

This office can complete the processing of an unprotested application as soon as the protest period is past; therefore, your prompt response to this request is appreciated. If your agency desires to file a formal protest against the approval of this application, your written protest along with a \$25.00 filing fee must be received in this office by July 8, 2002.

Please contact this office if you have any questions regarding the application, or if you need more information before sending us your comments.

Sincerely,

Dianne

Dianne Ball, Administrative Assistant
Idaho Department of Water Resources
1910 Northwest Blvd., Suite 210
Coeur d'Alene, ID 83814
Phone 208-769-1450 FAX 208-769-1454

*No response
as of 7/30/02
[Signature]*

MICROFILMED
JUN 2 8 2003

DUPLICATE
ORIGINAL

LICENSE AGREEMENT

THIS LICENSE AGREEMENT is made and effective this 1st day of April, 2002, by and between HECLA MINING COMPANY/LUCKY FRIDAY UNIT, a Delaware corporation, with its address at 6500 Mineral Drive, Coeur d'Alene, Idaho 83815-8788 ("Licensor") and SHOSHONE COUNTY FIRE DISTRICT NO. 3, with its address at P.O. Box 83, Mullan, Idaho 83846 ("Licensee").

RECITALS

WHEREAS, Licensor is the owner of certain real property in the NE1/4 NE1/4 of Section 35, Township 48 North, Range 5 East, Boise Meridian, Shoshone County, Idaho, as shown on the Record of Survey, Short Plat-Lucky Friday Tracts ("Short Plat"), which was recorded January 8, 2002, in the records of Shoshone County as Instrument No. 401777; and,

WHEREAS, Licensee purchased Tract 2 as shown on the Short Plat from Licensor for the purposes of constructing, maintaining and operating a fire district garage facility, water tank and vehicle parking area, and for such incidental purposes related to those operations; and,

WHEREAS, Licensee desires to use a portion of Tract 3 as shown on the Short Plat for the purposes of installing, operating, maintaining and repairing a water supply pipeline, together with all necessary facilities and/or related appurtenances, to supply water to Licensee's facilities located on Tract 2.

NOW, THEREFORE, in consideration of the terms and conditions contained in this Agreement, the parties agree as follows:

AGREEMENT

1. **Grant of License; Description of Premises.** Licensor grants to Licensee a license to occupy and use a portion of Tract 3 as shown by the shaded area on Exhibit A, attached hereto and made a portion hereof ("Property"), subject to all of the terms and conditions of this Agreement.

2. **Term of License.** Licensee shall have and hold the rights hereby granted and conveyed for a period of ten (10) years from the effective date of this Agreement. This Agreement may be extended for additional terms by mutual written agreement signed by the parties in accordance with Section 16 herein.

3. **Limitation to Described Purpose.** The Property may be used by Licensee solely for the purposes of installing, operating, maintaining and repairing its water supply pipeline, together with all necessary facilities and/or related appurtenances, to supply water to Licensee's facilities located on Tract 2. Licensee covenants and agrees that it will maintain the surface ground, pipeline and any appurtenances placed or located on the Property in a clean and orderly condition.

4. **Payment.** Licensee shall pay to Licensor the sum of thirty dollars (\$30.00) per year for land rental, the first payment to be made within thirty (30) days of the effective date hereof, and annually thereafter within thirty (30) days after such effective date during the term of this Agreement. Licensor may increase the annual rental payment at its sole discretion.

5. **Acceptance by Licensee.** Licensee agrees that it has inspected the Property and accepts the Property in its existing condition.

6. **Taxes and Repairs.** Licensee shall be liable for payment of all real and personal property taxes assessed against the Property as a result of the placement of its water supply pipeline on the Property. Licensee is solely responsible for all costs associated with the installation, maintenance and repair of the pipeline.

7. **Licenses and Permits.** Licensee shall, at its sole cost and expense, secure from the proper county, state and other necessary regulatory agencies all licenses and permits required by law for the installation, maintenance and use of its pipeline and related appurtenances on the Property.

8. **Insurance.** Licensee shall, during the term of this Agreement, at Licensee's sole cost and expense, maintain a reasonable amount of insurance to cover the following:

- A. Standard form property insurance insuring against the perils of fire, extended coverage, vandalism, malicious mischief, and special extended coverage ("all risk"). This insurance policy shall be upon all property owned by Licensee, for which Licensee is legally liable, or that was installed at Licensee's expense and which is located on the Property.
- B. Comprehensive general liability insurance insuring Licensee against any liability arising out of this Agreement, or the use, occupancy or maintenance of the Property and all areas appurtenant to the Property. Such insurance shall be in the amount of not less than \$1,000,000 combined single limit for injury to, or death of one or more persons in an occurrence, and for damage to tangible property (including loss of use) in any one occurrence.
- C. Stated minimums shall not be interpreted as limiting Licensee's insurance coverage. Such policies shall act as primary to any insurance of Licensor. Insurance coverage described in paragraphs A and B above shall be carried with insurance companies satisfactory to Licensor. Licensee shall provide a Certificate of Insurance evidencing such insurance coverage, showing that Licensor has been named as an additional insured. These Certificates will contain a provision that coverages afforded shall not be cancelled or changed until at least thirty (30) days' written notice has been given to Licensor. If any of the above insurance is written on a "claims made" basis, the retroactive date of such policies must date prior to the effective date of this Agreement.

9. **Right to Enter Premises.** Licensee shall permit Licensor, its agents, and other employees, to have access to and to enter the Property at all reasonable and necessary times to inspect the premises for any purpose reasonably connected with Licensor's interest in the Property and to perform any work or other act found on such inspection without interference in Licensee's conduct of its business or right of quiet enjoyment of the Property.

10. **Release.** Licensee shall conduct its activities on the Property and shall exercise the privileges granted herein, at its sole and exclusive risk. Licensee on behalf of itself, its predecessors, successors and assigns, hereby forever releases and discharges Licensor and its officers, directors, employees, shareholders, agents and other representatives, individually and collectively, from any and all claims, demands, causes of action, lawsuits, judgments, liens, indebtedness, expenses, damages or other liability of any nature whatsoever, whether in law, equity, contract, tort or otherwise, that Licensee has or may have against Licensor due to its activities on the Property.

11. **Indemnification.** Licensee hereby agrees that it shall, without limitation, indemnify, defend, protect and hold harmless Licensor and Licensor's officers, directors, employees, shareholders, agents and other representatives, individually and collectively, from and against any and all liability for suits, claims, actions, damages, costs, losses and expenses resulting from, arising from, or in any way connected with Licensee's or Licensee's agents, employees or invitees, negligence, breach of contract or willful misconduct.

12. **Assignment of Agreement.** The rights of each party under this Agreement are personal to that party and may not be assigned or transferred to any other person, firm, corporation, or other entity without the prior, express and written consent of the other party, which consent shall not be unreasonably withheld, provided, however that no consent shall be required to transfer either party's interest to an affiliate or successor.

13. **Termination.** Either party may terminate this Agreement at any time by giving sixty (60) days' written notice to the other party. It is also understood and agreed that this Agreement shall terminate on the dissolution of said fire district or upon the cessation of the fire district's use of the Property for the purposes stated herein; provided, however, that such limitation shall not apply in the event that such fire district is consolidated with another fire district(s) pursuant to applicable law. Upon the expiration of sixty (60) days after expiration or any termination of this Agreement, all items left at or on the Property shall become the property of Licensor, regardless of prior ownership.

14. **Amendments to Agreement.** This Agreement may be amended only by a writing signed by all of the parties to this transaction.

15. **Recordation of Memorandum of License Agreement.** Licensor agrees to execute a memorandum or short form of this Agreement in recordable form, setting forth a description of the Property, the term of this Agreement, the use restriction herein and other information as deemed necessary by Licensor for the purposes of giving public notice thereof to third parties. Such short form of Agreement shall be recorded in the records of Shoshone County by Licensor and a copy of the recorded instrument shall be delivered to Licensee.

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16. **Notices.** All notices, requests, demands, rent payments and other communications hereunder shall be in writing and shall be deemed given if personally delivered or mailed, certified mail, return receipt requested, or sent by overnight carrier to the following addresses on the date received:

If Licensor:

Hecla Mining Company
Attn: Land Department
6500 Mineral Drive
Coeur d'Alene, Idaho 83815-8788
Telephone: (208) 769-4100
Fax: (208) 769-4122

If Licensee:

Shoshone County Fire District No. 3
P.O. Box 83
Mullan, Idaho 83846
Telephone: (208) 744-1157
Fax: (208) 744-1143

with a copy to:

Lucky Friday Unit
Attn: Unit Manager
P.O. Box 31
Mullan, Idaho 83846
Telephone: (208) 744-1751
Fax: (208) 744-1317

17. **Compliance with Laws.** Licensee represents and warrants that all its activities shall be in compliance with applicable state, federal and local laws, regulations and ordinances now in effect and those that become effective after the effective date hereof.

18. **Successors, Affiliates and Assigns.** This Agreement shall inure to the benefit and be binding upon the parties hereto and their respective successors, affiliates or assigns.

19. **Attorneys' Fees.** The prevailing party in any dispute arising under this Agreement shall be entitled to an award of reasonable attorneys' fees and costs.

20. **Governing Law.** It is agreed that this Agreement shall be governed by, construed and enforced under the laws of the state of Idaho.

IN WITNESS WHEREOF, the parties hereto have entered into this License Agreement as of the date first hereinabove written.

LICENSOR

LICENSEE

HECLA MINING COMPANY

SHOSHONE COUNTY FIRE
DISTRICT NO. 3

By Thomas F. Fudge, Jr.
Thomas F. Fudge, Jr.
Vice President - Operations

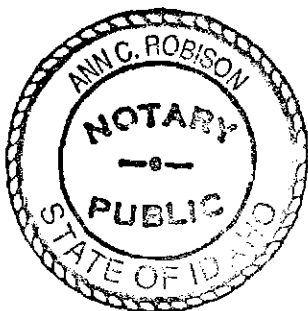
By Larry J. Storjohann
Larry J. Storjohann
Treasurer - SCFD #3

ACKNOWLEDGEMENTS

STATE OF IDAHO)
) ss.
County of Kootenai)

ON THIS 1st day of April, 2002, before me, the undersigned, a Notary Public in and for the state of Idaho, personally appeared Thomas F. Fudge, Jr., known or identified to me to be the Vice President - Operations of HECLA MINING COMPANY, the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year in this certificate first above written.



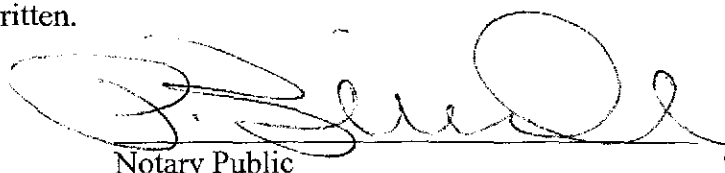
Ann C. Robison
Notary Public
Residing at Hayden
My Commission Expires 10/31/2006

MICROFILMED
MAY 10 2001

STATE OF IDAHO)
) ss.
County of Shoshone)

ON THIS 20th day of April, 2002, before me, the undersigned, a Notary Public in and for the State of Idaho, personally appeared Terry J. Storjohann, known or identified to me to be the Treasurer of SHOSHONE COUNTY FIRE DISTRICT NO. 3, known or identified to me to be the person who executed the instrument on behalf of said fire district, and acknowledged to me that such fire district executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year in this certificate first above written.



Notary Public

Residing at Mullan, Id.

My Commission Expires 10-11-05

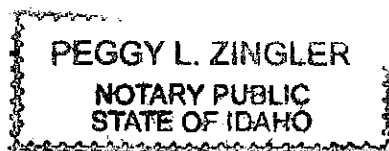


EXHIBIT A
to the License Agreement
Shoshone Co. Fire Dist. No. 3 & Hecla

INST 26 25
#394114 35 36

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3028

