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 3, 2004

PALMER A BERGH
CLOVER HOLLOW COMPANY LLC
180 KINGS CT
MOUNTAIN HOME ID 83647

RE: APPLICATION TO LEASE PART OF WATER RIGHT NOS. 2-2386, 2-2387, 2-2388, and 2-7148 TO THE WATER SUPPLY BANK

Dear Mr. Bergh:

The department has conducted an initial review of Agreement No. 1425-04-WL-10-0002 (Agreement) between you and the United States Bureau of Reclamation (Reclamation) submitted to this office as an Application to Sell or Lease a Water Right to the Water Supply Bank (bank). The application was submitted in connection with the 2004 Snake River Pilot Leasing Program initiated by Reclamation.

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

1. Payment for rental of the right(s) from the bank is contingent upon the 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 Contract no. 1425-04-WL-10-0023 between the United States Bureau of Reclamation and the Idaho Department of Water Resources to Implement the Rental of Water Rights Under the Pilot Program for Leasing of Snake River Natural Flow Water Rights for 2004, said agreement dated June 30, 2004 (Contract).

2. While part(s) of a right is in the bank, the owner of the right may not use that part of the right.

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.

5. The right will be considered released from the bank on December 31, 2004.

The Agreement and Contract specify that one half of the estimated payment will be paid on or around July 30, 2004, and the second half shall be issued after the irrigation season has ended and verification of compliance with the Agreement is complete. Payment to the individual lessors will be issued at a pay rate per acre identified in the individual Agreement between Reclamation and the lessors minus ten percent (10%) to be credited to the Water Administration Account as provided in the Water Supply Bank rules. The department has invoiced Reclamation for the funds associated with the first payment as required in the Contract. A state warrant will be issued in the amount of $195,306.12 for the first payment for rental of water from the bank in accordance with the above referenced Agreement. The Controller's office will issue the warrant directly to the address identified on the Internal Revenue Service W-9 form submitted with the application to lease water rights to the bank.

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

Sincerely,

Cynthia Bridge Clark
Water Allocations Bureau

c: IDWR Regional Office

E. Gail McGarry
Program Manager, Water Rights & Acquisition
Bureau of Reclamation
1150 N Curtis, Suite 100
PN 3100
Boise ID 83706-1234

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: PO Box 70, Boise, ID 83707
3. Source of water: Snake River
4. Volume of water rented: Estimated volume of 78,759.9 af (based on total of 26,253.3 dried acres times 3.0 afa/yr).

   Max rate: Estimated diversion rate of 62 cfs to 284 cfs

5. Diversion period: 2004 irrigation season
6. Use of water: Hydropower at Hells Canyon Complex
7. a) Renter's point of diversion:

   Legal description: Brownlee, Oxbow, and Hells Canyon Projects

   b) Renter's place of use:

   Legal description: NA

8. The right from which water will be rented is: See Attachment: Summary of Rentals

SUPPORT DATA
IN FILE # 02-2386

2-2386

The U.S. Bureau of Reclamation (Reclamation) and Bonneville Power Administration agree to pay the Lessors identified on the attached list, a price per acre as specified in individual agreements between Reclamation and the Lessors (agreements). The agreements provide that one half of the estimated payment will be made on or about July 30, 2004, and one half will be after the irrigation season has ended and verification of compliance with the agreements is complete. The Idaho Department of Water Resources (IDWR) shall comply with the payment scheme specified in the individual agreements between Reclamation and the Lessors. Prior to making payment to the Lessors, IDWR will invoice Reclamation for the payment plus the associated ten percent (10%) for the Water Administration Account.

Reclamation and Bonneville Power Administration agree to use the water in compliance with the Water Supply Bank rules and in compliance with the conditions of water use shown below:

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 Contract number 1425-04-WL-10-0023 (Contract) between Reclamation and IDWR to Implement the Rental of Water Rights Under the Pilot Program for Leasing of Snake River Natural Flow Water Rights for 2004 (Program).

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, 2004 to November 15, 2004, and the right(s) will be considered released from the bank on December 31, 2004.

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 points of diversion and place of use of the water shall revert to its original points of diversion and 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.

7. 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.

8. 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.

9. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.

Dated this 21st day of July, 2004.

by _____
for Idaho Power Company

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 23rd day of July, 2004.

for KARL J. DREHER, Director
Department of Water Resources

2004 PILOT LEASING PROGRAM FOR LEASING OF SNAKE RIVER NATURAL FLOW WATER RIGHTS RENTAL OF WATER FROM THE WATER SUPPLY BANK

SUMMARY OF RENTALS FROM THE WATER SUPPLY BANK

LESSOR	AGREEMENT BETWEEN LESSORS AND USBOF[1]			Estimated Total Payment by Reclamation	RENTED WATER RIGHT(S)
	Agreement No.	Contracted Idled Acres (ac)	Payment Rate (price/ac)		
Bell Rapids Mutual Irrigation Co.	1425-04-WL-10-00012	2405.9	$150.00	$360,885.00	2-10205
Bergh Farms	1425-04-WL-10-0004	477.6	$139.50	$66,625.20	2-2159, 2-2354, 2-7184, 2-7229, 2-7284
Clover Hollow, LLC.	1425-04-WL-10-0002	3122.4	$139.00	$434,013.60	2-2386, 2-2387, 2-2388, 2-7148
Dirks, Robert	1425-04-WL-10-0007	185.7	$149.00	$27,669.30	2-2279, 2-7012
Falcon Butte Farms, Inc.	1425-04-WL-10-0004	4072.2 197.0	$111.50 $134.50	$480,546.80	2-2249, 2-2250, 2-2251, 2-2252, 2-2253, 2-2254, 2-2255, 2-2256, 2-2361, 2-7001
Farm Development Corp.	1425-04-WL-10-00013	123.6	$150.00	$18,540.00	2-2371, 2-2372
Grindstone Butte Mutual Canal CO	1425-04-WL-10-00011	5856.3	$150.00	$878,445.00	2-2262
Huey Farms, Inc.	1425-04-WL-10-0006	589.9	$149.00	$87,895.10	2-2361, 2-7001
Kitsos, Constantine	1425-04-WL-10-00018	52.3	$150.00	$7,845.00	2-2145, 2-7144
Little Valley Mutual Irrigation Company	1425-04-WL-10-00016	814.6	$150.00	$122,190.00	2-2443, 2-7030, 2-7068
Mills, James	1425-04-WL-10-00017	258.3	$150.00	$38,745.00	2-7076, 2-7132
Montierth, Herbert, Edward Ray & Susan	1425-04-WL-10-00018	729.7	$149.00	$108,725.30	2-2198, 2-2191
Murphy Flats Water Company, Inc.	1425-04-WL-10-00018	537.9	$150.00	$80,685.00	2-2361, 2-2370, 2-7001
Rosti, Martha	1425-04-WL-10-00010	111.4	$150.00	$16,710.00	2-2194A, 2-2194B
Sailor Creek Water Company	1425-04-WL-10-0009	870.8	$150.00	$130,620.00	2-2186, 2-2204, 2-2206, 2-2214, 2-2215, 2-2217, 2-2218
South Elmore Irrigation Company	1425-04-WL-10-0005	4883.9	$140.00	$683,746.00	2-2210, 2-2269, 2-2367
TLK Farms, Inc.	1425-04-WL-10-0003	573.4	$140.00	$80,276.00	2-2379
Young, Roger	1425-04-WL-10-00014	390.4	$150.00	$58,560.00	2-2298, 2-2376, 2-7182
	TOTALS:	26253.3		$3,682,722.30	

[1] The "Agreement" represents the Water Rental and Forbearance Agreement entered into between the United States Bureau of Reclamation (Reclamation) and the individual Lessors. The **Contracted Acres Idled** and the **Payment Rate** represent the number of acres to be idled and the payment per acre agreed upon between the Lessors and Reclamation. The **Estimated Total Payment by Reclamation** is based on the Contracted Idled acres times the Payment Rate.

01/ 03

Before the Idaho Water Resource Board

RECEIVED
JUL 2 2 2004
DEPARTMENT OF WATER RESOURCES

APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK

Applicant Idaho Power Company Phone 388-2905

Address P.O. Box 70

City Boise State ID Zip Code 83707

A. DESCRIPTION OF WATER SOUGHT TO RENT

1. Source of water Snake River tributary to
2. Maximum volume of water Estimated volume of 78,759.9 AF (based on a Total of 26,253.3 dried acres times 3 afa/yr).
3. Maximum rate of diversion Estimated diversion rate ranging from 62 cfs to 284.0 cfs.

B. DESCRIPTION OF USE PROPOSED

1. Nature of intended use Hydropower, Hells Canyon Complex
2. Location of point of diversion Brownlee, Oxbow and Hells Canyon Dam.
   Township _____, Range _____, B.M. _____ County.
3. Season of use: From May 1, 2003 to November 15, 2003.
4. Description of diverting works: N/A
   Pump HP _____ Lift _____ Pump type _____.
   Canal name, if appropriate _____.
5. Place of use:
   a. If water is for irrigation, describe the number of acres to be irrigated by 40-acre tract, section, township and range.

N/A

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

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

Who owns the property at the place of use?

N/A

8. Are you seeking a rental for more than one (1) year? NO (yes or no)

If yes, for how many years? _____

9. Remarks: See Attached Table 1 for list of rights for rent.

7/21/04
Date

Signature of Applicant
Idaho Power Company

FOR DEPARTMENT USE ONLY

Received by JP Date 7/22/04 Time _____

Published in _____ Pub. dates _____

Protests filed by _____

Hearing held by _____

Action recommended _____

TABLE I

LESSOR	Agreement No.[1]	Contracted Idled Acres (ac)
Bell Rapids Mutual Irrigation Co.	1425-04-WL-10-00012	2405.9
Bergh Farms	1425-04-WL-10-0004	477.6
Clover Hollow LLC	1425-04-WL-10-0002	3122.4
Dirks, Robert	1425-04-WL-10-0007	185.7
Falcon Butte Farms, Inc.	1425-04-WL-10-0004	4072.2 197.0
Farm Development Corp.	1425-04-WL-10-00013	123.6
Grindstone Butte Mutual Canal CO	1425-04-WL-10-00011	5856.3
Huey Farms, Inc.	1425-04-WL-10-0006	589.9
Kitsos, Constantine	1425-04-WL-10-00018	52.3
Little Valley Mutual Irrigation Company	1425-04-WL-10-00016	814.6
Mills, James	1425-04-WL-10-00017	258.3
Montierth, Herbert, Edward & Susan	1425-04-WL-10-00018	729.7
Murphy Flats Water Company, Inc.	1425-04-WL-10-00018	537.9
Rosti, Martha	1425-04-WL-10-00010	111.4
Sailor Creek Water Company	1425-04-WL-10-0009	870.8
South Elmore Irrigation Company	1425-04-WL-10-0005	4883.9
Terry Ketterling (TLK Farms, Inc.)	1425-04-WL-10-0003	573.4
Young, Roger	1425-04-WL-10-00014	390.4
	TOTALS:	**26253.3**

Conditions of Rental Application

1) The "Agreement" represents the Water Rental and Forbearance Agreement entered into between the United States Bureau of Reclamation (Reclamation) and the individual Lessors.

2) The acreages listed above were compiled from the Applications submitted by the corresponding entities to lease water to the Water Supply Bank in accordance with Contract no. 1425-04-WL-10-0023 between the U.S. Bureau of Reclamation and the Department of Water Resources. The lessors have agreed to leave these lands idle through the 2004 irrigation season, and the Snake River water rights appurtenant to these acres have been leased to the Water Supply Bank.

3) The volume of water available to lease is contingent upon the determination that the lessors have complied with the terms of the Agreements and that the acres associated with Agreements have valid Snake River water rights.

United States Department of the Interior
Bureau of Reclamation

RECEIVED
JUN 2 5 2004
DEPARTMENT OF WATER RESOURCES

Water Rental and Forbearance Agreement
with
Clover Hollow Company, L.L.C.

Reclamation Agreement No. **1425-04-WL-10-0002**

This Agreement is entered into pursuant to the Reclamation Act of 1902, as amended and supplemented, for the purpose of meeting commitments of the Bureau of Reclamation (Reclamation) under the Biological Opinions on the Operation of the Federal Columbia River Power System and the operation and maintenance of Reclamation Projects in the Snake River Basin above Brownlee Dam. This Agreement is by and between the United States of America, acting by and through the Department of the Interior, Bureau of Reclamation, represented by the officer executing this instrument on its behalf and Clover Hollow Company, L.L.C., hereafter known as the Lessor.

RECITALS

A. WHEREAS, Reclamation has commitments under Biological Opinions on the operation of the Federal Columbia River Power System and the operation and maintenance of Reclamation Projects in the Snake River Basin above Brownlee Dam to provide flow augmentation for delivery at Lower Granite Dam.

B. WHEREAS, The Idaho Legislature authorized Reclamation to annually rent up to 427,000 acre-feet of storage water per year during the years 2002-2004 under the provisions of Idaho Code § 42-1763B.

C. WHEREAS, In 2003, there was insufficient storage water available for rental by Reclamation to meet the 427,000 acre-feet rental target. Therefore, Reclamation conducted a pilot leasing program under which water right holders submitted proposals to idle land and place their water rights in the State Water Supply Bank, thereby increasing water flow downstream to Lower Granite Dam. Rules governing the Idaho State Water Supply Bank, IDAPA 37.02.03, provide that rentals shall be approved only for use in Idaho unless there is compliance with the provisions of Idaho Code § 42-401(3). In order to avoid the complexities of Reclamation seeking approval for out-of-state use, the water was rented by the Idaho Power Company and used for hydropower generation in Idaho with the result that additional water flowed to Lower Granite Dam for flow augmentation.

D. WHEREAS, Similar to 2003, it is expected that insufficient storage water will be available this year for rental by Reclamation. Therefore, Reclamation is conducting another similar pilot program (Program). Under this Program, water right holders will forego irrigation of land and place their water rights into the Idaho State Water Supply Bank. As a practical way of ensuring that Reclamation receives additional water, over and above the water flows that would otherwise be available, a qualification was added requiring that the land to which the water right is appurtenant was either irrigated last year or was in Reclamation's 2003

SUPPORT DATA
IN FILE # 2-2386

COPY

program explained in recital C above. Again, it is intended for Idaho Power to rent the water from the State Water Supply Bank.

E. Reclamation advertised a request for proposals to the public. In response, the Lessor submitted a proposal for participation in the Program. The proposal shows that the Lessor has a right to use water for irrigation purposes and absent this Program was intending to irrigate with the water proposed for the Program. Therefore, placing the Lessor's water in the Water Bank during 2004 will result in additional water in the Snake River at Lower Granite Dam, Oregon. This additional water will be counted towards Reclamation's obligation to provide 427,000 acre-feet of water at Lower Granite Dam.

AGREEMENT

NOW THEREFORE, in consideration of the mutual and dependent covenants herein contained, the parties agree as follows:

I. Land Accepted into the Program

A. The total number of acres accepted into the Program is **3,122.4 acres**. The land, hereinafter referred to as the Land, accepted into the Program is identified as "LL" on the map(s) included in Attachment A. This is the maximum number of acres eligible for payment under this Agreement. Reclamation recognizes the following conditions may exist: 1) additional acres may have been proposed in the Lessor's application, 2) the Lessor may have a right to irrigate additional acres, 3) the Lessor may intend to irrigate additional acres in 2004 and is willing to idle those acres, and 4) the Lessor may submit an application to the State Water Supply Bank to lease water rights appurtenant to acres other than the acres identified in this Agreement. Notwithstanding any of the conditions stated above or any other conditions, under this "willing seller, willing buyer" Agreement, the number of acres covered by the Agreement is limited to the number and location stated in this section I.A. of the Agreement.

B. If it is determined after the execution of this Agreement that certain acres are not eligible for the Program because of a mistake, error, or misrepresentation in the Lessor's application, the land covered under this Program will be reduced accordingly.

C. The Land may not be irrigated from any source, regardless of whether there is another valid water right appurtenant to the Land. Water authorized to be diverted under water rights, or portions of water rights, leased to the Water Supply Bank may not be applied to lands that are not identified in this Agreement. The Lessor may not water the Land for any reason; for example, testing equipment, irrigating a cover crop, or dust abatement.

D. IDWR intends to monitor the Lessor's idled lands. The monitoring will include field visits, and the collection and analysis of satellite data and related pump and

flow measurements collected at IDWR's discretion. The Lessor agrees to allow the collection of data and access for field visits.

II. Water Rights Appurtenant to the Leased Land

A. The Lessor agrees that this Agreement shall be submitted to the Idaho State Water Supply Bank as an application to lease water to the bank, and that the Lessor is offering the water rights described in Attachment A to the bank by signing this Agreement. The Lessor agrees that any additional information or requirement IDWR may require to process or accept the application shall be furnished promptly to IDWR, including but not limited to, the submission of a separate application form if required. Failure to comply with IDWR requests for information or other requirements is cause for termination of this agreement.

B. All rentals of the Lessor's water rights out of the water bank shall be subject to Reclamation's approval.

C. With respect to the water rights covered by this Agreement, the Lessor warrants that the Lessor has the right, title, and interest necessary to enter into this Agreement; and that there are no agreements, leases, licenses, liens or encumbrances which would prohibit the Lessor from placing the Lessor's water rights into the Idaho State Water Bank; and that to the extent necessary, the Lessor has obtained any consent or approval necessary to authorize the execution of this contract.

D. The Lessor shall immediately notify Reclamation if there are any changes in ownership or any encumbrances or liens placed upon any of the real property or water rights covered by this contract during the term of the Agreement.

III. Payment

A. By signing this Agreement the Lessor offers to the Idaho State Water Supply Bank the water rights described above for a total lease price of **$434,013.60**. This amount is based on **$139.00** per acre of land idled. The Lessor understands that the amount the Lessor will receive from the Idaho State Water Supply Bank is 90% of the total lease price. Ten percent will be retained by IDWR for administrative costs of operating the Water Supply Bank, pursuant to the Water Supply Bank Rules.

B. Payment as shown in section III.A above is based upon a dollar amount per acre of land idled, regardless of the diversion rate or maximum diversion volume allowed under the water right, the historical diversion rate or consumptive use under the water right, or the diversion rate or diversion volume approved for lease by IDWR.

C. Pursuant to the Water Supply Bank Rules, IDAPA 37.02.03, after the water rights are leased, payment is to be made by the Water Supply Bank to the Lessor.

Lessor agrees to accept the following intended plan for payment by IDWR: One half of the estimated payment will be made on or about July 30, 2004, and the remainder will be paid after the irrigation season ends and final verification of program compliance is complete. Reclamation will enter into a separate contract with IDWR to make payment to the Water Supply Bank for this purpose.

IV. Term, Termination of Agreement and Remedies

A. The Agreement shall become effective on the date of the last signature hereto and shall extend through December 31, 2004.

B. At Reclamation's discretion, this Agreement may be terminated upon:

(1) Failure of the Lessor to abide by the terms and conditions of this Agreement;

(2) Refusal of the Lessor to allow Reclamation or IDWR access to the Land to monitor compliance with the Agreement;

(3) Application of water by the Lessor to the Land during the period of this Agreement, except in emergency situations where the application of water is required for public safety reasons; or

(4) Discovery of fraudulent information submitted in the Lessor's Application.

C. If this Agreement is terminated for any other reason prior to its ending date, the Lessor shall reimburse Reclamation for a prorated portion of the amount stated in Section III.A of this Agreement, as determined by Reclamation.

V. Miscellaneous

A. The Landowner or Lessor is responsible for all taxes, assessments, soil conservation measures such as weed and erosion control and other obligations related to any of the Land covered by this Agreement.

B. The Landowner will indemnify and hold harmless Reclamation from any loss or damage and from any liability on account of personal injury, property damage, or claims for personal injury or death, or property damage of any nature caused by the Landowner or any person, firm or corporation acting on the Landowner's behalf related to or arising out this Agreement.

C. Water Right Ownership

This Agreement shall not be used as evidence of ownership of water rights in the Snake River Basin Adjudication.

D. Officials Not to Benefit

No member of or delegate to Congress or the Resident Commissioner shall be admitted to any share or part of this Agreement or to any benefit to arise therefrom, but this restriction shall not be construed to extend to this Agreement if made with a corporation or company for its general benefit.

E. Covenant Against Contingent Fees

The Lessor warrants that no person or agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee except bona fide employees and bona fide commercial agencies maintained by the Lessor for the purpose of securing business. For breach or violation of this warranty, Reclamation shall have the right to revoke this Agreement without liability or in its discretion to require the Lessor to pay the full amount of such commission, percentage, brokerage, or contingency fee to the United States.

Signatures
Print name(s): PALMER A. BERGH

Mailing address: 180 KINGS CT. MTN. HOME, ID 83647

Phone: 208 587-8594

Signed Palmer A Bergh

Signed _____

Date: _____

On this 1st day of June, 2004, before me the undersigned Notary Public in and for said county and state, personally appeared Palmer A. Bergh, known to me to be the person whose name is subscribed to within instrument and acknowledged to me that he/she executed the same.

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

CLORIS ALVOLA
NOTARY PUBLIC
STATE OF IDAHO

Cloris Alvola
Notary Public in and for Idaho
Residing at; Mtn. Home, ID.
Commission Expires: 5.21.05
County of Elmore

Signature: Kenneth R Pedde

Regional Director, Pacific Northwest Region
Bureau of Reclamation

Date: 5/19/04

Agreement No. 1425-04-WL-10-0002

State of Idaho)
S.S.
County of Ada)

On this 19th day of May 2004, before me the undersigned Notary Public in and for said county and state, personally appeared Kenneth R. Pedde, known to me to be the person whose name is subscribed to within instrument and acknowledged to me that he/she executed the same.

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

Lou Ann Wirick
Notary Public in and for Idaho
Commission Expires: Oct 22, 2008



ATTACHMENT A

Agreement No. 1425-04-WL-10-0002

Clover Hollow, L.L.C.

Water Right Numbers for Lands in 2004 Snake River Pilot Leasing Program 02-7148, 02-2388, 02-2387, 02-2386

Legal Description of Lands Approved for 2004 Snake River Pilot Leasing Program

TWN	RGE	SEC	Subtotal in section	NE				NW				SW				SE			
				NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE
4S	7E	27	283.5	0.0	0.0	0.0	0.0	33.6	32.1	38.8	39.8	31.3	30.0	39.0	38.9	0.0	0.0	0.0	0.0
		31	611.5	38.6	38.4	39.8	36.7	38.2	36.6	37.9	39.7	39.7	37.7	36.6	38.9	35.1	39.7	39.0	38.9
		32	617.0	39.2	39.3	38.6	38.6	39.1	36.6	36.4	38.5	39.9	37.8	37.5	39.0	39.1	40.0	39.1	38.3
		33	602.3	20.5	37.7	38.2	38.1	39.3	39.1	38.5	38.2	39.9	40.0	38.9	38.8	39.8	38.8	37.9	38.6
5S	7E	5	435.4	0.0	0.0	0.0	0.0	33.3	32.2	38.3	39.7	38.7	37.3	40.0	40.0	31.6	30.2	37.1	37.0
		6	302.6	33.6	33.2	39.4	39.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	38.9	38.9	39.2	39.6
		7	156.7	39.5	39.2	39.2	38.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		8	113.4	0.0	0.0	0.0	0.0	25.0	40.0	38.3	10.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		Total	**3122.4**	acres															

Applicant Signature

6/1/04
Date

Regional Director, Pacific Northwest, Bureau of Reclamation

5/19/04
Date

ATTACHMENT A Page 2 of 2

#1425-04-101-10-0002



SPOT Satellite Image: 08-20-2002

Palmer C. Borgh 6/1/04

Applicant Signature Date

Kenneth R. Peddo 5/19/04

USBOR Signature Date

Clover Hollow, LLC

2004 Snake River Pilot Leasing Program
Rental of Water from the Water Supply Bank

Prepared: February 18, 2004

COPY

APPLICATION FOR PROPOSAL FOR SNAKE RIVER PILOT LEASING PROGRAM 2004

A. GENERAL

A1. Applicant name(s): C. LOVER HOLLOW LLC

A2. Proposed price per acre: $ 139.00 per acre. Note that you will only receive 90% of that rate.

A3. Number of acres you propose to idle: 3712.3 acres

B. INFORMATION ABOUT THE APPLICANT

B1. Type of applicant:

☐ Single individual ☐ Partnership ☒ Limited liability co.
☐ Joint owners ☐ Corporation ☐ Irrigation district ☐ Other _____

B2. Taxpayer identification number, if applicable: 82-0469345

B3. Mailing Address: P.O. Box 606, MTN Home, ID 83647

B4. Daytime Phone Number: 208-587-8594 Additional cell phone number: 208-573-3544 Fax: 208 587-6720

B5. E-mail Address: paberg@earthlink.net

B6. Do you
☒ own the land that is to be idled?
☐ lease the land that is to be idled?
☐ neither, you only hold the water rights, e.g. irrigation district, canal company.

B7. If you lease the land that is to be idled, complete the following:

a. Provide a copy of your entire lease.
b. Does your lease provide for authorization to put water into the water bank?
☐ Yes, on page ___ of my lease.
☐ No, but I have separate authorization, which is enclosed.
c. Name and address of the lessor landowner: _____

C. INFORMATION ABOUT THE LAND THAT WILL BE IDLED

C1. Does each tract of land you are proposing meet the eligibility criteria? ☒ Yes ☐ No

C2. Were any of the proposed lands leased to the Idaho State Water Supply Bank under a 2003 contract with Reclamation? ☒ Yes ☐ No

C3. Is a cover crop planned for the idled land? ☐ No ☒ Yes, my cover crop will be: Cereal grain

C4. Have you completed and enclosed the attached grid? (See application instructions.) ☐ Yes N/A

C5. Have you attached an **acceptable** map with the proposed acres identified? (See application instructions.) ☒ Yes

C6. Have you enclosed acceptable evidence of irrigation of the proposed lands during the 2003 irrigation season? (See instructions) ☒ Yes

D. INFORMATION FOR EACH WATER RIGHT INCLUDED IN YOUR PROPOSAL

If you are proposing to lease more than one water right, copy this section and fill out a separate page for each water right.

D1. Water Right Number: 2-2386

D2. What is the basis of the water right? ☐ permit ☒ license ☐ decree

D3. Have you attached a copy of the permit, license, or decree? ☒ Yes

D4. Has a claim been made for the water right in the Snake River Basin Adjudication (SRBA)? ☒ Yes Attach a copy of this SRBA claim.

D5. Priority date of the water right: 3/11/1966

D6. (a) What is the total number of acres described in the place of use for irrigation under this water right? 945 acres

(b) Does this right have a permissible place of use? ☒ Yes ☐ No

D7. Is the number of acres authorized for irrigation under this right limited within the place of use in a single irrigation season?

☒ Yes, it is limited to 945 acres.
☐ No

D8. Are any other water rights appurtenant to the proposed lands that are not included in this proposal?

☐ Yes, the other water rights are: _____
☒ No

D9. How many acres authorized **under this water right** were irrigated during the 2003 season? 476.7 acres

D10. Were any acres under this water right leased to the Idaho Water Supply Bank under a 2003 Contract with Reclamation?

☒ Yes, 459.5 acres.
☐ No

D11. Do you propose to enter only a portion of the water right into the Program? ☐ Yes ☒ No

D12. If so, how many acres authorized under this water right will still be irrigated during the 2004 irrigation season if your proposal is accepted into the Program? 0 acres

D. INFORMATION FOR EACH WATER RIGHT INCLUDED IN YOUR PROPOSAL

If you are proposing to lease more than one water right, copy this section and fill out a separate page for each water right.

D1. Water Right Number: 2-2387

D2. What is the basis of the water right? ☐ permit ☒ license ☐ decree

D3. Have you attached a copy of the permit, license, or decree? ☒ Yes

D4. Has a claim been made for the water right in the Snake River Basin Adjudication (SRBA)? ☒ Yes Attach a copy of this SRBA claim.

D5. Priority date of the water right: 3/11/1966

D6. (a) What is the total number of acres described in the place of use for irrigation under this water right? 957 acres

(b) Does this right have a permissible place of use? ☒ Yes ☐ No

D7. Is the number of acres authorized for irrigation under this right limited within the place of use in a single irrigation season?

☒ Yes, it is limited to 957 acres.
☐ No

D8. Are any other water rights appurtenant to the proposed lands that are not included in this proposal?

☐ Yes, the other water rights are: _____
☒ No

D9. How many acres authorized **under this water right** were irrigated during the 2003 season? 316.9 acres

D10. Were any acres under this water right leased to the Idaho Water Supply Bank under a 2003 Contract with Reclamation?

☒ Yes, 628.6 acres.
☐ No

D11. Do you propose to enter only a portion of the water right into the Program? ☐ Yes ☒ No

D12. If so, how many acres authorized under this water right will still be irrigated during the 2004 irrigation season if your proposal is accepted into the Program? 0 acres

D. INFORMATION FOR EACH WATER RIGHT INCLUDED IN YOUR PROPOSAL

If you are proposing to lease more than one water right, copy this section and fill out a separate page for each water right.

D1. Water Right Number: 2-2388

D2. What is the basis of the water right? ☐ permit ☒ license ☐ decree

D3. Have you attached a copy of the permit, license, or decree? ☒ Yes

D4. Has a claim been made for the water right in the Snake River Basin Adjudication (SRBA)? ☐ Yes Attach a copy of this SRBA claim.

D5. Priority date of the water right: 6/13/1966

D6. (a) What is the total number of acres described in the place of use for irrigation under this water right? 957 acres

(b) Does this right have a permissible place of use? ☒ Yes ☐ No

D7. Is the number of acres authorized for irrigation under this right limited within the place of use in a single irrigation season?

☒ Yes, it is limited to 957 acres.
☐ No

D8. Are any other water rights appurtenant to the proposed lands that are not included in this proposal?

☐ Yes, the other water rights are: _____
☒ No

D9. How many acres authorized **under this water right** were irrigated during the 2003 season? 79.3 acres

D10. Were any acres under this water right leased to the Idaho Water Supply Bank under a 2003 Contract with Reclamation?

☒ Yes, ECE acres.
☐ No

D11. Do you propose to enter only a portion of the water right into the Program? ☐ Yes ☒ No

D12. If so, how many acres authorized under this water right will still be irrigated during the 2004 irrigation season if your proposal is accepted into the Program? C acres

D. INFORMATION FOR EACH WATER RIGHT INCLUDED IN YOUR PROPOSAL

If you are proposing to lease more than one water right, copy this section and fill out a separate page for each water right.

D1. Water Right Number: 2-7148

D2. What is the basis of the water right? ☐ permit ☒ license ☐ decree

D3. Have you attached a copy of the permit, license, or decree? ☒ Yes

D4. Has a claim been made for the water right in the Snake River Basin Adjudication (SRBA)? ☒ Yes Attach a copy of this SRBA claim.

D5. Priority date of the water right: 07/01/74

D6. (a) What is the total number of acres described in the place of use for irrigation under this water right? 960 acres

(b) Does this right have a permissible place of use? ☒ Yes ☐ No

D7. Is the number of acres authorized for irrigation under this right limited within the place of use in a single irrigation season?

☒ Yes, it is limited to 960 acres.
☐ No

D8. Are any other water rights appurtenant to the proposed lands that are not included in this proposal?

☐ Yes, the other water rights are: _____
☒ No

D9. How many acres authorized **under this water right** were irrigated during the 2003 season? 431.2 acres

D10. Were any acres under this water right leased to the Idaho Water Supply Bank under a 2003 Contract with Reclamation?

☒ Yes, 457.6 acres.
☐ No

D11. Do you propose to enter only a portion of the water right into the Program? ☐ Yes ☒ No

D12. If so, how many acres authorized under this water right will still be irrigated during the 2004 irrigation season if your proposal is accepted into the Program? 0 acres

E. INFORMATION ABOUT OVERALL IRRIGATION PRACTICES

Answer E1 & E2 if you are a landholder, i.e. you own or lease land that was or will be irrigated, or you are a part owner of an entity that owns or leases land that was or will be irrigated.

E1. (a) If you are a landholder, how many acres did you irrigate in 2003, at any location from any water rights from, or tributary to, the Snake River? 1E acres

(b) If you were a part owner of one or more entities that leased or owned land, how many acres did each entity irrigate in 2003, at any location from any water rights from, or tributary to, the Snake River? N/A acres

E2. (a) How many acres do you intend to irrigate in 2004, at any location from any and all water sources from, or tributary to, the Snake River if your proposed acres are accepted? 0 acres

(b) If you are a part owner of one or more entities that holds land and intends to irrigate in 2004, at any location from any and all water sources from, or tributary to, the Snake River if your proposed acres are accepted? 0 acres

Answer E3 if you are completing this application on behalf of an irrigation district or canal company or similar entity.

E3. Submit the following information for each landholder who is proposing to idle land under this application:

Landholder #1

(a) Name: N/A

(b) Number of acres the landholder proposes to idle: _____acres

(c) Number of acres the landholder (either by him/herself, or as part of another entity, such as a partnership or limited liability company) irrigated in 2003 from any and all water sources from, or tributary to, the Snake River in any location: ____ acres

(d) Number of acres the landholder (either by him/herself, or as part of another entity) plans to irrigate in 2004: ____ acres

E3 (cont.) **Make copies of this page if you need additional space.**

Landholder #2
(a) Name: N/A
(b) Number of acres the landholder proposes to idle: _____acres
(c) Number of acres the landholder (either by him/herself, or as part of another entity, such as a partnership or limited liability company) irrigated in 2003 from any and all water sources from, or tributary to, the Snake River in any location: ____ acres
(d) Number of acres the landholder (either by him/herself, or as part of another entity) plans to irrigate in 2004: ____ acres

Landholder #3
a) Name: N/A
(b) Number of acres the landholder proposes to idle: _____acres
(c) Number of acres the landholder (either by him/herself, or as part of another entity, such as a partnership or limited liability company) irrigated in 2003 from any and all water sources from, or tributary to, the Snake River in any location: ____ acres
(d) Number of acres the landholder (either by him/herself, or as part of another entity) plans to irrigate in 2004: ____ acres

Landholder #4
a) Name: N/A
(b) Number of acres the landholder proposes to idle: _____acres
(c) Number of acres the landholder (either by him/herself, or as part of another entity, such as a partnership or limited liability company) irrigated in 2003 from any and all water sources from, or tributary to, the Snake River in any location: ____ acres
(d) Number of acres the landholder (either by him/herself, or as part of another entity) plans to irrigate in 2004: ____ acres

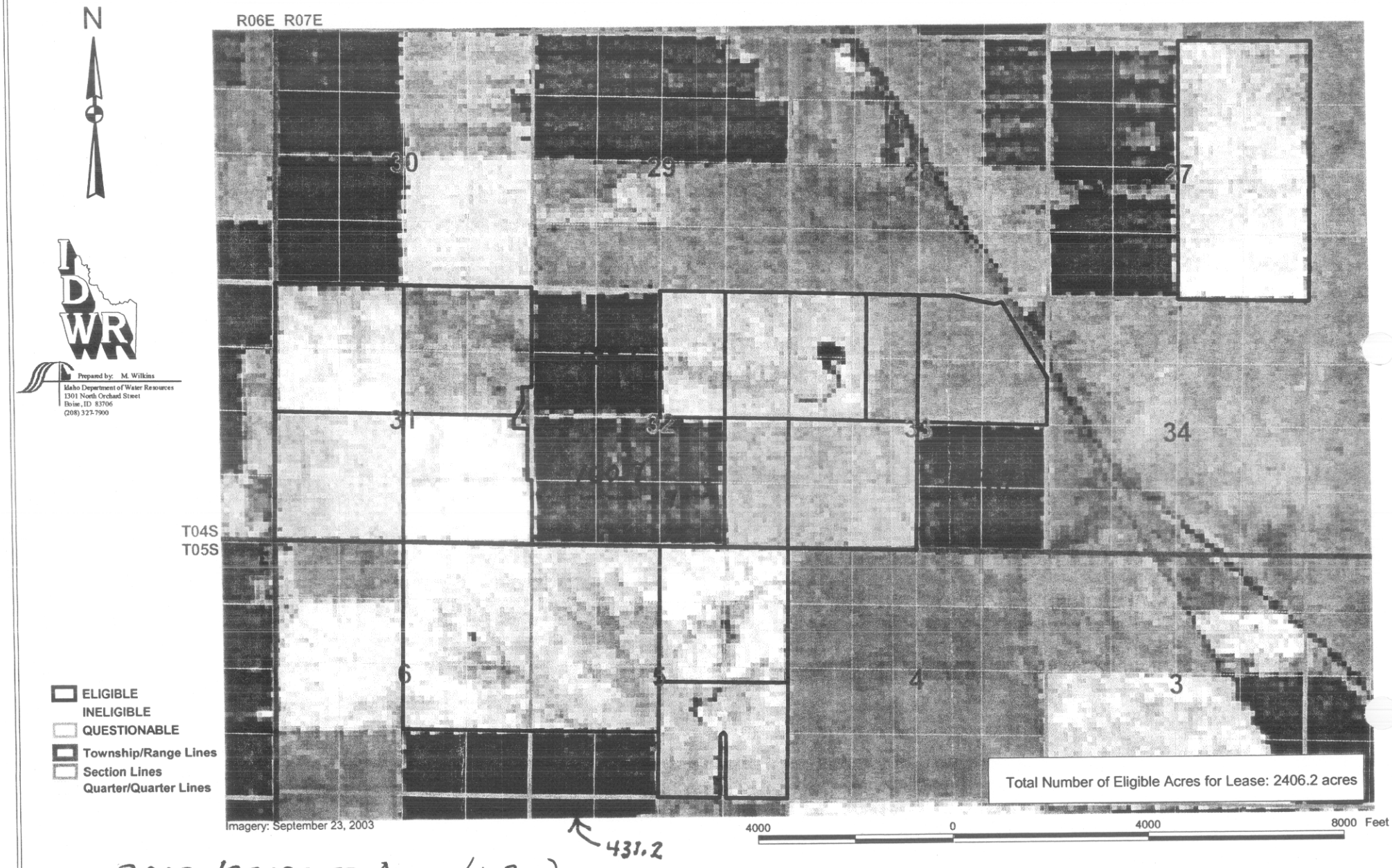
Landholder #5
a) Name: N/A
(b) Number of acres the landholder proposes to idle: _____acres
(c) Number of acres the landholder (either by him/herself, or as part of another entity, such as a partnership or limited liability company) irrigated in 2003 from any and all water sources from, or tributary to, the Snake River in any location: ____ acres
(d) Number of acres the landholder (either by him/herself, or as part of another entity) plans to irrigate in 2004: ____ acres

SIGNATURES

By signing below, you certify that the information included in this proposal is accurate and true to the best of your knowledge.

NOTE: To support your proposal, you may be asked to provide additional information. We will notify the applicant shown above if additional information is necessary.

Applicant's Signature	1-16-04 Date
Terry L. Ketterling Printed Name	Members Office held (if entity)
Applicant's Signature	1-16-04 Date
Jack Ross Printed Name	Member Office held (if entity)
Applicant's Signature	1-16-04 Date
John Bentz Printed Name	member Office held (if entity)
Applicant's Signature	1-16-04 Date
David E. Berga Printed Name	MEMBER Office held (if entity)
Applicant's Signature	Date
Printed Name	Office held (if entity)



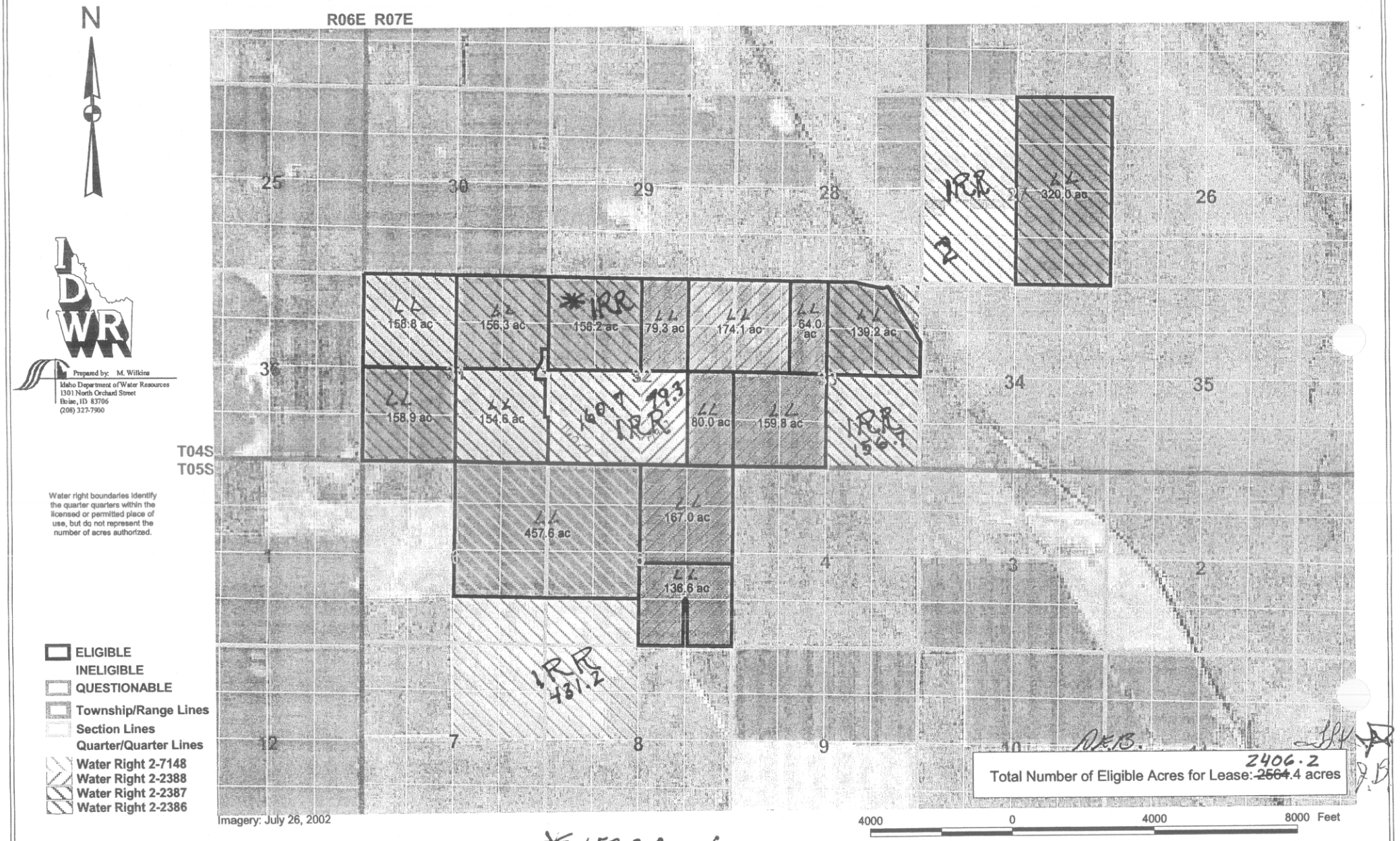
Prepared by: M. Wilkins
Idaho Department of Water Resources
1301 North Orchard Street
Boise, ID 83706
(208) 327-7900

2003 IRRIGATED ACRES (INRED)

Clover Hollow, LLC

2003 Snake River Pilot Leasing Program
Rental of Water from the Water Supply Bank

Prepared: December 2, 2003



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

Water right boundaries identify the quarter quarters within the licensed or permitted place of use, but do not represent the number of acres authorized.

Total Number of Eligible Acres for Lease: ~~2564~~ 2406.2 acres

D.E.B. J.B.

* 158.2 AC WITHDRAWN FROM PROGRAM BY OWNER
ALL REMAINING ELEGIBLE ACRES PROPOSED WERE DRY
I.E. 2406.2 Ac

D.E.B. J.B. 3/20/03
Applicant Signature Date

Ruth Fox 3/20/03
USBOR Signature Date

Clover Hollow, LLC

2003 Snake River Pilot Leasing Program
Rental of Water from the Water Supply Bank

Prepared: March 7, 2003

R6E R7E

CLOVER HOLLOW

T4S

T5S

CLOVER Hollow ROAD

BENTZ

BERGH

Reservoir

Creek

GROFSEMA ROAD

HIGHWAY 30

UNION

PACIFIC OREGON

OLD

Reverse

BM

BM 3104

BM 3114

KEMPLING

BEAT 00mp ROAD

158.8

156.3

158.9

154.6 Ac

160.7Ac

79.3Ac

80.0

159.8

156.7

139.2

64.0

203.2 TOT FIELD Ac

201.1 Ac

123 AC

320. AC

320. AC

17.6Ac

457.6

457.6 AC

431.2

431.2 Ac

167

136.6

135.5

174.1

179.3

158.2

+40

40

38

39

2386 - 1966 3/11/1966 945 Ac

2387 - 1966 - 95.7Ac

2388 - 1966 - 95.7Ac

2148 1974 - 96.0Ac

TOTAL ELEGIBLE ACRES OF WATER RIGHTS 3,819

1979 PRIORITY DATE 393 4212

TOTAL ALL ACRES WITH RIGHTS

CLOVER HOLLOW LLC 2004 PILOT LEASING PROPOSAL

ALL ELEGIBLE ACRES ARE PROPOSED

IN THE DISTRICT COURT OF THE FIFTH JUDICIAL DISTRICT OF THE STATE OF IDAHO,
IN AND FOR THE COUNTY OF TWIN FALLS

IN RE THE GENERAL ADJUDICATION
OF RIGHTS TO THE USE OF WATER FROM
THE SNAKE RIVER BASIN WATER SYSTEM.

CIVIL CASE NUMBER: 39576

Ident. Number: **A02-02386**
Date Received: 9/13/1989
Receipt No: S009154
Received By: _____

COPY FOR YOUR FILES

NOTICE OF CLAIM TO A WATER RIGHT ACQUIRED UNDER STATE LAW

COPY FOR YOUR FILES

1. Name: CLOVER HOLLOW COMPANY LLC 208-587-7060
   Address: PO BOX 606
   MOUNTAIN HOME ID 83647

2. Date of Priority: MAR 11, 1966

3. Source: SNAKE RIVER Trib. to: COLUMBIA RIVER

4. Point of Diversion:

Township	Range	Section	1/4 of	1/4 of	Lot	County
05S	07E	28	NE	SW		ELMORE

5. Description of diverting works:
   PUMPS, CANAL

6. Water is used for the following purposes:

Purpose	From	To	C.F.S	(or)	A.F.A.
IRRIGATION	03/15	11/15	18.900		4253.00

7. Total Quantity Appropriated is:
   18.900 C.F.S. (and/or) 4253.00 A.F.A.

8. Total consumptive use is Acre Feet Per Annum.

9. Non-irrigation uses:

10. Place of Use:

Township	Range	Section	1/4 of	1/4	Lot	Use	Acres
04S	07E	27	NE	NE		IRR	40.0
			NW	NE		IRR	40.0
			SW	NE		IRR	40.0
			SE	NE		IRR	40.0
			NE	NW		IRR	40.0

10. Place of Use: Continued

Township	Range	Section	1/4	of 1/4	Lot	Use	Acres
04S	07E	27	NW	NW		IRR	40.0
			SW	NW		IRR	40.0
			SE	NW		IRR	40.0
			NE	SW		IRR	40.0
			NW	SW		IRR	40.0
			SW	SW		IRR	40.0
			SE	SW		IRR	40.0
			NE	SE		IRR	40.0
			NW	SE		IRR	40.0
			SW	SE		IRR	40.0
			SE	SE		IRR	40.0
					Section Acres		640.0
		33	NE	NE		IRR	25.0
			NW	NE		IRR	40.0
			SW	NE		IRR	40.0
			SE	NE		IRR	40.0
			NE	SE		IRR	40.0
			NW	SE		IRR	40.0
			SW	SE		IRR	40.0
			SE	SE		IRR	40.0
					Section Acres		305.0
					Total Acres		945.0

11. Place of use in counties: ELMORE

12. Do you own the property listed above as place of use? YES

13. Other Water Rights Used:
A02-02387, 02388, 07291, 07148, A61-02176

14. Remarks:
OWNERSHIP CHANGED BY LH 6/5/97.

15. Basis of Claim: LICENSE

Water Right Number: 32782

Close

IDAHO DEPARTMENT OF WATER RESOURCES
Adjudication Claim Report

01/21/2003

WATER RIGHT NO. 2-2387

Owner Type	Name and Address
Current Owner	CLOVER HOLLOW CO LLC PO BOX 606 MOUNTAIN HOME, ID 83647 (208)587-7060
Attorney	JAY R FRIEDLY HALL FRIEDLY & WARD 340 EAST 2ND NORTH MOUNTAIN HOME, ID 83647 (208)587-4412
Original Owner	JOHN HANCOCK MUTUAL LIFE INSURANCE CO PO BOX 1087 TWIN FALLS, ID 83303 (208)733-4327

Priority Date: 03/11/1966
Basis: License
Status: Active

Source	Tributary
SNAKE RIVER	COLUMBIA RIVER

Beneficial Use	From	To	Diversion Rate	Volume
IRRIGATION	3/15	11/15	19.12 CFS	4302 AFA
Total Diversion			19.12 CFS	4302 AFA

Location of Point(s) of Diversion:

SNAKE RIVER	NESW	Sec. 28	Township 05S	Range 07E	ELMORE County

Place(s) of use:

Place of Use Legal Description: IRRIGATION ELMORE County

Township	Range	Section	Lot	Tract	Acres	Lot	Tract	Acres	Lot	Tract	Acres	Lot	Tract	A
04S	07E	31		NENE	40		NWNE	40		SWNE	40		SENE	3
				NENW	40		NWNW	40		SWNW	40		SENW	4
				NESW	40		NWSW	40		SWSW	40		SESW	4
				NESE	40		NWSE	40		SWSE	40		SESE	4
		32		NENW	40		NWNW	40		SWNW	39		SENW	4
				NESW	40		NWSW	40		SWSW	40		SESW	4

Total Acres: 957

Conditions of Approval:

1.	16

Remarks:

1.	General	OWNERSHIP CHANGED BY LH 6/5/97.

Dates:
Licensed Date: 02/16/1979
Claim Received Date:
Decreed Date:
Enlargement Use Priority Date:
Enlargement Statute Priority Date:

Other Information:
State or Federal: S
Owner Name Connector:
Water District Number:

Close

IDAHO DEPARTMENT OF WATER RESOURCES
Adjudication Claim Report

01/21/2003

WATER RIGHT NO. 2-2388

Owner Type	Name and Address
Current Owner	CLOVER HOLLOW CO LLC PO BOX 606 MOUNTAIN HOME, ID 83647 (208)587-7060
Attorney	JAY R FRIEDLY HALL FRIEDLY & WARD 340 EAST 2ND NORTH MOUNTAIN HOME, ID 83647 (208)587-4412
Original Owner	JOHN HANCOCK MUTUAL LIFE INSURANCE CO PO BOX 1087 TWIN FALLS, ID 83303 (208)733-4327

Priority Date: 06/13/1966
Basis: License
Status: Active

Source	Tributary
SNAKE RIVER	COLUMBIA RIVER

Beneficial Use	From	To	Diversion Rate	Volume
IRRIGATION	3/15	11/15	19.08 CFS	4293 AFA
Total Diversion			19.08 CFS	4293 AFA

Location of Point(s) of Diversion:

SNAKE RIVER	NESW	Sec. 28	Township 05S	Range 07E	ELMORE County

Place(s) of use:

Place of Use Legal Description: IRRIGATION ELMORE County

Township	Range	Section	Lot	Tract	Acres	Lot	Tract	Acres	Lot	Tract	Acres	Lot	Tract	A
04S	07E	32		NENE	40		NWNE	40		SWNE	40		SENE	4(
				NESE	40		NWSE	40		SWSE	40		SESE	4(
		33		NENW	40		NWNW	40		SWNW	40		SENW	4(
				NESW	40		NWSW	40		SWSW	40		SESW	4(
05S		5		NENE	40		NWNE	40		SWNE	40		SENE	4(
				NESE	40		NWSE	40		SWSE	40		SESE	3

Total Acres: 957

Conditions of Approval:

1.	16

Remarks:

1.	General	OWNERSHIP CHANGED BY LH 6/9/97.

Dates:
Licensed Date: 02/16/1979
Claim Received Date:
Decreed Date:
Enlargement Use Priority Date:
Enlargement Statute Priority Date:

Other Information:
State or Federal: S
Owner Name Connector:
Water District Number:

Close

DAHO DEPARTMENT OF WATER RESOURCES
Adjudication Claim Report

)3/07/2003

WATER RIGHT NO. 2-7148

Owner Type	Name and Address
Current Owner	CLOVER HOLLOW CO LLC PO BOX 606 MOUNTAIN HOME, ID 83647 (208)587-7060
Attorney	JAY R FRIEDLY HALL FRIEDLY & WARD 340 EAST 2ND NORTH MOUNTAIN HOME, ID 83647 (208)587-4412
Original Owner	JOHN HANCOCK MUTUAL LIFE INSURANCE CO PO BOX 1087 TWIN FALLS, ID 83303 (208)733-4327

Priority Date: 07/01/1974
Basis: License
Status: Active

Source	Tributary
SNAKE RIVER	COLUMBIA RIVER

Beneficial Use	From	To	Diversion Rate	Volume
IRRIGATION	4/01	10/15	19.2 CFS	4320 AFA
Total Diversion			19.2 CFS	4320 AFA

on of Point(s) of Diversion:

NAKE RIVER	NESW	Sec. 28	Township 05S	Range 07E	ELMORE County

ace(s) of use:

ace of Use Legal Description: IRRIGATION ELMORE County

ownship	Range	Section	Lot	Tract	Acres	Lot	Tract	Acres	Lot	Tract	Acres	Lot	Tract	Acres
5S	07E	5		NENW	40		NWNW	40		SWNW	40		SENW	40
				NESW	40		NWSW	40		SWSW	40		SESW	40
		6		NENE	40		NWNE	40		SWNE	40		SENE	40
				NESE	40		NWSE	40		SWSE	40		SESE	40
		7		NENE	40		NWNE	40		SWNE	40		SENE	40
		8		NENW	40		NWNW	40		SWNW	40		SENW	40

tal Acres: 960

nditions of Approval:

16
16

marks:

General	OWNERSHIP CHANGED BY LH 6/9/97.

tes:
ensed Date: 02/21/1979
aim Received Date:
creed Date:
largement Use Priority Date:
largement Statute Priority Date:

her Information:
te or Federal: S
vner Name Connector:
ater District Number:

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: PO Box 70, Boise, ID 83707

3. Source of water: Snake River

4. Volume of water rented: Water diversions associated with 14,394 acres fallowed, currently estimated to be 43,182 af based on 3.0 afa/yr).

   Max rate: To be determined

5. Diversion period: 2003 irrigation season

6. Use of water: Hydropower at Hells Canyon Complex

7. a) Renter's point of diversion:

   Legal description: Brownlee, Oxbow, and Hells Canyon Projects

   b) Renter's place of use:

   Legal description: NA

8. The right from which water will be rented is: See Attachment to Water Supply Bank Rental Agreement.

MICROFILMED
JUL 15 2003

The U.S. Bureau of Reclamation ("Reclamation") and Bonneville Power Administration agree to pay the Lessors identified on the attached list, a price per acre as specified in individual agreements between Reclamation and the Lessors ("agreements"). The agreements provide that one half of the estimated payment will be made on or about July 1, 2003, and one half will be after the irrigation season has ended. The Idaho Department of Water Resources ("IDWR") shall comply with the payment scheme specified in the individual agreements between Reclamation and the Lessors. Prior to making payment to the Lessors, IDWR will invoice Reclamation for the payment plus the associated ten percent (10%) for the Water Administration Account.

Reclamation and Bonneville Power Administration agree to use the water in compliance with the Water Supply Bank rules and in compliance with the conditions of water use shown below:

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 the Agreement between the U.S. Bureau of Reclamation and the Idaho Department of Water Resources for Water Leasing Program of Natural Flow Snake River Water Rights for 2003.

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, 2003 to November 15, 2003, and the right(s) will be considered released from the bank on December 31, 2003.

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 points of diversion and place of use of the water shall revert to its original points of diversion and 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.

7. 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.

8. Renter acknowledges and agrees that the Director may terminate diversion of

MICROFILMED
JUL 15 2003

water if the Director determines there is not a sufficient water supply for the priority of the right or portion thereof being rented.

9. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.

Dated this 18th day of June, 2003.

by Jonathon C. Bowling

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 23 day of June, 2003.

for KARL J. DREHER, Director
Department of Water Resources

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JUL 15 2003

01/ 03

Before the Idaho Water Resource Board

APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK

Applicant Idaho Power Company Phone 388-2905

Address P.O. Box 70

City Boise State ID Zip Code 83707

A. DESCRIPTION OF WATER SOUGHT TO RENT

1. Source of water Snake River tributary to _____.
2. Maximum volume of water Volume associated with beneficial use of irrigation on 14,394 dried acres, which is currently estimated to be 3 acre-ft per acre per year.).
3. Maximum rate of diversion 7 gallons per minute per acre.

B. DESCRIPTION OF USE PROPOSED

1. Nature of intended use Hydropower, Hells Canyon Complex
2. Location of point of diversion Brownlee, Oxbow and Hells Canyon Dam.
   Township _____, Range _____, B.M. _____ County.
3. Season of use: From May 1, 2003 to November 15, 2003.
4. Description of diverting works: N/A
   Pump HP _____ Lift _____ Pump type _____.
   Canal name, if appropriate _____.
5. Place of use:
   a. If water is for irrigation, describe the number of acres to be irrigated by 40-acre tract, section, township and range.

N/A

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JUL 15 2003

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

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

Who owns the property at the place of use?

N/A

8. Are you seeking a rental for more than one (1) year? NO (yes or no)

If yes, for how many years? _____

9. Remarks: See Attached.

6/18/03
Date

Jonathon C. Bowlin
Signature of Applicant

FOR DEPARTMENT USE ONLY

Received by VLH Date 6-19-03 Time _____

Published in _____ Pub. dates _____

Protests filed by _____

Hearing held by _____

Action recommended _____

MICRO
JUL 1

Attachment

Table 1

	Latest number (in acres)	Agreement No.
Bergh Farms	620.4	1425-03-MA-10-3870
Clover Hollow LLC	2406.2	1425-03-MA-10-3880
Falcon Butte Farms, Inc.	3,756.8	1425-03-MA-10-3960
Farm Development Corp	159.5	1425-03-MA-10-3900
Good, Jeff & Vivienne	482.0	1425-03-MA-10-3890
Grindstone Butte	3605.1	1425-03-MA-10-3980
Hartley, Don	245.4	1425-03-MA-10-3860
Hulet, Blaine & Yvonne	357.9	1425-03-MA-10-3950
Rosti, Martha	62.0	1425-03-MA-10-3840
Sailor Creek	331.4	1425-03-MA-10-3910
South Elmore	1791.7	1425-03-MA-10-3920
TLK Farms, Inc.	575.6	1425-03-MA-10-3930
TOTALS	**14,394.0**	

Conditions of application

1. Idaho Power will not be responsible for any payment for these water rights. Payment is covered by the Agreements cited above.

2. Water rented from the Water Supply Bank ("bank") under this application is based on the above-cited agreements. 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).

MICRO
JUL 2003

PROPOSAL FOR THE SNAKE RIVER PILOT LEASING PROGRAM JAN 2 4 2003

Applicant Information

1. Name(s): CLOVER HOLLOW LLC

2. Mailing Address: P.O. Box 606
MTN. HOME, ID 83647

3. Daytime Phone Number: 208-587-8594

4. Fax: 208-587-6730

5. E-mail Address: pabepgh@earthlink.net

6. Do you own all of the land you propose for the program?

X yes ___ no

7. If not, do you lease the land you do not own? ___ yes ___ no N/A

   a) If yes, attach documentation showing that you have a valid lease for the land. N/A

   b) Name and address of the land owner:

   N/A

   c) Do you have the landowner's permission to lease the water into the Idaho State Water Bank? ___ yes ___ no N/A

   d) If yes, attach documentation showing permission.

8. Proposed price per acre: $150.00 per acre. Note that you will only receive 90% of that rate.

Information about the water right

9. Water Right Number: ALL LISTED ON ENCLOSED LIST

10. What is the basis of the water right?
    _____ permit
    __X__ license
    _____ decree

11. Have you attached a copy of the permit, license, or decree? X yes

12. Have you made a claim for the water right in the Snake River Basin Adjudication (SRBA)?
    X yes. Attach a copy of this SRBA claim.

13. Priority date: LISTED SEPARATELY

14. Number of acres authorized for irrigation under this water right: 421.2 acres

15. Is the number of acres authorized for irrigation limited within a total place of use in a single irrigation season? X yes ___ no

16. How many acres authorized under this water right were irrigated during the 2002 season?
    311.1 acres

17. Were any of the proposed lands leased to the Idaho State Water Bank under Memorandum of Agreement #1425-02-MA-10-3460 between IDWR and Reclamation? X yes ___ no

18. How many acres authorized under this water right will be irrigated during the 2003 irrigation season if your application is accepted into the Program? 169.5 acres

19. Do you propose to enter only a portion of the water right into the Program?
    X yes ___ no

20. Are any other water rights appurtenant to the proposed lands?
    ____ yes, please list the water rights: _____
    X no

Information about the land that will be idled

21. Number of acres you are proposing for the Program: 2512.5 acres

22. Is each tract of land you are proposing composed of 40 contiguous acres?
    X yes ___ no

23. Have you attached an acceptable map with the acres identified (see application instructions for types that are acceptable) with proposed lands and fields identified? X yes

24. Have you enclosed the attached grid? (See #24 on the application instructions for an explanation of what must be identified.) ____ yes

25. Have you attached documentation of use during the year 2002? (See application instructions.) X yes

26. Do you plan on a cover crop on the land? X yes ___ no

By signing below, you certify that the information included in this proposal is accurate and true to the best of your knowledge.

NOTE: To support your proposal, you may be asked to provide additional information. We will notify the applicant shown above if additional information is necessary.

John Bentz Date: 1-24-03
Applicant's Signature

John Bentz
Printed Name

Berch Farms LLC by David E. Berch Date: 1-24-03
Applicant's Signature

David E. Berch
Printed Name

Date: 1-24-03
Applicant's Signature

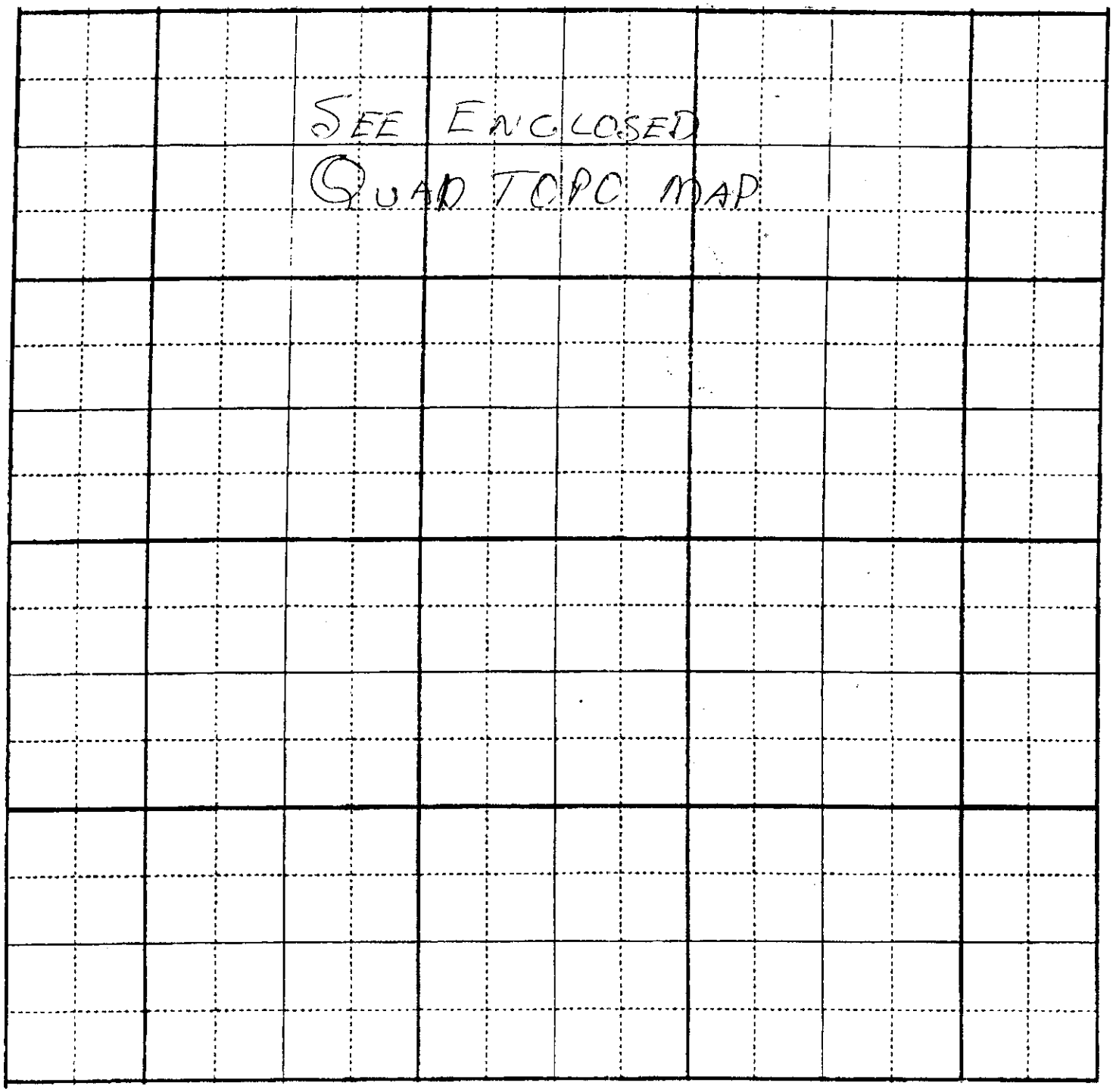
Jack Post
Printed Name

Terry L. Ketterling Date: 1-24-03
Applicant's Signature

Terry L. Ketterling
Printed Name

Legal Description Grid

Document the legal description for each proposed field clearly depicting the land by section, township, range, and quarter-quarter. Indicate any proposed fields that were not irrigated last year by placing the word "dry" in each corresponding quarter-quarter.



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

FSA-578 (02-01-91) REPORT OF ACREAGE PROGRAM YEAR 2002

FARM NUMBER: 720 ARM AND TRACT DETAIL LIST G DATE: 06-24-2002

Operator Name and Address ID

CLOVER HOLLOW CO LLC 9345
PO BOX 606
MOUNTAIN HOME, ID 83647-0606

Original: _____

Revision: _____

Cropland: 4,004.8

Farmland: 4,240.0

Tract Number	Field Num	ID	Irr Prc	Crop	Var/ Type	Int Use	Lnd Use	Reported Acreage	Determined Acreage	O/ M	Crop Stat	Prod Share	Prod ID
339	1	[redacted]									I		
	2	[redacted]									I		

Crop Type	Prac	IU	Non-Irrig	Irrigated	Crop Type	Prac	IU	Non-Irrig	Irrigated
OATS	SPR	I FG		236.2	SBEET	I	PR		166.0

Photo Number/Legal Description: U22 R7E T4S SEC 32 R7E T5S SEC 5

Cropland: 402.2 Reported: 402.2 Difference: .0 Reported D,S,R: .0

Tract Number	Field Num	ID	Irr Prc	Crop	Var/ Type	Int Use	Lnd Use	Reported Acreage	Determined Acreage	O/ M	Crop Stat	Prod Share	Prod ID
340	1		Ir	SBEET			Proces		65.00		I	1.0000	6973
	2		Ir	SBEET			Proces		136.00		I	1.0000	6973
	3		Ir	SBEET			Proces		236.00		I	1.0000	6973
	4		Ni	WHEAT	SWS		Forage		154.00		I	1.0000	6973

Crop Type	Prac	IU	Non-Irrig	Irrigated	Crop Type	Prac	IU	Non-Irrig	Irrigated
SBEET	I	PR		437.0	WHEAT SWS	N	FG	154.0	

Photo Number/Legal Description: T22,U22 R7E T4S SEC 32,33

Cropland: 591.0 Reported: 591.0 Difference: .0 Reported D,S,R: .0

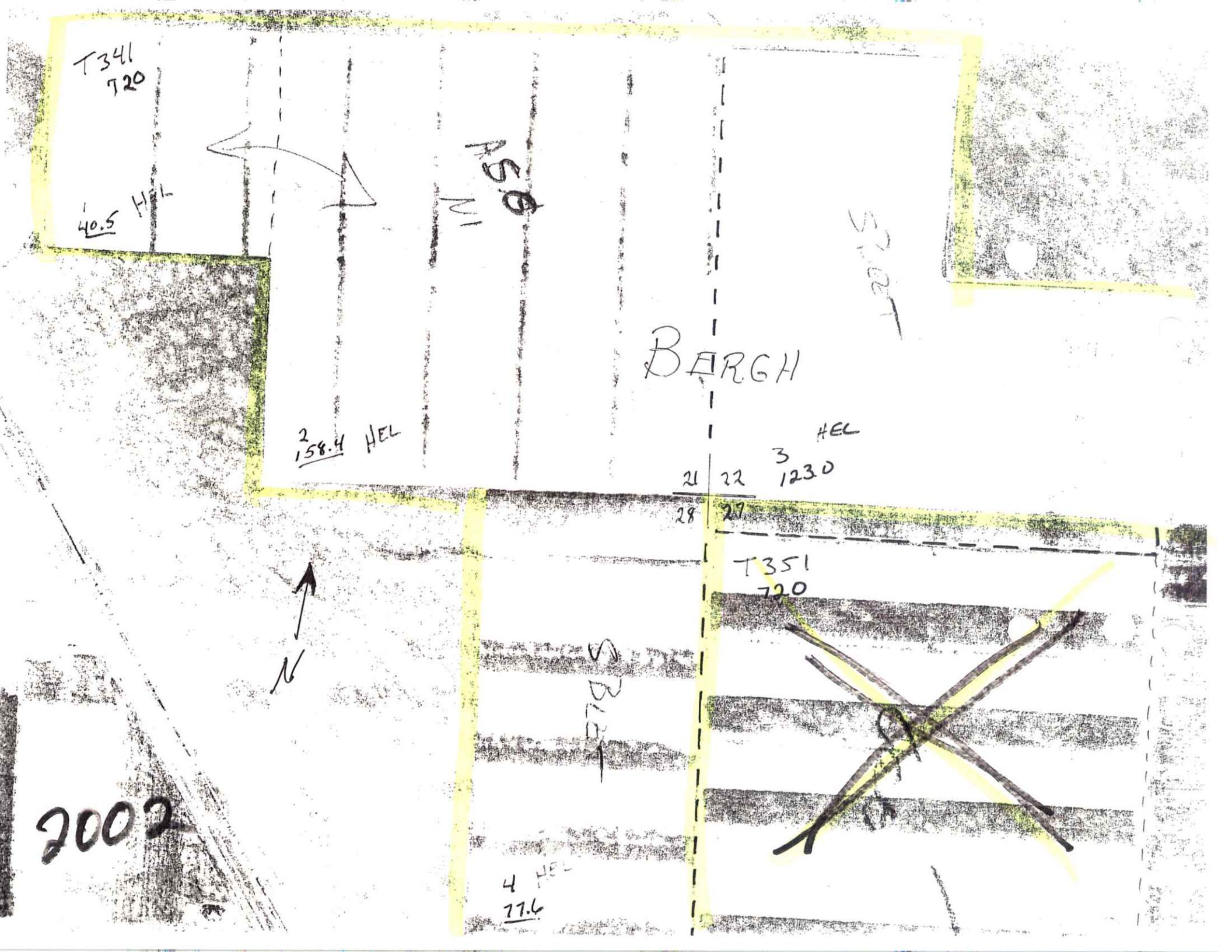
Tract Number	Field Num	ID	Irr Prc	Crop	Var/ Type	Int Use	Lnd Use	Reported Acreage	Determined Acreage	O/ M	Crop Stat	Prod Share	Prod ID
341	1		Ni	MIXFG	ASG		Forage		40.50		I	1.0000	6973
	2		Ni	MIXFG	ASG		Forage		158.40		I	1.0000	6973
	3		Ir	SBEET			Proces		123.00		I	1.0000	6973
	4		Ir	SBEET			Proces		77.60		I	1.0000	6973

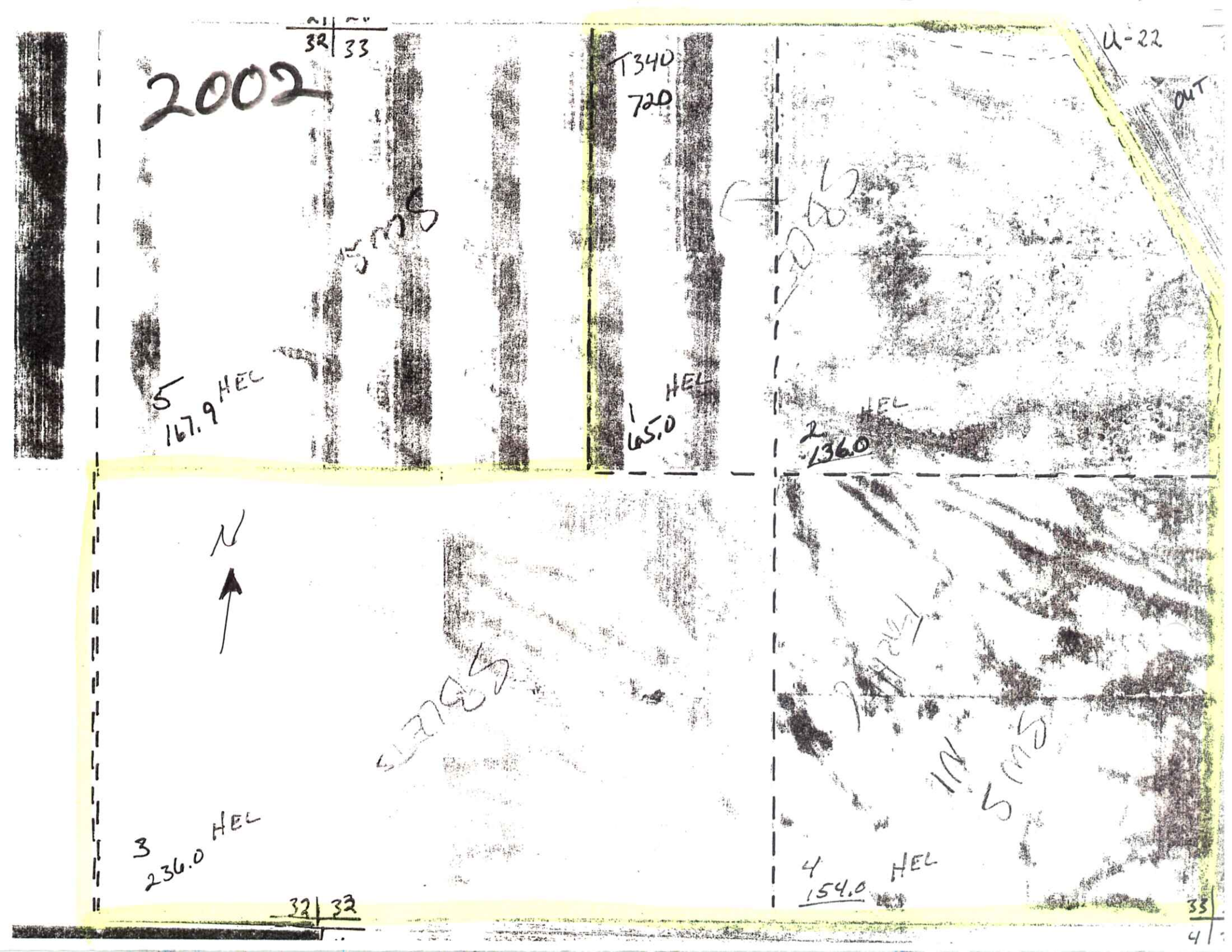
Crop Type	Prac	IU	Non-Irrig	Irrigated	Crop Type	Prac	IU	Non-Irrig	Irrigated
MIXFG	ASG	N FG	198.9		SBEET	I	PR		200.6

Photo Number/Legal Description: V21 R7E T4S SEC 21,28

Cropland: 399.5 Reported: 399.5 Difference: .0 Reported D,S,R: .0

Tract Number	Field Num	ID	Irr Prc	Crop	Var/ Type	Int Use	Lnd Use	Reported Acreage	Determined Acreage	O/ M	Crop Stat	Prod Share	Prod ID
351	1	[redacted]									I		
	2	[redacted]									I		


T341
T20
40.5 HEL
RSD
N
BARGH
2
158.4 HEL
HEL
3
1230
21
22
28
27
T351
720
N
BLD
4 HEL
77.6
2002


2002
32 | 33
T340
720
U-22
OUT
5
167.9 HEL
1
165.0 HEL
2
136.0 HEL
N
3
236.0 HEL
4
154.0 HEL
32 | 32
33
4

NOT PROPOSED (1979 PRIORITY DATE)
WOULD BE OFFERED IF IT BECAME ELEGIBLE

MOUNTAIN HOME APPROX 6 MILES NORTH

POLE LINE RD

GROESSEMA ROAD

OLD HWY 30

I-84

ELMORE COUNTY

R6E R7E

CLOVER HOLLOW

BERGH

123 AC

17.6 AC

317.5 AC

KETTERLING

BENTZ

CLOVER HOLLOW ROAD

150.6 AC

151 AC

152.8

77.8 AC

167.9 AC

65 AC

136 AC

BENTZ

151.3 AC

155.6 AC

BENTZ

BEET DUMP ROAD

78 AC

158 AC

BERGH

450.5 AC

166 AC

KETTERLING

POST

135.5 AC

POST

58.0
38.2
39.3
135.5

CLOVER HOLLOW PROPOSAL
SNAKE RIVER LEASING PROGRAM
2003 CROP YEAR.
TOTAL ACRES: 2512
As of 1-24-03

2002
John Bentz

368	1	Ni	FALOW			150.60		I	1.0000	9550
	2	Ir	ALFAL			151.00		I	1.0000	9550
	3	Ir	SBEET		Proces	152.80		I	1.0000	9550
	4	Ir	SBEET		Proces	77.80		I	1.0000	9550
	5	Ir	WHEAT	SWS	Grain	167.90		I	1.0000	9550
	6	Ir	SBEET		Proces	151.30		I	1.0000	9550
	7	Ni	FALOW			155.60		I	1.0000	9550

Crop Type	Prac	IU	Non-Irrig	Irrigated	Crop Type	Prac	IU	Non-Irrig	Irrigated	Crop Type	Prac	IU	Non-Irrig	Irrigated
ALFAL	I	NS		151.0	FALOW	N		306.2		SBEET	I	PR		381.9
WHEAT SWS	I	GR		167.9										

Photo Number/Legal Description: S22,T22,U22 R7E T4S SEC 31,32,33

Cropland: 1,007.0 Reported: 1,007.0 Difference: .0 Reported D,S,R: .0

R45 7E

BENTZ

13
159.1 HEL BENTZ

3
3

HEL
2
151.0

339
120

BENTZ

N

29

3
HEL
152.8

29 | 28
32 | 33

5
167.9 HEL

FSA-578 (02-01-91) REPORT OF ACREAGE PROGRAM YEAR 2002

FARM NUMBER: 720 FARM AND TRACT DETAIL LISTING DATE: 06-24-2002

Operator Name and Address ID

CLOVER HOLLOW CO LLC 9345
PO BOX 606
MOUNTAIN HOME, ID 83647-0606

KEARNS

Original: _____

Revision: _____

Cropland: 4,004.8

Farmland: 4,240.0

Tract Number	Field Num	ID	Irr Prc	Crop	Var/ Type	Int Use	Lnd Use	Reported Acreage	Determined Acreage	O/ M	Crop Stat	Prod Share	Prod ID
339	1		Ir	OATS	SPR	Forage		236.20			I	.2500 .2500 .5000	7102 1585 8973
[redacted]	2		Ir	SBEET		Proces		166.00			I	.2500 .2500 .5000	7102 1585 8973

Crop Type	Prac	IU	Non-Irrig	Irrigated	Crop Type	Prac	IU	Non-Irrig	Irrigated
OATS	SPR	I FG		236.2	SBEET	I	PR		166.0

Photo Number/Legal Description: U22 R7E T4S SEC 32 R7E T5S SEC 5

Cropland: 402.2 Reported: 402.2 Difference: .0 Reported D,S,R: .0

Tract Number	Field Num	ID	Irr Prc	Crop	Var/ Type	Int Use	Lnd Use	Reported Acreage	Determined Acreage	O/ M	Crop Stat	Prod Share	Prod ID
340	1		Ir	SBEET		Proces		65.00			I	1.0000	6973
	2		Ir	SBEET		Proces		136.00			I	1.0000	6973
	3		Ir	SBEET		Proces		236.00			I	1.0000	6973
	4		Ni	WHEAT	SWS	Forage		154.00			I	1.0000	6973

Crop Type	Prac	IU	Non-Irrig	Irrigated	Crop Type	Prac	IU	Non-Irrig	Irrigated
SBEET	I	PR		437.0	WHEAT SWS	N	FG	154.0	

Photo Number/Legal Description: T[illegible],U22 R7E T4S SEC 32,33

Cropland: 591.0 Reported: 591.0 Difference: .0 Reported D,S,R: .0

Tract Number	Field Num	ID	Irr Prc	Crop	Var/ Type	Int Use	Lnd Use	Reported Acreage	Determined Acreage	O/ M	Crop Stat	Prod Share	Prod ID
341	1		Ni	MIXFG	ASG	Forage		40.50			I	1.0000	6973
	2		Ni	MIXFG	ASG	Forage		158.40			I	1.0000	6973
	3		Ir	SBEET		Proces		123.00			I	1.0000	6973
	4		Ir	SBEET		Proces		77.60			I	1.0000	6973

Crop Type	Prac	IU	Non-Irrig	Irrigated	Crop Type	Prac	IU	Non-Irrig	Irrigated
MIXFG ASG	N	FG	198.9		SBEET	I	PR		200.6

Photo Number/Legal Description: V21 R7E T4S SEC 21,28

Cropland: 399.5 Reported: 399.5 Difference: .0 Reported D,S,R: .0

Tract Number	Field Num	ID	Irr Prc	Crop	Var/ Type	Int Use	Lnd Use	Reported Acreage	Determined Acreage	O/ M	Crop Stat	Prod Share	Prod ID
351	1		Ir	OATS	SPR	Forage		159.30			I	.2500 .2500 .5000	7102 1585 8973
[redacted]	2		Ir	SBEET		Proces		317.50			I	.2500 .2500 .5000	7102 1585 8973

FSA-578 (02-01-91) REPORT OF ACREAGE PROGRAM YEAR 2002

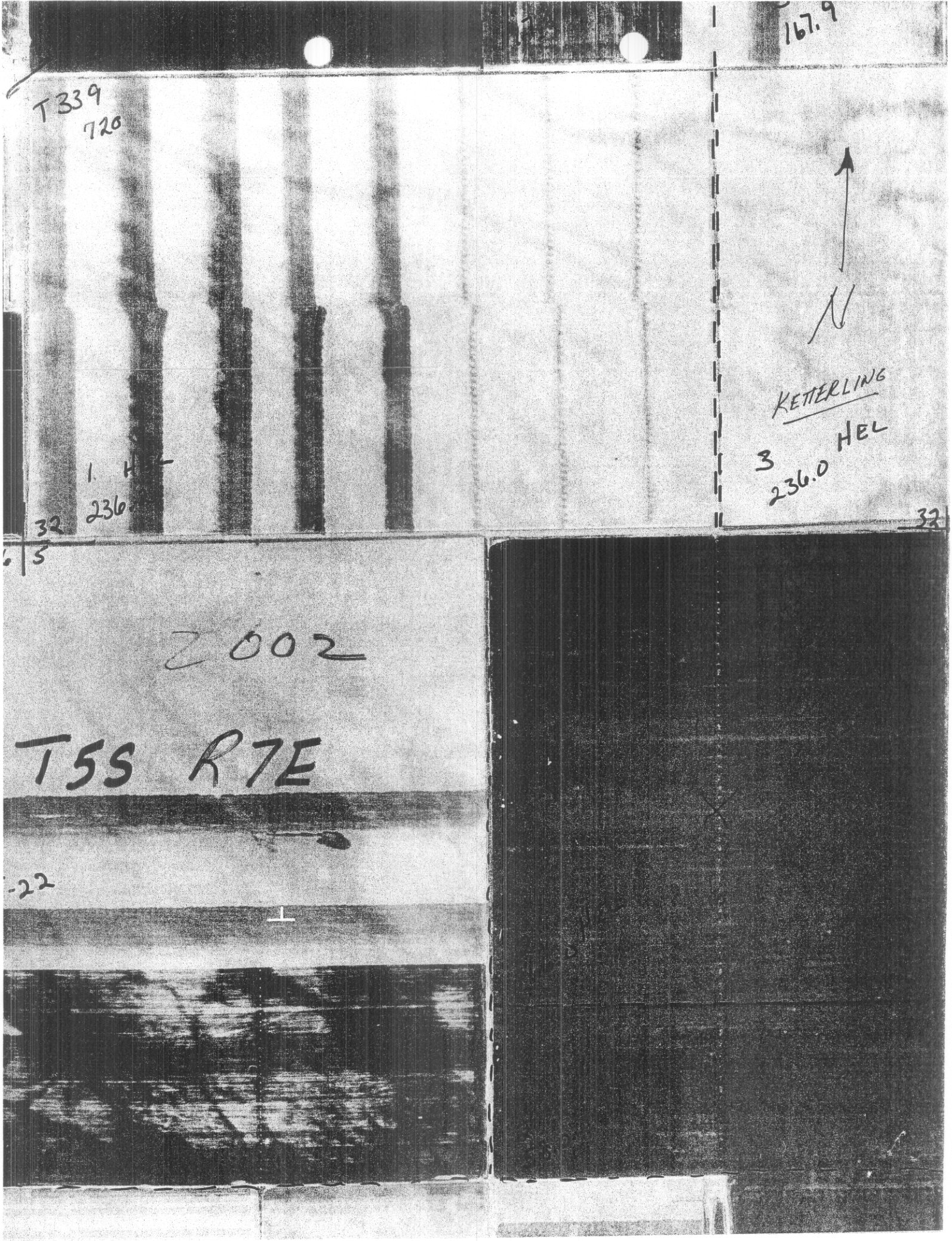
FARM NUMBER: 720 FARM AND TRACT DETAIL LISTING DATE: 06-24-2002

Tract Number	Field Num ID	Irr Prc	Crop	Var/ Type	Int Use	Lnd Use	Reported Acreage	Determined Acreage	O/ M	Crop Stat	Prod Share	Prod ID
351	3	Ir	OATS	SPR	Forage		123.00			I	.2500	7102
											.2500	1585
											.5000	8973

Crop	Type	Prac	IU	Non-Irrig	Irrigated	Crop	Type	Prac	IU	Non-Irrig	Irrigated
OATS	SPR	I	FG		282.3	SBEET		I	PR		317.5

Photo Number/Legal Description: V21 R7E T4S SEC 22,27

Cropland: 599.8 Reported: 599.8 Difference: .0 Reported D,S,R: .0


T339
720
167.9
N
KETTERLING
3
236.0 HEL
32
32
Z002
T5S R7E
-22

T4SR7E

2002

4 HEL
77.6

T351
720

159.3 HEL

KETTERLINE

OUT

OUT

N

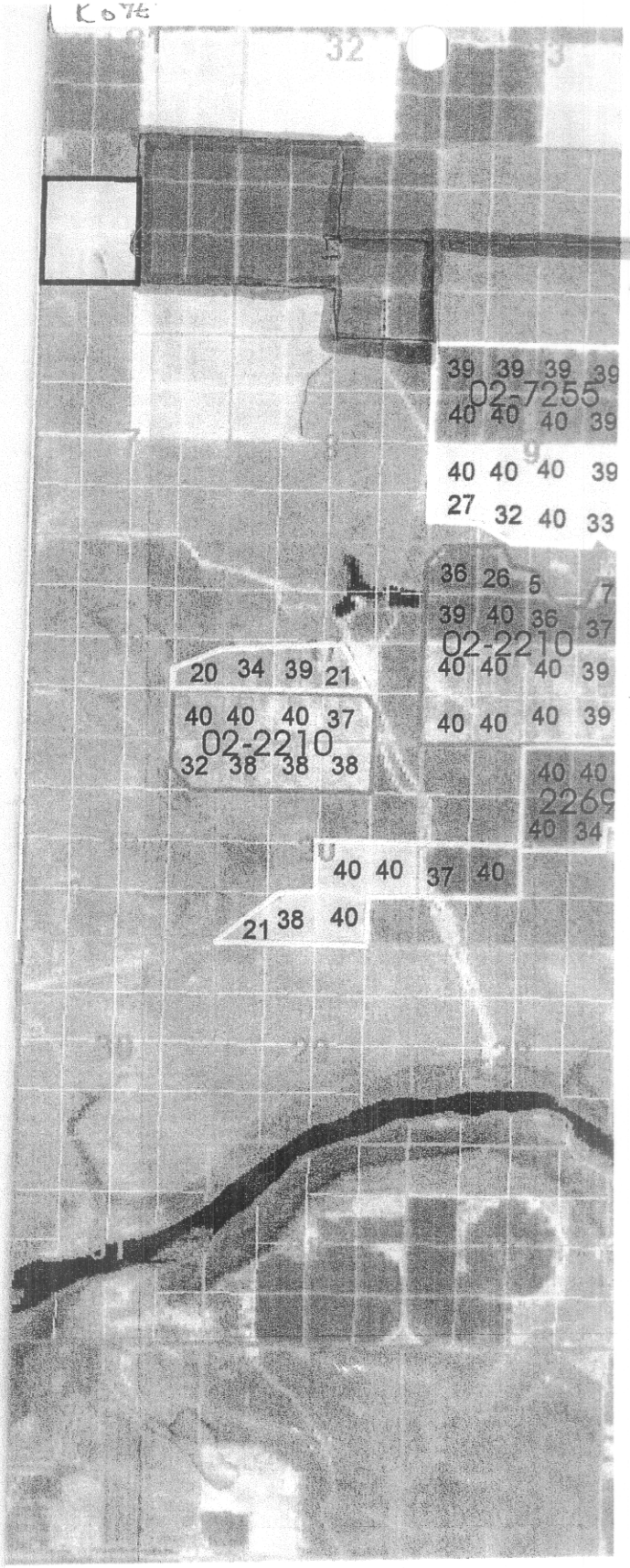
3
123.0 HEL

2 HEL
317.5

See MAP U-22

28	27
33	34

27	
34	



POST

TwP. 5S R. 7E Elmore County

Sec 5	SW¼	160
	SW¼ NW¼	80
	NW¼	160
Sec. 6	NE¼	160
	SE¼ NW¼	80
	Nominal	640
	Actual	586

Water Right # A02-07148
Priority Date 7-01-1974

Tract Number	Field Num	ID	Irr Prc	Crop	Var/ Type	Int Use	Lnd Use	Reported Acreage	Determined Acreage	O/ M	Crop Stat	Prod Share	Prod ID
351	[redacted]					Forage		[redacted]			I	[redacted]	

Crop Type	Prac	IU	Non-Irrig	Irrigated	Crop Type	Prac	IU	Non-Irrig	Irrigated
OATS SPR	I	FG		282.3	SBEET	I	PR		317.5

Photo Number/Legal Description: V21 R7E T4S SEC 22,27

Cropland: 599.8 Reported: 599.8 Difference: .0 Reported D,S,R: .0

Tract Number	Field Num	ID	Irr Prc	Crop	Var/ Type	Int Use	Lnd Use	Reported Acreage	Determined Acreage	O/ M	Crop Stat	Prod Share	Prod ID
[redacted]	1							150.60			I	[redacted]	
	2							[redacted]			I	[redacted]	
	3					Proces		[redacted]			I	[redacted]	
	4					Proces		[redacted]			I	[redacted]	
	5					Grain		[redacted]			I	[redacted]	
	6					Proces		[redacted]			I	[redacted]	
	7							[redacted]			I	[redacted]	

Crop Type	Prac	IU	Non-Irrig	Irrigated	Crop Type	Prac	IU	Non-Irrig	Irrigated	Crop Type	Prac	IU	Non-Irrig	Irrigated
ALFAL	I	NS		151.0	FALOW	N		306.2		SBEET	I	PR		381.9
WHEAT SWS	I	GR		167.9										

Photo Number/Legal Description: S22,T22,U22 R7E T4S SEC 31,32,33

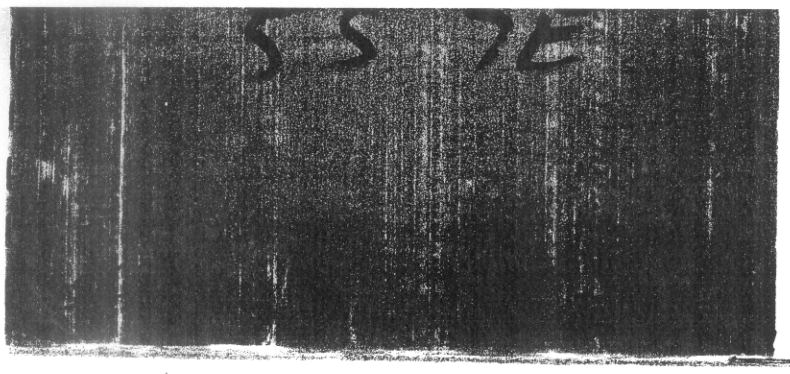
Cropland: 1,007.0 Reported: 1,007.0 Difference: .0 Reported D,S,R: .0

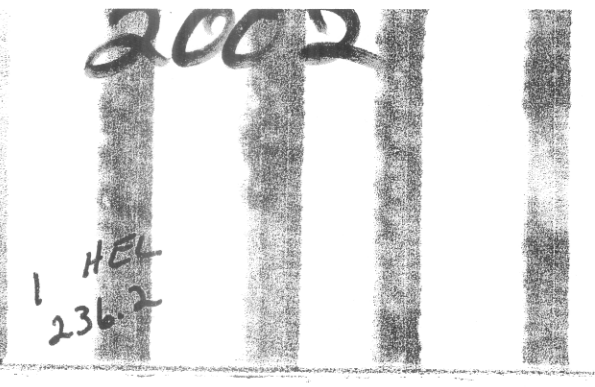
Tract Number	Field Num	ID	Irr Prc	Crop	Var/ Type	Int Use	Lnd Use	Reported Acreage	Determined Acreage	O/ M	Crop Stat	Prod Share	Prod ID
375	1		Ir	SBEET		Proces		450.50			I	.5000 .5000	8049 4059
	2		Ir	SBEET		Proces		58.00			I	.5000 .5000	8049 4059
	3		Ir	SBEET		Proces		347.00			I	.5000 .5000	8049 4059
	4		Ir	SBEET		Proces		72.30			I	.5000 .5000	8049 4059
	5		Ir	SBEET		Proces		38.20			I	.5000 .5000	8049 4059
	6		Ir	SBEET		Proces		39.30			I	.5000 .5000	8049 4059

Crop Type	Prac	IU	Non-Irrig	Irrigated
SBEET	I	PR		1,005.3

Photo Number/Legal Description: T22,T23,U22 R7E T5S SEC 5-8

Cropland: 1,005.3 Reported: 1,005.3 Difference: .0 Reported D,S,R: .0





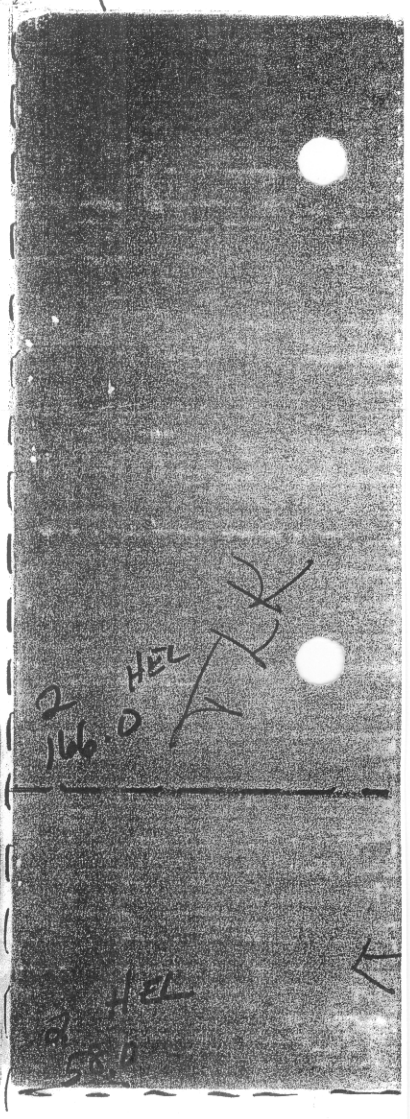
SEE
U-22 →

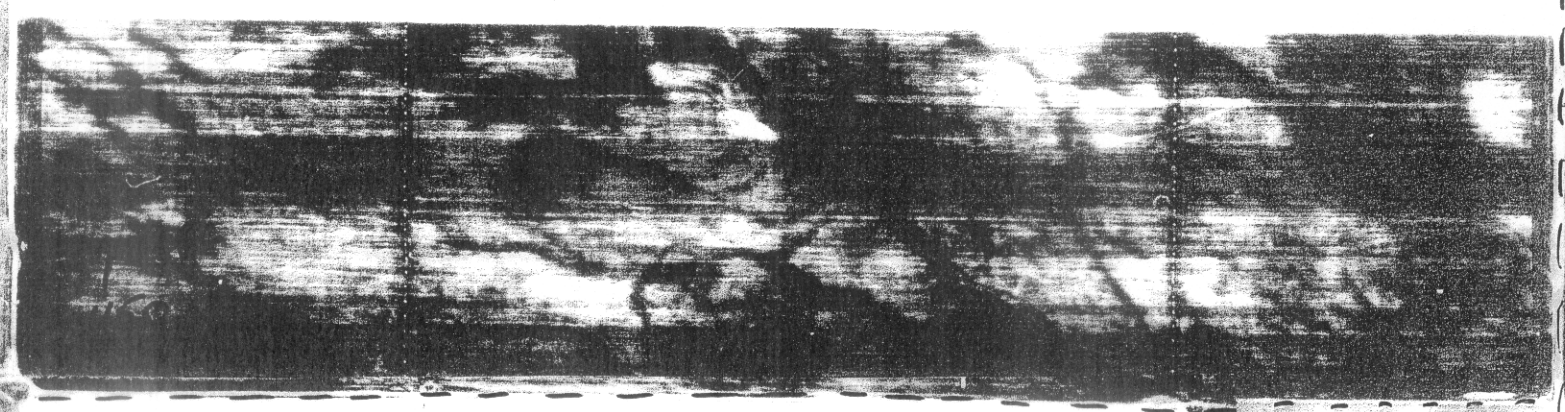
37
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Beet dump Rd

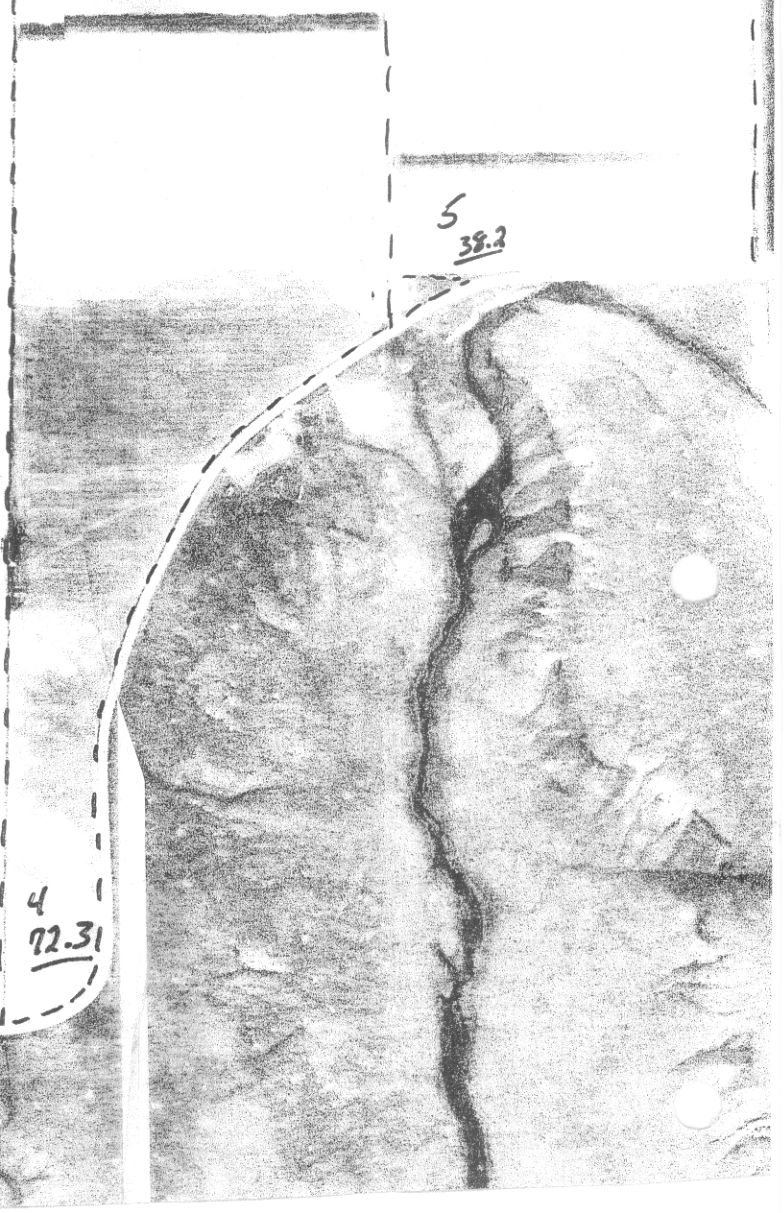
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347.0

IDAHO DEPARTMENT OF WATER RESOURCES
ADJUDICATION CLAIMS PROOF READING REPORT
(REGIONAL)

Water Right Number - A02-02386 Prefix Translation: ADJUDICATION CLAIM Old (D) Number - 32782

Last Name	First Name	Address
*** C - CURRENT OWNER *** HANCOCK	JOHN	1 - MUTUAL LIFE INSURANCE CO. 2 - P.O. BOX 1087 3 - City- TWIN FALLS State- ID Zip- 83303 Phone - 208-733-4327

Priority Date	Region	Stage	Status
03/11/1966	ERROR IN REGION	L - LICENSE	

Source	Tributary
SNAKE RIVER	COLUMBIA RIVER

Point of Diversion

Twn	Rng	Sec	Tract	Lot	RFlg	County
05S	07E	28	NE SW		(39)	ELMORE

Water Use

Code	Description	Period From	Period To	Diversion Rate	Diversion Volume
01	IRRIGATION	03/15	11/15	18.900	4253.00

Total Div. Rate	Total Div. Volume	Total Consumptive Use	KW Usage
18.900	4253.00	0.0	

Place of Use

Twn	Rng	Sec	Tract	Lot	Acres	Code	Description	County
04S	07E	27	NE NE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	27	NW NE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	27	SW NE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	27	SE NE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	27	NE NW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	27	NW NW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	27	SW NW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	27	SE NW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	27	NE SW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	27	NW SW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	27	SW SW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	27	SE SW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	27	NE SE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	27	NW SE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	27	SW SE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	27	SE SE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	33	NE NE		25.0	01	IRRIGATION	(39) ELMORE
04S	07E	33	NW NE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	33	SW NE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	33	SE NE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	33	NE SE		40.0	01	IRRIGATION	(39) ELMORE

Water right number - A02-02386 Prefix Translation: ADJUDICATION CLAIM

Place of Use

Twn	Rng	Sec	Tract	Lot	Acres	Code	Description	County
04S	07E	33	NW SE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	33	SW SE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	33	SE SE		40.0	01	IRRIGATION	(39) ELMORE

Total Acres: 945.0

Diversion Means - PUMPS, CANAL

Non-Irrigation Use -

Other Rights for Same Use - A02-02387, 02388, 07291, 07148, A61-02176

Remarks

No Remarks found.

Old Water Right Numbers

No Old Water Right Numbers Found

Conditions of Approval

Decree Plaintiff | Decree Defendant | Decree Date
00/00/0000

Comments

No Comments Found

Audit Fields
00/00/00

Adjudication Rights Dates and Flags Area

Court Report Filing	- 00/00/0000	Field Inspection Made	- 00/00/0000	Civil Case Number	- 39576
Objection Filed Date	- 00/00/0000	Field Inspection Flag	-	Old Case Number	-
Response Filed Date	- 00/00/0000	Verified Date	- 00/00/0000	Old Judicial District	-
Claim Received Date	- 09/13/1989	Last Amended Date	- 00/00/0000	Temporary Right	- P
		Receipt Number	- S009154	Water District	-
		POU Ownership Flag	- Y	Federal/State Indicator	- S
		Name Connector	-	Presumption Flag	-
				Notice of Error Flag	-

IN THE DISTRICT COURT OF THE FIFTH JUDICIAL DISTRICT OF THE STATE OF IDAHO,
IN AND FOR THE COUNTY OF TWIN FALLS

IN RE THE GENERAL ADJUDICATION
OF RIGHTS TO THE USE OF WATER FROM
THE SNAKE RIVER BASIN WATER SYSTEM.

CIVIL CASE NUMBER: 39576

Ident. Number: **A02-02386**
Date Received: 9/13/1989
Receipt No: S009154
Received By: _____

COPY FOR YOUR FILES

NOTICE OF CLAIM TO A WATER RIGHT ACQUIRED UNDER STATE LAW

COPY FOR YOUR FILES

1. Name: CLOVER HOLLOW COMPANY LLC 208-587-7060
   Address: PO BOX 606
   MOUNTAIN HOME ID 83647

2. Date of Priority: MAR 11, 1966

3. Source: SNAKE RIVER Trib. to: COLUMBIA RIVER

4. Point of Diversion:

Township	Range	Section	1/4 of	1/4 of	1/4	Lot	County
05S	07E	28		NE	SW		ELMORE

5. Description of diverting works:
   PUMPS, CANAL

6. Water is used for the following purposes:

Purpose	From	To	C.F.S	(or)	A.F.A.
IRRIGATION	03/15	11/15	18.900		4253.00

7. Total Quantity Appropriated is:
   18.900 C.F.S. (and/or) 4253.00 A.F.A.

8. Total consumptive use is Acre Feet Per Annum.

9. Non-irrigation uses:

10. Place of Use:

Township	Range	Section	1/4 of	1/4	Lot	Use	Acres
04S	07E	27	NE	NE		IRR	40.0
			NW	NE		IRR	40.0
			SW	NE		IRR	40.0
			SE	NE		IRR	40.0
			NE	NW		IRR	40.0

10. Place of Use: Continued

Township	Range	Section	1/4 of 1/4		Lot	Use	Acres
04S	07E	27	NW	NW		IRR	40.0
			SW	NW		IRR	40.0
			SE	NW		IRR	40.0
			NE	SW		IRR	40.0
			NW	SW		IRR	40.0
			SW	SW		IRR	40.0
			SE	SW		IRR	40.0
			NE	SE		IRR	40.0
			NW	SE		IRR	40.0
			SW	SE		IRR	40.0
			SE	SE		IRR	40.0
					Section Acres		640.0
		33	NE	NE		IRR	25.0
			NW	NE		IRR	40.0
			SW	NE		IRR	40.0
			SE	NE		IRR	40.0
			NE	SE		IRR	40.0
			NW	SE		IRR	40.0
			SW	SE		IRR	40.0
			SE	SE		IRR	40.0
					Section Acres		305.0
					Total Acres		945.0

11. Place of use in counties: ELMORE

12. Do you own the property listed above as place of use? YES

13. Other Water Rights Used:
A02-02387, 02388, 07291, 07148, A61-02176

14. Remarks:
OWNERSHIP CHANGED BY LH 6/5/97.

15. Basis of Claim: LICENSE

Water Right Number: 32782

ADJUDICATION CLAIMS PROOF READING REPORT
(REGIONAL)

Water Right Number - A02-02387 Prefix Translation: ADJUDICATION CLAIM Old (D) Number - 32781

Last Name	First Name	Address
*** C - CURRENT OWNER *** HANCOCK	JOHN	1 - MUTUAL LIFE INSURANCE CO. 2 - P.O. BOX 1087 3 - City- TWIN FALLS State- ID Zip- 83303 Phone - 208-733-4327

Priority Date	Region	Stage	Status
03/11/1966	ERROR IN REGION	L - LICENSE	

Source	Tributary
SNAKE RIVER	COLUMBIA RIVER

Point of Diversion

Twn	Rng	Sec	Tract	Lot	RFlg	County
05S	07E	28	NE SW			(39) ELMORE

Water Use

Code	Description	Period From	Period To	Diversion Rate	Diversion Volume
01	IRRIGATION	03/15	11/15	19.120	4302.00

Total Div. Rate	Total Div. Volume	Total Consumptive Use	KW Usage
19.120	4302.00	0.0	

Place of Use

Twn	Rng	Sec	Tract	Lot	Acres	Code	Description	County
04S	07E	31	NE NE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	31	NW NE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	31	SW NE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	31	SE NE		38.0	01	IRRIGATION	(39) ELMORE
04S	07E	31	NE NW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	31	NW NW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	31	SW NW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	31	SE NW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	31	NE SW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	31	NW SW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	31	SW SW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	31	SE SW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	31	NE SE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	31	NW SE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	31	SW SE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	31	SE SE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	32	NE NW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	32	NW NW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	32	SW NW		39.0	01	IRRIGATION	(39) ELMORE
04S	07E	32	SE NW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	32	NE SW		40.0	01	IRRIGATION	(39) ELMORE

Water right number - A02-02387 Prefix Translation: ADJUDICATION CLAIM

Place of Use

Twn	Rng	Sec	Tract	Lot	Acres	Code	Description	County
04S	07E	32	NW SW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	32	SW SW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	32	SE SW		40.0	01	IRRIGATION	(39) ELMORE

Total Acres: 957.0

Diversion Means - PUMPS, CANAL

Non-Irrigation Use -

Other Rights for Same Use - A02-02386, 02388, 07291, 07148, A61-02176

Remarks

No Remarks found.

Old Water Right Numbers

No Old Water Right Numbers Found

Conditions of Approval

Decree Plaintiff

Decree Defendant

Decree Date - 00/00/0000

Comments

No Comments Found

Audit Fields - 00/00/00

Adjudication Rights Dates and Flags Area

Court Report Filing	- 00/00/0000	Field Inspection Made	- 00/00/0000	Civil Case Number	- 39576
Objection Filed Date	- 00/00/0000	Field Inspection Flag	-	Old Case Number	-
Response Filed Date	- 00/00/0000	Verified Date	- 00/00/0000	Old Judicial District	-
Claim Received Date	- 09/13/1989	Last Amended Date	- 00/00/0000	Temporary Right	- P
		Receipt Number	- S009154	Water District	-
		POU Ownership Flag	- Y	Federal/State Indicator	- S
		Name Connector	-	Presumption Flag	-
				Notice of Error Flag	-

IN THE DISTRICT COURT OF THE FIFTH JUDICIAL DISTRICT OF THE STATE OF IDAHO,
IN AND FOR THE COUNTY OF TWIN FALLS

IN RE THE GENERAL ADJUDICATION
OF RIGHTS TO THE USE OF WATER FROM
THE SNAKE RIVER BASIN WATER SYSTEM.

CIVIL CASE NUMBER: 39576

Ident. Number: **A02-02387**
Date Received: 9/13/1989
Receipt No: S009154
Received By: _____

COPY FOR YOUR FILES

NOTICE OF CLAIM TO A WATER RIGHT ACQUIRED UNDER STATE LAW

COPY FOR YOUR FILES

1. Name: CLOVER HOLLOW COMPANY LLC 208-587-7060
   Address: PO BOX 606
   MOUNTAIN HOME ID 83647

2. Date of Priority: MAR 11, 1966

3. Source: SNAKE RIVER Trib. to: COLUMBIA RIVER

4. Point of Diversion:

Township	Range	Section	1/4 of 1/4 of 1/4	Lot	County
05S	07E	28	NE SW		ELMORE

5. Description of diverting works:
   PUMPS, CANAL

6. Water is used for the following purposes:

Purpose	From	To	C.F.S	(or)	A.F.A.
IRRIGATION	03/15	11/15	19.120		4302.00

7. Total Quantity Appropriated is:
   19.120 C.F.S. (and/or) 4302.00 A.F.A.

8. Total consumptive use is Acre Feet Per Annum.

9. Non-irrigation uses:

10. Place of Use:

Township	Range	Section	1/4 of 1/4	Lot	Use	Acres
04S	07E	31	NE NE		IRR	40.0
			NW NE		IRR	40.0
			SW NE		IRR	40.0
			SE NE		IRR	38.0 +-
			NE NW		IRR	40.0

10. Place of Use: Continued

Township	Range	Section	1/4 of 1/4		Lot	Use	Acres
04S	07E	31	NW	NW		IRR	40.0
			SW	NW		IRR	40.0
			SE	NW		IRR	40.0
			NE	SW		IRR	40.0
			NW	SW		IRR	40.0
			SW	SW		IRR	40.0
			SE	SW		IRR	40.0
			NE	SE		IRR	40.0
			NW	SE		IRR	40.0
			SW	SE		IRR	40.0
			SE	SE		IRR	40.0
					Section Acres		638.0
		32	NE	NW		IRR	40.0
			NW	NW		IRR	40.0
			SW	NW		IRR	39.0
			SE	NW		IRR	40.0
			NE	SW		IRR	40.0
			NW	SW		IRR	40.0
			SW	SW		IRR	40.0
			SE	SW		IRR	40.0
					Section Acres		319.0
					Total Acres		957.0

+ 320
1320
+ 317

11. Place of use in counties: ELMORE

12. Do you own the property listed above as place of use? YES

13. Other Water Rights Used:
A02-02386, 02388, 07291, 07148, A61-02176

14. Remarks:
OWNERSHIP CHANGED BY LH 6/5/97.

15. Basis of Claim: LICENSE

Water Right Number: 32781

ADJUDICATION CLAIMS PROOF READING REPORT
(REGIONAL)

Water Right Number - A02-02388 Prefix Translation: ADJUDICATION CLAIM Old (D) Number - 32782

Last Name	First Name	Address
*** C - CURRENT OWNER *** HANCOCK	JOHN	1 - MUTUAL LIFE INSURANCE CO. 2 - P.O. BOX 1087 3 - City- TWIN FALLS State- ID Zip- 83303 Phone - 208-733-4327

Priority Date	Region	Stage	Status
06/13/1966	ERROR IN REGION	L - LICENSE	

Source	Tributary
SNAKE RIVER	COLUMBIA RIVER

Point of Diversion

Twn	Rng	Sec	Tract	Lot	RFlg	County
05S	07E	28	NE SW		(39)	ELMORE

Water Use

Code	Description	Period From	Period To	Diversion Rate	Diversion Volume
01	IRRIGATION	03/15	11/15	19.080	4293.00

Total Div. Rate	Total Div. Volume	Total Consumptive Use	KW Usage
19.080	4293.00	0.0	

Place of Use

Twn	Rng	Sec	Tract	Lot	Acres	Code	Description	County
04S	07E	32	NE NE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	32	NW NE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	32	SW NE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	32	SE NE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	32	NE SE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	32	NW SE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	32	SW SE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	32	SE SE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	33	NE NW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	33	NW NW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	33	SW NW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	33	SE NW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	33	NE SW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	33	NW SW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	33	SW SW		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	33	SE SW		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	5	NE NE		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	5	NW NE		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	5	SW NE		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	5	SE NE		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	5	NE SE		40.0	01	IRRIGATION	(39) ELMORE

Water right number - A02-02388 Prefix Translation: ADJUDICATION CLAIM

Place of Use

Twn	Rng	Sec	Tract	Lot	Acres	Code	Description	County
05S	07E	5	NW SE		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	5	SW SE		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	5	SE SE		37.0	01	IRRIGATION	(39) ELMORE

Total Acres: 957.0

Diversion Means - PUMPS, CANAL

Non-Irrigation Use -

Other Rights for Same Use - A02-02386, 02387, 07148, 07291, A61-02176

Remarks

No Remarks found.

Old Water Right Numbers

No Old Water Right Numbers Found

Conditions of Approval

Decree Plaintiff | Decree Defendant | Decree Date 00/00/0000

Comments

No Comments Found

Audit Fields
00/00/00

Adjudication Rights Dates and Flags Area

Court Report Filing	- 00/00/0000	Field Inspection Made	- 00/00/0000	Civil Case Number	- 39576
Objection Filed Date	- 00/00/0000	Field Inspection Flag	-	Old Case Number	-
Response Filed Date	- 00/00/0000	Verified Date	- 00/00/0000	Old Judicial District	-
Claim Received Date	- 09/13/1989	Last Amended Date	- 00/00/0000	Temporary Right	- P
		Receipt Number	- S009154	Water District	-
		POU Ownership Flag	- Y	Federal/State Indicator	- S
		Name Connector	-	Presumption Flag	-
				Notice of Error Flag	-

IN THE DISTRICT COURT OF THE FIFTH JUDICIAL DISTRICT OF THE STATE OF IDAHO,
IN AND FOR THE COUNTY OF TWIN FALLS

IN RE THE GENERAL ADJUDICATION
OF RIGHTS TO THE USE OF WATER FROM
THE SNAKE RIVER BASIN WATER SYSTEM.

CIVIL CASE NUMBER: 39576

Ident. Number: **A02-02388**
Date Received: 9/13/1989
Receipt No: S009154
Received By: _____

COPY FOR YOUR FILES

NOTICE OF CLAIM TO A WATER RIGHT ACQUIRED UNDER STATE LAW

COPY FOR YOUR FILES

1. Name: CLOVER HOLLOW COMPANY LLC 208-587-7060
   Address: PO BOX 606
   MOUNTAIN HOME ID 83647

2. Date of Priority: JUN 13, 1966

3. Source: SNAKE RIVER Trib. to: COLUMBIA RIVER

4. Point of Diversion:

Township	Range	Section	1/4 of	1/4 of	1/4	Lot	County
05S	07E	28		NE	SW		ELMORE

5. Description of diverting works:
   PUMPS, CANAL

6. Water is used for the following purposes:

Purpose	From	To	C.F.S	(or)	A.F.A.
IRRIGATION	03/15	11/15	19.080		4293.00

7. Total Quantity Appropriated is:
   19.080 C.F.S. (and/or) 4293.00 A.F.A.

8. Total consumptive use is Acre Feet Per Annum.

9. Non-irrigation uses:

10. Place of Use:

Township	Range	Section	1/4 of	1/4	Lot	Use	Acres
04S	07E	32	NE	NE		IRR	40.0
			NW	NE		IRR	40.0
			SW	NE		IRR	40.0
			SE	NE		IRR	40.0
			NE	SE		IRR	40.0

10. Place of Use: Continued

Township	Range	Section	1/4 of 1/4		Lot	Use	Acres
04S	07E	32	NW	SE		IRR	40.0
			SW	SE		IRR	40.0
			SE	SE		IRR	40.0
					Section Acres		320.0
		33	NE	NW		IRR	40.0
			NW	NW		IRR	40.0
			SW	NW		IRR	40.0
			SE	NW		IRR	40.0
			NE	SW		IRR	40.0
			NW	SW		IRR	40.0
			SW	SW		IRR	40.0
			SE	SW		IRR	40.0
					Section Acres		320.0
05S	07E	5	NE	NE		IRR	40.0
			NW	NE		IRR	40.0
			SW	NE		IRR	40.0
			SE	NE		IRR	40.0
			NE	SE		IRR	40.0
			NW	SE		IRR	40.0
			SW	SE		IRR	40.0
			SE	SE		IRR	37.0
					Section Acres		317.0
					Total Acres		957.0

11. Place of use in counties: ELMORE

12. Do you own the property listed above as place of use? YES

13. Other Water Rights Used:
A02-02386, 02387, 07148, 07291, A61-02176

14. Remarks:
OWNERSHIP CHANGED BY LH 6/9/97.

15. Basis of Claim: LICENSE

Water Right Number: 32782

IDAHO DEPARTMENT OF WATER RESOURCES
ADJUDICATION CLAIMS PROOF READING REPORT
(REGIONAL)

Water Right Number - A02-07148 Prefix Translation: ADJUDICATION CLAIM Old (D) Number -

Last Name	First Name	Address
*** C - CURRENT OWNER *** HANCOCK	JOHN	1 - MUTUAL LIFE INSURANCE CO. 2 - P.O. BOX 1087 3 - City- TWIN FALLS State- ID Zip- 83303 Phone - 208-733-4327

Priority Date	Region	Stage	Status
07/01/1974	ERROR IN REGION	L - LICENSE	

Source	Tributary
SNAKE RIVER	COLUMBIA RIVER

Point of Diversion

Twn	Rng	Sec	Tract	Lot	RFlg	County
05S	07E	28	NE SW		(39)	ELMORE

Water Use

Code	Description	Period From	Period To	Diversion Rate	Diversion Volume
01	IRRIGATION	04/01	10/15	19.200	4320.00

Total Div. Rate	Total Div. Volume	Total Consumptive Use	KW Usage
19.200	4320.00	0.0	

Place of Use

Twn	Rng	Sec	Tract	Lot	Acres	Code	Description	County
05S	07E	5	NE NW		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	5	NW NW		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	5	SW NW		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	5	SE NW		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	5	NE SW		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	5	NW SW		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	5	SW SW		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	5	SE SW		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	6	NE NE		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	6	NW NE		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	6	SW NE		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	6	SE NE		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	6	NE SE		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	6	NW SE		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	6	SW SE		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	6	SE SE		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	7	NE NE		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	7	NW NE		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	7	SW NE		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	7	SE NE		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	8	NE NW		40.0	01	IRRIGATION	(39) ELMORE

Water right number - A02-07148 Prefix Translation: ADJUDICATION CLAIM

Place of Use

Twn	Rng	Sec	Tract	Lot	Acres	Code	Description	County
05S	07E	8	NW NW		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	8	SW NW		40.0	01	IRRIGATION	(39) ELMORE
05S	07E	8	SE NW		40.0	01	IRRIGATION	(39) ELMORE

Total Acres: 960.0

Diversion Means - PUMPS, CANAL

Non-Irrigation Use -

Other Rights for Same Use - A02-02386, 02387, 02388, 07291, A61-02176

Remarks

No Remarks found.

Old Water Right Numbers

No Old Water Right Numbers Found

Conditions of Approval

Decree Plaintiff

Decree Defendant

Decree Date
00/00/0000

Comments

No Comments Found

Audit Fields
00/00/00

Adjudication Rights Dates and Flags Area

Court Report Filing	- 00/00/0000	Field Inspection Made	- 00/00/0000	Civil Case Number	- 39576
Objection Filed Date	- 00/00/0000	Field Inspection Flag	-	Old Case Number	-
Response Filed Date	- 00/00/0000	Verified Date	- 00/00/0000	Old Judicial District	-
Claim Received Date	- 09/13/1989	Last Amended Date	- 00/00/0000	Temporary Right	- P
		Receipt Number	- S009154	Water District	-
		POU Ownership Flag	- Y	Federal/State Indicator	- S
		Name Connector	-	Presumption Flag	-
				Notice of Error Flag	-

IN THE DISTRICT COURT OF THE FIFTH JUDICIAL DISTRICT OF THE STATE OF IDAHO,
IN AND FOR THE COUNTY OF TWIN FALLS

IN RE THE GENERAL ADJUDICATION
OF RIGHTS TO THE USE OF WATER FROM
THE SNAKE RIVER BASIN WATER SYSTEM.

CIVIL CASE NUMBER: 39576

Ident. Number: **A02-07148**
Date Received: 9/13/1989
Receipt No: S009154
Received By: _____

COPY FOR YOUR FILES

NOTICE OF CLAIM TO A WATER RIGHT ACQUIRED UNDER STATE LAW

COPY FOR YOUR FILES

1. Name: CLOVER HOLLOW COMPANY LLC 208-587-7060
   Address: PO BOX 606
   MOUNTAIN HOME ID 83647

2. Date of Priority: JUL 1, 1974

3. Source: SNAKE RIVER Trib. to: COLUMBIA RIVER

4. Point of Diversion:

Township	Range	Section	1/4 of 1/4 of 1/4	Lot	County
05S	07E	28	NE SW		ELMORE

5. Description of diverting works:
   PUMPS, CANAL

6. Water is used for the following purposes:

Purpose	From	To	C.F.S	(or)	A.F.A.
IRRIGATION	04/01	10/15	19.200		4320.00

7. Total Quantity Appropriated is:
   19.200 C.F.S. (and/or) 4320.00 A.F.A.

8. Total consumptive use is Acre Feet Per Annum.

9. Non-irrigation uses:

10. Place of Use:

Township	Range	Section	1/4 of 1/4	Lot	Use	Acres
05S	07E	5	NE NW		IRR	40.0
			NW NW		IRR	40.0
			SW NW		IRR	40.0
			SE NW		IRR	40.0
			NE SW		IRR	40.0

10. Place of Use: Continued

Township	Range	Section	1/4 of 1/4		Lot	Use	Acres
05S	07E	5	NW	SW		IRR	40.0
			SW	SW		IRR	40.0
			SE	SW		IRR	40.0
						Section Acres	320.0
		6	NE	NE		IRR	40.0
			NW	NE		IRR	40.0
			SW	NE		IRR	40.0
			SE	NE		IRR	40.0
			NE	SE		IRR	40.0
			NW	SE		IRR	40.0
			SW	SE		IRR	40.0
			SE	SE		IRR	40.0
						Section Acres	320.0
		7	NE	NE		IRR	40.0
			NW	NE		IRR	40.0
			SW	NE		IRR	40.0
			SE	NE		IRR	40.0
						Section Acres	160.0
		8	NE	NW		IRR	40.0
			NW	NW		IRR	40.0
			SW	NW		IRR	40.0
			SE	NW		IRR	40.0
						Section Acres	160.0
						Total Acres	960.0

11. Place of use in counties: ELMORE

12. Do you own the property listed above as place of use? YES

13. Other Water Rights Used:
A02-02386, 02387, 02388, 07291, A61-02176

14. Remarks:
OWNERSHIP CHANGED BY LH 6/9/97.

15. Basis of Claim: LICENSE

IN THE DISTRICT COURT OF THE FIFTH JUDICIAL DISTRICT OF THE STATE OF IDAHO,
IN AND FOR THE COUNTY OF TWIN FALLS

IN RE THE GENERAL ADJUDICATION
OF RIGHTS TO THE USE OF WATER FROM
THE SNAKE RIVER BASIN WATER SYSTEM.

CIVIL CASE NUMBER: 39576

Ident. Number: **A02-07291**
Date Received: 9/13/1989
Receipt No: S009154
Received By: _____

COPY FOR YOUR FILES

NOTICE OF CLAIM TO A WATER RIGHT ACQUIRED UNDER STATE LAW

COPY FOR YOUR FILES

1. Name: CLOVER HOLLOW COMPANY LLC 208-587-7060
   Address: PO BOX 606
   MOUNTAIN HOME ID 83647

2. Date of Priority: NOV 14, 1979

3. Source: SNAKE RIVER Trib. to: COLUMBIA RIVER

4. Point of Diversion:

Township	Range	Section	1/4 of 1/4 of 1/4	Lot	County
05S	07E	28	NE SW	2	ELMORE

5. Description of diverting works:
   PUMP, CONCRETE DITCH, POND AND PIPELINE.

6. Water is used for the following purposes:

Purpose	From	To	C.F.S	(or)	A.F.A.
IRRIGATION	03/15	11/15	7.860		1768.50

7. Total Quantity Appropriated is:
   7.860 C.F.S. (and/or) 1768.50 A.F.A.

8. Total consumptive use is Acre Feet Per Annum.

9. Non-irrigation uses:

10. Place of Use:

Township	Range	Section	1/4 of 1/4	Lot	Use	Acres
04S	07E	21	NE SW		IRR	40.0
			NE SE		IRR	39.0
			NW SE		IRR	40.0
			SW SE		IRR	40.0
			SE SE		IRR	39.0

10. Place of Use: Continued

Township	Range	Section	1/4 of 1/4		Lot	Use	Acres
					Section Acres		198.0
		22	NW	SW		IRR	39.0
			SW	SW		IRR	38.0
			SE	SW		IRR	38.0
					Section Acres		115.0
		28	NE	NE		IRR	40.0
			SE	NE		IRR	40.0
					Section Acres		80.0
					Total Acres		393.0

11. Place of use in counties: ELMORE

12. Do you own the property listed above as place of use? YES

13. Other Water Rights Used:
A02-07148, 02386, 02387, 02388, A61-02176

14. Remarks:
THIS RT. WHEN COMBINED WITH RTS. 02-2386/2387/7148 SHALL NOT EXCEED 60.0 CFS.
OWNERSHIP CHANGED BY LH 6/5/97.

15. Basis of Claim: LICENSE

ADJUDICATION CLAIMS PROOF READING REPORT
(REGIONAL)

Water Right Number - A61-02176 Prefix Translation: ADJUDICATION CLAIM Old (D) Number - 32299

*** C - CURRENT OWNER ***
JOHN HANCOCK MUTUAL LIFE INSURANCE CO

1 - PO BOX 1087
2 -
3 -
City- TWIN FALLS State- ID Zip- 83303
Phone - 208-733-4327

Priority Date: 03/26/1965
Region: 14 WESTERN
Stage: L - LICENSE
Status:

Source: GROUNDWATER
Tributary:

Point of Diversion

Twn	Rng	Sec	Tract	Lot	RFlg	County
04S	07E	31	SE NE			(39) ELMORE

Water Use

Code	Description	Period From	Period To	Diversion Rate	Diversion Volume
01	IRRIGATION	04/01	10/15	1.440	526.50

Total Div. Rate: 1.440
Total Div. Volume: 526.50
Total Consumptive Use: 0.0
KW Usage:

Place of Use

Twn	Rng	Sec	Tract	Lot	Acres	Code	Description	County
04S	07E	31	NE NE		39.0	01	IRRIGATION	(39) ELMORE
04S	07E	31	SW NE		40.0	01	IRRIGATION	(39) ELMORE
04S	07E	31	SE NE		38.0	01	IRRIGATION	(39) ELMORE

Total Acres: 117.0

Diversion Means - WELL, PUMP, SPRINKLERS

Non-Irrigation Use -

Other Rights for Same Use - A02-02386, 02387, 02388

Remarks

USED AS SUPPLEMENTAL WATER TO SNAKE RIVER WATER.

Old Water Right Numbers

No Old Water Right Numbers Found

Water right number - A61-02176 Prefix Translation: ADJUDICATION CLAIM

Conditions of Approval

No Conditions of Approval found.

Decree Plaintiff	Decree Defendant	Decree Date
		00/00/0000

Comments

No Comments Found

Audit Fields

00/00/00

Adjudication Rights Dates and Flags Area

Court Report Filing	- 00/00/0000	Field Inspection Made	- 00/00/0000	Civil Case Number	- 39576
Objection Filed Date	- 00/00/0000	Field Inspection Flag	-	Old Case Number	-
Response Filed Date	- 00/00/0000	Verified Date	- 00/00/0000	Old Judicial District	-
Claim Received Date	- 09/13/1989	Last Amended Date	- 00/00/0000	Temporary Right	- P
		Receipt Number	- S009154	Water District	-
		POU Ownership Flag	- Y	Federal/State Indicator	- S
		Name Connector	-	Presumption Flag	-
				Notice of Error Flag	-

United State Department of the Interior
Bureau of Reclamation

Water Rental and Forbearance Agreement

With Clover Hollow LLC
(Lessor's name)

Reclamation agreement number # 1425-03-MA-10-3880

This Agreement is entered into pursuant to the Reclamation Act of 1902, as amended and supplemented, for the purpose of meeting commitments of the Bureau of Reclamation (Reclamation) under the Biological Opinions on the Operation of the Federal Columbia River Power System and the operation and maintenance of Reclamation Projects in the Snake River Basin above Brownlee Dam. This Agreement is by and between the United States of America, acting by and through the Department of the Interior, Bureau of Reclamation, represented by the officer executing this instrument on its behalf and the Lessor.

RECITALS

A. WHEREAS, Reclamation has commitments under Biological Opinions on the operation of the Federal Columbia River Power System and the operation and maintenance of Reclamation Projects in the Snake River Basin above Brownlee Dam to provide flow augmentation for delivery at Lower Granite Dam.

B. WHEREAS, The Idaho Legislature authorized Reclamation to annually rent up to 427,000 acre-feet of storage water per year during the years 2002-2004 under the provisions of Idaho Code § 42-1763B.

C. WHEREAS, In 2002, there was insufficient storage water available for rental by Reclamation to meet the 427,000 acre-feet rental target. Therefore, Reclamation worked with the Idaho Department of Water Resources (IDWR) under Memorandum of Agreement No. 1425-02-MA-10-3460 to have certain water right holders idle land and place their water rights in the State Water Supply Bank, thereby increasing water flow downstream to Lower Granite Dam. Rules governing the Idaho State Water Supply Bank, IDAPA 37.02.03, provide that rentals shall be approved only for use in Idaho unless there is compliance with the provisions of Idaho Code § 42-401(3). In order to avoid the complexities of Reclamation seeking approval for out-of-state use, the water was rented by the Idaho Power Company and used for hydropower generation in Idaho with the result that additional water flowed to Lower Granite Dam for flow augmentation.

D. WHEREAS, Similar to 2002, it is expected that insufficient storage water will be available this year for rental by Reclamation. Therefore, Reclamation has initiated a similar pilot Snake River Leasing Program (Program), although this year it was advertised to the public and a request for proposals was sent to eligible water right holders. Under this Program, water right holders will forego irrigation of land and place their water right into the Idaho State Water Supply Bank. As a practical way of ensuring that Reclamation receives additional water, over and above the water flows that would otherwise be available, a qualification was added requiring that the land to which the water right is appurtenant was either irrigated last year or was in Reclamation's 2002 program explained in Recital C above. Again, it is intended for Idaho Power to renting the water from the State Water Supply Bank.

E. The Lessor submitted a proposal for participation in the Program. The proposal shows that the Lessor has a right to use water for irrigation purposes and absent this Program was intending to irrigate with the water proposed for the Program. Therefore, placing the Lessor's water in the Water Bank during 2003 will result in additional water in the Snake River at Lower Granite Dam, Oregon. This additional water will be counted towards Reclamation's obligation to provide 427,000 acre-feet of water at Lower Granite Dam.

AGREEMENT

NOW THEREFORE, in consideration of the mutual and dependent covenants herein contained, the parties agree as follows:

I. **Land Accepted into the Program**

A. The total number of acres accepted into the Program is 240.2 acres. The land, hereinafter referred to as the Land, accepted into the Program is identified as "LL" on the map(s) included in Attachment A. This is the maximum number of acres eligible for payment under this Agreement. Reclamation recognizes the following conditions may exist: 1) additional acres may have been proposed in the Lessor's application, 2) the Lessor may have a right to irrigate additional acres, 3) the Lessor may intend to irrigate additional acres in 2003 and is willing to idle those acres, and 4) the Lessor may submit an application to the State Water Supply Bank to lease water rights appurtenant to acres other than the acres identified in this Agreement. Notwithstanding any of the conditions stated above or any other conditions, under this "willing seller, willing buyer" Agreement, the number of acres covered by the Agreement is limited to the number and location stated in this section I.A. of the Agreement.

B. If it is determined after the execution of this Agreement that certain acres are not eligible for the Program because of a mistake, error, or misrepresentation in the Lessor's application, the land covered under this Program will be reduced accordingly.

C. The Land may not be irrigated from any source, regardless of whether there is another valid water right appurtenant to the Land. Water authorized to be diverted under water rights, or portions of water rights, leased to the Water Supply Bank may not be applied to lands that are not identified in this Agreement. The Lessor may not water the Land for any reason; for example, testing equipment, irrigating a cover crop, or dust abatement.

D. IDWR intends to monitor the Lessor's idled lands. The monitoring will include field visits, and the collection and analysis of satellite data and related pump and flow measurements collected at IDWR's discretion. The Lessor agrees to allow the collection of data and access for field visits.

II. Water Rights Appurtenant to the Leased Land

A. The Lessor agrees that this Agreement shall be submitted to the Idaho State Water Supply Bank as an application to lease water to the bank, and that the Lessor is offering the water rights described in Attachment A to the bank by signing this Agreement. The Lessor agrees that any additional information or requirement IDWR may require to process or accept the application shall be furnished promptly to IDWR, including but not limited to, the submission of a separate application form if required. Failure to comply and IDWR requirements is cause for termination of this agreement.

B. All rentals of the Lessor's water rights out of the water bank shall be subject to Reclamation's approval.

III. Payment

A. By signing this Agreement the Lessor offers to the Idaho State Water Supply Bank the water rights described above for a total lease price of $ 360,930.00. This amount is based on $ 150.00 per acre of land idled. The Lessor understands that the amount the Lessor will receive from the Idaho State Water Supply Bank is 90% of the total lease price. Ten percent will be retained by IDWR for administrative costs of operating the Water Supply Bank, pursuant to the Water Supply Bank Rules.

B. Payment as shown in section III.A above is based upon a dollar amount per acre of land idled, regardless of the diversion rate or maximum diversion volume allowed under the water right, the historical diversion rate or consumptive use under the water right, or the diversion rate or diversion volume approved for lease by IDWR.

C. Pursuant to the Water Supply Bank Rules, IDAPA 37.02.03, after the water rights are leased, payment is to be made by the Water Supply Bank to the Lessor. Lessor agrees to accept the following intended plan for payment by IDWR: one

half of the estimated payment will be made on or about July 1, 2003, and the remainder will be paid after the irrigation season ends and final verification of program compliance is complete. Reclamation will enter into a separate contract with IDWR to make payment to the Water Supply Bank for this purpose.

IV. Term, Termination of Agreement and Remedies

A. The Agreement shall become effective on the date of the last signature hereto and shall extend through December 31, 2003.

B. At Reclamation's discretion, this Agreement may be terminated upon:

(1) Failure of the Lessor to abide by the terms and conditions of this Agreement;

(2) Refusal of the Lessor to allow Reclamation or IDWR access to the Land to monitor compliance with the Agreement.

(3) Application of water by the Lessor to the Land during the period of this Agreement, except in emergency situations where the application of water is required for public safety reasons.

(4) Discovery of fraudulent information submitted in the Lessor's Application.

C. If this Agreement is terminated for any other reason prior to its ending date, the Lessor shall reimburse Reclamation for a prorated portion of the amount stated in Section III.A of this Agreement, as determined by Reclamation.

V. Miscellaneous

A. The Landowner or Lessor is responsible for all taxes, assessments, soil conservation measures such as weed and erosion control and other obligations related to any of the Land covered by this Agreement.

B. The Landowner will indemnify and hold harmless Reclamation from any loss or damage and from any liability on account of personal injury, property damage, or claims for personal injury or death, or property damage of any nature caused by the Landowner or any person, firm or corporation acting on the Landowner's behalf related to or arising out this Agreement.

C. Water Right Ownership

This Agreement shall not be used as evidence of ownership of water rights in the Snake River Basin Adjudication.

D. Officials Not to Benefit

No member of or delegate to Congress or the Resident Commissioner shall be admitted to any share or part of this Agreement or to any benefit to arise therefrom, but this restriction shall not be construed to extend to this Agreement if made with a corporation or company for its general benefit.

E. Covenant Against Contingent Fees

The Lessor warrants that no person or agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee except bona fide employees and bona fide commercial agencies maintained by the Lessor for the purpose of securing business. For breach or violation of this warranty, Reclamation shall have the right to revoke this Agreement without liability or in its discretion to require the Lessor to pay the full amount of such commission, percentage, brokerage, or contingency fee to the United States.

Signatures

Print name: David E. Berch

Mailing address: 6025 Hwy 30 E.

Mtn. Home ID 83647

Phone: (208) 573-3542

Signed David E. Berch

Title: PARTNER/ MEMBER

Date: 3/20/03

Print name: Terry L Ketterling

Mailing address: 475 E 16th N

Mtn Home ID 83647

Phone: 208-599-1010

Signed Terry L. Ketterling

Title: Members

Date: 3/20/03

Print name: Jackie P. Post

Mailing address: P.O. Box 248

Mtn. Home, Id. 83647

Phone: 587-7197

Signed

Title: Member

Date: 3/20/03

Print name: John Bentz

Mailing address: 325 So 5th E

Mountain Home, Id. 83647

Phone: 208-587-3122

Signed John Bentz

Title: owner / member

Date: March 20, 2003

For the Bureau of Reclamation

Signature: Kenneth R Peadle

Acting for Regional Director, Pacific Northwest Region

Date: 3/24/03

Clover Hollow, LLC

ATTACHMENT A

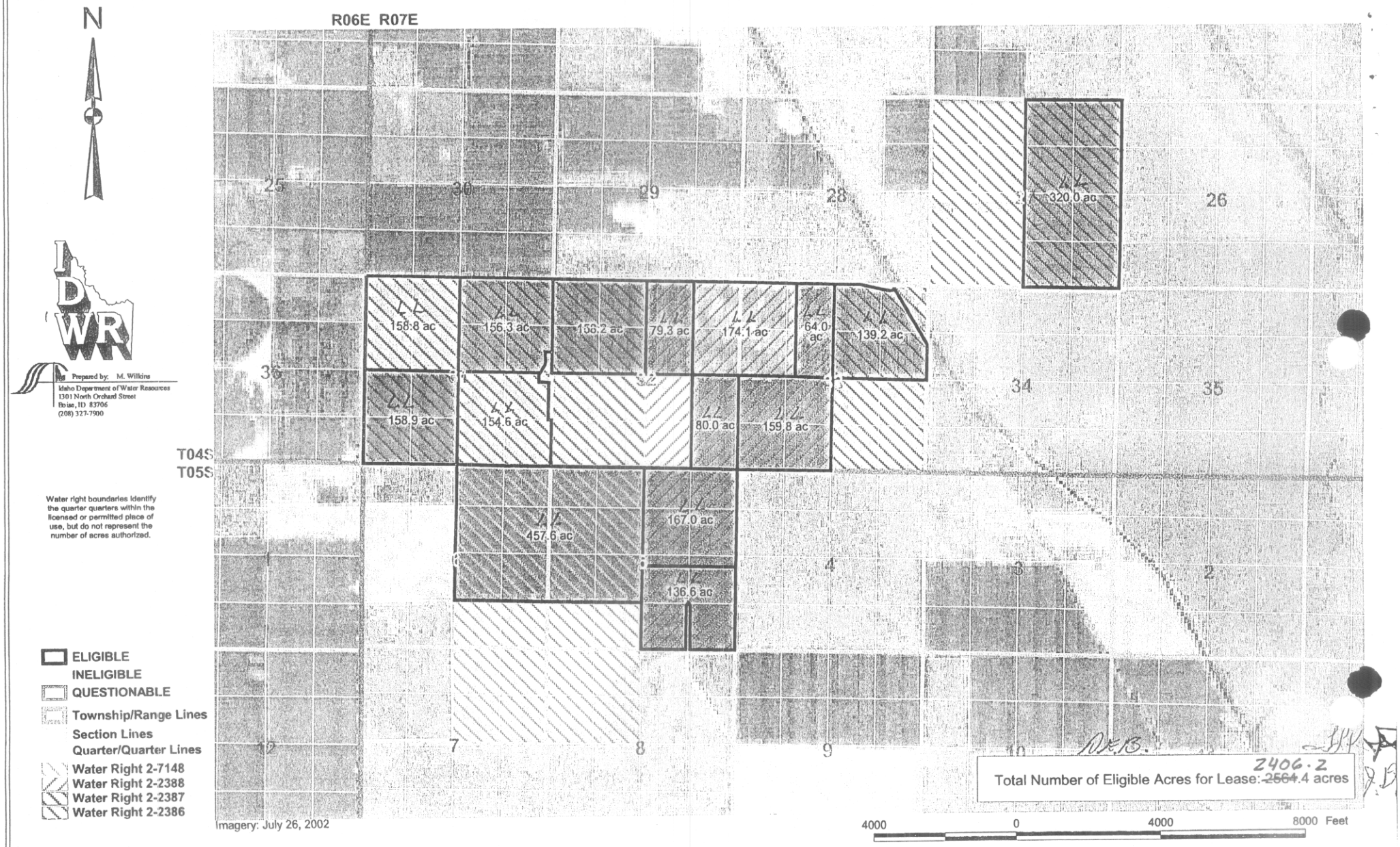
Water Right Numbers for lands in 2003 Snake River Pilot Leasing Program.

02-7148, 02-2388, 02-2387, 02-2386

Legal Description of Lands Approved for 2003 Snake River Pilot Leasing Program.

TWN	RGE	SEC	NE				NW				SW				SE			
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE
4S	7E	31	156.3				158.8				158.9				154.6			
		32	79.3												80			
		33	139.2				174.1		64.0		159.8							
5S	7E	5	167												136.6			
		5&6	457.6															
4S	7E	27	40	40	40	40									40	40	40	40

Applicant initials OEB. Applicant initials [illegible] Applicant initials [illegible] Applicant initials J.B.



D.E.B. [illegible] A. J.B. 3/20/03
Applicant Signature Date

Ruth L Page 3/20/03
USBOR Signature Date

COPY

Clover Hollow, LLC

2003 Snake River Pilot Leasing Program
Rental of Water from the Water Supply Bank

Prepared: March 7, 2003

08-7-02

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:

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.

Jonathon 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.

for KARL J. DREHER, Director
Department of Water Resources

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

RECEIVED
AUG - 7 2002
Department of Water Resources

IDAHO POWER
An IDACORP Company

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,

Jonathon C. Bowling

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

c: John P. Prescott
James C. Tucker

12/99

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 43,600.9 AF.
3. Maximum rate of diversion N/A cfs.

B. DESCRIPTION OF USE PROPOSED

1. Nature of use Hydropower, Hells Canyon Complex
2. Location of point of diversion ____ ¼ ____ ¼, Section ____, (Brownlee, Oxbow, and Hells Canyon Dams)
   Township ____, Range ____, B.M. ____ County.
3. Season of use: From Jan 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

JCB

12/99

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-MA-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

Jonathon 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 _____

JWB

ATTACHMENT
APPLICATION TO RENT WATER
FROM THE WATER SUPPLY BANK

Entities Leasing to Water Supply Bank	Acres Submitted on Application	Acre-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.

JOB

08-5-02

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:

YCB

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

JCB

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

JAB

Lower Hoffer

RECEIVED
JUN 0 7 2002
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.**

Clear Hoffer LLC

(Signature of Applicant/Authorized Agent)

by John Bent
P. A. Bergh

by Terry S. Rittenhouse

F-051302

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:

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

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

(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.

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

Kenneth R. Peddle

J. William McDonald
Regional Director

5/10/02
Date

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

RECEIVED
JUN 07 2002
DEPARTMENT OF WATER RESOURCES

Form No. 42-1781
3-92

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 _____ (Name of court) county of _____

   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 _____ ¼ of _____ ¼ of Section _____

   Township _____ Range _____, B.M. in _____ County

   Additional points of diversion, if any _____

   _____

PORTION of RIGHT 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	CL. HOLL / BERGA
4S	7E	21									40				40	40	40	40	200	
4S	7E	31					40	40	40	40					40	40	40	40	301.5	CL. HOLL / BENTZ
		SEE JACK POST APPLICATION FOR BAL of CLOVER HOLLOW DETAILS																	420	POST

Total number of acres to be ~~irrigated~~ LEASED 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 watermaster records, pumping power bills, or other evidence to demonstrate that the right has not been lost through abandonment or forfeiture:

ALL LAND FARMED & IRRIGATED IN EXCESS of 5 YEARS EXCEPT DURING 2001 - (POWER BUY BACK)

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.

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.

SEE ATTACHED USGS QUAD MAP

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

9. Remarks N/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 (year) to 10/31/2002 (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 ATTACHMENT)

6/7/02 (Date) D. C. Berry (Signature of applicant)

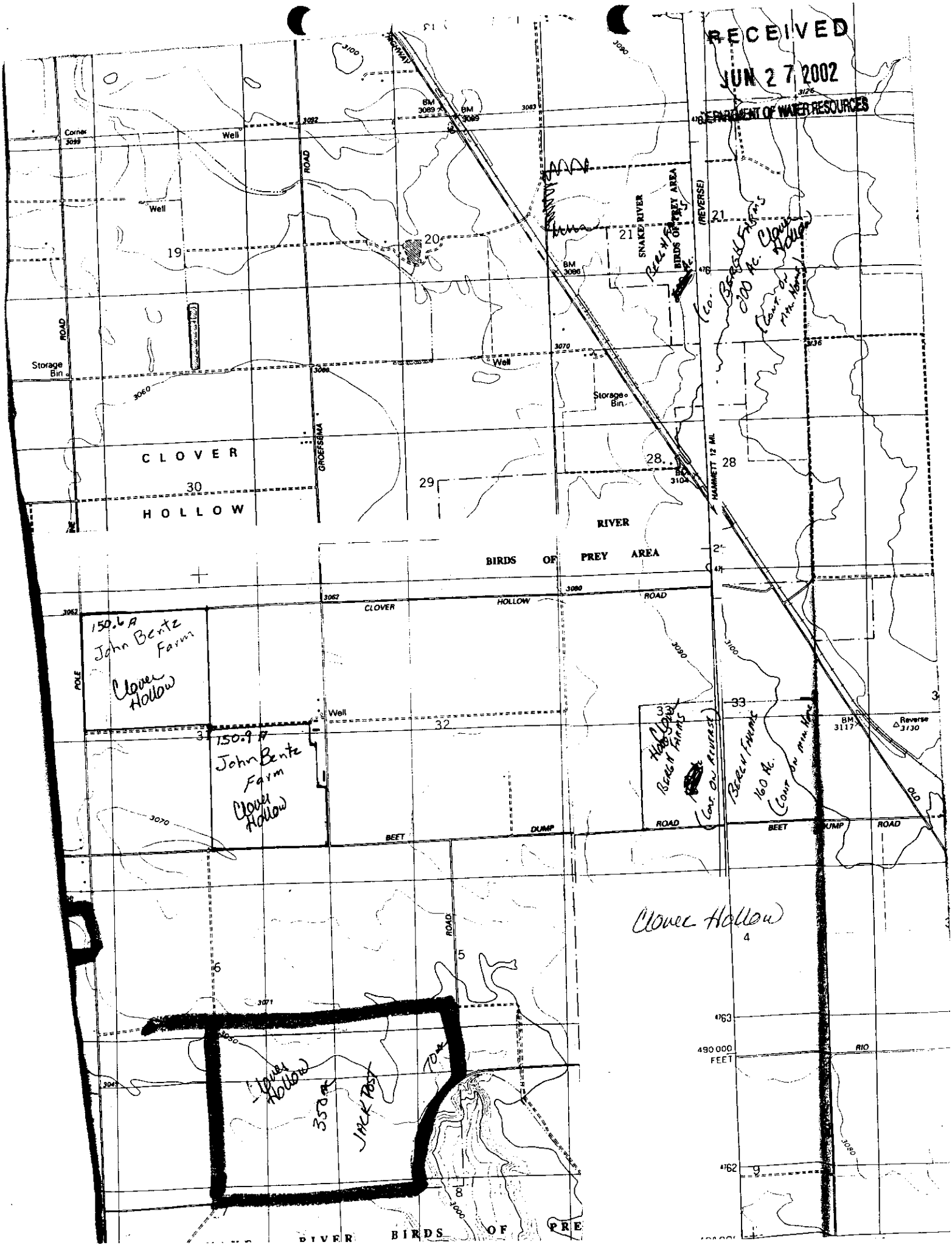
for CLOVER HOLLOW LLC

FOR DEPARTMENT USE ONLY

Received by _____ Date _____ Preliminary check by _____

Watermaster recommendation requested on _____ Received _____

Recommended for ____ approval ____ denial by _____


RECEIVED
JUN 27 2002
DEPARTMENT OF WATER RESOURCES
CLOVER HOLLOW
BIRDS OF PREY AREA
SNAKE RIVER
150.6 A
John Bentz Farm
Clover Hollow
150.9 A
John Bentz Farm
Clover Hollow
Clover Hollow
350 AF
JACK POST
Clover Hollow
Co. Bentz Farms
200 Ac. Clover Hollow
(Cont. on Mtn. Home)
Bentz Farms
160 Ac.
(Cont. on Mtn. Home)
Clover Hollow
490 000 FEET
Well
Storage Bin
BEET DUMP ROAD
HAMMETT 12 MI.
GROEFSEMA ROAD
POLE ROAD
OLD RIO

RECEIVED

JUN 2 7 2002

DEPARTMENT OF WATER RESOURCES

Clover Hollow, LLC

Land that will not be irrigated this year

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	35.3 ~~40~~	35.3 ~~40~~					30.9 ~~40~~	40	40	40	301.5
5S	7E	5											40	40					80
5S	7E	6															40	40	80
5S	7E	7	40	40	40	40													160
5S	7E	8					40	30	10	10									90

Clover Hollow Total 1071.5

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

INCORRECT (~~SEE~~ SEE LETTER APPROVED)

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

RECEIVED
JUN 27 2002
Department of Water Resources

IDAHO POWER

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 organizations(s):

Name Department of Water Resource Attn: Cynthia Bridge Clark

Address 1301 N. Orchard St. Box 83720

Boise, Id. 83720

Information may be released on the following account:

Name Clover Hollow, LLC

Service Location Refer to attached

" "

Account Number _____

List additional accounts on the back.

Signed Clover Hollow LLC. by _____ Date 6-18-02

CUSTOMER OF RECORD

DBA _____

25% owner
P. C. Bergh-Bergh Farms -25%
Terry L. Pickering -25%

This authorization is valid until _____ (Date)

6/14/02

Clover Hollow

Idaho Power Account #s & Locations

Act #	Service Locations (Mtn. Home)
7731944438 (SA 1815751788)	05S 07E 1701
338 0083411 (SA 6717352004)	04S 07E 2701
338 0083411 (SA 6672944046)	05S 06E 0501
338 0083411 (SA 8422001933)	05S 07E 1708
338 0083411 (SA 24573003)	04S 07E 2702
338 0083411 (SA 9602098617)	05S 07E 0501

RECEIVED
JUN 2 7 2002
DEPARTMENT OF WATER RESOURCES

IDAHO POWER
An IDACORP Company

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

March 23, 2001

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

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

IDAHO POWER
An IDACORP Company

000497

OFFER FORM WORKSHEET

Bid # 2

Account Information as of: 2/16/2000

Tax ID #: 820469345T

Base Energy Consumption Amount (Total of Avg kWh from below): 17,330,036

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	

* 5 Year History (or less if 5 years not available)

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, (X) 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 Members

Date Feb 28, 2001

Accepted:

IDAHO POWER COMPANY

NOW STARTING RIGHT SIDE OF FILE

State of Idaho
DEPARTMENT OF WATER RESOURCES
322 East Front Street, P.O. Box 83720, Boise, ID 83720-0098
Phone: (208) 287-4800 Fax: (208) 287-6700 Web Site: www.idwr.idaho.gov.

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

December 20, 2004

CLOVER HOLLOW LLC
PO BOX 606
MOUNTAIN HOME ID 83647

RE: FINAL PAYMENT FOR RENTAL OF WATER FROM SNAKE RIVER THROUGH THE WATER SUPPLY BANK. WATER RIGHT NOS. 2-2386, 2-2387, 2-2388 AND 2-7148

Dear Lessor,

All or portions of the water rights referenced above were leased to the Water Supply Bank ("bank") during the 2004 irrigation season in accordance with Agreement No. 1425-04-WL-10-0002 ("Agreement") between you and the United States Bureau of Reclamation ("Reclamation"). The Idaho Department of Water Resources ("department") has invoiced Reclamation for the funds associated with the second and final payment. Upon receipt, the Controller's office will issue a state warrant in the amount of **$194,955.84** to be sent directly to the address identified on the Internal Revenue Service W-9 form submitted with the application to lease water rights to the bank.

Payment for rental of the right(s) from the bank was contingent upon the determination that the acres associated with the rental application had a valid Snake River water right(s), and that they qualified for payment as provided in Contract No. 1425-04-WL-10-0023 between Reclamation and the Department of Water Resources to Implement the Rental of Water Rights Under the Pilot Program for Leasing of Snake River Natural Flow Water Rights for 2004 ("Contract").

The Agreement and Contract specify that one half of the estimated payment will be paid on or around July 30, 2004, and the balance shall be issued after the irrigation season has ended and verification of compliance with the Agreement is complete. The total payment was calculated based on the total number of acres determined to be eligible for payment times $139.00 per acre idled minus a ten percent (10%) administrative fee as provided in the Water Supply Bank rules. The first payment was calculated based on fifty percent (50%) of the estimated final payment. The second payment includes the remainder of the total payment based on the number of acres determined to be eligible.

The enclosed map identifies the eligibility status of the lands as evaluated by the department. Clover Hollow, LLC removed a couple of fields from the program during

the signing of the Agreement and estimated the revised size of a field in the southwest quarter of section 5, T5S, R7E, B.M. The field was estimated to be 135.9 acres. The idled lands were later measured by the department using available imagery to be 133.1 acres. In accordance with part IB. of the Agreement, the total number of eligible acres was reduced by 2.8 acres. The first payment was issued based on the total number of contracted acres. Therefore, compensation for the acres determined to be ineligible was deducted from the second payment. Below is a summary of the payments to Clover Hollow, LLC for the rental of the referenced water rights from the bank:

Contracted Idled Acres (ac)	Eligible Idled Acres (End of irr season)	Acres Ineligible for Payment	Payment Rate (price/ac)	Payment(s) to Lessor		
				Payment 1 (50%)	Payment 2 (remainder)	Total Payment
3122.4	3119.6	2.8	$139.00	$195,306.12	$194,955.84	$390,261.96

This payment, in the amount of $194,955.84, is considered to be the final payment for the rental of water rights for the 2004 irrigation season. If you have questions, please feel free to contact the department.

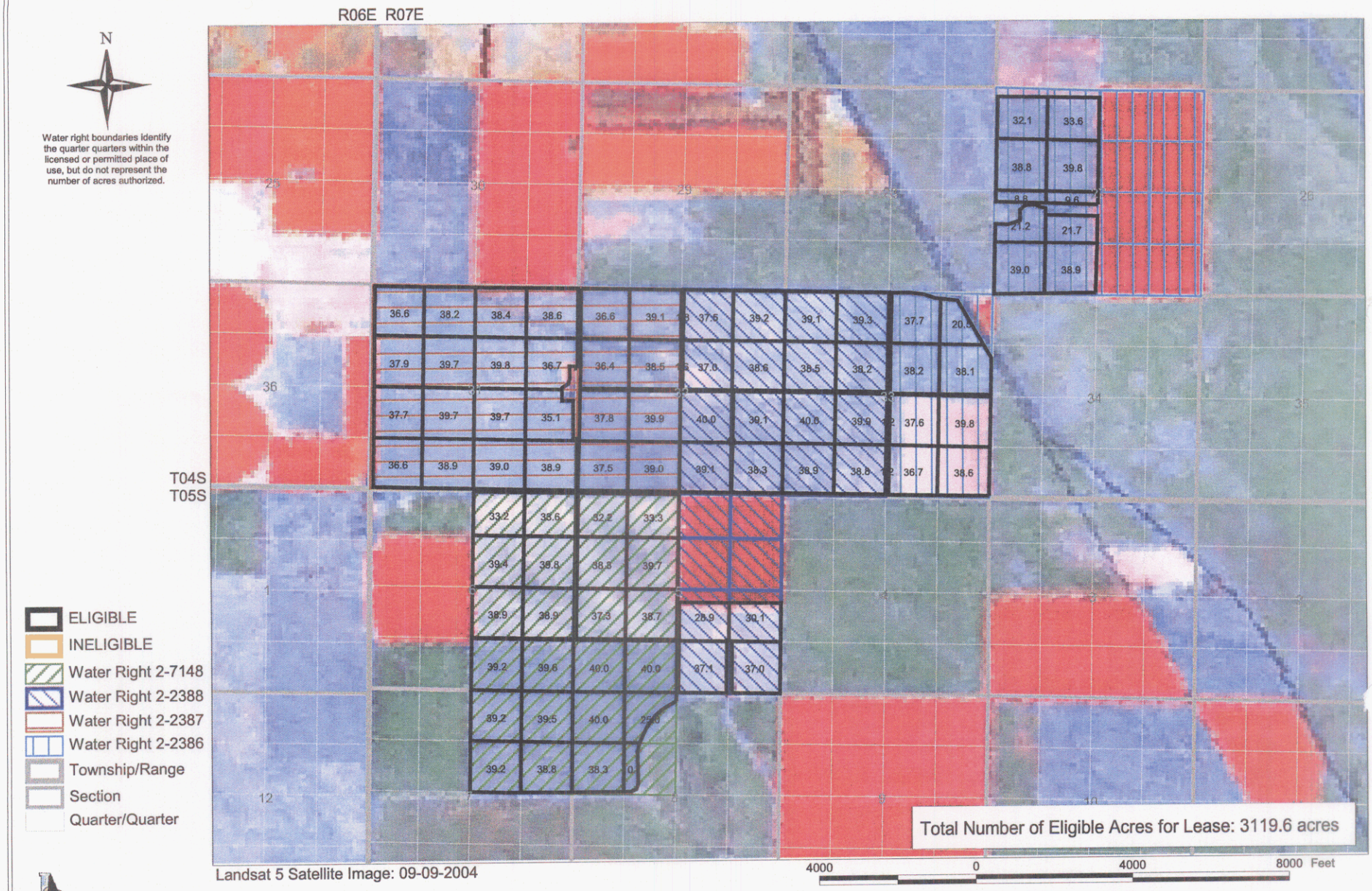
Sincerely,

Cynthia Bridge Clark
Associate Engineer
Water Allocations Bureau

Enclosure

c: IDWR Regional Office

E. Gail McGarry
Program Manager, Water Rights & Acquisition
Bureau of Reclamation
1150 N Curtis, Suite 100
PN 3100
Boise ID 83706-1234



GIS/Remote Sensing
Idaho Department of Water Resources
322 East Front Street
Boise, Idaho 83702
208.287.4800
www.idwr.idaho.gov
prepared by: M. Wilkins

Clover Hollow, LLC

2004 Snake River Pilot Leasing Program
Rental of Water from the Water Supply Bank

Prepared: December 14, 2004

Final Determination of Eligibile Acres

MEMORANDUM

To: Debbie Allen

From: Cynthia Bridge Clark

Date: December 15, 2004

Re: **INVOICE TO USBOR AND PAYMENT OF LESSORS PARTICIPATING IN THE 2004 SNAKE RIVER PILOT LEASING PROGRAM FOR RENTAL OF WATER FROM THE WATER SUPPLY BANK. WATER RIGHT NOS. 2-10205, 2-2159, 2-2354, 2-7184, 2-7229, 2-7284, 2-2386, 2-2387, 2-2388, 2-7148, 2-2279, 2-7012, 2-2249, 2-2250, 2-2251, 2-2252, 2-2253, 2-2254, 2-2255, 2-2256, 2-2361, 2-7001, 2-2371, 2-2372, 2-2262, 2-2145, 2-7144, 2-2443, 2-7030, 2-7068, 2-7076, 2-7132, 2-2198, 2-2191, 2-2370, 2-2194A, 2-2194B, 2-2186, 2-2204, 2-2206, 2-2214, 2-2215, 2-2217, 2-2218, 2-2210, 2-2269, 2-2367, 2-2379, 2-2298, 2-2376, AND 2-7182**

The following information is provided in order to invoice the United States Bureau of Reclamation (Reclamation) for the rental of water rights from the State Water Supply Bank (bank) in accordance with the Contract No. 1425-04-WL-10-0023 between the United States Bureau of Reclamation and the Idaho Department of Water Resources to Implement the Rental of Water Rights Under the Pilot Program for Leasing of Snake River Natural Flow Water Rights for 2004 (Contract).

Under section II.C.1, the Contract specifies that payment to the individual lessors will be issued at a pay rate per acre identified in the individual agreements (Agreements) between Reclamation and the lessors minus ten percent (10%) to be credited to the Water Administration Account as provided in the Water Supply Bank rules (*IDAPA 37.02.035.01*). The individual Agreements provide that one half of the estimated payment will be paid on or around July 30, 2004, and balance shall be issued after the irrigation season has ended and verification of the Program compliance is complete. The Contract specifies that the department shall invoice Reclamation for each payment to the lessors plus the associated 10% for the Water Administration Account.

Reclamation issued an amendment to the Contract to authorize a payment date later than the schedule identified in the individual Agreements. The following are lessors have requested special payment considerations:

1. Farm Development Corp. and Sail Creek Water Co. requested a single payment after the end of the irrigation season. The full payment for these entities should be invoiced with the final payment.

2. Grindstone Butte Mutual Canal Co. requested a single payment on or after January 3, 2005 and before January 7, 2005.

3. The Montierth's (listed below) own the rights leased to the bank jointly, and have requested that fifty percent of the payment be issued to Herbert and the remaining fifty percent to Edward Ray Montierth. The payment is split accordingly in the table below (the first payment was also split).

Please let me know if the state is unable to issue a warrant on the specified dates and I will notify the entities.

The first payment was invoiced in mid-July, 2004, and calculated based on 50% of the estimated final payment in accordance with the Contract. All of the entities were issued this first payment with the exception of the three entities who requested that a single payment be issued after the end of the irrigation season. All of the lessors will be issued the remainder of the total payment in accordance with the amounts listed below.

The attached tables (Table I & II) identify the participating lessors, contract numbers, acres idled, and summarize the total payment amounts.

Summary

The following lessors will be issued warrants for the second and/or final payment in the amounts listed below. The corresponding administrative fees are referenced, as well as the total amount to be requested from Reclamation for Payment 2.

LESSOR	Payment 2 To Lessor *(90% Payment 2)*	Administrative Fee *(10% Payment 2)*
Bell Rapids Mutual Irrigation Co.	$157,119.75	$17,457.75
Bergh Farms	$29,981.34	$3,331.26
Clover Hollow LLC	$194,955.84	$21,661.76
Dirks, Robert	$12,451.19	$1,383.47
Falcon Butte Farms, Inc.	$216,246.06	$24,027.34
Farm Development Corp.	$16,686.00	$1,854.00
Grindstone Butte Mutual Canal CO	$790,600.50	$87,844.50
Huey Farms, Inc.	$39,552.80	$4,394.76
Kitsos, Constantine	$3,530.25	$392.25
Little Valley Mutual Irrigation Company	$54,985.50	$6,109.50
Mills, James	$17,435.25	$1,937.25
Montierth, Herbert	$24,463.19	$2,718.13
Montierth, Edward Ray	$24,463.19	$2,718.13
Murphy Flats Water Company, Inc.	$36,308.25	$4,034.25
Rosti, Martha	$7,519.50	$835.50
Sailor Creek Water Company	$117,558.00	$13,062.00
South Elmore Irrigation Company	$307,685.70	$34,187.30
Terry Ketterling (TLK Farms, Inc.)	$36,124.20	$4,013.80
Young, Roger	$26,352.00	$2,928.00
TOTALS:	**$2,114,018.51**	**$234,890.95**

Total Invoice to Reclamation for Payment 2: $2,348,909.45

2004 SNAKE RIVER PILOT LEASING PROGRAM
RENTAL OF WATER FROM THE WATER SUPPLY BANK

INVOICE TO U.S. BUREAU OF RECLAMATION
FOR FINAL LESSOR PAYMENT

TABLE I: CONTRACT & FINAL ACREAGE SUMMARY

	AGREEMENT BETWEEN LESSORS AND USBOR [1]				TOTAL IDLED ACRES [2]		
LESSOR	Agreement No.	Contracted Idled Acres (ac)	Payment Rate (price/ac)	Estimated Total Payment by Reclamation	Eligible Idled Acres *(End of Irr. Season)*	Acres Ineligible for Payment	RENTED WATER RIGHT(S)
Bell Rapids Mutual Irrigation Co.	1425-04-WL-10-00012	2405.9	$150.00	$360,885.00	2366.8	39.1	2-10205
Bergh Farms	1425-04-WL-10-0004	477.6	$139.50	$66,625.20	477.6	0.0	2-2159, 2-2354, 2-7184, 2-7229, 2-7284
Clover Hollow, LLC.	1425-04-WL-10-0002	3122.4	$139.00	$434,013.60	3119.6	2.8	2-2386, 2-2387, 2-2388, 2-7148
Dirks, Robert	1425-04-WL-10-0007	185.7	$149.00	$27,669.30	185.7	0.0	2-2279, 2-7012
Falcon Butte Farms, Inc.	1425-04-WL-10-0001	4072.2	$111.50	$454,050.30	4072.2	0.0	2-2249, 2-2250, 2-2251, 2-2252, 2-2253, 2-2254, 2-2255, 2-2256, 2-2361, 2-7001
Falcon Butte Farms, Inc.	1425-04-WL-10-0001	197.0	$134.50	$26,496.50	197.0	0.0	
Farm Development Corp.	1425-04-WL-10-00013	123.6	$150.00	$18,540.00	123.6	0.0	2-2371, 2-2372
Grindstone Butte Mutual Canal CO	1425-04-WL-10-00011	5856.3	$150.00	$878,445.00	5856.3	0.0	2-2262
Huey Farms, Inc.	1425-04-WL-10-0006	589.9	$149.00	$87,895.10	589.9	0.0	2-2361, 2-7001
Kitsos, Constantine	1425-04-WL-10-00018	52.3	$150.00	$7,845.00	52.3	0.0	2-2145, 2-7144
Little Valley Mutual Irrigation Company	1425-04-WL-10-00016	814.6	$150.00	$122,190.00	814.6	0.0	2-2443, 2-7030, 2-7068
Mills, James	1425-04-WL-10-00017	258.3	$150.00	$38,745.00	258.3	0.0	2-7076, 2-7132
Montierth, Herbert, Edward Ray & Susan	1425-04-WL-10-0008	729.7	$149.00	$108,725.30	729.7	0.0	2-2198, 2-2191
Murphy Flats Water Company, Inc.	1425-04-WL-10-00015	537.9	$150.00	$80,685.00	537.9	0.0	2-2361, 2-2370, 2-7001
Rosti, Martha	1425-04-WL-10-00010	111.4	$150.00	$16,710.00	111.4	0.0	2-2194A, 2-2194B
Sailor Creek Water Company	1425-04-WL-10-0009	870.8	$150.00	$130,620.00	870.8	0.0	2-2186, 2-2204, 2-2206, 2-2214, 2-2215, 2-2217, 2-2218
South Elmore Irrigation Company	1425-04-WL-10-0005	4883.9	$140.00	$683,746.00	4883.9	0.0	2-2210, 2-2269, 2-2367
TLK Farms, Inc.	1425-04-WL-10-0003	573.4	$140.00	$80,276.00	573.4	0.0	2-2379
Young, Roger	1425-04-WL-10-00014	390.4	$150.00	$58,560.00	390.4	0.0	2-2298, 2-2376, 2-7182
	TOTALS:	**26253.3**		**$3,682,722.30**	**26211.4**	**41.9**	

[1] The "Agreement" represents the Water Rental and Forbearance Agreement entered into between the United States Bureau of Reclamation ("Reclamation") and the individual Lessors. The **Contracted Acres Idled** and the **Payment Rate** represent the number of acres to be idled and the payment per acre agreed upon between the Lessors and Reclamation. The **Estimated Total Payment by Reclamation** is based on the Contracted Idled acres times the Payment Rate.

[2] The **Eligible Idled Acres** represent the total number of acres determined to be eligible for payment at the end of the irrigation season based on the criteria set forth in the Contract between Reclamation and the Department of Water Resources ("IDWR") to implement the rental of water rights from the Snake River ("Contract"). Acres determined to be ineligible for payment were observed to have been irrigated during the 2004 irrigation season, or did not meet the original eligibility criteria defined in the Lessor's Agreements and IDWR's Contract.

TABLE II: PAYMENT SUMMARY [1]

LESSOR	PAYMENT 1 [2] Total Payment 1 by Reclamation (50% of Estimated Total)	PAYMENT 1 [2] Payment 1 To Lessor (90% Payment 1)	PAYMENT 1 [2] Administrative Fee (10% Payment 1)	PAYMENT 2 [3] Total Payment 2 by Reclamation (Remainder of Total)	PAYMENT 2 [3] Payment 2 To Lessor (90% Payment 2)	PAYMENT 2 [3] Administrative Fee (10% Payment 2)	TOTAL PAYMENTS Total Payment to Lessor	TOTAL PAYMENTS Total Administrative Fee	TOTAL PAYMENTS Total Payment by Reclamation
Bell Rapids Mutual Irrigation Co.	$180,442.50	$162,398.25	$18,044.25	$174,577.50	$157,119.75	$17,457.75	$319,518.00	$35,502.00	$355,020.00
Bergh Farms	$33,312.60	$29,981.34	$3,331.26	$33,312.60	$29,981.34	$3,331.26	$59,962.68	$6,662.52	$66,625.20
Clover Hollow LLC	$217,006.80	$195,306.12	$21,700.68	$216,617.60	$194,955.84	$21,661.76	$390,261.96	$43,362.44	$433,624.40
Dirks, Robert	$13,834.65	$12,451.19	$1,383.47	$13,834.65	$12,451.19	$1,383.47	$24,902.37	$2,766.93	$27,669.30
Falcon Butte Farms, Inc.	$240,273.40	$216,246.06	$24,027.34	$240,273.40	$216,246.06	$24,027.34	$432,492.12	$48,054.68	$480,546.80
Farm Development Corp.	$0.00	$0.00	$0.00	$18,540.00	$16,686.00	$1,854.00	$16,686.00	$1,854.00	$18,540.00
Grindstone Butte Mutual Canal CO	$0.00	$0.00	$0.00	$878,445.00	$790,600.50	$87,844.50	$790,600.50	$87,844.50	$878,445.00
Huey Farms, Inc.	$43,947.55	$39,552.80	$4,394.76	$43,947.55	$39,552.80	$4,394.76	$79,105.59	$8,789.51	$87,895.10
Kitsos, Constantine	$3,922.50	$3,530.25	$392.25	$3,922.50	$3,530.25	$392.25	$7,060.50	$784.50	$7,845.00
Little Valley Mutual Irrigation Company	$61,095.00	$54,985.50	$6,109.50	$61,095.00	$54,985.50	$6,109.50	$109,971.00	$12,219.00	$122,190.00
Mills, James	$19,372.50	$17,435.25	$1,937.25	$19,372.50	$17,435.25	$1,937.25	$34,870.50	$3,874.50	$38,745.00
Montierth, Herbert, Edward & Susan	$54,362.65	$48,926.39	$5,436.27	$54,362.65	$48,926.39	$5,436.27	$97,852.77	$10,872.53	$108,725.30
Murphy Flats Water Company, Inc.	$40,342.50	$36,308.25	$4,034.25	$40,342.50	$36,308.25	$4,034.25	$72,616.50	$8,068.50	$80,685.00
Rosti, Martha	$8,355.00	$7,519.50	$835.50	$8,355.00	$7,519.50	$835.50	$15,039.00	$1,671.00	$16,710.00
Sailor Creek Water Company	$0.00	$0.00	$0.00	$130,620.00	$117,558.00	$13,062.00	$117,558.00	$13,062.00	$130,620.00
South Elmore Irrigation Company	$341,873.00	$307,685.70	$34,187.30	$341,873.00	$307,685.70	$34,187.30	$615,371.40	$68,374.60	$683,746.00
Terry Ketterling (TLK Farms, Inc.)	$40,138.00	$36,124.20	$4,013.80	$40,138.00	$36,124.20	$4,013.80	$72,248.40	$8,027.60	$80,276.00
Young, Roger	$29,280.00	$26,352.00	$2,928.00	$29,280.00	$26,352.00	$2,928.00	$52,704.00	$5,856.00	$58,560.00
	$1,327,558.65	**$1,194,802.79**	**$132,755.87**	**$2,348,909.45**	**$2,114,018.51**	**$234,890.95**	**$3,308,821.29**	**$367,646.81**	**$3,676,468.10**

[1] As stipulated in the Contract between Reclamation and the Department of Water Resources, two payments will be issued to all of the lessors unless otherwise requested by the lessor. The **first payment** shall include one half of the Total Payment to Lessor on or around July 1, 2003, and the **second payment** will be issued after the irrigation season has ended for the remainder of the Total Payment to Lessor. Prior to making the payments to the lessors, IDWR will invoice Reclamation for the payment including the associated 10% for state Administrative Fees. *Three of the lessors requested in writing that a single payment be issued after the end of the irrigation season. These include Farm Development Corporation, Grindstone Butte Mutual Canal Company, and Sailor Creek Water Company. These entities were not issued a first payment.* The **Total Payment to Lessor** is based on ninety percent (90%) of the Eligible Idled Acres times the individual Payment Rate. The remaining ten percent (10%) is retained for **Administrative Fees**.

[2] **Total Payment 1 by Reclamation** was calculated based on one half (50%) of the Estimated Total Payment by Reclamation. (For the purposes of the first payment, all of the contracted acres were considered to have been left idle in accordance with criteria set forth in the Lessor Agreements. This was based in part on satellite imagery collected on May 4, 2004.) **Payment 1 to Lessor** represents ninety percent (90%) of the Total Payment 1, while the Administrative Fee represents remaining ten percent (10%). **Total Payment 1 = (Estimated Idled Acres) x (Payment Rate per Acre) x (50%); Payment 1 to Lessor = (Total Payment 1) x (90%)**

[3] **Total Payment 2 by Reclamation** was calculated based on the remainder of the total payment due from Reclamation: Eligible Idled Acres times the Payment Rate minus Total Payment 1. **Total Payment 2 = (Eligible Idled Acres) x (Payment Rate) - (Total Payment 1); Payment 2 to Lessor = (Total Payment 2) x (90%)**

MEMORANDUM

To: Glen Saxton, Hal Anderson, Jeff Peppersack

From: Cynthia Bridge Clark

Date: December 15, 2004

Re: INVOICE TO USBOR FOR SECOND PAYMENT TO LESSORS PARTICIPATING IN THE 2004 SNAKE RIVER PILOT LEASING PROGRAM FOR RENTAL OF WATER FROM THE WATER SUPPLY BANK. WATER RIGHT NOS. 2-10205, 2-2159, 2-2354, 2-7184, 2-7229, 2-7284, 2-2386, 2-2387, 2-2388, 2-7148, 2-2279, 2-7012, 2-2249, 2-2250, 2-2251, 2-2252, 2-2253, 2-2254, 2-2255, 2-2256, 2-2361, 2-7001, 2-2371, 2-2372, 2-2262, 2-2145, 2-7144, 2-2443, 2-7030, 2-7068, 2-7076, 2-7132, 2-2198, 2-2191, 2-2370, 2-2194A, 2-2194B, 2-2186, 2-2204, 2-2206, 2-2214, 2-2215, 2-2217, 2-2218, 2-2210, 2-2269, 2-2367, 2-2379, 2-2298, 2-2376, AND 2-7182

The following is a summary of the number of acres eligible for the second and final payment from the Water Supply Bank (bank) under the Snake River Pilot Leasing Program for 2004. Payments will be issued in accordance with the Contract number 1425-04-WL-10-0023 (Contract) between the United States Bureau of Reclamation (Reclamation) and the Idaho Department of Water Resources (IDWR) to Implement the Rental of Water Rights Under the Pilot Program for Leasing of Snake River Natural Flow Water Rights for 2004 (Program).

Payment

Under section II.C.1, the Contract specifies that payment to the individual lessors will be issued at a pay rate per acre identified in the individual agreements (Agreements) between Reclamation and the lessors minus ten percent (10%) to be credited to the Water Administration Account as provided in the Water Supply Bank rules (*IDAPA 37.02.035.01*). The individual Agreements provide that one half of the estimated payment will be paid on or around July 30, 2004, and balance shall be issued after the irrigation season has ended and verification of the Program compliance is complete. The Contract specifies that IDWR shall invoice Reclamation for each payment to the lessors plus the associated 10% for the Water Administration Account.

Grindstone Butte Mutual Canal Company, Farm Development Corp., and Sailor Creek Water Company provided written requests to receive a single payment after the end of the irrigation season. Reclamation issued a contract amendment in a letter to the department, PN-3100, WTR-4.10, to authorize the change in payment schedule. Additionally, Grindstone Butte Mutual Canal Company specified in their request that the single payment be issued on or after January 3 and before January 7, 2004. Bergh Farms and Clover Hollow, LLC requested the final payment be issued on or about December 28 or 29, 2004.

Reclamation was invoiced for the first payment in mid-July, 2004. The payment was calculated based on 50% of the estimated total payment in accordance with the Contract. All of the lessors were issued this first payment with the exception of the three entities described

above, and the remainder will be issued in this second and final payment in accordance with the amounts listed on the attached Payment Summary (Table II).

Monitoring and Compliance

Section II.D.2 of the Contract indicates that monitoring compliance with the Agreements, will include review of satellite data and field visits to confirm the leased lands are not being irrigated. The department visited all of the fields identified on the contracts between June 8 and June 22, 2004, and four infrared satellite images, flown May 4, June 21, July 23, and September 9, 2004, were ordered for review of compliance. A large percentage of the lands had cover crops this year, and some of the crops were well developed due to rain in the early part of the season. Assessment of water use was difficult in some cases, particularly on lands benefiting from drainage from other fields. Site visits were used to verify whether water use was evident, field terrain, the presence of irrigation equipment, and to observe the difference between the dry land cover crops and those being irrigated. In most cases vegetative growth on the idled lands were less developed, varied, stressed, or experiencing heavy weed growth and volunteer crops from previous years including alfalfa, wheat/grain and kochia. Many of the fields had been recently cut for weed control.

Watering was not observed on any of the contracted lands during the field visits. However, the following acres were determined to be either ineligible for payment or required additional review to establish compliance:

1. A bean crop was observed on a 39.1-acre field in the Bell Rapids Irrigation Company. Though the field appeared to be dry during the site visit, detached hand lines were positioned across the field. The company confirmed the field was being irrigated and that the field was identified incorrectly on the original application and final contract. Upon request by the company to swap the acres for other idled lands, Reclamation stated by e-mail (July 19, 2004, see attached) that the acres should be declared ineligible for payment since the deadline for submittal of proposed lands had passed and the Agreement was executed. The ineligible acres were included in the first payment to Bell Rapids, but have been subtracted from the final payment (original contract for $360,885.00, reduced by $5,865.00 to $355,020.00).

2. As part of the application review process, the department provided acreage measurements for the proposed fields to Reclamation (see signed maps attached to Agreements between the lessors and Reclamation). Clover Hollow, LLC removed a couple of fields from the program during the signing of the Agreement and estimated the revised size of a field in the southwest quarter of section 5, T5S, R7E, B.M. The field was estimated to be 135.9 acres. The idled lands were later measured by the department using available imagery to be 133.1 acres. In accordance with part IB. of the Agreement, the total number of eligible acres was reduced by 2.8 acres.

3. Potential irrigation activity on a field owned by Roger Young in the northeast and southeast quarters of section 35, T5S, R5E, B.M. was identified upon review of the four available satellite images. Mr. Young contracted with Reclamation to idle lands associated with a total of five adjacent pivots. Imagery indicated that vegetation growth on the western most pivot progressed significantly by the September 9, 2004 image.

A cover crop of wheat and some weeds were observed on this pivot during the field visit on June 9, 2004. A pivot was in place on the field running southwest from the center point, but was not in operation. The other fields were also dry with cut grain and alfalfa.

Mr. Young was contacted for information regarding activity on the western most pivot. He stated that the field was planted in potatoes during the 2003 irrigation season. The crop was cleared by late September and watered heavily in the fall to prepare a wheat crop. Mr. Young noted that he had not planned to participate in the leasing program at that point in time. The field was seeded with forty pounds of wheat per acre, and the crop was left uncut and unsprayed during the 2004 season because he intended to obtain a grazing contract. The grazing did not take place, and weeds such as, Russian thistle and possibly Kochia, spread heavily. He also stated that the pivot had been left at approximately 200 decrees from true North after preparing the field for the wheat crop, but was moved around July to about 90 to 100 degrees to protect against winds coming from the northwest.

Mr. Young stated that a hay crop was harvested from some of the other fields seeded in new alfalfa in 2003 that was crowded out by volunteer wheat. The southwestern pivot was left with grain stubble. He agreed to provide an affidavit or map describing the crop and harvest activity on all of the pivots in the 2003 and 2004.

The department reviewed other available photography of the fields, including high resolution NAIP Imagery flown in July of 2004. There is no indication of pivot tire tracks on the western most pivot. The location of the pivot during the field visit is consistent with Mr. Young's description (approximately 200 degrees from north), and appears to have moved by the time the NAIP Image was flown. Pictures from the original field visit in June show what appear to be Russian thistle and Kochia growing within the wheat crop. Kochia is known for being a very drought tolerant plant with a deep taproot. It spreads rapidly and is effective in competing for light, nutrients and soil moisture, and can be a problem for late-maturing crops or fallow lands. Russian thistle has similar characteristics. The presence of such weeds and lack of herbicide may explain the appearance of vegetative growth in the late season infrared image.

Available data suggests that heavy weed growth and spring precipitation could account for the activity highlighted in the infrared imagery. There isn't any other information available to indicate the lands were irrigated during the 2004 irrigation season. Gail McGarry was notified by telephone on December 14, 2004 that the department intends to recommend payment for the identified lands.

Summary

The attached tables (Table I & II) identify the participating lessors, contract numbers, acres idled, and summarizes the total payment amounts.

Reclamation should be invoiced, and the lessors issued warrants for the second and/or final payment in the amounts listed in the Payment Summary, Table II. The corresponding administrative fees are referenced, as well as the total amount to be requested from Reclamation for Payment 2.

2004 SNAKE RIVER PILOT LEASING PROGRAM
RENTAL OF WATER FROM THE WATER SUPPLY BANK

INVOICE TO U.S. BUREAU OF RECLAMATION
FOR FINAL LESSOR PAYMENT

TABLE I: CONTRACT & FINAL ACREAGE SUMMARY

	AGREEMENT BETWEEN LESSORS AND USBOR [1]				TOTAL IDLED ACRES [2]		
LESSOR	Agreement No.	Contracted Idled Acres (ac)	Payment Rate (price/ac)	Estimated Total Payment by Reclamation	Eligible Idled Acres *(End of Irr. Season)*	Acres Ineligible for Payment	RENTED WATER RIGHT(S)
Bell Rapids Mutual Irrigation Co.	1425-04-WL-10-00012	2405.9	$150.00	$360,885.00	2366.8	39.1	2-10205
Bergh Farms	1425-04-WL-10-0004	477.6	$139.50	$66,625.20	477.6	0.0	2-2159, 2-2354, 2-7184, 2-7229, 2-7284
Clover Hollow, LLC.	1425-04-WL-10-0002	3122.4	$139.00	$434,013.60	3119.6	2.8	2-2386, 2-2387, 2-2388, 2-7148
Dirks, Robert	1425-04-WL-10-0007	185.7	$149.00	$27,669.30	185.7	0.0	2-2279, 2-7012
Falcon Butte Farms, Inc.	1425-04-WL-10-0001	4072.2	$111.50	$454,050.30	4072.2	0.0	2-2249, 2-2250, 2-2251, 2-2252, 2-2253, 2-2254, 2-2255, 2-2256, 2-2361, 2-7001
Falcon Butte Farms, Inc.	1425-04-WL-10-0001	197.0	$134.50	$26,496.50	197.0	0.0	
Farm Development Corp.	1425-04-WL-10-00013	123.6	$150.00	$18,540.00	123.6	0.0	2-2371, 2-2372
Grindstone Butte Mutual Canal CO	1425-04-WL-10-00011	5856.3	$150.00	$878,445.00	5856.3	0.0	2-2262
Huey Farms, Inc.	1425-04-WL-10-0006	589.9	$149.00	$87,895.10	589.9	0.0	2-2361, 2-7001
Kitsos, Constantine	1425-04-WL-10-00018	52.3	$150.00	$7,845.00	52.3	0.0	2-2145, 2-7144
Little Valley Mutual Irrigation Company	1425-04-WL-10-00016	814.6	$150.00	$122,190.00	814.6	0.0	2-2443, 2-7030, 2-7068
Mills, James	1425-04-WL-10-00017	258.3	$150.00	$38,745.00	258.3	0.0	2-7076, 2-7132
Montierth, Herbert, Edward Ray & Susan	1425-04-WL-10-0008	729.7	$149.00	$108,725.30	729.7	0.0	2-2198, 2-2191
Murphy Flats Water Company, Inc.	1425-04-WL-10-00015	537.9	$150.00	$80,685.00	537.9	0.0	2-2361, 2-2370, 2-7001
Rosti, Martha	1425-04-WL-10-00010	111.4	$150.00	$16,710.00	111.4	0.0	2-2194A, 2-2194B
Sailor Creek Water Company	1425-04-WL-10-0009	870.8	$150.00	$130,620.00	870.8	0.0	2-2186, 2-2204, 2-2206, 2-2214, 2-2215, 2-2217, 2-2218
South Elmore Irrigation Company	1425-04-WL-10-0005	4883.9	$140.00	$683,746.00	4883.9	0.0	2-2210, 2-2269, 2-2367
TLK Farms, Inc.	1425-04-WL-10-0003	573.4	$140.00	$80,276.00	573.4	0.0	2-2379
Young, Roger	1425-04-WL-10-00014	390.4	$150.00	$58,560.00	390.4	0.0	2-2298, 2-2376, 2-7182
	TOTALS:	**26253.3**		**$3,682,722.30**	**26211.4**	**41.9**	

[1] The "Agreement" represents the Water Rental and Forbearance Agreement entered into between the United States Bureau of Reclamation ("Reclamation") and the individual Lessors. The **Contracted Acres Idled** and the **Payment Rate** represent the number of acres to be idled and the payment per acre agreed upon between the Lessors and Reclamation. The **Estimated Total Payment by Reclamation** is based on the Contracted Idled acres times the Payment Rate.

[2] The **Eligible Idled Acres** represent the total number of acres determined to be eligible for payment at the end of the irrigation season based on the criteria set forth in the Contract between Reclamation and the Department of Water Resources ("IDWR") to implement the rental of water rights from the Snake River ("Contract"). Acres determined to be ineligible for payment were observed to have been irrigated during the 2004 irrigation season, or did not meet the original eligibility criteria defined in the Lessor's Agreements and IDWR's Contract.

TABLE II: PAYMENT SUMMARY [1]

LESSOR	PAYMENT 1 [2] Total Payment 1 by Reclamation (50% of Estimated Total)	Payment 1 To Lessor (90% Payment 1)	Administrative Fee (10% Payment 1)	PAYMENT 2 [3] Total Payment 2 by Reclamation (Remainder of Total)	Payment 2 To Lessor (90% Payment 2)	Administrative Fee (10% Payment 2)	TOTAL PAYMENTS Total Payment to Lessor	Total Administrative Fee	Total Payment by Reclamation
Bell Rapids Mutual Irrigation Co.	$180,442.50	$162,398.25	$18,044.25	$174,577.50	$157,119.75	$17,457.75	$319,518.00	$35,502.00	$355,020.00
Bergh Farms	$33,312.60	$29,981.34	$3,331.26	$33,312.60	$29,981.34	$3,331.26	$59,962.68	$6,662.52	$66,625.20
Clover Hollow LLC	$217,006.80	$195,306.12	$21,700.68	$216,617.60	$194,955.84	$21,661.76	$390,261.96	$43,362.44	$433,624.40
Dirks, Robert	$13,834.65	$12,451.19	$1,383.47	$13,834.65	$12,451.19	$1,383.47	$24,902.37	$2,766.93	$27,669.30
Falcon Butte Farms, Inc.	$240,273.40	$216,246.06	$24,027.34	$240,273.40	$216,246.06	$24,027.34	$432,492.12	$48,054.68	$480,546.80
Farm Development Corp.	$0.00	$0.00	$0.00	$18,540.00	$16,686.00	$1,854.00	$16,686.00	$1,854.00	$18,540.00
Grindstone Butte Mutual Canal CO	$0.00	$0.00	$0.00	$878,445.00	$790,600.50	$87,844.50	$790,600.50	$87,844.50	$878,445.00
Huey Farms, Inc.	$43,947.55	$39,552.80	$4,394.76	$43,947.55	$39,552.80	$4,394.76	$79,105.59	$8,789.51	$87,895.10
Kitsos, Constantine	$3,922.50	$3,530.25	$392.25	$3,922.50	$3,530.25	$392.25	$7,060.50	$784.50	$7,845.00
Little Valley Mutual Irrigation Company	$61,095.00	$54,985.50	$6,109.50	$61,095.00	$54,985.50	$6,109.50	$109,971.00	$12,219.00	$122,190.00
Mills, James	$19,372.50	$17,435.25	$1,937.25	$19,372.50	$17,435.25	$1,937.25	$34,870.50	$3,874.50	$38,745.00
Montierth, Herbert, Edward & Susan	$54,362.65	$48,926.39	$5,436.27	$54,362.65	$48,926.39	$5,436.27	$97,852.77	$10,872.53	$108,725.30
Murphy Flats Water Company, Inc.	$40,342.50	$36,308.25	$4,034.25	$40,342.50	$36,308.25	$4,034.25	$72,616.50	$8,068.50	$80,685.00
Rosti, Martha	$8,355.00	$7,519.50	$835.50	$8,355.00	$7,519.50	$835.50	$15,039.00	$1,671.00	$16,710.00
Sailor Creek Water Company	$0.00	$0.00	$0.00	$130,620.00	$117,558.00	$13,062.00	$117,558.00	$13,062.00	$130,620.00
South Elmore Irrigation Company	$341,873.00	$307,685.70	$34,187.30	$341,873.00	$307,685.70	$34,187.30	$615,371.40	$68,374.60	$683,746.00
Terry Ketterling (TLK Farms, Inc.)	$40,138.00	$36,124.20	$4,013.80	$40,138.00	$36,124.20	$4,013.80	$72,248.40	$8,027.60	$80,276.00
Young, Roger	$29,280.00	$26,352.00	$2,928.00	$29,280.00	$26,352.00	$2,928.00	$52,704.00	$5,856.00	$58,560.00
	$1,327,558.65	**$1,194,802.79**	**$132,755.87**	**$2,348,909.45**	**$2,114,018.51**	**$234,890.95**	**$3,308,821.29**	**$367,646.81**	**$3,676,468.10**

[1] As stipulated in the Contract between Reclamation and the Department of Water Resources, two payments will be issued to all of the lessors unless otherwise requested by the lessor. The **first payment** shall include one half of the Total Payment to Lessor on or around July 1, 2003, and the **second payment** will be issued after the irrigation season has ended for the remainder of the Total Payment to Lessor. Prior to making the payments to the lessors, IDWR will invoice Reclamation for the payment including the associated 10% for state Administrative Fees. *Three of the lessors requested in writing that a single payment be issued after the end of the irrigation season. These include Farm Development Corporation, Grindstone Butte Mutual Canal Company, and Sailor Creek Water Company. These entities were not issued a first payment.* The **Total Payment to Lessor** is based on ninety percent (90%) of the Eligible Idled Acres times the individual Payment Rate. The remaining ten percent (10%) is retained for **Administrative Fees**.

[2] **Total Payment 1 by Reclamation** was calculated based on one half (50%) of the Estimated Total Payment by Reclamation. (For the purposes of the first payment, all of the contracted acres were considered to have been left idle in accordance with criteria set forth in the Lessor Agreements. This was based in part on satellite imagery collected on May 4, 2004.) **Payment 1 to Lessor** represents ninety percent (90%) of the Total Payment 1, while the Administrative Fee represents remaining ten percent (10%). **Total Payment 1 = (Estimated Idled Acres) x (Payment Rate per Acre) x (50%); Payment 1 to Lessor = (Total Payment 1) x (90%)**

[3] **Total Payment 2 by Reclamation** was calculated based on the remainder of the total payment due from Reclamation: Eligible Idled Acres times the Payment Rate minus Total Payment 1. **Total Payment 2 = (Eligible Idled Acres) x (Payment Rate) - (Total Payment 1); Payment 2 to Lessor = (Total Payment 2) x (90%)**

Clark, Cynthia (Bridge)

From: Ruth Page [RPAGE@pn.usbr.gov]
Sent: Monday, July 19, 2004 11:14 AM
To: cclark@idwr.state.id.us
Subject: Re: Bells Rapids ineligible field

Hey, welcome back and I hope your vacation was wonderful!

I spoke with Diane and then verified my answer with Gail, but it is to late in the game to be swapping lands. It is very important for the applicants to check, check and recheck the maps. But, mainly it is important to submit the potential eligible lands by the deadline and by allowing them to swap lands now it would be extending the deadline for just them. Also they lands are tied to the contract and the contract has been executed. Gail thought that maybe they could include the lands they want to swap into the exchange. They will lose the 150 on the 39.1 acres since they farmed it, but at least they will make 15 on the other 39.1.

Call me if you want to discuss further.

>>> "Clark, Cynthia (Bridge)" <cclark@idwr.state.id.us> 07/16/04 10:13AM >>>
Gail and Page,

I just got a call from Diane at Bell Rapids regarding the field of beans.
They identified the wrong field on the contract and would like to substitute
a different 39.1 acres. I to told her she should make a request to change
the fields with you because it may require a change or amendment to the
contract. I also noted that we would have to verify that the new field
meets the eligibility criteria. I assume they would not be able to enter a
field that increases the total acres. I will also want to verify that the
field they propose to substitute is not in the latest exchange proposal. I
told her she should see what you might require, but that I would like to see
a request in writing to document the change.

I will plan to pay them in full for all of their acres in the first payment.
If the field is not changed, I will deduct the full amount from the final
payment.

Gail, Jeff Peppersack will act as a contact if you have any questions about
the invoice while I am away.

See you all when I get back.
Thanks,
Cynthia

Cynthia Bridge Clark
Idaho Department of Water Resources
Water Allocation Bureau
(208) 327-7898

644
T735

ROGER G. YOUNG FARM T. 5 S., R. 5 E. B.M.

Roger G Young 12-17-04

NORTH 0°

50 1/4

103.8

2003 CROP-POTATOES
HARVESTED MID SEPT. 2003
IRRIGATED FOLLOWING HARVEST
UNTIL WATER WAS TURNED OFF
FOR THE SEASON AROUND 10-26-03,
03-12 & 13-04 SPUD ROWS LEVELED
BY SHALLOW DISCING & HARROWED TO
SAVE MOISTURE. 03-19-04 SEEDING
OF WHEAT COVER CROP FINISHED.
PIVOT WAS MOVED BACK & FORTH
180° & 210° FOR BOTH DISCING &
SEEDING. IN AUGUST PIVOT WAS
MOVED CCW TO 135°, NOTHING
WAS HARVESTED IN 2004.
AS OF 12-16-04 THIS FIELD COVER
IS HEADED STANDING WHEAT
& WEEDS. NO 2004
IRRIGATION.

4
228.3

2003 CROP- OLD STAND OF
ESTABLISHED ALFALFA &
IRRIGATED IN THE FALL OF 2003.
06-01-04 THRU 06-11-04 HARVESTED
DRYLAND ALFALFA INCLUDING SOUTH CORNER

10
10.5

2003 CROP- WHEAT W/ALFALFA
AFTER HARVEST FIELD WAS
IRRIGATED IN THE FALL OF 2003.
2004 COVER - ALFALFA
06-01-04 THRU 06-11-04 HARVESTED
DRYLAND ALFALFA INCLUDING
SOUTH CORNER.
NO 2004 IRRIGATION

2003 CROP- WHEAT W/ALFALFA
AFTER HARVEST FIELD WAS
IRRIGATED IN THE FALL OF 2003.
2004 COVER- ALFALFA
06-01-04 THRU 06-11-04 HARVESTED
DRYLAND ALFALFA INCLUDING
SOUTH CORNERS.
NO 2004 IRRIGATION

58.5 1/4

2003 CROP- WHEAT
AFTER HARVEST FIELD WAS
IRRIGATED IN THE FALL OF 2003.
2004 COVER - WHEAT STUBBLE.
NOTHING HARVESTED IN 2004.
NO 2004 IRRIGATION

2003 CROP - WHEAT W/ALFALFA.
AFTER HARVEST FIELD WAS
IRRIGATED IN THE FALL OF 2003.
2004 COVER- WHEAT STUBBLE
& SPOTTY ALFALFA.
NOTHING HARVESTED IN 2004.
NO 2004 IRRIGATION

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12
13.7 HEL

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RECEIVED
DEC 19 2004
DEPARTMENT OF WATER RESOURCES

State of Idano
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, 2004

JONATHON C BOWLING
IDAHO POWER COMPANY
PO BOX 70
BOISE ID 83707

RE: APPLICATION TO RENT WATER FROM THE WATER SUPPY BANK UNDER WATER RIGHT NOS. 2-10205, 2-2159, 2-2354, 2-7184, 2-7229, 2-7284, 2-2386, 2-2387, 2-2388, 2-7148, 2-2279, 2-7012, 2-2249, 2-2250, 2-2251, 2-2252, 2-2253, 2-2254, 2-2255, 2-2256, 2-2361, 2-7001, 2-2371, 2-2372, 2-2262, 2-2145, 2-7144, 2-2443, 2-7030, 2-7068, 2-7076, 2-7132, 2-2198, 2-2191, 2-2370, 2-2194A, 2-2194B, 2-2186, 2-2204, 2-2206, 2-2214, 2-2215, 2-2217, 2-2218, 2-2210, 2-2269, 2-2367, 2-2379, 2-2298, 2-2376, AND 2-7182

Dear Mr. Bowling:

The Department of Water Resources acknowledges receipt of the Application to Rent Water from the Water Supply Bank and the corresponding Rental Agreement in the name of Idaho Power Company, Inc. Enclosed is a copy of a fully executed Rental Agreement in connection with the rental of an estimated 78,759.9 acre-feet of water from the Snake River during the 2004 irrigation season. Idaho Power Company, Inc. is authorized to divert water in compliance with the conditions of water use described in the fully executed agreement.

Contract No. 1425-04-WL-10-0023 between the United States Bureau of Reclamation and the Idaho Department of Water Resources to Implement the Rental of Water Under the Pilot Program for Leasing of Snake River Natural Flow Water Rights for 2004, specifies that the U.S. Bureau of Reclamation will make the required payments to the State Water Supply Bank for the rental of the water rights identified in the Rental Agreement.

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

Sincerely,

For Cynthia Bridge Clark
Water Allocations Bureau

Encl: 1

c: IDWR Western Regional Office

E. Gail McGarry – Bureau of Reclamation

IDAHO POWER
An IDACORP Company

RECEIVED
JUL 22 2004
DEPARTMENT OF WATER RESOURCES

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

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

July 21, 2004

Jeff Peppersack
State of Idaho
Department of Water Resources
1301 N. Orchard St.
Boise, ID 83720

Dear Jeff,

Enclosed please find signed copies of the Application to Rent Water From the Water Supply Bank and the Water Supply Bank Rental Agreement for the USBR natural flow rental program for 2004 for 78,759.9 acre feet of water.

Please return to IPC copies of the signed documents.

Please let me know if you have any questions or comments.

Sincerely,

Jonathon C. Bowling

Jonathon C. Bowling, P.E.
Engineering Leader

MEMORANDUM

To: Debbie Allen

From: Cynthia Bridge Clark

Date: July 16, 2004

Re: **INVOICE TO USBOR FOR FIRST PAYMENT TO LESSORS PARTICIPATING IN THE 2004 SNAKE RIVER PILOT LEASING PROGRAM FOR RENTAL OF WATER FROM THE WATER SUPPLY BANK. WATER RIGHT NOS. 2-10205, 2-2159, 2-2354, 2-7184, 2-7229, 2-7284, 2-2386, 2-2387, 2-2388, 2-7148, 2-2279, 2-7012, 2-2249, 2-2250, 2-2251, 2-2252, 2-2253, 2-2254, 2-2255, 2-2256, 2-2361, 2-7001, 2-2371, 2-2372, 2-2262, 2-2145, 2-7144, 2-2443, 2-7030, 2-7068, 2-7076, 2-7132, 2-2198, 2-2191, 2-2370, 2-2194A, 2-2194B, 2-2186, 2-2204, 2-2206, 2-2214, 2-2215, 2-2217, 2-2218, 2-2210, 2-2269, 2-2367, 2-2379, 2-2298, 2-2376, AND 2-7182**

The following information is provided in order to invoice the United States Bureau of Reclamation for the rental of water rights from the State Water Supply Bank in accordance with the Contract No. 1425-04-WL-10-0023 between the United States Bureau of Reclamation and the Idaho Department of Water Resources to Implement the Rental of Water Rights Under the Pilot Program for Leasing of Snake River Natural Flow Water Rights for 2003 ("Contract").

Under section II.C.1, the Contract specifies that payment to the individual lessors will be issued at a pay rate per acre identified in the individual agreements (Agreements) between Reclamation and the lessors minus ten percent (10%) to be credited to the Water Administration Account as provided in the Water Supply Bank rules (*IDAPA 37.02.035.01*). The individual Agreements provide that one half of the estimated payment will be paid on or around July 30, 2004, and one half shall be issued after the irrigation season has ended and verification of the Program compliance is complete. The Contract specifies that IDWR shall invoice Reclamation for each payment to the lessors plus the associated 10% for the Water Administration Account.

The attached table identifies the participating lessors, contract amounts, the total amount of payment no. 1 by Reclamation, the payment to be issued to each lessor and the corresponding administrative fee. Payment no. 1 was calculated based on one half of the estimated total payment (contracted idled acres times the payment rate) minus the ten percent administrative fee: (contracted idled acres) x (payment rate) x 50% x 90%.

Farm Development Corp. and Sail Creek Water Co. requested a single payment after the end of the irrigation season, and Grindstone Butte Mutual Canal Co. requested a single payment on or after January 3, 2005 and before January 7, 2005. I will invoice the full payment for each of these entities with the second and final payment. I will notify the entities if the state is unable to issue a warrant on a specific date (e.g. on January 3, 2005).

Additionally, the Montierth's (listed below) own the rights leased to the bank jointly, and have requested that fifty percent of the payment be issued to Herbert and the remaining fifty percent to Edward Ray Montierth. The payment is split accordingly in the table below.

Summary

I have attached W-9 forms submitted by the lessors. Farm Development Corp., Sail Creek Water Co., and Grindstone Butte Mutual Canal Co. did not submit new W-9 forms as they have provided this information in the past. State warrants should be prepared for the following lessors for the first payment (Payment no. 1) in the amounts listed below and can be sent directly to the lessors based on the information on the W-9 forms. The corresponding administrative fees are referenced, as well as the total amount Reclamation should be invoiced (Payment 1 + Administrative Fee).

LESSOR	Payment 1 To Lessor *(90% Payment 1)*	Administrative Fee *(10% Payment 1)*
Bell Rapids Mutual Irrigation Co.	**$162,398.25**	**$18,044.25**
Bergh Farms	**$29,981.34**	**$3,331.26**
Clover Hollow, LLC.	**$195,306.12**	**$21,700.68**
Dirks, Robert	**$12,451.19**	**$1,383.47**
Falcon Butte Farms, Inc.	**$216,246.06**	**$24,027.34**
Farm Development Corp.	**$0.00**	**$0.00**
Grindstone Butte Mutual Canal CO	**$0.00**	**$0.00**
Huey Farms, Inc.	**$39,552.80**	**$4,394.76**
Kitsos, Constantine	**$3,530.25**	**$392.25**
Little Valley Mutual Irrigation Company	**$54,985.50**	**$6,109.50**
Mills, James	**$17,435.25**	**$1,937.25**
Montierth, Herbert	**$24,463.19**	**$2,718.13**
Montierth, Edward Ray	**$24,463.19**	**$2,718.13**
Murphy Flats Water Company, Inc.	**$36,308.25**	**$4,034.25**
Rosti, Martha	**$7,519.50**	**$835.50**
Sailor Creek Water Company	**$0.00**	**$0.00**
South Elmore Irrigation Company	**$307,685.70**	**$34,187.30**
TLK Farms, Inc.	**$36,124.20**	**$4,013.80**
Young, Roger	**$26,352.00**	**$2,928.00**
TOTALS:	$1,194,802.79	$132,755.87

TOTAL Invoice to Reclamation for Payment No. 1: $1,327,558.66

2004 PILOT LEASING PROGRAM FOR LEASING OF SNAKE RIVER NATURAL FLOW WATER RIGHTS RENTAL OF WATER FROM THE WATER SUPPLY BANK

INVOICE TO U.S. BUREAU OF RECLAMATION

FOR LESSOR PAYMENT NO. 1

	AGREEMENT BETWEEN LESSORS AND USBOR [1]			PAYMENT 1 [2]				
LESSOR	Agreement No.	Contracted Idled Acres (ac)	Payment Rate (price/ac)	Total Payment 1 by Reclamation *(50% of Estimated Total)*	Payment 1 To Lessor *(90% Payment 1)*	Administrative Fee *(10% Payment 1)*	Estimated Total Program Payment by Reclamation	RENTED WATER RIGHT(S)
Bell Rapids Mutual Irrigation Co.	1425-04-WL-10-00012	2405.9	$150.00	**$180,442.50**	**$162,398.25**	**$18,044.25**	$360,885.00	2-10205
Bergh Farms	1425-04-WL-10-0004	477.6	$139.50	**$33,312.60**	**$29,981.34**	**$3,331.26**	$66,625.20	2-2159, 2-2354, 2-7184, 2-7229, 2-7284
Clover Hollow, LLC.	1425-04-WL-10-0002	3122.4	$139.00	**$217,006.80**	**$195,306.12**	**$21,700.68**	$434,013.60	2-2386, 2-2387, 2-2388, 2-7148
Dirks, Robert	1425-04-WL-10-0007	185.7	$149.00	**$13,834.65**	**$12,451.19**	**$1,383.47**	$27,669.30	2-2279, 2-7012
Falcon Butte Farms, Inc.	1425-04-WL-10-0004	4072.2 197.0	$111.50 $134.50	**$240,273.40**	**$216,246.06**	**$24,027.34**	$480,546.80	2-2249, 2-2250, 2-2251, 2-2252, 2-2253, 2-2254, 2-2255, 2-2256, 2-2361, 2-7001
Farm Development Corp.	1425-04-WL-10-00013	123.6	$150.00	**$0.00**	**$0.00**	**$0.00**	$18,540.00	2-2371, 2-2372
Grindstone Butte Mutual Canal CO	1425-04-WL-10-00011	5856.3	$150.00	**$0.00**	**$0.00**	**$0.00**	$878,445.00	2-2262
Huey Farms, Inc.	1425-04-WL-10-0006	589.9	$149.00	**$43,947.55**	**$39,552.80**	**$4,394.76**	$87,895.10	2-2361, 2-7001
Kitsos, Constantine	1425-04-WL-10-00018	52.3	$150.00	**$3,922.50**	**$3,530.25**	**$392.25**	$7,845.00	2-2145, 2-7144
Little Valley Mutual Irrigation Company	1425-04-WL-10-00016	814.6	$150.00	**$61,095.00**	**$54,985.50**	**$6,109.50**	$122,190.00	2-2443, 2-7030, 2-7068
Mills, James	1425-04-WL-10-00017	258.3	$150.00	**$19,372.50**	**$17,435.25**	**$1,937.25**	$38,745.00	2-7076, 2-7132
Montierth, Herbert, Edward Ray & Susan	1425-04-WL-10-00018	729.7	$149.00	**$54,362.65**	**$48,926.39**	**$5,436.27**	$108,725.30	2-2198, 2-2191
Murphy Flats Water Company, Inc.	1425-04-WL-10-00018	537.9	$150.00	**$40,342.50**	**$36,308.25**	**$4,034.25**	$80,685.00	2-2361, 2-2370, 2-7001
Rosti, Martha	1425-04-WL-10-00010	111.4	$150.00	**$8,355.00**	**$7,519.50**	**$835.50**	$16,710.00	2-2194A, 2-2194B
Sailor Creek Water Company	1425-04-WL-10-0009	870.8	$150.00	**$0.00**	**$0.00**	**$0.00**	$130,620.00	2-2186, 2-2204, 2-2206, 2-2214, 2-2215, 2-2217, 2-2218
South Elmore Irrigation Company	1425-04-WL-10-0005	4883.9	$140.00	**$341,873.00**	**$307,685.70**	**$34,187.30**	$683,746.00	2-2210, 2-2269, 2-2367
TLK Farms, Inc.	1425-04-WL-10-0003	573.4	$140.00	**$40,138.00**	**$36,124.20**	**$4,013.80**	$80,276.00	2-2379
Young, Roger	1425-04-WL-10-00014	390.4	$150.00	**$29,280.00**	**$26,352.00**	**$2,928.00**	$58,560.00	2-2298, 2-2376, 2-7182
	TOTALS:	**26253.3**		**$1,327,558.65**	**$1,194,802.79**	**$132,755.87**	**$3,682,722.30**	

[1] The "Agreement" represents the Water Rental and Forbearance Agreement entered into between the United States Bureau of Reclamation (Reclamation) and the individual Lessors. The **Contracted Acres Idled** and the **Payment Rate** represent the number of acres to be idled and the payment per acre agreed upon between the Lessors and Reclamation. The **Estimated Total Payment by Reclamation** is based on the Contracted Idled acres times the Payment Rate.

[2] **Total Payment 1 by Reclamation** was calculated based on one half (50%) of the Estimated Total Payment by Reclamation. For the purposes of the first payment, all of the contracted acres were considered to have been left idle in accordance with criteria set forth in the Lessor Agreements. This was based in part on site visits made to the leased lands by department staff prior to issuance of the first payment. Compliance with the Agreement will be monitored further throughout the irrigation season. **Payment 1 to Lessor** represents ninety percent (90%) of the Total Payment 1, while the Administrative Fee represents remaining ten percent (10%). **Total Payment 1 = (Contracted Acres Idled) x (Payment Rate per Acre) x (50%); Payment 1 to Lessor = (Total Payment 1) x (90%)**

MEMORANDUM

To: Glen Saxton, Hal Anderson, Jeff Peppersack

From: Cynthia Bridge Clark

Date: July 15, 2004

Re: **INVOICE TO USBOR FOR FIRST PAYMENT TO LESSORS PARTICIPATING IN THE 2004 SNAKE RIVER PILOT LEASING PROGRAM FOR RENTAL OF WATER FROM THE WATER SUPPLY BANK. WATER RIGHT NOS. 2-10205, 2-2159, 2-2354, 2-7184, 2-7229, 2-7284, 2-2386, 2-2387, 2-2388, 2-7148, 2-2279, 2-7012, 2-2249, 2-2250, 2-2251, 2-2252, 2-2253, 2-2254, 2-2255, 2-2256, 2-2361, 2-7001, 2-2371, 2-2372, 2-2262, 2-2145, 2-7144, 2-2443, 2-7030, 2-7068, 2-7076, 2-7132, 2-2198, 2-2191, 2-2370, 2-2194A, 2-2194B, 2-2186, 2-2204, 2-2206, 2-2214, 2-2215, 2-2217, 2-2218, 2-2210, 2-2269, 2-2367, 2-2379, 2-2298, 2-2376, AND 2-7182**

The following is a summary of the estimated number of acres eligible for the first payment from the Water Supply Bank (bank) under the Snake River Pilot Leasing Program for 2004. Payments will be issued in accordance with the Contract number 1425-04-WL-10-0023 (Contract) between the United States Bureau of Reclamation (Reclamation) and the Idaho Department of Water Resources (IDWR) to Implement the Rental of Water Rights Under the Pilot Program for Leasing of Snake River Natural Flow Water Rights for 2004 (Program).

Under section II.C.1, the Contract specifies that payment to the individual lessors will be issued at a pay rate per acre identified in the individual agreements (Agreements) between Reclamation and the lessors minus ten percent (10%) to be credited to the Water Administration Account as provided in the Water Supply Bank rules (*IDAPA 37.02.035.01*). The individual Agreements provide that one half of the estimated payment will be paid on or around July 30, 2004, and one half shall be issued after the irrigation season has ended and verification of the Program compliance is complete. The Contract specifies that IDWR shall invoice Reclamation for each payment to the lessors plus the associated 10% for the Water Administration Account.

Three of the lessors provided a written request to receive a single payment after the end of the irrigation season. As per a telephone conversation on July 15, 2004, Gail McGarry agreed that a single payment could be issued after the end of the irrigation season, and plans to document this option in a letter to the department.

Section II.D.2 of the Contract indicates that monitoring compliance with the Agreements, will include review of satellite data and field visits to confirm the leased lands are not being irrigated. The department has visited all of the fields identified on the contracts, and has ordered two satellite images flown May 4 and June 21, 2004. A large percentage of the lands have a cover crop but do not appear to have been irrigated, though rain in the early part of the irrigation season supplemented crop growth. A number of other fields were

covered heavily by weeds, or were cut recently to control weed growth. A bean crop was observed on a 39.1-acre field in the Bell Rapids Irrigation Company. Though the field appeared to be dry during the site visit, detached hand lines were positioned across the field. Information has been requested from the company. They have been informed that the first payment will be issued for all of the contracted acres. However, the full payment for the field will be withheld from the final payment if the lands are determined to be ineligible.

Based on the data available and the review completed to date, all of the lands leased to the bank will be considered for payment. Withholding 50% of the estimated final payment as specified in the Contract, should be sufficient to cover payment reductions needed for unauthorized use of water during the irrigation season.

The attached table identifies the participating lessors, the contract amounts, the total estimated payments as specified in the individual Agreements, the amounts to be issued for the first payment to the lessors and the corresponding administrative fee. Reclamation should be invoiced for the total amount of the first payment, and state warrants should be issued to each lessor for amounts identified.

2004 PILOT LEASING PROGRAM FOR LEASING OF SNAKE RIVER NATURAL FLOW WATER RIGHTS RENTAL OF WATER FROM THE WATER SUPPLY BANK

INVOICE TO U.S. BUREAU OF RECLAMATION

FOR LESSOR PAYMENT NO. 1

LESSOR	AGREEMENT BETWEEN LESSORS AND USBOR [1]			PAYMENT 1 [2]			Estimated Total Program Payment by Reclamation	RENTED WATER RIGHT(S)
	Agreement No.	Contracted Idled Acres (ac)	Payment Rate (price/ac)	Total Payment 1 by Reclamation *(50% of Estimated Total)*	Payment 1 To Lessor *(90% Payment 1)*	Administrative Fee *(10% Payment 1)*		
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Young, Roger	1425-04-WL-10-00014	390.4	$150.00	**$29,280.00**	**$26,352.00**	**$2,928.00**	$58,560.00	2-2298, 2-2376, 2-7182
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United States Department of the Interior

BUREAU OF RECLAMATION
Pacific Northwest Region
1150 North Curtis Road, Suite 100
Boise, Idaho 83706-1234

JUN 25 2004

RECEIVED
JUN 25 2004
DEPARTMENT OF WATER RESOURCES

IN REPLY
REFER TO:

PN-3100
WTR-4.10

Mr. Karl Dreher
Director
Idaho Department of Water Resources
1301 N. Orchard Street
Boise, ID 83720

Subject: Transmittal of the Contract to Implement the Rental of Water Under the Pilot Program for Leasing of Snake River Natural Flow Water Rights for 2004

Dear Mr. Dreher:

Please find enclosed three copies of the Contract Between the United States Bureau of Reclamation and the Idaho Department of Water Resources to Implement the Rental of Water Under the Pilot Program for Leasing of Snake River Natural Flow Water Rights for 2004 (BOR Contract No. 1425-04-WL-10-0023). Please sign all three copies and return two copies to our office at the address above, Attention: PN-3100.

If you have any questions, please contact me or Ms. Gail McGarry at 208-378-5306.

Sincerely,

J. William McDonald
Regional Director

Enclosure – 1 (In triplicate)

CONTRACT
Between
The United States Bureau of Reclamation
and
The Idaho Department of Water Resources
to
Implement the Rental of Water Under the
Pilot Program for Leasing of Snake River Natural Flow Water Rights for 2004
(BOR Contract No. 1425-04-WL-10-0023)

This Contract to Implement the Rental of Water Under the Bureau of Reclamation's Pilot Program for Leasing of Snake River Natural Flow Water Rights for 2004 (Contract) 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, 2004. The purpose of this Contract is to provide for the implementation of the lease and rental of certain irrigation water rights held by pumpers on the Snake River. Reclamation enters into this Contract pursuant to the authority of the Act of June 17, 1902 (32 Stat. 388) and acts amendatory and supplementary thereto and the Act of December 28, 1973 (87 Stat. 884) and acts amendatory or supplementary thereto.

I. BACKGROUND

Reclamation has commitments under Biological Opinions on the operation of the Federal Columbia River power system and the operation and maintenance of Reclamation Projects in the Snake River Basin above Brownlee Dam to provide flow augmentation for delivery at Lower Granite Dam.

The Idaho Legislature authorized Reclamation to annually rent up to 427,000 acre-feet of storage water per year during the years 2002-2004 under the provisions of Idaho Code § 42-1763B.

In 2003, there was insufficient storage water available for lease by Reclamation to meet the 427,000 acre-feet target. Therefore, Reclamation worked with IDWR pursuant to a Contract between the United States Bureau of Reclamation and the Idaho Department of Water Resources to Implement the Rental of Water Under the Pilot Program for Leasing of Snake River Natural Flow Water Rights for 2003 to have certain water right holders idle land and place their water rights in the State Water Supply Bank, thereby increasing water flow downstream to Lower Granite Dam. Rules governing the Idaho State Water Supply Bank, IDAPA 37.02.03, provide that rentals shall be approved only for use in Idaho unless there is compliance with the provisions of Idaho Code § 42-401(3). In order to avoid the complexities of Reclamation seeking approval for out-of-state use, Reclamation worked with the Governor's Office and the Idaho Power Company for the Idaho Power Company to lease the water out of the State Water Supply Bank for hydropower generation in Idaho resulting in additional water flowing to Lower Granite Dam for flow augmentation.

Again this year, it is expected that there will not be sufficient storage water available for lease for Reclamation to meet its 427,000 acre-feet rental target. Therefore, Reclamation initiated a pilot Snake River Leasing Program (Program) under which a request for proposals was publicly

advertised and copies were sent to eligible water right holders. Under this Program, water right holders forego irrigation of land and place their water rights into the State Water Supply Bank. The applicants to the Program offered a price per acre that they were willing to accept for forgoing irrigation. Reclamation signed individual agreements with the applicants selected.

As a practical way of ensuring that there is additional water in the river, over and above the water that would otherwise be available if there were no Program, Reclamation limited acceptable land to that which was irrigated last year or that which had been in Reclamation's 2003 program.

II. IMPLEMENTING ACTIONS

A. Acceptance of Water Rentals into the Idaho Water Supply Bank

1. Individual Agreements between Reclamation and the Lessors

Reclamation entered into agreements with certain water right holders, hereafter known as the Lessors, whereby the Lessors agree to idle land and lease the associated water right(s) into the State Water Supply Bank. There are 18 individual agreements totaling 26,253.3 idled acres at a total cost of $3,682,722.30. If Reclamation accepts another one to five idled acres into the Program pursuant to an individual agreement between Reclamation and a Lessor, the total cost may be adjusted upward by $697.50 for a total cost not to exceed $3,683,419.80. The individual agreements entered into between Reclamation and the Lessors are appended as Attachment A to this Contract.

2. Land to be Idled

The individual agreements between Reclamation and the Lessors specify the exact location of the land. In section I.B. of the individual agreements between Reclamation and the Lessors, the Lessors agree that "If it is determined after the execution of this Agreement that certain acres are not eligible for the Program because of a mistake, error, or misrepresentation in the Lessor's application, the land covered under this Program will be reduced accordingly." If, at any time, IDWR finds that any land is not eligible, IDWR will promptly notify Reclamation.

3. Water Rights to be Leased to the State Water Supply Bank

Under the Program, the Lessors' water rights appurtenant to the land idled will be leased to the State Water Supply Bank. Under section II.A. of the individual agreements between Reclamation and the Lessors, the Lessors agree that the individual agreements will be submitted by Reclamation as applications to the bank. The Lessors also agree that any additional information or requirements IDWR may require to process or accept the application shall be furnished promptly to IDWR including, but not limited to, the submission of a separate application form if required. IDWR will work with each Lessor to accept the water rights into the State Water Supply Bank.

B. Rental of Water Rights from the State Water Supply Bank

1. Idaho Power Will Rent Water Rights from the State Water Supply Bank

Idaho Power has agreed to rent the water rights from the bank under its Hell's Canyon Complex water right. It is intended that Idaho Power rent the water at no cost to Idaho Power. IDWR will contact and work with Idaho Power for Idaho Power to rent the water rights or portions thereof from the State Water Supply Bank as shown in the attached Individual Agreements between Reclamation and the Lessors. IDWR will submit copies of the rental application made by Idaho Power Company to Reclamation.

2. Reclamation's Approval Required for Rentals out of the Bank

IDWR shall not approve rentals of the water rights associated with this Contract from the State Water Supply Bank without the prior consent of Reclamation to ensure the rentals are compatible with Reclamation's intent of the Program. Section II.B. of the individual agreements between Reclamation and the Lessors provides that "All rentals of the Lessor's water rights out of the water bank shall be subject to Reclamation's approval." The rental period shall be for the entire 2004 irrigation season.

C. Payment For the Water Leases

1. Payment by IDWR to Individual Lessors

Payment to the individual Lessors will be for the price that was stated in the individual agreements between Reclamation and the Lessors minus 10% which shall be credited to the Water Administration Account as required by IDAPA 37.02.035.01. The individual agreements between Reclamation and the Lessors provide that one half of the estimated payment will be made on or about July 30, 2004, and one half will be after the irrigation season has ended and verification of Program compliance is complete. IDWR shall comply with the payment scheme specified in the individual agreements between Reclamation and the Lessors. Prior to making payment to the Lessors, IDWR will invoice Reclamation for the payment plus the associated 10% for the Water Administration Account.

2. Payment by Reclamation to IDWR

It is not intended that Idaho Power will pay for any water leased by the Idaho Power Company under this Contract. The payments to the State Water Supply Bank shall be made by Reclamation and shall be the price agreed to in each individual agreement between Reclamation and each Lessor. Reclamation shall pay the invoices described in subsection II.C.1. above, prior to IDWR making payment to the Lessors. The total amount paid under this Contract to IDWR will not exceed $3,683,419.80. Payment will be made under Reclamation Cost Authority No. A30-1678-6926-100-00-0-0.

3. Potential Reduction of Payments to Individual Lessors

a. Payments will be reduced if there are any acres identified by IDWR that are not eligible to be placed into the State Water Supply Bank. The reduction shall be pro rata based on the per acre cost identified in section III.A. of the individual agreement between Reclamation and the Lessor.

b. Payments will be reduced as described in section II.C.3.a. of this Contract for any unauthorized use of water on any of the land identified as land to be idled in the individual agreements between Reclamation and the Lessors or for any unauthorized use of the water rights leased under the agreements between Reclamation and the Lessors, although other legal remedies remain available to IDWR or to Reclamation including, but not limited to, immediate termination of the lease.

c. Any part of the payment by Reclamation not used for the purposes authorized under this Contract will be reimbursed by IDWR to Reclamation by December 1, 2004.

D. Administration by IDWR

1. Protection of Water Right if Regulation is Required

IDWR will protect the water rented under this Program by the Idaho Power Company. The water will be protected to the Hells Canyon Complex.

2. Verification of Compliance with the Lease Agreements

In accordance with the provisions in this Contract, IDWR will periodically confirm, through satellite data and field visits, that the land from which the water rights are leased is not being irrigated.

3. Summary of Program Results

At the end of the irrigation season, IDWR will summarize findings regarding monitoring of compliance with the lease agreement. IDWR will work with Reclamation to estimate flow increases resulting from these Water Supply Bank rentals based on crop water requirement data, the number of acres dried up in accordance with the lease agreements and other pertinent information. Payments to the Lessors will not be affected by this data gathering.

III. GENERAL PROVISIONS

A. Officials Not To Benefit

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

B. Covenant Against Contingent Fees

The recipient warrants that no person or agency has been employed or retained to solicit or secure this Contract 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 Contract without liability or, in its discretion, to deduct from the Contract amount, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

3. Triplicate Originals

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

IV. SIGNATURES

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

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Karl J. Dreher
Director

June 30, 2004
Date

UNITED STATES
BUREAU OF RECLAMATION

J. William McDonald
Regional Director

June 25, 2004
Date

ATTACHMENT A

To Contract to Implement the Rental of Water Under the Pilot Program for Leasing of Snake River Natural Flow Water Rights for 2004 (BOR Contract No. 1425-04-WL-10-0023)

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

December 17, 2003

PA BERGH
CLOVER HOLLOW
PO BOX 606
MOUNTAIN HOME ID 83647

RE: FINAL PAYMENT FOR RENTAL OF WATER FROM SNAKE RIVER THROUGH THE WATER SUPPLY BANK. WATER RIGHT NOS. 2-2386, 2-2387, 2-2388, 2-7148

Dear Mr. Bergh,

All or portions of the water rights referenced above were leased to the Water Supply Bank ("bank") during the 2003 irrigation season in accordance with Agreement No. 1425-03-MA-10-3880 ("Agreement") between you and the United States Bureau of Reclamation ("Reclamation"). The Idaho Department of Water Resources ("department") has invoiced Reclamation for the funds associated with the second and final payment. Upon receipt, the Controller's office will issue a state warrant in the amount of **$162,418.50** to be sent directly to the address listed above.

The enclosed map identifies the eligibility status of the lands as evaluated by the department. It indicates whether the lands were determined to be eligible or ineligible for payment.

Payment for rental of the right(s) from the bank was contingent upon the determination that the acres associated with the rental application had a valid Snake River water right(s), and that they qualified for payment as provided in Contract no. 1425-03-WL-10-2003 between Reclamation and the Department of Water Resources to Implement the Rental of Water Rights Under the Pilot Program for Leasing of Snake River Natural Flow Water Rights for 2003, said agreement dated June 25, 2003 ("Contract").

The Agreement and Contract specify that one half of the estimated payment will be paid on or around July 1, 2003, and the second half shall be issued after the irrigation season has ended. The total payment to Clover Hollow LLC was calculated based on the total number of acres determined to be eligible for payment times $150.00 per acre idled minus a ten percent (10%) administrative fee as provided in the Water Supply Bank rules. The first payment was calculated based on fifty percent (50%) of the estimated final payment. The second payment includes the remainder of the total payment based on the number of acres determined to be eligible.

Below is a summary of the payments to Clover Hollow LLC for the rental of the referenced water rights from the bank:

Contracted Idled Acres (ac)	Eligible Idled Acres (End of irr season)	Acres Ineligible for Payment	Payment Rate (price/ac)	Payment(s) to Lessor		
				Payment 1 (50%)	Payment 2 (remainder)	Total Payment
2406.2	2406.2	0.0	$150.00	$162,418.50	$162,418.50	$324,837.00

This payment, in the amount of $162,418.50 is considered to be the final payment for the rental of water rights for the 2003 irrigation season. If you have questions, please feel free to contact the department.

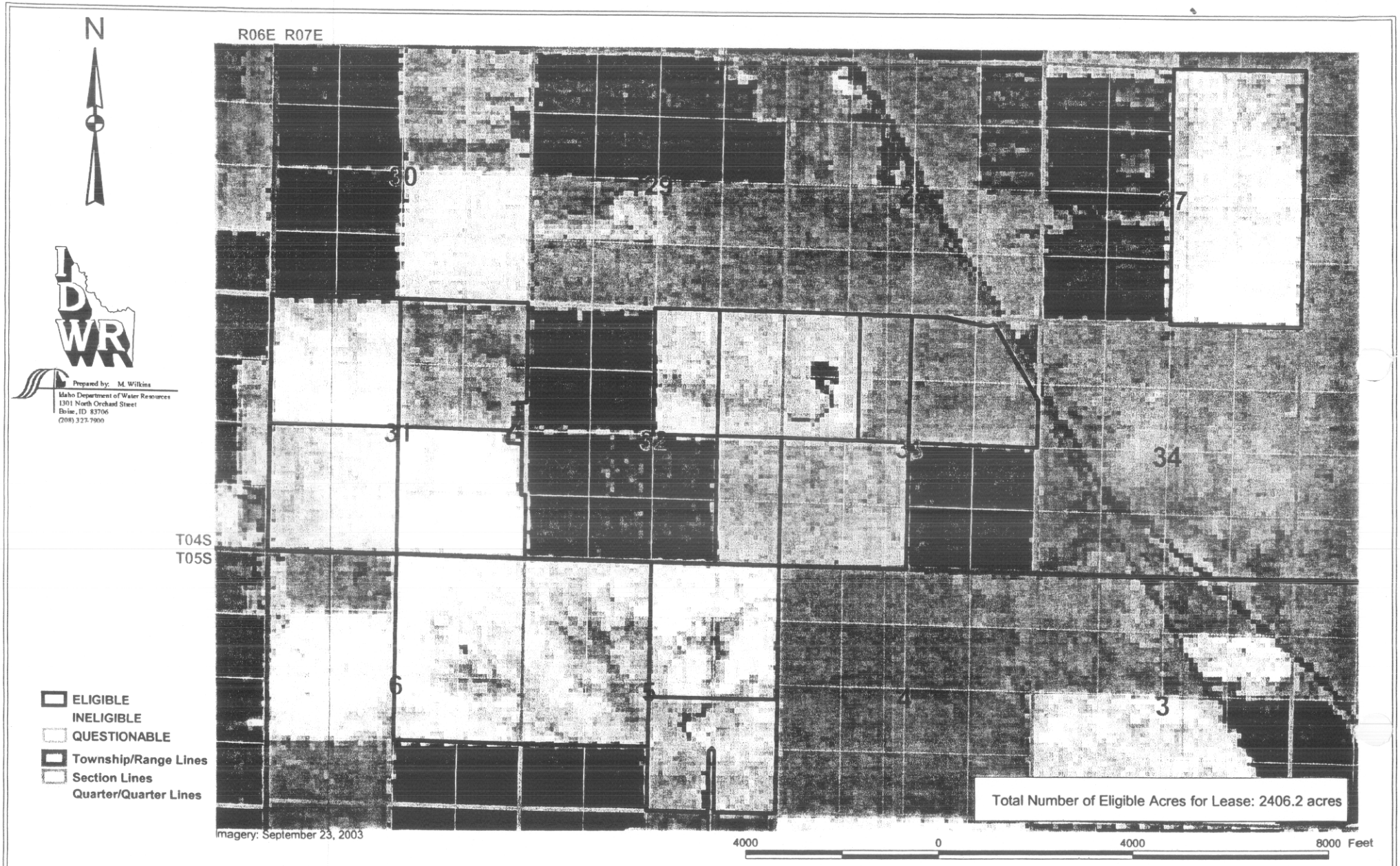
Sincerely,

Cynthia Bridge Clark
Associate Engineer
Water Allocations Bureau

Enclosure

c: IDWR Western Region

E. Gail McGarry
Program Manager, Water Rights & Acquisition
Bureau of Reclamation
1150 N Curtis, Suite 100
PN 3100
Boise ID 83706-1234



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

Clover Hollow, LLC

2003 Snake River Pilot Leasing Program
Rental of Water from the Water Supply Bank

Prepared: December 2, 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

July 25, 2003

PA BERGH
CLOVER HOLLOW LLC & BERGH FARMS
180 KINGS COURT
MOUNTAIN HOME ID 83647

RE: TAX IDENTIFICATION NUMBER. WATER RIGHT NOS. 2-2159, 2-2354, 2-2398, 2-7184, 2-7229, 2-2386, 2-2387, 2-2388, AND 2-7148

Dear Mr. Bergh:

Clover Hollow, LLC and Bergh Farms have leased water rights to the State Water Supply Bank in conjunction with an agreement between the U.S. Bureau of Reclamation and the Idaho Department of Water Resources to implement the rental of water rights under a pilot program to secure natural flow in the Snake River during the 2003 irrigation season. As we discussed over the telephone, a Tax Identification Number is required for the State of Idaho to issue a payment to an applicant leasing rights to the Water Supply Bank through this pilot program.

Please find enclosed two Request for Taxpayer Identification Number and Certification, or W-9 Forms, from the Department of the Treasury, Internal Revenue Service. The forms should be completed for both entities and returned to:

Idaho Department of Water Resources
1301 North Orchard
Boise, Idaho 83706-2237
Attn: Cynthia Bridge Clark

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

Sincerely,

Cynthia Bridge Clark
Water Allocations Bureau

Encl: 2

MICROFILMED
JUL 15 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

July 1, 2003

RECEIVED
JUL
Department of Water Resources

PA BERGH
CLOVER HOLLOW
PO BOX 606
MOUNTAIN HOME ID 83647

RE: APPLICATION TO LEASE PART OF WATER RIGHT NOS. 2-2386, 2-2387, 2-2388, 2-7148 TO THE WATER SUPPLY BANK

Dear Mr. Bergh,

The department has conducted an initial review of Agreement No. 1425-03-MA-10-3880 ("Agreement") between you and the United States Bureau of Reclamation ("Reclamation") submitted to this office as an Application to Sell or Lease a Water Right to the Water Supply Bank ("bank"). The application was submitted in connection with the 2003 Snake River Pilot Leasing Program initiated by Reclamation.

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

1. Payment for rental of the right(s) from the bank is contingent upon the 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 Contract no. 1425-03-WL-10-2003 between the United States Bureau of Reclamation and the Idaho Department of Water Resources to Implement the Rental of Water Rights Under the Pilot Program for Leasing of Snake River Natural Flow Water Rights for 2003, said agreement dated June 25, 2003 ("Contract").

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.

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.

5. The right(s) will be considered released from the bank on December 31, 2003.

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The Agreement and Contract specify that one half of the estimated payment will be paid on or around July 1, 2003, and the second half shall be issued after the irrigation season has ended. Payment to the individual lessors will be issued at a pay rate per acre identified in the individual Agreement between Reclamation and the lessors minus a ten percent (10%) administrative fee as provided in the Water Supply Bank rules. The department has invoiced Reclamation for the funds associated with the first payment as required in the Contract. A state warrant will be issued in the amount of $162,418.50 for the first payment for rental of water from the bank in accordance with the above referenced Agreement. The Controller's office will issue the warrant directly to the address identified above.

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

Sincerely,

Cynthia Bridge Clark
Water Allocations Bureau

c: IDWR - W. Region
2-2386, 2-2387, 2-2388, 2-7148

E. Gail McGarry
Program Manager, Water Rights & Acquisition
Bureau of Reclamation
1150 N Curtis, Suite 100
PN 3100
Boise ID 83706-1234

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JUL 15 2003

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JUN 19 2003
Department of Water Resources

IDAHO POWER
An IDACORP Company

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

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

June 17, 2003

Hal Anderson
State of Idaho
Department of Water Resources
1301 N. Orchard St.
Boise, ID 83720

Dear Hal,

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,

Jon Bowling

Jonathon C. Bowling, P.E.

c: John P. Prescott
James C. Tucker

MICROFILMED
JUL 15 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

June 25, 2003

JONATHON C BOWLING
IDAHO POWER COMPANY
PO BOX 70
BOISE ID 83707

RE: APPLICATION TO RENT WATER FROM THE WATER SUPPY BANK UNDER WATER RIGHT NOS. 2-2159, 2-2354, 2-2398, 2-7184, 2-7229, 2-2386, 2-2387, 2-2388, 2-7148, 2-2249, 2-2250, 2-2251, 2-2252, 2-2253, 2-2254, 2-2255, 2-2256, 2-2361, 2-7001, 2-2371, 2-7053, 2-2262, 2-2194A, 2-2194B, 2-2206, 2-2217, 2-2218, 2-2269, 2-2345, 2-2367, AND 2-2379

Dear Mr. Bowling:

The Department of Water Resources acknowledges receipt of the Application to Rent Water from the Water Supply Bank and the corresponding Rental Agreement in the name of Idaho Power Company, Inc. Enclosed is a copy of a fully executed Rental Agreement in connection with the rental of an estimated 42,182 acre-feet of water from the Snake River during the 2003 irrigation season. Idaho Power Company, Inc. is authorized to divert water in compliance with the conditions of water use described in the fully executed agreement.

The Contract between the United States Bureau of Reclamation and the Idaho Department of Water Resources to Implement the Rental of Water Rights Under the Pilot Program for Leasing of Snake River Natural Flow Water Rights for 2003, specifies that the U.S. Bureau of Reclamation will make the required payments to the State Water Supply Bank for the rental of the water rights identified in the Rental Agreement.

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

Sincerely,

Cynthia Bridge Clark
Water Allocations Bureau

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JUL ... 2003

Encl: 1

c: IDWR Western Regional Office

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

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JUL 15 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

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	2nd 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

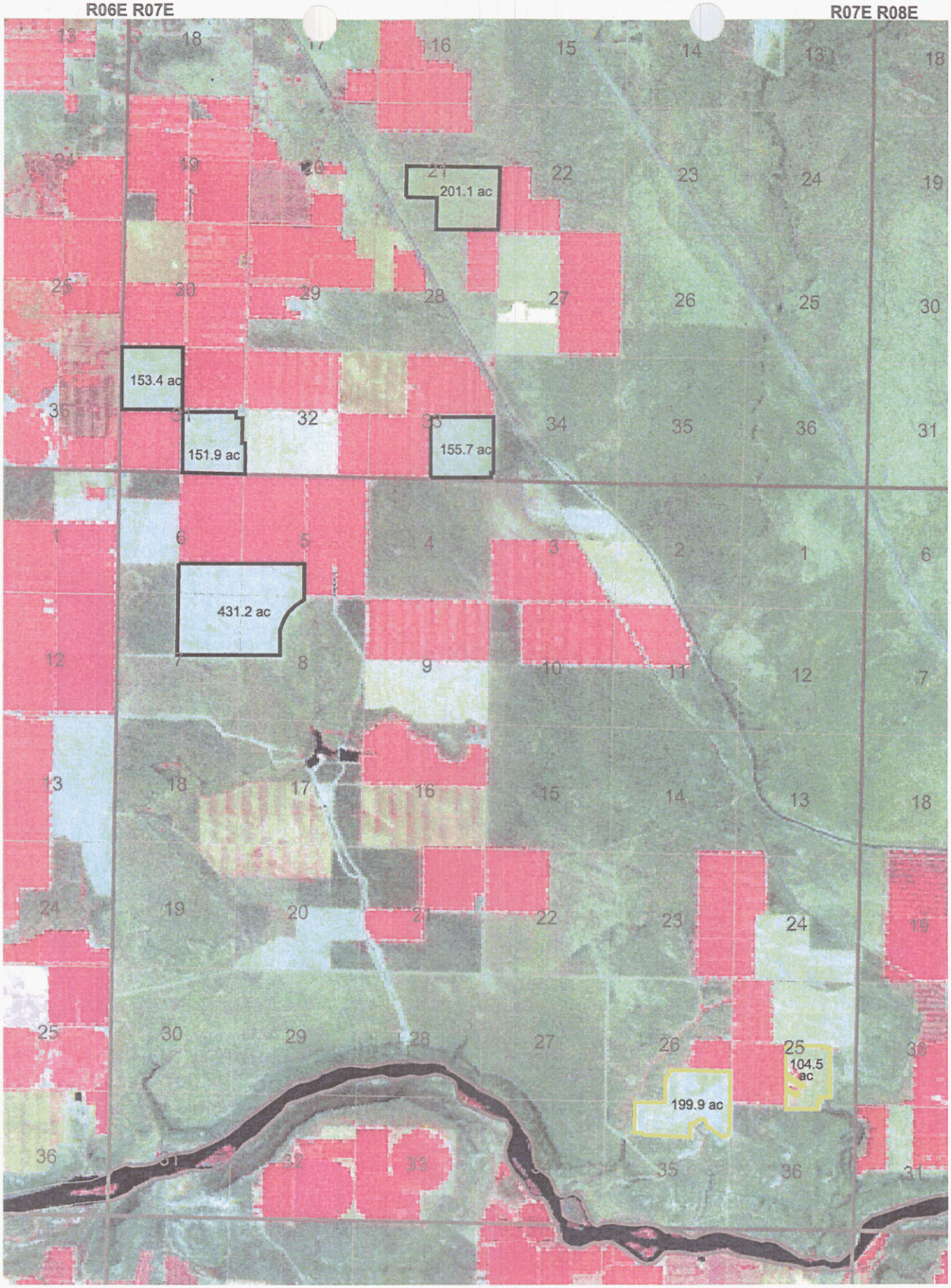
Enclosures

c: Western Regional Office

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

Debbie Allen
IDWR, Fiscal Section

MICROFILMED
1 5 2003



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

MICROFILMED
JUL 15 2003

Clover Hollow LLC

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

Prepared: February 5, 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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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

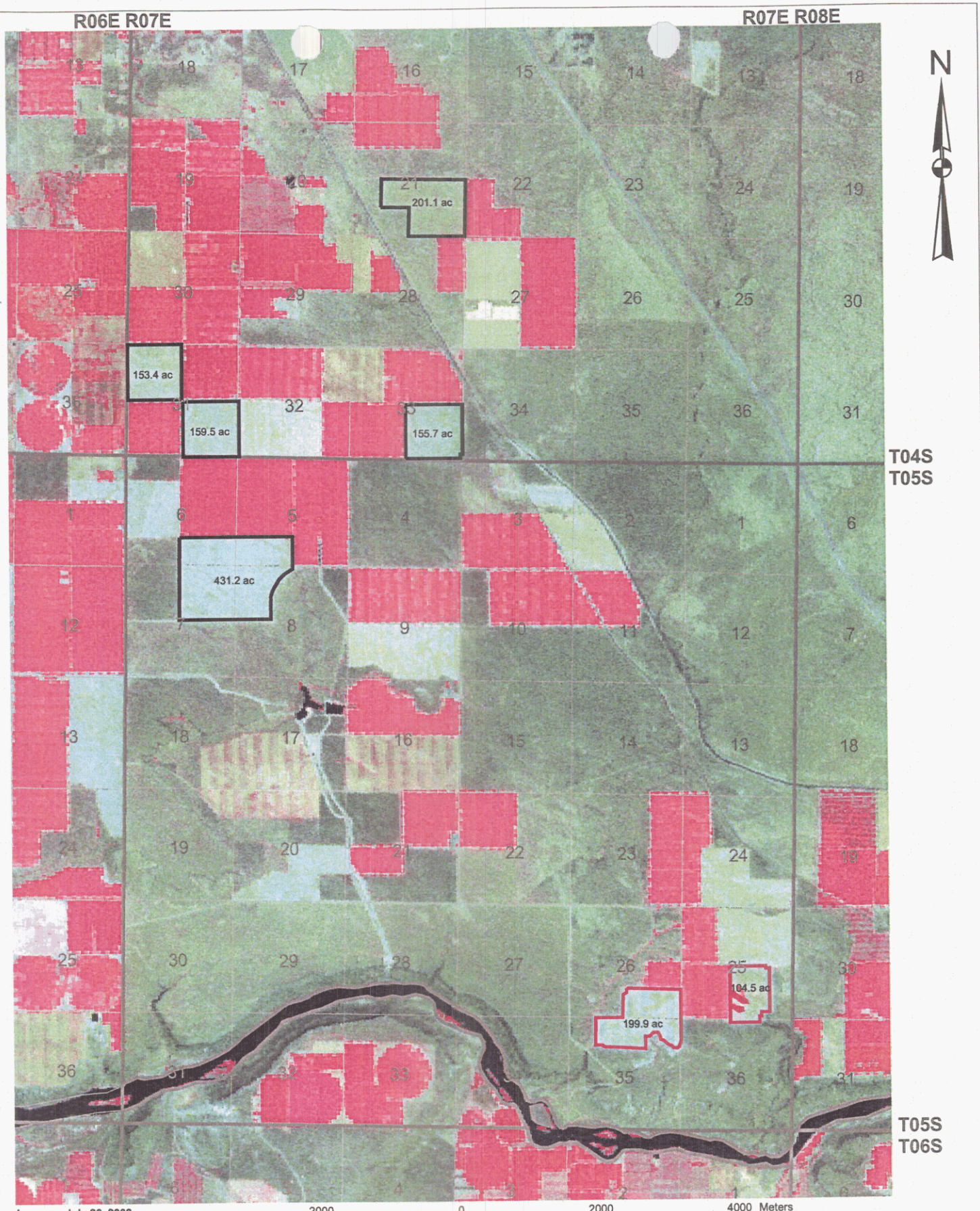
Enclosures

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

MICROFILMED
NOV 18 2002



MICROFILMED
NOV 18 2002

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

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

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

RECEIVED
SEP 1 2 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

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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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.

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