

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: The Terteling Company, Inc.
2. Address: 3823 N. 36<sup>th</sup> St., Boise, ID 83703
3. Source of water: Ground Water
4. Volume of water rented: 15.0 AF Max rate: 0.30 cfs
5. Diversion period: August 26, 2004 to September 25, 2004
6. Use of water: Heating, Irrigation and Domestic
7. a) Renter's point of diversion:  
Legal description: SW1/4NW1/4 Section 22, T4N, R2E, B.M., Ada County – Pool well  
And other POD's authorized under Transfer 68558
- b) Renter's place of use:  
Legal description: Place of Use authorized under Transfer 68558
8. The rights from which water will be rented are 63-12, 63-13 and 63-15

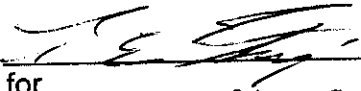
The undersigned renter agrees to pay \$ 165.00 for rental of the above described water and agrees to use the water in compliance with the Water Supply Bank rules and in compliance with the conditions of water use shown below:

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. The renter shall provide for the measurement of the water diverted in a manner acceptable to the watermaster of Water District 63-S and shall report the amount of water diverted at the end of the rental term.
3. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.

4. 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.
5. Renter acknowledges and agrees that the Director may terminate diversion of water under this agreement if the Director determines there is not a sufficient water supply for the priority of the rights or if the Director determines that the diversion of water from the Pool well injures other existing water rights.
6. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
7. This rental does not authorize the construction of a new well.
8. Use of water under this agreement does not prejudice any pending permanent transfer application that the owner of rights 63-12, 63-13 and 63-15 has filed to modify the water rights.
9. During the term of this agreement, the diversion and use of water under this agreement shall not exceed a diversion rate of 0.30 cfs from the Pool well. In addition, the combined rate of diversion from the Pool well and the other points of diversion authorized under Transfer 68558 shall not exceed 0.86 cfs. All other conditions of approval from Transfer 68558 shall apply to this agreement.
10. Failure of the right holder to comply with the conditions of this agreement is cause for the Director to rescind acceptance of the agreement.

Dated this 26th day of August, 2004.

by   
for The Terteling Company

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Having determined that this agreement satisfies the provisions of Section 42-1763, Idaho Code, and, IDAPA 37.02.03030 (Water Supply Bank Rule 30), for the rental and use of water under the terms and conditions herein provided, and none other, I hereby execute this Rental Agreement on behalf of the Idaho Water Resource Board this 26 day of August, 2004.

  
KARL J. DREGER, Director  
Department of Water Resources