

11. Map of proposed project: show clearly the proposed point of diversion, place of use, section number, township and range number.



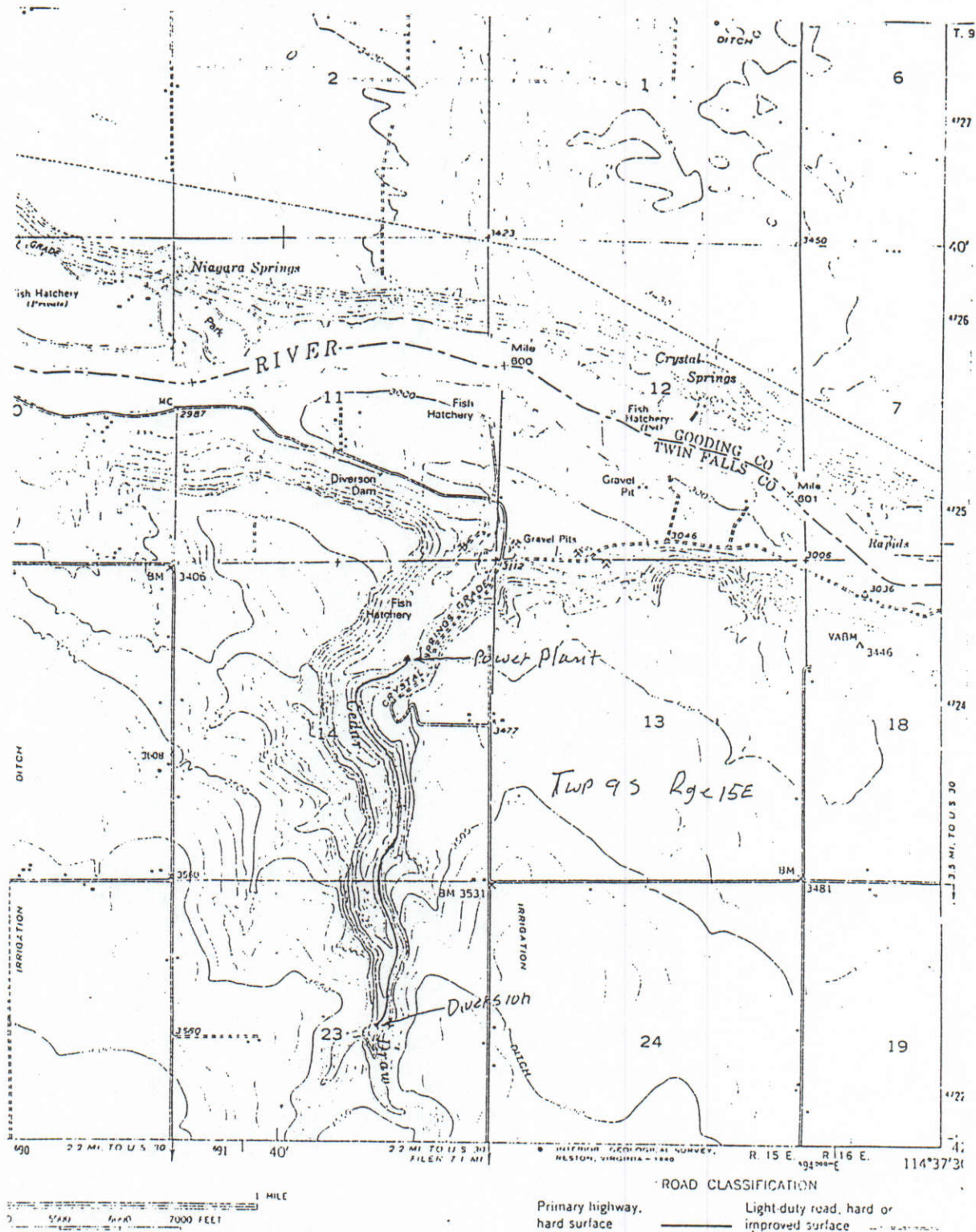
BE IT KNOWN that the undersigned hereby makes application for permit to appropriate the public waters of the State of Idaho as herein set forth.

Crystal Springs Hydroelectric Co.

Charles W. Hays
(Applicant)

of and for
Bonneville Pacific Corp
its General Partner

11. Map of proposed project: show clearly the proposed point of diversion, place of use, section number, township and range number.



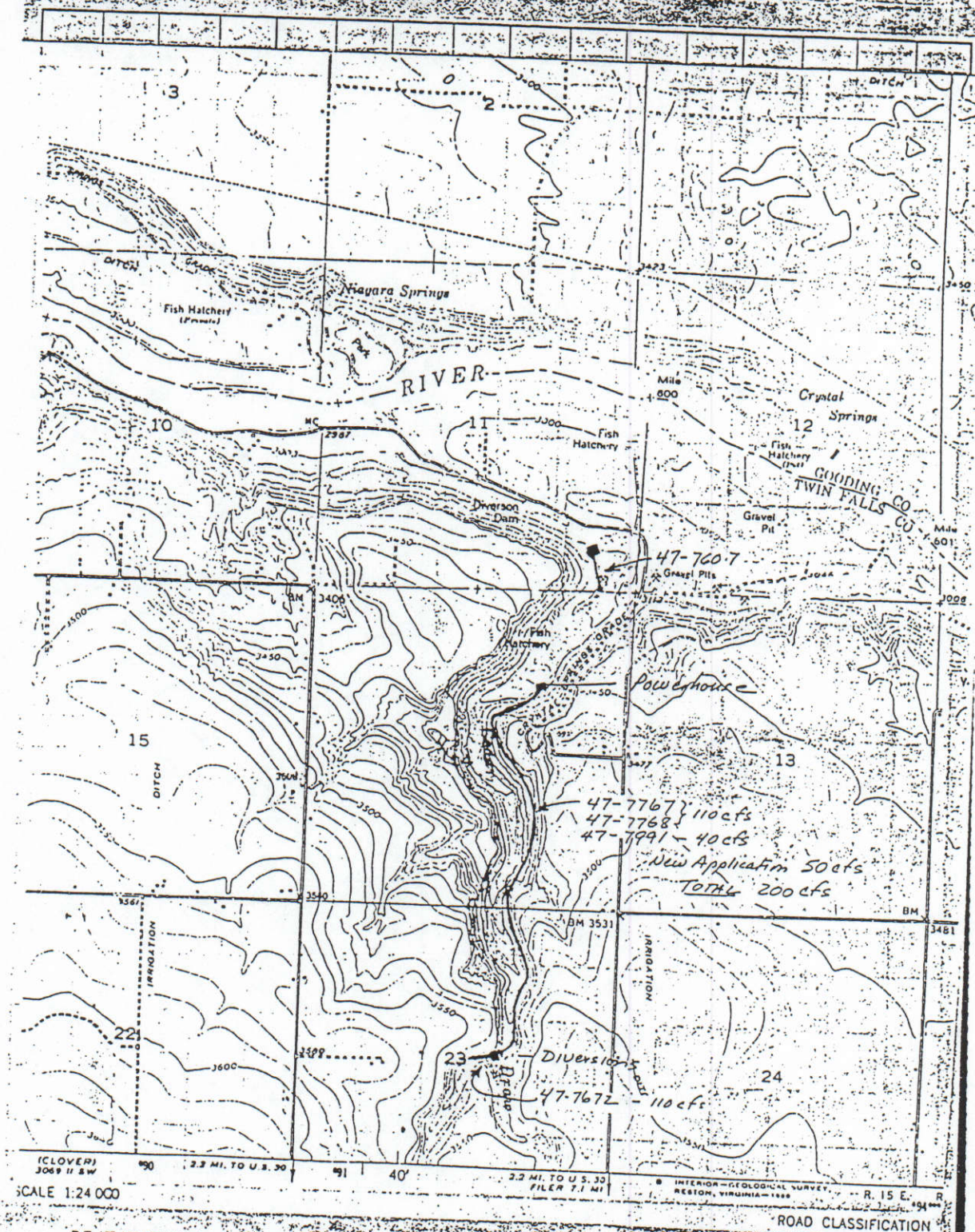
BE IT KNOWN that the undersigned hereby makes application for permit to appropriate the public waters of the State of Idaho as herein set forth.

Crystal Springs Hydroelectric Co.
Shirley A. ...
 (Applicant)

Map of a section of Idaho, showing the Snake River, various towns, and geographical features. The map includes a grid with section numbers (11, 12, 13, 14, 18, 19, 23, 24) and township/range coordinates (Twp 9S, Rgc 15E). Key locations marked include Niagara Springs, Crystal Springs, and various hatcheries (Fish Hatchery, Trout Hatchery, Snake River Hatchery). The map also shows a power plant, a gravel pit, and a dam. The Snake River is depicted with a winding course, and the Snake River Hatchery is a prominent feature. The map is labeled with 'IDAHO' and 'TWIN FALLS CO'. The bottom of the map shows a scale bar and a north arrow.

Sh. K. Chatterjee
(Applicant)
Crystal Springs Hydroelectric Co.

11. Map of proposed project: show clearly the proposed point of diversion, place of use, section number, township and range number.



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

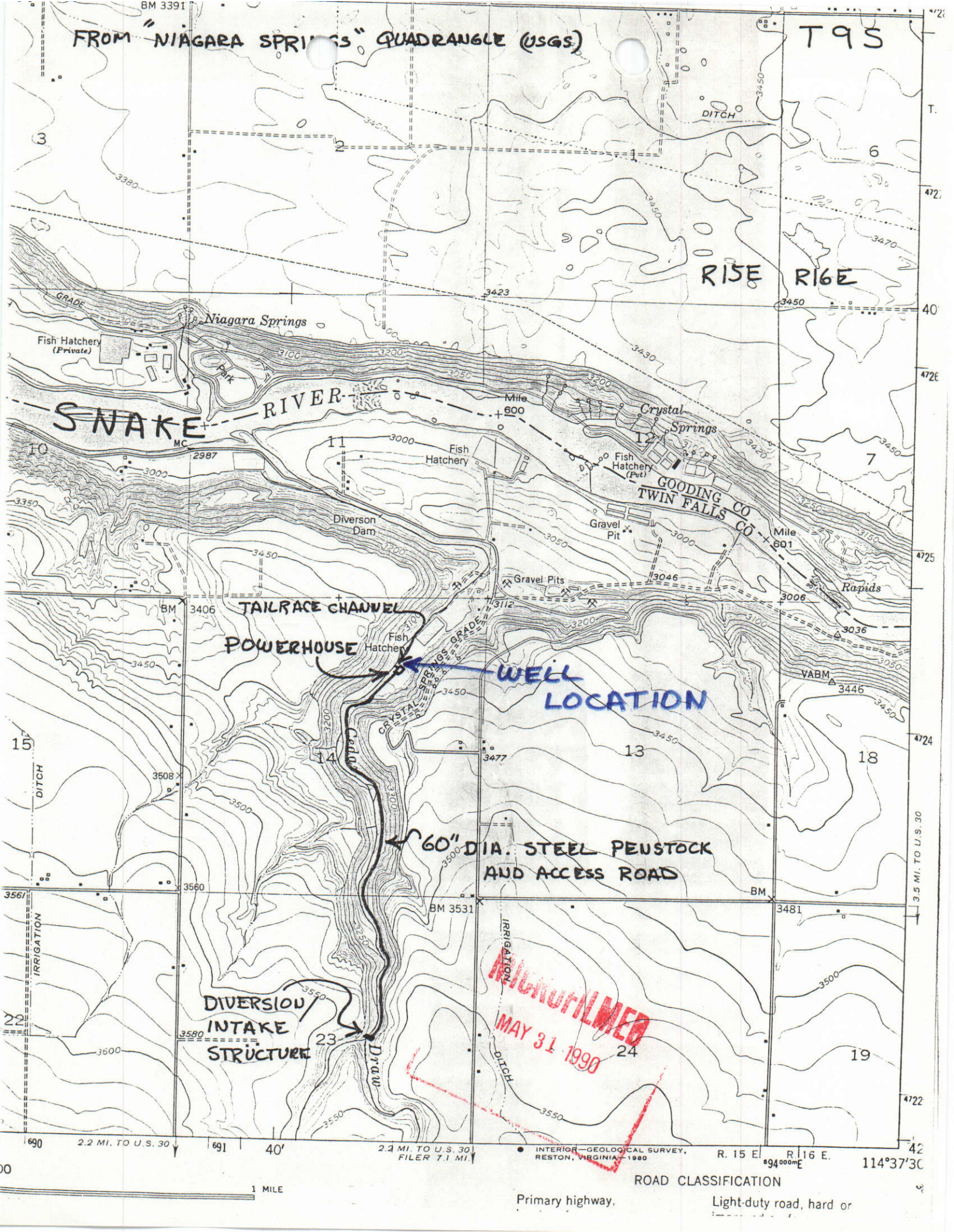
Crystal Spring's Hydroelectric Company

By Orin V. Murphy
of and for (Applicant)
Bonneville Pacific Corporation
Its General Partner

APPROPRIATION

FROM "NIAGARA SPRINGS" QUADRANGLE (USGS)

T9S



REPRODUCED
MAY 31 1990

INTERIOR - GEOLOGICAL SURVEY,
RESTON, VIRGINIA - 1980

ROAD CLASSIFICATION

Primary highway,

Light-duty road, hard or



CRYSTAL SPRINGS HYDROELECTRIC PROJECT
POWERHOUSE

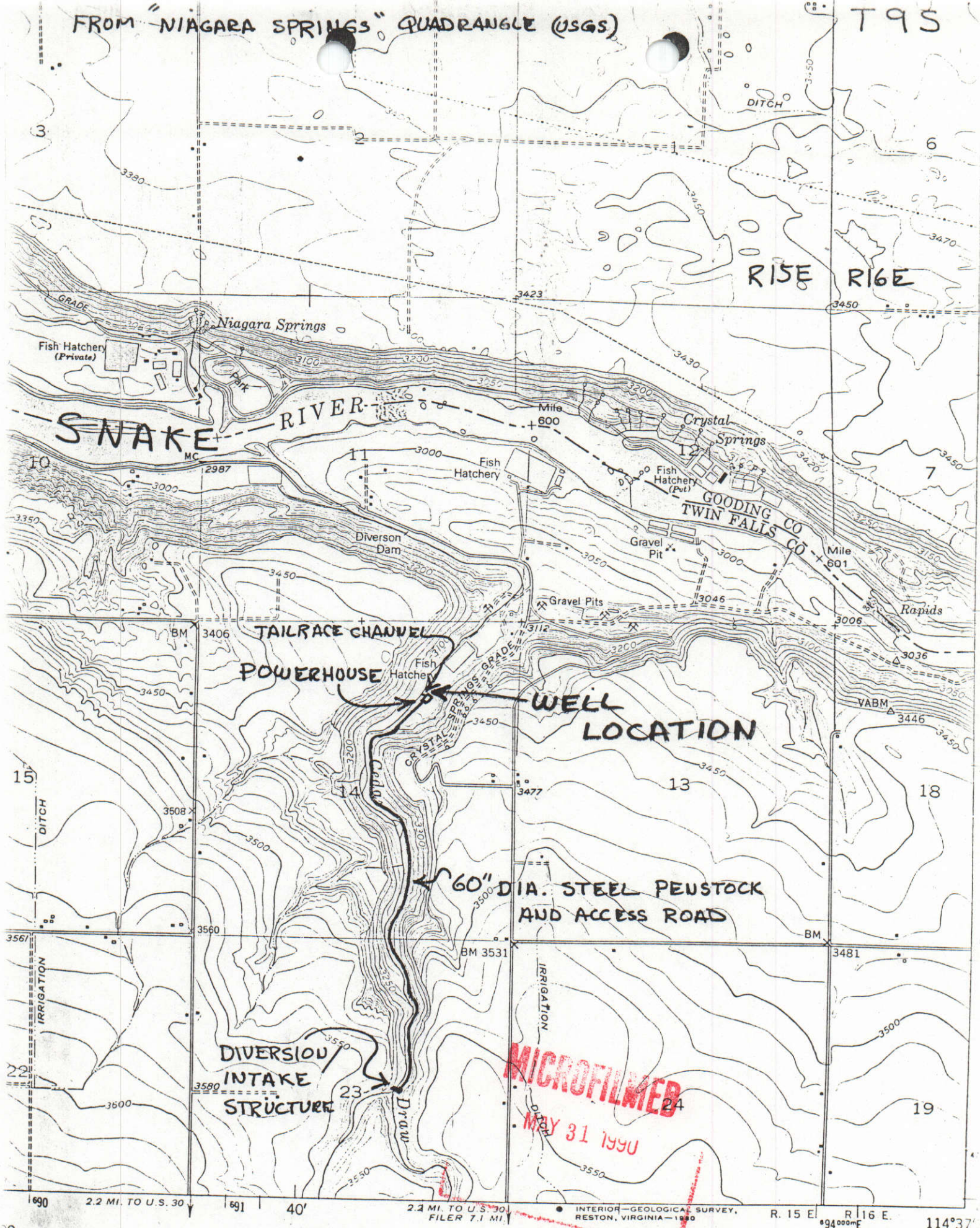
(NOTE WELL IN FOREGROUND OF PICTURE)
(RED TOP)

MICROFILMED

MAY 31 1990

FROM "NIAGARA SPRINGS" QUADRANGLE (USGS)

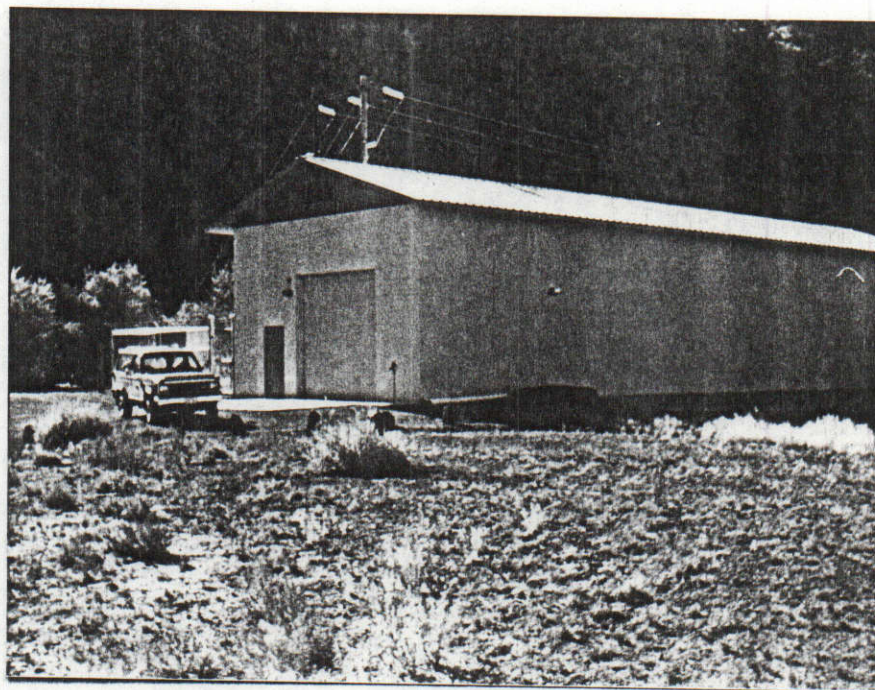
T 9 S



MICROFILMED
MAY 31 1990

INTERIOR—GEOLOGICAL SURVEY,
RESTON, VIRGINIA—1980

ROAD CLASSIFICATION
Primary highway,
Light-duty road, hard or



CRYSTAL SPRINGS HYDROELECTRIC PROJECT
POWERHOUSE

(NOTE WELL IN FOREGROUND OF PICTURE)
(RED TOP)

MICROFILMED

MAY 31 1990

State of Idaho
Department of Water Resources

WATER RIGHT LICENSE

WATER RIGHT NO. 47-08009

Priority: July 11, 1985

Maximum Diversion Rate:

0.10 CFS

Maximum Diversion Volume:¹

23.4 AF

This is to certify, that CRYSTAL SPRINGS HYDROELECTRIC CO.

C/O BONNEVILLE PACIFIC CORP.

200 E. S. TEMPLE, SUITE 300

SALT LAKE CITY, UT 84111

has complied with the terms and conditions of the permit, issued pursuant to Application for Permit dated July 11, 1985; and has submitted Proof of Beneficial Use on February 3, 1987. An examination indicates that the works have a diversion capacity of .100 cfs of water from a **GROUNDWATER** source, and a water right has been established as follows:

<u>BENEFICIAL USE</u>	<u>PERIOD OF USE</u>	<u>RATE OF DIVERSION</u>	<u>ANNUAL VOLUME</u>
INDUSTRIAL	01/01 to 12/31	0.10 CFS	23.4 AF

LOCATION OF POINT(S) OF DIVERSION:

NWNE , Sec. 14, Township 09S, Range 15E
TWIN FALLS County

PLACE OF USE: INDUSTRIAL

TWN RGE SEC

09S 15E 14

NWNE

CONDITIONS/REMARKS:

1. The maximum diversion volume is defined as the maximum allowable volume of water that may be diverted annually from the source under this right. The use of water confirmed by this right is limited to the amount which can actually be beneficially used. The maximum diversion volume may be adjusted to more accurately describe the beneficial use or to implement accepted standards of diversion and use efficiency.
2. This water right is appurtenant to the described place of use.
3. This right is subject to all prior water rights and may be forfeited by five years of non-use.
4. Modifications to or variance from this license must be made within the limits of Section 42-222, Idaho Code, or the applicable Idaho law.
5. Water used under this right if discharged into a natural channel or subsurface system shall meet Idaho water quality standards.

MICROFILMED

MAY 31 1990

State of Idaho
Department of Water Resources

WATER RIGHT LICENSE

WATER RIGHT NO. 47-08009

This license is issued pursuant to the provisions of Section 42-219, Idaho Code.
Witness the seal and signature of the Director, affixed at Boise, this 3rd
day of MAY, 1990.

Acting for *Norm Oyung*
R. Keith Higginson, Director

RECEIVED

MAY 31 1990

Form 202
3778
RECEIVED

Ident. No. 47-8009

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
APPLICATION FOR PERMIT

JUL 11 1985

Department of Water Resources
Southern District Office

To appropriate the public waters of the State of Idaho

APPROVED

1. Name of applicant Crystal Springs Hydroelectric Co. Phone 801-363-1900

c/o Bonneville Pacific Corporation
Post office address 200 E. S. Temple, Suite 300, Salt Lake City, Utah 84111

2. Source of water supply Ground water which is a tributary of _____

3. Location of point of diversion is NW $\frac{1}{4}$ of NE $\frac{1}{4}$ of Section 14 Township 9S one

Range 15 E B.M. Twin Falls County, additional points of diversion if any: _____

4. Water will be used for the following purposes:

Amount .10 CFS for industrial purposes from 1/1 to 12/31 (both dates inclusive)
(cfs or acre-feet per annum)

Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)

Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)

Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)

5. Total quantity to be appropriated:

a. .10 CFS cubic feet per second and/or b. _____ acre-feet per annum.

6. Proposed diverting works:

a. Description of ditches, flumes, pumps, headgates, etc. Well, pump

b. Height of storage dam _____ feet, active reservoir capacity _____ acre-feet; total reservoir capacity _____ acre-feet, materials used in storage dam: _____

Period of year when water will be diverted to storage _____ to _____ inclusive.
(Month/Day) (Month/Day)

c. Proposed well diameter is _____ inches; proposed depth of well is _____ feet.

7. Time required for the completion of the works and application of the water to the proposed beneficial

use is 1 years (minimum 1 year - maximum 5 years).

8. Description of proposed uses:

a. If water is not for irrigation:

(1) Give the place of use of water: NW $\frac{1}{4}$ of NE $\frac{1}{4}$ of Section 14 Township 9S

Range 15 E B.M.

(2) Amount of power to be generated: N/A horsepower under N/A feet of head.

(3) List number of each kind of livestock to be watered N/A

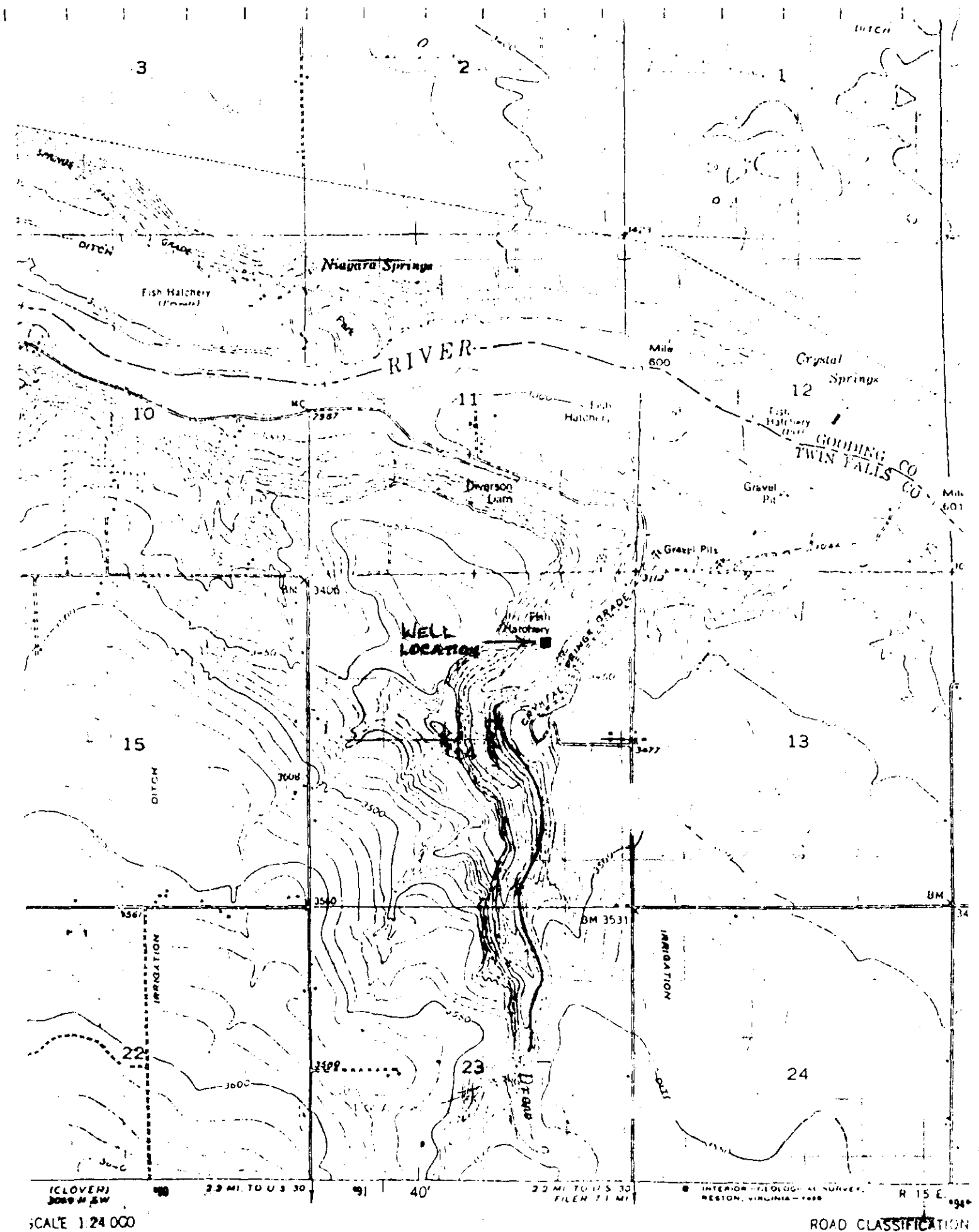
(4) Name of municipality to be served N/A, or number of families to be supplied with domestic water _____

(5) If water is to be used for other purposes describe: Water supply for sanitation

facilities and cooling water for equipment

APPROVED

11. Map of proposed project: show clearly the proposed point of diversion, place of use, section number, township and range number.



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

Crystal Springs Hydroelectric Co.

John W. Hays
(Applicant)

of and for
Bonneville Pacific Corp
its General Partner

Proposed Priority 7/11/85

Received by TGB Date 7-11-85 Time 4:30

Preliminary check by JP Fee \$ 30.00 # 366F1

Receipted by merge Date 7/12/85

Publication prepared by merge Date _____

Published in terrier news

Publication dates 12/28 + 12/5/85

Publication approved merge Date 11/26/85

Protests filed by: None

Copies of protests forwarded by _____

Hearing held by _____ Date _____

Recommended for approval denial by ADM kw GS

ACTION OF THE DIRECTOR, DEPARTMENT OF WATER RESOURCES

This is to certify that I have examined Application for Permit to appropriate the public waters of the State of Idaho No. 47-8009, and said application is hereby APPROVED.

1. Approval of said application is subject to the following limitations and conditions:

a. SUBJECT TO ALL PRIOR WATER RIGHTS.

b. Proof of construction of works and application of water to beneficial use shall be submitted on or before December 1, 19 87.

c. The rate of diversion, if water is to be used for irrigation under this permit, when combined with all other water rights for the same land shall not exceed 0.02 cubic feet per second for each acre of land.

d. Other: The issuance of this permit in no way grants any right-of-way or easement across the land of another.
Water used under this permit if discharged into a natural channel or subsurface system shall meet Idaho Water Quality Standards.

Witness my hand this 31st day of October, 1986.

Lyle G. Dapton
Chief, Operations Bureau

NOTICE OF APPLICATION FOR WATER RIGHT

Notice is hereby given that the following application(s) have been submitted for permit to appropriate the public waters of the State of Idaho:

47-7971

CRYSTAL SPRINGS RANCH
BOX 109 BUHL, IDAHO 83316

Source: GROUND-WATER

Date Filed: 12/30/1983

Diversion Pt: NESE Sec 11 T 09S R 15E SESE Sec 12 T 09S R 15E

Use: IRRIGATION (2.50 CFS)

DOMESTIC (0.50 CFS)

In: LOT 05 (SESW)

NESE NESE NWSE

SESE, Sec 11 T 09S R 15E SWSW SESE SWSE

LOT 08 (SESE) Sec 12 T 09S R 15E LOT 10

(SWSW) Sec 07 T 09S R 16E LOT 12 (NENW) LOT

10 (NWNW) Sec 18 T 09S R 16E FOR 249 ACRES

47-7977

COX, ROBERT W. and/or

JANE MEYERS, ELDON and/or

PATRICIA

RT. 5 BOX 8056, TWIN FALLS, ID 83303

Source: GROUND-WATER

Date Filed: 03/06/1984

Diversion Pt: NWNE Sec 29 T 10S R 17E

Use: IRRIGATION (0.02 CFS)

DOMESTIC (0.06 CFS)

In: NWNE Sec 29 T 10S R 17E FOR 1 ACRE

47-7990

ASLETT, DALE

BOX CC, TWIN FALLS ID 83301

Source: GROUND-WATER

Date Filed: 12/14/1984

Diversion Pt: SWSW Sec 27 T 12S R 16E

Use: IRRIGATION (0.20 CFS)

COMMERCIAL (0.12 CFS)

DOMESTIC (0.20 CFS)

In: SWSW Sec 27 T 12S R 16E FOR 10 ACRES

47-8009

CRYSTAL SPRINGS HYDROELECTRIC CO.

C/O BONNEVILLE PACIFIC CORP., 200

EAST SOUTH TEMPLE, SUITE 300,

SALT LAKE CITY, UT 84111

Source: GROUND-WATER

Date Filed: 07/11/1985

Diversion Pt: NWNE Sec 14 T 09S R 15E

Use: INDUSTRIAL (0.10 CFS)

In: NWNE Sec 14 T 09S R 15E

47-8010

WUTHRICH, DAVID

696 CRESTVIEW DR., TWIN FALLS, ID 83301.

Source: GROUND-WATER

Date Filed: 05/24/1985

Diversion Pt: SESE Sec 18 T 10S R 17E

Use: COMMERCIAL (0.03 CFS)

COOLING (0.04 CFS)

In: SESE Sec 18 T 10S R 17E

If issued the permit(s) will be subject to all

prior water rights. Pro-

tests against the gran-

ting of any permit must

be filed with the Director

of the Idaho Department

of Water Resources,

1041 Blue Lakes Blvd.

North, Twin Falls, Idaho

83301 and received on or

before December 15,

1985.

A. KENNETH DUNN

Director

PUBLISH: Thursdays,

November 28 and

December 5, 1985.

Affidavit of Publication

STATE OF IDAHO.

COUNTY OF TWIN FALLS

ss.

No 15753

I, Linda Capps McSweeney being first duly sworn upon oath, depose and say that I am Print Clerk of the TIMES-NEWS, published daily, at Twin Falls, Idaho, and do solemnly swear that a copy of the notice of advertisement, as per clipping attached, was published in the regular and entire issue of said newspaper, and not in any supplement thereof, for two consecutive Weeks, commencing with the issue dated November 28, 1985, and ending with the issue dated December 5, 1985.

And I do further certify that said newspaper is a consolidation, effective February 16, 1942, of the Idaho Evening Times, published theretofore daily except Sunday, and the Twin Falls News, published theretofore daily except Monday, both of which newspapers prior to consolidation had been published under said names in said city and county continuously and uninterruptedly during a period of more than twelve consecutive months, and said TIMES-NEWS, since such consolidation, has been published as a daily newspaper except Saturday, until July 31, 1978, at which time said newspaper began daily publication under said name in said city and county continuously and uninterruptedly.

And I further certify that pursuant to Section 60-108 Idaho Code, Thursday of each week has been designated as the day on which legal notice by law or by order of any court of competent jurisdiction within the state of Idaho, to be published weekly, will be published; and that at the head of the editorial column of said combined newspapers, and in each issue thereof, Thursday is announced as the day on which said legal notices will be published.

Linda Capps McSweeney
Subscribed and sworn to before me on this 12 day of December, 1985.

Dorinda Hume
Notary Public in and for the County of Twin Falls, State of Idaho, residing at Twin Falls, Idaho

ED

1986

st Resources
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mays

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

NOTICE OF REQUEST FOR AMENDMENT OF PROJECT LICENSE

(April 16, 1996)

Take notice that the following hydroelectric application has been filed with the Commission and is available for public inspection:

- a. Type of Application: Request for Amendment of Project License
- b. Project No: 8278
- c. Date Filed: March 18, 1996
- d. Applicant: Crystal Springs Hydroelectric, L.P.
- e. Name of Project: Cedar Draw Creek Project
- f. Location: On Cedar Draw Creek in Twin Falls County, Idaho
- g. File Pursuant to: Federal Power Act, 16 U.S.C. §791(a)-825(r)
- h. Applicant Contact: Dell Keehn
11225 S.E. 6th, Suite 100
Bellevue, Washington 98004
(206) 453-0500
- i. FERC Contact: Thomas LoVullo, (202) 219-1168
- j. Comment Date: May 23, 1996
- k. Description of Amendments: (1) Crystal Springs Hydroelectric, L.P. (licensee) requested to install a variable flow turbine (multiple jet, impulse type) in place of one of the project's four fixed-flow turbines. The licensee stated that installation of the variable flow turbine would slightly reduce the generation capacity of the project (from 2,924 kilowatts (kW) to 2,751 kW) but would provide better control and management of water resources. The plant controls would be modified to allow smooth and continuous adjustment of powerhouse flows from a minimum of 5 cubic feet per second (cfs) to a maximum flow of 148 cfs.

The licensee's second amendment request concerned a reduction in the minimum flow requirement from 25 cfs to 10 cfs. The licensee stated that a reduction in the minimum flow would be more comparable with the upstream project's

Project No. 8278

- 2 -

requirement of passing 5 cfs. The licensee stated that the installation of the new turbine equipment would provide more stable flows through the bypass reach of Cedar Draw. With a stabilized flow, stream bank vegetation would be enhanced, stream bank erosion reduced, water quality improved and possibly the food supply for fish improved. Further, the licensee proposed to mitigate for the reduction in the minimum flow by installing two fish ladders at two man-made barriers in Cedar Draw. The fish ladders would provide approximately 3.2 miles of additional habitat in Cedar Draw by allowing fish passage from the Snake River.

- 1: This notice also consists of the following standard paragraphs: B, C1, and D2.

B. Comments, Protests, or Motions to Intervene -- Anyone may submit comments, a protest, or a motion to intervene in accordance with the requirements of Rules of Practice and Procedure, 18 CFR 385.210, .211, .214. In determining the appropriate action to take, the Commission will consider all protests or other comments filed, but only those who file a motion to intervene in accordance with the Commission's Rules may become a party to the proceeding. Any comments, protests, or motions to intervene must be received on or before the specified comment date for the particular application.

C1. Filing and Service of Responsive Documents -- Any filings must bear in all capital letters the title "COMMENTS", "RECOMMENDATIONS FOR TERMS AND CONDITIONS", "PROTEST", OR "MOTION TO INTERVENE", as applicable, and the Project Number of the particular application to which the filing refers. Any of the above-named documents must be filed by providing the original and the number of copies provided by the Commission's regulations to: The Secretary, Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426. A copy of any motion to intervene must also be served upon each representative of the Applicant specified in the particular application.

D2. Agency Comments -- Federal, state, and local agencies are invited to file comments on the described application. A copy of the application may be obtained by agencies directly from the Applicant. If an agency does not file comments within the time specified for filing comments, it will be presumed to have no comments. One copy of an agency's comments must also be sent to the Applicant's representatives.

Lois D. Cashell
Secretary

DC-A-27

RECEIVED
APR 19 1996
Department of Water Resources

EBERLE, BERLIN, KADING, TURNBOW & MCKLVEEN,
CHARTERED

ATTORNEYS AND COUNSELORS AT LAW

CAPITOL PARK PLAZA
300 NORTH SIXTH STREET
POST OFFICE BOX 1368
BOISE, IDAHO 83701

THOMAS R. LINVILLE

TELEPHONE
(208) 344-8535

FACSIMILE
(208) 344-8542

JAMES L. BERLIN
OF COUNSEL

T. H. EBERLE (1922-1977)

June 22, 1995

RECEIVED

JUN 23 1995

Department of Water Resources

Mr. Jim Johnson
Idaho Department of Water Resources
1301 North Orchard Street
Statehouse Mail
Boise, ID 83720

RE: Crystal Springs Hydroelectric Project
Water Right No.s 47-07768, 47-07991, 47-08005, and 47-8009

Dear Jim:

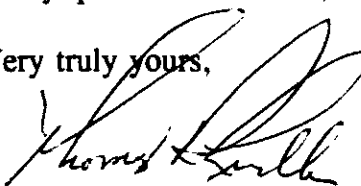
In furtherance of our telephone conversation on June 21, 1995, enclosed please find the following regarding the above-referenced project:

1. Letter dated March 1, 1995, from Crystal Springs Ranch G Limited Partnership to the Idaho Department of Water Resources (and one copy).
2. Copy of Collateral Assignment of Water Rights.

It is our understanding that the Idaho Department of Water Resources ("IDWR") is now willing to sign the above March 1, 1995, letter to evidence compliance with Idaho Code § 42-207. Please have the Director of the IDWR signify his acknowledgement by executing the copy of the March 1, 1995, letter and return it to our office at your earliest convenience.

Please do not hesitate to call if you have any questions. Thanks, Jim.

Very truly yours,



Thomas R. Linville

TRL:ch

Enclosures

cc: David R. Millard

CRYSTAL SPRINGS RANCH G LIMITED PARTNERSHIP

20924 S.E. 213th Street
Maple Valley, Washington 98038

Telephone (206) 432-5772
Facsimile (206) 432-5775

March 1, 1995

RECEIVED

APR 04 1995

Department of Water Resources

Idaho Department of Water Resources
1301 North Orchard Street
Statehouse Mail
Boise, ID 83720

RE: Crystal Springs Hydroelectric Project
Water Right No.s 47-07768, 47-07991, 47-08005, and 47-8009

Gentlemen:

Crystal Springs Hydroelectric Company, an Idaho general partnership, ("Seller") has conveyed all its right, title, and interest in and to the Crystal Springs Hydroelectric Project located in Twin Falls County, Idaho (the "Project") to Crystal Springs Hydroelectric, L.P., a Washington limited partnership ("Buyer"). The Project is located upon certain real property (the "Real Property") owned by Crystal Springs Ranch G Limited Partnership, an Idaho limited partnership ("Lessor"). Lessor will agree to lease the Real Property to Buyer, subject to the terms of an Amended Lease Agreement (the "Lease") to be entered into by and between Lessor and Buyer, as lessee thereunder.

The Lease is to be secured by, among other things, a Collateral Assignment of Water Rights, pursuant to which Buyer is collaterally assigning to Lessor the following water rights obtained from the Idaho Department of Water Resources (the "Department"): Water Right No.s 47-07768, 47-07991, 47-08005, and 47-8009, and all other applications, permits, licenses, and water rights related to the Project (collectively the "Water Rights"). A fully executed and acknowledged copy of the Collateral Assignment of Water Rights is enclosed with this letter for filing with the Department pursuant to the requirements of § 42-207 of the Idaho Code.

Please have the Director of the Department acknowledge the filing of the enclosed Collateral Assignment of Water Rights with the Department, pursuant to Idaho Code § 42-207 and return an executed copy of this letter to our counsel at the following address:

Idaho Department of Water Resources
March 1, 1995
Page 2

Thomas R. Linville, Esq.
Eberle, Berlin, Kading, Turnbow & McKlveen, Chartered
P.O. Box 1368
Boise, Idaho 83701-1368

Also, please advise us, in writing, if any additional proof of compliance with Idaho Code §§ 42-206 and 42-207 will be necessary.

We sincerely appreciate your assistance and cooperation in this matter.

Very truly yours,

Crystal Springs Ranch G Limited Partnership
By Crystal Springs Ranch, L.L.C.
Its General Partner

By 

Name: David R. Millard
Its: Managing Member

Compliance with Idaho Code §§ 42-206 and 42-207 is hereby acknowledged this _____
day of _____, 1995.

Director of the State of Idaho
Department of Water Resources

9-54929



COLLATERAL ASSIGNMENT OF WATER RIGHTS

This Collateral Assignment of Water Rights (hereinafter called the "Assignment"), dated as of March 1, 1995, is hereby entered into by **CRYSTAL SPRINGS HYDROELECTRIC, L.P.**, a Washington limited partnership qualified to do business in and under the laws of the State of Idaho, with its principal office located at 11225 S.E. Sixth, Bellevue, Washington 98004 (hereinafter called the "Assignor"); and **CRYSTAL SPRINGS RANCH LIMITED PARTNERSHIP**, an Idaho limited partnership, with its office located at 20924 S.E. 213th Street, Maple Valley, Washington 98038 (hereinafter called the "Assignee").

Jo
DPR

R E C I T A L S:

A. Assignor owns water rights relating to the Crystal Springs Hydroelectric Project located in the County of Twin Falls, State of Idaho (the "Project") pursuant to Water Right No.s 47-07768, 47-07991, 47-08005 and 47-8009, copies of which are attached hereto as Exhibit "A", together with all other applications, permits, licenses and water rights of the Assignor related to the Project issued by the Department of Water Resources of the State of Idaho (the "Department"), and all amendments, modifications and supplements thereof, together with all additions or replacements thereto (collectively the "Water Rights"). The Project is located on the real property described in Exhibit "B" attached hereto.

B. Assignee is the owner of certain real property upon which the Project is located (the "Real Property"). Assignee will agree to lease the Real Property to Assignor, subject to the terms of an Amended Lease Agreement (the "Lease") to be entered into in writing by and between Assignee (as lessor) and Assignor (as lessee). The Lease is to be secured by, among other things, this Assignment.

C. As a condition to entering into the Lease, and as additional security therefor, Assignee requires that this Assignment be duly executed by Assignor and delivered to Assignee for filing with the Department.

AGREEMENT

Accordingly, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Assignor hereby represents and warrants to the Assignee, that:
 - (a) The Recitals are true and correct;

COLLATERAL ASSIGNMENT OF WATER RIGHTS - 1

(b) Assignor is the lawful owner of the rights and interests granted by the Water Rights, the Water Rights are in full force and effect and have not been amended or modified and the Assignor has not transferred, assigned or conveyed or granted a security interest in its rights and interests under the Water Rights; and

(c) Assignor is a Washington limited partnership qualified to do business in and under the laws of the state of Idaho, whose sole general partner is Gateway Energy, Inc., a Washington corporation in good standing and duly organized under the laws of the State of Washington.

2. Assignor hereby assigns to Assignee all of Assignor's right, title and interest in the Water Rights and all amendments and supplements thereto. Such assignment is made as collateral security for the payment of all of the obligations of the Assignor to the Assignee arising under the Lease, including but not limited to the rents and other payments due under the Lease. Assignor also hereby grants a security interest to Assignee in the Water Rights and all amendments and supplements thereto.

3. This Assignment is an assignment for security purposes and, as such, Assignor covenants and agrees to faithfully perform, observe and comply with all obligations of the Assignor under the Water Rights and with all limitations and conditions imposed under the Water Rights, as if this Assignment had not been made. Assignee shall not be deemed in any manner to have assumed such obligations under or with respect to the Water Rights, unless and until the Assignee has given Assignor written notice that the Assignee has affirmatively assumed such obligations as the result of an event of default existing under the Lease (a "Default") and the enforcement of the rights and remedies of the Assignee under this Assignment.

4. Assignor agrees that it will not cancel, terminate, modify or amend the Water Rights or surrender any of its water rights granted under the Water Rights and will not further assign the Water Rights to any party, without in each instance the prior written consent of the Assignee. Assignor further agrees that it shall deliver to the Assignee copies of all written agreements, correspondence and memoranda between Assignor and the Department relating to the Water Rights and any water license issued by the Department to replace the Water Rights as the Assignee may from time to time reasonably require.

5. Upon the occurrence of any Default, the Assignee may, without notice or demand and with or without entry upon the site of the Project, at its option, take over and enjoy the benefits of the Water Rights to the same extent as Assignor might do. The exercise of such right by the Assignee shall not affect any of the rights or remedies of the Assignee under any other instrument securing payment of the obligations under the Lease. In addition, upon the occurrence of a Default, the Assignee shall have the right to exercise and enforce any and all rights and remedies available after Default to a secured party under the applicable law. If notice to the Assignor of any intended disposition of collateral or any other intended actions is required

COLLATERAL ASSIGNMENT OF WATER RIGHTS - 2

by law in a particular instance, such notice shall be deemed commercially reasonable if given to Assignor at least five (5) days prior to the intended disposition or other action.

6. The Assignee shall hold all right, title and interest in the Water Rights, pending issuance of water licenses by the Department. Any water license issued for the Project or as a replacement for the Water Rights shall be issued to Assignee as collateral security for the payment of Assignor's obligations under the Lease and the rights and remedies of the Assignee with respect to any such water license shall be the same as those provided in this Assignment in respect of the Water Rights. Should any water license be issued to the Assignor instead of to Assignee, the Department is hereby authorized to take all necessary steps to transfer ownership of such water license to the Assignee as soon as possible, subject to the terms of this Assignment.

7. Assignor agrees that immediately after the Water Rights have been put to beneficial use, then Assignor shall further perfect such Water Rights by (i) submitting a statement to the Department that the water has been put to beneficial use within the time noted as a condition of the Water Rights so that a license confirming right to use water can be issued by the Department, and (ii) upon receipt of said license for the use of water for the Project, Assignor shall forthwith undertake the appropriate action and do all things necessary to have such license and the Water Rights adjudicated and decreed as to right and priority in accordance with the general adjudication of rights to use water from the Snake River Basin Water System pending in Case No. 39576 in the District Court for the Fifth Judicial District of the State of Idaho, in and for the County of Twin Falls and thereafter submit a certified copy thereof to Assignee. Any breach of the obligations contained in this paragraph 7 by Assignor shall be deemed conclusively to be a material breach of this Assignment and the Lease.

8. Assignor further agrees to indemnify and to hold Assignee harmless from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against the Assignee in any way relating to or arising out of this Assignment or any action taken or omitted to be taken by it under this Assignment.

9. Nothing herein contained shall be construed as making Assignee a mortgagee in possession, or as constituting a waiver or suspension by the Assignee of its right to enforce payment of any sums due under the Lease. Assignee is not the agent, partner or joint venturer of either the Assignor or of the Department.

10. Assignor agrees that it will execute such other instruments and documents as the Assignee may from time to time reasonably require to effectuate the assignment granted by this Assignment, including but not limited to, filing with the Department such instruments and documents as the Department may require as a condition to approving the assignment of any water license to the Assignee that replaces the Water Rights.

COLLATERAL ASSIGNMENT OF WATER RIGHTS - 3

11. This Assignment shall be binding upon the Assignor and its successors and assigns and shall inure to the benefit of the Assignee and its respective successors and assigns.

12. This Assignment can be waived, modified, terminated or discharged only explicitly in a writing signed by the parties hereto. The mere failure to act shall not preclude the exercise or enforcement of any of the rights or remedies of the Assignee hereunder.

13. All notices to the Assignor provided for under this Assignment shall be in writing and mailed, or delivered by overnight courier, to the address of the parties indicated below:

ASSIGNOR: c/o Weatherly
11225 S.E. Sixth, Suite 100
Bellevue, Washington 98004

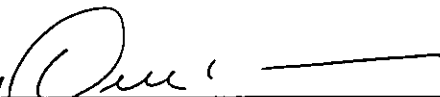
ASSIGNEE: 20924 S.E. 213th Street
Maple Valley, Washington 98038

14. The Assignee shall release all collateral granted hereunder when all amounts outstanding due under the Lease have been paid in full and all the other obligations of Assignor, as lessee thereunder, have been satisfied in all respects.

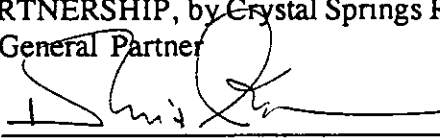
15. This Assignment shall be deemed made in and shall be governed by the laws of the State of Idaho.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be duly executed as of the date and year first above written.

ASSIGNOR: CRYSTAL SPRINGS HYDROELECTRIC, L.P.
By Gateway Energy, Inc., Its General Partner

By 
Name: Dell E. Kechn.
Its: President

ASSIGNEE: CRYSTAL SPRINGS RANCH LIMITED
PARTNERSHIP, by Crystal Springs Ranch, L.L.C.
Its General Partner

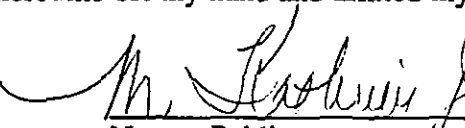
By 
Name: David R. Millard
Its: Managing Member

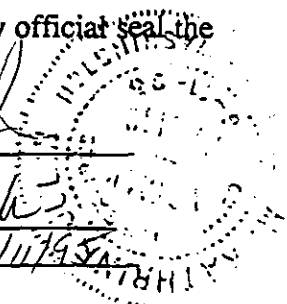
COLLATERAL ASSIGNMENT OF WATER RIGHTS - 4

STATE OF Wash)
 : ss.
COUNTY OF King)

On the 2nd day of March, 1995, before me the undersigned, a Notary Public in and for the State, personally appeared Dell E. Keehn, known or identified to me to be the President of Gateway Energy, Inc., a General Partner of Crystal Springs Hydroelectric, L.P., a limited partnership, the partnership that executed the foregoing instrument or the person who executed the foregoing instrument on behalf of said partnership, and acknowledge to me that such partnership executed the same.

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

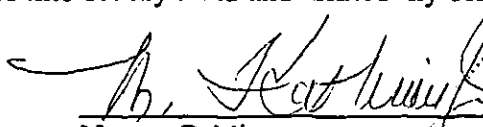

Notary Public
Residing at Issaquah
My commission expires: 6/11/95

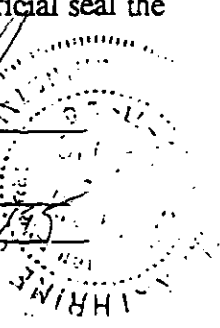


STATE OF Wash.)
 : ss.
COUNTY OF King)

On the 2nd day of March, 1995, before me the undersigned, a Notary Public in and for the State, personally appeared David R. Millard, known or identified to me to be the Managing Member of Crystal Springs Ranch, L.L.C., the general partner of Crystal Springs Ranch Limited Partnership, a limited partnership, the partnership that executed the foregoing instrument or the person who executed the foregoing instrument on behalf of said partnership, and acknowledge to me that such partnership executed the same.

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


Notary Public
Residing at Issaquah
My commission expires: 6/11/95



COLLATERAL ASSIGNMENT OF WATER RIGHTS - 5

EXHIBIT LIST

EXHIBIT "A"

Water Right No.s 47-07768, 47-07991, 47-08005 and 47-8009 and all other applications, permits, licenses and water rights of Assignor related to the Project issued by the Department of Water Resources of the State of Idaho.

EXHIBIT "B"

The real property where Project is located.

CLARK COUNTY, IDAHO
SECURITY Title
1995000161
900 Sk

COLLATERAL ASSIGNMENT OF WATER RIGHTS - 6

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
APPLICATION FOR PERMIT

AMENDED
RECEIVED

To appropriate the public waters of the State of Idaho

DEC 20 1984

1. Name of applicant Crystal Springs Hydroelectric Co. Phone 734-9800
Post office address P. O. Box 1892 Twin Falls, Idaho 83301

2. Source of water supply Cedar Draw which is a tributary of Snake River

3. Location of point of diversion is SW % of NE % of Section 23 Township 9S
Range 15E B.M., Twin Falls County, additional points of diversion if any: _____

4. Water will be used for the following purposes:

Amount 110 for Power purposes from 1/1 to 12/31 (both dates inclusive)
(cfs or acre-feet per annum)
Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)
Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)
Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)

5. Total quantity to be appropriated:

a. 110 cubic feet per second and/or b. _____ acre-feet per annum.

6. Proposed diverting works:

a. Description of ditches, flumes, pumps, headgates, etc. Diversion canal and penstock

b. Height of storage dam _____ feet, active reservoir capacity _____ acre-feet; total reservoir capacity _____ acre-feet, materials used in storage dam: _____
Period of year when water will be diverted to storage _____ to _____ inclusive.
(Month/Day) (Month/Day)
c. Proposed well diameter is _____ inches; proposed depth of well is _____ feet.

7. Time required for the completion of the works and application of the water to the proposed beneficial use is 5 years (minimum 1 year - maximum 5 years).

8. Description of proposed uses:

a. If water is not for irrigation:

(1) Give the place of use of water: SW % of NE % of Section 14 Township 9S
Range 15E B.M. can produce 1991 kilowatts at 80% efficiency - kw

(2) Amount of power to be generated: * horsepower under 267 feet of head.

(3) List number of each kind of livestock to be watered _____

(4) Name of municipality to be served _____, or number of families to be supplied with domestic water _____

(5) If water is to be used for other purposes describe: _____

EXHIBIT

A

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

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

Total number of acres to be irrigated _____

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

47-7767-**

9. a. Who owns the property at the point of diversion Derek Cantrell

b. Who owns the land to be irrigated or place of use Crystal Springs Ranch

c. If the property is owned by a person other than the applicant, describe the arrangement enabling the applicant to make this filing Land at diversion point is leased.

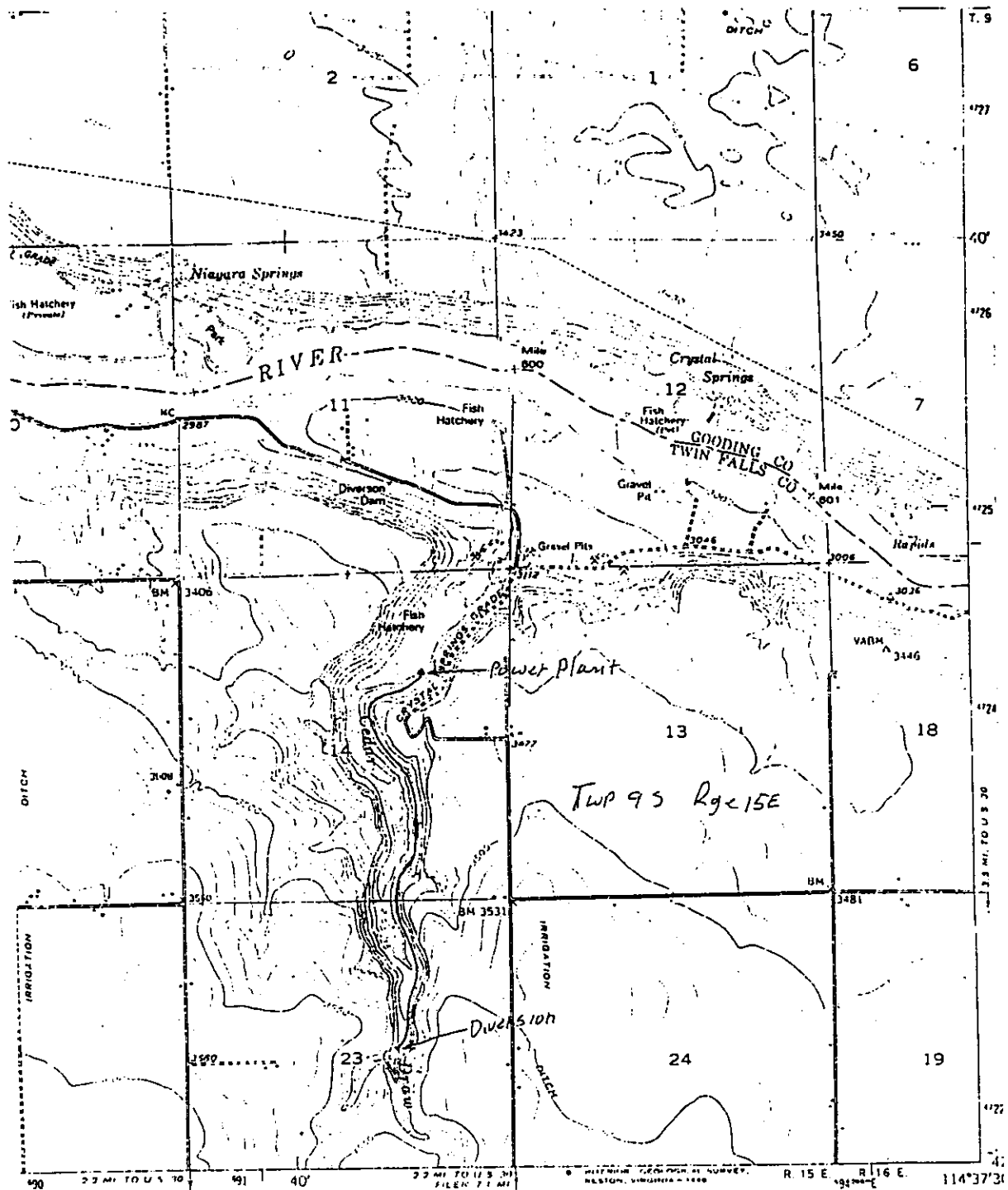
10. Remarks _____

(1) This application is being combined with 47-7767 to
generate 4500 theoretical horsepower under 267 feet
of head with 150 cfs. of water in a single power plant

** Application 47-7767 was relinquished on 10/24/1986 - kw 10/28/86

47-7767-11

11. Map of proposed project: show clearly the proposed point of diversion, place of use, section number, township and range number.



1 MILE
0 500 1000 FEET

ROAD CLASSIFICATION
Primary highway, hard surface ——— Light duty road, hard or improved surface - - - - -

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

CRYSTAL SPRINGS HYDROELECTRIC CO.
Shirley A. Proctor
(Applicant)

Proposed by 11/10/81

original app. rec'd 11/10/1981 - \$1275. - Receipt No. 20645
Received by merpe Date 12/2/84 Time 12:00 p

Preliminary check by AD Fee \$ 20.00 Amended Applic Fee

Received by merpe Date 1/3/85 # 35251

Publication prepared by merpe Date 1/3/85

Published in Times News Lewiston Morning Tribune, The Idaho Statesman, and the Post Register

Publication dates 1/10 & 1/12/85 11/07 & 11/14/1985

Publication approved merpe Date 1/9/85

Protests filed by: Idaho Dept. of Fish & Game & Withdrawn 7/22/85

Copies of protests forwarded by _____

Hearing held by _____ Date _____

Recommended for approval denial by LH EW

ACTION OF THE DIRECTOR, DEPARTMENT OF WATER RESOURCES

This is to certify that I have examined Application for Permit to appropriate the public waters of the State of Idaho No. 47-7768, and said application is hereby APPROVED.

1. Approval of said application is subject to the following limitations and conditions:

- a. SUBJECT TO ALL PRIOR WATER RIGHTS.
- b. Proof of construction of works and application of water to beneficial use shall be submitted on or before November 1, 19 91.
- c. The rate of diversion, if water is to be used for irrigation under this permit, when combined with all other water rights for the same land shall not exceed 0.02 cubic feet per second for each acre of land.
- d. Other: SEE ATTACHED SHEET FOR CONDITIONS d thru m.

Witness my hand this 31st day of October, 1986.

Lyle G. Dayton
Chief, Operations Bureau

RECEIVED

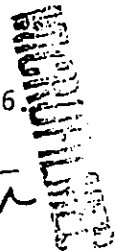
ATTACHMENT TO CONDITIONS OF APPROVAL

For Permit No. 47-7768

- d. The issuance of this permit in no way grants any right-of-way or easement across the land of another.
- e. The permit holder shall either install a measuring device or a flow measurement port or provide a certified measurement or computation of flow based upon system design to be prepared by a professional engineer.
- f. This permit is subject to the provisions of Sections 42-205 through 42-210, Idaho Code, restricting the sale, transfer, assignment, or mortgage of this permit. Failure to comply with these provisions is cause for immediate cancellation of this permit.
- g. Water used under this permit if discharged into a natural channel shall meet Idaho Water Quality Standards.
- h. The diversion and use of water under this permit and any license subsequently issued is subject to review by the Director on the date(s) of expiration of any license issued by the Federal Energy Regulatory Commission. Upon appropriate findings relative to the interest of the public, the Director may cancel all or any part of the use authorized herein and may revise, delete or add conditions under which the right may be exercised.
- i. The water right acquired under this permit for hydropower purposes shall be junior and subordinate to all rights to the use of water, other than hydropower, within the State of Idaho that are initiated later in time than the priority of this permit and shall not give rise to any right or claim against future rights to the use of water, other than hydropower, within the State of Idaho initiated later in time than the priority of this permit.
- j. This permit does not constitute Idaho Public Utilities Commission or Federal Energy Regulatory Commission approval that may be required.
- k. Use of water under this permit shall be non-consumptive.
- l. A separate stream alteration permit from the IDWR is required for any activity in the stream channel other than construction and/or maintenance of the diversion structure. If your proposed construction or operation involves construction of an outfall or any other work in the stream channel other than a water diversion, you must contact the Department and obtain a Stream Channel Alteration permit prior to the start of construction.
- m. This permit is subject to the agreement regarding instream flow requirements, between the applicant, Idaho Department of Fish & Game, and the Federal Energy Regulatory Commission, to the extent such agreement covers matters within the jurisdiction of the Department of Water Resources.

Witness my hand this 31st day of October, 1986

Lyle G. Saxton
Chief, Operations Bureau



STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
APPLICATION FOR PERMIT

To appropriate the public waters of the State of Idaho

APPROVED

1. Name of applicant Crystal Springs Hydroelectric Co. Phone 734-9600
Post office address P. O. Box 1892 Twin Falls, Idaho 83301

2. Source of water supply Cedar Draw which is a tributary of Snake River

3. Location of point of diversion is SW $\frac{1}{4}$ of NE $\frac{1}{4}$ of Section 23 Township 9S
Range 15E B.M. Twin Falls County, additional points of diversion if any:

4. Water will be used for the following purposes:

Amount 40 for Power purposes from 1/1 to 12/31 (both dates inclusive)
(cfs or acre-feet per annum)

Amount for purposes from to (both dates inclusive)
(cfs or acre-feet per annum)

Amount for purposes from to (both dates inclusive)
(cfs or acre-feet per annum)

Amount for purposes from to (both dates inclusive)
(cfs or acre-feet per annum)

5. Total quantity to be appropriated:

a. 40 cubic feet per second and/or b. acre-feet per annum.

6. Proposed diverting works:

a. Description of ditches, flumes, pumps, headgates, etc. Diversion canal and penstock

b. Height of storage dam feet, active reservoir capacity acre-feet; total reservoir capacity acre-feet, materials used in storage dam:

Period of year when water will be diverted to storage (Month/Day) to (Month/Day) inclusive.

c. Proposed well diameter is inches; proposed depth of well is feet.

7. Time required for the completion of the works and application of the water to the proposed beneficial use is 5 years (minimum 1 year - maximum 5 years).

8. Description of proposed uses:

a. If water is not for irrigation:

(1) Give the place of use of water: SW $\frac{1}{4}$ of NE $\frac{1}{4}$ of Section 14 Township 9S

Range 15E B.M. can produce 724 kilowatts at 80% efficiency - kw

(2) Amount of power to be generated: See item (1) - ** horsepower under 267 feet of head. 10/28/86

(3) List number of each kind of livestock to be watered

(4) Name of municipality to be served or number of families to be supplied with domestic water

(5) If water is to be used for other purposes describe:

[illegible]

47-7768 and 47-7767--**

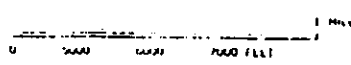
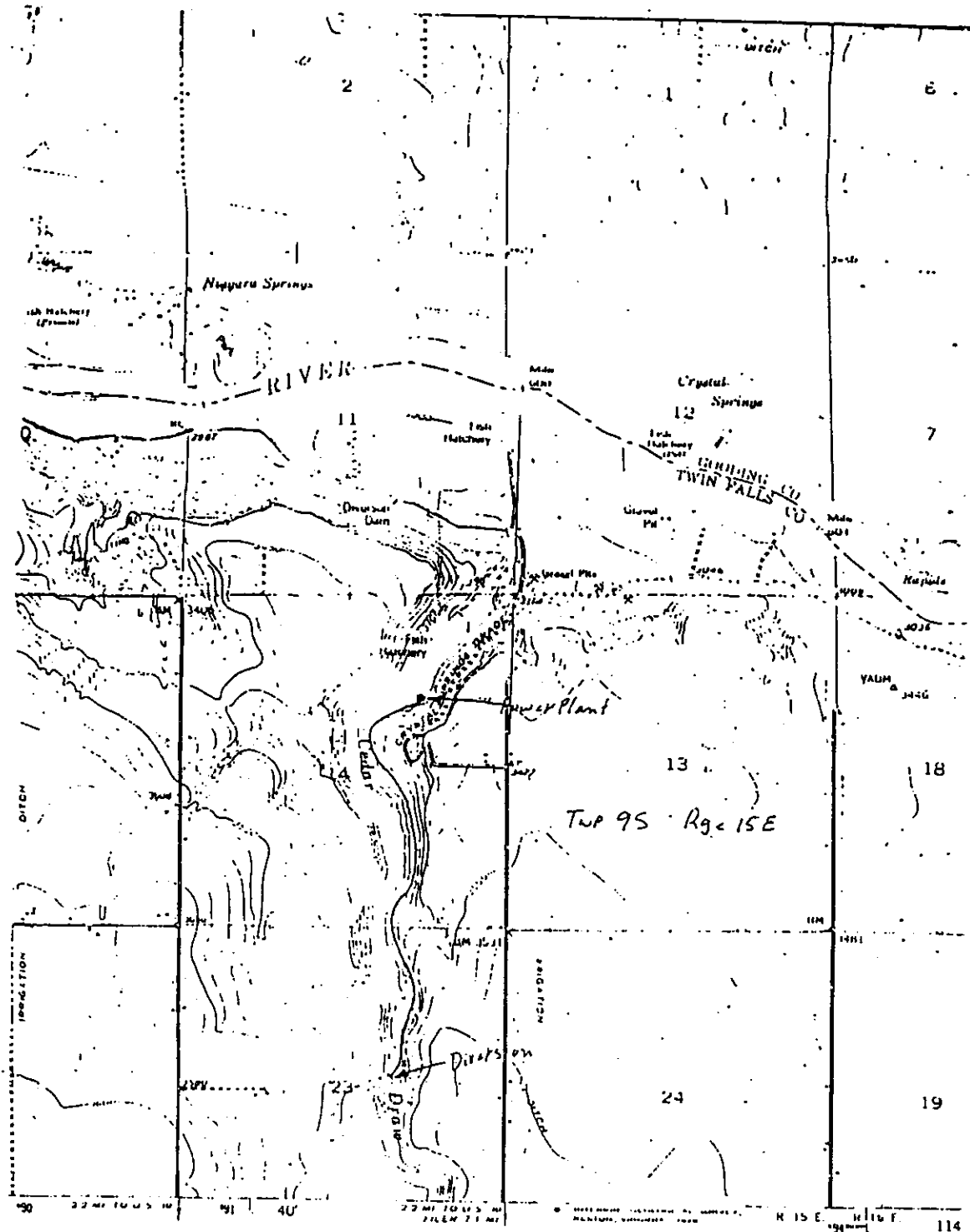
c. If the property is owned by a person other than the applicant, describe the arrangement enabling the applicant to make this filing Land at diversion point is leased.

(1) This application is being combined with 47-7767 and 47-7768 to generate 4500 theoretical horsepower under 267 feet of head with 150 cfs. of water in a single power plant

** Application 47-7767 was relinquished 10/24/1986 - kw 10/28/1986

Wesley L. Hill

11. Map of proposed project: show clearly the proposed point of diversion, place of use, section number, township and range number.



ROAD CLASSIFICATION
 Primary highway, hard surface ——— Light duty road, hard or improved surface - - -

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

Shirley L. Schaefer
 (Applicant)
 Crystal Springs Hydroelectric Co.

Proposed Priority 12/27/84

Received by ZH Date 12/27/84 Time 12:00

Preliminary check by TGB Fee \$ 625.00 # 35250

Received by mayra Date 1/2/85

Publication prepared by mayra Date 1/7/85

Published in times news Lewiston Morning Tribune, The Idaho Statesman, The Post-Register

Publication dates 1/24 + 1/31/85 11/07 & 11/14/1985

Publication approved mayra Date 1/23/85

Protests filed by: Idaho Dept. of Fish & Game Withdrawn
7/22/85

Copies of protests forwarded by _____

Hearing held by _____ Date _____

Recommended for approval denial by ZH Luv

ACTION OF THE DIRECTOR, DEPARTMENT OF WATER RESOURCES

This is to certify that I have examined Application for Permit to appropriate the public waters of the State of Idaho No. 47-7991 and said application is hereby APPROVED

1. Approval of said application is subject to the following limitations and conditions:

a. SUBJECT TO ALL PRIOR WATER RIGHTS.

b. Proof of construction of works and application of water to beneficial use shall be submitted on or before November 1, 19 91.

c. The rate of diversion, if water is to be used for irrigation under this permit, when combined with all other water rights for the same land shall not exceed 0.02 cubic feet per second for each acre of land.

d. Other: SEE ATTACHED SHEET FOR CONDITIONS d thru m.

Witness my hand this 31st day of October, 1986.

Lyle G. Layton
Chief, Operations Bureau

ATTACHMENT TO CONDITIONS OF APPROVAL

For Permit No. 47-7991

- d. The issuance of this permit in no way grants any right-of-way or easement across the land of another.
- e. The permit holder shall either install a measuring device or a flow measurement port or provide a certified measurement or computation of flow based upon system design to be prepared by a professional engineer.
- f. This permit is subject to the provisions of Sections 42-205 through 42-210, Idaho Code, restricting the sale, transfer, assignment, or mortgage of this permit. Failure to comply with these provisions is cause for immediate cancellation of this permit.
- g. Water used under this permit if discharged into a natural channel shall meet Idaho Water Quality Standards.
- h. The diversion and use of water under this permit and any license subsequently issued is subject to review by the Director on the date(s) of expiration of any license issued by the Federal Energy Regulatory Commission. Upon appropriate findings relative to the interest of the public, the Director may cancel all or any part of the use authorized herein and may revise, delete or add conditions under which the right may be exercised.
- i. The water right acquired under this permit for hydropower purposes shall be junior and subordinate to all rights to the use of water, other than hydropower, within the State of Idaho that are initiated later in time than the priority of this permit and shall not give rise to any right or claim against future rights to the use of water, other than hydropower, within the State of Idaho initiated later in time than the priority of this permit.
- j. This permit does not constitute Idaho Public Utilities Commission or Federal Energy Regulatory Commission approval that may be required.
- k. Use of water under this permit shall be non-consumptive.
- l. A separate stream alteration permit from the IDWR is required for any activity in the stream channel other than construction and/or maintenance of the diversion structure. If your proposed construction or operation involves construction of an outfall or any other work in the stream channel other than a water diversion, you must contact the Department and obtain a Stream Channel Alteration permit prior to the start of construction.
- m. This permit is subject to the agreement regarding instream flow requirements, between the applicant, Idaho Department of Fish & Game, and the Federal Energy Regulatory Commission, to the extent such agreement covers matters within the jurisdiction of the Department of Water Resources.

Witness my hand this 31st day of October, 1986.

Lyle G. Saxton
Chief, Operations Bureau

RECEIVED
OCT 31 1986

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
APPLICATION FOR PERMIT

APPROVED

To appropriate the public waters of the State of Idaho

1. Name of applicant Crystal Spring's Hydroelectric Co. Phone (501) 363-1900
c/o Bonneville Pacific Corporation
Post office address 200 E. South Temple, Suite 300, Salt Lake City, UT 84111

2. Source of water supply Cedar Draw which is a tributary of Snake River

3. Location of point of diversion is SW $\frac{1}{4}$ of NE $\frac{1}{4}$ of Section 23 Township 9 S
Range 15E B.M. Twin Falls County, additional points of diversion if any: _____

4. Water will be used for the following purposes:

Amount 50 cfs for Power purposes from 1/1 to 12/31 (both dates inclusive)
(cfs or acre-feet per annum)

Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)

Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)

Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)

5. Total quantity to be appropriated:

a. 50 cfs cubic feet per second and/or b. _____ acre-feet per annum.

6. Proposed diverting works:

a. Description of ditches, flumes, pumps, headgates, etc. Diversion and penstock

b. Height of storage dam _____ feet, active reservoir capacity _____ acre-feet; total reservoir capacity _____ acre-feet, materials used in storage dam: _____

Period of year when water will be diverted to storage _____ to _____ inclusive.
(Month/Day) (Month/Day)

c. Proposed well diameter is _____ inches; proposed depth of well is _____ feet.

7. Time required for the completion of the works and application of the water to the proposed beneficial use is 5 years (minimum 1 year - maximum 5 years).

8. Description of proposed uses:

a. If water is not for irrigation:

(1) Give the place of use of water: NW $\frac{1}{4}$ of NE $\frac{1}{4}$ of Section 14 Township 9 S

Range 15E B.M.

*can produce 973 kilowatts at 80% efficiency - kw-10/28/86

(2) Amount of power to be generated: See Remark (1) horsepower under _____ feet of head.

(3) List number of each kind of livestock to be watered _____

(4) Name of municipality to be served _____, or number of families to be supplied with domestic water: _____

(5) If water is to be used for other purposes describe: _____

MICROFILMED

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

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

Total number of acres to be irrigated

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

47-7768, 47-7767, 47-7672 and 47-7991

9. a. Who owns the property at the point of diversion: Dereck Cantrell, et al.

b. Who owns the land to be irrigated or place of use: Asher B. Wilson/David R. Millard

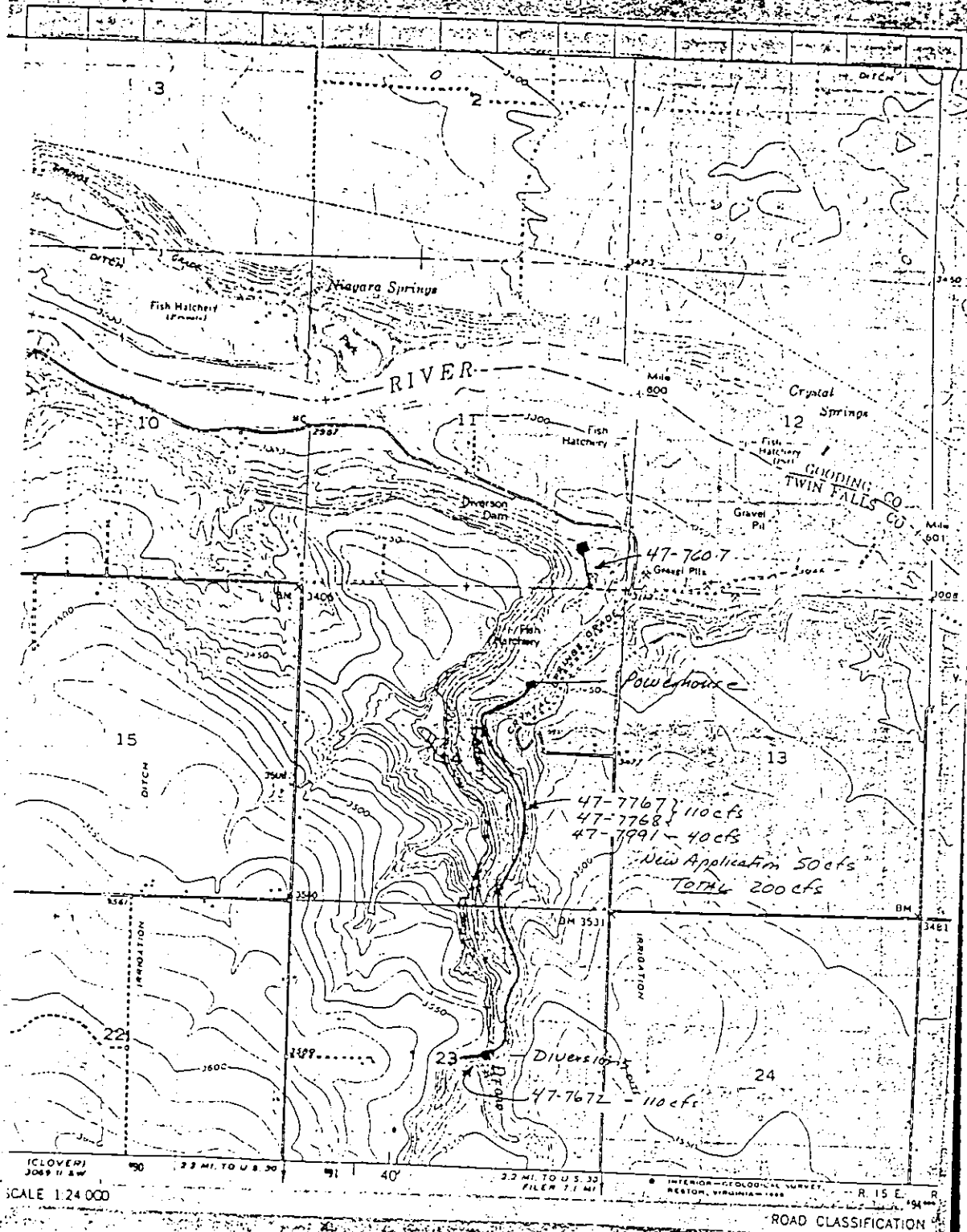
c. If the property is owned by a person other than the applicant, describe the arrangement enabling the applicant to make this filing: Land at point of diversion and land at place of use are under lease to applicant.

10. Remarks: This application is being combined with 47-7767, 47-7768, 47-7672 and 47-7991 to generate 4539 theoretical horsepower under 287 feet of head with 200 cfs of water in a single power plant.

*Note: Applications 47-7672 & 47-7767 were relinquished 10/1986 - kw 10/28/86

APPROVED

11. Map of proposed project: show clearly the proposed point of diversion, place of use, section number, township and range number.



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

Crystal Spring's Hydroelectric Company

By *Orville V. Hays*
 of and for (Applicant)
 Bonneville Pacific Corporation
 Its General Partner

RECORDED

Priority 6/14/85

Received by th Date 6/14/85 Time 9:15

Preliminary check by JB Fee \$ 7.25

Receipted by merge Date 6/14/85 # 30604

Publication prepared by merge Date 6/27/85

Published in Times News Idaho Statesman Lewiston Tribune Post Register

Publication dates 7/4 + 7/11/85 1/2 + 1/9/86

Publication approved may 2 Date 7/25/85 12/20/85

Protests filed by: None

Copies of protests forwarded by

Hearing held by Date

Recommended for approval denial by ADA

ACTION OF THE DIRECTOR, DEPARTMENT OF WATER RESOURCES

This is to certify that I have examined Application for Permit to appropriate the public waters of the State of Idaho No. 47-8005 and said application is hereby APPROVED

1. Approval of said application is subject to the following limitations and conditions:

a. SUBJECT TO ALL PRIOR WATER RIGHTS.

b. Proof of construction of works and application of water to beneficial use shall be submitted on or before November 1 1991

c. The rate of diversion, if water is to be used for irrigation under this permit, when combined with all other water rights for the same land shall not exceed 0.02 cubic feet per second for each acre of land.

d. Other: SEE ATTACHED SHEET FOR CONDITIONS d thru m.

Witness my hand this 31st day of October 1986.

Lyle B. Saxton
Chief, Operations Bureau

APPROVED

ATTACHMENT TO CONDITIONS OF APPROVAL

For Permit No. 47-8005

- d. The issuance of this permit in no way grants any right-of-way or easement across the land of another.
- e. The permit holder shall either install a measuring device or a flow measurement port or provide a certified measurement or computation of flow based upon system design to be prepared by a professional engineer.
- f. This permit is subject to the provisions of Sections 42-205 through 42-210, Idaho Code, restricting the sale, transfer, assignment, or mortgage of this permit. Failure to comply with these provisions is cause for immediate cancellation of this permit.
- g. Water used under this permit if discharged into a natural channel shall meet Idaho Water Quality Standards.
- h. The diversion and use of water under this permit and any license subsequently issued is subject to review by the Director on the date(s) of expiration of any license issued by the Federal Energy Regulatory Commission. Upon appropriate findings relative to the interest of the public, the Director may cancel all or any part of the use authorized herein and may revise, delete or add conditions under which the right may be exercised.
- i. The water right acquired under this permit for hydropower purposes shall be junior and subordinate to all rights to the use of water, other than hydropower, within the State of Idaho that are initiated later in time than the priority of this permit and shall not give rise to any right or claim against future rights to the use of water, other than hydropower, within the State of Idaho initiated later in time than the priority of this permit.
- j. This permit does not constitute Idaho Public Utilities Commission or Federal Energy Regulatory Commission approval that may be required.
- k. Use of water under this permit shall be non-consumptive.
- l. A separate stream alteration permit from the IDWR is required for any activity in the stream channel other than construction and/or maintenance of the diversion structure. If your proposed construction or operation involves construction of an outfall or any other work in the stream channel other than a water diversion, you must contact the Department and obtain a Stream Channel Alteration permit prior to the start of construction.
- m. This permit is subject to the agreement regarding instream flow requirements, between the applicant, Idaho Department of Fish & Game, and the Federal Energy Regulatory Commission, to the extent such agreement covers matters within the jurisdiction of the Department of Water Resources.

Witness my hand this 31st day of October, 1986.

Zyle G. Saxton
Chief, Operations Bureau

RECEIVED
OCT 31 1986

State of Idaho
Department of Water Resources

WATER RIGHT LICENSE

WATER RIGHT NO. 47-08009

Priority: July 11, 1985

Maximum Diversion Rate:
Maximum Diversion Volume:¹

0.10 CFS
23.4 AF

This is to certify, that CRYSTAL SPRINGS HYDROELECTRIC CO.

C/O BONNEVILLE PACIFIC CORP.

200 E. S. TEMPLE, SUITE 300

SALT LAKE CITY, UT 84111

has complied with the terms and conditions of the permit, issued pursuant to Application for Permit dated July 11, 1985; and has submitted Proof of Beneficial Use on February 3, 1987. An examination indicates that the works have a diversion capacity of .100 cfs of water from a GROUNDWATER source, and a water right has been established as follows:

<u>BENEFICIAL USE</u>	<u>PERIOD OF USE</u>	<u>RATE OF DIVERSION</u>	<u>ANNUAL VOLUME</u>
INDUSTRIAL	01/01 to 12/31	0.10 CFS	23.4 AF

LOCATION OF POINT(S) OF DIVERSION:

NWNE , Sec. 14, Township 09S, Range 15E
TWIN FALLS County

PLACE OF USE: INDUSTRIAL

TWN RGE SEC

09S 15E 14

NWNE

CONDITIONS/REMARKS:

1. The maximum diversion volume is defined as the maximum allowable volume of water that may be diverted annually from the source under this right. The use of water confirmed by this right is limited to the amount which can actually be beneficially used. The maximum diversion volume may be adjusted to more accurately describe the beneficial use or to implement accepted standards of diversion and use efficiency.
2. This water right is appurtenant to the described place of use.
3. This right is subject to all prior water rights and may be forfeited by five years of non-use.
4. Modifications to or variance from this license must be made within the limits of Section 42-222, Idaho Code, or the applicable Idaho law.
5. Water used under this right if discharged into a natural channel or subsurface system shall meet Idaho water quality standards.

MICROFILMED

MAY 31 1990

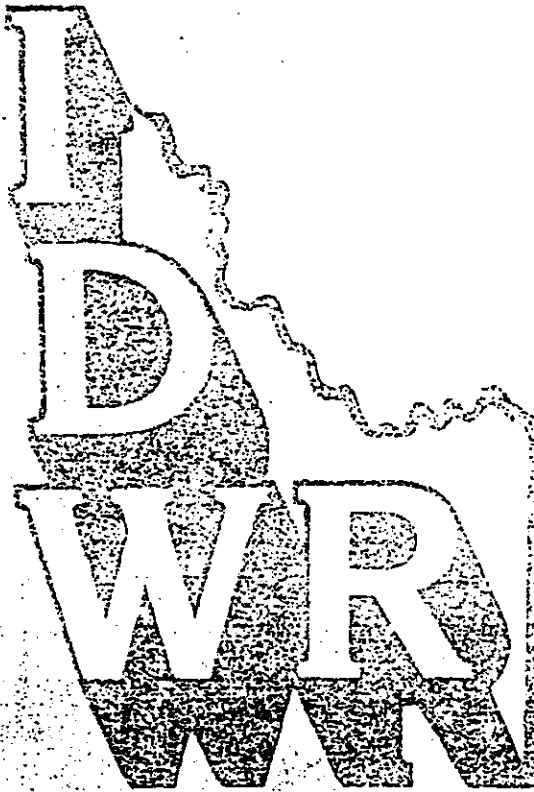
State of Idaho
Department of Water Resources

WATER RIGHT LICENSE

WATER RIGHT NO. 47-08009

This license is issued pursuant to the provisions of Section 42-219, Idaho Code.
Witness the seal and signature of the Director, affixed at Boise, this 3RD
day of MAY, 1990.

Acting for R. Keith Higginson, Director



MICROFILMED

MAY 31 1990



Engineers Surveyors Planners

March 10, 1995

Property Description

For

Crystal Springs Ranch

Remainder

Township 9 South, Range 15 East, Boise Meridian, Twin Falls County, Idaho;

Section 12: S1/2NW1/4SW1/4, S1/2SW1/4, Government Lot 5 and 6 and that part of Government Lot 7 and the SW1/4SE1/4 lying west of the following described line:

Beginning at a point on the South boundary of said SW1/4SE1/4 which bears South 88°52'12" East a distance of 379.76 feet from the southwest corner of said SW1/4SE1/4;

THENCE North 15°33'41" East a distance of 954.11 feet;

THENCE South 80°53'55" East a distance of 63.94 feet;

THENCE North 17°27'10" East a distance of 806.89 feet to the approximate high water mark of the Snake River and the northerly boundary of said Lot 7.

Sections 11, 12 and 14: Tract A and Block 1 of the Crystal Springs Estates Subdivision as recorded in Book 12, Page 49 of the Plat Records of Twin Falls County, Idaho; and also the NW1/4NE1/4 Section 14 except that part west of the west rim of Cedar Draw Canyon.

EXCEPT:

A parcel of land located in the SW1/4SW1/4 Section 12, Township 9 South, Range 15 East, Boise Meridian, Twin Falls County, Idaho and being more specifically described as follows:

COMMENCING at the Southwest section corner of Section 12, Township 9 South, Range 15 East, Boise Meridian;

THENCE North 2°34'14" East, 984.53 feet to the REAL POINT OF BEGINNING;

EXHIBIT "B"





Engineers Surveyors Planners

THENCE South 77°08'45" East, 113.00 feet;
THENCE North 22°47'38" East, 111.02 feet;
THENCE North 10°02'13" East, 30.05 feet;
THENCE North 76°35'05" West, 154.53 feet;
THENCE South 8°05'51" West, 30.13 feet;
THENCE South, 1°56'46" West, 112.90 feet to the REAL
POINT OF BEGINNING.

AND EXCEPT

A parcel of land located in portions of Lot 7 and the NE1/4SE1/4 Section 11; Lots 9 and 10 and the NW1/4SW1/4 Section 12, all in Township 9 South, Range 15 East, Boise Meridian, Twin Falls County, Idaho and being more specifically described as follows:

COMMENCING at the Southwest Section Corner of Section 12, Township 9 South, Range 15 East, Boise Meridian;
THENCE North 7°09'05" West, 1,383.37 feet to the REAL
POINT OF BEGINNING;

THENCE North 7°01'47" East, 780.97 feet;
THENCE North 84°24'21" West 22.22 feet;
THENCE North 53°44'40" West, 717.69 feet;
THENCE North 83°07'31" West, 284.71 feet;
THENCE North 10°38'43" East, 411.55 feet to the
highwater line on the southerly bank of the Snake River;
THENCE Southeasterly along the southerly bank of the
Snake River the following courses and distances;
South 83°45'43" East, 316.89 feet;
South 79°02'15" East, 395.38 feet;
South 53°01'23" East, 563.77 feet;
South 33°34'55" East, 143.37 feet;
South 50°33'57" East, 75.83 feet;
THENCE South 27°06'46" West, 464.20 feet;
THENCE North 81°09'24" West, 620.66 feet;
THENCE South 1°08'09" West, 699.75 feet;
THENCE North 78°38'10" West, 242.61 feet to the REAL
POINT OF BEGINNING.

AND ALSO EXCEPT





Engineers Surveyors Planners

A parcel of land in the S1/2SW1/4, Section 12, Township 9 South, Range 15 East, Boise Meridian, Twin Falls County, Idaho, and being more specifically described as follows:

COMMENCING at the Southwest corner of Section 12, Township 9 South, Range 15 East, Boise Meridian;

THENCE North 44°48'33" East, 1460.47 feet to the REAL POINT OF BEGINNING;

THENCE from this REAL POINT OF BEGINNING, North 3°47'50" East, 150.00 feet;

THENCE South 82°12'10" East, 290.60 feet;

THENCE South 3°47'50" West, 150.00 feet;

THENCE North 82°12'10" West, 290.60 feet to the REAL POINT OF BEGINNING.

AND ALSO EXCEPT:

A parcel of land in the NE1/4NE1/4, Section 14, Township 9 South, Range 15 East, Boise Meridian and the SE1/4SE1/4 Section 11, Township 9 South, Range 15 East, Boise Meridian, Twin Falls County, Idaho and being more specifically described as follows:

COMMENCING at the Section Corner common to Section 11, 12, 13, and 14, Township 9 South, Range 15 East, Boise Meridian;

THENCE North 1°28'00" East a distance of 110.32 feet along the east boundary of said Section 11 to the REAL POINT OF BEGINNING;

THENCE North 1°28'00" East a distance of 855.74 feet along the east boundary of said Section 11;

THENCE North 79°27'06" West a distance of 131.32 feet along the centerline of a county road;

THENCE South 5°16'41" West a distance of 539.24 feet;

THENCE South 51°09'47" West a distance of 510.97 feet;

THENCE South 45°37'48" West a distance of 567.18 feet;

THENCE South 43°20'21" West a distance of 473.32 feet;

THENCE South 42°29'20" West a distance of 99.09 feet to the west boundary of the NE1/4NE1/4 of said Section 14;

THENCE South 0°48'50" West a distance of 719.47 feet along the west boundary of the NE1/4NE1/4 of said Section 14





Engineers Surveyors Planners

to the southwest corner of the NE1/4NE1/4 of said Section 14;

THENCE North 37°45'07" East a distance of 115.90 feet;
THENCE North 32°30'41" East a distance of 263.89 feet;
THENCE North 45°39'52" East a distance of 230.52 feet;
THENCE North 45°27'59" East a distance of 427.46 feet;
THENCE North 49°12'00" East a distance of 289.26 feet;
THENCE North 69°04'07" East a distance of 280.22 feet;
THENCE North 21°29'02" East a distance of 285.25 feet;
THENCE North 27°32'50" East a distance of 204.83 feet
to the REAL POINT OF BEGINNING.

AND ALSO SUBJECT TO an easement for the purpose of ingress and egress over a strip of land 60 feet in width along an existing road and located in the SW1/4SW1/4 of Section 12, the SE1/4SE1/4 of Section 11, the NE1/4NE1/4 and the NW1/4NE1/4 Section 14, Township 9 South, Range 15 East of the Boise Meridian, Twin Falls County, Idaho said easement lying 30 feet on each side of the following described centerline:

Beginning at the corner common to Sections 11, 12, 13 and 14;

THENCE North 20°31'45" East 601.33 feet to a point on the centerline of a county road and the TRUE POINT OF BEGINNING of said easement;

THENCE along said centerline the following courses and distances South 45°00'00" West 78.46 feet;

THENCE South 30°22'45" West 67.23 feet;

THENCE South 43°40'04" West 91.24 feet;

THENCE South 61°00'15" West 56.34 feet to the westerly boundary of said SW1/4SW1/4 Section 12 and easterly boundary of said SE1/4SE1/4 Section 11;

THENCE South 61°00'15" West 38.56 feet;

THENCE South 61°48'52" West 226.46 feet;

THENCE South 30°57'50" West 52.43 feet;

THENCE South 61°37'51" West 113.65 feet;

THENCE South 87°36'51" West 48.04 feet;

THENCE South 58°21'19" West 101.02 feet;

THENCE South 41°22'28" West 71.50 feet to the southerly boundary of said SE1/4SE1/4 Section 11 and the northerly boundary of said NE1/4NE1/4 Section 14;

THENCE South 41°22'28" West 185.70 feet;

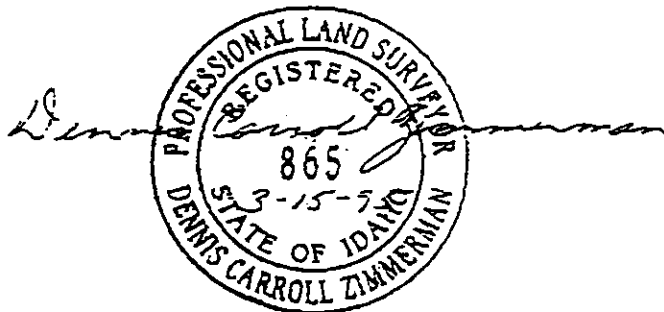
THENCE South 46°43'27" West 211.52 feet;





Engineers Surveyors Planners

THENCE South 49°03'41" West 239.60 feet;
THENCE South 44°25'22" West 550.64 feet to the westerly
boundary of said NE1/4NE1/4 Section 14;
THENCE South 7°48'34" West 305.48 feet;
THENCE South 38°12'31" West 320.00 feet to the
Southerly boundary of said NW1/4NE1/4 Section 14 and the
southwesterly end of said easement.



RESERVING an easement for penstock and access road described as:

A strip of land 300.00 feet in width located in the SW 1/4 NE 1/4 and W 1/2 SE 1/4 of Section 14 and the NW 1/4 NE 1/4 Section 23, Township 9 South, Range 15 E, B.M., Twin Falls County, Idaho, said strip of land lying 100 feet westerly and 200 feet easterly of the following described line:

BEGINNING at a point on the northerly boundary of the SW 1/4 NE 1/4 of said Section 14 which point bears South 89°36'05" West 254.37 feet from the Northeast corner thereof;

THENCE South 38°13'16" West 467.86 feet to a point of curvature;

THENCE Southwesterly 123.00 feet on the arc of a curve to the right with a radius of 200.00 feet, a central angle of 35°14'12" and a chord which bears South 55°50'22" West 121.07 feet to a point of tangency;

THENCE South 73°27'29" West 356.69 feet to a point of curvature;

THENCE Southwesterly 295.42 feet on the arc of a curve to the left with a radius of 225.00 feet a central angle of 75°13'39" and a chord which bears South 35°50'40" West 274.65 feet to a point of tangency;

THENCE South 1°46'09" East 693.24 feet to a point of curvature;

THENCE Southeasterly 316.35 feet on the arc of a curve to the left with a radius of 350.00 feet a central angle of 51°47'11" and a chord which bears South 27°39'45" East 305.69 feet to a point of tangency;

THENCE South 53°33'20" East 401.63 feet to a point of curvature;

THENCE Southeasterly 295.13 feet on the arc of a curve to the right with a radius of 375.00 feet, a central angle of 45°05'36" and a chord which bears South 31°00'32" East 287.58 feet to a point of tangency;

THENCE South 8°27'44" East 600.55 feet to a point of curvature;

THENCE Southwesterly 612.95 feet on the arc of a curve to the right with a radius of 954.93 feet, a central angle of 36°46'38" and a chord which bears South 9°55'35" West 602.49 feet to a point of tangency;

THENCE South 28°18'55" West 211.58 feet to a point of curvature;

THENCE Southerly 974.90 feet on the arc of a curve to the left with a radius of 818.51 feet, a central angle of 68°14'35" and a chord which bears South 5°48'23" East 918.29 feet to a point of tangency;

THENCE South 39°55'52" East 4.26 feet to a point of curvature;

THENCE Southerly 309.14 feet on the arc of a curve to the right with a radius of 450.00 feet, a central angle of 39°21'38" and a chord which bears South 20°14'51" East 303.09 feet to a point of tangency;

THENCE South 0°34'03" East 48.88 feet to a point of curvature;

THENCE Southerly 176.70 feet on the arc of a curve to the left with a radius of 225.00 feet, a central angle of 44°59'47" and a chord which bears South 23°03'57" East 172.19 feet to a point of tangency;

THENCE South 45°33'54" East 12.20 feet to a point of curvature;

THENCE Southerly 321.15 feet on the arc of a curve to the right with a radius of 275.00 feet, a central angle of 66°54'38" and a chord which bears South 12°06'35" East 303.21 feet to a point of tangency;

THENCE South 21°20'42" West 27.27 feet to a point on the southerly boundary of said NW 1/4 NE 1/4 Section 23, which bears North 89°45'45" West 242.84 feet from the Southeast corner thereof and the southerly end of said 300 foot wide strip of land.

The sidelines shall be lengthened or shortened to intersect the northerly boundary of the SW 1/4 NE 1/4 of said Section 14 and to intersect the southerly boundary of the NW 1/4 NE 1/4 of said Section 23, which boundaries shall constitute the northerly and southerly boundaries of the herein described land.

EBERLE, BERLIN, KADING, TURNBOW & MCKLVEEN
ATTORNEYS AT LAW
CAPITOL PARK PLAZA
300 NORTH 6TH STREET
P.O. BOX 1368
BOISE, IDAHO 83701
(208) 344-8535

INVOICE NO. 65518

EIN 82-0295653

ELLENBURG, LEE
3500 LATOUCHE ST, STE 20
ANCHORAGE, AK

99504

DATE: 5/16/95

RE: LEGAL SERVICES RENDERED
Through 4/30/95
Re: SYMMS FRUIT RANCH

22030-00004

Please Return This Copy With Remittance

PROFESSIONAL SERVICES RENDERED:

(See Itemization Attached)

480.00

DISBURSEMENTS:

(See Itemization Attached)

11.10

TOTAL SERVICES & DISBURSEMENTS

491.10

TOTAL AMOUNT DUE

491.10

11386	
ELLENBURG, INC.	
PAY TO THE ORDER OF <u>Eberle, Berlin, Kading, Turnbow & McKlveen</u> \$ <u>491.10</u>	
<u>Four hundred ninety-one and 10/100</u> DOLLARS	
FOR <u>Jack S. Kading</u>	
First National Bank of Anchorage MAIN BRANCH, ANCHORAGE, AK 99501	
MP	
⑈011386⑈ ⑆125200060⑆ 0113 627 4⑈	

TRL

RECEIVED

JUN 22 1995

THOMAS R. LYNILLE



State of Idaho

DEPARTMENT OF WATER RESOURCES

1301 North Orchard Street, P.O. Box 83720, Boise, Idaho 83720-0098

Phone: (208) 327-7900 FAX: (208) 327-7866

April 10, 1995

PHILIP E. BATT
GOVERNOR

R. KEITH HIGGINSON
DIRECTOR

CRYSTAL SPRINGS RANCH G LTD PARTNERSHIP
20924 SE 213TH ST
MAPLE VALLEY WA 98038

RE: Permit Nos. 47-07768, 47-07991, 47-08005 and
License No. 47-08009

Dear Mr. Millard:

I recently received documentation from you assigning the above rights from Crystal Springs Hydroelectric LP to Crystal Springs Ranch G Ltd Partnership.

Three of the rights addressed in your correspondence are in the permit stage and one has been licensed. In Idaho, a permit is considered personal property and must be assigned by the owner of record. A licensed right is considered real property, therefore, proof of owning the land is proof of owning the water right unless extenuating circumstances exist. Water right statute does not provide a means for changing owner of record for licensed water rights; although, I have placed your correspondence in that file.

Prior to processing the assignments of permits, we are required to obtain the following additional information:

- A completed copy of 'Affidavit for Water Rights to be Used for Power Purposes' form 205/206 (form enclosed) for each permit.
- A listing names, titles, and addresses of the officers and/or partners of Crystal Springs Ranch G Ltd Partnership.

Also, as of July 1, 1994, each assignment of permit must be accompanied by a \$25.00 filing fee. Assignments of permits are not acceptable without filing fees.

I am returning your documentation to you. Please resubmit the assignments with the filing fees and the required additional information to my attention at the above address.

If you have questions, please contact me at (208) 327-944.

Sincerely, .

Cindy Zimmerman

Cindy Zimmerman
Water Resource Agent

Enclosures

RECEIVED
APR 13 1995

CRYSTAL SPRINGS RANCH G LIMITED PARTNERSHIP

20924 S.E. 213th Street
Maple Valley, Washington 98038

Telephone (206) 432-5772
Facsimile (206) 432-5775

March 1, 1995

RECEIVED

APR 04 1995

Department of Water Resources

Idaho Department of Water Resources
1301 North Orchard Street
Statehouse Mail
Boise, ID 83720

RE: Crystal Springs Hydroelectric Project
Water Right No.s 47-07768, 47-07991, 47-08005, and 47-8009

Gentlemen:

Crystal Springs Hydroelectric Company, an Idaho general partnership, ("Seller") has conveyed all its right, title, and interest in and to the Crystal Springs Hydroelectric Project located in Twin Falls County, Idaho (the "Project") to Crystal Springs Hydroelectric, L.P., a Washington limited partnership ("Buyer"). The Project is located upon certain real property (the "Real Property") owned by Crystal Springs Ranch G Limited Partnership, an Idaho limited partnership ("Lessor"). Lessor will agree to lease the Real Property to Buyer, subject to the terms of an Amended Lease Agreement (the "Lease") to be entered into by and between Lessor and Buyer, as lessee thereunder.

The Lease is to be secured by, among other things, a Collateral Assignment of Water Rights, pursuant to which Buyer is collaterally assigning to Lessor the following water rights obtained from the Idaho Department of Water Resources (the "Department"): Water Right No.s 47-07768, 47-07991, 47-08005, and 47-8009, and all other applications, permits, licenses, and water rights related to the Project (collectively the "Water Rights"). A fully executed and acknowledged copy of the Collateral Assignment of Water Rights is enclosed with this letter for filing with the Department pursuant to the requirements of § 42-207 of the Idaho Code.

Please have the Director of the Department acknowledge the filing of the enclosed Collateral Assignment of Water Rights with the Department, pursuant to Idaho Code § 42-207 and return an executed copy of this letter to our counsel at the following address:

APR 13 1995

Idaho Department of Water Resources
March 1, 1995
Page 2

Thomas R. Linville, Esq.
Eberle, Berlin, Kading, Turnbow & McKlveen, Chartered
P.O. Box 1368
Boise, Idaho 83701-1368

Also, please advise us, in writing, if any additional proof of compliance with Idaho Code §§ 42-206 and 42-207 will be necessary.

We sincerely appreciate your assistance and cooperation in this matter.

Very truly yours,

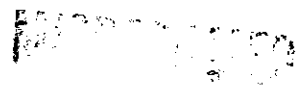
Crystal Springs Ranch G Limited Partnership
By Crystal Springs Ranch, L.L.C.
Its General Partner

By 

Name: David R. Millard
Its: Managing Member

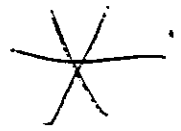
Compliance with Idaho Code §§ 42-206 and 42-207 is hereby acknowledged this _____
day of _____, 1995.

Director of the State of Idaho
Department of Water Resources



APR 13 1995

9-54929



COLLATERAL ASSIGNMENT OF WATER RIGHTS

This Collateral Assignment of Water Rights (hereinafter called the "Assignment"), dated as of March 1, 1995, is hereby entered into by **CRYSTAL SPRINGS HYDROELECTRIC, L.P.**, a Washington limited partnership qualified to do business in and under the laws of the State of Idaho, with its principal office located at 11225 S.E. Sixth, Bellevue, Washington 98004 (hereinafter called the "Assignor"); and **CRYSTAL SPRINGS RANCH LIMITED PARTNERSHIP**, an Idaho limited partnership, with its office located at 20924 S.E. 213th Street, Maple Valley, Washington 98038 (hereinafter called the "Assignee").

Do
DRH

R E C I T A L S:

A. Assignor owns water rights relating to the Crystal Springs Hydroelectric Project located in the County of Twin Falls, State of Idaho (the "Project") pursuant to Water Right No.s 47-07768, 47-07991, 47-08005 and 47-8009, copies of which are attached hereto as Exhibit "A", together with all other applications, permits, licenses and water rights of the Assignor related to the Project issued by the Department of Water Resources of the State of Idaho (the "Department"), and all amendments, modifications and supplements thereof, together with all additions or replacements thereto (collectively the "Water Rights"). The Project is located on the real property described in Exhibit "B" attached hereto.

B. Assignee is the owner of certain real property upon which the Project is located (the "Real Property"). Assignee will agree to lease the Real Property to Assignor, subject to the terms of an Amended Lease Agreement (the "Lease") to be entered into in writing by and between Assignee (as lessor) and Assignor (as lessee). The Lease is to be secured by, among other things, this Assignment.

C. As a condition to entering into the Lease, and as additional security therefor, Assignee requires that this Assignment be duly executed by Assignor and delivered to Assignee for filing with the Department.

AGREEMENT

Accordingly, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Assignor hereby represents and warrants to the Assignee, that:
 - (a) The Recitals are true and correct;

COLLATERAL ASSIGNMENT OF WATER RIGHTS - 1

02/28/95 TRL:ch

RECORDED

APR 13 1995

Millard/Crystal Springs

(b) Assignor is the lawful owner of the rights and interests granted by the Water Rights, the Water Rights are in full force and effect and have not been amended or modified and the Assignor has not transferred, assigned or conveyed or granted a security interest in its rights and interests under the Water Rights; and

(c) Assignor is a Washington limited partnership qualified to do business in and under the laws of the state of Idaho, whose sole general partner is Gateway Energy, Inc., a Washington corporation in good standing and duly organized under the laws of the State of Washington.

2. Assignor hereby assigns to Assignee all of Assignor's right, title and interest in the Water Rights and all amendments and supplements thereto. Such assignment is made as collateral security for the payment of all of the obligations of the Assignor to the Assignee arising under the Lease, including but not limited to the rents and other payments due under the Lease. Assignor also hereby grants a security interest to Assignee in the Water Rights and all amendments and supplements thereto.

3. This Assignment is an assignment for security purposes and, as such, Assignor covenants and agrees to faithfully perform, observe and comply with all obligations of the Assignor under the Water Rights and with all limitations and conditions imposed under the Water Rights, as if this Assignment had not been made. Assignee shall not be deemed in any manner to have assumed such obligations under or with respect to the Water Rights, unless and until the Assignee has given Assignor written notice that the Assignee has affirmatively assumed such obligations as the result of an event of default existing under the Lease (a "Default") and the enforcement of the rights and remedies of the Assignee under this Assignment.

4. Assignor agrees that it will not cancel, terminate, modify or amend the Water Rights or surrender any of its water rights granted under the Water Rights and will not further assign the Water Rights to any party, without in each instance the prior written consent of the Assignee. Assignor further agrees that it shall deliver to the Assignee copies of all written agreements, correspondence and memoranda between Assignor and the Department relating to the Water Rights and any water license issued by the Department to replace the Water Rights as the Assignee may from time to time reasonably require.

5. Upon the occurrence of any Default, the Assignee may, without notice or demand and with or without entry upon the site of the Project, at its option, take over and enjoy the benefits of the Water Rights to the same extent as Assignor might do. The exercise of such right by the Assignee shall not affect any of the rights or remedies of the Assignee under any other instrument securing payment of the obligations under the Lease. In addition, upon the occurrence of a Default, the Assignee shall have the right to exercise and enforce any and all rights and remedies available after Default to a secured party under the applicable law. If notice to the Assignor of any intended disposition of collateral or any other intended actions is required

COLLATERAL ASSIGNMENT OF WATER RIGHTS - 2

by law in a particular instance, such notice shall be deemed commercially reasonable if given to Assignor at least five (5) days prior to the intended disposition or other action.

6. The Assignee shall hold all right, title and interest in the Water Rights, pending issuance of water licenses by the Department. Any water license issued for the Project or as a replacement for the Water Rights shall be issued to Assignee as collateral security for the payment of Assignor's obligations under the Lease and the rights and remedies of the Assignee with respect to any such water license shall be the same as those provided in this Assignment in respect of the Water Rights. Should any water license be issued to the Assignor instead of to Assignee, the Department is hereby authorized to take all necessary steps to transfer ownership of such water license to the Assignee as soon as possible, subject to the terms of this Assignment.

7. Assignor agrees that immediately after the Water Rights have been put to beneficial use, then Assignor shall further perfect such Water Rights by (i) submitting a statement to the Department that the water has been put to beneficial use within the time noted as a condition of the Water Rights so that a license confirming right to use water can be issued by the Department, and (ii) upon receipt of said license for the use of water for the Project, Assignor shall forthwith undertake the appropriate action and do all things necessary to have such license and the Water Rights adjudicated and decreed as to right and priority in accordance with the general adjudication of rights to use water from the Snake River Basin Water System pending in Case No. 39576 in the District Court for the Fifth Judicial District of the State of Idaho, in and for the County of Twin Falls and thereafter submit a certified copy thereof to Assignee. Any breach of the obligations contained in this paragraph 7 by Assignor shall be deemed conclusively to be a material breach of this Assignment and the Lease.

8. Assignor further agrees to indemnify and to hold Assignee harmless from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against the Assignee in any way relating to or arising out of this Assignment or any action taken or omitted to be taken by it under this Assignment.

9. Nothing herein contained shall be construed as making Assignee a mortgagee in possession, or as constituting a waiver or suspension by the Assignee of its right to enforce payment of any sums due under the Lease. Assignee is not the agent, partner or joint venturer of either the Assignor or of the Department.

10. Assignor agrees that it will execute such other instruments and documents as the Assignee may from time to time reasonably require to effectuate the assignment granted by this Assignment, including but not limited to, filing with the Department such instruments and documents as the Department may require as a condition to approving the assignment of any water license to the Assignee that replaces the Water Rights.

COLLATERAL ASSIGNMENT OF WATER RIGHTS - 3

11. This Assignment shall be binding upon the Assignor and its successors and assigns and shall inure to the benefit of the Assignee and its respective successors and assigns.

12. This Assignment can be waived, modified, terminated or discharged only explicitly in a writing signed by the parties hereto. The mere failure to act shall not preclude the exercise or enforcement of any of the rights or remedies of the Assignee hereunder.

13. All notices to the Assignor provided for under this Assignment shall be in writing and mailed, or delivered by overnight courier, to the address of the parties indicated below:

ASSIGNOR: c/o Weatherly
11225 S.E. Sixth, Suite 100
Bellevue, Washington 98004

ASSIGNEE: 20924 S.E. 213th Street
Maple Valley, Washington 98038

14. The Assignee shall release all collateral granted hereunder when all amounts outstanding due under the Lease have been paid in full and all the other obligations of Assignor, as lessee thereunder, have been satisfied in all respects.

15. This Assignment shall be deemed made in and shall be governed by the laws of the State of Idaho.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be duly executed as of the date and year first above written.

ASSIGNOR: CRYSTAL SPRINGS HYDROELECTRIC, L.P.
By Gateway Energy, Inc., Its General Partner

By [Signature]
Name: Dell E. Kechn.
Its: President

ASSIGNEE: CRYSTAL SPRINGS RANCH LIMITED
PARTNERSHIP, by Crystal Springs Ranch, L.L.C.
Its General Partner

By [Signature]
Name: David R. Millard
Its: Managing Member

COLLATERAL ASSIGNMENT OF WATER RIGHTS - 4

02/28/95 TRL:ch

Millard/Crystal Springs

APR 13 1995

STATE OF Wash)
COUNTY OF King) : ss.

On the 2nd day of March, 1995, before me the undersigned, a Notary Public in and for the State, personally appeared Dell E. Keen, known or identified to me to be the President of Gateway Energy, Inc., a General Partner of Crystal Springs Hydroelectric, L.P., a limited partnership, the partnership that executed the foregoing instrument or the person who executed the foregoing instrument on behalf of said partnership, and acknowledge to me that such partnership executed the same.

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

M. Kathleen
Notary Public
Residing at Issaquah
My commission expires: 6/11/95

STATE OF Wash.)
COUNTY OF King) : ss.

On the 2nd day of March, 1995, before me the undersigned, a Notary Public in and for the State, personally appeared David R. Millard, known or identified to me to be the Managing Member of Crystal Springs Ranch, L.L.C., the general partner of Crystal Springs Ranch Limited Partnership, a limited partnership, the partnership that executed the foregoing instrument or the person who executed the foregoing instrument on behalf of said partnership, and acknowledge to me that such partnership executed the same.

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

M. Kathleen
Notary Public
Residing at Issaquah
My commission expires: 6/11/95

COLLATERAL ASSIGNMENT OF WATER RIGHTS - 5

02/28/95 TRL:ch

Millard/Crystal Springs

APR 13 1995



Engineers Surveyors Planners

March 10, 1995

Property Description

For

Crystal Springs Ranch

Remainder

Township 9 South, Range 15 East, Boise Meridian, Twin Falls County, Idaho;

Section 12: S1/2NW1/4SW1/4, S1/2SW1/4, Government Lot 5 and 6 and that part of Government Lot 7 and the SW1/4SE1/4 lying west of the following described line:

Beginning at a point on the South boundary of said SW1/4SE1/4 which bears South 88°52'12" East a distance of 379.76 feet from the southwest corner of said SW1/4SE1/4;

THENCE North 15°33'41" East a distance of 954.11 feet;

THENCE South 80°53'55" East a distance of 63.94 feet;

THENCE North 17°27'10" East a distance of 806.89 feet to the approximate high water mark of the Snake River and the northerly boundary of said Lot 7.

Sections 11, 12 and 14: Tract A and Block 1 of the Crystal Springs Estates Subdivision as recorded in Book 12, Page 49 of the Plat Records of Twin Falls County, Idaho; and also the NW1/4NE1/4 Section 14 except that part west of the west rim of Cedar Draw Canyon.

EXCEPT:

A parcel of land located in the SW1/4SW1/4 Section 12, Township 9 South, Range 15 East, Boise Meridian, Twin Falls County, Idaho and being more specifically described as follows:

COMMENCING at the Southwest section corner of Section 12, Township 9 South, Range 15 East, Boise Meridian;

THENCE North 2°34'14" East, 984.53 feet to the REAL POINT OF BEGINNING;

EXHIBIT "B"

-/-

APR 13 1995





Engineers Surveyors Planners

THENCE South 77°08'45" East, 113.00 feet;
THENCE North 22°47'38" East, 111.02 feet;
THENCE North 10°02'13" East, 30.05 feet;
THENCE North 76°35'05" West, 154.55 feet;
THENCE South 8°05'51" West, 30.13 feet;
THENCE South, 1°56'46" West, 112.90 feet to the REAL
POINT OF BEGINNING.

AND EXCEPT

A parcel of land located in portions of Lot 7 and the
NE1/4SE1/4 Section 11; Lots 9 and 10 and the NW1/4SW1/4
Section 12, all in Township 9 South, Range 15 East, Boise
Meridian, Twin Falls County, Idaho and being more
specifically described as follows:

COMMENCING at the Southwest Section Corner of Section
12, Township 9 South, Range 15 East, Boise Meridian;

THENCE North 7°09'05" West, 1,363.37 feet to the REAL
POINT OF BEGINNING;

THENCE North 7°01'47" East, 780.97 feet;
THENCE North 84°24'21" West 22.22 feet;
THENCE North 53°44'40" West, 717.69 feet;
THENCE North 83°07'31" West, 284.71 feet;
THENCE North 10°38'43" East, 411.55 feet to the
highwater line on the southerly bank of the Snake River;

THENCE Southeasterly along the southerly bank of the
Snake River the following courses and distances;

South 83°45'43" East, 816.89 feet;
South 79°02'15" East, 395.38 feet;
South 53°01'23" East, 563.77 feet;
South 33°34'55" East, 143.37 feet;
South 50°33'57" East, 75.83 feet;
THENCE South 27°06'46" West, 464.20 feet;
THENCE North 81°09'24" West, 620.66 feet;
THENCE South 1°08'09" West, 699.75 feet;
THENCE North 78°38'10" West, 242.61 feet to the REAL
POINT OF BEGINNING.

AND ALSO EXCEPT

RECORDED
APR 13 1995





Engineers Surveyors Planners

A parcel of land in the S1/2SW1/4, Section 12, Township 9 South, Range 15 East, Boise Meridian, Twin Falls County, Idaho, and being more specifically described as follows:

COMMENCING at the Southwest corner of Section 12, Township 9 South, Range 15 East, Boise Meridian;

THENCE North 44°48'33" East, 1460.47 feet to the REAL POINT OF BEGINNING:

THENCE from this REAL POINT OF BEGINNING, North 3°47'50" East, 150.00 feet;

THENCE South 82°12'10" East, 290.60 feet;

THENCE South 3°47'50" West, 150.00 feet;

THENCE North 82°12'10" West, 290.60 feet to the REAL POINT OF BEGINNING.

AND ALSO EXCEPT:

A parcel of land in the NE1/4NE1/4, Section 14, Township 9 South, Range 15 East, Boise Meridian and the SE1/4SE1/4 Section 11, Township 9 South, Range 15 East, Boise Meridian, Twin Falls County, Idaho and being more specifically described as follows:

COMMENCING at the Section Corner common to Section 11, 12, 13, and 14, Township 9 South, Range 15 East, Boise Meridian;

THENCE North 1°28'00" East a distance of 110.32 feet along the east boundary of said Section 11 to the REAL POINT OF BEGINNING;

THENCE North 1°28'00" East a distance of 855.74 feet along the east boundary of said Section 11;

THENCE North 79°27'06" West a distance of 131.32 feet along the centerline of a county road;

THENCE South 5°15'41" West a distance of 539.24 feet;

THENCE South 51°09'47" West a distance of 510.97 feet;

THENCE South 45°37'43" West a distance of 567.18 feet;

THENCE South 43°20'21" West a distance of 473.32 feet;

THENCE South 42°29'20" West a distance of 99.09 feet to the west boundary of the NE1/4NE1/4 of said Section 14;

THENCE South 0°48'50" West a distance of 719.47 feet along the west boundary of the NE1/4NE1/4 of said Section 14

APR 13 1995





Engineers Surveyors Planners

to the southwest corner of the NE1/4NE1/4 of said Section 14;

THENCE North 37°45'07" East a distance of 115.90 feet;
THENCE North 32°30'41" East a distance of 263.89 feet;
THENCE North 45°39'52" East a distance of 230.52 feet;
THENCE North 45°27'59" East a distance of 427.46 feet;
THENCE North 49°12'00" East a distance of 289.26 feet;
THENCE North 69°04'07" East a distance of 280.22 feet;
THENCE North 21°29'02" East a distance of 285.25 feet;
THENCE North 27°32'50" East a distance of 204.83 feet
to the REAL POINT OF BEGINNING.

AND ALSO SUBJECT TO an easement for the purpose of ingress and egress over a strip of land 60 feet in width along an existing road and located in the SW1/4SW1/4 of Section 12, the SE1/4SE1/4 of Section 11, the NE1/4NE1/4 and the NW1/4NE1/4 Section 14, Township 9 South, Range 15 East of the Boise Meridian, Twin Falls County, Idaho said easement lying 30 feet on each side of the following described centerline:

Beginning at the corner common to Sections 11, 12, 13 and 14;

THENCE North 20°31'45" East 601.33 feet to a point on the centerline of a county road and the TRUE POINT OF BEGINNING of said easement;

THENCE along said centerline the following courses and distances South 45°00'00" West 78.46 feet;

THENCE South 30°22'45" West 67.23 feet;

THENCE South 43°40'04" West 91.24 feet;

THENCE South 61°00'15" West 56.34 feet to the westerly boundary of said SW1/4SW1/4 Section 12 and easterly boundary of said SE1/4SE1/4 Section 11;

THENCE South 61°00'15" West 38.56 feet;

THENCE South 51°48'52" West 226.46 feet;

THENCE South 30°57'50" West 52.43 feet;

THENCE South 61°37'51" West 113.65 feet;

THENCE South 87°36'51" West 48.04 feet;

THENCE South 58°21'19" West 101.02 feet;

THENCE South 41°22'28" West 71.50 feet to the southerly boundary of said SE1/4SE1/4 Section 11 and the northerly boundary of said NE1/4NE1/4 Section 14;

THENCE South 41°22'28" West 185.70 feet;

THENCE South 46°43'27" West 211.52 feet;

APR 13 1995





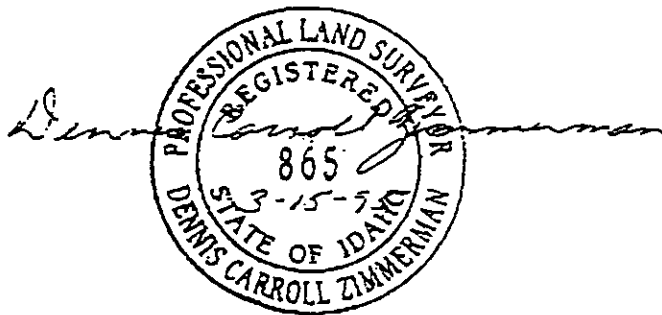
Engineers Surveyors Planners

THENCE South 49°03'41" West 239.60 feet;

THENCE South 44°25'22" West 550.64 feet to the westerly boundary of said NE1/4NE1/4 Section 14;

THENCE South 7°48'34" West 305.48 feet;

THENCE South 38°12'31" West 320.00 feet to the Southerly boundary of said NW1/4NE1/4 Section 14 and the southwesterly end of said easement.



RECORDED

APR 13 1995



TOTAL P.06

RESERVING an easement for penstock and access road described as:

A strip of land 300.00 feet in width located in the SW 1/4 NE 1/4 and W 1/2 SE 1/4 of Section 14 and the NW 1/4 NE 1/4 Section 23, Township 9 South, Range 15 E, B.M., Twin Falls County, Idaho, said strip of land lying 100 feet westerly and 200 feet easterly of the following described line:

BEGINNING at a point on the northerly boundary of the SW 1/4 NE 1/4 of said Section 14 which point bears South 89°36'05" West 254.37 feet from the Northeast corner thereof;

THENCE South 38°13'16" West 467.86 feet to a point of curvature;

THENCE Southwesterly 123.00 feet on the arc of a curve to the right with a radius of 200.00 feet, a central angle of 35°14'12" and a chord which bears South 55°50'22" West 121.07 feet to a point of tangency;

THENCE South 73°27'29" West 356.69 feet to a point of curvature;

THENCE Southwesterly 295.42 feet on the arc of a curve to the left with a radius of 225.00 feet a central angle of 75°13'39" and a chord which bears South 35°50'40" West 274.65 feet to a point of tangency;

THENCE South 1°46'09" East 693.24 feet to a point of curvature;

THENCE Southeasterly 316.35 feet on the arc of a curve to the left with a radius of 350.00 feet a central angle of 51°47'11" and a chord which bears South 27°39'45" East 305.69 feet to a point of tangency;

THENCE South 53°33'20" East 401.63 feet to a point of curvature;

THENCE Southeasterly 295.13 feet on the arc of a curve to the right with a radius of 375.00 feet, a central angle of 45°05'36" and a chord which bears South 31°00'32" East 287.58 feet to a point of tangency;

THENCE South 8°27'44" East 600.55 feet to a point of curvature;

THENCE Southwesterly 612.95 feet on the arc of a curve to the right with a radius of 954.93 feet, a central angle of 36°46'38" and a chord which bears South 9°55'35" West 602.49 feet to a point of tangency;

RECORDED

APR 13 1995

THENCE South $28^{\circ}18'55''$ West 211.58 feet to a point of curvature;

THENCE Southerly 974.90 feet on the arc of a curve to the left with a radius of 818.51 feet, a central angle of $68^{\circ}14'35''$ and a chord which bears South $5^{\circ}48'23''$ East 918.29 feet to a point of tangency;

THENCE South $39^{\circ}55'52''$ East 4.26 feet to a point of curvature;

THENCE Southerly 309.14 feet on the arc of a curve to the right with a radius of 450.00 feet, a central angle of $39^{\circ}21'38''$ and a chord which bears South $20^{\circ}14'51''$ East 303.09 feet to a point of tangency;

THENCE South $0^{\circ}34'03''$ East 48.88 feet to a point of curvature;

THENCE Southerly 176.70 feet on the arc of a curve to the left with a radius of 225.00 feet, a central angle of $44^{\circ}59'47''$ and a chord which bears South $23^{\circ}03'57''$ East 172.19 feet to a point of tangency;

THENCE South $45^{\circ}33'54''$ East 12.20 feet to a point of curvature;

THENCE Southerly 321.15 feet on the arc of a curve to the right with a radius of 275.00 feet, a central angle of $66^{\circ}54'38''$ and a chord which bears South $12^{\circ}06'35''$ East 303.21 feet to a point of tangency;

THENCE South $21^{\circ}20'42''$ West 27.27 feet to a point on the southerly boundary of said NW 1/4 NE 1/4 Section 23, which bears North $89^{\circ}45'45''$ West 242.84 feet from the Southeast corner thereof and the southerly end of said 300 foot wide strip of land.

The sidelines shall be lengthened or shortened to intersect the northerly boundary of the SW 1/4 NE 1/4 of said Section 14 and to intersect the southerly boundary of the NW 1/4 NE 1/4 of said Section 23, which boundaries shall constitute the northerly and southerly boundaries of the herein described land.

RECORDED

APR 13 1995



State of Idaho

DEPARTMENT OF WATER RESOURCES

1301 North Orchard Street, P.O. Box 83720, Boise, Idaho 83720-0098

Phone: (208) 327-7900 FAX: (208) 327-7866

March 15, 1995

PHILIP E. BATT
GOVERNOR

R. KEITH HIGGINSON
DIRECTOR

CRYSTAL SPRINGS HYDROELECTRIC L P
11225 SE 6TH STE 100
BELLEVUE WA 98004

RE: Permit Nos. 47-07768, 47-07991, 47-08005 and
Water Right No. 47-08009

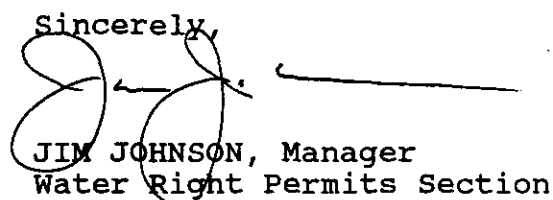
Dear Mr. Keehn:

This letter is to confirm that the assignments of ownership on the above referenced permits are satisfactory. We have modified our computer records to reflect this change in ownership.

In Idaho, a licensed water right is considered real property; therefore, proof of owning the land is proof of owning the water right unless specifically excluded in the sale. We have placed your correspondence in the file for future reference.

If you have any questions regarding this matter, please feel free to contact us.

Sincerely,



JIM JOHNSON, Manager
Water Right Permits Section

JJ:cz

[Handwritten signature]

MAR 28 1995

RECEIVED

MAR 02 1995

RAY, QUINNEY & NEBEKER
PROFESSIONAL CORPORATION
ATTORNEYS AT LAW

ALONZO W. WATSON, JR.
STEPHEN B. NEBEKER
HERSCHEL J. SAPERSTEIN
MITCHELL MELICH
DON B. ALLEN
CLARK P. GILES
ROBERT M. GRAHAM
NARRVEL E. HALL
JAMES L. WILDE
HERBERT C. LIVSEY
WILLIAM A. MARSHALL
PAUL S. FELT
O. JAY CURTIS
GERALD T. SNOW
ALAN A. ENKE
WESTON L. HARRIS
JONATHAN A. DIBBLE
SCOTT HANCOCK CLARK
STEVEN H. GUNN
JAMES S. JARDINE
ALLAN T. BRINKERHOFF
JANET HUGIE SMITH
DOUGLAS MATSUMORI

ROBERT P. HILL
RICHARD G. ALLEN
FLOYD ANDREW JENSEN
ALLEN L. ORR
BRAD O. HARDY
A. ROBERT THORUP
JOHN P. HARRINGTON
BRENT W. TODD
LARRY G. MOORE
DALE M. OKERLUND
BRUCE L. OLSON
JOHN A. ADAMS
DOUGLAS M. MONSON
CRAIG CARLILE
JAMES M. DESTER
DEE R. CHAMBERS
KEVIN G. GLADE
LESTER K. ESSIG
IRA B. RUBINFELD
BOYD A. FERGUSON
STEVEN T. WATERMAN
STEPHEN C. TINGEY
KELLY J. FLINT

JOHN R. MADSEN
STEVEN J. AESCHBACHER
KEITH A. KELLY
MARK M. BETTILYON
RICK L. ROSE
RICK B. HOGGARD
LISA A. YERKOVICH
BRENT D. WRIDE
MICHAEL E. BLUE
SCOTT A. HAGEN
STEVEN W. CALL
CAMERON M. HANCOCK
ELANNE A. MONSON
SYLVIA IANNUCCI
KATIE A. ECCLES
GEORGE S. ADONDAKIS
DAVID A. CUTT
CALVIN C. CURTIS
ROBERT O. RICE
DIANNA R. WOOLSEY
FREDERICK R. THALER
JOHN W. MACKAY

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MAR 15 1995

400 DESERET BUILDING
79 SOUTH MAIN STREET
P. O. BOX 45385
SALT LAKE CITY, UT 84145-0385
Department of Water Resources
TELEPHONE (801) 532-1500
FACSIMILE NO. (801) 532-7543

210 FIRST SECURITY BANK BLDG.
92 NORTH UNIVERSITY AVENUE
PROVO, UTAH 84601-4420
TELEPHONE (801) 226-7210
FACSIMILE NO. (801) 375-8379

OF COUNSEL
M. JOHN ASHTON

March 2, 1995

HAND DELIVERED

Cindy Zimmerman
Idaho Department of Water Resources
1301 North Orchard Street
Boise, Idaho 83720

Re: Crystal Springs Hydroelectric Project

Dear Cindy:

This firm represents First Security Bank of Utah, National Association ("First Security Utah") and First Security Bank of Idaho, N.A., as trustee ("First Security Idaho") in connection with certain transactions involving the above-referenced project located in Twin Falls County, Idaho (the "Project"). In connection with its operation of the Project, Crystal Springs Hydroelectric Company, an Idaho general partnership ("Seller"), obtained the following water permits from the Idaho Department of Water Resources (the "Department"): Permit Nos. 47-7768, 47-7991, 47-8005 and 47-8009 (the "Permits"). Seller also apparently received the Department's approval of Application for Permit to Alter Stream Channel No. 47-S-70 (the "Application"). On July 8, 1988, Seller executed a Collateral Assignment of Water Rights, pursuant to which Seller collaterally assigned the Permits and the Application to First Security Idaho, as trustee for the benefit of First Security Utah, as security for a loan made by First Security Utah to Seller.

Seller is now selling the Project to Crystal Springs Hydroelectric, L.P., a Washington limited partnership ("Purchaser"), and in connection with that sale, First Security Utah and First Security Idaho have agreed to release their liens on the Permits and the Application, pursuant to the enclosed original release of Collateral Assignment of Water Rights.

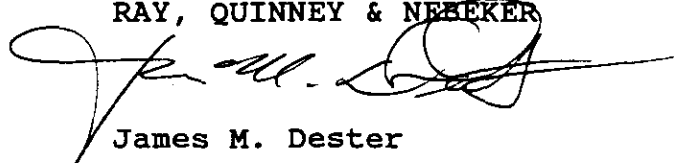
RECEIVED
MAR 28 1995

Cindy Zimmerman
March 2, 1995
Page 2

In accordance with our telephone conversations yesterday and this morning, please reflect the banks' release of the Permits and the Application (to the extent necessary) on the Department's records. Also enclosed is a check in the amount of \$75.00 to cover certain processing charges. If you have questions concerning the foregoing or need any other document-ation in this regard, please give me a call.

Very truly yours,

RAY, QUINNEY & NEBEKER

A handwritten signature in dark ink, appearing to read 'James M. Dester', is written over the typed name.

James M. Dester

JMD/rp

Enclosure

cc: Walter P. Zoellner, First Security Utah
Sharon Marchetti, First Security Idaho

115785.01/jmd

A faint circular stamp, possibly a seal or official mark, is located above the date stamp.
MAR 28 1995

WHEN RECORDED, MAIL TO:

M. Kathrine Julin
JULIN, FOSSO, SAGE, McBRIDE & MASON
1001 Fourth Avenue Plaza, Suite 3900
Seattle, Washington 98154-1084

RELEASE OF COLLATERAL ASSIGNMENT OF WATER RIGHTS

This Release of Collateral Assignment of Water Rights (the "Release") is executed as of the ____ day of March, 1995, by FIRST SECURITY BANK OF IDAHO, N.A. ("Trustee") and FIRST SECURITY BANK OF UTAH, N.A. ("Utah Bank").

Recitals

A. On July 7, 1988, Crystal Springs Hydroelectric Company, an Idaho general partnership ("Crystal"), entered into a Collateral Assignment of Water Rights with Trustee and Utah Bank (the "Original Assignment"), pursuant to which Crystal assigned certain water permits and rights (the "Permits") to Trustee for the benefit of Utah Bank, all relating to the real property described in EXHIBIT A attached hereto (the "Property"). The Original Assignment was recorded on July 8, 1988, as instrument no. 941450, in the official records of the Twin Falls County Recorder, Twin Falls County, Idaho. The Original Assignment was amended pursuant to an Amendment to Collateral Assignment, dated as of December 31, 1992, and recorded on March 24, 1993, as instrument no. 1993003959, and as so amended the Original Assignment is hereinafter referred to as the "Assignment."

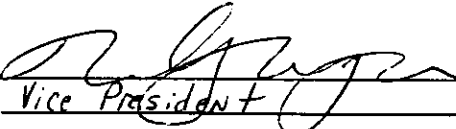
B. Trustee and Utah Bank have agreed to release the Permits and the Property from the Assignment and terminate the Assignment pursuant to this Release.

Agreement

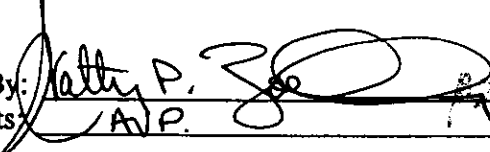
In consideration of the foregoing, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Trustee and Utah Bank hereby release the Permits and the Property from the lien of the Assignment and fully and completely release and terminate the Assignment.

EXECUTED as of the date first written above.

FIRST SECURITY BANK OF IDAHO,
NATIONAL ASSOCIATION

By: 
Its: Vice President

FIRST SECURITY BANK OF UTAH,
NATIONAL ASSOCIATION

By: 
Its: Kathy P. 300

8 1995

STATE OF IDAHO)
)
COUNTY OF Ada) : ss.

On this 1st day of March, 1995, personally appeared before me Teresa Yragui, the Trust Officer of First Security Bank of Idaho, National Association, a national banking association, who acknowledged to me that he executed the within and foregoing instrument by authority of the bylaws of said association or a resolution duly adopted by the board of directors of said association, and said _____ duly acknowledged to me that said association executed the same.

My Commission Expires:
6/7/98

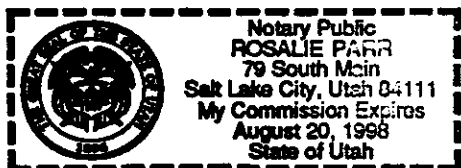
Kenn Silva
Notary Public
Residing at: Boise, Idaho

STATE OF UTAH)
)
COUNTY OF SALT LAKE) : ss.

On this 1st day of March, 1995, personally appeared before me Walter P. Zollner the Asst. Vice Pres. of First Security Bank of Utah, National Association, a national banking association, who acknowledged to me that he executed the within and foregoing instrument by authority of the bylaws of said association or a resolution duly adopted by the board of directors of said association, and said Walter P. Zollner duly acknowledged to me that said association executed the same.

My Commission Expires:
8-20-98

Rosalie Parr
Notary Public
Residing at: Salt Lake City, Utah



115453.01

MAR 28 1995

EXHIBIT A

PARCEL I

A parcel of land located in the Northwest Quarter of the Northeast Quarter of Section 14, Township 9 South, Range 15 East of the Boise Meridian, Twin Falls County, Idaho, more particularly described as follows:

BEGINNING at the Southeast corner of said NW $\frac{1}{4}$ NE $\frac{1}{4}$; THENCE South 89° 36' 05" West 420 feet, more or less, along the Southerly boundary of said NW $\frac{1}{4}$ NE $\frac{1}{4}$ to the westerly bank of Cedar Creek; THENCE Northeasterly along the Westerly bank of Cedar Creek to the Easterly boundary of said NW $\frac{1}{4}$ NE $\frac{1}{4}$; THENCE South 0° 58' 50" West 710 feet, more or less, to the Point of Beginning.

PARCEL II

A strip of land 300.00 feet in width located in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ and W $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 14 and the NW $\frac{1}{4}$ NE $\frac{1}{4}$ Section 23, Township 9 South, Range 15 East of the Boise Meridian, Twin Falls County, Idaho, said strip of land lying 100.00 feet Westerly and 200 feet Easterly of the following described line;

BEGINNING at a point on the Northerly boundary of the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 14 which point bears South 89° 36' 05" West 254.37 feet from the Northeast corner thereof; THENCE South 38° 13' 16" West 467.86 feet to a point of curvature; THENCE Southwesterly 123.00 feet on the arc of a curve to the right with a radius of 200.00 feet, a central angle of 35° 14' 12" and a chord which bears South 55° 50' 22" West 121.07 feet to a point of tangency; THENCE South 73° 27' 29" West 356.69 feet to a point of curvature; THENCE Southwesterly 295.42 feet on the arc of a curve to the left with a radius of 225.00 feet a central angle of 75° 13' 39" and a chord which bears South 35° 50' 40" West 274.65 feet to a point of tangency; THENCE South 1° 46' 09" East 693.24 feet to a point of curvature; THENCE Southeasterly 316.35 feet on the arc of a curve to the left with a radius of 350.00 feet a central angle of 51° 47' 11" and a chord which bears South 27° 39' 45" East 305.69 feet to a point of tangency; THENCE South 53° 33' 20" East 401.63 feet to a point of curvature; THENCE Southeasterly 295.13 feet on the arc of a curve to the right with a radius of 375.00 feet, a central angle of 45° 05' 36" and a chord which bears South 31° 00' 32" East 287.58 feet to a point of tangency; THENCE South 8° 27' 44" East 600.55 feet to a point of curvature; THENCE Southwesterly 612.95 feet on the arc of a curve to the right with a radius of 954.93 feet, a central angle of 36° 46' 38" and a chord which bears South 9° 55' 35" West 602.49 feet to a point of tangency; THENCE South 28°

28 1995

18' 55" West 211.58 feet to a point of curvature; THENCE Southerly 974.90 feet on the arc of a curve to the left with a radius of 818.51 feet, a central angle of 68° 14' 35" and a chord which bears South 5° 48' 23" East 918.29 feet to a point of tangency; THENCE South 39° 55' 52" East 4.26 feet to a point of curvature; THENCE Southerly 309.14 feet on the arc of a curve to the right with a radius of 450.00 feet, a central angle of 39° 21' 38" and a chord which bears South 20° 14' 51" East 303.09 feet to a point of tangency; THENCE South 0° 34' 03" East 48.88 feet to a point of curvature; THENCE Southerly 176.70 feet on the arc of a curve to the left with a radius of 225.00 feet, a central angle of 44° 59' 47" and a chord which bears South 23° 03' 57" East 172.19 feet to a point of tangency; THENCE South 45° 33' 54" East 12.20 feet to a point of curvature; THENCE Southerly 321.15 feet on the arc of a curve to the right with a radius of 275.00 feet, a central angle of 66° 54' 38" and a chord which bears South 12° 06' 35" East 303.21 feet to a point of tangency; THENCE South 21° 20' 42" West 27.27 feet to a point on the Southerly boundary of said NW $\frac{1}{4}$ NE $\frac{1}{4}$ Section 23 which bears North 89° 45' 45" West 242.84 feet from the Southeast corner thereof and the Southerly end of said 300 foot wide strip of land.

The sidelines shall be lengthened or shortened to intersect the Northerly boundary of the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 14 and to intersect the Southerly boundary of the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 23, which boundaries shall constitute the Northerly and Southerly boundaries of the herein described land.

PARCEL III

A strip of land 80 feet in width located in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ and SE $\frac{1}{4}$ Section 14 and N $\frac{1}{2}$ NE $\frac{1}{4}$ Section 23, Township 9 South, Range 15 East of the Boise Meridian, Twin Falls County, Idaho, said strip of land lying 30.00 feet Easterly and 50 feet Westerly of the following described line;

BEGINNING at a point on the Northerly boundary of said SW $\frac{1}{4}$ NE $\frac{1}{4}$ which bears South 89° 36' 05" West 178.21 feet from the Northeast corner thereof; THENCE South 19° 31' 57" West 382.94 feet; THENCE South 2° 26' 27" East 502.69 feet; THENCE South 72° 15' 19" East 250.65 feet; THENCE South 0° 44' 09" West 985.02 feet; THENCE South 33° 50' 35" East 397.95 feet; THENCE South 5° 25' 49" West 2,579.11 feet; THENCE South 0° 21' 40" West 500.00 feet to a point on the Southerly boundary of the NW $\frac{1}{4}$ NE $\frac{1}{4}$ Section 23 which bears North 89° 45' 45" West 30.00 feet from the Southeast corner thereof and the South end of said 80 foot wide strip of land.

The sidelines shall be lengthened or shortened to intersect the Northerly boundary of the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 14 and to intersect the Southerly boundary of the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 23, which boundaries shall constitute the Northerly and Southerly boundaries of the herein described land.

MAR 28 1995

PARCEL IV

A parcel of land located in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 23, Township 9 South, Range 15 East of the Boise Meridian, Twin Falls County, Idaho, more particularly described as follows:

BEGINNING at the northeast corner of said Section 23; THENCE South 0° 15' 05" West 1321.07 feet to the southeast corner of the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 23; THENCE North 89° 45' 45" West 1325.14 feet to the northeast corner of said SW $\frac{1}{4}$ NE $\frac{1}{4}$, Section 23, and the True Point of Beginning; THENCE South 0° 21' 40" West 40.00 feet to a point on the east rim of Cedar Draw Canyon; THENCE southerly along said east rim of Cedar Draw Canyon, the following courses and distances:

South 17° 21' 44" West 232.96 feet;

THENCE South 38° 18' 31" West 254.88 feet;

THENCE South 7° 56' 36" West 217.08 feet;

THENCE South 19° 02' 58" East 235.92 feet;

THENCE South 0° 43' 47" West 157.01 feet;

THENCE South 50° 41' 23" West 192.57 feet;

THENCE South 57° 52' 30" West 203.09 feet;

THENCE South 30° 52' 56" West 36.14 feet to a point on the southerly boundary of said SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 23; THENCE North 89° 44' 43" West 542.00 feet along the southerly boundary of said SW $\frac{1}{4}$ NE $\frac{1}{4}$ to a point on the westerly rim of said Cedar Draw Canyon; THENCE Northerly along the westerly rim of said Cedar Draw Canyon the following courses and distances:

North 60° 42' 28" East 344.61 feet;

THENCE North 51° 27' 51" East 144.46 feet;

THENCE North 22° 37' 12" East 65.00 feet;

THENCE North 10° 20' 04" West 345.61 feet;

THENCE North 0° 50' 04" East 206.02 feet;

THENCE North 15° 00' 40" West 185.32 feet;

THENCE North 28° 48' 39" East 91.30 feet;

THENCE North 7° 38' 49" West 197.06 feet to a point on the northerly boundary of said SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 23; THENCE South 89° 45' 45" East 715.00 feet to the northeast corner of said SW $\frac{1}{4}$ NE $\frac{1}{4}$ and the True Point of Beginning.

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Form 208/208
4/88

FEB 21 1995

State of Idaho
Department of Water Resources

A47-07768
A47-07991
A47-08009/08005
Water Right No.

Department of Water Resources

**AFFIDAVIT FOR WATER RIGHTS TO BE USED
FOR POWER PURPOSES**

A. Establishment of Residency: (Complete either 1, or 2).

1. Individual Applicant or Individual Members of a Partnership:

I, _____ of _____
(name) (city)

County of _____, State of Idaho, being duly sworn, do hereby
certify that I am a bona fide resident of the State of Idaho.

2. Corporation:

I, VINCE ALBERDI of Twin Falls
(name) (city)

County of Twin Falls, State of Idaho, being duly sworn, depose
and say: That I am the designated registered agent of the Twin Falls Canal Company

_____ : that as such I am in charge of the registered office
(name of corporation)

of the said corporation as required by Section 30-1-12, Idaho Code, at Twin Falls
(city)

Idaho, wherein are kept the corporate records required by Section 30-1-52, Idaho Code; and that Twin Falls

Canal Company is a corporation qualified to do business in the State of Idaho under the laws
(name of corporation)
of the State of Idaho.

B. Ownership of Facilities: (To be completed for hydropower projects only)

The hydropower facility to be developed pursuant to the attached Application for Permit:

- (check one)
- ☐ Will not utilize existing man-made irrigation facilities such as a dam or a canal.
 - ☐ Will utilize existing man-made irrigation facilities such as a dam or a canal, and permission of the owner is documented in an affidavit attached hereto.
 - ☒ Will utilize existing man-made irrigation facilities such as a dam or a canal, and the owner of the facilities is the signer of this affidavit.

[Signature]
Applicant

State of Idaho }
County of Twin Falls } ss.

On this 17 day of February, 19 95, personally appeared before me
the signer(s) of the above instrument, who duly acknowledged to me that he (she) (they) executed the same.

[Signature]
Notary Public residing at
Twin Falls

see

My commission expires:

5/10/97

MAR 28 1995

State of Idaho

Department of State

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FEB 21 1995

Department of Water Resources

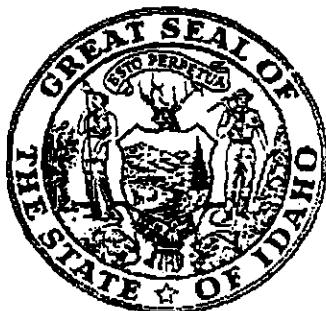
**CERTIFICATE OF REGISTRATION
OF**

CRYSTAL SPRINGS HYDROELECTRIC, L.P.
dba CRYSTAL SPRINGS HYDROELECTRIC, LIMITED PARTNERSHIP
File Number L 2694

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of an Application of CRYSTAL SPRINGS HYDROELECTRIC, L.P. for Registration in this State, duly signed and verified pursuant to the provisions of the Idaho Limited Partnership Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I issue this Certificate of Registration to CRYSTAL SPRINGS HYDROELECTRIC, L.P. to transact business in this State under the name CRYSTAL SPRINGS HYDROELECTRIC, LIMITED PARTNERSHIP and attach hereto a duplicate original of the Application for Registration.

Dated: February 10, 1995



Pete T. Cenarrusa
SECRETARY OF STATE

By

Sheryl Davis

MAR 28 1995

APPLICATION FOR REGISTRATION OF FOREIGN LIMITED PARTNERSHIP

FEB 10 10 18 AM '95

To the Secretary of State of Idaho:

Pursuant to the provisions of Chapter 2, Title 53, Idaho Code, the undersigned Limited Partnership hereby applies for registration to transact business in your State, and for that purpose submits the following statement:

1. The name of the limited partnership is Crystal Springs Hydroelectric, L.P.
2. The name which it shall use in Idaho is Crystal Springs Hydroelectric, Limited Partnership
(Must include, without abbreviation, the words "Limited Partnership.")
3. It is organized under the laws of the State of Washington
4. The date of its formation is October 31, 1994
5. The address of its registered or principal office in the state or country under the laws of which it is organized is 11225 SE 6th Street, Suite 100, Bellevue, WA 98004
6. The name and street address of its proposed registered agent in Idaho are MR. ROBERT ALLISON
140 SPUR LANE KETCHUM, IDAHO 83340
7. The address at which a list of the names, addresses and contributions of the limited partners is kept is:
11225 SE 6th Street, Suite 100, Bellevue, WA 98004

The limited partnership agrees to keep the list until its registration is cancelled or withdrawn.

8. The name and business address of each general partner are:

Name	Address
<u>Gateway Energy, Inc.</u>	<u>11225 SE 6th Street, Suite 100, Bellevue, WA 98004</u>

(Continued on reverse)

Submit application and certificate to:

Secretary of State
Corporations Division
700 West Jefferson Room 203
PO Box 83720
Boise ID 83720-0080

Secretary of State use only

IDAHO SECRETARY OF STATE
19950210 0900 63556 2
CX #: 22746 MAR 8 1995
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100.00= 100.00

8. (Continued)

Name	Address

9. This application is accompanied by an original certificate certifying to the lawful existence of the limited partnership, executed by the proper officer of the jurisdiction under the laws of which it is organized.

Dated: Feb 2, 1995.

CRYSTAL SPRINGS HYDROELECTRIC, L.P.

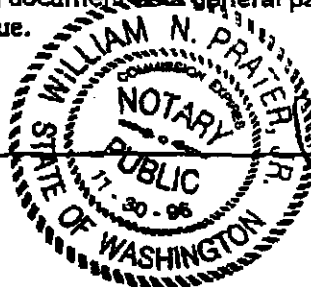
By GATEWAY ENERGY, INC.
A General Partner

By [Signature]
Dell E. Keehn, President

STATE OF WASHINGTON)
COUNTY OF KING) ss:

I, William Prater, a notary public, do hereby certify that on this 2nd day of FEBRUARY, 19 95, personally appeared before me Dell E. Keehn, who being by me first duly sworn, declared that ~~(s)he~~ ~~is a general partner of~~ the president of Gateway Energy, Inc, a general partner of Crystal Springs Hydroelectric, L.P.

that ~~(s)he~~ signed the foregoing document as a general partner of the limited partnership and that the statements therein contained are true.



[Signature]
Notary Public

FILED
MAR 28 1995

State of Idaho

Department of State

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FEB 21 1995

Department of Water Resources

**CERTIFICATE OF AUTHORITY
OF****GATEWAY ENERGY, INC.**

File number C 109398

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of an Application of GATEWAY ENERGY, INC. for a Certificate of Authority to transact business in this State, duly signed and verified pursuant to the provisions of the Idaho Business Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I issue this Certificate of Authority to GATEWAY ENERGY, INC. to transact business in this State under the name GATEWAY ENERGY, INC. and attach hereto a duplicate original of the Application for such Certificate.

Dated: February 10, 1995



Pete T. Cenarrusa
SECRETARY OF STATE

By

Alma S. Sisk

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FEB 28 1995

APPLICATION FOR CERTIFICATE OF AUTHORITY

(Profit Corporation)

To the Secretary of State of Idaho

Pursuant to Section 30-1-110, Idaho Code, the undersigned Corporation hereby applies for a Certificate of Authority to transact business in your State, and for that purpose submits the following statement: **RE**

1. The name of the corporation is Gateway Energy, Inc.
2. The name which it shall use in Idaho is Gateway Energy, Inc.
(To be used only when required to avoid a conflict with a name already on file. Must be accompanied by a Board of Directors resolution adopting assumed name in Idaho.)
3. It is incorporated under the laws of the State of Washington
4. The date of its incorporation is October 26, 1994 and the period of its duration, if other than perpetual, is n/a
5. The address of its principal office in the state or country under the laws of which it is incorporated is 11225 SE 6th Street, Suite 100, Bellevue, WA 98004
6. The address to which correspondence should be addressed, if different than item 5, is same
7. The street address of its proposed registered office in Idaho is 140 SPUR LANE
KETCHUM, IDAHO, and the name of its proposed registered agent in Idaho at that address is MR. ROBERT ALLISON
8. The purpose or purposes which it is proposed to pursue in the transaction of business in Idaho are:
operation of a hydroelectric generating facility known as Crystal Springs
Hydroelectric Project (also known as Cedar Draw Hydroelectric Project) located
in Twin Falls County, Idaho

(Continued on reverse)

Submit applications and certificate of status to:

Office of the Secretary of State
Division of Corporations
P.O. Box 83720
Boise, Idaho 83720-0080

Secretary of State use only

IDAHO SECRETARY OF STATE

19950210 0900 63551 2

PK #: 22739 CUST# 44440

CORP

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MAR 28 1995

9. The names and respective addresses of its directors and officers are:

Name	Office	Address
<u>Dell E. Keehn</u>	<u>President, Secretary, Treasurer & Director</u>	<u>11225 SE 6th St., #100, Bellevue, WA 98004</u>
<u>William N. Prater, Jr.</u>	<u>Vice President</u>	<u>11225 SE 6th St., #100, Bellevue, WA 98004</u>

10. The corporation accepts and shall comply with the provisions of the Constitution and the laws of the State of Idaho.

11. This application is accompanied by a Certificate of Corporate Status or Existence, dated within 90 days, duly authenticated by the proper officer of the state or country under the laws of which it is incorporated.

Dated: 2/2/95GATEWAY ENERGY, INC.

(Corporation name)

By [Signature]

Its President/Vice President (please specify)

and [Signature]

Its Secretary/Treasurer (please specify)

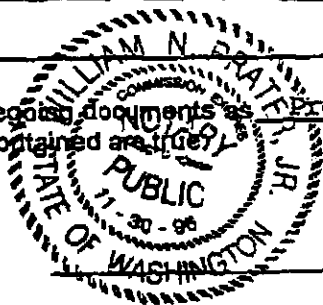
STATE OF WASHINGTON

) ss:

COUNTY OF KING

I, William Prater, a notary public, do hereby certify that on this 2ND day of FEBRUARY, 19 95, personally appeared before me Dell E. Keehn, who being by me first duly sworn, declared that (s)he is the President of Gateway Energy, Inc.

that (s)he signed the foregoing documents as President of the corporation and that the statements therein contained are true.



MAR 2 8 1995 Notary Public



State of Idaho
DEPARTMENT OF WATER RESOURCES

1301 North Orchard Street, Statehouse Mail, Boise, Idaho 83720-9000
Phone: (208) 327-7900 FAX: (208) 327-7866

January 27, 1995

PHILIP E. BATT
GOVERNOR

R. KEITH HIGGINSON
DIRECTOR

Robert K. Mouritsen
Far West Capital
921 Executive Park Dr., Suite B
Salt Lake City, UT 84117

RE: Water Right Nos. 47-07768, 47-07991, 47-08005 and 47-08009

Dear Mr. Mouritsen:

A copy of your January 20, 1995 letter has been included in each of the above referenced water right files. In response to your letter, I offer the following.

Right No. 47-08009 is a license; a water right license is considered real property and is automatically transferred to the new owner unless specifically withheld in the sale. The department does not re-issue licenses for the purpose of showing name changes nor is any other action required to change departmental records for this right since the department does not attempt to keep records of the chain of ownership for licenses.

The remaining three rights are permits which are considered personal property, therefore, departmental records need to be updated to reflect changes in ownership. I have enclosed the appropriate assignment forms for this purpose along with Form 205/206. This form is required for all power filings and should be submitted for each of these permits.

Once the assignment forms and affidavits are received by the department, the assignments will be reviewed for acceptability and approval.

And finally, the Snake River Basin Adjudication Claims which have been filed on three of the above rights require updating in terms of ownership change. The regulations governing the adjudication process require that the chain of ownership is tracked for their processing. Therefore, I have enclosed the form to be used for this purpose as well.

If I can be of further assistance, please let me know.

Sincerely,

SHARLA CURTIS
Water Right Permits Section

Enclosures

MAR 28 1995



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JAN 23 1995

Department of Water Resources

Far West Capital

January 20, 1995

Jim Johnson, Manager
State of Idaho
Department of Water Resources
1301 North Orchard Street
Statehouse Mail
Boise, ID 83720-9000

Re: Water Rights 47-07768
47-07991
47-08005
47-8009

Dear Mr. Johnson:

On September 22, 1994 you sent us a letter explaining the status of water rights 47-07768, 47-07991 and 47-08005. On September 12, 1994 Gary Spackman of your office sent us a letter explaining the status of water right 47-8009. Copies of those letters are enclosed for your convenience.

We are in the process of selling the Crystal Springs Hydroelectric project to Crystal Springs Hydroelectric, L.P., a Washington limited partnership and desire the consent of your department to the assignment of these water rights and any other permits or rights that affect the facility to such entity.

Could you please sign below acknowledging your consent thereto and advise us if there are any other forms or procedure necessary with your office to change the licensee as above stated.

Your prompt acknowledgment and attention in this matter are greatly appreciated. If you have any questions please call either me or Mr. Dell Keehn on behalf of the assignee at (206) 637-1251.

Sincerely,

Robert K. Mouritsen
Associate General Counsel

RKM:hs

cc: Dell Keehn
Thomas A. Quinn
Alan O. Melchior

921 Executive Park Drive, Suite B · Salt Lake City, Utah 84117 · (801) 268-4444 · Fax: (801) 266-5155

MAR 28 1995

The undersigned hereby acknowledges and consents to Crystal Springs Hydroelectric Company's assigning Water Permit Nos. 47-07768, 47-07991, 47-08005 and 47-8009 and any other permits or rights that affect the facility to Crystal Springs Hydroelectric, L.P. and to such entity becoming the new Licensee.

Idaho Department of Water Resources

By: _____

Its: _____

28 1995



State of Idaho
DEPARTMENT OF WATER RESOURCES

1301 North Orchard Street, Statehouse Mail, Boise, Idaho 83720-9000
Phone: (208) 327-7900 FAX: (208) 327-7866

CECIL D. ANDRUS
GOVERNOR

R. KEITH HIGGINSON
DIRECTOR

September 12, 1994

Far West Capital, Inc.
Attn: Robert Mouritsen
921 Executive Park Dr. #B
Salt Lake City, UT 84117

RE: Water Right license number 47-8009

Dear Mr. Mouritsen:

Pursuant to your telephone call, I reviewed our files pertaining to water right number 47-8009. You inquired about a letter I wrote in 1986, stating that proof of beneficial use must be filed. Proof of beneficial use was filed in 1987. The use was examined, and a license was issued by the Department of Water Resources. A copy of the license is enclosed. The license verifies and is the final perfection of the water right.

Sincerely,


Gary Spackman

enclosure

MAR 28 1995



State of Idaho

DEPARTMENT OF WATER RESOURCES

1301 North Orchard Street, Statehouse Mail, Boise, Idaho 83720-9000

Phone: (208) 327-7900 FAX: (208) 327-7866

CECIL D. ANDRUS
GOVERNOR

R. KEITH HIGGINSON
DIRECTOR

January 14, 1992

RE: Water Right Nos. 47-7768/7991/8005/**8009**

Douglas M. Monson
Ray, Quinney & Nebeker
PO Box 45385
Salt Lake City, UT 84145-0385

Dear Mr. Monson:

I have received your correspondence dated December 27, 1991 concerning the above referenced water rights. I offer the following in response.

Water Right 47-8009 is a licensed right. A license is considered real property; proof of owning the land is proof of owning the right, unless specifically withheld in the sale. The license was issued in the name of Crystal Springs Hydroelectric Co. But as I stated, the license is appurtenant to the property.

Water Rights 47-7768 and 47-7991 are permits currently held in the name of First Security Bank of Idaho. Our contact person for these is Mark Simonson, Vice Pres. of the bank. Field examinations for these rights have been conducted and water right licenses will subsequently be issued on them. We have a backlog of permits to be licensed, therefore, I can't really give you a time frame for when that will happen.

Water Right 47-8005 is also a permit currently in the name of First Security Bank of Idaho. This is the right for which the proof of beneficial use statement was recently submitted. Per your request, I have enclosed a copy of that statement. Upon receipt of such a statement, the Department is responsible for conducting a field examination. This examination will be conducted out of our Southern Regional Office in Twin Falls; arrangements for the exam can be made through that office.

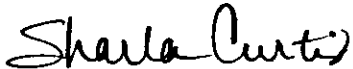
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MAR 28 1992

Page 2

I have placed a copy of your correspondence in each of the files for future reference. We will attempt to send copies of future correspondence to First Security Bank of Utah; however, because numerous department employees work with these files it is impossible for me to guarantee that action.

If I can be of further assistance, please give me a call.

Sincerely,

A handwritten signature in cursive script that reads "Sharla Curtis".

SHARLA CURTIS
Water Resource Agent

Enclosure

8 1995

RAY, QUINNEY & NEBEKER
PROFESSIONAL CORPORATION
ATTORNEYS AT LAW

ALONZO W. WATSON, JR.
STEPHEN B. NEBEKER
MITCHELL MELICH
DON B. ALLEN
MERLIN O. BAKER
CLARK P. GILES
JAMES W. FREED
ROBERT M. GRAHAM
NARRVEL E. HALL
JAMES L. WILDE
HERBERT C. LIVSEY
WILLIAM A. MARSHALL
JAMES Z. DAVIS
PAUL S. FELT
D. JAY CURTIS
GERALD T. SNOW
ALAN A. ENKE
JONATHAN A. DIBBLE
SCOTT H. CLARK
STEVEN H. GUNN
JAMES S. JARDINE
JANET HUGIE SMITH
DOUGLAS MATSUMORI

ROBERT P. HILL
RICHARD G. ALLEN
ANTHONY W. SCHOFIELD
ALLEN L. ORR
BRAD D. HARDY
BRIAN E. KATZ
A. ROBERT THORUP
JOHN P. HARRINGTON
BRENT W. TODD
LARRY G. MOORE
THOMAS L. KAY
DALE M. OKERLUND
BRUCE L. OLSON
JOHN A. ADAMS
DOUGLAS H. MONSON
CRAIG CARLILE
STEVEN W. HARRIS
RICHARD H. CASPER
JAMES M. DESTER
DEE R. CHAMBERS
KEVIN G. GLADE
JEFFREY D. EISENBERG
LESTER K. ESSIG

IRA B. RUBINFELD
BOYD A. FERGUSON
STEPHEN C. TINGEY
CRAIG L. TAYLOR
KELLY J. FLINT
JOHN R. MADSEN
MARK O. MORRIS
STEVEN J. AESCHBACHER
PAUL D. NEWMAN
KEITH A. KELLY
SCOTT A. HAGEN
RICK L. ROSE
RICK B. HOGGARD
LISA A. YERKOVICH
BRENT D. WRIDE
MICHAEL E. BLUE
CAMERON M. HANCOCK
ELAINE A. MONSON
SYLVIA IANNUCCI
JARED M. HARRIS
GEORGE S. ADONDAKIS
DAVID A. CUTT

400 DESERET BUILDING
79 SOUTH MAIN STREET
P. O. BOX 45385
SALT LAKE CITY, UTAH 84145-0385
TELEPHONE (801) 532-1500
TELECOPIER NO. (801) 532-7543

210 FIRST SECURITY BANK BLDG.
92 NORTH UNIVERSITY AVENUE
PROVO, UTAH 84601-4420
TELEPHONE (801) 226-7210
TELECOPIER NO. (801) 375-8379

1020 FIRST SECURITY BANK BLDG.
2404 WASHINGTON BOULEVARD
OGDEN, UTAH 84401-2306
TELEPHONE (801) 621-0713
TELECOPIER NO. (801) 392-6068

OF COUNSEL
ALBERT R. BOWEN
ROBERT GORDON
M. JOHN ASHTON
KENT H. MURDOCK

Salt Lake City Office

December 27, 1991

Sharla Curtis
State of Idaho
Department of Water Resources
1301 North Orchard Street
Statehouse Mail
Boise, Idaho 83720-9000

RECEIVED
DEC 30 1991

Department of Water Resources

RE: Permit Nos. 47-08005, 47-07768, 47-07991, 47-08009;
Crystal Springs Project; Bonneville Pacific
Corporation

Dear Ms. Curtis:

As we discussed this morning, our firm represents First Security Bank of Utah, N.A., which is the mortgage holder on the Crystal Springs hydroelectric project. We received from our Trustee, First Security Bank of Idaho, N.A., a copy of a notice dated August 31, 1991 from Rita Fleck of your office advising that proof of the extent of the beneficial use of Permit No. 47-08005 had to be submitted by November 1, 1991. It is my understanding from our conversation that the required proof was submitted on October 2, 1991 by Bonneville Pacific Corporation ("Bonneville"), which was then the operator of the project.

We would appreciate it if you could forward to us a copy of Bonneville's October 2 submission, and also advise us of any further action which might need to be taken in order to preserve the permit. For your information, Bonneville filed a Chapter 11

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MAR 28 1992

Sharla Curtis
December 27, 1991
Page 2

bankruptcy petition in Utah on December 5, 1991 (a copy of the notice of Bonneville's filing is enclosed for your reference), and we are currently uncertain in view of this filing whether or not Bonneville will continue to monitor and comply with filing requirements in order to preserve existing permits.

First Security is of course vitally interested in seeing that all necessary permits for the Crystal Springs project are kept in force, and would appreciate your sending directly to them copies of all notices related to the permits. We would appreciate it if you could forward such notices to First Security at the following address (in addition to the First Security Bank of Idaho address you have currently listed):

First Security Bank of Utah, N.A.
c/o Paul Toller, Assistant Vice President
Special Loans Department
79 South Main Street, 11th Floor
Salt Lake City, Utah 84111

Thank you for your assistance with this matter.

Sincerely,

RAY, QUINNEY & NEBEKER


Douglas M. Monson

Enclosure

cc: R. Paul Toller
James Z. Davis

DMM:jh:

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DEC 28 1995

Frank E. Moss Building
350 South Main
Salt Lake City, UT 84101

UNITED STATES BANKRUPTCY COURT
RAY. GUINNEY

DEC 24 1991

District of Utah

NOTICE OF COMMENCEMENT OF CASE UNDER CHAPTER 11
OF THE BANKRUPTCY CODE,
MEETING OF CREDITORS, AND FIXING OF DATES
(Corporation/Partnership Case)

Case Number: 91-27701 JHA
Date Filed (or Converted): 12/05/91

91-27701

DOCKET
CONTROL

IN RE (NAME OF DEBTOR)
Bonneville Pacific Corporation,
87-0363215

ADDRESS OF DEBTOR
257 East 200 South, Ste. 800
Salt Lake City, UT 84111

NAME/ADDRESS OF ATTORNEY FOR DEBTOR
David E. Leta
50 W. Broadway, 6th Fl.
Salt Lake City, UT 84101

NAME/ADDRESS OF TRUSTEE

Telephone Number: (801) 532-7520
DATE/TIME/LOCATION OF MEETING OF CREDITORS
January 13, 1992 at 1:00 pm
Little America Hotel
Arizona Room
500 South Main Street
Salt Lake City, UT 84101

Telephone Number:

☒ Corporation ☐ Partnership

Filing Claims: Deadline to File a Proof of Claim is 04/13/92

COMMENCEMENT OF CASE. A petition for reorganization under chapter 11 of the Bankruptcy Code has been filed in this court by or against the debtor named above, and an order for relief has been entered. You will not receive notice of all documents filed in this case. All documents filed with the court, including lists of the debtor's property and debts, are available for inspection at the office of the clerk of the bankruptcy court.

CREDITORS MAY NOT TAKE CERTAIN ACTIONS. A creditor is anyone to whom the debtor owes money or property. Under the Bankruptcy Code, the debtor is granted certain protection against creditors. Common examples of prohibited actions by creditors are contacting the debtor to demand repayment, taking action against the debtor to collect money owed to creditors or to take property of the debtor, and starting or continuing foreclosure actions or repossessions. If unauthorized actions are taken by a creditor against a debtor, the court may penalize that creditor. A creditor who is considering taking action against the debtor or the property of the debtor should review Sec. 362 of the Bankruptcy Code and may wish to seek legal advice. If the debtor is a partnership, remedies otherwise available against general partners are not necessarily affected by the commencement of this partnership case. The staff of the clerk of the bankruptcy court is not permitted to give legal advice.

MEETING OF CREDITORS. The debtor's representative, as specified in Bankruptcy Rule 9001(a)(5), is required to appear at the meeting of creditors on the date and at the place set forth above for the purpose of being examined under oath. Attendance by creditors at the meeting is welcomed, but not required. At the meeting, the creditors may examine the debtor and transact such other business as may properly come before the meeting. The meeting may be continued or adjourned from time to time by notice at the meeting, without further written notice to the creditors.

PROOF OF CLAIM. Schedules of creditors have been or will be filed pursuant to Bankruptcy Rule 1007. Any creditor holding a scheduled claim which is not listed as disputed, contingent, or unliquidated as to amount may, but is not required to, file a proof of claim in this case. Creditors whose claims are not scheduled or whose claims are listed as disputed, contingent, or unliquidated as to amount and who desire to participate in the case or share in any distribution must file their proofs of claim. A creditor who desires to rely on the schedules of creditors has the responsibility for determining that the claim is listed accurately. The place to file a proof of claim, either in person or by mail, is the office of the clerk of the bankruptcy court. Proof of claim forms are available in the clerk's office of any bankruptcy court.

PURPOSE OF CHAPTER 11 FILING. Chapter 11 of the Bankruptcy Code enables a debtor to reorganize pursuant to a plan. A plan is not effective unless approved by the court at a confirmation hearing. Creditors will be given notice concerning any plan, or in the event the case is dismissed or converted to another chapter of the Bankruptcy Code. The debtor will remain in possession of its property and will continue to operate any business unless a trustee is appointed.

A case may be dismissed 10 days after the first meeting if the debtor(s) or debtor's counsel fail to attend the meeting; or file required Schedules/Statements within 15 days after the petition date. (Local Rules 511, 525)

MAR 28 1995

For the Court:

William C. Stillgebauer
Clerk of the Bankruptcy Court

12/20/91
Date

FORM B9F 0001

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF UTAH
CENTRAL DIVISION

In Re:)
BONNEVILLE PACIFIC CORPORATION,) Bankruptcy No. 91A-27701
Debtor in Possession.) Chapter 11

ORDER LIMITING FURTHER NOTICE

This matter came before the Court upon the *Ex Parte* Motion of Bonneville Pacific Corporation, Debtor and Debtor-in-Possession (the "Debtor") in the above-captioned case, for entry of an order limiting notice pursuant to Rule 2002(i), Fed. R. Bankr. P. (the "Motion"). Based on the Motion, the pleadings on file in this case, and good cause appearing therefor, it is hereby ORDERED that:

I. Pursuant to Rule 2002(i), all future notices required by Rule 2002(a)(2), (3) and (7), Fed. R. Bankr. P., in the above-captioned bankruptcy case will be mailed to only: (1) the members of official committees appointed by the United States Trustee pursuant to 11 U.S.C. § 1102, and to their authorized agents, (2) the office of the United States Trustee, and

(3) creditors, equity security holders or parties-in-interest who serve on the Debtor and file with the Court a request that all notices be mailed to them, and (4) *the 20 largest unsecured creditors.*

2. Notice of this Order, or a copy hereof, shall be mailed to all creditors on the official matrix of creditors filed in this Case, to the office of the United States Trustee and to all parties-in-interest who have filed a request for notice as of the date of such mailing.

DATED this 13 day of December, 1991.

BY THE COURT:

John H. Allen
The Honorable John H. Allen
United States Bankruptcy Court Judge

WATER RESOURCES
HOUSE
23720

RECEIVED
DATE

FORW000 841312001 1B89 05/29/90
RETURN TO SENDER
FORWARDING
ORDER EXPIRED
RETURN TO SENDER

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JUL 23 1990

RECEIVED
JUN 1 1990

Department of Water Resources

Bonneville Pacific Corp.
200 E. Temple Suite 300
Salt Lake City, UT 84111

7/10/90: Gregory Allsup (Current)
Bonneville Pacific Corp.
257 E. 200S.

Suite 800

Salt Lake City, UT 84111

resent 7/10/90
JS

²³
~~May 7~~, 1990

July 10

CRYSTAL SPRINGS HYDROELECTRIC CO.
C/O BONNEVILLE PACIFIC CORP.
200 E. S. TEMPLE, SUITE 300
SALT LAKE CITY, UT 84111

RE: PERMIT NO. 47-08009

Dear Permit Holder(s):

Enclosed herewith is a copy of the Water Right License issued on the above referenced permit.

Sincerely,

JIM JOHNSON
Water Rights Supervisor

JJ:sc

Enclosure

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MAY 31 1990

MEMORANDUM

TO: FILE

FROM: TIM LUKE

RE: SWAN FALLS PROCESSING
PERMIT NO. 47-8009

DATE: 7-3-89

This permit appears on the department's Swan Falls process list. Processing of the permit may have been delayed until such time as it could be reviewed under the requirements of Section 42-203D, Idaho Code. Note that the permit is in a groundwater management area.

Review of the permit shows that the filing was never named in the Swan Falls suit for reason that it is an industrial use with a diversion rate less than 1.00 cfs. DCMI filings with rates less than 1.00 cfs are exempt from the review requirements of Section 42-203D. The department originally omitted permits in groundwater management areas from the Swan Falls process list, then later included those filings on the list. A number of filings such as this, which were eligible for exemption were not screened prior to being placed on the department's PC database.

I recommend that this permit be removed from the Swan Falls PC database process list. Further processing of the permit should be done in accordance with the standard public water appropriation rules and statutes.

Note: Field exam has been made. Department should proceed w/ standard license review.

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MAY 31 1990

POINT OF DIVERSION OVERLAP REVIEW

WR-NUMBER	TWP	RNG	SC	TRACT	LT	#SOURCE	#NAME
				1\4 1\4 1\4			
4708009	09S	15E	14	NW NE		GROUNDWATER	CRYSTAL SPRINGS HYDR

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MAY 21 1990



State of Idaho
DEPARTMENT OF WATER RESOURCES

1301 North Orchard Street, Statehouse Mail, Boise, Idaho 83720 - (208) 334-7900

CECIL D. ANDRUS
GOVERNOR
R. KEITH HIGGINSON
DIRECTOR

July 26, 1988

James M. Dester
Attorney at Law
P.O. Box 45385
79 South Main St.
Salt Lake City, UT 84145-0385

RE: Crystal Springs Hydroelectric Project

Dear Mr. Dester:

In response to your letter dated July 7, 1988, I have reviewed the collateral assignment of permit nos. 47-7768, 47-7991, 47-8005 and 47-8009. I have also reviewed the affidavit of Mark A. Simonson, Vice President and Trust Officer of First Security Bank of Idaho, N.A. Based on my review, I find that First Security Bank of Idaho is qualified to do business in the state of Idaho, and that the collateral assignment to First Security Bank of Idaho as a trustee is appropriate. I also find specifically under Idaho Code Section 42-207, that the transfer appears to have been made in good faith, and was not for purposes of speculation or delay.

This letter does not address the assignment of application for permit for altering stream channel no. 47-S-70, although a copy of this letter will be forwarded to that file for reference.

Our records will show that First Security Bank of Idaho, N.A. is the owner of the above mentioned permits. We will, however, attempt to accomodate the request to issue the licenses for the above mentioned permits to Crystal Springs Hydroelectric Company.

Sincerely,

GARY SPACKMAN
Water Allocation Section

GS:hm

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MAY 31 1990

RAY, QUINNEY & NEBEKER

PROFESSIONAL CORPORATION
ATTORNEYS AT LAW

ALONZO W. WATSON, JR.
STEPHEN B. NEBEKER
MITCHELL MELICH
L. RIDD LARSON
DON B. ALLEN
MERLIN O. BAKER
CLARK P. GILES
JAMES W. FREED
NARRVEL E. HALL
JAMES L. WILDE
M. JOHN ASHTON
HERBERT C. LIVSEY
WILLIAM A. MARSHALL
JAMES Z. DAVIS
PAUL S. FELT
GERALD T. SNOW
ALAN A. ENKE
JONATHAN A. DIBBLE
SCOTT H. CLARK
STEVEN H. GUNN
JAMES S. JARDINE
KENT H. MURDOCK
JANET HUGIE SMITH
DOUGLAS MATSUMORI
ROBERT P. HILL
RICHARD G. ALLEN
ANTHONY W. SCHOFIELD
ALLEN L. ORR
BRAD D. HARDY
BRIAN E. KATZ
A. ROBERT THORUP
JOHN P. HARRINGTON
BRENT W. TODD

LARRY G. MOORE
ANTHONY S. QUINN
THOMAS L. KAY
BRUCE L. OLSON
JOHN A. ADAMS
DOUGLAS M. MONSON
CRAIG CARLILE
STEVEN W. HARRIS
RICHARD H. CASPER
JAMES M. DESTER
DEE R. CHAMBERS
KEVIN G. GLADE
JEFFREY D. EISENBERG
ENID GREENE
LESTER K. ESSIG
IRA B. RUBINFELD
STEPHEN C. TINGEY
CRAIG L. TAYLOR
KELLY J. FLINT
MARK O. MORRIS
STEVEN J. AESCHBACHER
PAUL D. NEWMAN
KEITH A. KELLY
RICK L. ROSE
MARK Y. HIRATA
RICK B. HOGGARD
LYNN H. PACE
LISA A. YERKOVICH
OF COUNSEL
ALBERT R. BOWEN
W. J. O'CONNOR, JR.

* ADMITTED IN COLORADO & TEXAS

400 DESERET BUILDING
79 SOUTH MAIN STREET
P. O. BOX 45385
SALT LAKE CITY, UTAH 84145-0385
TELEPHONE (801) 532-1500
TELECOPIER NO. (801) 532-7543

210 FIRST SECURITY BANK BLDG
92 NORTH UNIVERSITY AVENUE
PROVO, UTAH 84601-4420
(801) 226-7210

1020 FIRST SECURITY BANK BLDG
2404 WASHINGTON BOULEVARD
OGDEN, UTAH 84401-2306
(801) 621-0713

PAUL H. RAY (1893-1967)
A. H. NEBEKER (1895-1980)
S. J. QUINNEY (1893-1983)

July 7, 1988

FEDERAL EXPRESS

Gary Spackman
Idaho Department of Water Resources
1301 North Orchard Street
Statehouse Mail
Boise, Idaho 83720

Re: Crystal Springs Hydroelectric Project

Dear Gary:

Pursuant to our prior discussions concerning the Collateral Assignment of permit nos. 47-7768, 47-7991, 47-8005, 47-8009 and Application for Permit for Altering Stream Channel no. 47-S-70 (the "Permits") from Crystal Springs Hydroelectric Company to First Security Bank of Idaho, N.A., as trustee for First Security Bank of Utah, National Association, I have enclosed the following documents:

1. Collateral Assignment of Water Rights, dated as of July 7, 1988;
2. Affidavit of Mark A. Simonson, Vice President and Trust Officer of First Security Bank of Idaho, N.A.; and
3. Letter dated July 7, 1988 from First Security Bank of Utah, National Association and First Security Bank of Idaho, N.A., requesting that licenses issued in the future in connection with the Permits be issued in the name of Crystal Springs Hydroelectric Company.

MAY 31 1990

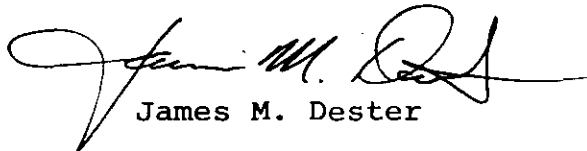
Gary Spackman
Idaho Department of Water Resources
July 7, 1988
Page 2

Based upon our prior discussions, it is my understanding that you will issue a letter to First Security Bank of Utah, National Association, First Security Bank of Idaho, N.A. and Crystal Springs Hydroelectric company, approving the Collateral Assignments of the Permits. Please forward the approval to me at Ray, Quinney & Nebeker, 79 South Main Street, Suite 400, Salt Lake City, Utah 84111. If my understanding of the foregoing is incorrect or if you have questions concerning the above, please give me a call at (801)532-1500.

We sincerely appreciate your assistance in these matters.

Very truly yours,

RAY, QUINNEY & NEBEKER


James M. Dester

JMD/rp
Enclosure

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MAY 31 1990

AFFIDAVIT

STATE OF IDAHO)

COUNTY OF ADA)

I, Mark A. Simonson, on oath state that:

1. I am a duly elected Vice President and Trust Officer of First Security Bank of Idaho, N.A., a national banking association organized under the laws of the United States of America (the "Bank").

2. Pursuant to the National Bank Act and the Bank's Articles of Association, as amended, a copy of which is attached hereto as Exhibit A, the Bank is qualified and authorized to do business in the State of Idaho.

3. The Bank's main office and principal place of business is located in Boise, Idaho.

4. This Affidavit is provided to confirm that the Bank is qualified to receive collateral assignments of water rights and associated permits in accordance with Sections 42-206 and 42-207 of the Idaho Code.



Name: Mark A. Simonson
Title: Vice President and Trust
Officer
First Security Bank of Idaho,
N.A.

SUBSCRIBED AND SWORN to before me this 9 day of June,
1988.

(SEAL)

Mary Krasin
Notary Public
Residing at: Ada County
Boise
My Commission Expires 7-3-93

1468d

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MAY 31 1990

ARTICLES OF ASSOCIATION
AS AMENDED
FIRST SECURITY BANK OF IDAHO
NATIONAL ASSOCIATION

FIRST. The title of this Association shall be
"FIRST SECURITY BANK OF IDAHO, NATIONAL ASSOCIATION"

SECOND. The main office shall be in Boise, Ada County, State of Idaho. The general business of the Association shall be conducted at its main office and its legally established branches.

THIRD. The Board of Directors of this Association shall consist of not less than five nor more than twenty-five shareholders. At any meeting of the shareholders held for the purpose of electing Directors, or changing the number thereof, the number of Directors may be determined by a majority of the votes cast by the shareholders in person or by proxy. A majority of the Board of Directors shall be necessary to constitute a quorum for the transaction of business at any Directors' meeting.

FOURTH. The regular annual meeting of the shareholders of this association shall be held at its main banking house, or other convenient place duly authorized by the Board of Directors, on such day of each year as is specified therefor in the bylaws.

FIFTH. The amount of authorized capital stock of this Association shall be Twenty Million Dollars (\$20,000,000.00), divided into 200,000 shares of common stock of the par value of One Hundred Dollars (\$100.00) each; but said capital stock may be increased or decreased from time to time, in accordance with the provisions of the laws of the United States.

If the capital stock is increased by the sale of additional shares thereof, each shareholder shall be entitled to subscribe for such additional shares in proportion to the number of shares of said capital stock owned by him at the time the increase is authorized by the shareholders, unless another time subsequent to the date of the shareholders' meeting is specified in a resolution adopted by the shareholders at the time the increase is authorized. The Board of Directors shall have the power to prescribe a reasonable period of time within which the preemptive rights to subscribe to the new shares of capital stock must be exercised.

MICROFILMED
MAY 31 1990

If the capital stock is increased by a stock dividend, each shareholder shall be entitled to his proportionate amount of such increase in accordance with the number of shares of capital stock owned by him at the time the increase is authorized by the shareholders, unless another time subsequent to the date of the shareholders' meeting is specified in a resolution adopted by the shareholders at the time the increase is authorized.

The Association at any time and from time to time may authorize and issue debt obligations, whether or not subordinated, without the approval of shareholders.

SIXTH. (1) The Board of Directors shall appoint one of its members President of this Association. It may also appoint a Chairman of the Board, and one or more Vice Chairmen. The Board of Directors shall have the power to appoint one or more Vice Presidents, at least one of whom shall also be a member of the Board of Directors, and who shall be authorized in the absence of the President, to perform all acts and duties pertaining to the office of President; to appoint a Cashier and such other officers and employees as may be required to transact the business of this Association; to fix the salaries to be paid to such officers and employees of this Association, and to dismiss any of such officers or employees and appoint others to take their place.

(2) The Board of Directors shall have the power to define the duties of officers and employees of this Association and to require adequate bonds from them for the faithful performance of their duties; to make all Bylaws that may be lawful for the general regulation of the business of this Association and the management of its affairs, and generally to do and perform all acts that may be lawful for a Board of Directors to do and perform.

(3) Each person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that he is or was a director, officer, employee or agent of the Association or is or was serving at the request of the Association as a director, officer, employee, fiduciary or agent of another corporation, partnership, joint venture, trust, estate or other enterprise or was acting in furtherance of the Association's business shall be indemnified against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association provided; however, no indemnification shall be given to a person adjudged guilty of, or liable for, willful misconduct, gross neglect of duty, or criminal acts. The termination of any action, suit or proceeding by judgment, order settlement, or its equivalent, shall not of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Association.

MICROFILMED

MAY 31 1990

(4) Each person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Association (such action or suit being known as a "derivative proceeding") to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of the Association or is or was serving at the request of the Association as a director, officer, employee, fiduciary or agent of another corporation, partnership, joint venture, trust, estate or other enterprise shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Association unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

(5) To the extent that such director, officer, employee, fiduciary or agent of a corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in (3) or (4) of this Article or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

(6) Any indemnification under (3) or (4) of this Article (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a reasonable determination that indemnification of the director, officer, employee, fiduciary or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in (3) or (4) of this Article. Such determination shall be made (a) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (b) if such quorum is not obtainable, or even if obtainable a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (c) by the stockholders.

(7) Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized in the manner provided in (6) of this Article upon receipt of an undertaking by or on behalf of the director, officer, employee, fiduciary or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this Article.

(8) The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any Bylaw, agreement, vote of shareholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office and shall inure to the benefit of the heirs, executors, successors in interest, and administrators of such a person.

NOT RECORDED
MAY 31 1990

(9) The Board of Directors shall have the power to change the location of the main office of this Association to any other place within the limits of Boise, Idaho, without the approval of the shareholders of this Association but subject to the approval of the Comptroller of the Currency; and shall have the power to change the location of any branch or branches of this Association to any other location, without the approval of the shareholders of this Association but subject to the approval of the Comptroller of the Currency.

SEVENTH. The corporate existence of this Association shall continue until terminated in accordance with the laws of the United States.

EIGHTH. The Board of Directors of this Association, or any three or more shareholders owning, in the aggregate, not less than ten per centum (10%) of the stock of this Association, may call a special meeting of shareholders at any time.

Unless otherwise provided by the laws of the United States, a notice of the time, place, and purpose of every annual and every special meeting of the shareholders shall be given by first-class mail, postage prepaid, mailed at least ten days prior to the date of such meeting to each shareholder of record at his address as shown upon the books of this Association.

Subject to the provisions of the laws of the United States, these Articles of Association may be amended at any meeting of the shareholders for which adequate notice has been given, by the affirmative vote of the owners of a majority of the stock of this Association, voting in person or by proxy.

As Amended
January 11, 1977

MICROFILMED

MAY 31 1990

COLLATERAL ASSIGNMENT OF WATER RIGHTS

This Collateral Assignment of Water Rights (hereinafter called the "Assignment"), dated as of July 7, 1988, is hereby entered into by CRYSTAL SPRINGS HYDROELECTRIC COMPANY, an Idaho general partnership, with its principal office c/o Far West Capital, Inc., 1135 East South Union Avenue, Midvale, Utah 84047 (hereinafter called the "Assignor"), FIRST SECURITY BANK OF IDAHO, N.A., a national banking association qualified to do business in the State of Idaho, with its principal office at 119 North 9th Street, Boise, Idaho 83701 (hereinafter called the "Trustee"), and FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, with its office at 15 East 100 South, Second Floor, Salt Lake City, Utah 84111 (hereinafter called the "Bank").

Recitals

A. Assignor and the Bank have entered into a Credit Agreement, dated of even date herewith (the "Credit Agreement"), pursuant to which the Bank has agreed to make a loan to Assignor in the aggregate amount of \$2,800,000 to refinance a certain hydroelectric project known as the Crystal Springs Hydroelectric Project in Twin Falls County, Idaho (the "Project").

B. Assignor owns water rights relating to the Project pursuant to Permit Nos. 47-7768, 47-7991, 47-8005, 47-8009 and Application for Permit to Alter Stream Channel No. 47-S-70 (the "Permits") issued by the Department of Water Resources of the State of Idaho (the "Department"), copies of which are attached hereto as Exhibit A. The Project is located on the real property described in Exhibit B attached hereto.

C. As a condition to making the loans under the Credit Agreement to refinance the Project, the Bank requires that this Assignment be executed and delivered to the Trustee.

Agreement

Accordingly, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Assignor hereby represents and warrants to the Bank, that:

(a) the Recitals are true and correct;

(b) Assignor is the lawful owner of the water rights and interests granted by the Permits, and the Permits are in full force and effect and have not been amended or modified, and the Assignor has not transferred, **MICROFILMED** MAY 31 1990

conveyed or granted a security interest in its rights and interests under the Permits.

2. Subject to and specifically conditioned upon the written approval hereof by the Department, Assignor hereby assigns to Trustee all of Assignor's right, title and interest in the Permits and all amendments and supplements thereto. Such assignment is made as collateral security for the payment of all of the obligations of the Assignor to the Bank arising under the Credit Agreement, including but not limited to the indebtedness evidenced by the Promissory Note issued to the Bank under the Credit Agreement. Assignor also hereby grants a security interest to Trustee in the Permits and all amendments and supplements thereto.

3. This Assignment is an assignment only of all right, title and interest of the Assignor in the Permits, and the Assignor covenants and agrees with the Trustee to faithfully perform, observe and comply with all obligations of the Assignor under the Permits and with all limitations and conditions imposed under the Permits, as if this Assignment had not been made. The Trustee shall not be deemed in any manner to have assumed such obligations, and in no event shall the Bank be deemed to have assumed any of the obligations of the Assignor under or with respect to the Permits, unless and until the Bank has given Assignor written notice that the Bank has affirmatively assumed such obligations as the result of an event of default existing under the Credit Agreement (a "Default") and the enforcement of the rights and remedies of the Trustee under this Assignment.

4. Assignor agrees that it will not cancel, terminate, modify or amend the Permits or surrender any of its water rights granted under the Permits and will not further assign the Permits to any party, without in each instance the prior written consent of the Bank. Assignor further agrees that it shall deliver to the Trustee and the Bank copies of all written agreements, correspondence and memoranda between Assignor and the Department relating to the Permits and any water license issued by the Department to replace a Permit as the Trustee or the Bank may from time to time reasonably required.

5. Upon the occurrence of any Default the Trustee, at the request of the Bank, may without notice or demand and with or without entry upon the site of the Project, at its option, take over and enjoy the benefits of the Permits to the same extent as Assignor might do. The exercise of such right by the Trustee shall not affect any of the rights or remedies of the Bank under any other instrument securing payment of the obligations under the Credit Agreement and the Promissory Note issued thereunder. In addition, upon the occurrence of a Default the Trustee shall have the right to exercise and enforce any and all rights and remedies available after Default to a secured party under the applicable

MAY 31 1990

law. If notice to the Assignor of any intended disposition of collateral or any other intended actions is required by law in a particular instance, such notice shall be deemed commercially reasonable if given to Assignor at least 10 days prior to the intended disposition or other action.

6. The Trustee shall hold all right, title and interest in the Permits for the benefit of the Bank subject to the limitations under this Assignment, pending issuance of water licenses to replace the Permits by the Department. Any water license issued to replace the Permit shall be issued to Assignor; provided, however, that this Assignment shall constitute an automatic assignment to the Trustee of all of Assignor's right, title and interest in any such water license as collateral security for the payment of Assignor's obligations under the Credit Agreement and the Promissory Note issued thereunder and the rights and remedies of the Trustee with respect to any such water license shall be the same as those provided in this Assignment in respect of the Permits. Should any water license be issued to the Trustee instead of to Assignor, the Trustee shall take all necessary steps to transfer ownership of such water license to the Assignor as soon as possible, subject to the terms of this Assignment.

7. Assignor agrees to indemnify and to hold Trustee harmless from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against the Trustee in any way relating to or arising out of this Assignment or any action taken or omitted to be taken by it under this Assignment, provided that the Assignor shall not be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the gross negligence or willful misconduct of the Trustee.

8. Nothing herein contained shall be construed as making Trustee a mortgagee in possession, or as constituting a waiver or suspension by the Bank of its right to enforce payment of the debts under the terms of the Credit Agreement. Trustee is not the agent, partner, or joint venturer of either the Assignor or of the Department.

9. Bank hereby appoints and authorizes the Trustee to take such action on its behalf and to exercise such powers under this Assignment as are delegated to the Trustee by the terms hereof, together with such powers as are reasonably incidental thereto. As to any matters not expressly provided for by this Assignment, the Trustee shall not be required to exercise its discretion or take any action.

MAY 31 1990

10. Neither the Trustee nor any of its respective directors, officers, employees or agents shall be liable for any action taken or omitted to be taken by it or them under or in connection with this Assignment, except for its own or their own gross negligence or willful misconduct. Without limitation of the generality of the foregoing, the Trustee (i) may consult with legal counsel and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel or experts, (ii) shall incur no liability under or in respect of this Assignment by acting upon any notice, certificate or other instrument or writing believed by it to be genuine and signed or sent by the proper party or parties, (iii) shall not have any duty to ascertain or to inquire as to the performance or observance of any of the covenants and agreements of the Assignor under this Assignment or to determine whether a Default has occurred and (iv) shall not be responsible to Bank for the due execution, legality, validity, enforceability, sufficiency or value of this Assignment or any document or instrument furnished pursuant to this Assignment.

11. Bank agrees to indemnify the Trustee (to the extent not reimbursed by the Assignor upon demand) from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against the Trustee in any way relating to or arising out of this Assignment or any action taken or omitted to be taken by it under this Assignment, provided that Bank shall not be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the gross negligence or willful misconduct of the Trustee.

12. The Trustee may resign at any time by giving at least 90 days prior written notice thereof to the Bank and the Assignor and may be removed at any time with or without cause by the Bank. Upon any such resignation or removal, the Bank shall have the right to appoint a successor Trustee. If no successor trustee shall have been so appointed by the Bank and shall have accepted such appointment within 60 days after the retiring Trustee's giving of notice of resignation or removal, then the retiring Trustee may, on behalf of the Bank, appoint a successor Trustee, which shall be a title insurance company or bank organized or qualified to do business under the laws of the State of Idaho, having its principal office in the State of Idaho and in the case of any bank having a combined capital and surplus of at least \$25,000,000. Upon acceptance of any appointment as Trustee hereunder by a successor Trustee, such Trustee shall thereupon succeed to and become vested with all the rights,

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MAY 31 1990

powers, privileges and duties of the retiring Trustee and the retiring Trustee shall be discharged from its duties and obligations under this Assignment. After any retiring Trustee's resignation or removal hereunder as Trustee, the provisions of paragraphs 7 through 11 of this Assignment shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Trustee under this Assignment.

13. The Trustee acknowledges and agrees that it has made separate arrangement with the Assignor for the payment of its fees for serving as Trustee under this Assignment, and the Assignor agrees that such fees are its obligation to pay.

14. Assignor agrees that it will execute such other instruments and documents as the Bank or the Trustee may from time to time reasonably require to effectuate the assignment granted by this Assignment, including but not limited to filing with the Department such instruments and documents as the Department may require as a condition to approving the assignment of any water license to the Trustee that replaces a Permit.

15. This Assignment shall be binding upon the Assignor and its successors and assigns and shall inure to the benefit of the Trustee, the Bank and their respective successors and assigns.

16. This Assignment can be waived, modified, terminated or discharged only explicitly in a writing signed by the parties hereto. The mere failure to act shall not preclude the exercise or enforcement of any of the rights or remedies of the Trustee hereunder.

17. All notices to the Assignor provided for under this Assignment shall be in writing and mailed, or delivered by overnight courier, to the address of Assignor indicated below:

Crystal Springs Hydroelectric Company
c/o Far West Capital, Inc.
1135 East South Union Avenue
Midvale, Utah 84047

With a copy to:

Bonneville Pacific Corporation
257 East 200 South, Suite 800
Salt Lake City, Utah 84111
Attention: Mark E. Rinehart

18. The Trustee shall release all collateral granted hereunder when all amounts outstanding under the Promissory Note issued under the Credit Agreement, including accrued and unpaid interest, are paid in full.

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MAY 31 1990

interest thereon, and all other amounts outstanding under the Credit Agreement have been paid in full.

19. This Assignment shall be deemed made in and shall be governed by the internal laws of the State of Idaho.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be duly executed as of the day and year first above written.

ASSIGNOR:

CRYSTAL SPRINGS HYDROELECTRIC COMPANY,
an Idaho general partnership

By: Far West Capital, Inc., a Utah
corporation, as general partner

By: [Signature]
Its: V. P. Coy. General

By: Far West Hydroelectric Fund, Ltd.,
a Utah limited partnership, as
general partner

By: Far West Capital, Inc., a Utah
corporation, as general
partner

By: [Signature]
Its: V. P. Coy. General

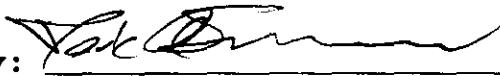
By: Alan O. Melchior
Alan O. Melchior, as general
partner

By: [Signature]
Thomas A. Quinn, as general
partner

MAY 31 1990

TRUSTEE:

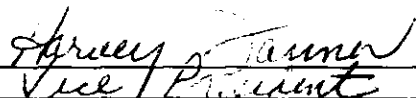
FIRST SECURITY BANK OF IDAHO, N.A.

By: 

Its: Vice President & Trust Officer

BANK

FIRST SECURITY BANK OF UTAH,
NATIONAL ASSOCIATION

By: 

Its: Vice President

[Attach Idaho Acknowledgements]

1466d

MICROFILMED

MAY 31 1990

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

On the 7th day of July, 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared Thomas G. Quinn, known or identified to me to be the Vice President of FAR WEST CAPITAL, INC., a Utah corporation, the corporation that executed the instrument or the person who executed the instrument for Far West Capital, Inc., as general partner of CRYSTAL SPRINGS HYDROELECTRIC COMPANY, an Idaho general partnership, and acknowledged to me that such corporation, on behalf of said partnership, executed the same.

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

(SEAL)

Rosalie Parr
Notary Public for State of Utah
Residing at: Salt Lake City, Utah
My Commission Expires: 8-22-90

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

On the 7th day of July, 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared Thomas G. Quinn, known or identified to me to be the Vice President of FAR WEST CAPITAL, INC., a Utah corporation, the corporation that executed the instrument or the person who executed the instrument for Far West Capital, Inc., as general partner of FAR WEST HYDROELECTRIC FUND, LTD., a Utah limited partnership, as general partner of CRYSTAL SPRINGS HYDROELECTRIC COMPANY, an Idaho general partnership, and acknowledged to me that such corporation, on behalf of said limited partnership, on behalf of said general partnership, executed the same.

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

(SEAL)

Rosalie Parr
Notary Public for State of Utah
Residing at: Salt Lake City, Utah
My Commission 8-22-90
MICROFILMED

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

On the 6th day of July, 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared Alan O. Melchior, known or identified to me to be one of the general partners of FAR WEST HYDROELECTRIC FUND, LTD., a Utah limited partnership, the limited partnership that executed the instrument or the person who executed the instrument for FAR WEST HYDROELECTRIC FUND, LTD., as general partner of CRYSTAL SPRINGS HYDROELECTRIC COMPANY, an Idaho general partnership, and acknowledged to me that he, on behalf of said limited partnership, on behalf of said general partnership, executed the same.

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

(SEAL)

Rosalie Gawn
Notary Public for State of Utah
Residing at: Salt Lake City, Utah
My Commission Expires: 8-22-90

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

On the 7th day of July, 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared Thomas A. Quinn, known or identified to me to be one of the general partners of FAR WEST HYDROELECTRIC FUND, LTD., a Utah limited partnership, the limited partnership that executed the instrument or the person who executed the instrument for FAR WEST HYDROELECTRIC FUND, LTD., as general partner of CRYSTAL SPRINGS HYDROELECTRIC COMPANY, an Idaho general partnership, and acknowledged to me that he, on behalf of said limited partnership, on behalf of said general partnership, executed the same.

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

(SEAL)

Rosalie Gawn
Notary Public for State of Utah
Residing at: Salt Lake City, Utah
My Commission Expires: 8-22-90

1466d

MAY 31 1990

STATE OF IDAHO)
COUNTY OF Ada) : ss.

On this 9th day of June, in the year 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared MARK A. SIMONSON, known or identified to me to be the Vice President & Trust Officer of FIRST SECURITY BANK OF IDAHO, N.A., the corporation that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

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

Mary Vlasin
Notary Public for the State of Idaho
Residing at: Ada County - Boise

My commission expires: 7-3-93

3358g

MICROFILMED

MAY 31 1989

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

On this 7th day of July, in the year 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared Harvey M. Tanner, known or identified to me to be the Vice President of FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, the corporation that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

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

(SEAL)

Gosnell Parr
Notary Public for the State of Utah
Residing at: *Salt Lake City, Utah*

My commission expires: 8-22-90

1466d

*Reference 47-7768
for Exhibit A

REPROFILMED

MAY 31 1990



J-U-B ENGINEERS, INC.

800 Falls Avenue • Twin Falls, Idaho 83301 • Telephone (208) 733-2414

RECEIVED

MAR 12 1987

Department of Water Resources

March 10, 1987

Mr. Jim Johnson
Water Rights Supervisor
State of Idaho
Department of Water Resources
Statehouse
Boise, Idaho 83720

Re: Permit No. 47-8009-Beneficial Use Field Report

Dear Mr. Johnson:

This letter serves to address the beneficial use field report deficiencies noted in your February 17, 1987 letter to Mr. Orlin Clements of Bonneville Pacific Corporation regarding the above mentioned permit.

Please find enclosed the original beneficial use field report with slight changes made in Sections D.2, E.1 and G. Additional sheets have been added to the field report which discuss and calculate the estimated hours of operation and annual volume usage. The results of these calculations are:

- 1) Estimated Annual Hours of Operation for Well - 8322
hrs./yr. (22.8 hrs./day)
- 2) Annual Volume Usage - 7,621,200 gallons/yr. or
1,018,900 cu.ft./yr. (which corresponds to an
average annual volume of 23.4 acre - ft./yr.)

If you need more information or have any questions regarding these calculations, please do not hesitate to call.

Very sincerely yours,

J-U-B ENGINEERS, Inc.

David D. Joerger, E.I.T.

DDJ:a1

Enclosures

cc: Mr. Orlin V. Clements, P.E.

MICROFILMED

MAY 31 1990

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Form 219
6/86

FEB 04 1987

RECEIVED

MAR 12 1987

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Department of Water Resources

BENEFICIAL USE FIELD REPORT

Department of Water Resources

A. GENERAL INFORMATION

Permit No. 47-8009

1. Owner: Crystal Springs Hydroelectric Co. Phone No. 801-363-1900

Current Address: c/o Bonneville Pacific Corp. 200 E.S. Temple, Suite 300, Salt Lake City, Ut.

2. Accompanied by: ----- EXAM. DATE: Oct. 7, 1986 84111

Address: ----- Phone No. -----

Relationship to Permit Holder: -----

3. Source: Groundwater tributary to -----

B. OVERLAP REVIEW

1. Other water rights with same place of use: 47-7768, 47-7991, and 47-8005

(Approved permits) ☒ Copies Attached

2. Other water rights with same point of diversion: None

☐ Copies Attached ☐ Copies of Field Exam's Attached

C. SYSTEM DESCRIPTION

1. **Diversion System Diagram:** Indicate all major components and distances between components. Indicate weir size/ditch size/pipe i.d. as applicable. ☒ Alternative diagram attached

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Scale: 1" = _____

2. ☒ Copy of U.S.G.S. Quadrangle Attached
Showing location(s) of point(s) of diversion and
place(s) of use (required).

☒ Photo of Diversion and System Attached

(required for all but single household domestic groundwater, and stockwater.

☐ Aerial Photo Attached
(required for irrigation of 10 acres or more).

System Description (continued)

3. **Narrative:** Description (As operating at time of measurement. Indicate pressure, number of sprinklers, etc.)

This well is located adjacent to a small hydroelectric plant on Cedar Draw Creek (The Crystal Springs Hydroelectric Project). This project incorporates the use of four turbine units which require the use of clean cooling water for the bearings. This cooling water is furnished by the well. The six-inch diameter well is situated approximately 50 feet from the northwest corner of the powerhouse. (See attached photo). The design flow of the submersible pump is approximately 40 to 50 gpm. A three horsepower motor is used with the pump. It is felt the full permit amount of 0.10 cfs be granted for beneficial use.

☐ See Remarks on page 4 for continuation

4.

Well or Diversion Identification No.*	Motor Make	Hp	Motor Serial No.	Pump Make	Pump Serial No. or Discharge Size
-----	Sta-rite	3.0	N/A	Sta-rite	40 to 50 gpm

*Code to correspond with No. on map and aerial photo

5. **Point(s) of Diversion:**

Ident. No.	Gov't. Lot	1/4	1/4	1/4	Sec.	Twp.	Rge.	County	Method of Determination/Remarks
			NW	NE	14	9S	15E	Twin Falls	Construction plans

6. **Place(s) of Use:**

Indicate Method of Determination Construction plans

Twp.	Rge.	Sec.	NE 1/4				NW 1/4				SW 1/4				SE 1/4				Totals
			NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	
9S	15E	14		X															

RECORDED

MAY 31 1940

Do not use this space

Do not use this space

D. FLOW MEASUREMENTS

~~XXX~~ Additional Data Sheets Attached

1.

Measurement Equipment	Type	Make	Model No.	Serial No.	Size	Calib. Date

2. Measurements:

No actual field measurements could be taken since the well piping is directly connected to the turbines. Therefore, the water use was estimated from the manufacturer's data for the installed ~~submersible pump~~ ~~turbines~~. Each turbine unit utilizes approximately 5 gpm of water while it is running. Three units were in operation at the time of the field exam; as a result, the estimated flow was 15 gpm

(0.03 cfs).

E. FLOW CALCULATIONS

~~XX~~ Additional Computation Sheets Attached

1. Measured Method:

~~Manufacturer's data was used to estimate flow.~~ (see attached sheets)

2. Alternate Method for Checking Purposes:

N/A

F. PUMP EFFICIENCY DATA (Optional)

N/A

Discharge Pressure: _____ psi x 2.31 = _____ ft (1); Dynamic pumping level: _____ ft (2)

Total Head: (1) + (2) = _____ (3); Flow rate: _____ cfs (4)

Water HP: (3) x (4) ÷ 8.8 = _____ (5)

Meter Input KW: 3.6 x _____ KH x _____ CTR or _____ MULT x _____ PTR x _____ N/ _____ T = _____ (6)

Meter Input HP: (6) x 1.34 = _____ (7)

Panel Input KW: _____ Ave PF x _____ Ave Volts x _____ Ave Amps x .001732 = _____ (6)

Panel Input HP: (6) x 1.34 = _____ (7) Efficiency: (5)/(7) x 100 = _____ %

G. VOLUME CALCULATIONS

~~XXX~~

1. Volume Calculations for Irrigation: N/A

$V_{I.R.} = (\text{Acres Irrigated}) \times (\text{Irrigation Requirement}) =$ _____

$V_{D.R.} = [\text{Diversion Rate (cfs)}] \times (\text{Days in Irrigation Season}) \times 1.9835 =$ _____

$V = \text{Smaller of } V_{I.R.} \text{ and } V_{D.R.} =$ _____

2. Volume Calculations for Other Uses: Use: Cooling water for Turbine/Generator Units (Industrial) See attached sheets

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MAY 31 1990

[illegible]

1. Recommended Amounts

Beneficial Use	Period of Use		Rate of Diversion Q (cfs)	Annual Volume V (cfs) ~~(acre-ft.)~~
	From	To		
<u>Industrial</u>	<u>Jan. 1</u>	<u>Dec. 31</u>	<u>0.10 CFS</u>	<u>23.4 Acre-Ft./Yr.</u>

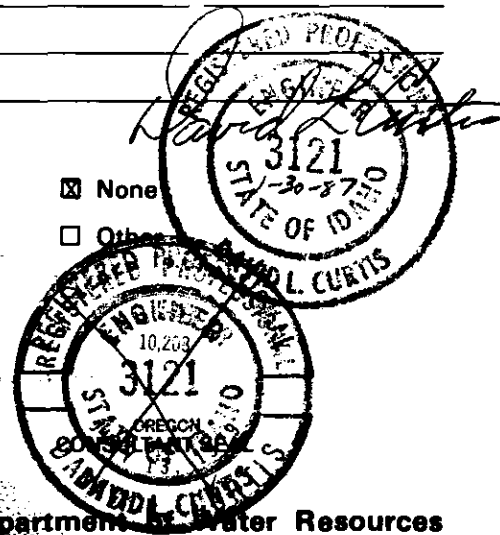
Totals: 0.10 CFS

☐ Change P.D. as reflected above ☐ Add P.D. as reflected above

☐ Change P.U. as reflected above ☐ Add P.U. as reflected above

Field Examiner's Name David L. Curtis
Signature David L. Curtis
Certification Date 30 Jan 1987
Field Report Preparation Date 30 Jan 1987

K. Licensing recommendation shall be prepared by an Idaho Department of Water Resources employee on a computer printout attached hereto.



APPENDIX

SEP 1 1940

VOLUME CALCULATIONS

Permit #47-8009

Crystal Springs Hydroelectric Project
(Turbine/Generator cooling water well.)

The well supplies cooling water to the four turbine/generator units within the Crystal Springs powerhouse. The turbine manufacturer's data indicates each turbine utilizes cooling water at the rate of approximately 5 gpm while it is running. Therefore, the well supplies a quantity of water ranging from 5 to 20 gpm (depending upon the number of turbines running simultaneously). From past records, it is felt that one turbine operates at least 95% of the time annually while the other three operate an average of 65% of the time on an annual basis.

Therefore, it follows that the well is in operation 95% of the time on an annual basis. This corresponds to 8322 hours per year or 22.8 hours per day. It is felt that yearly operation is a better way to state operating hours rather than daily operation since most days the plant operates 24 hours per day. The 5% down time accounts for periods of extremely low water for the turbines in Cedar Draw Creek and for periods of plant maintenance. During these down times the hours of operation per day may be very low or even zero. As a result, the yearly hours of operation is a more applicable statistic.

Please see the additional sheet for annual volume usage calculations.

Permit #47-8009

Annual Volume Usage $\rightarrow$ Cooling Water for Turbines from Well
(5 gpm required for each turbine unit in operation)

Hours of Turbine Operation per Year

$$\Rightarrow 8760 \text{ HRS/yr} (15\%) (1 \text{ unit}) + 8760 \text{ HRS} (65\%) (3 \text{ units})$$

$$= 25,404 \text{ HRS/yr}$$

$$\text{Annual Usage} \Rightarrow 25,404 \text{ HRS/yr} \left(\frac{60 \text{ min}}{\text{hr}} \right) \left(\frac{5 \text{ gal}}{\text{min}} \right)$$

$$= \underline{\underline{7,621,200 \text{ gallons/yr}}} = \underline{\underline{1,018,900 \text{ ft}^3/\text{yr}}}$$

$$\text{Annual Volume} \Rightarrow 1,018,900 \text{ ft}^3/\text{yr} \left(\frac{1 \text{ acre-ft}}{43560 \text{ ft}^3} \right)$$

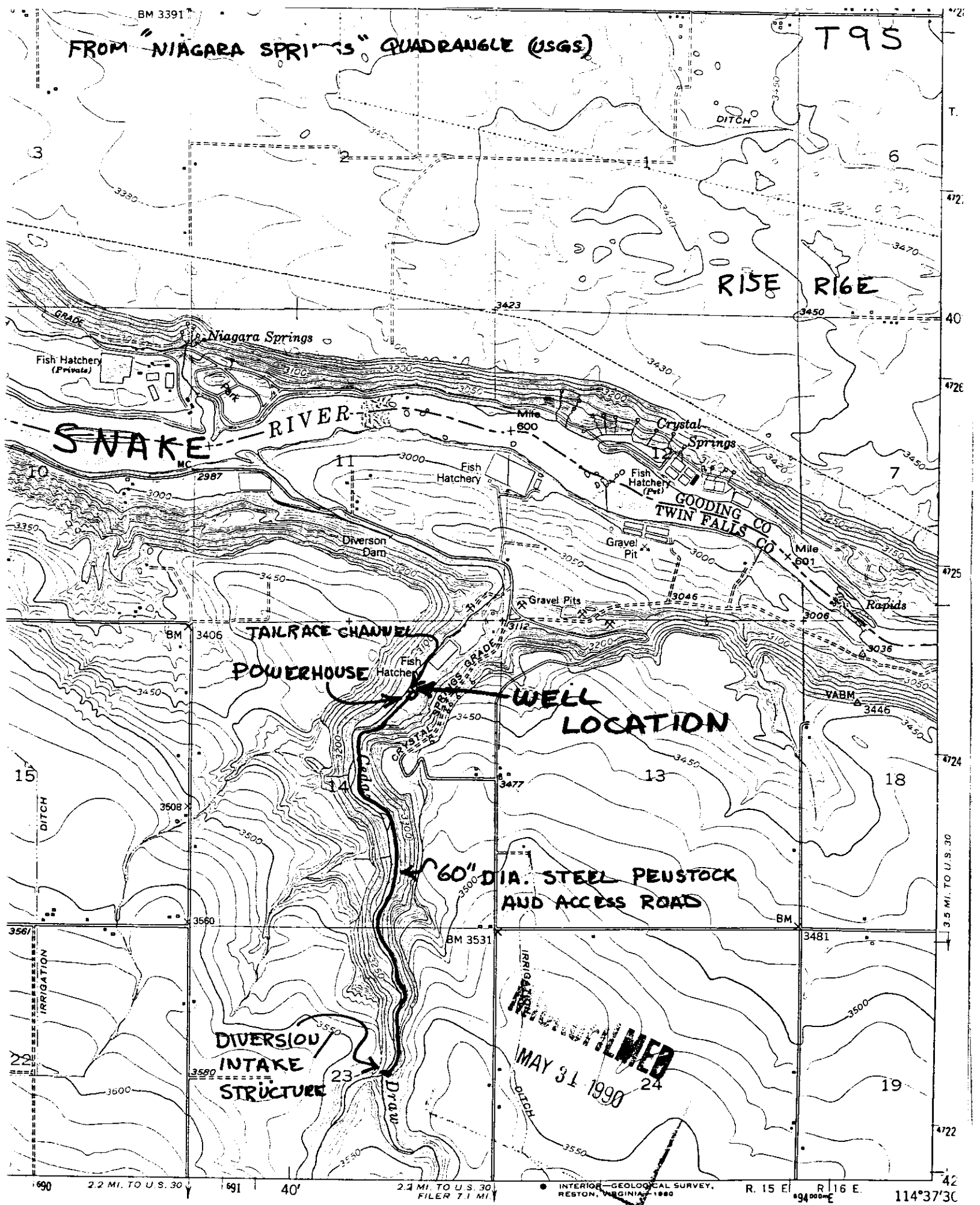
$$= \underline{\underline{23.4 \text{ acre-ft/yr}}}$$

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MAY 31 1990

FROM "NIAGARA SPRINGS" QUADRANGLE (USGS)

T9S



RECORDED
MAY 31 1990

INTERIOR GEOLOGICAL SURVEY,
RESTON, VIRGINIA 20192

ROAD CLASSIFICATION

Primary highway,

Light-duty road, hard or

114°37'30"



CRYSTAL SPRINGS HYDROELECTRIC PROJECT
POWERHOUSE

(NOTE WELL IN FOREGROUND OF PICTURE)
(RED TOP)

MICROFILMED

MAY 31 1990



State of Idaho

DEPARTMENT OF WATER RESOURCES

STATE OFFICE, 450 W. State Street, Boise, Idaho

CECIL D. ANDRUS

~~JOHN V. EVANS~~

Governor

A. KENNETH DUNN

Director

Mailing address:
Statehouse
Boise, Idaho 83720
(208) 334-4440

February 17, 1987

RE: Permit No. 47-8009

Crystal Springs Hydroelectric Co.
c/o Bonneville Pacific Corp.
200 E. S. Temple, Suite 300
Salt Lake City, UT 84111

Attn: Orlin V. Clements

Dear Mr. Clements:

The Department has recently reviewed the beneficial use field report submitted for the above referenced water right permit and found the following deficiencies:

1. Using pump manufacturer's data to justify beneficial use is unacceptable. Information is required based upon actual use, i.e. estimate of hours of operation per day.
2. Annual volume usage is required.

Please respond to the identified deficiencies and return to this Department on or before March 20, 1987.

If you have any questions, please let me know.

Sincerely,

JIM JOHNSON
Water Rights Supervisor

JJ:sc Enclosures

cc: David L. Curtis, P.E.

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STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Department of Water Resources

BENEFICIAL USE FIELD REPORT

copy

A. GENERAL INFORMATION

Permit No. 47-8009

1. Owner: Crystal Springs Hydroelectric Co. Phone No. 801-363-1900
Current Address: c/o Bonneville Pacific Corp. 200 E.S. Temple, Suite 300, Salt Lake City,
2. Accompanied by: ----- EXAM. DATE: Oct. 7, 1986 841
Address: ----- Phone No. -----
Relationship to Permit Holder: -----
3. Source: Groundwater tributary to -----

B. OVERLAP REVIEW

1. Other water rights with same place of use: 47-7768, 47-7991, and 47-8005
(Approved permits) ☒ Copies Attached
2. Other water rights with same point of diversion: None
☐ Copies Attached ☐ Copies of Field Exam's Attached

C. SYSTEM DESCRIPTION

1. **Diversion System Diagram:** Indicate all major components and distances between components. Indicate weir size/ditch size/pipe i.d. as applicable. ☒ Alternative diagram attached

Scale: 1" = _____

2. ☒ Copy of U.S.G.S. Quadrangle Attached
Showing location(s) of point(s) of diversion and
place(s) of use (required). ☐ Aerial Photo Attached
☒ Photo of Diversion and System Attached
(required for all but single household domestic groundwater, and stockwater).
(required for irrigation of 10 acres or more).

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MAY 31 1987

System Description (continued)

3. **Narrative:** Description (As existing at time of measurement. Indicate pressure, number of sprinklers, etc.)

This well is located adjacent to a small hydroelectric plant on Cedar Draw Creek (The Crystal Springs Hydroelectric Project). This project incorporates the use of four turbine units which require the use of clean cooling water for the bearings. This cooling water is furnished by the well. The six-inch diameter well is situated approximately 50 feet from the northwest corner of the powerhouse. (See attached photo). The design flow of the submersible pump is approximately 40 to 50 gpm. A three horsepower motor is used with the pump. It is felt the full permit amount of 0.10 cfs be granted for beneficial use.

☐ See Remarks on page 4 for continuation

4.

Well or Diversion Identification No.*	Motor Make	Hp	Motor Serial No.	Pump Make	Pump Serial No. or Discharge Size
-----	Sta-rite	3.0	N/A	Sta-rite	40 to 50 gpm

*Code to correspond with No. on map and aerial photo

5. **Point(s) of Diversion:**

Ident. No.	Gov't. Lot	1/4	1/4	1/4	Sec.	Twp.	Rge.	County	Method of Determination/Remarks
			NW	NE	14	9S	15E	Twin Falls	Construction plans

6. **Place(s) of Use:**

Indicate Method of Determination Construction plans

Twp.	Rge.	Sec.	NE 1/4				NW 1/4				SW 1/4				SE 1/4				Totals
			NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	
9S	15E	14			X														

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MAY 31 1990

Do not use this space

Do not use this space

D. FLOW MEASUREMENTS

☐ Additional Data Sheets Attached

1.

Measurement Equipment	Type	Make	Model No.	Serial No.	Size	Calib. Date
-----	-----	-----	-----	-----	---	---

2. Measurements:

~~No actual field measurements could be taken since the well piping is directly connected to the turbines. Therefore, the water use was estimated from the manufacturer's data for the installed submersible pump.~~

E. FLOW CALCULATIONS

☐ Additional Computation Sheets Attached

1. Measured Method:

Manufacturer's data was used to estimate flow.

2. Alternate Method for Checking Purposes:

N/A

F. PUMP EFFICIENCY DATA (Optional) N/A

Discharge Pressure: _____ psi x 2.31 = _____ ft (1); Dynamic pumping level: _____ ft (2)

Total Head: (1) + (2) = _____ (3) ; Flow rate: _____ cfs (4)

Water HP: (3) x (4) ÷ 8.8 = _____ (5)

Meter Input KW: 3.6 x _____ KH x _____ CTR or _____ MULT x _____ PTR x _____ N/ _____ T = _____ (6)

Meter Input HP: (6) x 1.34 = _____ (7)

Panel Input KW: _____ Ave PF x _____ Ave Volts x _____ Ave Amps x .001732 = _____ (6)

Panel Input HP: (6) x 1.34 = _____ (7) Efficiency: (5)/(7) x 100 = _____ %

G. VOLUME CALCULATIONS N/A

1. Volume Calculations for Irrigation:

$V_{I.R.} = (\text{Acres Irrigated}) \times (\text{Irrigation Requirement}) =$ _____

$V_{D.R.} = [\text{Diversion Rate (cfs)}] \times (\text{Days in Irrigation Season}) \times 1.9835 =$ _____

$V = \text{Smaller of } V_{I.R.} \text{ and } V_{D.R.} =$ _____

2. Volume Calculations for Other Uses:

MAY 31 1990

H. REMARKS AND OVERLAP REVIEW ANALYSIS

[illegible]

I. RECOMMENDATIONS

1. Recommended Amounts

Beneficial Use	Period of Use		Rate of Diversion Q (cfs)	Annual Volume V (afa)
	From	To		
Industrial	Jan. 1	Dec. 31	0.10 CFS	

Totals: 0.10 CFS

2. Recommended Amendments

- ☐ Change P.D. as reflected above ☐ Add P.D. as reflected above ☒ None
☐ Change P.U. as reflected above ☐ Add P.U. as reflected above ☐ Other

J. AUTHENTICATION

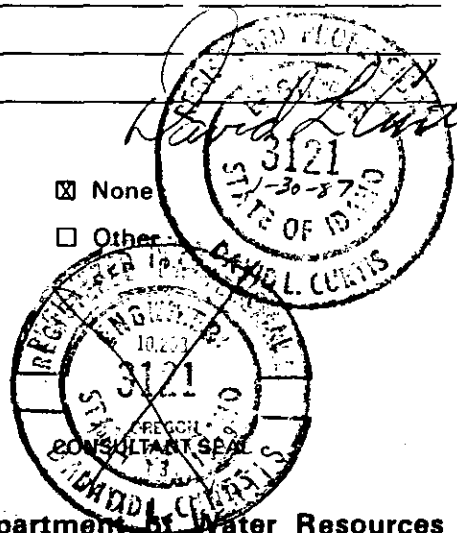
Field Examiner's Name.

Signature

Certification Date

Field Report Preparation Date

David L. Curtis
David L. Curtis
30 Jan 1987
30 Jan 1987



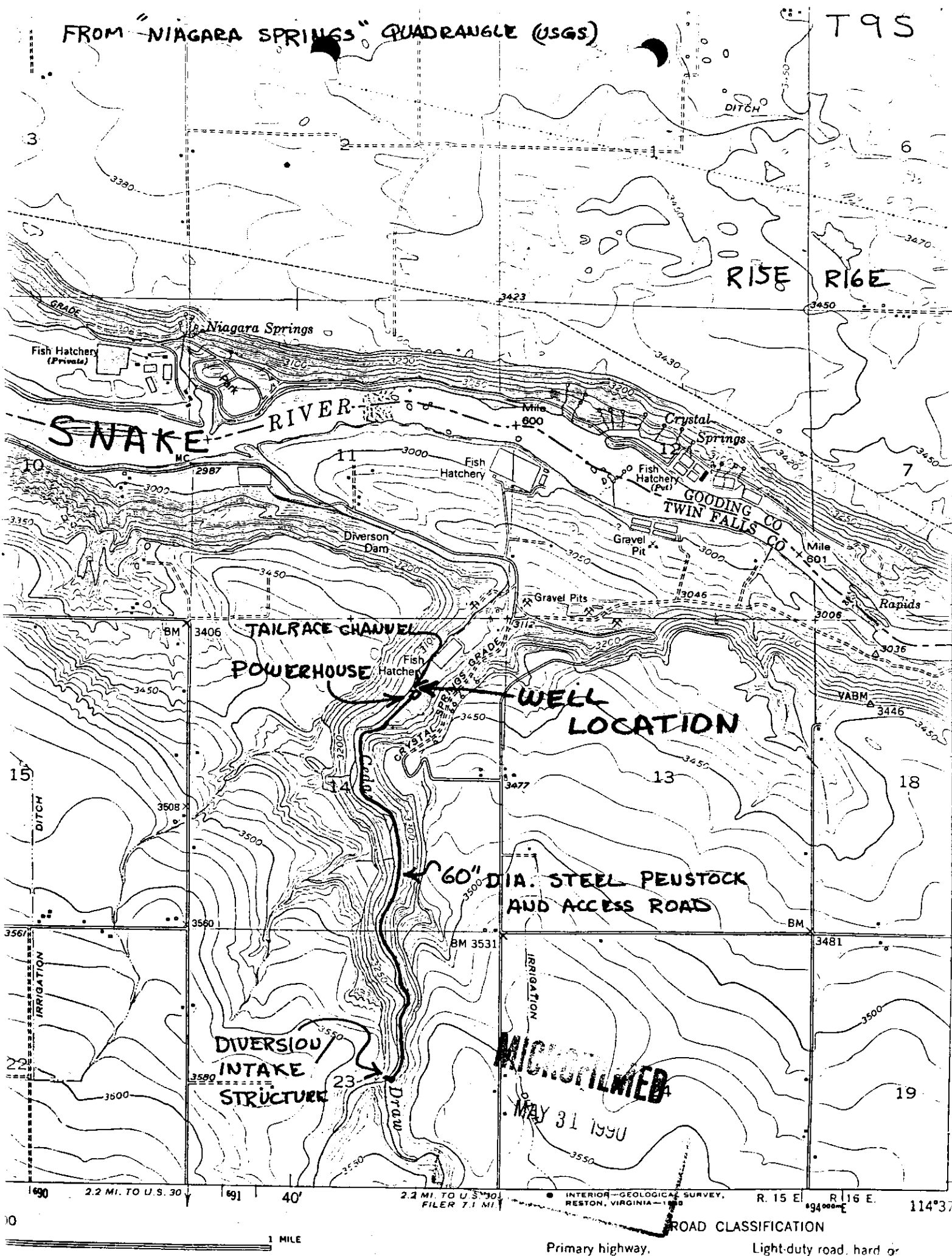
K. Licensing recommendation shall be prepared by an Idaho Department of Water Resources employee on a computer printout attached hereto.

DECLASSIFIED

MAY 31 1990

FROM "NIAGARA SPRINGS" QUADRANGLE (USGS)

T95





CRYSTAL SPRINGS HYDROELECTRIC PROJECT
POWERHOUSE

(NOTE WELL IN FOREGROUND OF PICTURE)
(RED TOP)

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MAY 31 1990

MEMORANDUM

TO: File
FROM: Jim Johnson
DATE: 2-17-87
RE: Beneficial Use Field Report Review ✓

Right No. 47-8009

Comments

Part A - General Info.

-

Part B - Overlap Review

N/A

Part C - System Description

- OK

Part D - Flow Measurements

- N/A

Part E - Flow Calculations

- ESTIMATE OF DISCHARGE BASED
UPON MANUFACTURER'S DATA
NOT ACCEPTABLE

Part F - Volume Calculations

- No volume calculations
included

RECEIVED

Part G - Remarks

MAY 31 1990

Part H - Recommendations

Return copies to permit further
for more information.



J-U-B ENGINEERS, INC.

800 Falls Avenue • Twin Falls, Idaho 83301 • Telephone (208) 733-2414

February 3, 1987

Mr. Loren Holmes
State of Idaho
Department of Water Resources
1041 Blue Lakes Boulevard North
Twin Falls, Idaho 83301

Re: Beneficial Use Examination for Permit No. 47-8009
Crystal Springs Hydroelectric Project

Dear Loren:

This letter serves to formally notify you that J-U-B ENGINEERS, Inc., has been retained by Bonneville Pacific Corporation to conduct the Proof of Beneficial Use field examination for the above noted project and permit.

The beneficial use field report was prepared under the supervision of Mr. David L. Curtis, P.E., of our Boise office who is a certified water rights field examiner. The field examination was conducted on October 7, 1986.

Sincerely yours,

J-U-B ENGINEERS, Inc.

David D. Joerger, E.I.T.

DDJ:al

cc: Mr. Orlin V. Clements, Bonneville Pacific Corp.

RECEIVED

FEB 3 1987

Department of Water Resources
Southern Region Office

RECEIVED

FEB 04 1987

Department of Water Resources

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FEB 04 1987

no record of
Department of Water Resources

STATE OF IDAHO

DEPARTMENT OF WATER RESOURCES

RECEIVED

FEB 3 1987

For Office Use Only
Fee Received _____
Date _____
Receipt # _____
Receipt by _____
Reviewed by _____
Sent to region _____

PROOF OF BENEFICIAL USE

The Idaho Department of Water Resources will consider this form as a statement that the permit holder(s) has completed all development that will occur under this permit and that water has been applied according to the provisions of the permit for the beneficial use(s) described below. This form must be accompanied by a license examination fee or a completed field examination report prepared by a certified water right examiner who has been appointed by the department.

Permit No. 47-8009

Name(s) of Permit Holder: Crystal Springs Hydroelectric Co. c/o Bonneville Pacific Corp.

Post Office Address: 200 E.S. Temple, Suite 300 Salt Lake City, Utah 84111

Telephone No. 801-363-1900

Source of Water: Groundwater

Extent of Use:

Domestic _____ (number of households) Stockwater _____ (number and type of stock)

Irrigation _____ (acres) Other/Remark Industrial

Total rate and/or volume for which proof is submitted 0.10 cfs _____ acre-feet

Show the date water was first diverted and beneficially used under this permit: November 1985

Measuring Device: Required? ☐ Yes ☒ No
Installed? ☐ Yes ☒ No

Fee enclosed \$ N/A
(See License Examination Fee Schedule)

Flow Measurement Port: Required? ☐ Yes ☒ No
Installed? ☐ Yes ☒ No

Person to contact to accompany the Department representative during the field examination:

Bonneville Pacific Corporation

(Name)

(208)734-0551

(Telephone Number)

834 Falls Avenue Twin Falls, Idaho 83301

(Address)

The above information is my true statement of the extent to which the above numbered permit has been developed and I relinquish any undeveloped portion of the permit to the state of Idaho.

2/3/87
Date

[Signature]
Signature of Permit Holder (and title, if appropriate)

MICROFILMED

MAY 31 1990



— State of Idaho

DEPARTMENT OF WATER RESOURCES

STATE OFFICE, 450 W. State Street, Boise, Idaho

JOHN V. EVANS

Governor

A. KENNETH DUNN

Director

Mailing address:
Statehouse
Boise, Idaho 83720
(208) 334-4440

November 3, 1986

RE: Permit No. 47-8009

Crystal Springs Hydroelectric Co.
c/o Bonneville Pacific Corp.
200 E. S. Temple, Suite 300
Salt Lake City, UT 84111

Dear Permit Holder:

Enclosed is a copy of your approved Application for Permit. We direct your attention to the conditions of approval on the fourth page.

We have enclosed a form entitled "Instructions for Proof of Beneficial Use". Please read the instructions carefully since you must take further action to develop this permit. Also enclosed for your convenience is the statement of beneficial use that must be submitted when your project is completed.

Sincerely,

GARY SPACKMAN
Supervisor, Water Allocation Section

GS:sc
Enclosures



LAW OFFICES
PARSONS, BEHLE & LATIMER
A PROFESSIONAL CORPORATION

KEITH E. TAYLOR
JAMES B. LEE
SCOTT M. MATHESON
GORDON L. ROBERTS
F. ROBERT REEDER
WILLIAM L. CRAWFORD
LAWRENCE E. STEVENS
DANIEL M. ALLRED
HOWARD J. MARSH
YAN M. ROSS
DAVID S. DOLOWITZ
KENT W. WINTERHOLLER
BARBARA K. POLICH
RANDY L. DRYER
CHARLES H. THRONSON
DAVID R. BIRD
RAYMOND J. ETCHEVERRY
FRANCIS M. WIKSTROM
DAVID W. TUNDERMANN
JAMES M. ELEGANTE
DAVID P. HIRSCHI
VAL R. ANTCHAK
PATRICK J. GARVER
SPENCER E. AUSTIN
JOHN B. WILSON

185 SOUTH STATE STREET, SUITE 700
POST OFFICE BOX 11898
SALT LAKE CITY, UTAH 84147-0898
TELEPHONE (801) 532-1234
TELECOPIER (801) 532-1234, EXT. 273

1016-16TH STREET, N.W., SUITE 600
WASHINGTON, D.C. 20036
TELEPHONE (202) 659-0862

FORMERLY
DICKSON, ELLIS, PARSONS & MCCREA
1892-1959

C.C. PARSONS
1907-1968
CALVIN A. BEHLE
1947-

OF COUNSEL
GEORGE W. LATIMER
CONSTANCE K. LUNDBERG

ROBERT C. HYDE
CRAIG B. TERRY
DAVID A. ANDERSON
KENT O. ROCHE
PATRICIA J. WINMILL
RANDY M. GRIMSHAW
J. STEPHEN RUSSELL
DANIEL W. HINDERT
T. PATRICK CASEY
ALICE L. HEARST
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MICHAEL L. LARSEN
JONATHAN K. BUTLER
DAVID G. MANGUM
JULIA C. WEBB
DEREK LANGTON
HAL J. POS
W. MARK GAVRE
DAVID J. SMITH
TONI MARIE SUTLIFF

April 16, 1986

Mr. Orlin Clements
BONNEVILLE PACIFIC CORPORATION
834 Falls Avenue, Suite 1020L
Twin Falls, Idaho 83301

RECEIVED
APR 18 1986

Re: Crystal Spring Water Rights

Department of Water Resources

Dear Orlin:

Pursuant to our telephone conversation this date, I am enclosing herewith copies of letters dated February 18, 1986, and April 10, 1986, from Jim Johnson, Water Rights Supervisor for the Department of Water Resources in Boise, Idaho, requesting that Crystal Springs Hydroelectric Company relinquish certain of the inconsistent water rights filings on the Crystal Springs Project.

As I indicated to you in our telephone conversation, it is our desire to be cooperative with the Department of Water Resources, provided that we can do so in a manner which will facilitate our perfecting of the water rights necessary for the project. This means that we should arrange with the Department of Water Resources to have one of their staff review the project and approve all aspects of the permit which we wish to retain so that it can be finalized as quickly as possible in connection with the relinquishment of the other rights.

Please do not hesitate to contact me should you have any questions or comments concerning this matter.

Very truly yours,

PARSONS, BEHLE & LATIMER


David P. Hirschi

DPH:rs
Enclosure
cc: Robert L. Wood
Jim Johnson



State of Idaho
DEPARTMENT OF WATER RESOURCES
STATE OFFICE, 450 W. State Street, Boise, Idaho

JOHN V. EVANS
Governor

A. KENNETH DUNN
Director

Mailing address:
Statehouse
Boise, Idaho 83720
(208) 334-4440

April 10, 1986

RE: Applications for Permit Nos. 47-7672/7767/7768/7991/8005/8009
Crystal Springs Hydroelectric Co.

David P. Hirschi
c/o Bonneville Pacific Corp.
200 E. S. Temple, Suite 300
Salt Lake City, UT 84111

Dear Mr. Hirschi:

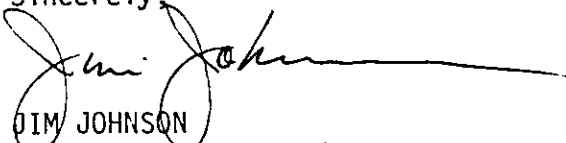
On 2/18/86 I corresponded with you in regards to completing the processing of the above referenced applications for permit.

You will recall that I suggested two of the applications be withdrawn so that the total requested amount for power use will reflect the amount actually being planned for development. I recall a follow-up telephone conversation from you, but I don't remember exactly what was discussed.

Since we still have not received the requested relinquishment forms, I hope that this letter will remind you that we are still withholding final action. Please inform us of your intentions on this matter on or before June 1, 1986.

Thank you for your cooperation. If I can be of any assistance, please let me know.

Sincerely,


JIM JOHNSON
Water Rights Supervisor

JJ:sc





State of Idaho

DEPARTMENT OF WATER RESOURCES

STATE OFFICE, 450 W. State Street, Boise, Idaho

JOHN V. EVANS

Governor

A. KENNETH DUNN

Director

Mailing address:

Statehouse

Boise, Idaho 83720

(208) 334-4440

February 18, 1986

RE: Applications for Permit Nos. 47-7672/7767/7768/7991/8005/8009
Crystal Springs Hydroelectric Co.

David P. Hirschi
c/o Bonneville Pacific Corp.
200 E. S. Temple, Suite 300
Salt Lake City, UT 84111

Dear Mr. Hirschi:

The Department is now in the process of making final review of the above referenced applications for permit in relation to the Crystal Springs Hydroelectric project. This review has determined that in total six applications have been filed. Five of the six identify Cedar Draw water to be used for hydropower generation and one (47-8009) identifies groundwater for industrial use within the hydro plant facilities. Of the five applications filed for hydropower generation, one (47-7672) is still pending the outcome of a protest filed against approval of the application. The four appearing to be ready for permit approval are Nos. 47-7767/7768/7991/8005.

Application Nos. 47-7767 and 47-7768 were filed with the Department on the same day and had originally identified two separate project proposals within the Cedar Draw Drainage. However, on December 20, 1984, amendments to the applications were filed making both project proposals for the same site.

Application Nos. 47-7991 and 47-8005 were subsequently filed to supplement the previously filed applications with the intent to appropriate additional flows that were determined to be available.

David P. Hirschi
February 18, 1986
Page 2

A summary of all Crystal Springs Hydroelectric Co. applications are shown below:

<u>Application Number</u>	<u>Source</u>	<u>Cfs</u>	<u>Water Use</u>
47-7672	LF Lateral	110	Hydropower
47-7767	Cedar Draw	110	Hydropower
47-7768	Cedar Draw	110	Hydropower
47-7991	Cedar Draw	40	Hydropower
47-8005	Cedar Draw	50	Hydropower
Total (Hydropower)		420	
47-8009	Groundwater	0.10	Industrial

The total requested appropriation for the Crystal Springs Hydroelectric project is 420 cfs. According to statements made on Application No. 47-8005, the intent of the development is not to exceed total use of 200 cfs, which is slightly less than half of the total amounts applied for.

The Department cannot approve all of the applications when the stated intent is to develop only 200 cfs. Therefore, the Department requests that Application Nos. 47-7672 and 47-7767 be formally withdrawn by Crystal Springs Hydroelectric Co. This action will bring in line the amounts sought for appropriation with the intended development plan.

Enclosed for your convenience are two relinquishment forms which can be completed and returned to this office. If you have any questions on this matter or if the Department can be of further assistance, please contact me at (208)334-4162.

Sincerely,


JIM JOHNSON
Water Rights Supervisor

JJ:sc
Enclosures

cc: Southern Region

7/18/86



STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
SOUTHERN REGION

John V. Evans
Governor

A. Kenneth Dunn
Director

1041 Blue Lakes Blvd. North
Twin Falls, Idaho 83301
(208) 734-3578

November 20, 1985

Times News
P. O. Box 548
Twin Falls, Idaho 83301

Re: Applications for Permit No. 47-7971, 47-7977, 47-7990,
47-8009, 47-8010

Gentlemen:

Enclosed you will find 5 legal notices which we wish to have published once a week for two consecutive weekly issues of your newspaper. We have inserted the publication dates allowing ample time for you to submit us a galley proof for review before publication.

After sending us a galley proof, proceed with the publication on the dates we have inserted, assuming the notice is correct. If we have any corrections, we will notify you before the first publication. If you cannot publish the notice on the proposed dates, please contact us immediately.

In order to receive payment, an affidavit of publication must be submitted to the Department along with the publication bill.

Very truly yours,

Mary A. Newby
Sec/Office Coord.

Encl:

