STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

RECEIVED
JAN 13 2023
DEPT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 661

This is to certify that:

BITTERSWEET RANCH LLC
1344 N 1900 E
TERRETON, ID 83450-5209

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

Summary of Water Rights or Portions Rented from the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate Per Acre (CFS/AC)	Volume Per Acre (AF/AC)
34-2478	6/16/1966	GROUND WATER	0.20	35.0	10.0	0.02	3.5
34-2500B	11/30/1966	SPRING	0.04	14.7	4.2	0.01	3.5
Combined Limit Totals			**0.20**	**35.0**	**10.00**	**0.02**	**3.5**
Combined Rental Totals			**0.20**	**35.0**	**10.00**	**0.02**	**3.5**

Term of Rental: This rental agreement shall take effect when all parties have signed it and shall continue in effect until December 31, 2023. Use of rental water shall be authorized as of either the date this rental agreement takes effect or the first day of the rental season of use, in 2022, whichever occurs last.

Annual Rental Fee:

2022: $700.00 annually
2023: $805.00 annually

The full fee for the rental of the above-described right(s) is $700.00 per year for years 2022 - 2022 and $805.00 for 2023. The rental fee includes an administrative fee of $70.00 per year for years 2022 - 2022 and $80.50 for 2023.

An annual payment shall be received by the Department on or before December 31 each year preceding the use of the rented water rights. The agreement will be void if payment is not received by the due date in a given year. Rental fees are non-refundable. To voluntarily terminate the agreement early, notify the Department in writing prior to the rental fee due date.

Total Water Use Authorized Under Rental Agreement

Beneficial Use	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate/Acre (CFS/AC)	Volume/Acre (AF/AC)
IRRIGATION	0.20	35.0	10.0	0.02	3.5
IRRIGATION	0.04	14.7	4.2	0.01	3.5
Combined Total	**0.20**	**35.0**	**10.0**	**0.02**	**3.5**

**** The authorized water usage reflects a reduction from the water right elements rented, to account for combined limits.***

Detailed water right conditions are attached.

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STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 661

The undersigned renter agrees to use the water rented under this agreement in accordance with the Water Supply Bank rules and in compliance with the limitations and conditions of use described in this agreement:

Signature of Renter _____ Date 1/9/23

DAREN BITTER _____ Manager
Printed Name Title

*Title required if signing on behalf of a company or organization or with power of attorney

Having determined that this agreement satisfied the provisions of Idaho Code § 42-1763 and IDAPA 37.02.03.030 (Water Supply Bank Rule 30), for the rental and use of water under the terms and condition herein provided, and none other, I hereby execute this Rental Agreement on behalf of the Idaho Water Resource Board.

By _____ Date 1/17/23
BRIAN PATTON, Acting Administrator
Idaho Water Resource Board

Rental approved by IDWR _____ Date 1/17/23

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JAN 26 2023

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 661

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER NESE Sec. 2, Twp 05N, Rge 34E, JEFFERSON County

BENEFICIAL USE	DIVERSION RATE	VOLUME
IRRIGATION	0.20 CFS	35.00 AF

SEASON OF USE

Water Right No.	From	To
34-2478	4/1	10/15
34-2500B	4/1	10/15

RENTERS PLACE OF USE: IRRIGATION

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
05N	34E	1							4.7 L4	5.3 L3									10.0

Total Acres: 10.0

RENTAL AGREEMENT CONDITIONS OF ACCEPTANCE

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. Rental of the specified right from the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other department application process.
3. Use of water under this agreement does not constitute a dedication of the water to renter's place of use, and upon expiration of this agreement, the points of diversion and place of use of the water shall revert to those authorized under the water right and/or again be available to rent from the bank.
4. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.
5. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
6. Renter agrees to hold the Board, the Director and the state of Idaho harmless from all liability on account of negligent acts of the renter while using water.
7. Renter acknowledges and agrees that the Director may terminate authorization for the use of a water right based on a water right's priority date.
8. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
9. Use of the rented portion of right 34-2478 with right 34-2500B is limited to a total combined diversion rate of 0.20 cfs and to a total combined annual diversion volume of 35.0 af.
10. Use of the rented portion of right 34-2478 with right 34-2500B is limited to the irrigation of a combined total of 10.0 acres in a single irrigation season.

SCANNED JAN 26 2023

11. This partial decree is subject to such general provisions necessary for the definition of the rights or for the efficient administration of the water rights as may be ultimately determined by the court at a point in time no later than the entry of a final unified decree. Section 42-1412(6), Idaho Code.

12. Use of water under this rental may be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, the rental point of diversion is within State Water District Nos. 31 and 110.

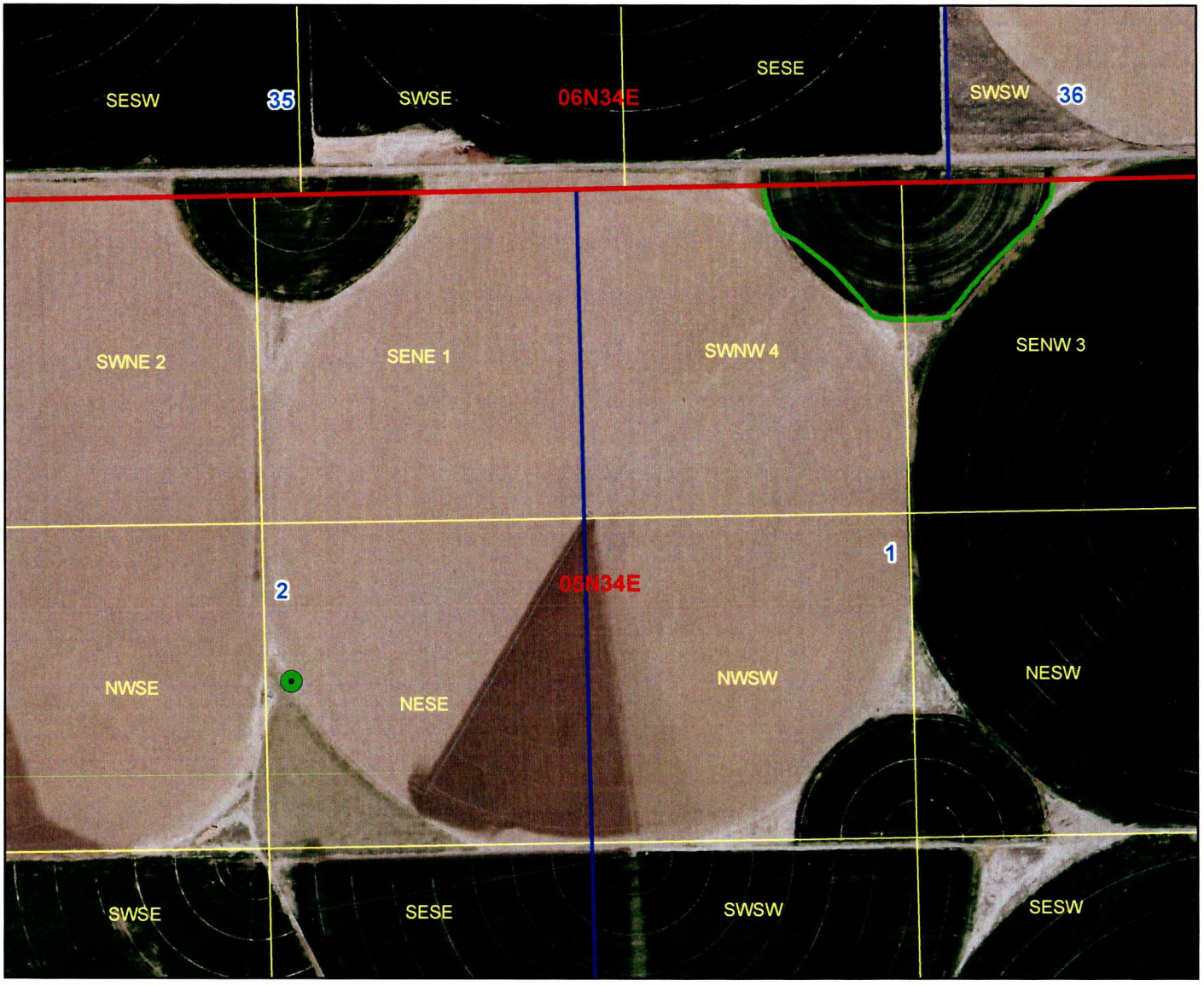
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Idaho Water Resource Board

Attachment to Water Supply Bank Rental Agreement No. 661

Effective until December 31, 2023

This map depicts the **IRRIGATION rental place of use** pursuant to the rental agreement and is attached to the agreement solely for illustrative purposes.



Authorized Rental Point of Diversion

Authorized Rental Place of Use

Township/Range

Sections

QQ

N

0 0.125 0.25 0.5 Miles

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Form 42-1761-2 10/15

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO RENT WATER FROM THE BOARD'S WATER SUPPLY BANK

Applicant Name: BITTERSWEET RANCH LLC

Is this application being submitted with a lease application as a lease/rental package? **Yes** ☐ **No** ☑
If yes, specify companion water rights in Section 4

This application must be completed according to the minimum requirement checklist below. This checklist is part of the rental application and must be included with the rental application. **Applications that do not meet the minimum requirements will not be placed in the processing queue and may be returned until all minimum requirements have been met.**

Rental applications should be submitted well in advance of the desired start date for the use of rental water. Rental applications may be processed as early as November 1 of the year prior to the intended use of rental water. Any rental application received on or before November 1 for use in the next year will be assigned a received date of November 1. Rental applications submitted more than one year in advance of the proposed start date for the use of rental water will not be accepted and will be returned to applicants. Rental applications may be returned to applicants if the desired start date for the use of rental water cannot be accommodated by the Water Supply Bank. Rental requests will not be accepted once the rental season of use period has concluded.

One rental application per beneficial use of water. For multiple beneficial uses of water, separate rental requests should be submitted for each unique beneficial use of water. One rental application can be submitted if you propose to rent water from multiple sources.

For additional instructions on completing a rental application, visit the Bank's website at http://idwr.idaho.gov/water_supply_bank.

MINIMUM REQUIREMENT CHECKLIST

Check All Items as Either Attached (Yes) or Not Applicable (N/A)

		Yes	
		☑	Completed *Application to Rent Water from the Board's Water Supply Bank*
		☑	Confirmation that this form has been printed single sided, per requirement of the Water Supply Bank
Attachment	**N/A**	**Yes**	
2		☑	A map showing the proposed point(s) of diversion, place(s) of use, and water diversion and distribution systems proposed to be used with your rental request
3A	☐	☑	Detailed information on a proposed use of rental water
3F	☑	☐	Authorization from the owner/operator of the rental point(s) of diversion
3H	☐	☑	Water modeling to account for the impacts of the rental request
3J	☑	☐	Documents justifying a rate of flow greater than 0.02 cfs/acre
3K	☐	☑	Authorization from the owner/operator of the property at the proposed rental place(s) of use
4B	☐	☑	Explanation of how the rental water will sufficiently accomplish your rental purposes
4C	☑	☐	Explanation of consumptive use amounts for water rights experiencing a change in nature of use

Department Use Only – Proposed Water Right(s)

21-13202

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2361

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A. Applicant BITTERSWEET RANCH LLC

Mailing Address 1344 N 1900 E (Street) TERRETON (City) ID (State) 83450 (Zip Code)

Email Address bitterfarms@gmail.com Phone Number (208) 317-6080

B. Is this application being completed by an authorized representative on behalf of the applicant? Yes ☐ No ☑

If yes, representatives (includes company employees if the applicant is a corporation, as well as legal counsel or consultants) should provide their information below if they desire to be included on correspondence with the rental applicant.

Representative _____ Professional Title _____

Organization _____ Relationship to Applicant _____

Mailing Address _____

Email Address _____ Phone Number _____

2. MAP

Create a map of the proposed point(s) of diversion, place(s) of use and water diversion, delivery and distribution systems. Make sure the rental place of use is outlined and annotated with legal land descriptions (Township, Range, Section and Quarter-Quarters) or with GPS coordinates. For irrigation purposes, mark the number of acres you desire to irrigate. Attach the map to this application and label it **Attachment 2**.

3. DESCRIPTION OF PROPOSED USE FOR RENTAL WATER

A. Describe why you desire to rent water and provide a detailed description of your proposed use. If the proposed use is not for irrigation, describe in detail how you determined the amount of rental water required. If the space below is insufficient, attach additional sheets as required and label them **Attachment 3A**:

The proposed place of use has a small pivot installed but no authorized water right. The water right rental will allow for continued operation of the acres listed for the interim as a more permanent solution is found.

B. Enter the desired and/or minimum rates of flow, volume, or irrigable acres requested for your rental purposes:

Desired Rate (Cubic Feet/Second)	Desired Volume (Acre-Foot)	Minimum Rate* (Cubic Feet/Second)	Minimum Volume* (Acre-Foot)	Desired Acres (if applicable)
0.2 CFS	25.5 AF	0.2 CFS	25.5 AF	10.0 AC

* ***Sometimes water rights provide an exceptionally low rate per acre and/or low volume per acre. This section is meant to establish an acceptable range of water sufficient for your proposed water use. Please see question 4B and complete if necessary.***

C. This section must be completed in full. Enter the proposed start date and latest possible start date for using rental water as well as the number of years you would like to rent water. The latest possible start is the latest possible date by which you would be willing to pay for a rental and be able to benefit from utilizing rental water.

Desired Start Date (month/day/year)	Latest Possible Start Date (month/day/year)	*Mark Desired Rental Duration (Calendar Years)					**Applicant's preference if rental application cannot be processed prior to the latest possible start?	
		☐ 1	☑ 2	☐ 3	☐ 4	☐ 5	☑ Process application as soon as possible	☐ Return application to applicant
04/01/2022	04/01/2021							

* ***The number of years permissible for a rental is subject to the lease contract duration for the water right(s) being rented.***

** ***Per Idaho Code 42-201, it is unlawful to divert or use water without a valid water right. Water Supply Bank rental applicants are not authorized to utilize rental water prior to the execution of an approved rental agreement. Rental requests may be returned to applicants if no water is available from the Bank to fulfill a rental request.***

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STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

D. Describe your water distribution system and how rental water will be delivered from the point(s) of diversion (POD) to the proposed place of use (POU):
A deep well provides water to multiple pivots through mainlines. The proposed place of use is tied to this system and the point of diversion through mainline pipes.

E. Describe the physical type (pump, headgate, etc.) and location of the POD from which rental water is proposed to be diverted:

POD Description	Water Source	Other Water Rights Diverted from this POD
05N 34E Sec 2 SWNESE	GROUND WATER	31-7029A, 31-7035, 31-7053, 31-12336, 31-12337

If the POD(s) above are located where water is turned into a canal, lateral or ditch, or if they are located on your property but are serviced by water that is delivered via a canal, lateral or ditch, your rental request must include documented authorization from all relevant canal companies, irrigation districts and/or water delivery entities, confirming that they consent to your diversion of water from their system.

F. Has documented consent from all relevant water delivery entities been obtained? Yes ☐ N/A ☑
If yes, include documented consent as **Attachment 3F.**

G. Do any POD(s) identified in Question 3E divert from a water source that may require water modeling? Yes ☑ No ☐
Refer to the Water Modeling Requirements Information Sheet to determine if a rental POD may require water modeling.

H. Has water modeling been provided with your rental request? Yes ☑ N/A ☐
If yes, label modeling Attachment 3 H.
Rental applications that require modeling will be returned if modeling is not provided.

I. Specify the desired beneficial use of water and the requested season of use or number of acres required:

☑ Irrigation 10.0 (number of acres) Duration: Subject to IDWR standard seasons of use

☐ Commercial from: _____ (mm/dd) to: _____ (mm/dd)

☐ Stockwater from: _____ (mm/dd) to: _____ (mm/dd)

☐ Industrial from: _____ (mm/dd) to: _____ (mm/dd)

☐ Other: _____ from: 04/01 (mm/dd) to: 10/31 (mm/dd)

J. For irrigation uses, do you propose to divert water at a rate greater than 0.02 cfs/acre? N/A ☐ Yes ☐ No ☑
If yes, justify the rate of flow and attach any supporting documents as **Attachment 3J**. Justification may include information on soil composition, conveyance losses, crop type, irrigation systems, public access areas, etc. A rate of 0.03 cfs/acre is permissible for irrigation of 5 acres or less.

K. Do you own the land at the proposed rental place of use (POU)? Yes ☐ No ☑
If no, attach documentation from the POU owner/operator confirming your authorization to use the POU and label it **Attachment 3K.**

L. List all other water rights and sources of water at the rental place of use for the same purpose, including privately owned water rights and water received from a municipal supplier, an irrigation district, a canal company or any other water delivery entity. Explain why additional water is required:

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STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

4. RENTAL REQUESTS FOR SPECIFIC WATER RIGHTS

A. Are you requesting to rent specific water rights? Yes ☐ No ☐

If yes, specify below the elements of the water rights you are requesting to rent. **If no,** continue to Question 4B.

Important Information: Diversion rates and volumes sought for rent must be proportionate to the per acre diversion rates and per acre volume limits of the water right under lease contract to the Water Supply Bank. Prior to completing this section, applicants should review all water right lease contracts and any active rental agreements to determine which elements of a water right are available to satisfy a rental request. Lease and rental documents are searchable via IDWR's website.

Water rights identified below must either already be leased to the Bank or a lease proposal should accompany this rental request. **Rental requests for water rights not yet leased to the Bank will be returned if companion lease applications are not provided with the rental request**. For leased rights featuring combined limits, rentals must be consistent with combined diversion rate, volume or acre limits. Combined limits should be listed on a row below water right numbers.

Water Right Elements Leased to Water Supply Bank					Leased totals, minus water right elements involved in active rental agreements, equals water right elements available for rent	Water Supply Bank Rental Request		
Water Right Number (leave blank if sub-total of combined limits)	Nature of Use	Diversion Rate (CFS)	Volume (AF)	Acres (AC)		Diversion Rate (CFS)	Volume (AF)	Acres (AC)
21-13202	Ground Water	0.47	70.2	23.4		0.2	25.5	10.0
Applicants must ensure the requested rate per acre and volume per acre do not exceed the rate per acre and volume per acre limits of water rights leased to the Water Supply Bank					**TOTAL**	0.2	25.5	10.0
						CFS	**AF**	**AC**

****Attach multiple copies of this page if space above is insufficient to list all water rights requested to be rented on this application.***

B. If water right conditions, combined limits, or the sum of all water right elements being requested provide an unconventional duty of water (e.g., an unusually low rate per acre or volume per acre for irrigation use), explain how your proposed rental will sufficiently accomplish your intended purposes. Attach a separate page if space is insufficient and label it **Attachment 4B**:

C. Does your rental request propose to change the nature of use for any water right(s) being rented? Yes ☐ No ☑

If yes, explain how the water right(s) will be converted to new uses. Include the historic consumptive use amounts for the water right being rented if you have it, as well as the new consumptive use amount for your proposed beneficial use. If space below is insufficient, attach a separate page and label it **Attachment 4C**:

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STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

5. ADDITIONAL INFORMATION

A. Is this the first time that rental water is being requested for this purpose at the rental place of use? Yes ☐ No ☑
If no, list previous rental requests/agreements and explain why you have not secured a permanent water right for your needs:
The previous rental agreement (Agreement No. 432) was amended and the amended agreement expires 12/31/2021. More time is needed for renting the water right.

B. Have you or do you intend to submit an application for permit or transfer proposing a similar use as this rental? Yes ☐ No ☑
If yes, describe:

C. Was this rental application submitted in response to a Notice of Violation (NOV) or a pending NOV? Yes ☐ No ☑
If yes, describe the date and location of the NOV.
The previous rental agreement was obtained in response to a PNOV for E2019-1379. This application is being submitted to ensure compliance is continued while being able to maintain current agriculture practices.

D. Additional Information

DECLARATION

I hereby assert that the information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in rejection of the application or cancellation of an approval. I understand that if this rental application is approved, it will be subject to the provisions of Section 42-1766, Idaho Code and all applicable state and federal laws. I understand that the submission of a rental application provides no guarantee for approval of a rental agreement. I also understand that, per Idaho Code 42-201, it is unlawful to divert or use water without a valid water right and that I am not authorized to utilize water as proposed in this application prior to the execution of an approved rental agreement.

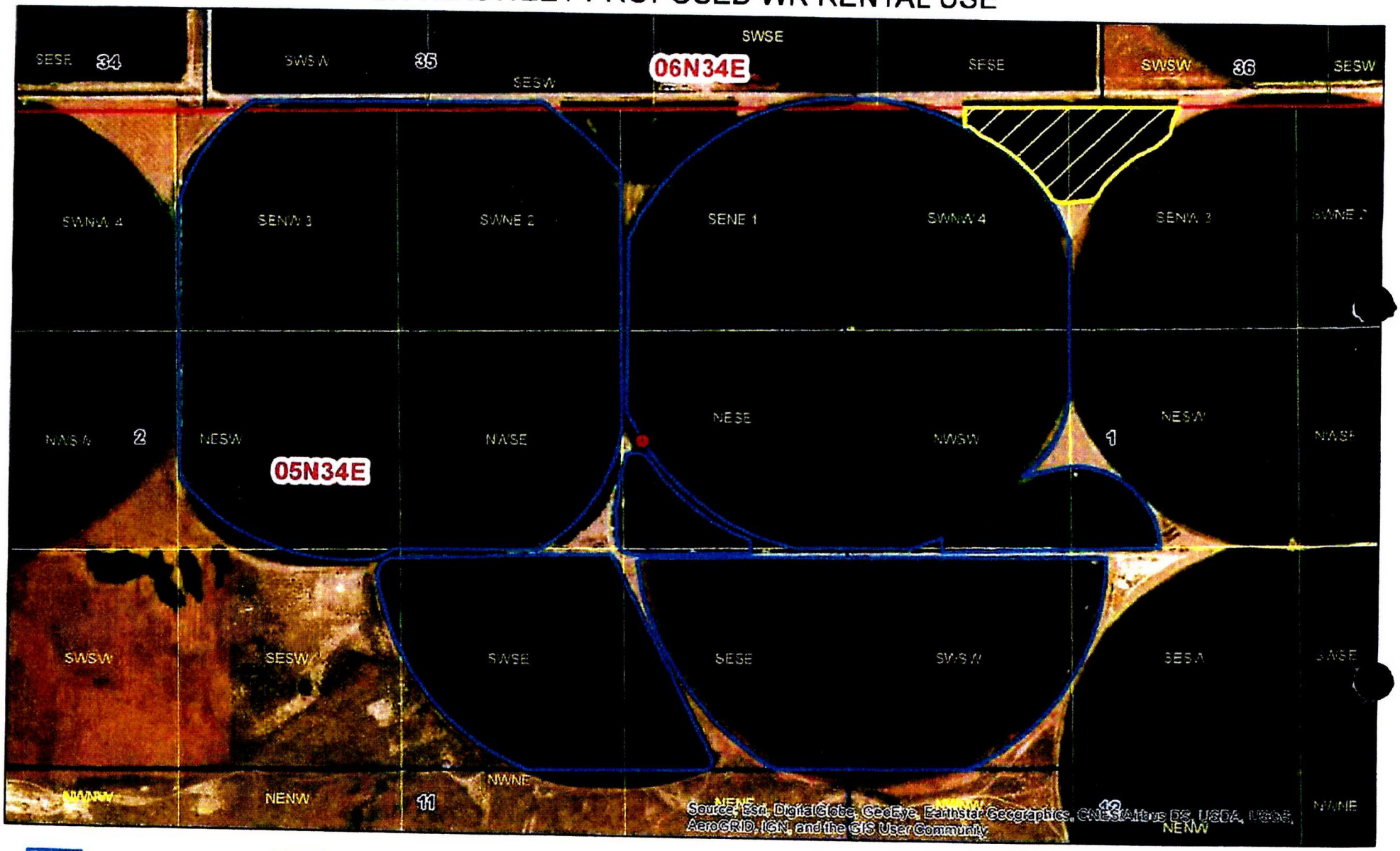
Signature of Applicant	Printed Name of Applicant	Date
	DARREN BITTER	1/14/22
Signature of Representative	Printed Name of Representative	Date

Mail to:

Idaho Department of Water Resources
P.O. Box 83720
Boise, ID 83720-0098

SCANNED JAN 26 2022

BITTERSWEET PROPOSED WR RENTAL USE



Water Rigth POU
Township/Range
Sections
QQ
Proposed POU
Authorized POD

0 750 1,500 3,000 Feet

N

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JUL 26 2023

One Way Analysis of Independent Transfers

New Water Right (GModelo):

WR No.	Div. Rate (CFS)	Con. Vol. (AFA)	No. of Irr. Acres	Priority Date	POD Location	Dedicated Vol. AFA/ AFT		Model Node
Transfer 1: Proposed Steady State Impacts following Transfer								
21-13202	0.2	275.6	68.9	1/1/1960	8S26E-3	275.6	91.9	SP082075
21-13202	0.2	275.6	68.9	1/1/1960	8S26E-3	275.6	91.9	SP068066
Transfer 1: Worst Case Transient State Impacts following Transfer								
21-13202	0.2	275.6	68.9	1/1/1960	8S26E-3	275.6	91.9	SP082075
21-13202	0.2	275.6	68.9	1/1/1960	8S26E-3	275.6	91.9	SP068066

Impact by Reach (AF/Trimester)

Ashton to Rexburg	Heise to Shelley	Shelley to Nr Blckft	Nr Blckft To Neeley	Neeley to Minidoka	Dev. Wbl. To Buhl	Buhl to Kspr	Kspr	Kspr to Malad	Malad	Malad t Bancro
6.81	0.85	0.25	0.55	0.01	0.01	0.01	0.00	0.00	0.00	0.00
6.81	0.85	0.25	0.55	0.01	0.01	0.01	0.00	0.00	0.00	0.00
6.81	0.85	0.25	0.55	0.01	0.01	0.01	0.00	0.00	0.00	0.00
6.81	1.07	1.18	2.18	0.02	0.01	0.01	0.00	0.00	0.01	0.00

Steady State Analysis	Mitigation Check 1 - >10% of Historical:	0.0%	0.0%	0.0%	0.0%	0.1%	0.2%	0.2%	0.2%	0.2%	0.3%
	Mitigation Check 2: > 2 AF/T:	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	Mitigation Check 3 - >10% of Total:	80.2%	10.1%	2.9%	6.5%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%
	Mitigation Required?:	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO
	Mitigation Vol. Req'd (ac-ft):	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transient State Analysis	Mitigation Check 1 - >10% of Historical:	0.0%	25.6%	379.5%	295.6%	153.9%	57.6%	57.6%	57.5%	57.4%	57.2%	52.7%
	Mitigation Check 2: > 2.01 AF/T:	0.0	0.2	0.9	1.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	Mitigation Required?:	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO
	Mitigation Vol. Req'd (ac-ft):	0.0	0.2	0.9	1.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0

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BROWN MAPLE, LLC:

By:_____
Patrick Trainor, Authorized Officer

BITTERSWEET RANCH, LLC:

By:_____
Name: Daren Bitter, Authorized Officer

PERSONAL GUARANTOR:

_____
Name: Daren Bitter, Authorized Officer

Exhibit A – Leased Property: Legal Description

Exhibit B – Water Rights

Exhibit C – Personal Property

SCANNED

EXHIBIT A.1

Leased Property: Legal Description

Real Property – Part 1

TRACT 1:

Beginning 195 feet West of the Northeast corner of Lot 4 in Section 6, Township 5 North, Range 35 East, Boise Meridian, Jefferson County, Idaho, thence West 320 feet; thence South 250 feet; thence East 320 feet; thence North 250 feet of the point of beginning

TRACT 2:

Lots 4, 5 and 6 in Section 6, Township 5 North, Range 35 East of the Boise Meridian, Jefferson County, Idaho.

EXCEPTING THEREFROM: Beginning at the Northeast corner of Lot 4, thence West 515 feet; thence South 250 feet; thence East 320 feet; thence North 35 feet; thence East 195 feet; thence North 215 feet to the point of beginning.

TRACT 3:

Lot 1 in Section 7, Township 5 North, Range 35 East, Boise Meridian, Jefferson County, Idaho.

TRACT 4:

Lots 1, 2, 3 and 4 and the South Half of Section 1, Township 5 North, Range 34 East of the Boise Meridian, Jefferson County, Idaho.

EXCEPTING THEREFROM: Non-irrigated portion of the Southwest Quarter of the Northeast Quarter of the Southeast Quarter of Section 1, Township 5 North, Range 34 East of the Boise Meridian, Jefferson County, Idaho.

TRACT 5:

Lots 1, 2 and 3; the Southeast Quarter; the East Half of the Southwest Quarter of Section 2, Township 5 North, Range 34 East of the Boise Meridian, Jefferson County, Idaho.

TRACT 6:

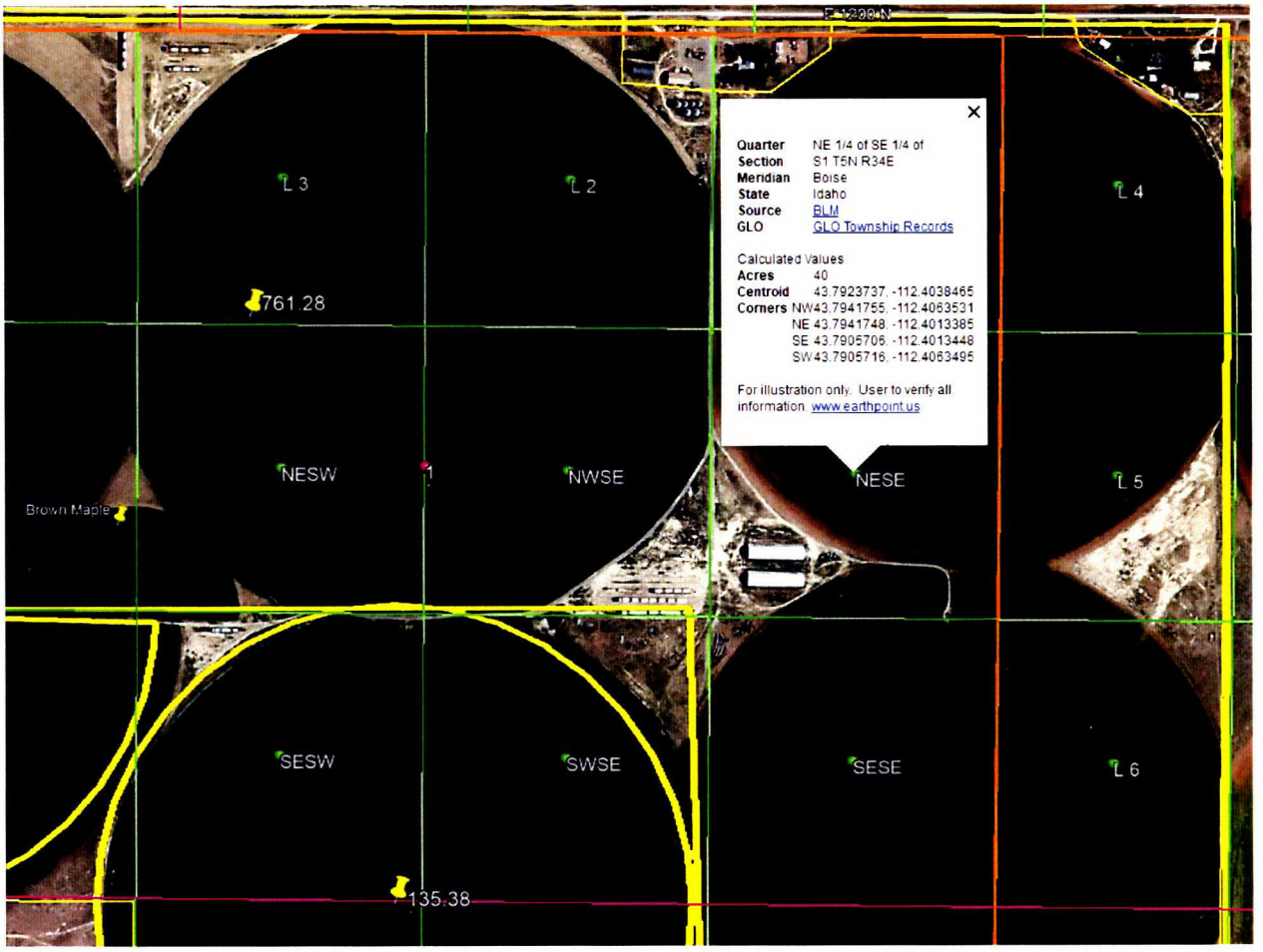
The East Half of the Northeast Quarter; the Northwest Quarter of the Northeast Quarter; the Northeast Quarter of the Northwest Quarter of Section 12, Township 5 North, Range 34 East of the Boise Meridian, Jefferson County, Idaho.

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EXHIBIT A.2

Real Property – Part 2

Leased Real Property – Part 2: The two white potato storages located in the SW1/4 of the NE1/4 of the SE1/4 of Section 1, Township 5 North, Range 34 East, Boise Meridian, Idaho, Jefferson County.



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EXHIBIT B

Water Rights

Basin	Sequence	Priority Date	Div. Rate (cfs)	Source	Water Use
31	2433	3/6/1967	4.31	GROUND WATER	IRRIGATION
31	7029A	1/23/1970	1.6	GROUND WATER	IRRIGATION
31	7035	5/12/1970	1.6	GROUND WATER	IRRIGATION
31	7053	8/18/1971	4.76	GROUND WATER	IRRIGATION
31	7159	3/18/1975	3.94	GROUND WATER	IRRIGATION
31	11353	4/1/1980	0.31	GROUND WATER	IRRIGATION
31	11354	4/1/1980	0.32	GROUND WATER	IRRIGATION
31	12336	3/6/1967	0.14	GROUND WATER	IRRIGATION
31	12337	3/18/1975	0.06	GROUND WATER	IRRIGATION

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EXHIBIT C

Personal Property

Personal Property – Part C.1

All wells, irrigation equipment, pipes, electrical service, water inlets, and any and all equipment owned by Lessor and used for the irrigation of crops on the property, whether purchased with the Property or separately purchased and constructed by Lessor.

Lessor does not own any fertilizer tanks and injection equipment; such property is owned and operated by Lessee.

Personal Property – Part C.2

Lessor does not own any fertilizer tanks and injection equipment; such property is owned and operated by Lessee.

SCANNED

FARM LEASE AGREEMENT
Brown Maple, LLC – Bittersweet Ranch, LLC

This Farm Lease Agreement ("**Lease**") is entered into and effective as of the 1st day of January 2022 ("**Effective Date**") between Brown Maple, LLC, an Idaho limited liability company ("**Landlord**") and Bittersweet Ranch, LLC, an Idaho limited liability company ("**Tenant**").

Tenant desires to lease from Landlord, and Landlord desires to lease to Tenant, the Leased Property as of the dates, and under the terms and conditions, set forth below.

In consideration of the mutual promises, covenants, conditions, and agreements hereinafter set forth, Landlord, Tenant, and Personal Guarantor (as defined below), intending to be legally bound hereby, agree as follows:

Section 1. Agreement to Lease

1.1 Leased Property. As of the Effective Date, Landlord leases to Tenant, and Tenant leases from Landlord, the real property described in Exhibit A.1 hereto (the "**Real Property – Part 1**"), all water rights associated with the Real Property – Part A.1 as described in Exhibit B hereto (the "**Water Rights**"), and the personal property described in Exhibit C.1 hereto (the "**Personal Property – Part 1**") (collectively the "**Leased Property – Part 1**"). As of August 16, 2022, in addition to the Leased Property – Part 1, Landlord leases to Tenant, and Tenant leases from Landlord, the real property described in Exhibit A.2 hereto (the "**Real Property – Part 2**"), and the personal property described in Exhibit C.2 hereto (the "**Personal Property – Part 2**") (collectively the "**Leased Property – Part 2**"). The Real Property – Part 1 and the Real Property – Part 2 are collectively the "**Real Property**". The Personal Property – Part 1 and the Personal Property – Part 2 are collectively the "**Personal Property**". The Leased Property – Part 1 and the Leased Property – Part 2 are collectively the "**Leased Property**". This Lease excludes any interest in oil, gas, or other minerals, hunting and outdoor recreation rights, and solar and wind energy rights, all of which are reserved for Landlord. Landlord represents that it is the sole owner of the Leased Property.

1.2 Purpose. This Lease is for the express purpose of growing, harvesting and storing crops from the Leased Property and for such uses as are reasonably incident thereto. Tenant shall not use the Leased Property for any other purpose without Landlord's prior written consent.

1.3 No Partnership. No partnership or joint venture is created or intended to be created between Landlord and Tenant in connection with this Lease, and Landlord will have no obligation with respect to Tenant's debts or other liabilities and no interest in Tenant's profits.

Section 2. Term

2.1 Term. The term of this Lease will commence on January 1, 2022. The term of Lessee's lease of the Leased Property – Part 1 will terminate on December 31, 2024, and the term of Lessee's lease of the Leased Property – Part 2 will terminate on July 1, 2025, unless terminated earlier pursuant to the provisions of this Lease. The phrase **"Lease Year"** shall mean a period of twelve (12) consecutive calendar months beginning January 1 and ending December 31. Each succeeding Lease Year shall commence upon expiration of the prior Lease Year.

2.2 First Right to Re-lease the Property. If the Tenant has faithfully met the terms and conditions of this Lease and is not currently in default and the Lease has not been previously terminated, Landlord and Tenant will enter into a lease re-negotiating period that will commence 180 days prior to the expiration of this Lease and last for 90 days. If a new lease has not been re-negotiated within the lease re-negotiating period, landlord may obtain a lease commitment from a third party that includes the material

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terms of such lease. If a lease commitment that is acceptable to Landlord is received from a third party during the last 90 days of the term, the tenant shall have 10 business days to accept terms of the third-party lease commitment. If the Tenant has not notified the Landlord in writing of its acceptance of those terms before the end of 10 business days, the landlord may enter into a lease with others.

Section 3. Rent; Guaranty.

3.1 Rent. From January 1, 2022through the end of the first Lease Year, Tenant shall pay rent ("**Rent**") to Landlord for Leased Property – Part 1 in the amount of **$271,800.00** [$300.00 per irrigated acre multiplied by 906 irrigated acres equals $271,800.00] and for Leased Property – Part 2, Tenant shall pay Rent to Landlord in the amount of $70,000.00 [$0.35 per 100 lb. sack multiplied by 200,000 sack storage capacity equals $70,000.00]. For the second Lease Year, Tenant shall pay Rent to Landlord for Leased Property – Part 1 in the amount of **$276,330.00** [$305.00 per irrigated acre multiplied by 906 irrigated acres equals $276,330.00] and for Leased Property – Part 2, Tenant shall pay Rent to Landlord in the amount of $70,000.00 [$0.35 per 100 lb. sack multiplied by 200,000 sack storage capacity equals $70,000.00]. For the third Lease Year, Tenant shall pay Rent to Landlord for Leased Property – Part 1 in the amount of **$280,860.00** [$310.00 per irrigated acre multiplied by 906 irrigated acres equals $280,860.00] and for Leased Property – Part 2, Tenant shall pay Rent to Landlord in the amount of $70,000.00 [$0.35 per 100 lb. sack multiplied by 200,000 sack storage capacity equals $70,000.00].

Rent will be calculated based on the number of acres authorized for irrigation under the water rights appurtenant to the Property, irrespective of the number of acres actually irrigated, and the number of 100 lb. potato sacks that the storage facilities are capable of properly storing, irrespective of the number of sacks actually stored.

3.2 Payment. The Rent will be paid annually as follows:

2022 Lease Year: 50% or $135,900.00 for the Leased Property – Part 1, will be due and payable on or before March 1, 2022 and the balance of $135,900.00 will be due on or before October 1, 2022. 100% of the Leased Property – Part 2 rent, or $70,000.00, will be due and payable on or before October 1, 2022.

2023 Lease Year: 50% or $138,165.00 for the Leased Property – Part 1, will be due and payable on or before March 1, 2023 and the balance of $138,165.00 will be due on or before October 1, 2023. 100% of the Leased Property – Part 2 rent, or $70,000.00, will be due and payable on or before October 1, 2023.

2024 Lease Year: 50% or $140,430.00 for the Leased Property – Part 1, will be due and payable on or before March 1, 2024 and the balance of $140,430.00 will be due on or before October 1, 2024. 100% of the Leased Property – Part 2 rent, or $70,000.00, will be due and payable on or before October 1, 2024.

3.3 Late Payment Penalty. If any Rent owing under this Lease is not paid in full within 10 days after the due date, there shall be added thereto an additional sum equal to five percent (5%) of the delinquent Rent. In addition, delinquent Rent will accrue interest at the rate of eighteen percent (18%) per annum until paid in full.

3.4 Personal Guaranty. As additional consideration for Landlord to enter into the Lease, Daren Bitter ("**Personal Guarantor**") hereby unconditionally guarantees the payment of Rent by Tenant and the performance of Tenant of all of the financial duties and financial obligations under the Lease. Personal Guarantor also agrees that Landlord is not first required to enforce against Tenant or any other person any liability, obligation, or duty guaranteed by this Lease before seeking enforcement thereof against Personal

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Guarantor. This personal guaranty shall not be recorded but shall remain an obligation of Personal Guarantor for the term of the Lease.

3.5 Security Interest. Tenant hereby grants a secured interest to Landlord in the following described collateral, and authorizes Landlord to prepare and file, without Tenant's signature, any necessary documents to perfect such security interest in the following collateral: (a) all crops grown on the Real Property and all proceeds therefrom; (b) all government payments relating to the crops grown on the Real Property, (c) all proceeds from the sale, destruction, loss or other disposition of any and all crops grown on the Real Property, including but not limited to insurance proceeds; (d) all accounts, instruments, monies, payments, rights to payment and all other rights arising out of the sale or other disposition of crops grown on the Property; and (e) all products and produce of any of the foregoing described types of collateral.

Section 4. Landlord Obligations.

4.1 Taxes and Assessments. Landlord will pay all assessments, taxes, and fees levied against the Leased Property.

4.2 Maintenance. Landlord will pay the portion of maintenance and repair costs exceeding $2,500 per occurrence for which Landlord has given written consent pursuant to section 5.3 of this Lease.

4.3 Loss Replacement. Landlord will replace or repair as promptly as is reasonable under the circumstances any Personal Property used by Tenant that may be destroyed or damaged by fire, flood, or other cause beyond the control of Tenant.

4.4 Possession. So long as Tenant timely pays Rent and performs and observes all other terms and conditions of this Lease, Tenant will at all times during the Term of this Lease peaceably and quietly have the possession, use, and enjoyment of the Leased Property without any disturbance from Landlord or from any other person claiming through Landlord.

Section 5. Tenant Obligations.

5.1 Farming Practices. Tenant will farm, cultivate, maintain, operate, and use the Leased Property consistent with the best agricultural practices employed by the farming industry in the area where the Leased Property is located. Tenant will refrain from practices that will cause erosion to the Leased Property in excess of local standards. Tenant will utilize the Leased Property in compliance, at all times, with all federal, state, and other governmental laws, regulations, statutes, ordinances, and directives which may now or hereafter apply to the Leased Property or Tenant's use of the Leased Property; including, but not limited to those related to (a) hazardous or toxic materials; (b) pollution control; (c) environmental and conservation matters, regardless of whether such requirements are part of a government subsidy program; (d) water use, surface water, groundwater, wetlands, waterways or watersheds (e) pesticides, herbicides, fertilizers or chemicals; (f) record keeping and reporting; (g) the Worker Protection Standard for Agricultural Pesticides issued by the United States Environmental Protection Agency; (h) the Endangered Species Act; (i) the Clean Water Act; or (j) storage and use of fuel and oil on the Leased Property. Tenant further agrees to use only federal and state approved pesticides, fertilizers and chemicals, with such use to be in strict compliance with federal, state and locally permitted concentrations, and in compliance with all manufacturers label instructions, agricultural use requirements, precautionary statements and warnings. Tenant will use the utmost care in the handling and application of any pesticides, fertilizers and chemicals to protect all persons who may enter upon the Leased Property; will dispose of all pesticide, fertilizer and chemical containers only in a lawful manner; and will not dump, bury or burn said containers, or any other debris, trash or waste upon the Leased Property.

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5.2 Harvesting of Crops. Tenant will harvest all crops in proper season. A failure to do so will constitute breach of this Lease, in which case Landlord may (a) terminate this Lease by providing written notice of termination to Tenant, and/or (b) enter upon the Leased Property and properly care for and harvest said crops and charge the cost to Tenant as Additional Rent.

5.3 Maintenance. Tenant will be responsible to maintain and repair the Leased Property in as good or better condition as it existed at the commencement of the Lease, subject to Landlord's approval of maintenance and repair costs exceeding $2,500. Tenant will pay all costs to repair damage to the Leased Property caused by the negligence of Tenant, its employees, agents, subcontractors, or invitees. For all other maintenance and repair costs, Tenant will pay for all such costs up to $2,500 per occurrence. Tenant will not undertake any maintenance or repair costs exceeding $2,500 per occurrence without first obtaining Landlord's written consent, in which case, if consent is given, Landlord will pay for the portion of such costs exceeding $2,500. Landlord may approve or decline maintenance and repair costs exceeding $2,500 in its sole discretion. Tenant's maintenance and repair obligation includes, but is not limited to, (a) buildings, storage facilities, equipment, and personal property located on the Leased Property; (b) irrigation wells, pumps, motors, pipes, sprinklers, weirs, and other irrigation infrastructure; (c) weed control and protection of desirable vegetation such as grass, shrubs, and trees; (d) fences, roads, ditches, and other improvements to the Leased Property; and (e) not plowing or otherwise disturbing permanent vegetation without the consent of Landlord.

5.4 Annual Report. Between the conclusion of each farming season and the following first day of February, Tenant will furnish to Landlord a signed written report of the farming operations for that farming year containing the following information:

(a) Number of acres planted to each crop and number of acres set aside for participation in any government program, to be reported on a map of the Leased Property drawn to scale showing the location and area of each use.

(b) Average yield per acre for each crop harvested and for each cutting of alfalfa and total benefit payments received from participation in any government farm program.

(c) Kind and quantity per acre of any fertilizer applied and identification of the land area on which it was applied.

(d) Kind and quantity per acre of herbicide and pesticide applied and identification of the land area on which it was applied.

(e) Any soil tests conducted during the crop year and identification of the land area on which the soil test information applied.

5.5 Utilities. Tenant will pay all charges of public or private utility companies for utility services furnished to the Leased Property. If Tenant fails to timely pay such utility charges, Landlord may, at Landlord's election, pay same and in such event Tenant will repay to Landlord, upon demand, such amount as Additional Rent.

5.6 Water Rights. Tenant will comply with the terms and conditions of the Water Rights and maintain such water rights in good standing in accordance with applicable law. Tenant acknowledges and agrees that, before entering this Lease, it has conducted any due diligence it deems necessary with respect to the Water Rights and the terms, conditions, and charges associated with the use of such rights. Landlord does not guarantee a continuous or adequate water supply, and Tenant accepts the risk of any water shortages. Tenant will comply with all water diversion restrictions imposed by any ground water district, irrigation district, canal company, or other irrigation entity. If the irrigation entity imposes any penalty as a result of Tenant's diversions of water under the Water Rights, Tenant will pay such penalty to the entity.

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For the purpose of determining compliance with groundwater diversion restrictions under a ground water district mitigation plan, Tenant may, with the approval of the district, combine its water diversions on the Leased Property with its water diversions on other properties owned or managed by Tenant within the district. However, at no time will Tenant's annual water diversions under the Water Rights exceed the limit imposed by the district by more than five percent (5%). Tenant represents and warrants that its diversion of groundwater under the Water Rights will, at the termination of this Lease, be less than or equal to the diversion limit imposed by the district. In the event Tenant's diversion of groundwater exceeds such limit at the termination of this Lease, Tenant will pay to Landlord a water overuse penalty equal of $275 per acre-foot of overuse.

5.7 Liens. Tenant shall pay when due all claims for work done on the Leased Property, and for services rendered or material furnished to Tenant in connection with farming the Leased Property. Tenant will keep the Leased Property and the crops free of any liens arising out of the failure to pay such claims or arising out of any other activity of Tenant. If the Leased Property, improvements, or crops are subjected to any lien because of the activities of Tenant, and such lien is not discharged within thirty (30) days following the date Tenant first learns of the lien, then Landlord may discharge the lien and recover the cost from Tenant on demand, plus interest at the rate of eighteen percent (18%) per annum from the date of expenditure. Such action by Landlord will not constitute a waiver of any right or remedy that Landlord may have on account of Tenant's default. If Tenant in good faith elects to contest the lien, then Tenant will, on Landlord's written request, deposit cash or sufficient corporate surety bond or other security reasonably satisfactory to Landlord to discharge the lien plus costs and interest.

5.8 Indemnification. Tenant agrees to defend, indemnify, and hold harmless Landlord and its affiliates, and all of its respective officers, directors, agents, and employees (each an "**Indemnified Party**"), for and against any and all claims, demands, liabilities, losses, damages, actions, judgments, costs, expenses, fines, and reasonable attorneys' fees (collectively, "**Claims**"): (i) incurred by any Indemnified Party as a result of a breach of this Lease by Tenant; or (ii) asserted by a third party against any Indemnified Party arising out of, related to, or in connection with: (A) any breach of this Lease by Tenant; (B) any damage to or loss or destruction of any real or tangible personal property in the possession or under the control of Tenant; (C) Tenant's negligent acts, omissions, and/or willful misconduct; (D) the death or bodily injury of any agent, employee, subcontractor, customer, business invitee, or business visitor of Tenant; or (E) any violation by Tenant of any federal, state, or local laws, regulations, ordinances, or orders. The Indemnified Party shall give prompt written notice to Tenant of any event giving rise to any alleged right of indemnification hereunder, but the failure to give such notice shall not bar an indemnification claim hereunder unless such failure materially prejudices Tenant in defending the Claim. Notwithstanding anything to the contrary in this Lease, and to the extent permitted by law, the indemnification provisions hereof shall not be deemed to waive or limit any other rights or remedies available to an Indemnified Party at law or in equity, and the foregoing indemnification obligations shall remain in effect following the termination or expiration of this Lease.

5.9 Insurance. Tenant, at its sole cost and expense, will maintain adequate insurance coverage to protect Landlord from any losses that arise out of Tenant's obligations under this Lease. Such insurance shall include, at a minimum, commercial general liability in an amount not less than $1,000,000 per occurrence and $1,000,000 in the aggregate; statutory workers' compensation insurance or equivalent as prescribed by applicable law; statutory disability benefits insurance or equivalent as prescribed by applicable law; employer's liability insurance covering bodily injury each occurrence (in an amount not less than $500,000), occupational disease each occurrence (in an amount not less than $500,000), and occupational disease aggregate (in an amount not less than $500,000); comprehensive automobile liability covering all vehicles that Tenant owns, hires, or leases in an amount not less than $1,000,000 (combined single limit for bodily injury and property damage), or in such greater amount as may be required by the laws applicable to Tenant; and umbrella coverage in the amount of $5,000,000 per occurrence in excess of

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the insurance coverage described above. All insurance maintained under this Lease shall be provided by U.S.-domiciled companies rated A+ or better in the most current issue of the A.M. Best's Rating Guide. Landlord will be named as an additional insured on Tenant's liability insurance policies pertaining to the Leased Property. Upon request, Tenant will furnish Landlord with certificates of insurance showing that the required insurance is in force and satisfies all requirements stated in this Lease.

5.10 Subordination and Attornment. In the event Landlord desires to finance the Leased Property during the Term, Tenant agrees to execute acts of subordination and attornment, making this Lease subordinate and inferior to any mortgage or mortgages which Landlord may give upon the Leased Property during the Term and Tenant does hereby expressly subordinate this Lease to any such mortgages and agrees to so attorn so that it will not be necessary for Tenant to execute an act of subordination or attornment at the time the mortgage is granted.

Section 6. Government Programs

6.1 Crop Production & Soil Conservation Programs. Tenant may enter into any state or federal agricultural crop production program or soil conservation program only with Landlord's written consent. Tenant will have the right to such payments during the Term of the lease.

6.2 Agricultural Crop Bases. The Real Property is presently subject to crop bases for the growing of specified crops under regulations of the United States Department of Agriculture. Tenant covenants and agrees that it will perform every act necessary and proper to maintain such crop bases and any other crop bases which may, at any time during the Term, be established for the growing of crops upon the Real Property so that such crop bases will be undiminished and without penalty in future years.

Section 7. Default; Remedies

7.1 Tenant Default. Each of the following will be deemed a default by Tenant and a breach of this Lease:

(a) Failure to pay Rent, or any part thereof, when due.

(b) Failure to perform any of the terms, covenants, conditions, agreements, and provisions in this Lease that are obligations of Tenant. For a failure other than the payment of Rent, if the failure cannot reasonably be cured within ten (10) days after Tenant receives written notice of default pursuant to section 7.2 then Landlord and Tenant shall agree upon a reasonable time to cure such default, not to exceed ninety (90) days after the written notice of default from Landlord, and Tenant shall take action with diligence and continuity to cure the default by such date.

(c) Abandonment of the Leased Property by Tenant.

(d) Assignment of this Lease by Tenant without Landlord's prior written approval.

(e) Adjudication of Tenant as a bankrupt, making by Tenant of a general assignment for benefit of creditors, taking by Tenant of the benefit of any insolvency law, the appointment of a permanent receiver or trustee in bankruptcy for Tenant's property, or the appointment of a temporary receiver or trustee for Tenant's property which is not vacated or set aside within thirty (30) days after such appointment.

7.2 Termination upon Tenant Default. In the event of any default by Tenant, Landlord may at any time serve a written notice of default upon Tenant. If Tenant does not cure the default within ten (10) days after delivery of such notice, this Lease shall automatically terminate at midnight ten (10) days after delivery of such notice unless Landlord specifies a later termination date in such notice.

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7.3 Reentry by Landlord. If this Lease is terminated by reason of Tenant's default, Landlord may immediately reenter and resume possession of the Leased Property and remove all persons and property therefrom by reasonable and necessary force without being liable for any damages therefor.

7.4 Right to Relet. If this Lease is terminated by reason of Tenant's default, Landlord may relet the whole or any portion of the Leased Property for any period of time, for any Rent which Landlord may deem reasonable, to any tenant which Landlord may deem suitable, and for any use and purpose which Landlord may deem appropriate. Landlord shall in no event be required to pay Tenant any surplus of Rent received by Landlord upon reletting the Leased Property in excess of the Rent provided in this Lease.

7.5 Measure of Damage. In the event this Lease is terminated by reason of Tenant's default, Tenant will pay to Landlord the following:

(a) All expenses incurred by Landlord in recovering possession of the Leased Property, all reasonable costs and charges for the care and maintenance of the Leased Property while vacant, and all reasonable costs and charges for reletting the Leased Property, which shall be due and payable by Tenant to Landlord at such time such expenses are incurred by Landlord.

(b) A sum equal to the amount of all Rent due under this Lease less fifty percent (50%) of the net Rent, if any, collected by Landlord on reletting the Leased Property, which shall be due and payable by Tenant to Landlord on the dates on which the Rent reserved in this Lease would have become due and payable.

(c) All other damages incurred by Landlord.

(d) Reasonable attorneys' fees incurred by Landlord as a result of Tenant's default.

(e) Interest on the aforesaid sums, from the dates due, at the rate of eighteen percent (18%) per annum.

Section 8. Representations and Warranties

Landlord makes no guarantee or representation regarding the production or carrying capacity of the Leased Property. Tenant represents and warrants that Tenant has made his or her own determination of the value and condition of the Leased Property, and that Tenant accepts the Leased Property in its present condition, AS IS, WHERE IS, WITH ALL FAULTS, and without any representation or warranty, express or implied, except as otherwise set forth in this Lease.

Section 9. Capital Improvements

Any capital improvement project (excluding standard maintenance or repairs of infrastructure or equipment) proposed by the Tenant shall be subject to the prior written consent of Landlord. If Tenant desires to perform capital improvements not funded by Landlord, but approved by Landlord, Tenant may complete the improvement at Tenant's expense and the improvement shall become part of the Property. Tenant will not be reimbursed for such improvements which shall remain with the Property upon termination of the Lease.

Section 10. Surrender of Leased Property

10.1 Possession. Upon termination of this Lease, Tenant will peaceably surrender possession of the Leased Property to Landlord without further demand or notice.

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10.2 Removal of Portable Buildings. Tenant shall have the right to remove from the Leased Property any portable buildings that Tenant places upon the Leased Property at Tenant's own expense. Such moving must be completed by termination of the Lease unless additional time is granted in writing by Landlord. Landlord will in no way be responsible for property owned by Tenant. If such property is not removed, it will be considered abandoned and Tenant shall claim no further interest in it except by written agreement between Landlord and Tenant. Any expenses incurred by Landlord to remove property abandoned by Tenant shall be charged to Tenant as Additional Rent.

10.3 Holdover. Tenant has no right to holdover tenancy. If Tenant withholds possession of the Leased Property after the date of termination, Tenant shall pay to Landlord the sum of three thousand dollars ($3,000) for each day Tenant remains in possession thereafter as liquidated damages, until such time as Tenant vacates the Leased Property.

10.4 Right of Entry. Landlord reserves the right to enter the Leased Property at any reasonable time to inspect the property and make improvements as Landlord deems necessary. Upon notice of termination of this Lease, Tenant agrees to permit Landlord or Landlord's Tenant or agent to enter the Leased Property to do customary operations.

Section 11. General Provisions.

11.1 Entire Agreement. This Lease sets forth the entire understanding and statement of the relationship between the parties and supersedes, and hereby renders null and void, all previous or contemporaneous oral or written proposals, negotiations, arrangements, understandings, agreements, guidelines, representations, warranties, terms, conditions, covenants, and any other communication between the parties, including their respective officers, employees, agents, or affiliates, relating to the subject matter of this Lease.

11.2 Amendment. No amendment, change, or modification of any of the terms, provisions, or conditions of this Lease shall be effective unless such amendment is clearly identified as an amendment to this Lease, made in writing and signed by authorized personnel of both Landlord and Tenant.

11.3 Waiver by Landlord. The failure of Landlord to enforce any term, covenant, condition, or agreement hereof by reason of its breach by Tenant after notice thereof is given shall not be deemed to avoid or affect the right of Landlord to enforce the same term, covenant, condition, or agreement on the occasion of a subsequent default or breach.

11.4 Assignment. Tenant does not have the right to assign this Lease or sublet the whole or any part of the Leased Property unless Landlord's prior written consent therefor is first obtained. Tenant shall remain fully responsible for Landlord for the terms and conditions of this Agreement. Assignment of this Lease shall not operate to release Tenant from liability thereunder.

11.5 Notices. All statements, invoices, payments, notices, demands, requests, and payments from one party to another shall, unless otherwise specified herein, be (a) delivered personally, (b) sent by certified mail or reliable overnight courier service, postage prepaid, to the addresses stated below, or (c) sent by email to the addresses stated below. Notice sent by certified mail shall be deemed delivered three (3) days after deposit in the United States mail. Notice sent by email shall be deemed delivered only if the designated recipient acknowledges receipt thereof via a reply email (not to include auto-reply emails).

(a) **To Landlord:** Skye Root
2854 S. Featherly Way, Suite 104
Boise, ID 83709
skye@rootagadvisory.com

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with a copy to: Brown Maple, LLC
One Embarcadero Center, Suite 3860
San Francisco, CA 94111
brown.maple@homesteadcapital.com

(b) **To Tenant:** Bittersweet Ranch, LLC
ATTN: Daren Bitter
1344 N 1900 E
Terreton, ID 83450-5209
bitterfarms@gmail.com

11.6 Legal Advice. Each party has received or had ample opportunity to receive independent legal advice from its attorneys with respect to the advisability of executing this Lease and the meaning of the provisions of this Lease and fully understands this Lease. The provisions of this Lease shall be construed as to the fair meaning and not for or against any party based upon any attribution of such party as the sole source of the language in question regardless of which party performed the drafting hereof.

11.7 Successors in Interest. Each covenant and agreement herein contained shall extend to and be binding upon the respective successors, heirs, and assigns of the parties hereto.

11.8 Time of the Essence. Time shall be of the essence as to all dates and times of performance of this Lease.

11.9 Construction. Words and phrases used in this Lease shall be construed as in the single or plural number, and as masculine, feminine, or neuter gender, according to the context. The paragraph headings in this Lease are for convenience only and in no way define or limit the scope or intent of any provisions of this Lease.

11.10 Severability. If any part of this Lease is adjudged invalid or unenforceable, such adjudication shall not affect the validity or enforceability of this Lease as a whole or any part thereof not adjudged invalid or unenforceable.

11.11 Counterparts. This Lease may be executed in any number of counterparts, which when taken together shall constitute one and the same instrument.

11.12 Governing Law. This Lease shall be governed by and construed in accordance with the substantive laws of the state in which the Leased Property is located, without giving effect to any conflict of law principles that may require the application of the laws of another jurisdiction.

11.13 Time Computation. Unless otherwise provided herein, in computing a period of days for performance or payment as provided hereunder, the first day shall be excluded and the last day shall be included. If the last day of any such period is a Saturday, Sunday or legal holiday, the period shall extend to include the next day which is not a Saturday, Sunday, or a legal holiday. Any performance or payment which is taken or made under this Lease must be taken or made not later than 6:00 p.m. (Boise, Idaho time) on the last day of the applicable period specified.

11.14 Waiver of Jury Trial. EACH OF THE PARTIES IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT, OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS LEASE OR THE PERFORMANCE OR ENFORCEMENT HEREOF.

[Signature Page Follows]

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WSB Mailing Checklist for Rentals

(For use on all new rental applications)

Key: Who Completes What?
CLERICAL STAFF: MC
REVIEWER: ~~SN~~ MK

Received Date: 1/14/2022
Latest Start Date: 4-1-22
Renter: Bittersweet Ranch
Rental Expiration Date Dec 2023
Lease/Rental Package Y (N)

Application # 2361
Agreement # 661

Water Right	Lease Contract ID
# ~~21-13202~~	~~1125~~ 1023
# 34-2478	
# 34-2500B	
#	
#	
#	
#	
#	
#	
#	
#	
#	
#	

Applicant Authorized?	(Y) / N
Map of POU and POD	(Y) / N
POD consent?	(Y) / N
ESPA Modeling?	(Y) / N NA
Application Complete?	(Y) / N
Minimum Checklist in database?	☐
Request for additional information letter sent:	Y (NA)
WSB Action Request for deficiencies	☐

Comments:

Previous rental was amended and reduced rental to end 2021. Wants to continue rental through 2023.

Mailings (per application)		Original	CC	Email or Address
Renter:	Bittersweet Ranch LLC	☒	☐	bitterfarms@gmail.com
Attorney:	none	☐	☐	
Consultants Name:	none	☐	☐	
Conveyence Entity: (Ex. Irrigation Dist. of Canal Co.)	none	(final only)	☐	
(Ground) Water Dist:	110 & 100	(final only)	☐	
Other: ESPA (WD Snake 01, Boise, Payette, and Bear River)		(final only)	☐	
Region:	Eastern	(final only)	☐	
Watermaster:	Lucas Yockey	(final only)	☐	
Compliance:	yes	(final only)	☐	

Resolving NOV? (Y) / N
E2019-1379

Call up Date: _____

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IDAHO DEPARTMENT
WATER RESOURCES

322 E Front Street, Suite 648, Boise ID 83702 • PO Box 83720, Boise ID 83720-0098
Phone: 208-287-4800 • Fax: 208-287-6700 • Email: idwrinfo@idwr.idaho.gov • Website: idwr.idaho.gov

Governor Brad Little

Director Gary Spackman

January 26, 2023

BITTERSWEET RANCH LLC
1344 N 1900 E
TERRETON, ID 83450-5209

RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 34-2478 & 34-2500B AGREEMENT 661

Dear Renter:

Please find enclosed receipts in the amount of **$700.00** and a copy of the fully executed Water Supply Bank Rental Agreements in connection with the rental of 35 acre-feet of water for irrigation of 10 acres in **2022**. Upon receipt of this fully executed agreement, you are authorized to divert water in compliance with the conditions of water use described in the agreement.

Pursuant to the Water Supply Bank Rules, 90% or $630.00 of the rental fees will be paid to the lessor(s) and 10% or $70.00 will be retained by the Department to offset administrative costs for **2022**. The 2023 rental fee is due immediately if you wish to divert water under the rental agreement.

If you have any questions, please contact this office at bank@idwr.idaho.gov or (208) 287-4800.

Sincerely,

Amanda Johnson-Veibell

for
Water Supply Bank

Enclosures: Receipt No. C115095
Rental agreement (copy)

c: Sascha Marston – Fiscal
IDWR Eastern Regional Office
Water District 100 & 110

SCANNED
JAN 26 2023

Condon, Mary

From: Daren Bitter <bitterfarms@gmail.com>
Sent: Wednesday, January 11, 2023 11:57 AM
To: Condon, Mary
Subject: Re: Rental from Water Supply Bank

CAUTION: **This email originated outside the State of Idaho network. Verify links and attachments BEFORE you click or open, even if you recognize and/or trust the sender. Contact your agency service desk with any concerns.**

Mary, we sent off the check for 2022 rental water but I have had second thoughts about not wanting the rental water for 2023.
I will let you know before the water season starts.
Thanks daren bitter

Sent from my iPad

On Jan 10, 2023, at 7:15 AM, Daren Bitter <bitterfarms@gmail.com> wrote:

Great, thank you!

On Mon, Jan 9, 2023 at 2:59 PM Condon, Mary <Mary.Condon@idwr.idaho.gov> wrote:

Daren,

Our mailing address is PO Box 83720, Boise Idaho 83720-0098

Mary Condon

Water Supply Bank Coordinator

IDAHO DEPARTMENT OF WATER RESOURCES

From: Daren Bitter <bitterfarms@gmail.com>
Sent: Monday, January 9, 2023 2:14 PM
To: Condon, Mary <Mary.Condon@idwr.idaho.gov>
Subject: Re: Rental from Water Supply Bank

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Mary,

What is the address for sending the payment and the agreement?

On Mon, Jan 9, 2023 at 1:52 PM Daren Bitter <bitterfarms@gmail.com> wrote:

Yes

On Mon, Jan 9, 2023 at 11:09 AM Condon, Mary <Mary.Condon@idwr.idaho.gov> wrote:

Hi Daren,

Are you including the hard copy of your agreement with the rental payment in the mail?

Thanks,

Mary

Mary Condon

Water Supply Bank Coordinator

IDAHO DEPARTMENT OF WATER RESOURCES

From: Daren Bitter <bitterfarms@gmail.com>
Sent: Friday, January 6, 2023 10:22 PM
To: Condon, Mary <Mary.Condon@idwr.idaho.gov>
Cc: Bank <Bank@idwr.idaho.gov>
Subject: Re: Rental from Water Supply Bank

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CAUTION: **This email originated outside the State of Idaho network. Verify links and attachments BEFORE you click or open, even if you recognize and/or trust the sender. Contact your agency service desk with any concerns.**

Sent from my iPad

> On Jan 6, 2023, at 9:47 AM, Condon, Mary <Mary.Condon@idwr.idaho.gov> wrote:
>
> Darren,
>
> Please see attached rental agreement requiring signature and payment.
>
> You can line through the 2023 if you no longer want a rental during 2023.
>
> Our mailing address is PO Box 83720, Boise Idaho 83720-0098
>
> Best,
>
> Mary
>
> Mary Condon
>
> Water Supply Bank Coordinator
>
> <image001.png>
>
> Planning & Projects
>
> mary.condon@idwr.idaho.gov
>
> Direct: (208) 287-4936

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<Proposed - Re[redacted] Agreement #661 - Bittersweet.pdf>

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WATER RESOURCES

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Phone: 208-287-4800 • Fax: 208-287-6700 • Email: idwrinfo@idwr.idaho.gov • Website: idwr.idaho.gov

Governor Brad Little

Director Gary Spackman

December 20, 2022

BITTERSWEET RANCH LLC
1344 N 1900 E
TERRETON, ID 83450-5290

RE: REQUEST FOR RETURN OF SIGNED RENTAL AGREEMENT 661 AND PAYMENT FOR WATER RIGHT(S) 34-2478 & 34-2500B

*****TIME SENSITIVE RESPONSE REQUIRED*****

Dear Applicant:

The Department of Water Resources ("Department") mailed a **Water Supply Bank Rental Agreement ("Agreement") for your review and signature** on October 20, 2022. The signed agreement and annual rental fee has not been returned to the Department.

Please sign the rental agreement and return it with the rental payment in the amount of $700.00 within ten (10) days of this letter to complete processing. Diversion and use of the water right(s) is not authorized under the proposed agreement until it has been signed by both the renter and the Department. Any use associated with your proposed rental request before it has been executed is considered unauthorized and, if occurring, will be subject to any necessary enforcement action.

If the signed rental agreement and fee is not received by the department within the 10-day period, the rental application will be returned, and the proposed rental right(s) made available for other rental applicants. You can reapply to rent water from the Bank again in the future by submitting a new rental application form that will be processed in turn with other pending applications.

If you have questions regarding this matter, please contact this office at bank@idwr.idaho.gov or 287-4800.

Sincerely,

Amanda Johnson-Veibell

for
Water Supply Bank

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IDAHO DEPARTMENT OF
WATER RESOURCES

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Phone: 208-287-4800 • Fax: 208-287-6700 • Email: idwrinfo@idwr.idaho.gov • Website: idwr.idaho.gov

Governor Brad Little Director Gary Spackman

October 20, 2022

BITTERSWEET RANCH LLC
1344 N 1900 E
TERRETON, ID 83450-5209

RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK WATER RIGHT NO(S). 34-2478 & 34-2500B AGREEMENT 661

*****TIME SENSITIVE RESPONSE REQUIRED*****

Dear Applicant:

The Department of Water Resources acknowledges receipt of your application to rent water from the Water Supply Bank. **I have enclosed a Water Supply Bank Rental Agreement for your review and signature.** Upon signature and return of the original agreement, together with the rental fee described below, the Department will also sign the original agreement and return an executed copy to you. Execution of the agreement and compliance with the conditions of approval authorize diversion and use of water as provided in the agreement.

A rental fee of $700.00 per year was calculated based on the current rental rate of $20.00 per acre-foot times a diversion volume of 724 acre-feet.

Please send a check for $700.00 for 2022 made payable to the Idaho Department of Water Resources, **together with the signed rental agreement**, **within 14 days** so I can complete processing. An annual payment shall be received by the Department prior to the execution of this agreement and prior to January 1 in all subsequent years for the duration of the rental period. The agreement will be void if payment is not received prior to the due date in a given year. If you would like to terminate the agreement prior to the end of the rental period, you must submit written notice of your intent to the Department at least 30 days prior to the rental fee due date.

Pursuant to the Water Supply Bank Rules, 90% or $630.00 of the rental fee will be paid to the lessor(s) and 10% or $70.00 will be retained by the Department to offset administrative costs for **2022**.

If you have any questions, please contact this office at bank@idwr.idaho.gov or (208) 287-4800.

Sincerely,

Amanda Johnson-Veibell

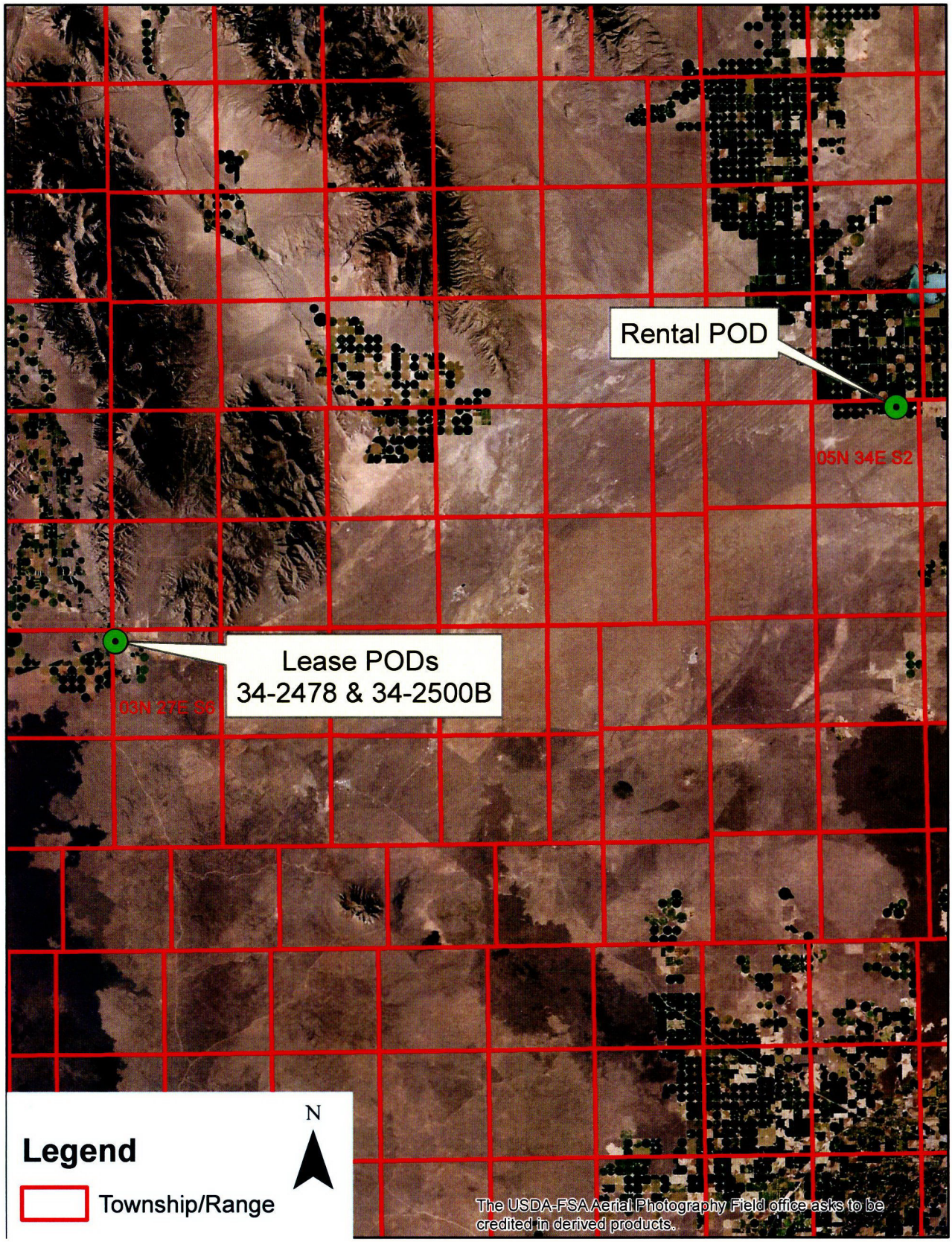
for
Water Supply Bank

Enclosure

c: IDWR Front Desk

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Rental Contract #661 Bittersweet Ranch LLC 2022



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MEMORANDUM FOR AGREEMENT # 661

To: Water Right(s) 34-2478 & 34-2500B

From: **Mackenzie Kienholz**

Date: **9/14/2022 – 9/23/2022**

Re: Review & Analysis of Application to Rent Water from the State Water Supply Bank

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PURPOSE/NARRATIVE: Rental application #2361 was received by the Department on January 14, 2022 from Bittersweet Ranch LLC. The application proposes to rent 10.0 acres at a rate of 0.2 cfs and volume of 25.5 af for 2022-2023 to cover a small pivot which is not covered by any water rights until a more permanent solution is found. This application along with their previous Bank rentals are in response to Enforcement Case #E2019-1379. The application proposed to use water right 21-13202.
The rental POD is located within Water Districts #31 and #110 as well as the ESPA and Jefferson Clark Ground Water District.

The previous Rental Agreement #432 approved for Bittersweet Ranch LLC had originally requested the use of 10.2 acres of 21-13202 for a period of three years from 2020-2022. The review staff for this application found that mitigation would be required unless the duration was decreased to a two-year rental. When modeling 21-13202 for 2022-2023, if only the 2022-2023 was considered, no mitigation was required. However, if the previous rental from 2020-2021 was considered in conjunction with the new rental, mitigation was required. Because of this, policy questions regarding whether previous rentals should be considered when modeling arose, and it was determined that finding different water rights to satisfy the 2022-2023 rental would be preferrable until these questions can be answered.

Senior Water Resource Agent Shilynn Novak identified that rights 34-2478 (groundwater) and 34-2500 B (stacked surface water) could be used to satisfy the application.

AUTHORITY TO FILE: The application was signed by Daren Bitter. Daren Bitter is listed as the registered agent for Bittersweet Ranch LLC on the IDSOS Business Search website. The parcel where the rental POU is located is owned by Brown Maple LLC. A leased property agreement between Brown Maple LLC and Bittersweet Ranch LLC was included with the application including in it the use of the proposed rental POU and use of "All wells, irrigation equipment… and any and all equipment owned by Lessor and used for the irrigation of crops on the property…." This agreement authorizes the use of the rental POD which is located just over a half mile to the southwest of the rental POU.

WATER RIGHT VALIDITY: Both rights were decreed on December 12th, 1997 and amended on July 10th, 2002 to specify the season of use. The full amounts of both rights have been leased to the Bank since 2014. Imagery from 2009 suggests that irrigation occurred that year, and the original lease review in 2014 stated that the applicants were given benefit of the doubt that this was the case. Between 2002 and 2009 there were years of non-use, but no period of five years of non-use resulting in forfeiture. Based on aerial imagery from 2015-2021, compliance with previous lease agreements is not an issue.

INJURY TO OTHER WATER RIGHTS: The rental and lease POD's are in the ESPA and are several grid cells apart, so modeling was required for this rental. The priority date for the older of the two water rights is 6/16/1966 or SPR 1966. Consumptive use was calculated to be 8.33

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af/trimester: $\frac{10 acres * \frac{2.5 af}{yr}/acre}{3\ trimesters/yr}$. The rental POD is in ESPA grid cell R45 C154, and both of the requested water rights come from cell R34 C110. The consumptive use value was entered in the Projected Use column during the proposed rental period from SPR 2022 – WIN 2023 instead of the With Transfer column. This data entry found that no mitigation would be required for the movement of water under this rental. The lease and rental POD's are in the Northern Rocky Mountains Intermontane Basins Aquifer System.

ENLARGEMENT OF USE: The groundwater right 34-2478 has a combined limit with the surface water right 34-2500B which limits them both to the rate, acres, and volume of 34-2478. Because of this both rights need to be leased and rented together. There is no condition stating that the groundwater is supplemental to the surface water. The rental requests groundwater. Because groundwater right 34-2478 is the senior right it is considered primary and the combined limit of the two rights is equivalent to the groundwater right values, no enlargement is anticipated by the use of groundwater right 34-2478 for the rental.

The applicant requested a volume of 25.5 af for 10 acres. The leased rights do not have a stated volume. The standard headgate value at the rental location is 3.5 af/acre as is the combined limit af/ac value. To remain consistent with these values, the rental volume was adjusted to 35 af for the 10 acres.

LOCAL PUBLIC INTEREST: Review staff has no information to suggest this application is inconsistent with the local public interest.

BENEFICIAL USE/CONSERVATION OF WATER RESOURCES: The rental appears consistent with the conservation of water resources in Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS: The location for the rental PD is subject to Water District #31 – Mud Lake and Tributaries and Water District #110 – Mud Lake Area. A request for comments was sent to watermasters and the Eastern Region office on 09/23/2022.

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From: Daren Bitter
To: Condon, Mary
Subject: Application to Rent Water
Date: Friday, January 14, 2022 11:34:24 AM
Attachments: 2022 to 2024 Brown Maple - Bittersweet Ranch_Farm_Lease_Agreement_vFinal.pdf
Application to Rent Water.pdf

Hi Mary,

Daren said to send you the signed application to rent water along with the lease agreement that BitterSweet Ranch has with Brown Maple LLC. I have attached both those documents. Please let me know if you need anything else. Thanks!

Mark

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JAN 2 0 2022