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Attorneys for Idaho Ground Water Appropriators, Inc.

**BEFORE THE DEPARTMENT OF WATER RESOURCES
 OF THE STATE OF IDAHO**

IN THE MATTER OF DISTRIBUTION)
 OF WATER TO VARIOUS WATER)
 RIGHTS HELD BY OR FOR THE)
 BENEFIT OF A&B IRRIGATION)
 DISTRICT, AMERICAN FALLS)
 RESERVOIR DISTRICT #2, BURLEY)
 IRRIGATION DISTRICT, MILNER)
 IRRIGATION DISTRICT, MINIDOKA)
 IRRIGATION DISTRICT, NORTH SIDE)
 CANAL COMPANY, AND TWIN)
 FALLS CANAL COMPANY)
 _____)

**IGWA’S COMPLIANCE WITH
 SEVENTH SUPPLEMENTAL ORDER
 AND
 ASSIGNMENT OF LEASED
 REPLACEMENT WATER**

COMES NOW the Idaho Ground Water Appropriators, Inc., acting for and on behalf of its member Ground Water Districts (collectively “IGWA”), through counsel, and without waiving any of IGWA’s previously-filed and pending Objections and Petitions for Reconsideration, hereby submits the following to comply in good faith with the Director’s *Seventh Supplemental Order Amending Replacement Water Requirements*, dated December 20, 2007 (“Seventh Supplemental Order”) to-wit:

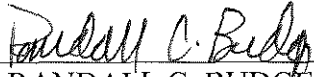
1. Attached hereto is a true and correct copy of the Addendum to Water Right Lease Agreement entered into between the City of Pocatello as “Lessor” and IGWA as the “Lessee”,

demonstrating that IGWA has secured 14,345 AF of additional water for transfer to the storage water account of Twin Falls Canal Company to fully compensate Twin Falls Canal Company for the 17,345 AF of material injury predicted to have occurred in 2007 as set forth in the Director's Seventh Supplemental Order.

2. IGWA further hereby assigns and transfers to the Director said additional 14,345 AF of leased water, together with all remaining replacement water as identified in IGWA's Exhibit 2 from the June 22, 2007 hearing, reflecting the then-total of 65,145.8 AF of replacement water by lease. IGWA further hereby authorizes and directs the Director and the Watermaster of Water District 01 to transfer said leased water to Twin Falls Canal Company to the extent necessary to fully mitigate any injury in accordance with IGWA's Amended Joint Replacement Water Plan for 2007 dated May 15, 2007 ("2007 Replacement Water Plan") as approved by the Director's July 11, 2007 *Sixth Supplemental Order Amending Replacement Water Requirements and Order Approving IGWA's 2007 Water Replacement Plan* ("Sixth Supplemental Order").

Respectfully submitted this 9th day of January, 2008.

RACINE OLSON NYE BUDGE & BAILEY

By: 
RANDALL C. BUDGE
Attorneys for Plaintiffs

CERTIFICATE OF SERVICE

I hereby certify that on this 9th day of January, 2008, I served a true and correct copy of the foregoing IGWA'S COMPLIANCE WITH SEVENTH SUPPLEMENTAL ORDER AND ASSIGNMENT OF LEASED REPLACEMENT WATER by delivering it to the following individuals by the method indicated below, addressed as stated.

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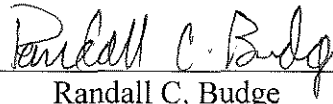
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Randall C. Budge

**ADDENDUM
TO
WATER RIGHTS LEASE AGREEMENT**

This Addendum to Water Rights Lease Agreement ("Addendum Agreement") is made and entered into between the CITY OF POCATELLO, a municipal corporation of Idaho ("City"), whose address is P.O. Box 4169, Pocatello, Idaho 83205, hereinafter referred to as ("Lessor"), and IDAHO GROUND WATER APPROPRIATORS, INC. ("IGWA"), acting for and on behalf of Aberdeen-American Falls, Bingham, Bonneville, Jefferson, Magic Valley, and North Snake Ground Water Districts, whose address is P.O. Box 1391, Pocatello, Idaho 83204, hereinafter referred to as "Lessee":

WHEREAS, Lessor and Lessee entered a Water Rights Lease Agreement dated June 21, 2007 ("Lease Agreement") pursuant to which Lessor leased to Lessee 10,000 Acre Feet of storage water under Lessor's Palisades Reservoir Contract No. 14-06-100-1825; and,

WHEREAS, Lessor and Lessee now desire to amend said Lease Agreement to increase the quantity of water leased under said Lease Agreement;


NOW, THEREFORE, Lessor and Lessee hereby enter into this Addendum Agreement to to amend the Lease Agreement dated June 21, 2007, as follows:

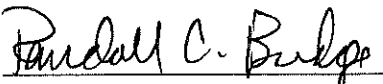
1. The quantity of water leased pursuant to paragraph 1 of the Lease Agreement is hereby amended and increased from 10,000 Acre Feet to 24,345 Acre Feet.
2. The rent for the additional water shall be paid by Lessee to Lessor on or before 30 days from the date of execution of this Lease Agreement by Lessor.
3. Except as hereby amended, the Lease Agreement shall remain in full force and effect.

DATED this 9th day of January, 2008.

LESSEE:

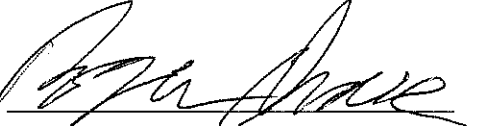
IDAHO GROUND WATER
APPROPRIATORS, INC.

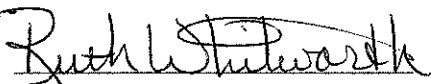
By: 
Tim Deeg, President

Attest: 
Randall C. Budge, Secretary

LESSOR:

CITY OF POCA TELLO, IDAHO

By: 
Roger Chase, Mayor

Attest:  Deputy
for Rhonda Johnson, City Clerk clerk