

Eastern Irrigation District
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September 24, 2010

**PLEASE NOTE THE
FOLLOWING
DATES:**

**Pre-Auction Meeting
& Site Tour:**

Friday,
October 22, '10
1:00 p.m.
EID District Office

**New Irrigation
Development Auction:**

Wednesday,
November 10, '10
1:30 p.m.
Rainier Hall

New Irrigation Development

The EID is planning to develop up to 21 parcels for irrigation in 2012 (see map on page 2). These parcels are going to be leased to eligible water users for up to 10 years with the leaseholder having the option to purchase the parcel anytime after 5 years. The EID retains all surface lease compensation on existing oil and gas leases for 10 years (duration of lease; if purchased prior to lease expiration—balance of 10 year period). The leaseholder will receive surface lease compensation on new oil and gas leases.

ANNUAL RENTAL

The annual rental for the 1st year on the parcels in Sections 33 & 34-15-15 W4M (approx. 160 acre parcels) will be \$10,000 with \$2,857 applying to the purchase if the leaseholder chooses to purchase the parcel at the end of the lease.

The 1st year's annual rental on parcels 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 19, 20, 21, (approx. 280 acre parcels) shall be \$17,500 with \$5,000 applying to the purchase if the leaseholder chooses to purchase the parcel at the end of the lease.

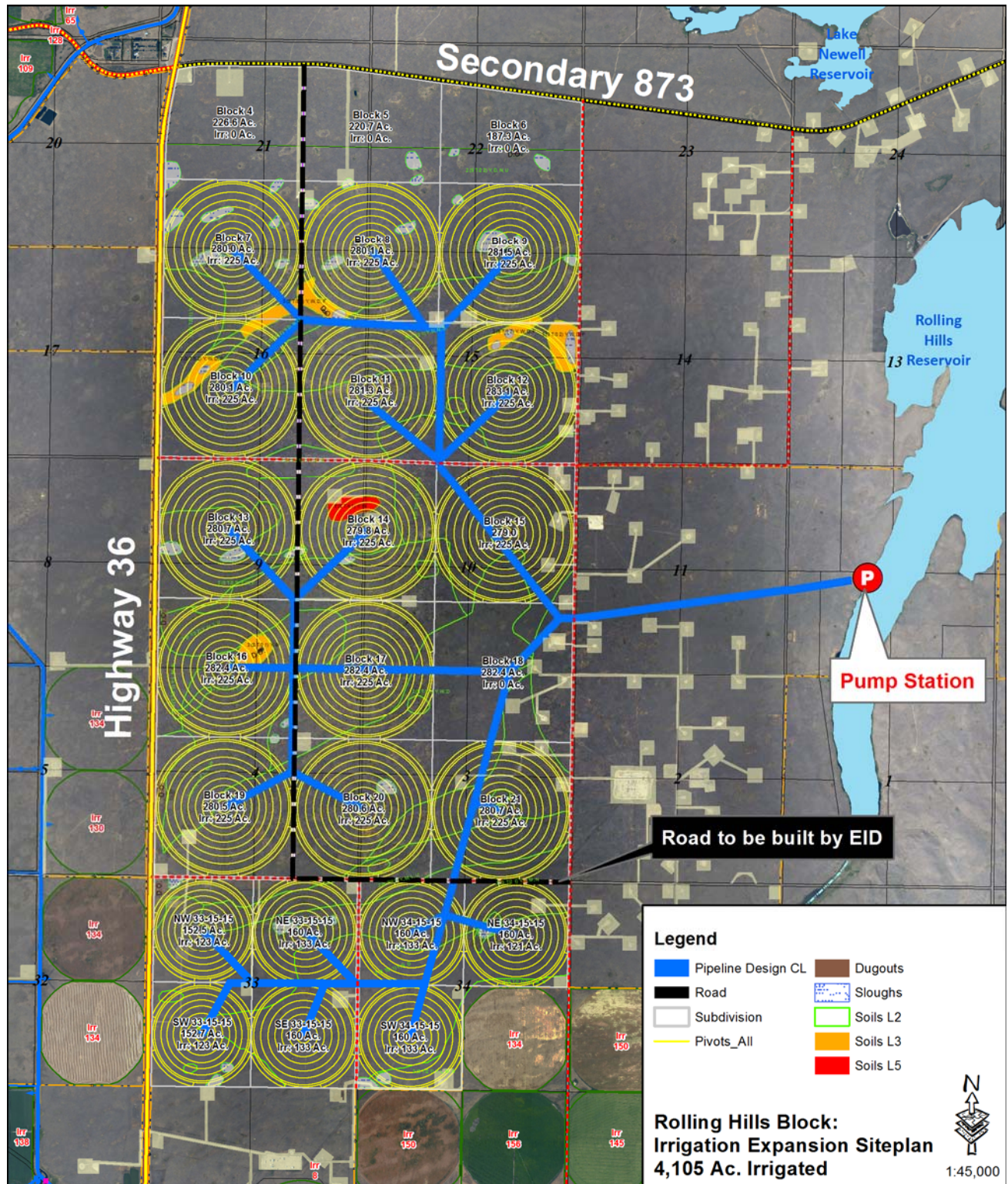
The annual rental for the 2nd through 10th years of the lease shall be 7% of the purchase price bid on the parcel; with 2/7th's applying to the purchase if the leaseholder chooses to purchase the parcel at the end of the lease.

AUCTION DATE

Two thirds of the parcels will be leased/sold by auction at 1:30 p.m. on Wednesday, November 10th at the Rainier Hall.



New Irrigation Development



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ORDER OF SALE

The first parcel to be auctioned will be sold on a \$___/irrigated acre + \$750/non-irrigated acre with the high bidder being able to choose the parcel or parcels on the same branch that he wants. The remaining parcels on that branch will then be auctioned.

Once all parcels on the first branch are sold, the next parcel will be auctioned on a \$___/irrigated acre + \$750/non-irrigated acre with the high bidder being able to choose the parcel or parcels on the same branch that he wants. The remaining parcels on that branch will then be auctioned.

The parcels on the third branch will be auctioned at a later date.

PARCEL	MINIMUM PRICE
Block 7	\$491,250
Block 8	\$491,250
Block 9	\$492,000
Block 10	\$491,250
Block 11	\$548,250
Block 12	\$549,750
Block 13	\$547,500
Block 14	\$491,250
Block 15	\$546,750
Block 16	\$492,750
Block 17	\$549,000

MINIMUM BID

The minimum bid that will be accepted by the District is \$2,000/irrigated acre + \$750/non-irrigated acre for parcels 7, 8, 9, 10, 14, 16, NW 33-15-15 W4M, SW 33-15-15 W4M; and \$2,250/irrigated acre + \$750/non-irrigated acre for parcels 11, 12, 13, 15, 17, 19, 20, 21, NE 33-15-15 W4M, SE 33-15-15 W4M, NW 34-15-15 W4M, SW 34-15-15 W4M, and NE 34-15-15 W4M.

PARCEL	MINIMUM PRICE
Block 19	\$547,500
Block 20	\$547,500
Block 21	\$547,500
NW 33-15-15 W4M	\$267,750
SW 33-15-15 W4M	\$267,750
NE 33-15-15 W4M	\$319,500
SE 33-15-15 W4M	\$319,500
NW 34-15-15 W4M	\$319,500
SW 34-15-15 W4M	\$319,500
NE 34-15-15 W4M	\$319,500

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ELIGIBILITY

In order to be able to bid on the parcels, your eligibility must be pre-approved, your deposit of \$10,000 must be received, and you will be given a bidder's information package and a bidder's number. Bidder packages will be available at the District office between October 18 and November 9, 2010. There will be a pre-auction meeting and site tour at 1:00 p.m., Friday, October 22nd at the District Office for those interested.

To be eligible to bid on these irrigation leases you must:

- own 100 acres of land with at least 40 acres of 1st water rights within the EID

No individual can lease more than 450 irrigated acres, this includes the leases that were auctioned in 2008.

