

Table of Contents

1. Purpose	1
2. Well Water Policy.....	1
3. Drying-Up Acreage Policy	2
4. Administrating Fees and Shares Certificates.....	4

1. Purpose

1.1. This policy is intended to give guidance and procedures for transferring West Panguitch Irrigation Company water shares into well-use water within the West Panguitch Irrigation Company's water-use boundaries.

2. Well-Water Policy

2.1. West Panguitch Irrigation Company (WPI) allows water shares to be transferred into Domestic Water Wells through Change Applications made through the Utah Division of Water Rights and under the following conditions:

2.1.1. The Water Well, and it's place of use is:

2.1.1.1. Within West Panguitch Irrigation Company water use boundary as defined by acreage embodied within geographical sections depicted in Figure 1.

2.1.1.2. Not served by any other water right(s) other than West Panguitch Irrigation Company water rights.

2.1.1.2.1. If there is another water right associated with the land, then whichever water right is considered the primary water right should be used for filing a Change Application.

2.1.2. A Change Application has been drafted with the assistance of the Utah Division of Water Rights.

2.1.2.1. The Utah Division of Water Rights will determine the amount of water being transferred into the Well for the well-water use calculations in their evaluation of the change.

2.1.3. The draft Change Application is submitted to West Panguitch Irrigation Company for consideration of approval. All stipulations of WPI policy must be addressed before WPI will approve the Change Application for submittal to the Utah Division of Water Rights.

2.1.4. There may not be more than one (1) domestic residence (single family home) per change application. Each home must have its own Change Application filed and approved.

2.1.4.1. If a Change Application is for other than a single domestic residence, then the shareholder must meet with WPI to establish conditions for the Change Application consistent with the requirements of this policy.

Company Policy

Well Permit Policy

- 2.1.5. Shareholder has turned in applicable shares certificate(s) to WPI so a new certificate can be issued to the shareholder for the initiation of a Change Application (the new certificate will be stamped "For Well Only").
- 2.1.6. All conditions required by the Utah Division of Water Rights are complied with.
- 2.1.7. A Change Application Agreement Letter, provided by West Panguitch Irrigation Company, is signed by the shareholder and all conditions of the agreement letter can be met.
 - 2.1.7.1. This agreement letter must be referenced in the Change Application, attached to the Change Application when filed with the Utah Division of Water Rights and is a condition of West Panguitch Irrigation Company approval of said Change Application.
 - 2.1.7.2. The agreement letter will specify the acreage to be retired from irrigation (dried up) and will equal a minimum of acres per share transferred for the Well as outlined in this policy.
 - 2.1.7.3. West Panguitch Irrigation Company reserves the rights to withdraw its approval of any Change Application that is found to not meet the conditions of the agreement letter or company policy. WPI will make all reasonable attempts to resolve disputes with shareholders prior to any withdrawal.

3. Drying-Up Acreage Policy

- 3.1. West Panguitch Irrigation Company has mapped all acreage eligible to be watered as part of WPI water rights.
- 3.2. West Panguitch Irrigation Company has specific policy regarding acreage that is eligible to be dried-up as part of the Change Application requirements. Acreage required to be dried-up will be specified in the Change Application Agreement Letter provided by WPI and will be determined as outlined in this subsection:
 - 3.2.1. Acreage as mapped in the following map are eligible to be dried-up through the change application process.
 - 3.2.2. Acreage as mapped is eligible to be dried-up through the Change Application process and will be dried-up at a rate of .53 acres per share transferred into a Well:
 - 3.2.3. WPI may update map as needed to keep in line with company policy and historical water use.
- 3.3. If the Change Application indicates that the place of use for the Well will be on land currently watered by the shares being transferred, and land is defined in eligible acreage layers listed above then:
 - 3.3.1. The dried-up land can be evidenced by new buildings, new roadways and other applicable dried-up areas as a result of a change applications place of use.
 - 3.3.2. A plot map must be submitted to West Panguitch Irrigation Company depicting the applicable dried-up as per state policy.

Company Policy

Well Permit Policy

3.4. If the Change Application stipulates that the place of use will be on land **not currently** watered or is not on an eligible use map above but is within WPI use boundary as depicted in Figure 1, then the following applies:

3.4.1 The landowner that is drying-up eligible ground for the Change Applications place of use will be required to sign an agreement document stipulating the drying up of the eligible ground to transfer to the new location place of use. This agreement document will be drafted by WPI using information provided by the landowner agreeing to dry-up the eligible land. The agreement document will indicate by surveyed land coordinates the ground being dried-up, the county tax ID number and a plot map depicting the land to be dried-up, and;

3.4.1.1. Land stipulated to be dried-up can be land previously dried-up by existing buildings, roads, or other areas already not being watered.

3.4.1.2. Land stipulated to be dried-up must be in one {1} plot, with a single description, i.e. multiple pieces may not be used.

3.4.1.2.1. Any deviation from using one (1) plot must be submitted to the WPI Board for consideration of deviating from above, only special circumstances will be considered.

3.4.1.3. Once the Change Application is approved the dried-up ground will be removed from the eligible map and must cease from being watered using WPI shares from a WPI distribution system.

4. Administration Fees and Share Certificates

4.1. The shareholder pays to WPI Irrigation Company a one (1) time administration fee of \$250.00, plus \$50.00 for each share transferred by the Change Application (additional fees may be charged if agreement letter(s) prepared by WPI require an unusual amount of research and time to prepare).

4.1.1. Shareholder must continue to pay annual assessment on water share(s) transferred into a Well.

4.1.2. A new certificate has been issued per this policy for well-water shares; new certificate fee is not included in the fee listed above.

4.2. No Change Application, amendment to a Change Application or time extension request may be filed with the Utah Division of Water Rights without first being evaluated by the WPI Board.

4.3. If a Change Application is withdrawn, cancelled, or a Well is condemned by the Utah Division of Water Rights, the water share(s) may be transferred back into above ground water use if:

4.3.1. The well water certificate is surrendered, and a new water certificate is issued (\$50.00 fee).

4.3.2. No refunds will be given for fees listed in paragraph 4.1. above.

5.1. Minor changes to this policy can be approved by the Board of Directors without going before the General Stockholders.

6.1. WPI will have a mandatory fee of \$2400.00 per share that will be charged for all new wells starting 8/12/2024. (This fee will be pro-rated depending on the amount of shares) This fee will be evaluated at each yearly Stockholder meeting. There will no longer be an annual assessment for new wells and all shares going into well will no longer have voting rights.