



IDAHO DEPARTMENT OF
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

July 11, 2022

LAKESIDE INDUSTRIES INC
PO BOX 479
BELLEVUE ID 83313-0479

RE: Water Supply Bank Lease Application #2340 and Rental Applications #2341 and #2363

Dear Applicant:

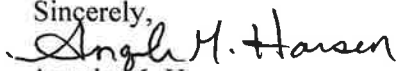
The Idaho Department of Water Resources ("IDWR") received the above referenced Water Supply Bank ("WSB") lease and rental applications for the 2022 thru 2026 seasons. On July 8, 2022, IDWR staff spoke with Dave Shaw of ERO Resources Corp. about your desire to pursue these three WSB applications in 2022 given IDWR issued approval of Temporary Change TC-37-91 for 2022 irrigation-season use of portions of the water rights proposed for lease and rental in WSB applications. Dave Shaw indicated you would be agreeable to hold processing of the above referenced WSB applications until 2023 so long as the four water rights proposed for lease are not subject to forfeiture through 2023 and the rental applications can be processed to start use in the 2023 irrigation season. The following paragraph summarizes IDWR research results confirming all four water rights proposed for lease would be considered valid if processing of the lease application occurs in 2023 rather than 2022. IDWR requests you, as the applicant, confirm in writing that putting processing of your WSB applications (lease #2340, rental #2341, and rental #2363) off until 2023 is agreeable.

On July 8, 2022, IDWR staff reviewed Sentinel data to determine the maximum normalized difference vegetative index ("NDVI") values for lease application #2341's place of use (POU) from January 1, 2018 through July 3, 2022. Maximum NDVI values between 0.8 and 0.9 for portions of 2018, 2019, 2020, and to a lesser degree 2021 confirm irrigation of lease application #2341's POU in at least three out of the last five years. Water Measurement Information System ("WMIS") data further confirms the specific use of ground water right 37-2493 occurred in 2018, 2019, and 2020. Therefore, the water rights proposed for lease will not be subject to forfeiture prior to the validity review when the lease and rental applications are processed in 2023.

Please provide a written statement confirming you are agreeable to hold processing of your pending WSB applications (lease #2340, rental #2341, and rental #2363) until the 2023 season within the next thirty (30) days. You can provide the written, signed statement by email to angela.hansen@idwr.idaho.gov or by mail to: IDWR PO Box 83720 Boise, ID 83720-0098.

Please feel free to contact me at (208) 287-4951 if you have any questions.

Sincerely,


Angela M. Hansen
Water Rights Section Manager

Cc: Dave Shaw, ERO Resources Corp. — dshaw@eroresources.com