

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1500

This Lease Contract ("Lease") is between the Idaho Water Resource Board ("Board"), and

LESSOR: BORAH CAPITAL LTD
C/O BLAIR DANCE
433 LAS COLINAS BLVD E
STE 1290
IRVING, TX 75039-5058

RECITALS

1. The Board is authorized under chapter 17, title 42, Idaho Code to operate a water supply bank and to contract with lessors to act as an intermediary in facilitating the rental of water.
2. The Lessor has filed a completed application to lease water rights described below into the Water Supply Bank on forms supplied by the Idaho Department of Water Resources and received by the Department on December 03, 2021.
3. The Director of the Idaho Department of Water Resources has reviewed the application for compliance with the Water Supply Bank rules and has approved the Lease subject to conditions listed below.

NOW, THEREFORE, in consideration of the mutual covenants and contracts herein contained, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. **WATER RIGHTS:** The Lessor shall lease and the Board shall accept into the Bank the Applicant's water rights described as follows:

Summary of Water Rights or Portions Leased to the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)
35-7274	1/22/1973	GROUND WATER	1.22	372	93
Combined Lease Totals			1.22	372	93

2. **COMPENSATION:** The Lessor shall accept and the Board shall pay compensation determined by the amount of water rented under the following rental rate during such times as the water is rented from the Bank over the term of this Lease.

Minimum Payment Acceptable: Current Rental Rate

3. **TERM OF LEASE:** The term of this lease shall be January 1, 2022 to December 31, 2022. This Lease shall bind the parties and take effect when both parties have signed it.
4. **WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE:** The Lessor shall abide by all terms and conditions contained in the Water Supply Bank Conditions of Acceptance, attached hereto as "Attachment A" and incorporated herein by this reference.

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5. **CHANGE OF WATER RIGHT:** This lease specifies water right elements including but not limited to: diversion rates; diversion volumes; number of acres authorized to be irrigated; places of use; points of diversion; beneficial uses; and seasons of use. During the term of this lease, if a water right is administratively changed due to a water right split and renumbering, this lease may be reduced by an equal amount to reflect the water right elements as legally defined under the water right. If a lease contract cannot be reduced sufficient to reflect the legal definition of a water right as amended through a water right split and/or water right transfer, the Board may release the water right from the Water Supply Bank.
6. **ASSIGNMENT OF CONTRACT:** This lease is between the Board and the Lessor, who is the recognized owner or designated representative of the recognized owners of water rights described herein. Should ownership of any part of a water right herein described change during the term of this lease, either through a water right split, a water right transfer, sale of property to which the water right is appurtenant, or through any other recognized water right reassignment, the lease benefits and obligations to the conditions of acceptance for any such water rights will be assigned to the new owners.
7. **DUPLICATE ORIGINAL:** This Lease is executed in duplicate. Each of the documents with an original signature of each party shall be an original.

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DEPARTMENT OF WATER RESOURCES

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IN WITNESS WHEREOF, the parties have executed this Contract on the date following their respective signatures.

LESSOR: BORAH CAPITAL LTD
C/O BLAIR DANCE 433 LAS
COLINAS BLVD E STE 1290
IRVING, TX 75039-5058

By Blair Lee Dance
Title Partner
Date 6.2.22

IDAHO WATER RESOURCE BOARD
322 East Front Street
P.O. Box 83720
Boise, ID 83720-0098

By Brian Patton Date 6/7/22
Brian Patton, Acting Administrator
Idaho Water Resource Board

Lease approved by IDWR HP Date 6/7/22

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

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**ATTACHMENT A
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE**

The water rights or portions thereof leased to the bank are described as follows:

Source and Location of Point(s) of Diversion for Water Right No(s): 35-7274

GROUND WATER NESENW Sec. 6 Twp 03S Rge 34E BINGHAM County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
35-7274	IRRIGATION	4/01	to	11/01	1.22 cfs	372 AF
Totals:					1.22 cfs	372 AF

PLACES OF USE TO BE IDLED UNDER THIS LEASE: 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	
03S	34E	6					34	5.0	14	40									93

Total Acres: 93

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the Department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, or the lease term expires. A right may be released from the bank upon request, provided the Board approves the release. Unless approved by the Department, leased rights may not be immediately available for release.
5. While a water right is in the bank, forfeiture provisions are stayed pursuant to Idaho Code § 42-223(5).
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.
8. Acceptance of a right into 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.

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WATER SUPPLY BANK LEASE CONTRACT No. 1500

9. In accordance with Idaho Code § 42-248 and § 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season, even if the Department processes a Notice of Change in Water Right Ownership during the rental season.
 - b. New lessor(s) of record will receive payment for any subsequent rental seasons.
11. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.
12. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the place of use.
13. Pursuant to Idaho Code § 42-1412(6), this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as determined by the Snake River Basin Adjudication court in the final unified decree entered 08/26/2014.
14. Use of water under this right 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, this water right is within State Water District No. 120.

Idaho Water Resource Board
Water Supply Bank Lease Contract No. 1500

35-7274
Effective until December 31, 2022

This map depicts the **place of use to be idled** pursuant to the lease contract and is attached to the contract solely for illustrative purposes.



● Approved Lease Point of Diversion

Approved Lease Place of Use

Township/Range

Sections

QQ



0 500 1,000 Feet

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT TO THE WATER SUPPLY BANK

RECEIVED
DEC 03 2021
DEPARTMENT OF
WATER RESOURCES

Designated Applicant Borah Capital LTD

(Select one owner – see item 1A on the application)

Water Right No. 35-7274

(One water right per application)

Is this application being submitted with a rental application as a lease/rental package?

Yes ☒ No ☐

This application must be prepared in accordance with the minimum requirement checklist below. Use this checklist to ensure all necessary documentation has been provided. This checklist is part of the lease application and must be included with the lease application. **Applications that do not meet the minimum requirements will not be processed and may be returned or denied.**

MINIMUM REQUIREMENT CHECKLIST

All items must be checked as either *Attached (Yes)* or *Not Applicable (N/A)*

Yes

- ☒ Completed *Application to Sell or Lease a Water Right to the Water Supply Bank*.
- ☒ Application filing fee of \$250.00 per water right. If you are submitting more than one lease application and the water rights have an overlapping, common place of use, or a common diversion rate or volume, the total fee for all water rights is \$500.00. For places of use, multiple water rights must be used to irrigate the same lands in order to qualify for the joint filing fee. Individual filing fees are required for water rights that share a common permissible place of use but which cover separate acres within the permissible place of use.
- ☒ Confirmation this form has been printed **single sided**, per requirement of the Water Supply Bank.

Attachment N/A Yes

- | | | | |
|----|-------------------------------------|-------------------------------------|--|
| 1A | ☐ | ☒ | Signatures and contact information for all owners of the water right to be leased or sold on this application. |
| 1B | ☒ | ☐ | An Internal Revenue Service (IRS) Form W-9 for the Designated Applicant. |
| 1C | ☒ | ☐ | <i>Notice of Change in Water Right Ownership</i> form (accessible from www.idwr.idaho.gov). |
| 1D | ☒ | ☐ | Contact information for an authorized representative and documentary proof they are authorized to represent the Designated Applicant on this application. If the Designated Applicant is a business, partnership, municipality, organization or association, include documents identifying officers authorized to sign or act on behalf of the entity. |
| 2 | ☐ | ☒ | Description of a water right portion offered to the Water Supply Bank. |
| 3 | ☐ | ☒ | A map that clearly outlines the specific location where irrigated acres will be dried up, or where a beneficial use of water will be suspended. You have the option of printing a map using the map tool on IDWR's website at: www.idwr.idaho.gov . |
| 4A | ☒ | ☐ | Written consent from irrigation district or water delivery company. |
| 4G | ☐ | ☒ | Evidence demonstrating the water right has not been forfeited pursuant to Section 42-222(2), Idaho Code . |

Department Use Only

Fee Amount \$ 250Received By: KUDate Received: 12.3.21Receipt # C111424W-9 received? Yes ☐ No ☒ (Route W-9 to Fiscal)

Name on W-9:

2215

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

1. CONTACT INFORMATION

- A. This application must be completed by a Designated Applicant who is a current owner of the water right being sold or leased to the Water Supply Bank. If there are additional current owners, those individuals must authorize the Designated Applicant to represent them on this application by completing and signing Attachment 1A of this application package.

Designated Applicant Borah Capital LTD

Mailing Address 433 E. Las Colinas Blvd E Ste 1290 Irving TX 75039-5058
Street City State Zip Code

Email Address blair@dbcopa.net Phone Number (972) 989-7330

☒ The Designated Applicant is the sole owner of the water right being sold or leased to the Water Supply Bank.

OR

☐ The Designated Applicant is representing additional water right holders who have completed Attachment 1A.

- B. Has the Designated Applicant submitted an IRS Form W-9 to this Department within the last 2 years? Yes ☒ No ☐
If no, complete the form and attach to this application (Attachment 1B).

- C. Are all applicants on this form listed in IDWR's records as the current owners of the water right? Yes ☒ No ☐
If no, attach a *Notice of Change in Water Right Ownership* form along with the required documentation and fee (Attachment 1C).

- D. Is this application being completed by an authorized representative of the Designated Applicant? Yes ☒ No ☐
If yes, representatives (includes employees of Designated Applicant companies) must complete this section and submit documentary proof of their authority to represent the Designated Applicant (Attachment 1D).

Name of Representative Jason C. Helms Organization JCH Engineering

Professional Title Consultant Email Address jasoncivil@alumni.nd.edu

Mailing Address 6755 N. Albert Lane Idaho Falls, ID 83401 Phone Number (208) 308-2109

☐ Send all correspondence for this application to the representative and not to the Designated Applicant.

OR

☒ Send original correspondence to the Designated Applicant and copies to the representative.

2. DESCRIPTION OF WATER RIGHT OFFERED TO THE BANK

☒ The full water right is being offered to the Bank.

OR

☐ A part of the water right is being offered to the Bank.

If a portion of the water right is being offered, complete Attachment 2.

3. MAP

Attach a map of the point(s) of diversion and place(s) of use proposed to be idled by this lease application. Make sure the idled 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 idle. If the water right proposed for lease is located within a permissible place of use (PPU) and portions of the PPU will continue to receive water from non-leased water rights, clearly outline on a map the acres within the PPU that will continue to be irrigated, as well as acres that will be idled during the lease term. Label the map **Attachment 3**.

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

4. GENERAL INFORMATION

- A. Is the diversion works or system owned or managed by an irrigation district or water delivery company? Yes ☐ No ☒
If yes, provide written consent from the company, corporation or irrigation district authorizing the proposed sale or lease (Attachment 4A).
If your water right is delivered through a canal, lateral or ditch operated by a canal company, irrigation district, or similar delivery entity, your lease request must include written consent from the company, district, or similar entity for your removal of water from its system pursuant to [Section 42-108, Idaho Code](#) and [IDAPA WSB Rule 37.02.03.25.02e](#).
- B. Please provide a description of the current water diversion and delivery system.
Existing well, approved measuring device, main line pipe and center pivot sprinkler system
- C. Describe any other water rights used for the same purpose at the same place of use as the water right being offered to the Bank. ASCC 1-23B et al., delivery canal destroyed followed by development of this primary ground water right properly permitted, licensed and decreed. Existing ground converted to surface water use and this right will be transferred to other lands.
- D. Are any of the water rights identified in Section 4C stacked with the water right proposed for lease? Yes ☐ No ☒
Stacked water rights are used together to achieve a common beneficial use, such as irrigation of the same lands. Stacked water rights cannot be separated and must be jointly leased to the Water Supply Bank. Stacked water rights qualify for the multiple fee payment of \$500.
- E. Will the present place of use continue to receive water from any other source? Yes ☒ No ☐
If yes, explain the relationship between the different water sources and how enlargement of the authorized use will not occur if this water right is leased. Aberdeen-Springfield will deliver water through Peoples Canal. Well will no longer be used.
- F. Identify annual volumes and/or rates of water diverted in the last 5 years to accomplish the beneficial use authorized by this water right. Water has been fully utilized to irrigate the authorized place of use. Water right was leased to the bank in 2019 but was not rented.
- G. Has any portion of this water right undergone a period of five or more consecutive years of non-use? Yes ☐ No ☒
If yes, describe the circumstances and attach evidence to demonstrate how the water right has not been lost through forfeiture (Attachment 4G). See [Section 42-223, Idaho Code](#) for exceptions to forfeiture. Your application may be denied if forfeiture concerns are not addressed. _____
- H. Is this water right involved in any other IDWR process, such as an application for transfer or a mitigation plan?
If yes, describe. Yes ☒ No ☐
Application for transfer 82434 pending

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

5. SALE/LEASE AGREEMENT

- A Is the water right, or portion thereof, offered to the Idaho Water Resource Board (IWRB) for sale ☐ or lease ☒?
If lease, specify the years when the use of water will be suspended: 2022 to 2022 (maximum lease period 5 calendar years)
(Year) (Year)
- B Show the minimum payment acceptable to the seller/lessor. The minimum payment may be shown as the "current rental rate" as established by the IWRB. Include the method of determining the minimum payment if other than the current rental rate.
current rental rate

I hereby assert that the information contained in this application is true to the best of my knowledge, and that I have the authorities necessary to offer this water right for sale or lease to the Idaho Water Resource Board.

The Designated Applicant acknowledges the following:

1. Payment to the Designated Applicant is contingent upon the sale or rental of the water right from the Bank.
2. While a water right is in the Bank, the seller/lessor of the water right may not use the water right, even if the water right is not rented from the Bank.
3. A water right accepted into the Bank stays in the Bank until the Designated Applicant receives written confirmation from the Board or Water Supply Bank that the water right has been released from the Bank.
4. While a water right is in the Bank, forfeiture is stayed.
5. Acceptance of a water right into the Bank does not, in itself, confirm the validity of the water right or any element of the water right.

[Signature]
Signature of Designated Applicant

Blair Lee Duce
Printed Name

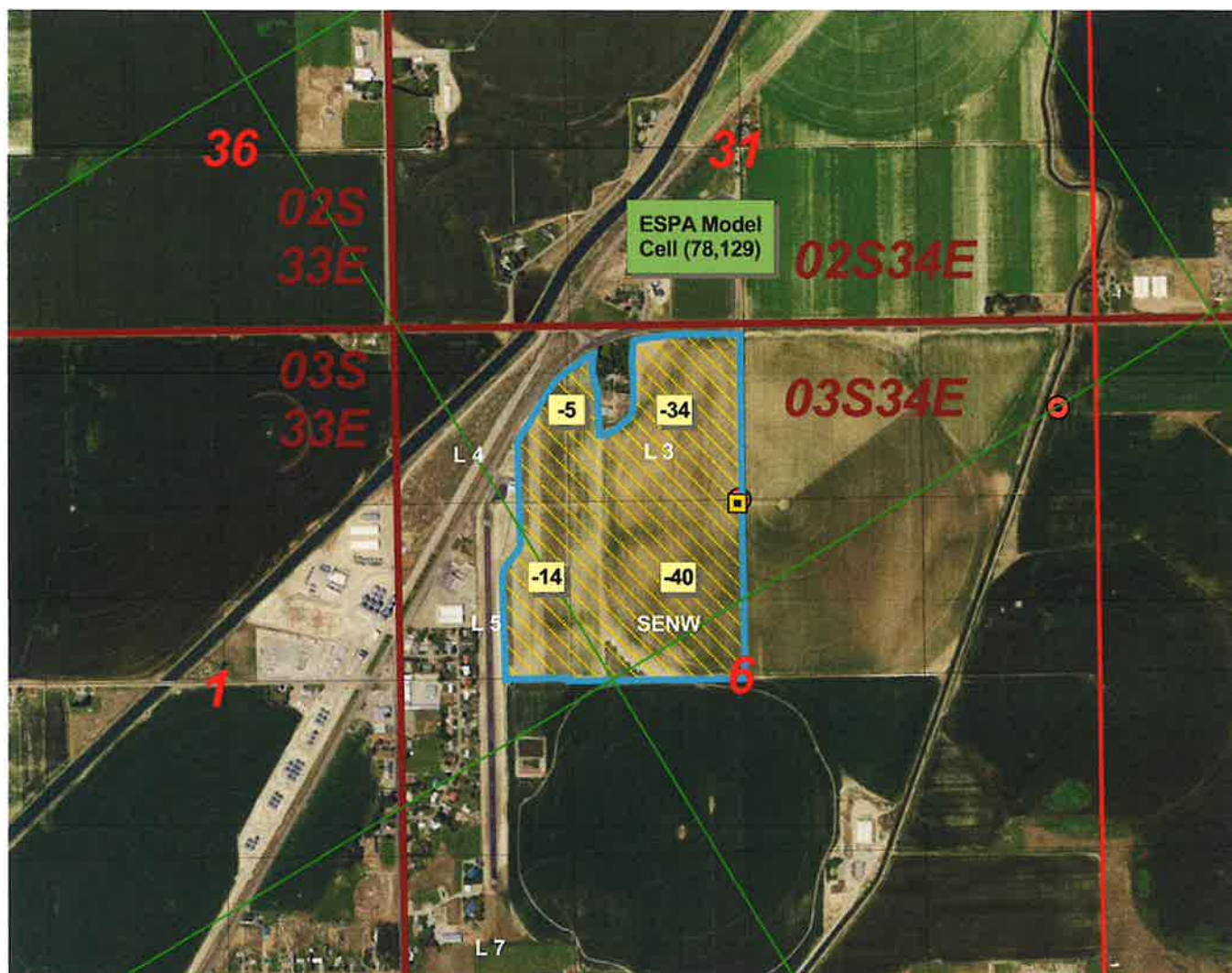
11.3.21
Date

[Signature]
Signature of Authorized Representative

Tyson C. Helms
Printed Name

11/4/21
Date

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



JCH - 2/11/2020

2015 NAIP Aerial Photo



-  35-7274 Existing Well (WMIS #500885)
-  35-7274 Authorized Place of Use
-  Dry-up (Convert to Surface Water Delivery)
-  Township & Range
-  Sections
-  Bingham County 40's
-  ESPA Model Grid



Attachment #3



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

June 7, 2022

BORAH CAPITAL LTD
C/O BLAIR DANCE
433 LAS COLINAS BLVD E STE 1290
IRVING, TX 75039-5058

**RE: WATER SUPPLY BANK LEASE CONTRACT 1500
FOR WATER RIGHTS 35-7274**

Dear Lessor:

Water right **35-7274** was leased into the Water Supply Bank (Bank) as of January 1, 2022, in accordance with the enclosed executed lease contract. **Your water rights, as described on the lease contract, are considered leased into the Bank and should remain unused until they are formally released from the Bank.** More information and further restrictions placed on your water rights while leased can be found in conditions of acceptance of the lease contract. Read the conditions of acceptance carefully.

The rights will automatically be released from the Bank on **December 31, 2022**, unless the rights are released earlier by the Water Resource Board (Board). On behalf of the Board, the Department of Water Resources (Department) can evaluate an early release of the lease contract upon your request. To release the water rights from the Bank prior to the release date, submit a written request on the *Request to Release a Water Right from the Bank* form. This form is available on our public website at www.idwr.idaho.gov. **Please note your water rights may not be available for immediate release if they have been rented or are being considered for a future rental. Furthermore, it is at the discretion of the Department whether or not a water right can be released early from a lease contract.**

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

Sincerely,

Amanda Johnson-Veibell

for

Water Supply Bank

Enclosure: Executed Lease Contract

c: IDWR- Eastern Region
Water District No. 120
Jason Helms

Veibell, Amanda

From: Veibell, Amanda
Sent: Friday, April 29, 2022 1:46 PM
To: jasoncivil@alumni.nd.edu
Cc: Bank
Subject: RE: Borah Capital water supply bank lease
Attachments: Borah Capital WSB lease.pdf

Good Afternoon.

The Department has not received the above lease at this time. Do you have an update on the status of this lease?

If you would like to submit the signed lease contract electronically, it must be emailed to file@idwr.idaho.gov per IDAPA 37.01.01.053.

Thank you.

Amanda Johnson-Veibell



From: Veibell, Amanda
Sent: Wednesday, February 2, 2022 5:01 PM
To: jasoncivil@alumni.nd.edu
Cc: Bank <Bank@idwr.idaho.gov>
Subject: Borah Capital water supply bank lease

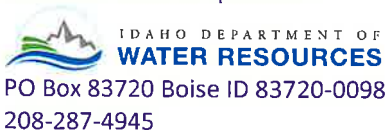
Good Afternoon.

Please see the attached water supply bank lease being mailed to your client for signature. If you have questions regarding the lease itself, please contact a representative in the bank at bank@idwr.idaho.gov.

Thank you.

Amanda Johnson-Veibell

Technical Records Specialist I



Veibell, Amanda

From: Condon, Mary
Sent: Thursday, February 24, 2022 3:39 PM
To: blair@dbscpa.net
Cc: Jason Helms; Bank; Veibell, Amanda
Subject: Lease Contract Borah Capital
Attachments: Draft lease contract.pdf

Hi Blair,

I did not find the signed contract returned to us by mail. I have attached a pdf you can sign and send back to me for finalization.

Best,
Mary

Mary Condon
Water Supply Bank Coordinator



IDAHO DEPARTMENT OF
WATER RESOURCES

Planning & Projects

mary.condon@idwr.idaho.gov

Direct: (208) 287-4936

Fax: (208) 287-6700, Attn. Mary C.



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

February 2, 2022

BORAH CAPITAL LTD
C/O BLAIR DANCE
433 LAS COLINAS BLVD E
STE 1290
IRVING, TX 75039-5058

**RE: APPLICATION TO LEASE WATER RIGHTS 35-7274 TO THE WATER SUPPLY BANK
CONTRACT 1500**

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

Dear Applicant:

The Department of Water Resources has completed its review of your application to lease the above-mentioned water right to the Water Supply Bank. **I have enclosed two original Water Supply Bank Lease Contracts for your review and signature. Please sign and return ALL Lease Contracts within 14 days.** Upon signature and return of the contracts, the Department will also sign the original contracts and return an executed copy to you. The Lease Contract is not considered final until you and the Department have both signed.

The right will automatically be released from the Bank on **December 31, 2022**, unless the right is released earlier by the Board, or upon your request. To release the right from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. To propose a new lease period, submit a new Application to Sell or Lease a Water Right to the Water Supply Bank form along with applicable fees to the Department. These forms are available from any IDWR office or from our public website at <http://www.idwr.idaho.gov>. Please note your right may not be available for immediate release if it has been rented.

Please review the conditions of acceptance listed on the Lease Contract, including #3 which says:

"While a right is in the bank, **the lessor may not use the right** without approval of the department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B."

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

Sincerely,

Amanda Johnson-Veibell

for
Water Supply Bank

Enclosures: Proposed Lease Contracts

C: Jason Helms

MEMORANDUM FOR APPLICATION # 2215

To: Water Right 35-7274
From: Tyler Smith
Date: 1/25/2022
Re: Review & Analysis of Application to Lease Water to the State Water Supply Bank

Purpose/Narrative: An application was received by the Department on December 3, 2021 on behalf of Borah Capital LTD (Applicant) through their representative JCH Engineering, offering the entirety of water right 35-7274 for lease to the Bank through 2022. This right has previously been placed into the Water Supply Bank (Bank) for the 2019 (contract 1008) and 2020-2021 (contract 1174) seasons.

According to the Applicant, the acres of irrigation authorized under this water right were initially irrigated using Aberdeen-Springfield Canal Company (ASCC) water. When the permit for this right was filed, the need to change the point of diversion on the canal was too costly and the canal access was destroyed. 35-7274 was developed as a primary source from ground water so the place of use could continue to be irrigated. Snake River water can now be delivered through the People's Canal and the lease of this water right can be utilized to avoid a comingling of this Eastern Snake River Plain Aquifer (ESPA) ground water right with Aberdeen-Springfield Snake River water rights.

Transfer 82434 to change the POU, POD and add a POD for 35-7274 is active and was protested. It is currently in the status conference stage.

Authority to File: The application was filed in the name of Borah Capital LTD (Borah) and was signed by Blair Dance. According to the Idaho Secretary of State, the registered agent for Borah is National Registered Agents INC. The company is also registered in Texas, and according to the Texas Secretary of State, Blair Dance is a registered agent for the company and therefore has the proper authority to sign on behalf of the company.

The representative for the application is Jason C. Helms of JCH Engineering. Jason also signed the application as a representative.

Water Right Validity: Water right 35-7274 has been leased to the Bank as a valid water right since 2019. Previous lease contract 1174 expired 12/31/21 and this application was received on 12/3/21. No concerns with validity of the water right and portion offered to the bank.

Injury to Other Water Rights: Lease of this water right would not cause injury to other water rights. Proper review to prevent injury if rented.

Enlargement of Use: The application states that the place of use will continue to be irrigated with ASCC shares through the People's canal now that access has been restored, and that the groundwater use will cease as a result of this lease. Careful review of the total number of acres irrigated using ground water and surface water delivered to the property is necessary to determine the extent the right could be rented, if at all.

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 lease appears consistent with the conservation of water resources in Idaho.

Department Staff or Watermaster Comments: The point of diversion is administered by Water District 120. Comment requests were sent to the Watermaster of WD 120 and the Eastern Regional Office on 1/27/2022.

Water Supply Bank Evaluation: Based on the information presented by the applicant and pending any concerns or comments, staff recommend the lease proposal be approved for the 2022 irrigation season.

Veibell, Amanda

From: Buyer, Remington
Sent: Tuesday, November 9, 2021 9:43 AM
To: Bank
Subject: FW: Water Supply Bank Rental Application 2189
Attachments: 35-7274_Lease_2022_signed.pdf

From: Jason Helms <jasoncivil@alumni.nd.edu>
Sent: Monday, November 8, 2021 7:14 PM
To: Buyer, Remington <Remington.Buyer@idwr.idaho.gov>
Subject: Re: Water Supply Bank Rental Application 2189

Hi Remington,

I hope you are doing well, and I am amazed anyone noticed before March.

Please find attached lease application for 35-7274. I understand it requires a \$250 fee and Chris Pratt was going to bring that in, along with a hard copy of that and the City of Chubbuck leases (29-14012, 29-14013) and their fee as well.

I was hoping to hear from Chubbuck last week but we should have it for you very soon.

Thanks,

Jason C. Helms, PE

JCH Engineering & Consulting, PLLC

208-308-2109

On Mon, Nov 8, 2021 at 2:00 PM Buyer, Remington <Remington.Buyer@idwr.idaho.gov> wrote:

Mr. Pratt, Jason,

IDWR recently received from you a request to rent Eastern Snake River Plain Aquifer (ESPA) ground water rights, for the purposes of authorizing an irrigation rental of 270 acres by PEP LLC in 2022 (rental application 2189). The basis for the irrigation authorization is a rental of water rights 29-14012 and 14013, as well as 35-7247.

At this time, water rights 29-14012 and 14013 are leased to the Bank, however the lease term concludes at the end of 2021. We have not yet received from the lessor a new application to renew the lease of these water rights in 2022. Water right 35-7247 is not leased to the Bank and we do have an application to lease the water right into the Bank for 2022.

We can hold rental application 2189 for 30 days, to allow for 2022 lease applications to be submitted for water rights 29-14012 and 14013, as well as 35-7247. However, if we do not receive applications to lease these water rights into the Bank prior to December 10th, 2021, we will be unable to process rental application 2189 as proposed, and we will return it to you.

Regards,

Remington Buyer

Project Manager

Idaho Department of Water Resources

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