

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1518

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

LESSOR: DRAKES ISLAND CROSSING, LLC
PO BOX 22
SUNNYSIDE, ID 83629-0022

IN FILE #

523923

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 November 24, 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)
65-23923	4/27/1944	PAYETTE RIVER, tributary to SNAKE RIVER	0.09	Not Stated	13.4
65-23924	5/7/1955	PAYETTE RIVER, tributary to SNAKE RIVER	0.25	Not Stated	13.4
Combined Lease Totals			0.34	Not Stated	13.4

Summary of Water Rights Elements Rentable From the Bank

Water Right	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (Limited) (AC)	Rate Per Acre (CFS/AC)	Volume Per Acre (AF/AC)
65-23923	0.09	60.3	13.4	0.007	4.5
65-23924	0.25	60.3	13.4	0.019	4.5
Combined Limit Totals	0.34	60.3	13.4	0.025	4.5

**The water right elements rentable include a defined volume limit that is based on the regional field headgate irrigation standard of 4.5 afa/acre.*

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.

WATER SUPPLY BANK LEASE CONTRACT No. 1518

Minimum Payment Acceptable: Current Rental Rate

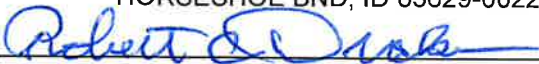
3. **TERM OF LEASE:** The term of this lease shall be January 1, 2022 to December 31, 2026. This Lease shall bind the parties and take effect when both parties have signed it.
4. **WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE:** The Lessor shall abide by all terms and conditions contained in the Water Supply Bank Conditions of Acceptance, attached hereto as "Attachment A" and incorporated herein by this reference.
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.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1518

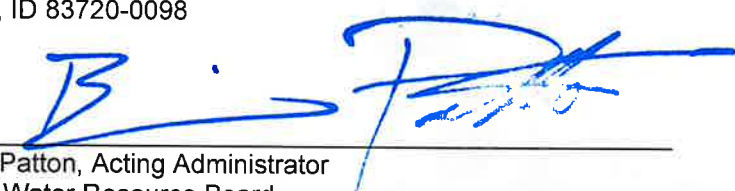
IN WITNESS WHEREOF, the parties have executed this Contract on the date following their respective signatures.

LESSOR: DRAKES ISLAND CROSSING, LLC
PO BOX 22
HORSESHOE BND, ID 83629-0022

By 
Title member
Date 4-25-12

IDAHO WATER RESOURCE BOARD

322 East Front Street
P.O. Box 83720
Boise, ID 83720-0098

By 
Brian Patton, Acting Administrator
Idaho Water Resource Board

Date 5/3/12

Lease approved by IDWR



Date 5/3/12

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1518

**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): 65-23923, 65-23924

PAYETTE RIVER L Sec. 23 Twp 07N Rge 02E BOISE County
8NENWSE

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From	to	To		
65-23923	IRRIGATION	04/01	to	11/01	0.09 cfs	Not Stated
65-23924	IRRIGATION	04/01	to	11/01	0.25 cfs	Not Stated
Totals:					0.34 cfs	Not Stated

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	
07N	02E	23			10.0 L8					3.4									13.4

Total Acres: 13.4

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.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1518

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.
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. Water rights 65-2448, 65-02604, 65-23923 & 65-23924 are limited to a total combined diversion rate of 0.02 cfs per acre at field headgate.
13. 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. 65.

Idaho Water Resource Board
Water Supply Bank Lease Contract No. 1518

65-23923 & 65-23924
Effective until December 31, 2026

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

NOV 24 2021

DEPARTMENT OF
WATER RESOURCESDesignated Applicant Drake's Island Crossing, LLC

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

Water Right No. 65-2448

(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 ☐ ☒ *Notice of Change in Water Right Ownership* 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 \$ 500Received By: LMDate Received: 11.24.21Receipt # C111 378W-9 received? Yes ☒ No ☐ (Route W-9 to Fiscal)Name on W-9: Drake

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 Drake Island Crossing LLC
Mailing Address Box 22 Houseshoe Bend Ida 83629
Street City State Zip Code
Email Address drake@frontier.net Phone Number 208 781-0396

☒ 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 _____ Organization _____

Professional Title _____ Email Address _____

Mailing Address _____ Phone Number _____

☐ 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.
20 HP CENTRIFUGAL PUMP, 3" SUCTION PIPE, PIPELINE
- 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. 65-2604.
- 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. Portions of the lots within the place of use of the water rights will be irrigated by domestic wells after the lots are sold.
- 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.
- 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 ☒

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 2020 to 2025 (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.

Robert C. Drake
Signature of Designated Applicant

Robert C Drake
Printed Name

11-18-21
Date

Signature of Authorized Representative

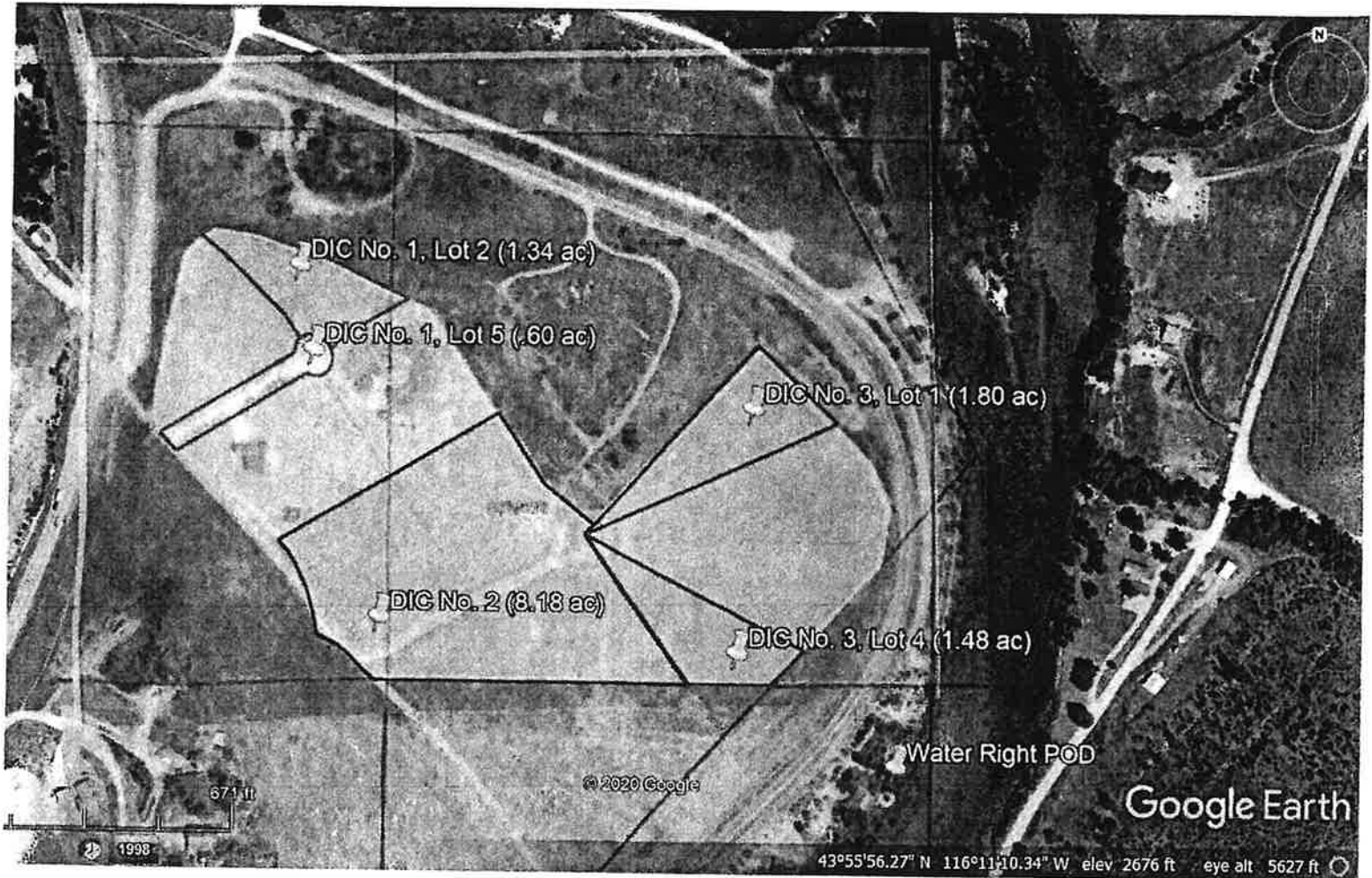
Printed Name

Date

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

Attachment 3 – Map

Acres Proposed to be Idled within Drakes Island Subdivision (DIC), Place
of Use for Water Right Nos. 65-2448 and 65-2604



Acres Proposed to be Idled:

DIC No. 1, Lot 2:	1.34 ac
DIC No. 1, Lot 5:	0.60 ac
DIC No. 2:	8.18 ac
DIC No. 3, Lot 1:	1.80 ac
DIC No. 3, Lot 4:	<u>1.48 ac</u>
Total	13.40 ac



0004326238

**STATE OF IDAHO***Office of the secretary of state, Lawrence Denney***ANNUAL REPORT**

Idaho Secretary of State

PO Box 83720

Boise, ID 83720-0080

(208) 334-2301

Filing Fee: \$0.00

*For Office Use Only***-FILED-**

File #: 0004326238

Date Filed: 6/28/2021 3:10:04 PM

Entity Name and Mailing Address:

Entity Name:

DRAKE'S ISLAND CROSSING, LLC

The file number of this entity on the records of the Idaho Secretary of State is:

0000167528

Address

PO BOX 22
HORSESHOE BEND, ID 83629-0022

Entity Details:

Entity Status

Active-Existing

This entity is organized under the laws of:

IDAHO

If applicable, the old file number of this entity on the records of the Idaho Secretary of State was:

W51972

The registered agent on record is:

Registered Agent

ROBERT C DRAKE
Registered Agent

Physical Address

109 DEPOT ST
HORSESHOE BEND, ID 83629

Mailing Address

109 DEPOT ST
HORSESHOE BEND, ID 83629

Limited Liability Company Managers and Members

Name	Title	Business Address
Linda J Drake	Member	109 DEPOT ST #22 HORSESHOE BEND, ID 83629
 Robert C Drake	Manager	109 DEPOT ST #22 HORSESHOE BEND, ID 83629

The annual report must be signed by an authorized signer of the entity.

Job Title: Manager

Robert C Drake

Sign Here

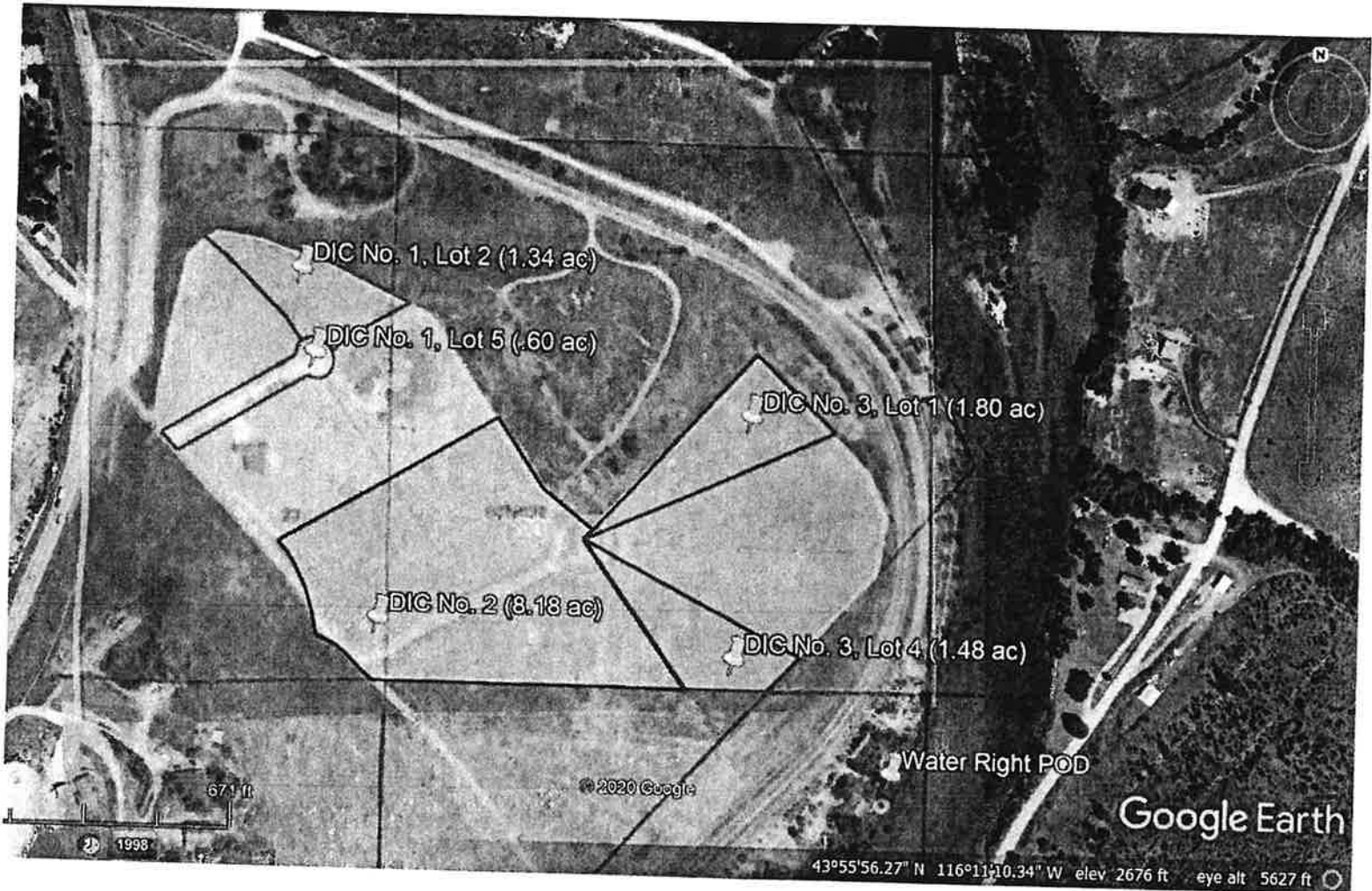
06/28/2021

Date

B0620-8810 06/28/2021 3:10 PM Received by ID Secretary of State Lawrence Denney

Attachment 3 – Map

Acres Proposed to be Idled within Drakes Island Subdivision (DIC), Place
of Use for Water Right Nos. 65-2448 and 65-2604



Acres Proposed to be Idled:

DIC No. 1, Lot 2:	1.34 ac
DIC No. 1, Lot 5:	0.60 ac
DIC No. 2:	3.18 ac
DIC No. 3, Lot 1:	1.80 ac
DIC No. 3, Lot 4:	<u>1.48 ac</u>
Total	13.40 ac



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

May 5, 2022

DRAKE'S ISLAND CROSSING LLC
PO BOX 22
HORSESHOE BEND ID 83629-0022

**RE: WATER SUPPLY BANK LEASE CONTRACT 1518
FOR WATER RIGHTS 65-23923 & 65-23924**

Dear Lessor:

Water rights **65-23923 & 65-23924** were 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, 2026**, 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,

Jean Hersley

for

Water Supply Bank

Enclosure: Executed Lease Contract

c: IDWR- Western Region
Water District No. 65

Hersley, Jean

From: Neil Shippy <waterdist65@srvinet.com>
Sent: Friday, April 22, 2022 8:05 AM
To: Hersley, Jean
Subject: RE: WSB Lease Contract for 65-23923 & 65-23924

Good morning Jean,

I have an open balance for these water rights. I have no problem with this lease as long as they understand that they are required to continue paying the annual assessment.

Thank you.

Neil Shippy
Watermaster
Water District #65
Cell 208-454-5678
Office 208-642-4465
neil.waterdistrict65@gmail.com

From: Hersley, Jean [mailto:Jean.Hersley@idwr.idaho.gov]
Sent: Thursday, April 21, 2022 10:54 AM
To: Neil Shippy
Subject: WSB Lease Contract for 65-23923 & 65-23924

Please let me know within 7 days if you have any comments or concerns with the attached lease contracts.

*Jean Hersley
Technical Records Specialist II
Idaho Dept Water Resources
(208) 287-4942*



IDAHO DEPARTMENT
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

April 21, 2022

DRAKE'S ISLAND CROSSING LLC
PO BOX 22
HORSESHOE BEND ID 83629-0022

**RE: APPLICATION TO LEASE WATER RIGHTS 65-23923 & 65-23924 TO THE WATER SUPPLY
BANK CONTRACT 1518**

******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, 2026**, 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,

Jean Hersley

for
Water Supply Bank

Enclosures: Proposed Lease Contracts

Hersley, Jean

From: Hersley, Jean
Sent: Thursday, April 21, 2022 10:54 AM
To: Neil Shippy
Subject: WSB Lease Contract for 65-23923 & 65-23924
Attachments: Idled Acres.pdf; Lease Application Review.xls; Lease Contract - 1518.docx

Please let me know within 7 days if you have any comments or concerns with the attached lease contracts.

*Jean Hersley
Technical Records Specialist II
Idaho Dept Water Resources
(208) 287-4942*

WATER SUPPLY BANK		Quick Tools													
Lease Review Checklist		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 50%;">Decreed Year</th> <th style="width: 50%;">No Forfeiture Concerns Thru:</th> </tr> <tr> <td>2011</td> <td>2017</td> </tr> <tr> <td>2012</td> <td>2018</td> </tr> <tr> <td>2013</td> <td>2019</td> </tr> <tr> <td>2014</td> <td>2020</td> </tr> <tr> <td>2015</td> <td>2021</td> </tr> </table>		Decreed Year	No Forfeiture Concerns Thru:	2011	2017	2012	2018	2013	2019	2014	2020	2015	2021
Decreed Year	No Forfeiture Concerns Thru:														
2011	2017														
2012	2018														
2013	2019														
2014	2020														
2015	2021														
Applicant(s) Name: Drakes Island Crossing LLC															
Memo Date: April 21, 2022															
Water Right Number(s): 65-23923 & 65-23924															
Reviewers Name: Jean															
		Check box	COMMENTS/CONCERNS:												
1	Fill out WSB Data Entry Checklist for Leases (Front of File)	x													
2	Reason for lease of water rights (Brief description of lease proposal in narrative)														
	Portion of right														
	All of right	x													
3	Check GWMA/CGWA/ADC and basin 63 areas of concern (note area in comments)														
		Yes	No												
4	Rentable? (If no explain in comments or narrative)	x	together												
5	Authority to file														
	Current owner or designated applicant	x													
	SOS Web site checked for business entity	x													
	Other (explain in comments)														
6	Water Right validity														
	Decreed/Licensed/Statutory claim date (write in comments section)		2002												
	Past irrigation to ensure forfeiture is not an issue if decreed or licensed over 7 years ago (consider transfers that changed the POU, rentals to the POU etc.)														
	Has this right previously been leased to the bank or in CREP?	x	2020-2021												
7	Injury to other water rights														
	If the POD is through a delivery entity, was consent provided?		na												
	If the POD is through a delivery entity, was holdback required? (percentage in comments)		%												
	Any other concerns	x													
8	Enlargement concerns	Check box													
	Complete a POU comparison overlap analysis	x													
	Complete a combined limits review	x													
	Complete POD overlap analysis (if there is an overlap add condition to lease)	x													
		Yes	No												
	Are there overlapping rights that need to be placed in the bank also?		x												
	Will the place of use continue to receive water? (if yes explain in comments)	x													
9	Local Public Interest														
	Does the processor know of any problems this action will cause for the local public?		x												
10	Have you contacted regional office and watermaster for comment/concerns?														
	Send the watermaster comment request form or e-mail request	x													
11	Area Headgate requirement (write in Comments)		4.5												
12	Is water right involved in any other department action? Pull file and check database () Ownership Change () Transfer () Mitigation () Other - Explain in comments		x												
13	Narrative: The Department received these applications on November 23, 2021. The applicant listed water rights 65-2448 and 65-2604 on the applications but these rights were split in May of 2020 into 65-23923 and 65-23924. The parents of these rights were decreed in 2002. It appears irrigation took place as recent as 2017. The rights were placed in the Bank in 2020-2021. There are no issues with forfeiture. These rights have no combined conditions but are for the same 13.4 acres so they need to be rented together. The applications listed the lease duration as 2020-2025 but the rights were in the Bank until the end of 2021. I assume they want 5 years so the lease period will be 2022-2026. These rights are currently within WD 65.														

MEMORANDUM

To: Water Right File No(s). 65-2448, 65-2604, 65-23923 & 65-23924
From: Mary Condon, WSB Coordinator
Date: March 8, 2022
Re: Lease Application 2208

Lease applications received 11/2021 for water rights 65-2448 and 65-2604, but the map of acres offered is for acres under split rights 65-23923 & 65-23924. Request for clarification was sent to Drake's Crossing 12/2021, but they have not yet returned the requested clarification. The same occurred with lease application 1705, received in 2020 for 2020 and 2021, along with the change in ownership which split the rights. Lease applications for 65-2448 and 65-2604 were processed for 65-23923 & 65-23924.

Lease application 2208 for water rights 65-2448 and 65-2604 will be moved to water right numbers 65-23923 & 65-23924. Additionally, lease application requested 2020 to 2025, but the previous lease expired in 2021. Dates will be moved to 2022-2025.



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

December 3, 2021

DRAKE'S ISLAND CROSSING LLC
C/O ROBERT DRAKE
PO BOX 22
HORSESHOE BEND ID 83629

**RE: ADDITIONAL INFORMATION REQUEST FOR PROCESSING APPLICATION TO
LEASE WATER RIGHT NO(S) 65-2448, 65-2604 (65-23923 & 65-23924) TO THE
WATER SUPPLY BANK**

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

Dear Applicant:

The Idaho Department of Water Resources (Department) acknowledges receipt of the application to lease the above referenced water right to the Idaho Water Resource Board's Water Supply Bank (Bank). The Department will review your application as resources allow.

If the right is determined to be eligible for acceptance into the Bank, the right will be entered as of the date of receipt of the application. The acceptance date may be adjusted when additional information is required. A preliminary review of your application has been completed and it has been determined that additional information is required to continue processing.

A change in water right ownership was filed by you and Margaret Drake in 2020, which split portions of 65-2448 and 65-2604 into 65-23923 and 65-23924 respectively. A lease to the Water Supply Bank was filed by you at the same time for years 2020-2021, which was filed for rights 65-2448 and 65-2604, but was approved for the split portions now water right numbers 65-23923 and 65-23924, in the name of Drake's Island Crossing. The remaining, unchanged portions of water rights 65-2448 and 65-2604 were not leased into the water supply bank.

On November 24, 2021, an application to Lease water right 65-2604 and 65-2448 were received by the Department. The map of the acres offered to the bank are not the same place of use for these two rights. Attachment 1A, was not filled out or signed. Attachment 2 for each lease application was not filled out.

Please provide the following information or request withdrawal of your application within 30 days of the date of this letter or the application will be returned unprocessed and your application fee will be refunded:

- **If you are requesting 65-2448 and 65-2604, in the names of Margaret Drake and Robert Drake, to be placed in the Board's bank:**
 - **Prove a map of the acres to be idled under these two rights**
 - **Complete Attachment 1A, Designated Lessor form since you and Margaret are both owners of the water rights**
 - **Complete Attachment 2, Description of the portion offered to the bank, one form per water right**

Cont.

December 3, 2021

- **If you are requesting 65-23923 and 65-23924, in the name of Drake's Island Crossing LLC to be placed in the Board's bank:**
 - **Request to amend the application for the new water right numbers,**
 - **or**
 - **Provide additional applications to also lease these two water rights, along with additional filing fees.**
 - **Provide a map of the acres to be idled under these two rights**
 - **Completed Attachment 2, Description of the portion offered to the bank, one form per water right**

The department will continue processing your application once you have submitted the requested information. Water right forms are available from the Department's website at www.idwr.idaho.gov. If you have any questions, please contact this office at (208) 287-4936.

Sincerely,



Mary Condon
Water Supply Bank

Enclosure(s): Attachment 1A
Attachment 2, 2 copies