

WATER SUPPLY BANK LEASE CONTRACT No. 1429

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

LESSOR: 46 PROMISE LLC
575 CANTERBURY LN
MOSES LAKE, WA 98837-1824

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 June 08, 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)
95-2168A	5/24/1966	GROUND WATER	2.02	512.0	158.0
Combined Lease Totals			2.02	512.0	158.0

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, 2021 to December 31, 2025. 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.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1429

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. 1429

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

LESSOR: 46 PROMISE LLC
575 CANTERBURY LN
MOSES LAKE, WA 98837-1824

By Carl S. Hennrichson
Title Manager
Date September 2, 2021

IDAHO WATER RESOURCE BOARD

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

By Brian Patton
Brian Patton, Acting Administrator
Idaho Water Resource Board

Date 9/9/21

Lease approved by IDWR AP

Date 9/9/21

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1429

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): 95-2168A

GROUND WATER SWNW Sec. 8 Twp 51N Rge 04W KOOTENAI County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
95-2168A	IRRIGATION	3/15	to	11/15	2.02 cfs	512.0 AF
Totals:					2.02 cfs	512.0 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	
51N	04W	8					39.0	39.0	40.0	40.0									158.0

Total Acres: 158.0

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.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1429

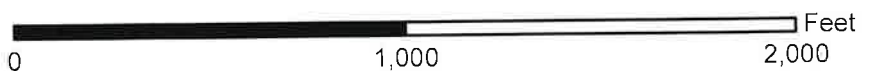
9. In accordance with Idaho Code § 42-248 and § 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into 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. The unleased extent of water right 95-2168A is limited to a maximum diversion rate of 0.36 cfs and 243 af for the irrigation of 75 acres.
13. The unleased extent of water right 95-2168A, when combined with water right 95-7584, is limited to a total combined diversion rate of 3.48 cfs.

Idaho Water Resource Board
Water Supply Bank Lease Contract No. 1429
95-2168A
Effective until December 31, 2025

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



STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

JUN 08 2021

DEPARTMENT OF
WATER RESOURCES

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

Designated Applicant 46 Promise, LLC

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

Water Right No. 95-2168A

(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 \$ <u>250</u>	Received By: <u>KM</u>	Date Received: <u>6-8-21</u>	Receipt # <u>C116492</u>
W-9 received? Yes ☒ No ☐ (Route W-9 to Fiscal)		Name on W-9: <u>46 Promise, LLC</u>	

2090

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 46 Promise, LLC

Mailing Address 575 Canterbury Lane, Moses Lake, WA 98837-1824

Street City State Zip Code

Email Address chenrickson@homenetnw.net

Phone Number (509) 770-5812

☒ 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.

Well and 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. None.

- 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.

- 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. 512 AFY and 2.02 CFS

- 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: 2021 to 2026 (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.
Use 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 of Designated Applicant

Carl Henrikson
Printed Name

May 27, 2021
Date

Signature of Authorized Representative

Printed Name

Date

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



CERTIFICATE OF ORGANIZATION LIMITED LIABILITY COMPANY

Title 30, Chapters 21 and 25, Idaho Code

Base Filing fee: \$100.00 typed, \$120 not typed

Complete and submit the application in duplicate.

FILED EFFECTIVE

2018 FEB 26 AM 10:31

SECRETARY OF STATE
STATE OF IDAHO

1. The name of the limited liability company is:

46 PROMISE, LLC

(Remember to include the words "Limited Liability Company," "Limited Company," or the abbreviations LLC, L.L.C. or LC)

2. The complete street and mailing addresses of the principal office is:

575 CANTERBURY LANE, MOSES LAKE, WA 98837

(Street Address)

(Mailing Address, if different)

3. The name and complete street address of the registered agent:

ROXANE DAVIS

(Name)

19650 N. SILVER LANE, RATHDRUM, ID 83858

(Address)

4. The name and address of at least one governor of the limited liability company:

CARL S. HENRICKSON

(Name)

575 CANTERBURY LANE, MOSES LAKE, WA 98837

(Address)

(Name)

(Address)

(Name)

(Address)

(Name)

(Address)

5. Mailing address for future correspondence (annual report notices):

C/O CARL S. HENRICKSON, 575 CANTERBURY LANE, MOSES LAKE, WA 98837

(Address)

Signature of organizer(s).

Printed Name: CARL S. HENRICKSON

Signature:

Carl S. Henrickson

Printed Name:

Signature:

Secretary of State use only

IDAHO SECRETARY OF STATE

02/26/2018 05:00

CK:2202 CT:347009 BS:1628876

1@ 100.00 = 100.00 ORGAN LLC #2

W197585

**STATE OF IDAHO
WATER RESOURCE BOARD**

Complete Attachment 2 if only a portion of the water right is offered to the Bank.

ATTACHMENT 2

DESCRIPTION OF A WATER RIGHT PORTION OFFERED TO THE WATER SUPPLY BANK

<u>Water Right Number</u>	<u>Nature of Use</u>	<u>Leased Rate</u> (cfs)	<u>Leased Volume</u> (af)	<u>Leased Acres</u> (ac)
95-2168A	Irrigation	2.02	512	158
	Total Amounts:	2.02	512	158

2. Source of water Ground Water tributary to _____

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
51N	04W	8			SW	NW	Kootenai

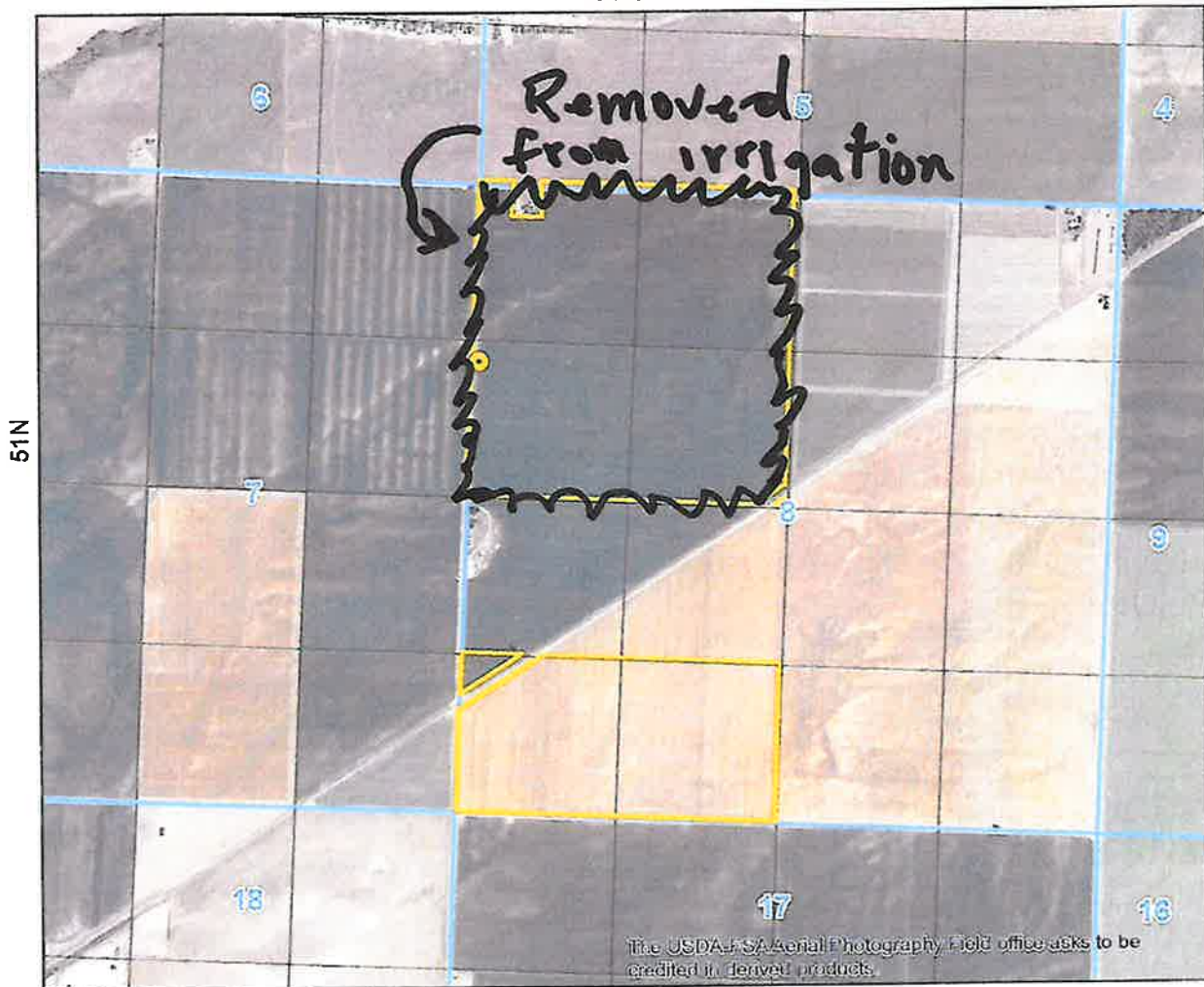
State of Idaho
Department of Water Resources

Water Right
95-2168A

IRRIGATION

The map depicts the place of use for the water use listed above and point(s) of diversion of this right as currently derived from interpretations of the paper records and is used solely for illustrative purposes. Discrepancies between the computer representation and the permanent document file will be resolved in favor of the actual water right documents in the water right file.

04W



- Point of Diversion
- Place Of Use Boundary
- Townships
- PLS Sections
- Quarter Quarters

0 0.175 0.35 0.7 Miles



State of Idaho
Department of Water Resources
Adjudication Recommendation
95-2168A
Irrigation



- Point of Diversion
- Place Of Use Boundary
- Townships
- PLS Sections
- Quarter Quarters

0 0.175 0.35 0.7 Miles



Prepared By: Steve Clelland
October 15, 2015
Aerial photo: 2013

IN THE DISTRICT COURT OF THE FIFTH JUDICIAL DISTRICT OF THE
STATE OF IDAHO, IN AND FOR THE COUNTY OF TWIN FALLS

In Re CSRBA)
Case No. 49576)
_____)

PARTIAL DECREE PURSUANT TO
I.R.C.P. 54(b) FOR
Water Right 95-02168A

DISTRICT COURT - CSRBA	
Fifth Judicial District	
County of Twin Falls - State of Idaho	
NOV - 8 2019	
By _____	Clerk
Deputy Clerk	

NAME AND ADDRESS: HENRICKSON FARMS LTD
575 CANTERBURY LN
MOSES LAKE, WA 98837-1824

SOURCE: GROUND WATER

QUANTITY: 2.98 CFS
755.10 AFY

Right Nos. 95-2168A and 95-7584 are limited to a total combined
diversion rate of 5.5 cfs.

PRIORITY DATE: 05/24/1966

POINT OF DIVERSION: T51N R04W S08 SWNW Within Kootenai County

PURPOSE AND PERIOD OF USE:	PURPOSE OF USE	PERIOD OF USE	QUANTITY
	Irrigation	03-15 TO 11-15	2.98 CFS 755.10 AFY

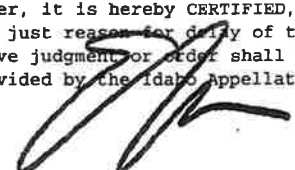
PLACE OF USE:	Irrigation	Within Kootenai County	
	T51N R04W S08	NENW 39.0	NWNW 39.0
		SWNW 40.0	SENW 40.0
		SWSW 36.0	SESW 39.0
	233.0 Acres Total		

OTHER PROVISIONS NECESSARY FOR DEFINITION OR ADMINISTRATION OF THIS WATER RIGHT:

THIS PARTIAL DECREE IS SUBJECT TO SUCH GENERAL PROVISIONS
NECESSARY FOR THE DEFINITION OF THE RIGHTS OR FOR THE EFFICIENT
ADMINISTRATION OF THE WATER RIGHTS AS MAY BE ULTIMATELY
DETERMINED BY THE COURT AT A POINT IN TIME NO LATER THAN THE
ENTRY OF A FINAL UNIFIED DECREE. I.C. SECTION 42-1412(6).

RULE 54(b) CERTIFICATE

With respect to the issues determined by the above judgment or order, it is hereby CERTIFIED, in accordance
with Rule 54(b), I.R.C.P., that the court has determined that there is no just reason for delay of the entry of a
final judgment and that the court has and does hereby direct that the above judgment or order shall be a final
judgment upon which execution may issue and an appeal may be taken as provided by the Idaho Appellate Rules.


Eric J. Wildman
Presiding Judge of the
Coeur d'Alene-Spokane River Adjudication



State of Idaho

DEPARTMENT OF WATER RESOURCES

Northern Region • 7600 N MINERAL DR STE 100 • COEUR D'ALENE, ID 83815-7763

Phone: (208)762-2800 • Fax: (208)769-2819 • Website: www.idwr.idaho.gov

Brad Little
Governor

Gary Spackman
Director

December 14, 2020

46 PROMISE LLC
575 CANTERBURY LN
MOSES LAKE WA 98837-1824

Re: Change in Ownership for Water Right No(s): 95-7584 & 95-2168A

Dear Water Right Holder(s):

The Department of Water Resources (Department) acknowledges the receipt of correspondence changing ownership of the above referenced water right(s) to you. The Department has modified its records and has enclosed a computer-generated report for you.

Updating the ownership record for a water right does not reconfirm the validity of the right. When processing a Notice of Change in Water Right Ownership, the Department does not review the history of water use to determine if the right has been forfeited or deliberately abandoned through five years or more of non-use. To read more about water right forfeiture, including how to protect a water right from forfeiture, please see Idaho Code §§ 42-222 and 42-223.

Please note, water right owners are required to report any change of water right ownership and any change of mailing address to the Department within 120 days of the change. Reporting forms are available from any office of the Department, or from the Department's website.

If you have any questions concerning the enclosed information, please contact me at (208) 762-2813.

Sincerely,

Natalie Steading

Natalie Steading
Tech Records Specialist 1

Enclosure(s)

IDAHO DEPARTMENT OF WATER RESOURCES
Proof Report

12/14/2020

Water Right 95-2168A

Owner Type **Name and Address**
Current Owner 46 PROMISE LLC
 575 CANTERBURY LN
 MOSES LAKE, WA 98837-1824

Original Owner HENRICKSON FARMS LTD
 575 CANTERBURY LN
 MOSES LAKE, WA 98837-1824
 (509) 750-3735

Priority Date: 5/24/1966

Basis: Decreed

Status: Active

Source
GROUND WATER

Tributary

Beneficial Use	From	To	Diversion Rate	Volume
IRRIGATION	3/15	11/15	2.980 CFS	755.1 AF
	Total Diversion		2.980 CFS	755.1 AF

Source and Point(s) of Diversion

GROUND WATER SWNW Sec. 8, Twp 51N, Rge 04W, KOOTENAI County

Place Of Use

IRRIGATION within KOOTENAI County

			NE				NW				SW				SE				Totals
Twp	Rng	Sec	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
51N	04W	8					39.0	39.0	40.0	40.0			36.0	39.0					233.0

POU Total Acres: 233.0

Conditions of Approval:

1. C18 This partial decree is subject to such general provisions necessary for the definition of the rights or for the efficient administration of the water rights as may be ultimately determined by the Court at a point in time no later than the entry of a final unified decree. Section 42-1412(6), Idaho Code.
2. F05 Right No. 95-7584 is also diverted through point of diversion described above.
3. E51 Right Nos. 95-2168A and 95-7584 are limited to a total combined diversion rate of 5.5 cfs.
4. PIN Parcel No. 51N04W082700

Comments:

1. scellan 10/14/2015 Quantity
Well capacity was recorded on the license 95-2168 as 5.5 cfs for this well POD. A second well capacity was measured at the exam for right 95-7584 in 1982 listing it as 3.79 cfs.

IDAHO DEPARTMENT OF WATER RESOURCES
Proof Report

12/14/2020

2. cfritsch 11/3/2016 Conditions
Conditions updated.

3. CParker 12/2/2020 Water Right
This water right record was updated by decree record from old RightID 638866 to new RightID 638866

Dates and Other Information

Decreed Date: 11/8/2019
Civil Case Number: 49576
Judicial District: FIFTH
Water District Number: NWD
Mitigation Plan: False

Combined Use Limits

N/A

SubCase:

N/A

Water Supply Bank:

N/A



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

September 10, 2021

46 PROMISE LLC
575 CANTERBURY LN
MOSES LAKE, WA 98837-1824

**RE: WATER SUPPLY BANK LEASE CONTRACT 1429
FOR WATER RIGHTS 95-2168A**

Dear Lessor:

Water right **95-2168A** was leased into the Water Supply Bank (Bank) as of January 1, 2021, 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, 2025**, 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- Northern Region

RECEIVED

SEP 07 2021

DEPARTMENT OF
WATER RESOURCES

575 Canterbury Lane
Moses Lake, WA 98837-1824
September 2, 2021

Idaho Department of Water Resources
322 E. Front Street
P.O. Box 83720
Boise, ID 83720-0098

Dear Sir or Madame:

Re: Water Supply Bank Lease Contract No. 1429

Enclosed are two signed copies of Water Supply Bank Lease Contract No. 1429. Please contact me at (509) 770-5812, or e-mail chenrickson@homenetnw.net if the documents are not fully in order.

Sincerely,


Carl Henrickson
Manager, 46 Promise, LLC

Enclosures (2)

Buyer, Remington

From: Buyer, Remington
Sent: Wednesday, September 8, 2021 3:29 PM
To: 'chenrickson@homenetnw.net'
Cc: Bank
Subject: Water Supply Bank Lease Contract 1429
Attachments: Lease Contract 1429.pdf; L1.1A Lease Cover Letter-Proposed Contract-14 Days.pdf; Lease Map - Contract 1429.pdf

Hello,

The attached lease contract, map and letter was mailed from our office on August 20th, 2021. This is a courtesy email to notify you that our office will provide an additional 14 days within which we request that you return to our office signed copies of the attached lease contract. If we don't receive copies of the signed lease contract by September 23rd, 2021, we will consider this lease proposal to be withdrawn and we will close our records.

Please contact me if you have any questions about the lease. Regards,

Remington Buyer
Water Supply Bank Coordinator
Idaho Department of Water Resources
322 East Front Street, Boise, ID, 83720
T: (208) 287-4918 | F: (208) 287-6700

322 E Front Street, Suite 648,



IDAHO DEPARTMENT OF
WATER RESOURCES

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

August 20, 2021

46 PROMISE LLC
575 CANTERBURY LN
MOSES LAKE, WA 98837-1824

**RE: APPLICATION TO LEASE WATER RIGHTS 95-2168A TO THE WATER SUPPLY BANK
CONTRACT 1429**

******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, 2025**, 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

Buyer, Remington

From: Buyer, Remington
Sent: Friday, August 6, 2021 1:14 PM
To: Jones, Doug
Subject: WSB Lease and Rental Applications 2090 and 2091
Attachments: Draft Lease Contract.docx; Lease Map - Contract 1429.pdf; Lease Review Memo.docx; Rental Review Memo Application 2091.docx; Draft Rental Agreement 574.docx; Rental Map Agreement 574.pdf

Hi Doug,

Earlier this summer the Bank received from 46 Promise LLC a request to lease in a portion of ground water right 95-2168A, so that the diversion rate leased might be rented to authorize increased instantaneous diversions for municipal uses by Avondale Irrigation District.

My review memos, maps and draft approvals for both the lease and rental are attached. Please advise if you'd like to discuss the transaction, or whether you have any questions, comments or concerns?

Thanks (and have a nice weekend),

Remington

Memorandum

To: Water Supply Bank Application 2090
From: Remington Buyer
Date: August 5, 2021
Re: Lease to the Bank of water right 95-2168A

Purpose/Narrative: An application was received by the Department on June 8th, 2021 from 46 Promise LLC, through Robert Haynes of Idaho Water Engineering, proposing to lease into the bank a portion of water right 95-2168A appurtenant to the northwest quarter of Township 51N, Range 04W, Section 8. This area is being subdivided and redeveloped as the Brookshire residential subdivision.

Authority to File: IDWR records indicate water right 95-2168A is currently owned by 46 Promise LLC, who acquired it from Henrickson Farms, Ltd in 2018. The Quit Claim Deed and Conveyance document submitted as the basis for the ownership change affirms that the quitclaim is specific to water rights 95-2168A and 7584, as well as some additional personal property, and not the land to which the water rights were appurtenant. Therefore, through the quitclaim process, Henrickson Farms, Ltd's ownership of water right 95-2168A (and 95-7584) was divorced from their ownership of the lands to which the water rights are/were appurtenant.

Water right 95-2168A was claimed in the Snake River Basin Adjudication (SRBA) in 2009 by Henrickson Farms, Ltd, and it was decreed by the SRBA Court in 2019. When the water right was claimed, the claimant stated that they owned all the land to which the water right is/was appurtenant. This is important, as the land associated with water right 95-2168A is now subdivided into 161 parcels. Because the Court decreed to Henrickson Farms, Ltd full ownership of water right 95-2168A (in 2019), and because Henrickson Farms, Ltd had already quitclaimed to 46 Promise LLC their ownership of the water right as it was decreed, when the right was decreed to Henrickson Farms, Ltd, it appears to have effectively been immediately transferred to 46 Promise LLC.

It is possible that Henrickson Farms, Ltd may have quitclaimed portions of water right 95-2168A to third parties prior to their 2018 quitclaim to 46 Promise LLC. However, staff are not aware of any information to suggest that 46 Promise LLC is not the sole owner of water right 95-2168A and it is affirmed for the purpose of this review memo that 46 Promise LLC is authorized to lease a portion of water right 95-2168A.

Water Right Validity/Forfeiture Evaluation: The water right was decreed in 2019. No concerns about water right validity.

Injury Evaluation: No injury is apparent through this lease alone. Proper rental review should guard against injury.

Enlargement of Use: The portion of the water right 95-2168A specific to the NW quarter (158 acres) is being leased as follows:

Water Right	Rate	Vol	Acres	Rate/AC	Vol/AC
95-2168A - Leased	2.02	512	158	0.013	3.2

Because the purpose of this lease is to facilitate a rental, the full 2.02 cfs should be made rentable. And because water right 95-2168A is combined limited with water right 95-7584, to avoid enlargement of water right 95-2168A, diversions under the unleased extent of the right must be limited to 0.36 cfs, when combined with 95-7584, for an overall combined limited diversion rate of 3.48 cfs, as follows:

Water Right	Rate	Vol	Acres	Rate/AC	Vol/AC
95-2168A - Leased	2.02	512	158	0.013	3.2
95-2168A - Unleased	0.36	243.1	75	0.005	3.2
95-7584 - Unleased	3.12	546	156	0.020	3.5
Combined Unleased	3.48	789.1	231	0.015	3.4
Overall Combined	5.5	1301.1	389	0.014	3.3

Local Public Interest: Staff are unaware of any information indicating this lease is not consistent with local public interests.

Beneficial Use/Conservation of Water Resources: The lease appears consistent with the conservation of water resources in Idaho.

Department/Watermaster Comments: Comments were requested from IDWR's Northern Region on 8/6/2021.

Water Supply Bank Evaluation: WSB review staff recommend the lease be approved.