

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 586

RECEIVED

NOV 02 2021

DEPT OF WATER RESOURCES

This is to certify that:

CS PROPERTY DEVELOPMENT LLC
PO BOX 27
BOISE, ID 83707-0027

filed an application to rent water from the Water Supply Bank ("Bank"). The Idaho Water Resource Board ("Board"), being authorized to operate a Bank and to contract by and through the Director of the Idaho Department of Water Resources ("Director, Department") for rental of water from the Bank, agrees to rent water as follows:

Summary of Water Rights or Portions Rented from the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate Per Acre (CFS/AC)	Volume Per Acre (AF/AC)
63-34917	1/16/1961	GROUND WATER	0.51	150	33.4	0.015	4.5
63-34916	6/4/1963	GROUND WATER	0.04	11.8	2.6	0.015	4.5
63-34919	6/4/1963	GROUND WATER	0.15	35.0	7.8	0.019	4.5
63-34922	1/20/1967	GROUND WATER	1.10	157	34.8	0.032	4.5
Combined Limit Totals			1.80	335	74.6	0.024	4.5
63-34918	1/16/1961	GROUND WATER	0.04	17.6	3.9	0.010	4.5
63-34920	6/4/1963	GROUND WATER	0.40	99.0	22.0	0.018	4.5
63-34923	3/4/1966	INDIAN CREEK	0.30	69.3	15.4	0.019	4.5
63-34921	1/21/1971	GROUND WATER	0.17	37.8	8.4	0.020	4.5
Combined Limit Totals			0.68	155	34.3	0.020	4.5
63-34914	7/16/1982	INDIAN CREEK	0.22	75.5	13.3	0.017	4.5
63-34915	6/21/1990	GROUND WATER	0.13	29.0	170.0	0.001	4.5
Combined Limit Totals			2.80	560	122.2	0.023	4.5
63-34913	3/23/1973	GROUND WATER	4.16	1,050	233.5	0.018	4.5
Combined Rental Totals			6.96	1,610	355.7	0.020	4.5

Term of Rental: This rental agreement shall take effect when all parties have signed it and shall continue in effect until December 31, 2024. Use of rental water shall be authorized as of either the date this rental agreement takes effect or the first day of the rental season of use, in 2022, whichever occurs last.

Annual Rental Fee:

2022: \$32,214.00 annually
2023 - 2024: \$37,046.10 annually

The full fee for the rental of the above-described right(s) is \$32,214.00 per year for year 2022 and \$37,046.10 per year for years 2023 - 2024. The rental fee includes an administrative fee of \$3,221.40 per year for year 2022 and \$3,704.61 per year for years 2023 - 2024. The full fee is based off an un-rounded total volume of 1,610.7 acre feet.

An annual payment shall be received by the Department on or before December 31 each year preceding the use of the rented water rights. The agreement will be void if payment is not received by the due date in a given year. Rental fees are non-refundable. To voluntarily terminate the agreement early, notify the Department in writing prior to the rental fee due date.

Detailed water right conditions are attached.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 586

The undersigned renter agrees to use the water rented under this agreement in accordance with the Water Supply Bank rules and in compliance with the limitations and conditions of use described in this agreement:



Signature of Renter

Date

Thomas J. Basabe

Printed Name

Director

Title

*Title required if signing on behalf of a company or organization or with power of attorney

Having determined that this agreement satisfied the provisions of Idaho Code § 42-1763 and IDAPA 37.02.03.030 (Water Supply Bank Rule 30), for the rental and use of water under the terms and condition herein provided, and none other, I hereby execute this Rental Agreement on behalf of the Idaho Water Resource Board.

By



BRIAN PATTON, Acting Administrator
Idaho Water Resource Board

Date

11/22/21

Rental approved by IDWR



Date

11/22/21

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 586

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER	SESE	Sec. 10, Twp 01N, Rge 01E,	ADA County
GROUND WATER	SWNE	Sec. 10, Twp 01N, Rge 01E,	ADA County
GROUND WATER	SWNE	Sec. 10, Twp 01N, Rge 01E,	ADA County
GROUND WATER	NWNE	Sec. 10, Twp 01N, Rge 01E,	ADA County
GROUND WATER	SWSW	Sec. 3, Twp 01N, Rge 01E,	ADA County
INDIAN CREEK	NWSW	Sec. 3, Twp 01N, Rge 01E,	ADA County
INDIAN CREEK	NWNE	Sec. 10, Twp 01N, Rge 01E,	ADA County
SAND CREEK	SWNE	Sec. 10, Twp 01N, Rge 01E,	ADA County

BENEFICIAL USE

IRRIGATION

DIVERSION RATE

6.96 CFS

VOLUME

1610.7 AF

SEASON OF USE

Water Right No.	From	To
63-34913	03/01	11/30
63-34914	03/15	11/15
63-34915	03/15	11/15
63-34916	03/01	11/15
63-34917	03/15	11/15
63-34918	03/15	11/15
63-34919	03/01	11/15
63-34920	03/15	11/15
63-34921	03/15	11/15
63-34922	03/15	11/15
63-34923	03/01	11/15

RENTERS PLACE OF USE: 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	
01N	01E	13							32	31	32	31	31	31		31	31	31	281
01N	01E	24	31	31	6.5	6.2													74.7

Total Acres: 355.7

RENTAL AGREEMENT CONDITIONS OF ACCEPTANCE

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. Rental of the specified right from 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.
3. Use of water under this agreement does not constitute a dedication of the water to renter's place of use, and upon expiration of this agreement, the points of diversion and place of use of the water shall revert to those authorized under the water right and/or again be available to rent from the bank.
4. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.
5. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

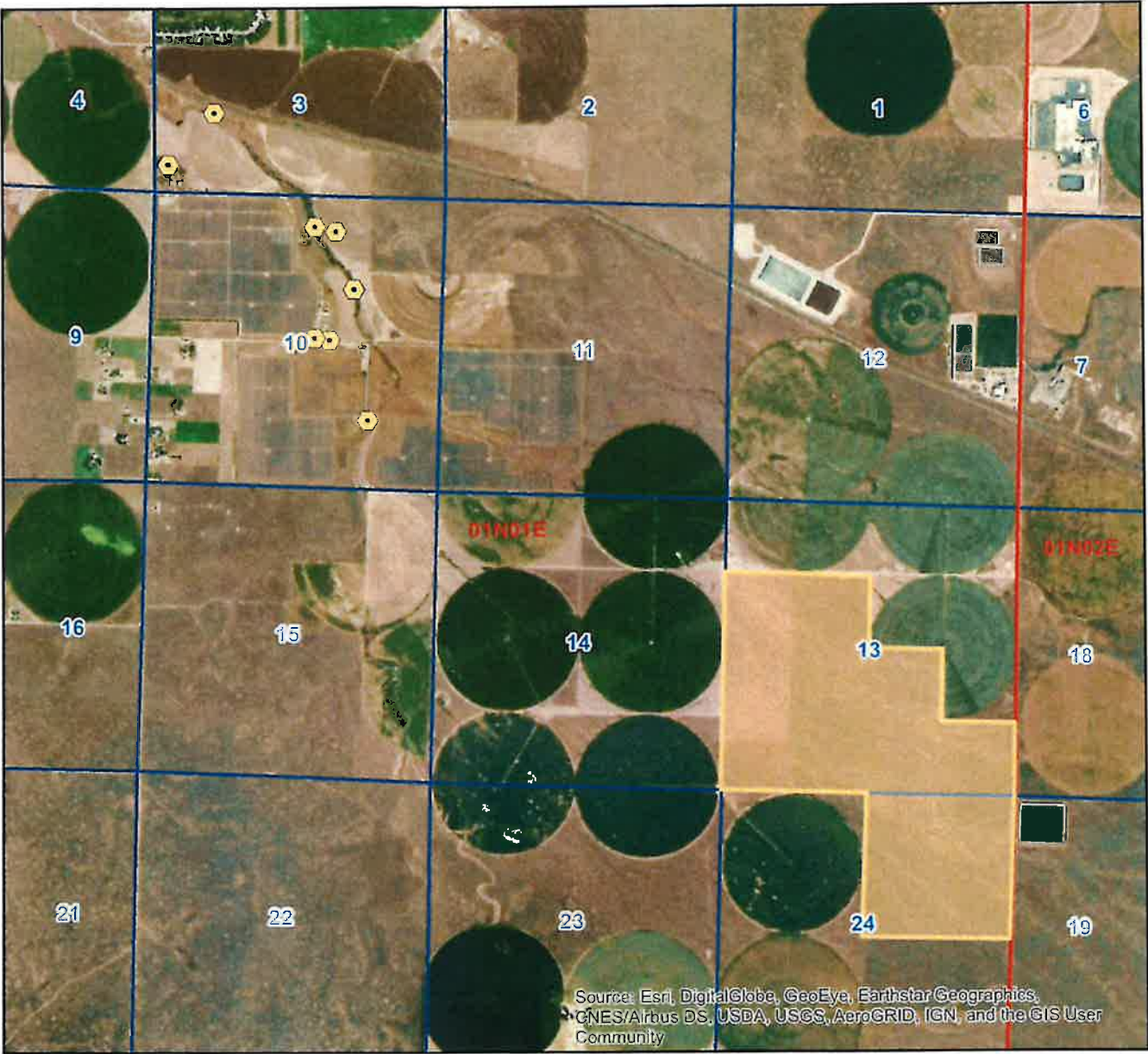
WATER SUPPLY BANK RENTAL AGREEMENT No. 586

6. Renter agrees to hold the Board, the Director and the state of Idaho harmless from all liability on account of negligent acts of the renter while using water.
7. Renter acknowledges and agrees that the Director may terminate authorization for the use of a water right based on a water right's priority date.
8. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
9. This rental does not authorize the construction of a well.
10. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.5 afa per acre at the field headgate for irrigation of the place of use.
11. 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. 63.
12. The renter holder shall maintain a measuring device and lockable controlling works of a type approved by the Department in a manner that will provide the watermaster suitable control of the diversion(s).
13. Rights 63-34918, 63-34920, 63-34921 and 63-34923 when combined shall not exceed a total diversion rate of 0.68 cfs, a total annual maximum diversion volume of 154.5 af at the field headgate, and the irrigation of 34.3 acres in a single irrigation season.
14. Rights 63-34916, 63-34917, 63-34919 and 63-34922 when combined shall not exceed a total diversion rate of 1.8 cfs, a total annual maximum diversion volume of 335.4 af at the field headgate, and the irrigation of 74.6 acres in a single irrigation season.
15. Rights 63-34914, 63-34915, 63-34916, 63-34917, 63-34918, 63-34919, 63-34920, 63-34921, 63-34922 & 63-34923 when combined shall not exceed a total diversion rate of 2.8 cfs, a total annual maximum diversion volume of 560.0 af at the field headgate, and the irrigation of 122.2 acres in a single irrigation season.
16. Rights 63-34913, 63-34914, 63-34915, 63-34916, 63-34917, 63-34918, 63-34919, 63-34920, 63-34921, 63-34922 & 63-34923 when combined shall not exceed a total diversion rate of 6.96 cfs, a total annual maximum diversion volume of 1,610.7 af at the field headgate, and the irrigation of 355.7 acres in a single irrigation season.
17. Ground water rights 63-34913, 63-34916, 63-34917, 63-34918, 63-34919, 63-34920, 63-34921 & 63-34922 when combined shall not exceed a total diversion rate of 6.57 cfs, a total annual maximum diversion volume of 1,540.5 af at the field headgate, and the irrigation of 342.4 acres in a single irrigation season.
18. The period of use for the irrigation described under water rights 63-34914, 63-34916, 63-34919 and 63-34923 in this approval may be extended to a beginning date of 3/1 provided that beneficial use of the water can be shown and other elements of the right are not exceeded. The use of water before 3/15 is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than 2/16/2007 or 4/10/2007.
19. Renter shall make full beneficial use of all surface water rights available to the right holder for irrigation of the lands authorized to be irrigated under this rental. Renter shall limit the diversion of ground water under 63-34915 for land with an appurtenant surface water right(s) to those times when the surface water supply is not available or the surface water supply is not reasonably sufficient to irrigate the place of use authorized under this rental.
20. If surface water right(s) appurtenant to the place of use is abandoned, forfeited, sold, transferred, leased or used on any other place of use, the right to divert ground water under 63-34915 shall not be used on the land with an appurtenant surface water right(s) without an approved transfer pursuant to Section 42-222, Idaho Code, or approval of the Department if a transfer is not required.

Idaho Water Resource Board
Attachment to Water Supply Bank Rental Agreement No. 586

Effective until December 31, 2024

This map depicts the **rental place of use** pursuant to the rental agreement and is attached to the agreement solely for illustrative purposes.



● Authorized Rental Point of Diversion
Authorized Rental Place of Use

□ Township/Range
□ Sections



0 1 2 Miles

JUN 11 2021

DEPARTMENT OF
WATER RESOURCESSTATE OF IDAHO
WATER RESOURCE BOARDAPPLICATION TO RENT WATER
FROM THE BOARD'S WATER SUPPLY BANKApplicant Name: CS Property Development LLC

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

Yes ☐ No ☒

If yes, specify companion water rights in Section 4

This application must be completed according to the minimum requirement checklist below. This checklist is part of the rental application and must be included with the rental application. Applications that do not meet the minimum requirements will not be placed in the processing queue and may be returned until all minimum requirements have been met.

Rental applications should be submitted well in advance of the desired start date for the use of rental water. Rental applications may be processed as early as November 1 of the year prior to the intended use of rental water. Any rental application received on or before November 1 for use in the next year will be assigned a received date of November 1. Rental applications submitted more than one year in advance of the proposed start date for the use of rental water will not be accepted and will be returned to applicants. Rental applications may be returned to applicants if the desired start date for the use of rental water cannot be accommodated by the Water Supply Bank. Rental requests will not be accepted once the rental season of use period has concluded.

One rental application per beneficial use of water. For multiple beneficial uses of water, separate rental requests should be submitted for each unique beneficial use of water. One rental application can be submitted if you propose to rent water from multiple sources.

For additional instructions on completing a rental application, visit the Bank's website at http://idwr.idaho.gov/water_supply_bank.

MINIMUM REQUIREMENT CHECKLIST

Check All Items as Either Attached (Yes) or Not Applicable (N/A)

Yes

- ☒ Completed *Application to Rent Water from the Board's Water Supply Bank*
- ☒ Confirmation that this form has been printed single sided, per requirement of the Water Supply Bank

Attachment N/A Yes

- 2 ☒ A map showing the proposed point(s) of diversion, place(s) of use, and water diversion and distribution systems proposed to be used with your rental request
- 3A ☐ ☒ Detailed information on a proposed use of rental water
- 3F ☒ ☐ Authorization from the owner/operator of the rental point(s) of diversion
- 3H ☒ ☐ Water modeling to account for the impacts of the rental request
- 3J ☒ ☐ Documents justifying a rate of flow greater than 0.02 cfs/acre
- 3K ☒ ☐ Authorization from the owner/operator of the property at the proposed rental place(s) of use
- 4B ☒ ☐ Explanation of how the rental water will sufficiently accomplish your rental purposes
- 4C ☒ ☐ Explanation of consumptive use amounts for water rights experiencing a change in nature of use

Department Use Only – Proposed Water Right(s)

63-34319

List Below

**STATE OF IDAHO
WATER RESOURCE BOARD**

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A. Applicant CS Property Development LLC

Mailing Address <u>P. O. Box 27</u>	<u>Boise</u>	ID	<u>83707</u>
Street	City	State	Zip Code
Email Address <u>vic.conrad@simplot.com</u>	Phone Number <u>208-780-7359</u>		

B. Is this application being completed by an authorized representative on behalf of the applicant? Yes ☐ No ☐
 If yes, representatives (includes company employees if the applicant is a corporation, as well as legal counsel or consultants) should provide their information below if they desire to be included on correspondence with the rental applicant.

Representative _____	Professional Title _____
Organization _____	Relationship to Applicant _____
Mailing Address _____	
Email Address _____	Phone Number _____

2. MAP

Create a map of the proposed point(s) of diversion, place(s) of use and water diversion, delivery and distribution systems. Make sure the rental 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 irrigate. Attach the map to this application and label it **Attachment 2**.

3. DESCRIPTION OF PROPOSED USE FOR RENTAL WATER

A. Describe why you desire to rent water and provide a detailed description of your proposed use. If the proposed use is not for irrigation, describe in detail how you determined the amount of rental water required. If the space below is insufficient, attach additional sheets as required and label them **Attachment 3A**:

To expand the area to be irrigated with water discharged from meat processing facility. Water rented under this application will be combined with industrial effluent and applied to crops to be raised on the land identified in this application.

B. Enter the desired and/or minimum rates of flow, volume, or irrigable acres requested for your rental purposes:

Desired Rate (Cubic Feet/Second)	Desired Volume (Acre-Foot)	Minimum Rate* (Cubic Feet/Second)	Minimum Volume* (Acre-Foot)	Desired Acres (if applicable)
6.95 CFS	1,610.7 AF	6.95 CFS	1610.7 AF	355.7 AC

* Sometimes water rights provide an exceptionally low rate per acre and/or low volume per acre. This section is meant to establish an acceptable range of water sufficient for your proposed water use. Please see question 4B and complete if necessary.

C. This section must be completed in full. Enter the proposed start date and latest possible start date for using rental water as well as the number of years you would like to rent water. The latest possible start is the latest possible date by which you would be willing to pay for a rental and be able to benefit from utilizing rental water.

Desired Start Date (month/day/year)	Latest Possible Start Date (month/day/year)	*Mark Desired Rental Duration (Calendar Years)					**Applicant's preference if rental application cannot be processed prior to the latest possible start?	
March 1	Decreed Season	☐ 1	☐ 2	☒ 3	☐ 4	☐ 5	☒ Process application as soon as possible	☐ Return application to applicant

* The number of years permissible for a rental is subject to the lease contract duration for the water right(s) being rented.

** Per Idaho Code 42-201, it is unlawful to divert or use water without a valid water right. Water Supply Bank rental applicants are not authorized to utilize rental water prior to the execution of an approved rental agreement. Rental requests may be returned to applicants if no water is available from the Bank to fulfill a rental request.

**STATE OF IDAHO
WATER RESOURCE BOARD**

Application to Rent Water (Continued)

- D. Describe your water distribution system and how rental water will be delivered from the point(s) of diversion (POD) to the proposed place of use (POU):

Water will be diverted from wells, transported to place of use in underground pipelines and applied to land using overhead center pivot sprinkler systems and wheel line sprinkler systems.

- E. Describe the physical type (pump, headgate, etc.) and location of the POD from which rental water is proposed to be diverted:

POD Description	Water Source	Other Water Rights Diverted from this POD
See Exhibit A	Groundwater, Indian Creek	63-32680, 63-33296, 63-34038, 63-33207,
	and Sand Creek	63-34303, 63-34304, 63-34305, 63-34306,
		63-34202, 63-34307, 63-34308, 63-34309,
		63-34310, 63-34312 and 63-34399

If the POD(s) above are located where water is turned into a canal, lateral or ditch, or if they are located on your property but are serviced by water that is delivered via a canal, lateral or ditch, your rental request must include documented authorization from all relevant canal companies, irrigation districts and/or water delivery entities, confirming that they consent to your diversion of water from their system.

- F. Has documented consent from all relevant water delivery entities been obtained? Yes ☐ N/A ☒
If yes, include documented consent as Attachment 3F.

- G. Do any POD(s) identified in Question 3E divert from a water source that may require water modeling? Yes ☐ No ☒
Refer to the Water Modeling Requirements Information Sheet to determine if a rental POD may require water modeling.

- H. Has water modeling been provided with your rental request? Yes ☐ N/A ☒
If yes, label modeling Attachment 3 H.
Rental applications that require modeling will be returned if modeling is not provided.

- I. Specify the desired beneficial use of water and the requested season of use or number of acres required:

☒ Irrigation 355.7 (number of acres) Duration: Subject to IDWR standard seasons of use
☐ Commercial from: _____ (mm/dd) to: _____ (mm/dd)
☐ Stockwater from: _____ (mm/dd) to: _____ (mm/dd)
☐ Industrial from: _____ (mm/dd) to: _____ (mm/dd)
☐ Other: _____ from: _____ (mm/dd) to: _____ (mm/dd)

- J. For irrigation uses, do you propose to divert water at a rate greater than 0.02 cfs/acre? N/A ☐ Yes ☐ No ☒
If yes, justify the rate of flow and attach any supporting documents as Attachment 3J. Justification may include information on soil composition, conveyance losses, crop type, irrigation systems, public access areas, etc. A rate of 0.03 cfs/acre is permissible for irrigation of 5 acres or less.

- K. Do you own the land at the proposed rental place of use (POU)? Yes ☐ No ☒
If no, attach documentation from the POU owner/operator confirming your authorization to use the POU and label it Attachment 3K.

- L. List all other water rights and sources of water at the rental place of use for the same purpose, including privately owned water rights and water received from a municipal supplier, an irrigation district, a canal company or any other water delivery entity. Explain why additional water is required:

No other water rights are appurtenant to the proposed place of use.

**STATE OF IDAHO
WATER RESOURCE BOARD**

Application to Rent Water (Continued)

4. RENTAL REQUESTS FOR SPECIFIC WATER RIGHTS

A. Are you requesting to rent specific water rights?

Yes ☒ No ☐

If yes, specify below the elements of the water rights you are requesting to rent. If no, continue to Question 4B.

Important Information: Diversion rates and volumes sought for rent must be proportionate to the per acre diversion rates and per acre volume limits of the water right under lease contract to the Water Supply Bank. Prior to completing this section, applicants should review all water right lease contracts and any active rental agreements to determine which elements of a water right are available to satisfy a rental request. Lease and rental documents are searchable via [IDWR's website](#).

Water rights identified below must either already be leased to the Bank or a lease proposal should accompany this rental request. **Rental requests for water rights not yet leased to the Bank will be returned if companion lease applications are not provided with the rental request.** For leased rights featuring combined limits, rentals must be consistent with combined diversion rate, volume or acre limits. Combined limits should be listed on a row below water right numbers.

Water Right Elements Leased to Water Supply Bank					Leased totals, minus water right elements involved in active rental agreements, equals water right elements available for rent	Water Supply Bank Rental Request		
Water Right Number (leave blank if sub-total of combined limits)	Nature of Use	Diversion Rate (CFS)	Volume (AF)	Acres (AC)		Diversion Rate (CFS)	Volume (AF)	Acres (AC)
63-34319	Irrigation	4.2	1,062	236		4.15	1,050.7	233.5
List Below	Irrigation	2.8	560	122.2		2.8	560	122.2
Applicants must ensure the requested rate per acre and volume per acre do not exceed the rate per acre and volume per acre limits of water rights leased to the Water Supply Bank					TOTAL	6.95	1,610.7	355.7
						CFS	AF	AC

**Attach multiple copies of this page if space above is insufficient to list all water rights requested to be rented on this application.*

B. If water right conditions, combined limits, or the sum of all water right elements being requested provide an unconventional duty of water (e.g., an unusually low rate per acre or volume per acre for irrigation use), explain how your proposed rental will sufficiently accomplish your intended purposes. Attach a separate page if space is insufficient and label it **Attachment 4B**:

C. Does your rental request propose to change the nature of use for any water right(s) being rented?

Yes ☐ No ☒

If yes, explain how the water right(s) will be converted to new uses. Include the historic, consumptive use amounts for the water right being rented if you have it, as well as the new consumptive use amount for your proposed beneficial use. If space below is insufficient, attach a separate page and label it **Attachment 4C**:

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

5. ADDITIONAL INFORMATION

- A. Is this the first time that rental water is being requested for this purpose at the rental place of use? Yes ☒ No ☐
If no, list previous rental requests/agreements and explain why you have not secured a permanent water right for your needs:

- B. Have you or do you intend to submit an application for permit or transfer proposing a similar use as this rental? Yes ☒ No ☐
If yes, describe:

Applications to amend industrial water right permits will be filed to add the proposed place of use to the existing authorized industrial places of use.

- C. Was this rental application submitted in response to a Notice of Violation (NOV) or a pending NOV? Yes ☐ No ☒
If yes, describe the date and location of the NOV.

- D. Additional Information

The proposed place of use is under contract to be acquired by Applicant. "List Below" water rights include:

63-34917, 63-34922, 63-34916, 63-34919, 63-34918, 63-34920, 63-34921 and 63-34923, 63-34914 and 63-34915.

DECLARATION

I hereby assert that the information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in rejection of the application or cancellation of an approval. I understand that if this rental application is approved, it will be subject to the provisions of Section 42-1766, Idaho Code and all applicable state and federal laws. I understand that the submission of a rental application provides no guarantee for approval of a rental agreement. I also understand that, per Idaho Code 42-201, it is unlawful to divert or use water without a valid water right and that I am not authorized to utilize water as proposed in this application prior to the execution of an approved rental agreement.



Signature of Applicant

Thomas J. Basabe

Printed Name of Applicant

June 8, 2021

Date

Signature of Representative

Director, CS Property Development LLC

Printed Name of Representative

Date

Mail to:

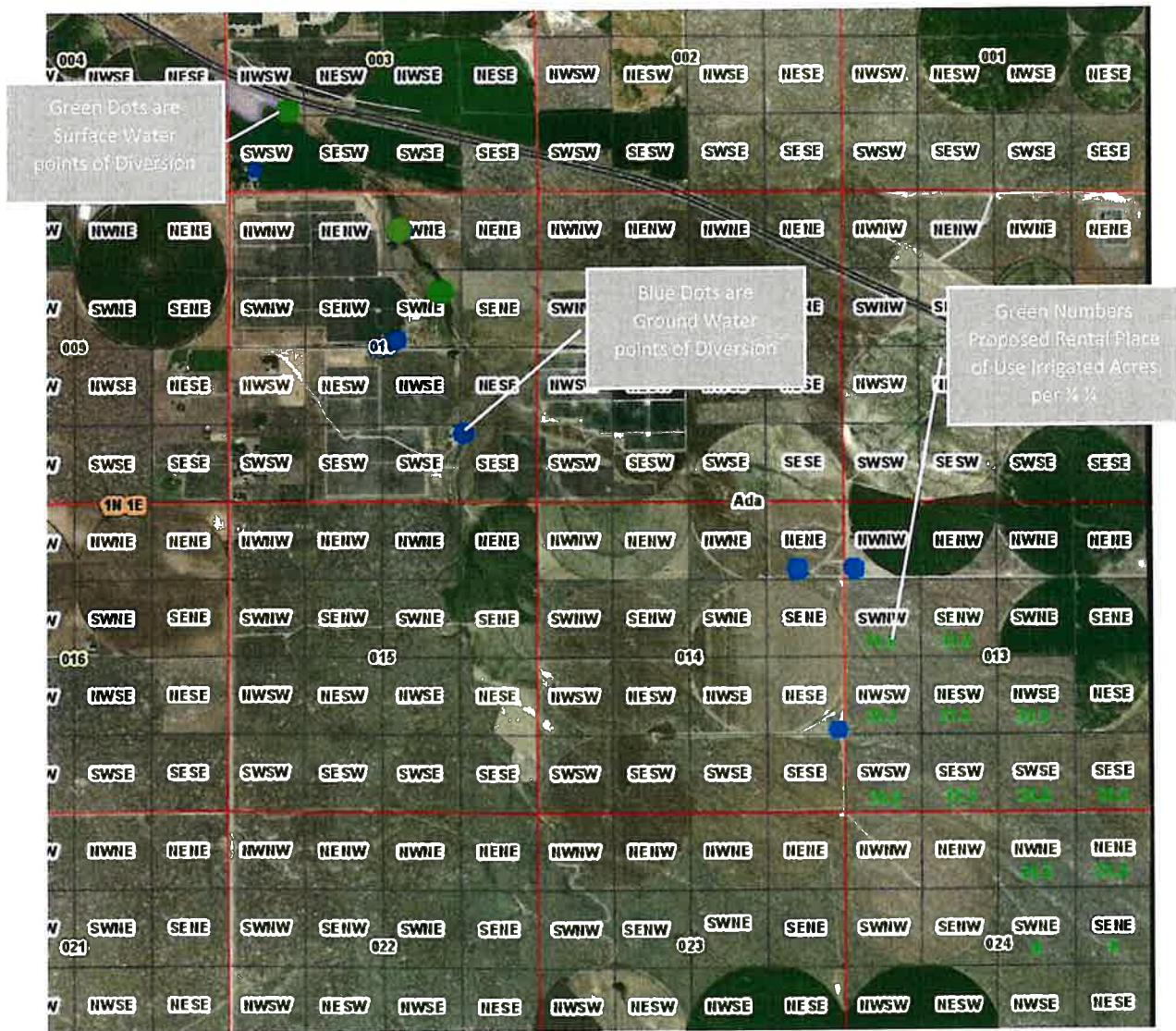
Idaho Department of Water Resources
P.O. Box 83720
Boise, ID 83720-0098

Description of Existing Points of Diversion

Location	Source
T.1N R.1E Sec. 10 NW¼NE¼	Groundwater
T.1N R.1E Sec. 10 SW¼NE¼	Groundwater
T.1N R.1E Sec. 10 SE¼SE¼	Groundwater
T.1N R.1E Sec. 3 SW¼SW¼	Groundwater
T.1N R.1E Sec. 3 NW¼SW¼	Indian Creek
T.1N R.1E Sec. 10 NW¼NE¼	Indian Creek
T.1N R.1E Sec. 10 SW¼NE¼	Sand Creek
T.1N R.1E Sec. 13 NW¼NW¼	Groundwater
T.1N R.1E Sec. 14 NE¼NE¼	Groundwater
T.1N R.1E Sec. 14 NE¼SE¼	Groundwater

Map for Water Bank Rental Application

All in Township 1 North, Range 1 East B.M. Ada County, Idaho



Proposed Rental Place of Use:	
Section 13	SWNW (31.2 acres), SENW (31.2 acres), NWSW (31.3 acres) NESW (31.3 acres), SWSW (31.2 acres), SESW (31.3 acres), SWSE (31.2 acres), SESE (31.2 acres)
Section 24	NENE (31.2 acres), NWNE (31.2 acres), SWNE (6 acres), SENE (6 acres)



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

November 23, 2021

CS PROPERTY DEVELOPMENT LLC
PO BOX 27
BOISE, ID 83707-0027

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 63-34917, 63-34916, 63-34919, 63-34922, 63-34918, 63-34920, 63-34923, 63-34921, 63-34914, 63-34915 & 63-34913 AGREEMENT 586**

Dear Renter:

Please find enclosed a receipt in the amount of **\$32,214.00** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 1601 acre-feet of water for irrigation of 355.7 acres during 2022. Upon receipt of this fully executed agreement, you are authorized to divert water in compliance with the conditions of water use described in the agreement.

Pursuant to the Water Supply Bank Rules, 90% or \$28,992.60 of the rental fee will be paid to the lessor(s) and 10% or \$3,221.40 will be retained by the Department to offset administrative costs.

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

Sincerely,

Amanda Johnson-Veibell

for
Water Supply Bank

Enclosures: Receipt No. C111284
Rental Agreement (copy)

c: Sascha Marston – Fiscal
IDWR Western Regional Office
Vic Conrad



RECEIVED
NOV 09 2021
DEPARTMENT OF
WATER RESOURCES

J.R. Simplot Company
P.O. Box 27, Boise, Idaho
83707 0027

1099 West Front Street
Boise, Idaho 83702

Vic.conrad@simplot.com
208 780 7359 Business
208 780 7333 Fax

November 8, 2021

Remington Buyer and Mary Condon
Water Supply Bank
State of Idaho
Department of Water Resources
322 E. Front Street, Suite 648
P. O. Box 83702
Boise, Idaho 83702-0098

Re: Water Supply Bank Rental Agreement 586.

Dear Remington and Mary:

Enclosed is a check in the amount of \$32,214 to cover the rent due under the above referenced Agreement for the 2022 irrigation season.

Sincerely,

Vic Conrad
Land, Water & Asset Recovery

Enclosure





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

October 27, 2021

CS PROPERTY DEVELOPMENT LLC
PO BOX 27
BOISE, ID 83707-0027

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 63-34917, 63-34916, 63-34919, 63-34922, 63-34918, 63-34920, 63-34923, 63-34921, 63-34914, 63-34914, 63-34915 & 63-34913 AGREEMENT 586**

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

Dear Applicant:

The Department of Water Resources acknowledges receipt of your application to rent water from the Water Supply Bank. **I have enclosed a Water Supply Bank Rental Agreement for your review and signature.** Upon signature and return of the original agreement, together with the rental fee described below, the Department will also sign the original agreement and return an executed copy to you. Execution of the agreement and compliance with the conditions of approval authorize diversion and use of water as provided in the agreement.

A rental fee of \$32,214.00 was calculated based on the current rental rate of \$20.00 per acre-foot times a diversion volume of 1610.7 acre-feet.

Please send a check for \$32,214.00 made payable to the Idaho Department of Water Resources, **together with the signed rental agreement, within 14 days** so I can complete processing.

Pursuant to the Water Supply Bank Rules, 90% or \$28,992.60 of the rental fee will be paid to the lessor(s) and 10% or \$3,221.40 will be retained by the Department to offset administrative costs.

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

Sincerely,

Amanda Johnson-Veibell

for
Water Supply Bank

Enclosure

c: IDWR Front Desk
Vic Conrad

Buyer, Remington

From: Buyer, Remington
Sent: Thursday, October 7, 2021 12:49 PM
To: Rex Barrie; Mike Meyers; Miller, Nick
Subject: Water Supply Bank Rental Application 2094
Attachments: Rental Map 586.pdf; Correspondence on Rental Application v3.pdf; Draft Rental Agreement.docx; Rental Review Memo Application 2094.docx

Rex, Mike, Nick

CS Property Development LLC (Simplot) has requested a rental of basin 63 water rights (primarily ground water, but also some Sand/Indian Creek surface water) to expand the area where they dispose of industrial waste-water through irrigation of lands in south Ada County. My review memo, map and draft approval are attached for your consideration. Please advise if you have any questions, comments or concerns.

Thank you,

-Remington

MEMORANDUM FOR AGREEMENT # 586

To: Water Supply Bank Rental Application 2094
From: Remington Buyer
Date: October 7, 2021
Re: Review & Analysis of Application to Rent Water from the State Water Supply Bank

PURPOSE/NARRATIVE: On June 11, 2021 the Department received from Vic Conrad of the J.R. Simplot Company (Simplot) an application to rent basin 63 water rights for irrigation purposes, submitted on behalf of CS Property Development LLC (CSPD). CSPD appears to be a subsidiary of Simplot—the Simplot Company was listed as the sole governor on the LLC's certificate of registration with the Idaho Secretary of State's Office. CSPD also appears to be the property development arm of CS Beef Packers (CSBP), which is also a registered subsidiary of Simplot.

Currently, CSBP is land-applying industrial waste water from a cow slaughterhouse on 1,667 acres of land located adjacent to, and in the vicinity of, CSPD's proposed rental location. Effectively, through this rental application, CSPD will increase by 355.7 acres the total extent of land where industrial waste water will be applied by CSBP. The land 355.7 acre rental place of use is land owned by the Bureau of Land Management.

CSPD has requested a rental of water rights 63-34914 through 63-34923, as well as what appears to be water right 63-34913, as the basis for this rental. Water rights 63-34914~34923 are all leased to the Bank through Contract 1232, while water right 63-34913 is leased to the Bank through Contract 1230. Contracts 1230 and 1232 were both executed by the same entity (HA Winterfell LLC) and the water rights on these two contracts are located adjacent each other.

Note: on the rental application paperwork, Vic Conrad has identified water right 63-34319 as being one of the water rights requested for rental, however, water right 63-34319 is not located anywhere near the rental location, nor is it presently leased to the Bank, so it is presumed water right 63-34913 was the intended right to be rented, and a typo was made by the applicant when they completed the rental application. Finally, in addition to water rights 63-34913 and rights 63-34914~34923, there is a twelfth water right, 63-9184A, also owned by HA Winterfell, which is located adjacent the rental location, and which is leased to the Bank (through Contract 1229) that might have been contemplated for inclusion in this rental.

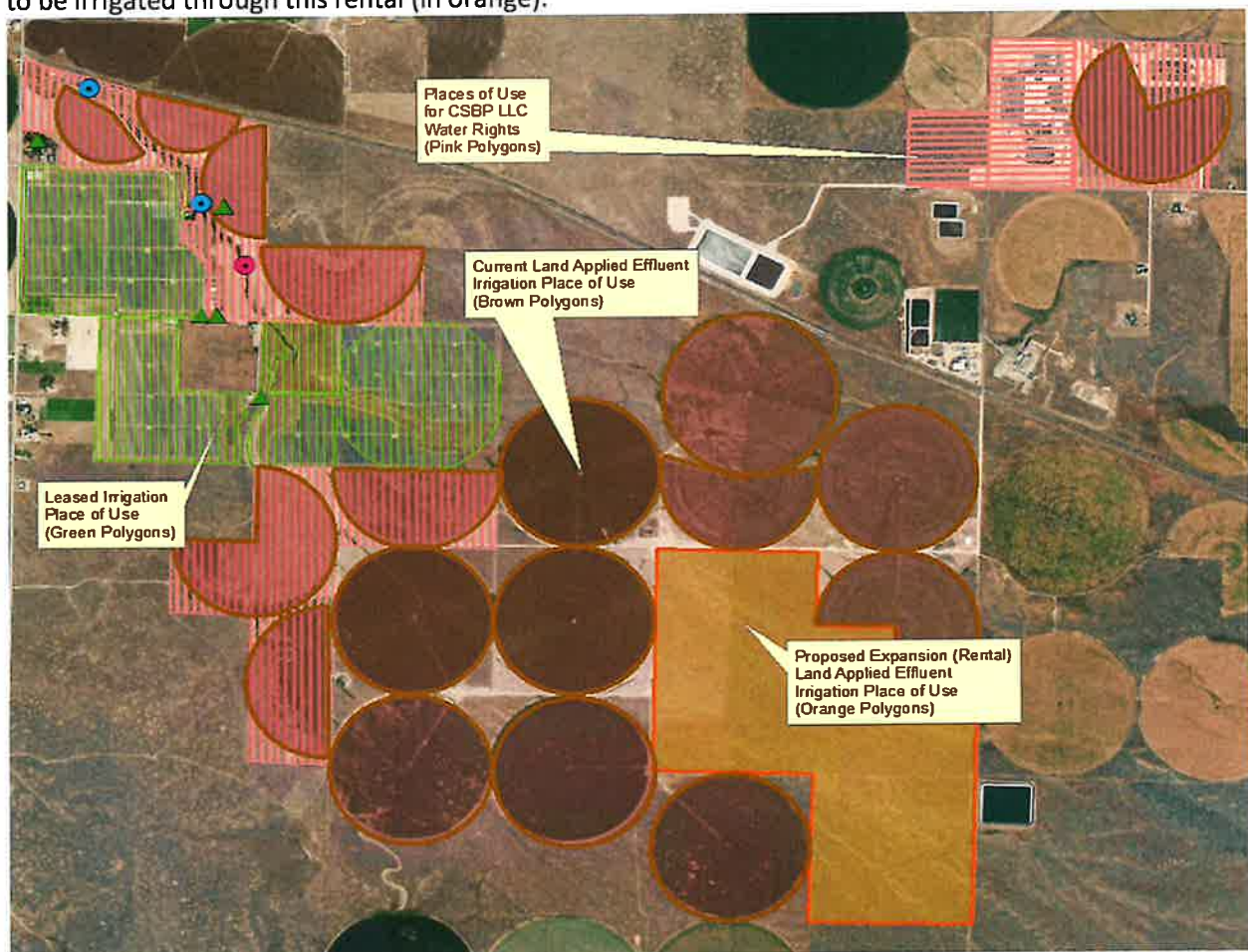
The following is a summary of the water rights contemplated for this rental, including current availability:

Water Right	Priority Date	Water Source	Water Use	Div. Rate	Div. Vol.	Acres	Rate / AC	Vol / AC
63-34917	1/16/1961	Ground Water	Irrigation	0.51	150.0	33.4	0.015	4.5
63-34916	6/4/1963		Irrigation	0.04	11.8	2.6	0.015	4.5
63-34919			Irrigation	0.15	35.0	7.8	0.019	4.5
63-34922	1/20/1967		Irrigation	1.10	157.0	34.8	0.032	4.5
Combined			Irrigation	1.80	335.4	74.6	0.024	4.5
63-34918	1/16/1961	Ground Water	Irrigation	0.04	17.6	3.9	0.010	4.5
63-34920	6/4/1963		Irrigation	0.40	99.0	22.0	0.018	4.5
63-34923	3/4/1966	Indian Creek	Irrigation	0.30	69.3	15.4	0.019	4.5
63-34921	1/21/1971	Ground Water	Irrigation	0.17	37.8	8.4	0.020	4.5
Combined				0.68	154.5	34.3	0.020	4.5
63-34914	7/16/1982	Indian & Sand Creeks	Irrigation	0.22	59.9	13.3	0.017	4.5
			Irrigation Storage	Not Stated	7.8			
			Irrigation from Storage	Not Stated	7.8		0.000	0.6
63-34915	6/21/1990	Ground Water		0.13	29.0	6.5	0.020	4.5
Combined				2.80	560.0	122.2	0.023	4.6
63-34913				4.16	1,050.7	233.5	0.018	4.5

Water Right	Priority Date	Water Source	Div. Rate	Div. Vol.	Acres	Rate / AC	Vol / AC
Total			6.96	1,610.7	355.7	0.020	4.5
Sub-Total		Ground Water (Primary Use)	6.57	1,540.5	342.4	0.019	4.5
Sub-Total		Ground Water (incl. supplemental water)	6.70	1,569.5	348.9	0.190	4.5

The rental application requested the full 6.95 cfs and 1,610.7 af diversion rate and volume for the irrigation of 355.7 acres. Per a September 30th email from the applicant, CSPD will impound water in Sand and Indian Creeks, under water right 63-34914, if water is available. If Indian/Sand Creek water can be stored and pumped under 63-34914, then there should be no concerns about the diversion and use of ground water under supplemental ground water right 63-34915. A condition will be added to the rental approval to affirm that ground water diversions should be kept to a max of 6.57 cfs and 1,540.5 af for the irrigation of 342.4 acres if surface water is not available and/or stored and pumped under 63-34914.

The map below depicts the lands where the leased water rights are currently located (in green) as well as the lands where industrial waste water is used and disposed of by CSBP (in red), along with the lands to be irrigated through this rental (in orange).



Finally, although this rental originally requested an irrigation start date of 2022, the applicant's representative affirmed in Summer 2021, that they would like to start irrigating in 2021, if possible. This rental will be approved to commence in 2021.

AUTHORITY TO FILE: The application has been signed by Thomas J Basabe, Director of CSPD. No concern about authority to submit the rental application on behalf of CSPD. The points of diversion proposed for this rental are all situated on lands owned by CSPD. The property where rental water will be used for irrigation is owned by the Bureau of Land Management (BLM). BLM has provided a patent for the land in question to Tom Nicholson, and Mr. Nicholson has warranty deeded the land to CDPS. No concerns about authority to file this rental application.

WATER RIGHT VALIDITY: Water rights to be rented are valid and available for rental from the Bank.

INJURY TO OTHER WATER RIGHTS: No injury is apparent through this rental.

ENLARGEMENT OF USE: Although water rights 63-34916 through 34922 feature supplemental ground water conditions (limiting the use of ground water to a pre-requisite, primary use of surface water) in fact, these water rights were all developed as primary ground water rights and they do not appear to be supplemental in nature. However, water right 63-34915 is supplemental to a primary diversion and use of Sand/Indian Creek water under 63-34914.

It appears the supplemental ground water condition was added to water rights 63-34916 ~ 63-34922 through Transfer 79452 in 2014. This is apparent if one reviews Transfer 77003, which acted upon these water rights in 2011—no supplemental ground water use conditions are apparent on these water rights prior to transfer 79452. Provided ground water is only diverted under 63-34915 once surface water is first fully exhausted under 63-34914, then there should be no enlargement in the use of ground water through this rental. Further, although this rental will be used to dispose of industrial waste water, the method of disposal is irrigation, and no enlargement to these irrigation water rights is apparent.

It should be noted that the applicant has confirmed their intent to irrigate up to 355.6 acres, using these water rights that authorize irrigation of 355.7 acres. The 0.1 acre discrepancy is acknowledged and no enlargement should occur regardless of whether 355.6 or 355.7 acres are ultimately irrigated, provided, no more than 342.4 acres are irrigated with just ground water, absent any surface water or supplemental ground water diversions.

LOCAL PUBLIC INTEREST: Staff are not aware of any information that indicates this rental is contrary to or inconsistent with any local public interests.

BENEFICIAL USE/CONSERVATION OF WATER RESOURCES: Irrigation is a beneficial use. The rental appears consistent with the conservation of water resources in Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS: Review comments were requested from IDWR's Western Region and Water District 63 on October 7, 2021.

WATER SUPPLY BANK RECOMMENDATION: Staff recommend this rental be approved.

Buyer, Remington

From: Conrad, Vic <Vic.Conrad@simplot.com>
Sent: Tuesday, October 5, 2021 2:37 PM
To: Buyer, Remington
Cc: Bank; mary.condon@idwr.gov
Subject: RE: [EXTERNAL] RE: Water Supply Bank Rental Applications.
Attachments: 2021-060394 Patent BLM - Nicholson.pdf; 2021-106790 Nicholson to CS Deed.pdf; Map for Water Bank Rental Application.pdf

Remington – thank you for reviewing this. Please see my responses below in red.

From: Buyer, Remington <Remington.Buyer@idwr.idaho.gov>
Sent: Tuesday, October 5, 2021 12:27 PM
To: Conrad, Vic <Vic.Conrad@simplot.com>
Cc: Bank <Bank@idwr.idaho.gov>; mary.condon@idwr.gov
Subject: RE: [EXTERNAL] RE: Water Supply Bank Rental Applications.

Vic,

I've completed a review of this rental request. Sorry for the delay. Here's a synopsis of my findings:

1. Water rights 63-34913 and 63-34916 through 63-34923 are primary ground water rights that authorize the irrigation of 342.4 acres with a diversion rate and volume of 6.57 cfs and 1,540.5 af;
2. Water rights 63-34913 through 63-34923 collectively authorize the irrigation of 355.7 acres, through primary and supplemental ground water use, along with a use of surface water from Sand and Indian Creeks. Provided CS Property Development can store and/or access and use Sand and Indian Creek water, 355.7 acres can be irrigated through a maximum diversion of 6.96 cfs and 1,610.7 af;
3. CSPD has identified approximately 524 of acres of land belonging to the Bureau of Land Management on which they desire to be approved to irrigate up to 355.7 acres. The map provided with the rental application identified a specific 324.3 acres within the 524 acres, to be irrigated under this rental approval. Although irrigable acreage in the NWSE QQ of T01N, R01E, Section 13 was identified on the map, the specific acres to be irrigated in this QQ were not confirmed.

Some follow questions for you:

- 1) Does CSPD already have in place an agreement with the BLM to access this land? If so, can you please provide a copy of that agreement? Please see the attached Patent from the USA to Tom Nicholson; then the attached deed from Tom Nicholson to CSPD. CSPD is the owner of the place of use.
- 2) How many acres in the NWSE quarter-quarter of T01N, R01E, Section 13 will be irrigated through this rental? 31.3 acres were identified on the map for the NWSE of Section 13 T.1N R.1E (copy of map attached)
- 3) If IDWR can approve a rental to commence in October 2021, would CSPD like to initiate this rental in 2021? Or, should this rental be approved with a start date of March 2022? If you give us the green light we can start irrigating this afternoon to plant grain. If approved we will meter how much water we use in 2021 to get the crop in.
- 4) Does CSPD have an agreement in place with the lessor of the requested water rights (HA Winterfell LLC) acknowledging an alternative rental price for this water use agreement? If so, please provide information on the negotiated rental rate, else, the requested water rights will be rented based on the current rental rate of \$20/af. No separate agreement with HA Winterfell (the current water right owner). We expect to pay the current rental rate.

Once I can confirm the above, I can finalize my review of this rental.

Thank you,

Remington

The United States of America
To all to whom these presents shall come, Greeting:

WHEREAS

Thomas T. Nicholson

is entitled to a land patent pursuant to Section 206, Act of October 21, 1976, as amended (43 U.S.C. 1716) for the following described land:

Boise Meridian, Idaho
T. 1 N., R. 1 E.,
sec. 13, S $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$ and S $\frac{1}{2}$ SE $\frac{1}{4}$;
sec. 24, NE $\frac{1}{4}$.

The described lands contain 520 acres.

NOW KNOW YE, that there is, therefore, granted by the **UNITED STATES**, unto Thomas T. Nicholson, the land described above; **TO HAVE AND TO HOLD** the said land with all the rights, privileges, immunities, and appurtenances, of whatsoever nature, thereunto belonging, unto Thomas T. Nicholson, and to his heirs and assigns, forever; and

EXCEPTING AND RESERVING TO THE UNITED STATES a right-of-way thereon for ditches and canals constructed by the authority of the United States. Act of August 30, 1890 (43 U.S.C. 945).

Subject to those rights for livestock grazing purposes held by the following permittees in the Sunnyside Spring/Fall and Big Foot Butte grazing allotments, under the authority of the Taylor Grazing Act and pertinent amendments thereto.

Tom T. Nicholson
John Anchustegui
D.L. Pape
L. G. Davison and Sons, Inc.

IN TESTIMONY WHEREOF, the undersigned authorized officer of the Bureau of Land Management, in accordance with the provisions of the Act of June 17, 1948 (62 Stat. 476), has, in the name of the United States, caused these letters to be made Patent, and the Seal of the Bureau to be hereunto affixed.

IDI-37718



GIVEN under my hand, in Boise, Idaho, the ninth day of April in the year of our Lord two thousand and twenty one and of the Independence of the United States the two hundred and Forty Fifth.

By Natalie Cooper

Natalie Cooper

Acting Chief, Branch of Lands, Minerals, Water Rights

Recording requested by and
when recorded return to:
CS Property Development, LLC
P.O. Box 27
Boise ID 83707

8/4/2023

WARRANTY DEED

FOR VALUE RECEIVED, Thomas T. Nicholson, a married man, as his sole and separate property, whose address is P.O. Box 690, Meridian, ID 83680 (the "**Grantor**") does hereby GRANT, BARGAIN, SELL, CONVEY, and WARRANT unto CS Property Development, LLC, an Delaware limited liability company, whose address is P.O. Box 27, Boise ID 83707 (the "**Grantee**") and its successors and assigns forever, the following described real property situated in Ada County, State of Idaho:

See Exhibit A attached hereto and made a part hereof.

TOGETHER WITH any and all estate, right, title, interest, appurtenances, tenements, hereditaments, reversions, remainders, easements, rents, issues, profits, and rights-of-way in anywise appertaining to the real property herein described;

TOGETHER WITH all water rights and other entitlements to receive water for beneficial use on the described real property, including without limitation, all rights represented by any contract decree, license, permit, permit application, claim or storage entitlement, water shares and canal shares, and those water rights identified in the records of the Idaho Department of Water Resources for beneficial use on the described real property, and all ditches, ditch rights, easements and rights-of-way associated with the delivery of such water rights; and

EXCEPTING taxes, levies, and assessments for the current year not yet due and payable and the following existing items: reservations in favor of the United States of America; easements, right of ways, boundary line agreements, development agreements, water supply agreements, plats, covenants, conditions, restrictions and reservations that are matters of public record; all applicable zoning laws and ordinances; and along with any state of facts that an accurate survey or inspection of the Property would show.

The Grantor covenants to the Grantee that Grantor is the owner in fee simple of said real property; that the real property is free from all encumbrances, excepting those as may be set forth herein; and that Grantor will warrant and defend the same from all lawful claims.

IN WITNESS WHEREOF, the Grantor has executed this instrument on this 13th day of July, 2021.

GRANTOR:

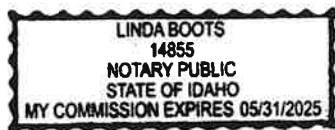
Thomas T. Nicholson
Thomas T. Nicholson

ACKNOWLEDGMENT

STATE OF IDAHO)
) ss.
County of Ada)

On this 13 day of July, in the year 2021, before me, a Notary Public in and for said State, personally appeared Thomas T. Nicholson, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that they executed the same.

IN WITNESS whereof I have set my hand and affixed my seal on the day and year in this certificate first above written.



Linda Boots
Notary Public for Idaho
My commission expires on 05/31/25

Exhibit A

Parcel 1:

The Southwest quarter and the South half of the Southeast quarter of Section 14, Township 1 North, Range 1 East, Boise Meridian, Ada County, Idaho.

Parcel 2:

The North half of Section 23, Township 1 North, Range 1 East, Boise Meridian, Ada County, Idaho.

Parcel 3:

The Northwest quarter of Section 24, Township 1 North, Range 1 East, Boise Meridian, Ada County, Idaho.

Parcel 4:

The Northeast quarter of Section 24, Township 1 North, Range 1 East, Boise Meridian, Ada County, Idaho.

Parcel 5:

The South half of the Northwest quarter, the Southwest quarter, the Northwest quarter of the Southeast quarter, and the South half of the Southeast quarter of Section 13, Township 1 North, Range 1 East, Boise Meridian, Ada County, Idaho.

Map for Water Bank Rental Application

All in Township 1 North, Range 1 East B.M. Ada County, Idaho



Proposed Rental Place of Use:	
Section 13	SWNW (31.2 acres), SENW (31.2 acres), NWSW (31.3 acres) NESW (31.3 acres), SWSW (31.2 acres), SESW (31.3 acres), SWSE (31.2 acres), SESE (31.2 acres)
Section 24	NENE (31.2 acres), NWNE (31.2 acres), SWNE (6 acres), SENE (6 acres)

Buyer, Remington

From: Conrad, Vic <Vic.Conrad@simplot.com>
Sent: Thursday, September 30, 2021 2:22 PM
To: Buyer, Remington; mary.condon@idwr.gov
Subject: RE: [EXTERNAL] RE: Water Supply Bank Rental Applications.

Remington and Mary:

I explained our effort in August 2021 to Mary in an attempt to find water in either Sand Creek or Indian Creek at or near the described points of diversion. Our only outcome was to expose groundwater in pit we excavated, which was test pumped and estimated the rate of recovery to the pre-pumped level of the groundwater below the bottom of the channel. CS Property Development LLC acquired the land located at the points of diversion under the surface water rights listed in the Water Bank Rental Application, in October, 2019. Sand Creek and Indian Creek have not had any surface flow since acquiring this land. Beginning at the onset of the irrigation season, Sand Creek and Indian Creek will be inspected daily for any flow. If water is flowing in either creek, an existing impoundment at the confluence of Sand Creek and Indian Creek within the NW¼NE¼ of Section 10 T.1N R.1E may collect enough water to be diverted. A 75 hp pump powered with diesel fueled motor with a screened suction intake will be placed in the water pooled by the existing impoundment. Water will then be transported through a 1,100 ft. pipeline and connected to an existing irrigation system manifold located within the same quarter as the diversion. Water diverted with this system will then be transported to existing overhead center pivot sprinkler systems and applied to the place of use.

From: Buyer, Remington <Remington.Buyer@idwr.idaho.gov>
Sent: Monday, July 19, 2021 2:36 PM
To: Conrad, Vic <Vic.Conrad@simplot.com>
Subject: RE: [EXTERNAL] RE: Water Supply Bank Rental Applications.

Hi Vic,

If you would like to request a fall 2021 rental start date, we will endeavor to accommodate that. Please confirm if that is CS' intent?

Also, please know, there are still as many as 20 rental requests that have been received by the Water Supply Bank, with a 2021 start date, which have not yet been processed. At this point, it is largely just myself processing rental applications, so I cannot confirm for you when our office might be able to specifically complete a review of rental application 2094.

Finally, as referenced in my prior email, to finalize a review of rental application 2094, our office will need a description of the diversion and delivery system describing how Sand/Indian Creek water and/or ground water will be diverted and used for industrial purposes. Please provide us with a narrative description, or any engineering documents that you have which explain the diversion, delivery and water use system.

Thank you,

Remington

From: Conrad, Vic [<mailto:Vic.Conrad@simplot.com>]
Sent: Monday, July 19, 2021 1:51 PM

Buyer, Remington

From: Conrad, Vic <Vic.Conrad@simplot.com>
Sent: Monday, July 19, 2021 2:40 PM
To: Buyer, Remington
Subject: RE: [EXTERNAL] RE: Water Supply Bank Rental Applications.

Thank you Remington. Yes, we do want to request a fall 2021 start date and will get you a description of the diversion from Sand Creek/Indian Creek when water is available.

Please let me know if there is anything we can do to help you with processing.

From: Buyer, Remington <Remington.Buyer@idwr.idaho.gov>
Sent: Monday, July 19, 2021 2:36 PM
To: Conrad, Vic <Vic.Conrad@simplot.com>
Subject: RE: [EXTERNAL] RE: Water Supply Bank Rental Applications.

Hi Vic,

If you would like to request a fall 2021 rental start date, we will endeavor to accommodate that. Please confirm if that is CS' intent?

Also, please know, there are still as many as 20 rental requests that have been received by the Water Supply Bank, with a 2021 start date, which have not yet been processed. At this point, it is largely just myself processing rental applications, so I cannot confirm for you when our office might be able to specifically complete a review of rental application 2094.

Finally, as referenced in my prior email, to finalize a review of rental application 2094, our office will need a description of the diversion and delivery system describing how Sand/Indian Creek water and/or ground water will be diverted and used for industrial purposes. Please provide us with a narrative description, or any engineering documents that you have which explain the diversion, delivery and water use system.

Thank you,

Remington

From: Conrad, Vic [<mailto:Vic.Conrad@simplot.com>]
Sent: Monday, July 19, 2021 1:51 PM
To: Buyer, Remington <Remington.Buyer@idwr.idaho.gov>
Subject: RE: [EXTERNAL] RE: Water Supply Bank Rental Applications.

Remington,
Would it be possible to amend the rental application to begin applying some water on or after September 1, 2021? We would like to conduct some fall land preparation in September and need to apply water to accomplish this. Would this be okay?

From: Buyer, Remington <Remington.Buyer@idwr.idaho.gov>
Sent: Thursday, June 10, 2021 10:40 AM
To: Conrad, Vic <Vic.Conrad@simplot.com>
Subject: RE: [EXTERNAL] RE: Water Supply Bank Rental Applications.

Great. The surface water PODs were included on the map you provided, and Sand/Indian Creek surface water was referenced in the water sources section of the rental application, I just wasn't clear on how water was proposed to be diverted and delivered from the PODs to the rental location. Can you, or CS, provide any additional information about their diversion and delivery system, and how it will interface with the industrial waste water discharged from the industrial facility? I will get this rental application entered into our software system with a 2022 start date.

From: Conrad, Vic [<mailto:Vic.Conrad@simplot.com>]
Sent: Wednesday, June 9, 2021 4:26 PM
To: Buyer, Remington <Remington.Buyer@idwr.idaho.gov>
Subject: RE: [EXTERNAL] RE: Water Supply Bank Rental Applications.

Remington,

For the group of 10 water rights I thought I showed the three points of surface water diversion 2 on Indian Creek and 1 on Sand Creek. CS owns these points of diversion and the intention is to use them with the "supplemental" condition (i.e. use any surface water available first, then the supplemental ground water diversion once the surface water is no longer available).

From: Buyer, Remington <Remington.Buyer@idwr.idaho.gov>
Sent: Wednesday, June 9, 2021 3:42 PM
To: Conrad, Vic <Vic.Conrad@simplot.com>
Subject: [EXTERNAL] RE: Water Supply Bank Rental Applications.

[Warning: External Email]

Afternoon Vic,

With respect to water right 63-34913, the amounts you've identified for this water right (4.15 cfs, 1050.7 af for the irrigation of 233.5 acres) are correct and can be requested for rental by CS Property Development LLC. This water right appears to be a primary ground water right.

With respect to water rights 63-34914~34923, no, I don't think the combined limits on the face of the contract are fully accurate (though they are close). Each of the ten water rights in this grouping feature a condition limiting their combined diversion rate for irrigation uses to 0.02 cfs/ac, which equates to 2.444 cfs, not 2.8 cfs. Because there are natural flow and storage surface water rights associated with this grouping, it is ok for the combined diversion rate to be 2.8 cfs overall, provided, irrigation-specific diversions are limited to 2.444 cfs.

Similarly, a combined diversion volume of 560 af is set for this group of 10 water rights, however, as above, for irrigation-specific diversion volumes, the overall diversion volume through a rental would likely be limited to 549.9 af (equivalent to 4.5 af/a/ac), unless extenuating circumstances merited a higher, per-acre duty of water.

There's no problem requesting a rental of all of these water rights through a single rental application, provided they will all be used for the same use.

However, ground water rights 63-34916, 34917, 34918, 34919, 34920, 34921 and 34922 appear to be supplemental to surface water use from Indian and Sand Creeks under rights 63-34914 and 63-34923. Without data on how ground water has historically been exclusively used for irrigation purposes under these seven ground water rights, in combination with surface water uses, the Department may not be able to rent these water rights for rental uses that are exclusively sourced from ground water. The seven ground water rights can still be rented to supplement existing Sand/Indian Creek surface water uses.

It appears that permits 63-32680, 33296, 33207, 34038 and 34202 are sourced exclusively with ground water. Will any Sand or Indian Creek water be diverted in conjunction with this rental request? If not, we could still consider a rental of 4.15 cfs, 1,050.7 af, for the irrigation of 233.5 acres under water right 63-34913.

Thanks,

Remington

From: Conrad, Vic [<mailto:Vic.Conrad@simplot.com>]
Sent: Wednesday, June 9, 2021 8:02 AM
To: Buyer, Remington <Remington.Buyer@idwr.idaho.gov>
Cc: Bank <Bank@idwr.idaho.gov>
Subject: RE: Water Supply Bank Rental Applications.

Remington,
Attached is the Water Bank Rental Application for the water rights listed below. Please let me know if you need any additional information to approve the rental of these water rights

Vic
208-780-7359

From: Conrad, Vic
Sent: Tuesday, June 1, 2021 3:07 PM
To: Buyer, Remington <Remington.Buyer@idwr.idaho.gov>
Cc: Bank <Bank@idwr.idaho.gov>
Subject: Water Supply Bank Rental Applications.

Remington:
I need to prepare water bank rental applications for the remainder of the water rights leased to the bank thru 2024 by HA Winterfell LLC. I need your help with a couple questions:

Water Right 63-34913: out of the entire 236 acres leased to the Bank under this water right 2.5 acres were rented pursuant to Water Supply Rental Agreement 466. I think this leaves 233.5 acres; 1,050.7 acre feet/yr. and; 4.15 cfs remaining in the bank. I need to prepare a rental application for everything that remains in the bank for the years 2022 – 2024. Can you confirm these are the correct amounts remaining in the Bank under 63-34913?

Water Right Nos. 63-34917, 63-34922, 63-34916, 63-34919, 63-34918, 63-94920, 63-34921, 63-34923, 63-34914 and 63-34915 leased to the Water Supply Bank allow for a combined limit of 122.2 acres; 2.8 cfs and 560 acre feet/yr.

Question 1: Are these combined limits correct?

Question 2: Can all of these water rights be identified on a single water bank rental application? Or do you require separate applications for each of the water rights?



RECEIVED

JUN 11 2021

DEPARTMENT OF
WATER RESOURCES

J.R. Simplot Company
P.O. Box 27, Boise, Idaho
83707 0027

1099 West Front Street
Boise, Idaho 83702

Vic.conrad@simplot.com
208 780 7359 Business
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June 9, 2021

Transmitted by pdf image and regular U.S. Mail.

Remington Buyer
State of Idaho
Department of Water Resources
Water Supply Bank
322 E. Front Street, Suite 648
P. O. Box 83720
Boise, ID 83720-0098

Re: Application to Rent 63-34319, 63-34917, 63-34922, 63-34916, 63-34919, 63-34918, 63-34920, 63-34921, 63-34923, 63-34914 and 63-34915.

Dear Remington:

At the request of and as an accommodation to CS Property Development LLC, enclosed for filing is an application to rent the above referenced water rights owned by HA Winterfell LLC from the Water Supply Bank. The proposed term is for 3 years beginning with the 2022 irrigation season.

It is my understanding 0.05 cfs and 11.3 acre feet for the irrigation of 2.5 acres were previously rented from water right no. 63-34319. The attached application includes the remainder of the water right 63-34319 remaining in the Water Supply Bank and all of the water available under the remaining water rights identified above.

Please let me know if I can assist with any additional information you require to approve the enclosed application.

Sincerely,

Vic Conrad
Land, Water & Asset Recovery

Enclosure

2094