

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1489

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

LESSOR: L2 LTD PARTNERSHIP
2990 N 800 E
MONTEVIEW, ID 83435-5068

RECEIVED

FEB 04 2022

DEPARTMENT OF
WATER RESOURCES

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 April 27, 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)
31-11888	8/22/1955	GROUND WATER	0.02	7.1	6.0
Lease Totals			0.02	7.1	6.0

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.

WATER SUPPLY BANK LEASE CONTRACT No. 1489

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. 1489

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

LESSOR: L2 LTD PARTNERSHIP
2990 N 800 E
MONTEVIEW, ID 83435-5068

By 
Title Partner
Date 1-27-22

IDAHO WATER RESOURCE BOARD

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

By 
Brian Patton, Acting Administrator
Idaho Water Resource Board

Date 2/8/22

Lease approved by IDWR 

Date 2/8/22

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1489

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): 31-11888

GROUND WATER NWNENE Sec. 14 Twp 07N Rge 33E JEFFERSON County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
31-11888	IRRIGATION	04/15	to	10/15	0.02 cfs	7.1 AF
Totals:					0.02 cfs	7.1 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	
07N	33E	11													2.0	2.0			4.0
07N	33E	14				2.0													2.0

Total Acres: 6.0

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.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

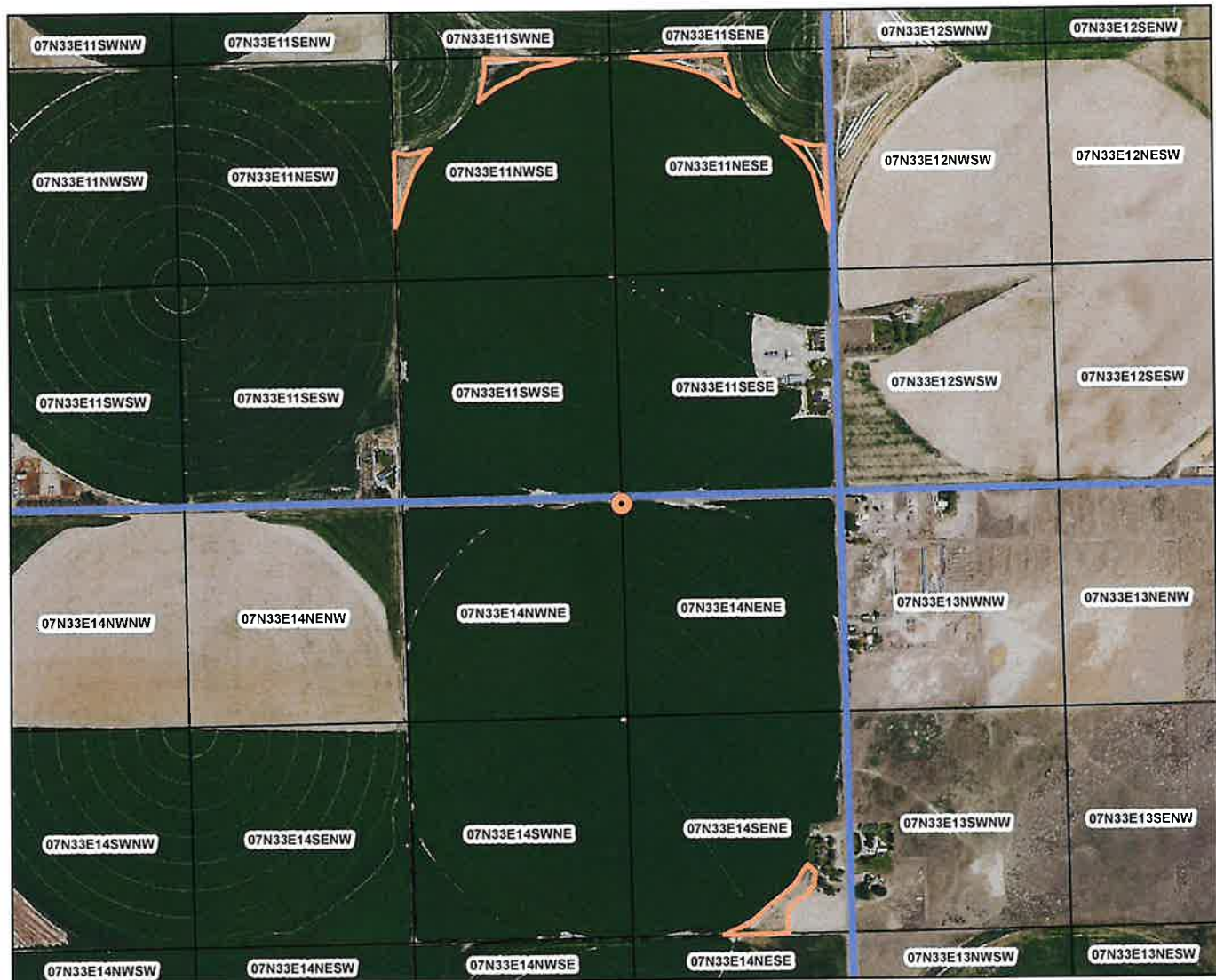
WATER SUPPLY BANK LEASE CONTRACT No. 1489

8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.
9. In accordance with Idaho Code § 42-248 and § 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season, even if the Department processes a Notice of Change in Water Right Ownership during the rental season.
 - b. New lessor(s) of record will receive payment for any subsequent rental seasons.
11. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.
12. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
13. Prior to the diversion and use of water under Transfer approval 71045, the right holder shall install and maintain acceptable measuring device(s), including data logger(s), at the authorized point(s) of diversion and in accordance with Department specifications, or shall obtain an approved variance from the Department to determine the amount of water diverted from power records or to maintain an existing measuring device.
14. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 3.5 afa per acre at the field headgate for irrigation of the lands above.
15. The period of use for the irrigation described in this approval may be extended to a beginning date of 4/1 and an ending date of 10/31 provided that beneficial use of the water can be shown and other elements of the right are not exceeded. The use of water before 4/15 and after 10/15 is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than 2/22/2002.
16. Rights 31-11852, 31-11856, 31-11860, 31-11864, 31-11868, 31-11872, 31-11876, 31-11880, 31-11884, and the unleased portion of 31-11888 when combined shall not exceed a total diversion rate of 6.38 cfs, 1112.9 af and the irrigation of 314 acres.
17. 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. 110.

Idaho Water Resource Board
Water Supply Bank Lease Contract No. 1489

31-11888
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



0 500 1,000 Feet

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

MAY 13 2021

DEPARTMENT OF
WATER RESOURCES

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

Designated Applicant L2 LTD PARTNERSHIP **Water Right No.** 31-11888
(Select one owner – see item 1A on the application) (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 <i>all owners</i> of the water right to be leased or sold on this application. |
| 1B | ☒ | ☐ | An <u>Internal Revenue Service (IRS) Form W-9</u> for the Designated Applicant. |
| 1C | ☒ | ☐ | <i>Notice of Change in Water Right Ownership</i> form (accessible from www.idwr.idaho.gov). |
| 1D | ☐ | ☒ | Contact information for an authorized representative and documentary proof they are authorized to represent the Designated Applicant on this application. If the Designated Applicant is a business, partnership, municipality, organization or association, include documents identifying officers authorized to sign or act on behalf of the entity. |
| 2 | ☐ | ☒ | Description of a water right portion offered to the Water Supply Bank. |
| 3 | ☐ | ☒ | A map that clearly outlines the specific location where irrigated acres will be dried up, or where a beneficial use of water will be suspended. You have the option of printing a map using the map tool on IDWR's website at: www.idwr.idaho.gov . |
| 4A | ☒ | ☐ | Written consent from irrigation district or water delivery company. |
| 4G | ☒ | ☐ | Evidence demonstrating the water right has not been forfeited pursuant to <u>Section 42-222(2), Idaho Code</u> . |

Department Use Only

Fee Amount \$ <u>500.00 (w-9)</u>	Received By: <u>CAH</u>	Date Received: <u>4/27/21</u>	Receipt # <u>E046891</u>
W-9 received? Yes ☐ No ☐ (Route W-9 to Fiscal)		Name on W-9:	

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 L2 LTD PARTNERSHIP

Mailing Address 2990 North 800 East Montevue, ID 83435

Street

City

State

Zip Code

Email Address _____

Phone Number 2086040501

☐ 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 Kristin Moore Organization Rocky Mountain Environmental Associates

Professional Title Senior Water Rights Analyst Email Address kristin.rmea@gmail.com

Mailing Address 482 Constitution, Suite 303, Idaho Falls, ID 83402 Phone Number (208) 524-2353

☐ 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.
The current water delivery and diversion system consists of pivot irrigation systems and hand lines.

- 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. Water right numbers 31-11852, 31-11856, 31-11860, 31-11864, 31-11872, 31-11876, and 31-11880 share the same place of use but are not overlapping, therefore, they are not proposed to be leased to the WSB. Water right number 31-11884 shares the same place of use and is overlapping, therefore, it is proposed to be leased.
- 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. Full diversion rates have been used for beneficial use.

- 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? Yes ☐ No ☒
If yes, describe. _____

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 2025 (maximum lease period 5 calendar years).
(Year) (Year)

B. Show the minimum payment acceptable to the seller/lessor. The minimum payment may be shown as the "current rental rate" as established by the IWRB. Include the method of determining the minimum payment if other than the current rental rate.
Current rental rate. _____

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

The Designated Applicant acknowledges the following:

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

Lewis Newman Partner
Signature of Designated Applicant

Lewis Newman
Printed Name

Apr 20 2021
Date

Signature of Authorized Representative

Printed Name

Date

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

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

LESSOR DESIGNATION FORM

When multiple individuals or business entities jointly own property to which a water right is appurtenant, the parties can use this form to nominate a designated lessor to represent their common interests on a Water Supply Bank lease contract. The signatures of all water right holders are required on this form to elect a designated lessor. The designated lessor is required to provide a completed IRS Form W-9 to receive any payment associated with the rental of a water right under a Water Supply Bank lease contract. **All correspondence and any financial payment associated with the rental of this water right will be directed to the designated lessor.** If additional space is needed to list any other water right holders, attach a second copy of this Lessor Designation Form.

Water Right No(s). 31-11884 and 31-11888

	Designated Lessor	Water Right Co-owner	Water Right Co-owner
Name	L2 LTD PARTNERSHIP	L3 LTD PARTNERSHIP	
Mailing Address	2990 N 800 E Montevue, ID 83435	2990 N 800 E Montevue, ID 83435	
Phone Number	208 604 0515	208 681 2536	
Email Address	lewisnewman5466@yahoo.com	lewisnewman5466@gmail.com	
Water Right Owner Declaration	As designated lessor, I will represent the interest of all other water right owners on the lease of a water right to the Water Supply Bank.	I authorize the designated lessor to represent me on the lease of a water right to the Water Supply Bank.	I authorize the designated lessor to represent me on the lease of a water right to the Water Supply Bank.
Signature			

	Water Right Co-owner	Water Right Co-owner	Water Right Co-owner
Name			
Mailing Address			
Phone Number			
Email Address			
Water Right Owner Declaration	I authorize the designated lessor to represent me on the lease of a water right to the Water Supply Bank.	I authorize the designated lessor to represent me on the lease of a water right to the Water Supply Bank.	I authorize the designated lessor to represent me on the lease of a water right to the Water Supply Bank.
Signature			

TO: IDAHO DEPARTMENT OF WATER RESOURCES

FROM: L2 LTD PARTNERSHIP

RE: Authorized Representatives

Rocky Mountain Environmental Associates, Inc.
482 Constitution Way 303
Idaho Falls, ID 83402
(208) 524-2353 / (208) 524-1795 Fax

Rocky Mountain Environmental Associates, Inc. (RMEA) is hereby authorized to act on behalf of L2 LTD Partnership regarding Water Supply Bank Application(s) for water right(s).

Dana Newman

Signature

Dana Newman

Printed Name

3-2-21

Date

**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

1. <u>Water Right Number</u>	Nature of Use	Leased Rate (cfs)	Leased Volume (af)	Leased Acres (ac)
31-11888	Irrigation	0.02	7.1	6
Total Amounts:				

2. Source of water Groundwater tributary to

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
07N	33E	14			NW	NE	



Est. HERE, Garmin, IBC

0 0.1 0.2 0.4 Miles

2019 NAIP

-  POD
-  POU WR#s: 31-11852, etc
-  TO WSB
-  Twn & Rng
-  Section
-  QQ



Water Bank Lease Application

L2 LTD Partnership

Project #: 14-0004

Drawn by: AD

Date: 3/23/2021



Rocky Mountain
ENVIRONMENTAL
ASSOCIATES, INC.



IDAHO DEPARTMENT OF
WATER RESOURCES

322 E Front Street, Suite 648, Boise ID 83702 • PO Box 83720, Boise ID 83720-0098
Phone: 208-287-4800 • Fax: 208-287-6700 • Email: idwrinfo@idwr.idaho.gov • Website: idwr.idaho.gov

Governor Brad Little

Director Gary Spackman

February 9, 2022

L2 LTD PARTNERSHIP
2990 N 800 E
MONTEVIEW ID 83435-5068

**RE: WATER SUPPLY BANK LEASE CONTRACT 1488 & 1489
FOR WATER RIGHTS 31-11888, 31-11998, 31-12000 & 31-12002**

Dear Lessor:

Water rights 31-11888, 31-11998, 31-12000 & 31-12002 were leased into the Water Supply Bank (Bank) as of January 1, 2022, in accordance with the enclosed executed lease contract. **Your water rights, as described on the lease contract, are considered leased into the Bank and should remain unused until they are formally released from the Bank.** More information and further restrictions placed on your water rights while leased can be found in conditions of acceptance of the lease contract. Read the conditions of acceptance carefully.

The rights will automatically be released from the Bank on **December 31, 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,

Jean Hersley

for
Water Supply Bank

Enclosure: Executed Lease Contract

c: IDWR- Eastern Region
Water District No. 110
Rocky Mountain Environmental



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

January 20, 2022

L2 LTD PARTNERSHIP
2990 N 800 E
MONTEVIEW ID 83435-5068

RE: APPLICATION TO LEASE WATER RIGHTS 31-11888 CONTRACT 1489 & WATER RIGHTS 31-11998, 31-12000 & 31-12002 CONTRACT 1488 TO THE WATER SUPPLY BANK

******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."

The Department is returning the lease application for water right 31-11884. Water right 31-11888 will cover the 6 acres offered to the Bank. A refund of \$250 has been requested and will be sent to Rocky Mountain Environmental under separate cover from the State Controller's Office.

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

Sincerely,

Jean Hersley

for
Water Supply Bank

Enclosures: Proposed Lease Contracts

C: Rocky Mountain Environmental

Hersley, Jean

From: Hersley, Jean
Sent: Thursday, January 20, 2022 9:12 AM
To: Cefalo, James; Jordan, Blake
Cc: Bank
Subject: Leases for L2 LTD
Attachments: L1.1A Lease Cover Letter-Proposed Contract-14 Days 11.19.21.doc; Lease Application Review Checklist July 2017.xls; Report - Lease Contract - 1489.docx; Lease Application Review 31-11998 et al.xls; Report - Lease Contract - 1488.docx

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

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

WATER SUPPLY BANK
Lease Review Checklist
Applicant(s) Name: L2 LTD

Memo Date: January 20, 2022

Water Right Number(s): 31-11888

Reviewers Name: Jean

Quick Tools

Year	No Forfeiture Concerns Thru:
2011	2017
2012	2018
2013	2019
2014	2020
2015	2021

		Check box		COMMENTS/CONCERNS:
1	Fill out WSB Data Entry Checklist for Leases (Front of File)	x		
2	Reason for lease of water rights (Brief description of lease proposal in narrative)			
	Portion of right	x		
	All of right			
3	Check GWMA/CGWA/ADC and basin 63 areas of concern (note area in comments)			
		Yes	No	
4	Rentable? (If no explain in comments or narrative)	x		
5	Authority to file			
	Current owner or designated applicant	x		
	SOS Web site checked for business entity	x		
	Other (explain in comments)			
6	Water Right validity			
	Decreed/Licensed/Statutory claim date (write in comments section)			2002
	Past irrigation to ensure forfeiture is not an issue if decreed or licensed over 7 years ago (consider transfers that changed the POU, rentals to the POU etc.)			
	Has this right previously been leased to the bank or in CREP?		x	
7	Injury to other water rights			
	If the POD is through a delivery entity, was consent provided?		na	
	If the POD is through a delivery entity, was holdback required? (percentage in comments)			%
	Any other concerns		x	
8	Enlargement concerns	Check box		
	Complete a POU comparison overlap analysis	x		
	Complete a combined limits review	x		
	Complete POD overlap analysis (if there is an overlap add condition to lease)	x		
		Yes	No	
	Are there overlapping rights that need to be placed in the bank also?		x	
	Will the place of use continue to receive water? (if yes explain in comments)		x	
9	Local Public Interest			
	Does the processor know of any problems this action will cause for the local public?		x	
10	Have you contacted regional office and watermaster for comment/concerns?	x		
	Send the watermaster comment request form or e-mail request	x		
11	Area Headgate requirement (write in Comments)			3.5
12	Is water right involved in any other department action? Pull file and check database () Ownership Change () Transfer () Mitigation () Other - Explain in comments		x	

Narrative: The Department received this application on May 13, 2021 for the 2021-2025 seasons. The application was received with an application for WR 31-11884. It was determined that portions of 31-11884 did not need to be leased since 31-11888 contains enough acres to be leased. 31-11884 application will be returned with a refund. 31-11888 is the most junior right among 10 rights that share the same POU. Quantities unique to 31-11888 are 9.6 acres, 0.69 cfs and 33.7 af. The applicant is offering 6 acres to the Bank so 31-11888 can cover all six acres without causing enlargement. There are combined limits with the other rights so we will reduce the total combined limits by the quantity we are leasing. This right was decreed in 2002 and according to the consultant, Kristen Moore of Rocky Mt. Environmental, the applicants have irrigated these pivot corners early in the spring with handlines for the first crop of hay then the rest of the season left it up to mother nature. This right is currently within WD 110.



0004035449

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

Idaho Secretary of State
PO Box 83720
Boise, ID 83720-0080
(208) 334-2301
Filing Fee: \$0.00

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

File #: 0004035449

Date Filed: 10/15/2020 2:31:06 PM

Entity Name and Mailing Address:

Entity Name: L2 LIMITED PARTNERSHIP
The file number of this entity on the records of the Idaho Secretary of State is: 0000018925
Address: 2990 N 800 E
MONTEVIEW, ID 83435-5068

Entity Details:

Entity Status: Active-Current
This entity is organized under the laws of: IDAHO
If applicable, the old file number of this entity on the records of the Idaho Secretary of State was: L2913

The registered agent on record is:

Registered Agent: LEWIS J NEWMAN
Registered Agent
Physical Address
2996 N 800 E
MONTEVIEW, ID 83435
Mailing Address

Limited Partnership General Partners

Name	Business Address
+ Lewis Newman	2996 N 800 E MONTEVIEW, ID 83435
+ Dana Newman	2996 N 800 E MONTEVIEW, ID 83435

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

CANDACE J COPE

Sign Here

10/15/2020

Date

Job Title: Secretary

BU040-3002 10/15/2020 2:31 PM RECEIVED BY ID SECRETARY OF STATE LAWRENCE DENNEY

Hersley, Jean

From: Kristin Moore <kristin.rmea@gmail.com>
Sent: Thursday, January 13, 2022 10:35 AM
To: Hersley, Jean
Subject: RE: LTD WSB Lease applications for 31-11884 & 31-11888

Jean,

The applicant indicated that they irrigated that 2 acres in 2020. I don't have imagery to provide to you, but I'm hoping you can verify with your satellite images. At this specific corner, the Newman's used a 4 inch mainline and handlines to irrigate the corner for a first crop of hay. Typically, they water from May through June 15 and harvest by July 1. Lane Newman said he will verify with his people to make sure the year is correct, but that is his recollection.

Kristin Moore

Senior Water Rights Analyst
482 Constitution Way, Ste 303, Idaho Falls, ID 83402
E-Mail: kristin.rmea@gmail.com
VOICE: 208-524-2353, Ext #104 ||| FAX: 208-524-1795



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From: Hersley, Jean [mailto:Jean.Hersley@idwr.idaho.gov]
Sent: Friday, January 07, 2022 10:55 AM
To: Kristin Moore <kristin.rmea@gmail.com>
Subject: RE: LTD WSB Lease applications for 31-11884 & 31-11888

I am not finding any irrigation that has taken place in the last 5 years for the 2-acre portion in T07N, R33E, Sec14, SENE that your clients would like to place in the Bank. Unless you can provide any documentation that shows otherwise, I will reduce the request to the 4 acres located T07N, R33E Sec 11, NWSE, NESE. Please provide any documentation within 14 days. If the requested information is not received within 14 days, the Department will process a lease for 4 acres. Thank you.

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

From: Kristin Moore <kristin.rmea@gmail.com>
Sent: Thursday, January 6, 2022 11:23 AM

To: Hersley, Jean <Jean.Hersley@idwr.idaho.gov>
Subject: RE: LTD WSB Lease applications for 31-11884 & 31-11888

Jean,

Now that you ask the question, I realize that while the two rights are overlapping, it may not be necessary to put 31-11884 in the Bank. Yes, total acres is 6 acres. If we can just do one water right, that's fine by us. And if so, is it possible to refund the filing fee of the application for 31-11884?

Kristin Moore

Senior Water Rights Analyst

482 Constitution Way, Ste 303, Idaho Falls, ID 83402

E-Mail: kristin.rmea@gmail.com

VOICE: 208-524-2353, Ext #104 ||| FAX: 208-524-1795



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From: Hersley, Jean [<mailto:Jean.Hersley@idwr.idaho.gov>]
Sent: Wednesday, January 05, 2022 3:15 PM
To: kristin.rmea@gmail.com
Subject: LTD WSB Lease applications for 31-11884 & 31-11888

Kristen,

I am in the process of reviewing these applications for lease. The applications request 6 acres of 31-11888 to be leased and 1 acre of 31-11884. Is that for a total of 6 acres? Can you explain why you are placing 1 acre of 31-11884 in the Bank?

Thanks.

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

Hersley, Jean

From: Hersley, Jean
Sent: Thursday, January 6, 2022 11:27 AM
To: Kristin Moore
Subject: RE: LTD WSB Lease applications for 31-11884 & 31-11888

We can put 6 acres of 31-11888 without 31-11884. And yes, I will request a refund for the filing fee. Thank you.

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

From: Kristin Moore <kristin.rmea@gmail.com>
Sent: Thursday, January 6, 2022 11:23 AM
To: Hersley, Jean <Jean.Hersley@idwr.idaho.gov>
Subject: RE: LTD WSB Lease applications for 31-11884 & 31-11888

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*Jean Hersley
Technical Records Specialist II
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