

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1480

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

LESSOR: J R SIMPLOT CO
1099 W FRONT ST PO BOX 27
BOISE, ID 83707-0027

RECEIVED

JAN 31 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 October 12, 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)
36-4179	8/9/1959	GROUND WATER	4.27	Not Stated

Summary of Water Rights Elements Rentable From the Bank

Water Right	Diversion Rate (CFS)	Diversion Volume (AF)
36-4179	4.27	1,720

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

Minimum Payment Acceptable: Current Rental Rate

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

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WATER SUPPLY BANK LEASE CONTRACT No. 1480

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

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

LESSOR: J R SIMPLOT CO
1099 W FRONT ST PO BOX 27
BOISE, ID 83707-0027

By 
Title James B. Alderman, Senior Vice President and Secretary
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 2/2/22

Lease approved by IDWR 

Date 2/2/22

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

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ATTACHMENT A WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Source and Location of Point(s) of Diversion for Water Right No(s): 36-4179

GROUND WATER	L1SWSWSW	Sec. 15	Twp 10S	Rge 23E	MINIDOKA County
GROUND WATER	SENWSW	Sec. 15	Twp 10S	Rge 23E	MINIDOKA County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From	to	To		
36-4179	INDUSTRIAL	1/01	to	12/31	4.27 cfs	1,720 AF
Totals:					4.27 cfs	1,720 AF

PLACES OF USE TO BE IDLED UNDER THIS LEASE: INDUSTRIAL

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
10S	23E	15									X	X	X L1						

ADDITIONAL CONDITIONS OF ACCEPTANCE

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

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1480

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. Use of this right with rights listed below is limited to a total combined diversion rate of 7.70 cfs and a total combined annual diversion volume of 3630.8 af. Combined right nos.: 36-08154, 36-02648a, 36-04180 and 36-02729.
13. Use of water under this right may be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 130.

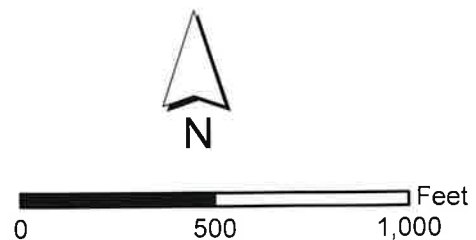
Idaho Water Resource Board
Water Supply Bank Lease Contract No. 1480

36-4179
Effective until December 31, 2026

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



-  Water Supply Bank Lease POD
-  Water Supply Bank Lease POU
-  Township/Range
-  Sections



STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

OCT 12 2021

DEPARTMENT OF
WATER RESOURCES

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

Designated Applicant J. R. Simplot Company **Water Right No.** 36-4179
(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</u>	Received By: <u>KU</u>	Date Received: <u>10.12.21</u>	Receipt # <u>C111124</u>
W-9 received? Yes ☐ No ☒ (Route W-9 to Fiscal)		Name on W-9:	

2164

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 J. R. Simplot Company

Mailing Address P. O. Box 27; Boise, Idaho 83707

Street City State Zip Code
Email Address vic.conrad@simplot.com Phone Number 208-336-2110

☒ 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 James B. Alderman Organization _____

Professional Title Senior V. P. and Secretary Email Address _____

Mailing Address Same as Applicant Phone Number Same as Applicant

☒ 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.
Water Right has been Lease to the Water Supply Bank since 2004. System used for diverting water right as decreed in SRBA does not exist any longer.
- 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. 36-8154, 36-2648A, 36-4180, and 36-2729.
- 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. Current place of use may receive water under the water rights described in C above.
- F. Identify annual volumes and/or rates of water diverted in the last 5 years to accomplish the beneficial use authorized by this water right. Water right 36-4179 has been leased to the water supply bank from 2004 until December 31, 2021.
Certain portions of this water right have been rented by various parties during the term of the lease.
- G. Has any portion of this water right undergone a period of five or more consecutive years of non-use? Yes ☐ No ☒
If yes, describe the circumstances and attach evidence to demonstrate how the water right has not been lost through forfeiture (Attachment 4G). See [Section 42-223, Idaho Code](#) for exceptions to forfeiture. Your application may be denied if forfeiture concerns are not addressed.
- H. Is this water right involved in any other IDWR process, such as an application for transfer or a mitigation plan?
If yes, describe. Yes ☒ No ☐
A small portion of this water right water right was rented to cover the water use curtailed under water right nos. 36-8471 and 36-8469. Applications to continue renting water for this purpose accompany this application.

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

5. SALE/LEASE AGREEMENT

- A. Is the water right, or portion thereof, offered to the Idaho Water Resource Board (IWRB) for sale ☐ or lease ☒?

If lease, specify the years when the use of water will be suspended: 2021 to 2026 (maximum lease period 5 calendar years).
(Year) (Year)

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

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

The Designated Applicant acknowledges the following:

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



Signature of Designated Applicant
Senior Vice President and Secretary

James B. Alderman

Printed Name

October 7, 2021

Date

Printed Name

Date

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



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

Governor Brad Little

Director Gary Spackman

February 2, 2022

J R SIMPLOT CO
1099 W FRONT ST
PO BOX 27
BOISE, ID 83707-0027

**RE: WATER SUPPLY BANK LEASE CONTRACT 1480
FOR WATER RIGHTS 36-4179**

Dear Lessor:

Water right **36-4179** was leased into the Water Supply Bank (Bank) as of January 1, 2022, in accordance with the enclosed executed lease contract. **Your water rights, as described on the lease contract, are considered leased into the Bank and should remain unused until they are formally released from the Bank.** More information and further restrictions placed on your water rights while leased can be found in conditions of acceptance of the lease contract. Read the conditions of acceptance carefully.

The rights will automatically be released from the Bank on **December 31, 2026**, unless the rights are released earlier by the Water Resource Board (Board). On behalf of the Board, the Department of Water Resources (Department) can evaluate an early release of the lease contract upon your request. To release the water rights from the Bank prior to the release date, submit a written request on the *Request to Release a Water Right from the Bank* form. This form is available on our public website at www.idwr.idaho.gov. **Please note your water rights may not be available for immediate release if they have been rented or are being considered for a future rental. Furthermore, it is at the discretion of the Department whether or not a water right can be released early from a lease contract.**

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

Sincerely,

Amanda Johnson-Veibell

for
Water Supply Bank

Enclosure: Executed Lease Contract

c: IDWR- Southern Region
Water District No. 130



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

RECEIVED

JAN 31 2022

DEPARTMENT OF
WATER RESOURCES

January 28, 2022

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

Re: Water Supply Bank Lease Contract No. 1480 and Supply Bank Rental Agreement Nos. 599 and 600.

Dear Ms. Johnson-Veibell:

Enclosed are partially executed duplicate originals of the above referenced Lease Contract and partially executed originals of each of the above referenced Rental Agreements. Also enclosed is a check in the amount of \$539.00 to cover the rent during 2022 for both enclosed Rental Agreements.

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

January 18, 2022

J R SIMPLOT CO
1099 W FRONT ST
PO BOX 27
BOISE ID, 83707

**RE: APPLICATION TO LEASE WATER RIGHT 36-4179 TO THE WATER SUPPLY BANK
CONTRACT 1480**

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

Dear Applicant:

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

The right will automatically be released from the Bank on **December 31, 2026**, unless the right is released earlier by the Board, or upon your request. To release the right from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. To propose a new lease period, submit a new Application to Sell or Lease a Water Right to the Water Supply Bank form along with applicable fees to the Department. These forms are available from any IDWR office or from our public website at <http://www.idwr.idaho.gov>. Please note your right may not be available for immediate release if it has been rented.

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

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

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

Sincerely,

Amanda Johnson-Veibell

for
Water Supply Bank

Enclosures: Proposed Lease Contracts
Receipt: C111124

Parker, Cody

From: Parker, Cody
Sent: Tuesday, January 11, 2022 2:34 PM
To: Erickson, Nathan; Skinner, Corey
Subject: Simplot Lease-Rentals
Attachments: Lease Contract.docx; Lease Map.pdf; Review Memo.docx; Rental Agreement.docx; Memo_Review.docx; Move Map.pdf; Rental Agreement.docx; Memo_Review.docx; Move Map.pdf

Corey and Nathan

Attached are some WSB docs for a Simplot lease-rental. These are all renewals of previous WSB transactions.

Lease contract 1480 will lease the full extent of water right 36-4179 into the water supply bank for a period of 5 years (until 2026).

Rental 600 will rent some water from lease 1480 for Commercial use at a Simplot location in Jerome county. This rental is the result of curtailing water right 36-8471 in the Rangen call.

Rental 599 will also rent water from lease 1480 for Industrial and Irrigation use (14 acres) at a location in Minidoka county. This rental is the result of curtailment of water rights 36-7636 and 36-8469 in the Rangen call.

Please let me know if you have any comments.

Thanks

Cody Parker

MEMORANDUM

TO: Water Right 36-4179
FROM: Cody Parker
RE: Evaluation of WSB Lease Application 2164
DATE: January 5, 2021

JR Simplot Company applied to lease the entirety of water right 36-4179 into the Bank for the years 2022 – 2026. This application is a renewal of lease contract number 567. The water right authorizes the use of groundwater from two separate wells for industrial use up to 4.27 cfs. The water right is limited to 7.70 cfs and 3630.8 acre feet when combined with rights 36-8154, 36-2648A, 36-4180, and 36-2729. A memo written by Michele Edl in 2014 titled WSB Lease Volume explains the justification for the previously-leased volume of 1723.1 afa. The same memo indicates that historical use of the water was at times fully consumptive. The previous lease did not reduce the amount rentable.

Authority to File

The owner of record for water 36-4179 is JR Simplot Co. The same entity was listed as the applicant and the designated lessor. The application was signed by James B Alderman who is listed as the Secretary and Registered Agent for the JR Simplot Company Foundation, Inc.

Water Right Validity

Water right 36-4179 was decreed in 1998. A previous lease application from 2005 indicates that this water right was used up until 2004. The right was leased into the Bank from 2005 through 2011, and the same contract was extended through 2016. A new lease was executed for the years 2017 through 2021. No concerns.

Injury to Other Water Rights

No injury is anticipated from non-use of the water right at the authorized location. As indicated above, this water right has not been used at this location since 2004. There are no injury complaints resulting from nonuse of the right in the backfile during that time.

Enlargement of Use

Right 36-4179 is limited to 3630.8 afa with rights 36-8154, 36-2648A, 36-4180, and 36-2729. Of these rights, 36-4179 is the most senior. All the rights authorize diversion from the same points of diversion. Since it does not have an individual volume limit, right 36-4179 could contribute up to 3091 afa towards the combined limit of 3630.8 afa based on a year-round continuous diversion.

Previous evaluation of the water right indicated that the right was historically used in a manner that was fully consumptive. The volume determined for previous leases was determined to be 1723.1 afa. The rate was 4.27 cfs. The rationale for the values recommended for the previous lease contract is as follows:

The following water rights have a combined use limit of 3630.8 afa and 7.7 cfs:

Water Right	Priority Date	Rate	Volume
36-4179	8/9/1959	4.27	-
36-8154	2/24/1983	1.2	-
36-2648A	4/6/1966	1.96	-
36-4180	8/1/1962	0.02	2
36-2729	3/3/1964	0.56	-
Limit		7.70	3630.8

The City of Burley wanted to acquire water rights from JR Simplot for 2240.3 afa. Simplot gave them water rights 36-2648B which has a decreed volume of 332.6 afa. The city's requirement factoring in 36-2648B was reduced to 1907.7 afa. The remaining volume was taken from the suite of water rights above. All but the most senior right (36-4179) was conveyed to the City. 3630.8 afa – 1907.7 afa is 1723.1, which is the volume that was assumed to be left under water right 36-4179.

All the rights in the group above have the same source and points of diversion. 36-4179 does not have a volume limitation on the face of the right but can deliver up to 3091 afa. The remaining rights would then be worth 539.8 afa. Any ground water diverted under this group of rights would be attributed to the most senior first. That means that Simplot is voluntarily limiting the right to divert water under a senior priority. This does not seem to be an issue.

Local Public Interest

Review staff have no information to suggest this application is inconsistent with the local public interest.

Beneficial Use/Conservation of Water Resources

Nonuse of the water right is not inconsistent with the conservation of water resources in Idaho.

Department Staff and Watermaster Comments

Comments were requested from IDWR's southern region and water district 130 on

Condon, Mary

From: Buyer, Remington
Sent: Wednesday, October 13, 2021 2:39 PM
To: Condon, Mary
Subject: RE: J R Simplot Lease~Rental of WRs 36-4179 and 45-2476

Follow Up Flag: Follow up
Flag Status: Completed

Also looks like a similar situation happened with lease application 2150 and rental application 2151. The paperwork submitted requested a 2020 start date, but approvals are already in place for 2020 and the paperwork should've requested a 2022 start date.

No action required on your part. Just keeping you in the loop.

From: Buyer, Remington
Sent: Wednesday, October 13, 2021 2:36 PM
To: Condon, Mary <Mary.Condon@idwr.idaho.gov>
Subject: J R Simplot Lease~Rental of WRs 36-4179 and 45-2476

FYI - Today we received applications to lease into the Bank water rights 36-4179 and 45-2476 (lease application 2164) so that the rights might be rented by Simplot to offset curtailments of ESPA water rights at two of their Magic Valley facilities. We should split the water rights onto two separate applications, so we can generate separate contracts. We'll also want to split the rental request (rental application 2165) into two separate rental applications so we can generate separate rental agreements. I updated the dates data entry in the software system to reflect that these are 2022 rental requests, as the rental application paperwork submitted requested a 2020 start date, which is incorrect.



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

RECEIVED

OCT 12 2021

DEPT. OF WATER RESOURCES

October 7, 2021

Mary Condon
Water Supply Bank Specialist
State of Idaho
Department of Water Resources
322 E. Front Street
P. O. Box 83720
Boise, Idaho

Re: Water Supply Bank Lease/Rental Applications; IDWR Water Right Nos. 36-4179 and 45-2476.

Dear Mary:

Enclosed are applications to lease the above referenced water rights to the Water Supply Bank, each for a 5-year term. If approved, applications to rent 0.18 cfs and 9 acre feet for Simplot's SGS Jerome Unit and 0.49 cfs and 65.8 acre feet for Simplot Mini-Cassia SGS Unit from water right 36-4179 are also enclosed. These rental applications are submitted to substitute for the diversion and use of water right nos. 36-8471, 36-7636 and 36-8469, which were curtailed due to the Rangen Call. It is my understanding the Curtailment Order issued under the Rangen Call remains in effect.

Please use the enclosed \$500.00 check to cover your fee for applying to lease water rights 36-4179 and 36-2746 to the Water Supply Bank.

Similar rental applications for Simplot's Jerome and Mini-Cassia SGS Units were submitted and approved in 2020. An ESPA model was run to confirm the rental amount at that time. I will forward electronically the results of that model run to you separately by email.

Sincerely,

Vic Conrad
Land, Water & Asset Recovery

Enclosures

2164 + 2165

