

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 538

RECEIVED

DEC 28 2021

DEPARTMENT OF
WATER RESOURCES

This is to certify that:

WELLSPRINGS GROUP LLC
950 W HURON ST UNIT 405
CHICAGO, IL 60642-6830

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)
37-466	4/1/1880	DEER CREEK	0.95	Not stated	47.70	0.02	3.5
37-11329	7/21/1956	GROUND WATER	0.24	Not stated	14.00	0.02	3.4
Combined Limit Totals			0.95	Not Stated	47.7	0.02	3.5
Combined Rental Totals			0.95	167	47.7	0.02	3.5

Term of Rental: This rental agreement shall take effect when all parties have signed it and shall continue in effect until October 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: \$3,340.00 annually
2023 - 2024: \$3,841.00 annually

The full fee for the rental of the above-described right(s) is \$3,340.00 per year for year 2022 and \$3,841.00 per year for years 2023 - 2024. The rental fee includes an administrative fee of \$334.00 per year for year 2022 and \$384.10 per year for years 2023 - 2024.

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.

Total Water Use Authorized Under Rental Agreement

Beneficial Use	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate/Acre (CFS/AC)	Volume/Acre (AF/AC)
IRRIGATION	0.95	167	47.7	0.02	3.5
Combined Total	0.95	167	47.7	0.02	3.5

*** The authorized water usage reflects a reduction from the water right elements rented, to account for combined limits.**

Detailed water right conditions are attached.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 538

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

DEER CREEK SWSE Sec. 27, Twp 03N, Rge 17E, BLAINE County

BENEFICIAL USE
IRRIGATION

DIVERSION RATE
0.95 CFS

VOLUME
167.00 AF

SEASON OF USE

Water Right No.	From	To
37-11329	4/15	10/31
37-466	4/15	10/31

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	
03N	17E	27															20	25	45
03N	17E	34		2.7															2.7

Total Acres: 47.7

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.
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. These rights 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 place of use.
10. Use of water under this agreement 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. 37.

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

DEC 03 2020

DEPT OF WATER RESOURCES

APPLICATION TO RENT WATER
FROM THE BOARD'S WATER SUPPLY BANK

Applicant Name: Wellsprings Group, LLC, a Delaware limited liability company

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	
	<input checked="" type="checkbox"/>	Completed <i>Application to Rent Water from the Board's Water Supply Bank</i>
	<input checked="" type="checkbox"/>	Confirmation that this form has been printed single sided, per requirement of the Water Supply Bank
Attachment	N/A	Yes
2	<input checked="" type="checkbox"/>	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	<input checked="" type="checkbox"/>	<input type="checkbox"/> Detailed information on a proposed use of rental water
3F	<input checked="" type="checkbox"/>	<input type="checkbox"/> Authorization from the owner/operator of the rental point(s) of diversion
3H	<input checked="" type="checkbox"/>	<input type="checkbox"/> Water modeling to account for the impacts of the rental request
3J	<input checked="" type="checkbox"/>	<input type="checkbox"/> Documents justifying a rate of flow greater than 0.02 cfs/acre
3K	<input checked="" type="checkbox"/>	<input type="checkbox"/> Authorization from the owner/operator of the property at the proposed rental place(s) of use
4B	<input checked="" type="checkbox"/>	<input type="checkbox"/> Explanation of how the rental water will sufficiently accomplish your rental purposes
4C	<input checked="" type="checkbox"/>	<input type="checkbox"/> Explanation of consumptive use amounts for water rights experiencing a change in nature of use

Department Use Only – Proposed Water Right(s)
37-466 37-11329

1776

**STATE OF IDAHO
WATER RESOURCE BOARD**

Application to Rent Water (Continued)

1. CONTACT INFORMATION

- A. Applicant Wellsprings Group, LLC, a Delaware limited liability company
 Mailing Address c/o Tom Drougas
Street City State Zip Code
 Email Address tdrougas@gmail.com Phone Number 208-720-6089
- 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 James P. Speck Professional Title attorney
 Organization Speck & Aanestad, A Professional Corp. Relationship to Applicant attorney
 Mailing Address PO Box 987, Ketchum, ID 83340
 Email Address jim@speckandaanestad.com Phone Number 208-726-4421

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**:
Irrigation

- 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)
0.94 CFS	164.9 AF	0.94 CFS	164.9 AF	47.1 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?	
April 15, 2021	May 15, 2021	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input checked="" type="checkbox"/> 4	<input type="checkbox"/> 5	<input checked="" type="checkbox"/> Process application as soon as possible	<input type="checkbox"/> 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):
 Pump in creek to temporary above ground sprinkler irrigation system

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
pump in creek	Deer Creek	none

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 47.1 (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:
 None

**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)
37-466	irrigation	3.65	639.5	182.7		0.94	164.9	47.1
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	0.94	164.9	47.1
						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:

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

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.

DocuSigned by:
Tom Drougas
AD1CE7EE03244EA

Tom Drougas

12/3/2020 | 12:47 PM PST

Tom Drougas

12/3/2020

Signature of Applicant

Printed Name of Applicant

Date

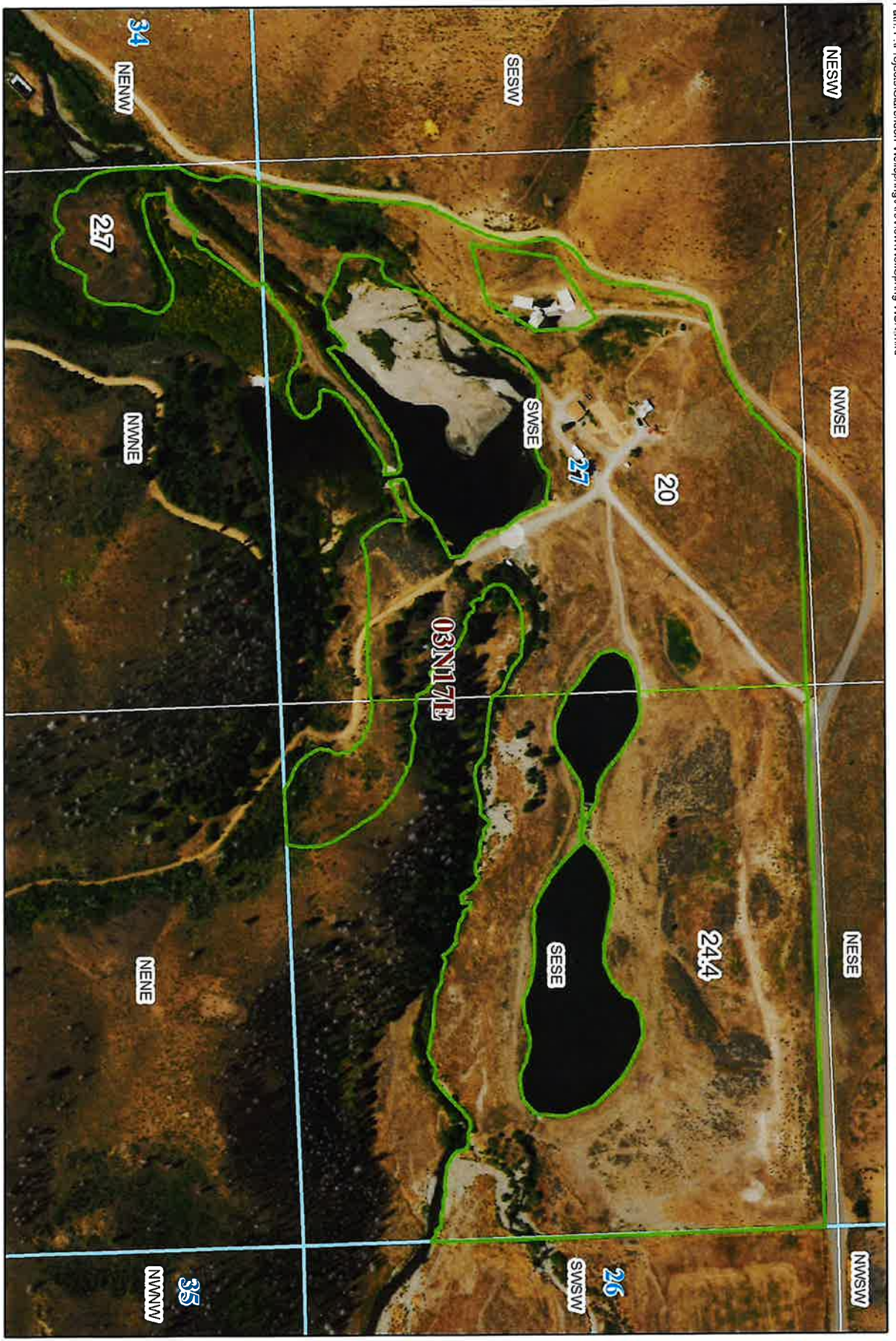
Signature of Representative

Printed Name of Representative

Date

Mail to:

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



0 100 200 400 Feet

Attachment 2


BROOKWAY ENGINEERING, PLLC
JJJ - Date: 11/20/2020

Wellsprings Group LLC

Water Bank Rental Map

NAIP 2019 AERIAL PHOTO

Legend

 Water Bank Rental POU - 47.1 Acres





Wellsprings Group LLC

Proposed WBR POD

NAIP 2019 AERIAL PHOTO

Legend

● Proposed POD

□ Water Bank Rental POU - 47.1 Acres





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

Governor Brad Little

Director Gary Spackman

December 30, 2021

WELLSPRINGS GROUP LLC
950 W HURON ST UNIT 405
CHICAGO, IL 60642-6830

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 37-466 & 37-11329 AGREEMENT 538**

Dear Renter:

Please find enclosed a receipt in the amount of **\$3,340.00** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 167.0 acre-feet of water for irrigation of 47.7 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 \$3,006.00 of the rental fee will be paid to the lessor(s) and 10% or \$334.00 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. C111622
Rental Agreement (copy)

c: Sascha Marston – Fiscal
IDWR Eastern Regional Office
Jim Speck



Governor Brad Little

Director Gary Spackman

September 23, 2021

WELLSPRINGS GROUP
950 W HURON ST UNIT 405
CHICAGO, IL 60642-6830

RE: REQUEST FOR RETURN OF SIGNED RENTAL AGREEMENT 538 AND PAYMENT FOR WATER RIGHT(S) 37-446 & 37-11329

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

Dear Applicant:

The Department of Water Resources ("Department") mailed a **Water Supply Bank Rental Agreement ("Agreement")** for your review and signature on April 27, 2021. The signed agreement and rental fee has not been returned to the Department.

Please sign the rental agreement and return it with the rental payment in the amount of \$4,304.00 within thirty (30) days of this letter to complete processing. Diversion and use of the water right(s) is not authorized under the proposed agreement until it has been signed by both the renter and the Department. Any use associated with your proposed rental request before it has been executed is considered unauthorized and, if occurring, will be subject to any necessary enforcement action.

If the signed rental agreement and fee is not received by the department within the 30-day period, the rental application will be returned, and the proposed rental right(s) made available for other rental applicants. You can reapply to rent water from the Bank again in the future by submitting a new rental application form that will be processed in turn with other pending applications.

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

c. Jim Speck



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 E Front Street, Suite 648 • PO Box 83720 • Boise ID 83720-0098

Phone: (208) 287-4800 • Fax: (208) 287-6700

Website: idwr.idaho.gov • Email: idwrinfo@idwr.idaho.gov

BRAD LITTLE
Governor

GARY SPACKMAN
Director

April 27, 2021

WELLSPRINGS GROUP LLC
950 W HURON ST UNIT 405
CHICAGO, IL 60642-6830

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 37-466 & 37-11329 AGREEMENT 538**

*****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 \$4,304.00 was calculated based on the current rental rate of \$20.00 per acre-foot times a diversion volume of 167.0 acre-feet.

Please send a check for \$4,304.00 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 \$3,873.60 of the rental fee will be paid to the lessor(s) and 10% or \$430.40 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
James Speck

Water Supply Bank Rental Agreement No. 538

To: Water Rights 37-466 and 37-11329

From: Dave Betts

Date: April 26, 2021

Re: Review & Analysis of Application to Rent Water from the State Water Supply Bank

PURPOSE/NARRATIVE: Wellsprings Group, LLC, (“applicants”) submitted an application to rent on December 3, 2020. The application was submitted by their representative, Jim Speck. I did not find any previous rental agreements for the proposed place of use. I had to follow up with the applicants and their representative in order to obtain a map identifying the proposed point of diversion (POD), which I received on April 8, 2021.

The proposed rental was for four (4) years, to end in December of 2024. The applicants seek to irrigate 47.1 acres using a temporary above ground sprinkler irrigation system fed by a pump placed in Deer Creek. The applicants requested a diversion rate of 0.94 cubic feet per second (cfs) and a diversion volume of 164.9 acre feet (AF) per year which are equivalent to the irrigation standards per acre for this area.

Mr. Speck, in an email on April 7, 2021, requested on behalf of the applicants that the rental not begin until the 2022 irrigation season. Application no. 1776 will be processed in 2021, but the Bank has agreed to delay the start of the rental until 2022. The end date of the rental will still be 2024, because of the term limits of the leased water rights that are available to rent.

The number of acres of irrigation per quarter-quarter have been rounded in accordance with the guidance from Administrative Memo, Application Processing no. 6 - “Significant Figures for Numeric Values”. The quantities that the Bank will offer to fulfill the rental are 0.95 cfs and 167 AF per year for the irrigation of 47.7 acres.

AUTHORITY TO FILE: Wellsprings Group LLC is the owner of record for water rights that overlap with the tax parcels that correspond with the rental’s proposed place of use. The rental application was signed by Tim Drougas who has previously submitted Notices of Changes in Ownership on behalf of Wellsprings Group LLC. This review has no concerns with the authority to file.

WATER RIGHT VALIDITY: Water rights 37-466 and 37-11329 have been selected to fulfill this application to rent. These rights were decreed in 2009, and have overlapping places of use. Department staff found no concerns with validity when these rights were reviewed for lease in 2015 or when the lease was renewed in 2019. Validity of the leased water does not appear to be a concern at this time.

INJURY TO OTHER WATER RIGHTS: The distance between the leased POD and the proposed rental POD is approximately 3 miles. I found only two additional water rights with points of diversion in between the PODs for the leased water rights and the proposed rental. The upstream boundary of the idled acres for the leased rights (37-466 and 37-11329) are next to the proposed POU for the rental. The proposed rental does not appear to present a risk of injury to other water rights.

ENLARGEMENT OF USE: The leased place of use appears to have been idled. Portions of the place of use may receive water as part of the riparian zones, but this should not be considered an enlargement of use.

The applicants requested renting water right 37-466. To avoid enlargement, an equal proportion of water right 37-11329 has been added to the proposed rental. The two rights have overlapping places of use and share combined limits. If the application to rent is approved, the applicants' water use will be limited to the diversion rate and diversion volume per acre that is standard for this area. Enlargement does not appear to be a concern.

LOCAL PUBLIC INTEREST: Review staff has no information to suggest this application is inconsistent with the local public interest.

BENEFICIAL USE/CONSERVATION OF WATER RESOURCES: I found one water right for irrigation, 37-22128, that overlaps with one of the quarter-quarters identified for the rental's place of use. Water right 37-22128 authorizes the irrigation of 1.3 acres. The applicants propose the irrigation of 20 acres within the same quarter-quarter as 37-22128. It is not clear whether the places of use overlap. The proposed rental will include conditions for approval limiting the rental to 0.02 cfs per acre and 3.5 AF per acre when combined with all other rights. As long as the above approval condition is included, the proposed rental appears consistent with the conservation of water resources in Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS: On April 16, I requested comments about the proposed rental from Regional Staff and to Water District 37. Southern Region replied on April 23, with no concerns. I did not receive comments from the watermaster of Water District 37.

Betts, David

From: Skinner, Corey
Sent: Friday, April 23, 2021 5:16 PM
To: Betts, David
Subject: RE: Wellsprings Group's Application to Rent (Deer Creek - Basin 37)

I'm good if Kevin is good too.

From: Betts, David
Sent: Friday, April 16, 2021 2:46 PM
To: watermanager@cableone.net; watermstr@cableone.net; Skinner, Corey <Corey.Skinner@idwr.idaho.gov>
Subject: Wellsprings Group's Application to Rent (Deer Creek - Basin 37)

Wellsprings Group LLC has submitted an application to rent water from Deer Creek Ranch (Water rights 37-466 and 37-11329).

Please review the attached documents and let me know if you have any comments or concerns regarding the proposed rental.

Thanks,

--

Dave Betts - *Water Resource Agent*

Water Rights Section | Idaho Department of Water Resources

322 East Front St | P.O. Box 83720 | Boise, ID 83720

Phone: (208) 287-4826 | email: david.betts@idwr.idaho.gov

Betts, David

From: Betts, David
Sent: Friday, April 09, 2021 11:16 AM
To: 'James Speck'
Cc: Zach Latham; tdrougas@gmail.com; Devin Mackey
Subject: RE: Incomplete application to rent 1776 - Wellsprings Group LLC

Jim,

There won't be anything to sign until after November 1. I'll keep your client's application in my queue until then. I'll let you know if I have any questions when I finish processing the application at that time.

--

Dave

From: James Speck [mailto:jim@speckandaanestad.com]
Sent: Friday, April 09, 2021 11:07 AM
To: Betts, David <David.Betts@idwr.idaho.gov>
Cc: Zach Latham <zach.latham@brockwayeng.com>; tdrougas@gmail.com; Buyer, Remington <Remington.Buyer@idwr.idaho.gov>; Devin Mackey <devinmackey@gmail.com>
Subject: RE: Incomplete application to rent 1776 - Wellsprings Group LLC

Dave,

Good idea – lets go that way. What, if anything, do you need my client to sign at this time? Or do we wait for the rental agreement? Thanks.

Jim

From: Betts, David <David.Betts@idwr.idaho.gov>
Sent: Friday, April 09, 2021 11:04 AM
To: James Speck <jim@speckandaanestad.com>
Cc: Zach Latham <zach.latham@brockwayeng.com>; tdrougas@gmail.com; Buyer, Remington <Remington.Buyer@idwr.idaho.gov>; Devin Mackey <devinmackey@gmail.com>
Subject: RE: Incomplete application to rent 1776 - Wellsprings Group LLC

Jim,

The applicants can request a rental term up to five years long, and the Bank will try to get the best match for the desired term.

If the identified water rights are still the best match in November, then the rental agreement will have to end in 2024.

--

Dave

From: James Speck [mailto:jim@speckandaanestad.com]
Sent: Thursday, April 08, 2021 5:43 PM
To: Betts, David <David.Betts@idwr.idaho.gov>

Cc: Zach Latham <zach.latham@brockwayeng.com>; tdrougas@gmail.com; Buyer, Remington
<Remington.Buyer@idwr.idaho.gov>; Devin Mackey <devinmackey@gmail.com>
Subject: RE: Incomplete application to rent 1776 - Wellsprings Group LLC

Dave,

The water right we want to rent is leased to the Bank through only 2024 so I guess we can't request a longer rental of this particular right. Any other ideas on renting Deer Creek water??

Jim

From: Betts, David <David.Betts@idwr.idaho.gov>
Sent: Thursday, April 08, 2021 4:44 PM
To: James Speck <jim@speckandaanestad.com>
Cc: Zach Latham <zach.latham@brockwayeng.com>; tdrougas@gmail.com; Buyer, Remington
<Remington.Buyer@idwr.idaho.gov>
Subject: RE: Incomplete application to rent 1776 - Wellsprings Group LLC

Jim,

I can put Wellsprings Group's rental request on hold until November 1, 2021, which is when the Bank begins processing rental requests for the new year. The rental review will need to be completed after November 1, before a draft approval agreement can be sent to the applicants.

Wellsprings Group requested a 4 year rental, which would have ended in December of 2024. Does Wellsprings Group want the amended application to request another 4 year rental, ending in December of 2025?

--
Dave Betts
Senior Water Resource Agent
Idaho Department of Water Resources
(208) 287-4826

From: James Speck [<mailto:jim@speckandaanestad.com>]
Sent: Thursday, April 08, 2021 12:57 PM
To: Betts, David <David.Betts@idwr.idaho.gov>
Subject: FW: Incomplete application to rent 1776 - Wellsprings Group LLC

Dave,

Here is the map depicting the POD location for this WSB rental application. Please get back to me on the rental start date issue as soon as you can. Thank you.

Jim

From: Zach Latham <zach.latham@brockwayeng.com>
Sent: Thursday, April 08, 2021 10:15 AM

To: James Speck <jim@speckandaanestad.com>
Cc: tdrougas@gmail.com; 'Devin Mackey' <devinmackey@gmail.com>; charles.g.brockway@brockwayeng.com
Subject: RE: Incomplete application to rent 1776 - Wellsprings Group LLC

Jim-
Here is the map with the proposed rental POD for submission to IDWR. Devin and I discussed the POD location and he has approved it.
Can you please forward the map to David Betts?
Thanks-

Zach Latham

Hydrologist
Brockway Engineering, P.L.L.C.
2016 Washington Street North, Suite 4
Twin Falls, ID 83301
t. 208-736-8543
c.208-721-2114
f. 208-736-8506

zach.latham@brockwayeng.com

All information, calculations, maps, drawings, or other documents transmitted via e-mail are preliminary unless explicitly stated in the e-mail text or in the documents themselves.

From: James Speck [<mailto:jim@speckandaanestad.com>]
Sent: Wednesday, April 07, 2021 5:22 PM
To: Betts, David
Cc: Zach Latham; tdrougas@gmail.com; Devin Mackey
Subject: RE: Incomplete application to rent 1776 - Wellsprings Group LLC

Dave,

We would like to amend the application to rent to commence with the 2022 irrigation season. What is your preferred way to accomplish this? It will include a map identifying the POD location! Thanks.

Jim

James P. Speck
SPECK & AANESTAD
A Professional Corporation
120 East Avenue North
P.O. Box 987
Ketchum, ID 83340
208.726.4421
208.726.0752 (fax)
jim@speckandaanestad.com

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From: Betts, David <David.Betts@idwr.idaho.gov>
Sent: Monday, March 29, 2021 4:20 PM
To: tdrougas@gmail.com
Cc: James Speck <jim@speckandaanestad.com>; Zach Latham <zach.latham@brockwayeng.com>
Subject: Incomplete application to rent 1776 - Wellsprings Group LLC

Dear applicants,

The attached letter is going out in tomorrow's mail regarding an incomplete application to rent from the Water Supply Bank. I have attached a copy of your application for your reference.

--

Dave Betts - *Water Resource Agent*

Water Rights Section | Idaho Department of Water Resources

322 East Front St | P.O. Box 83720 | Boise, ID 83720

Phone: (208) 287-4826 | email: david.betts@idwr.idaho.gov



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 E Front Street, Suite 648 • PO Box 83720 • Boise ID 83720-0098

Phone: (208) 287-4800 • Fax: (208) 287-6700

Website: idwr.idaho.gov • Email: idwrinfo@idwr.idaho.gov

BRAD LITTLE
Governor

GARY SPACKMAN
Director

March 30, 2021

SPECK & AANESTAD
C/O JAMES P SPECK
PO BOX 987
KETCHUM, ID 83340

RESPONSE DEADLINE:
April 13, 2021

RE: Action Required on WSB Rental Application 1776

Dear Applicant,

The Department of Water Resources (Department) has conducted an initial review of your application to rent water right from the Water Supply Bank and has determined that additional information is required to make a determination on your rental proposal. Specifically, the following item is requested to finalize processing of your application:

- A map identifying the proposed point of diversion for this rental application

To be considered complete, a map identifying the proposed point of diversion must be provided with the rental application. The map that was submitted with the application only included the outline of your proposed place of use.

To continue processing of your application, our office requires a map identifying the proposed point of diversion under the rental proposal. Please provide the requested information within 14 days (deadline of April 13, 2021), so that we can continue processing of your application. If we do not hear from you prior to the established deadline, your application will be returned to you.

If you have any questions, please contact me at (208) 287-4826.

Thank you,

A handwritten signature in cursive script that reads "Dave Betts".

Dave Betts
Water Resource Agent

Betts, David

From: Betts, David
Sent: Friday, February 19, 2021 2:04 PM
To: tdrougas@gmail.com
Cc: jim@speckandaanestad.com
Subject: Wellsprings Group LLC's Application to Rent - Place of Use and Point of Diversion
Attachments: Rental Application 1776 - Wellsprings Group LLC.pdf

Dear applicants

I am reviewing Wellsprings Group LLC's application to rent water from the Water Supply Bank. The application states that the intent is to divert from Deer Creek, but the map that was submitted with the application (attached) did not identify the location of the proposed point of diversion for the rental.

Would please provide an updated map with the point of diversion or a copy of a GIS shapefile for the proposed point of diversion? Identifying the proposed point of diversion will help me with the assessment of your proposed use.

A copy of the GIS shapefile of the proposed rental place of use would also help, but the paper copy of the map is sufficient for now.

Thank you for your help,

--

Dave Betts - *Water Resource Agent*

Water Rights Section | Idaho Department of Water Resources

322 East Front St | P.O. Box 83720 | Boise, ID 83720

Phone: (208) 287-4826 | email: david.betts@idwr.idaho.gov

From: Buyer, Remington
Sent: Thursday, December 3, 2020 4:05 PM
To: 'James Speck' <jim@speckandaanestad.com>
Subject: RE: Wellsprings Group, LLC - Application to Rent portion of 37-466

Hi Jim,

Digital submission of rental applications is not a problem. I have uploaded this application into our system and it has been assigned rental application #1776. We'll follow up if we need any further information, or once processing is completed.

Regards,

Remington

From: James Speck [<mailto:jim@speckandaanestad.com>]
Sent: Thursday, December 3, 2020 2:02 PM
To: Buyer, Remington <Remington.Buyer@idwr.idaho.gov>
Subject: Wellsprings Group, LLC - Application to Rent portion of 37-466

Remington,

Attached is a docusigned Application to Rent – is this sufficient for filing or do you require the signed original? Your Southern Region office recently accepted a docusigned Notice of Change in Water Right Ownership so I'm hoping that policy extends to the Water Supply Bank during these times when I'm working from home!

Jim

James P. Speck
SPECK & AANESTAD
A Professional Corporation
120 East Avenue North
P.O. Box 987
Ketchum, ID 83340
208.726.4421
208.726.0752 (fax)
jim@speckandaanestad.com

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