

RECEIVED

DEC 06 2021

DEPARTMENT OF
WATER RESOURCESSTATE OF IDAHO
DEPARTMENT OF WATER RESOURCES**WATER SUPPLY BANK LEASE CONTRACT No. 1414**

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

LESSOR: GRINDSTONE BUTTE MUTUAL CANAL CO
PO BOX 2673
BOISE, ID 83701

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 March 08, 2021.
3. The Director of the Idaho Department of Water Resources has reviewed the application for compliance with the Water Supply Bank rules and has approved the Lease subject to conditions listed below.

NOW, THEREFORE, in consideration of the mutual covenants and contracts herein contained, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. **WATER RIGHTS:** The Lessor shall lease and the Board shall accept into the Bank the Applicant's water rights described as follows:

Summary of Water Rights or Portions Leased to the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)
2-2262	12/6/1963	SNAKE RIVER, tributary to COLUMBIA RIVER	16.7	4968.0	1,242.0
Combined Lease Totals			16.7	4,968.0	1,242.0

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, 2021. 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. 1414

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. 1414

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

LESSOR: GRINDSTONE BUTTE MUTUAL CANAL CO
PO BOX 2673
BOISE, ID 83701

By Phil Neri
Title Vice President
Date 10-5-21

IDAHO WATER RESOURCE BOARD
322 East Front Street
P.O. Box 83720
Boise, ID 83720-0098

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

Date 12/7/21

Lease approved by IDWR Phumman

Date 12/7/21

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1414

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): 2-2262

SNAKE RIVER L 4NWSW Sec. 34 Twp 05S Rge 09E ELMORE County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From	to	To		
2-2262	IRRIGATION	03/15	to	11/15	16.7 cfs	4,968.0 AF
Totals:					16.7 cfs	4,968.0 AF

PLACES OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
06S	09E	28											22.0				7.0	7.0	36.0
06S	09E	33		8.0															8.0
06S	09E	34							12.0	11.0					13.0				36.0
06S	09E	35															26.0		26.0
07S	09E	1							1.0	20.0				5.0	14.0	3.0	18.0		61.0
									L4	L3									
07S	10E	14											36.0						36.0
07S	10E	15						8.0	9.0			8.0	8.0	8.0	8.0		8.0	8.0	65.0
07S	10E	16	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	6.0	15.0	6.0	12.0	8.0	8.0	8.0	8.0	135.0
07S	10E	17	8.0	7.0	7.0	8.0													30.0
07S	10E	20			40.0		8.0	8.0	8.0	8.0						8.0	8.0	8.0	96.0
07S	10E	21	9.0	9.0		8.0	6.0			31.0					38.0	17.0			118.0
07S	10E	22	8.0	8.0	8.0	8.0					8.0	7.0	8.0	8.0	7.0	7.0		6.0	83.0
07S	10E	23			9.0		8.0	8.0	8.0	8.0	8.0	7.0	7.0	8.0		8.0	8.0	8.0	95.0
07S	10E	26	8.0	8.0	7.0	8.0	8.0	8.0											47.0
07S	10E	27	28.0			28.0	28.0			28.0	17.0			18.0	27.0	8.0		10.0	192.0
07S	10E	28			8.0	8.0		40.0	9.0		8.0	8.0			8.0	8.0			97.0
07S	10E	29	8.0	8.0	8.0	8.0									7.0	9.0	8.0	9.0	65.0
07S	10E	34	8.0	8.0															16.0

Total Acres: 1,242.0

WATER SUPPLY BANK LEASE CONTRACT No. 1414

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.
9. In accordance with Idaho Code § 42-248 and § 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season, even if the Department processes a Notice of Change in Water Right Ownership during the rental season.
 - b. New lessor(s) of record will receive payment for any subsequent rental seasons.
11. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.
12. The unleased portion of this right is limited to the irrigation of 10,758 acres within the place of use described above in a single irrigation season.
13. Place of use is within the service area of Grindstone Butte Mutual Canal Company as provided for under Idaho law. The place of use is generally located within T6S, R9E; T6S, R10E; T7S, R9E; and T7S, R10E, B.M.
14. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the lands above.
15. 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. 02.

Idaho Water Resource Board

Water Supply Bank Lease Contract No. 1414

2-2262

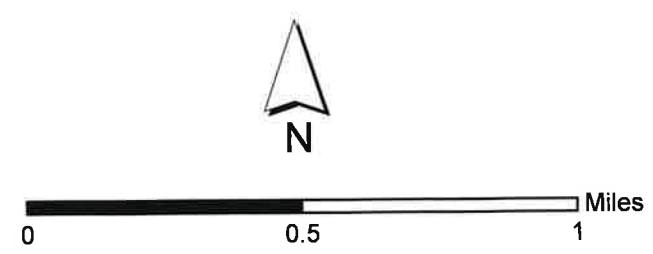
Effective until December 31, 2021

Map 1

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



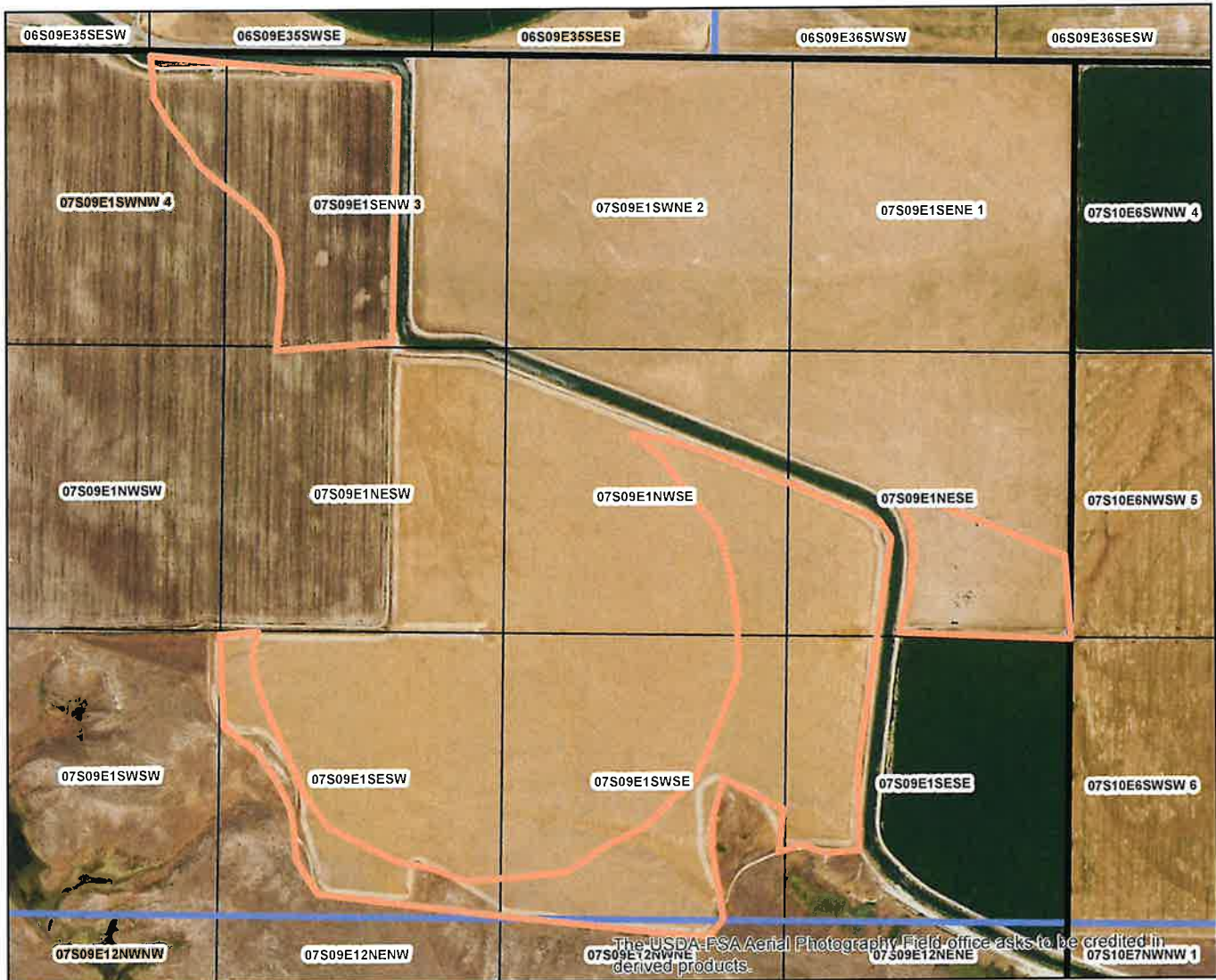
Idaho Water Resource Board
Water Supply Bank Lease Contract No. 1414

2-2262

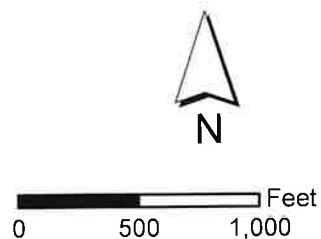
Effective until December 31, 2021

Map 2

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



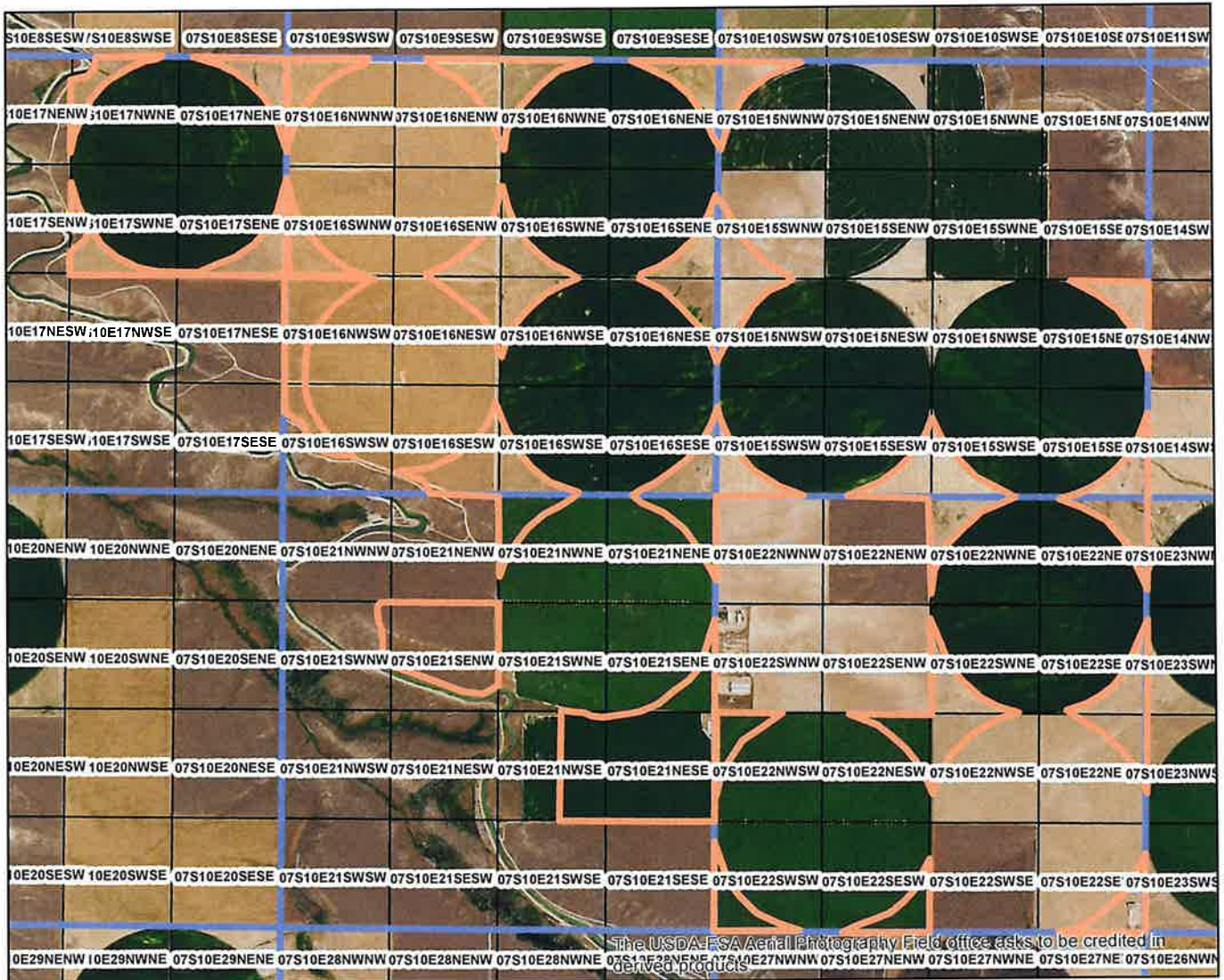
Idaho Water Resource Board
Water Supply Bank Lease Contract No. 1414

2-2262

Effective until December 31, 2021

Map 3

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 0.5 1 Miles

Idaho Water Resource Board

Water Supply Bank Lease Contract No. 1414

2-2262

Effective until December 31, 2021

Map 4

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 0.5 1 Miles

Idaho Water Resource Board
Water Supply Bank Lease Contract No. 1414

2-2262

Effective until December 31, 2021

Map 5

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 0.5 1 Miles

Idaho Water Resource Board

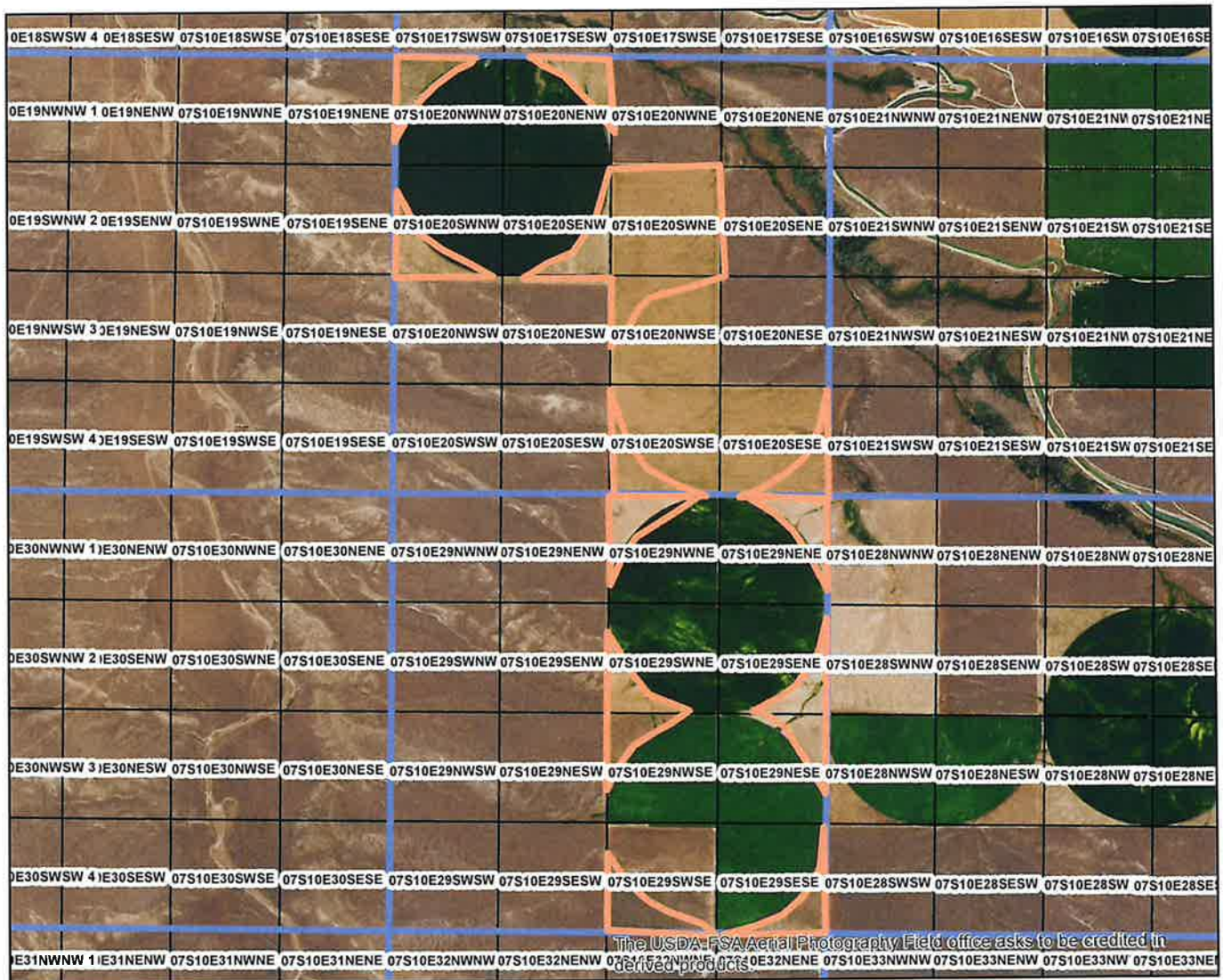
Water Supply Bank Lease Contract No. 1414

2-2262

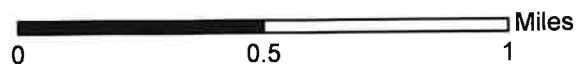
Effective until December 31, 2021

Map 6

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



-  Approved Lease Point of Diversion
-  Approved Lease Place of Use
-  Township/Range
-  Sections
-  QQ



STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

MAR 08 2021

APPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANKDEPARTMENT OF
WATER RESOURCESDesignated Applicant Global Ag Properties II USA LLC

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

Water Right No. 2-2262

(One water right per application)

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

Yes ☐ No ☒

This application must be prepared in accordance with the minimum requirement checklist below. Use this checklist to ensure all necessary documentation has been provided. This checklist is part of the lease application and must be included with the lease application. Applications that do not meet the minimum requirements will not be processed and may be returned or denied.

MINIMUM REQUIREMENT CHECKLIST

All items must be checked as either *Attached (Yes)* or *Not Applicable (N/A)*

Yes

- ☒ Completed *Application to Sell or Lease a Water Right to the Water Supply Bank*.
- ☒ Application filing fee of \$250.00 per water right. If you are submitting more than one lease application and the water rights have an overlapping, common place of use, or a common diversion rate or volume, the total fee for all water rights is \$500.00. For places of use, multiple water rights must be used to irrigate the same lands in order to qualify for the joint filing fee. Individual filing fees are required for water rights that share a common permissible place of use but which cover separate acres within the permissible place of use.
- ☒ Confirmation this form has been printed **single sided**, per requirement of the Water Supply Bank.

Attachment N/A Yes

- 1A ☒ ☐ Signatures and contact information for *all owners* of the water right to be leased or sold on this application.
- 1B ☐ ☒ An Internal Revenue Service (IRS) Form W-9 for the Designated Applicant.
- 1C ☒ ☐ *Notice of Change in Water Right Ownership* form (accessible from www.idwr.idaho.gov).
- 1D ☐ ☒ Contact information for an authorized representative and documentary proof they are authorized to represent the Designated Applicant on this application. If the Designated Applicant is a business, partnership, municipality, organization or association, include documents identifying officers authorized to sign or act on behalf of the entity.
- 2 ☐ ☒ Description of a water right portion offered to the Water Supply Bank.
- 3 ☐ ☒ A map that clearly outlines the specific location where irrigated acres will be dried up, or where a beneficial use of water will be suspended. You have the option of printing a map using the map tool on IDWR's website at: www.idwr.idaho.gov.
- 4A ☒ ☐ Written consent from irrigation district or water delivery company.
- 4G ☐ ☒ Evidence demonstrating the water right has not been forfeited pursuant to Section 42-222(2), Idaho Code.

Department Use Only

Fee Amount \$ 250Received By: gphDate Received: 3-8-21Receipt # C110012W-9 received? Yes ☒ No ☒ (Route W-9 to Fiscal)Name on W-9: Global Ag Properties II USA LLC

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 Grindstone Butte Mutual Canal Co.

Mailing Address <u>204 Fox Drive, Ste L</u>	<u>Champaign</u>	<u>IL</u>	<u>61820</u>
Street	City	State	Zip Code
Email Address <u>pneri@wgimglobal.com</u>	Phone Number <u>(901) 512-2936</u>		

☒ 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 <u>Phil Neri</u>	Organization <u>Westchester Group Investment Management</u>
Professional Title <u>Vice President</u>	Email Address <u>pneri@wgimglobal.com</u>
Mailing Address <u>204 Fox Drive Ste L, Champaign, IL 61820</u>	Phone Number <u>(901) 512-2936</u>

☐ 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.
Pumps at river, penstocks and an open canal that feeds mainlines.

- C. Describe any other water rights used for the same purpose at the same place of use as the water right being offered to the Bank. None

- D. Are any of the water rights identified in Section 4C stacked with the water right proposed for lease? Yes ☐ No ☒
Stacked water rights are used together to achieve a common beneficial use, such as irrigation of the same lands. Stacked water rights cannot be separated and must be jointly leased to the Water Supply Bank. Stacked water rights qualify for the multiple fee payment of \$500.

- E. Will the present place of use continue to receive water from any other source? Yes ☐ No ☒
If yes, explain the relationship between the different water sources and how enlargement of the authorized use will not occur if this water right is leased.

- F. Identify annual volumes and/or rates of water diverted in the last 5 years to accomplish the beneficial use authorized by this water right. This right was decreed in the SRBA in 2008. Since that time, the 13,432 acres authorized by the right have been irrigated or placed in the water bank. The acres identified in this application receive the proportional share of the water diverted under right 2-2262.

- G. Has any portion of this water right undergone a period of five or more consecutive years of non-use? Yes ☐ No ☒
If yes, describe the circumstances and attach evidence to demonstrate how the water right has not been lost through forfeiture (Attachment 4G). See Section 42-223, Idaho Code for exceptions to forfeiture. Your application may be denied if forfeiture concerns are not addressed.

- H. Is this water right involved in any other IDWR process, such as an application for transfer or a mitigation plan?
If yes, describe.

Yes ☐ No ☒

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

5. SALE/LEASE AGREEMENT

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

If lease, specify the years when the use of water will be suspended: 2021 to 2021 (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.



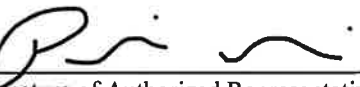
Signature of Designated Applicant

Phil Neri

Printed Name

1/26/2021

Date



Signature of Authorized Representative

Phil Neri

Printed Name

1/26/2021

Date

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

**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)
<u>2-2262</u>	<u>Irrigation</u>	<u>64.58</u>	<u>4,968</u>	<u>1,242</u>
	Total Amounts:			

2. Source of water Snake River tributary to Columbia River

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
5S	9E	34	4		NW	SW	Elmore

Water Bank Application 2-2262

Twp	Rng	Sec	NE				NW				SW				SE				Totals	Map No.
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE		
06S	09E	28											22				7	7	36	1
06S	09E	33		8															8	
06S	09E	34							12	11					13				36	
06S	09E	35															26		26	
07S	09E	1					21		1	20				5	14	3	18		61	2
07S	10E	14											36						36	4
07S	10E	15						8	9			8	8	8	8		8	8	65	3
07S	10E	16	8	8	8	8	8	8	8	8	6	15	6	12	8	8	8	8	135	
07S	10E	17	8	7	7	8													30	6
07S	10E	20			40		8	8	8	8						8	8	8	96	
07S	10E	21	9	9		8	6			31					38	17			118	3
07S	10E	22	8	8	8	8					8	7	8	8	7	7		6	83	
07S	10E	23			9		8	8	8	8	8	7	7	8		8	8	8	95	4
07S	10E	26	8	8	7	8	8	8											47	
07S	10E	27	28			28	28			28	17			18	27	8		10	192	5
07S	10E	28			8	8		41	8		8	8			8	8			97	
07S	10E	29	8	8	8	8									7	9	8	9	65	6
07S	10E	34	8	8															16	5

Total: 1,242

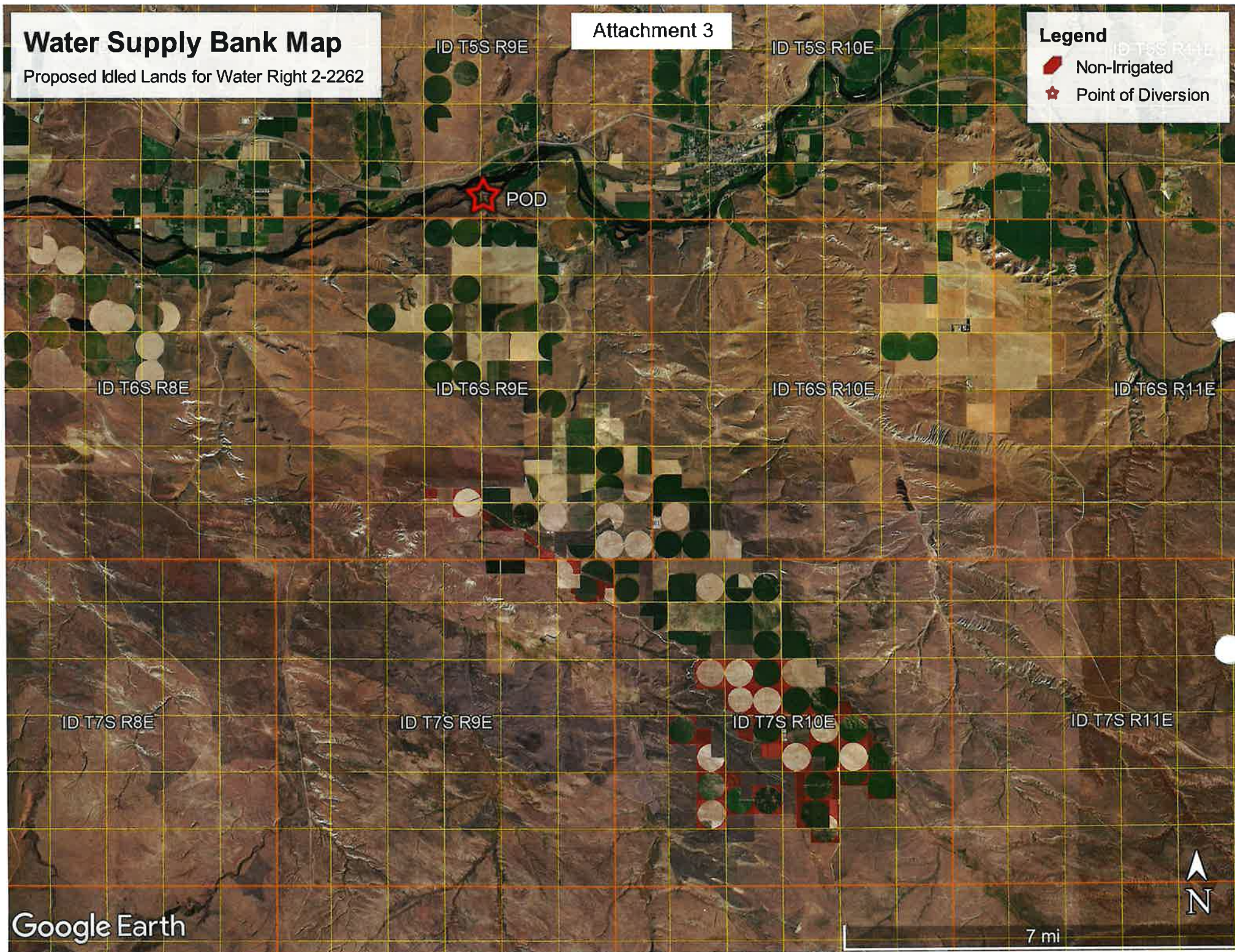
Water Supply Bank Map

Proposed Idled Lands for Water Right 2-2262

Attachment 3

Legend

-  Non-Irrigated
-  Point of Diversion



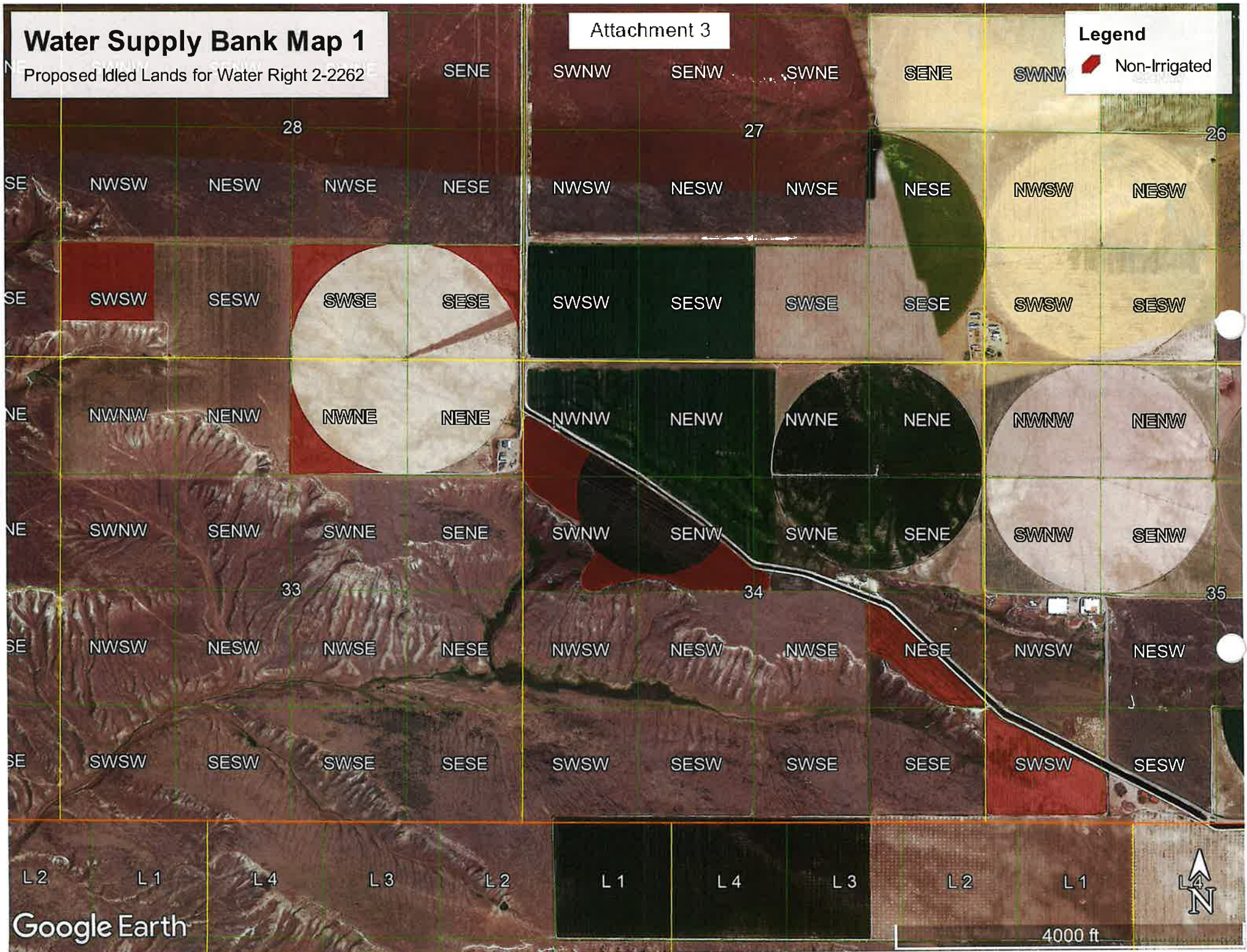
Water Supply Bank Map 1

Proposed Idled Lands for Water Right 2-2262

Attachment 3

Legend

 Non-Irrigated



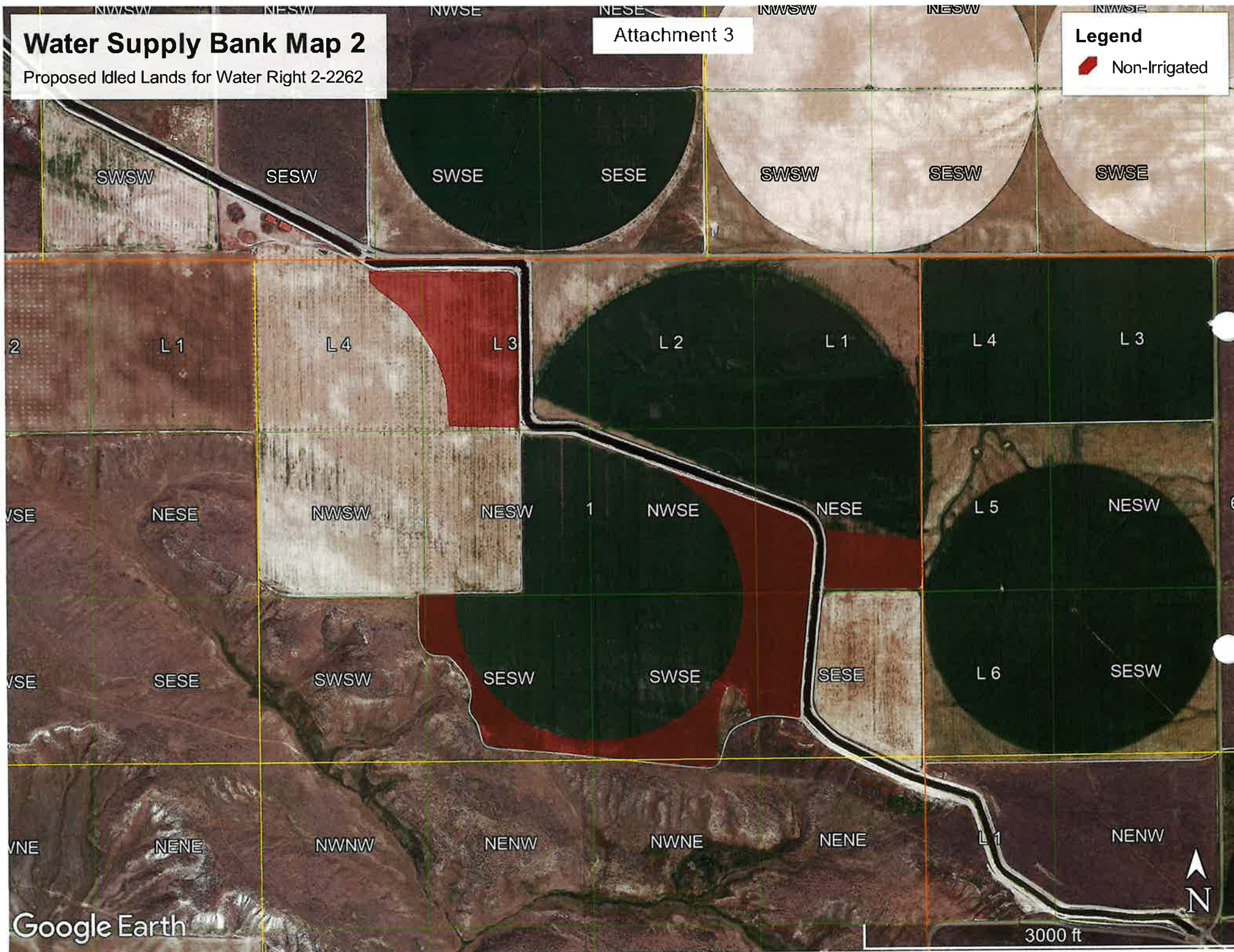
Water Supply Bank Map 2

Proposed Idled Lands for Water Right 2-2262

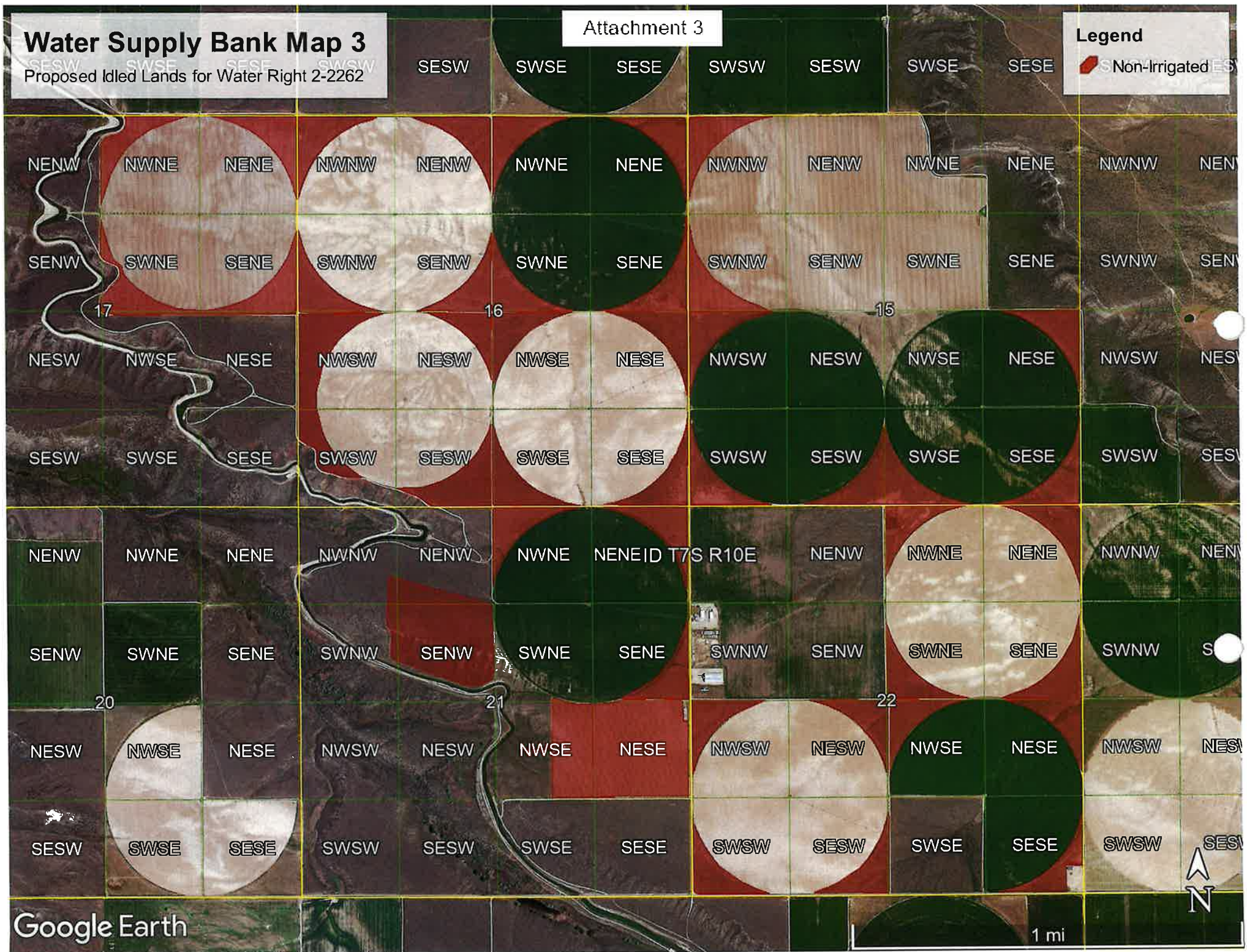
Attachment 3

Legend

 Non-Irrigated



Proposed Idled Lands for Water Right 2-2262

 Non-Irrigated ES

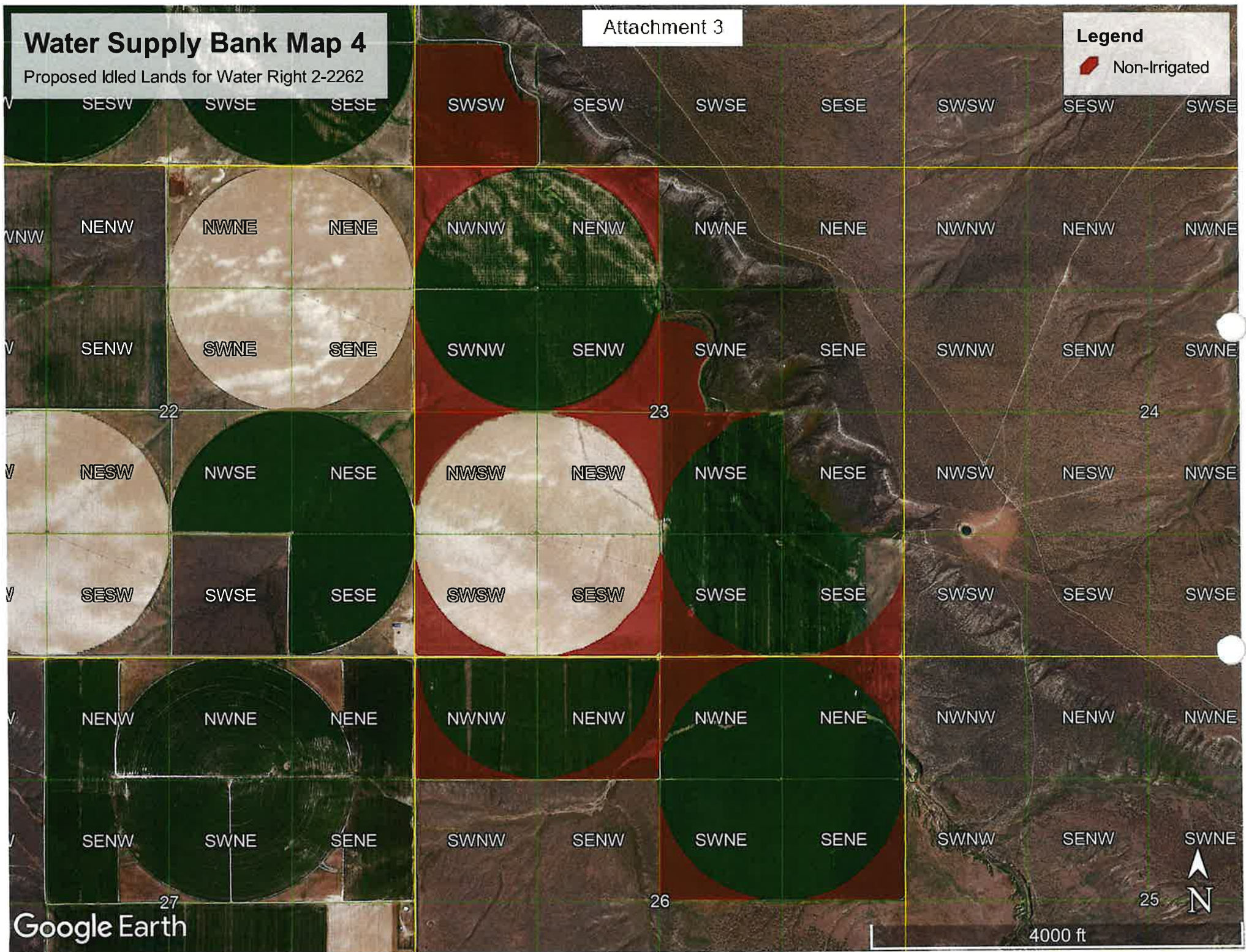
Water Supply Bank Map 4

Proposed Idled Lands for Water Right 2-2262

Attachment 3

Legend

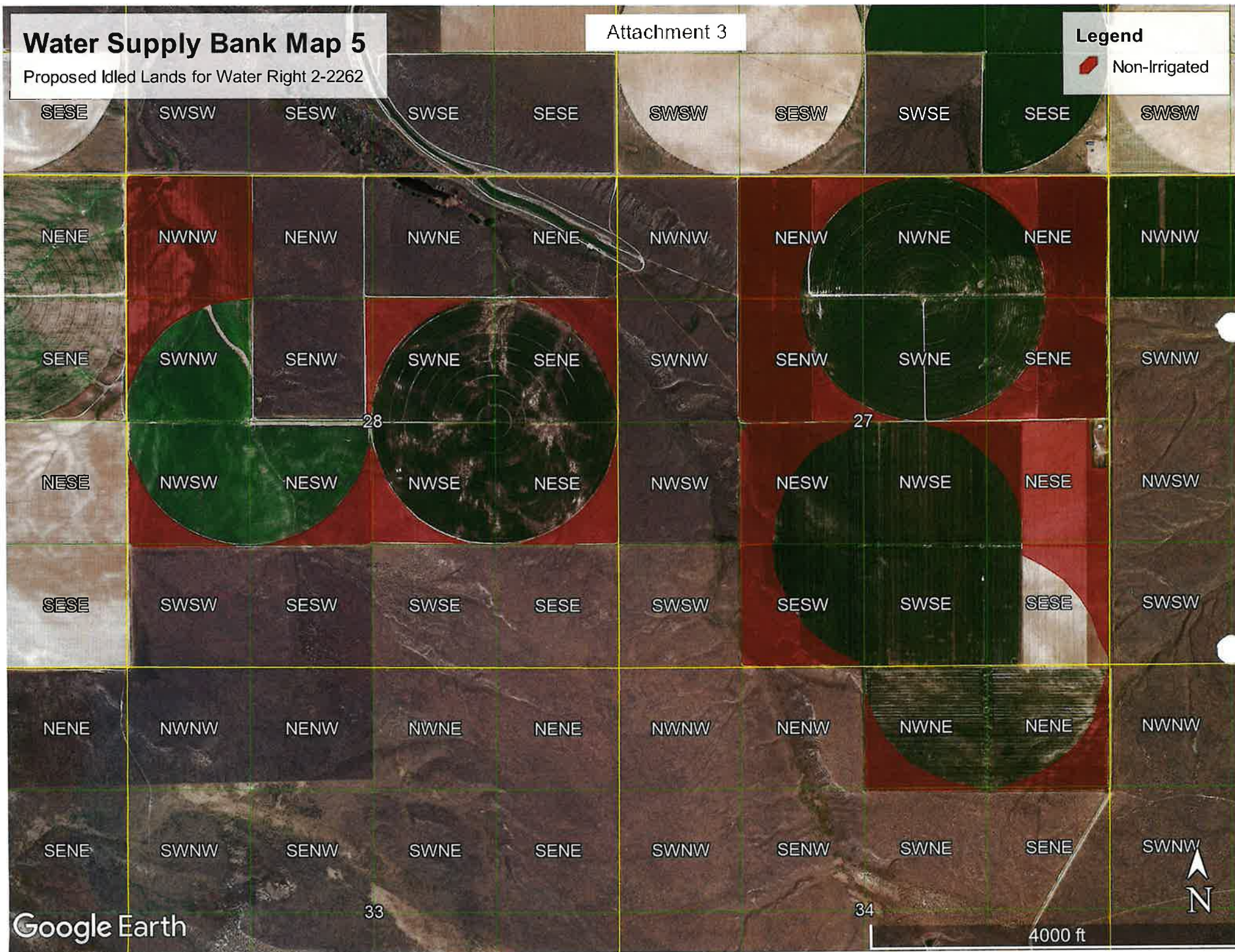
 Non-Irrigated



Proposed Idled Lands for Water Right 2-2262

Legend

 Non-Irrigated



Water Supply Bank Map 6

Proposed Idled Lands for Water Right 2-2262

Attachment 3

Legend

- Non-Irrigated

NENE L 1 NENW NWNE SENE NWNW NENW NWNE NENE NWNW NENW NWNE NENE
SENE L 2 SENW SWNE SENE SWNW SENW SWNE SENE SWNW SENW SWNE SENE
NESE L 3 NESW NWSE NESE NWSW NESW NWSE NESE NWSW NESW NWSE NESE
SESE L 4 SESW SWSE SESE SWSW SESW SWSE SESE SWSW SESW SWSE SESE
NENE L 1 NENW NWNE SENE NWNW NENW NWNE NENE NWNW NENW NWNE NENE
SENE L 2 SENW SWNE SENE SWNW SENW SWNE SENE SWNW SENW SWNE SENE
NESE L 3 NESW NWSE NESE NWSW NESW NWSE NESE NWSW NESW NWSE NESE
SESE L 4 SESW SWSE SESE SWSW SESW SWSE SESE SWSW SESW SWSE SESE
NENE L 1 NENW NWNE SENE NWNW NENW NWNE NENE NWNW NENW NWNE NENE
SENE L 2 SENW SWNE SENE SWNW SENW SWNE SENE SWNW SENW SWNE SENE
NESE L 3 NESW NWSE NESE NWSW NESW NWSE NESE NWSW NESW NWSE NESE
SESE L 4 SESW SWSE SESE SWSW SESW SWSE SESE SWSW SESW SWSE SESE

19 20 21 28 29 30

Google Earth

1 mi

Proposed Idled Lands for Water Right 2-2262

Attachment 3

Legend

 Non-Irrigated

Google Earth

1 mi



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

December 8, 2021

GRINDSTONE BUTTE MUTUAL CANAL CO
PO BOX 2673
BOISE ID 83701

**RE: WATER SUPPLY BANK LEASE CONTRACT 1414
FOR WATER RIGHTS 2-2262**

Dear Lessor:

Water right **2-2262** was leased into the Water Supply Bank (Bank) as of January 1, 2021, in accordance with the enclosed executed lease contract. **Your water rights, as described on the lease contract, are considered leased into the Bank and should remain unused until they are formally released from the Bank.** More information and further restrictions placed on your water rights while leased can be found in conditions of acceptance of the lease contract. Read the conditions of acceptance carefully.

The rights will automatically be released from the Bank on **December 31, 2021**, 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- Western Region
Water District No. 02



IDAHO DEPARTMENT OF
WATER RESOURCES

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

Governor Brad Little

Director Gary Spackman

September 21, 2021

GRINDSTONE BUTTE MUTUAL CANAL CO
PO BOX 2673
BOISE ID 83701

**RE: APPLICATION TO LEASE WATER RIGHTS 2-2262 TO THE WATER SUPPLY BANK
CONTRACT 1414**

******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, 2021**, 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,

Jean Hershey

for
Water Supply Bank

Enclosures: Proposed Lease Contracts

WATER SUPPLY BANK

Lease Review Checklist

Applicant(s) Name: Grindstone Butte Mutual Canal Co

Memo Date: 9/21/21

Water Right Number(s): 2-2262

Reviewers Name: Jean

Quick Tools

Decreed 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)			
2			
Reason for lease of water rights (Brief description of lease proposal in narrative)			
	x		
Portion of right			
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			
	x		
Current owner or designated applicant			
	x		
SOS Web site checked for business entity			
Other (explain in comments)			
6			
Water Right validity			
			2008
Decreed/Licensed/Statutory claim date (write in comments section)			
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.)			
	x		
Has this right previously been leased to the bank or in CREP?			
7			
Injury to other water rights			
		na	
If the POD is through a delivery entity, was consent provided?			
			%
If the POD is through a delivery entity, was holdback required? (percentage in comments)			
Any other concerns			
8			
Enlargement concerns			
	x		
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)			
	Yes	No	
	x		2-10579
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)			
9			
Local Public Interest			
		x	
Does the processor know of any problems this action will cause for the local public?			
10			
Have you contacted regional office and watermaster for comment/concerns?			
	x		
Send the watermaster comment request form or e-mail request			
11			4
Area Headgate requirement (write in Comments)			
12			
Is water right involved in any other department action? Pull file and check database			
		x	
() Ownership Change () Transfer () Mitigation () Other - Explain in comments			
13			
Narrative: The Department received this application on March 8, 2021. The applicant wishes to place 1242.0 acres in the Bank for the 2021 season. This water right was decreed in 2008 and the acres that are being offered to the Bank have either been irrigated or in the Bank since 2008. There are no issues with forfeiture. John Marshall, attorney for Grindstone Butte, is aware that Global Ag filed this application on behalf of Grindstone Butte. Global Ag has submitted the WSB Lease application in the past. This right completely overlaps with 2-10579 which is also being offered to the Bank. This right is currently within WD 2.			

From: [John Marshall](#)
To: [Hersley, Jean](#)
Subject: Re: WSB Lease application for Grindstone Butte Mutual Canal Co
Date: Tuesday, April 27, 2021 1:22:42 PM

Jean, the trick here is that rights 2-2262 and 2-10579, which was split off of 2-2262, share the same place of use. Accordingly, the two owners need to coordinate on the allocation of non-irrigated acres across the place of use, which has not happened this year. We are working on that, but it may take another week or two. That being the case, can you please hold the processing of the application for 2-2262 until I file the application for 2-10579, which I anticipate doing by mid May? Thank you,

John

On Apr 26, 2021, at 10:40 AM, JM Work <johnmarshall@jmarshalllaw.com> wrote:

Thank you. I'll take a look and get back with you ASAP.

Sent from my iPhone

On Apr 26, 2021, at 10:24 AM, Hersley, Jean <Jean.Hersley@idwr.idaho.gov> wrote:

FYI- The filing fee was paid by Global Ag Properties II USA LLC.

From: JM Work [<mailto:johnmarshall@jmarshalllaw.com>]
Sent: Monday, April 26, 2021 10:19 AM
To: Hersley, Jean <Jean.Hersley@idwr.idaho.gov>
Subject: Re: WSB Lease application for Grindstone Butte Mutual Canal Co

Can you please send me a copy of the application?

Sent from my iPhone

On Apr 26, 2021, at 10:05 AM, Hersley, Jean
<Jean.Hersley@idwr.idaho.gov> wrote:

The Department received an application to lease portions of water right 2-2262, current owner Grindstone Butte Mutual Canal Co. The application was submitted on behalf of Global Ag Properties II USA by Westchester Group Farm Management Inc., an Illinois Corp.

This right has been leased to the Bank in the past but I wanted to make sure that you and Mr. Noble were aware of what is going on. Please let me know if you or Mr. Noble have any objections to this lease. If you have any questions, please call me. Thank you.

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

RECEIVED
APR 22 2021
DEPARTMENT OF
WATER RESOURCES

WESTCHESTER GROUP FARM MANAGEMENT, INC.
An Illinois Corporation

**ACTION OF ALL DIRECTORS AND SOLE SHAREHOLDER
BY UNANIMOUS WRITTEN CONSENT**

The undersigned, being all of the directors and all of the sole shareholder of WESTCHESTER GROUP FARM MANAGEMENT, INC., an Illinois corporation, do hereby consent pursuant to Section 7.10 and Section 8.45 of the Business Corporation Act of 1983 to the taking of the following action in lieu of a meeting and do hereby waive pursuant to Section 7.20 and Section 8.25 of said Business Corporation Act of 1983, any notice whatever required to be given in connection therewith:

1. RESOLVED, that the following persons be and are hereby elected as directors of the corporation, to serve until his successor is duly elected or until he sooner dies or resigns:

Davies, R. Martin
Ourso, A. Justin (Biff)
Nelson, Duane R.

2. RESOLVED, that the following persons be and they are hereby elected to the corporate offices set before their respective names, each to serve until his/her successor is duly elected or until he/she sooner dies or resigns:

Davies, R. Martin	President & CEO
Ourso, A. Justin (Biff)	Vice President
Nelson, Duane R.	Vice President
Baraks, Christopher	Vice President
Decker, Eric W.	Vice President
Fornoff, Carole A.	Vice President
Harrison, Wade R.	Vice President
Hauss, Brian	Vice President
Hewes, J. Collins	Vice President
Lakamp, Douglas J.	Vice President
Mitchell, Scott	Vice President
Norman, Drake	Vice President
Coelho, Mark	Vice President
Stockburger, Michael	Vice President
Traynom, Kenny	Vice President

Duane Nelson, Director

Hersley, Jean

From: Phil Neri <pneri@wgimglobal.com>
Sent: Thursday, April 22, 2021 11:18 AM
To: Hersley, Jean
Subject: RE: WSB Lease application
Attachments: WGFM_UWC_Officers Signed.pdf; Attachments.html

Jean

I apologize. The most recent email that was sent containing the color maps was held in my outbox due to size limitations.

There is a secure Citrix link in this email that hosts the color maps as a single file. This method should allow you to download the entirety of the map file without multiple emails of single maps. Also attached is proof of signing authority for Westchester Group Farm Management.

Citrix Attachments

Expires October 19, 2021

Water Bank App_Grindstone_JK_2021_CO...APS.pdf79.6 MB

Download Attachments

Phil Neri uses Citrix Files to share documents securely.

Please let me know if you have issues with either of these documents.

Thanks

Phil Neri
Vice President
U.S. Row Crop – West
pneri@WGIMglobal.com
m +1 901 512 2936

WESTCHESTER
from nuveen

Westchester Group Investment Management, Inc.
1670 Broadway, Suite 1500
Denver, CO 80202

From: Hersley, Jean [mailto:Jean.Hersley@idwr.idaho.gov]
Sent: Monday, April 12, 2021 9:13 AM

To: Phil Neri <pneri@wgimglobal.com>
Subject: FW: WSB Lease application

Phil,

I am still waiting on a color copy of the acres being idled and the documentation that grants you the authority to sign on behalf of the canal company.

From: Hersley, Jean
Sent: Wednesday, March 10, 2021 12:48 PM
To: Phil Neri <pneri@wgimglobal.com>
Subject: RE: WSB Lease application

There were no attachments. And the end of the week is fine.

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

From: Phil Neri [<mailto:pneri@wgimglobal.com>]
Sent: Wednesday, March 10, 2021 10:56 AM
To: Hersley, Jean <Jean.Hersley@idwr.idaho.gov>
Subject: RE: WSB Lease application

Jean

Attached is a color copy of the acres being idled. I will have to dig for documentation that grants authority to sign on behalf of the Canal Co, but will try my best to have this to you by the end of the week.

Thanks

Phil Neri
Vice President
U.S. Row Crop – West
pneri@WGIMglobal.com
m +1 901 512 2936

WESTCHESTER
from nuveen

Westchester Group Investment Management, Inc.
1670 Broadway, Suite 1500
Denver, CO 80202

From: Hersley, Jean [<mailto:Jean.Hersley@idwr.idaho.gov>]
Sent: Tuesday, March 9, 2021 2:43 PM
To: Phil Neri <pneri@wgimglobal.com>
Subject: WSB Lease application

The Idaho Department of Water Resources (Department) is in the process of reviewing your application to place a portion of water right 2-2262 in the Water Supply Bank (Bank).

The Department will need to have documentation that Phil Neri is authorized to sign on behalf of Grindstone Butte Mutual Canal Co, the current owner of the water right.

Also, do you have colored pictures of the acres to be idled? It is difficult to determine which acres are to be idled in the black and white pictures you sent with the application.

You can provide the requested information by responding to this email or mailing the documentation to: IDWR, PO Box 83720, Boise, ID, 83720-0098. Please let me know if you have any questions. Thank you.

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

This email (Including any attachments) is confidential and may be privileged. If you are not the intended recipient please do not disclose, copy, or distribute information in this email (or any attachments) nor take any action in reliance on its contents: to do so is strictly prohibited and may be unlawful. If you have received this message in error please notify Westchester by return email and then delete this message and any copies of it.

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Phil Neri
Vice President
U.S. Row Crop – West
pneri@WGIMglobal.com
m +1 901 512 2936

WESTCHESTER
from nuveen

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Denver, CO 80202

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

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Subject: WSB Lease application

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



0003795719



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 #: 0003795719

Date Filed: 3/3/2020 1:49:28 PM

Entity Name and Mailing Address:

GRINDSTONE BUTTE MUTUAL CANAL COMPANY

The file number of this entity on the records of the Idaho Secretary of State is: 0000127384

Address

PO BOX 2673
BOISE, ID 83701-2673

Entity Details:

Entity Status

Active-Good Standing

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: C38313

The registered agent on record is:

Registered Agent

ALLEN NOBLE
Registered Agent
Physical Address
575 W BANNOCK ST
BOISE, ID 83702
Mailing Address

Corporate Officers and Directors:

Name	Title	Business Address
Mark Noble	President	P.O. BOX 2673 BOISE, ID 83701
Damon Thompson	Secretary	P.O. BOX 1201 BOISE, ID 83701
Allen Noble	Director	P.O. BOX 1582 BOISE, ID 83701
Mark Noble	Director	P.O. BOX 1201 BOISE, ID 83701
Lynn Johnson	Director	P.O. BOX 1201 BOISE, ID 83701
Craig Castagneto	Director	P.O. BOX 2822 BOISE, ID 83701

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

Allen Noble03/03/2020

Sign Here

Date

Job Title: Director

BU430-2903 03/03/2020 1:49 PM RECEIVED BY ID SECRETARY OF STATE LAWRENCE DENNEY



0004024403

**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 #: 0004024403

Date Filed: 10/5/2020 2:48:26 PM

Entity Name and Mailing Address:

Entity Name:

GLOBAL AG PROPERTIES II USA LLC

Foreign Name (name in home jurisdiction):

GLOBAL AG PROPERTIES II USA LLC

The file number of this entity on the records of the Idaho Secretary of State is:

0000479160

Address

MS:730/12/02
730 3RD AVE
NEW YORK, NY 10017-3206

Entity Details:

Entity Status

Active-Existing

This entity is organized under the laws of:

DELAWARE

If applicable, the old file number of this entity on the records of the Idaho Secretary of State was:

W157754

The registered agent on record is:

Registered Agent

CORPORATION SERVICE COMPANY
Commercial Registered Agent

Physical Address

12550 W EXPLORER DR STE 100
BOISE, ID 83713

Mailing Address

12550 W EXPLORER DR STE 100
BOISE, ID 83713

Agent or Address Change

☐ Select if you are appointing a new agent.

Limited Liability Company Managers and Members

Name	Title	Business Address
Nuveen Alternatives Advisors LLC	Manager	MS:730/12/02 730 3RD AVE NEW YORK, NY 10017-3206

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

MARTINA DAVIS**10/05/2020**

Sign Here

Date

Job Title: SECRETARY

BU043-4201 10/05/2020 2:48 PM RECEIVED BY ID SECRETARY OF STATE LAWRENCE DENNEY