

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

RECEIVED

MAY 24 2021

DEPARTMENT OF
WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 500

This is to certify that:

JEPPESEN BROS RANCH
1075 N 9TH E
REXBURG, ID 83440

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)
22-7680A	8/23/1990	GROUND WATER	1.18	246	83.9	0.014	2.9
Combined Rental Totals			1.18	246	83.9	0.014	2.9

Term of Rental: This rental agreement shall take effect when all parties have signed it and shall continue in effect until December 31, 2025. 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 2021, whichever occurs last.

Annual Rental Fee:

2021 - 2022: \$491.78 annually
2023 - 2025: \$565.55 annually

The full fee for the rental of the above-described right(s) is \$491.78 per year for years 2021 - 2022 and \$565.55 per year for years 2023 - 2025. The rental fee includes an administrative fee of \$491.78 per year for years 2021 - 2022 and \$565.55 per year for years 2023 - 2025. Note that the renter is obligated to pay only the administrative fees associated with the water right(s): 22-7680 A.

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

Detailed water right conditions are attached.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 500

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

Roy Jeppesen
Signature of Renter

5-19-2021
Date

Roy Jeppesen
Printed Name

Partner
Title

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

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

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

Date 5/25/21

Rental approved by IDWR FP

Date 5/25/21

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 500

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER NENE Sec. 18, Twp 05N, Rge 41E, MADISON County

BENEFICIAL USE
IRRIGATION

DIVERSION RATE
1.19 CFS

VOLUME
246 AF

SEASON OF USE

Water Right No. **From** **To**
22-7680 A 4/1 10/31 1.18 CFS

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	
05N	41E	8													26			7.9	33.9
05N	41E	9										17.9	5.0	1.0					23.9
05N	41E	16					24	1.0											25.0
05N	41E	17	2.1																2.1

Total Acres: 84.9

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. The rental does not grant any right-of-way or easement across the land of another.
10. This rental, when combined with the unleased extent of water 22-7521B, 22-7680A, 22-7680B, 22-7687 and 22-7695B, shall not exceed a total diversion rate of 8.11 cfs, a total annual maximum diversion volume of 3120 af at the field headgate, and the irrigation of 1,192 acres.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

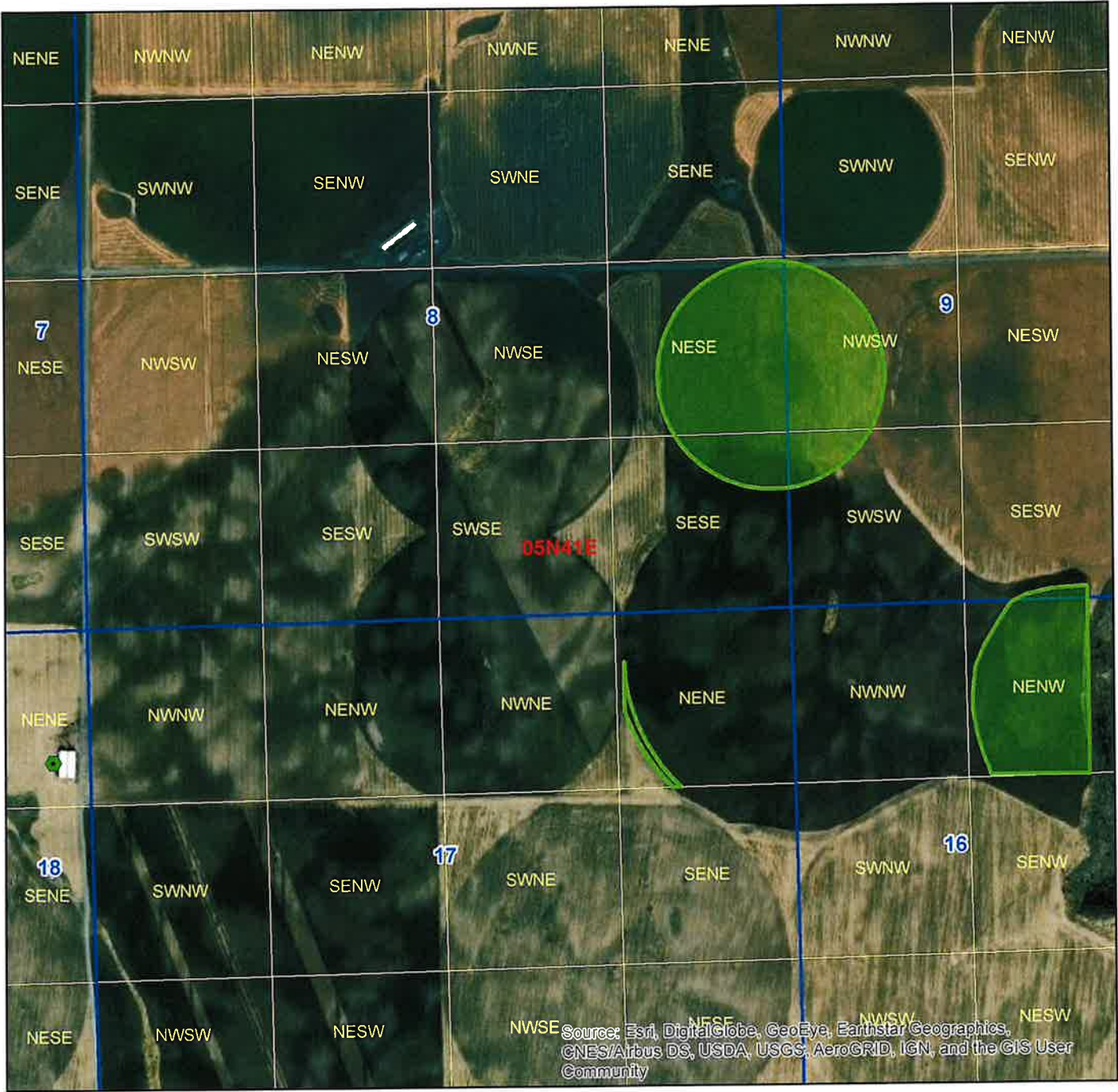
WATER SUPPLY BANK RENTAL AGREEMENT No. 500

11. The water rights rented under this agreement, 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.
12. This rental does not authorize the construction of a well.
13. Prior to December 31 of each year, the Board may review this rental agreement to determine whether it is consistent with the management plan that may be approved for the Eastern Snake Plain Aquifer Ground Water Management Area ("ESPA GWMA Plan") pursuant to Idaho Code § 42-233b. The Board may cancel this rental agreement if the Board determines it is not consistent with the ESPA GWMA plan. If this rental agreement is canceled, the cancellation shall not take effect until December 31 of the year in which the rental agreement is canceled.
14. The use of water under this rental agreement may be regulated by a watermaster, responsible for the distribution of water within a water district. At the time of this approval, this rental is within Water District 100.

Idaho Water Resource Board
Attachment to Water Supply Bank Rental Agreement No. 500

Effective until December 31, 2025

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



- Authorized Rental Point of Diversion
- Authorized Rental Place of Use
- Township/Range
- Sections
- QQ

0 1,000 2,000 Feet



STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

JAN 11 2021

DEPARTMENT OF
WATER RESOURCESAPPLICATION TO RENT WATER
FROM THE BOARD'S WATER SUPPLY BANKApplicant Name: Jeppesen Brothers Ranch

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

Yes ☒ No ☐

If yes, specify companion water rights in Section 4

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

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

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

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

MINIMUM REQUIREMENT CHECKLIST

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

Yes

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

Attachment N/A Yes

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

Department Use Only – Proposed Water Right(s)

22-7680A 22-7687

22-7680B

1946

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

1. CONTACT INFORMATION

- A. Applicant Jeppesen Brothers Ranch c/o LeRoy Jeppesen
- | | | | |
|-------------------------------------|---------|-------|----------|
| Mailing Address <u>1075 N 9th E</u> | Rexburg | ID | 83440 |
| Street | City | State | Zip Code |
- Email Address _____ Phone Number 208-351-7017
- 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 Kristin Moore Professional Title Sen. Water Rights Analyst
- Organization Rocky Mountain Environmental Assoc. Inc. Relationship to Applicant Consultant
- Mailing Address 482 Constitution Way Ste 303, Idaho Falls, ID 83402
- Email Address kristin.rmea@gmail.com Phone Number 208-524-2353

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**:
- Applicant would like to temporarily transfer unnecessary corners from existing water rights to leased lands for pivot irrigation. Since the lands are not owned by applicant, a permanent transfer is not desirable.

- 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)
1.2 CFS	220 AF	1.2 CFS	220 AF	75 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?	
4/1/2021	6/1/2021	☐ 1	☐ 2	☐ 3	☐ 4	☒ 5	☒ Process application as soon as possible	☐ Return application to applicant

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

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

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

- D. Describe your water distribution system and how rental water will be delivered from the point(s) of diversion (POD) to the proposed place of use (POU):
Proposed POD is the existing POD for the rented water rights. A mainline is already in place to deliver water to pivot irrigation systems.

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

POD Description	Water Source	Other Water Rights Diverted from this POD
T5N R41E SEC 18 NENE	GROUND WATER	22-7521B, 22-7680B, 22-7680A, 22-7687,
		22-7695B
This is the existing POD for the proposed rental water rights also. The POD will not change.		

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 75 (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.
Purchasing property should close Januray 2021.

- L. List all other water rights and sources of water at the rental place of use for the same purpose, including privately owned water rights and water received from a municipal supplier, an irrigation district, a canal company or any other water delivery entity. Explain why additional water is required:
No other water rights at the proposed rental POU.

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)
22-7680A	Irrigation	0.73	151.8	51.8		0.73	151.8	51.8
22-7680B	Irrigation	0.36	53.3	18.2		0.36	53.3	18.2
22-7687	Irrigation	0.10	14.7	5		0.10	14.7	5
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	1.2	220	75
						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**:
The requested water rights are limited in volume to 2.93 afa/acre. However, this is still sufficient for pivot irrigation.

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:

Also rented these same rights in 2016-2020. ~~Because the proposed POU is leased from the LDS Church, a permanent transfer is not desirable.~~ Purchasing the property and due to close Jan. 2021

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.

LeRoy Jeppesen
Signature of Applicant

LeRoy Jeppesen
Printed Name of Applicant

12-30-2020
Date

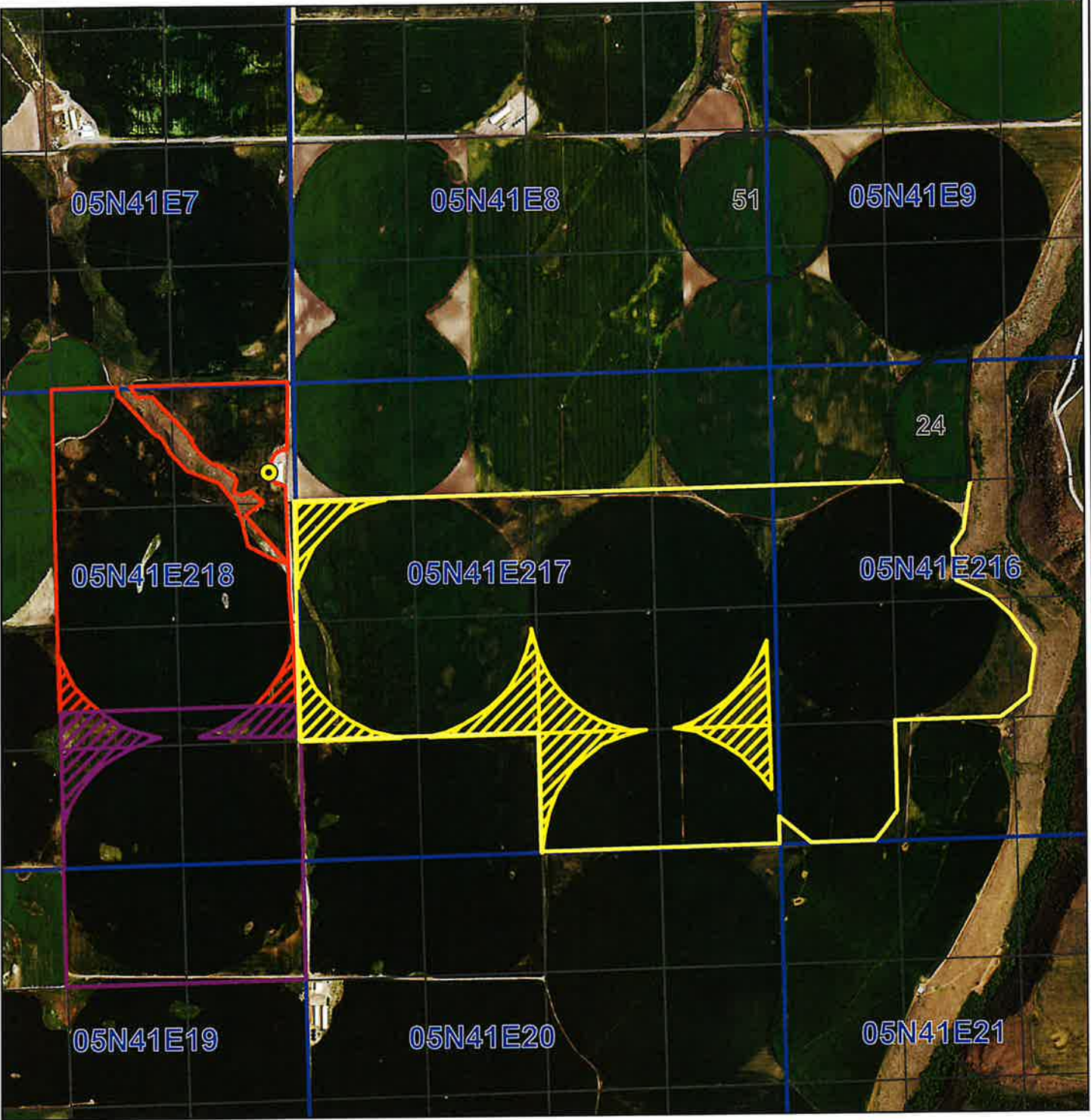
Signature of Representative

Printed Name of Representative

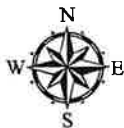
Date

Mail to:

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



- | | |
|----------------------|--------------------|
| Existing POD | WRPOU 22-7687 |
| Proposed Rental POU | Dry Corner 22-7687 |
| WRPOU 22-7680A | Twp & Rng |
| Dry Corners 22-7680A | Section |
| WRPOU 22-7680B | QQ |
| Dry Corners 22-7680B | |



WSB Rental Application

Moody Creek Ranch LLC

Project #: 16-0055

Drawn by: AD

Date: 12/29/2020





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

May 26, 2021

JEPPESEN BROS RANCH
1075 N 9TH E
REXBURG, ID 83440

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 22-7680A, AGREEMENT 500**

Dear Renter:

Please find enclosed a receipt in the amount of **\$491.78** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 246 acre-feet of water for irrigation of 84.9 acres during 2014. 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, the rental fee will be retained by the Department to offset administrative costs since you are the owner of the right(s).

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. C110428
Rental Agreement (copy)

c: Sascha Marston – Fiscal
IDWR Eastern Regional Office
State Water District No. 100
Kristin Moore



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

May 13, 2021

JEPPESSEN BROS RANCH
1075 N 9TH E
REXBURG, ID 83440

RE: **APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 22-7680A, AGREEMENT 500**

*****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 **\$491.78** was calculated based on the current rental rate of \$20.00 per acre-foot times a diversion volume of 246 acre-feet. Since you are both the lessor and the renter of the right(s), **you are only obligated to pay the 10% administrative fee or \$491.78.** An annual payment shall be received by the Department prior to the execution of this agreement and prior to January 1 in all subsequent years for the duration of the rental period. The agreement will be void if payment is not received prior to the due date in a given year. If you would like to terminate the agreement prior to the end of the rental period, you must submit written notice of your intent to the Department at least 30 days prior to the rental fee due date.

Please send a check for \$491.78 made payable to the Idaho Department of Water Resources, **together with the signed rental agreement, within 14 days** so I can complete processing.

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(s)

c: IDWR Front Desk

🔄 Reply all | ▾ 🗑 Delete Junk | ▾ ...



Jeppesen Brothers Farm Lease/Rental



Buyer, Remington

Today, 2:47 PM

Jordan, Blake; Cefalo, James; Parker, Cody; Hummer, Phill ▾

🔄 Reply all | ▾

Sent Items

Additional Information.... ▾

2 MB

Draft Lease Contract 13... ▾

245 KB

Lease Map - Co

940 KB

👁 Show all 7 attachments (7 MB) Download all

James, Blake,

LeRoy Jeppesen has requested a lease/rental of water rights belonging to him through Jeppesen Brothers Farm and Moody Creek Ranch. Effectively, LeRoy wants to change up the water right coverage on land he owns, by moving some end gun areas to new lands not presently serviced by a water right. He has proposed a lease of portions of water rights 22-7680A, 7680B and 7687 and it is possible to authorize the requested rental irrigation water use, through a rental of only water right 22-7680A, without necessarily inducing enlargement.

Attached are lease and rental review memos, maps, and draft approvals.

There are a few complexities associated with my lease/rental review, which is a function of the complexities associated with combined limits of three water rights, and water rights 22-7521B and 7695B. Ultimately, I tried to stay consistent with how we've treated water rights similar to these, where they are combined limited, but not stacked. The recent lease of water rights 22-7163 and 13019 comes to mind.

On behalf of Eastern Region and Water District 100, I would welcome your feedback on these draft approvals, and whether you would recommend additional conditions or alternatives? Looking forward to getting your thoughts.

Thanks,

Remington

Memorandum

To: Water Rights 22-7680A, 22-7680B and 22-7687
From: Remington Buyer
Date: April 14, 2021
Re: Water Supply Bank Rental Application 1946

Purpose/Narrative: An application was received on January 11, 2021, from Jeppesen Brothers Ranch (JBR) LLC, through Kristin Moore of Rocky Mountain Environmental Associates (RMEA), requesting a five year rental of ESPA irrigation water rights 22-7680A, 7680B and 7687, to authorize the irrigation of 75 acres that are not presently associated with ground water irrigation rights. JBR has leased into the Bank portions of water rights 22-7680A, 7680B and 7687, to be the basis for this rental request, and the water rights are being leased under contract 1339.

During the review of contract 1339, the applicant increased the amount of water rights 22-7680A, 7680B and 7687 proposed to be leased, and they also submitted a tablature in which it was affirmed that they desired a rental of 83.9 acres. The 83.9 acre rental request will be considered under this review memo.

Although water rights 22-7680A, 7680B and 7687 were leased into the Bank on a single contract, they are eligible to be leased into the Bank separately, and they can therefore be rented separately, provided, combined limit conditions are not exceeded through all approved rentals. This rental thus can be accomplished through a rental of only water right 22-7680A.

Authority to File: The point of diversion (POD) is on lands owned by JBR, and the application has been signed by LeRoy Jeppesen, who is listed as being a member of JBR with the Idaho Secretary of State's office. The place of use (POU) to be irrigated under this rental is listed as being owned by AgReserves Inc, which is a corporation owned by the Church of Jesus Christ of Latter Day Saints (LDS Church).

The rental application includes a remark stating that JBR will be purchasing the property from the LDS Church. A copy of the special warranty deed was provided by the applicant. It appears they have acquired the ground where the rental will occur. No concerns about authority to file.

Water Right Validity/Forfeiture Evaluation: The water rights requested to be rented are leased to the Bank and available for rental.

Injury Evaluation: The point of diversion for this rental is the same point of diversion associated with the water rights to be rented. As such, no injury is apparent through this rental.

Enlargement of Use: Water right 22-7680A is the largest water right leased under Contract 1339, and, proportionately, it alone can be used as the basis for an authorization to divert 1.18 cfs and 245.9 af for the irrigation of 83.9 acres under this rental request. To avoid enlargement the remaining balance of water rights leased to the Bank under Contract 1339 that can be rented is limited to 0.13 cfs and 375.8 af, for the irrigation of 128.2 acres, as follows:

Combined Limited Leased Water Right Elements Still Available for Rental							
Water Right	Use	Div. Rate	Div. Volume	Acres	Combo Limit Acres	Rate / AC	Vol / AC
22-7687	Irrigation	1.48	216.6	73.9	128.2	0.020	2.9
22-7680A	Irrigation	0.13	26.38	9.00	128.2	0.014	2.9
22-7680B	Irrigation	0.91	132.8	45.3	128.2	0.020	2.9
combo	Irrigation	0.13	375.8	128.2	128.2	0.001	2.9

Local Public Interest: Staff are unaware of any local public interests that are averse to the rental.

Beneficial Use/Conservation of Water Resources: The rental appears consistent with the conservation of water resources in Idaho.

Department/Watermaster Comments: Comments were requested from staff at Water District 100 and IDWR's Eastern Region on 4/14/2021. No concerns were received.

Water Supply Bank Evaluation: Bank staff recommend the approval of this rental request.

 Reply all |  Delete Junk | 

RE: Water Supply Bank Rental Agreement 500



Kristin Moore <kristin.rmea@gmail.com>

Mon 3/15, 8:08 PM

Buyer, Remington; royjeppesen@gmail.com  Reply all | 

Inbox

Lease Summary.pdf
288 KB Overview and Rental Su...
278 KB Deed.pdf
924 KB Show all 15 attachments (1 MB) Download all

Action Items



Remington,

Mr. Jeppesen and I were able to review the entire farm and reevaluate the acres for the water supply bank as you suggested. Since the last time we submitted the Water Banking applications in 2015, Mr. Jeppesen has stopped irrigating all of the corners and desires to add those to the water banking lease applications.

Attached are tables to answer your questions regarding acres that will be irrigated under the existing water rights and clarification of the acres to be leased and rented from the water bank. I have also included shapefiles for your reference. Note that the irrigated acres that you and I identified are slightly different. Mr. Jeppesen indicated that he didn't make any changes in his irrigation practices from 2019 through 2020, so I relied on 2019 true color and false color NAIPS to identify the irrigated acres. Also, I relied upon Mr. Jeppesen's personal knowledge of the fields. This reevaluation results in a total of 212.1 acres to lease to the bank and 84.9 acres to rent from the bank.

Also attached is a deed showing ownership of the proposed rental place of use, signed January 2021.

Please let me know if there are any items that we overlooked that we need to address.

Thank you,

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

✉ Reply all | ▾ 🗑 Delete Junk | ▾ ...



CONFIDENTIALITY NOTICE: This message is intended only for the use of the individual or entity to which it is addressed and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination or distribution of this communication to other than the intended recipient is strictly prohibited. If you have received this communication in error, please notify us immediately by reply email to the sender or collect telephone call to (208) 524-2353. *Thank you.*

From: Buyer, Remington [mailto:Remington.Buyer@idwr.idaho.gov]

Sent: Tuesday, February 16, 2021 11:18 AM

To: Kristin Moore <kristin.rmea@gmail.com>

Cc: Bank <Bank@idwr.idaho.gov>

Subject: Water Supply Bank Rental Agreement 500

Hi Kristin,

I reviewed the lease and rental applications that you recently submitted to the Water Supply Bank on behalf of Jeppesen Brothers Ranch and Moody Creek Ranch. I have some questions to which I am seeking answers, in order to finalize my review.

The attached letters will be going out by mail to LeRoy Jeppesen tomorrow. My questions to him, and you, are:

1. Has Jeppesen Brothers Ranch closed on the acquisition of the property from AgReserves, where the rental will occur? If so, can you please provide me evidence of the title transfer processing being completed? If they have not yet closed on the acquisition, we'll need to document in our review that AgReserves has no objection with the use of water under this rental on their property.
2. Where exactly will Jeppesen Brothers and Moody Creek Ranch continue to irrigate under water rights 22-7680A, 22-7680B, 7521B, 7695B and 7687 during the next five years, inclusive of their rental application?
3. Are there any acres that won't be irrigated, but which could be, that they might also desire to lease into the Bank? If so, where are those specific acres located?

Based on my review of satellite imagery from last year, it appears to me that 930.5 acres were irrigated within the places of use already authorized to be irrigated under water rights 22-7680A, 22-7680B, 7521B, 7695B and 7687. However, it appears that 75.7 acres may have been irrigated on lands not within the authorized places of uses, where a rental might be required.

If my analysis of the acres that appear to have been irrigated last year is correct, and if these acres will again be irrigated during the coming terms of Jeppesen Brothers / Moody Creek Ranch's lease and rental approvals, then it seems to me that adjustments should be made to the acres requested to be rented, and adjustments may be possible, for the acres proposed to be leased.

Effectively, to complete my review of the new lease and rental applications, I'm looking for confirmation from Jeppesen Brothers Ranch / Moody Creek Ranch, as to the exact location where irrigation will and won't occur on the

4/6/2021

RE: Water Supply Bank Rental Agreement 500

 Reply all |   Delete Junk |  ...



Thanks for your attention to this. Please let me know if you have any questions.

Remington

Irrigation for 2021 Season and Acres to be Leased to the WSB

WSB Applications 1838, 1946, 1948, and 1949

22-7695B IRRIGATION IN 2021

ALL IS IRRIGATED

T R S	WR #	NE				NW				SW				SE				Total
		NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
SN 41E 8																	20	20.0
2021 Irrigation																	20	20.0
WSB Lease or Rental																	0	0.0
SN 41E 16								30										30.0
2021 Irrigation								30										30.0
WSB Lease or Rental								0										0.0
SN 41E 17				34														34.0
2021 Irrigation				34														34.0
WSB Lease or Rental				0														0.0
Authorized Total																		84.0
2021 Irrigation																		84.0
WSB Lease																		0.0
WSB Rental																		0.0

22-7521B IRRIGATION IN 2021

ALL IS IRRIGATED

T R S	WR #	NE				NW				SW				SE				Total
		NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
SN 41E 9										36	14	33	36	9.8	6.1			134.9
2021 Irrigation										36	14	33	36	9.8	6.1			134.9
WSB Lease or Rental										0	0	0	0	0	0			0.0
SN 41E 16						0.8	7.3											8.1
2021 Irrigation						0.8	7.3											8.1
WSB Lease or Rental						0	0											0.0
Authorized Total																		143.0
2021 Irrigation																		143.0
WSB Lease																		0.0

22-7680A IRRIGATION IN 2021

LEASE A TOTAL OF 92.9 ACRES

T R S	WR #	NE				NW				SW				SE				Total
		NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
SN 41E 16								39	24			39	37			4		182.0
2021 Irrigation								38.4	24			27.8	36					163.2
WSB Lease or Rental								0.6	0			11.2	3			4		18.8
SN 41E 17				40	40			40	40			40	40			40	40	400.0
2021 Irrigation				32.7	35.3			32.6	31.5			30.3	31.4			31.3	34.1	325.9
WSB Lease or Rental				7.3	4.7			7.4	8.5			9.7	8.6			8.7	5.9	74.1
Authorized Total																		582.0
2021 Irrigation																		489.1
WSB Lease																		92.9

22-7687 IRRIGATION IN 2021

LEASE A TOTAL OF 73.9 ACRES

T R S	WR #	NE				NW				SW				SE				Total
		NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
SN 41E 18				32	36											28	28	199.0
2021 Irrigation				0.7	8.7											23.4	25.1	125.1
WSB Lease or Rental				31.3	27.3											4.6	2.9	73.9
Authorized Total																		199.0
2021 Irrigation																		125.1
WSB Lease																		73.9

22-7680B IRRIGATION IN 2021

LEASE A TOTAL OF 45.3 ACRES

T R S	WR #	NE				NW				SW				SE				Total
		NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
SN 41E 18																12	12	104.0
2021 Irrigation																5.1	6	80.1
WSB Lease or Rental																6.9	6	23.9
SN 41E 19				40	40													80.0
2021 Irrigation				28.9	29.7													58.6
WSB Lease or Rental				11.1	10.3													21.4
Authorized Total																		184.0
2021 Irrigation																		138.7
WSB Lease																		45.3

TOTAL ACRES TO LEASE TO WSB

WR #	ACRES
22-7680A	92.9
22-7687	73.9
22-7680B	45.3
	212.1

REVIEW OF AUTHORIZED IRRIGATION, 2021 IRRIGATION, AND POSSIBLE WSB NEEDS

	NE
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PROPOSED RENTAL POU

PROPOSED RENTAL POU																		
T R S		NE				NW				SW				SE				Total
		NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
S N 41 E	8													26			7.9	33.9
	9									17.9		5	1					23.9
	16					24		1										25
	17	2.1																2.1
																		84.9

After Recording Return and
Mail Tax Statements to:

Moody Creek Ranch, LLC
Attn: Roy Jeppesen
1075 North 900 East
Rexburg, Idaho 83440

Microfile No. 437471
27 DAY Jan 2021
At 12 O'Clock 05 PM
KIM H. MUIR
MADISON CO RECORDER
Fee \$15.00
Deputy
Recorded at Request of
FIRST AMERICAN TITLE INSURANCE

A.P.N.: RP05N41E089001, RP05N41E094802, RP05N41E097530, RP05N41E162401, and
RP05N41E170001
FATCO NCS-873379

(Space Above for Recorder's Use Only)

SPECIAL WARRANTY DEED

(ID Rexburg Bench PN: 509-0768)

AGRESERVES, INC., a Utah corporation, Grantor, whose address is 79 South Main Street, Suite 1100, Salt Lake City, Utah 84111, hereby conveys and warrants only against all claiming by, through or under it, and acts of itself to MOODY CREEK RANCH, LLC, an Idaho limited liability company, Grantee, whose address is 1075 North 9th East, Rexburg, Idaho 83440, for the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the following real property located in Madison County, State of Idaho, and more particularly described as follows:

See Exhibit A attached hereto and by this reference made a part hereof.

Together with all tenements, hereditaments and appurtenances thereto belonging or in any wise appertaining thereto, including, but not limited to easements and rights-of-way over adjoining property, which easements and rights-of-way are appurtenant to the real property described on Exhibit A, and all of Grantor's interest in and to water, wells, and all water rights appurtenant to said real property described on Exhibit A, and all of Grantor's interest in and to any land lying in the bed of any body of water, waterway or public street, public road or public avenue in front of or adjoining the land, to have and to hold, the same in fee simple forever.

Subject to current taxes and assessments, reservations, easements, rights-of-way, covenants, conditions, restrictions, zoning matters, liens, and encumbrances and all other matters of record or enforceable at law or equity.

[Signature and Acknowledgment Follows]

4849-8558-7160.v1

437471

After Recording Return and
Mail Tax Statements to:

Moody Creek Ranch, LLC
Attn: Roy Jeppesen
1075 North 900 East
Rexburg, Idaho 83440

This document has been recorded
electronically. Please see the attached
copy to view the County Recorder's stamp
as it now appears in the public record.

x FIRST AMERICAN TITLE INSURANCE COMPANY

A.P.N.: RP05N41E089001, RP05N41E094802, RP05N41E097530, RP05N41E162401, and
RP05N41E170001

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See Exhibit A attached hereto and by this reference made a part hereof.

Together with all tenements, hereditaments and appurtenances thereto belonging or in any wise appertaining thereto, including, but not limited to easements and rights-of-way over adjoining property, which easements and rights-of-way are appurtenant to the real property described on Exhibit A, and all of Grantor's interest in and to water, wells, and all water rights appurtenant to said real property described on Exhibit A, and all of Grantor's interest in and to any land lying in the bed of any body of water, waterway or public street, public road or public avenue in front of or adjoining the land, to have and to hold, the same in fee simple forever.

Subject to current taxes and assessments, reservations, easements, rights-of-way, covenants, conditions, restrictions, zoning matters, liens, and encumbrances and all other matters of record or enforceable at law or equity.

[Signature and Acknowledgment Follows]

DATED this 25 day of January, 2021.

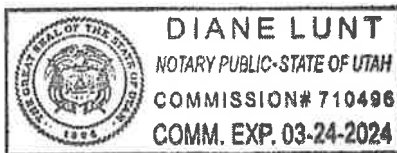
AGRESERVES, INC.,
a Utah corporation

Don M. Sleight
Don M. Sleight, CEO

STATE OF UTAH)
 :SS
COUNTY OF SALT LAKE)

On this 25 day of January, 2021, personally appeared before me Don M. Sleight, and who by me affirmed, did say that he is the Chief Executive Officer of AGRESERVES, INC., a Utah corporation, and that said document was signed by him in behalf of said Corporation by Authority of its Bylaws, and said Don M. Sleight acknowledged to me that said Corporation executed the same.

WITNESS my hand and official seal.



Diane Lunt
Notary Public

4849-8558-7160.v1
4849-8558-7160.v1

1/25/2021

EXHIBIT A

(Legal Description)

That certain real property located in Madison County, State of Idaho, more particularly described as follows:

TOWNSHIP 5 NORTH, RANGE 41 E.B.M., MADISON COUNTY, IDAHO

SECTION 8: THE EAST 60 ACRES OF THE E1/2SE1/4

SECTION 9: SW1/4 AND COMMENCING AT THE SOUTHWEST CORNER OF THE SE1/4 AND RUNNING

THENCE NORTH 160 RODS;

THENCE EAST 80 RODS;

THENCE SOUTH 40 RODS;

THENCE WEST 20 RODS;

THENCE SOUTH 40 RODS;

THENCE EAST 60 RODS;

THENCE NORTH 40 RODS;

THENCE EAST 40 RODS TO THE EAST LINE OF SAID SE1/4;

THENCE SOUTH 6 FEET, MORE OR LESS, TO A POINT WHICH IS 1974 FEET NORTH OF THE SOUTHEAST CORNER OF SAID SE1/4;

THENCE N. 89°43' W. 237.58 FEET;

THENCE S. 26°30' W. 82.87 FEET;

THENCE S. 51°23' W. 468.10 FEET;

THENCE SOUTH 274.31 FEET;

THENCE N. 89°43' W. 132.23 FEET;

THENCE S. 24°10' W. 160.90 FEET;

THENCE N. 67°08' W. 205.00 FEET;

THENCE S. 42°53' W. 464.50 FEET;

THENCE S. 36°22' W. 318.20 FEET;

THENCE S. 24°11' W. 709.00 FEET;

THENCE N. 89°43' W. 799.78 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

SECTION 16: N1/2NW1/4

SECTION 17: NE1/4NE1/4



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

February 16, 2021

LeRoy Jeppesen
1075 N 9th E
Rexburg ID 83340

RESPONSE DEADLINE:
March 16, 2021

RE: Action Required on WSB Applications 1838, 1946, 1948 and 1949

Dear Applicant,

On January 11, 2021, the Department of Water Resources (Department) received from you a request to lease into the Water Supply Bank (Bank) water rights 22-7680A (application 1948), 22-7687 (application 1949) and 22-7680B (application 1838), so that they might be rented under application 1946. The Bank leases and rentals propose a five year water right transaction. The purpose of this letter is to request additional information from you so that we can conclude processing of these four applications.

Specific to lease applications 1838, 1948 and 1949, the Department is seeking to determine whether you have a desire to lease into the Bank any additional acreage under water rights 22-7680A, 22-7680B, 7687 or 7521B? Our analysis of your present lease proposal, and our observations of your irrigation practices in 2020, indicate that as many as 186.5 additional acres might be acceptable for lease into the Water Supply Bank (see the attached "Water Right Review" document for how this math was calculated).

Specific to rental application 1946, the Department is seeking to determine whether you would like to increase the amount of acres that you might irrigate under the rental authorization? Our analysis of your proposed rental request, and our observations of your irrigation practices in 2020, indicate that an additional 0.7 acres might be authorized for irrigation, on lands not presently authorized to be irrigated under any ground water rights appurtenant to the property. Our analysis also finds that the number of acres proposed to be irrigated under the rental in certain quarter-quarters may need to be adjusted, based on your irrigation practices (see the attached "Water Right Review" document for how this math was calculated).

Additionally, specific to application 1946, the Department requires that you provide us with evidence your authority to irrigate lands not presently listed as belonging to you with the Madison County Assessor's Office. Our records indicate this land presently belongs to AgReserves Inc. However, we also understand that you have sought to acquire this land from AgReserves. Has the property been acquired? If not, we request that you provide us with evidence that AgReserves has no objection your irrigation of these lands from 2021 through 2025.

At present, our office can lease into the Bank 75.0 acres under water rights 22-7680A, 7680B and 7687. We can also approve a rental to you of these water rights, to authorize the irrigation of 71 acres. However, without further explanation from you, it is not clear that a beneficial use of water will occur if we approve your rental application for 75.0 acres, as proposed, based on the specific locations where the rental is requested, and the water rights already appurtenant to these acres.

In summary, the Bank is specifically requesting the following information from you:

- Confirmation of the specific number and exact location of acres that will be irrigated within the authorized places of use, and under the unleased extents of water rights 22-7680A, 7680B, 7521B, 7687 and 7695B, during the term of lease proposed under applications 1838, 1948 and 1949;

- Confirmation as to whether you would like to increase the number of acres proposed to be leased into the Bank under water rights 22-7680A, 7680B and 7687 during the proposed term of lease for applications 1838, 1948 and 1949;
- Confirmation of the specific number, and the exact location, of the acres outside the authorized places of use for water rights 22-7680A, 7680B, 7521B, 7687 and 7695B, which are intended to be irrigated under the authorization, and during the proposed term, of rental application 1946;
- Confirmation that you are now the owner of lands formerly owned by AgReserves Inc, OR, confirmation that AgReserves has no objection to your irrigation of their lands during the term of the rental proposed under application 1946;

To continue processing of your applications, our office requires that you provide us with the above information within the next thirty days (deadline of March 16th, 2021). If the information requested above is not received prior to the established deadline, our office will continue review of your lease applications, as proposed, however we may not be able to process your rental application, and it will be returned to you.

If you have any questions, please contact me at (208) 287-4918.

Regards,

Remington Buyer
Water Supply Bank Coordinator

CC: Kristin Moore – Rocky Mountain Environmental Associates

Enclosures: Water Right Review