

MAY 24 2021

DEPARTMENT OF
WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1339

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

LESSOR: JEPPESEN BROTHERS RANCH **LESSOR:** MOODY CREEK RANCH LLC
1075 N 9TH E 1075 N 9TH E
REXBURG, ID 83440 REXBURG, ID 83440

SUPPORT DATA
IN FILE # 22-7680A
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 January 11, 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)
22-7680A	8/23/1990	GROUND WATER	1.31	272	92.9
22-7680B	8/23/1990	GROUND WATER	0.91	133	45.3
22-7687	10/23/1990	GROUND WATER	1.48	217	73.9
Combined Limit Totals			1.31	622	212.1
Combined Lease Totals			3.70	622	212.1

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

Minimum Payment Acceptable: Current Rental Rate

3. **TERM OF LEASE:** The term of this lease shall be January 1, 2021 to December 31, 2025. This Lease shall bind the parties and take effect when both parties have signed it.
4. **WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE:** The Lessor shall abide by all terms and conditions contained in the Water Supply Bank Conditions of Acceptance, attached hereto as "Attachment A" and incorporated herein by this reference.

WATER SUPPLY BANK LEASE CONTRACT No. 1339

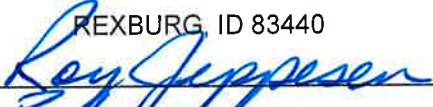
5. **CHANGE OF WATER RIGHT:** This lease specifies water right elements including but not limited to: diversion rates; diversion volumes; number of acres authorized to be irrigated; places of use; points of diversion; beneficial uses; and seasons of use. During the term of this lease, if a water right 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

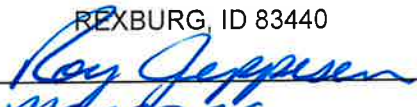
WATER SUPPLY BANK LEASE CONTRACT No. 1339

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

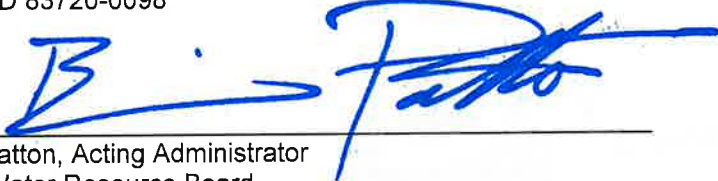
LESSOR: JEPPESEN BROTHERS RANCH
1075 N 9TH E
REXBURG, ID 83440

By 
Title Partner
Date 5-19-2021

LESSOR: MOODY CREEK RANCH LLC
1075 N 9TH E
REXBURG, ID 83440

By 
Title Manager
Date 5-19-2021

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

By 
Brian Patton, Acting Administrator
Idaho Water Resource Board

Date 5/25/21

Lease approved by IDWR 

Date 5/25/21

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1339

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): 22-7680A, 22-7687, 22-7680B
GROUND WATER NENE Sec. 18 Twp 05N Rge 41E MADISON County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
22-7680A	IRRIGATION	04/01	to	10/31	1.31 cfs	272 AF
22-7687	IRRIGATION	04/01	to	10/31	1.48 cfs	217 AF
22-7680B	IRRIGATION	04/01	to	10/31	0.91 cfs	133 AF
Totals:					1.31 cfs	622 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	
05N	41E	16							0.6		11.2	3.0				4.0			18.8
05N	41E	17			7.3	4.7			7.4	8.5	9.7	8.6			8.7	5.9	7.4	5.9	74.1
05N	41E	18	31.3	27.3	3.8	4.0									11.5	8.9	5.0	6.0	97.8
05N	41E	19	11.1	10.3															21.4

Total Acres: 212.1

ADDITIONAL CONDITIONS OF ACCEPTANCE

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

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

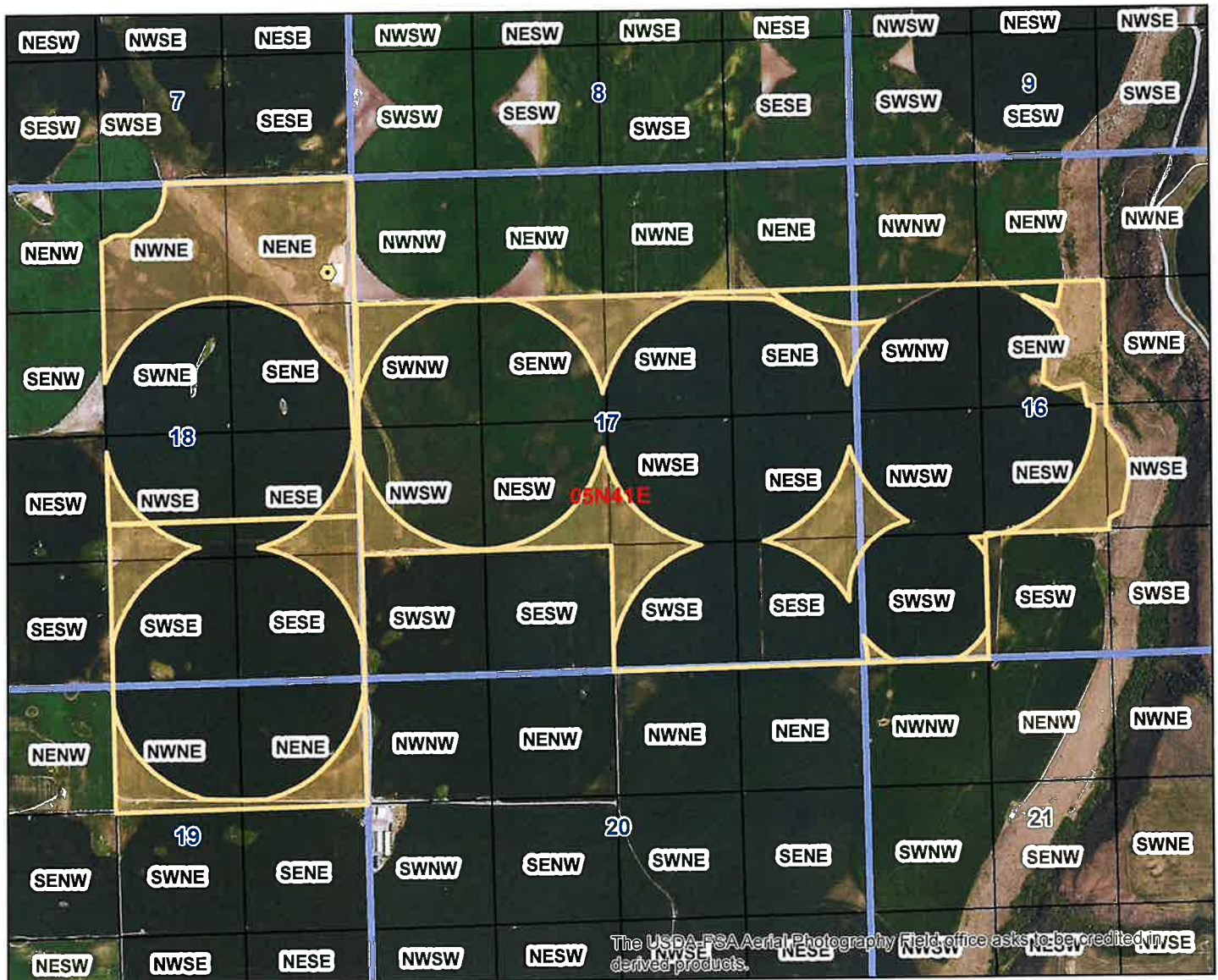
WATER SUPPLY BANK LEASE CONTRACT No. 1339

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 use of water under this contract 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. 100.
13. These water rights when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 3.5 afa per acre at the field headgate for irrigation of the place of use.
14. The unleased extent of water right 22-7680A shall not exceed a total diversion rate of 6.92 cfs, a total annual maximum diversion volume of 1430 af at the field headgate, for the irrigation of 489.1 acres.
15. The unleased extent of water right 22-7680B shall not exceed a total diversion rate of 2.77 cfs, a total annual maximum diversion volume of 406 af at the field headgate, for the irrigation of 139 acres.
16. The unleased extent of water right 22-7687 shall not exceed a total diversion rate of 2.50 cfs, a total annual maximum diversion volume of 367 af at the field headgate, for the irrigation of 125.1 acres.
17. The leased extent of water rights 22-7680A, 22-7680B and 22-7687 when combined shall not exceed a total diversion rate of 1.31 cfs, a total annual maximum diversion volume of 622 af at the field headgate, for the irrigation of 212.1 acres.
18. The unleased extent of water rights 22-7521B, 22-7680A, 22-7680B, 22-7687 and 22-7695B when combined shall not exceed a total diversion rate of 6.92 cfs, a total annual maximum diversion volume of 2,871 af at the field headgate, for the irrigation of 979.9 acres.

Idaho Water Resource Board
Water Supply Bank Lease Contract No. 1339

22-7680A, 22-7680B & 22-7687
Effective until December 31, 2025

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



○ Approved Lease Point of Diversion

▬ Township/Range

▬ Sections

▬ QQ

▬ Approved Lease Place of Use



0 1,000 2,000 Feet

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

JAN 11 2021

DEPARTMENT OF
WATER RESOURCES

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

Designated Applicant Moody Creek Ranch LLC
(Select one owner – see item 1A on the application)

Water Right No. 22-7680A
(One water right per application)

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

Yes ☒ No ☐

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

MINIMUM REQUIREMENT CHECKLIST

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

Yes

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

Attachment N/A Yes

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

Department Use Only

Fee Amount \$ <u>1000</u>	Received By: <u>KM</u>	Date Received: <u>1.11.21</u>	Receipt # <u>C109798</u>
W-9 received? Yes ☒ No ☐ (Route W-9 to Fiscal)		Name on W-9: <u>Moody Creek Ranch</u>	

1948

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 Moody Creek Ranch LLC

Mailing Address	<u>1075 N 9th E</u>	<u>Rexburg</u>	ID	<u>83440</u>
	Street	City	State	Zip Code

Email Address _____ Phone Number 208-351-7017

☒ The Designated Applicant is the sole owner of the water right being sold or leased to the Water Supply Bank.

OR

☐ The Designated Applicant is representing additional water right holders who have completed Attachment 1A.

- B. Has the Designated Applicant submitted an IRS Form W-9 to this Department within the last 2 years? Yes ☐ No ☒
If no, complete the form and attach to this application (Attachment 1B).

- C. Are all applicants on this form listed in IDWR's records as the current owners of the water right? Yes ☒ No ☐
If no, attach a *Notice of Change in Water Right Ownership* form along with the required documentation and fee (Attachment 1C).

- D. Is this application being completed by an authorized representative of the Designated Applicant? Yes ☒ No ☐
If yes, representatives (includes employees of Designated Applicant companies) must complete this section and submit documentary proof of their authority to represent the Designated Applicant (Attachment 1D).

Name of Representative Kristin Moore Organization Rocky Mountain Environmental Assoc. Inc
Professional Title Sen. Water Right Analyst Email Address kristin.rmea@gmail.com
Mailing Address 482 Constitution Way Ste 303, Idaho Falls, ID 83402 Phone Number 208-524-2353

☐ Send all correspondence for this application to the representative and not to the Designated Applicant.

OR

☒ Send original correspondence to the Designated Applicant and copies to the representative.

2. DESCRIPTION OF WATER RIGHT OFFERED TO THE BANK

☐ The full water right is being offered to the Bank.

OR

☒ A part of the water right is being offered to the Bank.

If a portion of the water right is being offered, complete Attachment 2.

3. MAP

Attach a map of the point(s) of diversion and place(s) of use proposed to be idled by this lease application. Make sure the idled place of use is outlined and annotated with legal land descriptions (Township, Range, Section and Quarter-Quarters) or with GPS coordinates. For irrigation purposes, mark the number of acres you desire to idle. If the water right proposed for lease is located within a permissible place of use (PPU) and portions of the PPU will continue to receive water from non-leased water rights, clearly outline on a map the acres within the PPU that will continue to be irrigated, as well as acres that will be idled during the lease term. Label the map **Attachment 3**.

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

4. GENERAL INFORMATION

- A. Is the diversion works or system owned or managed by an irrigation district or water delivery company? Yes ☐ No ☒
If yes, provide written consent from the company, corporation or irrigation district authorizing the proposed sale or lease (Attachment 4A).
If your water right is delivered through a canal, lateral or ditch operated by a canal company, irrigation district, or similar delivery entity, your lease request must include written consent from the company, district, or similar entity for your removal of water from its system pursuant to Section 42-108, Idaho Code and IDAPA WSB Rule 37.02.03.25.02e.
- B. Please provide a description of the current water diversion and delivery system.
Well to pump to mainline to center pivot irrigation systems. Corners are irrigated with wheel or hand lines.

- C. Describe any other water rights used for the same purpose at the same place of use as the water right being offered to the Bank. No other water rights.

- 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. Leased to the WSB in 2016-2020 and rented out fully for neighboring property.

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

- H. Is this water right involved in any other IDWR process, such as an application for transfer or a mitigation plan? Yes ☐ No ☒
If yes, describe. _____

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

5. SALE/LEASE AGREEMENT

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

If lease, specify the years when the use of water will be suspended: 2021 to 2025 (maximum lease period 5 calendar years).
(Year) (Year)

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

~~The proposed lease acres will be rented by the owner to be used on lands leased from the LDS Church. No~~
payment due to the water right owner. Purchasing the proposed rental POU in Jan. 2021

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.

LeRoy Jeppesen
Signature of Designated Applicant

LeRoy Jeppesen
Printed Name

12-30-2020
Date

Signature of Authorized Representative

Printed Name

Date

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

**STATE OF IDAHO
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>	<u>Nature of Use</u>	<u>Leased Rate</u> (cfs)	<u>Leased Volume</u> (af)	<u>Leased Acres</u> (ac)
22-7680A	Irrigation	0.73	151.8	51.8
	Total Amounts:	0.73	151.8	51.8

2. Source of water Ground Water tributary to N/A

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
5N	41E	18			NE	NE	MADISON

TO: IDAHO DEPARTMENT OF WATER RESOURCES

FROM: MOODY CREEK RANCH LLC

RE: Authorized Representatives

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

The following are designated representative of Rocky Mountain Environmental Associates, Inc.:

John R. Rice, Jr. President
W. Roger Warner Vice-President
Keith C. Wilson Senior Water Rights Analyst
Kristin M. Moore Senior Water Rights Analyst (PRIMARY CONTACT)
Chad Jensen Staff Water Rights Analyst

This authorizes these individuals to act as Representatives on behalf of Moody Creek Ranch LLC. These representatives may submit information for Moody Creek Ranch LLC., but are not authorized to sign for Moody Creek Ranch LLC. This designation is only for the Water Banking of Water Right No. **22-7680A** for the 2021 – 2025 seasons.

Roy Jeppesen
Signature

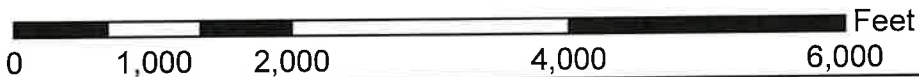
Roy Jeppesen
Printed Name

12-30-2020
Date

Signature

Printed Name

Date



2019 NAIP Photography

Existing POD

WRPOU 22-7680A

Dry Corners For WSB Lease (22-7680A)

Twp & Rng

Section

QQ



WSB Lease Application

Moody Creek Ranch LLC

Project #: 16-0055

Drawn by: AD

Date: 12/29/2020



Rocky Mountain
ENVIRONMENTAL
ASSOCIATES, INC.



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: WATER SUPPLY BANK LEASE CONTRACTS 1339
FOR WATER RIGHTS 22-7680A, 22-7680B & 22-7687**

Dear Lessor:

Water right **22-7680A, 22-7680B & 22-7687** were 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, 2025**, unless the rights are released earlier by the Water Resource Board (Board). On behalf of the Board, the Department of Water Resources (Department) can evaluate an early release of the lease contract upon your request. To release the water rights from the Bank prior to the release date, submit a written request on the *Request to Release a Water Right from the Bank* form. This form is available on our public website at www.idwr.idaho.gov. **Please note your water rights may not be available for immediate release if they have been rented or are being considered for a future rental. Furthermore, it is at the discretion of the Department whether or not a water right can be released early from a lease contract.**

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

Sincerely,

Amanda Johnson-Veibell

for
Water Supply Bank

Enclosure: Executed Lease Contract

c: IDWR- Eastern Region
Kristin Moore
Water District 120



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

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

RE: APPLICATION TO LEASE WATER RIGHTS 22-7680A, 22-7680B & 22-7687 TO THE WATER
SUPPLY BANK CONTRACT 1339

****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,

Amanda Johnson-Veibell

for
Water Supply Bank

Enclosures: Proposed Lease Contracts

🔄 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

 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 000

 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	
5N 41E 8																	20	20.0
2021 Irrigation																	20	20.0
WSB Lease or Rental																	0	0.0
5N 41E 16								30										30.0
2021 Irrigation								30										30.0
WSB Lease or Rental								0										0.0
5N 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	
5N 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
5N 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	
5N 41E 16								39	24	39	39	37				4		182.0
2021 Irrigation								38.4	24	27.8	36	37						163.2
WSB Lease or Rental								0.6	0	11.2	3	0				4		18.8
5N 41E 17				40	40			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	32.6	34.1	325.9
WSB Lease or Rental				7.3	4.7			7.4	8.5	9.7	8.6			8.7	5.9	7.4	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	
5N 41E 18				32	36	40	35							28	28			199.0
2021 Irrigation				0.7	8.7	36.2	31							23.4	25.1			125.1
WSB Lease or Rental				31.3	27.3	3.8	4							4.6	2.9			72.9
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	
5N 41E 18														12	12	40	40	104.0
2021 Irrigation														5.1	6	35	34	80.1
WSB Lease or Rental														6.9	6	5	6	23.9
5N 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

[illegible]

T R		NE				NW				SW				SE				Total
		NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
5 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.

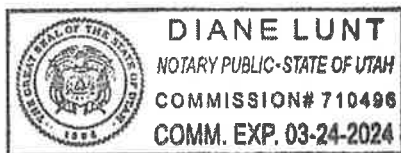
AGRESERVES, INC.,
a Utah corporation

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

Memorandum

To: Water Rights 22-7680A, 22-7680B & 22-7687
From: Remington Buyer
Date: February 10, 2021
Re: Water Supply Bank Lease Applications 1838, 1948 and 1949

Purpose/Narrative: Applications were received by the Department January 11, 2021 from Jeppesen Brothers Ranch (JBR), and Moody Creek Ranch LLC (MCR) proposing to lease into the Bank portions of irrigation ground water rights 22-7680A (lease application 1948), 22-7680B (lease application 1838) and 22-7687 (lease application 1949) for five years. The applications were submitted through Kristin Moore of Rocky Mountain Environmental Associates (RMEA) and signed by LeRoy Jeppesen.

The applications initially proposed to idle 23.2 acres under water rights 22-7680B (18.2 acres) and 22-7687 (5.0 acres), and 51.8 acres under water right 22-7680A, so that the proportionate irrigation water uses authorized under these water rights could be rented to Jeppesen Brothers Ranch (through rental application 1946). Water rights 22-7680A, 7680B and 7687 share a common, combined limited irrigation diversion rate with each other, as well as with water rights 22-7251B and 7695B. However these five water rights have unique, right-specific diversion volumes and irrigation places of use. As such, the water rights are eligible to be leased into the Bank on separate lease applications and contracts. However, for ease of administration, and to better avoid the potential for enlargement of the water right combined limits, these water rights will be leased into the Bank on a single contract.

A preliminary review of the 2020 irrigation practices associated with the places of use for water rights 22-7680A, 7680B and 7687 was completed and it was determined that additional information was required to identify the specific acres that would be idled under these water rights during the lease. On February 16th, 2021, the applicant was contacted and requested to provide confirmation of the specific acres to be leased through this lease proposal. A response was received on March 15th, 2021, which affirmed the specific acres to be leased to the Bank under water rights 22-7680A, 7680B and 7687. This resulted in an increased lease proposal for the three water rights, growing in size to 212.2 acres for the three water rights.

Authority to File: Secretary of State records confirm LeRoy and Brett Jeppesen are members of JBR and MCR and both JBR and MCR own the land on which irrigation is authorized under the water rights proposed for lease. LeRoy has signed the lease applications. No concerns about authority to file.

Water Right Validity/Forfeiture Evaluation: The portions of water rights 22-7680B and 22-7687 initially proposed for lease are valid, as they have been protected from forfeiture through non-use, from 2016 through 2020, under Lease Contract 373. A review of 2019 and 2020 satellite imagery confirms evidence of vegetation in the areas proposed for lease (see Appendix to this memo for imagery observations). No concerns about the validity of portions of the water rights presently proposed for lease.

Injury Evaluation: No injury is apparent through this lease.

Enlargement of Use: No enlargement is evident through this lease. The applicant, through their representative, has affirmed the specific acres that will be irrigated during the term of the lease, and it has been affirmed that the acres being proposed for lease will not be irrigated during the term of the lease.

As referenced above, water rights 22-7680A, 22-7680B and 22-7687 are combined limited with each other, as well with water rights 22-7521B and 22-7695B. All five water rights have additive diversion volumes and unique places of use, however all five water rights are diverted from a singular, common well, and they're combined-limited to 8.23 cfs, which is the maximum diversion rate for water right 22-7680A. Because all five water rights are combined limited to the maximum diversion rate of 22-7680A, water right 22-7680A can be the basis for a lease of some or all of these water rights.

JBR and MCR have proposed a lease of 212.1 acres under water rights 22-7687, 7680A and 7680B, which can combined limited proportionately to 1.314 cfs and 621.6 af, leaving a combined limited diversion rate, volume and acreage for the unleased water rights of 6.92 cfs, 2871.8 af, and 979.9 acres, as follows:

Combined Limited Decreed/Licensed Water Right Elements								
Water Right	Priority	Use	Div. Rate	Div. Volume	Acres	Combo Limit Acres	Rate / AC	Vol / AC
22-7687		Irrigation	3.980	583.2	199	1192	0.020	2.9
22-7521B		Irrigation	2.860	419.1	143	1192	0.020	2.9
22-7680A		Irrigation	8.230	1705.7	582	1192	0.014	2.9
22-7680B		Irrigation	3.680	539.2	184	1192	0.020	2.9
22-7695B		Irrigation	1.680	246.2	84	1192	0.020	2.9
combo		Irrigation	8.230	3493.4	1192	1192	0.007	2.9

Combined Limited Leased Water Right Elements								
Water Right	Priority	Use	Div. Rate	Div. Volume	Acres	Combo Limit Acres	Rate / AC	Vol / AC
22-7687		Irrigation	1.478	216.6	73.9	212.1	0.020	2.9
22-7521B		Irrigation	0	0	0	212.1		
22-7680A		Irrigation	1.314	272.3	92.9	212.1	0.014	2.9
22-7680B		Irrigation	0.906	132.7	45.3	212.1	0.020	2.9
22-7695B		Irrigation	0	0	0	212.1		
combo		Irrigation	1.314	621.6	212.1	212.1	0.006	2.9

Combined Limited Unleased Water Right Elements								
Water Right	Priority	Use	Div. Rate	Div. Volume	Acres	Combo Limit Acres	Rate / AC	Vol / AC
22-7687		Irrigation	2.502	366.6	125.1	979.9	0.020	2.9
22-7521B		Irrigation	2.86	419.1	143	979.9	0.020	2.9
22-7680A		Irrigation	6.916	1433.4	489.1	979.9	0.014	2.9
22-7680B		Irrigation	2.774	406.5	138.7	979.9	0.020	2.9
22-7695B		Irrigation	1.68	246.2	84	979.9	0.020	2.9
combo		Irrigation	6.916	2871.8	979.9	979.9	0.007	2.9

Provided the leased extent of water rights 22-7687, 7680A and 7680B are combined limited to a maximum diversion rate of 1.314 cfs and 621.6 af for the irrigation of 212.1 acres, and provided the unleased extent of water rights 22-7687, 7521B, 7680A, 7680B and 7695B are combined limited to a maximum diversion rate of 6.916 cfs and 2,871.8 af, for the irrigation of 979.9 acres, no enlargement will occur.

To guard against enlargement, these three water rights will be leased together under a single contract and they should be rented together or if rented separately WSB staff must be careful not to over allocate portions of the rights that exceed the combined limit. If the full diversion rate of 1.314 cfs under water right 22-7680A is rented during the term of the lease, then the diversion volumes and acres associated with the unrented remainder of water rights 22-7680B and 7687 should not be the basis for any additional rentals that require a diversion rate. However, it may be possible to allow for a rental of the diversion volumes associated with the unrented extents of water rights 22-7680B and 7687 even if water right 22-7680A is fully rented, provided that the use of water authorized under the rental does not involve a diversion rate (i.e. a mitigation by non-use rental).

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

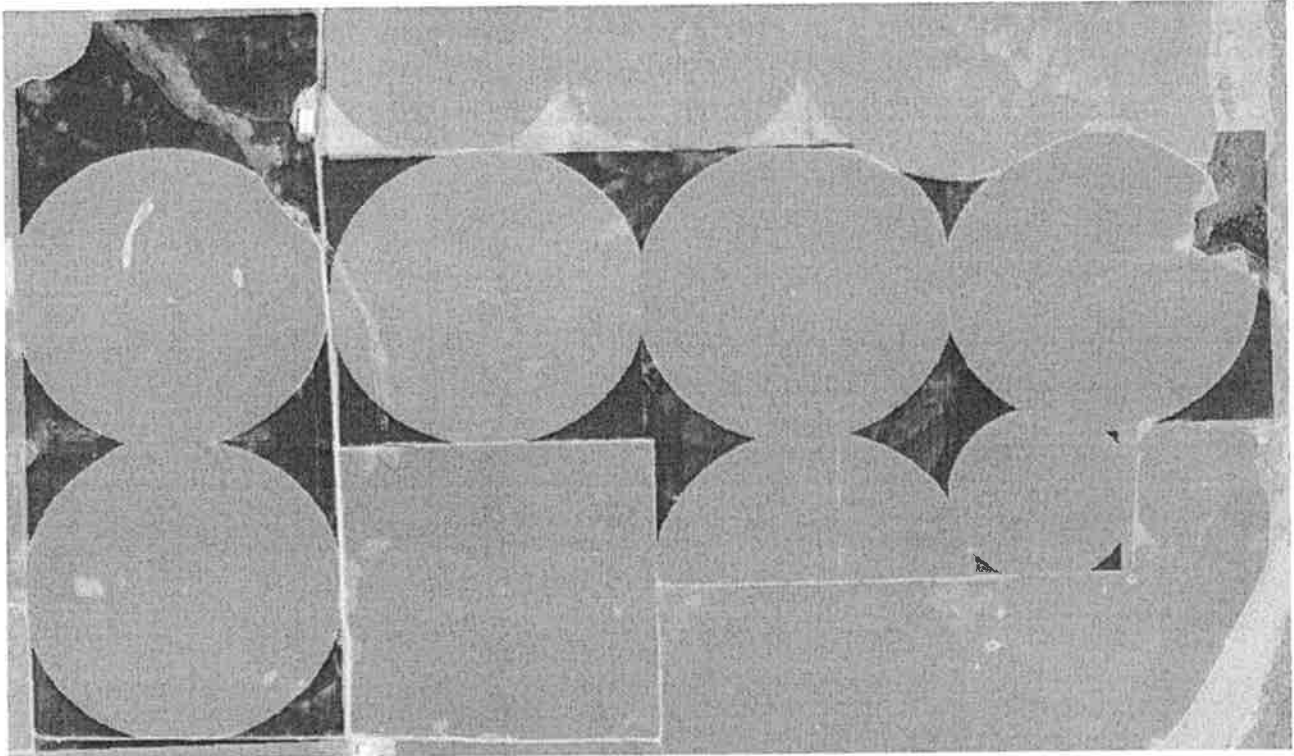
Beneficial Use/Conservation of Water Resources: The lease appears consistent with the conservation of water resources in Idaho.

Department/Watermaster Comments: Comments were requested from staff from Water District 100 as well as IDWR Eastern Region on April 14, 2021. No concerns were received.

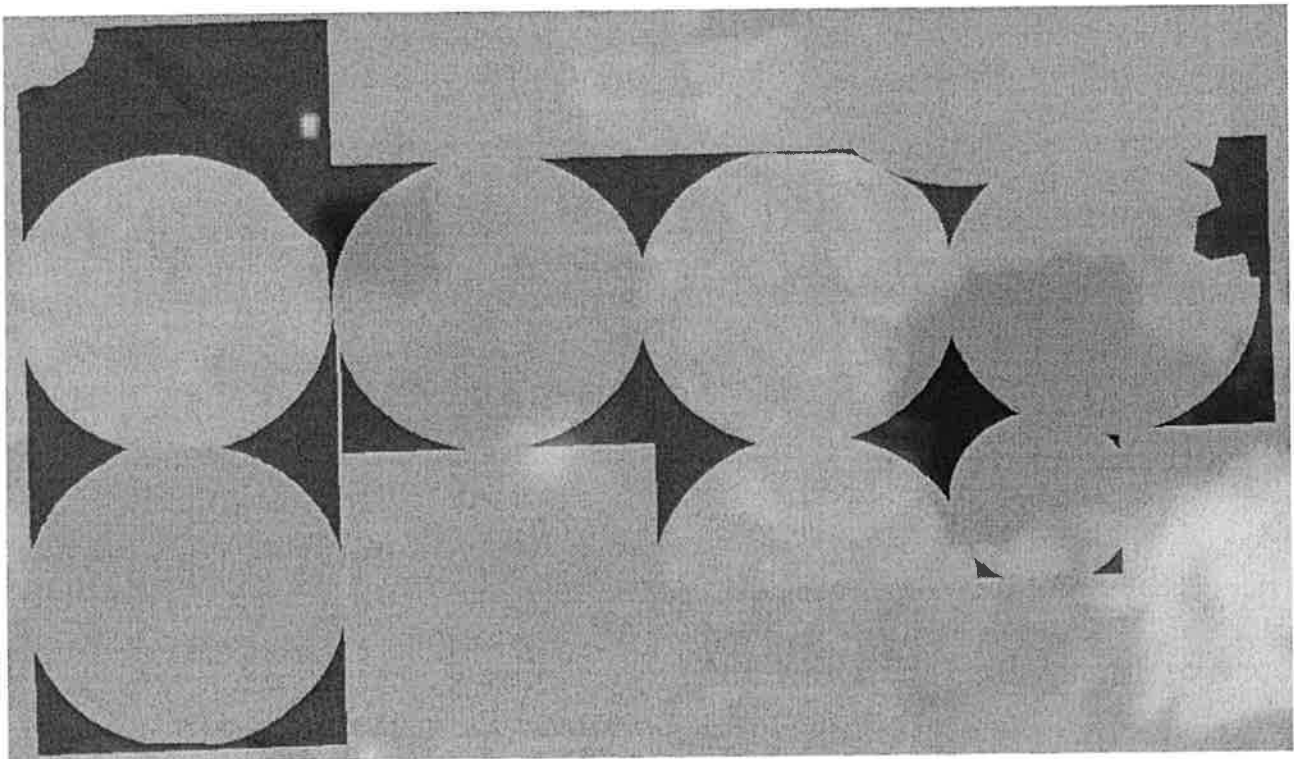
Water Supply Bank Evaluation: WSB review staff recommend approval of this lease proposal.

Lease Review Memo Appendix – Irrigation Observations from 2019 & 2020

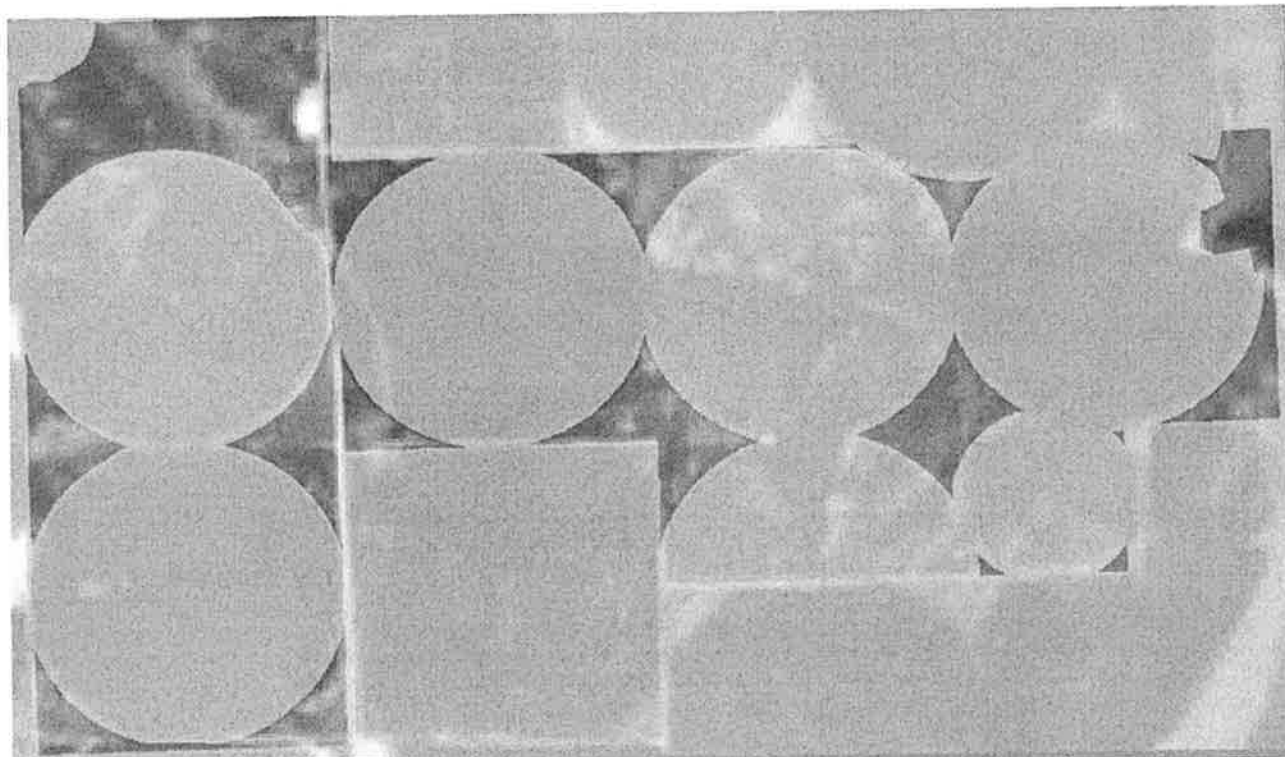
The following images and data were used to evaluate for validity under this lease application.



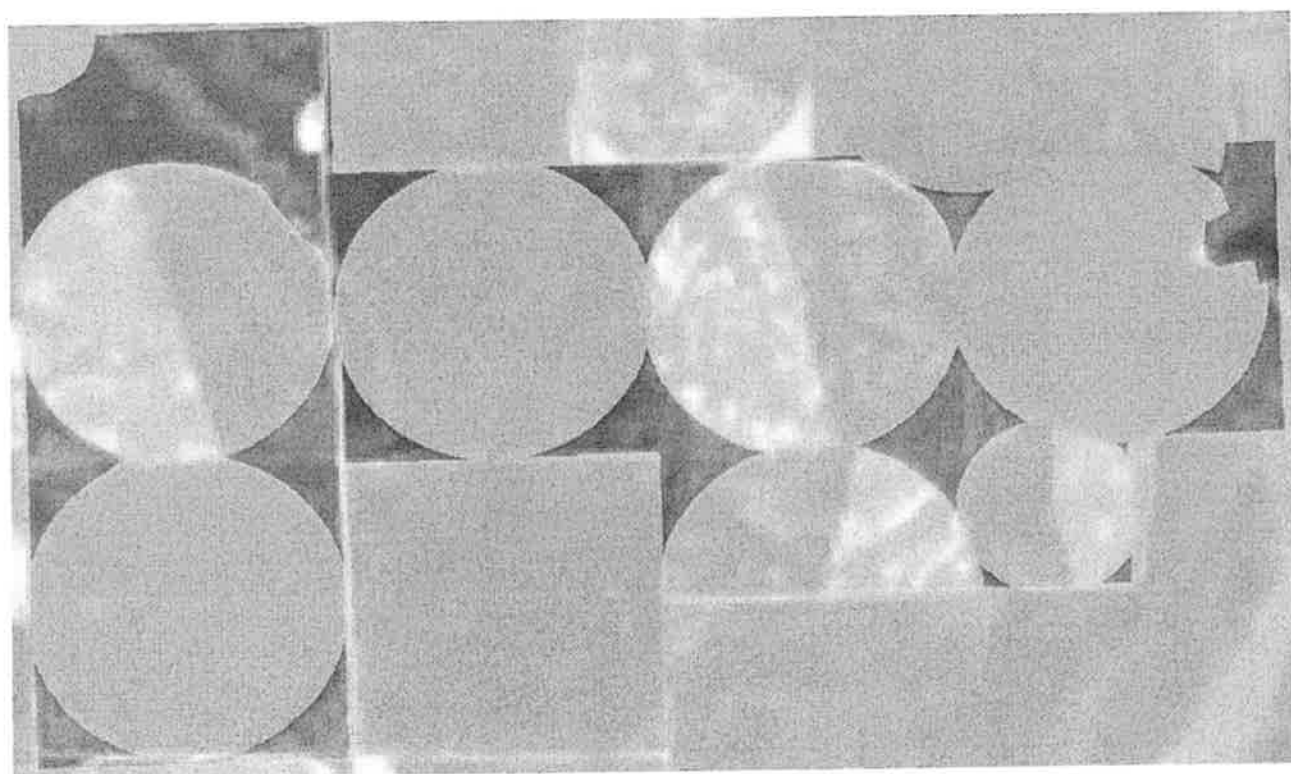
Irrigation places of use proposed for lease under water rights 22-7680A, 7680B and 7687 (true color imagery not overlaid by grey polygons). Satellite Imagery from 2019 (exact date unknown)



Vegetation observed (presumably through irrigation). Sentinel satellite imagery, June 14, 2020



Vegetation observed (presumably through irrigation). Sentinel satellite imagery, June 19, 2020



Vegetation observed (presumably through irrigation). Sentinel satellite imagery, July 14, 2020



0003724763

**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 #: 0003724763

Date Filed: 1/1/2020 12:43:11 PM

Entity Name and Mailing Address:

MOODY CREEK RANCH LLC

The file number of this entity on the records of the Idaho Secretary of State is: 0000098247

Address 1075 N 9TH E
REXBURG, ID 83440-5108

Entity Details:

Entity Status Active-Existing

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: W28382

The registered agent on record is:

Registered Agent LEROY JEPPESEN
Registered Agent
Physical Address
1075 N 9TH E
REXBURG, ID 83440
Mailing Address

Limited Liability Company Managers and Members

Name	Title	Business Address
LEROY E JEPPESEN	Manager	1075 N 9TH E REXBURG, ID 83440
BRETT H JEPPESEN	Manager	1013 N 9TH E REXBURG, ID 83440

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

LeRoy Jeppesen

Sign Here

01/01/2020

Date

Signer's Title: Manager

B0442-101 / 01/01/2020 12:43 PM RECEIVED BY ID SECRETARY OF STATE LAWRENCE DENNEY



CANCELLATION OR AMENDMENT OF CERTIFICATE OF ASSUMED BUSINESS NAME

FILED EFFECTIVE

2016 AUG 24 AM 10:40

SECRETARY OF STATE
STATE OF IDAHO1. The assumed business name is: Jeppesen Brothers Ranch2. The assumed business name was filed with the Secretary of State's Office
on 2/17/2004 as file number D731983. ☐ Cancellation. The persons who filed the certificate no longer claim an interest in the above
assumed business name and cancel the certificate in its entirety.4. ☐ The assumed business name is amended to: _____5. ☒ The true names and business addresses of the entity or individuals doing business under the
assumed business name are amended as follows:Add: ☐ Delete: ☒ Garry J. Jeppesen 1030 S. 7th W., Sugar City, ID 83448
(Name) (Address)Add: ☐ Delete: ☐ _____
(Name) (Address)Add: ☐ Delete: ☐ _____
(Name) (Address)6. ☐ The type of business is amended to:☐ Retail Trade☐ Manufacturing☐ Transportation and Public Utilities☐ Wholesale Trade☐ Agriculture☐ Mining☐ Services☐ Construction☐ Finance, Insurance, and Real Estate7. ☒ Amend mailing address for future
correspondence to:LeRoy E. Jeppesen

(Name)

1075 N. 9th E.

(Address)

Rexburg

(City)

ID

(State)

83440

(Zipcode)

8. Name and address for this acknowledgment
copy is:Ryan B. Meikle

(Name)

P. O. Box 50130

(Address)

Idaho Falls

(City)

ID

(State)

83405

(Zipcode)

Printed Name: LeRoy E. JeppesenSignature: LeRoy E. JeppesenPrinted Name: LeRoy E. Jeppesen

Signature: _____

Printed Name: _____

Signature: _____

Secretary of State use only

IDAHO SECRETARY OF STATE

08/24/2016 05:00

CK:PREPAID CT:12945 BH:1543355

1@ 10.00 = 10.00 ASSUM AMEN #2

D73198