

JUL 08 2020

DEPARTMENT OF
WATER RESOURCESSTATE OF IDAHO
DEPARTMENT OF WATER RESOURCES**WATER SUPPLY BANK LEASE CONTRACT No. 1201**

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

LESSOR: PAUL HUDSON
SHEILA HUDSON
8604 W HIGH RIDGE LN
EAGLE, ID 83616-1433

SUPPORT DATA
IN FILE # 61-12354

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 May 11, 2020.
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)
61-12354	7/10/1972	GROUND WATER	0.13	24.7	6.2
61-12355	8/23/1967	GROUND WATER	0.13	30.1	7.5
61-12356	1/4/1980	GROUND WATER	0.05	14.9	3.7
61-12357	4/30/1974	GROUND WATER	0.02	4.5	1.1
61-12358	1/14/1963	GROUND WATER	0.13	25.6	6.4
61-12359	1/14/1963	GROUND WATER	0.13	28.8	7.2
Combined Lease Totals			0.44	116	29.0

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

Minimum Payment Acceptable: Current Rental Rate

3. **TERM OF LEASE:** The term of this lease shall be January 1, 2020 to December 31, 2021. This Lease shall bind the parties and take effect when both parties have signed it.
4. **WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE:** The Lessor shall abide by all terms and conditions contained in the Water Supply Bank Conditions of Acceptance, attached hereto as "Attachment A" and incorporated herein by this reference.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

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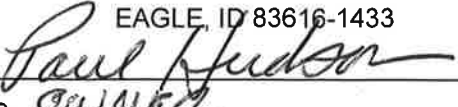
5. **CHANGE OF WATER RIGHT:** This lease specifies water right elements including but not limited to: diversion rates; diversion volumes; number of acres authorized to be irrigated; places of use; points of diversion; beneficial uses; and seasons of use. During the term of this lease, if a water right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

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

LESSOR: PAUL HUDSON
SHEILA HUDSON
8604 W HIGH RIDGE LN

EAGLE, ID 83616-1433
By 
Title OWNER
Date 7-1-2020

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 08/20/20

Lease approved by IDWR 

Date 08/20/20

STATE OF IDAHO
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ATTACHMENT A WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Source and Location of Point(s) of Diversion for Water Right No(s): 61-12354, 61-12355, 61-12356, 61-12357, 61-12358, 61-12359

GROUND WATER	SWNW	Sec. 23	Twp 01S	Rge 04E	ELMORE County
GROUND WATER	NWNW	Sec. 23	Twp 01S	Rge 04E	ELMORE County
GROUND WATER	SENW	Sec. 23	Twp 01S	Rge 04E	ELMORE County
GROUND WATER	NESW	Sec. 14	Twp 01S	Rge 04E	ELMORE County
GROUND WATER	NWSW	Sec. 14	Twp 01S	Rge 04E	ELMORE County
GROUND WATER	SWSW	Sec. 14	Twp 01S	Rge 04E	ELMORE County
GROUND WATER	SESW	Sec. 14	Twp 01S	Rge 04E	ELMORE County
GROUND WATER	NENW	Sec. 23	Twp 01S	Rge 04E	ELMORE County
GROUND WATER	NESW	Sec. 23	Twp 01S	Rge 04E	ELMORE County
GROUND WATER	NWSW	Sec. 23	Twp 01S	Rge 04E	ELMORE County
GROUND WATER	SWSW	Sec. 23	Twp 01S	Rge 04E	ELMORE County
GROUND WATER	SESW	Sec. 23	Twp 01S	Rge 04E	ELMORE County
GROUND WATER	NESE	Sec. 23	Twp 01S	Rge 04E	ELMORE County
GROUND WATER	NWSE	Sec. 23	Twp 01S	Rge 04E	ELMORE County
GROUND WATER	SWSE	Sec. 23	Twp 01S	Rge 04E	ELMORE County
GROUND WATER	SESE	Sec. 23	Twp 01S	Rge 04E	ELMORE County
GROUND WATER	NWSW	Sec. 24	Twp 01S	Rge 04E	ELMORE County
GROUND WATER	SWSW	Sec. 24	Twp 01S	Rge 04E	ELMORE County
GROUND WATER	SESW	Sec. 24	Twp 01S	Rge 04E	ELMORE County
GROUND WATER	NESW	Sec. 24	Twp 01S	Rge 04E	ELMORE County
GROUND WATER	NWNE	Sec. 23	Twp 01S	Rge 04E	ELMORE County
GROUND WATER	SWNE	Sec. 23	Twp 01S	Rge 04E	ELMORE County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
61-12354	IRRIGATION	3/15	to	11/15	0.13 cfs	24.7 AF
61-12355	IRRIGATION	3/1	to	10/15	0.13 cfs	30.1 AF
61-12356	IRRIGATION	3/15	to	11/15	0.05 cfs	14.9 AF
61-12357	IRRIGATION	3/15	to	11/15	0.02 cfs	4.5 AF
61-12358	IRRIGATION	3/15	to	11/15	0.13 cfs	25.6 AF
61-12359	IRRIGATION	4/1	to	10/31	0.13 cfs	28.8 AF
Totals:					0.44 cfs	116 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	
01S	04E	23											40	40		20			100

Total PPU Acre Limit: 100

Acre Limit: 29

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ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the Department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, or the lease term expires. A right may be released from the bank upon request, provided the Board approves the release. Unless approved by the Department, leased rights may not be immediately available for release.
5. While a water right is in the bank, forfeiture provisions are stayed pursuant to Idaho Code § 42-223(5).
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.
8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.
9. In accordance with Idaho Code § 42-248 and § 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season, even if the Department processes a Notice of Change in Water Right Ownership during the rental season.
 - b. New lessor(s) of record will receive payment for any subsequent rental seasons.
11. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.
12. The unleased portion of right 61-12354 is limited to the irrigation of 2.1 acres within the authorized place of use in a single irrigation season.
13. The unleased portion of right 61-12355 is limited to the irrigation of 2.6 acres within the authorized place of use in a single irrigation season.
14. The unleased portion of right 61-12356 is limited to the irrigation of 1.3 acres within the authorized place of use in a single irrigation season.
15. The unleased portion of right 61-12357 is limited to the irrigation of 0.4 acres within the authorized place of use in a single irrigation season.
16. The unleased portion of right 61-12358 is limited to the irrigation of 2.2 acres within the authorized place of use in a single irrigation season.

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WATER SUPPLY BANK LEASE CONTRACT No. 1201

17. The unleased portion of right 61-12359 is limited to the irrigation of 2.5 acres within the authorized place of use in a single irrigation season.
18. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the place of use.
19. The unleased portions of water rights 61-12354, 61-12355, 61-12356, 61-12357, 61-12358 and 61-12359 when combined shall not exceed a total diversion rate of 0.15 cfs, a total annual maximum diversion volume of 40 af for the irrigation of 10.0 acres in a single irrigation season.
20. Water rights 61-12354, 61-12355, 61-12356, 61-12357, 61-12358 and 61-12359 shall be subordinated to 61-12090 in the event of priority administration of water rights with points of diversion within administrative Basin 61.
21. Water rights 61-12354, 61-12355, 61-12356, 61-12357, 61-12358 and 61-12359 shall be subordinated to 63-32499 in the event of priority administration of water rights with points of diversion within administrative Basin 63.
22. Use of water under this agreement may be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No 161.
23. The right holder shall install or construct a straight length of conduit or ditch suitable for installation of a device for measuring the entire flow of water being diverted in connection with this right. If the right holder uses conduit, the straight length of conduit shall be at least fifteen times the diameter of the conduit and shall be above ground or otherwise easily accessible.
24. Diversion and use of water in connection with this right is subject to a Monitoring-Reporting Plan. The right holder shall provide the Department with a plan for monitoring-reporting aquifer levels, diversion flow rates, and volumes. The monitoring-reporting should occur in parallel with land development and production and should include identification of non-production wells and timelines for measuring and reporting. The right holder shall not divert water in connection with this right until the plan is approved by the Department. Failure to comply with the plan once it is accepted shall be cause for the Department to cancel or revoke the right.
25. The diversion and use of water described in Transfer 78356 may be subject to additional conditions and limitations agreed to by the protestant and the right holder under a separate agreement to which the Department is not a party. Because the Department is not a party, the Department is not responsible for enforcement of any aspect of the agreement not specifically addressed in other conditions herein. Enforcement of those portions of the agreement not specifically addressed in other conditions shall be the responsibility of the protestant and the water right holder.
26. This right does not grant any right-of-way or easement across the land of another.
27. Pursuant to Section 42-1412(6), Idaho Code, this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as determined by the Snake River Basin Adjudication court in the final unified decree entered 08/26/2014.

Idaho Water Resource Board
Water Supply Bank Lease Contract No. 1201

61-12354, 61-12355, 61-12356, 61-12357, 61-12358, & 61-123549
Effective until December 31, 2021

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



Approved Lease Point of Diversion

Approved Lease Place of Use

Township/Range

Sections

QQ



0 1,500 3,000 Feet

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

MAY 11 2020

DEPARTMENT OF
WATER RESOURCESAPPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANK

Designated Applicant Paul and Sheila Hudson

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

Water Right No. See Attachment A

(One water right per application)

61-12357

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	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Signatures and contact information for all owners of the water right to be leased or sold on this application.
1B	<input type="checkbox"/>	<input checked="" type="checkbox"/>	An <u>Internal Revenue Service (IRS) Form W-9</u> for the Designated Applicant.
1C	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Notice of Change in Water Right Ownership</i> form (accessible from www.idwr.idaho.gov).
1D	<input type="checkbox"/>	<input checked="" type="checkbox"/>	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	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Description of a water right portion offered to the Water Supply Bank.
3	<input type="checkbox"/>	<input checked="" type="checkbox"/>	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	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Written consent from irrigation district or water delivery company.
4G	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Evidence demonstrating the water right has not been forfeited pursuant to <u>Section 42-222(2), Idaho Code</u> .

Department Use Only

Fee Amount \$ 500.00

Received By: Ku

Date Received: 5-11-2020

Receipt # C108740

W-9 received? Yes ☒ No ☐

(Route W-9 to Fiscal)

Name on W-9: Paul S Hudson

1723

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 Paul and Sheila Hudson

Mailing Address 8604 W. High Ridge Ln. Eagle ID. 83616-1433
Street City State Zip Code

Email Address Paul@paulhudson.com Phone Number (208) 859-4600

☒ 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 Hal N. Anderson Organization Idaho Water Engineering

Professional Title Managing Partner Email Address hal@idahowaterengineering.com

Mailing Address 2918 N. El Rancho Pl. , Boise ID. 83704 Phone Number (208) 830-5525

☐ 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.

Wells, Mainlines and Center Pivots

- 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. All Rights Included

- 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. Rights acquired and transferred to current POU. 1/21/2016, No. 78536

- 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. None

- G. Has any portion of this water right undergone a period of five or more consecutive years of non-use? Yes ☐ No ☒

If yes, describe the circumstances and attach evidence to demonstrate how the water right has not been lost through forfeiture (Attachment 4G). See [Section 42-223, Idaho Code](#) for exceptions to forfeiture. Your application may be denied if forfeiture concerns are not addressed.

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

If yes, describe.

Yes ☒ No ☐

Transfer No. 78536

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: 2020 to 2021 (maximum lease period 5 calendar years).
(Year) (Year)

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

Zero

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.

Paul Hudson
Signature of Designated Applicant

PAUL HUDSON
Printed Name

5-8-2020
Date

Sheila Hudson
Signature of Authorized Representative

Sheila Hudson
Printed Name

5-8/2020
Date

Hal N. Anderson

Hal N. Anderson

5/8/2020

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

<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)
<u>Attachment A</u>	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	Total Amounts:	_____	_____	_____

2. Source of water Groundwater tributary to _____

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
01S	04E	14		SW	NW		Elmore
01S	04E	14		SW	NE		Elmore

Attachment A

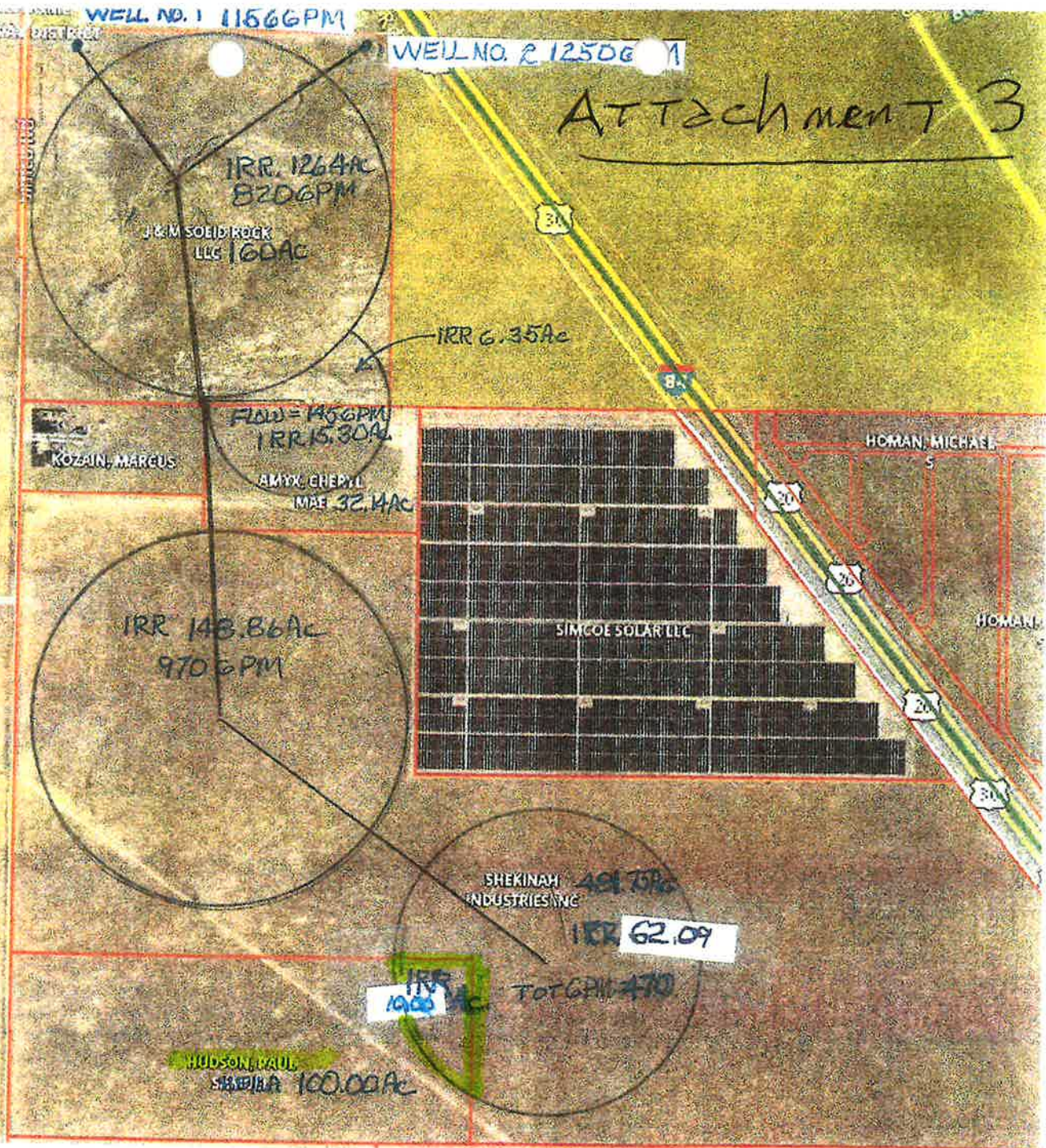
Hudson Water Supply Bank Lease and Amyx Rental

Water Right	4/15/2020			Needed for Amyx Rental		
61-12354	0.17	33.2	8.31	0.111	22.28	5.57
61-12355	0.17	40.5	10.1	0.135	27.07	6.77
61-12356	0.07	20	5.01	0.067	13.43	3.36
61-12357	0.03		1.49	0.020	3.99	1.00
61-12358	0.17	34.5	8.63	0.116	23.13	5.78
61-12359	0.18	38.8	9.69	0.130	25.97	6.49
Total			43.23			28.97
Tot. Combined Allowed		155.87	38.96			

WELL NO. 1 11566PM

WELL NO. 2 12506 1

ATTACHMENT 3



SIMCO WATER PROVE UP

LAND OWNER	Number Of Acres Owned By Entity	Acres Feet Of Water Owned Entity	Percentage Of Water Owned Entity	Acres Allowable To Farm Before Water Bank Leases	Acres Of Irrigated Land Leased To Water Bank	Acres Of Irrigated Land Leased From Water Bank	Acres Feet Leased To Water Bank	Acres Feet Leased From Water Bank
Shekinah	481	1020.2016	68.16%	350.20 Acres	44.32 Acres		177.00 Acres Feet	
J&M Solid Rock LLC	160	249.2954	16.89%	60.32 Acres		70.43 Acres		281.72 Acres Feet
Hudson Family Trust	100	155.8656	10.00%	33.97 Acres	28.97 Acres		115.88 Acres Feet	
Amyx Trust	32.14	50.0384	3.39%	12.51 Acres		3.75 Acres		11.16 Acres Feet
Total	773.14 Acres	1475 Acres Feet	100%	396.99	73.22 Acres	73.22 Acres	292.88 Acres Feet	292.88 Acres Feet

IDAHO DEPARTMENT OF WATER RESOURCES
Proof Report

3/20/2020

Water Right 61-12357

Owner Type **Name and Address**
Current Owner PAUL HUDSON
 8604 W HIGH RIDGE LN
 EAGLE, ID 83616-1433
 (208) 859-4600

Current Owner SHEILA HUDSON
 8604 W HIGH RIDGE LN
 EAGLE, ID 83616-1433
 (208) 859-4600

COPY

Priority Date: 4/30/1974

Basis: Decreed

Status: Active

Source
GROUND WATER

Tributary

<u>Beneficial Use</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	03/15	11/15	0.030 CFS	
	<u>Total Diversion</u>		0.030 CFS	

Source and Point(s) of Diversion

GROUND WATER	SESW	Sec. 14, Twp 01S, Rge 04E,	ELMORE County
GROUND WATER	SWSW	Sec. 14, Twp 01S, Rge 04E,	ELMORE County
GROUND WATER	NWNE	Sec. 23, Twp 01S, Rge 04E,	ELMORE County
GROUND WATER	SWNE	Sec. 23, Twp 01S, Rge 04E,	ELMORE County
GROUND WATER	NWSW	Sec. 24, Twp 01S, Rge 04E,	ELMORE County
GROUND WATER	SESW	Sec. 24, Twp 01S, Rge 04E,	ELMORE County
GROUND WATER	SWSW	Sec. 24, Twp 01S, Rge 04E,	ELMORE County
GROUND WATER	NWNW	Sec. 23, Twp 01S, Rge 04E,	ELMORE County
GROUND WATER	SENW	Sec. 23, Twp 01S, Rge 04E,	ELMORE County
GROUND WATER	SWNW	Sec. 23, Twp 01S, Rge 04E,	ELMORE County
GROUND WATER	NESW	Sec. 23, Twp 01S, Rge 04E,	ELMORE County
GROUND WATER	NWSW	Sec. 23, Twp 01S, Rge 04E,	ELMORE County
GROUND WATER	SESW	Sec. 23, Twp 01S, Rge 04E,	ELMORE County
GROUND WATER	NWSW	Sec. 14, Twp 01S, Rge 04E,	ELMORE County
GROUND WATER	NESE	Sec. 23, Twp 01S, Rge 04E,	ELMORE County
GROUND WATER	NWSE	Sec. 23, Twp 01S, Rge 04E,	ELMORE County
GROUND WATER	SESE	Sec. 23, Twp 01S, Rge 04E,	ELMORE County
GROUND WATER	SWSE	Sec. 23, Twp 01S, Rge 04E,	ELMORE County
GROUND WATER	NESW	Sec. 14, Twp 01S, Rge 04E,	ELMORE County
GROUND WATER	NESW	Sec. 24, Twp 01S, Rge 04E,	ELMORE County
GROUND WATER	NENW	Sec. 23, Twp 01S, Rge 04E,	ELMORE County
GROUND WATER	SWSW	Sec. 23, Twp 01S, Rge 04E,	ELMORE County

Place Of Use

IRRIGATION within ELMORE County

IDAHO DEPARTMENT OF WATER RESOURCES
Proof Report

3/20/2020

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
01S	04E	23											40.0	40.0		20.0			100.0

Right Acre Limit: 1.5

POU Total Acres: 100.0

Conditions of Approval:

1. T07 The right holder shall accomplish the change authorized by this transfer within five years of the date of this approval.
2. T08 Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
3. T19 Pursuant to Section 42-1412(6), Idaho Code, this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as may be determined by the Snake River Basin Adjudication court at a point in time no later than the entry of the final unified decree.
4. 004 This right does not grant any right-of-way or easement across the land of another.
5. 046 Right holder shall comply with the drilling permit requirements of Section 42-235, Idaho Code and applicable Well Construction Rules of the Department.
6. Prior to diversion and use of water under this right, the right holder shall install a flow measurement and volume totalizing device of a type approved by the Department on each point of diversion to measure flow and volume of water diverted.
7. 196 The right holder shall install or construct a straight length of conduit or ditch suitable for installation of a device for measuring the entire flow of water being diverted in connection with this right. If the right holder uses conduit, the straight length of conduit shall be at least fifteen times the diameter of the conduit and shall be above ground or otherwise easily accessible.
8. 020 The diversion and use of water described in Transfer 78356 may be subject to additional conditions and limitations agreed to by the protestant and the right holder under a separate agreement to which the Department is not a party. Because the Department is not a party, the Department is not responsible for enforcement of any aspect of the agreement not specifically addressed in other conditions herein. Enforcement of those portions of the agreement not specifically addressed in other conditions shall be the responsibility of the protestant and the water right holder.
9. Diversion and use of water in connection with this right is subject to a Monitoring-Reporting Plan. The right holder shall provide the Department with a plan for monitoring-reporting aquifer levels, diversion flow rates, and volumes. The monitoring-reporting should occur in parallel with land development and production and should include identification of non-production wells and timelines for measuring and reporting. The right holder shall not divert water in connection with this right until the plan is approved by the Department. Failure to comply with the plan once it is accepted shall be cause for the Department to cancel or revoke the right.
10. Water rights 61-12354, 61-12355, 61-12356, 61-12357, 61-12358 and 61-12359 shall be subordinated to 61-12090 in the event of priority administration of water rights with points of diversion within administrative Basin 61.
11. Water rights 61-12354, 61-12355, 61-12356, 61-12357, 61-12358 and 61-12359 shall be subordinated to 63-32499 in the event of priority administration of water rights with points of diversion within administrative Basin 63.
12. X27 This right is for an enlargement of 1.49 acres within the place of use described above.
13. C11 This water right is subordinate to all water rights with a priority date earlier than April 12,

IDAHO DEPARTMENT OF WATER RESOURCES
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3/20/2020

- 1994, that are not decreed as enlargements pursuant to Section 42-1426, Idaho Code. As between water rights decreed as enlargements pursuant to Section 42-1426, Idaho Code, the earlier priority right is the superior right.
14. Rights 61-12354, 61-12356, 61-12357 and 61-12358 when combined shall not exceed a total diversion rate of 0.25 cfs and the irrigation of 19.3 acres.
15. Rights 61-12357 and 61-12358 when combined shall not exceed a total diversion rate of 0.17 cfs, a total annual maximum diversion volume of 40.1 af at the field headgate, and the irrigation of 10.0 acres.
16. Rights 61-12355, 61-12356, 61-12357 and 61-12358 when combined shall not exceed a total diversion rate of 0.40 cfs, a total annual maximum diversion volume of 100 af at the field headgate, and the irrigation of 25.0 acres.
17. Rights 61-12354, 61-12355, 61-12356, 61-12357 and 61-12358 when combined shall not exceed a total diversion rate of 0.40 cfs, a total annual maximum diversion volume of 117 af at the field headgate, and the irrigation of 29.4 acres.
18. X35 Rights 61-12354, 61-12355, 61-12356, 61-12357, 61-12358 and 61-12359 when combined shall not exceed a total diversion rate of 0.59 cfs, a total annual maximum diversion volume of 156 af, a total annual maximum consumptive use volume of 115 af, and the irrigation of 39.0 acres in a single irrigation season.
19. R64 This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the place of use.
20. F06 The following rights are diverted through points of diversion described above:
61-12280, 61-12281, 61-12282, 61-12283, 61-12284, 61-12285, 61-12342, 61-12343, 61-12344, 61-12345, 61-12346, 61-12347, 61-12348, 61-12349, 61-12350, 61-12351, 61-12352, 61-12353, 61-12354, 61-12355, 61-12356, 61-12357, 61-12358, 61-12359.

Comments:

1. AKaiser 3/19/2020 Split Right
This right is the result of split from 61-12283.
2. AKaiser 3/19/2020 POU
Updated Shape

Dates and Other Information

Decreed Date: 2/27/2003
Enlargement Statute Priority Date: 4/12/1994
State or Federal: S
Owner Name Connector: AND
Water District Number: 161
Mitigation Plan: False

Combined Use Limits

N/A

SubCase:

N/A

Water Supply Bank:

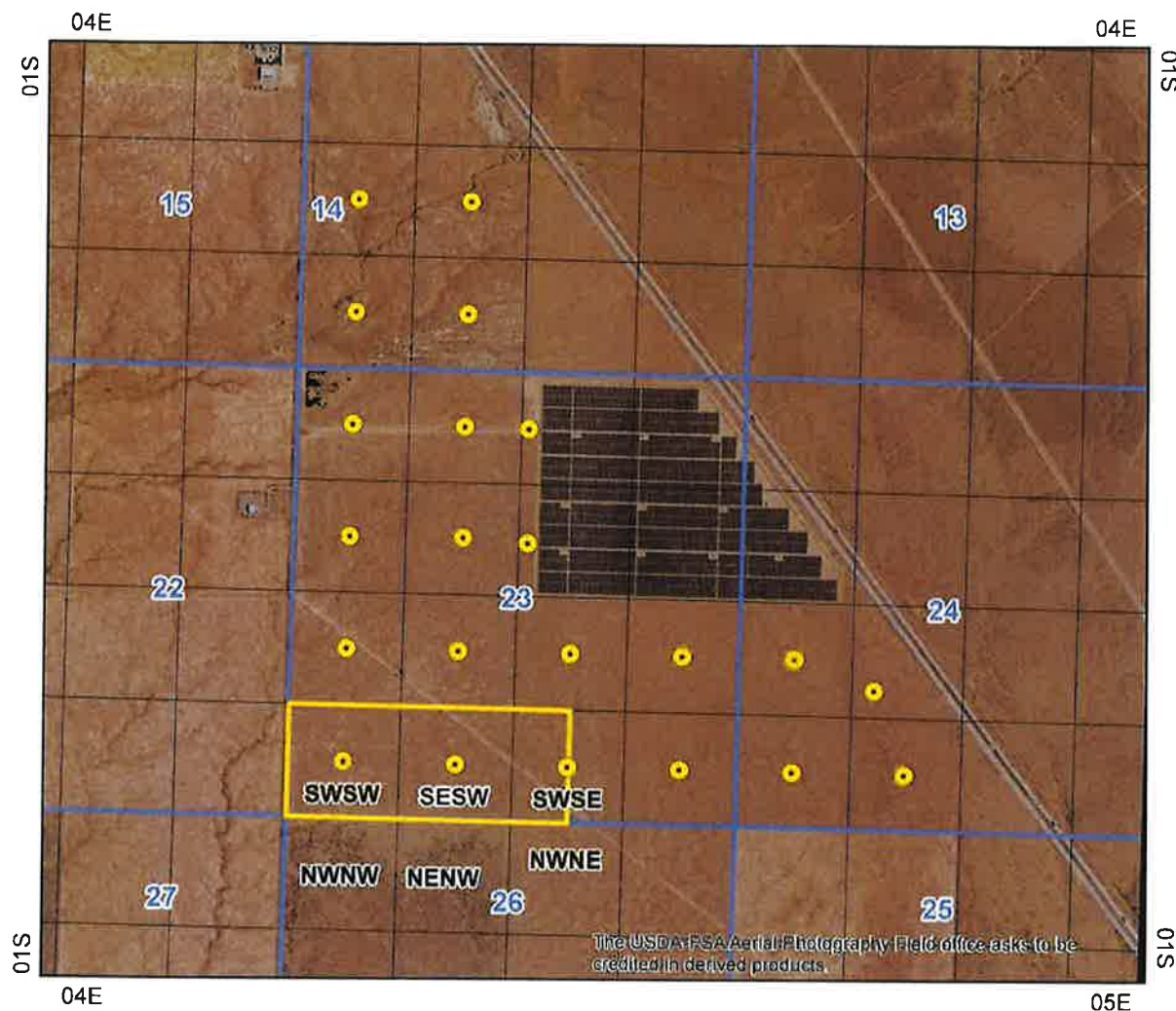
N/A

State of Idaho
Department of Water Resources

Water Right Split from Right 61-12283

61-12357

This map depicts the IRRIGATION place of use boundary for this water right at the time of this approval and is attached to the approval document solely for illustrative purposes.



- Point of Diversion
- Place Of Use Boundary
- Townships
- PLS Sections
- Quarter Quarters

0 0.25 0.5 1 Miles





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

August 24, 2020

PAUL HUDSON
SHEILA HUDSON
8604 W HIGH RIDGE LN
EAGLE, ID 83616-1433

**RE: WATER SUPPLY BANK LEASE CONTRACT 1200
FOR WATER RIGHTS 61-12354, 61-12355, 61-12356, 61-12357, 61-12358, 61-12359**

Dear Lessor:

Water rights **61-12354, 61-12355, 61-12356, 61-12357, 61-12358, 61-12359** were leased into the Water Supply Bank (Bank) as of January 1, 2020, in accordance with the enclosed executed lease contract. **Your water rights, as described on the lease contract, are considered leased into the Bank and should remain unused until they are formally released from the Bank.** More information and further restrictions placed on your water rights while leased can be found in conditions of acceptance of the lease contract. Read the conditions of acceptance carefully.

The rights will automatically be released from the Bank on **December 31, 2021**, unless the rights are released earlier by the Water Resource Board (Board). On behalf of the Board, the Department of Water Resources (Department) can evaluate an early release of the lease contract upon your request. To release the water rights from the Bank prior to the release date, submit a written request on the *Request to Release a Water Right from the Bank* form. This form is available on our public website at www.idwr.idaho.gov. **Please note your water rights may not be available for immediate release if they have been rented or are being considered for a future rental. Furthermore, it is at the discretion of the Department whether or not a water right can be released early from a lease contract.**

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

Sincerely,



Amanda Tolosa-Vehill
Water Supply Bank

Enclosure: Executed Lease Contract

c: IDWR – Western Region
Water District NO. 161
Hal Anderson – Idaho Water Engineering



State of Idaho

DEPARTMENT OF WATER RESOURCES

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

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

BRAD LITTLE
Governor

GARY SPACKMAN
Director

June 26, 2020

PAUL HUDSON
SHEILA HUDSON
8604 W HIGH RIDGE LN
EAGLE, ID 83616-1433

**RE: APPLICATION TO LEASE WATER RIGHT 61-12354, 61-12355, 61-12356, 61-12357, 61-12358,
61-12359 TO THE WATER SUPPLY BANK
CONTRACT 1201**

******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-Vahall
Water Supply Bank

Enclosures: Proposed Lease Contracts
Receipt # C108740

c. Hal Anderson – Idaho Water Engineering

Memorandum

To: Water Rights 61-12354, 61-12355, 61-12356, 61-12357, 61-12358, & 61-12359
From: Justin Ferguson
Date: May 12, 2020
Re: Water Supply Bank Lease Application 1723

Purpose/Narrative: An application was received by the Department May 11, 2020 on behalf of Mr. Paul and Ms. Shelia Hudson. The application is intended to both protect a portion of their acreage from forfeiture while facilitating a rental for Mr. Duane Amyx such that the fullest possible extent of the prior PPU can be irrigated.

Prior to the Hudsons taking ownership, the water right had covered the entire area being proposed for both the lease and rental packages. During the split the water right was divided between the interested parties based on the proportion owned. This left a discrepancy in the amounts available for each part, making irrigation of the full extent of each portion difficult. This purpose of the lease/rental package is to correct this oversight.

Authority to File: The application was signed by both Paul and Shelia Hudson and submitted by their representative at Idaho Water Engineering. IDWR records indicate they are the current water right holder. No concerns at this time

Water Right Validity/Forfeiture Evaluation: The water rights being leased have recently been transferred to a new place of use with an updated point of diversion as well.

From a review of the water rights being offered and the associated permit, this is the fifth year that the applicant has in which to complete the transfer. Because this is a transfer of an existing water right, the applicant only has to prove that the change in place of use and point of diversion has been accomplished. With the construction of the diversion works it would appear that the transfer has been accomplished and the water rights can be protected.

Injury Evaluation: During the review of the transfer application it was determined that the use of water at this location would not cause injury. Because the lease application is seeking to idle acres that could otherwise be irrigated, no injury is apparent through this contract. No concerns at this time.

Enlargement of Use: No enlargement is evident through the lease. Through this package the applicant intends to irrigate approximately 10 acres while protecting the remainder, making it available for Mr. Amyx. No concerns at this time. The number of acres and corresponding diversion rate and volume were adjusted from what was applied for to preserve the rate/acre and volume ratios of the original water rights.

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

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

Department/Watermaster Comments: IDWR Western Region comments were requested on

Water Supply Bank Evaluation: Based on the information presented by the applicant, staff recommend the application be approved through 2021.