

JUN 22 2020

DEPARTMENT OF
WATER RESOURCESSTATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 419

This is to certify that:

LCSC ENTERPRISES LLC
433 LAS COLINAS BLVD E STE 1290
IRVING, TX 75039-5058

filed an application to rent water from the Water Supply Bank ("Bank"). The Idaho Water Resource Board ("Board"), being authorized to operate a Bank and to contract by and through the Director of the Idaho Department of Water Resources ("Director, Department") for rental of water from the Bank, agrees to rent water as follows:

Summary of Water Rights or Portions Rented from the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate Per Acre (CFS/AC)	Volume Per Acre (AF/AC)
43-13595	5/4/1978	GROUND WATER	0.54	131	32.7	0.02	4.0
43-13597	5/23/1962	GROUND WATER	0.10	63.0	15.7	0.01	3.0
Combined Rental Totals			0.64	194	48.4	0.01	3.7

Term of Rental: This rental agreement shall take effect when all parties have signed it and shall continue in effect until December 31, 2020. Use of rental water shall be authorized as of either the date this rental agreement takes effect or the first day of the rental season of use, in 2020, whichever occurs last.

Annual Rental Fee:

2020: \$3,872.00

SUPPORT DATA

IN FILE #

43-13595

The full fee for the rental of the above-described right(s) is \$3,872.00 for 2020. The rental fee includes an administrative fee of \$387.20 for 2020.

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

Detailed water right conditions are attached.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 419

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

Blair Lee Dance 6.15.20
Signature of Renter Date

Blair Lee Dance Manager
Printed Name Title

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

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

By Brian Patton 07/13/20
BRIAN PATTON, Acting Administrator Date
Idaho Water Resource Board

Rental approved by IDWR Patton 07/13/20
Date

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 419

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER	NWNE	Sec. 24, Twp 09S, Rge 28E,	POWER County
GROUND WATER	SE 5W	Sec. 18, Twp 09S, Rge 29E,	POWER County

BENEFICIAL USE
IRRIGATION

DIVERSION RATE
0.64 CFS

VOLUME
194 AF

SEASON OF USE

From 4/1	To 10/31
--------------------	--------------------

RENTERS PLACE OF USE: IRRIGATION

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
09S	28E	13												0.2					0.2
09S	28E	24	5.8	3.5			16												25.3
09S	29E	18															2.6		2.6
09S	29E	19		11	6.5 L9		0.5	2.3 L6											20.3

Total Acres: 48.4

RENTAL AGREEMENT CONDITIONS OF ACCEPTANCE

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. Rental of the specified right from the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other department application process.
3. Use of water under this agreement does not constitute a dedication of the water to renter's place of use, and upon expiration of this agreement, the points of diversion and place of use of the water shall revert to those authorized under the water right and/or again be available to rent from the bank.
4. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.
5. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
6. Renter agrees to hold the Board, the Director and the state of Idaho harmless from all liability on account of negligent acts of the renter while using water.
7. Renter acknowledges and agrees that the Director may terminate authorization for the use of a water right based on a water right's priority date.
8. 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 the irrigation of the place of use.
9. Use of water under this rental 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 rental is within State Water District 120.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

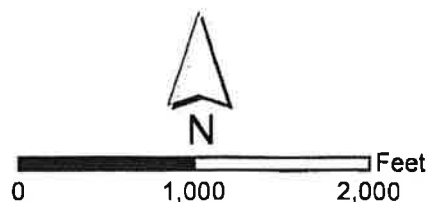
WATER SUPPLY BANK RENTAL AGREEMENT No. 419

10. Upon specific notification of the Department, the renter shall install and maintain data loggers to record water usage information at the authorized point(s) of diversion in accordance with Department specifications.
11. Prior to the diversion and use of water under this rental agreement, the renter shall install and maintain acceptable measuring device(s) at the authorized point(s) of diversion in accordance with Department specifications, or shall obtain an approved variance from the Department to determine the amount of water diverted from power records or to maintain an existing measuring device.
12. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
13. This rental agreement does not authorize the construction of a well.
14. Pursuant to Idaho Code § 42-1412(6), the water rights rented on this agreement are 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.

Effective until December 31, 2020

[illegible]

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



STATE OF IDAHO
WATER RESOURCE BOARDAPPLICATION TO RENT WATER
FROM THE BOARD'S WATER SUPPLY BANKRECEIVED
MAR 11 2020
Department of Water ResourcesApplicant Name: PEP, LLC on behalf of LCSC Enterprises, LLC

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

Yes ☐ No ☒

If yes, specify companion water rights in Section 4

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

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

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

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

MINIMUM REQUIREMENT CHECKLIST

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

Yes

Completed *Application to Rent Water from the Board's Water Supply Bank*

Confirmation that this form has been printed single sided, per requirement of the Water Supply Bank

Attachment N/A Yes

2



A map showing the proposed point(s) of diversion, place(s) of use, and water diversion and distribution systems proposed to be used with your rental request

3A



Detailed information on a proposed use of rental water

3F



Authorization from the owner/operator of the rental point(s) of diversion

3H



Water modeling to account for the impacts of the rental request

3J



Documents justifying a rate of flow greater than 0.02 cfs/acre

3K



Authorization from the owner/operator of the property at the proposed rental place(s) of use

4B



Explanation of how the rental water will sufficiently accomplish your rental purposes

4C



Explanation of consumptive use amounts for water rights experiencing a change in nature of use

Department Use Only – Proposed Water Right(s)

43-13595

43-13597

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A. Applicant LCSC Enterprises, LLC

Mailing Address 433 E LAS COLINAS BLVD STE 1290 IRVING, TX 75039
Street City State Zip Code
Email Address blair@dbscpa.net Phone Number (972) 989-7330

B. Is this application being completed by an authorized representative on behalf of the applicant? Yes ☒ No ☐
If yes, representatives (includes company employees if the applicant is a corporation, as well as legal counsel or consultants) should provide their information below if they desire to be included on correspondence with the rental applicant.

Representative Jason C. Helms, P.E. Professional Title Engineer
Organization JCH Engineering & Consulting, PLLC Relationship to Applicant Technical consultant
Mailing Address 6755 N. Albert Lane Idaho Falls, ID 83401
Email Address jasoncivil@alumni.nd.edu Phone Number (208) 308-2109

2. MAP

Create a map of the proposed point(s) of diversion, place(s) of use and water diversion, delivery and distribution systems. Make sure the rental place of use is outlined and annotated with legal land descriptions (Township, Range, Section and Quarter-Quarters) or with GPS coordinates. For irrigation purposes, mark the number of acres you desire to irrigate. Attach the map to this application and label it **Attachment 2**.

3. DESCRIPTION OF PROPOSED USE FOR RENTAL WATER

A. Describe why you desire to rent water and provide a detailed description of your proposed use. If the proposed use is not for irrigation, describe in detail how you determined the amount of rental water required. If the space below is insufficient, attach additional sheets as required and label them **Attachment 3A**:

Provide irrigation of 59.3 acres diverted from the well associated with existing water right 35-7740.

B. Enter the desired and/or minimum rates of flow, volume, or irrigable acres requested for your rental purposes:

Desired Rate (Cubic Feet/Second)	Desired Volume (Acre-Foot)	Minimum Rate* (Cubic Feet/Second)	Minimum Volume* (Acre-Foot)	Desired Acres (if applicable)
0.66 CFS	217.8 AF	0.66 CFS	217.8 AF	59.3 AC

* Sometimes water rights provide an exceptionally low rate per acre and/or low volume per acre. This section is meant to establish an acceptable range of water sufficient for your proposed water use. Please see question 4B and complete if necessary.

C. This section must be completed in full. Enter the proposed start date and latest possible start date for using rental water as well as the number of years you would like to rent water. The latest possible start is the latest possible date by which you would be willing to pay for a rental and be able to benefit from utilizing rental water.

Desired Start Date (month/day/year)	Latest Possible Start Date (month/day/year)	*Mark Desired Rental Duration (Calendar Years)					**Applicant's preference if rental application cannot be processed prior to the latest possible start?	
4/1/2020	6/1/2020	<input checked="" type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5	<input checked="" type="checkbox"/> Process application as soon as possible	<input type="checkbox"/> Return application to applicant

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

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

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

- D. Describe your water distribution system and how rental water will be delivered from the point(s) of diversion (POD) to the proposed place of use (POU):

Existing wells, and distribution system associated with water rights 35-7740.

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

POD Description	Water Source	Other Water Rights Diverted from this POD
Existing well	ground water	35-7740

If the POD(s) above are located where water is turned into a canal, lateral or ditch, or if they are located on your property but are serviced by water that is delivered via a canal, lateral or ditch, your rental request must include documented authorization from all relevant canal companies, irrigation districts and/or water delivery entities, confirming that they consent to your diversion of water from their system.

- F. Has documented consent from all relevant water delivery entities been obtained? Yes ☐ N/A ☒
If yes, include documented consent as **Attachment 3F**.

- G. Do any POD(s) identified in Question 3E divert from a water source that may require water modeling? Yes ☒ No ☐
Refer to the Water Modeling Requirements Information Sheet to determine if a rental POD may require water modeling.

- H. Has water modeling been provided with your rental request? Yes ☒ N/A ☐
If yes, label modeling Attachment 3 H.
Rental applications that require modeling will be returned if modeling is not provided.

- I. Specify the desired beneficial use of water and the requested season of use or number of acres required:

- ☒ Irrigation 59.3 (number of acres) Duration: Subject to IDWR standard seasons of use
☐ Commercial from: _____ (mm/dd) to: _____ (mm/dd)
☐ Stockwater from: _____ (mm/dd) to: _____ (mm/dd)
☐ Industrial from: _____ (mm/dd) to: _____ (mm/dd)
☐ Other: _____ from: 04/01 (mm/dd) to: 10/31 (mm/dd)

- J. For irrigation uses, do you propose to divert water at a rate greater than 0.02 cfs/acre? N/A ☐ Yes ☐ No ☒
If yes, justify the rate of flow and attach any supporting documents as **Attachment 3J**. Justification may include information on soil composition, conveyance losses, crop type, irrigation systems, public access areas, etc. A rate of 0.03 cfs/acre is permissible for irrigation of 5 acres or less.

- K. Do you own the land at the proposed rental place of use (POU)? Yes ☒ No ☐
If no, attach documentation from the POU owner/operator confirming your authorization to use the POU and label it **Attachment 3K**.

- L. List all other water rights and sources of water at the rental place of use for the same purpose, including privately owned water rights and water received from a municipal supplier, an irrigation district, a canal company or any other water delivery entity. Explain why additional water is required:
Existing water right 35-7740 will be used in combination.

**STATE OF IDAHO
WATER RESOURCE BOARD**

Application to Rent Water (Continued)

4. RENTAL REQUESTS FOR SPECIFIC WATER RIGHTS

A. Are you requesting to rent specific water rights?

Yes ☒ No ☐

If yes, specify below the elements of the water rights you are requesting to rent. If no, continue to Question 4B.

Important Information: Diversion rates and volumes sought for rent must be proportionate to the per acre diversion rates and per acre volume limits of the water right under lease contract to the Water Supply Bank. Prior to completing this section, applicants should review all water right lease contracts and any active rental agreements to determine which elements of a water right are available to satisfy a rental request. Lease and rental documents are searchable via [IDWR's website](#).

Water rights identified below must either already be leased to the Bank or a lease proposal should accompany this rental request. **Rental requests for water rights not yet leased to the Bank will be returned if companion lease applications are not provided with the rental request.** For leased rights featuring combined limits, rentals must be consistent with combined diversion rate, volume or acre limits. Combined limits should be listed on a row below water right numbers.

Water Right Elements Leased to Water Supply Bank					Leased totals, minus water right elements involved in active rental agreements, equals water right elements available for rent	Water Supply Bank Rental Request		
Water Right Number (leave blank if sub-total of combined limits)	Nature of Use	Diversion Rate (CFS)	Volume (AF)	Acres (AC)		Diversion Rate (CFS)	Volume (AF)	Acres (AC)
43-13595	Irrigation	5.00	1209.6	302.4		0.66	160.3	40.1
43-13597	Irrigation	0.89	433.6	145.1		0.12	57.6	19.2
Applicants must ensure the requested rate per acre and volume per acre do not exceed the rate per acre and volume per acre limits of water rights leased to the Water Supply Bank					TOTAL	0.66	217.8	59.3
						CFS	AF	AC

**Attach multiple copies of this page if space above is insufficient to list all water rights requested to be rented on this application.*

B. If water right conditions, combined limits, or the sum of all water right elements being requested provide an unconventional duty of water (e.g., an unusually low rate per acre or volume per acre for irrigation use), explain how your proposed rental will sufficiently accomplish your intended purposes. Attach a separate page if space is insufficient and label it **Attachment 4B**:

This additional rate will be combined with existing right 35-7740 which together provides adequate delivery.

C. Does your rental request propose to change the nature of use for any water right(s) being rented?

Yes ☐ No ☒

If yes, explain how the water right(s) will be converted to new uses. Include the historic, consumptive use amounts for the water right being rented if you have it, as well as the new consumptive use amount for your proposed beneficial use. If space below is insufficient, attach a separate page and label it **Attachment 4C**:

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

5. ADDITIONAL INFORMATION

- A. Is this the first time that rental water is being requested for this purpose at the rental place of use? Yes ☐ No ☒

If no, list previous rental requests/agreements and explain why you have not secured a permanent water right for your needs:
Rental of water right 35-7274 and 35-2824 was held pending transfer protest resolution.

- B. Have you or do you intend to submit an application for permit or transfer proposing a similar use as this rental? Yes ☒ No ☐

If yes, describe:

Application for transfer of 35-2824 and 35-7274 is pending but will not interfere with this rental.

- C. Was this rental application submitted in response to a Notice of Violation (NOV) or a pending NOV? Yes ☐ No ☒

If yes, describe the date and location of the NOV.

- D. Additional Information

DECLARATION

I hereby assert that the information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in rejection of the application or cancellation of an approval. I understand that if this rental application is approved, it will be subject to the provisions of Section 42-1766, Idaho Code and all applicable state and federal laws. I understand that the submission of a rental application provides no guarantee for approval of a rental agreement. I also understand that, per Idaho Code 42-201, it is unlawful to divert or use water without a valid water right and that I am not authorized to utilize water as proposed in this application prior to the execution of an approved rental agreement.


Signature of Applicant

Blair Lee Dana
Printed Name of Applicant

2-27-20
Date

Signature of Representative

Printed Name of Representative

Date

Mail to:

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



JCH - 2/27/2020

NAIP 2017 Aerial Photo



- Existing Wells 35-7740
- Total Irrigation 349.3 Acres
(Including Existing 35-7740: 290.0 ac)
- Township & Range
- Sections
- Power County 40's
- ESPA Model Grid



Attachment #7a

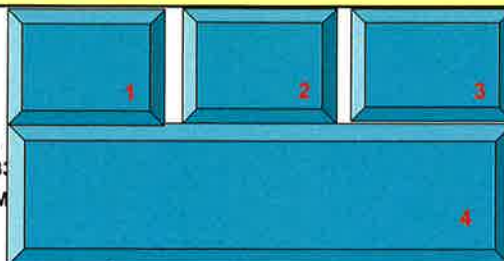
ENHANCED GROUND-WATER RIGHTS 1

UNIVERSITY OF IDAHO - IDAHO WATER RESOURCES RESEARCH INSTITUTE | IDAHO DEPARTMENT OF WATER

Cells this color are set up for user entries

ENTER STARTING DATE FOR SIMULATION. THEN PUSH "UPDATE DATES" BUTTON
 YEAR: 1961
 SEASON: SPRING

TRANSFER NO:
 PEP-LCSC WSB:
 TRANSFER NAME:
 Cell 96,83



52.30

[acre-ft]

ENTER CELL LOCATIONS:

	'TO' CELL	'FROM1' CELL	'FROM2' CELL	'FROM3' CELL			
ROW	96	91			43-13595	5/4/1978	160.3
COLUMN	83	69			43-13597	5/23/1962	57.5

35-7740

43-13595,7

Total Rental: 217.80

TRIMESTER OF ACTIVITY	TO WELL		FROM1 WELL		FROM2 WELL		FROM3 WELL	
	Projected Use	With Transfer	Without Transfer	With Transfer	Without Transfer	With Transfer	Without Transfer	Without Transfer
	AF/TRIMESTER	AF/TRIMESTER	AF/TRIMESTER	AF/TRIMESTER	AF/TRIMESTER	AF/TRIMESTER	AF/TRIMESTER	AF/TRIMESTER
SPR 1961	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUM 1961	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WIN 1961	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SPR 1962	0.0	19.2	19.2	0.0	0.0	0.0	0.0	0.0
SUM 1962	0.0	19.2	19.2	0.0	0.0	0.0	0.0	0.0
WIN 1962	0.0	19.2	19.2	0.0	0.0	0.0	0.0	0.0
SPR 1963	0.0	19.2	19.2	0.0	0.0	0.0	0.0	0.0
WIN 1977	0.0	19.2	19.2	0.0	0.0	0.0	0.0	0.0
SPR 1978	0.0	72.6	72.6	0.0	0.0	0.0	0.0	0.0
SUM 1978	0.0	72.6	72.6	0.0	0.0	0.0	0.0	0.0
WIN 1978	0.0	72.6	72.6	0.0	0.0	0.0	0.0	0.0
SPR 1979	0.0	72.6	72.6	0.0	0.0	0.0	0.0	0.0
WIN 1994	0.0	72.6	72.6	0.0	0.0	0.0	0.0	0.0
SPR 1995	0.0	0.0	72.6	0.0	0.0	0.0	0.0	0.0
SUM 1995	0.0	0.0	72.6	0.0	0.0	0.0	0.0	0.0
WIN 1995	0.0	0.0	72.6	0.0	0.0	0.0	0.0	0.0
SPR 1996	0.0	0.0	72.6	0.0	0.0	0.0	0.0	0.0
WIN 2010	0.0	0.0	72.6	0.0	0.0	0.0	0.0	0.0
SPR 2011	0.0	72.6	72.6	0.0	0.0	0.0	0.0	0.0
SUM 2011	0.0	72.6	72.6	0.0	0.0	0.0	0.0	0.0
WIN 2011	0.0	72.6	72.6	0.0	0.0	0.0	0.0	0.0
SPR 2012	0.0	72.6	72.6	0.0	0.0	0.0	0.0	0.0
WIN 2019	0.0	72.6	72.6	0.0	0.0	0.0	0.0	0.0
SPR 2020	72.6	0.0	72.6	0.0	0.0	0.0	0.0	0.0
SUM 2020	72.6	0.0	72.6	0.0	0.0	0.0	0.0	0.0
WIN 2020	72.6	0.0	72.6	0.0	0.0	0.0	0.0	0.0
SPR 2021	0.0	72.6	72.6	0.0	0.0	0.0	0.0	0.0
SUM 2021	0.0	72.6	72.6	0.0	0.0	0.0	0.0	0.0
WIN 2021	0.0	72.6	72.6	0.0	0.0	0.0	0.0	0.0
SPR 2022	0.0	72.6	72.6	0.0	0.0	0.0	0.0	0.0
SPR 2109	0.0	72.6	72.6	0.0	0.0	0.0	0.0	0.0
SUM 2109	0.0	72.6	72.6	0.0	0.0	0.0	0.0	0.0
WIN 2109	0.0	72.6	72.6	0.0	0.0	0.0	0.0	0.0
SPR 2110	0.0	72.6	72.6	0.0	0.0	0.0	0.0	0.0
SUM 2110	0.0	72.6	72.6	0.0	0.0	0.0	0.0	0.0
WIN 2110	0.0	72.6	72.6	0.0	0.0	0.0	0.0	0.0

Enter First Time Step of Transfer: **SPR 2010**

Match: 148

Match: 456

	AtR	His	StNB	NBtN	NtM	DWtB	BtTS	TS	TStM	M	MtB	Total	
Preexisting Effects @ SS (Last Time Step):	0.96	2.84	8.56	27.41	10.42	6.51	7.31	3.25	2.05	1.87	0.12	71.30	Total Effects without Transfer - Last Timestep
Steady State - Value of Dep. @ Last Time Step:	0.96	2.84	8.55	27.38	10.42	6.50	7.31	3.24	2.05	1.87	0.12	71.24	Total Effects with Transfer - Last Time Step
Preexisting Effects @ Transient State (Max Value Timestep):	0.96	2.84	8.56	27.41	10.42	6.51	7.31	3.25	2.05	1.87	0.12	71.30	Total Effects without Transfer - Correlates to Max Value from Total Effects with Transfer
Transient State - Max. Value of Dep. After Transfer:	0.96	2.84	8.55	27.38	11.39	6.50	7.31	3.24	2.05	1.87	0.12	72.22	Total Effects with Transfer - Max Value from Start of Transfer to Last Time Step
Steady State Change:	0.00	-0.01	-0.01	-0.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Transient State Change:	0.00	-0.01	-0.01	-0.03	0.98	0.00	0.00	0.00	0.00	0.00	0.00		



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

July 14, 2020

LCSC ENTERPRISES LLC
433 LAS COLINAS BLVD E STE 1290
IRVING TX 75039-5058

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 43-13595, 43-13597, AGREEMENT 419**

Dear Renter:

Please find enclosed a receipt in the amount of \$3,872.00 and a copy of a fully executed Water Supply Bank Rental Agreement of 194 acre-feet of water for irrigation of 48.4 acres. Upon receipt of this fully executed agreement, you are authorized to divert water in compliance with the conditions of water use described in the agreement.

Pursuant to the Water Supply Bank Rules, 90% or \$3,484.80 of the rental fee will be paid to the lessor(s) and 10% or \$387.20 will be retained by the Department to offset administrative costs.

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

Sincerely,


Alexander Johnson-Vahedi
Water Supply Bank

Enclosures: Receipt No. C108934
Rental Agreement (copy)

c: Sascha Marston – Fiscal
IDWR Southern Regional Office
State Water District No. 143
Jason C Helms P.E – JCH Engineering & Consulting PLLC

Hummer, Phill

From: Ferguson, Justin
Sent: Thursday, July 2, 2020 3:08 PM
To: Hummer, Phill
Subject: RE: rental 419

That was all part of the LCSC transfer that James was working to approve, I think that area should be covered by a permanent water right here soon. I'll double check and make sure quick

From: Hummer, Phill
Sent: Thursday, July 2, 2020 1:41 PM
To: Ferguson, Justin <Justin.Ferguson@idwr.idaho.gov>
Subject: RE: rental 419

Question about the place of use. It looks like they applied for 59.3 acres but we reduced the rental to 48.8 acres and removed some acres from the SWSE and SESE section 13 and SWSWI4 sec 18. However it looks like those areas are outside the place of use and not covered by 35-7740 but are being irrigated. How come the acres for the rental was reduced. It seems like now they are irrigating land without a water right because we didn't approve something that they applied for.

-Phill

From: Ferguson, Justin
Sent: Thursday, July 2, 2020 10:32 AM
To: Hummer, Phill <Phill.Hummer@idwr.idaho.gov>
Subject: RE: rental 419

Should be all set!

From: Hummer, Phill
Sent: Thursday, July 2, 2020 10:18 AM
To: Ferguson, Justin <Justin.Ferguson@idwr.idaho.gov>
Subject: rental 419

Looks like the POD shapes were erased for this rental. Will you please recreate them.

-Phill



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

June 9, 2020

LCSC ENTERPRISES LLC
433 LAS COLINAS BLVD E STE 1290
IRVING TX 75039-5058

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NOS. 43-13595, 43-13597, AGREEMENT 419**

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

Dear Applicant:

The Department of Water Resources acknowledges receipt of your application to rent water from the Water Supply Bank. **I have enclosed a Water Supply Bank Rental Agreement for your review and signature.** Upon signature and return of the original agreement, together with the rental fee described below, the Department will also sign the original agreement and return an executed copy to you. Execution of the agreement and compliance with the conditions of approval authorize diversion and use of water as provided in the agreement.

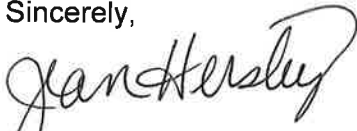
A rental fee of \$3,872.00 was calculated based on the current rental rate of \$20.00 per acre-foot times a diversion volume of 846 acre-feet.

Please send a check for \$3,872.00 made payable to the Idaho Department of Water Resources, **together with the signed rental agreement, within 14 days** so I can complete processing.

Pursuant to the Water Supply Bank Rules, 90% or \$3,484.80 of the rental fee will be paid to the lessor(s) and 10% or \$387.20 will be retained by the Department to offset administrative costs.

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

Sincerely,



Water Supply Bank

Enclosure

c: IDWR Front Desk
Jason C Helms P.E – JCH Engineering & Consulting PLLC

Hummer, Phill

From: Jason Helms <jasoncivil@alumni.nd.edu>
Sent: Friday, April 17, 2020 11:01 AM
To: Ferguson, Justin
Subject: Re: PEP & LCSC Rentals for 2020

Hi Justin,
I missed that. No those acres in the SWSE and SESE of Section 13 will be covered by the pending approval of the transfer.
Sorry about that and thanks again for your help.
Jason

On Fri, Apr 17, 2020 at 8:48 AM Ferguson, Justin <Justin.Ferguson@idwr.idaho.gov> wrote:

I can check that out right now! Will they still need the area covered by a rental in the SWSE and SESE of section 13? It appears those acres will be covered by transfer 83340 and if James is confident they will be done by the end of the month, will be covered by a permanent water right instead

From: Jason Helms [mailto:jasoncivil@alumni.nd.edu]
Sent: Friday, April 17, 2020 9:08 AM
To: Ferguson, Justin <Justin.Ferguson@idwr.idaho.gov>
Subject: Re: PEP & LCSC Rentals for 2020

Hi Justin,

After careful consideration I would like to request the rental for LCSC be reduced to the acreages in the attached shapefile for diversion from the wells associated with existing water right 35-7740.

Let me know if there is any additional information you will need to process the rental.

Thanks,

Jason C. Helms, P.E.

(208) 308-2109

On Thu, Apr 16, 2020 at 2:34 PM Ferguson, Justin <Justin.Ferguson@idwr.idaho.gov> wrote:

Jason,

We broke out all the acreage we could move around for LCSC's rentals and have the tables below, I believe we will still need a map or shapefiles for the specific acreage that they want to cover within the remaining 98.4 acres. I also

wanted to make sure so we didn't run into a problem that a water user can in fact move the acreage around within the 40 acre quarter-quarter or government lot and it should not be a problem at all.

708 acres can be irrigated as follows:

Authorized Irrigable Acres of LCSC Inc Properties																	
Township	Range	Section	NE				NW				SW				SE		
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SE
09S	28E	13									40.0	40.0	40.0	40.0			3
09S	28E	14									15.0	16.0	25.0	26.0	18.0	14.0	3
09S	28E	23	11.0	9.0													
09S	28E	24	33.0	32.0			27.0	22.0									
09S	29E	18											31.0	40.0			4
09S	29E	19		6.6			40.0	31.0	1.0	4.2							

The rental polygons we have indicate the places of use to be irrigated are:

Acres Identified for Irrigation under a Rental, per POU Polygons for Rental Applications 1																			
Township	Range	Section	NE				NW				SW				SE				
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
09S	28E	13												0.8			5.0	6.0	
09S	28E	14									3.7	3.3	0.4	12.0		6.4	3.0		
09S	28E	23	5.0	1.8			1.0												
09S	28E	24	5.8	3.5			16.0	4.0											
09S	29E	18											3.3	2.6					
09S	29E	19	11.0	6.5			0.5	2.3											

However, because some of the acres in the above table are already fully authorized to be irrigated under the 708 acres of LCSC's water rights, their rental appears to only need to be:

Acres to be Irrigated under a rental, per Application POU Polygons																			
Township	Range	Section	NE				NW				SW				SE				
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	S	
09S	28E	13															6.4	6.0	
09S	28E	14									3.7	3.3	0.4	12.0		6.4	3.0		
09S	28E	23	5.0	1.8	1.0														
09S	28E	24	5.8	3.5			13.0	4.0											
09S	29E	18											3.3						
09S	29E	19	11.0	6.5				2.3											

Based on the shapefiles provided it appears the remaining acreage is approximately 98.4 acres of which LCSC will need to delineate the 82.4 acres they intend to irrigate. The best way for that to happen will be for LCSC enterprises to provide us with shapefiles or maps of where they intend to irrigate during 2020. Once that is known, we can know how much is authorized to occur under water rights 35-7616A, 35-7491 and 35-7740, and how much necessarily would be covered under a rental.

From: Jason Helms [<mailto:jasoncivil@alumni.nd.edu>]
Sent: Thursday, April 16, 2020 2:03 PM
To: Ferguson, Justin <Justin.Ferguson@idwr.idaho.gov>
Subject: Re: PEP & LCSC Rentals for 2020

Hi Justin,

So are you saying LCSC cannot irrigate the 708 total acres authorized under their existing water rights?

It is my understanding that a transfer is not necessary to irrigate differing acres within a single 40 acre tract. Please call.

Thanks,

Jason

On Thu, Apr 16, 2020 at 12:11 PM Ferguson, Justin <Justin.Ferguson@idwr.idaho.gov> wrote:

Thank you for send that over! Attached is shapefile outlining the area that remains after I subtract the acreage covered by their water rights from the total area they would like to irrigate from the shapefile you sent. Since the total acreage remaining after the subtraction was approximately 104 acres, larger than the 82.4 acres they are requesting, we need an outline of the specific 82.4 acres they intend to irrigate within that 104 acre area

From: Jason Helms [<mailto:jasoncivil@alumni.nd.edu>]
Sent: Thursday, April 16, 2020 11:27 AM
To: Ferguson, Justin <Justin.Ferguson@idwr.idaho.gov>
Subject: Re: PEP & LCSC Rentals for 2020

Hi Justin,

Attached shapefile and 2017 aerial imagery showing the area we would like to cover with the existing water rights and rental. Based on my delineation of the 2017 aerial there is a total of 783.8 acres of cultivated and

system watered land. The existing water rights authorize 708 acres (35-7616A: 82 ac; 35-7491: 336 ac; 35-7740: 290 ac).

There has been a lot of variation in calculated acreages depending on what year aerial is examined and who performs the delineation so we are requesting the 82.4 acres (approximately 10% over my actual delineated need) in order to be absolutely certain there will be no violation regardless of windblown irrigation and overspray. Transfer application 82434 will not be approved this year and should be disregarded for purposes of this rental.

Please approve the rental as quickly as possible at whatever acreage you believe is appropriate in order to cover the land irrigated as shown in the attached 2017 aerial photo.

Time is of the essence and it is still critical that this be approved as quickly as possible. I don't know how to stress this more emphatically.

Please help.

Thank you.

Jason C. Helms, P.E.

On Thu, Apr 16, 2020 at 7:23 AM Ferguson, Justin <Justin.Ferguson@idwr.idaho.gov> wrote:

Morning!

I believe we are almost finished with the review, are you able to provide shapefiles to outline the specific acreage? There was a problem when we outlined the remaining acreage, from the satellite imagery it appeared there were more than that could be irrigated what was requested on the application. Since the rental appears to be filling in the water rights until transfer 82434 is approved, I didn't want to outline the wrong acreage as the transfer appears to be for 113.5 total acres and the rental total is only 82.4 acres.

After that I think we should be all set, these are top priority right now and I am going to try and get them through as fast as I can

Thank you!

From: Jason Helms [mailto:jasoncivil@alumni.nd.edu]

Sent: Wednesday, April 15, 2020 9:54 AM

To: Ferguson, Justin <Justin.Ferguson@idwr.idaho.gov>

Subject: Re: PEP & LCSC Rentals for 2020

Hi Justin,

Blair Dance of LCSC is anxious for the rental application approvals.

Is there any idea when these might be ready?

Thanks,

Jason C. Helms, P.E.

(208) 308-2109

On Tue, Apr 7, 2020 at 1:26 PM Ferguson, Justin <Justin.Ferguson@idwr.idaho.gov> wrote:

Afternoon!

Attached is the letter regarding the third PEP rental, I can send you the application and a physical copy as soon as I can. For their second rental we were approximately 20 acres short, if that is acceptable please submit an updated map outlining the acreage PEP would like to cover up to 250 acres.

Regarding the LCSC rental applications, I believe we can move forward with the first three applications. The fourth application will be returned as the well for the point of diversion has not be drilled yet. Should they wish to apply when it has be completed, we can accept their rental at that time.

Sorry for the delay in processing of all the applications, I am going to try and get them out to you and your clients as soon as possible!

Thank you

Justin

(208) 287-4936

Memorandum

To: Rental Application
From: Justin Ferguson
Date: June 5, 2020
Re: Water Supply Bank Rental Proposal

Purpose/Narrative: An application was received on behalf of LCSC Enterprises by their representative on March 11, 2020 as part of a proposed lease/rental package involving PEP and the City of Chubbuck. Initially this application was part of a four application package however, per three recently approved transfers, two were no longer necessary and the fourth was returned.

The application is proposing to irrigate acreage that is outside the authorized place of use for both the water rights held by LCSC and the pending transfers, 83288, 83315 and 83340, slated to be approved by IDWR in May 2020. The applicant had requested a total of 59.3 acres but because the transfers are being approved, has been reduced to 48.4 acres and the remainder will be covered by a permanent water right held by LCSC.

Authority to File: These applications were signed by Mr. Blair Dance as a registered agent for LCSC Enterprises. Per the information provided in the previous lease application, LCSC Enterprises is a subsidiary of Borah Capital LTD of which Mr. Dance is a registered agent. No concerns at this time.

Water Right Validity/Forfeiture Evaluation: The water rights being requested are currently leased to the Bank and available for lease. These rights are held by Glen Ward Livestock and have been leased to the Bank previously. No concerns at this time.

Injury Evaluation: No injury is apparent through the rental, ESPA modeling was provided by the applicant's representative using the previous version of the ETRAN indicating mitigation was not necessary. The data was verified using the most current version and no mitigation is required.

The water rights to be rented are located just outside of the ESPA GWMA boundary. Part of the rental POU is within the ESPA. The rental was modeled using the closest grid cells within the model boundary.

At first glance there may be concern that there is a change from one distinct aquifer to a totally separate aquifer proposed in the rental, because the water rights to be rented are outside of the ESPA and are thus not considered part of the common ESPA aquifer source. However, the rights to be rented are less than a mile from the digital boundary which is itself an approximation of a physical reality. Guidance from Jeff Peppersack (New ESPA Transfer Spreadsheet V2.1, Jeff Peppersack, 2006) says that:

"Transfers moving from the ESPA modeled area to a location outside the modeled area (or from outside to within the modeled area) need to be reviewed carefully because a transfer cannot be approved to move from one distinct aquifer to a totally separate aquifer...For points of diversion between the ESPA and just outside the ESPA modeled area, it may be reasonable to allow use of the closest cell within the ESPA modeled area for analysis using the transfer spreadsheet and ignore other tributary effects."

And the following:

"Transfers between the ESPA modeled area and non-modeled tributary aquifers will require separate analysis by other acceptable methods unless the distance is less than 2 cells outside the modeled area."

Therefore, use of the closest model cell in this case is justified and we do not consider rental to be a change in aquifer source.

Enlargement of Use: No enlargement is evident as the rental will be calibrated to match the water rights at the rental place of use. No concerns at this time.

Local Public Interest: Sustainable management of water throughout this basin is in the local public interest. As such, comments will be requested from the staff of Water District 120, and IDWR's Eastern Region office.

Beneficial Use/Conservation of Water Resources: The beneficial use of irrigation is consistent with the conservation of water throughout the State of Idaho.

Department/Watermaster Comments: Water District 120 and IDWR Eastern Region comments were requested May 28, 2020

Water Supply Bank Evaluation: Subject to favorable water district and regional office comments, it is recommended this rental be approved for a single year through the end of 2020. Note rental fees are based on the more specific (not rounded) rental volume of 193.60 af so they are required to pay \$3,872.00 instead of \$3,880.00.