WATER SUPPLY BANK RENTAL AGREEMENT No. 391

This is to certify that:

BEAR LAKE GRAZING CO

70 CAMP STEWART RD

MONTPELIER, ID 83254-5235

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 Priority Right No. Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate Per Acre (CFS/AC)	Volume Per Acre (AF/AC)
27-4096 12/23/1902 Rental Totals	UNNAMED STREAM	0.66 0.66	116 116	33.0 33.0	0.02	3.5 3.5

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 - 2020: \$231.00 annually

The full fee for the rental of the above-described right(s) is \$2,310.00 per year for years 2020. The rental fee includes an administrative fee of \$231.00 for 2020. Note that the renter is obligated to pay only the administrative fees associated with the water right(s): 27-4096.

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.

DEPARTMENT OF WATER RESOURCES

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WATER SUPPLY BANK RENTAL AGREEMENT No. 391

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:

Signature of Renter

Keete **Printed Name**

<u>352020</u>

Date

<u>General Partner</u>

*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.

Date 7-8-20 Βv BRIAN PATTON, Acting Administrator Idaho Water Resource Board Date 7-8-20 Rental approved by IDWR

WATER SUPPLY BANK RENTAL AGREEMENT No. 391

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

LANES CREEK	SWSE	Sec. 28, Twp 06S, Rge	e 44E,	CARIBOU County
BENEFICIAL USE IRRIGATION	<u>DI</u>	VERSION RATE 0.66 CFS	<u>VOLUM</u> 116 A	

SEASON OF USE

Water Right No.	From	То
27-4096	7/02	9/20

RENTERS PLACE OF USE: IRRIGATION

Two	Twp Rng Sec			N	E			N	N			S	N			S			Tatala
Twp	Ting	Sec	NE	NW	SW	SE	Totals												
06S	44E	33	11	22															33

Total Acres: 33

RENTAL AGREEMENT CONDITIONS OF ACCEPTANCE

- 1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
- Rental of the specified right from the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other department application process.
- 3. Use of water under this agreement does not constitute a dedication of the water to renter's place of use, and upon expiration of this agreement, the points of diversion and place of use of the water shall revert to those authorized under the water right and/or again be available to rent from the bank.
- 4. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.
- 5. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
- 6. Renter agrees to hold the Board, the Director and the state of Idaho harmless from all liability on account of negligent acts of the renter while using water.
- 7. Renter acknowledges and agrees that the Director may terminate authorization for the use of a water right based on a water right's priority date.
- 8. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
- 9. This water right is entitled to the protections of paragraph x.d of water right 27-11375.
- 10. Pursuant to Idaho Code § 42-1412(6), 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.

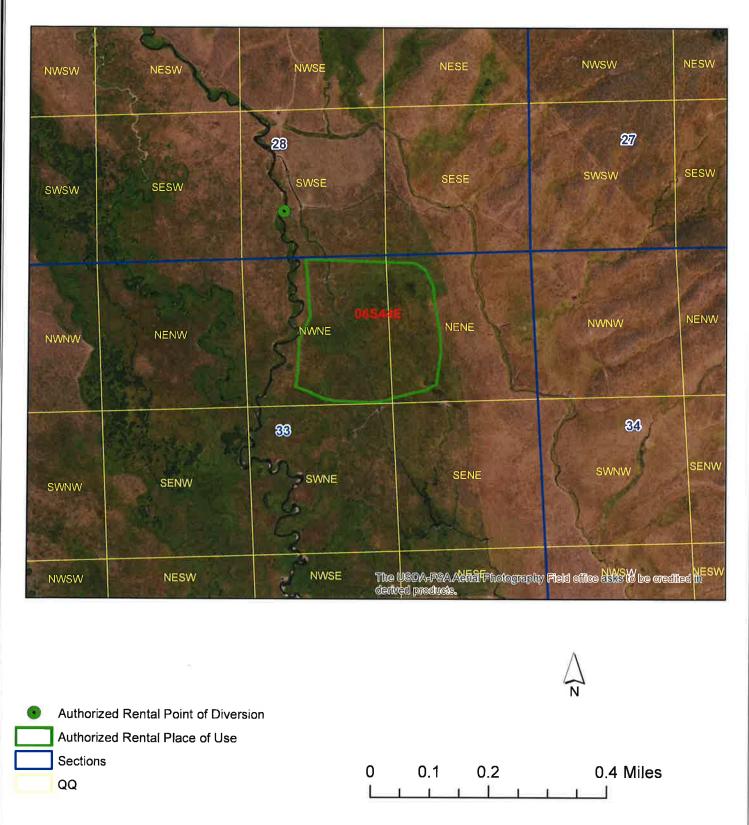
WATER SUPPLY BANK RENTAL AGREEMENT No. 391

- 11. Use of water under this right may be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, the water right is within State Water District No. 27.
- 12. The right holder shall maintain a measuring device and lockable controlling works of a type approved by the Department in a manner that will provide the watermaster suitable control of the diversion(s).
- 13. The following right is diverted thorough the point of diversion described above: 27-11271.
- 14. This right 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.

Idaho Water Resource Board Attachment to Water Supply Bank Rental Agreement No. 391

Effective until December 31, 2020

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



APPLICATION TO RENT WATER FROM THE BOARD'S WATER SUPPLY BANK

JUL 2 3 2019	REC		
	JUL	23	20 19

Yes No

Applicant Name: Bear Lake Grazing Company

Is this application being submitted with a lease application as a lease/rental package? 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						
3 F			Authorization from the owner/operator of the rental point(s) of diversion						
3Н			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)

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A.	Applicant Bear Lake Grazing Company				
	Mailing Address 835 Alton Road 70/amp Montpelier		ID	83254	
		City Phone Number	state 208-8	Zip Code 147-0636	
В.	Is this application being completed by an authorized representat If yes, representatives (includes company employees if the applic provide their information below if they desire to be included on com-	ant is a corporation, as well as	legal counsel	and the second second	o 🔲 nould
	Representative Dan Keetch	Professional Title			
	Organization Bear Lake Grazing Company	Relationship to Applicant			
	Mailing Address 166 Keetch Road, Montpelier, ID 83254				
	Email Address	Phone Nun	nber		

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**:

Irrigate pasture to increase forage as part of an elk/fish/cattle conservation agreement with Fish and Game.

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

Desired Rate	Desired Volume	Minimum Rate*	Minimum Volume*	Desired Acres
(Cubic Feet/Second)	(Acre-Foot)	(Cubic Feet/Second)	(Acre-Foot)	(if applicable)
10.54 CFS	113 AF	.66 CFS	115.5 AF	

* 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	Latest Possible		*Mark Desired				**Applicant's preference if rental		
Start Date	Start Date		Rental Duration				application cannot be processed		
(month/day/year)	(month/day/year)		(Calendar Years)				prior to the latest possible start?		
07/01/19	07/01/19	₽ 1	2	3		□ 5	Process application as soon as possible	Return application to applicant	

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

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

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):

It would use the existing distribution system for water right 27-11271 which only allows irrigation until July.

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 PO			
Head Gate Sec. 28 T6SR44	Lanes Creek	27-11271			

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.
- Has water modeling been provided with your rental request?
 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:

V	Irrigation	(number of acres	Duration: Subject to IDW	/R standard seasons of use	
	Commercial	from: (mm/do) to: (mm/dd)		
	Stockwater	from: (mm/do) to: (mm/dd)		
	Industrial	from: (mm/do) to: (mm/dd)		
	Other:			from: (mm/dd) to:	: (mm/dd)

- J. For irrigation uses, do you propose to divert water at a rate greater than 0.02 cfs/acre? N/A Yes No If yes, justify the rate of flow and attach any supporting documents as Attachment 3J. Justification may include information on soil composition, conveyance losses, crop type, irrigation systems, public access areas, etc. A rate of 0.03 cfs/acre is permissible for irrigation of 5 acres or less.
- K. Do you own the land at the proposed rental place of use (POU)? Yes 🔽 No 🗌 If no, attach documentation from the POU owner/operator confirming your authorization to use the POU and label it Attachment 3K.
- 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:

Water Right 27-11271 only allows irrigation until July. This lease would extend the irrigation dates on a small part of the property.

Yes \square N/A \checkmark

Application to Rent Water (Continued)

4. RENTAL REQUESTS FOR SPECIFIC WATER RIGHTS

A. Are you requesting to rent specific water rights?

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 E	lements Leased to	Leas	Water Supp	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)	Leased totals, minu rental agreements,	Diversion Rate (CFS)	Volume (AF)	Acres (AC)
27-4096	Irrigation	.66	115.5	33	us wate equals	.66	115.5	33
					r right elements invol water right elements			
					s involved in active ments available for			
					active ble for rent			
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						.66 CFS	115.5 AF	33 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**:

Yes 🔽 No 🗌

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 If no, list previous rental requests/agreements and explain why you have not secured a permanent water right for your needs	No 🗌
B.	Have you or do you intend to submit an application for permit or transfer proposing a similar use as this rental? If yes, describe: Yes	No 🗹
C.	Was this rental application submitted in response to a Notice of Violation (NOV) or a pending NOV? Yes If yes , describe the date and location of the NOV.	No 🗹
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.

ien

Signature of Applicant

Printed Name of Applicant

Signature of Representative

Printed Name of Representative

Date

Mail to:

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

Water Modeling Requirement Information Sheet

Information on water modeling requirements for rental requests within special administrative areas

Important information on requesting rental water within special administrative areas: Refer to the information below to determine whether the modeling of potential impacts from your rental request is necessary. Use Section 4 of the rental application to identify selected water rights. If you submit an application to rent water from within a special administrative area and water modeling is required, your rental request will be returned if water modeling is not provided.

Water modeling may be required when an application to rent water involves one of two scenarios:

Scenario 1: The rental request proposes to divert water from a regulated water source and/or within a special administrative area AND the distance between the rental point(s) of diversion (POD) and the POD(s) for the leased water right(s) is greater than the administratively established, acceptable distance.

Regulated water sources may areas include:

- A. Ground water resources within the modeled area of the Eastern Snake Plain Aquifer (ESPA) and tributary aquifers;
- B. Ground water within Ground Water Management Areas (GWMAs) or Critical Ground Water Areas (CGWAs);
- C. Water resources within other specified administrative areas, as established by the Idaho Water Resource Board (IWRB) or the Idaho Department of Water Resources.

The distance between any rental POD(s) and the POD(s) for a leased water right to be rented is important. On the ESPA, distance is measured in terms of model cells that cover an area of one square mile. Ground water modeling is not required if lease POD(s) and rental POD(s) are located within the same model cell or within adjacent model cells. If the lease and rental PODs are separated by more than one model cell groundwater modeling must be completed using the IDWR ESPA Transfer Tool and modeling results must be submitted with the rental application. ESPA modeling tools can be accessed and freely downloaded from IDWR's website by visiting: www.idwr.idaho.gov/WaterManagement/WaterRights/WaterRightTransfers/resources.htm.

Ground water modeling may be required within GWMAs, CGWAs or other regulated administrative areas. Applicants who desire to rent water within an established GWMA, CGWA or other regulated administrative area should consult IDWR's website before submitting their application to review the current status of administrative orders related to regulated administrative areas. Consult www.idwr.idaho.gov/WaterInformation/GroundWaterManagement/designated_areas.htm for information on GWMAs or CGWAs, visit https://idwr.maps.arcgis.com/home/ to use mapping tools to find other regulated areas.

Applicants interested in renting water within a GWMA, CGWA or other regulated administrative areas should request water rights that have been leased into the Bank from within the same administrative area. Generally, the Bank will not permit a rental of water within a regulated administrative area if the leased water rights are not located within that same administrative area.

Scenario 2: A rental request proposes to divert water from a different but hydraulically connected water source.

Modeling situations may include:

- A. Rental requests that propose to divert surface water rights via ground water POD(s) (wells); and
- B. Rental requests that propose to divert ground water from one aquifer when the right being rented authorizes the diversion of ground water from a hydraulically connected, tributary aquifer.

Rental requests that propose to divert surface water rights from ground water points of diversion may be considered if ground water modeling establishes that the surface and ground water resources are directly and immediately hydraulically connected. An acceptable hydraulic connection occurs when at least 50 percent of the total depletions from a well are detectable from the original water source within a 24 hour period. The existing (leased) POD and proposed (rental) POD must be proximate such that diversion and use of water from the proposed POD would have substantially the same effect on the hydraulically-connected source as diversion and use of water from the original POD.

Requests to rent ground water across tributary aquifer sources may be considered if ground water modeling is provided to demonstrate that two aquifers are hydraulically connected and the anticipated impacts of diverting ground water from one source through the other is modeled accordingly.

For more information about rental application requirements, contact IDWR at (208) 287-4800.

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DEPARTMENT OF WATER RESOURCES

BLACKFOOT RIVER WILDLIFE MANAGEMENT AREA GRAZING EXCHANGE AGREEMENT 2020-2022

This agreement made and entered into by and between the Idaho Department of Fish and Game (hereinafter Department) and Bear Lake Grazing Company (hereinafter Cooperator) c/o Dan Keetch, 166 Keetch Road, Montpelier, ID 83254 is made in reference to the following facts:

RECITALS

- A. The Department owns the following real property within Caribou County, Idaho, known as the Blackfoot River Wildlife Management Area (BRWMA). The portion of BRWMA appertaining to this agreement is more fully described as:
 - a. West Angus A T7S, R44E, SECT 7 NE1/4, 160 Acres
 - b. West Angus B T7S, R44E, SECT 8 north of Blackfoot River road and west of Angus Creek, 140 Acres

c. South Pasture T7S, R44E, SECT 16, 17 S ½, S1/2N1/2. 900 acres Total acres: 1200 MOL

- B. The Cooperator desires to graze the described portion of said property and agrees to comply with the conditions and covenants contained herein.
- C. The Department desires to manage the BRWMA for fish and wildlife habitat and has determined that certain grazing practices are consistent with this objective, and that a change in timing of grazing and exclusion from certain areas on Cooperator's private land may be beneficial for fish and wildlife, and is therefore willing to allow the Cooperator to graze the BRWMA under the conditions set forth below. This agreement provides no expressed or implied future agreement.

SECTION ONE Grant of Agreement

For this agreement, all livestock are considered cattle. AUMs shall be defined as one cow/calf pair for 30 days equals 1 AUM. Bulls shall be considered as 1.5 AUMs; steers and heifers (yearlings) .75 AUM. 636 AUMs are available for use through this agreement (178 AUMs in the West Angus Pastures; 458 AUMS in the BRWMA South Pasture). Appendix 1 contains a map of the pastures and AUMs available.

- A. The Department grants the Cooperator a right to graze the Blackfoot River WMA as follows:
 - a. The West Angus Pastures shall be used to offset lost grazing due to excluding cattle from conservation project areas on Sheep Creek as outlined in Section II.
 - i. The allowable grazing season for these pastures is approximately June 1 to November 1, with 7 days of allowance for weather conditions.
 - Carrying Capacity may not be exceeded for either pasture or both combined. Estimated Carrying Capacity is 95 AUMs for the A pasture and 83 AUMs for the B pasture; 178 AUMs total.
 - iii. Cattle shall be placed on the A pasture at turnout and rotated to the B pasture mid-season.
 - b. The herd of approximately 800 Animal Units from the privately held "South End" pasture shall be moved to the BRWMA South Pasture at turnout until the estimated 458 AUMs have been consumed. This grazing will coincide with the cutthroat trout spawning and early egg development period – approximately June 1 to June 25.
 - c. Turnout on all pastures shall not occur prior to 5" of new growth of perennial grasses in the spring.
 - d. Salt may be used to improve distribution of livestock. Salt shall be placed in containers or boxes to prevent leaching into soil and shall be removed within 7 days of cattle removal.

- e. Cattle arriving from outside the Highlands Cooperative Weed Management Area shall have been on weed free forage or feed for 5 days prior to placement on BRWMA to prevent the introduction of new weed species.
- f. The Cooperator shall inform the Department of the actual number of Livestock and dates of entry on and removal from the WMA.
- g. Department staff may direct cattle removal or movement to privately held replacement pasture earlier or later than anticipated to improve the management, safety, or appearance of the WMA. Cooperator shall move cattle within 5 days of notice.
- B. The Cooperator may use water right 27-4096 to apply 115.5 acre feet of irrigation at a rate not to exceed 0.66cfs to 33.0 acres of cooperator's land (conditional upon water availability and approval by the Water Bank) to create an elk lure crop area, to mitigate beavers flooding private grazing areas, and to offset costs associated with this agreement and other wildlife improvements. The Department shall be responsible for IDWR/Water Bank fees incurred. The Cooperator shall be responsible for any costs associated with delivery and application of irrigation.
- C. The Department owns all improvements on the WMA and shall construct suitable fences for holding cattle on the property, as well as exclusion fences on the south side of the Blackfoot River and on both sides of Angus Creek. Any fence maintenance when livestock are present and occupying pastures shall be the Cooperator's responsibility. Cooperator shall inspect and request materials to make repairs or improvements prior to turning out cattle.
- D. This agreement shall include the right of ingress and egress for the Cooperator and his authorized agents over and upon the property for only the purposes set forth herein. Department owned roads, including those closed to public use, may be used only for the purposes of this agreement, however, use during wet conditions and cross-country travel shall remain prohibited.
- E. The Cooperator shall pay all costs associated with the grazing operation not expressly defined by this agreement.
- F. The Cooperator shall keep the livestock confined to such grazing areas as specified by the Department, will conform to the established grazing system, will move or disperse livestock as required by the Department, shall contact the Department prior to entry, and shall remove all unauthorized livestock from the WMA.
- G. The Cooperator will coordinate with the Department to remove all unauthorized domestic livestock not owned by the Cooperator from the WMA grazing pastures for the term of the agreement. Each party will keep the other apprised of such incidents.
- H. The general public shall have the privilege to enter on, occupy and pass across the property owned or managed by the Department for the purpose of hunting, fishing, trapping, or other recreational pursuits. PROVIDED, however, the Department may reasonably regulate such public entry, occupancy, motorized vehicle use, or passage for the purpose of preventing damage to crops, livestock, wildlife or lands. Employees, agents and representatives of the Department shall have the right to enter on and pass across the property at any time.
- The Department shall not be responsible for road conditions, vandalism, or fire damage to equipment or livestock.
- J. The Department shall not be responsible for the injury, loss or death of any livestock. In the event of death of any livestock, the Lessee shall be responsible for the removal of the carcass from The Property within three (3) days from the time of discovery.
- K. The Cooperator shall not construct or place any permanent or temporary structures, or equipment on the property without written authorization from the Department.
- L. Nothing herein shall be construed as conveyance of an easement or other real property right in the property to the Cooperator, nor shall anything herein be construed as conveyance of any easement or property right to adjacent private property to the Department.
- M. The Cooperator shall not assign any rights or delegate any duties under this agreement without prior written consent of the Department.
- N. The Cooperator is responsible for any damage caused by their actions or their agents to roads or infrastructure, as well as damages caused by fire. The Cooperator is not responsible for normal wear and tear to WMA roads and infrastructure, or damage caused by nature or the public.

SECTION TWO Payment

The Cooperator agrees that, as payment for this agreement, to provide the following fish and wildlife conservation measures: The private property appertaining to this agreement is more fully described as: T6S, R44E, SECT 28, 32 NE1/4, 33 and T7S, 44E SECT 10, 11, 23 S1/2, 24 S1/2, 25, and 26 E1/2, NE1/4NW1/4 (A map of project areas and rotation changes is included in Appendix 1).

- A. Cattle will be removed from the Bull Pasture (T6S, 44E SECT 32 W1/2NE1/4) and South End (T7S, 44E SECT 23 S1/2, 24 S1/2, 25, and 26 E1/2, NE1/4NW1/4) and will not be replaced by additional cattle, during the period(s) when they are relocated to the WMA.
- B. The Cooperator will allow IDFG to construct riparian protection fences along Sheep Creek (T7S, R44E SECT 32 NE1/4, 33 W1/2) and exclude cattle for the term of this agreement. IDFG retains ownership and maintenance responsibility for this fence. At its discretion, IDFG will be allowed to access the Cooperator's property and remove all fencing and materials if this agreement ends.
- C. The Cooperator will maintain Bacon Creek in its original stream channel (T7S R44E SECT 10,11).
- D. The Cooperator will establish an elk foraging area by applying water right 27-4096 to irrigate with water from Lanes Creek (T6S, R44E SECT 28, 33). The exact location will be determined by the cooperator with approval of the Idaho Water Bank.
- E. The Cooperator will allow use of the above described private property by fish and wildlife and will not knowingly impede or persecute their access or use of the property. Cooperator agrees that this shall satisfy any depredation losses and will not file a separate damage claim for the duration of the contract. Note that this shall not be interpreted as inhibiting in any way normal ranching activities such as livestock fence, other maintenance, cattle herding, or the lawful pursuit of fish and wildlife during normal seasons.
- F. The Cooperator will allow IDFG staff, during the course of their duties, access to the property to fulfill or inspect the completion of the terms of this agreement.

SECTION THREE Term

This agreement shall take effect on May 25, 2020, and remain in effect until November 15, 2022, unless terminated as provided in Section Four below. At the option of the parties, this agreement may be modified and/or extended by written mutual agreement.

SECTION FOUR Termination

- A. The Department may revoke, at its discretion, the agreement herein granted upon the occurrence of any of the following events:
 - 1. The cooperator violates any of the terms or conditions of this agreement.
 - 2. The cooperator causes, permits or suffers any strip or waste to the property.
 - 3. Any other basis recognized by the statutes or by the common law of the State of Idaho, including revocation for due cause.
- B. The agreement herein granted may be terminated prior to completion of the term in Section Three above upon thirty (30) days written notice by both parties.

SECTION FIVE Waiver, Modification, or Amendment

Page 3 of 6

No waiver, modification, or amendment of this agreement or of any covenant or condition herein contained shall be valid unless in writing duly executed by the party to be charged therewith and the parties further agree that the provisions of this section may not be waived, modified, or amended except as herein set forth.

SECTION SIX Indemnification

The Cooperator is and shall be regarded as an independent contractor and assumes and agrees to protect, indemnify, and hold harmless the Department and its employees and agents from all liability and expense on account of claims, suits, and costs growing out of or connected with any operation by The Cooperator or employees of The Cooperator or agents pertaining to this agreement. Provided, however, that the Department shall not be relieved hereby from liability for its own negligence or that of its employees or agents.

IN WITNESS WHEREOF, the parties have executed this agreement upon the date following their respective signatures.

STATE OF IDAHO DEPARTMENT OF FISH AND GAME

IDFG

Michael Pearson, Chief Bureau of Administration

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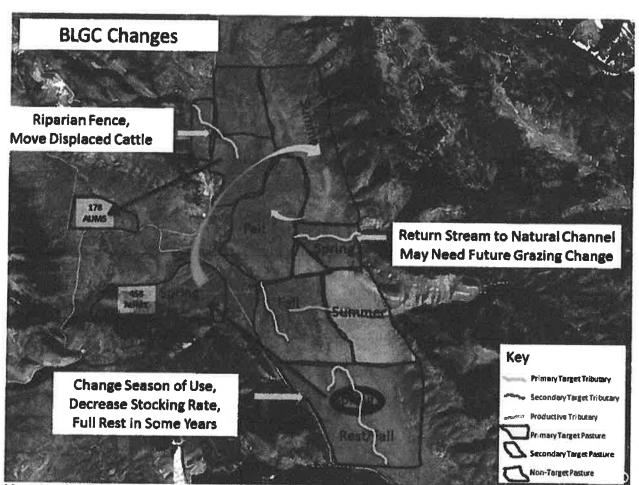
Oan faiter

Cooperator

Date



Blackfoot River WMA Pastures



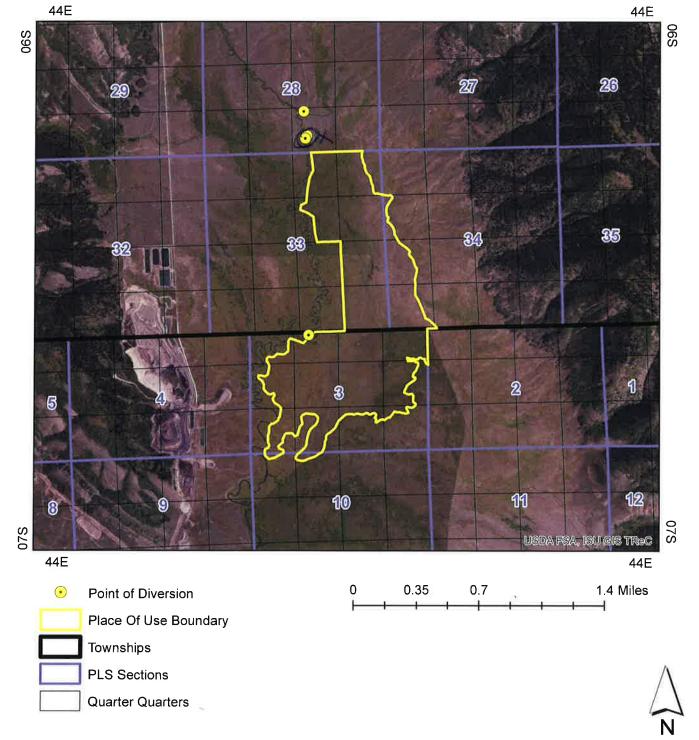
Map showing BLGC project areas, including which cattle will be moved to the WMA.

State of Idaho Department of Water Resources

Water Right 27-11271

IRRIGATION

The map depicts the place of use for the water use listed above and point(s) of diversion of this right as currently derived from interpretations of the paper records and is used solely for illustrative purposes. Discrepancies between the computer representation and the permanent document file will be resolved in favor of the actual water right documents in the water right file.





State of Idano 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

July 8, 2020

GARY SPACKMAN Director

BEAR LAKE GRAZINC CO 70 CAMP STEWART RD MONTPELIER, ID 83254-5235

RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK WATER RIGHT NO(S). 27-4096 AGREEMENT 391

Dear Renter:

Please find enclosed a receipt in the amount of \$231.00 and a copy of a fully executed Water Supply Bank Rental Agreement of 116 acre-feet of water for irrigation of 33.0 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.

A rental fee of **\$2,310.00** was calculated based on the current rental rate of \$20.00 per acre-foot times a diversion volume of 116 acre-feet. Since you have a private agreement with the lessor, **you are only obligated to pay the 10% administrative fee or \$231.00.**

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

Sincerely,

Show - Veibell

Water Supply Bank

Enclosures: Receipt No. C107725 Rental Agreement (copy)

c: Sascha Marston – Fiscal IDWR Eastern Regional Office

Dalgleish, Alex

From: Sent: To: Subject: Dalgleish, Alex Friday, March 20, 2020 12:48 PM 'jason.beck@idfg.idaho.gov' Bear Lake Grazing Co Rental Payment

Jason,

Bear Lake Grazing Company has signed the 2020 rental agreement. Now, the Department needs to collect the annual rental fee of \$231.00. You can send a check or cash to IDWR. The Department does not accept credit cards over the phone.

Thank you,

Alex Dalgleish Water Resource Agent Phone (208) 287-4913 alex.dalqleish@idwr.idaho.gov



State of Idaho DEPARTMEN T OF WATER RESOURCES

322 E Front Street, Su i te 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

February 27, 2020

GARY SPACKMAN Director

BEAR LAKE GRAZINC CO 70 CAMP STEWART RD MONTPELIER, ID 83254-5235

RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK WATER RIGHT NO(S). 27-4096, AGREEMENT 391

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 **\$2,310.00** was calculated based on the current rental rate of **\$20.00** per acre-foot times a diversion volume of 116 acre-feet. Since you have a private agreement with the lessor, **you are only obligated to pay the 10% administrative fee or \$231.00.** An annual payment shall be received by the Department prior to the execution of this agreement and prior to January 1 in all subsequent years for the duration of the rental period. The agreement will be void if payment is not received prior to the due date in a given year. If you would like to terminate the agreement prior to the end of the rental period, you must submit written notice of your intent to the Department at least 30 days prior to the rental fee due date.

Please send a check for \$231.00 made payable to the Idaho Department of Water Resources, together with the signed rental agreement, within 14 days so I can complete processing.

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

Sincerely,

Jehrl

Enclosure(s)

c: IDWR Front Desk

MEMORANDUM FOR AGREEMENT # 391

To: Water Right(s) 27-4096

From: Alex Dalgleish

Date: 3/20/2020

Re: Review & Analysis of Water Supply Bank Rental Application 1450

PURPOSE/NARRATIVE: On July 23, 2019, Bear Lake Grazing Company (BLGC) submitted an application to rent water from the Bank. The application requests water to irrigate pasture, in order to increase forage as part of an elk/fish/cattle conservation agreement with the Idaho Department of Fish and Game (IDFG). The rental requested to rent water for 1 year and identified leased water right 27-4096, owned by the IDFG. This rental application proposes to rent the full amounts leased into the Bank.

Additional information was needed in order to process the rental application. A search of the Idaho Secretary of State website did not produce any results showing that BLGC was a business in Idaho. On 8/2/19, a letter was sent to BLGC requesting where the point of diversion (POD) and place of use (POU) will be. Rowleen Keetch called me on 8/16/19 in response to the letter and requested additional time to submit the information. The additional information was received on 9/16/19.

Leased water right 27-4096 only allows irrigation until 9/20 of each year. Due to the delay in receiving the additional information, the rental of right 27-4096 did not seem practical for 2019. Therefore, BLGC requested that the Department hold on to their rental application and process it for the 2020 season.

Although the applicant provided a map showing the POD and POU, the POU was still too vague and did not accurately show how the rented acres would be split amongst quarter-quarters. I reached out to Dan and Rowleen Keetch multiple times by phone and email asking for a map showing the rental POU. Finally, on 1/8/2020, Rowleen called me regarding the map and stated that BLGC was having difficulty producing a map. After discussing how BLGC would like to split the rented acres, I made a map showing a potential rental POU and emailed it to her. She emailed me back the same day and said the proposed rental POU map I provided would be satisfactory.

An agreement between the IDFG and BLGC was included with the rental application. This agreement expired at the end of 2019 and a renewal was requested. The Department received an updated agreement on 1/22/2020.

AUTHORITY TO FILE: The application was submitted by Dan Keetch on behalf of BLGC. Mr. Keetch is the representative for BLGC. A search of the Idaho Secretary of State did not produce any results for BLGC. On 8/2/19, a letter was sent to the applicant and representative requesting proof showing the authority for the business to operate in Idaho and authority for the representative to sign on behalf of the applicant. The information was received on 9/16/19. According to available Caribou County tax-lot information, the proposed POU and POD are owned by Bear Lake Grazing Co. There are no concerns with the applicant filing their rental request.

WATER RIGHT VALIDITY: The requested water right 27-4096 is valid and is currently leased to the Bank in 2016 thought the end of 2020. Review of 2016 and 2018 Sentinel imagery indicates the POU for leased right 27-4096 has not been irrigated. However, the right lies next

to the Blackfoot River and Sentinel imagery shows some possible 'green' land near the meandering river channel. This is likely not from irrigation but rather from the proximity to the Blackfoot River and a higher water table. There are no concerns about water right validity.

INJURY TO OTHER WATER RIGHTS: This rental is not in proximity of the Eastern Snake River Plain (ESPA). The rental POD is also not in a ground water management area or critical management area. The distance between the location of the leased POD and rental POD is approximately 4 miles straight across. The leased POD is downstream from the rental POD and both the lease and rental divert water from tributaries of the Blackfoot River. The rental will occur on 11 acres in the NENE QQ and 22 acres in the NWNE QQ of Sec. 33 Twp. 06S Rge. 44E.

Right 27-11271, owned by BLGC has 4 POD's. Two are above the rental POD, one is shared with the rental POD and the last is below the rental POD. No injury is anticipated for this right since its authorized season of use ends on 7/1 of each year. The rental request will begin on 7/2/2020 to avoid enlargement or injury.

BLGC also owns rights 27-12059 and 27-12052 that divert water from the unnamed stream below the rental POD. Injury is not suspected to these rights as they each authorize minimal diversions of 0.02 cfs for stockwater use.

Further downstream, stockwater right 27-4095 diverts water from the Blackfoot River. This right is the only right that diverts water from the Blackfoot river between the rental POD and lease POD aside from the water rights owned by BLGC. Right 27-4095 is owned by IDFG and diverts at maximum rate of 0.02 cfs. With diversion rates so small, no injury is apparent to this rights via this rental.

ENLARGEMENT OF USE: Right 27-4096 authorizes 0.02 cfs per acre and an irrigation season of use from 06/20 to 09/20 of each year. BLGC owns water right 27-11271, which overlaps at the proposed rental POU. This right authorizes 0.02 cfs/acre and a season of use from 04/15 to 07/01. With both rights allowing 0.02 cfs/acre, enlargement should be avoided. More importantly, limiting the rental season of use from 07/02 to 09/20 will help avoid enlargement. No enlargement concerns are present.

LOCAL PUBLIC INTEREST: Review staff has no information to suggest this application is inconsistent with the local public interest.

BENEFICIAL USE/CONSERVATION OF WATER RESOURCES: The rental appears consistent with the conservation of water resources in Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS: The location for the rental POD is subject to Water District # 27 (Blackfoot River). James Cefalo is the current Watermaster as well as the Eastern Regional contact. On 2/3/2020, comments were submitted to James. If no response was received within 2 weeks, so it was presumed that no concerns were present.

Dalgleish, Alex

From: Sent: To: Subject: Attachments:

Dalgleish, Alex Monday, February 3, 2020 4:22 PM Cefalo, James *Bear Lake Grazing Rental 2020 Move Map Rental 1450.pdf; Bear Lake Grazing Co. Rental Review Memo.docx

James,

I am seeking comment on the proposed rental of right 27-4096 by Bear Lake Grazing Company for the 2020 year. Please see the attachments and respond with any comments or concerns within 14 days, by 2/17/2020.

If no response if received, I will assume you do not have any concerns with the proposed rental.

Thank you,

Alex Dalgleish Water Resource Agent Phone (208) 287-4913 alex.dalgleish@idwr.idaho.gov

Dalgleish, Alex

From:	Rowleen Keetch <lrkeetch@gmail.com></lrkeetch@gmail.com>
Sent:	Wednesday, January 8, 2020 5:41 PM
То:	Dalgleish, Alex
Subject:	Re: Bear Lake Grazing Company 2020 Rental Place of Use (Proposed)

Lynn thinks that this will be workable. We still have a few questions for Jason and then I will send the agreement to you. Thanks for your help. Rowleen

On Wed, Jan 8, 2020 at 3:49 PM Dalgleish, Alex <<u>Alex.Dalgleish@idwr.idaho.gov</u>> wrote:

Dan and Rowleen,

Please see the attachment showing a possible place of use for rental of IDFG right 27-4096. Let me know what you think and if you'd like to move acres around a bit. I tried to concentrate the place of use around the ditch running SE from Lanes Creek in the NWNE quarter-quarter.

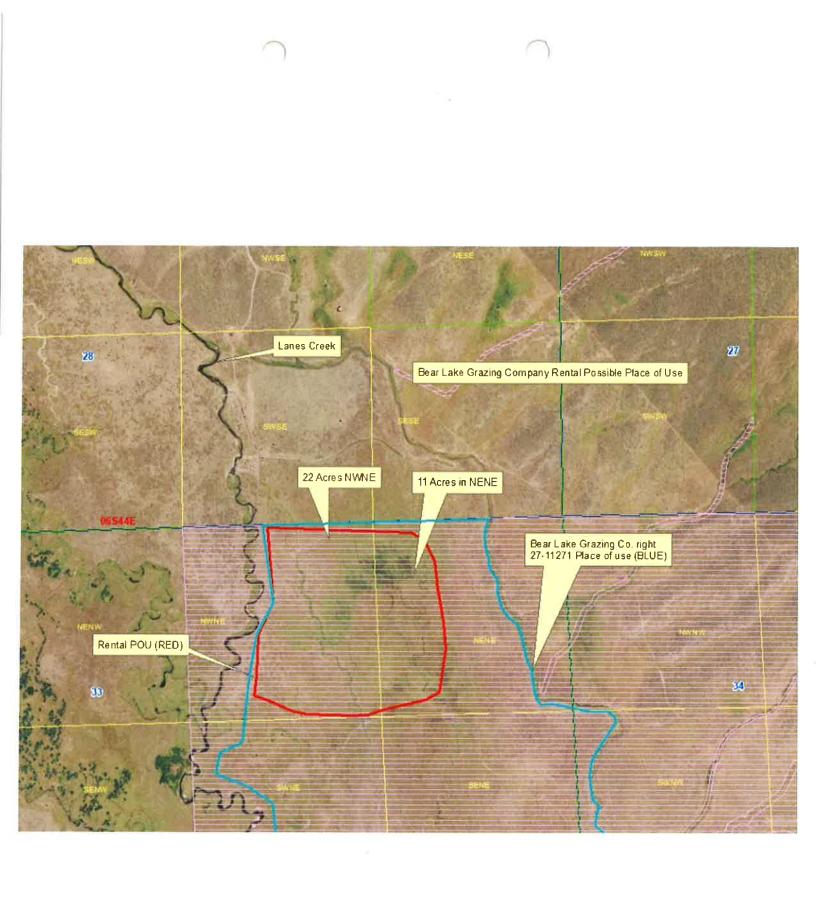
Best,

Alex Dalgleish

Water Resource Agent

Phone (208) 287-4913

alex.dalgleish@idwr.idaho.gov



ж. С

Dalgleish, Alex

From:	Dalgleish, Alex
Sent:	Wednesday, December 18, 2019 12:43 PM
To:	'Rowleen Keetch'
Subject:	Water Supply Bank Rental
Follow Up Flag:	Follow up
Flag Status:	Flagged

Hi Rowleen,

I wanted to reach out and remind you that the Department still needs additional information in order to process the rental application from BLGC. Please provide map representing the point of diversion (POD) and place of use (POU) where rented acres from right 27-4096 will be applied. Right 27-4096 authorizes the irrigation of 33 acres. BLGC must supply a map showing where the 33 acres will be used for irrigation and where the water will be diverted from Lanes Creek.

When a map showing the POD and POU is received, I can continue processing the rental application.

Please feel free to contact me with concerns or questions.

Thank you,

Alex Dalgleish Water Resource Agent Phone (208) 287-4913 alex.dalgleish@idwr.idaho.gov

100



Dalgleish, Alex

From: Sent: To: Subject: Dalgleish, Alex Tuesday, December 3, 2019 10:38 AM 'Beck,Jason' RE: water right lease 27-4096

Jason,

Regarding the rental payment for Bear Lake Grazing Company (BLGC) to rent IDFG right 27-4096, the Department will invoice IDFG when the rental paperwork is sent to BLGC for their signature.

Contact me if there are additional concerns/questions.

Thanks,

Alex Dalgleish Water Resource Agent Phone (208) 287-4913 alex.dalgleish@idwr.idaho.gov

From: Beck,Jason [mailto:jason.beck@idfg.idaho.gov] Sent: Thursday, November 21, 2019 10:41 AM To: Dalgleish, Alex <Alex.Dalgleish@idwr.idaho.gov> Subject: water right lease 27-4096

Alex,

I'm writing to confirm that Idaho Fish and Game will pay the Water Bank fees and forego our payment as owner of the water right associated with Bear Lake Grazing Company leasing our water right 27-4096. If you can send an invoice via email or to the address below, pending approval by the bank, I will authorize an interagency payment.

Jason Beck Regional Wildlife Habitat Biologist 1345 Barton Road Idaho Department of Fish and Game Pocatello, ID 83204 208-232-4703

Dalgleish, Alex

From: Sent: To: Subject: Attachments: Dalgleish, Alex Tuesday, September 17, 2019 4:49 PM 'Rowleen Keetch' Bear Lake Grazing Company Rental 2020 BLGC Right 27-11271.JPG

Rowleen,

The Department received the documents sent by Bear Lake Grazing Company (BLGC) for the rental in 2020. After looking though them, the map included showing the place of use(POU) and points of diversion (POD's) is still too vague. The Department needs to know exactly where the acres rented will be applied and where the water will be diverted.

The map that was received today had the NWNE and NENE quarter-quarters circled. I've attached a map showing the acreages authorized in the NWNE and NENE quarter-quarters under Bear Lake Grazing Company's current right 27-11271. Leased right 27-4096 only has a maximum of 33 acres in the Bank. Therefore, BLGC can only rent 33 acres. Can you please indicate how the 33 acres will be split among the NWNE and NENE quarter-quarters.

Also, the point of diversion on the map received today does not specify which POD will be used under right 27-11271. I have labeled the attached map with the POD I think BLGC would like to use as the rental POD. Please let me know if it is the correct POD.

Again, please call me if you have further questions. I understand the Water Supply Bank processes can be confusing.

Thank you,

Alex Dalgleish Water Resource Agent Phone (208) 287-4913 alex.dalgleish@idwr.idaho.gov



Bear Lake Grazing Company 70 Camp Stewart Road Montpelier, ID 83254 SEP 16 2019 DEPARTMENT OF WATER RESOURCES

September 12, 2019

Department of Water Resources PO Box 83720 Boise, ID 3720-0098

Dear Alex,

I have attached the necessary items for Bear Lake Grazing to receive water rights for the year 2020. Jason Beck, from Idaho Fish and Game, said that you could hold our application and then approve for this coming year. Jason has spoken to Remington Buyer in your department about this lease. Please let me know if there is any more information you need to facilitate this transaction. We appreciate the time and work you have put into this.

Sincerely,

leens Geetch

Rowleen Keetch Secretary 208-847-0636

Bear Lake Grazing Company 70 Camp Stewart Road Montpelier, ID 83254

September 4, 2019

Department of Water Resources PO Box 83720 Boise, ID 3720-0098

Alex Dalgleish,

like

Bear Lake Grazing would to withdrawn our application for the year 2019, but please retain it and process it for the year 2020.

Thank you,

Dan C. Julton

Dan C. Keetch





Bear Lake Grazing Company 70 Camp Stewart Road Montpelier, ID 83254

August 19, 2019

Department of Water Resources 322 Front Street, Suite 648 Boise, Idaho, 83720

Dear Alex Dalgleish,

Dan Keetch, general partner of Bear Lake Grazing Company, has authorization to sign as the applicant on behalf of Bear Lake Grazing Company for the Application to Rent Water from the Water Supply Bank.

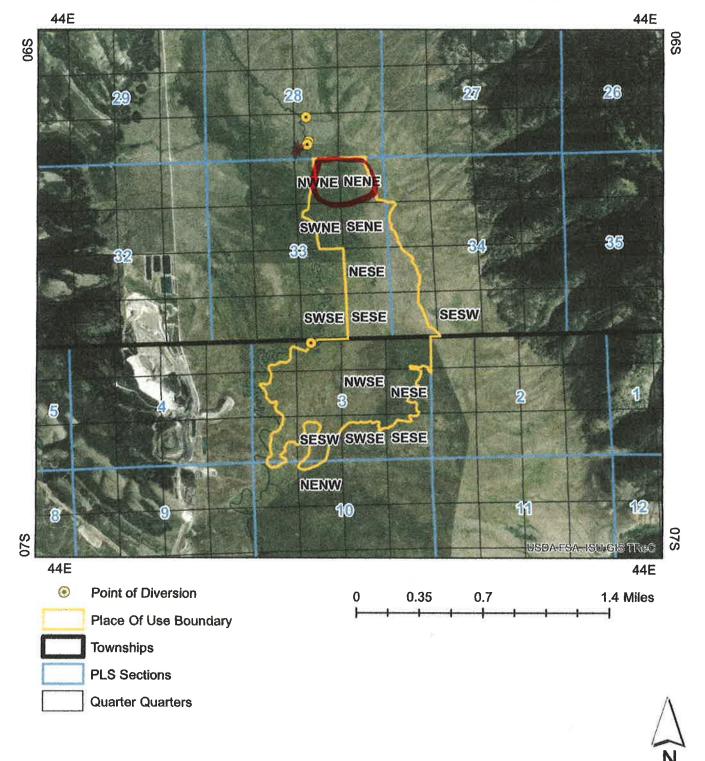
Sincerely,

Joan Bunderson

Joan Bunderson General Managing Partner PO Box 79 Dingle, ID 83233

State of Idaho Department of Water Resources Attachment to Water Right License 27-11271

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.





State of "Jaho DEPA & FMENT 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 8/2/19

DAN KEETCH 166 KEETCH RD MONTPELIER ID 83254 GARY SPACKMAN Director

RESPONSE DEADLINE August 16, 2019

RE: ADDITIONAL INFORMATION REQUEST FOR PROCESSING APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK

TIME SENSITIVE RESPONSE REQUIRED

Dear Applicant:

The Department of Water Resources ("Department") acknowledges receipt of your Application to Rent Water from the Water Supply Bank ("Bank"). A preliminary review of your application has been completed and it has been determined that additional information is required to continue processing.

Please provide the following information within 14 days of the date of this letter or the application will be returned:

- Proof that the business entity listed as the applicant on your application is authorized to do business in the state of Idaho.
- Proof of authority to sign on behalf of the business entity listed as applicant.
- A map that clearly outlines the location of irrigated acres. The map should list the Township(s), Range(s), Section(s) and quarter-quarters.
 - The map should also represent the **point of diversion** including the Township, Range, Section and quarter-quarter description.

Please provide the required information within fourteen (14) days. If sufficient information is not received within 14 days, your application will be returned to you unprocessed and you will have to re-file your application.

Please contact me if you have questions regarding this matter at (208)-287-4913.

Sincerely,

Alex Dalgleish Water Resource Agent

c: Bear Lake Grazing Company