

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1161

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

LESSOR: J R SIMPLOT CO
1099 W FRONT ST PO BOX 27
BOISE, ID 83707-0027

RECEIVED
APR 10 2020
DEPARTMENT OF
WATER RESOURCES

RECITALS

1. The Board is authorized under chapter 17, title 42, Idaho Code to operate a water supply bank and to contract with lessors to act as an intermediary in facilitating the rental of water.
2. The Lessor has filed a completed application to lease water rights described below into the Water Supply Bank on forms supplied by the Idaho Department of Water Resources and received by the Department on January 01, 2020.
3. The Director of the Idaho Department of Water Resources has reviewed the application for compliance with the Water Supply Bank rules and has approved the Lease subject to conditions listed below.

NOW, THEREFORE, in consideration of the mutual covenants and contracts herein contained, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. **WATER RIGHTS:** The Lessor shall lease and the Board shall accept into the Bank the Applicant's water rights described as follows:

Summary of Water Rights or Portions Leased to the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)
35-14260	10/1/1953	GROUND WATER	0.39	88	22
35-14262	1/8/1959	GROUND WATER	0.07	14	3.5
35-14258	1/18/1974	GROUND WATER	0.41	160	40
Combined Limit Totals			0.87	174	43
Combined Lease Totals			0.87	174	43

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

Minimum Payment Acceptable: Current Rental Rate

3. **TERM OF LEASE:** The term of this lease shall be January 1, 2020 to December 31, 2023. This Lease shall bind the parties and take effect when both parties have signed it.
4. **WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE:** The Lessor shall abide by all terms and conditions contained in the Water Supply Bank Conditions of Acceptance, attached hereto as "Attachment A" and incorporated herein by this reference.

SUPPORT DATA

IN FILE # 35-14258

WATER SUPPLY BANK LEASE CONTRACT No. 1161


5. **CHANGE OF WATER RIGHT:** This lease specifies water right elements including but not limited to: diversion rates; diversion volumes; number of acres authorized to be irrigated; places of use; points of diversion; beneficial uses; and seasons of use. During the term of this lease, if a water right is administratively changed due to a water right split and renumbering, this lease may be reduced by an equal amount to reflect the water right elements as legally defined under the water right. If a lease contract cannot be reduced sufficient to reflect the legal definition of a water right as amended through a water right split and/or water right transfer, the Board may release the water right from the Water Supply Bank.
6. **ASSIGNMENT OF CONTRACT:** This lease is between the Board and the Lessor, who is the recognized owner or designated representative of the recognized owners of water rights described herein. Should ownership of any part of a water right herein described change during the term of this lease, either through a water right split, a water right transfer, sale of property to which the water right is appurtenant, or through any other recognized water right reassignment, the lease benefits and obligations to the conditions of acceptance for any such water rights will be assigned to the new owners.
7. **DUPLICATE ORIGINAL:** This Lease is executed in duplicate. Each of the documents with an original signature of each party shall be an original.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1161

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

LESSOR: J R SIMPLOT CO
1099 W FRONT ST PO BOX 27
BOISE, ID 83707-0027

By 
Title James B. Alderman, Senior Vice President and Secretary
Date 4-8-2020

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

By 
Brian Patton, Acting Administrator
Idaho Water Resource Board
Date 4/21/2020

Lease approved by IDWR 
Date 4/21/2020

WATER SUPPLY BANK LEASE CONTRACT No. 1161

ATTACHMENT A WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Source and Location of Point(s) of Diversion for Water Right No(s): 35-14258, 35-14260, 35-14262

GROUND WATER	NENWSW	Sec. 7	Twp 05S	Rge 31E	BINGHAM County
GROUND WATER	SWSESW	Sec. 6	Twp 05S	Rge 31E	BINGHAM County
GROUND WATER	SESWSE	Sec. 6	Twp 05S	Rge 31E	BINGHAM County
GROUND WATER	NWNENE	Sec. 7	Twp 05S	Rge 31E	BINGHAM County
GROUND WATER	NWNENW	Sec. 8	Twp 05S	Rge 31E	BINGHAM County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From	to	To		
35-14258	IRRIGATION	04/01	to	11/01	0.41 cfs	160 AF
35-14260	IRRIGATION	04/01	to	10/31	0.39 cfs	88 AF
35-14262	IRRIGATION	04/01	to	11/01	0.07 cfs	14 AF
Totals:					0.87 cfs	174 AF

PLACES OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

Twp	Rng	Sec	NE				NW				SW				SE				Totals	
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE		
05S	31E	5																		6.3
05S	31E	8					10	8.8	8.1	9.8										36.7

Total Acres: 43

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the Department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, or the lease term expires. A right may be released from the bank upon request, provided the Board approves the release. Unless approved by the Department, leased rights may not be immediately available for release.

WATER SUPPLY BANK LEASE CONTRACT No. 1161

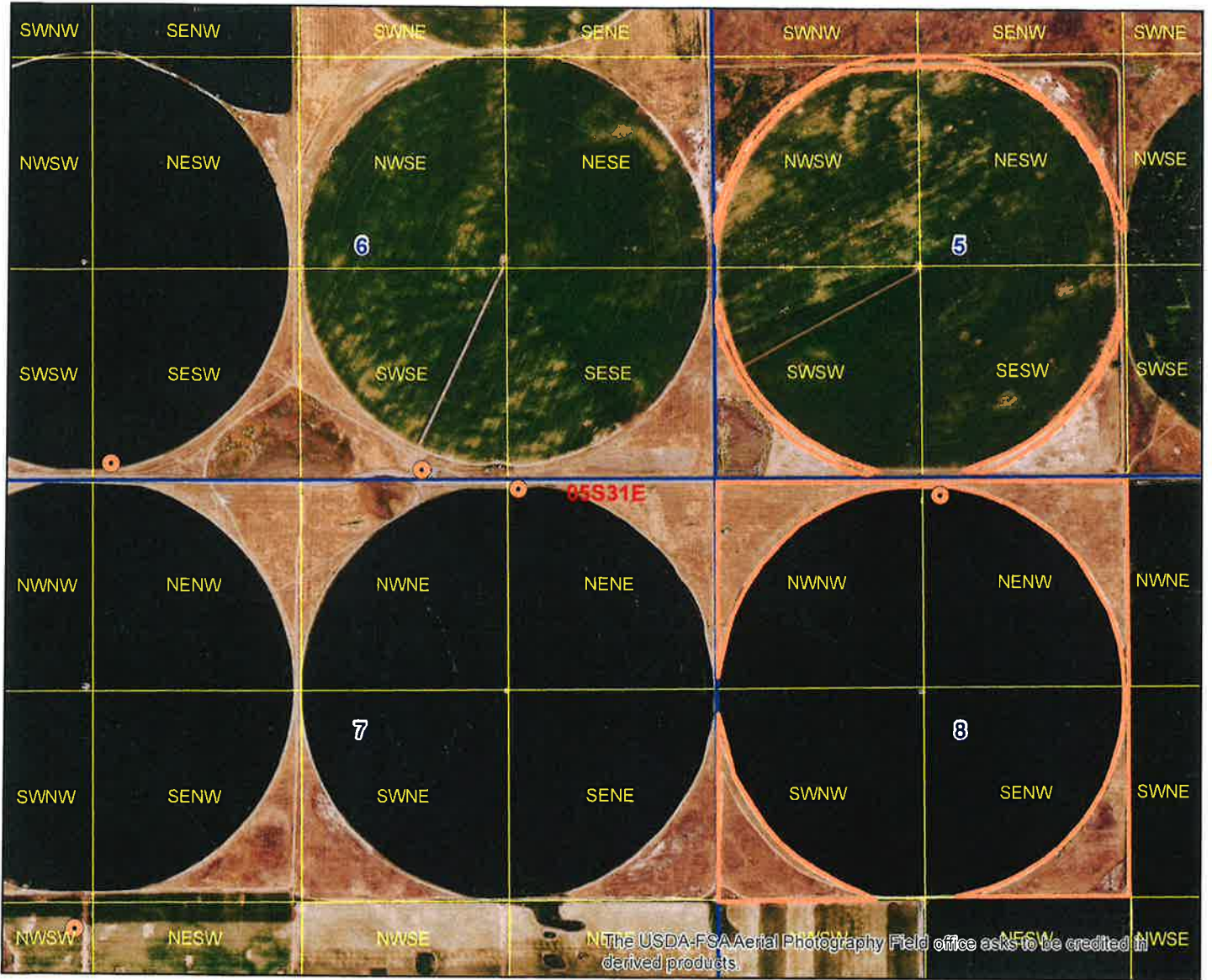
5. While a water right is in the bank, forfeiture provisions are stayed pursuant to Idaho Code § 42-223(5).
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.
8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.
9. In accordance with Idaho Code § 42-248 and § 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season, even if the Department processes a Notice of Change in Water Right Ownership during the rental season.
 - b. New lessor(s) of record will receive payment for any subsequent rental seasons.
11. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.
12. These rights when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the place of use.
13. Use of water under this right will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 120.
14. A lockable device subject to the approval of the Department shall be maintained on the diverting works in a manner that will provide the watermaster suitable control of the diversion.
15. Prior to the diversion and use of water under Transfer approval 79048, the right holder 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.
16. Upon specific notification of the Department, the right holder shall install and maintain data loggers to record water usage information at the authorized point(s) of diversion in accordance with Department specifications.
17. Unleased portions of water rights 35-14258, 35-14260, and 35-14262 are limited to a combined diversion rate of 6.30 cfs and a combined diversion volume of 1260 af for the irrigation of 316 acres.
18. 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.

Idaho Water Resource Board

Water Supply Bank Lease Contract No. 1161

35-14258, 35-14260 & 35-14262
Effective until December 31, 2023

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



○ Approved Lease Point of Diversion

□ Approved Lease Place of Use

□ Township/Range

□ Sections

□ QQ



STATE OF IDAHO
WATER RESOURCE BOARD

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

RECEIVED
JAN 06 2020
DEPARTMENT OF
WATER RESOURCES

Designated Applicant J. R. Simplot Company Water Right No. 35-14258
(Select one owner – see item 1A on the application) (One water right per application)

Is this application being submitted with a rental application as a lease/rental package? Yes No

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

MIMUMUM REQUIREMENT CHECKLIST		
All items must be checked as either <i>Attached (Yes)</i> or <i>Not Applicable (N/A)</i>		
	Yes	
	<input checked="" type="checkbox"/>	Completed <i>Application to Sell or Lease a Water Right to the Water Supply Bank</i> .
	<input checked="" type="checkbox"/>	Application filing fee of \$250.00 per water right. If you are submitting more than one lease application and the water rights have an overlapping, common place of use, or a common diversion rate or volume, the total fee for all water rights is \$500.00. For places of use, multiple water rights must be used to irrigate the same lands in order to qualify for the joint filing fee. Individual filing fees are required for water rights that share a common permissible place of use but which cover separate acres within the permissible place of use.
	<input checked="" type="checkbox"/>	Confirmation this form has been printed single sided , per requirement of the Water Supply Bank.
Attachment	N/A	Yes
1A	<input type="checkbox"/>	<input checked="" type="checkbox"/> Signatures and contact information for <i>all owners</i> of the water right to be leased or sold on this application.
1B	<input checked="" type="checkbox"/>	<input type="checkbox"/> An <u>Internal Revenue Service (IRS) Form W-9</u> for the Designated Applicant.
1C	<input checked="" type="checkbox"/>	<input type="checkbox"/> <i>Notice of Change in Water Right Ownership</i> form (accessible from www.idwr.idaho.gov).
1D	<input checked="" type="checkbox"/>	<input type="checkbox"/> Contact information for an authorized representative and documentary proof they are authorized to represent the Designated Applicant on this application. If the Designated Applicant is a business, partnership, municipality, organization or association, include documents identifying officers authorized to sign or act on behalf of the entity.
2	<input type="checkbox"/>	<input checked="" type="checkbox"/> Description of a water right portion offered to the Water Supply Bank.
3	<input type="checkbox"/>	<input checked="" type="checkbox"/> A map that clearly outlines the specific location where irrigated acres will be dried up, or where a beneficial use of water will be suspended. You have the option of printing a map using the map tool on IDWR's website at: www.idwr.idaho.gov .
4A	<input checked="" type="checkbox"/>	<input type="checkbox"/> Written consent from irrigation district or water delivery company.
4G	<input checked="" type="checkbox"/>	<input type="checkbox"/> Evidence demonstrating the water right has not been forfeited pursuant to <u>Section 42-222(2), Idaho Code</u> .

Department Use Only			
Fee Amount \$	<u>1500.00</u>	Received By:	<u>KM</u>
		Date Received:	<u>1-6-2020</u>
		Receipt #	<u>2108199</u>
W-9 received?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	(Route W-9 to Fiscal)	
		Name on W-9:	

1600

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

1. CONTACT INFORMATION

- A. This application must be completed by a Designated Applicant who is a current owner of the water right being sold or leased to the Water Supply Bank. If there are additional current owners, those individuals must authorize the Designated Applicant to represent them on this application by completing and signing Attachment 1A of this application package.

Designated Applicant J. R. Simplot Company

Mailing Address P. O. Box 27 Boise, Idaho

Street

City

State

Zip Code

Email Address vic.conrad@simplot.com

Phone Number 208-336-2110

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

OR

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

- B. Has the Designated Applicant submitted an IRS Form W-9 to this Department within the last 2 years? Yes No
If no, complete the form and attach to this application (Attachment 1B).
- C. Are all applicants on this form listed in IDWR's records as the current owners of the water right? Yes No
If no, attach a *Notice of Change in Water Right Ownership* form along with the required documentation and fee (Attachment 1C).
- D. Is this application being completed by an authorized representative of the Designated Applicant? Yes No
If yes, representatives (includes employees of Designated Applicant companies) must complete this section and submit documentary proof of their authority to represent the Designated Applicant (Attachment 1D).

Name of Representative James B. Alderman

Organization J. R. Simplot Company

Professional Title Sr. V.P. and Secretary

Email Address _____

Mailing Address P. O. Box 27, Boise, ID 83707

Phone Number _____

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

OR

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

2. DESCRIPTION OF WATER RIGHT OFFERED TO THE BANK

The full water right is being offered to the Bank.

OR

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

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

3. MAP

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

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

4. GENERAL INFORMATION

- A. Is the diversion works or system owned or managed by an irrigation district or water delivery company? Yes No
If yes, provide written consent from the company, corporation or irrigation district authorizing the proposed sale or lease (Attachment 4A).

If your water right is delivered through a canal, lateral or ditch operated by a canal company, irrigation district, or similar delivery entity, your lease request must include written consent from the company, district, or similar entity for your removal of water from its system pursuant to Section 42-108, Idaho Code and IDAPA WSB Rule 37.02.03.25.02e.

- B. Please provide a description of the current water diversion and delivery system.

Wells, pumps, motors, underground pipelines, sprinkler systems

- C. Describe any other water rights used for the same purpose at the same place of use as the water right being offered to the Bank. 35-14260, 35-14262

- D. Are any of the water rights identified in Section 4C stacked with the water right proposed for lease? Yes No

Stacked water rights are used together to achieve a common beneficial use, such as irrigation of the same lands. Stacked water rights cannot be separated and must be jointly leased to the Water Supply Bank. Stacked water rights qualify for the multiple fee payment of \$500.

- E. Will the present place of use continue to receive water from any other source? Yes No

If yes, explain the relationship between the different water sources and how enlargement of the authorized use will not occur if this water right is leased. The place of use offered to the Bank will not be irrigated during the term of the lease.

- F. Identify annual volumes and/or rates of water diverted in the last 5 years to accomplish the beneficial use authorized by this water right. Water has been leased to and rented from the water supply bank.

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

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

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

If yes, describe.

Yes No

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

5. SALE/LEASE AGREEMENT

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

If lease, specify the years when the use of water will be suspended: 2020 to 2023 (maximum lease period 5 calendar years).
(Year) (Year)

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

Current Rental Rate _____

I hereby assert that the information contained in this application is true to the best of my knowledge, and that I have the authorities necessary to offer this water right for sale or lease to the Idaho Water Resource Board.

The Designated Applicant acknowledges the following:

1. Payment to the Designated Applicant is contingent upon the sale or rental of the water right from the Bank.
2. While a water right is in the Bank, the seller/lessor of the water right may not use the water right, even if the water right is not rented from the Bank.
3. A water right accepted into the Bank stays in the Bank until the Designated Applicant receives written confirmation from the Board or Water Supply Bank that the water right has been released from the Bank.
4. While a water right is in the Bank, forfeiture is stayed.
5. Acceptance of a water right into the Bank does not, in itself, confirm the validity of the water right or any element of the water right.



Signature of Designated Applicant

James B. Alderman

Printed Name

1-2-20

Date

Signature of Authorized Representative

Printed Name

Date

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

**STATE OF IDAHO
WATER RESOURCE BOARD**

Complete Attachment 2 if only a portion of the water right is offered to the Bank.

ATTACHMENT 2

DESCRIPTION OF A WATER RIGHT PORTION OFFERED TO THE WATER SUPPLY BANK

<u>1. Water Right Number</u>	<u>Nature of Use</u>	<u>Leased Rate</u> <small>(cfs)</small>	<u>Leased Volume</u> <small>(af)</small>	<u>Leased Acres</u> <small>(ac)</small>
35-14258	Irrigation	0.40	173.6	43.4
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
	Total Amounts:	_____	_____	_____

2. Source of water _____ groundwater _____ tributary to _____

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
5S	31E	6		SE	SW	SE	Bingham
		6		SW	SE	SW	Bingham
		7		NW	NE	NE	Bingham
		7		NE	NW	SW	Bingham
		8		NW	NE	NW	Bingham



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Help

Form Info	Status	Filing Date	Agent
J. R. SIMPLOT COMPANY (79990) <i>General Business Corporation (D)</i>	Inactive-Merged Out	02/28/1946	NO AGENT
J. R. SIMPLOT COMPANY (85493) <i>General Business Corporation (D)</i>	Inactive-Merged Out	09/28/1948	NO AGENT
J. R. SIMPLOT COMPANY (98318) <i>Foreign Business Corporation</i>	Active-Good Standing	02/09/1956	CORPORATION SERVICE COMPANY
J. R. SIMPLOT FOUNDATION, INC. (90439) <i>Non-Profit Corporation (D)</i>	Active-Good Standing	10/09/1951	RONALD N GRAVES
J.R. SIMPLOT COMPANY FOUNDATION, INC. (407007) <i>Non-Profit Corporation (D)</i>	Active-Good Standing	03/29/2000	JAMES B ALDERMAN
J.R. SIMPLOT REALTY CORPORATION (77384) <i>General Business Corporation (D)</i>	Inactive-Merged Out	06/16/1943	NO AGENT



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

April 22, 2020

J R SIMPLOT CO
1099 W FRONT ST
PO BOX 27
BOISE, ID 83707

**RE: WATER SUPPLY BANK LEASE CONTRACT 1161
FOR WATER RIGHTS 35-14260, 35-14262, 35-14258**

Dear Lessor:

Water rights **35-14260, 35-14262, 35-14258** was leased into the Water Supply Bank (Bank) as of January 1, 2020, in accordance with the enclosed executed lease contract. **Your water rights, as described on the lease contract, are considered leased into the Bank and should remain unused until they are formally released from the Bank.** More information and further restrictions placed on your water rights while leased can be found in conditions of acceptance of the lease contract. Read the conditions of acceptance carefully.

The rights will automatically be released from the Bank on **December 31, 2023**, unless the rights are released earlier by the Water Resource Board (Board). On behalf of the Board, the Department of Water Resources (Department) can evaluate an early release of the lease contract upon your request. To release the water rights from the Bank prior to the release date, submit a written request on the *Request to Release a Water Right from the Bank* form. This form is available on our public website at www.idwr.idaho.gov. **Please note your water rights may not be available for immediate release if they have been rented or are being considered for a future rental. Furthermore, it is at the discretion of the Department whether or not a water right can be released early from a lease contract.**

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

Sincerely,

for Water Supply Bank

Enclosure: Executed Lease Contract

c: IDWR- EASTERN REGION
WATER DISTRICT NO. 120



J.R. Simplot Company
P.O. Box 27, Boise, Idaho
83707 0027

1099 West Front Street
Boise, Idaho 83702

Vic.conrad@simplot.com
208 780 7359 Business
208 780 7333 Fax

April 9, 2020

Jean Hersley
Water Supply Bank
State of Idaho
Department of Water Resources
322 E. Front Street, Suite 648
P. O. Box 83720
Boise, ID 83720-0098

RECEIVED

APR 10 2020

DEPARTMENT OF
WATER RESOURCES

**Re: Water Supply Bank Lease Contract 1161 (IDWR Water Right Nos.: 35-14260,
35-14262 and 35-14258.**

Dear Jean:

Attached are the duplicate partially executed originals of the above referenced Water Supply Bank Lease Contract. Please arrange for both originals to be signed by the Idaho Water Resource Board and the IDWR and return a fully executed original to me.

Sincerely,

Vic Conrad
Land, Water & Asset Recover

Enclosures





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

April 2, 2020

J R SIMPLOT CO
1099 W FRONT ST
PO BOX 27
BOISE, ID 83707-0027

RE: APPLICATION TO LEASE WATER RIGHT 35-14260, 35-14262, 35-14258 TO THE WATER SUPPLY BANK, CONTRACT 1161

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

Dear Applicant:

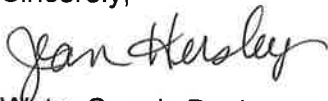
The Department of Water Resources has completed its review of your application to lease the above-mentioned water right to the Water Supply Bank. **I have enclosed two original Water Supply Bank Lease Contracts for your review and signature. Please sign and return ALL Lease Contracts within 14 days.** Upon signature and return of the contracts, the Department will also sign the original contracts and return an executed copy to you. The Lease Contract is not considered final until you and the Department have both signed.

The right will automatically be released from the Bank on **December 31, 2023**, unless the right is released earlier by the Board, or upon your request. To release the right from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. To propose a new lease period, submit a new Application to Sell or Lease a Water Right to the Water Supply Bank form along with applicable fees to the Department. These forms are available from any IDWR office or from our public website at <http://www.idwr.idaho.gov>. Please note your right may not be available for immediate release if it has been rented.

Please review the conditions of acceptance listed on the Lease Contract, including #3 which says: "While a right is in the bank, **the lessor may not use the right** without approval of the department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B."

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

Sincerely,


for Water Supply Bank

Enclosures: Proposed Lease Contracts
Receipt # C108199

c. James B Alderman – J.R. Simplot Company

WATER SUPPLY BANK

Quick Tools

Agent Lease Review Checklist

Applicant(s) Name: J R Simplot

Memo Date: March 17, 2020

Water Right Number(s): 35-14258, 35-14260, 35-14262

Reviewers Name: Dave Betts

Decreed Year	No Forfeiture Concerns Thru:
2010	2016
2011	2017
2012	2018
2013	2019
2014	2020

		Check box		COMMENTS/CONCERNS:
1	Fill out WSB Data Entry Checklist for Leases	X		
2	Reason for lease of water rights (Brief description of lease proposal in narrative)			
	Portion of right	X		
	All of right			
3	Check GWMA/CGWA/ADC and basin 63 areas of concern (note area in comments)			ESPA-GWMA
		Yes	No	
4	Rentable? If no explain in comments	X		
5	Authority to file			
	Current owner or designated applicant	X		
	SOS Web site checked for business entity	X		James B Alderman-Sr VP & Sec
	Other (explain in comments)			
6	Water Right validity			
	Decreed/Licensed/Statutory claim date (write in comments section)			2002
	Past irrigation to ensure forfeiture is not an issue if decreed or licensed over 7 years ago (consider transfers that changed the POU, rentals to the POU etc.)			
	Has this right previously been leased to the bank or in CREP?	x		since 2009
7	Injury to other water rights			
	If the POD is through a delivery entity, was consent provided?		na	
	If the POD is through a delivery entity, was holdback required? (percentage in comments)		na	%
8	Enlargement concerns	Check box		
	Complete a POU comparison overlap analysis	X		
	Complete a combined limits review	X		
	Complete POD overlap analysis (if there is an overlap add condition to lease)	X		
		Yes	No	
	Are there overlapping rights that need to be placed in the bank also?		X	
	Will the place of use continue to receive water?		X	
9	Local Public Interest			
	Does the processor know of any problems this action will cause for the local public?		X	
10	Have you contacted regional office and watermaster for comment/concerns?	X		
	Send the watermaster comment request form or e-mail request	X		2/21/2020
11	Area Headgate requirement			4
12	Is water right involved in any other department action? Pull file and check database () Ownership Change () Transfer () Mitigation () Other - Explain in comments		X	

Narrative: The applicant wishes to place a total of 43.4 acres of this right in the Bank. These acres are mostly the pivot corners. The proposed lease is a renewal of previous applications. I confirmed via email that the proposed end date for all three water rights is 12/31/2023. The current application appears to agree with the review materials for previous leases from 2014, 2015, & 2017. James B Alderman, Sr. VP and Secretary, signed the application. These rights overlap and all three together are limited to the irrigation of 359.0 acres. These rights were decreed in 2002 and portions have been in the Bank since 2009. Forfeiture is not an issue. These rights are currently within WD 120. The applicant proposed leasing 173.6 af through idling 43.4 acres of irrigation. On the proposed contract, these values were rounded to 174 af and 43 acres following the guidelines in administrative memo Application Processing #6. Other quantities within the proposed contract were also rounded following the same guidelines.

Betts, David

From: Conrad, Vic <Vic.Conrad@simplot.com>
Sent: Wednesday, February 19, 2020 7:08 AM
To: Betts, David
Subject: RE: [EXTERNAL] Applications to lease to the Water Supply Bank (Water Right Nos. 35-14258, 35-14260 & 35-14262)

David, I apologize for the confusion. Yes all three rights should have the same lease term. 2023 is the correct end date and I must have fat-fingered a 5 on 35-14262 instead of a 3. The end date on all three should be Dec-31-2023. Thank you for catching the error.

From: Betts, David <David.Betts@idwr.idaho.gov>
Sent: Tuesday, February 18, 2020 5:20 PM
To: Conrad, Vic <Vic.Conrad@simplot.com>
Subject: [EXTERNAL] Applications to lease to the Water Supply Bank (Water Right Nos. 35-14258, 35-14260 & 35-14262)

[Warning: External Email]

Mr. Conrad,

I need to clarify the lease dates for three water rights which have been proposed for lease to the Water Supply Bank. The three rights have a shared place of use, but the requested lease dates were not the same for all three rights.

- 35-14258 and 35-14260 have a requested end date of 12/31/2023
- 35-14262 has a requested end date of 12/31/2025

Was the difference between the end dates for these water rights intentional, or should all three rights use the same end date?

An email response or a phone call to clarify the requested end dates would be sufficient for me to make any necessary changes, but 12/31/2024 would be the latest date that could be on the contract. 12/31/2024 is the last date of the 5-year maximum for leasing a water right, for water rights leased to the bank in 2020.

Please let me know how you would like me to move forward with these applications.

Thank you for your help,

Dave Betts
Water Resource Agent
Water Rights Section
Idaho Department of Water Resources
322 East Front St
Boise, ID 83720

Phone: (208) 287-4826



J.R. Simplot Company
P.O. Box 27, Boise, Idaho
83707 0027

1099 West Front Street
Boise, Idaho 83702

Vic.conrad@simplot.com
208 780 7359 Business
208 780 7333 Fax

January 3, 2020

Clay Webster
Water Supply Bank
State of Idaho
Department of Water Resources
322 E. Front Street, Suite 648
P. O. Box 83720
Boise, ID 83720-0098

RECEIVED
JAN 06 2020
DEPARTMENT OF
WATER RESOURCES

Re: Water Supply Bank Lease Applications for Portions of Water Right Nos. 35-2553A, 35-2713, 35-7169, 35-7373, 35-10422, 35-14258, 35-14260 and 35-14262; and Water Supply Bank Rental Application for Certain Portions of 2-10471 and 2-10472.

Dear Clay:

Enclosed are Water Bank Lease Applications for portions of the above referenced Basin 35 water rights located Bigham County, Idaho. Also enclosed is a check in the amount of \$1,500 to cover the Water Bank Lease application fees. The table below describes my attempt to calculate the fees:

Water Right Number	Amount	Explanation
35-2553A	\$250	No Combined Use Limits
35-2713	\$250	No Combined Use Limits
35-7169, 35-7373 and 35-10422	\$500	Combined Diversion Rate, Volume and Acreage Limits
35-14258, 35-14260 and 35-14262	\$500	Combined Volume and Acre Limits
Total	\$1,500	

Please let me know if I calculated the fees incorrectly.

In addition to the above Lease Applications, I am also enclosing an Application to Rent from the Water Supply Bank 9 acres under IDWR Water Right 2-10472 and 21 acres under Water Right 2-10471 for a total of 30 acres to be irrigated on BLM land in Elmore County, Idaho and a third Water Supply Bank Rental Application for 85 acres for the irrigation of land in Owyhee County.

Sincerely,

Vic Conrad
Land, Water & Asset Recovery

Enclosures

