

STATE OF IDAHO  
DEPARTMENT OF WATER RESOURCES

## WATER SUPPLY BANK LEASE CONTRACT No. 1175

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

**LESSOR:** DIAMOND A LIVESTOCK INC  
1997 S 1875 E  
GOODING, ID 83330

RECEIVED  
MAR 25 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 March 10, 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)
37-228	6/1/1883	CHIMNEY CREEK, tributary to CAMAS CREEK	0.56	Not Stated	63.8
37-229	6/1/1884	CHIMNEY CREEK, tributary to CAMAS CREEK	0.56	Not Stated	63.8
37-2147	7/10/1909	CHIMNEY CREEK, tributary to CAMAS CREEK	0.60	Not Stated	30.0
<b>Combined Lease Totals</b>			<b>1.72</b>	<b>Not Stated</b>	<b>157.6</b>
<b>Combined Limit Totals</b>			<b>1.68</b>	<b>Not Stated</b>	<b>93.8</b>

#### Summary of Water Rights Elements Rentable From the Bank

Water Right	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (Limited) (AC)	Rate Per Acre (CFS/AC)	Volume Per Acre (AF/AC)
37-228	0.56	223	63.8	0.009	3.5
37-229	0.56	223	63.8	0.009	3.5
37-2147	0.60	105	30.0	0.02	3.5
<b>Combined Limit Totals</b>	<b>1.68</b>	<b>328</b>	<b>93.8</b>	<b>0.018</b>	<b>3.5</b>

SUPPORT DATA  
IN FILE # 37-228

STATE OF IDAHO  
DEPARTMENT OF WATER RESOURCES

## WATER SUPPLY BANK LEASE CONTRACT No. 1175

*\* The water right elements rentable have been reduced from the water right elements leased to account for combined limits and overlapping water rights.*

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, 2024. 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.
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. 1175**

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

**LESSOR:** DIAMOND A LIVESTOCK INC

1997 S 1875 E

GOODING, ID 83330

By Jay Faulkner

Title President

Date 3/24/20

**IDAHO WATER RESOURCE BOARD**

322 East Front Street

P.O. Box 83720

Boise, ID 83720-0098

By Brian Patton

Brian Patton, Acting Administrator  
Idaho Water Resource Board

Date 4/14/2020

Lease approved by IDWR Angela M. Gumm

Date 4/14/2020

STATE OF IDAHO  
DEPARTMENT OF WATER RESOURCES

## WATER SUPPLY BANK LEASE CONTRACT No. 1175

### 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): 37-228, 37-229, 37-2147**

CHIMNEY CREEK	NWNWSW	Sec. 26	Twp 01N	Rge 12E	CAMAS County
CHIMNEY CREEK	NESWSW	Sec. 26	Twp 01N	Rge 12E	CAMAS County
CHIMNEY CREEK	NWNWSE	Sec. 35	Twp 01N	Rge 12E	CAMAS County
CHIMNEY CREEK	SWNWNE	Sec. 27	Twp 01N	Rge 12E	CAMAS County
UNNAMED STREAM	NWNWNE	Sec. 27	Twp 01N	Rge 12E	CAMAS County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
37-228	IRRIGATION	04/15	to	10/31	0.56 cfs	Not Stated
37-229	IRRIGATION	04/15	to	10/31	0.56 cfs	Not Stated
37-2147	IRRIGATION	04/15	to	10/31	0.60 cfs	Not Stated
37-2147	DOMESTIC	01/01	To	12/31	0.04 cfs	Not Stated
<b>Totals:</b>					1.72 cfs	Not Stated

**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	
01N	12E	26										11	1.8						12.8
01N	12E	35		3.5	2.2		6.3	29		10						30			81

Total Acres: 93.8

**PLACES OF USE TO BE IDLED UNDER THIS LEASE: DOMESTIC**

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
01N	12E	26										X	X						0.0

### 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.

STATE OF IDAHO  
DEPARTMENT OF WATER RESOURCES

**WATER SUPPLY BANK LEASE CONTRACT No. 1175**

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. 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 this time, this water right is within State Water District No. 37.
13. When combined with all other rights, the leased 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 lands above.
14. The unleased portion of water right 37-228 is limited to the irrigation of 163.5 acres and the unleased portion of water right 37-229 is limited to the irrigation of 163.5 acres in a single irrigation season.
15. The unleased portions of the rights listed below are limited to the irrigation of a combined total of 163.5 acres in a single irrigation season. Combined Right Nos.: 37-228 and 37-229.
16. The unleased portions of the rights listed below are limited to the irrigation of a combined total of 163.9 acres and a total combined diversion rate of 2.92 cfs. Combined Right Nos.: 37-228, 37-229, and 37-2147.
17. The leased portions of the rights listed below are limited to the irrigation of a combined total of 93.8 acres and a total combined diversion rate of 1.68 cfs. Combined Right Nos.: 37-228, 37-229, and 37-2147.
18. Rights 37-228, 37-229 and 37-2147 are all diverted through the point(s) of diversion described above.
19. This partial decree is subject to such general provisions necessary for the definition of the rights or for the efficient administration of the water rights as may be ultimately determined by the Court at a point in time no later than the entry of a final unified decree. Section 42-1412(6), Idaho Code.
20. The right holder shall provide a means of measurement and lockable controlling works for all authorized points of diversion. The means of measurement and controlling works must be suitable for control of the diversions and acceptable to the watermaster.



37-228, 37-229 & 37-2147  
Effective until December 31, 2024

The image displays a grid of aerial photographs, each labeled with a unique identifier. The labels are arranged in a 4x4 grid pattern, with each label corresponding to a specific photograph. The labels are as follows:

01N12E27NWNW	01N12E27NENW	01N12E27NWNE	01N12E27NENE	01N12E26NWNW	01N12E26NENW	01N12E26NWNE	01N12E26NENE	01N12E25NWNW
01N12E27SWNW	01N12E27SENW	01N12E27SWNE	01N12E27SENE	01N12E26SWNW	01N12E26SENW	01N12E26SWNE	01N12E26SENE	01N12E25SWNW
01N12E27NWSW	01N12E27NESW	01N12E27NWSE	01N12E27NESE	01N12E26NWSW	01N12E26NESW	01N12E26NWSE	01N12E26NESE	01N12E25NWSW
01N12E27SWSW	01N12E27SESW	01N12E27SWSE	01N12E27SESE	01N12E26SWSW	01N12E26SESW	01N12E26SWSE	01N12E26SESE	01N12E25SWSW
01N12E34NWNW	01N12E34NENW	01N12E34NWNE	01N12E34NENE	01N12E35NWNW	01N12E35NENW	01N12E35NWNE	01N12E35NENE	01N12E36NWNW
01N12E34SWNW	01N12E34SENW	01N12E34SWNE	01N12E34SENE	01N12E35SWNW	01N12E35SENW	01N12E35SWNE	01N12E35SENE	01N12E36SWNW
01N12E34NWSW	01N12E34NESW	01N12E34NWSE	01N12E34NESE	01N12E35NWSW	01N12E35NESW	01N12E35NWSE	01N12E35NESE	01N12E36NWSW
01N12E34SWSW	01N12E34SESW	01N12E34SWSE	01N12E34SESE	01N12E35SWSW	01N12E35SESW	01N12E35SWSE	01N12E35SESE	01N12E36SWSW

The grid is divided into four quadrants by a blue line. Orange circles and lines highlight specific areas of interest. The text "The USDA-FSA Aerial Photography Field office asks to be credited in derived products" is visible at the bottom of the grid.

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A horizontal scale bar with a black segment from 0 to 0.25 and a white segment from 0.25 to 0.5. The word "Miles" is at the right end.

STATE OF IDAHO  
WATER RESOURCE BOARD

RECEIVED

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

MAR 10 2020

DEPARTMENT OF  
WATER RESOURCESDesignated Applicant DIAMOND A LIVESTOCK INCWater Right No. 37-228

(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.**

**MINIMUM REQUIREMENT CHECKLIST**

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

Yes

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

Attachment N/A Yes

- |    |                                     |                                     |  |
|----|-------------------------------------|-------------------------------------|--|
| 1A | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | Signatures and contact information for <b>all owners</b> of the water right to be leased or sold on this application.  |
| 1B | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | An <u>Internal Revenue Service (IRS) Form W-9</u> for the Designated Applicant.  |
| 1C | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <i>Notice of Change in Water Right Ownership</i> form (accessible from <a href="http://www.idwr.idaho.gov">www.idwr.idaho.gov</a> ).   |
| 1D | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | Contact information for an authorized representative and documentary proof they are authorized to represent the Designated Applicant on this application. If the Designated Applicant is a business, partnership, municipality, organization or association, include documents identifying officers authorized to sign or act on behalf of the entity. |
| 2  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | Description of a water right portion offered to the Water Supply Bank.   |
| 3  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | A map that clearly outlines the specific location where irrigated acres will be dried up, or where a beneficial use of water will be suspended. You have the option of printing a map using the map tool on IDWR's website at: <a href="http://www.idwr.idaho.gov">www.idwr.idaho.gov</a> .  |
| 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 <a href="#">Section 42-222(2), Idaho Code</a> .  |

**Department Use Only**

Fee Amount \$ <u>750</u>	Received By: <u>KU</u>	Date Received: <u>3-10-2020</u>	Receipt # <u>C108434</u>
W-9 received? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		(Route W-9 to Fiscal)	
		Name on W-9:	

1664

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 DIAMOND A LIVESTOCK INC

Mailing Address 1997 S. 1875 E. GOODING IDAHO 83330  
Street City State Zip Code

Email Address \_\_\_\_\_ Phone Number (208) 934-5391

- ☒ 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 Zach Latham Organization Brockway Engineering, PLLC

Professional Title Hydrologist Email Address zach.latham@brockwayeng.com

Mailing Address 2016 N. Washington St. Suite 4 Twin Falls, Id 83301 Phone Number (208) 736-8543

- ☐ 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.

Surface water with both pressurized irrigation and flood irrigation practices with in PPU.

- 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. 37-228, 37-229 & 37-2147 have the same PPU and a combined limit of 257.3 Ac & 4.6 cfs

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

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

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

If yes, explain the relationship between the different water sources and how enlargement of the authorized use will not occur if this water right is leased.

- F. Identify annual volumes and/or rates of water diverted in the last 5 years to accomplish the beneficial use authorized by this water right. Full rates and/or volumes have been used.

- 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 2024 (maximum lease period 5 calendar years).  
(Year) (Year)

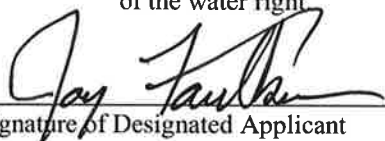
B. Show the minimum payment acceptable to the seller/lessor. The minimum payment may be shown as the "current rental rate" as established by the IWRB. Include the method of determining the minimum payment if other than the current rental rate.


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

 (Pres: Int)  
Printed Name Date  
Diamond A Livestock, Inc.

\_\_\_\_\_  
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**

**ATTACHMENT 1A**

**Additional Water Right Holders Party to the Lease Application**

For the water right on this application, list all owners (individuals or business entities) of the right or the property to which it is appurtenant. All water right holders must sign a Water Supply Bank Lease Application. However, only the Designated Applicant needs to provide a completed IRS Form W-9 (Attachment 1B). **All correspondence and any financial payment associated with the rental of this water right will be directed to the Designated Applicant.** If additional space is needed to list any other water right holders, attach a second copy of Attachment 1A.

If submitting multiple applications, it is only necessary to complete one Attachment 1A for the group of applications. List each water right below.

Water Right No(s). 37-228, 37-229, 37-2147

	<b>Designated Applicant</b>	<b>Applicant #2</b>	<b>Applicant #3</b>
<b>Name</b>	DIAMOND A LIVESTOCK INC		
<b>Mailing Address</b>	1997 S. 1875 E. Gooding, ID 83330		
<b>Phone Number</b>	(208) 934-5391		
<b>Email Address</b>			
<b>Applicant Declaration</b>	As Designated Applicant, I submit this lease application on behalf of all other water right holders.	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.
<b>Signature</b>			

	<b>Applicant #4</b>	<b>Applicant #5</b>	<b>Applicant #6</b>
<b>Name</b>			
<b>Mailing Address</b>			
<b>Phone Number</b>			
<b>Email Address</b>			
<b>Applicant Declaration</b>	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.
<b>Signature</b>			

**STATE OF IDAHO  
WATER RESOURCE BOARD**

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

**ATTACHMENT 2**

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

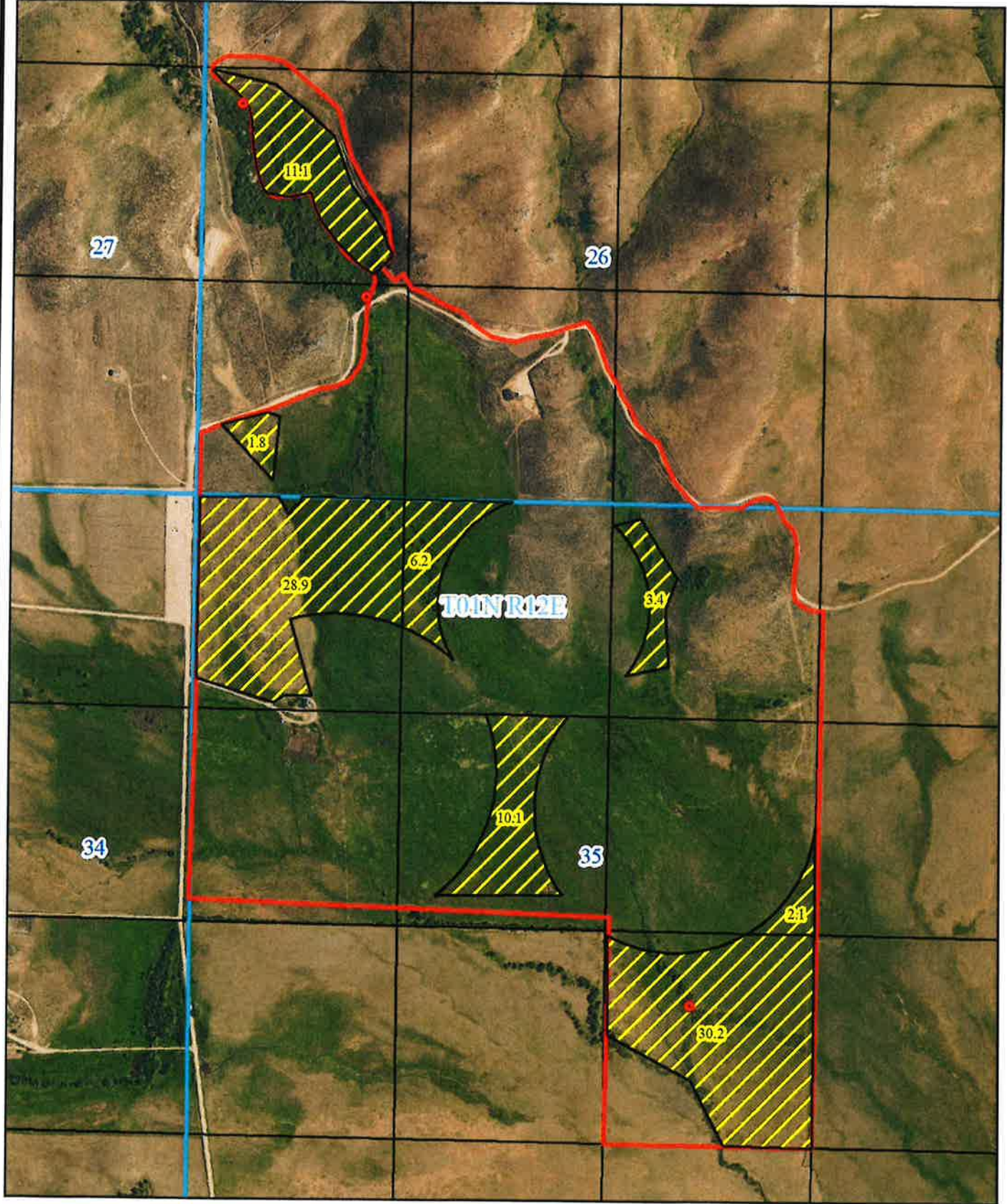
1. <u>Water Right Number</u>	Nature of Use	Leased Rate (cfs)	Leased Volume (af)	Leased Acres (ac)
<u>37-228</u>	<u>IRRIGATION</u>	<u>0.56</u>		<u>63.8</u>
Total Amounts:				

2. Source of water CHIMNEY CREEK & UNNAMED STREA tributary to \_\_\_\_\_

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
01N	12E	26		NW	NW	SW	CAMAS
01N	12E	26		NE	SW	SW	CAMAS
01N	12E	27		NW	NW	NE	CAMAS
01N	12E	27		SW	NW	NE	CAMAS
01N	12E	35		NW	NW	SE	CAMAS








0 500 1,000 Feet

BROCKWAY ENGINEERING, PLLC.  
GWS - Date: 3/4/2020

**DIAMOND A LIVESTOCK INC.**

WSB LEASE 2020  
37-228, 37-229 & 37-2147  
NAIP 2019 AERIAL

**Legend**

-  WSB LEASE 93.8 Ac
-  Points\_of\_Diversion
-  WR\_37-228\_POU







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](http://idwr.idaho.gov) • Email: [idwrinfo@idwr.idaho.gov](mailto:idwrinfo@idwr.idaho.gov)

BRAD LITTLE  
Governor

GARY SPACKMAN  
Director

April 15, 2020

DIAMOND A LIVESTOCK INC  
197 S 1875 E  
GOODING ID 83330

RE: **WATER SUPPLY BANK LEASE CONTRACT 1175  
FOR WATER RIGHTS 37-228, 37-229 & 37-2147**

Dear Lessor:

Water rights **37-228, 37-229 & 37-2147** were leased into the Water Supply Bank (Bank) as of January 1, 2020, in accordance with the enclosed executed lease contract. **Your water rights, as described on the lease contract, are considered leased into the Bank and should remain unused until they are formally released from the Bank.** More information and further restrictions placed on your water rights while leased can be found in conditions of acceptance of the lease contract. Read the conditions of acceptance carefully.

The rights will automatically be released from the Bank on **December 31, 2024**, 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](http://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.**

Please note, the leased diversion rate and rentable diversion rate and volume were corrected to reflect the actual amounts being leased and what can be rented.

If you have questions regarding this matter, please contact this office at [bank@idwr.idaho.gov](mailto:bank@idwr.idaho.gov) or 208-287-4800.

Sincerely,

Water Supply Bank

Enclosure: Executed Lease Contract

c: IDWR- SOUTHERN REGION  
WATER DISTRICT NO. 37B

## Hersley, Jean

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**From:** Skinner, Corey  
**Sent:** Thursday, March 19, 2020 9:02 AM  
**To:** Hersley, Jean  
**Subject:** RE: WSB Lease Diamond A Livestock Inc.

No concerns from me on this one.

**From:** Hersley, Jean  
**Sent:** Thursday, March 19, 2020 9:00 AM  
**To:** Rusty Kramer <waterdistrict37b@outlook.com>; Skinner, Corey <Corey.Skinner@idwr.idaho.gov>  
**Subject:** WSB Lease Diamond A Livestock Inc.

This is a renewal of the lease they had in place from 2015-2019. Please let me know if you have any comments or concerns. Thank you.

*Jean Hersley  
Technical Records Specialist II  
Idaho Dept Water Resources  
(208) 287-4942*



State of Idaho

DEPARTMENT OF WATER RESOURCES

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BRAD LITTLE  
Governor

GARY SPACKMAN  
Director

March 19, 2020

DIAMOND A LIVESTOCK INC  
1997 S 1875 E  
GOODING ID 83330

RE: APPLICATION TO LEASE WATER RIGHT 37-228, 37-229 & 37-2147 TO THE WATER  
SUPPLY BANK CONTRACT 1175

\*\*\*\*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.

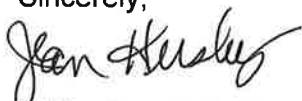
The right will automatically be released from the Bank on **December 31, 2024**, unless the right is released earlier by the Board, or upon your request. To release the right from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. 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](mailto:bank@idwr.idaho.gov) or 208-287-4800.

Sincerely,

  
for Water Supply Bank

Enclosures: Proposed Lease Contracts

c. Brockway Engineering PLLC

## Hersley, Jean

---

**From:** Hersley, Jean  
**Sent:** Thursday, March 19, 2020 9:00 AM  
**To:** Rusty Kramer; Skinner, Corey  
**Subject:** WSB Lease Diamond A Livestock Inc.  
**Attachments:** Idled Acres.pdf; Lease Application Review Checklist July 2017.xls; Report - Lease Contract - 1175.docx

This is a renewal of the lease they had in place from 2015-2019. Please let me know if you have any comments or concerns. Thank you.

*Jean Hersley  
Technical Records Specialist II  
Idaho Dept Water Resources  
(208) 287-4942*

# WATER SUPPLY BANK

## Lease Review Checklist

Applicant(s) Name: Diamond A Livestock

Memo Date: Mrch 18, 2020

Water Right Number(s): 37-228, 37-229 & 37-2147

Reviewers Name: Jean

### Quick Tools

Decreed Year	No Forfeiture Concerns Thru:
2011	2017
2012	2018
2013	2019
2014	2020
2015	2021

		Check box		COMMENTS/CONCERNS:
1	Fill out WSB Data Entry Checklist for Leases (Front of File)	x		
2	Reason for lease of water rights (Brief description of lease proposal in narrative)			
	Portion of right			Portion of 37-228 & 37-229
	All of right			37-2147
3	Check GWMA/CGWA/ADC and basin 63 areas of concern (note area in comments)			
		Yes	No	
4	Rentable? (if no explain in comments or narrative)	x		
5	Authority to file			
	Current owner or designated applicant	x		
	SOS Web site checked for business entity	x		
	Other (explain in comments)			
6	Water Right validity			
	Decreed/Licensed/Statutory claim date (write in comments section)			2010
	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		2015- 2019
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)			%
	Any other concerns		x	
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? (if yes explain in comments)		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		
11	Area Headgate requirement (write in Comments)			3.5
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 portion of water right 37-228 and 37-229 in the Bank. 63.8 acres and 0.5 cfs. The entirety of water right 37-2147 will be placed in the Bank. 30.0 acres and 0.6 cfs of irrigation and domestic. This is for the 2020 to 2024 season. These three rights are limited to the irrigation of 257.3 acres, diversion rate of 4.6 cfs. Jay Faulkner, president of Diamond A Livestock, signed the applications. No outside water rights overlap the water rights proposed for lease. Applicant wants to put 93.8 acres total in the Bank (30 acre from 37-2147 and 63.8 acres of 37-228 and 37-229). However, water right 37-2147 overlaps 37-228 and 37-229 by 0.4 acres. Because of the overlap, the rentable portions will be limited to 93.4 acres.

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**BROCKWAY**  
ENGINEERING  
P.L.L.C.

Hydraulics

Hydrology

Water Resources

RECEIVED

MAR 10 2020

DEPARTMENT OF  
WATER RESOURCES

March 4, 2020

Mr. Remington Buyer  
Idaho Water Supply Bank  
Idaho Department of Water Resources  
P.O. Box 83720  
Boise, ID 83720-0098

Re: WSB Lease; 37-228, 37-229 and 37-2147 on Behalf of Diamond A Livestock

Dear Mr. Buyer:

On behalf of Diamond A Livestock and Jay Faulkner, Brockway Engineering is submitting three water supply bank lease applications which propose to lease all of water rights 37-2147 and portions of rights 37-228 & 37-229 to the Water Supply Bank for the period 2020 through 2024. A map is attached showing the areas that are proposed to be idled associated with the lease applications. The same portions of the same rights were leased and accepted into the WSB from 2015 through 2019.

Also enclosed is a check for \$750.00 to cover the cost of the three water supply bank lease applications. Please copy our office on all correspondence regarding these applications. Thank you for your assistance and if you have questions or comments, please don't hesitate to call.

Regards,

*Shirle Darnell* on behalf of

Zach Latham, M.S., Hydrologist

Enc: (3) WSB Lease Applications, Aerial Map.  
(1) Brockway Engineering Check # 15794

Cc: Jay Faulkner, Diamond A Livestock

2016 NORTH  
WASHINGTON  
STREET • SUITE 4

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IDAHO 83301

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FAX: 736•8506

1666