

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1144

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

LESSOR: SUN VALLEY LAND & MINERALS INC
PO BOX 1959
SUN VALLEY, ID 83353

RECEIVED
FEB 14 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 December 19, 2019.
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)
37-22128	7/1/1940	GROUND WATER	0.16	44.9	1.3
Combined Lease Totals			0.16	44.9	1.3

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)
37-22128	0.03	4.9	1.3	0.023	3.77
Combined Limit Totals	0.03	4.9	1.3	0.023	3.77

** The water right elements rentable have been reduced from the water right elements leased to account for enlargement concerns.*

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

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1144

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.

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

LESSOR: SUN VALLEY LAND & MINERALS INC
PO BOX 1959
SUN VALLEY, ID 83353

By *Danna R Kelly*
Title *President*
Date *2.12.20*

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 *03/05/20*

Lease approved by IDWR *R. Thomas*

Date *03/05/20*

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1144

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): 37-22128

GROUND WATER	NWSWSE	Sec. 27	Twp 03N	Rge 17E	BLAINE County
GROUND WATER	NWSWSE	Sec. 27	Twp 03N	Rge 17E	BLAINE County
GROUND WATER	NWSWSE	Sec. 27	Twp 03N	Rge 17E	BLAINE County
GROUND WATER	NESWSE	Sec. 27	Twp 03N	Rge 17E	BLAINE County
GROUND WATER	SWSWSE	Sec. 27	Twp 03N	Rge 17E	BLAINE County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
37-22128	IRRIGATION	04/15	to	10/31	0.04 cfs	4.9 AF
	HEATING	01/01	to	12/31	0.13 cfs	40.0 AF
	RECREATION	01/01	to	12/31	0.13 cfs	24.0 AF
Totals:					0.16 cfs	44.90 AF

PLACES OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION, HEATING & RECREATION

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
03N	17E	27															1.3		1.3

Total Acres: 1.3

ADDITIONAL CONDITIONS OF ACCEPTANCE

- The water rights referenced above will be rented from the bank at the current rental rate.
- 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.
- 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.
- 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.
- While a water right is in the bank, forfeiture provisions are stayed pursuant to Idaho Code § 42-223(5).
- Rental of water under this right is subject to the limitations and conditions of approval of the water right.
- Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1144

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. 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.
13. 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, this water right is within State Water District No. 37.
14. The heating and recreation uses under this right are not rentable due to possible enlargement issues.

Idaho Water Resource Board
Water Supply Bank Lease Contract No. 1144

37-22128

Effective until December 31, 2024

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



● Approved Lease Point of Diversion

Approved Lease Place of Use

Township/Range

Sections

QQ



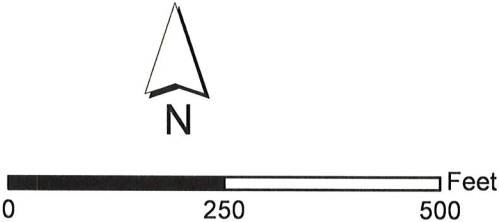
0 250 500 Feet

Idaho Water Resource Board
Water Supply Bank Lease Contract No. 1144
37-22128
Effective until December 31, 2024

This map depicts the place of use to be idled for recreation 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



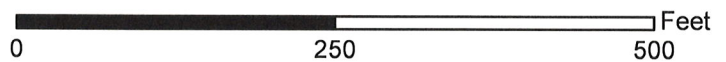
Idaho Water Resource Board
Water Supply Bank Lease Contract No. 1144

37-22128
Effective until December 31, 2024

This map depicts the place of use to be idled for heating 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

RECEIVED

DEC 13 2019

DEPARTMENT OF
WATER RESOURCES

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

Designated Applicant Sun Valley Land and Minerals, Inc.
(Select one owner – see item 1A on the application)

Water Right No. 37-22128
(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 | ☐ | ☒ | Signatures and contact information for all owners of the water right to be leased or sold on this application. |
| 1B | ☐ | ☒ | An Internal Revenue Service (IRS) Form W-9 for the Designated Applicant. |
| 1C | ☒ | ☐ | <i>Notice of Change in Water Right Ownership</i> form (accessible from www.idwr.idaho.gov). |
| 1D | ☐ | ☒ | 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 | ☐ | ☒ | Description of a water right portion offered to the Water Supply Bank. |
| 3 | ☐ | ☒ | 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 | ☒ | ☐ | Written consent from irrigation district or water delivery company. |
| 4G | ☒ | ☐ | Evidence demonstrating the water right has not been forfeited pursuant to Section 42-222(2), Idaho Code . |

Department Use Only

Fee Amount \$	Received By:	Date Received: <u>12/13/19</u>	Receipt # <u>C108091</u>
W-9 received? Yes ☒ No ☐	(Route W-9 to Fiscal)	Name on W-9:	

1580

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 Sun Valley Land and Minerals, Inc.

Mailing Address P.O. Box 1959, Sun Valley ID 83353

Street

City

State

Zip Code

Email Address _____ Phone Number (208) 309-1359

☒ 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 Washington St. N 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.
Wells to heating, recreation, and irrigation.

- 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. None.

- 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. N/A.

- 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. This water right has previously been accepted into the Water Supply Bank from 2015-2019.

- 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. N/A.

- 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 ☒
N/A.

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.

Donna R. Kelsey
Signature of Designated Applicant

DONNA R. KELSEY, President 11-27-19
Printed Name Date
Sun Valley Land & Minerals, 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). 37-4100, 37-4368B, 37-22128, 37-8205, 37-4369, 37-21614

	Designated Applicant	Applicant #2	Applicant #3
Name	Sun Valley Land and Minerals, Inc.		
Mailing Address	P.O. Box 1959 Sun Valley, ID 83353		
Phone Number	(208) 309-1359		
Email Address			
Applicant Declaration	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.
Signature			

	Applicant #4	Applicant #5	Applicant #6
Name			
Mailing Address			
Phone Number			
Email Address			
Applicant Declaration	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.
Signature			

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>	<u>Nature of Use</u>	<u>Leased Rate</u> (cfs)	<u>Leased Volume</u> (af)	<u>Leased Acres</u> (ac)
_____	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	Total Amounts:	_____	_____	_____

2. Source of water _____ tributary to _____

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County

State of Idaho
Department of Water Resources

Water Right
37-22128

HEATING

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.

17E



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

0 0.035 0.07 0.14 Miles



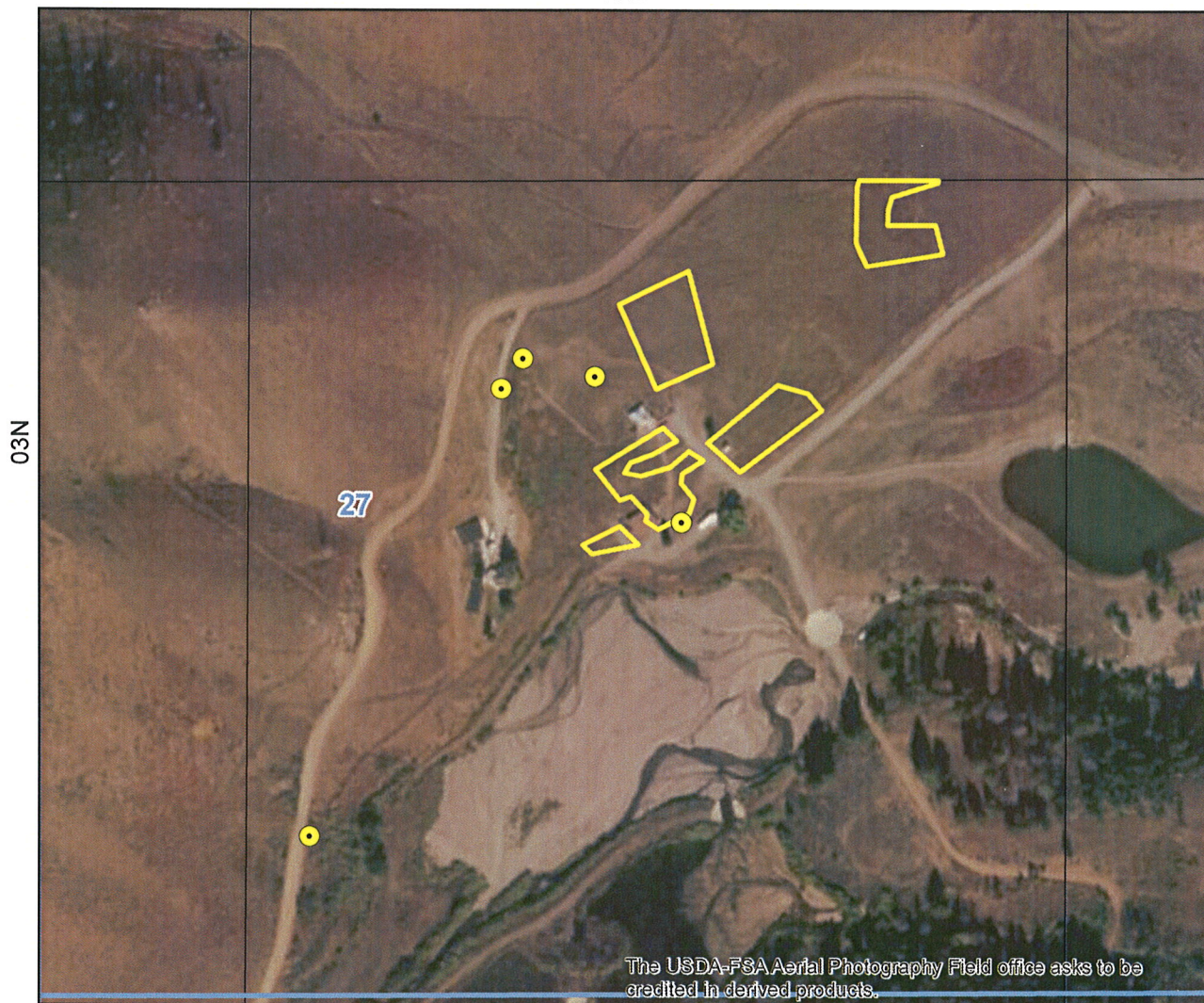
State of Idaho
Department of Water Resources

Water Right
37-22128

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.

17E



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

0 0.035 0.07 0.14 Miles



State of Idaho
Department of Water Resources

Water Right
37-22128

RECREATION

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.

17E



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

0 0.035 0.07 0.14 Miles





State of Idaho

DEPARTMENT OF WATER RESOURCES

322 E Front Street, Suite 648 • PO Box 83720 • Boise ID 83720-0098

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

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

BRAD LITTLE
Governor

GARY SPACKMAN
Director

March 10, 2020

SUN VALLEY LAND & MINERALS INC
PO BOX 1959
SUN VALLEY, ID 83353

**RE: WATER SUPPLY BANK LEASE CONTRACTS 1142, 1144, 1147, 1145
FOR WATER RIGHTS 37-4100, 37-21614, 37-22128, 37-4369, 37-8205**

Dear Lessor:

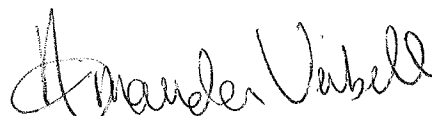
Water rights **37-4100, 37-21614, 37-22128, 37-4369, 37-8205** were leased into the Water Supply Bank (Bank) as of January 1, 2020, in accordance with the enclosed executed lease contract. **Your water rights, as described on the lease contract, are considered leased into the Bank and should remain unused 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.

Please note, the place of use on Contract No. 1142 for water rights 37-4100 & 37-21614 was not marked on page 4 of the contract. An "X" was added to show the complete legal description of the place of use.

The rights will automatically be released from the Bank on **December 31, 2024 except for water right 37-4369 which will be released 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,


Amanda Vihell
Water Supply Bank

Enclosure: Executed Lease Contracts

c: Corey Skinner – IDWR Southern Region
Zach Latham – Brockway Engineering
Kevin Lakey – Water District 37

IDAHO DEPARTMENT OF WATER RESOURCES
Water Right 37-22128

1/30/2020

<u>Owner Type</u>	<u>Name and Address</u>
Attorney	LAWSON LASKI CLARK & POGUE PLLC EDWARD A LAWSON 675 SUN VALLEY RD STE A PO BOX 3310 KETCHUM, ID 83340 (208) 725-0055
Current Owner	SUN VALLEY LAND & MINERALS INC PO BOX 1959 SUN VALLEY, ID 83353 (208) 309-1359
Original Owner	SUN VALLEY SHAMROCK RESOURCES INC PO BOX 912 HAILEY, ID 83333
Original Owner	INTERSTATE INVESTMENT CORP C/O LAW OFFICES PO BOX 2740 HAILEY, ID 83333 (208) 788-2427
Representative	BROCKWAY ENGINEERING PLLC C/O ERICK POWELL 2016 N WASHINGTON ST STE 4 TWIN FALLS, ID 83301 (208) 736-8543

Priority Date: 7/1/1940

Basis: Decreed

Status: Active

Water Supply Bank Status: Active

<u>Source</u>	<u>Tributary</u>
GROUND WATER	

<u>Beneficial Use</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/15	10/31	0.040 CFS	4.9 AF
HEATING	01/01	12/31	0.130 CFS	40.0 AF
RECREATION	01/01	12/31	0.130 CFS	24.0 AF
	<u>Total Diversion</u>		0.160 CFS	44.9 AF

Source and Point(s) of Diversion

GROUND WATER	NWSWSE	Sec. 27, Twp 03N, Rge 17E,	BLAINE County
GROUND WATER	NWSWSE	Sec. 27, Twp 03N, Rge 17E,	BLAINE County
GROUND WATER	SWSWSE	Sec. 27, Twp 03N, Rge 17E,	BLAINE County
GROUND WATER	NESWSE	Sec. 27, Twp 03N, Rge 17E,	BLAINE County
GROUND WATER	NWSWSE	Sec. 27, Twp 03N, Rge 17E,	BLAINE County

IDAHO DEPARTMENT OF WATER RESOURCES
Water Right 37-22128

1/30/2020

Place Of Use

RECREATION within BLAINE County

			NE				NW				SW				SE				Totals
Twp	Rng	Sec	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
03N	17E	27															X		

HEATING within BLAINE County

			NE				NW				SW				SE				Totals
Twp	Rng	Sec	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
03N	17E	27															X		

IRRIGATION within BLAINE County

			NE				NW				SW				SE				Totals
Twp	Rng	Sec	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
03N	17E	27															1.3		1.3

POU Total Acres: 1.3

Conditions of Approval:

1. This right is a split from former right 37-4370 .
2. C18 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.

Comments:

1. kchrste 12/15/2010 modified POU
deleted the 0.1 acre in Sec 27 NWSE AS THAT IS FOREST SERVICE GROUND.

Dates and Other Information

Decreed Date: 5/2/2011
 Civil Case Number: 39576
 Judicial District: FIFTH
 State or Federal: S
 Water District Number: TBD
 Mitigation Plan: False

Combined Use Limits

N/A

SubCase:

SubCaseNumber: 37-22128
 Class: 1
 SF5 Filed Date:
 Special Master Recom Signed Date:
 Attorney Assigned:
 Adjudication Agent:
 Basis of Claim: Beneficial Use

IDAHO DEPARTMENT OF WATER RESOURCES
Water Right 37-22128

1/30/2020

Date Filed: 11/14/2007
Objection Status: Active

Water Supply Bank:

Lessor Name: SUN VALLEY LAND & MINERALS INC
Lease Status: Active
Lease Amount: 44.9
Rental Availability: 44.9
Date Received: 1/22/2015
Lease Begin Date: 1/22/2015
Expiration Date: 12/31/2019



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

February 6, 2020

SUN VALLEY LAND & MINERALS INC
PO BOX 1959
SUN VALLEY ID 83353

RE: APPLICATIONS TO LEASE WATER RIGHT 37-4100 & 37-21614- CONTRACT 1142, WATER RIGHT 37-22128- CONTRACT 1144, WATER RIGHT 37-4369- CONTRACT 1147, WATER RIGHT 37-8205- CONTRACT 1148 TO THE WATER SUPPLY BANK

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

Dear Applicant:

The Department of Water Resources has completed its review of your application to lease the above-mentioned water rights to the Water Supply Bank. **I have enclosed two of each 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 executed copies to you. The Lease Contracts are not considered final until you and the Department have both signed.

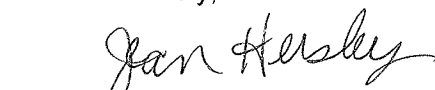
The rights will automatically be released from the Bank on **December 31, 2024**, except water right 37-4369, which will be released from the Bank on **December 31, 2023**, unless the rights are released earlier by the Board, or upon your request. To release the rights from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. 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,


Jan Hershey
Water Supply Bank

Enclosures: Proposed Lease Contracts

c. Brockway Engineering PLLC- Zach Latham

Hersley, Jean

From: Hersley, Jean
Sent: Thursday, February 06, 2020 9:28 AM
To: 'Kevin Lakey'; Skinner, Corey
Subject: WSB Lease Contracts for Sun Valley Land & Mineral
Attachments: Lease Application Review 37-4369.xls; Lease Map.pdf; Report - Lease Contract - 1147.docx; Idled Acres 37-4100 37-21614.pdf; Lease Application Review 37-4100 37-21614.xls; Report - Lease Contract - 1142.docx; Lease Application Review 37-8205.xls; Lease Map 37-8205.pdf; Report - Lease Contract - 1148.docx; Lease Application Review 37-22128.xls; Lease Map 37-22128 for Irrigation.pdf; Lease Map 37-22128 heating.pdf; Lease Map 37-22128 recreation.pdf; Report - Lease Contract - 1144.docx

Please let me know within 7 days if you have any comments or concerns with the attached leases. These rights have all been in the Bank before except 37-4369, which a portion is being offered to the Bank.

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

Hersley, Jean

From: Zach Latham <zach.latham@brockwayeng.com>
Sent: Monday, December 30, 2019 10:35 AM
To: Hersley, Jean
Cc: charles.g.brockway@brockwayeng.com
Subject: RE: Lease applications for Sun Valley Land and Minerals
Attachments: IDSOS 2019 Filing- Sun Valley Land & Minerals Inc..pdf

Jean-

Nothing has changed with regards to the ownership of the land and or the water rights since the last lease was submitted and approved IDWR in 2014, there has been no sale of the property. Sun Valley Land and Minerals Inc. owns all of the water rights and Ms. Donna Kelsey is the president of that business entity as evidenced by the attached 2019 Idaho Secretary of State business filing. Donna Kelsey signed the water bank lease applications and is authorized to do so.

Please proceed with the processing of the five lease applications. Thank you for your time.

Zach Latham

Hydrologist
Brockway Engineering, P.L.L.C.
2016 Washington Street North, Suite 4
Twin Falls, ID 83301
t. 208-736-8543
c. 208-721-2114
f. 208-736-8506

zach.latham@brockwayeng.com

All information, calculations, maps, drawings, or other documents transmitted via e-mail are preliminary unless explicitly stated in the e-mail text or in the documents themselves.

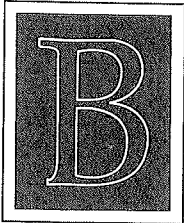
From: Hersley, Jean [mailto:Jean.Hersley@idwr.idaho.gov]
Sent: Friday, December 20, 2019 10:39 AM
To: zach.latham@brockwayeng.com
Subject: Lease applications for Sun Valley Land and Minerals

I am in the process of reviewing the applications submitted for Sun Valley Land and Minerals Inc. I need something clarified for me.

The land associated with all the water rights being offered to the Bank appear to be owned by the others. Were the water rights withheld in the sale of the land? This question has been asked before but I can't find anything in the file that tells me why the rights are still in the name of Sun Valley Land and Mineral.

Let me know. Thank you.

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



BROCKWAY
ENGINEERING
P.L.L.C.

Hydraulics

Hydrology

Water Resources

RECEIVED

DEC 13 2019

DEPARTMENT OF
WATER RESOURCES

December 9th, 2019

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

Re: Water Supply Bank Lease Applications; Sun Valley Land & Minerals Inc.

Dear Remington,

On behalf of Sun Valley Land & Minerals Inc. (SVLM), Brockway Engineering is submitting six Water Supply Bank (WSB) lease applications which propose to lease all of water rights 37-4100, 37-4368B, 37-8205, 37-21614 and 37-22128 and a portion of 37-4369 to the Water Supply Bank for five years starting in 2020 and ending in 2024. The lease application for 37-4369 proposes to lease the portion of the storage component of the right that has been filled in by sedimentation from the Deer Creek drainage as a result of the Beaver Creek fire. The attached narrative explains in detail the method used to determine the amount of storage lost due to sedimentation by the fire. SVLM would like to be able to remove the sediment at a later date, necessitating the submittal of the attached WSB lease application.

Also included is a check from Brockway Engineering for \$1,500 to cover the cost of all six lease applications. Please copy our office on all correspondence regarding these WSB lease applications. Thank you for your assistance and if you have questions or comments, please don't hesitate to call.

Regards,

Zach Latham, M.S., Hydrologist

Cc: Ms. Donna Kelsey
Mr. Ed Lawson
Mr. Devon Mackey
Mr. Jim Speck

Enc: (6) WSB Lease Applications, Aerial Maps, Narrative, W-9 Form
(1) Brockway Engineering Check # 15651

CHARLES E.
BROCKWAY,
PH.D., P.E.

CHARLES G.
BROCKWAY,
PH.D., P.E.

2016 NORTH
WASHINGTON
STREET • SUITE 4

TWIN FALLS,
IDAHO 83301

208•736•8543

FAX: 736•8506