

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 340

RECEIVED
JUN 07 2019
DEPARTMENT OF
WATER RESOURCES

This is to certify that:

SIERRA DEL RIO RANCH LLC

~~PO BOX 870~~ P.O. Box 199

KETCHUM, ID 83340-0370

Jerome, Id. 83338

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

Summary of Water Rights or Portions Rented from the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate Per Acre (CFS/AC)	Volume Per Acre (AF/AC)
2-10420	7/30/1969	SNAKE RIVER	0.940	167.50	37.20	0.025	4.50
57-11710	12/29/1970	CASTLE CREEK	0.880	205.10	45.60	0.019	4.50
Combined Limit Totals			1.820	287.10	63.80	0.030	4.50
Combined Rental Totals			1.820	287.10	63.80	0.030	4.50

Term of Rental: This rental agreement shall take effect when all parties have signed it and shall continue in effect until December 31, 2019. Use of rental water shall be authorized as of either the date this rental agreement takes effect or the first day of the rental season of use, in 2019, whichever occurs last.

Annual Rental Fee:

2019: \$5,742.00

The full fee for the rental of the above-described right(s) is \$5,742.00 for 2019. The rental fee includes an administrative fee of \$574.20 for 2019.

Total Water Use Authorized Under Rental Agreement

Beneficial Use	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate/Acre (CFS/AC)	Volume/Acre (AF/AC)
IRRIGATION	0.67	167.5	33.50	0.020	5.00
Combined Total	0.67	167.5	33.50	0.020	5.00

* The authorized water usage reflects a reduction from the water right elements rented, to account for a per-acre diversion rate of 0.02 cfs/as and an increased per-acre diversion volume of 5.0 afa/ac.

Detailed water right conditions are attached.

STATE OF IDAHO
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WATER SUPPLY BANK RENTAL AGREEMENT No. 340

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

*Sierra Del Rio Ranch LLC by
MANAGING PARTNER*

Ron Ambrose

Signature of Renter

6-5-2019

Date

Ron Ambrose

Printed Name

6-5-2019

Title

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

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

By

Brian Patton
BRIAN PATTON, Acting Administrator
Idaho Water Resource Board

Date

6/10/2019

Rental approved by IDWR

Chy Woot

Date

6-10-2019

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 340

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

SNAKE RIVER 4SWNW Sec. 16, Twp 03S, Rge 01E, OWYHEE County

BENEFICIAL USE
IRRIGATION

DIVERSION RATE
1.82 CFS

VOLUME
287.10 AF

SEASON OF USE

Water Right No. **From** **To**
2-10420 3/1 11/15

RENTERS PLACE OF USE: IRRIGATION

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
03S	01E	18								0.1									0.1
03S	01E	20		9.6	3.6		5.2	5.7			0.1				3.9	5.3			33.4

Total Acres: 33.5

RENTAL AGREEMENT CONDITIONS OF ACCEPTANCE

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. Rental of the specified right from the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other department application process.
3. Use of water under this agreement does not constitute a dedication of the water to renter's place of use, and upon expiration of this agreement, the points of diversion and place of use of the water shall revert to those authorized under the water right and/or again be available to rent from the bank.
4. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.
5. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
6. Renter agrees to hold the Board, the Director and the state of Idaho harmless from all liability on account of negligent acts of the renter while using water.
7. Renter acknowledges and agrees that the Director may terminate authorization for the use of a water right based on a water right's priority date.
8. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
9. The right holder shall maintain a measuring device and lockable controlling works of a type approved by the Department in a manner that will provide the watermaster suitable control of the diversion.
10. This right does not grant any right-of-way or easement across the land of another.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 340

11. The period of use for the irrigation described in this approval may be extended to an ending date of 11/15 provided that beneficial use of the water can be shown and other elements of the right are not exceeded. The use of water after 10/31 is subordinate to all water rights having no subordinated late irrigation use and a priority date earlier than 6/8/2009.
12. 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. 2.



STATE OF IDAHO
WATER RESOURCE BOARD

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

RECEIVED De

NOV 15 2018

DEPARTMENT OF
WATER RESOURCES

Applicant Name: Sierra Del Rio Ranch LLC

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

Yes ☐ No ☒

If yes, specify companion water rights in Section 4

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

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

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

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

MINIMUM REQUIREMENT CHECKLIST

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

		Yes	
		☒	Completed <i>Application to Rent Water from the Board's Water Supply Bank</i>
		☒	Confirmation that this form has been printed single sided, per requirement of the Water Supply Bank
Attachment	N/A	Yes	
2		☒	A map showing the proposed point(s) of diversion, place(s) of use, and water diversion and distribution systems proposed to be used with your rental request
3A	☐	☒	Detailed information on a proposed use of rental water
3F	☒	☐	Authorization from the owner/operator of the rental point(s) of diversion
3H	☒	☐	Water modeling to account for the impacts of the rental request
3J	☒	☐	Documents justifying a rate of flow greater than 0.02 cfs/acre
3K	☒	☐	Authorization from the owner/operator of the property at the proposed rental place(s) of use
4B	☐	☒	Explanation of how the rental water will sufficiently accomplish your rental purposes
4C	☒	☐	Explanation of consumptive use amounts for water rights experiencing a change in nature of use

Department Use Only – Proposed Water Right(s)

02-7001 57-180B

57-179 57-181

**STATE OF IDAHO
WATER RESOURCE BOARD**

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A. Applicant Sierra del Rio Ranch LLC

Mailing Address	<u>P.O. Box 370</u>	<u>Ketchum</u>	<u>Idaho</u>	<u>83340-0370</u>
	Street	City	State	Zip Code
Email Address	<u>ron.d.ambrose@gmail.com</u>		Phone Number	<u>208-644-1803</u>

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

Representative	<u>Travis L. Thompson / Jonas A. Reagan</u>	Professional Title	
Organization	<u>Barker Rosholt & Simpson LLP</u>	Relationship to Applicant	<u>Attorneys</u>
Mailing Address	<u>P.O. 63, Twin Falls, Idaho 83303-0063</u>		
Email Address	<u>ttt@idahowaters.com; jreagan@idahowaters.com</u>		Phone Number <u>208-733-0700</u>

2. MAP

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

3. DESCRIPTION OF PROPOSED USE FOR RENTAL WATER

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

Applicant desires to irrigate additional land on the property while attempting to acquire permanent water rights for the acres involved in this application. Legal descriptions for properties to be irrigated from particular sources is provided in Attachment 2A.

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

Desired Rate (Cubic Feet/Second)	Desired Volume (Acre-Foot)	Minimum Rate* (Cubic Feet/Second)	Minimum Volume* (Acre-Foot)	Desired Acres (if applicable)
0.02 CFS	90 AF	0.02 CFS	88 AF	29.25 AC

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

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

Desired Start Date (month/day/year)	Latest Possible Start Date (month/day/year)	*Mark Desired Rental Duration (Calendar Years)					**Applicant's preference if rental application cannot be processed prior to the latest possible start?	
03/01/2019	03/01/2019	☒	☐	☐	☐	☐	☒ Process application as soon as possible	☐ Return application to applicant
		1	2	3	4	5		

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

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

**STATE OF IDAHO
WATER RESOURCE BOARD**

Application to Rent Water (Continued)

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

Existing pumps from Snake River and Sinker Creek to mainlines for irrigation use. Existing irrigation systems will be extended to deliver water to the additional 29.25 acres.

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

POD Description	Water Source	Other Water Rights Diverted from this POD
T03SR01ES16Lt4 SWNW	Snake River	02-10222
T03SR01WS13NWNESW	Sinker Creek	57-177A, 57-178A, 57-2221A, 57-10469A, 57-10470

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

- F. Has documented consent from all relevant water delivery entities been obtained? Yes ☐ N/A ☒

If yes, include documented consent as **Attachment 3F**.

- G. Do any POD(s) identified in Question 3E divert from a water source that may require water modeling? Yes ☐ No ☒

Refer to the Water Modeling Requirements Information Sheet to determine if a rental POD may require water modeling.

- H. Has water modeling been provided with your rental request? Yes ☐ N/A ☒

If yes, label modeling Attachment 3 H.

Rental applications that require modeling will be returned if modeling is not provided.

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

- ☒ Irrigation 29.25 (number of acres) Duration: Subject to IDWR standard seasons of use
- ☐ Commercial from: _____ (mm/dd) to: _____ (mm/dd)
- ☐ Stockwater from: _____ (mm/dd) to: _____ (mm/dd)
- ☐ Industrial from: _____ (mm/dd) to: _____ (mm/dd)
- ☐ Other: _____ from: _____ (mm/dd) to: _____ (mm/dd)

- J. For irrigation uses, do you propose to divert water at a rate greater than 0.02 cfs/acre? N/A ☐ Yes ☐ No ☒

If yes, justify the rate of flow and attach any supporting documents as **Attachment 3J**. Justification may include information on soil composition, conveyance losses, crop type, irrigation systems, public access areas, etc. A rate of 0.03 cfs/acre is permissible for irrigation of 5 acres or less.

- K. Do you own the land at the proposed rental place of use (POU)? Yes ☒ No ☐

If no, attach documentation from the POU owner/operator confirming your authorization to use the POU and label it **Attachment 3K**.

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

Applicant currently does not have enough water rights to cover the desired irrigated area. In addition to the rights listed above, applicant holds 57-2217A and 57-7219A.

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

4. RENTAL REQUESTS FOR SPECIFIC WATER RIGHTS

A. Are you requesting to rent specific water rights?

Yes ☒ No ☐

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

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

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

Water Right Elements Leased to Water Supply Bank					Leased totals, minus water right elements involved in active rental agreements, equals water right elements available for rent	Water Supply Bank Rental Request		
Water Right Number (leave blank if sub-total of combined limits)	Nature of Use	Diversion Rate (CFS)	Volume (AF)	Acres (AC)		Diversion Rate (CFS)	Volume (AF)	Acres (AC)
02-7001	Irrigation					0.27	40	13.25
57-179	Irrigation					0.32	48	16
57-180B	Irrigation					same		
57-181	Irrigation					same		
Applicants must ensure the requested rate per acre and volume per acre do not exceed the rate per acre and volume per acre limits of water rights leased to the Water Supply Bank					TOTAL	0.59	88	29.25
						CFS	AF	AC

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

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

Applicant will irrigate the acres allowed in accordance with all water right conditions and limits imposed thereon.

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

Yes ☐ No ☒

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

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

5. ADDITIONAL INFORMATION

- A. Is this the first time that rental water is being requested for this purpose at the rental place of use? Yes ☒ No ☐
If no, list previous rental requests/agreements and explain why you have not secured a permanent water right for your needs:

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

Applicant intends to apply for a water right permit(s) at some point in 2019. This rental will allow Applicant to irrigate the land while IDWR processes the application for permit(s). The rental and any permit will not overlap during the 2019 irrigation season.

- C. Was this rental application submitted in response to a Notice of Violation (NOV) or a pending NOV? Yes ☐ No ☒
If yes, describe the date and location of the NOV.

- D. Additional Information

DECLARATION

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


Signature of Applicant

a.thompson
Sierra Del Rio Ranch LLC
Printed Name of Applicant

11/12/14
Date

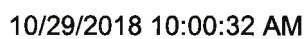

Signature of Representative

Travis L. Thompson
Printed Name of Representative

11/12/14
Date

Mail to:

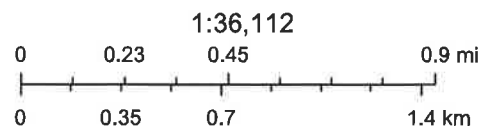
Idaho Department of Water Resources
P.O. Box 83720
Boise, ID 83720-0098



- Surface Water PODs
- Ground Water PODs

POU - Water Rights

-  All Other POU (non-provider)
-  Irrigation Providers and Municipal Service Areas
-  POD - Water Rights



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Attachment 2A

Additional proposed irrigation place of use description

Snake River

For proposed rental of portion of water right 02-7001

Water will be diverted an Applicant's existing pumping station (authorized pod for 02-10222) and delivered through mainline and irrigation system to irrigate the following:

6 acres	SWNW	Section 16	T3S R1E	Owyhee County
7.25 acres	NWNW	Section 21	T3S R1E	Owyhee County

Sinker Creek

For proposed rental of portions of water rights 57-179, 57-180B, 57-181

Water will be diverted from Applicant's existing diversion system (authorized pod for 57-177A et al.) and delivered through mainline and irrigation system to irrigate the following:

16 acres	NESW	Section 7	T3S R1E	Owyhee County
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Attachment 2A

Additional proposed irrigation place of use description

Snake River

For proposed rental of portion of water right 02-7001

Water will be diverted an Applicant's existing pumping station (authorized pod for 02-10222) and delivered through mainline and irrigation system to irrigate the following:

6 acres	SWNW	Section 16	T3S R1E	Owyhee County
7.25 acres	NWNW	Section 21	T3S R1E	Owyhee County

Sinker Creek

For proposed rental of portions of water rights 57-179, 57-180B, 57-181

Water will be diverted from Applicant's existing diversion system (authorized pod for 57-177A et al.) and delivered through mainline and irrigation system to irrigate the following:

16 acres	NESW	Section 7	T3S R1E	Owyhee County
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State of Idaho

DEPARTMENT OF WATER RESOURCES

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

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

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

BRAD LITTLE
Governor

GARY SPACKMAN
Director

June 11, 2019

SIERRA DEL RIO RANCH LLC
PO BOX 199
JEROME ID 83338

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NOS. 2-10420 and 57-11710, AGREEMENT 340**

Dear Renter:

Please find enclosed a receipt in the amount of **\$5,740.00** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 287.1 acre-feet of water for irrigation of 33.5 acres during 2019. Upon receipt of this fully executed agreement, you are authorized to divert water in compliance with the conditions of water use described in the agreement.

Pursuant to the Water Supply Bank Rules, 90% or \$5,165.80 of the rental fee will be paid to the lessor(s) and 10% or \$574.20 will be retained by the Department to offset administrative costs.

If you have any questions, please contact this office at (208) 287-4800.

Sincerely,


Water Supply Bank

Enclosures: Receipt No. C106966
Rental Agreement (copy)

c: Sascha Marston – Fiscal
Nick Miller – IDWR Western Regional Office
Rob Whitney – Water District 02
Jes Erling – IDWR
Jonas Reagan – Barker Rosholt & Simpson
Travis Thompson – Barker Rosholt & Simpson



State of Idaho

DEPARTMENT OF WATER RESOURCES

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

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BRAD LITTLE
Governor

GARY SPACKMAN
Director

May 31, 2019

SIERRA DEL RIO RANCH LLC
PO BOX 370
KETCHUM ID 83340-0370

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NOS. 2-10420 and 57-11710, AGREEMENT 340**

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

Dear Applicant:

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

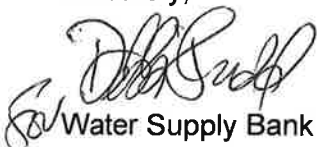
A rental fee of \$5,742.00 was calculated based on the current rental rate of \$20.00 per acre-foot times a diversion volume of 287.1 acre-feet.

Please send a check for \$5,740.00 made payable to the Idaho Department of Water Resources, **together with the signed rental agreement, within 14 days** so I can complete processing.

Pursuant to the Water Supply Bank Rules, 90% or \$5,167.80 of the rental fee will be paid to the lessor(s) and 10% or \$574.20 will be retained by the Department to offset administrative costs.

If you have any questions, please contact this office at (208) 287-4800.

Sincerely,



Water Supply Bank

Enclosure

c: IDWR Front Desk
Jonas Reagan – Barker Rosholt & Simpson
Travis Thompson – Barker Rosholt & Simpson

Buyer, Remington

From: Buyer, Remington
Sent: Tuesday, May 21, 2019 5:16 PM
To: Whitney, Rob; Miller, Nick
Subject: Sierra Del Rio Rental
Attachments: Rental_Map.pdf; Draft Rental Agreement.docx; Rental Review Memo -.docx

Nick, Rob,

Sierra Del Rio (water user above Swan Falls) has requested a rental to authorize irrigation of additional acres during 2019. Attached is a draft rental agreement, map and review memo. Please advise if you have any questions, comments or concerns about this rental.

Thank you,

Remington

MEMORANDUM FOR AGREEMENT # 340

To: Water Right 2-7062

From: Remington Buyer

Date: May 21, 2019

Re: Review & Analysis of Application to Rent Water from the Board's Water Supply Bank

PURPOSE/NARRATIVE: Application for rental received on November 15, 2018, submitted by Ron D. Ambrose, on behalf of Sierra del Rio LLC (SDR), through legal representative Travis Thompson and Jonas Reagan of Barker Rosholt & Simpson LLP, requesting a one year rental authorization to irrigate lands in Owyhee County. Initially, the rental requested both Sinker Creek and Snake River water rights, for irrigation of 29.25 acres, on lands belonging to SDR, as well as lands belonging to the BLM. Through numerous conversations with the applicant's legal representative, it has been determined that this rental should be for irrigation only of lands owned by the applicant (not BLM land).

Ostensibly, it seems the purpose of this rental is to authorize irrigation of acres that wouldn't otherwise be irrigable, due to lack of water right coverage under SDR's water right portfolio. Through a water right analysis, based on a map provided to IDWR, it seems as many as 375.6 acres will be irrigated during 2019, of which 61.7 acres would not otherwise be irrigable due to a lack of SDR water right coverage. The map provided to IDWR also appears to indicate as many as 73.8 acres of SDR's water rights might not be exercised during 2019, because lands that could be irrigated will not be irrigated. The positive balance between these two amounts (73.8 minus 61.7 = 12.1 acres) indicates the unexercised portions of SDR's water rights could be leased into the Bank and rented back to SDR to authorize irrigation of areas proposed to be irrigated during 2019. However, SDR has elected to rent additional water rights instead of leasing in and renting back their own water rights, perhaps because they desire to divert water from the Snake River at a diversion rate that exceeds their Snake River water right limit.

Although this rental requested both Snake River and Sinker Creek water rights, no Sinker Creek water rights are available for rental, so this rental will be only for Snake River water rights.

AUTHORITY TO FILE: Rental application has been signed and submitted on behalf of SDR by Ron D Ambrose, with assistance from Barker Rosholt & Simpson. Idaho Secretary of State business records indicate SDR's mailing address is care of Ron J Ambrose, and that 4 Ace Farms LLC is a member of SDR. Ron D Ambrose is a member of 4 Ace Farms LLC. No concerns with authority to file.

WATER RIGHT VALIDITY: Water right 2-10420 can be utilized to satisfy this rental request. The right is leased to the Bank and valid for rental.

INJURY TO OTHER WATER RIGHTS: Water right 2-10420 authorizes diversions from the Snake River at a location approximately 5 miles upstream of the rental location; no injury is expected from this rental.

ENLARGEMENT OF USE: Through correspondence with the applicant's legal representative, it appears this rental is intended to authorize irrigation of acres within a 391 acre permissible place of use (PPU). Per the map provided, it appears a rental is required to authorize irrigation of 33.5 acres within the PPU for SDR-owned lands not already covered by SDR water rights.

The rental location is authorized to be irrigated with Snake River water, Sinker Creek water, ground water, and water from an unnamed lake. The appurtenant Snake River water right (2-10222) authorizes irrigation of 258 acres at a maximum per-acre diversion rate and volume of 0.017 cfs and 5.0 afa, while the Sinker Creek, ground and unnamed lake water rights authorize irrigation of a maximum of 391 acres at a per-acre diversion rate and volume of 0.02 cfs and 4.5 afa. When combined, all available water rights appear to authorize irrigation of a maximum of 391 acres through a per-acre diversion rate and volume of 0.032 cfs and 5.0 afa.

The leased extent of water right 2-10420 authorizes irrigation of 49 acres at a per-acre diversion rate and volume of 0.25 cfs and 4.5 afa, respectively. To avoid enlargement, it is recommended that water right 2-10420 be adjusted through the rental to authorize irrigation of 33.5 acres at a per-acre diversion rate and volume of 0.02 cfs and 5.0 afa, which will require a rental of 0.94 cfs and 167.5 afa from 2-10420, and thereby authorize an increased diversion of 0.67 cfs of Snake River water, up to 167.5 afa, for the irrigation of 33.5 acres.

Because water right 2-10420 is coupled with Castle Creek water right 57-11710, a proportionate amount of water right 57-11710 will be rented with 2-10420, to avoid enlargement.

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

BENEFICIAL USE/CONSERVATION OF WATER RESOURCES: Irrigation is a beneficial use of water and it appears that this rental will authorize irrigation of acres that would otherwise not be irrigable, but for a rental. The rental appears consistent with the conservation of water resources in Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS: The location for the rental POD is subject to Water District # 02 and comments will be sought from the Water District watermaster, as well as from IDWR's Western Region Office.

No. W 183621		Due no later than May 31, 2018 Annual Report Form		2. Registered Agent and Address (NO PO BOX) BRIAN J BARSOTTI 215 PICABO ST STE 304 KETCHUM ID 83340		
Return to: SECRETARY OF STATE 700 WEST JEFFERSON PO BOX 83720 BOISE, ID 83720-0080 NO FILING FEE IF RECEIVED BY DUE DATE		1. Mailing Address: Correct in this box if needed. SIERRA DEL RIO RANCH, LLC RON J AMBROSE PO BOX 199 JEROME ID 83338		3. <u>New</u> Registered Agent Signature:*		
4. Limited Liability Companies: Enter Names and Addresses of at least one Member or Manager.						
Office Held	Name	Street or PO Address	City	State	Country	Postal Code
MEMBER	4 ACE FARMS LLC	4 ACE FARMS LLC P.O. BOX 199	JEROMEID	ID	USA	83338
MEMBER	CHARLES S. POTTER JR.	P.O. BOX 9	DUNDEE	IL	USA	60118
5. Organized Under the Laws of: ID W 183621		6. Annual Report must be signed.* Signature: BRIAN BARSOTTI Name (type or print): BRIAN BARSOTTI Date: 04/02/2018 Title: ATTORNEY				
Processed 04/02/2018		* Electronically provided signatures are accepted as original signatures.				



0003361033



STATE OF IDAHO
Office of the secretary of state, Lawrence Denney
ANNUAL REPORT
Idaho Secretary of State
PO Box 83720
Boise, ID 83720-0080
(208) 334-2301
Filing Fee: \$0.00

For Office Use Only

-FILED-

File #: 0003361033

Date Filed: 12/4/2018 10:23:25 AM

Entity Name and Mailing Address:

4 ACE FARMS LLC

The file number of this entity on the records of the Idaho Secretary of State is: 0000250518

Address

PO BOX 199
JEROME, ID 83338-0199

Entity Details:

Entity Status

Active-Existing

This entity is organized under the laws of:

IDAHO

If applicable, the old file number of this entity on the records of the Idaho Secretary of State was: W80159

The registered agent on record is:

Registered Agent

NATIONAL REGISTERED AGENTS INC
Commercial Registered Agent

Physical Address

921 S ORCHARD ST STE G
BOISE, ID 83705

Mailing Address

111 8TH AVE 13TH FL
MARIE HAUER
NEW YORK, NY 10011

Agent or Address Change

☐ Select if you are appointing a new agent.

Limited Liability Company Managers and Members

Name of individual or organization	Title	Address
RONALD D AMBROSE	Manager	2275 EAST 3100 SOUTH WENDELL, ID 83355
ALICE E AMBROSE	Member	2275 EAST 3100 SOUTH WENDELL, ID 83355
PATRICK S AMBROSE	Manager	2275 EAST 3100 SOUTH WENDELL, ID 83355
KATHRYN E AMBROSE	Member	2275 EAST 3100 SOUTH WENDELL, ID 83355

The annual report must be signed by an authorized signer of the entity.

Alice Ambrose

Sign Here

Signer's Capacity: Partner

12/04/2018

Date

B0111-7157 12/04/2018 10:23 AM Received by ID Secretary of State Lawrence Denney

Buyer, Remington

From: Buyer, Remington
Sent: Tuesday, May 21, 2019 5:07 PM
To: 'Jonas Reagan'
Subject: RE: Sierra Del Rio Map

Hi Jonas,

Based on your affirmation to go with the 25.4 acre rental option, I have proceeded to complete my review of a 2019 rental for Sierra Del Rio that will authorize irrigation of SDR-owned lands (not BLM lands), for which SDR does not presently have sufficient water right coverage, based on their water right portfolio and per the map you provided. After double checking my math, I calculated that SDR will require a rental for 33.5 acres, not 25.4 acres.

The most-proximate Snake River water right available to satisfy this rental is 2-10420 (which is coupled with Castle Creek water right 57-11710). I have calculated the requisite amounts of these two water rights required to be rented to authorize irrigation of 33.5 acres of SDR's property during 2019 with Snake River water and I am moving forward to obtain regional and water district comments to finalize this application.

Remington

From: Jonas Reagan [mailto:jreagan@idahowaters.com]
Sent: Monday, May 20, 2019 11:44 AM
To: Buyer, Remington <Remington.Buyer@idwr.idaho.gov>
Cc: Travis Thompson <tl@idahowaters.com>
Subject: Re: Sierra Del Rio Map

Hey Remington,

We will be going with the 25.4 acre rental. If I understood the email correctly, you only needed proof of SDR's authority to irrigate BLM lands for the 51.4 acre option. Please advise if you need anything else from our end. Thanks for your work and patience in this process.

Best,
Jonas

On May 17, 2019, at 11:42 AM, Buyer, Remington <Remington.Buyer@idwr.idaho.gov> wrote:

Jonas,

Thanks for confirming that we only need to pay attention to the green and red areas in the map. I will disregard the yellow areas.

The mapped areas proposed to be irrigated by them appear to include BLM lands, specifically in the following areas: 03S 01E S17 SWSE and SESE; 03S 01E S18 NWSW; 03S 01E S20 NWSW and SESE. Per the information below, you may or may not need to provide a record of SDR's authority to irrigate BLM lands.

Looking at the map, from the areas in green (not considering the "red" rental areas on the map), it appears that Sierra Del Rio will irrigate approximately 375.6 acres, as follows:

From: Jonas Reagan [mailto:jreagan@idahowaters.com]
Sent: Monday, May 20, 2019 11:44 AM
To: Buyer, Remington <Remington.Buyer@idwr.idaho.gov>
Cc: Travis Thompson <tlr@idahowaters.com>
Subject: Re: Sierra Del Rio Map

Hey Remington,

We will be going with the 25.4 acre rental. If I understood the email correctly, you only needed proof of SDR's authority to irrigate BLM lands for the 51.4 acre option. Please advise if you need anything else from our end. Thanks for your work and patience in this process.

Best,

Jonas

On May 17, 2019, at 11:42 AM, Buyer, Remington <Remington.Buyer@idwr.idaho.gov> wrote:

Jonas,

Thanks for confirming that we only need to pay attention to the green and red areas in the map. I will disregard the yellow areas.

The mapped areas proposed to be irrigated by them appear to include BLM lands, specifically in the following areas: 03S 01E S17 SWSE and SESE; 03S 01E S18 NWSW; 03S 01E S20 NWSW and SESE. Per the information below, you may or may not need to provide a record of SDR's authority to irrigate BLM lands.

Looking at the map, from the areas in green (not considering the "red" rental areas on the map), it appears that Sierra Del Rio will irrigate approximately 375.6 acres, as follows:

SDR (via Brockway) Proposed Irrigation (not rental)																	
T R S	NE				NW				SW				SE				Totals
	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
03S01ES07											25.6						25.6
03S01ES17											0.2				0.7	9.7	10.6
03S01ES18						23.0	23.1	19.6	14.0	6.1						15.7	101.5
03S01ES19	7.0																7.0
03S01ES20	34.7	23.8	21.8	15.3	18.0	26.5	30.0	6.4	1.0	16.4			10.1	20.6		0.2	224.8
03S01W12																3.8	3.8
03S01W13	2.3																2.3
																	375.6

Based on Sierra Del Rio's water right portfolio, 61.7 of the above acres are not authorized to be irrigated, as follows:

Remaining Authorized & Unauthorized Irrigation Under DSR Water Rights Portfolios																				Totals	Auth'd	Not Auth'd
T R S	NE				NW				SW				SE									
	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE						
03S01ES07											-6.6						-6.6			-6.6		-6.6
03S01ES17											-0.2			-0.7	-9.7		-10.6			-10.6		-10.6
03S01ES18						3.0	20.9	3.4	5.0		-6.1			3.0	3.3		32.5	35.3		-6.1		-6.1
03S01ES19	6.0																6.0	6.0		-38.4		-38.4
03S01ES20	0.3	-6.8	-2.8	6.7	-4.0	-4.5	7.0	7.6	2.0		-16.4		-3.1	-0.6		-0.2	-14.8	23.6				
03S01W12																0.2	0.2	0.2				
03S01W13	8.7																8.7	8.7				
																	15.4	73.8		-61.7		-61.7

As you can see from the table above, as many as 73.8 acres of SDR's water right portfolio will not be exercised if they irrigate as intended during 2019. They could leased in and rent those acres back to themselves if they desired. The net balance is that they are below their total irrigable acreage, but they are not irrigating as authorized under their water rights.

The following are the acres identified in your map (in red) as being acres covered under a 2019 rental:

SDR (via Brockway) Proposed Irrigation (rental)																				Totals
T R S	NE				NW				SW				SE							
	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE				
03S01ES07																				0.0
03S01ES17																				0.0
03S01ES18			0.6				6.9	3.5							0.7	1.2				12.9
03S01ES19	0.5																			0.5
03S01ES20		2.8	0.8	4.6	1.2	1.2	3.8	2.6	2.1				0.3	0.8	4.7	0.5				25.4
03S01W12																				0.0
03S01W13																				0.0
																				38.8

Comparing the two tables above, it is notable that some of the acres to be covered under a rental are already authorized to be irrigated under SDR's water right portfolio. The table below combines the two tables above to identify the acres authorized to be irrigated and not authorized to be irrigated, through the map provided:

Remaining Authorized & Unauthorized Irrigation Per DSR Rental Request																				Totals	Auth'd	Not Auth'd
T R S	NE				NW				SW				SE									
	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE						
03S01ES07											-6.6						-6.6			-6.6		-6.6
03S01ES17											-0.2			-0.7	-9.7		-10.6			-10.6		-10.6
03S01ES18			-0.6		3.0	14.0	-0.1	5.0		-6.1				2.3	2.1		19.6	26.4		-6.8		-6.8
03S01ES19	5.5																5.5	5.5				
03S01ES20	0.3	-9.6	-3.6	2.1	-5.2	-5.7	3.2	5.0	-0.1	-16.4		-0.3	-3.9	-5.3	-0.5	-0.2	-40.2	10.6		-50.5		-50.5
03S01W12																0.2	0.2	0.2				
03S01W13	8.7																8.7	8.7				
																	-23.4	51.4		-74.5		-74.5

As you can see in the table above, some of the acres identified in red on your map (noted in the green bordered and shaded cells above) remain fully irrigable under SDR's water rights, even without a rental. However, other areas do require a rental (green cells with black or red colored text), and fully the remaining orange cells with red text are the areas proposed to be irrigated that do not appear to be authorized to be irrigated under SDR's water rights or a 2019 rental.

In light of the table above, we can approve a rental for SDR for 2019 where there is insufficient coverage under their WR portfolio, which appears to be 34.9 acres (the acres in each quarter-quarter where a rental is proposed, where there is insufficient authorization for irrigation under SDR's water right portfolio).

However, if SDR is authorized to irrigate BLM land, we can take into account BLM's irrigation water rights on adjacent lands:

Authorized Irrigation Under BLM's Water Rights Portfolio																	
T R S	NE				NW				SW				SE				Totals
	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
03S01ES07											0.6					10.8	11.4
03S01ES17																	
03S01ES18			0.3		0.2					8.0							8.5
03S01ES19																	0.0
03S01ES20										23.1							23.1
03S01W12																	0.0
03S01W13																	0.0
																	43.0

And combining it with the table immediately above it, it appears their overall rental need may only be 25.4 acres:

Remaining Authorized & Unauthorized Irrigation Per DSR Rental Request, W/ BLM WRs																			
T R S	NE				NW				SW				SE				Totals	Auth'd	Not Auth'd
	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE			
03S01ES07											-6.0					10.8	4.8	10.8	-6.0
03S01ES17											-0.2					-0.7 -9.7	-10.6		-10.6
03S01ES18			-0.3		0.2	3.0	14.0	-0.1	5.0	1.9					2.3 2.1		28.1	28.5	-0.4
03S01ES19	5.5																5.5	5.5	-34.4
03S01ES20	0.3	-9.6	-3.6	2.1	-5.2	-5.7	3.2	5.0	-0.1	6.7		-0.3	-3.9	-5.3	-0.5	-0.2	-17.1	17.3	
03S01W12																0.2	0.2	0.2	
03S01W13	8.7																8.7	8.7	17.4
																	19.6	71.0	-34.0

The table immediately above compares SDR's and BLM water right authorizations, with the 2019 rental request, to identify what areas are irrigable under a rental, and what areas are not:

Per the tables above, our office can move forward with a 2019 rental for SDR for:

- 25.4 acres, which would be the max area within the quarter-quarters wherein the mapped red rental polygons fall, which are not authorized to be irrigated under any SDR or BLM authorization; or
- 34.9 acres, which would be the max area within the quarter-quarters wherein the mapped red rental polygons fall, which are not authorized to be irrigated under any SDR authorization; or
- 51.4 acres, which is the total number of acres that appear will be irrigated without an authorization, across all SDR and BLM lands.

Please advise on how you would like IDWR to proceed. If you do wish us to proceed with a rental to cover all lands, please provide proof of SDR's authority to irrigate BLM Lands.

Thanks,

Remington

-----Original Message-----

From: Jonas Reagan [<mailto:jreagan@idahowaters.com>]

Sent: Thursday, May 16, 2019 5:00 PM

To: Buyer, Remington <Remington.Buyer@idwr.idaho.gov>

Cc: Travis Thompson <tlth@idahowaters.com>

Subject: Re: Sierra Del Rio Map

Hey Remington,

The red acres are for the rental, the green areas are the ones that Sierra del rio will irrigate with their existing rights. The yellow acres are irrelevant for the purposes of this application.

I can request confirmation from my client regarding their authorization to irrigate blm land, but none of the proposed area for irrigation with rented water are for blm land. I guess I do not see the relevance for this application.

Thanks,

Jonas

Sent from my iPhone

On May 16, 2019, at 4:50 PM, Buyer, Remington <Remington.Buyer@idwr.idaho.gov> wrote:

Jonas,

I received the map and shapefile. It appears the red areas are the acres to be irrigated via a rental; what is the distinction between the green areas and the yellow areas in the map?

Also, can you provide a record confirming Sierra Del Rio is authorized to irrigate land belonging to the BLM?

Thanks,

Remington

Buyer, Remington

From: Jonas Reagan <jreagan@idahowaters.com>
Sent: Thursday, May 16, 2019 3:43 PM
To: Buyer, Remington
Subject: Sierra Del Rio Map
Attachments: SierraDelRioRanch_24x18_LS.jpg

Hey Remington,

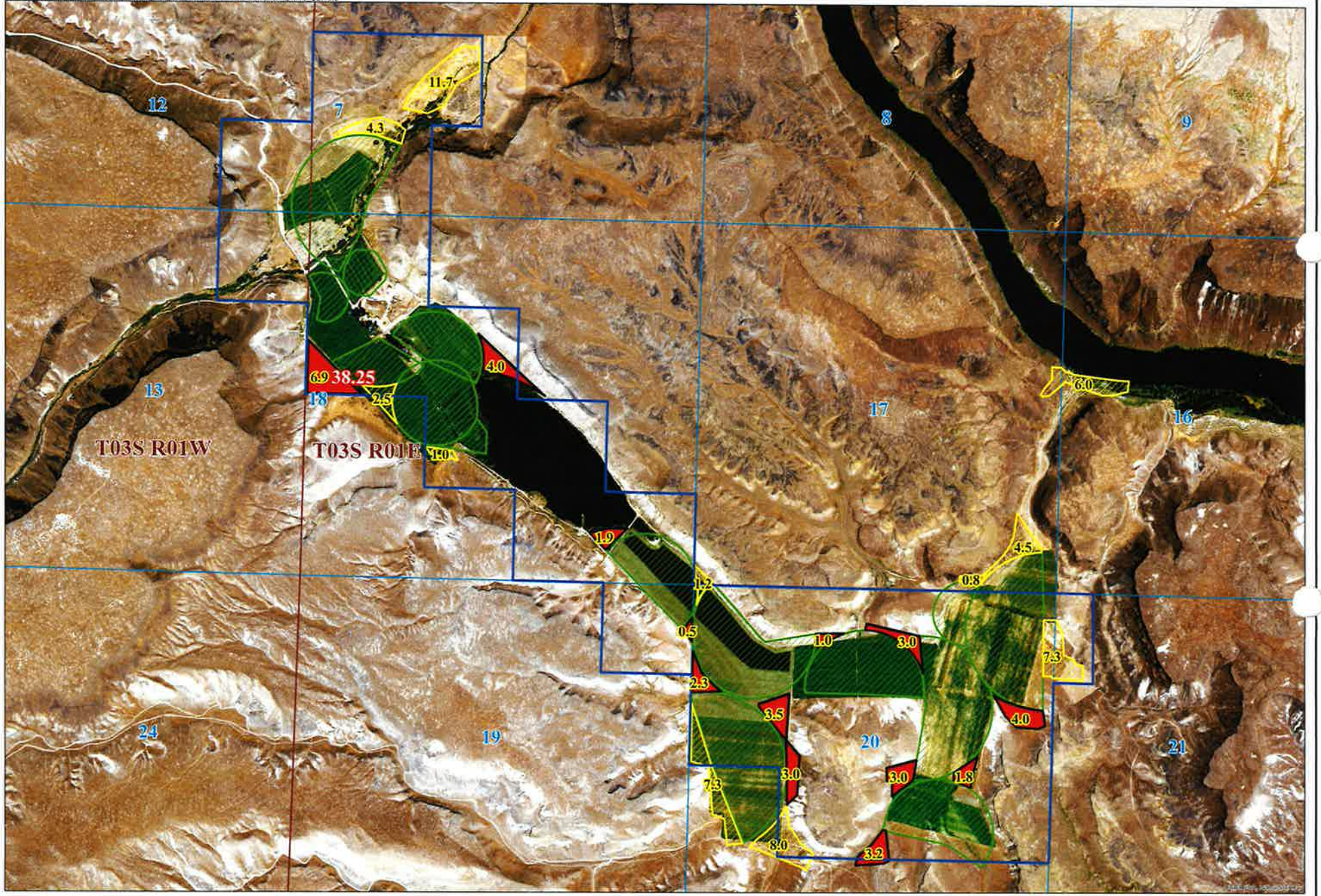
Here is the map that Brockway generated for the Sierra Del Rio rental application. I also have the shapefiles and will be sending those along shortly. Please let me know if this is sufficient.

Best,
Jonas

Your message is ready to be sent with the following file or link attachments:

SierraDelRioRanch_24x18_LS

Note: To protect against computer viruses, e-mail programs may prevent sending or receiving certain types of file attachments. Check your e-mail security settings to determine how attachments are handled.



0 500 1,000 2,000 Feet

SIERRA DEL RIO RANCH

WSB rental area = 38.25 ac.





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

May 8, 2019

SIERRA DEL RIO RANCH
PO BOX 370
KETCHUM ID 83340-0370

RESPONSE DEADLINE:
June 5, 2019

RE: Action Required on WSB Rental Application 1243

Dear Applicant,

The Department of Water Resources (Department) has reviewed your Water Supply Bank rental application and the following items are required to continue processing your application:

- Identification of the specific acres, per quarter-quarter, to be irrigated with water under a rental authorization during 2019.
- Authorization from the Bureau of Land Management to irrigate BLM lands via rental.

Your rental application originally requested an authorization to irrigate 29.25 acres during 2019. Through correspondence with your representative, this amount was changed to 38.25 acres. However, to date, the Department has not been successful in obtain from you the location of the specific acres to be irrigated during 2019.

Per Idaho Code 42-1763 and Water Supply Bank Rules 30 (IDAPA 37.02.03.30) the Department must evaluate to ensure a beneficial use of water will occur through a Water Supply Bank rental. Without being able to determine the location of the acres to be irrigated under a rental, we cannot confirm that a beneficial use of water is to occur. Accordingly, **please clarify the specific number of acres that will be irrigated by you, per quarter-quarter, at the rental place of use during 2019.**

Furthermore, if some of the acres to be irrigated via a rental are BLM lands, please ensure to provide our office with a document to confirm you are authorized to irrigate BLM lands.

Please provide us with answers to the above questions within 30 days (deadline of June 5, 2019), so that we can finalize processing of your application. If we do not hear from you prior the established deadline, your application may be returned to you.

If you have any questions, please contact me at (208) 287-4918.

Regards,

Remington Buyer
Water Supply Bank Coordinator

CC: Jonas Regan, Barker Rosholt and Simpson LLP

Buyer, Remington

From: Buyer, Remington
Sent: Tuesday, May 7, 2019 5:05 PM
To: 'ron.d.ambrose@gmail.com'
Cc: 'Jonas Reagan'
Subject: Water Supply Bank Rental Application 1243
Attachments: Information Request Letter - Sierra Del Rio Ranch.pdf

Mr. Ambrose,

Please find attached to this email a copy of the letter being mailed out from our office to you tomorrow. To finalize your rental application, our office must identify the specific acres to be irrigated under a rental during 2019. To date, the maps that we have been provided are not of a resolution sufficient to determine the specific acres to be irrigated. The purpose of the attached letter and this email is to formally request a high-resolution map that specifically identifies the acres to be irrigated under a rental during 2019. Please provide our office with the requested map within thirty days so that we can conclude processing of your rental application.

Regards,

Remington Buyer

Water Supply Bank Coordinator
Idaho Department of Water Resources
322 East Front Street, Boise, ID, 83720
T: (208) 287-4918 | F: (208) 287-6700

Buyer, Remington

From: Buyer, Remington
Sent: Tuesday, May 7, 2019 5:02 PM
To: 'Jonas Reagan'
Subject: RE: Irrigation map
Attachments: Information Request Letter - Sierra Del Rio Ranch.pdf

Jonas,

Per my last email to you on April 18, 2019, I requested that you provide our office with a confirmation of the specific acres to be irrigated, per quarter-quarter, via rental by Sierra Del Rio Ranch during 2019. The map you submitted on 4/23/2019 appears to be similar to the map you submitted on March 12. This map does not specific per quarter-quarter the specific acres to be irrigated by Sierra Del Rio during 2019.

This latest map also appears to propose irrigation of BLM ground, not just lands owned by Sierra Del Rio. If Sierra Del Rio intends to irrigate BLM ground, IDWR will require documentation to confirm that Sierra Del Rio is authorized by BLM to irrigate their property with water under a rental.

You state below that above and beyond the 377.1 acres that Sierra Del Rio will irrigate during 2019, they desire to irrigate an additional 38.25 acres. However, our office is still unable to determine the location where these 38.25 acres. As I stated in my last email, what is required to complete processing on this rental is for your client to identify the specific number and location of acres to be irrigated, per quarter-quarter, by Sierra Del Rio during 2019.

The attached letter is going out to your client tomorrow. Please ensure that our office receives the requested information within thirty days so that we may conclude processing of your this rental request. If we don't receive the information required within thirty days, the rental application will be returned.

Regards,

Remington

From: Jonas Reagan [mailto:jreagan@idahowaters.com]
Sent: Wednesday, April 24, 2019 4:56 PM
To: Buyer, Remington <Remington.Buyer@idwr.idaho.gov>
Subject: RE: Irrigation map

Hey Remington,

The map I sent you was the acres on Sierra Del Rio's property that they irrigated with their water rights last year, and what they intend to irrigate this year if they do not rent any water. The numbers correspond to the following acres:

- Area 1 – 43.2 acres
- Area 2 – 6.2 acres
- Area 2A – 7.3 acres
- Area 3 – 12.8 acres
- Area 4 – 12.8 acres
- Area 5 – 28.1 acres
- Area 5A – 3.5 acres
- Area 6 – 23.2 acres
- Area 7 – 38.1 acres
- Area 8 – 41.7 acres

Area 9 – 30.1 acres
Area 10 – 38.9 acres
Area 11 – 46.7 acres
Area 13 – 29.5 acres
Area 14 – 9.3 acres

This all tolled is 377.1 acres. Under their water rights they have 13.9 more acres they could irrigate under their existing water rights. I will let them know they have more acreage available, but none of these areas will be those proposed to be irrigated with the rental water.

As for the first question, Sierra Del Rio will irrigate all of these acres totaling 377.1 acres, and then will irrigate as many other sections previously identified with whatever rental water they can get ahold of, hopefully the 38.25 acres identified in our previous emails.

Maybe we should have a call about this. I will be in the office all day Friday if any time then works for you.

Thanks,
Jonas

*Jonas Reagan
Barker Rosholt & Simpson LLP
163 2nd Avenue West
P.O. Box 63
Twin Falls, Idaho 83303-0063
Office: (208) 733-0700
Fax: (208) 735-2444*

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From: Buyer, Remington [<mailto:Remington.Buyer@idwr.idaho.gov>]
Sent: Wednesday, April 24, 2019 6:20 AM
To: Jonas Reagan <jreagan@idahowaters.com>
Subject: RE: Irrigation map

Jonas,

To finalize Sierra Del Rio's rental request, our office needs to confirm:

- How many acres will be irrigated, per quarter-quarter, by Sierra Del Rio on their property during 2019?
- If/where possible, which acres of their property will be irrigated with a WSB rental during 2019?

The map you attached can help with the second question, however we still need to identify the number of acres that Sierra Del Rio will irrigate during 2019. Please have your clients confirm the number of acres that will be irrigated on their property during 2019.

Thanks,

Remington

From: Jonas Reagan [jreagan@idahowaters.com]
Sent: Tuesday, April 23, 2019 6:03 PM
To: Buyer, Remington
Subject: FW: Irrigation map

Here is a map for the 2019 irrigation season. Please let me know if this is what you were looking for, and how we need to proceed with the rental application.

Thanks Remington!

Best,

*Jonas Reagan
Barker Rosholt & Simpson LLP
163 2nd Avenue West
P.O. Box 63
Twin Falls, Idaho 83303-0063
Office: (208) 733-0700
Fax: (208) 735-2444*

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From: Charlie Potter [<mailto:cpotter@mcgrawwildlife.org>]
Sent: Sunday, April 21, 2019 6:13 PM
To: Jonas Reagan <jreagan@idahowaters.com>; Travis Thompson <tlh@idahowaters.com>
Cc: Ron Ambrose - <ron.d.ambrose@gmail.com>
Subject: Irrigation map

Jonas - do not know if this is what you need - it is what I have at present.



Charles S. Potter, Jr.
President & CEO
Sent from my iPad

From: Buyer, Remington
Sent: Thursday, April 18, 2019 2:09 PM
To: 'Jonas Reagan' <jreagan@idahowaters.com>
Subject: RE: Clarification on acres for rental needed

Jonas,

From the information you provided earlier today, I've identified that the areas that you've indicated are to be irrigated by Sierra Del Rio ranch in 2019, which appear to be as follows:

TRS QQ			Sierra Del Rio's Rental Request																	
Area			NE		NW				SW				SE				Totals			
			T R S	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
03S01E20 SENE	5	4																		
03S01E20 SWNE	6	1.75																		
03S01E20 NWNE	7	3																		
03S01E20 SWNE	8	3	03S01ES07																0.00	
03S01E20 NWNE	9	1	03S01ES16																0.00	
03S01E20 NWSE	10	3.25	03S01ES18							7.00	4.00							2.00	13.00	
03S01E20 SENW	11	3.5	03S01ES19	2.75															5.75	
03S01E19 NESW	12	3	03S01ES20		3.00	1.75	4.00	1.00			3.50	3.00					3.25		19.50	
03S01E19 NENE	15	0.5	03S01W12																0.00	
03S01E19 NENE	16	2.25	03S01W13																0.00	
03S01E18 SENW	18	4																		
03S01E18 SWNW	23	7																		
03S01E18 SWSE	24	2																	38.25	
Total:			38.25																	

When I looked at the true-color and near-infrared satellite imagery from 2018, I observed what appears to be irrigation of the following acres on lands owned by Sierra Del Rio:

Observed Irrigation Sierra Del Rio's Property																	
T R S	NE				NW				SW				SE				Totals
	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
03S01E507											25.9						25.9
03S01E516							5.9	0.1									6.0
03S01E518						16.8	38.7	26.5	19.0	1.3					1.0	19.0	122.3
03S01E519	7.8																7.8
03S01E520	39.7	22.5	21.7	23.8	15.7	25.9	39.8	12.6	3.0					10.7	27.0		242.4
03S01W12																7.3	7.3
03S01W13	2.0																2.0
																	413.7

For your consideration, I'm attaching a map ("working map"), generated today, that identifies the areas observed as possibly irrigated during 2018

Based on Sierra Del Rio's water rights portfolio:

Authorized Irrigation Under Sierra Del Rio's Water Rights Portfolio																	
T R S	NE				NW				SW				SE				Totals
	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
03S01ES07											19.0						19.0
03S01ES18						26.0	44.0	23.0	19.0						3.0	19.0	134.0
03S01ES19	13.0																13.0
03S01ES20	35.0	17.0	19.0	22.0	14.0	22.0	37.0	14.0	3.0					7.0	20.0		210.0
03S01W12																4.0	4.0
03S01W13	11.0																11.0
																	391.0

It appears that approximately 32.1 acres of their water rights might not be fully exercised as authorized, but as many as 63.8 acres might be under active irrigation without water right coverage on their property, as follows:

Sierra Del Rio's Unexercised Water Right Usage															Sierra Del Rio's Rental Requirements																				
T R S	NE				NW				SW				SE				Totals	T R S	NE				NW				SW				SE				Totals
03S01ES07	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	03S01ES07	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	03S01ES07					
03S01ES16																		03S01ES16													03S01ES16				
03S01ES18						9.2	5.3									2.0	0.0	03S01ES18							5.9	0.1				6.9	03S01ES18				
03S01ES19	5.2																	03S01ES19									3.5	1.3		4.8	03S01ES19				
03S01ES20										1.4								03S01ES20	4.7	5.5	2.7	1.8	1.7	3.9	2.8				3.7	7.0	33.8	03S01ES20			
03S01W12																		03S01W12													3.3	03S01W12			
03S01W13	9.0																	03S01W13	9.0												9.0	03S01W13			
																															32.1				
																															63.8				

Sierra Del Rio's singular Snake River water right (2-10222) authorizes a per-acre diversion rate of 0.017 cfs/ac, and a diversion volume of 5.0 afa/ac. We have tentatively identified water right 2-10420 as available for this rental; harmonizing 2-10420 with water right 2-10222 would authorize irrigation of an additional 44.1 acres of Sierra Del Rio's property, which gets them more than what you've indicated they are requesting, but less than what they might need for 2019 (if they intend to irrigate similar to their patterns during 2018).

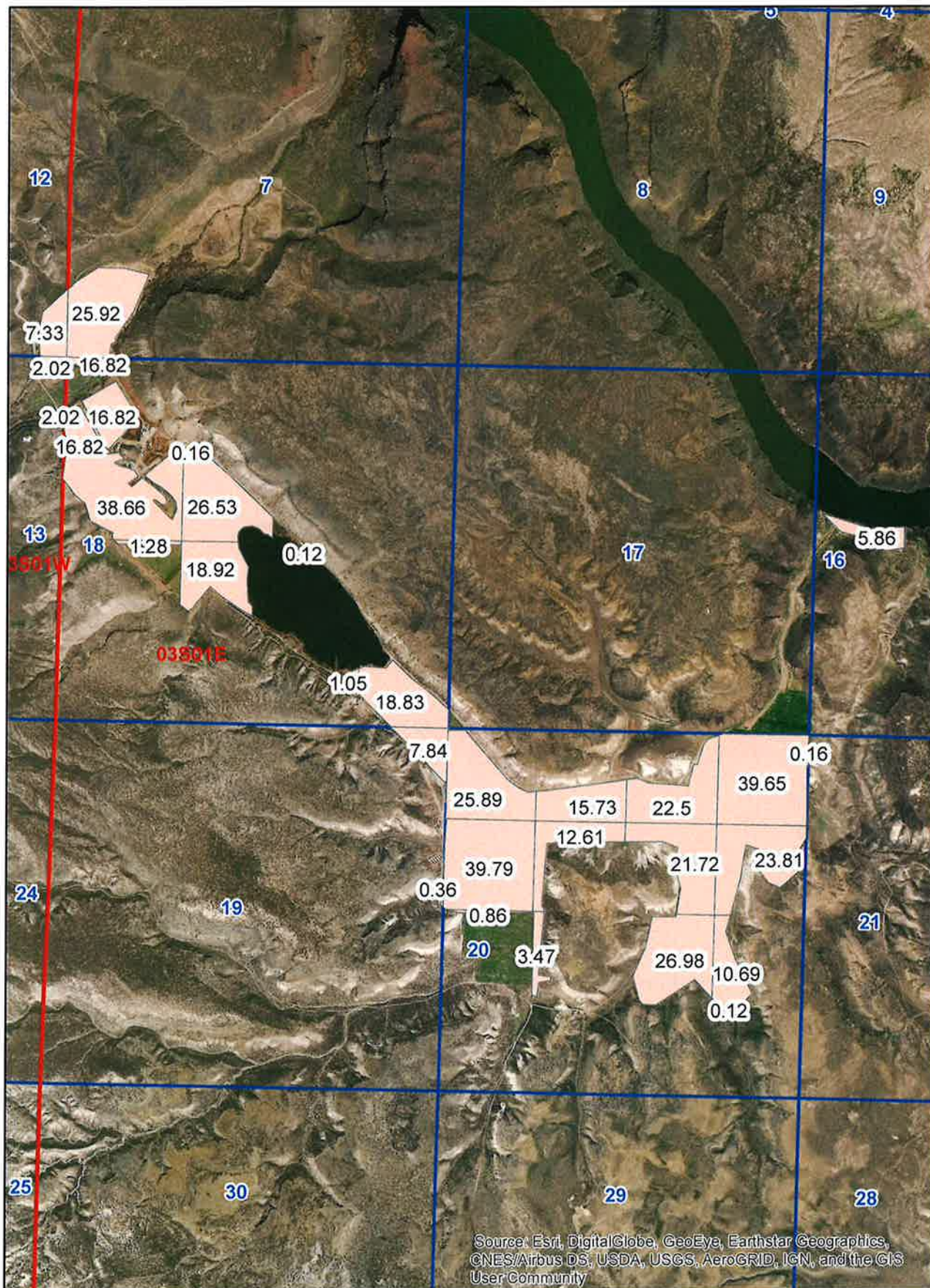
To finalize Sierra Del Rio's rental request, please confirm the following for our office:

- How many acres will be irrigated, per quarter-quarter, by Sierra Del Rio on their property during 2019?
- If/where possible, which acres of their property will be irrigated with a WSB rental during 2019?

Please contact me if you have any questions about the above.

Regards,

Remington



From: Jonas Reagan
Sent: Tuesday, March 12, 2019 3:14 PM
To: 'Condon, Mary' <Mary.Condon@idwr.idaho.gov>
Subject: RE: Clarification on acres for rental needed

Hey Mary,

Sorry for the delay with this. Attached is a map of the applicant's property with areas identified for the WSB rental.

The POU will include all areas in yellow except areas 1, 2, 3, 4, 13, 14, 17, 18, 19, 20, 21, 22, and 25.

This means that we would need to amend the application to cover the following areas inside the land owned by the applicant.

- 5 – for 4 acres
- 6 – for 1.75 acres
- 7 – for 3 acres
- 8 – for 3 acres
- 9 – for 1 acre
- 10 – for 3.25 acres
- 11 – for 3.5 acres
- 12 – for 3 acres
- 15 – for .5 acres
- 16 – for 2.25 acres
- 18 – for 4 acres
- 23 – for 7 acres
- 24 – for 2 acres

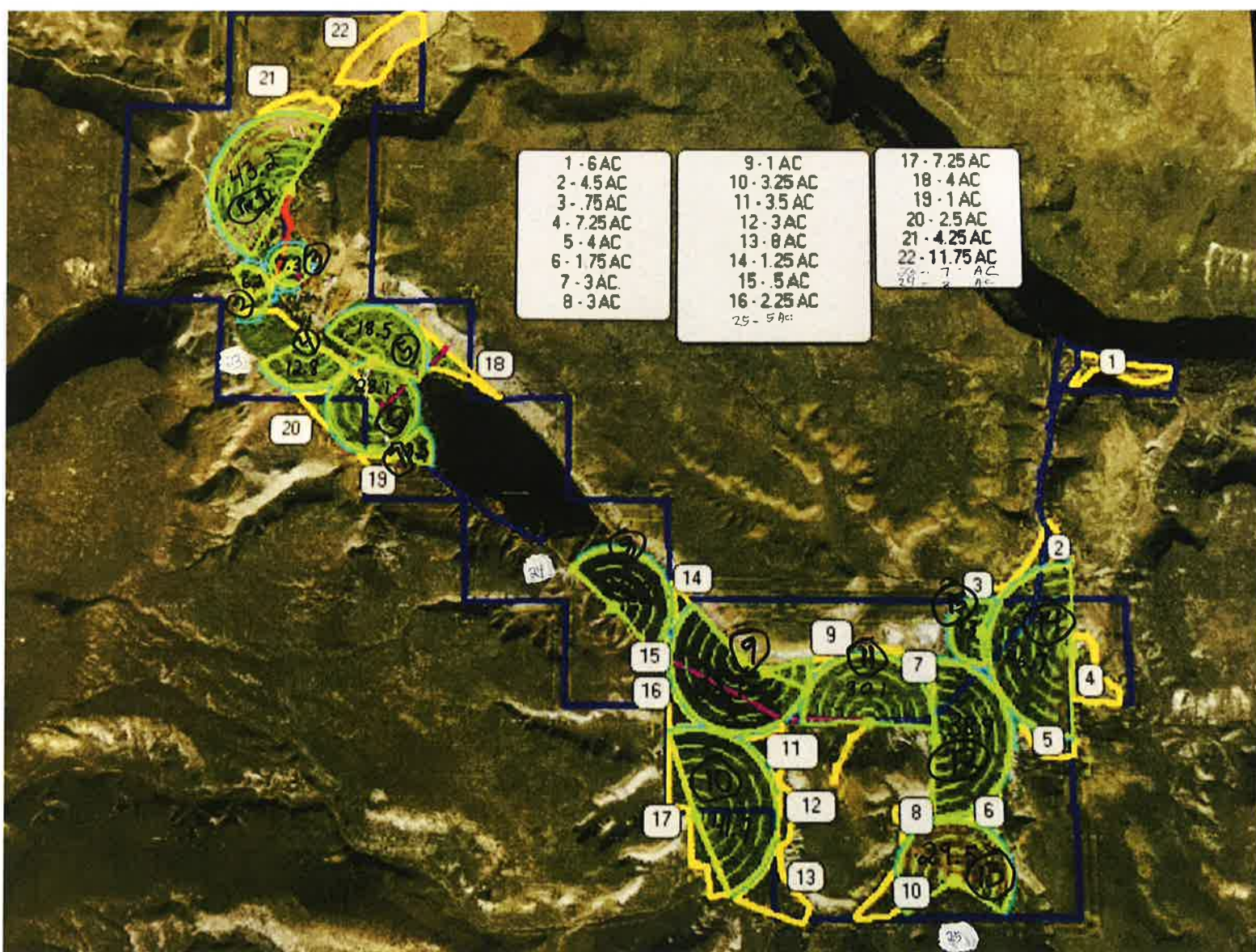
This means the application is now for the rental of 38.25 acres of the Snake River water right. Can this be done?

Thank you so much for your work on this.

Best,
Jonas

*Jonas Reagan
Barker Rosholt & Simpson LLP
163 2nd Avenue West
P.O. Box 63
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From: Jonas Reagan
Sent: Friday, March 01, 2019 3:52 PM
To: 'Condon, Mary' <Mary.Condon@idwr.idaho.gov>
Subject: RE: Clarification on acres for rental needed

Hi Mary,

I have contacted the client about generating a map with the specific acres identified. Sorry about the miscommunication.

The applicant is not proposing to use any water on BLM land, only on the portion of land he owns in that QQ.

The original request was only for S 21, but also a more north west portion to be irrigated with Sinkers Creek rental water. The Applicant has expressed a desire to rearrange his own water rights, taking water from S 20, to then irrigate that proposed parcel. The applicant would then irrigate the moved acres in S 20 with rental water.

Once the applicant provides a map, this might make more sense. The rental is only needed for the one year.

Thank you so much for your patience with this application, and we will work on getting the additional information to you as soon as possible.

Best,
Jonas

*Jonas Reagan
Barker Rosholt & Simpson LLP
163 2nd Avenue West
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From: Condon, Mary [<mailto:Mary.Condon@idwr.idaho.gov>]
Sent: Wednesday, February 27, 2019 12:40 PM
To: Jonas Reagan <jreagan@idahowaters.com>
Subject: RE: Clarification on acres for rental needed

Hello, Jonas,

There are still a few items which need to be clarified:

- The map needs to be specific to the acres, not just QQ's, since this is mostly for new acres not broken out before. Only the applicant can know exactly how they plan to put the water to beneficial use.
- The request for a portion in SWNW, S 21, T3S R1E, Owyhee County is on BLM land. Consent from BLM must be obtained and provided to irrigate their lands, or proof a portion or entirety of this QQ is held by Sierra Del Rio Ranch, LLC.
- The request for 16 acres: NENE, S 21, T3S R1E, Owyhee County. The map you amended shows Sec 20. Only 5 acres is not covered by right 2-10222, but is covered by other Sinker Creek rights. An explanation for the need for additional water on lands already covered by water rights is needed.

In addition, the rental request is for one year, 2019, while the right 2-10420 to rent is available for two until December 31, 2020. Would your client still like to rent for one year or two?

I look forward to your response and new map soon.

Best,
Mary

Mary Condon
Water Supply Bank Specialist
Planning & Projects Bureau
Idaho Department of Water Resources
Main: (208) 287-4936
Fax: (208) 287-6700

From: Jonas Reagan [<mailto:jreagan@idahowaters.com>]
Sent: Tuesday, February 26, 2019 4:22 PM
To: Condon, Mary <Mary.Condon@idwr.idaho.gov>
Subject: RE: Clarification on acres for rental needed

Good Afternoon Mary,

I have spoken with the applicant, and they are fine to rent just the Snake River right for the total quantities they requested. However, since the applicant is not able to rent water from Sinker Creek, we will need to amend the proposed irrigation POU.

Attached is the updated map with the QQ highlighted to show where the acres are needed.

The amended POUs are as follows:

6 acres:	SWNW, Section 16, T3S R1E, Owyhee County
7.25 acres:	NWNW, S 21, T3S R1E, Owyhee County SWNW, S 21, T3S R1E, Owyhee County
16 acres:	NENE, S 21, T3S R1E, Owyhee County.

There are all for the rental of portions of water right 02-7001.

If there is any further information you need, please just let me know.

*Jonas Reagan
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From: Condon, Mary [<mailto:Mary.Condon@idwr.idaho.gov>]
Sent: Friday, February 22, 2019 4:18 PM
To: Travis Thompson <tlr@idahowaters.com>
Cc: Jonas Reagan <jreagan@idahowaters.com>; ron.d.ambrose@gmail.com
Subject: Clarification on acres for rental needed

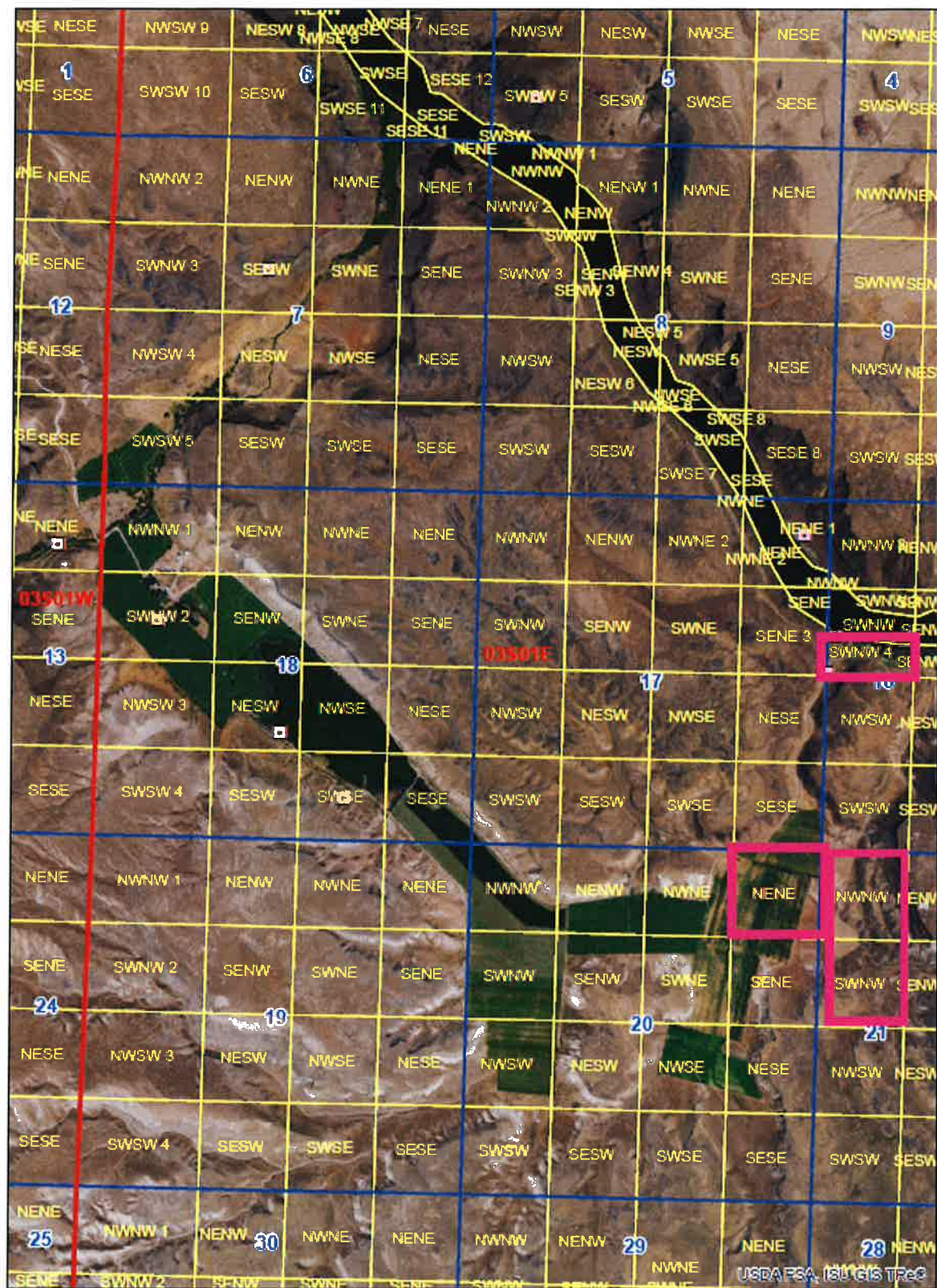
Good afternoon, gentlemen,

The rental place of use descriptions provided in Attachment 2A to the rental application need some clarification. I am not understanding the exact placement of the requested rental locations by description only. I have highlighted the entire QQ's in pink on a map, as they were described on the Attachment 2A, and attached both the map and 2A. Please use a clean map and mark the acres to be irrigated under a rental. If the QQ descriptions are incorrect on the original, please also include an amended description listing.

I look forward to receiving the clarification on rental locations, as well as your reply on the proposal of water right 2-10420 Snake River water right, within the next 10 days.

Thank you,
Mary

Mary Condon
Water Supply Bank Specialist
Planning & Projects Bureau
Idaho Department of Water Resources
Main: (208) 287-4936
Fax: (208) 287-6700



*John A. Rosholt
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Travis L. Thompson
tlt@idahowaters.com

November 12, 2018

RECEIVED

NOV 15 2018

DEPARTMENT OF
WATER RESOURCES

Mr. Remington Buyer
IWRB – Water Supply Bank
P.O. Box 83720
Boise, Idaho 83720-0098

Re: Application to Rent Water / Sierra Del Rio Ranch LLC

Dear Remington:

Please see the following application and attachments filed on behalf of our client Sierra Del Rio Ranch LLC:

- 1) *Application to Rent Water from the Board's Water Supply Bank*
- 2) *Attachment 2 – Map*
- 3) *Attachment 2A – Further description of place of use*

The place of use was difficult to outline on the GIS map generated by IDWR's website so I included a better legal description on Attachment 2A. The applicant intends to utilize existing points of diversion on the Snake River and Sinker Creek and extend irrigation systems on the existing mainlines to irrigate the proposed 29.5 acres. Please contact me if you have any questions or need additional information. Thank you for your attention to this matter.

Sincerely,

BARKER ROSHOLT & SIMPSON LLP

Travis L. Thompson

Enc.

cc: Charlie Potter (via email)
Ron Ambrose (via email)