

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 292

This is to certify that:

HERITAGE FARMS LLC
2043 E CENTER ST
POCATELLO, ID 83201-3300

RECEIVED
MAR 11 2019
DEPARTMENT OF
WATER RESOURCES

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)
35-14308	5/1/1973	GROUND WATER	0.220	44.0	11.0	0.020	4.0
Rental Totals			0.220	44.0	11.0	0.020	4.0

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: \$880.00

The full fee for the rental of the above-described right(s) is \$880.00 for 2019. The rental fee includes an administrative fee of \$88.00 for 2019.

An annual payment shall be received by the Department on or before December 31 each year preceding the use of the rented water rights. The agreement will be void if payment is not received by the due date in a given year. Rental fees are non-refundable. To voluntarily terminate the agreement early, notify the Department in writing prior to the rental fee due date.

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	0.178	35.6	8.9	0.02	4.0
Combined Total	0.178	35.6	8.9	0.02	4.0

*** The authorized water usage reflects a reduction from the water right elements rented, to account for increased rate at rental point of diversion**

Detailed water right conditions are attached.

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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:

Thayne Driscoll
Signature of Renter

3/4/19
Date

Thayne Driscoll
Printed Name

Partner
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 3/12/2019

Rental approved by IDWR Cheryl Wadsworth

Date 3-12-2019

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 292

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER NWSW Sec. 14, Twp 07S, Rge 29E, POWER County

BENEFICIAL USE
IRRIGATION

DIVERSION RATE
0.18 CFS

VOLUME
35.6 AF

SEASON OF USE

Water Right No. **From** **To**
35-14308 4/1 10/31

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	
07S	29E	15													3.7	2.7	2.5		8.9

Total Acres: 8.9

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.
1. 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.
2. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
3. 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.
4. 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.
5. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
6. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the place of use.
7. Use of water under this right will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 120.
8. This right does not grant any right-of-way or easement across the land of another.

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WATER SUPPLY BANK RENTAL AGREEMENT No. 292

9. Rental of right 35-14308 when combined with right 35-8605A shall not exceed a total diversion rate of 2.94 cfs, a total annual maximum diversion volume of 587.6 af at the field headgate, and the irrigation of 146.9 acres.
10. This rental agreement does not authorize the construction of a well.



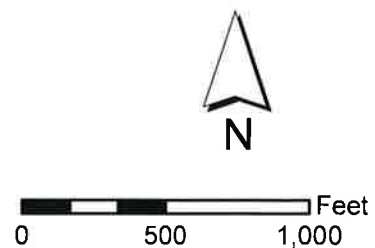
Idaho Water Resource Board
Attachment to Water Supply Bank Rental Agreement No. 292

Effective until December 31, 2019

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



- Authorized Rental Point of Diversion
- Authorized Rental Place of Use
- Township/Range
- Sections
- QQ



STATE OF IDAHO
WATER RESOURCE BOARDRECEIVED *DE*

NOV 01 2018

DEPARTMENT OF
WATER RESOURCESAPPLICATION TO RENT WATER
FROM THE BOARD'S WATER SUPPLY BANKApplicant Name: Heritage Farms, 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 *Application to Rent Water from the Board's Water Supply Bank*
- ☒ Confirmation that this form has been printed single sided, per requirement of the Water Supply Bank

Attachment N/A Yes

- 2 ☒ A map showing the proposed point(s) of diversion, place(s) of use, and water diversion and distribution systems proposed to be used with your rental request
- 3A ☒ ☐ Detailed information on a proposed use of rental water
- 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)

35-13995

12/6

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A. Applicant Heritage Farms, LLC

Mailing Address 2043 E. Center Street Pocatello Idaho 83201
Street City State Zip Code
Email Address dirk.driscoll@driscollbros.com Phone Number 208-226-5235

- 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 Thomas J. Budge Professional Title Attorney
Organization Racine Olson Relationship to Applicant Attorney
Mailing Address P.O. Box 1391, Pocatello, Idaho 83204-1391
Email Address tjb@racinelaw.net Phone Number 208-232-6101

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**:

Irrigation of pivot corners

- 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)
0.11 CFS	36 AF	0.11 CFS	36 AF	8.9 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?	
04/01/2017	04/01/2017	☐ 1	☐ 2	☐ 3	☐ 4	☒ 5	☒ Process application as soon as possible	☐ Return application to applicant

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

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

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 groundwater well and mainline to center pivot under water right no. 35-8605A.

- 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
Well	Groundwater	35-8605A

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 8.9 (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:

Water right no. 35-8605A.

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)
35-13995	Irrigation	0.18		14.7		0.11	36	8.9
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	0.11	36	8.9
						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**:

N/A

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:

Water rented for 2017 and 2108 under WSB Rental Agreement No. 163. Applicant was unable to secure a permanent water right during the prior rental but intends to acquire a permanent right.

- 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:

- 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.

The prior rental was submitted in response to a NOV. See attached letter dated January 27, 2017 (E2017-1109).

- 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

Printed Name of Applicant

Date

Signature of Representative

Thomas J. Budge

Printed Name of Representative

10-29-18

Date

Mail to:

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

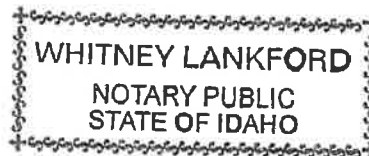
SPECIAL POWER OF ATTORNEY FOR WATER RIGHTS

Heritage Farms, LLC, hereby appoints the law firm of RACINE OLSON NYE BUDGE & BAILEY, CHARTERED, 201 E. Center Street, Post Office Box 1391, Pocatello, Idaho 83204, its true and lawful attorney for the purpose of dealing with the Idaho Department of Water Resources relative to the management and transaction of water rights, and authorizes the firm to receive all information, opinions, and records regarding water rights, and to sign and submit applications and other filings on its behalf.

DATED this 17 day of July, 2015.


BRADEN DRISCOLL
119 Harrison
American Falls, Idaho 83211

STATE OF IDAHO)
County of power :SS



On this 17 day of July, 2015, before me, the undersigned Notary Public in and for said State, personally appeared BRADEN DRISCOLL, known or identified to me to be a member of Heritage Farms, LLC, and the person whose name who executed this instrument on behalf of said LLC, and acknowledged to me that said LLC executed the same.


NOTARY PUBLIC FOR IDAHO
Residing at: 614 Hillcrest American Falls, ID 83211
Commission expires: 6/26/2019



State of Idaho

DEPARTMENT OF WATER RESOURCES

Eastern Region • 900 North Skyline Drive, Suite A • Idaho Falls, ID 83402-1718

Phone: (208) 525-7161 • Fax: (208) 525-7177 • Website: www.idwr.idaho.gov

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

JANUARY 27, 2017

HERITAGE FARMS LLC
2043 E CENTER ST
POCATELLO, ID 83201

Certified Mail

RE: Unauthorized Water Use - E2017-1109

To whom it may concern:

During a recent review of water rights in Power County, the Idaho Department of Water Resources (IDWR) discovered that approximately 8.9 acres of your property located in the SE ¼, T07S, R29E, Section 15 are being irrigated without a valid water right. Enclosed are maps outlining the 8.9 acres in question. According to IDWR records, no irrigation water rights are associated with the acres highlighted in yellow.

Diversion of water without a valid water right is unlawful pursuant to Idaho Code § 42-351. **You are hereby instructed to cease and desist the irrigation of the 8.9 acres located in the SE ¼, T07S, R29E, Section 15 as outlined on the enclosed maps. Irrigation of these acres may not occur in the 2017 irrigation season, or future seasons, until a valid water right has been obtained or identified.**

Please notify me if believe there is a valid water right associated with the property, or if you feel my analysis in error. If my analysis is correct, please contact me within 14 days of receiving this letter to discuss ways to address the unauthorized water use. Pending your response to this letter, IDWR will determine whether to issue a formal Notice of Violation and commence an administrative enforcement action that may include civil penalties and mitigation requirements for the irrigation taking place in 2016.

Sincerely,

Cass Jones
Water Resource Agent
IDWR
(208) 527-7161

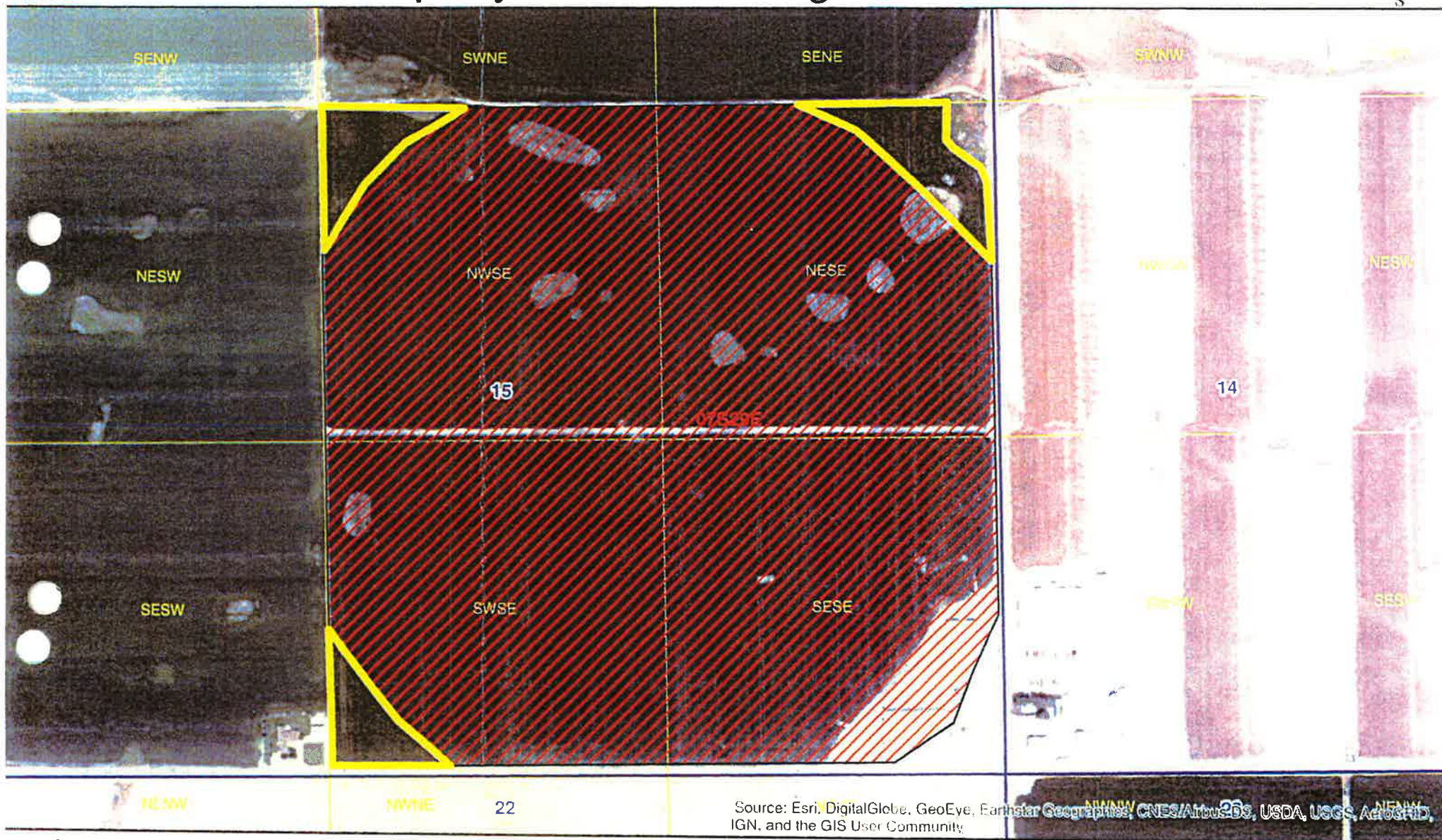
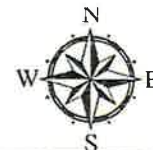
Enclosure: 2 Maps

Cc: Cherie Palmer, IDWR Boise



T07S, R29E, Section 15

Property Owner: Heritage Farms LLC



Legend

- Water Right Place of Use
- Unauthorized Water Use
- Township/Range
- Sections
- QQ

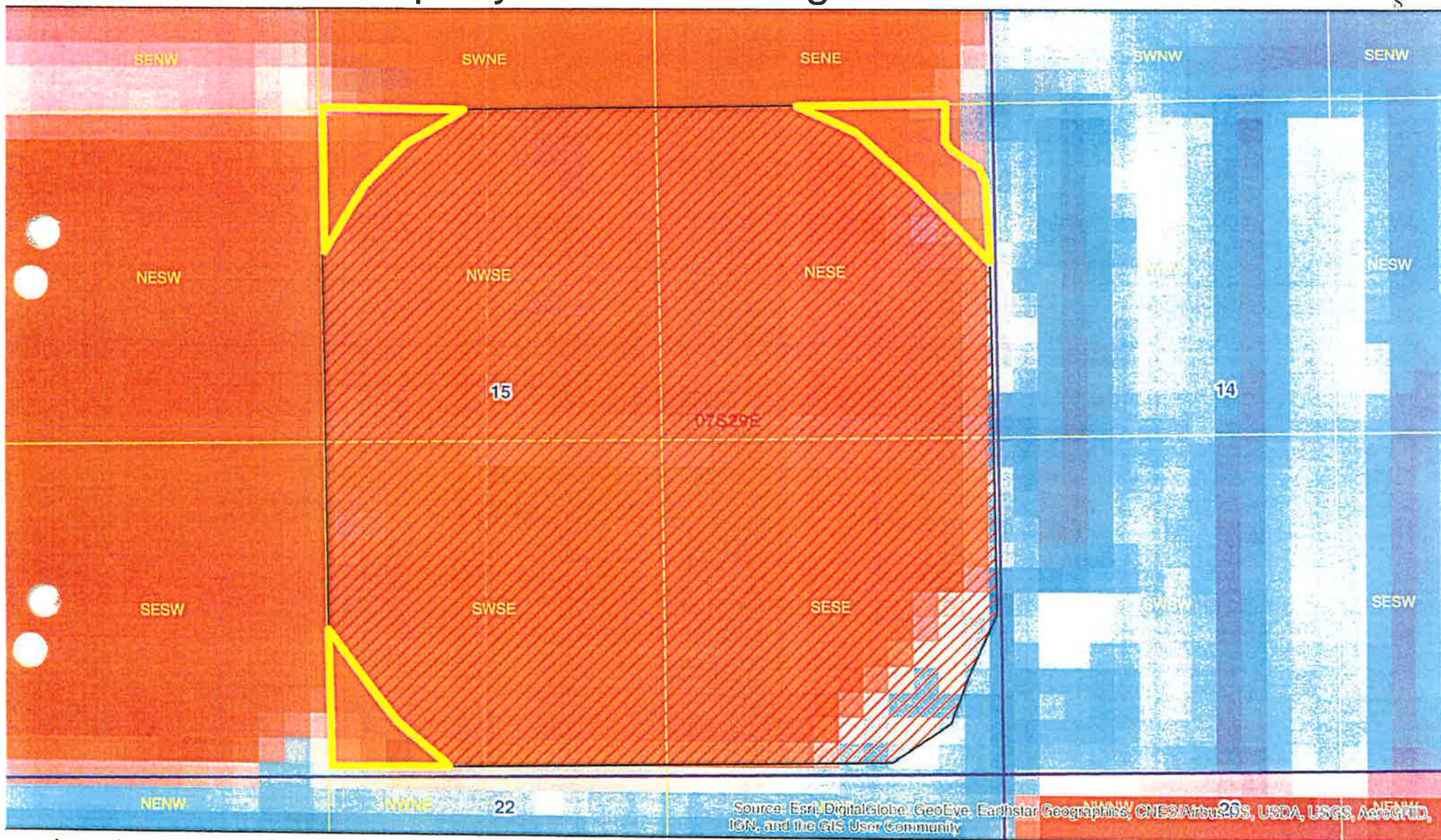
0 0.1 0.2 0.4 Miles

Map Created By: Cass Jones
January 25, 2017
2016 Google Earth Imagery



T07S, R29E, Section 15

Property Owner: Heritage Farms LLC



Legend

- Water Right Place of Use
- Unauthorized Water Use
- Township/Range
- Sections
- QQ

0 0.1 0.2 0.4 Miles

Map Created By: Cass Jones
January 25, 2017
2016 Satellite Imagery



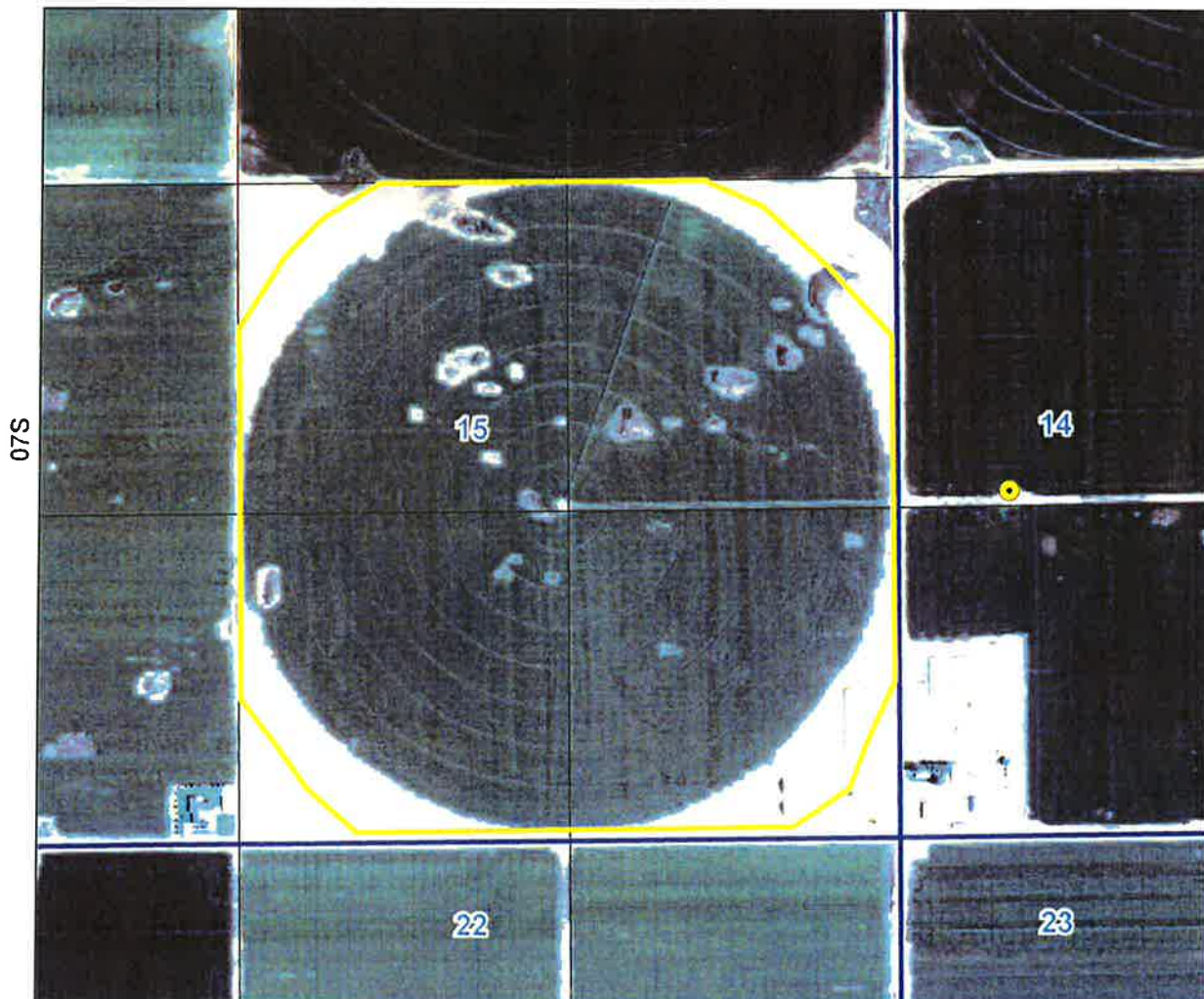
State of Idaho
Department of Water Resources

Water Right
35-8605A

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.

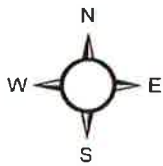
29E



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

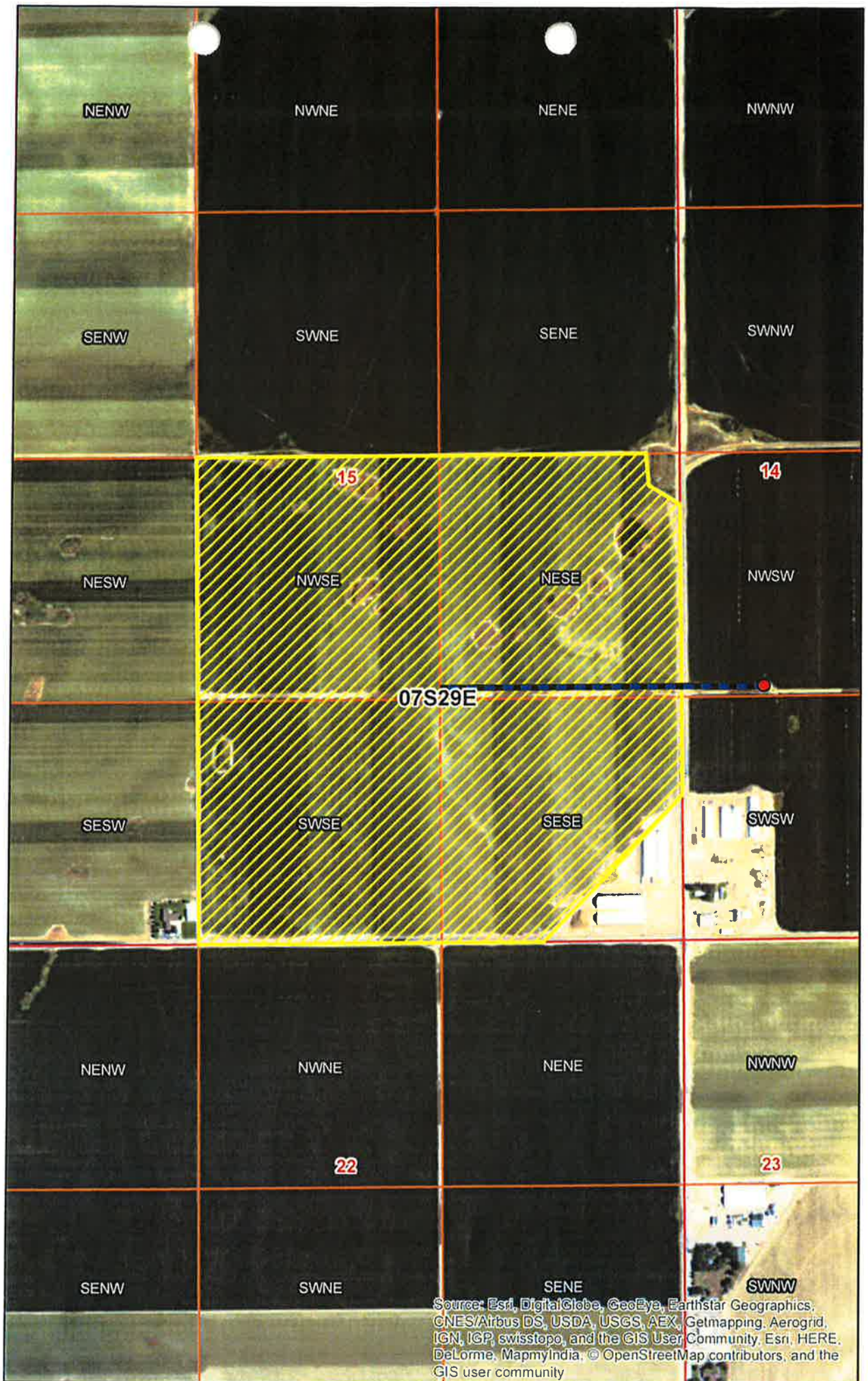
0 0.075 0.15 0.3 Miles





Legend

- POD 1
- Distribution 1
- New POU 1
- TR Lines
- Section Lines
- Quarter Quarters



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community, Esri, HERE, DeLorme, MapmyIndia, © OpenStreetMap contributors, and the GIS user community



Mitigation Analysis Period

Typefaces

One-Way Analysis of Independent Transfers

New Water Right (GModelo):

WR No.	Div. Rate (CFS)	Con. Vol. (AFA)	No. of Irr. Acres	Priority Date	POD Location	Dedicated Vol. AFA/ AFT		Model Node
Transfer 1: Proposed Steady State Impacts following Transfer								
???	???	275.6	68.9	1/1/1960	8S26E-3	275.6	91.9	SP082075
???	???	275.6	68.9	1/1/1960	8S26E-3	275.6	91.9	SP068066
Transfer 1: Worst Case Transient State Impacts following Transfer								
???	???	275.6	68.9	1/1/1960	8S26E-3	275.6	91.9	SP082075
???	???	275.6	68.9	1/1/1960	8S26E-3	275.6	91.9	SP068066

Impact by Reach (AF/Trimester)

Ashton to Rexburg	Heise to Shelley	Shelley to Nr Blckft	Nr Blckft To Neeley	Neeley to Minidoka	Dev. Wbl. To Buhl	Buhl to Kspr	Kspr	Kspr to Malad	Malad	Malad to Bancroft
0.28	0.83	2.55	7.79	0.05	0.14	0.16	0.07	0.05	0.04	0.00
0.23	0.69	2.11	6.79	0.31	0.54	0.61	0.27	0.17	0.16	0.01
0.28	0.83	2.55	7.79	0.05	0.14	0.16	0.07	0.05	0.04	0.00
0.25	0.77	2.11	6.79	0.31	0.54	0.61	0.27	0.17	0.16	0.01

Steady State Analysis

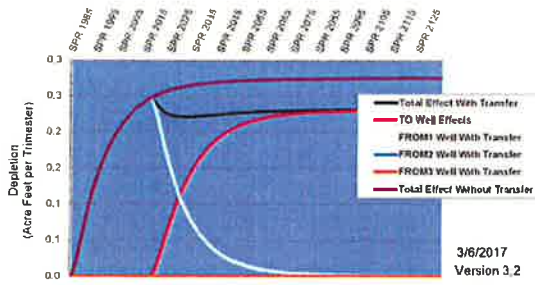
Mitigation Check 1 - >10% of Historical:	-15.8%	-16.7%	-17.4%	-12.8%	594.9%	273.3%	273.1%	273.1%	273.1%	273.1%	273.0%
Mitigation Check 2: > 2 AF/T:	0.0	-0.1	-0.4	-1.0	0.3	0.4	0.4	0.2	0.1	0.1	0.0
Mitigation Check 3 - >10% of Total:	2.0%	5.8%	17.7%	57.1%	2.6%	4.5%	5.1%	2.3%	1.4%	1.3%	0.1%
Mitigation Required?:	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO
Mitigation Vol. Req'd (ac-ft):	0.0	-0.1	-0.4	-1.0	0.3	0.4	0.4	0.2	0.1	0.1	0.0

Transient State Analysis

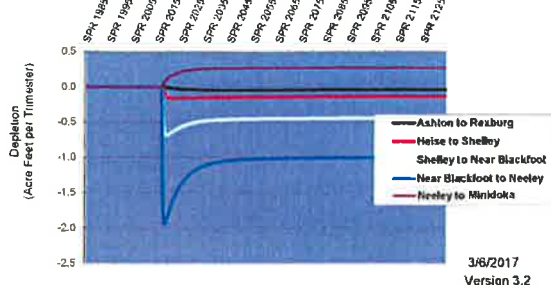
Mitigation Check 1 - >10% of Historical:	-10.4%	-7.3%	-17.4%	-12.8%	594.9%	273.3%	273.1%	273.1%	273.1%	273.1%	273.0%
Mitigation Check 2: > 2.01 AF/T:	0.0	-0.1	-0.4	-1.0	0.3	0.4	0.4	0.2	0.1	0.1	0.0
Mitigation Required?:	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO
Mitigation Vol. Req'd (ac-ft):	0.0	-0.1	-0.4	-1.0	0.3	0.4	0.4	0.2	0.1	0.1	0.0

Read Me

Hydrologic Response—Ashton to Rexburg
Customer Name: test Transfer No: 123



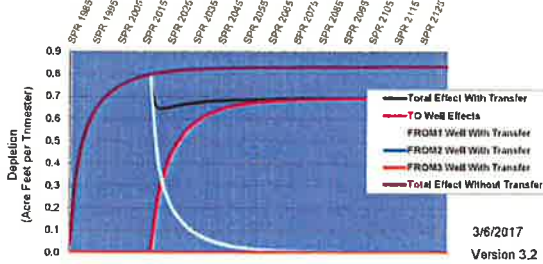
Net Transfer Effect Above Milner
(Total Effect With Transfer - Total Effect Without Transfer)



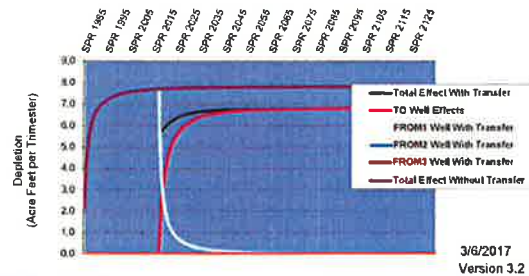
Customer Name: test

Transfer No: 123

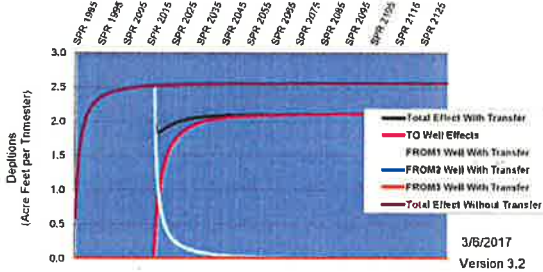
Hydrologic Response—Heise to Shelley
Customer Name: test Transfer No: 123



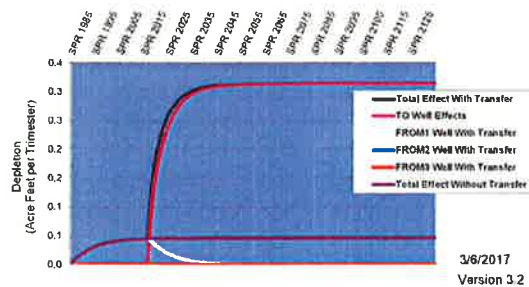
Hydrologic Response—Near Blackfoot to Neeley
Customer Name: test Transfer No: 123

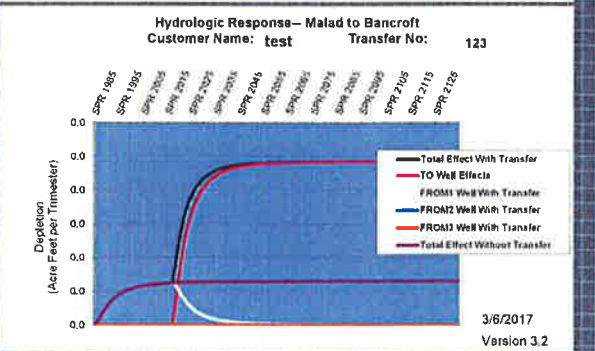
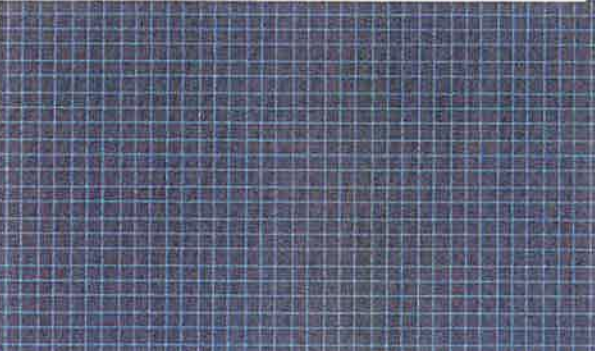
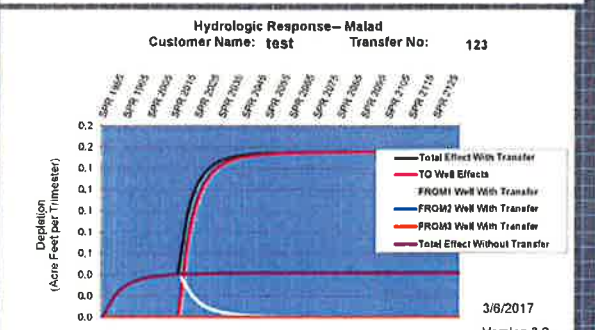
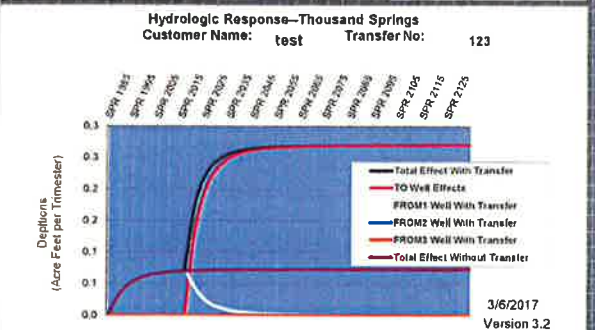
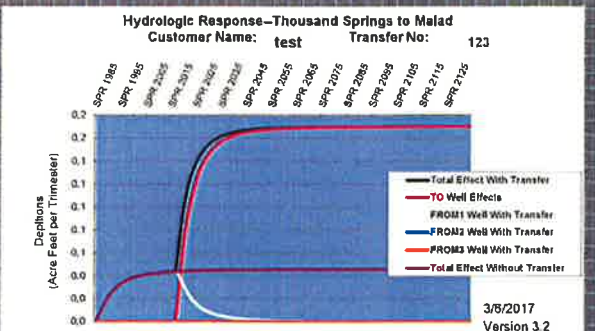
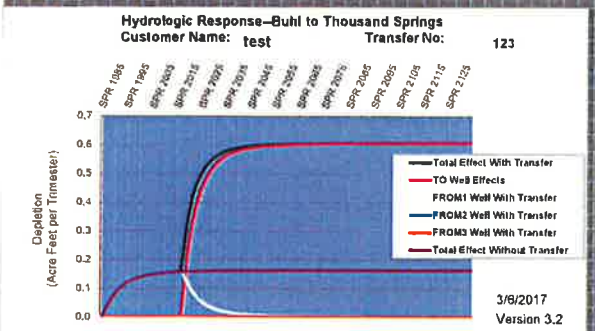
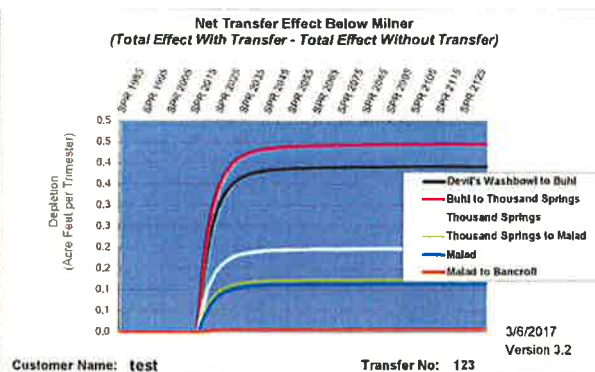
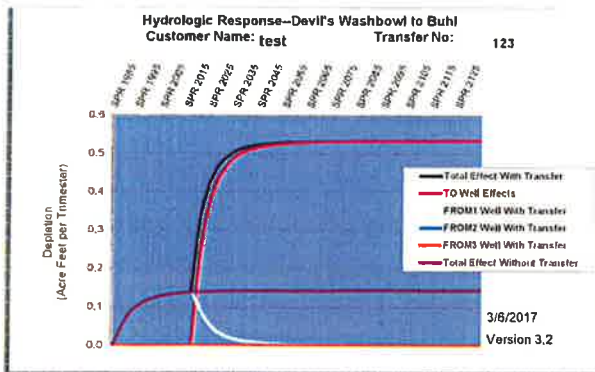


Hydrologic Response—Shelley to Near Blackfoot
Customer Name: test Transfer No: 123



Hydrologic Response—Neeley to Minidoka
Customer Name: test Transfer No: 123







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 12, 2019

HERITAGE FARMS LLC
2043 E CENTER ST
POCATELLO ID 83201-3300

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO. 35-14308, AGREEMENT 292**

Dear Renter:

Please find enclosed a receipt in the amount of **\$880.00** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 44.0 acre-feet of water for irrigation of 8.9 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 \$792.00 of the rental fee will be paid to the lessor(s) and 10% or \$88.00 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. C106356
Rental Agreement (copy)

c: Sascha Marston – Fiscal
James Cefalo – IDWR Eastern Regional Office/Water District # 120
Aberdeen-American Falls GWD
Thomas J Budge – Racine Olson
Cherie Palmer - IDWR Compliance Bureau
Cass Jones – IDWR Compliance Bureau



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 25, 2019

HERITAGE FARMS LLC
2043 E CENTER ST
POCATELLO ID 83201-3300

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO. 35-14308, AGREEMENT 292**

*****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 \$880.00 was calculated based on the current rental rate of \$20.00 per acre-foot times a diversion volume of 44.0 acre-feet.

Please send a check for \$880.00 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 \$792.00 of the rental fee will be paid to the lessor(s) and 10% or \$88.00 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
Thomas J Budge – Racine Olson

Webster, Clay

From: Condon, Mary
Sent: Friday, February 01, 2019 9:08 AM
To: Webster, Clay
Subject: FW: Rental Reviews Heritage Farms

FYI

From: Cefalo, James
Sent: Friday, February 01, 2019 8:44 AM
To: Condon, Mary <Mary.Condon@idwr.idaho.gov>
Subject: RE: Rental Reviews Heritage Farms

Mary,

I don't have any concerns with either of the proposed WSB rentals for Heritage Farms.

James

From: Condon, Mary
Sent: Thursday, January 31, 2019 12:29 PM
To: Cefalo, James <James.Cefalo@idwr.idaho.gov>
Subject: Rental Reviews Heritage Farms

Good afternoon, James,

Please see the attached rental reviews for two different rentals (292 & 293) for Heritage Farms, using the same leased water right, and kindly respond with comments or concerns within 10 days.

Best,
Mary

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

MEMORANDUM FOR AGREEMENT # 292

To: Water Right(s) 35-14308
From: Mary Condon
Date: January 29, 2019
Re: Review & Analysis of Application to Rent Water from the State Water Supply Bank

PURPOSE/NARRATIVE: Rental Application 1216 for Heritage Farms, LLC, received November 1, 2018, requesting to rent water rights 35-13995 for another 5 years. Requested water right was not applied to be leased back into the bank as of yet. After locating water right 35-14308 with sufficient rate and volume for the request, but available for only one year, I asked T.J. Budge if he would like me to instead use this water right for the shorter rental. He replied to move forward with the alternate for this and application 1217 for one year rentals. Rental application 1217 will have a separate review memo as it is on a different POU and out of different POD's.

AUTHORITY TO FILE: Application is signed by T.J. Budge, on behalf of Heritage Farms, LLC, accompanied with authority to act on behalf of the company. Taxlot information for the place of use is in the name of Heritage Farms, LLC. No concerns with authority to file.

WATER RIGHT VALIDITY: The leased portion of water right 35-14308 has been in the bank since 2006, before it was split from parent right 29-7122, all of which was in the bank. It was decreed in 2004. There have been a few change in ownerships and transfers since 2006. No concerns of validity.

INJURY TO OTHER WATER RIGHTS: Leased water right portion is idled in current ArcMap imagery for 2017, and the land has never been broken out for irrigation. Previous rentals on this place of use have not resulted in any known injury or petition for reconsideration. Rental and Leased POD's are within the ESPA. Modeling shows no mitigation required.

WR 35-14308	8.9 AC	$8.9 \times 3 = 26.7 \text{ AFY}$	$26.7 / 3 = 8.9 \text{ AF/TRI}$
From: Row93 Col88	To: Row88 Col 93		

ENLARGEMENT OF USE: Rental is to provide additional water on the corners, and is in response to NOV E2017-1109. No other water rights are available for the corners, equaling 8.9 acres. Rental rate requested was 0.012 cfs/ac, while the water right on the pivot provides for up to 0.02 cfs/ac. Leased right is at 0.016 cfs/ac. Rental will be at 0.02 cfs/ac, renting at a higher volume and acres, but limited in rate and volume proportionate to the requested acres of 8.9. Both have the same 4 af/ac, no enlargement of use is known to occur under this rental.

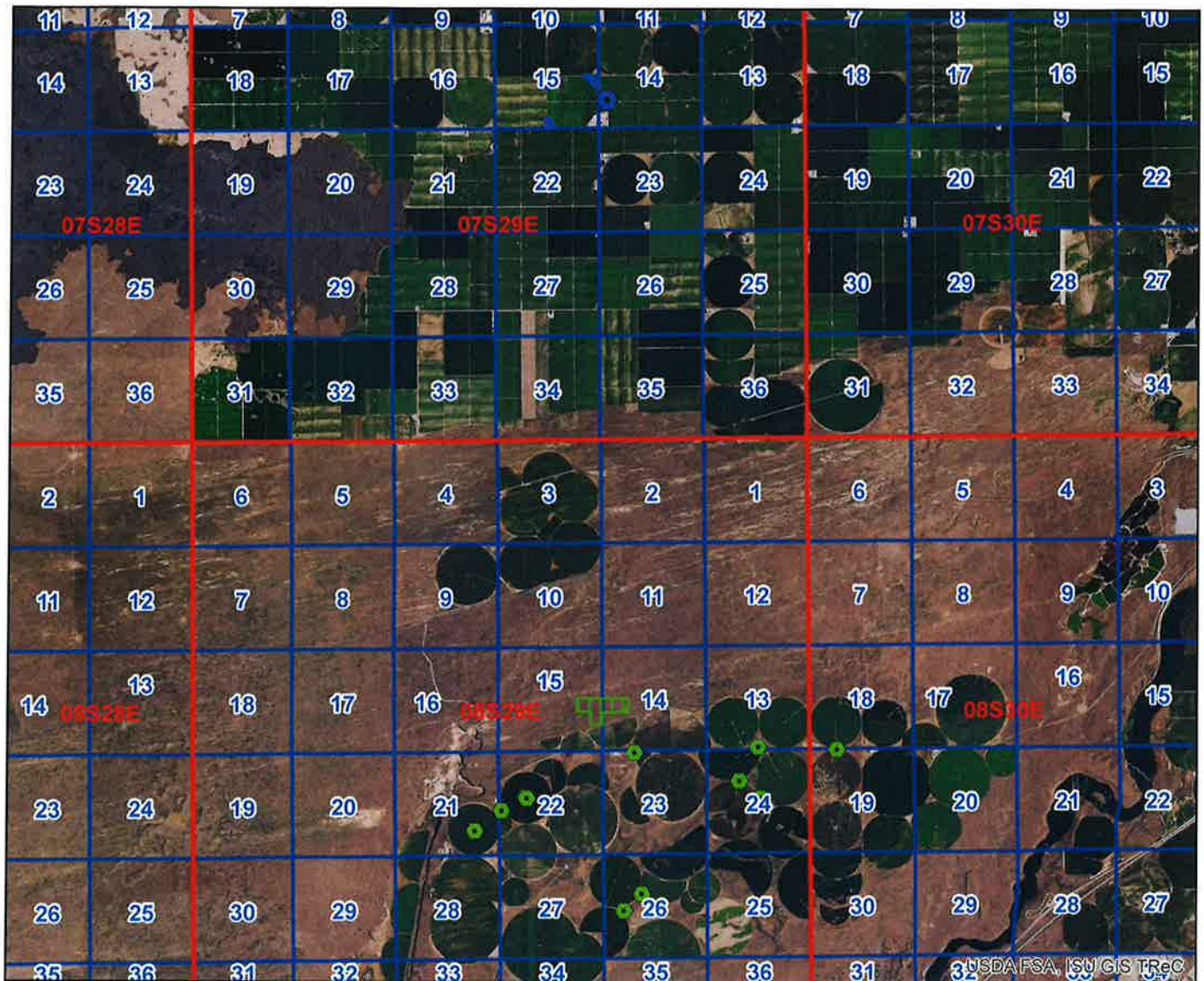
LOCAL PUBLIC INTEREST: Review staff has no information to suggest this application is inconsistent with the local public interest.

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

DEPARTMENT STAFF OR WATERMASTER COMMENTS: The location for the leased and rental PD is in Eastern Region, subject to Water District # 120 – American Falls Area, and GWD – Aberdeen-American Falls, as well as the ESPA.> SOU 4/1-10/31, HG-4, CU-3
Email requesting comment sent 1/31/2019.

Idaho Water Resource Board Move Map RA292 - 2019 WR 35-14308

Effective until December 31, 2019



-  Authorized Rental Point of Diversion
-  Authorized Rental Place of Use
-  Active Water Supply Bank Lease POD
-  Active Water Supply Bank Lease POU
-  Township/Range
-  Sections



0 1 2 Miles

ENHANCED GROUND-WATER RIGHTS TRANSFER

UNIVERSITY OF IDAHO - IDAHO WATER RESOURCES RESEARCH INSTITUTE IDAHO DEPARTMENT OF AGRICULTURE

Cells this color are
set up for user entries

UPDATE
DATES

RUN
MODEL

GET
OUTPUT

ENTER STARTING DATE FOR
SIMULATION. THEN PUSH
"UPDATE DATES" BUTTON

TRANSFER NO:
1216

YEAR
1972
SEASON
SUMMER

TRANSFER NAME:
Heritage Farms 1

CALCULATE EFFECTS

ENTER CELL LOCATIONS:

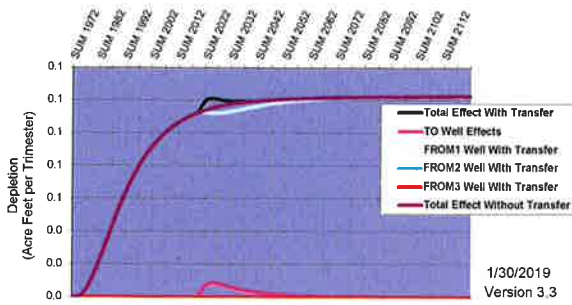
	'TO' CELL	'FROM1' CELL	'FROM2' CELL	'FROM3' CELL
ROW	88	93	0	0
COLUMN	93	88	0	0

TRIMESTER OF ACTIVITY	TO WELL Projected Use AF/TRIMESTER	FROM1 WELL With Transfer AF/TRIMESTER	Without Transfer AF/TRIMESTER	FROM2 WELL With Transfer AF/TRIMESTER	Without Transfer AF/TRIMESTER	FROM3 WELL With Transfer AF/TRIMESTER	Without Transfer AF/TRIMESTER
SUM 1972	0	0	0	0	0	0	0
WIN 1972	0	0	0	0	0	0	0
SPR 1973	0	9	9	0	0	0	0
SUM 1973	0	9	9	0	0	0	0
WIN 1973	0	9	9	0	0	0	0
SPR 1974	0	9	9	0	0	0	0
SUM 1974	0	9	9	0	0	0	0
WIN 1974	0	9	9	0	0	0	0
SPR 1975	0	9	9	0	0	0	0
SUM 1975	0	9	9	0	0	0	0
WIN 1975	0	9	9	0	0	0	0
SPR 1976	0	9	9	0	0	0	0
SUM 2017	0	9	9	0	0	0	0
WIN 2017	0	9	9	0	0	0	0
SPR 2018	0	9	9	0	0	0	0
SUM 2018	0	9	9	0	0	0	0
WIN 2018	0	9	9	0	0	0	0
SPR 2019	9	0	9	0	0	0	0
SUM 2019	9	0	9	0	0	0	0
WIN 2019	9	0	9	0	0	0	0
SPR 2020	0	9	9	0	0	0	0
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WIN 2020	0	9	9	0	0	0	0
SPR 2021	0	9	9	0	0	0	0

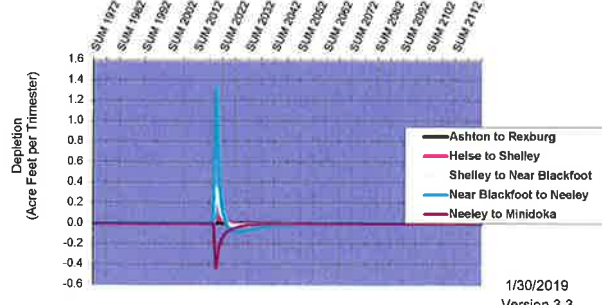
Impact by Reach (AF/Annum)

	Ashton to Rexburg	Heise to Shelley	Shelley to Nr Bickft	Nr Bickft To Neeley	Neeley to Minidoka	Dev. Wbl. To Buhl	Buhl to Kspr	Kspr	Kspr to Malad	Malad	Malad to Bancroft
Pre-SS	0.12	0.36	1.10	3.59	1.70	0.59	0.66	0.29	0.19	0.17	0.01
Post-SS	0.12	0.36	1.10	3.59	1.70	0.59	0.66	0.29	0.18	0.17	0.01
Pre-TS	0.12	0.36	1.10	3.59	1.70	0.59	0.66	0.29	0.19	0.17	0.01
Post-TS	0.12	0.41	1.44	4.87	1.70	0.62	0.70	0.31	0.20	0.18	0.01
f Historical	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
> 6 AF/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
% of Total	1.4%	4.1%	12.5%	40.8%	19.4%	6.7%	7.5%	3.3%	2.1%	1.9%	0.1%
Required?	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO
Req'd (ac-ft)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
f Historical	0.0%	11.9%	30.5%	35.9%	0.0%	6.0%	6.7%	6.5%	6.3%	5.7%	5.2%
> 6 AF/A	0.0	0.0	0.3	1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Required?	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO
Req'd (ac-ft)	0.0	0.0	0.3	1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Hydrologic Response--Ashton to Rexburg
Customer Name: Heritage Farms Transfer No: 1216



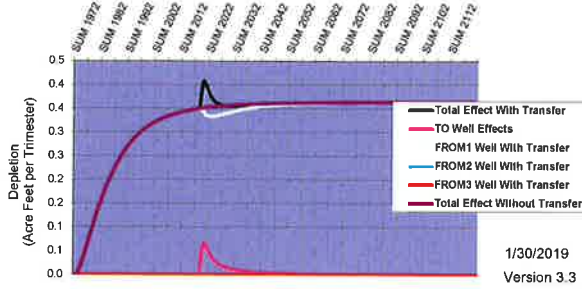
Net Transfer Effect Above Milner
(Total Effect With Transfer - Total Effect Without Transfer)



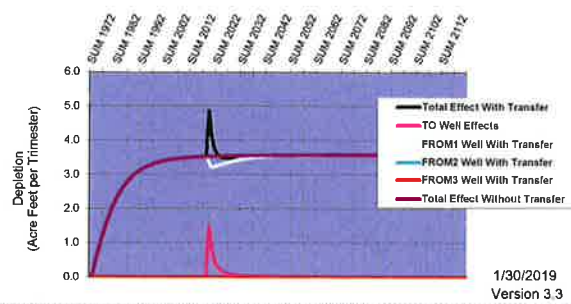
Customer Name: Heritage Farms 1

Transfer No: 1216

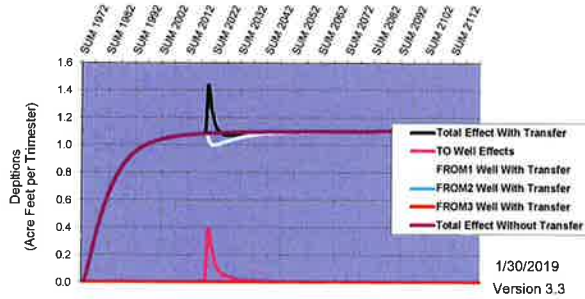
Hydrologic Response--Helse to Shelley
Customer Name: Heritage Farms Transfer No: 1216



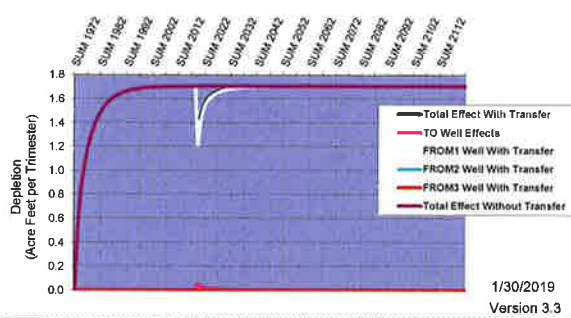
Hydrologic Response-- Near Blackfoot to Neeley
Customer Name: Heritage Transfer No: 1216



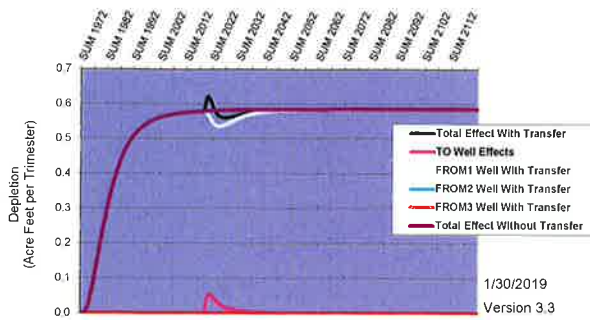
Hydrologic Response--Shelley to Near Blackfoot
Customer Name: Heritage Transfer No: 1216



Hydrologic Response-- Neeley to Minidoka
Customer Name: Heritage Transfer No: 1216

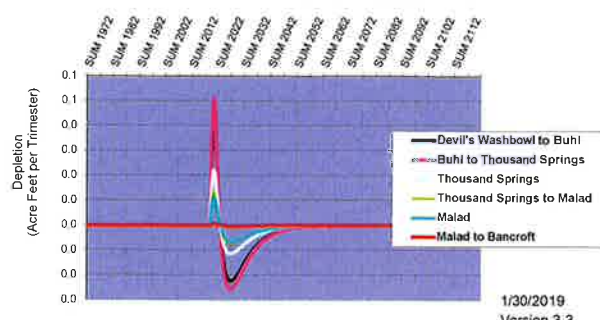


Hydrologic Response--Devil's Washbowl to Buhl
Customer Name: Heritage Farms Transfer No: 1216



1/30/2019
Version 3.3

Net Transfer Effect Below Milner
(Total Effect With Transfer - Total Effect Without Transfer)

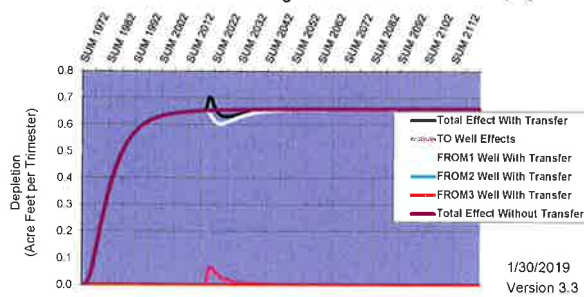


1/30/2019
Version 3.3

Customer Name: Heritage Farms 1

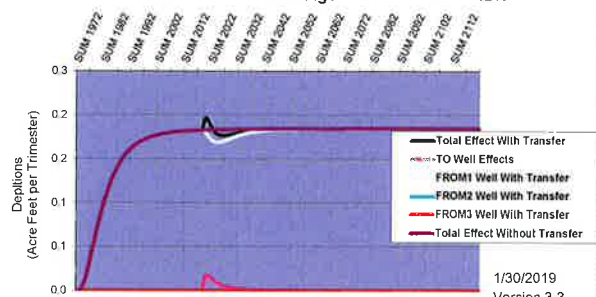
Transfer No: 1216

Hydrologic Response--Buhl to Thousand Springs
Customer Name: Heritage Farms Transfer No: 1216



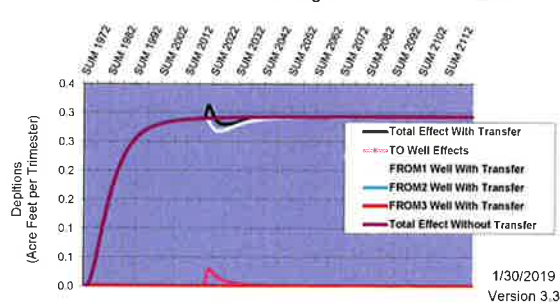
1/30/2019
Version 3.3

Hydrologic Response--Thousand Springs to Malad
Customer Name: Heritage Farms Transfer No: 1216



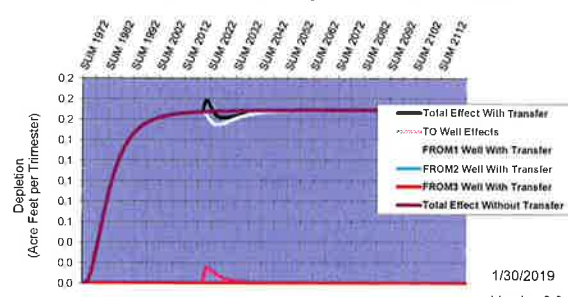
1/30/2019
Version 3.3

Hydrologic Response--Thousand Springs
Customer Name: Heritage Farms Transfer No: 1216



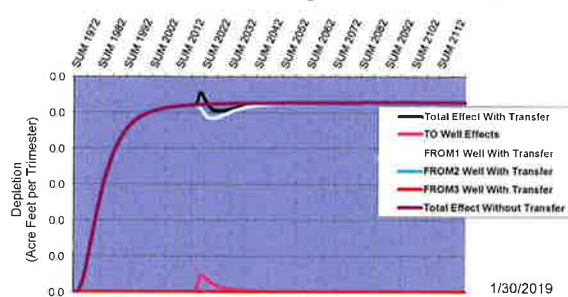
1/30/2019
Version 3.3

Hydrologic Response-- Malad
Customer Name: Heritage Farms Transfer No: 1216



1/30/2019
Version 3.3

Hydrologic Response-- Malad to Bancroft
Customer Name: Heritage Farms Transfer No: 1216



1/30/2019
Version 3.3

Condon, Mary

From: TJ Budge <tjb@racinelaw.net>
Sent: Tuesday, January 29, 2019 3:01 PM
To: Condon, Mary
Subject: RE: Requested water rights not available

Hi Mary,

Thank you so much for helping locate an alternative water right to rent! Yes, please go forward with the rental of 35-14308 for 2019.

Thanks again,

T.J. Budge
RACINE OLSON
201 E. Center St. | P.O. Box 1391 | Pocatello, Idaho 83204
W: (208) 232-6101 | C: (208) 705-0826 | F: (208) 232-6109
www.racineolson.com

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From: Condon, Mary <Mary.Condon@idwr.idaho.gov>
Sent: Tuesday, January 29, 2019 2:30 PM
To: TJ Budge <tjb@racinelaw.net>
Subject: Requested water rights not available

Good afternoon, T.J.,

The water rights 35-13995 & 35-13998 requested on these rentals are no longer leased to the bank as of 12/31/2018 and they have not applied for renewal leases as of today.

I did go look for some water rights which may be available for these two rentals equaling 28.4 acres, and water right 35-14308 is available until the end of this year. The modeling passed.

Kindly respond in the next 7 days if you would like to use 35-14308 for Heritage Farm Rental Application 1216 for 8.9 acres and Application 1217 for 19.5 acres, for 2019 only, or if you will pursue other water rights and provide the modeling.

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: TJ Budge [<mailto:tjb@racinelaw.net>]
Sent: Monday, January 07, 2019 10:11 PM
To: Condon, Mary <Mary.Condon@idwr.idaho.gov>
Subject: FW: Water Rental notice

Hi Mary –

Happy New Year!

My client forwarded me the attached notice which brought to my attention a type on rental applications 1216 and 1217 which I filed November 1, copies of which are attached. Both applications propose a start date of 4/1/2017 but should have proposed a start date of 4/1/2019. If permissible, please accept this email as a formal request to amend both applications accordingly. Let me know if you need me to amend the applications instead.

Thanks,

T.J. Budge
RACINE OLSON
201 E. Center St. | P.O. Box 1391 | Pocatello, Idaho 83204
P: (208) 232-6101 | F: (208) 232-6109
www.racinelaw.net

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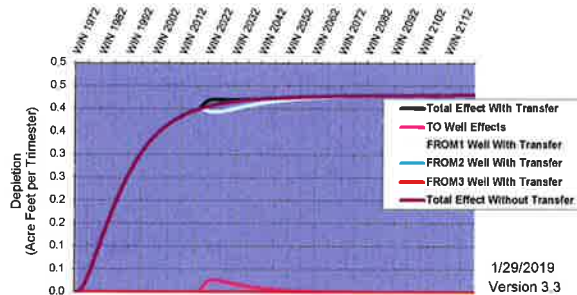
From: Keith Warner <Keith@driscollbros.com>
Sent: Monday, January 7, 2019 12:19 PM
To: TJ Budge <tjb@racinelaw.net>
Subject: Water Rental notice

TJ
Just received this in the mail and wondered if you have any information on these water right rentals?

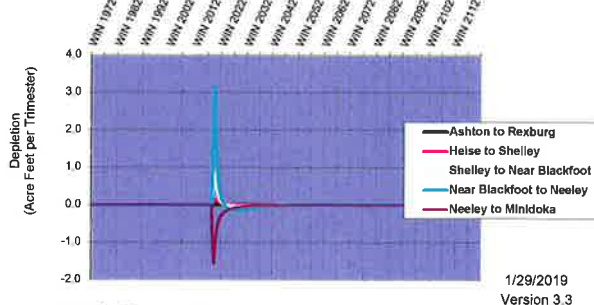
Keith Warner

Assett Manager
Driscoll Brothers Partnership
Office: (208) 904-4049
Cell: (208) 317-8146
keith@driscollbros.com

Hydrologic Response--Ashton to Rexburg
Customer Name: Heritage Farms Transfer No: 1216 &



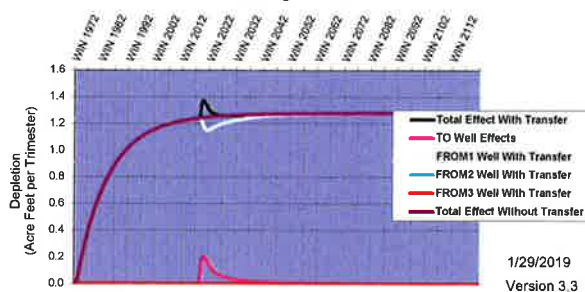
Net Transfer Effect Above Milner
(Total Effect With Transfer - Total Effect Without Transfer)



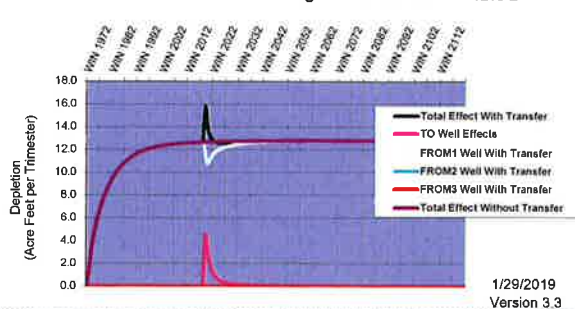
Customer Name: Heritage Farms

Transfer No: 1216 &

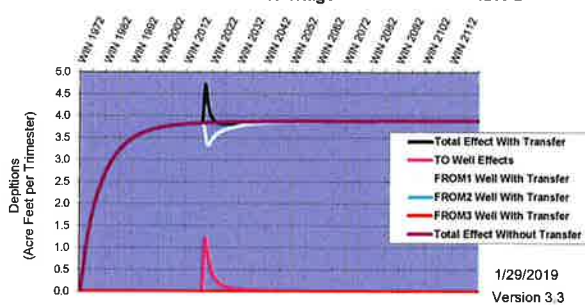
Hydrologic Response--Helse to Shelley
Customer Name: Heritage Farms Transfer No: 1216 &



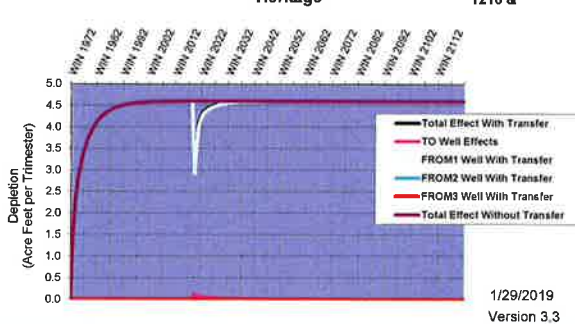
Hydrologic Response--Near Blackfoot to Neeley
Customer Name: Heritage Farms Transfer No: 1216 &



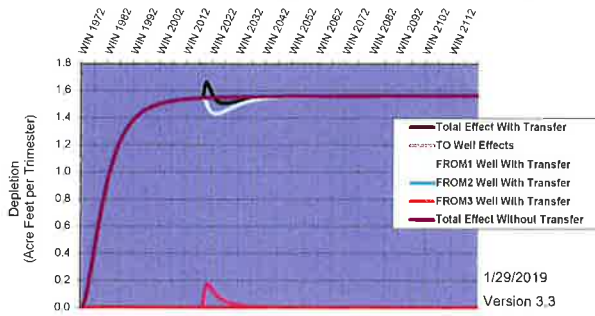
Hydrologic Response--Shelley to Near Blackfoot
Customer Name: Heritage Farms Transfer No: 1216 &



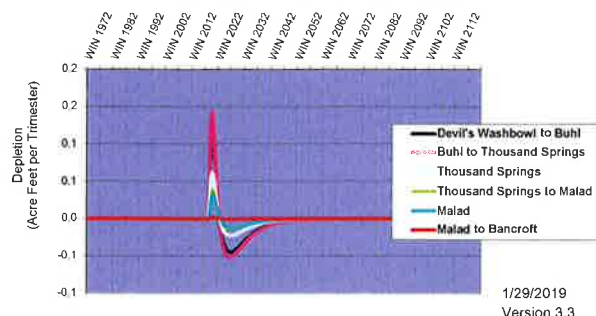
Hydrologic Response--Neeley to Minidoka
Customer Name: Heritage Farms Transfer No: 1216 &



Hydrologic Response--Devil's Washbowl to Buhl
Customer Name: Heritage Farms Transfer No: 1216 &



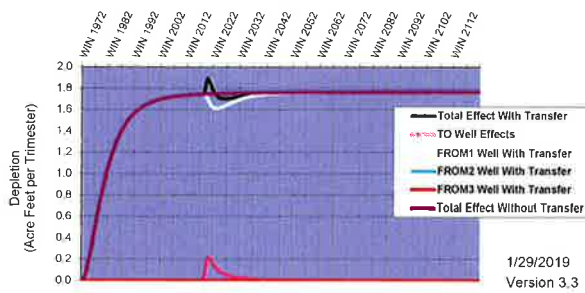
Net Transfer Effect Below Milner
(Total Effect With Transfer - Total Effect Without Transfer)



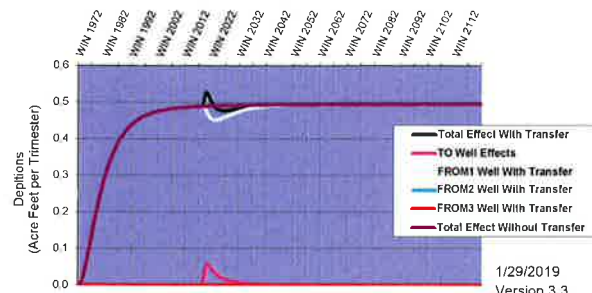
Customer Name: Heritage Farms

Transfer No: 1216 &

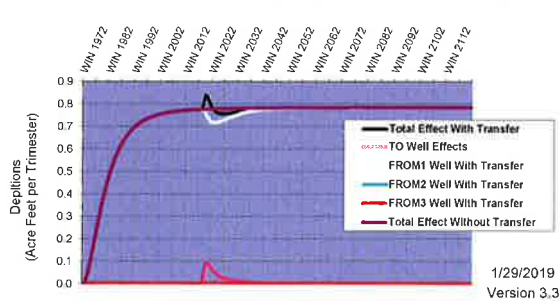
Hydrologic Response--Buhl to Thousand Springs
Customer Name: Heritage Farms Transfer No: 1216 &



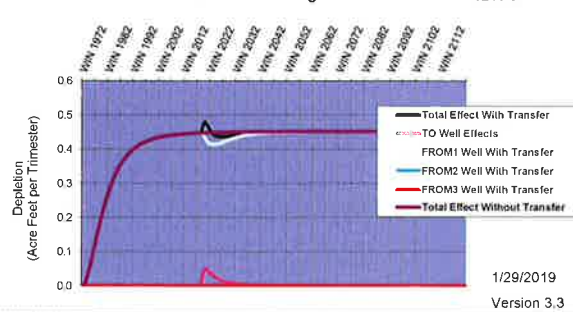
Hydrologic Response--Thousand Springs to Malad
Customer Name: Heritage Farms Transfer No: 1216 &



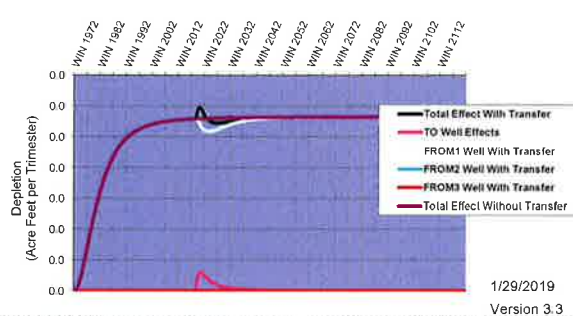
Hydrologic Response--Thousand Springs
Customer Name: Heritage Farms Transfer No: 1216 &



Hydrologic Response-- Malad
Customer Name: Heritage Farms Transfer No: 1216 &



Hydrologic Response-- Malad to Bancroft
Customer Name: Heritage Farms Transfer No: 1216 &





Thomas J. Budge
tjb@racinelaw.net

October 25, 2018

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

RECEIVED
NOV 01 2018
DEPARTMENT OF
WATER RESOURCES

Re: Applications to Rent Water from the Water Supply Bank

To Whom It May Concern,

Enclosed please find for filing the original and copy of two Applications to Rent Water from the Water Supply Bank. Please file the originals and conform stamp and return the extra copies in the enclosed stamped and addressed return envelope.

Thank you for your assistance. If you have any questions, please feel free to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to be 'TJB', is written over the name 'T.J. BUDGE'.

T.J. BUDGE