

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 880

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

LESSOR: GRINDSTONE BUTTE MUTUAL CANAL CO
C/O ALLEN NOBLE
PO BOX 2673
BOISE, ID 83701
JOHN@JMARSHALLLAW.COM

RECEIVED

JAN 02 2019

DEPARTMENT OF
WATER RESOURCES

RECITALS

1. The Board is authorized under chapter 17, title 42, Idaho Code to operate a water supply bank and to contract with lessors to act as an intermediary in facilitating the rental of water.
2. The Lessor has filed a completed application to lease water rights described below into the Water Supply Bank on forms supplied by the Idaho Department of Water Resources and received by the Department on November 20, 2018.
3. The Director of the Idaho Department of Water Resources has reviewed the application for compliance with the Water Supply Bank rules and has approved the Lease subject to conditions listed below.

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

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

Summary of Water Rights or Portions Leased to the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)
2-2262	12/6/1963	SNAKE RIVER, tributary to COLUMBIA RIVER	33.13	9,835.9	2,458.9
Lease Totals			33.13	9,835.9	2,458.9

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

Minimum Payment Acceptable: Current Rental Rate

3. **TERM OF LEASE:** The term of this lease shall be January 1, 2018 to December 31, 2018. This Lease shall bind the parties and take effect when both parties have signed it.
4. **WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE:** The Lessor shall abide by all terms and conditions contained in the Water Supply Bank Conditions of Acceptance, attached hereto as "Attachment A" and incorporated herein by this reference.

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

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

LESSOR: GRINDSTONE BUTTE MUTUAL CANAL CO
C/O ALLEN NOBLE
PO BOX 2673
BOISE, ID 83701
JOHN@JMARSHALLLAW.COM

By Allen Noble
Title President
Date 1/2/2019

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

By Brian Patton
Brian Patton, Acting Administrator
Idaho Water Resource Board

Date 1/7/2019

Lease approved by IDWR Chas West

Date 1-7-2019

STATE OF IDAHO
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ATTACHMENT A WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Source and Location of Point(s) of Diversion for Water Right No(s): 2-2262

SNAKE RIVER L 4NWSW Sec. 34 Twp 05S Rge 09E ELMORE County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
2-2262	IRRIGATION	03/15	to	11/15	33.13 cfs	9,835.9 AF
Totals:					33.13 cfs	9,835.9 AF

PLACES OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
06S	09E	22	28.0															31.0	59.0
06S	09E	23					7.9	8.0	3.2	7.9									27.0
06S	09E	24									36.0	9.9	5.8	13.0					64.7
06S	09E	25					7.6				7.8	7.5	7.9	8.0			7.5	8.2	54.5
06S	09E	26									8.7	5.9	7.6	7.8					30.0
06S	09E	28											29.0	40.0			7.9	7.7	84.6
06S	09E	33	4.6	8.1			26.0	26.0											64.7
06S	09E	34	2.1	7.0	6.9	6.3	40.0	26.0		13.0									101.3
06S	09E	35	8.1	9.1	7.2	6.0	8.2	8.2	7.7	7.9								4.7	67.1
06S	09E	36	9.1	7.0	8.8	10.0								3.5					38.4
06S	10E	30										6.3 L3	2.8 L4						9.1
06S	10E	31									7.3	13.0 L3	6.1 L4	7.8	6.3	7.0	6.5	5.7	59.7
06S	10E	32										5.3							5.3
07S	09E	1			6.2 L2	14.0 L1				8.4 L3				3.4	14.0	4.2	12.0	7.7	69.9
07S	09E	10																38.0	38.0
07S	09E	11			40.0	39.0					40.0		30.0	32.0		40.0	37.0		258.0
07S	09E	12															15.0		15.0
07S	09E	13	40.0	39.0	40.0	40.0	37.0			32.0					37.0	32.0			297.0
07S	09E	14						40.0											40.0

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 880

07S	09E	15	40.0															40.0
07S	10E	4								7.6	8.1	7.8	8.0	3.6	7.6	8.1	10.0	60.8
07S	10E	5								7.4	3.8	6.3	7.3	6.6	6.3	8.0	8.6	54.3
07S	10E	7	8.0	8.4		7.5												23.9
07S	10E	8	8.1	4.2	2.0	7.1		2.5		2.4						40.0	39.0	105.3
07S	10E	9					8.2											8.2
07S	10E	10								2.4	6.3	7.6	3.5					19.8
07S	10E	15					7.5	7.7	8.2	7.9								31.3
07S	10E	16					8.3	6.6	8.1	7.0	5.9	12.0	5.5	10.0	8.5	7.5	7.6	94.6
07S	10E	17	3.6	1.5		1.6												6.7
07S	10E	18							30.0 L2		40.0	30.0 L3						100.0
07S	10E	20					7.9	5.3	5.0	7.1								25.3
07S	10E	21								28.0					6.8			34.8
07S	10E	22	8.5	6.4	8.1	7.8		15.0	10.0	40.0					7.3	7.5	8.7	119.3
07S	10E	23					4.1	8.5	7.9	6.5	6.4	7.3	10.0	9.3		6.8	5.9	80.8
07S	10E	26	8.2	6.4	7.4	8.7												30.7
07S	10E	27	4.2		2.9	4.9					15.0			17.0		3.7		47.7
07S	10E	28			7.1	8.0		40.0	7.3		6.0	5.7			8.1	7.4		89.6
07S	10E	29	9.0	10.0	9.3	11.0									8.3	5.8	21.0	82.1
07S	10E	34	11.0	9.4														20.4

Total Acres: 2,458.9

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the Department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, or the lease term expires. A right may be released from the bank upon request, provided the Board approves the release. Unless approved by the Department, leased rights may not be immediately available for release.
5. While a water right is in the bank, forfeiture provisions are stayed pursuant to Idaho Code § 42-223(5).

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 880

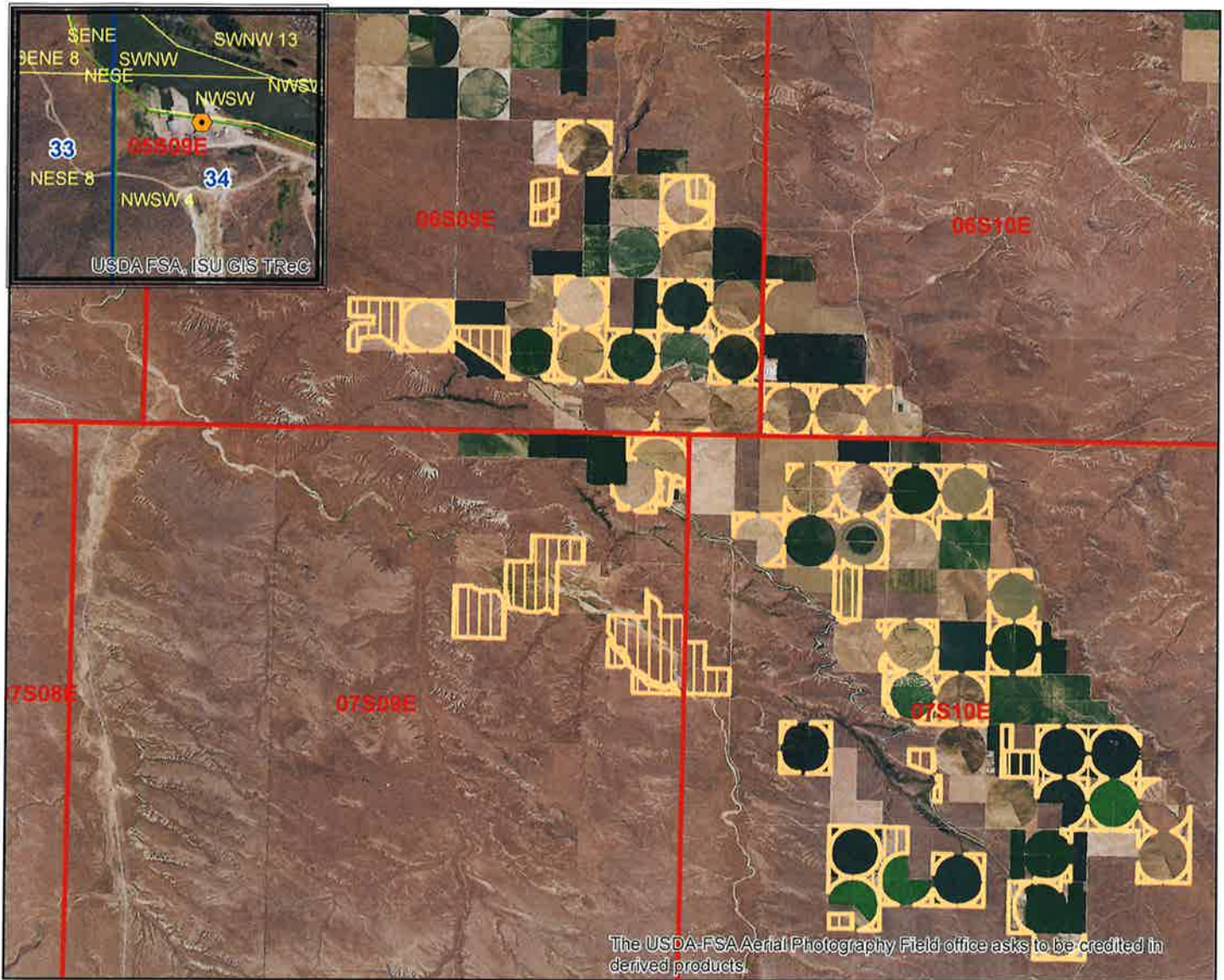
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.
8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.
9. In accordance with Idaho Code § 42-248 and § 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season, even if the Department processes a Notice of Change in Water Right Ownership during the rental season.
 - b. New lessor(s) of record will receive payment for any subsequent rental seasons.
11. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.
12. Place of use is within the service area of Grindstone Butte Mutual Canal Company as provided for under Idaho law. The place of use is generally located within T6S, R9E; T6S, R10E; T7S, R9E; and T7S, R10E, B.M.
13. The boundary encompassing the place of use for this water right is described with a digital boundary as defined by I.C. Section 42-202B(2) and authorized pursuant to I.C. Section 42-1411(2)(h). The data comprising the digital boundary are incorporated herein by reference and are stored on a CD-ROM disk issued in duplicate originals on file with the SRBA District Court and the Idaho Department of Water Resources. A map depicting the place of use is attached hereto to illustrate the place of use described by the digital boundary.
14. 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 lands above.
15. The unleased portion of this right is limited to the irrigation of 10,973.1 acres within the place of use described above in a single irrigation season.

Idaho Water Resource Board
Water Supply Bank Lease Contract No. 880

02-2262

Effective until December 31, 2018

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



○ Approved Lease Point of Diversion

□ Approved Lease Place of Use

□ Township/Range

□ Sections

□ QQ

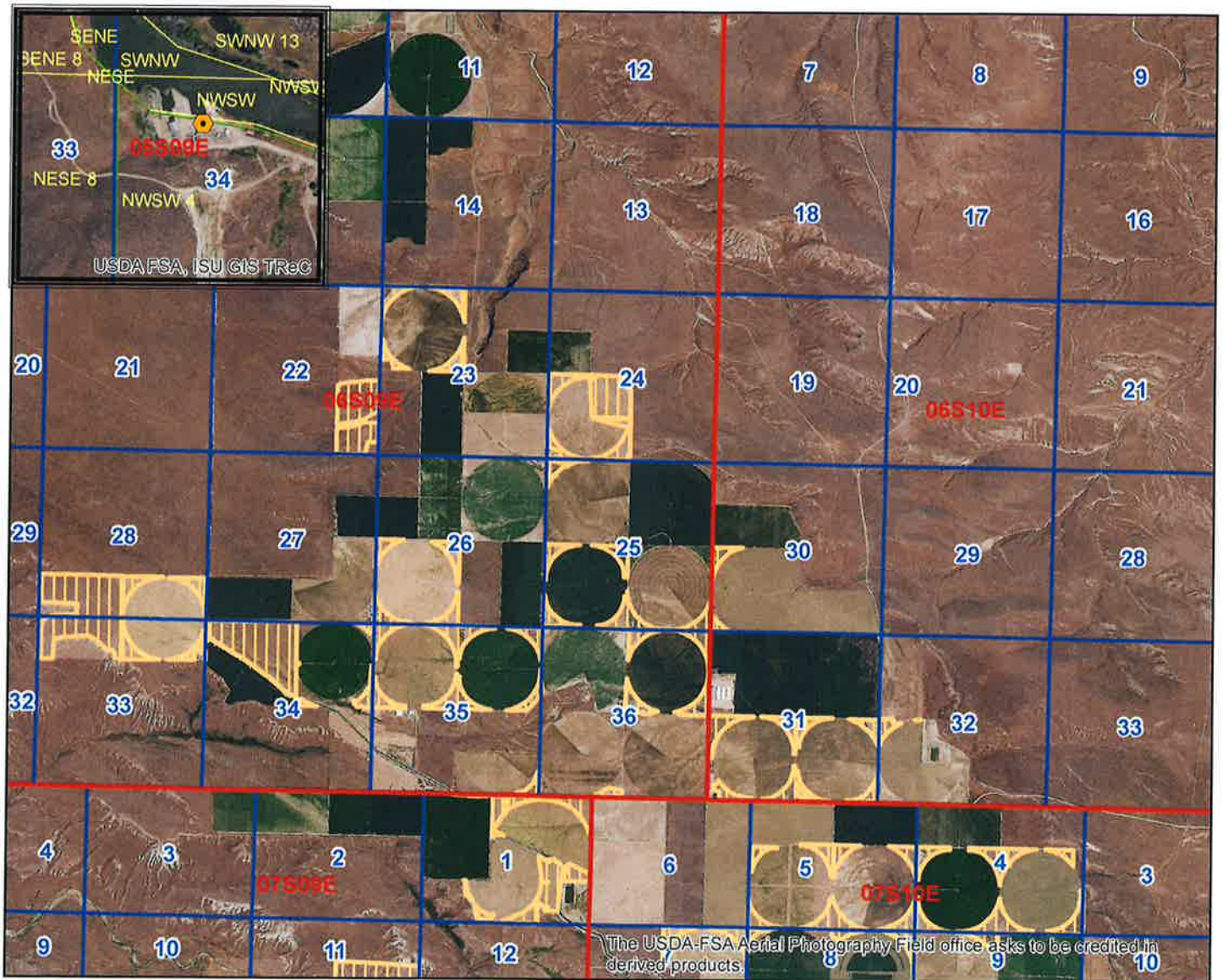


0 1 2 3 Miles

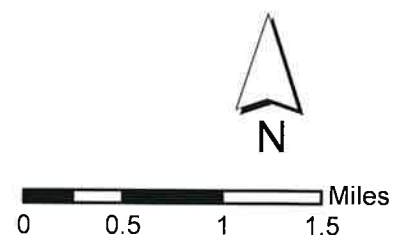
Idaho Water Resource Board
Water Supply Bank Lease Contract No. 880

02-2262
Effective until December 31, 2018

This map is part 1 of 2 and depicts the place of use to be idled pursuant to the lease contract and is attached to the contract solely for illustrative purposes.



- Approved Lease Point of Diversion
- Approved Lease Place of Use
- Township/Range
- Sections
- QQ





STATE OF IDAHO
WATER RESOURCE BOARDAPPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANKRECEIVED
NOV 20 2018
DEPARTMENT OF
WATER RESOURCESDesignated Applicant Grindstone Butte Mutual Canal Co.

(Select one owner – see item 1A on the application)

Water Right No. 2-2262

(One water right per application)

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

Yes ☐ No ☒

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

MINIMUM REQUIREMENT CHECKLIST

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

Yes

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

Attachment N/A Yes

- 1A ☒ ☐ Signatures and contact information for **all owners** of the water right to be leased or sold on this application.
- 1B ☒ ☐ An Internal Revenue Service (IRS) Form W-9 for the Designated Applicant.
- 1C ☒ ☐ *Notice of Change in Water Right Ownership* form (accessible from www.idwr.idaho.gov).
- 1D ☐ ☒ Contact information for an authorized representative and documentary proof they are authorized to represent the Designated Applicant on this application. If the Designated Applicant is a business, partnership, municipality, organization or association, include documents identifying officers authorized to sign or act on behalf of the entity.
- 2 ☐ ☒ Description of a water right portion offered to the Water Supply Bank.
- 3 ☐ ☒ A map that clearly outlines the specific location where irrigated acres will be dried up, or where a beneficial use of water will be suspended. You have the option of printing a map using the map tool on IDWR's website at: www.idwr.idaho.gov.
- 4A ☒ ☐ Written consent from irrigation district or water delivery company.
- 4G ☐ ☒ Evidence demonstrating the water right has not been forfeited pursuant to Section 42-222(2), Idaho Code.

Department Use Only

Fee Amount \$ <u>250</u>	Received By: <u>[Signature]</u>	Date Received: <u>11-20-18</u>	Receipt # <u>U05895</u>
W-9 received? Yes ☐ No ☒ (Route W-9 to Fiscal)		Name on W-9:	

12410

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

1. CONTACT INFORMATION

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

Designated Applicant Grindstone Butte Mutual Canal Co.

Mailing Address 575 W Bannock St Boise ID 83702
Street City State Zip Code

Email Address john@jmarshalllaw.com Phone Number 208-991-2701

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

OR

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

- B. Has the Designated Applicant submitted an IRS Form W-9 to this Department within the last 2 years? Yes ☒ No ☐

If no, complete the form and attach to this application (Attachment 1B).

- C. Are all applicants on this form listed in IDWR's records as the current owners of the water right? Yes ☒ No ☐

If no, attach a *Notice of Change in Water Right Ownership* form along with the required documentation and fee (Attachment 1C).

- D. Is this application being completed by an authorized representative of the Designated Applicant? Yes ☒ No ☐

If yes, representatives (includes employees of Designated Applicant companies) must complete this section and submit documentary proof of their authority to represent the Designated Applicant (Attachment 1D).

Name of Representative Allen Noble Organization Grindstone Butte Mutual Canal Co.

Professional Title Director Email Address john@jmarshalllaw.com

Mailing Address 575 W Bannock St, Boise, ID 83702 Phone Number 208-991-2701

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

OR

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

2. DESCRIPTION OF WATER RIGHT OFFERED TO THE BANK

☐ The full water right is being offered to the Bank.

OR

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

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

3. MAP

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

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

4. GENERAL INFORMATION

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

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

- B. Please provide a description of the current water diversion and delivery system.
Pumps at river, penstocks and an open canal that feeds mainlines.

- C. Describe any other water rights used for the same purpose at the same place of use as the water right being offered to the Bank. None

- D. Are any of the water rights identified in Section 4C stacked with the water right proposed for lease? Yes ☐ No ☒
Stacked water rights are used together to achieve a common beneficial use, such as irrigation of the same lands. Stacked water rights cannot be separated and must be jointly leased to the Water Supply Bank. Stacked water rights qualify for the multiple fee payment of \$500.

- E. Will the present place of use continue to receive water from any other source? Yes ☐ No ☒
If yes, explain the relationship between the different water sources and how enlargement of the authorized use will not occur if this water right is leased.

- F. Identify annual volumes and/or rates of water diverted in the last 5 years to accomplish the beneficial use authorized by this water right. This right was decreed in the SRBA in 2008. Since that time the 13,432 acres authorized by the right have been irrigated or placed in the water bank. The acres identified in this application receive the proportional share of the water diverted under right 2-2262.

- G. Has any portion of this water right undergone a period of five or more consecutive years of non-use? Yes ☐ No ☒
If yes, describe the circumstances and attach evidence to demonstrate how the water right has not been lost through forfeiture (Attachment 4G). See [Section 42-223, Idaho Code](#) for exceptions to forfeiture. Your application may be denied if forfeiture concerns are not addressed.

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

Yes ☐ No ☒

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

5. SALE/LEASE AGREEMENT

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

If lease, specify the years when the use of water will be suspended: 2018 to 2018 (maximum lease period 5 calendar years).
(Year) (Year)

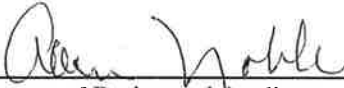
B. Show the minimum payment acceptable to the seller/lessor. The minimum payment may be shown as the "current rental rate" as established by the IWRB. Include the method of determining the minimum payment if other than the current rental rate.

Current rental rate _____

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

The Designated Applicant acknowledges the following:

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



Signature of Designated Applicant

Allen Noble

Printed Name

11-13-2018

Date

Signature of Authorized Representative

Printed Name

Date

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

No. C 38313 Return to: SECRETARY OF STATE 450 N 4th STREET PO BOX 83720 BOISE, ID 83720-0080 NO FILING FEE IF RECEIVED BY DUE DATE	Due no later than Apr 30, 2018 Annual Report Form	2. Registered Agent and Office (NOT A P.O. BOX) ALLEN NOBLE 575 W BANNOCK ST BOISE ID 83702 3. <u>New</u> Registered Agent Signature.																																														
1. Mailing Address: Correct in this box if needed. GRINDSTONE BUTTE MUTUAL CANAL COMPANY P. O. BOX 2673 BOISE ID 83701																																																
4. Corporations: Enter Names and Business Addresses of President, Secretary, Directors, Treasurer, Vice Pres. <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Office Held</th> <th style="text-align: left;">Name</th> <th style="text-align: left;">Street or PO Address</th> <th style="text-align: left;">City</th> <th style="text-align: left;">State</th> <th style="text-align: left;">Country</th> <th style="text-align: left;">Postal Code</th> </tr> </thead> <tbody> <tr> <td>President</td> <td>Mark Noble</td> <td>P. O. Box 2673</td> <td>Boise</td> <td>Idaho</td> <td>USA</td> <td>83701</td> </tr> <tr> <td>Secretary</td> <td>Damon Thompson</td> <td>P. O. Box 1201</td> <td>Boise</td> <td>Idaho</td> <td>USA</td> <td>83701</td> </tr> <tr> <td rowspan="4">Directors</td> <td>Allen Noble</td> <td>P. O. Box 1582</td> <td>Boise</td> <td>Idaho</td> <td>USA</td> <td>83701</td> </tr> <tr> <td>Mark Noble</td> <td>P. O. Box 1201</td> <td>Boise</td> <td>Idaho</td> <td>USA</td> <td>83701</td> </tr> <tr> <td>Rusty Johnson</td> <td>P. O. Box 1201</td> <td>Boise</td> <td>Idaho</td> <td>USA</td> <td>83701</td> </tr> <tr> <td>Craig Castagneto</td> <td>P. O. Box 2822</td> <td>Boise</td> <td>Idaho</td> <td>USA</td> <td>83701</td> </tr> </tbody> </table>			Office Held	Name	Street or PO Address	City	State	Country	Postal Code	President	Mark Noble	P. O. Box 2673	Boise	Idaho	USA	83701	Secretary	Damon Thompson	P. O. Box 1201	Boise	Idaho	USA	83701	Directors	Allen Noble	P. O. Box 1582	Boise	Idaho	USA	83701	Mark Noble	P. O. Box 1201	Boise	Idaho	USA	83701	Rusty Johnson	P. O. Box 1201	Boise	Idaho	USA	83701	Craig Castagneto	P. O. Box 2822	Boise	Idaho	USA	83701
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	Rusty Johnson	P. O. Box 1201	Boise	Idaho	USA	83701																																										
	Craig Castagneto	P. O. Box 2822	Boise	Idaho	USA	83701																																										
5. Organized Under the Laws of: IDAHO C 38313	6. Signature:  Date: 3/5/18 Name (type or print): Mark Noble Title: PRES.																																															
Issued 03/05/2018 by online 100586																																																

**STATE OF IDAHO
WATER RESOURCE BOARD**

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

ATTACHMENT 2

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

1. <u>Water Right Number</u>	<u>Nature of Use</u>	<u>Leased Rate</u> (cfs)	<u>Leased Volume</u> (af)	<u>Leased Acres</u> (ac)
<u>2-2262</u>	<u>Irrigation</u>	<u>43.77</u>	<u>12,992</u>	<u>3248</u>
	Total Amounts:	<u>43.77</u>	<u>12,992</u>	<u>3248</u>

2. Source of water Snake River tributary to Columbia River

3. Point(s) of diversion:

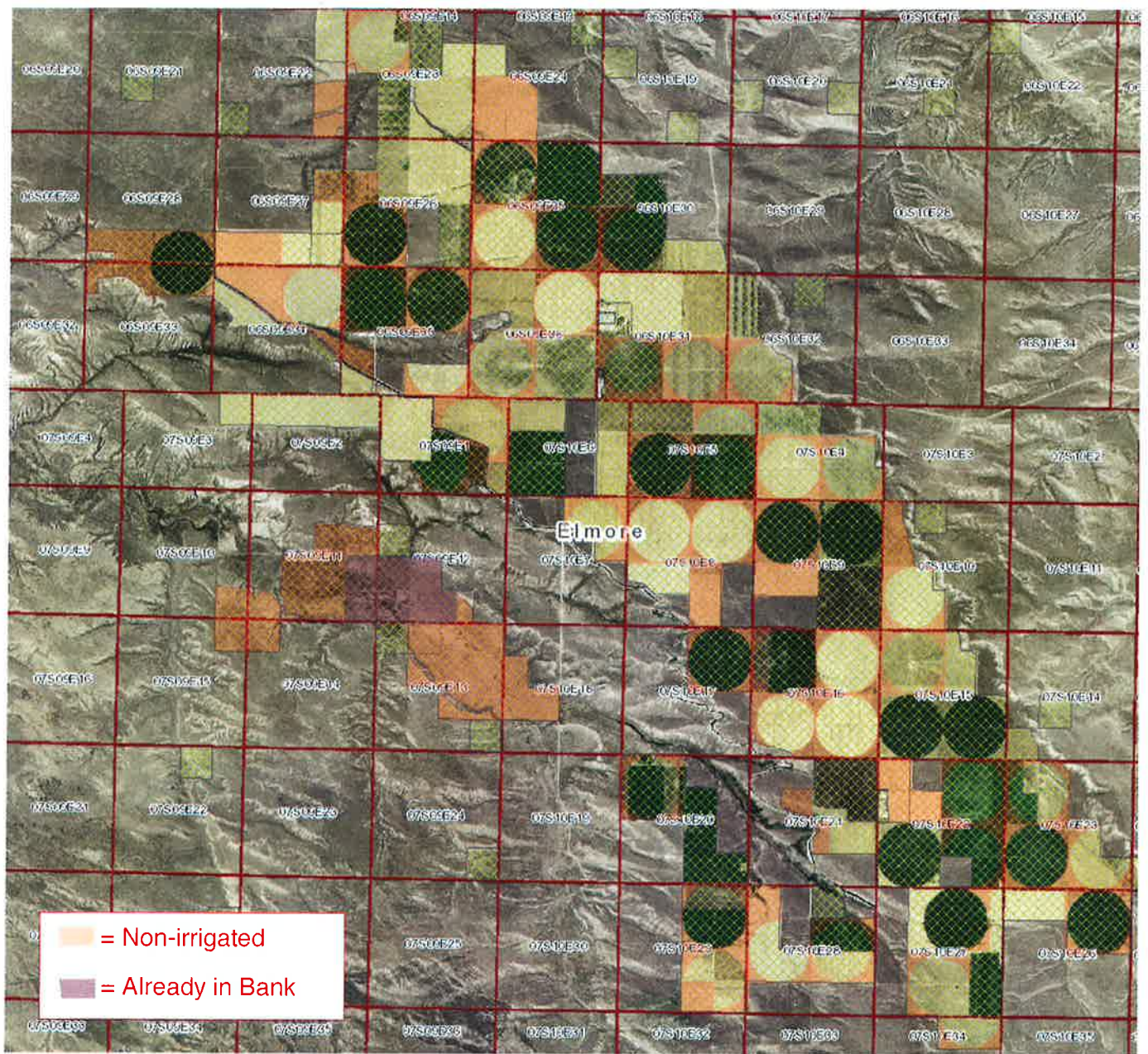
Twp	Rge	Sec	Lot	¼	¼	¼	County
5S	9E	34	4		NW	SW	Elmore

Twn	Rng	Sec	Tract	Acres	Tract	Acres	Tract	Acres	Tract	Acres	Totals	
06S	09E	22	NENE		SENE						0	Map 1
			NESE	28	SESE	32					60	
		23	SENE								0	
			NENW	8	NWNW	8	SWNW	3	SENW	8	27	
			NESW		SESW						0	
			NESE		NWSE		SWSE		SESE		0	
		24	SWNW								0	
			NESW	37	NWSW	40	SWSW	37	SESW	40	154	
		25	NENE		NWNE		SWNE		SENE		0	Map 2
			NENW	8	NWNW	8	SWNW	8	SENW	8	32	
			NESW	8	NWSW	8	SWSW	8	SESW	8	32	
			NESE	8	NWSE	8	SWSE	8	SESE	8	32	
		26	NENE		NWNE		SWNE		SENE		0	
			NENW		SWNW	40	SENW				40	
			NESW	8	NWSW	8	SWSW	8	SESW	8	32	
			NESE		SESE						0	
		27	SENE	40							40	Map 3
			SWSW	40	SESW	40					80	
			NESE		SWSE		SESE				0	
		28	SWSW	29	SESW	40					69	
			SWSE	8	SESE	8					16	
		33	NENE	4	NWNE	8					12	
			NENW	26	NWNW	26					52	
		34	NENE	6	NWNE	13	SWNE	11	SENE	11	41	
			NENW	40	NWNW	25	SWNW		SENW		65	
	NESE	13							13			
		35	NENE	8	NWNE	8	SWNE	8	SENE	8	32	Map 2
			NENW	8	NWNW	8	SWNW	8	SENW	8	32	
			NWSW	18	SWSW	7					25	
			SWSE	8	SESE	8					16	
		36	NENE	8	NWNE	8	SWNE	8	SENE	8	32	
			NENW		NWNW		SWNW		SENW		0	
			NESW	8	NWSW	2	SWSW	8	SESW	8	26	
			NESE		NWSE		SWSE		SESE		0	
10E		30	SWNW		SENW						0	Map 4
			NESW		NWSW	8	SWSW	8	SESW		16	
			SWSE		SESE						0	
		31	NENE		NWNE		SWNE		SENE		0	
			NENW		NWNW		SWNW		SENW		0	
			NESW	7	NWSW	13	SWSW	6	SESW	8	34	
			NESE	8	NWSE	8	SWSE	8	SESE	8	32	
		32	NWNW		SWNW						0	
	NESW		NWSW	8	SWSW	8	SESW	8	24			

07S	09E	1				SWNE	4	SENE	8	12	Map 5	
						SWNW		SENE	7	7		
			NESW		NWSW	SESW	5			5		
			NESE	17	NWSE	3	SWSE	10	SESE	8		38
		2	SENE		SWNE					0		
			SENE		SWNW					0		
		3	SENE							0		
		10	SESE	38						38	Solosobal Map	
		11	SWNE	39	SENE	38				77		
			NESW	40	SWSW	30	SESW	32		102		
			NESE		NWSE	40	SWSE	37	SESE	77		
		12	NESW		NWSW		SWSW		SESW	0		
			SWSE	18						18		
		13	NENE	40	NWNE	40	SWNE	40	SENE	40		160
			NENW	40	SENE	33				73		
			NESE	36	NWSE	33				69		
		14	NWNW	40						40		
		15	NENE	40						40		
10E		4	SWNW		SENE					0	Map 7	
			NESW	8	NWSW	8	SWSW	8	SESW	8		32
			NESE	4	NWSE	8	SWSE	8	SESE	8		28
		5	SWNE	8	SENE	8				16	Map 6	
			SWNW		SENE					0		
			NESW	8	NWSW	8	SWSW	8	SESW	8		32
			NESE	8	NWSE	8	SWSE	8	SESE	8		32
		6	SENE							0		
			SWNW		SENE					0		
			NESW		NWSW		SWSW		SESE	0		
			NESE		SESE					0		
		7	NENE	8	NWNE	8	SENE	8		24		
		8	NENE	8	NWNE	8	SWNE	8	SENE	8		32
			NENW	8	NWNW	8	SWNW	8	SENE	8		32
			NESW		NWSW					0		
			NWSE	40	SWSE	38				78		
		9	NENE		NWNE		SWNE		SENE	0	Map 7	
			NENW	8	NWNW	8	SWNW	8	SENE	8		32
			NESW	40	NWSW	40				80		
			NESE		NWSE		SWSE		SESE	0		
		10	NWNW	25	SWNW	35				60		
			NESW	4	NWSW	10	SWSW	8	SESW	10		32
		14	SWSW							0	Map 8	
		15	NWNE		SWNE					0		
			NENW	8	NWNW	8	SWNW	8	SENE	8		32
			NESW		NWSW		SWSW		SESE	0		
			NESE		NWSE		SWSE		SESE	0		

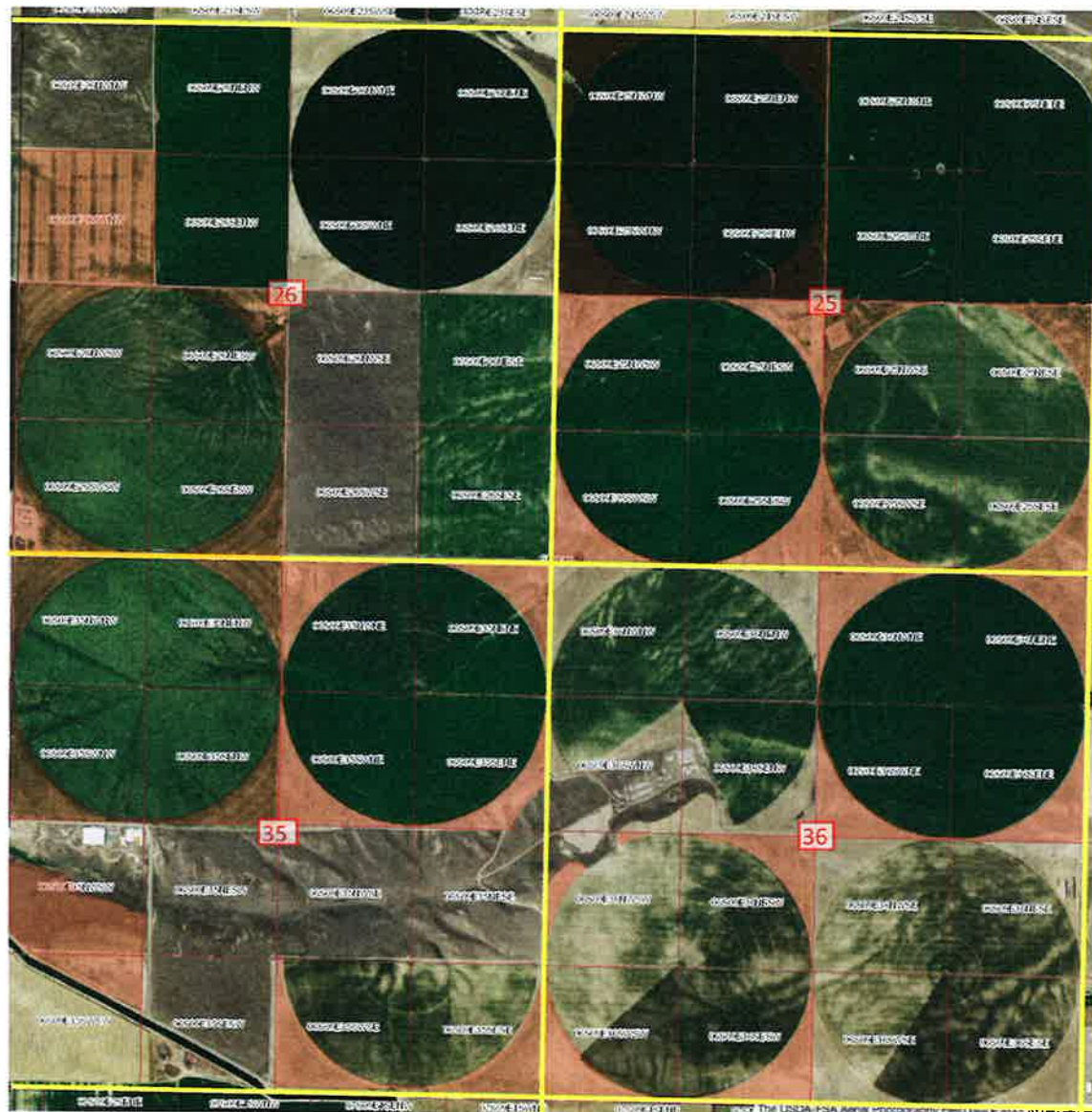
16	NENE	8	NWNE	8	SWNE	8	SENE	8	32	Map 9
	NENW	8	NWNW	8	SWNW	8	SENE	8	32	
	NESW	6	NWSW	15	SWSW	6	SESW	12	39	
	NESE	8	NWSE	8	SWSE	8	SESE	8	32	
17	NENE	8	NWNE	7	SWNE	7	SENE	8	30	
18	SWNW	40							40	Solosobal Map
	NESW	40	NWSW	40					80	
20	SWNE								0	Map 9
	NENW	8	NWNW	8	SWNW	8	SENE	8	32	
	NWSE		SWSE		SESE				0	
21	NENE		NWNE		SWNE		SENE		0	
	SENE	28							28	
	NESE		NWSE	20					20	Map 8
22	NENE	8	NWNE	8	SWNE	8	SENE	8	32	
	NWNW	40	SWNW	27	SENE	40			107	
	NESW		NWSW		SWSW		SESW		0	
	NESE	8	NWSE	8	SESE	8			24	
23	NENW	17	NWNW	8	SWNW	8	SENE	8	41	
	NESW	8	NWSW	8	SWSW	8	SESW	8	32	Map 10
			NWSE	8	SWSE	8	SESE	8	24	
26	NENE	8	NWNE	8	SWNE	8	SENE	8	32	
	NENW		NWNW						0	
27	NENE	6	NWNE	1	SWNE	1	SENE	6	14	
	NENW		SENE						0	Map 11
	NESW	8	SESW	8					16	
	NESE		NWSE	8	SWSE		SESE		8	
28	SWNE	8	SENE	8					16	
	NWNW	40	SWNW	8					48	
	NESW	8	NWSW	8					16	Map 10
	NESE	8	NWSE	8					16	
29	NENE	8	NWNE	8	SWNE	8	SENE	8	32	
	NESE	8	NWSE	8	SWSE	21	SESE	8	45	
34	NENE	8	NWNE	8					16	

Total: 3248





MAP 1



MAP 2



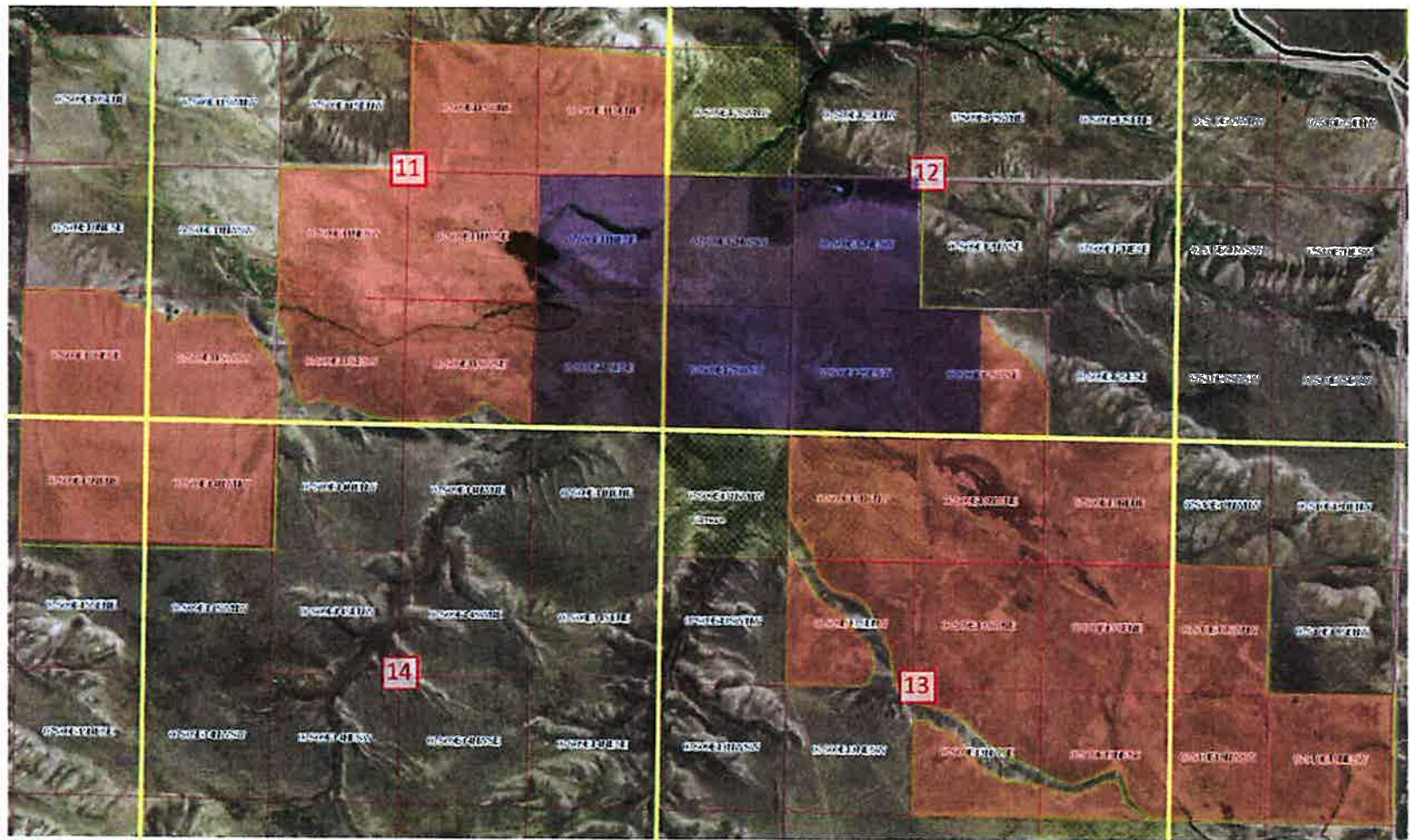
MAP 3



MAP 4



MAP 5



SOLOSABOL MAP



MAP 6



MAP 7



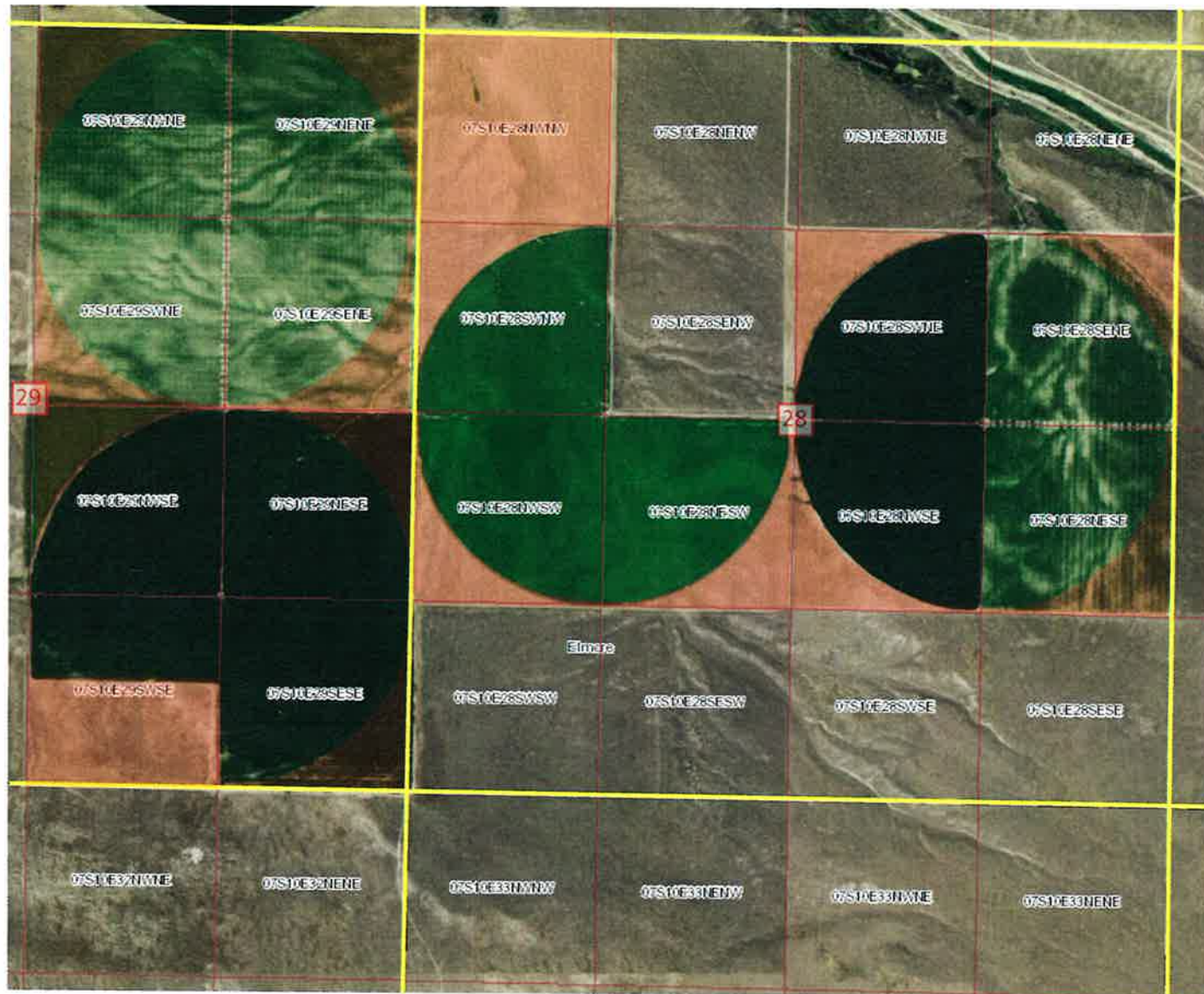
MAP 8



MAP 9



MAP 10



MAP 11



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

January 8, 2019

GRINDSTONE BUTTE MUTUAL CANAL CO
C/O ALLEN NOBLE
PO BOX 2673
BOISE ID 83701

RE: WATER SUPPLY BANK LEASE CONTRACT 880 FOR WATER RIGHT 2-2262

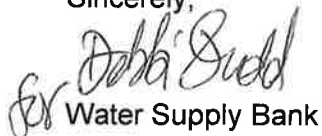
Dear Lessor:

Water right **2-2262** was leased into the Water Supply Bank (Bank) as of November 20, 2018, in accordance with the enclosed executed lease contract. **Your water right, as described on the lease contract, is considered leased into the Bank and should remain unused until it is formally released from the Bank.** More information and further restrictions placed on your water right while leased can be found in conditions of acceptance of the lease contract. Read the conditions of acceptance carefully.

The right will automatically be released from the Bank on **December 31, 2018**, unless the right is released earlier by the Water Resource Board (Board). On behalf of the Board, the Department of Water Resources (Department) can evaluate an early release of the lease contract upon your request. To release the water right from the Bank prior to the release date, submit a written request on the *Request to Release a Water Right from the Bank* form. This form is available on our public website at www.idwr.idaho.gov. **Please note your water right may not be available for immediate release if it has been rented or is being considered for a future rental. Furthermore, it is at the discretion of the Department whether or not a water right can be released early from a lease contract.**

If you have questions regarding this matter, please contact this office at 287-4800.

Sincerely,


John Marshall
Water Supply Bank

Enclosure: Executed Lease Contract

c: Angie Grimm - IDWR Western Region
Rob Whitney - Water District 02
Jes Erling - IDWR
John Marshall - John Marshall Law



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098

Phone: (208) 287-4800 • Fax: (208) 287-6700 • Website: www.idwr.idaho.gov

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

December 31, 2018

GRINDSTONE BUTTE MUTUAL CANAL CO
C/O ALLEN NOBLE
PO BOX 2673
BOISE ID 83701

RE: APPLICATION TO LEASE WATER RIGHT 2-2262 TO THE WATER SUPPLY BANK
CONTRACT 880

TIME SENSITIVE RESPONSE REQUIRED

Dear Applicant:

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

The right will automatically be released from the Bank on **December 31, 2018**, unless the right is released earlier by the Board, or upon your request. To release the right from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. To propose a new lease period, submit a new Application to Sell or Lease a Water Right to the Water Supply Bank form along with applicable fees to the Department. These forms are available from any IDWR office or from our public website at <http://www.idwr.idaho.gov>. Please note your right may not be available for immediate release if it has been rented.

Please review the conditions of acceptance listed on the Lease Contract, including #3 which says:

"While a right is in the bank, **the lessor may not use the right** without approval of the department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B."

If you have questions regarding this matter, please contact this office at 287-4800.

Sincerely,


Water Supply Bank

Enclosures: Proposed Lease Contracts
Receipt # C105895

c: John Marshall

Webster, Clay

From: Condon, Mary
Sent: Wednesday, December 26, 2018 11:05 AM
To: Webster, Clay
Subject: FW: Lease additional acres Grindstone Butte Mutual Canal Co

Fyi--

From: Grimm, Angie
Sent: Wednesday, December 26, 2018 11:05 AM
To: Condon, Mary <Mary.Condon@idwr.idaho.gov>
Subject: RE: Lease additional acres Grindstone Butte Mutual Canal Co

Mary,

Good morning! No local area concerns come to mind for this lease. Thank you for the opportunity to comment.

Regards,
Angie

Angela M. Grimm, P.G.
Water Rights Supervisor
IDWR - Western Region
2735 Airport Way
Boise, ID 83705-5082
(208) 334-2190 phone
(208) 334-2348 fax

From: Condon, Mary
Sent: Tuesday, December 18, 2018 8:39 AM
To: Grimm, Angie <Angie.Grimm@idwr.idaho.gov>; Whitney, Rob <Rob.Whitney@idwr.idaho.gov>
Subject: Lease additional acres Grindstone Butte Mutual Canal Co

Good morning, Angie and Rob,

Please see the attached review for the additional acres to place in the bank for 2018 only, and kindly respond with any comments or concerns within 7 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

WATER SUPPLY BANK
Lease Review Checklist
Applicant(s) Name: GRINDSTONE BUTTE MUTUAL CANAL CO

Memo Date: December 3, 2018 (December 17, 2018)

Water Right Number(s): 2-2262

Reviewers Name: Mary Condon

Quick Tools

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

		Check box		COMMENTS/CONCERNS:
1	Fill out WSB Data Entry Checklist for Leases (Front of File)			
2	Reason for lease of water rights (Brief description of lease proposal in narrative)			
	Portion of right	X		
	All of right			
3	Check GWMA/CGWA/ADC and basin 63 areas of concern (note area in comments)			na
		Yes	No	
4	Rentable? (If no explain in comments or narrative)	x		
5	Authority to file			
	Current owner or designated applicant	x		
	SOS Web site checked for business entity	x		
	Other (explain in comments)		x	
6	Water Right validity			
	Decreed/Licensed/Statutory claim date (write in comments section)			2008
	Past irrigation to ensure forfeiture is not an issue if decreed or licensed over 7 years ago (consider transfers that changed the POU, rentals to the POU etc.)			yes
	Has this right previously been leased to the bank or in CREP?	x		2015-2019, 2015,2016,2017
7	Injury to other water rights			
	If the POD is through a delivery entity, was consent provided?	x		
	If the POD is through a delivery entity, was holdback required? (percentage in comments)	na		%
	Any other concerns		x	
8	Enlargement concerns	Check box		
	Complete a POU comparison overlap analysis	x		
	Complete a combined limits review	x		
	Complete POD overlap analysis (if there is an overlap add condition to lease)	x		
		Yes	No	
	Are there overlapping rights that need to be placed in the bank also?		x	
	Will the place of use continue to receive water? (if yes explain in comments)		x	for idled land in 2018 only
9	Local Public Interest			
	Does the processor know of any problems this action will cause for the local public?		x	
10	Have you contacted regional office and watermaster for comment/concerns?			
	Send the watermaster comment request form or e-mail request	x		12/18/2018
11	Area Headgate requirement (write in Comments)			4
12	Is water right involved in any other department action? Pull file and check database () Ownership Change () Transfer () Mitigation () Other - Explain in comments		X	
13	Narrative			
	Application to lease additional acres to the bank for 2018, was received on November 20, 2018, by John Marshall for Grindstone Butte Mutual. No concerns with authority to file. Current lease from 2015-2019 is for 255.5 acres. At the end of each irrigation season, they provide and are approved for additional idled/leased acres to the bank, for 2015, 2016 and 2017. No concerns of validity or forfeiture. A land list and 12 maps were provided with the application to lease for the acres to be placed in the bank, for a total of 3248 additional acres. Using Sentinel 2018 imagery from May to September, I identified all irrigated fields within the PPU, then inverted/subtracted from to get the land idled during 2018 within the PPU. Total allowable to lease was reduced from 3248 to 2458.9 acres. The area is only served by Grindstone Butte Mutual Water, and so no concerns of overlap or injury. No public concerns are known. Lease SOU 3/15-11/15; WD02 surface water; IDWR Western Region			