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JUL 13 2018

DEPT OF WATER RESOURCES
SOUTHERN REGIONSTATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Transfer No. 82526

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JUL 16 2018

Department of Water Resources
Southern RegionMINIMUM REQUIREMENTS CHECKLIST
TO BE SUBMITTED WITH APPLICATION FOR TRANSFER

An application for transfer must be prepared in accordance with the minimum requirements listed below to be acceptable for processing by the Department. Incomplete applications will be returned. The instructions, fee schedule, Part 2A reports and additional Part 2B forms are available from any Department office or on the Department's website at www.idwr.idaho.gov.

Name of Applicant(s) Idaho Water Company, LLC**Check whether each item below is *attached* (Yes) or *not applicable* (N/A) for the proposed transfer.**Yes N/A * Means the item is always required and must be included with the application.

- ☒ * Completed Application for Transfer of Water Right form, Part 1.
- ☒ * Signature of applicant(s) or applicant's authorized representative on Application for Transfer Part 1. Include evidence of authority labeled Attachment #3 (see below) if signed by representative.
- ☒ * Application for Transfer Part 2A. Attach a [Part 2A](#) report describing each water right in the transfer as currently recorded.
- ☐ ☒ Complete and attach an Application for Transfer [Part 2B](#) for each water right for which only a portion is proposed to be changed through this transfer application.
- ☒ * Application for Transfer Part 3A is always required (see Attachment #7a below); Parts 3B and 3C must be completed for transfer applications proposing to change the nature of use of the water right(s) or proposing changes to supplemental right(s).
- ☒ * Correct fee submitted with transfer application form. ([Fee schedule](#) is on website and instructions for application for transfer.)

Attachments to Application - Label each attachment with the corresponding number shown below as Attachment #1-10.

- ☐ ☒ #1 If the applicant is a business, partnership, organization, or association, and not currently registered in the State of Idaho as a business entity, attach documentation identifying officers authorized to sign or act on behalf of right holder. (See Part 1.)
- ☐ ☒ #2a Water Right ownership documentation if Dept. records do not show the applicant as the current water right owner. **
- ☐ ☒ #2b If the ownership of the water right will change as a result of the proposed transfer to a new place of use, attach documentation showing land and water right ownership at the new place of use. Include documentation for all affected land and owner(s). **
** Additional fee(s) required for water right ownership changes; see fee schedule.
- ☒ ☐ #3 Documentation of authority to make the change if the applicant is not the water right owner.
- ☐ ☒ #4 Power of Attorney or documentation providing authority to sign or act on the applicant's behalf. (See Part 1.)
- ☒ ☐ #5 If the transfer application proposes to change the point of diversion for a water right affecting the Eastern Snake Plain Aquifer (ESPA), attach the results of an ESPA analysis and a detailed mitigation plan to offset any depletions to hydraulically connected reaches of the Snake River. ESPA transfer spreadsheet and model grid labeled cells are available on the Department's website at www.idwr.idaho.gov/WaterManagement/WaterRights/WaterRightTransfers/resources.htm.
- ☐ ☒ #6 Notarized statement of agreement or a statement on official letterhead signed by an authorized representative from each lien holder or other entity with financial interest in the water right(s) or land affected by the proposed transfer. (See Part 1.5.c.)
- ☒ * #7a Attach a map identifying the proposed point(s) of diversion, place(s) of use, and water diversion and distribution system details as described on the application. Include legal description labels. If only a portion of the right is proposed to be changed, identify the current location of the part of the existing right(s) proposed to be changed. (See Part 3A.)
- ☒ ☐ #7b If the transfer application proposes to change the place or purpose of use of an irrigation right attach a Geographic Information System ([GIS](#)) shape file, or an aerial photo or other image clearly delineating the location and extent of existing acres and changes to the place of use. If some or all of any right is leased to the Water Supply Bank, you must also show the the specific location and/or acres to be idled at the new, proposed place of use to satisfy lease requirements.
- ☐ ☒ #8a If the transfer application proposes to change the nature of use or period of use for one or more rights, provide documentation describing the extent of historic beneficial use for the water rights proposed to be transferred and document how enlargement will be avoided. (See Part 3B.) Additional fee required for proposed changes to nature of use; see [fee schedule](#).
- ☐ ☒ #8b If the transfer application proposes to change the place of use of a supplemental irrigation right, provide documentation regarding the historic use of the supplemental right(s) and availability or reliability of the primary right(s) being supplemented, both before and after the proposed change. (See Part 3C.)
- ☐ ☒ #9 Water Supply Bank information for all rights proposed for transfer and currently leased to the Bank. ([Attachment WSB](#))
- ☐ ☒ #10 Other. Please describe: _____

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

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DEPT OF WATER RESOURCES
SOUTHERN REGION

APPLICATION FOR TRANSFER OF WATER RIGHT
PART 1

Name of Applicant(s) Idaho Water Company, LLC Phone (208) 312-1135
Mailing address 1135 Valley Rd. South Eden, ID 83325 Email del@idahowatercompany.com

- ☐ If applicant is not an individual and not registered to do business in the State of Idaho, attach documentation identifying officers authorized to sign or act on behalf of the applicant. Label it **Attachment #1**.
- ☐ Attach water right ownership documentation if Department records do not show the transfer applicant as the current water right owner. Label it **Attachment #2a**.
- ☐ If the ownership of the water right will change as a result of the proposed transfer to a new place of use, attach documentation showing land and water right ownership at the new place of use. Include documentation for all affected land and owner(s). Label it **Attachment #2b**.
- ☒ Attach documentation of authority to make the proposed change if the applicant is not the water right owner. Label it **Attachment #3**.

Provide contact information below if a consultant, attorney, or any other person is representing the applicant in this transfer process.

☐ No Representative

Name of Representative Jason C. Helms, P.E. Phone (208) 308-2109
Mailing address 6755 N. Albert Lane Idaho Falls, ID 83401 Email jasoncivil@alumni.nd.edu

- ☐ Send all correspondence for this application to the representative and not to the applicant.
OR
- ☒ Send original correspondence to the applicant and copies to the representative.
- ☐ The representative may submit information for the applicant but is not authorized to sign for the applicant.
OR
- ☐ The representative is authorized to sign for the applicant. Attach a Power of Attorney or other documentation providing authority to sign for the applicant and label it **Attachment #4**.

I hereby assert that no one will be injured by the proposed changes and that the proposed changes do not constitute an enlargement in use of the original right(s). 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.

[Signature]
Signature of Applicant or Authorized Representative

Delbert Kohle
Print Name and Title if applicable

7/3/18
Date

Idaho Water Company LLC
Signature of Applicant or Authorized Representative

Idaho Water Company LLC
Print Name and Title if applicable

7/3/18
Date

A. PURPOSE OF TRANSFER

- ☒ Change point of diversion ☐ Add diversion point(s) ☒ Change place of use

☐ Change nature of use ☐ Change period of use ☐ Other _____
- Describe your proposal in narrative form, including a detailed description of non-irrigation uses to justify amounts transferred (i.e. number of stock, etc.), and provide additional explanation of any other items on the application. Attach additional pages if necessary and label it **Part 1A.2**.

Move existing water rights 35-14266 & 35-14267 to replace a portion of total use associated with water rights

35-13975, 35-14484, 35-14485 & 35-14486 (a similar portion of which will be returned to their original P.O.U.).

Attached ESPA impact analysis indicates Snake River reach impacts are below 2 acre-ft per model trimester.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT

PART 1 Continued

B. DESCRIPTION OF RIGHTS AFTER THE REQUESTED CHANGES. IF THE RIGHTS ARE BEING SPLIT, DESCRIBE PORTIONS TO BE CHANGED AS THEY WOULD APPEAR AFTER THE REQUESTED CHANGES.

1.	<u>Right Number</u>	<u>Amount</u> (cfs/ac-ft)	<u>Nature of Use</u>	<u>Period of Use</u>	<u>Source & Tributary</u>
All or Part ☒ ☐	35-14266	0.02 / 8.0	Irrigation	04/01 to 10/31	Ground Water
☒ ☐	35-14267	0.06 / 24.0	Irrigation	04/01 to 10/31	Ground Water
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	

Total authorized under rights 0.08 cfs and/or 32.0 acre-feet.

2. Total amount of water proposed to be transferred or changed 0.08 cubic feet per second and/or 32.0 acre-feet per year.

3. Point(s) of Diversion:

- ☐ No changes to point(s) of diversion are proposed - the following chart is therefore not completed. (Proceed to #4.)
- ☒ Attach Eastern Snake Plain Aquifer analysis if this transfer proposes to change a point of diversion affecting the ESPA. Label it **Attachment #5**.

New ?	Lot	¼	¼	¼	Sec	Twp	Rge	County	Source	Local name or tag #
n			NW	NE	8	01N	37E	Bonneville	Ground Water	WMIS# 1001883

4. Place of use: (If irrigation, identify with number of acres irrigated per ¼ ¼ tract.)

- ☐ No changes to place of use are proposed - the following chart is therefore not completed. (Proceed to #5.)

Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Acre Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
01N	37E	8	.8	5.1	13.3	3.8	0.8												23.8
Total Acres (for irrigation use)																			23.8

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT

PART 1 Continued

5. General Information:

- a. Describe the complete diversion system, including how you will accommodate a measuring device and lockable controlling works should they be required now or in the future:

Existing well, pump, lockable diversion and measuring device.

- b. Who owns the property at the point(s) of diversion? South Interchange Properties

If other than the applicant, describe the arrangement enabling the applicant to access the property for the diversion system:
See attached purchase and sale agreements.

- c. Are the lands from which you propose to transfer the water right subject to any liens, deeds of trust, mortgages, or contracts?

If yes, ☐ attach a notarized statement from the holder of the lien, deed of trust, mortgage or contract agreeing to the proposed changes on official letterhead signed by an authorized representative. Label it **Attachment #6**. List the name of the entity and type of lien: _____

It is the applicant's responsibility to provide notice to lien holder, trustee, mortgagor, or contract holder of the proposed changes that may impact or change the value of the water rights or affected real property. Any misrepresentation of legal encumbrance on this application may result in rejection of the application or cancellation of an approval.

- d. Are any of the water rights proposed for transfer currently leased to the Water Supply Bank?

If yes, ☐ complete Attachment WSB.

- e. Describe the effect on the land now irrigated if the place or purpose of use is changed pursuant to this transfer:

Land will be dried up at the existing place of use to offset the transfer of this water right to the new location.

Total authorized irrigation in any single season will remain unchanged.

- f. Describe the use of any other water right(s) for the same purpose or land, or the same diversion system as right(s) proposed to be transferred at both the existing and proposed point(s) of diversion and place(s) use:

Proposed place of use is already authorized for diversion of 35-13975, 35-14484, 35-14485 & 35-14486. A transfer to remove a similar portion of the existing water rights at the proposed location will be removed back to their original place of use following approval of this transfer.

- g. To your knowledge, has/is any portion of the water right(s) proposed to be changed:

Yes No

- | | | |
|--------------------------|-------------------------------------|---|
| ☐ | ☒ | undergone a period of five or more consecutive years of non-use, |
| ☐ | ☒ | currently leased to the Water Supply Bank, |
| ☐ | ☒ | currently used in a mitigation plan limiting the use of water under the right, or |
| ☐ | ☒ | currently enrolled in a Federal set-aside program limiting the use of water under the rights? |

If yes, describe:

**IDAHO DEPARTMENT OF WATER RESOURCES
APPLICATION FOR TRANSFER OF WATER RIGHT
PART 2A**

Current Water Right No.: 35-14266

Current Owner: DIXIE BUNDY
Priority Date: 8/5/1969
Origin: Water Right
Status: Active
Basis: Decreed

Source

Tributary

GROUND WATER

<u>Beneficial Use</u>	<u>From To</u>	<u>Diversion Rate</u>	<u>Annual Volume</u>
IRRIGATION	04/01 to 10/31	0.02 CFS	8 AF
	<u>Total Diversion</u>	0.02 CFS	8 AF

Location of Point(s) of Diversion

GROUND WATER
BINGHAM County

NE1/4SW1/4 Sec. 25, Twp 01S, Rge 33E B.M.

Place of Use

IRRIGATION Within BINGHAM County

T01S R33E S25 NESW 2.00
Total Acres: 2

Conditions of Approval:

1. C03 RIGHT INCLUDES ACCOMPLISHED CHANGE IN POINT OF DIVERSION PURSUANT TO SECTION 42-1425, IDAHO CODE.
2. C18 THIS PARTIAL DECREE IS SUBJECT TO SUCH GENERAL PROVISIONS NECESSARY FOR THE DEFINITION OF THE RIGHTS OR FOR THE EFFICIENT ADMINISTRATION OF THE WATER RIGHTS AS MAY BE ULTIMATELY DETERMINED BY THE COURT AT A POINT IN TIME NO LATER THAN THE ENTRY OF A FINAL UNIFIED DECREE. SECTION 42-1412(6), IDAHO CODE.

Decreed Date: 2/15/2002

**IDAHO DEPARTMENT OF WATER RESOURCES
APPLICATION FOR TRANSFER OF WATER RIGHT
PART 2A**

Current Water Right No.: 35-14267

Current Owner: DIXIE BUNDY
Priority Date: 8/5/1969
Origin: Water Right
Status: Active
Basis: Decreed

Source

GROUND WATER

Tributary

<u>Beneficial Use</u>	<u>From To</u>	<u>Diversion Rate</u>	<u>Annual Volume</u>
IRRIGATION	04/01 to 10/31	0.06 CFS	24 AF
	<u>Total Diversion</u>	0.06 CFS	24 AF

Location of Point(s) of Diversion

GROUND WATER
BINGHAM County

NE1/4SW1/4 Sec. 25, Twp 01S, Rge 33E B.M.

Place of Use

IRRIGATION Within BINGHAM County

T01S R33E S25 NESW 6.00
Total Acres: 6

Conditions of Approval:

1. C03 RIGHT INCLUDES ACCOMPLISHED CHANGE IN POINT OF DIVERSION PURSUANT TO SECTION 42-1425, IDAHO CODE.
2. C18 THIS PARTIAL DECREE IS SUBJECT TO SUCH GENERAL PROVISIONS NECESSARY FOR THE DEFINITION OF THE RIGHTS OR FOR THE EFFICIENT ADMINISTRATION OF THE WATER RIGHTS AS MAY BE ULTIMATELY DETERMINED BY THE COURT AT A POINT IN TIME NO LATER THAN THE ENTRY OF A FINAL UNIFIED DECREE. SECTION 42-1412(6), IDAHO CODE.

Decreed Date: 2/15/2002

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT

PART 3

A. PLAT MAP (See Part 3A of Instructions for application for transfer for complete requirements.)

- ☒ Attach a map of the diversion, measurement, control, and distribution system. Label it **Attachment #7a**.
- ☒ If the transfer application proposes to change the place or purpose of use of an irrigation right attach a Geographic Information System (**GIS**) shape file, or an aerial photo or other image clearly delineating the location and extent of existing acres and changes to the place of use. Label it **Attachment #7b**.

If the place of use currently consists of a permissible place of use, then the attachment is not required if the application contains a clear statement that the boundaries for the place of use are not proposed to be changed by the transfer and the total number of irrigated acres within the place of use before and after the transfer is clearly stated.

If any part of the irrigation water right is leased to the Water Supply Bank, you must also specify the location and number of acres that will remain idled for the duration of the lease contract at the new, proposed place of use.

B. CHANGES IN NATURE OF USE (Water Balance)

- ☐ If you propose to change the nature of use or period of use of all or part of the right(s) listed in this application, attach documentation describing the extent of historic beneficial use of the portion of the right(s) proposed to be changed. Also attach documentation showing that the portion of the right(s) to be changed will not be enlarged in rate, volume, or consumptive use through the proposed change. Label it **Attachment #8a**.

C. PLACE OF USE CHANGES TO SUPPLEMENTAL IRRIGATION RIGHTS

- ☐ If you propose to change the place of use of a supplemental irrigation right, answer below and attach supporting documentation. Label it **Attachment #8b**.

Describe how the supplemental water rights have been used historically in conjunction with other water rights at the existing place of use. Describe the time during the irrigation season that the supplemental rights have been used. Include information about the availability or reliability of the primary right(s) being supplemented, both before and after the change. If the applicant is proposing to change a supplemental irrigation right to a primary right, provide the information required on Part 3B above:

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. The paper appears to be a standard notebook page.

FOR DEPARTMENT USE ONLY

Transfer contains _____ pages and _____ attachments.

Received by DM Date 7/12/10 Preliminary check by _____ Date _____

Fee paid \$200- Date 7/13/18 Received by DM Receipt # 5036844

Add'l fee paid _____ Date _____ Received by _____ Receipt # _____

Check all that apply: Attachment WSB ☐ (copy sent to state office) Lessor Designation form ☐ &/or W-9 ☐ (originals to state office)

Attachment #3

OPTION AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHTS

THIS OPTION AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHTS (the "Agreement") is made and entered into as of the latest date contained in the signature block below (the "Effective Date"), by and between IDAHO WATER COMPANY LLC, an Idaho Limited Liability Company, whose address is 1135 Valley Road South, Eden, Idaho 83325 ("Buyer"), and Dixie Bundy, an Individual, whose address is 1260 W HWY 26 Blackfoot, ID 83221 (the "Seller") (collectively the "Parties").

RECITALS

- A. Seller is the owners of the decreed Water Rights designated as 35-14266 and 35-14267, (the "Water Rights"), attached as EXHIBIT 2, and documented in the records of the Idaho Department of Water Resources ("the Department"). The Water Rights are and have been appurtenant to the 8 acres of Real Property owned by the Seller, which has historically been the Permissible Place of Use for the Water Rights, and located in Bingham County, Idaho ("the Property") as more particularly described:

Township	Range	Sec.	¼-¼ Sec.	acres			Township	Range	Sec.	¼-¼ Sec.	acres
01S	33E	25	NESW	6			01S	33E	25	NESW	2

- B. The Seller wishes to convey, and the Buyer wishes to buy the two Water Rights in their entirety, authorizing diversion for irrigation from groundwater totaling .08 cubic feet per second ("cfs") and 32 acre-feet per annum ("afa") for the irrigation of 8 acres of land. Seller wishes to forever sever the Water Rights from the Property and convey them to Buyer ("the Transfers"), subject to the terms of this Agreement.
- C. Seller and Buyer acknowledge that the Transfers will require formal application to, and approval by, the Department and that Buyer will handle the Transfers as described herein.

No land is included in this agreement.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing recitals, the terms set forth below, and the sums to be paid by Buyer to Seller, the Parties agree:

1. **Option.** Seller grants to Buyer an exclusive Option to purchase the Water Rights in the amount authorized for diversion from groundwater as particularly described in Recital "C" above.
2. **Option Price.** The consideration for Buyer's Option is one thousand dollars (\$1000.00), paid to Seller under the terms and conditions of this Agreement. The Option Price is non-refundable and will be retained by Seller in the event Buyer chooses not to exercise the Option.
3. **Option Period.** Upon the Effective Date, Buyer will hold an exclusive option to purchase the Water Rights for the period of six (6) months. Seller will not sell, transfer, convey, encumber, lease, otherwise dispose of, or abandon the Water Rights (or any portion thereof) without prior written consent of the Buyer. Seller will not solicit or accept any other offers for the Water Rights in which Buyer has an option to purchase.
 - a. **Option Extensions.** If during the Option Period, Buyer has filed an application for transfer with IDWR as described in Section 4 below, and due to delays in transfer approval because of protest proceedings, administrative delays by the Department, or otherwise, the Option Period may be extended by six (6) months, for the purpose of accomplishing any pending transfers. An Option Extension will require an additional payment of five hundred dollars (\$500.00). Decision to extend the Option will be made at Buyer's sole discretion and Buyer may, for so long as a transfer application remains active, extend the Option for subsequent 6-month terms until the Water Rights are transferred or Buyer withdraws the application(s). Each additional term will require an extension payment. If the initial 6-month Option period expires before completion of the transfers and Buyer chooses not to extend the Option, this agreement will terminate. Buyer may exercise the Option during the Option Period by providing Seller written notice of its intent to do so.

4. **Transfers.** During the Option period, Seller authorizes and agrees that Buyer may submit one or more application(s) for transfer of the Water Rights. Costs for any transfer application and any associated fees are the Buyer's expense. Seller and Buyer agree to cooperate and use best efforts in obtaining the Department's approval of the Transfers. Within ten (10) days of any request, Seller will provide access to all records concerning historical use of the Water Rights to Buyer, its agents, employees, consultants, and representatives, or the Department including, but not limited to; (1) who owns other interests in the Water Rights; (2) what land has been irrigated with the Water Rights; (3) historical use and power data for the Water Rights; (4) information or data for any other water rights that may have been used to irrigate the lands on which the Water Rights are used; (5) and any other information relevant to the transfer of the Water Rights. Seller will ensure the agents, employees, consultants, and representatives of Buyer have reasonable access to the Property on which the Water Rights are diverted, transported and used, at reasonable times, to investigate the Water Right for Buyer's purposes. Seller will further provide any deeds, abstracts, title opinions, title insurance policies, stock certificates, agreements, assignments, permits, licenses, court decrees, engineering reports, photographs, records of use, utility records, correspondence with State or local water officials, and all other documents or information that pertain to the Water Rights, to accomplish the Transfers.
5. **Permission of Lienholders.** Notwithstanding other requirements for further documents under this Agreement, within 15 days following the Effective Date, Seller will provide Buyer, for inclusion in Buyer's transfer application(s), letters of consent and authorization from any lienholders having an interest in the Water Rights. The letters will be on the lienholder's official letterhead, signed by an authorized representative, and properly notarized. Once Seller has secured permission from all lienholders with an interest in the Water Rights, and delivered written documentation of said permission to Buyer, the Option Payment becomes due and payable. If there are no Lienholders with a security interest in the Water Rights, the Option Payment is due upon signing.
6. **Purchase Price.** Subject to the Terms and Conditions described under this Agreement, if the entire amount of Water Rights under the option are exercised, and successfully transferred, the total purchase price due to Seller will be _____) ("the Total Purchase Price"). The Total Purchase Price for the Water Rights is valued based upon the anticipated number of acres of water, having a priority date of 1969 or earlier, ultimately approved by the Department for Buyer's intended use. If Buyer exercises its Option, in whole or in part, the purchase price for the Water Rights will be calculated at \$ _____ per acre of 1969 priority water

approved by the Department for transfer. (8 acres X \$ _____/acre = \$ _____). The Total Purchase Price, and any adjustments due to transfer conditions as described in Section 7 of this Agreement, (the "Purchase Price Balance") will be due and paid at the closings, as described in sections 9 and 9(a) below, after issuance of a "Final Order" by the Department approving the transfer applications.

7. **Adjustment to Purchase Price and Water Rights to be Purchased Due to Transfer**

Conditions. If, due to acknowledged uncertainties in the ESPA model configuration, or otherwise, the Department approves a transfer but with conditions limiting the total annual diversion to less than proposed, the Parties agree that the Total Purchase Price will be adjusted downward based on the number of acres ultimately approved in the transfer.

- a. **Example of Purchase Price Adjustment.** To illustrate a Purchase Price adjustment as described in Section 7 above, if a proposed hypothetical transfer of 8 acres at .08cfs and 32 AFA were approved by the Department, but with a reduction authorizing only 7 acres at .07cfs and 28 AFA, then the purchase price would be reduced by \$ _____ because the calculated dollar amount resulting from a 1-acre reduction below 8 acres is 1 x _____ = \$ _____.

8. **Use of Water Right.** During the Option Period, Seller will remain in possession and have continued use of the Water Rights for irrigation on the Property. If Buyer exercises the option, Seller may continue use of the Water Right through the current irrigation season. Before Closing, the Seller will be entitled to income associated with the current irrigation usage of the Water Rights; will maintain the Water Rights and handle all associated expenses, including but not limited to routine maintenance, repair, and replacement of any irrigation equipment; and will pay when due all taxes associated with the Water Rights.
9. **Closings.** If Buyer has exercised its Option and elected to proceed with the purchase of the Water Rights, closing will occur at a reasonable time, place, and location designated by the Parties within thirty (30) days following issuance of a final order by the Department approving a transfer of the Water Rights. Possession and use of the Water Rights pass to Buyer at closing, subject to Section 8 above. At closing, Buyer will deliver the Purchase Price Balance to Seller, less any permitted adjustments under sections 6 and 7 of this Agreement, and Seller will provide Buyer with fully-executed Special Warranty Deeds for the Water Rights, substantially in the form attached as

EXHIBIT 1, conveying the Water Rights to Buyer. Seller shall execute any such further documents as necessary to confirm conveyance of the Water Rights free and clear of all encumbrances. Closing costs, defined as recording fees, closing agent fees, and escrow fees, will be shared equally by the Buyer (50%) and Seller (50%).

- a. **Multiple Closings Contemplated.** Whereas Buyer may apply for more than one transfer of the Water Rights, if the Department approves any single transfer before the remaining transfers, then the Parties will proceed to a closing within (30) thirty days of any final order by the Department approving a transfer of the Water Rights. The Buyer will deliver the Purchase Price Balance for the amount of Water Rights transferred as described above, except that the credit for an amount equal to the Option Price may be taken at the first transfer's closing.

10. **Non-Forfeiture.** Seller represents and warrant that the amount of Water Rights available under Buyer's Option have been beneficially and continuously used and not left idle for any period exceeding five years. The condition "beneficially and continuously used" includes, irrigated to the extent authorized under the Water Rights during the described period of use, and the tolling of time where the Water Rights have been accepted into the Idaho Water Supply Bank, and the inclusion of the Property in a federal cropland set-aside program that otherwise protects the Water Rights from forfeiture.
11. **Default.** A default shall occur because of either Party's breach or failure to perform any material term or condition of this Agreement, or a Party's breach of its representations or warranties.
12. **Remedies.** In case of default, the non-defaulting Party may pursue any available remedy, including equitable or injunctive relief. Upon any breach, any rights and remedies which either Party may have under this Agreement, or by operation of law or equity, shall be distinct, separate, and cumulative, and shall not be deemed inconsistent with each other. In any suit or legal proceeding commenced by either party against the other arising out of performance of this Agreement, the prevailing party may recover from the other, in addition to any other relief granted, their reasonable attorney fees and costs.
13. **Successors.** This Agreement will be binding upon the heirs, successors, and permitted assigns of either Party, including any transferee of all or a substantial portion of a Party's assets, and any direct or indirect successor by merger, consolidation, or otherwise by operation of law, and each

Party will ensure a potential successor entity is contractually obligated to continued performance under this Agreement.

14. **Authority.** Each party represents and warrants to the other that they have full legal right, and authority to enter into this Agreement. Del Kohtz, owner and managing member of Idaho Water Company LLC, discloses that he is a licensed Real Estate Agent and is acting as principal for his own account.
15. **Entire Agreement.** This Option Agreement for Purchase and Sale of Water Rights contains the entire agreement between the Parties relating to the Water Rights and takes the place of any other written or oral agreements, arrangements, or understanding between the Parties regarding the Water Rights. Neither Buyer nor Seller shall be bound by any understanding, agreement, promise, representation or stipulation regarding the Water Rights, express or implied, not specifically contained herein.
16. **Modification.** This Agreement may only be amended, modified, or changed by written instrument. No modification of this Agreement will be valid unless the same is in writing and properly executed by both Parties.
17. **Notices.** All notices to be given to the Parties will be in writing, delivered in hand, or by U.S. Mail (postage pre-paid), by private courier, by email, or by facsimile:

To Buyer:

IDAHO WATER COMPANY LLC
P.O. Box 191190
Boise, ID 83709
Email: info@idahowatercompany.com

To Seller:

Dixie Bundy
1260 W HWY 26
Blackfoot, Idaho 83221
dixiebundy@yahoo.com

18. **Recitals.** The parties agree that the preceding "Recitals" are not mere recitals but are fully integrated representations, covenants, and warranties made by the respective parties under this Agreement.
19. **Counterparts.** This Agreement may be executed in any number of counterparts for the convenience of the Parties, all of which, when taken together, and after execution by all Parties, shall form a single binding agreement.

"SELLER"

Dixie Bundy, an Individual.

Dated: 5/10/2018

By: 
Dixie Bundy

"BUYER"

IDAHO WATER COMPANY, LLC., an Idaho
limited liability company

Dated: 5/10/18

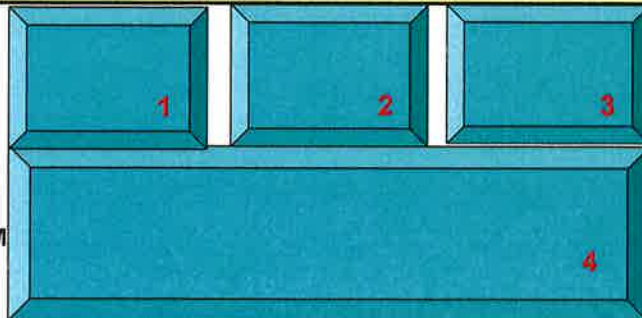
By: 
Delbert G. Kohtz, Managing Member

Attachment #5

ENHANCED GROUND-WATER RIGHTS TOOL

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

Cells this color are set up for user entries



ENTER STARTING DATE FOR

SIMULATION. THEN PUSH

"UPDATE DATES" BUTTON

YEAR 1969

SEASON SPRING

TRANSFER NO:

35-14266, 14267

TRANSFER NAME

Idaho Water Co.

ENTER CELL LOCATIONS:

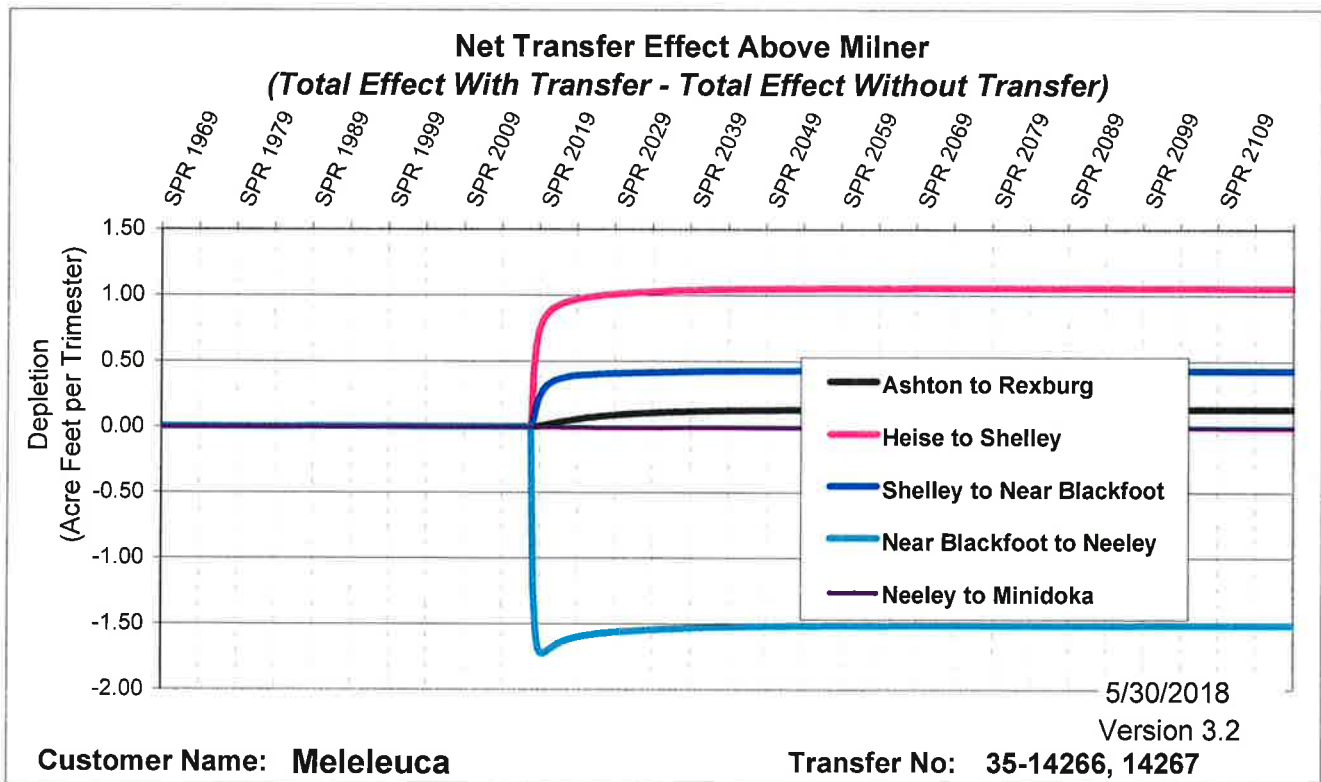
	'TO' CELL	'FROM1' CELL	'FROM2' CELL	'FROM3' CELL	water right	priority	vol. [acre-ft]
ROW	74	71			35-14266	8/5/1969	8
COLUMN	154	132			35-14267	8/5/1969	24

Total transfer: 32

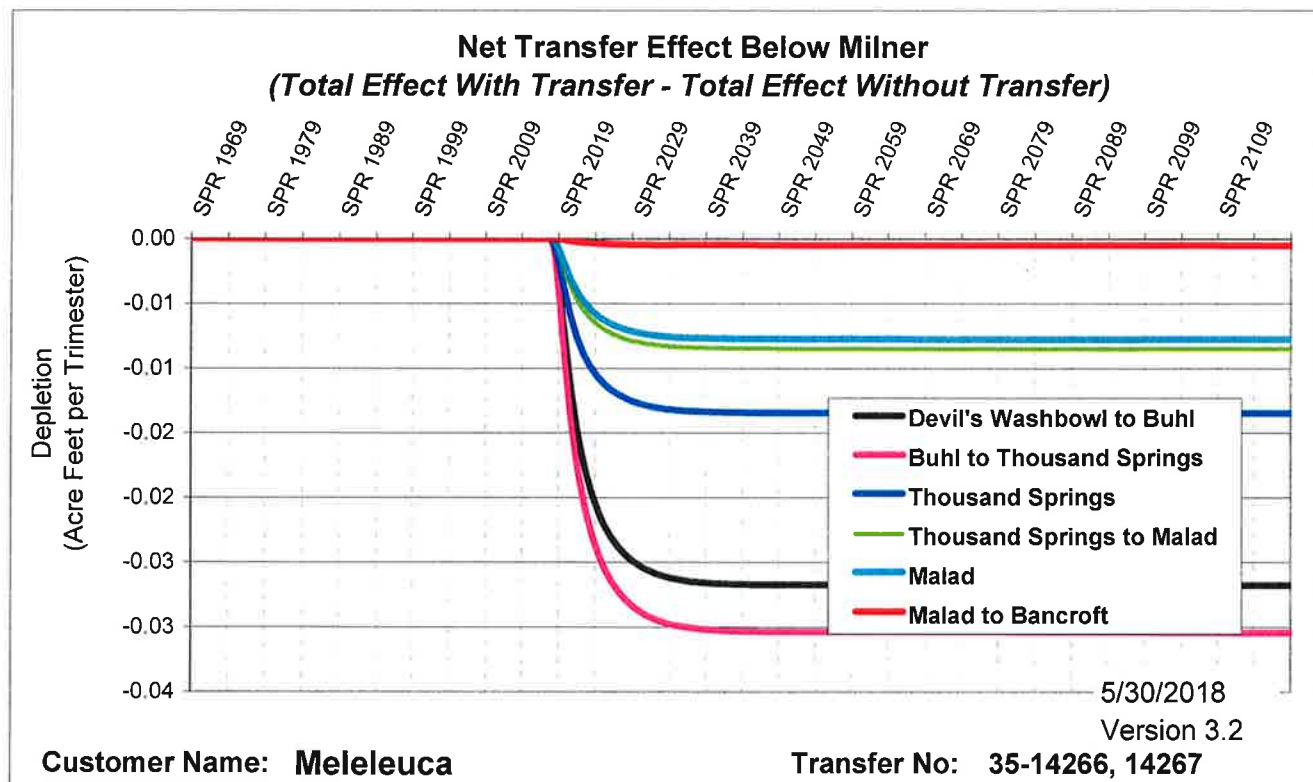
TRIMESTER OF ACTIVITY	TO WELL	FROM1 WELL		FROM2 WELL		FROM3 WELL	
	Projected Use AF/TRIMESTER	With Transfer AF/TRIMESTER	Without Transfer AF/TRIMESTER	With Transfer AF/TRIMESTER	Without Transfer AF/TRIMESTER	With Transfer AF/TRIMESTER	Without Transfer AF/TRIMESTER
SPR 1969	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUM 1969	0.0	10.7	10.7	0.0	0.0	0.0	0.0
WIN 1969	0.0	10.7	10.7	0.0	0.0	0.0	0.0
SPR 1970	0.0	10.7	10.7	0.0	0.0	0.0	0.0
SPR 2016	0.0	10.7	10.7	0.0	0.0	0.0	0.0
SUM 2016	0.0	10.7	10.7	0.0	0.0	0.0	0.0
WIN 2016	0.0	10.7	10.7	0.0	0.0	0.0	0.0
SPR 2017	0.0	10.7	10.7	0.0	0.0	0.0	0.0
SUM 2017	0.0	10.7	10.7	0.0	0.0	0.0	0.0
WIN 2017	0.0	10.7	10.7	0.0	0.0	0.0	0.0
SPR 2018	10.7	0.0	10.7	0.0	0.0	0.0	0.0
SUM 2018	10.7	0.0	10.7	0.0	0.0	0.0	0.0
WIN 2018	10.7	0.0	10.7	0.0	0.0	0.0	0.0
SPR 2019	10.7	0.0	10.7	0.0	0.0	0.0	0.0
SPR 2114	10.7	0.0	10.7	0.0	0.0	0.0	0.0
SUM 2114	10.7	0.0	10.7	0.0	0.0	0.0	0.0
WIN 2114	10.7	0.0	10.7	0.0	0.0	0.0	0.0
SPR 2115	10.7	0.0	10.7	0.0	0.0	0.0	0.0
SUM 2115	10.7	0.0	10.7	0.0	0.0	0.0	0.0
WIN 2115	10.7	0.0	10.7	0.0	0.0	0.0	0.0
SPR 2116	10.7	0.0	10.7	0.0	0.0	0.0	0.0
SUM 2116	10.7	0.0	10.7	0.0	0.0	0.0	0.0
WIN 2116	10.7	0.0	10.7	0.0	0.0	0.0	0.0
SPR 2117	10.7	0.0	10.7	0.0	0.0	0.0	0.0
SUM 2117	10.7	0.0	10.7	0.0	0.0	0.0	0.0
WIN 2117	10.7	0.0	10.7	0.0	0.0	0.0	0.0
SPR 2118	10.7	0.0	10.7	0.0	0.0	0.0	0.0
SUM 2118	10.7	0.0	10.7	0.0	0.0	0.0	0.0
WIN 2118	10.7	0.0	10.7	0.0	0.0	0.0	0.0

ATTACHMENT #5

Data Entry



ATTACHMENT #5
ESPA Impacts Above Milner



ATTACHMENT #5
ESPA Impacts Below Milner

Attachment #7

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT
PART 3



JCH - 5/30/2018

2015 NAIP Aerial Photo

0.25 0 0.25 0.5 0.75 1 Miles

- Proposed Irrigation Place of Use (23.8 ac. total)
- Proposed Point(s) of Diversion (WMIS #1001883)
- Township & Range
- Section
- Bonneville County 40's
- ESPA Model Grid

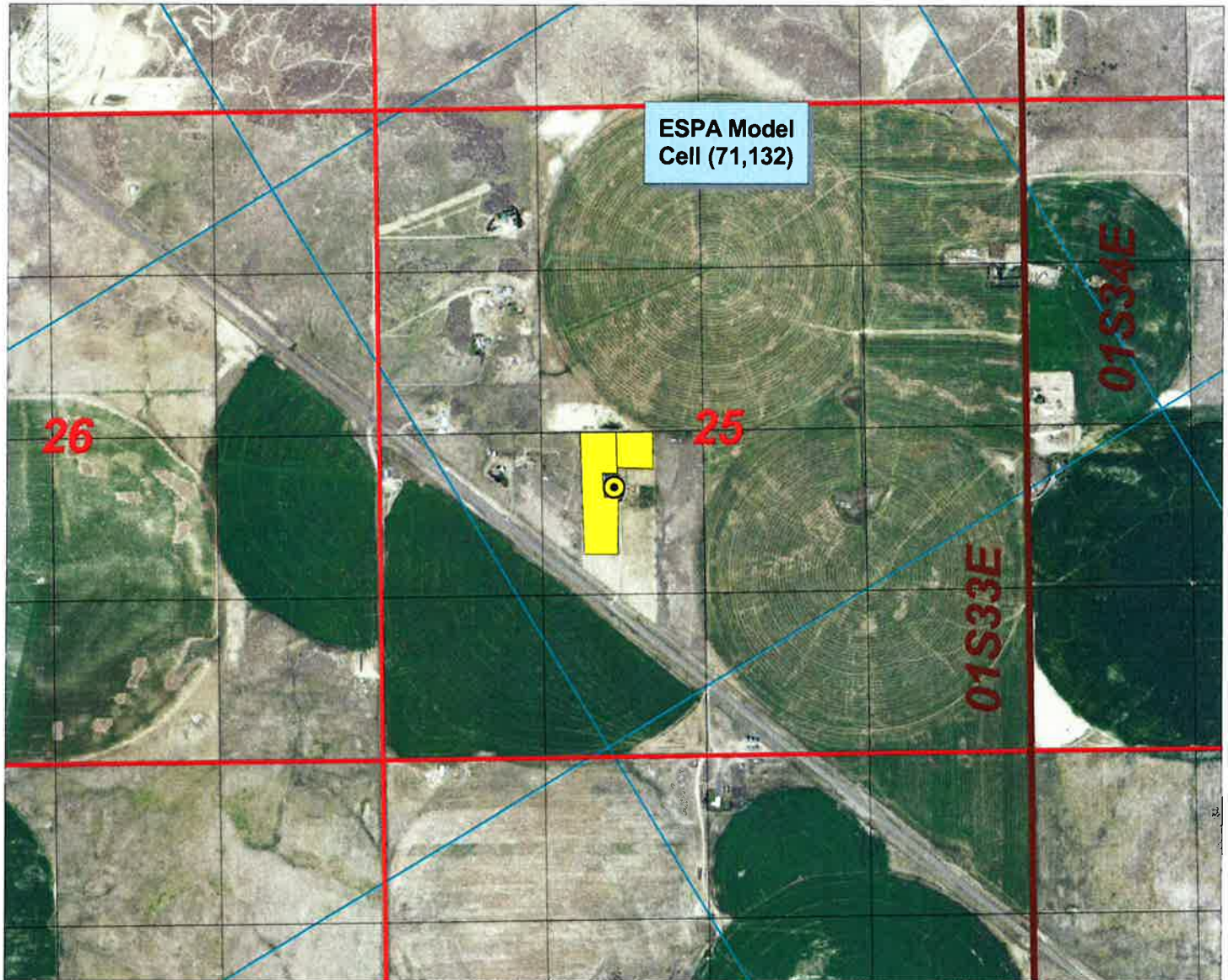


ATTACHMENT #7a

82526

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT
PART 3



JCH - 5/30/2018

2015 NAIP Aerial Photo

0.25 0 0.25 0.5 0.75 1 Miles

Scale: 4 inches equals 1 mile (1:15,840)

-  Dry-up Existing Irrigation Place of Use (8.0 ac. total)
-  Existing Point(s) of Diversion (35-14266, 35-14267)
-  Township & Range
-  Section
-  Bingham County 40's
-  ESPA Model Grid



ATTACHMENT #7b

82526

May 31, 2018

Idaho Department of Water Resources
Eastern Regional Office
900 North Skyline Drive, Suite A
Idaho Falls, ID 83402-1718

JCH Engineering & Consulting, PLLC

6755 N. Albert Lane
Idaho Falls, ID 83401
(208) 308-2109

jasoncivil@alumni.nd.edu

RECEIVED
JUL 16 2018
RECEIVED
JUL 13 2018

Department of Water Resources
Eastern Region
DEPT OF WATER RESOURCES
SOUTHERN REGION

Re: Application for Transfer 35-14266 & 35-14267 in the name of Idaho Water Co. LLC

Dear Reviewing Agent:

Please find attached an application for transfer of water right prepared on behalf of Idaho Water Company, LLC. This transfer seeks to change the place of use for existing water rights 35-14266 & 35-14267 to an existing place of use. I understand a similar portion of existing water rights within the TO location will be removed and total irrigation authorized by the water rights will be maintained in each irrigation season.

According to the results of the ESPA Transfer Spreadsheet analysis (Attachment #5), all calculated impacts appear below 2 acre-ft per model trimester so the transfer should be approvable without mitigation.

If you need anything or I can assist in any way to expedite processing please don't hesitate to contact me at your earliest convenience.

Sincerely,



Jason C. Helms, P.E.

Attachments: Application for Water Right Transfer (0.08 cfs, 32.0 afa, 8 ac.) w/attachments
Idaho Water Co. Check #8837 to IDWR for transfer processing fee (0.08 cfs = \$200)

cc: Del Kohtz (Idaho Water Company, LLC)