

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 227

This is to certify that:

J R SIMPLOT CO
C/O JAMES ALDERMAN
PO BOX 27
BOISE, ID 83707

RECEIVED

MAR 30 2018

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)
61-12291	12/2/1963	GROUND WATER	0.14	36.40
Rental Totals			0.14	36.40

Term of Rental: This rental shall take effect when all parties have signed it and shall continue in effect until December 31, 2019

Annual Rental Fee:

2018: \$72.80
2019: \$72.80

The full fee for the rental of the above-described right(s) is \$72.80 per year for years 2018 - 2019. The rental fee includes an administrative fee of \$72.80 per year for years 2018 - 2019. Note that the renter is obligated to pay only the administrative fees associated with the water right(s) 61-12291.

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 No. 227

Beneficial Use	Diversion Rate (CFS)	Diversion Volume (AF)
STOCKWATER	0.14	36.40
Total	0.14	36.40

Detailed water right conditions are attached.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 227

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:



Signature of Renter

3-26-18

Date

James B. Alderman

Printed Name

Senior Vice President and Secretary

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, Acting Administrator
Idaho Water Resource Board

Date

4/3/2018

Rental approved by IDWR



Date

4-3-2018

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 227

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER	SWSE	Sec. 8, Twp 03S, Rge 06E,	ELMORE County
GROUND WATER	NENW	Sec. 17, Twp 03S, Rge 06E,	ELMORE County
GROUND WATER	SESE	Sec. 16, Twp 03S, Rge 06E,	ELMORE County

Beneficial Use
STOCKWATER

Diversion Rate
0.14 CFS

Volume
36.40 AF

SEASON OF USE

Water Right No.	From	To
61-12291	1/1	12/31

RENTERS PLACE OF USE: STOCKWATER

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
03S	05E	12			X														
03S	06E	7										X L3					X		
03S	06E	8															X		

Total Acres: 0.0

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 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.
4. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
5. 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.
6. 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. This rental for mitigation by non-use may be ineffective if the mitigating water right is not in priority.
7. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 227

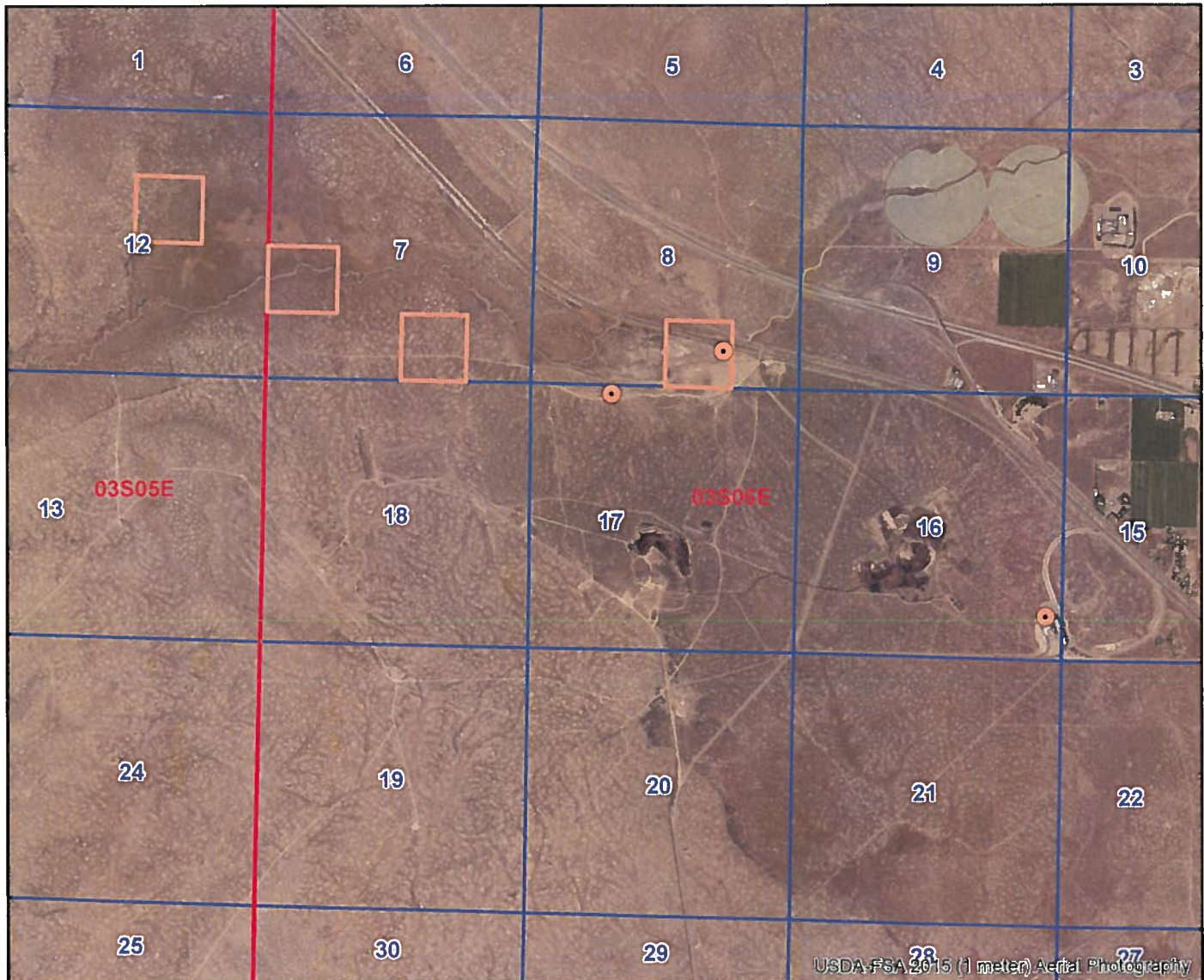
8. The amount of water diverted for watering of livestock under this rental shall not exceed 13,000 gallons per day.
9. This rental agreement does not authorize the construction of a well.



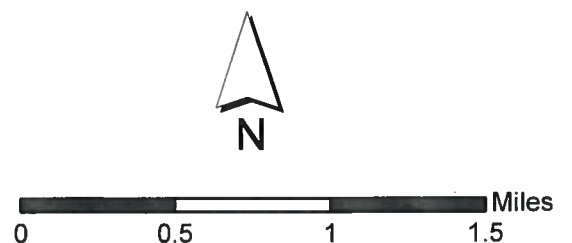
Idaho Water Resource Board
Attachment to Water Supply Bank Rental Agreement No 227

Effective until December 31, 2019

This map depicts the STOCKWATER 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



STATE OF IDAHO
WATER RESOURCE BOARDAPPLICATION TO RENT WATER
FROM THE BOARD'S WATER SUPPLY BANK

RECEIVED

JAN 05 2018

DEPARTMENT OF
WATER RESOURCESApplicant Name: J. R. Simplot Company

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)

61-12291

61-12291

976

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A. Applicant J. R. Simplot Company

Mailing Address <u>P. O. Box 27</u>	Boise	ID	83707
Street	City	State	Zip Code
Email Address <u>vic.conrad@simplot.com</u>	Phone Number <u>208-780-7359</u>		

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

Representative <u>James B. Alderman</u>	Professional Title <u>Sr. Vice President and Secretary</u>
Organization <u>J. R. Simplot Company</u>	Relationship to Applicant _____
Mailing Address _____	
Email Address _____	Phone Number _____

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**:

Water will be used year round to provide stockwater for up to 500 head of beef cattle. Using 13 gallons per head per day, the total maximum volume used will be no more than 8 acre feet per year.

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)
0.2 CFS	8.0 AF	0.04 CFS	8.0 AF	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?	
1/1/2018		☐ 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):

Water will be transported from wells via pipeline to stock water troughs

- 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
SWSE Sec.8 T.3S R.6E	Groundwater	61-12291
NWNW Sec. 17 T.3S R.6E	Groundwater	61-12291
SESE Sec. 16 T.3S R.6E	Groundwater	61-12040

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 _____ (number of acres) Duration: Subject to IDWR standard seasons of use
- ☐ Commercial from: _____ (mm/dd) to: _____ (mm/dd)
- ☐ Stockwater from: 1/1 (mm/dd) to: 12/31 (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:

61-12291 covers a portion of the rented place of use. A application to lease 61-12291 to the Water Supply Bank accompanies this application to make a portion of 61-12291 available for stockwater.

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)
61-12291	Industrial	0.67	174	NA		0.2	8	NA
61-12291	Irrigation	3.2	900	200				
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	0.2	8	NA
						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**:

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**:

This application seeks to convert 0.2 cfs of the industrial portion of 61-12291 to provide water for watering up to 500 head of cattle year round.

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 is partially used on State Land under a State Authorized Grazing Lease. In the even the Grazing Lease terminates or is withdrawn, water right 61-12291 will revert to its licensed points of diversion and place of use.

- 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.

- 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

James B. Alderman
Printed Name of Applicant

1-3-18
Date

Signature of Representative

Senior Vice President and Secretary
Printed Name of Representative

Date

Mail to:

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

STATE OF IDAHO
WATER RESOURCE BOARD

Water Modeling Requirement Information Sheet

Information on water modeling requirements for rental requests within special administrative areas

Important information on requesting rental water within special administrative areas: Refer to the information below to determine whether the modeling of potential impacts from your rental request is necessary. Use Section 4 of the rental application to identify selected water rights. **If you submit an application to rent water from within a special administrative area and water modeling is required, your rental request will be returned if water modeling is not provided.**

Water modeling may be required when an application to rent water involves one of two scenarios:

Scenario 1: The rental request proposes to divert water from a regulated water source and/or within a special administrative area AND the distance between the rental point(s) of diversion (POD) and the POD(s) for the leased water right(s) is greater than the administratively established, acceptable distance.

Regulated water sources may areas include:

- A. Ground water resources within the modeled area of the Eastern Snake Plain Aquifer (ESPA) and tributary aquifers;
- B. Ground water within Ground Water Management Areas (GWMAs) or Critical Ground Water Areas (CGWAs);
- C. Water resources within other specified administrative areas, as established by the Idaho Water Resource Board (IWRB) or the Idaho Department of Water Resources.

The distance between any rental POD(s) and the POD(s) for a leased water right to be rented is important. On the ESPA, distance is measured in terms of model cells that cover an area of one square mile. Ground water modeling is not required if lease POD(s) and rental POD(s) are located within the same model cell or within adjacent model cells. If the lease and rental PODs are separated by more than one model cell groundwater modeling must be completed using the IDWR ESPA Transfer Tool and modeling results must be submitted with the rental application. ESPA modeling tools can be accessed and freely downloaded from IDWR's website by visiting: www.idwr.idaho.gov/WaterManagement/WaterRights/WaterRightTransfers/resources.htm.

Ground water modeling may be required within GWMAs, CGWAs or other regulated administrative areas. Applicants who desire to rent water within an established GWMA, CGWA or other regulated administrative area should consult IDWR's website before submitting their application to review the current status of administrative orders related to regulated administrative areas. Consult www.idwr.idaho.gov/WaterInformation/GroundWaterManagement/designated_areas.htm for information on GWMAs or CGWAs, visit <https://idwr.maps.arcgis.com/home/> to use mapping tools to find other regulated areas.

Applicants interested in renting water within a GWMA, CGWA or other regulated administrative areas should request water rights that have been leased into the Bank from within the same administrative area. Generally, the Bank will not permit a rental of water within a regulated administrative area if the leased water rights are not located within that same administrative area.

Scenario 2: A rental request proposes to divert water from a different but hydraulically connected water source.

Modeling situations may include:

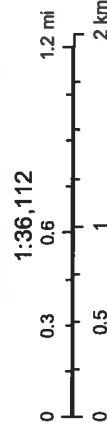
- A. Rental requests that propose to divert surface water rights via ground water POD(s) (wells); and
- B. Rental requests that propose to divert ground water from one aquifer when the right being rented authorizes the diversion of ground water from a hydraulically connected, tributary aquifer.

Rental requests that propose to divert surface water rights from ground water points of diversion may be considered if ground water modeling establishes that the surface and ground water resources are directly and immediately hydraulically connected. An acceptable hydraulic connection occurs when at least 50 percent of the total depletions from a well are detectable from the original water source within a 24 hour period. The existing (leased) POD and proposed (rental) POD must be proximate such that diversion and use of water from the proposed POD would have substantially the same effect on the hydraulically-connected source as diversion and use of water from the original POD.

Requests to rent ground water across tributary aquifer sources may be considered if ground water modeling is provided to demonstrate that two aquifers are hydraulically connected and the anticipated impacts of diverting ground water from one source through the other is modeled accordingly.

For more information about rental application requirements, contact IDWR at (208) 287-4800.

1:36,112



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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

April 4, 2018

J R SIMPLOT CO
C/O JAMES ALDERMAN
PO BOX 27
BOISE ID 83707

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO. 61-12291**

Dear Renter:

Please find enclosed a receipt in the amount of **\$72.80** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 36.4 acre-feet of water for stockwater use during 2018. 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, the rental fee will be retained by the Department to offset administrative costs since you are the owner of the right.

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

Sincerely,


for Water Supply Bank

Enclosure: Receipt No. C104888
Rental Agreement (copy)

c: Sascha Marston – Fiscal
Angie Grimm – IDWR Western Regional Office
Nick Miller – State Water District No. 161



J.R. Simplot Company
Simplot Headquarters
1099 W. Front Street
Boise, Idaho 83702
P.O. Box 27
Boise, Idaho 83707

208 336 2110

March 26, 2018

Debbi Judd
Water Supply Bank
State of Idaho
Department of Water Resources
322 East Front Street
Boise, Idaho 83720-0098

RECEIVED

MAR 30 2018

**DEPARTMENT OF
WATER RESOURCES**

Re: Water Bank Lease and Rental Contracts 61-12291.

Dear Ms. Judd:

Enclosed are duplicate partially executed originals of the Water Bank Lease Contract and one partially executed original of the Rental Agreement. Also enclosed is a check in the amount of \$72.80 to cover the rent for 2018 under the enclosed Rental Agreement.

Please arrange for signature of each of the enclosed by the Idaho Water Resource Board and the IDWR, then return a fully executed original of the Lease Contract and a copy of the fully executed Rental contract to me.

Sincerely,

Vic Conrad
Land, Water & Asset Recovery

Enclosure



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

March 29, 2018

J R SIMPLOT CO
C/O JAMES ALDERMAN
PO BOX 27
BOISE ID 83707-0027

**RE: REQUEST FOR RETURN OF SIGNED WATER SUPPLY BANK LEASE CONTRACTS
AND RENTAL AGREEMENT AND PAYMENT FOR WATER RIGHT 61-12291**

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

Dear Applicant:

The Department of Water Resources (Department) mailed **two original Water Supply Bank Lease Contracts and a Water Supply Bank Rental Agreement for your review and signature on March 8, 2018**. The signed contracts, rental agreement, and rental fee have not been returned to the Department.

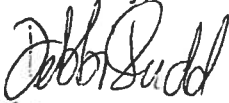
Please sign both original Lease Contracts and the Rental Agreement and return them to the Department with the rental payment in the amount of \$72.80 within ten (10) days of this letter to complete processing. The Lease Contract and Rental Agreement are not considered final until both you and the Department have signed.

If the signed lease contracts and rental agreement are not received by the Department within the 10-day period, the applications will be returned and the application fee will not be refunded. You can reapply to lease and rent the water right in the future by submitting new application forms along with applicable fees.

Diversion and use of the water right is not authorized under the proposed rental agreement until it has been signed by both the renter and the Department. Any use associated with your proposed rental request before it has been executed is considered unauthorized and, if occurring, will be subject to any necessary enforcement action.

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

Sincerely,


for Water Supply Bank



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

March 8, 2018

J R SIMPLOT CO
C/O JAMES ALDERMAN
PO BOX 27
BOISE ID 83707-0027

**RE: APPLICATION TO LEASE AND RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO. 61-12291**

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

Dear Applicant:

The Department of Water Resources acknowledges receipt of your applications to lease water to and rent water from the Water Supply Bank. **I have enclosed two original Water Supply Bank Lease Contracts and a Water Supply Bank Rental Agreement for your review and signature. Please sign and return ALL Lease Contracts and Rental agreements within 14 days.** Upon signature and return of the original contracts and agreement, together with the rental fee described below, the Department will also sign the original contracts and agreement and return executed copies 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 **\$728.00** was calculated based on the current rental rate of \$20.00 per acre-foot times a diversion volume of 36.40 acre-feet. Since you are both the lessor and the renter of the right, **you are only obligated to pay the 10% administrative fee or \$72.80. Please send a check for \$72.80** made payable to the Idaho Department of Water Resources, so I can complete processing.

The Department shall receive an annual payment prior to January 1 in all subsequent years for the duration of the rental period. The rental agreement will be void if payment is not received prior to the due date in a given year. If the rental is voided and you do not terminate the lease contract, the water rights will still be subject to rental by other parties.

If you would like to terminate the lease and rental agreement prior to the end of the lease/rental period, you must submit written notice of your intent to the Department at least 30 days prior to the rental fee due date. You may use the Request to Release a Water Right From the Bank located at <http://idwr.idaho.gov/files/water-supply-bank/WSB-Request-to-Release-a-WR-from-the-Bank.pdf>.

If all signed leased contracts, signed rental agreements and the rental fee payment is not received within 14 days, your lease/rental package may be in danger of being returned without being executed in such case, the lease application fee will not be refunded.



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

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

Sincerely,


for Water Supply Bank

Enclosures:

Proposed Lease Contracts
Proposed Rental Agreement
Receipt # C104509

c: IDWR Front Desk

Condon, Mary

From: Grimm, Angie
Sent: Tuesday, March 06, 2018 9:14 AM
To: Condon, Mary
Subject: RE: Simplot Companion Package

Mary,

I have no comments regarding the additional POD.

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: Wednesday, February 28, 2018 11:09 AM
To: Grimm, Angie <Angie.Grimm@idwr.idaho.gov>
Subject: RE: Simplot Companion Package

Angie,

Here is an updated version of the rental proposal from Simplot in Mtn Home.
Please let me know if you have any comments with the additional POD. I highlighted the changes I made to the memo.

Best,
Mary

From: Grimm, Angie
Sent: Friday, February 23, 2018 8:13 AM
To: Condon, Mary <Mary.Condon@idwr.idaho.gov>
Subject: RE: Simplot Companion Package

Mary,

I'm guessing he has no concerns or is relying on me to comment if there's a concern perhaps? I still think we should send him requests for comment as the watermaster, but I'll try and put on a "watermaster hat" for WD 161 WSB emails and try to provide you any comments if necessary ;) Happy Friday! =)

Angie

From: Condon, Mary
Sent: Wednesday, February 21, 2018 9:57 AM
To: Grimm, Angie <Angie.Grimm@idwr.idaho.gov>
Subject: RE: Simplot Companion Package

Angie,

Thank you for getting back to me on this. Honestly, I have not heard back from Nick on this or any of my requests for comment.

Mary

From: Grimm, Angie
Sent: Tuesday, February 20, 2018 3:30 PM
To: Condon, Mary <Mary.Condon@idwr.idaho.gov>
Subject: RE: Simplot Companion Package

Mary,

The lease and rental pods are within the Trust Water area as well as WD 161. However, no specific concerns regarding this proposal inside those two areas comes to my mind. No other local area concerns come to mind for this lease and rental package either. Nick hopefully provided you any comments from the WD 161 Watermaster perspective. 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: Monday, February 12, 2018 10:47 AM
To: Miller, Nick <Nick.Miller@idwr.idaho.gov>; Grimm, Angie <Angie.Grimm@idwr.idaho.gov>
Subject: Simplot Companion Package

Nick, Angie,

Please see the proposal map, review memo and rental amount calculation for lease and rental by Simplot, and kindly respond in 7 days with comments or concerns.

Best,

Mary Condon
Water Supply Bank Specialist
Planning & Projects Bureau

Idaho Department of Water Resources

Main: (208) 287-4936

Fax: (208) 287-6700

MEMORANDUM FOR COMPANION APPLICATION

To: Water Right(s) 61-12291

From: MARY CONDON

Date: February 5, 2018

Re: Review & Analysis of Application to Lease & Rent Water from the State Water Supply Bank

PURPOSE/NARRATIVE: Companion application to lease entire water right, and rent a portion of the industrial for stockwater for 500 head of cattle was received on January 5, 2018. Industrial and irrigation portions are split into two separate leases, with the industrial portion leased in Bank until 2018 and irrigation portion leased and under rental until 2019. Rental is by Casa de Norte, so only the industrial portion will be leased to supersede contract #1 for another two years. Previous rental agreement for the industrial portion by Simplot expired 2017.

AUTHORITY TO FILE: Both applications submitted by Vic Conrad, signed by James Alderman as Representative. Alderman is the Sr VP for Simplot. Taxlot info shows Simplot owns the Lease POU and 3 of the 4 Rental POU's. T03R06E S7 NWSW3 is State of Idaho; Dept of Lands permit letter for their use for stockwater use dated October 13, 2015 in file.

WATER RIGHT VALIDITY: Parent water right 61-2165 leased to the bank since 2005 and decreed in 2007, split through transfer in 2013 kept 65-12291 leased to the bank continuously. Forfeiture is not a concern.

INJURY TO OTHER WATER RIGHTS: The location for the lease / rental PD is subject to Water District # 61A-Canyon Creek drainage basin and Water District #161-Mountain Home Area ground water. No injury with lease is apparent.

ENLARGEMENT OF USE: Enlargement through lease alone is not a concern, entire right is leased through two contracts and is being idled on POU. Enlargement through rental of industrial use for stockwater use is not apparent.

Review of Administrator's Memo No. 3, Annual Use of Water for Stockwater Purposes, suggests 0.14 cfs for 501-600 head. Review of other Simplot Stockwater (see 51-10248) for 500 head of grazing cattle is 0.12 cfs with no volume attached. Condition N13 is attached to most of the stockwater rights referred to for guidance. The application requested 0.2 cfs for 8.1 af, minimum of 0.04 cfs.

It would be reasonable to allow a rental for a diversion rate of 0.14 cfs, with a proportionate volume of 36.4 af to the leased water right 0.67 cfs and 174 af. The rental will also include condition N13, Quantity of water under the rental of this right shall not exceed 13,000 gallons per day.

LOCAL PUBLIC INTEREST: Review staff has no information to suggest this application is inconsistent with the local public interest. Protest occurred during the transfer of this water right in 2013, but was withdrawn. Again, the POD and POU are with the Water District # 61A-Canyon Creek drainage basin and Water District #161-Mountain Home Area ground water.

WR 61-12291

February 5, 2018

Review & Analysis of Application to Lease & Rent Water from the State Water Supply Bank
Cont.

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

DEPARTMENT STAFF OR WATERMASTER COMMENTS:

POD and POU Rental & Lease are with the Water District # 61A-Canyon Creek drainage basin and Water District #161-Mountain Home Area ground water. Request for comment sent to WD 161 Mountain Home Watermaster and Western Region. Western has no concerns, added PD is within Trust Area. 161 Watermaster did not provide comment.

Please let me know if I can be of any further assistance to you.

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: Conrad, Vic [<mailto:Vic.Conrad@simplot.com>]
Sent: Thursday, January 04, 2018 7:59 AM
To: Condon, Mary <Mary.Condon@idwr.idaho.gov>
Cc: Helmick, Darcy <darcy.helmick@simplot.com>
Subject: Water Bank Lease & Rent Packages for 61-12291 and 24-4017.

Mary,
Attached are applications to lease a portion of water right 24-4017 and all of 61-12291 to the Water Supply Bank for a 2-year term. Also included is an application to rent all of the leased portion of 24-4017 for dust abatement for a mine haul road at our Smoky Canyon mine and an application to rent a portion of the leased portion of 61-12291 for a stockwater system near Mountain Home.

In connection with the Caribou County water right 24-4017; I included the map prepared by the IDWR labelled, "Idaho Water Resource Board Water Supply Bank Lease 24-4017 Effective until December 31, 2018". I also prepared a tabular description to help identify the number of acres within each ¼ that will be leased to the Bank. In your letter of December 6, 2017, you indicated that the rent agreement for 24-4017 expired on December 31, 2017. It is possible, for some reason, the term of the rent agreement was different than the term of the lease agreement for 24-4017. Nevertheless, in attempt to avoid any delay, I included a new application to lease the same portion of 24-4017 previously leased and to rent the same water for the term commencing in 2018 and expiring at the end of 2020.

A check in the amount of \$500.00 will also be included to cover the fees for filing both applications to lease to the Bank.

Please let me know if I can help with any questions about the applications.

Thanks,
Vic
208-780-7359