

RECEIVED

MAR 12 2018

DEPARTMENT OF
WATER RESOURCES**WATER SUPPLY BANK LEASE CONTRACT No. 760**

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

LESSOR: BLACK BUTTE HILLS LLC
C/O GREGORY VIK
PO BOX 1607
BELLEVUE, WA 98009

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 Tuesday, February 13, 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)
37-22771	10/30/1974	GROUND WATER	4.50	1,114	371.3
Combined Lease Totals			4.50	1,114	371.3

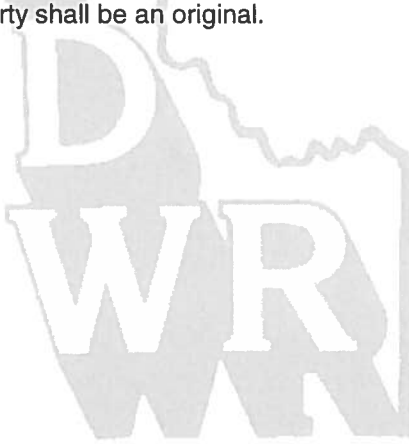
2. **COMPENSATION:** The Lessor shall accept and the Board shall pay compensation determined by the amount of water rented under the following rental rate during such times as the water is rented from the Bank over the term of this Lease.

Minimum Payment Acceptable: Not Rentable

3. **TERM OF LEASE:** The term of this lease shall be January 1, 2018 to December 31, 2019. 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.

WATER SUPPLY BANK LEASE CONTRACT NO. 760

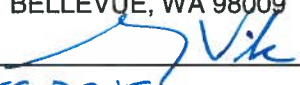
3. **TERM OF LEASE:** The term of this lease shall be January 1, 2018 to December 31, 2019. This Lease shall bind the parties and take effect when both parties have signed it.
4. **WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE:** The Lessor shall abide by all terms and conditions contained in the Water Supply Bank Conditions of Acceptance, attached hereto as "Attachment A" and incorporated herein by this reference.
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.



WATER SUPPLY BANK LEASE CONTRACT NO. 760

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

LESSOR: BLACK BUTTE HILLS LLC
C/O GREGORY VIK
PO BOX 1607
BELLEVUE, WA 98009

By 
Title PRESIDENT
Date 3/7/18

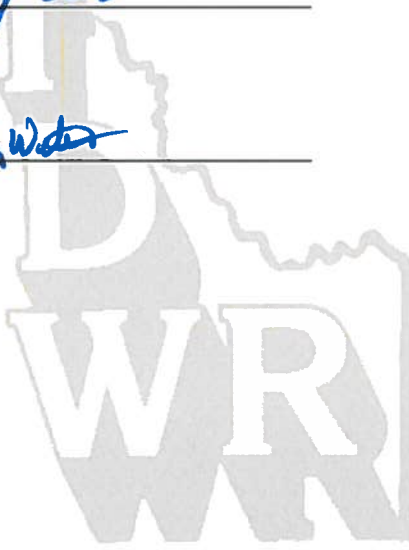
IDAHO WATER RESOURCE BOARD
322 East Front Street
P.O. Box 83720
Boise, ID 83720-0098

By 
Brian Patton, Acting Administrator
Idaho Water Resource Board

Date 3/13/2018

Lease approved by IDWR 

Date 3-13-2018



WATER SUPPLY BANK LEASE CONTRACT NO. 760

ATTACHMENT A
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE
FOR LEASE CONTRACT NO. 760

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): 37-22771

GROUND WATER	SWNW	Sec. 1	Twp 02S	Rge 17E	BLAINE County
GROUND WATER	SWSE	Sec. 11	Twp 02S	Rge 17E	CAMAS County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
37-22771	IRRIGATION	05/01	to	10/01	4.50 cfs	1,114 AF
Totals:					4.50 cfs	1,114 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	
02S	17E	1							6.2			1.1	5.9						13.2
02S	17E	2				0.4								13.4	1.0	1.1	33.2	3.8	52.9
02S	17E	11	25.5	34.0	28.0	17.7	31.9			15.0					16.3	12.0	19.0	27.0	226.4
02S	17E	12								0.8	14.7	24.3	28.0	11.0					78.8

Total Acres: 371.3

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).
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.

WATER SUPPLY BANK LEASE CONTRACT NO. 760

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. Use of water under this right will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 37.
13. Rights 37-2211, 37-11989, and 37-22771 when combined shall not exceed the irrigation of 748.5 acres.
14. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 3.5 afa per acre at the field headgate for irrigation of the place of use.
15. The period of use for the irrigation described in this approval may be extended to a beginning date of 4/15 and an ending date of 10/31 provided that beneficial use of the water can be shown and other elements of the right are not exceeded. The use of water before 5/1 and after 10/1 is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than the date of the decree on February 3, 2010.

Idaho Water Resource Board
Water Supply Bank Lease

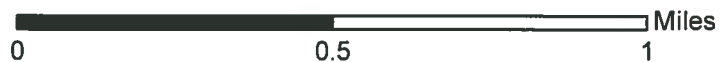
37-22771

Effective until December 31, 2019

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.



-  Townships
-  PLS Sections
-  Quarter Quarters
-  Approved Lease Point of Diversion
-  Approved Lease Place of Use



FEB 13 2018

DEPARTMENT OF
WATER RESOURCES

Form 42-1761-1 1/15

APPLICATION TO SELL OR LEASE A WATER RIGHT TO THE WATER SUPPLY BANK

An application to lease or sell a water right into the Water Supply Bank must be prepared in accordance with the minimum requirements listed below to be acceptable for processing by the Department. 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. **Incomplete applications will be returned to applicants for completion.**

Designated Applicant BLACK BUTTE HILLS LLC
C/O GREGORY VIK
(Select one owner – see item 1A on the application)

Water Right No. 37-22771
(One water right per application)

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

YES

- ☒ Completed *Water Supply Bank Lease or Sale Application Checklist* (this form).
- ☒ Completed *Application to Sell or Lease a Water Right to the Water Supply Bank* (pages 2-3).
- ☐ 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.

Attachment N/A YES

- | | | | |
|----|-------------------------------------|-------------------------------------|--|
| 1A | ☐ | ☒ | Contact information for <i>all owners</i> of the water right that is being leased or sold on this application. |
| 1B | ☐ | ☐ | An Internal Revenue Service (IRS) Form W-9 for the Designated Applicant. |
| 1C | ☒ | ☐ | <i>Notice of Change in Water Right Ownership</i> form (accessible from www.idwr.idaho.gov). |
| 1D | ☒ | ☐ | Written consent from irrigation district or water delivery company. |
| 1E | ☐ | ☒ | 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. |
| 3E | ☐ | ☒ | Evidence demonstrating that a water right has not been lost through abandonment or forfeiture pursuant to Section 42-222(2), Idaho Code . |
| 4 | ☐ | ☒ | 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 . |

Department Use Only

Fee Amount \$ <u>250.00</u>	Received By: <u>(Signature)</u>	Date Received: <u>2/13/2018</u>	Receipt # <u>C104652</u>
W-9 received? Yes ☐ No ☒ (Route W-9 to Fiscal)		Name on W-9:	

1030

APPLICATION TO SELL OR LEASE A WATER RIGHT TO THE WATER SUPPLY BANK

1. CONTACT INFORMATION

- A. An application to sell or lease a water right to the Water Supply Bank must be completed by a Designated Applicant who is a recognized owner of the water right being sold or leased to the Water Supply Bank. If there are additional owners recorded for the property to which the water right is appurtenant, those individuals must authorize the Designated Applicant to represent them on this application. BLACK BUTTE HILLS LLC
C/O GREGORY VIK Attachment 1A of this application package.

Designated Applicant C/O GREGORY VIK Email Address _____

Mailing Address PO BOX 1607 BELLEVUE, WA 98009 Phone Number (425) 460-2542

☒ 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 completed an IRS Form W-9 (Attachment 1B)? W-9 Form has previously
been submitted Yes ☐ No ☒

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 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 1D).

E. 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 1E).

Name of Representative Greg Sullivan Organization Brockway Engineering

Professional Title Engineer Email Address greg.sullivan@brockwayeng.com

Mailing Address 2016 N. Washington St Suite 4 Twin Falls, Id 83301 Phone Number 208-736-8543

☐ 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

Water Right Number 37-22771 ☐ 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 a water right is being offered, complete Attachment 2)

3. GENERAL INFORMATION

- A. Please provide a description of the current water diversion system.

Existing well, mainline and delivery systems.

- B. 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.
Water right 37-2211 is an irrigation water right for 85.0 acres. None of the 85.0 acres under 37-2211 is being
offered at this time. Water right 37-11989 provides irrigation storage, irrigation from storage and diversion to stora

- C. Are any of the water rights identified in question 3B stacked with the water right proposed for lease? Yes ☒ No ☐

Stacked water rights are water rights that are utilized 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.

D. Will the present place of use continue to receive water from any other source?

Yes ☐ No ☒

If yes, describe. _____

E. Has any portion of this water right undergone a period of five or more consecutive years of non-use?

Yes ☐ No ☒

If yes, describe and attach Watermaster records or other evidence to demonstrate that the water right has not been lost through abandonment or forfeiture pursuant to [Section 42-222\(2\), Idaho Code](#). _____

F. Is this water right involved in any other IDWR process such as an application for transfer or a mitigation plan? Yes ☐ No ☒

If yes, describe. _____

4. MAP

Plat map, survey map, or aerial photograph clearly showing the specific acres proposed to be idled by this lease application.

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 2019 (maximum lease period 5 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 provisions are stayed.
5. Acceptance of a water right into the Bank does not, in itself, confirm the validity of the water right or any elements of the water right.

Signature of Designated Applicant

PRESIDENT, BLACK BUTTE HILLS LLC

GREG VIK
Printed Name

12/29/17
Date

Signature of Authorized Representative

Printed Name

Date

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



Legend

 37-22771_POU_Update

 WSB_2015_37-22771

**BLACK BUTTE HILLS LLC - MAGIC RANCH
37-22771 WATER BANK LEASE 2018-2019
NAIP 2015 AERIAL**

BROCKWAY ENGINEERING, PLLC.
GWS -Date: 12/12/2017

No. W 36007		Due no later than Jan 31, 2017		2. Registered Agent and Address (NO PO BOX)	
Return to: SECRETARY OF STATE 700 WEST JEFFERSON PO BOX 83720 BOISE, ID 83720-0080 NO FILING FEE IF RECEIVED BY DUE DATE		Annual Report Form		NATIONAL REGISTERED AGENTS INC 921 S ORCHARD ST STE G BOISE ID 83705	
		1. Mailing Address: Correct in this box if needed. BLACK BUTTE HILLS LLC PR CORP. SERVICES, INC. 10900 NE 4TH STREET SUITE 1850 BELLEVUE WA 98004-8341		3. <u>New</u> Registered Agent Signature:*	
4. Limited Liability Companies: Enter Names and Addresses of at least one Member or Manager.					
Office Held	Name	Street or PO Address	City	State	Country Postal Code
MANAGER	INVESTMENTS MANAGER LLC	10900 NE 4TH STREET SUITE 1850	BELLEVUE	WA	98004-8341
5. Organized Under the Laws of: WA W 36007		6. Annual Report must be signed.* Signature: Peterson Russell Kelly PLLC Name (type or print): Peterson Russell Kelly PLLC Date: 01/25/2017 Title: Attorney for LLC			
Processed 01/25/2017		* Electronically provided signatures are accepted as original signatures.			



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 14, 2018

BLACK BUTTE HILLS LLC
C/O GREGORY VIK
PO BOX 1607
BELLEVUE WA 98009

RE: WATER SUPPLY BANK LEASE CONTRACTS FOR WATER RIGHT 37-22771

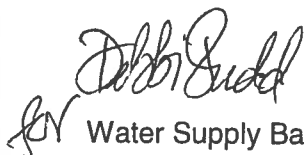
Dear Lessor:

Water right **37-22771** was leased into the Water Supply Bank (Bank) as of February 13, 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, 2019**, 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,



Water Supply Bank

Enclosures: Executed Lease Contracts

c: Corey Skinner - IDWR Southern Region
Kevin Lakey - Water District 37
Greg Sullivan - Brockway Engineering



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 • Web Site: www.idwr.idaho.gov

GARY SPACKMAN
Director

C.L. "BUTCH" OTTER
Governor

March 7, 2018

DIAMOND/SOLDIER PROPERTIES LLC
SV RANCH LLC
BLACK BUTTE HILLS LLC
C/O GREGORY VIK
PO BOX 1607
BELLEVUE WA 98009

RE: REQUEST FOR RETURN OF SIGNED WATER SUPPLY BANK LEASE CONTRACTS FOR WATER RIGHT(S) 37-410, 37-411, 37-368A, 37-409A, 37-2076A, 37-2157 and 37-2455, 37-7595B, 37-20373 and 37-22771

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

Dear Applicant,

The Department of Water Resources (Department) mailed **two original Water Supply Bank Lease Contracts for your review and signature** on February 20, 2018. The signed contracts have not been returned to the Department.

Please sign both original Lease Contracts and return them to the Department within ten (10) days of this letter to complete processing. The Lease Contract is not considered final until both you and the Department have signed.

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

Please note the forfeiture period is not tolled unless a right is accepted into the Bank, or unless an exception or defense to forfeiture applies as described under Idaho Code § 42-223. If forfeiture is a concern, you may consider filing an Application for Extension of Time to Avoid Forfeiture of a Water Right form. This and other water right forms are available from the Department's web site at www.idwr.idaho.gov.

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

Sincerely,

for Water Supply Bank

c: Brockway Engineering PLLC



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 • Web Site: www.idwr.idaho.gov

GARY SPACKMAN
Director

C.L. "BUTCH" OTTER
Governor

February 20, 2018

BLACK BUTTE HILLS LLC
C/O GREGORY VIK
PO BOX 1607
BELLEVUE WA 98009

RE: APPLICATIONS TO LEASE WATER RIGHT 37-22771 TO THE WATER SUPPLY BANK

****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.

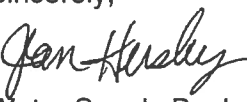
The right will automatically be released from the Bank on **December 31, 2019**, unless the right is released earlier by the Board, or upon your request. To release the right from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. 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 rights may not be available for immediate release if they have 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,


for Water Supply Bank

Enclosure: Proposed Lease Contracts

c: Brockway Engineering PLLC

Hersley, Jean

From: Hersley, Jean
Sent: Tuesday, February 20, 2018 9:00 AM
To: 'Greg Sullivan'
Subject: WSB Lease Contracts
Attachments: Black Butte Hills.pdf; Diamond-Soldier Properties.pdf; Receipt C104652.pdf; SV Ranch.pdf

These contracts went out in today's mail. If you have any questions, please contact me. Thank you.

*Jean Hersley
Idaho Dept Water Resources
Technical Records Specialist II
208-287-4942*

WATER SUPPLY BANK

Quick Tools

Agent Lease Review Checklist

Applicant(s) Name: Black Butte Hills LLC

Memo Date: 2/15/18

Water Right Number(s): 37-22771

Reviewer: Rachael Smith

Decreed

Year

Forfeiture Concerns Thru:

2009	2015
2010	2016
2011	2017
2012	2018
2013	2019

	Check box	COMMENTS/CONCERNS:
1 Fill out WSB Data Entry Checklist for Leases	x	
2 Reason for lease of water rights (Brief description of lease proposal in narrative)		Protect from Forfeiture
Portion of right	x	371.3 acres
All of right		
3 Check GWMA/CGWA/ADC and basin 63 areas of concern (note area in comments)	Yes No	
4 Rentable? If no explain in comments	x	Overlapping rights not leased
5 Authority to file		
Current owner or designated applicant	x	President of Investments Manager
SOS Web site checked for business entity		
Other (explain in comments)		See letter in file from attorney (6/7/16)
6 Water Right validity		
Decreed/Licensed/Statutory claim date (write in comments section)		Decreed 2/3/2010
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.)		
Has this right previously been leased to the bank or in CREP?	x	Has been leased to the WSB since 2015
7 Injury to other water rights		None
If the POD is through a delivery entity, was consent provided?		NA
If the POD is through a delivery entity, was holdback required? (percentage in comments)		%
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	No overlap
	Yes No	
Are there overlapping rights that need to be placed in the bank also?	x	Overlapping rights 37-2211 and 37-11989 not placed in bank
Will the place of use continue to receive water?	x	
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?	X	
Send the watermaster comment request form or e-mail request	x	
11 Area Headgate requirement		
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		

The department received this application to lease a portion of the irrigation portion of this right into the bank on February 13, 2018. This same portion was leased for the 2015 and 2016-2017 seasons. Satellite imagery from 2017 was used to verify that the designated idled acres for this lease were in fact idled.

The right overlaps completely with 37-11989 and 37-2211. These two rights with 37-22771 authorize irrigation of 748.5 acres. Approximately 375 acres within the PPU were irrigated in 2017, which leaves sufficient acreage to lease WR 37-22771 without causing an enlargement.

The applicant has chosen not to lease (idle) the overlapping rights. Therefore, this right will not be rentable.

The watermaster and Southern Regional Manager at IDWR did not have any concerns regarding the lease.

Smith, Rachael

From: Skinner, Corey
Sent: Thursday, February 15, 2018 1:05 PM
To: Smith, Rachael
Subject: RE: WSB Lease renewal for water right 37-22771

No objections from me.

From: Smith, Rachael
Sent: Thursday, February 15, 2018 11:07 AM
To: watermanager@cableone.net; Skinner, Corey <Corey.Skinner@idwr.idaho.gov>
Subject: WSB Lease renewal for water right 37-22771

Good morning,

Attached are a review memo and map for a WSB Lease Application for water right 37-22771. This right has been leased in the past.

Please let me know if you have any comments or concerns.

Thank you,

Rachael Smith, Sr. Water Resource Agent
Idaho Dept of Water Resources
322 E. Front Street PO Box 83720
Boise, ID 83720-0098
Rachael.Smith@idwr.idaho.gov
208.287.4912

Smith, Rachael

From: Kevin Lakey <watermanager@cableone.net>
Sent: Thursday, February 15, 2018 12:02 PM
To: Smith, Rachael; Skinner, Corey
Subject: RE: WSB Lease renewal for water right 37-22771

Since the right is not rentable, I have no concerns at this time.

Kevin Lakey
Water District 37

From: Smith, Rachael [mailto:Rachael.Smith@idwr.idaho.gov]
Sent: Thursday, February 15, 2018 11:07 AM
To: watermanager@cableone.net; Skinner, Corey <Corey.Skinner@idwr.idaho.gov>
Subject: WSB Lease renewal for water right 37-22771

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