

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 177

This is to certify that:

SIDDOWAY SHEEP CO INC
C/O JEFF SIDDOWAY
1764 E 1200 N PO BOX 3160
TERRETON, ID 83450

RECEIVED

JUL 19 2017

DEPARTMENT OF
WATER RESOURCES

filed an application to rent water from the Water Supply Bank ("Bank"). The Idaho Water Resource Board ("Board"), being authorized to operate a Bank and to contract by and through the Director of the Idaho Department of Water Resources ("Director, Department") for rental of water from the Bank, agrees to rent water as follows:

Summary of Water Rights or Portions Rented from the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate Per Acre (CFS/AC)	Volume Per Acre (AF/AC)
31-7489	11/6/1987	GROUND WATER	0.030	6.70	N/A	N/A	N/A
Combined Rental Totals			0.030	6.70	N/A	N/A	N/A

Term of Rental: This rental shall take effect when all parties have signed it and shall continue in effect until December 31, 2017

Annual Rental Fee:

2017: \$113.90

The full fee for the rental of the above-described right(s) is \$113.90 for 2017. The rental fee includes an administrative fee of \$11.39 for 2017.

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

Total Water Use Authorized Under Rental Agreement

Beneficial Use	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate/Acre (CFS/AC)	Volume/Acre (AF/AC)
IRRIGATION	0.030	5.25	1.50	0.020	3.50
Combined Total	0.030	5.25	1.50	0.020	3.50

*** The authorized water usage reflects a reduction from the water right elements rented, to account for a regional headgate irrigation standard.**

Detailed water right conditions are attached.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
WATER SUPPLY BANK RENTAL AGREEMENT

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:

Cindy Siddoway
Signature of Renter

7-15-17
Date

Cindy Siddoway
Printed Name

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
BRIAN PATTON, Acting Administrator
Idaho Water Resource Board

Date 7/19/2017

Rental approved by IDWR [Signature]

Date 7-19-2017

WATER SUPPLY BANK RENTAL AGREEMENT No. 177

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER SENE Sec. 4, Twp 05N, Rge 35E, CLARK County

Beneficial Use
IRRIGATION

Diversion Rate
0.03 CFS

Volume
5.25 AF

BENEFICIAL USE & SEASON OF USE

Water Right No. From To Diversion Rate
31-7489 3/15 10/31 0.03 cfs

RENTERS PLACE OF USE: IRRIGATION

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
05N	35E	4				1.7 L1													1.7

Total Acres: 1.7

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.
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.
8. 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. 110.
9. A lockable device subject to the approval of the Department shall be maintained on the diverting works in a manner that will provide the watermaster suitable control of the diversion.
10. This rental agreement does not authorize construction of a well.
11. Prior to December 31 of each year, the Board may review this rental agreement to determine whether it is consistent with the management plan that may be approved for the Eastern Snake Plain Aquifer Ground

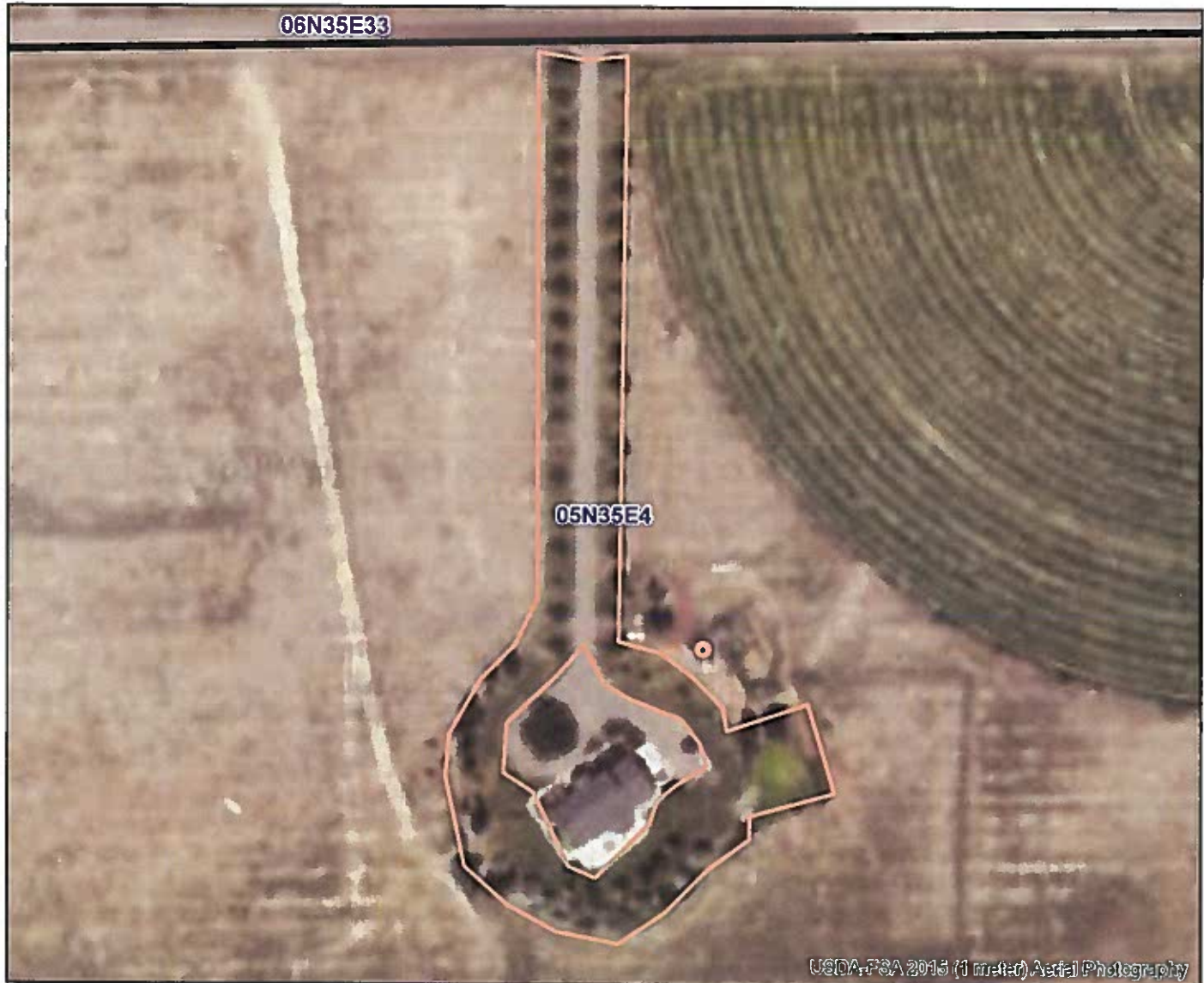
Water Management Area ("ESPA GWMA Plan") pursuant to Idaho Code § 42-233b. The Board may cancel this rental agreement if the Board determines it is not consistent with the ESPA GWMA plan. If this rental agreement is canceled, the cancellation shall not take effect until December 31 of the year in which the rental agreement is canceled.



Idaho Water Resource Board
Water Supply Bank Rental Agreement

Effective until December 31, 2017

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



-  Rental Point of Diversion
-  Rental Place of Use
-  Townships
-  PLS Sections



0 100 200 Feet

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

APR 21 2017

DEPARTMENT OF
WATER RESOURCESAPPLICATION TO RENT WATER
FROM THE BOARD'S WATER SUPPLY BANKApplicant Name: Jeff Siddoway

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 — *Owner*
- 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)

**STATE OF IDAHO
WATER RESOURCE BOARD**

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A. Applicant Jeff Siddoway
 Mailing Address 1764E 1200N Terreton Idaho 83450
Street City State Zip Code
 Email Address siddoway@dc-di-net Phone Number 208-680-4585

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 _____ Professional Title _____
 Organization _____ 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:

Irrigation of yard (domestic use)

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)
<u>.03</u> CFS	<u>5</u> AF	<u>.03</u> CFS	<u>5</u> AF	<u>1.5</u> 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?	
<u>April 1, 17</u>	<u>April 3, 17</u>	☐ 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):

domestic well to sprinkler system for lawn and garden

- 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
<u>Submersible pump</u>	<u>ground water</u>	<u>NONE</u>

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 1.5 (number of acres) Duration: Subject to IDWR standard seasons of use
☐ Commercial from: _____ (mm/dd) to: _____ (mm/dd)
☐ Stockwater from: _____ (mm/dd) to: _____ (mm/dd)
☐ Industrial from: _____ (mm/dd) to: _____ (mm/dd)
☐ Other: _____ from: April 1 (mm/dd) to: Oct 31 (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:

NONE -

**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)
						.03	5	1.5
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			
						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**:

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:

- 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.

Jeff Siddoway
Signature of Applicant

Jeff Siddoway
Printed Name of Applicant

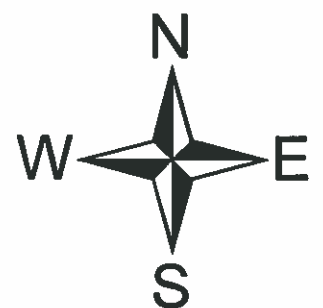
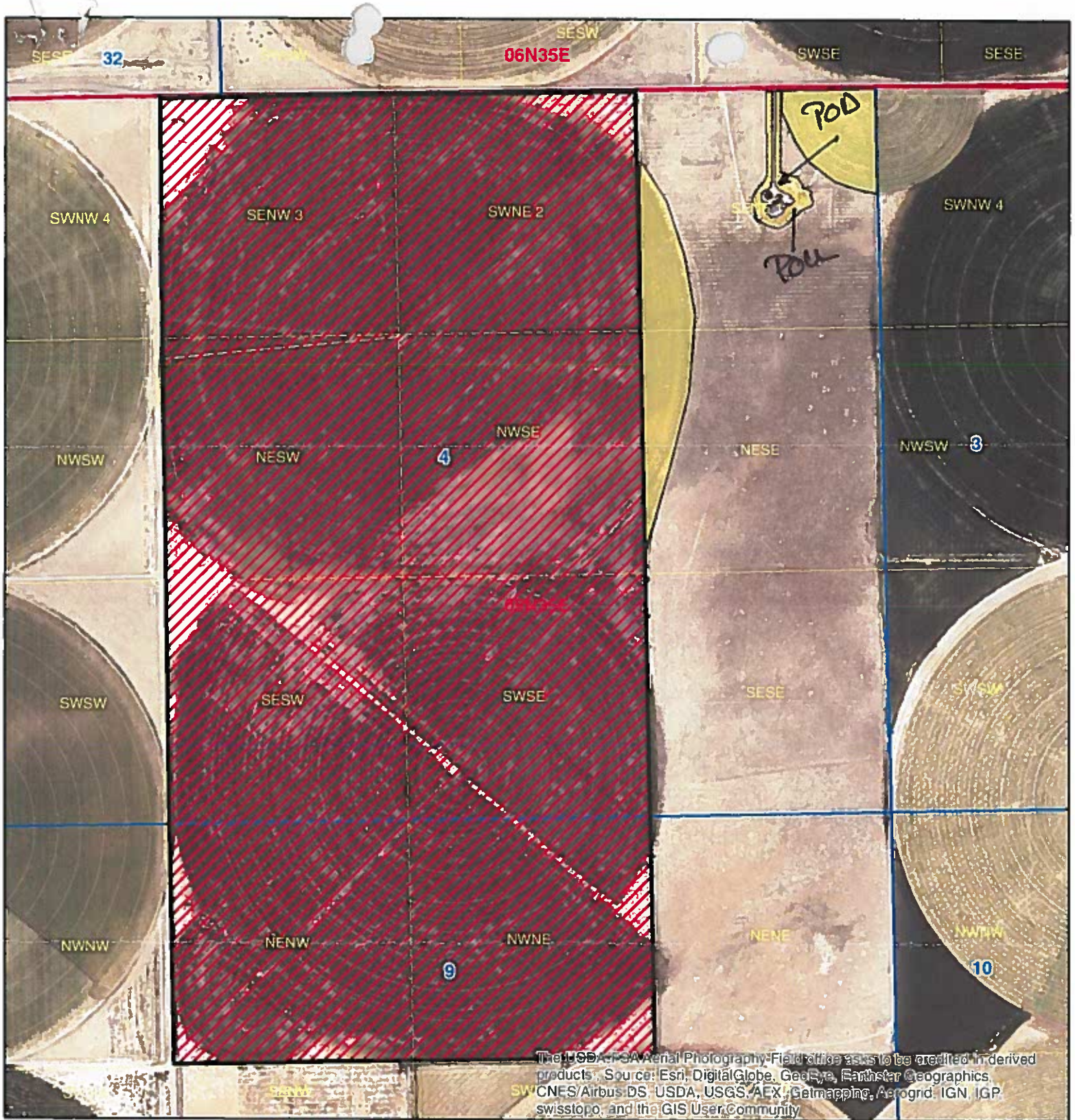
April 14, 2017
Date

Signature of Representative

Printed Name of Representative

Date

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





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

July 20, 2017

SIDDOWAY SHEEP CO INC
C/O JEFF SIDDOWAY
1764 E 1200 N
TERRETON ID 83450

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO. 31-7489**

Dear Renter:

Please find enclosed a receipt in the amount of \$113.90 and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 6.70 acre-feet of water for irrigation of 1.7 acres during 2017. Upon receipt of this fully executed agreement, you are authorized to divert water in compliance with the conditions of water use described in the agreement.

Pursuant to the Water Supply Bank Rules, 90% or \$102.51 of the rental fee will be paid to the lessor(s) and 10% or \$11.39 will be retained by the Department to offset administrative costs.

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

Sincerely,

for Water Supply Bank

Enclosures: Receipt No. C103849
Rental Agreement (copy)

c: Sascha Marston – Fiscal
James Cefalo – IDWR Eastern Regional Office/Water District # 110
Cherie Palmer - IDWR Compliance Bureau E2016-983



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

July 11, 2017

SIDDOWAY SHEEP CO INC
C/O JEFF SIDDOWAY
1764 E 1200 N
PO BOX 3160
TERRETON ID 83450

RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO. 31-7489

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

Dear Applicant:

The Department of Water Resources acknowledges receipt of your application to rent water from the Water Supply Bank. **I have enclosed a Water Supply Bank Rental Agreement for your review and signature.** Upon signature and return of the original agreement, together with the rental fee described below, the Department will also sign the original agreement and return an executed copy to you. Execution of the agreement and compliance with the conditions of approval authorize diversion and use of water as provided in the agreement.

A rental fee of \$113.90 was calculated based on the current rental rate of \$17.00 per acre-foot times a diversion volume of 6.70 acre-feet.

Please send a check for \$113.90 made payable to the Idaho Department of Water Resources, together with the signed rental agreement, within 14 days so I can complete processing. Pursuant to the Water Supply Bank Rules, 90% or \$102.51 of the rental fee will be paid to the lessor(s) and 10% or \$11.39 will be retained by the Department to offset administrative costs.

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

Sincerely,

for Water Supply Bank

Enclosure

c: IDWR Front Desk

Buyer, Remington

From: Cefalo, James
Sent: Monday, July 03, 2017 10:11 AM
To: Buyer, Remington
Subject: RE: WSB Rental Agreement

Remington,

I don't have any concerns with the proposed WSB Rental.

James

From: Buyer, Remington
Sent: Friday, June 30, 2017 4:50 PM
To: Cefalo, James <James.Cefalo@idwr.idaho.gov>
Subject: WSB Rental Agreement

James,

Attached is a review memo and draft rental agreement for a Water District 110 ground water rental in the Mud Lake area. The rental is for irrigation but with a former commercial water right, hence the change in nature of use analysis. Please advise if you have any questions or concerns.

Thanks,

Remington
287-4918

MEMORANDUM

To: Water Supply Bank Rental Application #833
From: Remington Buyer
Date: June 30, 2017
Re: Review of Applications to Rent Water Right from the State Water Supply Bank

PURPOSE/NARRATIVE: The Department received an application to rent ground water from the Bank, to authorize irrigation of 1.5 acres, with a diversion rate of 0.03 cfs and a diversion volume of 5 af. Based on a standard diversion rate of 0.02 cfs/acre and a regional headgate irrigation standard of 3.5 afa/ac, it is assumed that a diversion rate of 0.03 cfs and 5.3 af is appropriate to authorize irrigation of 1.5 acres. The rental location is in Terreton and the only water rights sufficient to authorize a 2017 rental is a commercial ground water right located south of Dubois (water rights 31-7489). This memo summarizes a change in nature of use evaluation for a rental of water rights 31-7489 for irrigation purposes in 2017.

AUTHORITY TO FILE: The application is submitted by Jeff Siddoway, the owner of the property where water will be diverted and put to beneficial use. No concerns about authority to file.

WATER RIGHT VALIDITY: Diversions and commercial use of water under water right 31-7489 ceased in 2010 and the water rights were deposited into the Bank during 2015, sufficiently in time to avoid forfeiture. No concerns about water right validity.

INJURY TO OTHER WATER RIGHTS: ESPA modeling of this rental request does not indicate that exceedance values of 2 af/trimester or 10% increased reach depletions will occur against the Snake River. No additional injury concerns are apparent.

ENLARGEMENT OF USE: Water right 31-7489 has historically been utilized to pump ground water for commercial processing (cleaning and dehydrating) of potatoes. It was developed for commercial purposes, to be used in conjunction with water right 31-7128. Because the intended rental is for irrigation purposes, a change in nature of use evaluation is necessary to guard against enlargement. Though commercial uses of water can be fully consumptive, it is not certain that commercial use of ground water under water rights 31-7128 and 31-7489 has historically been fully consumptive. The information below summarizes how a consumptive use volume was determined for these water rights, and how 6.7 af of water may be rented under water right 31-7489 for irrigation of 1.5 acres without causing an enlargement.

Water right 31-7489 was developed in 1987 to authorize increased diversion rates of ground water coincident with an expansion of a commercial potato processing facility being supplied with water use authorized under water right 31-7128. In 2003, the commercial operator of the potato processing facility, RDO Processing LLC, obtained from the Idaho Department of Environmental Quality (DEQ) a permit (LA-000075-03) to land apply waste water from the potato processing plant on up to 1,676 acres of land on parcels adjacent to their facility. At the time that DEQ authorized land application of waste water from the potato processing facility (2003-2008), the place and commercial conditions of use for water rights 31-7128 and 31-7489 did not authorize irrigation through land application of processed waste water.

Waste water land application operations can be engineered to be fully consumptive, so that waste materials in waste water do not leach into soils and ground water, however IDWR records (Enforcement Case Number E2007-222) indicate that from 2003 through 2007, much of the 1,676 acres irrigated with processed waste water may have been jointly-irrigated with some conventional irrigation ground water rights. IDWR enforcement documentation affirms however that irrigation of 319 acres was unlawfully accomplished using waste water from water rights 31-7128 and 31-7489 during 2006 and 2007.

Pursuant to a 2008 consent agreement, the place and commercial conditions of use for water rights 31-7128 and 31-7489 were updated through Transfer #74963 to authorize irrigation of the 319 acres using waste water from the potato processing facility. Thereafter, Transfer 75460 authorized irrigation of the same 319 acres using 24 water rights that were relocated and made appurtenant to the place of use for water rights 31-7128 and 31-7489. The processing facility was then closed in 2009 and irrigation of the 319 acre POU ceased to be accomplished with processed waste water and has since been accomplished with appurtenant irrigation water rights. WMIS records for ground water wells associated with water rights 31-7128 and 31-7489 confirm no diversions have occurred at the potato processing facility since 2010.

Year	Div. Vol	Establishing consumptive commercial use under water rights 31-7128 and 31-7489 thus requires consideration of both diversion volumes and water use. WMIS records from 1998 through 2014 (the last year prior to the rights being deposited into the Bank) indicate an annual average diversion volume of 516.3 af. However, this includes diversion volumes in excess of the licensed maximum commercial diversion volume authorized (739.5 AF) during years 1998 through 2002. Setting maximum commercial diversion volumes to 739.5 AF for those five years generates an annual average diversion volume of 440.0 AF during 1998 through 2014.
2015	0	Since processed waste water may have been blended with other irrigation water rights, it may be inappropriate to consider the diversion volume of 440.0 af as equivalent to the annual average volume of water consumptively utilized under water rights 31-7128 and 31-7489. Thus, further reduction of the 440.0 af can better guard against enlargement and it is proposed that the ratio of the regional headgate standard to the consumptive use standard be applied to the 440.0 diversion volume to establish a rentable consumptive use volume for 31-7128 and 31-7489.
2014	0	
2013	0	
2012	0	
2011	0	
2010	0	
2009	491.02	
2008	514.29	
2007	402.86	
2006	396.19	
2005	665.51	The regional headgate standard is 3.5 afa and the consumptive use amount is 2.5 afa. Applying this ratio (2.5:3.5 or 71.4 %) to the 400.0 af annual average diversion volume provides a maximum rentable consumptive use volume of 285.7 af. Restricting the maximum diversion volume rentable through a change in nature of use of water rights 31-7128 and 31-7489 should sufficiently guard against an enlargement in water use.
2004	659.91	
2003	652.7	
2002	824.82	
2001	1002.04	
2000	892.3	
1999	899.06	
1998	1377	
Average:	516.34	
Average:	440.00	

Table 1. WMIS Data

Note: Because water rights 31-7128 and 31-7489 have historically been used together for the same consumptive commercial use, it is likely that these two water rights should have been leased in together on a single lease contract, (which is how they were leased during 2016). However, 2017 lease reviews of these water rights resulted in two separate lease contracts being generated for these water rights (Lease Contract Nos. 417 and 418). The water right

elements on Lease Contract 417 (for water right 31-7128) are also now fully dedicated to rental agreement 172. To further guard against enlargement, the amounts being rented from 31-7128 on rental agreement 172 will be subtracted from the combined limit consumptive use amount established through this rental review memo, to ensure that only the remaining balance is available to be rented from water right 31-7489 (Lease Contract 418) on rental application #833.

	Rate	Volume	Acres	Rate/Acre	Vol/Acre
Rentable Amounts	1.20 cfs	285.7 af	N/A	N/A	N/A
Rental No. 172	0.20 cfs	64.1 af	N/A	N/A	N/A
Remaining Balance	1.00 cfs	221.6 af	N/A	N/A	N/A

Based on a regional headgate standard of 3.5 af/ac, the rentable amounts of water right 31-7489 allow for irrigation of 63.3 acres with a not inappropriate rate per acre of 0.016 cfs/ac:

***Rentable Amounts** 1.00 cfs 221.6 af 63.3 ac 0.016 cfs/ac 3.5 af/ac

Thus, renting three percent of the remaining flow rate (and proportionate diversion rate and acres provides a little more rate and volume than is requested, which can be adjusted on the rental agreement:

Amount to be rented	0.03 cfs	6.7 af	1.9 ac	0.016 cfs/ac	3.5 af/ac
Rental Authorization	0.03 cfs	5.25 af	1.5 ac	0.02 cfs/ac	3.5 af/ac

Thus, renting 0.03 cfs and 6.7 af from water right 31-7489 (and limiting the authorized rental diversion volume to 5.3 af) will provide a sufficient and proportionate flow rate and diversion volume, sufficient to authorize irrigation of 1.5 acres.

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

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

DEPARTMENT STAFF OR WATERMASTER COMMENTS: The rental right is subject to Water District # 110. Comments are to be requested from Water District #110 Watermaster and IDWR Eastern Region staff member James Cefalo.

Buyer, Remington

From: Buyer, Remington
Sent: Friday, June 30, 2017 4:50 PM
To: Cefalo, James
Subject: WSB Rental Agreement
Attachments: Rental Agreement.docx; Rental Review Memo.docx; RentalMap.pdf

James,

Attached is a review memo and draft rental agreement for a Water District 110 ground water rental in the Mud Lake area. The rental is for irrigation but with a former commercial water right, hence the change in nature of use analysis. Please advise if you have any questions or concerns.

Thanks,

Remington
287-4918



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

June 20, 2017

JEFF SIDDOWAY
1764 E 1200 N
TERRETON ID 83450

RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK

Dear Applicant:

On April 21, 2017 the Idaho Department of Water Resources (Department) received your application to rent water from the Water Supply Bank (Bank) for irrigation during 2017-2021. After review of your application the department has determined there are currently no suitable water rights leased to the bank nor any proposed to be leased to the bank with rental availability for 2017. Since the Department was not able to process your application prior to the latest possible start date of the proposed rental period, your application will be retained by the Department to process for the 2018 season.

If you have any questions regarding this matter, please contact me at (208) 287-4910.

Sincerely,

Clay Webster
Water Resource Agent Sr.
WSB Process Point of Contact

c. Cherie Palmer – IDWR Compliance