

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 81

RECEIVED

APR 26 2017

DEPT OF WATER RESOURCES
SOUTHERN REGION

This is to certify that:

GEORGE KELLEY
PO BOX 25
ALBION, ID 83311

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)
45-13998	2/26/1970	GROUND WATER	0.55	110.4	27.6
45-14000	1/7/1975	GROUND WATER	0.28	56.0	14.0
		Combined Limit	0.61	166.4	41.6
45-11969	6/1/1939	GROUND WATER	0.13	38.4	9.6
1-10443	3/15/1961	SNAKE RIVER	0.09	17.6	4.4
		Combined Limit	0.13	38.4	9.6
Combined Rental Totals			0.80	204.8	51.2

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: \$3,481.60

The full fee for the rental of the above-described right(s) is \$3,481.60 for 2017. The rental fee includes an administrative fee of \$348.16 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 [Click here to enter text.](#)

Beneficial Use	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate/Acre (CFS/AC)	Volume/Acre (AF/AC)
IRRIGATION	0.80	204.8	51.2	0.015	4.0
Combined Total	0.80	204.8	51.2	0.015	4.0

* The authorized water usage reflects a reduction from the water right elements rented, to account for Combine limits and a change from commercial / stock water to original irrigation use.

Detailed water right conditions are attached.

SUPPORT DATA

IN FILE # 1-10443

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:

George Kelley 4-25-17
Signature of Renter Date

George Kelley _____
Printed Name 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 05/01/2017
BRIAN PATTON, Acting Administrator Date
Idaho Water Resource Board

Rental approved by IDWR By [Signature] Date 5-1-2017

WATER SUPPLY BANK RENTAL AGREEMENT No. 81

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER

NENE

Sec. 35, Twp 11S, Rge 24E, CASSIA County

Beneficial Use

IRRIGATION

Diversion Rate

0.74 CFS

Volume

204.80 AF

BENEFICIAL USE & SEASON OF USE

Water Right No.	From	To	Diversion Rate
45-13998	4/1	10/31	0.55 CFS
45-14000	4/1	10/31	0.28 CFS
45-11969	3/15	11/15	0.13 CFS
1-10443	3/15	11/15	0.09 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	
11S	24E	36					25.6	25.6											51.2

Total Acres: 51.2

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.
8. Prior to the diversion and use of water under this rental, the right holder shall install and maintain an acceptable measuring device, including data logger, at the authorized point of diversion, in accordance with Department specifications.
9. The right holder shall maintain a lockable controlling works of a type approved by the Department in a manner that will provide the watermaster suitable control of the diversion.
10. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the lands above.

11. Use of water under this agreement 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. 140.
12. The renter must diligently pursue a permanent water right to provide for the uses authorized under this rental agreement.
13. The following rights will be diverted through point(s) of diversion described above: 1-10443, 45-4084 and 45-4236, 45-11969, 45-13998 and 45-14000.
14. This rental agreement does not authorize the construction of a well.

FOR OFFICE USE ONLY

Fee: \$3,481.60.00

Receipt No.: S036093

Date Received: 4/26/2017 By: DM

Idaho Water Resource Board
Water Supply Bank Rental Agreement

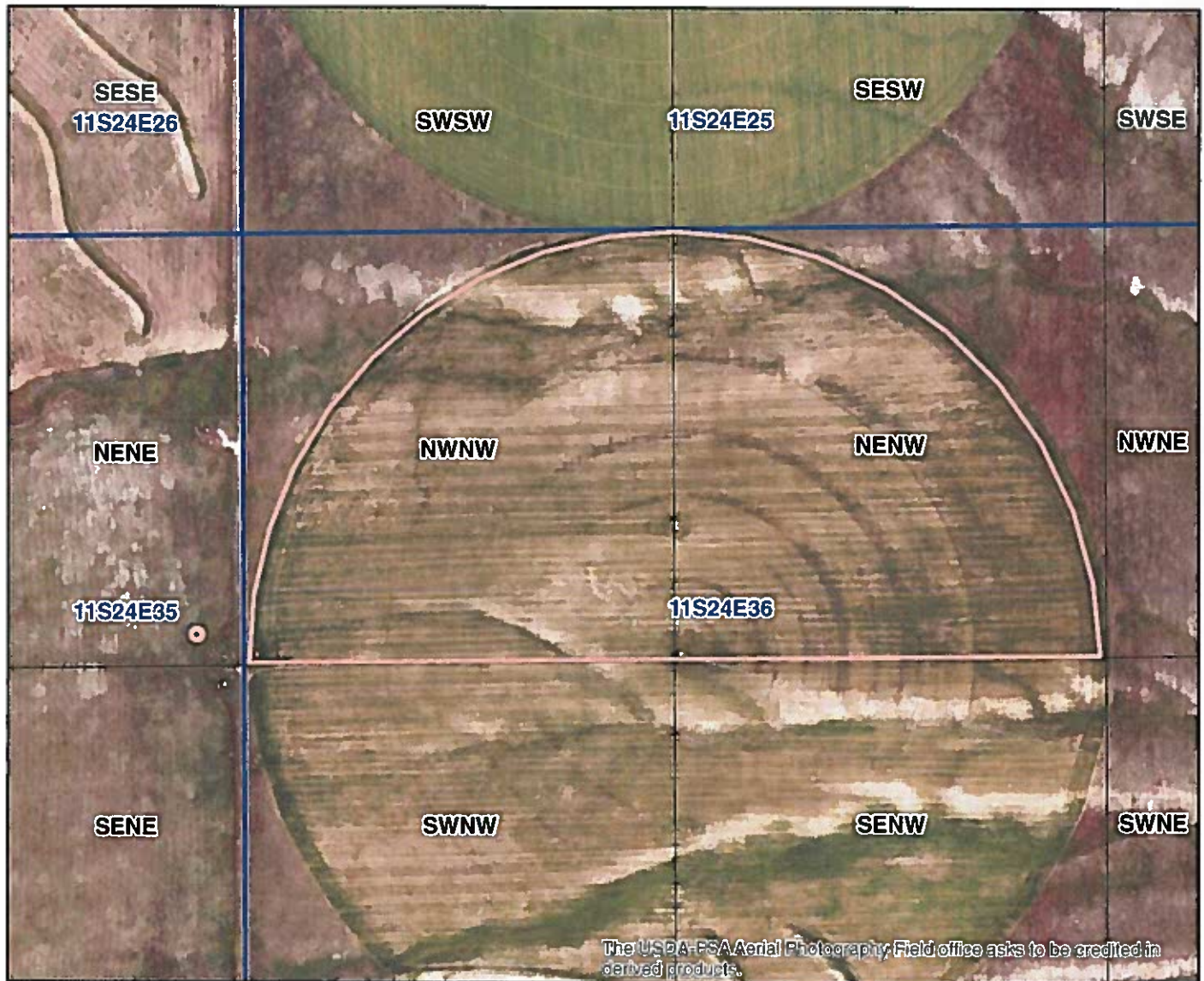
Effective until December 31, 2017

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

RECEIVED

APR 26 2017

DEPT OF WATER RESOURCES
SOUTHERN REGION



-  Authorized Rental Point of Diversion
-  Authorized Rental Place of Use
-  Townships
-  PLS Sections
-  Quarter Quarters



0 Miles 0.25

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

NOV 16 2016
DEPARTMENT OF
WATER RESOURCES

App # 66

APPLICATION TO RENT WATER
FROM THE BOARD'S WATER SUPPLY BANKApplicant Name: George Kelley

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)

**STATE OF IDAHO
WATER RESOURCE BOARD**

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A. Applicant George Kelley

Mailing Address P.O. Box 25, Albion, Idaho 83311

Street City State Zip Code

Email Address Phone Number 208-673-5364

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 Paul L. Arrington

Professional Title Attorney

Organization Barker Rosholt & Simpson

Relationship to Applicant Attorney

Mailing Address 195 River Vista Place, Suite 204, Twin Falls, Idaho 83301

Email Address pla@idahowaters.com

Phone Number 208-733-0700

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 to allow for complete irrigation under existing pivots. Water will be commingled with Applicant's existing water rights to complete pivots.

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)
CFS	AF	CFS	AF	291 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?	
4/15/2016-2017	5/15/2016-2017	☐ 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.

See email from Rep

1.23

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 is pumped from the well and piped to a sprinkler system.

- 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
11S 24E 35, NE NE	Groundwater	45-4084 & 45-4236

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 291 (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: _____ (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:

See E. above. Existing water rights do not cover entire pivot system. Additional water is needed to cover all acres.

**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)
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**:

Applicant will irrigate what he can with the water provided.

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:
Applicant has attempted to purchase additional water rights by speaking with neighbors and others
but has not been able to find any water for purchase.

- 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.

George Kelley
Signature of Applicant

George Kelley
Printed Name of Applicant

11-11-16
Date

Signature of Representative

Printed Name of Representative

Date

Mail to:

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



- 3 acres of
Veddy's we
57 to work
pivot
116 also to work?



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

May 2, 2017

GEORGE KELLEY
PO BOX 25
ALBION ID 83311

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NOS. 1-10443, 45-11969, 45-13998, and 45-14000**

Dear Renter:

Please find enclosed a receipt in the amount of **\$3,481.60** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 204.8 acre-feet of water for irrigation of 51.2 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 \$3,133.44 of the rental fee will be paid to the lessor(s) and 10% or \$348.16 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. S036093
Rental Agreement (copy)

c: Sascha Marston – Fiscal
Corey Skinner – IDWR Southern Regional Office
Brian Higgs – State Water District No. 140
Paul Arrington – Barker Rosholt & Simpson
Cherie Palmer - IDWR Compliance Bureau E2016-960



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 17, 2017

GEORGE KELLEY
PO BOX 25
ALBION ID 83311

RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NOS. 1-10443, 45-11969, 45-13998, and 45-14000

*****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 \$3,481.60 was calculated based on the current rental rate of \$17.00 per acre-foot times a diversion volume of 204.8 acre-feet.

Please send a check for \$3,481.60 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 \$3,133.44 of the rental fee will be paid to the lessor(s) and 10% or \$348.16 will be retained by the Department to offset administrative costs.

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

Sincerely,

Water Supply Bank

Enclosure

c: IDWR Front Desk
Paul Arrington – Barker Rosholt & Simpson

Thiel, Sandra

From: Paul Arrington <pla@idahowaters.com>
Sent: Thursday, April 13, 2017 8:58 AM
To: Thiel, Sandra
Cc: erick.powell@brockwayeng.com
Subject: RE: George Kelley

Yes. They want this water.

Erick, give me a call when you get a moment.

Thanks,

Paul L. Arrington

Barker Rosholt & Simpson, LLP

208-733-0700 – Office

208-404-9436 – Cell

208-735-2444 – Fax

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From: Thiel, Sandra [mailto:Sandra.Thiel@idwr.idaho.gov]
Sent: Thursday, April 13, 2017 8:48 AM
To: Paul Arrington <pla@idahowaters.com>
Cc: erick.powell@brockwayeng.com
Subject: RE: George Kelley

Good morning, I currently have a rental agreement for George Kelley with the following water rights

45-13998

45-14000

45-11969

1-10443

I he interested in the rights listed below? If he isn't I have others who might be able to use them.

43-13595 12/31/2020

43-13597 12/31/2020

45-13998 12/31/2017

45-14000 12/31/2017

45-11969 12/31/2020

1-10443 12/31/2020

Sandra Beer Thiel

Idaho Department of Water Resources

322 East Front Street

Boise, Idaho 83720-0098
(208)287-4881
sandra.thiel@idwr.idaho.gov

From: Paul Arrington [<mailto:pla@idahowaters.com>]
Sent: Monday, April 03, 2017 1:41 PM
To: Thiel, Sandra <Sandra.Thiel@idwr.idaho.gov>
Cc: erick.powell@brockwayeng.com
Subject: RE: George Kelley

OK, we want these leases to be as long as possible. Even if we have to break them up.

Thanks,

Paul L. Arrington
Barker Rosholt & Simpson, LLP
208-733-0700 – Office
208-404-9436 – Cell
208-735-2444 – Fax

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From: Thiel, Sandra [<mailto:Sandra.Thiel@idwr.idaho.gov>]
Sent: Monday, April 03, 2017 1:40 PM
To: Paul Arrington <pla@idahowaters.com>
Cc: erick.powell@brockwayeng.com
Subject: RE: George Kelley

I'm not sure what other information Erik might require. If either of you have questions about modeling please call me. The following shows the lease expiration dates.

43-13595 12/31/2020
43-13597 12/31/2020
45-13998 12/31/2017
45-14000 12/31/2017
45-11969 12/31/2020
1-10443 12/31/2020

Sandra Beer Thiel
Idaho Department of Water Resources
322 East Front Street
Boise, Idaho 83720-0098
(208)287-4881
sandra.thiel@idwr.idaho.gov

From: Paul Arrington [<mailto:pla@idahowaters.com>]
Sent: Monday, April 03, 2017 11:38 AM
To: Thiel, Sandra <Sandra.Thiel@idwr.idaho.gov>
Subject: RE: George Kelley

Sandy:

How many years is this water available?

Paul L. Arrington
Barker Rosholt & Simpson, LLP
208-733-0700 – Office
208-404-9436 – Cell
208-735-2444 – Fax

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From: Thiel, Sandra [<mailto:Sandra.Thiel@idwr.idaho.gov>]
Sent: Friday, March 24, 2017 8:45 AM
To: Paul Arrington <pla@idahowaters.com>
Subject: RE: George Kelley

Hello, After reviewing those water rights again I realized that right 43-13595 is stacked with 43-13597. Together they should provide enough water to cover the requested acres. However, they will require mitigation. Please review these rights and model your proposed rental and submit the results within 30 days, by April 24. Thank you.

List of possible water rights:

43-13595
43-13597
45-13998
45-14000
45-11969
1-10443

Sandra Beer Thiel
Idaho Department of Water Resources
322 East Front Street
Boise, Idaho 83720-0098
(208)287-4881
sandra.thiel@idwr.idaho.gov

From: Thiel, Sandra
Sent: Tuesday, March 21, 2017 10:36 AM
To: 'Paul Arrington' <pla@idahowaters.com>
Subject: RE: George Kelley

Good morning Paul, I have looked at the numbers for the George Kelley rental. Right 43-13595 can provide 3.1 cfs 751.5 af for an additional 187.9 acres. However, he will only be able to divert 810 af to account for mitigation. That means he will pay for an additional 146.7 af that he can't divert. At \$17 an acre foot that will be \$2,493.90. Please let me know how you would like to proceed.

Sandra Beer Thiel

Idaho Department of Water Resources

322 East Front Street

Boise, Idaho 83720-0098

(208)287-4881

sandra.thiel@idwr.idaho.gov

Thiel, Sandra

From: Paul Arrington <pla@idahowaters.com>
Sent: Monday, April 03, 2017 11:38 AM
To: Thiel, Sandra
Subject: RE: George Kelley

Sandy:

How many years is this water available?

Paul L. Arrington

Barker Rosholt & Simpson, LLP

208-733-0700 – Office

208-404-9436 – Cell

208-735-2444 – Fax

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From: Thiel, Sandra [mailto:Sandra.Thiel@idwr.idaho.gov]
Sent: Friday, March 24, 2017 8:45 AM
To: Paul Arrington <pla@idahowaters.com>
Subject: RE: George Kelley

Hello, After reviewing those water rights again I realized that right 43-13595 is stacked with 43-13597. Together they should provide enough water to cover the requested acres. However, they will require mitigation. Please review these rights and model your proposed rental and submit the results within 30 days, by April 24. Thank you.

List of possible water rights:

43-13595

43-13597

45-13998

45-14000

45-11969

1-10443

Sandra Beer Thiel

Idaho Department of Water Resources

322 East Front Street

Boise, Idaho 83720-0098

(208)287-4881

sandra.thiel@idwr.idaho.gov

From: Thiel, Sandra
Sent: Tuesday, March 21, 2017 10:36 AM

To: 'Paul Arrington' <pla@idahowaters.com>

Subject: RE: George Kelley

Good morning Paul, I have looked at the numbers for the George Kelley rental. Right 43-13595 can provide 3.1 cfs 751.5 af for an additional 187.9 acres. However, he will only be able to divert 810 af to account for mitigation. That means he will pay for an additional 146.7 af that he can't divert. At \$17 an acre foot that will be \$2,493.90. Please let me know how you would like to proceed.

Sandra Beer Thiel

Idaho Department of Water Resources

322 East Front Street

Boise, Idaho 83720-0098

(208)287-4881

sandra.thiel@idwr.idaho.gov

Thiel, Sandra

From: Paul Arrington <pla@idahowaters.com>
Sent: Monday, April 03, 2017 11:38 AM
To: Thiel, Sandra
Cc: 'Erick Powell'
Subject: RE: George Kelley
Attachments: 20161111 Ltr to IDWR regarding Application to Rent Water from the Water Bank.pdf

Sandra:

Erick Powell will be working on the modeling for this. Is there more information he needs to know from your end that is included in this email? If so, please provide.

Erick I have attached the Rental Application as well.

Paul L. Arrington

Barker Rosholt & Simpson, LLP

208-733-0700 – Office

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Thiel, Sandra

From: Paul Arrington <pla@idahowaters.com>
Sent: Friday, February 10, 2017 11:29 AM
To: Thiel, Sandra
Subject: RE: George Kelley

Thanks. They are coming in early next week to discuss.

Paul L. Arrington

Barker Rosholt & Simpson, LLP

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From: Thiel, Sandra [mailto:Sandra.Thiel@idwr.idaho.gov]
Sent: Friday, February 10, 2017 8:53 AM
To: Paul Arrington <pla@idahowaters.com>
Subject: RE: George Kelley

Good morning, I've done another review of these water rights and it appears that 36-16140 and 36-16702 will be used in another rental. I have not done a thorough review of basin 35.

Sandra Beer Thiel
Idaho Department of Water Resources
322 East Front Street
Boise, Idaho 83720-0098
(208)287-4881
sandra.thiel@idwr.idaho.gov

From: Thiel, Sandra
Sent: Friday, February 03, 2017 10:38 AM
To: 'Paul Arrington' <pla@idahowaters.com>
Subject: RE: George Kelley

Hello, The following is a list of available ground water rights in basin 36. These will require modeling and most likely mitigation.

36-16140
36-16148
36-16178
36-16702
36-2297
36-2684

Sandra Beer Thiel

Idaho Department of Water Resources

322 East Front Street

Boise, Idaho 83720-0098

(208)287-4881

sandra.thiel@idwr.idaho.gov

From: Paul Arrington [<mailto:pla@idahowaters.com>]

Sent: Tuesday, January 31, 2017 3:31 PM

To: Thiel, Sandra <Sandra.Thiel@idwr.idaho.gov>

Cc: Paul Arrington <pla@idahowaters.com>

Subject: RE: George Kelley

Just spoke with my clients. They will use the 116 acres on the center pivot (as shown on the aerial submitted with the application). They will use 3 acres of their water rights to complete that pivot and then move the remaining 54 acres of their water to the northernmost pivot.

If we can find additional water, we will put it on the north pivot with their own water.

Paul L. Arrington

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From: Thiel, Sandra [<mailto:Sandra.Thiel@idwr.idaho.gov>]

Sent: Monday, January 30, 2017 2:57 PM

To: Paul Arrington <pla@idahowaters.com>

Subject: FW: George Kelley

Hello, I wanted to know if you received my email about the acres for George Kelley's water supply band rental?

Sandra Beer Thiel

Idaho Department of Water Resources

322 East Front Street

Boise, Idaho 83720-0098

(208)287-4881

sandra.thiel@idwr.idaho.gov

From: Thiel, Sandra

Sent: Thursday, January 26, 2017 2:42 PM

To: Paul Arrington <pla@idahowaters.com>

Subject: George Kelley

Hello, I am working on the rental for George Kelley. I was able to find water for 116.2 acres. Could you identify where Mr. Kelley will use the 116.2 acres of irrigation?

Sandra Beer Thiel

Idaho Department of Water Resources

322 East Front Street

Boise, Idaho 83720-0098

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Boise, Idaho 83720-0098

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sandra.thiel@idwr.idaho.gov

MEMORANDUM

To: Right(s): 1-10443, 45-11969, 45-13998 and 45-14000
From: Sandra Thiel
Date: January 13, 2017
Re: Review & Analysis of George Kelley's Application to Rent Water from the State Water Supply Bank

PURPOSE/NARRATIVE:

On November 16, 2016, Paul Arrington of Barker Rosholt & Simpson LLP submitted an application to rent water from the State Water Supply Bank on behalf of George Kelley. The proposed point-of-diversion is an existing well that provides water for rights 45-4084 and 45-4236. That well is identified in WMIS as A0016835. The application proposed to rent water for five years to irrigate 291 acres in sections 25 and 36, of T11S R24E. There is insufficient water available in Basin 45 to fill Mr. Kelley's full request for water to irrigate 291 acres. The current rental mimics the 2015 rental and covers 51.2 acres. The rented water will be used to irrigate acres under existing pivots. Only 57 acres under one pivot is currently covered by a water right.

The Department issued notices of violation E2016-960 for the place of use.

- add to memo

AUTHORITY TO FILE: According to the 2016 Cassia County taxlot, George Bill Kelley owns the proposed place-of-use. Mr. George Kelley signed the application.

WATER RIGHT VALIDITY: Rights 45-13998 and 45-14000 were decreed in 2005 and have been in the Bank since 2007. Forfeiture is not an issue. Rights 45-11969 and 1-10443 are valid and are leased to the Bank through December 31, 2020.

A review of aerial photography shows that the water rights or sufficient portions of these water rights appear to have been idled at the authorized places-of-use.

INJURY TO OTHER WATER RIGHTS: No injury is apparent. Modeling found that no mitigation is required for the four water rights.

ENLARGEMENT OF USE: No enlargement is evident through the rental.

The Department approved transfer 72692 in 2006 to convert rights irrigation rights 45-7047A and 45-7221A to commercial/stockwater rights 45-13998 and 45-14000. According to the first lease application submitted by Picket Ranch & Sheep Co. in 2010, the construction of the dairy was pending. As of the date of this memo, the dairy has not been constructed. Since the rights were not being used for the purpose of pre-transfer irrigation or post-transfer commercial / stockwater, they were evidently placed into the bank. As the transfer was not accomplished, these right might reasonably be considered for irrigation rental.

The 2016 rental analysis did not assign acre amounts to rights 45-13998 and 45-14000. The applicant requests water for irrigation use which required consideration of a change in the nature-of-use. We made the assumption that the commercial portions were fully consumptive and converted leased acre-feet to irrigation acres based on the standard headgate requirement.

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: I solicited comments from southern region and water master Jaxon Higgs (see attachments for responses). Mr. Higgs requested that the rental agreement include a condition requiring a working flowmeter in place before commencing irrigation in 2017.

Thiel, Sandra

From: Skinner, Corey
Sent: Thursday, January 19, 2017 8:49 AM
To: Thiel, Sandra
Subject: RE: George Kelley water supply bank rental

No issues or concerns on my end.

From: Thiel, Sandra
Sent: Wednesday, January 18, 2017 3:44 PM
To: Skinner, Corey <Corey.Skinner@idwr.idaho.gov>
Subject: George Kelley water supply bank rental

Hi Corey, The attached documents explain the proposed 2017 water supply bank rental for George Kelley. Please let me know if you have any questions or concerns.

Sandra Beer Thiel
Idaho Department of Water Resources
322 East Front Street
Boise, Idaho 83720-0098
(208)287-4881
sandra.thiel@idwr.idaho.gov

Thiel, Sandra

From: Jaxon Higgs <jaxon@waterwellconsultants.com>
Sent: Wednesday, January 18, 2017 4:00 PM
To: Thiel, Sandra
Subject: RE: George Kelley water supply bank rental

Hi Sandra,

That looks fine. I would like to make sure that as part of this rental Mr. Kelly is required to have a working flowmeter in place before the water is used is that is possible. He has agreed to put one in before commencing irrigation in 2017, but it would be nice to have it as a stipulation of the rental for extra incentive.

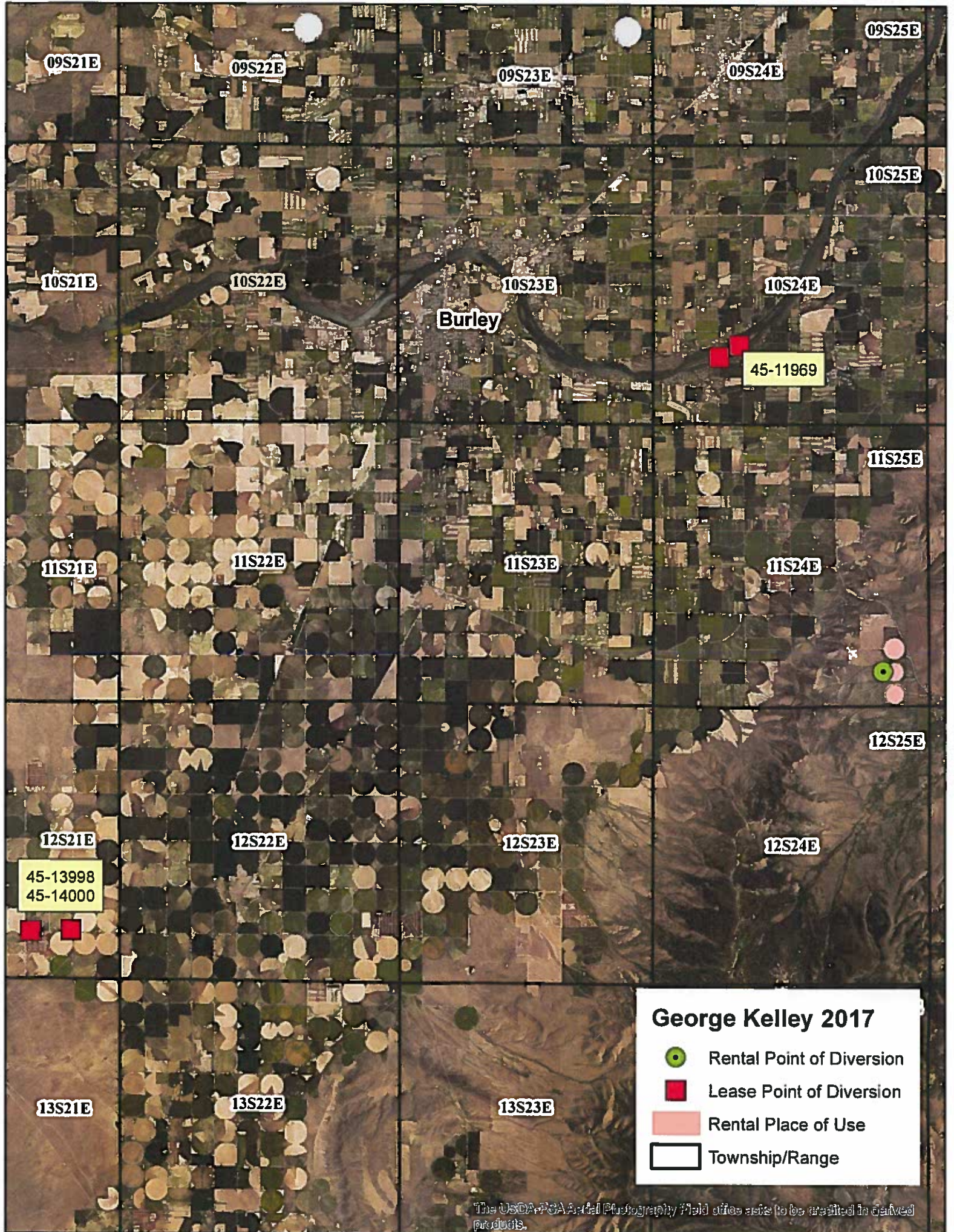
Thanks,

Jaxon

From: Thiel, Sandra [mailto:Sandra.Thiel@idwr.idaho.gov]
Sent: Wednesday, January 18, 2017 3:44 PM
To: JAXON@WATERWELLCONSULTANTS.COM
Subject: George Kelley water supply bank rental

Hello Jaxon, The attached documents explain the proposed 2017 water supply bank rental for George Kelley. Please let me know if you have any questions or concerns.

Sandra Beer Thiel
Idaho Department of Water Resources
322 East Front Street
Boise, Idaho 83720-0098
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George Kelley 2017

-  Rental Point of Diversion
-  Lease Point of Diversion
-  Rental Place of Use
-  Township/Range

One-Way Analysis of Independent Transfers

New Water Right (GModelo):

WR No.	Div. Rate (CFS)	Con. Vol. (AFA)	No. of Irr. Acres	Priority Date	POD Location	Dedicated Vol. AFA/ AFT	Model Node
Transfer 1: Proposed Steady State Impacts following Transfer							
???	???	275.6	68.9	1/1/1960	8S26E-3	275.6 91.9	SP082075
???	???	275.6	68.9	1/1/1960	8S26E-3	275.6 91.9	SP068066
Transfer 1: Worst Case Transient State Impacts following Transfer							
???	???	275.6	68.9	1/1/1960	8S26E-3	275.6 91.9	SP082075
???	???	275.6	68.9	1/1/1960	8S26E-3	275.6 91.9	SP068066

Impact by Reach (AF/Trimester)

Ashton to Rexburg	Heise to Shelley	Shelley to Nr Blackt	Nr Blackt to Neeley	Neeley to Minidoka	Dev. Wbl. To Buhl	Buhl to Kspr	Kspr to Kspr	Malad to Malad	Malad to Bancroft
0.66	1.94	5.82	18.47	1.10	10.16	9.27	4.11	2.58	0.15
0.66	1.94	5.82	18.47	1.10	10.16	9.27	4.11	2.58	0.15
0.66	1.94	5.82	18.47	1.10	10.16	9.27	4.11	2.58	0.15
0.66	1.94	5.84	18.52	1.11	10.35	9.43	4.17	2.63	0.15

Steady State Analysis

Mitigation Check 1 - >10% of Historical:	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Mitigation Check 2 - > 2 AF/T:	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Mitigation Check 3 - >10% of Total:	1.2%	3.4%	10.3%	32.6%	17.9%	16.4%	7.3%	4.6%	0.3%
Mitigation Required?	NO	NO	NO	NO	NO	NO	NO	NO	NO
Mitigation Vol. Req'd (ac-ft):	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Transient State Analysis

Mitigation Check 1 - >10% of Historical:	0.0%	0.0%	0.2%	0.3%	1.9%	1.7%	1.7%	1.5%	1.4%
Mitigation Check 2 - > 2.01 AF/T:	0.0	0.0	0.0	0.1	0.2	0.2	0.1	0.0	0.0
Mitigation Required?	NO	NO	NO	NO	NO	NO	NO	NO	NO
Mitigation Vol. Req'd (ac-ft):	0.0	0.0	0.0	0.1	0.2	0.2	0.1	0.0	0.0

Field, Christine

From: Paul Arrington [pla@idahowaters.com]
Sent: Thursday, November 17, 2016 4:26 PM
To: Field, Christine
Cc: Paul Arrington
Subject: RE: Rental Application

AHHH!! My mind is stuck in 2016 ...

That should read:

- Desired Start Date: 4/15/2017
- Latest Possible Start Date: 5/15/2017

Is this email sufficient to change that?

Paul L. Arrington

Barker Rosholt & Simpson, LLP

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From: Field, Christine [<mailto:Christine.Field@idwr.idaho.gov>]
Sent: Thursday, November 17, 2016 2:57 PM
To: Paul Arrington <pla@idahowaters.com>
Subject: Rental Application

Dear Mr. Arrington,

The ID Dept of Water Resources received the Rental Application on November 16, 2016 for your client George Kelley.

The latest start date on the Mr. Kelley's rental application is listed as 5/15/2016. That date has passed.

Please clarify the dates of the attached rental and let me know desired start date with latest possible end date.

A copy of the page with rental dates in question is attached.

Kind Regards

Christine Field
Water Supply Bank Support
IDWR

*Albert P. Barker
John A. Rosholt
John K. Simpson
Travis L. Thompson
Shelley M. Davis
Paul L. Arrington
Scott A. Magnuson*



195 River Vista Place, Suite 204
Twin Falls, Idaho 83301-3029
(208) 733-0700 telephone
(208) 735-2444 facsimile

1010 W. Jefferson St., Suite 102
Post Office Box 2139
Boise, Idaho 83701-2139
(208) 336-0700 telephone
(208) 344-6034 facsimile
brs@idahowaters.com

RECEIVED

NOV 16 2016

**DEPARTMENT OF
WATER RESOURCES**

November 11, 2016

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

Re: *George Kelley Application to Rent Water from the Board's Water Supply Bank*

To Whom It May Concern,

Enclosed, please find the original signed Application to Rent Water from the Board's Water Supply Bank.

Should you have any questions, please call Paul Arrington at (208) 733-0700.

Thank you,

Jessica Nielsen
Assistant for Paul L. Arrington

Enclosures

PLA/jn