

State of Idaho
Department of Water Resources
Water Right License
WATER RIGHT NO. 37-08798

PRIORITY: October 28, 1992

Maximum Diversion Rate: 0.17 CFS

Maximum Diversion Volume: 43.8 AF

It is hereby certified that:

SUN VALLEY CO A WYOMING CORP PO BOX 10 SUN VALLEY ID 83353

has complied with the terms and conditions of the permit, issued pursuant to Application for Permit dated October 28, 1992, and has submitted Proof of Beneficial Use on December 01, 1994. An examination confirms water is diverted from:

SOURCE:
SPRINGS

TRIBUTARY:
WARM SPRINGS CREEK

and a water right has been established as follows:

BENEFICIAL USE
HEATING

PERIOD OF USE
11/15 to 04/15

DIVERSION RATE
0.17 CFS

ANNUAL DIVERSION VOLUME
43.8 AF

LOCATION OF POINT(S) OF DIVERSION:

SPRINGS NW¼SW¼NW¼ Sec. 14, Twp 04N, Rge 17E, B.M. BLAINE County

PLACE OF USE: HEATING

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
04N	17E	14					X L 10	X L 4											

CONDITIONS OF APPROVAL

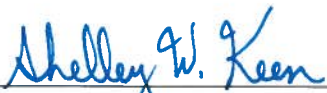
1. Use of water under this right will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 37.
2. The right holder shall maintain a measuring device and lockable controlling works of a type approved by the Department in a manner that will provide the watermaster suitable control of the diversion(s).
3. Rights 37-2678 and 37-8798 when combined shall not exceed a total annual maximum diversion volume of 69.6 af.
4. The following rights are diverted through point(s) of diversion described above: 37-2678 and 37-8798.
5. Use of water under this right shall be non-consumptive.

State of Idaho
Department of Water Resources
Water Right License
WATER RIGHT NO. 37-08798

6. Point of diversion is located within Mineral Survey 525B.
7. This right does not grant any right-of-way or easement across the land of another.
8. The heating use is to melt snow on the pavers and sidewalk areas surrounding the ski lodge.
9. Water used under this right when discharged into a natural channel or subsurface system shall meet Idaho Water Quality Standards.

This license is issued pursuant to the provisions of Section 42-219, Idaho Code. The water right confirmed by this license is subject to all prior water rights and shall be used in accordance with Idaho law and applicable rules of the Department of Water Resources.

Signed this 15th day of March, 2017.



SHELLEY W. KEEN
Water Rights Section Manager



State of Idaho
Department of Water Resources
Attachment to Water Right License
37-8798

This map depicts the HEATING place of use boundary for this water right at the time of this approval and is attached to the approval document solely for illustrative purposes.

17E



-  Point of Diversion
-  Place Of Use Boundary
-  Townships
-  PLS Sections

0 0.0425 0.085 0.17 Miles





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 16, 2017

SUN VALLEY CO A WYOMING CORP
PO BOX 10
SUN VALLEY ID 83353

RE: License No. 37-8798

Issuance of License

Dear Water Right Holder(s):

The Department of Water Resources has issued the enclosed Water Right License confirming that a water right has been established in accordance with your permit. Please be sure to thoroughly review the conditions of approval and remarks listed on your license. Also enclosed is a copy of the approved application for amendment.

The license is a PRELIMINARY ORDER issued by the Department pursuant to section 67-5243, Idaho Code. It can and will become a final order without further action by the Department unless a party petitions for reconsideration or files an exception and/or brief within fourteen (14) days of the service date as described in the enclosed information sheet.

Please note that water right owners are required to report any change of water right ownership and/or mailing address to the Department within 120 days of the change. Failure to report these changes could result in a \$100 late filing fee. Contact any office of the Department or visit the Department's homepage on the Internet to obtain the proper forms and instructions.

If you have any questions, please contact me at 208-287-4951.

Sincerely,

Pamela Skaggs, Water Rights Supervisor
Water Right Permits Section

Enclosure(s)

c: MOFFATT THOMAS BARRETT ROCK & FIELDS CHTD
WATER DISTRICT #37

CERTIFICATE OF SERVICE

I hereby certify that on March 16, 2017 I mailed a true and correct copy, postage prepaid, of the foregoing PRELIMINARY ORDER (Approved License) to the person(s) listed below:

RE: WATER RIGHT NO. 37-8798

**MOFFATT THOMAS BARRETT ROCK & FIELDS CHTD
C/O SCOTT L CAMPBELL
PO BOX 829
BOISE ID 83701-0829**

**SUN VALLEY CO A WYOMING CORP
PO BOX 10
SUN VALLEY ID 83353**

**WATER DISTRICT #37
KEVIN D LAKEY
107 W 1ST
SHOSHONE ID 83352**



**Darla Block
Technical Records Specialist**

EXPLANATORY INFORMATION TO ACCOMPANY A PRELIMINARY ORDER

(To be used in connection with actions when a hearing was not held)

(Required by Rule of Procedure 730.02)

The accompanying order or approved document is a "Preliminary Order" issued by the department pursuant to section 67-5243, Idaho Code. **It can and will become a final order without further action of the Department of Water Resources ("department") unless a party petitions for reconsideration, files an exception and brief, or requests a hearing as further described below:**

PETITION FOR RECONSIDERATION

Any party may file a petition for reconsideration of a preliminary order with the department within fourteen (14) days of the service date of this order. **Note: the petition must be received by the department within this fourteen (14) day period.** The department will act on a petition for reconsideration within twenty-one (21) days of its receipt, or the petition will be considered denied by operation of law. See Section 67-5243(3) Idaho Code.

EXCEPTIONS AND BRIEFS

Within fourteen (14) days after: (a) the service date of a preliminary order, (b) the service date of a denial of a petition for reconsideration from this preliminary order, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration from this preliminary order, any party may in writing support or take exceptions to any part of a preliminary order and may file briefs in support of the party's position on any issue in the proceeding with the Director. Otherwise, this preliminary order will become a final order of the agency.

REQUEST FOR HEARING

Unless a right to a hearing before the Department or the Water Resource Board is otherwise provided by statute, any person aggrieved by any final decision, determination, order or action of the Director of the Department and who has not previously been afforded an opportunity for a hearing on the matter may request a hearing pursuant to section 42-1701A(3), Idaho Code. A written petition contesting the action of the Director and requesting a hearing shall be filed within fifteen (15) days after receipt of the denial or conditional approval.

ORAL ARGUMENT

If the Director grants a petition to review the preliminary order, the Director shall allow all parties an opportunity to file briefs in support of or taking exceptions to the preliminary order and may schedule oral argument in the matter before issuing a final order. If oral arguments are to be heard, the Director will within a reasonable time period notify each party of the place, date and hour for the argument of the case. Unless the Director orders otherwise, all oral arguments will be heard in Boise, Idaho.

CERTIFICATE OF SERVICE

All exceptions, briefs, requests for oral argument and any other matters filed with the Director in connection with the preliminary order shall be served on all other parties to the proceedings in accordance with IDAPA Rules 37.01.01302 and 37.01.01303 (Rules of Procedure 302 and 303).

FINAL ORDER

The Director will issue a final order within fifty-six (56) days of receipt of the written briefs, oral argument or response to briefs, whichever is later, unless waived by the parties or for good cause shown. The Director may remand the matter for further evidentiary hearings if further factual development of the record is necessary before issuing a final order. The department will serve a copy of the final order on all parties of record.

Section 67-5246(5), Idaho Code, provides as follows:

Unless a different date is stated in a final order, the order is effective fourteen (14) days after its service date if a party has not filed a petition for reconsideration. If a party has filed a petition for reconsideration with the agency head, the final order becomes effective when:

- (a) The petition for reconsideration is disposed of; or
- (b) The petition is deemed denied because the agency head did not dispose of the petition within twenty-one (21) days.

APPEAL OF FINAL ORDER TO DISTRICT COURT

Pursuant to sections 67-5270 and 67-5272, Idaho Code, if this preliminary order becomes final, any party aggrieved by the final order or orders previously issued in this case may appeal the final order and all previously issued orders in this case to district court by filing a petition in the district court of the county in which:

- i. A hearing was held,
- ii. The final agency action was taken,
- iii. The party seeking review of the order resides, or
- iv. The real property or personal property that was the subject of the agency action is located.

The appeal must be filed within twenty-eight (28) days of this preliminary order becoming final. See section 67-5273, Idaho Code. The filing of an appeal to district court does not itself stay the effectiveness or enforcement of the order under appeal.

State of Idaho
Department of Water Resources
APPLICATION FOR AMENDMENT
(For Licensing Purposes)
WATER RIGHT NO. 37-08798

RECEIVED

MAR 15 2017

DEPARTMENT OF
WATER RESOURCES

PRIORITY: October 28, 1992

Maximum Diversion Rate: 0.17 CFS
Maximum Diversion Volume: 43.8 AF

Comes now

SUN VALLEY CO A WYOMING CORP PO BOX 10 SUN VALLEY ID 83353

and represents to the Idaho Department of Water Resources that he is the owner and holder of Permit to Appropriate the Public Waters of the State of Idaho No. 37-08798, and requests that the permit be changed as follows:

SOURCE:
SPRINGS

TRIBUTARY:
WARM SPRINGS CREEK

BENEFICIAL USE
HEATING

PERIOD OF USE
11/15 to 04/15

DIVERSION RATE
0.17 CFS

ANNUAL DIVERSION VOLUME
43.8 AF

LOCATION OF POINT(S) OF DIVERSION:

SPRINGS NW¼SW¼NW¼ Sec. 14, Twp 04N, Rge 17E, B.M. BLAINE County

PLACE OF USE: HEATING

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
04N	17E	14					X L 10	X L 4											

Permit holder asserts that no one will be injured by such change and that such change will be made at permit holder's own risk. Signed this 10th day of MARCH, 2017.


(Signature)

State of Idaho
Department of Water Resources
APPLICATION FOR AMENDMENT
(For Licensing Purposes)
WATER RIGHT NO. 37-08798

FOR DEPARTMENT USE ONLY

Preliminary check by _____ Fee = 100 Received by VC # 00391 Date 3/15/17

ACTION OF THE DEPARTMENT OF WATER RESOURCES

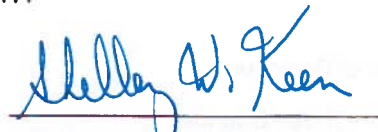
The Idaho Department of Water Resources hereby approves the above Application for Amendment for Permit No. 37-08798 with the following:

CONDITIONS OF APPROVAL

1. 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.
2. The right holder shall maintain a measuring device and lockable controlling works of a type approved by the Department in a manner that will provide the watermaster suitable control of the diversion(s).
3. Rights 37-2678 and 37-8798 when combined shall not exceed a total annual maximum diversion volume of 69.6 af.
4. The following rights are diverted through point(s) of diversion described above: 37-2678 and 37-8798.
5. Use of water under this right shall be non-consumptive.
6. Point of diversion is located within Mineral Survey 525B.
7. This right does not grant any right-of-way or easement across the land of another.
8. The heating use is to melt snow on the pavers and sidewalk areas surrounding the ski lodge.
9. Water used under this right when discharged into a natural channel or subsurface system shall meet Idaho Water Quality Standards.

This amendment is issued pursuant to the provisions of Section 42-211, Idaho Code.

Signed this 15th day of March, 2017.


SHELLEY W. KEEN
Water Rights Section Manager

State of Idaho
Department of Water Resources

Attachment to Water Right License 37-8798

This map depicts the HEATING place of use boundary for this water right at the time of this approval and is attached to the approval document solely for illustrative purposes.

17E



-  Point of Diversion
-  Place Of Use Boundary
-  Townships
-  PLS Sections

0 0.0425 0.085 0.17 Miles





RECEIVED

MAR 15 2017

DEPARTMENT OF
WATER RESOURCES

Daniel Nelson
Water Right Analyst 3
Idaho Department of Water Resources
P.O. Box 83720
Boise, ID 83720-0098

March 14, 2017

Re: Application for Amendment of Permit 96-9478/Water Right No. 37-08798

Dear Dan,

Please find attached our application for the Amendment of Permit 96-9478 for Water Right 37-08798, along with a check for \$100.

Sincerely,

Claudia Aulum
Executive Assistant to Tim Silva
Vice President/General Manager
T 208.622.2104
F 208.622.2043
caulum@sunvalley.com

Copies to: Scott L. Campbell, Tim Silva, Peter Stearns

Nelson, Dan

From: Nelson, Dan
Sent: Wednesday, March 01, 2017 10:31 AM
To: 'Scott Campbell'
Subject: RE: Water Permit No. 37-08798 and Your Letter of January 19, 2017 to the Sun Valley Company

Hello Scott,

This will work for our needs, and we can remove the condition from the water right. Our only concern was to ensure that any permitting requirements from other agencies have been addressed.

As soon as we receive the amendment with the fee, we will remove the condition and proceed with licensing the permit. If you have any further questions, please don't hesitate to contact me.

Daniel Nelson
Water Right Analyst 3
Idaho Department of Water Resources
Telephone (208) 287-4856
Fax (208) 287-6700 (attn: Dan Nelson)

From: Scott Campbell [mailto:scott@slclexh2o.com]
Sent: Tuesday, February 28, 2017 4:00 PM
To: Nelson, Dan <Dan.Nelson@idwr.idaho.gov>
Cc: Tim Silva (tsilva@sunvalley.com) <tsilva@sunvalley.com>; Stearns, Peter <pstearns@sunvalley.com>; Scott Mayeda (smayeda@sinclairoil.com) <smayeda@sinclairoil.com>; Terry M. Scanlan (tscanlan@spfwater.com) <tscanlan@spfwater.com>
Subject: Water Permit No. 37-08798 and Your Letter of January 19, 2017 to the Sun Valley Company
Importance: High

Hello Dan,

I am writing concerning the issues you identified in your letter to the Sun Valley Company, dated January 19, 2017. After I became involved in this issue for the Company, my client, I contacted you and requested an extension to resolve the water quality condition of the permit.

At my suggestion, the company engaged Terry Scanlan, SPF Water Engineering, to conduct water sampling and subsequent analysis (following lab tests) of the water diverted from the source in Warm Springs Creek and from the discharge into Warm Springs Creek after its beneficial use. The written report prepared by Terry Scanlan is attached.

As you will see from reviewing the report, the water quality of the discharge improves the temperature component significantly and none of the other pertinent constituents diminish, following beneficial use and discharge to Warm Springs Creek. Consequently, based upon these results, I believe Condition 9 of the permit has been satisfied.

The issue of the place of use addition to include Lot 4 (NWNW) of Section 14 in Township 4 North, Range 17 East is not a concern of the Sun Valley Company.

I will be available to discuss these matters with you at your convenience. After you and your staff have reviewed my response for the Company, please contact me to discuss completion of the licensing process for Permit No. 37-08798.

Thank you very much for your patience and cooperation.

Best regards,

Scott