

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT NO. 114

This is to certify that:

JOHN F STEVENSON
36 HILLSIDE RANCH RD
BELLEVUE, ID 83313

RECEIVED

FEB 27 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)
37-501E	5/1/1886	BIG WOOD RIVER	0.12	12.95	3.7	0.03	3.5
37-597A	5/1/1886	BIG WOOD RIVER	0.07	12.25	3.5	0.02	3.5
37-2668	8/12/1961	GROUND WATER	0.43	75.3	21.5	0.02	3.5
37-22728	7/10/1884	BIG WOOD RIVER	0.01	1.1	0.3	0.03	3.5
37-22730	10/15/1884	BIG WOOD RIVER	0.04	6.5	1.8	0.02	3.5
37-22732	6/12/1886	BIG WOOD RIVER	0.05	8.4	2.4	0.02	3.5
37-22734	6/15/1891	BIG WOOD RIVER	0.11	18.9	5.4	0.02	3.5
Combined Rental Totals			0.43	75.3	21.5	0.02	3.5

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: \$128.01

The full fee for the rental of the above-described right(s) is \$128.01 for 2017. The rental fee includes an administrative fee of \$128.01 for 2017. Note that the renter is obligated to pay only the administrative fees associated with the water right(s) 37-501 E, 37-597 A, 37-2668, 37-22728, 37-22730, 37-22732, 37-22734.

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 114

Beneficial Use	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate/Acre (CFS/AC)	Volume/Acre (AF/AC)
IRRIGATION	0.41	75.3	21.5	0.02	3.5
Combined Total	0.41	75.3	21.5	0.02	3.5

* The authorized water usage reflects a reduction from the water right elements rented, to account for combined limits and conveyance losses of 5 % per mile to the rental place-of-use.

Detailed water right conditions are attached.

SUPPORT DATA

IN FILE # 37-501E

Page 1 of 4

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
WATER SUPPLY BANK RENTAL AGREEMENT NO. 114

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:

 2-23-17
Signature of Renter Date

John F. Stevenson owner/operator
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  Date 3/7/2017
BRIAN PATTON, Acting Administrator
Idaho Water Resource Board

Rental approved by IDWR  Date 3-7-2017

WATER SUPPLY BANK RENTAL AGREEMENT NO. 114

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

BIG WOOD RIVER
GROUND WATER

L3SWNW
NENE

Sec.36, Twp 02N, Rge 18E,
Sec. 30, Twp 01N, Rge 19E,

BLAINE County
BLAINE County

Beneficial Use
IRRIGATION

Diversion Rate
0.43 CFS

Volume
75.3 AF

BENEFICIAL USE & SEASON OF USE

Water Right No.	From	To	Diversion Rate
37-2668	4/15	10/31	0.43 CFS
37-597 A	4/15	10/31	0.07 CFS
37-501 E	4/15	10/31	0.12 CFS
37-22728	4/15	10/31	0.01 CFS
37-22730	4/15	10/31	0.04 CFS
37-22732	4/15	10/31	0.05 CFS
37-22734	4/15	10/31	0.11 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	
01N	19E	20											21.5						21.5

Total Acres: 21.5

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. This rental agreement does not authorize the construction of a well.
9. Pursuant to Section 42-1412(6), Idaho Code, this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as may be determined by the Snake River Basin Adjudication court at a point in time no later than the entry of the final unified decree.
10. The unleased portions and the rented portions of Right No. 37-2668 are limited to the irrigation of 77 acres in a single irrigation season.
11. Use of water under this water right will be regulated by the watermaster of State Water District No. 37.
12. A portion of this right provides conveyance for other right holders in the shared delivery of water through the Wood River Irrigation District #45 canal. The renter will be charged an additional 5% per mile or 0.02 cfs for conveyance to the rental place-of-use.
13. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 3.5 afa per acre for irrigation of the lands above.
14. Prior to diversion of water under this approval, the right holder shall provide a means of measurement acceptable to the Department from all authorized points of diversion which will allow determination of the total rate of diversion.
15. The unleased portions and the rented portions of Rights 37-115G, 37-158D, 37-577AP, 37-597A, 37-666H, 37-667M, 37-886D, 37-2656, 37-7645, 37-22720, 37-22722, 37-22724, 37-22726, 37-22728, 37-22730, 37-22732, 37-22734, 37-22738, and 37-22740 when combined shall not exceed the irrigation of 1156.3 acres.
16. Unleased portions and the rented portions of Right Nos. 37-501E, 37-2631, 37-2664A, 37-2668, and 37-19735 are limited to the irrigation of a combined total of 602 acres in a single irrigation season.

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

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DEPARTMENT OF
WATER RESOURCESAPPLICATION TO RENT WATER
FROM THE BOARD'S WATER SUPPLY BANKApplicant Name: John F. Stevenson

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 John F. Stevenson

Mailing Address 36 Hillside Ranch Rd Bellevue Idaho 83313
Street City State Zip Code
 Email Address _____ Phone Number 208-788-4826

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 at Law
 Organization Barker Rosholt & Simpson, LLP Relationship to Applicant Attorney
 Mailing Address 195 River Vista Pl, 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**:

Irrigation of 21.5 acres of applicant's land approximately one mile from current PPU.

B. Enter the desired and/or minimum rates of flow, volume, or irrigable acres requested for your rental purposes:

Desired Rate (Cubic Feet/Second)	Desired Volume (Acre-Foot)	Minimum Rate* (Cubic Feet/Second)	Minimum Volume* (Acre-Foot)	Desired Acres (if applicable)
0.43 CFS	AF	CFS	AF	21.5 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	4/30/2016	☐ 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
Well and pump, with pipeline in place of use. The pump is in the District 45 canal.

- 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
1N 19E 30 NENENE	Ground Water	None
2N 18E 36 Lot3 NESWNW	Big Wood River	

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 21.5 (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: _____ (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:
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)
37-2668	Irrigation	0.43		21.5		0.43		21.5
37-501E	Irrigation	0.11		3.7		0.11		3.7
37-22728	Irrigation	0.01		17.8				17.8
37-22730	Irrigation	0.04		17.8				17.8
37-22732	Irrigation	0.05		17.8				17.8
37-22734	Irrigation	0.11		17.8				17.8
37-597A	Irrigation	0.37		17.8				
Applicants must ensure the requested rate per acre and volume per acre do not exceed the rate per acre and volume per acre limits of water rights leased to the Water Supply Bank					TOTAL	0.43		21.5
						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:

N/A

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:

Applicant proposes to submit a transfer application for the permanent transfer of the water identified herein to the place of use identified herein. When that transfer is approved, this application will be terminated.

- C. Was this rental application submitted in response to a Notice of Violation (NOV) or a pending NOV? Yes ☐ No ☒
If yes, describe the date and location of the NOV.

- D. Additional Information

DECLARATION

I hereby assert that the information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in rejection of the application or cancellation of an approval. I understand that if this rental application is approved, it will be subject to the provisions of Section 42-1766, Idaho Code and all applicable state and federal laws. I understand that the submission of a rental application provides no guarantee for approval of a rental agreement. I also understand that, per Idaho Code 42-201, it is unlawful to divert or use water without a valid water right and that I am not authorized to utilize water as proposed in this application prior to the execution of an approved rental agreement.


Signature of Applicant

John F. Stevenson
Printed Name of Applicant

4/9/16
Date

Signature of Representative

Printed Name of Representative

Date

Mail to:

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

STATE OF IDAHO
WATER RESOURCE BOARD

Water Modeling Requirement Information Sheet

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

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

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

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

Regulated water sources may areas include:

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

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

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

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

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

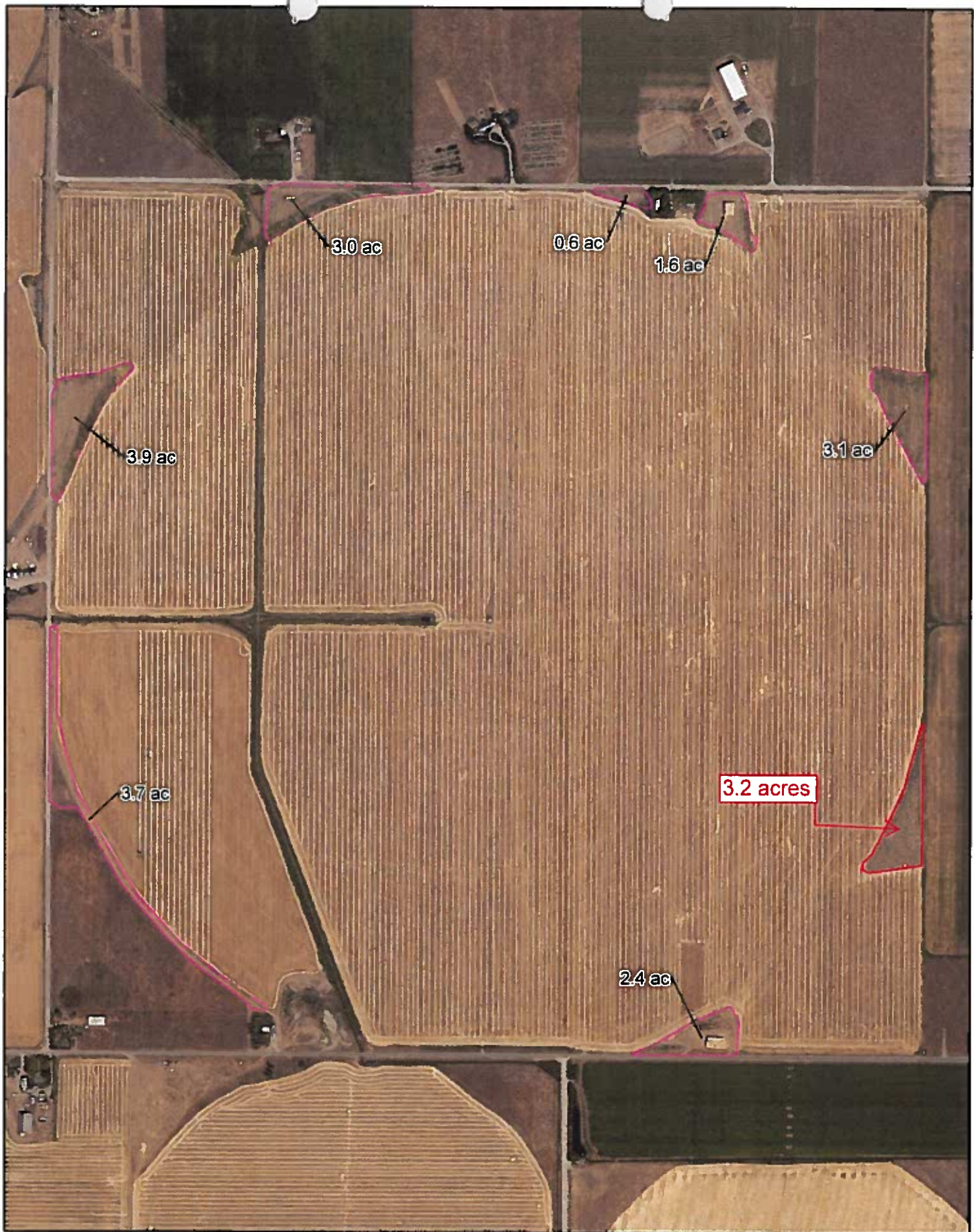
Modeling situations may include:

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

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

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

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



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NAIP 2015
2016-01-19

**BOARD OF DIRECTORS
WOOD RIVER VALLEY IRRIGATION DISTRICT #45
April 12, 2016**

MEMORANDUM TO FILE

FROM: JIM SPINELLI, SECRETARY, W.R.V.I. #45

SUBJECT: MOTION AT MONTHLY MEETING, APRIL 12, 2016 REGARDING THE WATER BANK APPLICATION FROM JOHN F. STEVENSON

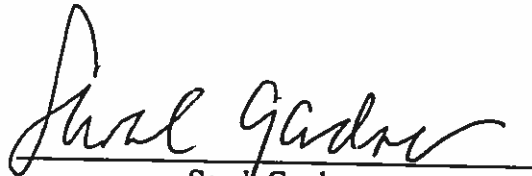
At the above referenced meeting there was a motion presented by Director Jim Super, and seconded by Director Jolyon Sawrey to approve the application as follows: Motion to approve the Stevenson transfer of water from the Triangle Ranch to the Rinker breaker pivot, conditionally, if there is no net increase of maximum "irrigatable acres", also retention of 5% of water per mile to prevent harm from individuals downstream, with a written acknowledgement to the directors of these conditions.

Votes: Dir. Super, Ay, Dir. Sawrey Ay, Dir. White abstained – motion passed 2 to 1 in favor.

**CERTIFICATE OF ACTION TAKEN BY THE
TRIANGLE IRRIGATION DISTRICT**

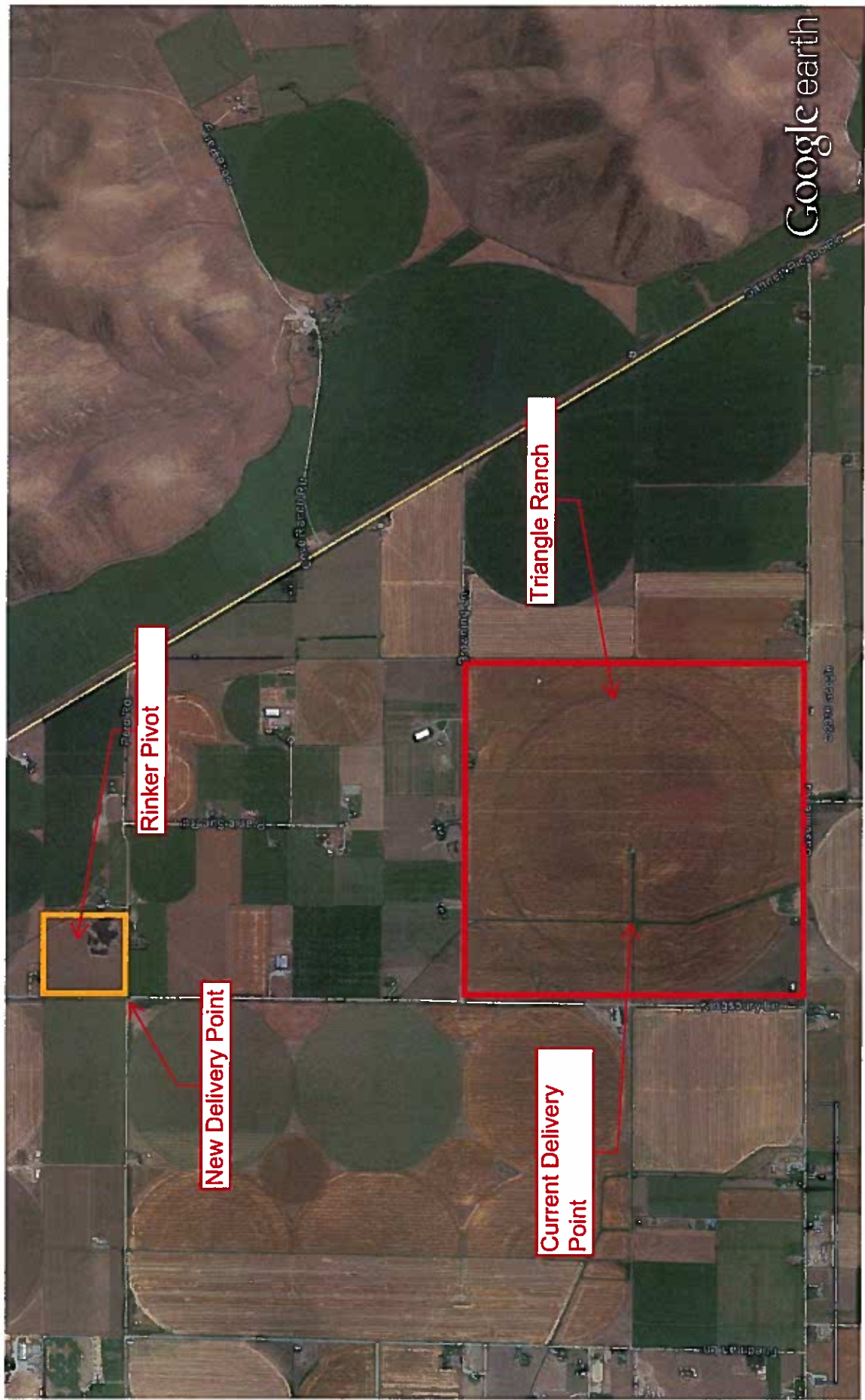
The undersigned hereby certify that at the April 8, 2016 meeting of the Triangle Irrigation District, the board took up the matter of the STEVENSON WATER BANK APPLICATION and the board, after discussion and on motion and unanimously approved the following resolution was adopted by the Board and is at this time in full force and effect:

RESOLVED, to notify the IDWR Water Bank, officials of the Triangle Irrigation District consent to approve the Water Bank application with the condition that there be no adverse impact on minimum stream flow in the river and that carriage loss sufficient to convey water to the 45/TID head-gate must be left in the river if the water right is to be leased upstream.

A handwritten signature in cursive script, appearing to read 'Sarah Gardner', is written over a horizontal line.

Sarah Gardner
Chairman





Google earth

miles
km





State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098

Phone: (208) 287-4800 • Fax: (208) 287-6700 • Website: www.idwr.idaho.gov

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

March 8, 2017

JOHN F STEVENSON
36 HILLSIDE RANCH RD
BELLEVUE ID 83313

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NOS. 37-501E, 37-597A, 37-2668, 37-22728, 37-22730, 37-22732,
and 37-22734**

Dear Renter:

Please find enclosed a receipt in the amount of **\$128.01** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 75.3 acre-feet of water for irrigation of 21.5 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, the rental fee will be retained by the Department to offset administrative costs since you are the owner of the rights.

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

Sincerely,

DL Water Supply Bank

Enclosures: Receipt No. C103075
Rental Agreement (copy)

c: Sascha Marston – Fiscal
Corey Skinner – IDWR Southern Regional Office
Kevin Lakey – State Water District No. 37
Paul Arrington – Barker Rosholt & Simpson
Wood River Irrigation District #45
Triangle Irrigation District



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

February 14, 2017

JOHN F STEVENSON
36 HILLSIDE RANCH RD
BELLEVUE ID 83313

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NOS. 37-501E, 37-597A, 37-2668, 37-22728, 37-22730, 37-22732,
and 37-22734**

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

Dear Applicant:

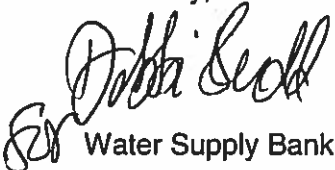
The Department of Water Resources acknowledges receipt of your application to rent water from the Water Supply Bank. **I have enclosed a Water Supply Bank Rental Agreement for your review and signature.** Upon signature and return of the original agreement, together with the rental fee described below, 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 **\$1,280.10** was calculated based on the current rental rate of \$17.00 per acre-foot times a diversion volume of 75.3 acre-feet. Since you are both the lessor and the renter of the rights, **you are only obligated to pay the 10% administrative fee or \$128.01.** An annual payment shall be received by the Department prior to the execution of this agreement and prior to January 1 in all subsequent years for the duration of the rental period. The agreement will be void if payment is not received prior to the due date in a given year. If you would like to terminate the agreement prior to the end of the rental period, you must submit written notice of your intent to the Department at least 30 days prior to the rental fee due date.

Please send a check for \$128.01 made payable to the Idaho Department of Water Resources, together with the signed rental agreement, within 14 days so I can complete processing.

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 LLP

Edl, Michele

From: Skinner, Corey
Sent: Tuesday, December 06, 2016 3:11 PM
To: Edl, Michele
Subject: RE: request for comment Stevenson lease-rental

Looks OK to me.

From: Edl, Michele
Sent: Tuesday, December 06, 2016 1:25 PM
To: Skinner, Corey
Subject: FW: request for comment Stevenson lease-rental

Corey,

In the email below, I **badly** misstated the number of GW and SW rights involved. There are seven rights total: 1 GW right and 6 surface water rights. Sorry to have muddled this.

I have attached my rental review memo to this edition of my request for your comment.

As you can see below Kevin is ok with it. But don't hesitate to call me if you would rather talk about it instead. Thanks

Michele

287-4946

From: Kevin Lakey [<mailto:watermanager@cableone.net>]
Sent: Tuesday, December 06, 2016 8:36 AM
To: Edl, Michele
Subject: RE: request for comment Stevenson lease-rental

Michele,

This looks OK to me.

Kevin Lakey

WD 37

From: Edl, Michele [<mailto:Michele.Edl@idwr.idaho.gov>]
Sent: Monday, December 05, 2016 4:33 PM
To: watermanager@cableone.net
Subject: request for comment Stevenson lease-rental

Kevin, Corey

I have completed my review of the lease and rental package that Paul Arrington submitted on behalf of John F Stevenson and ABJ2 LLC.

The Stevensons propose to idle 21.5 acres of pivot corners and edges in T1N R19E sec 32 which were covered by 4 ground water rights and 2 Big Wood R rights. They wish to move that 21.5 acres-worth of water almost due North to new ground in SWSW of sec 20. I have attached a screenshot which shows the leased POU's colored solid white and the rental POU outlined in red. I believe that the Stevensons intend to put in $\frac{3}{4}$ pivot on the rental POU. (Mr. Arrington refers to it as the Rinker pivot.)

We have the ok from Triangle Irrigation and Wood River Irrigation District #45.

The Stevenson family should still file a transfer to address some other POU issues with their water rights portfolio, but I didn't find an enlargement occurring with this lease and rental proposal.

When you get a minute, please let me know if you have any concerns.

Edl, Michele

From: Kevin Lakey [watermanager@cableone.net]
Sent: Tuesday, December 06, 2016 8:36 AM
To: Edl, Michele
Subject: RE: request for comment Stevenson lease-rental

Michele,
This looks OK to me.
Kevin Lakey
WD 37

From: Edl, Michele [<mailto:Michele.Edl@idwr.idaho.gov>]
Sent: Monday, December 05, 2016 4:33 PM
To: watermanager@cableone.net
Subject: request for comment Stevenson lease-rental

Kevin, Corey

I have completed my review of the lease and rental package that Paul Arrington submitted on behalf of John F Stevenson and ABJ2 LLC.

The Stevensons propose to idle 21.5 acres of pivot corners and edges in T1N R19E sec 32 which were covered by 4 ground water rights and 2 Big Wood R rights. They wish to move that 21.5 acres-worth of water almost due North to new ground in SWSW of sec 20. I have attached a screenshot which shows the leased POU's colored solid white and the rental POU outlined in red. I believe that the Stevensons intend to put in $\frac{3}{4}$ pivot on the rental POU. (Mr. Arrington refers to it as the Rinker pivot.)

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The Stevenson family should still file a transfer to address some other POU issues with their water rights portfolio, but I didn't find an enlargement occurring with this lease and rental proposal.

When you get a minute, please let me know if you have any concerns.
Michele Edl
208-287-4946

Water Right No.	Rented Vol (AF)	Lessor Fee (90%)	Administrative Fee (10%)	Total Fee @ \$17 (2017)	Rental Amounts		Lessor Fee (90%)	Administrative Fee (10%)	Total Fee @ \$20 (2018-2022)
					Rate	Acres			
37-2668 (ABJ2)	75.3				0.43	21.5			
37-597A (ABJ2)	12.25				0.07	3.5			
37-501E	12.95				0.12	3.7			
37-22728	1.08				0.01	0.3			
37-22730	6.47				0.04	1.8			
37-22732	8.35				0.05	2.4			
37-22734	18.86				0.11	5.4			
Total	75.3	\$0.00	\$128.01	\$128.01	0.43	21.50	\$0.00	\$0.00	\$0.00
Rental is of WR # 37-2886. Slivers of overlapped rights do not add water to the rental but their elements must be reduced to avoid enlargement									
calculated by Michele Edl									
37-2668	rate	volume	acre	af/ac	cfs/ac				
decreed	1.54	269.5	77	3.50	0.020				
leased	0.43	75.3	21.5	3.50	0.020				
available	0.43	75.3	21.5	3.50	0.020				This rt can be considered separate from the other GW rights
Stevenson	0.43	75.3	21.5	3.50	0.020				
remaining	0.00	0	0						
Rights below are stacked slivers of SW									
37-597A	rate	volume	acre	af/ac	cfs/ac				% of acres
decreed	1.60	269.5	77	3.50	0.021				
leased	0.07	12.25	3.5	3.50	0.021				0.045454545 = 3.5/77
available	0.07	12.25	3.5	3.50	0.020				
Stevenson	0.07	12.25	3.5	3.50	0.020				
remaining	0	0	0						
37-501E	rate	volume	acre	af/ac	cfs/ac				% of acres
decreed	4.20	451.5	129	3.50	0.033				
leased	0.12	12.95	3.7	3.50	0.033				0.028682171 = 3.7/129
available	0.12	12.95	3.7	3.50	0.032				
Stevenson	0.12	12.95	3.7	3.50	0.032				
remaining	0	0	0						
37-22728	rate	volume	acre	af/ac	cfs/ac				
decreed	0.39		20	0.00	0.020				
leased	0.01	1.08	0.307878578	3.50	0.020				0.015393929 = 17.8/1156.3
available									
Stevenson				#DIV/0!	#DIV/0!				2.548355788
37-22730	rate	volume	acre	af/ac	cfs/ac				
decreed	2.37		120	0.00	0.020				
leased	0.04	6.47	1.847271469	3.50	0.020				
available									
Stevenson				#DIV/0!	#DIV/0!				
37-22732	rate	volume	acre	af/ac	cfs/ac				
decreed	3.16		155	0.00	0.020				
leased	0.049	8.35	2.386058981	3.50	0.020				
available									
Stevenson				#DIV/0!	#DIV/0!				
37-22734	rate	volume	acre	af/ac	cfs/ac				
decreed	7.11		350	0.00	0.020				
leased	0.109	18.86	5.387875119	3.50	0.020				
available									
Stevenson				#DIV/0!	#DIV/0!				
	13.03	4047.05	1156.3	3.50	0.011				

MEMORANDUM

To: Water Right(s): 37-501E, 37-597A, 37-2668, 37-22728, 37-22730, 37-22732 and 37-22734

From: Michele Edl

Date: December 6, 2016

Re: Review & Analysis of Stevenson Applications to Lease Water to and Rent Water from the State Water Supply Bank

PURPOSE/NARRATIVE: On April 14, 2016, Paul Arrington (attorney with Barker Rosholt & Simpson) submitted 7 applications to lease water totaling 21.5 acres-worth of water to the State Water Supply Bank and 1 application to rent the same 21.5 acres-worth of water from the State Water Supply Bank. The leased and rented water are from portions of water rights 37-501E, 37-597A, 37-2668, 37-22728, 37-22730, 37-22732 and 37-22734. The Stevenson's are providing portions of their own water rights for use on new ground.

The applicant requested a rental agreement with a 2-year duration but the agreement is limited by the availability of the rights requested. Approvals which act on ground water rights within the Big Wood River Valley are limited to one year. So this rental approval will be limited to 2017.

AUTHORITY TO FILE: According to available Blaine County taxlot information, the proposed rental place-of-use is owned by John F Stevenson. Mr. Stevenson signed the rental application.

The proposed POD for ground water is an existing well identified as WMIS# 1001089. It is the authorized POD for decreed water rights 37-22736, 37-8117, and 37-8196 which are also held by John F Stevenson.

The proposed POD for surface water is the existing POD for the District 45 canal located in gov't lot 3 of Township 02N, Range 18E, Sec 36 and nominally within the City of Bellevue. It is identified as WMIS #1001567.

The proposed point-of-re-diversion is a pump in a District 45 canal located at the SW corner of the proposed rental POU. Permission to utilize the canals/ditches has been received from both Triangle Irrigation District and Wood River Valley Irrigation District #45.

WATER RIGHT VALIDITY: Portions of Water Rights 37-501E, 37-597A, 37-22728, 37-22730, 37-22732 and 37-22734 were leased to the WSB in companion applications. A review of aerial photography of the lease POU shows that portions have been idled. Water sufficient to satisfy this rental request is available from the rights. Approval of this rental agreement will exhaust the entire rental availability of the leased rights.

INJURY TO OTHER WATER RIGHTS: The lease-rental moves an existing diversion of water approximately 1 mile north within the Big Wood River GWMA. The rental POU is not currently within the service territory of any of the local delivery entities for irrigation water. But comingled ground water and surface water can be delivered to the rental POU via existing ditches.

Permission to utilize those ditches has been received from both Triangle Irrigation District and Wood River Valley Irrigation District #45. District #45 requested and the Stevensons committed to a 5% per mile conveyance set-aside for the changed diversion point. (See the April 13, 2006 email from Paul Arrington to the Board of District 45.) But because this is a self-serve lease-

rental, the WSB will not need to consider the conveyance loss in the rental. The ditch rider will make any necessary rate adjustments.

According to the interim guidance documents for this area, modeling is not required if the proposed change is within the same transaction zone. The rental wells-PODs and the lease well-POD are within the Triangle East zone.

ENLARGEMENT OF USE: No enlargement is evident through the rental. The rental agreement will be issued with combined use conditions which recognize and shrink the PPU's and POU's for the leased rights and the following 13 associated water rights: 37-115G, 37-158D, 37-577AP, 37-666H, 37-886D, 37-2656, 37-7645, 37-22720, 37-22722, 37-22724, 37-22726, 37-22738, and 37-22740.

LOCAL PUBLIC INTEREST: Review staff has no information to suggest that 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 rented right(s) are subject to Water District 37. The watermaster and Southern Region have been consulted and are not opposed to the rental.

Edl, Michele

From: Paul Arrington [pla@idahowaters.com]
Sent: Monday, November 21, 2016 7:59 AM
To: Edl, Michele
Subject: RE: Stevenson WSB rental POU question

Please process the water bank application. I will speak with my clients about these areas and we will resolve that matter – though, it will likely be with different water.

Paul L. Arrington

Barker Rosholt & Simpson, LLP

208-733-0700 – Office

208-404-9436 – Cell

208-735-2444 – Fax

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From: Edl, Michele [<mailto:Michele.Edl@idwr.idaho.gov>]
Sent: Friday, November 18, 2016 3:20 PM
To: Paul Arrington <pla@idahowaters.com>
Subject: Stevenson WSB rental POU question

Paul Arrington,
I've made some progress in understanding the Stevenson portfolio of water rights since we last spoke.

In my review of the overlaps, I took the opportunity to compare the water use displayed in recent satellite imagery with the water right POU shapes. I found that there was irrigation water use in 2016 that was not confined to authorized POUs. I have attached a jpg image/screen shot from my computer. The red areas indicate growing crops supported by irrigation. The water right layer appears as the horizontal cross-hatch. I have called out three areas on that jpg image that are of concern with the Stevenson property.

Does your client intend to irrigate those acres again in 2017? Has he thought about how he will get those acres covered?

I hesitate to move forward with processing a rental proposal for new ground in section 20 when it appears that the rented water may be needed to cover unauthorized use in sections 30 and 31.

Please confirm the intended rental POU and get back to me as soon as possible.

Sincerely,
Michele Edl

Edl, Michele

From: Edl, Michele
Sent: Monday, November 14, 2016 1:56 PM
To: Skinner, Corey
Subject: Stevenson WSB applicatn

Corey,

I would like to discuss this overlap analysis with you. I don't understand how only one groundwater right is stacked and maybe comingled with several surface water rights.

Lets make an appointment to discuss it this week. Your schedule is likely more full than mine.

How about tomorrow?

Michele

From: Skinner, Corey
Sent: Thursday, November 10, 2016 2:59 PM
To: Edl, Michele
Subject: FW: Water Bank/Transfer Question

Hopefully this helps?

From: Skinner, Corey
Sent: Thursday, March 31, 2016 11:47 AM
To: 'Paul Arrington'
Cc: Buyer, Remington
Subject: RE: Water Bank/Transfer Question

Paul,

This is a tough one, but I played around with it a little this morning and think I have an answer for you. If I understand your attachment correctly, they will be proposing transferring 6.9 acres from the NW of Section 32, 5.3 acres from the NE of Section 32, 3.7 acres from the SW of Section 32, and 2.4 acres from the SE of Section 32. Note that this adds up to 18.3 total acres, but your e-mail mentions "moving approx. 22 acres" (I am not sure what number(s) are correct).

I agree with your idea that right 37-2668 can be moved separately from the other groundwater rights (37-19735, 37-2664A, and 37-2631). Note that 37-19735, 37-2664A, and 37-2631 are limited to a combined total 525 acres with 37-2668 adding an additional 77 acres for the total of 602 acres in Section 32 under the four groundwater rights. This means that the 77 acres under 37-2668 are different than the 525 acres covered under 37-19735, 37-2664A, and 37-2631.

However, it looks like all four of the groundwater rights overlap with various surface rights from the Big Wood River. Any groundwater acres moved from the NW, NE, or SE of Section 32 will have to include rights 37-22728, 37-22730, 37-22732, and 37-22734 (total overlap with the groundwater rights in these tracts). Acres moved from the South ½ of the SE of Section 32 will also have to include right 37-597A (total overlap with the groundwater rights on this land). It also appears that if acres are moved from the South ½ of the SE of Section 32 right 37-597A needs to be included (total overlap with the groundwater rights on this land). It is also possible that some combination of rights 37-115G, 37-666H, and 37-667M could also be included with any acres moved out of the NW, NE, or SE of section 32. Note that these three rights provide 1040 acres (480 + 560) on lands that include the NW, NE, or SE of Section 32 along with other lands. However, since you are wanting to move a relatively small amount of the groundwater right(s) these three rights could probably be excluded (probably your choice on this one). Since 1040 acres is less than the 1156.3 acre PPU, it is possible

that there are up to 116.3 acres within the 1156.3 acre PPU that these three rights are not used on. I suppose you could make the argument that they would be transferring rights from some of these 116.3 acres.

While I understand that your efforts might make filing the applications easier, ultimately IDWR will have to modify all of the rights we have been talking about plus some others (conditions on some of these rights refer to nineteen different rights which potentially could lead to other rights).

Hopefully this gives you some ideas/options. I am interested in what thoughts Remington might have on this also.

Corey

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

Sent: Thursday, March 31, 2016 8:44 AM

To: Skinner, Corey; Buyer, Remington

Cc: Paul Arrington

Subject: Water Bank/Transfer Question

Remington & Corey:

I spoke with both of you yesterday about a water bank/transfer application that I am working on for a client in the Wood River Valley. In short, the situation involves moving approx. 22 acres of irrigation from a current PPU to land about a mile north that present has no water. They intend to permanently transfer the water to the new property. However, since they hope to use the water this week, we will be filing a companion application with the Department for a year (maybe two) of water bank rental to allow the transfer to go through.

There are serious questions about ownership ... which I believe I have figured out and will have resolved prior to any filing.

The water rights in question are in PPU's with other water rights. There are actually 2 PPUs – one for 602 acres and one for 1100+ acres. My question for each of you yesterday was whether we would be able to move a portion of only a few of the rights within the PPU or if we had to move a portion of all rights within the PPU. I understood both of you to say that, under the right circumstances, my clients would be able to move a portion of only a few rights into the water bank or via transfer. The determination will depend on the conditions on the various water rights – including combined use limitations, etc. Further, after the move, the irrigated acreage within the PPU must be reduced accordingly.

Yesterday, I reviewed the water rights in question. Attached I have a few documents from this review:

1. First is a summary of the water rights and the land that they cover. The acres are limited to those where ground will be dried up for the transfer – though, the PPU's may actually include other acres.
2. From this review, and our calls yesterday, I believe that we could transfer a portion of water rights 37-2668 and 37-115G for this project – leaving all others within the PPUs untouched but reducing the total acreage allowed within the PPUs.
3. In the alternative, could we limit our transfer to just a portion of water right 37-2668? This would only require the amendment of one PPU and one water right?

We hope to file the companion application by the middle of next week, and the transfer shortly thereafter. I would appreciate your thoughts on this matter before we file.

Thanks,
Paul L. Arrington
Barker Rosholt & Simpson LLP
195 River Vista Place, Suite 204
Twin Falls, Idaho 83301
(208) 733-0700 - telephone
(208) 404-9436 - mobile
(208) 735-2444 - facsimile

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Edl, Michele

From: Paul Arrington [pla@idahowaters.com]
Sent: Thursday, November 10, 2016 11:32 AM
To: Edl, Michele
Cc: Paul Arrington
Subject: FW: Water Bank/Transfer Question
Attachments: Total Water Rights.pdf

This is the email chain RE: the water rights being put in the bank.

Paul L. Arrington

Barker Rosholt & Simpson, LLP

208-733-0700 – Office

208-404-9436 – Cell

208-735-2444 – Fax

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From: Buyer, Remington [mailto:Remington.Buyer@idwr.idaho.gov]
Sent: Thursday, April 07, 2016 1:34 PM
To: Paul Arrington <pla@idahowaters.com>
Cc: Sharon Strickland <strickland@idahowaters.com>
Subject: RE: Water Bank/Transfer Question

Hi Paul,

This is a difficult stack of water rights to sort out. Due to the multiple overlapping but different combined limits of sub-stacks within the larger 1156.3 acre portfolio, you're going to need to look at each of these water rights at the quarter-quarter level to determine where they do and don't overlap. You'll need to pay attention as well to whether they are ground water or surface water, so that you can identify the supplemental water rights. Once that's accomplished, you should be able to establish the unique value of the yellow water rights are in Section 32 and/or their value specific to Section 32.

Remington

From: Paul Arrington [mailto:pla@idahowaters.com]
Sent: Wednesday, April 06, 2016 2:26 PM
To: Buyer, Remington
Cc: Paul Arrington; Sharon Strickland
Subject: RE: Water Bank/Transfer Question

Remington,

I decided to put all the rights on a spreadsheet listing combined diversion and acreage limitations. I had hoped that by doing so, the answer to my question would just "click." No luck.

See attached. Help!!! I am just not sure what to do next ...

Based on email correspondence with you and Corey, the yellow rights are the ones we are putting in the bank.

Paul L. Arrington

Barker Rosholt & Simpson, LLP

208-733-0700 – Office

208-404-9436 – Cell

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From: Buyer, Remington [<mailto:Remington.Buyer@idwr.idaho.gov>]
Sent: Friday, April 01, 2016 4:58 PM
To: Paul Arrington <pla@idahowaters.com>
Cc: Skinner, Corey <Corey.Skinner@idwr.idaho.gov>; Albert Barker <apb@idahowaters.com>
Subject: RE: Water Bank/Transfer Question

Hi Paul,

It was unclear to me in your email where the rental was located. If the rental point of diversion is in the same zone of the Bellevue Triangle, no modeling is required.

I limited my analysis to just the water rights that overlapped in Section 32. I trust that Corey's analysis is correct and that a full transfer/lease of all water rights you listed below is required to ensure enlargement is avoided.

Remington

From: Paul Arrington [<mailto:pla@idahowaters.com>]
Sent: Friday, April 01, 2016 4:36 PM
To: Buyer, Remington
Cc: Skinner, Corey; Barker, Albert (IWRB Member); Paul Arrington
Subject: RE: Water Bank/Transfer Question

Remington:

Thanks for this information. A few questions:

1. I am not sure that additional modeling will be required. According to the maps on the policy, both the original and rental POD's are within the Triangle East zones. According to the policy, "Under this interim ground water rental policy, when a point of diversion for a leased right and the point of diversion for a rental request are both found within the same transaction zone, the Bank will not necessarily require any additional information to accept and review the rental request. Subject to standard rental review procedures, the Bank may approve rental requests where the lease and rental points of diversion occur within the same transaction zone."

2. The information you provided was difficult to read. Though, it sounds like you and Corey have reached the same conclusion. That we would have to transfer a portion of the following rights: 37-2668, 37-22728, 37-22730, 37-22732, 37-22734, 37-501E and 37-597A. Is that correct?

Paul L. Arrington

Barker Rosholt & Simpson, LLP

208-733-0700 – Office

208-404-9436 – Cell

208-735-2444 – Fax

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From: Buyer, Remington [<mailto:Remington.Buyer@idwr.idaho.gov>]

Sent: Friday, April 01, 2016 3:43 PM

To: Paul Arrington <pla@idahowaters.com>

Cc: Skinner, Corey <Corey.Skinner@idwr.idaho.gov>

Subject: RE: Water Bank/Transfer Question

Paul,

I can appreciate that you have a client desiring to transfer/rent water rights this year, however a rental for this summer is problematic considering the number of already received, pending rental requests in the Bank's processing cue, as well as the potential that the rental may require ground water modeling, per the Bank's [ground water management policy in the Wood River Valley](#). I think Corey did a succinct job of summarizing the issues. I would add that, from what I can see, there is a possible 30 acres that can be extracted from the PPU via a transfer/lease of water right 37-2668, however such a lease/transfer isn't possible without changing/leasing water rights 37-501E and 37-597A.

Consider the following:

Mathematically, it is impossible for water right 37-2668 to avoid overlapping with water rights 37-2631, 37-2664A, 37-19735, 37-501E and 37-597A. However, due to the acre limits of the water rights, there is a possibility that 30 acres can be extracted:

Cumulative Acres Proposed for Lease																			
T	R	S	Northeast				Northwest				Southwest				Southeast				
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
00N	29E	32	36.0	40	40.0	40.0	40.0	39.0	39.0	40.0	40.0	38.0	36.0	35.0	40.0	40.0	36.0	39.0	
			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

Water Rights Overlapping the Cumulative Acres Proposed for Lease to the Bank										
Water Right	Beneficial Use	Current or Present Owner	Source	Total Acres	Acre Limit	Overlapping Acres				Pct
						Minimum		Maximum		
37-2631	Irrigation	John Stevenson	Ground Water	602.0 ACS	361.0	572.0	95%	1347.18	100%	30
37-2634A	Irrigation	John Stevenson	Ground Water	602.0 ACS	129.0	572.0	95%	1347.18	100%	30
37-19735	Irrigation	John Stevenson	Ground Water	602.0 ACS	35.0	572.0	95%	1347.18	100%	30
37-501E	Irrigation	John Stevenson	Big Wood River	129.0 ACS	129.0	106.0	82%	1094.18	100%	2
37-597A	Irrigation	William Bozuto Trustee	Big Wood River	77.0 ACS	77.0	74.0	96%	77.18	100%	1

If your client proposed to transfer/lease only the *possible 30 acres, there would still be an unavoidable potential impact to water rights 37-501E and 37-597A:

Cumulative Acres Proposed for Lease																				
T	R	S	Northeast				Northwest				Southwest				Southeast					
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE		
			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
00N	29E	32	2.0	0	0.0	0.0	0.0	0.0	1.0	1.0	0.0	0.0	2.0	36.0	5.0	0.0	0.0	2.0	1.0	
			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		

Water Rights Overlapping the Cumulative Acres Proposed for Lease to the Bank										
Water Right	Beneficial Use	Current or Present Owner	Source	Total Acres	Acre Limit	Overlapping Acres				Pct
						Minimum		Maximum		
37-2631	Irrigation	John Stevenson	Ground Water	602.0 ACS	361.0	0.0	0%	770.18	100%	0%
37-2634A	Irrigation	John Stevenson	Ground Water	602.0 ACS	129.0	0.0	0%	770.18	100%	0%
37-19735	Irrigation	John Stevenson	Ground Water	602.0 ACS	35.0	0.0	0%	770.18	100%	0%
37-501E	Irrigation	John Stevenson	Big Wood River	129.0 ACS	129.0	0.0	0%	77.18	100%	12%
37-597A	Irrigation	William Bozuto Trustee	Big Wood River	77.0 ACS	77.0	0.0	0%	77.18	100%	71%

If your client were to lease only the 4 acres in the NE and NW Quarters of Section 32, there would be no enlargement/injury concern, due to the fact that an overlap is completely avoided:

Cumulative Acres Proposed for Lease

T	R	S	Northeast				Northwest				Southwest				Southeast			
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE
			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
000	000	32	20	0	0.0	0.0	0.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Water Rights Overlapping the Cumulative Acres Proposed for Lease to the Bank

Water Right	Beneficial Use	Current or Present Owner	Source	Total Acres	Acres Limit	Overlapping Acres				Total
						Minimum	Maximum	100% Minimum	100% Maximum	
37-2531	Irrigation	John Stevenson	Ground Water	602.0 ACs	35.0	0.0	0%	41.0	0%	0.0
37-2531A	Irrigation	John Stevenson	Ground Water	602.0 ACs	129.0	0.0	0%	41.0	0%	0.0
37-19735	Irrigation	John Stevenson	Ground Water	602.0 ACs	35.0	0.0	0%	41.0	0%	0.0
37-501E	Irrigation	John Stevenson	Big Wood River	129.0 ACs	129.0	0.0	0%	0.0	0%	0.0
37-557A	Irrigation	William Bozanto Trustee	Big Wood River	77.0 ACs	77.0	0.0	0%	0.0	0%	0.0

I hope the above was of assistance,

Remington Buyer
 Water Supply Bank Coordinator
 Idaho Department of Water Resources
 322 East Front Street, Boise, ID, 83720
 T: (208) 287-4918 | F: (208) 287-6700

From: Paul Arrington [<mailto:pla@idahowaters.com>]
Sent: Friday, April 01, 2016 10:40 AM
To: Skinner, Corey
Cc: Buyer, Remington
Subject: RE: Water Bank/Transfer Question

Remington, please give me a call to discuss.

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: Skinner, Corey [<mailto:Corey.Skinner@idwr.idaho.gov>]
Sent: Thursday, March 31, 2016 11:47 AM
To: Paul Arrington <pla@idahowaters.com>
Cc: Buyer, Remington <Remington.Buyer@idwr.idaho.gov>
Subject: RE: Water Bank/Transfer Question

Paul,

This is a tough one, but I played around with it a little this morning and think I have an answer for you. If I understand your attachment correctly, they will be proposing transferring 6.9 acres from the NW of Section 32, 5.3 acres from the NE of Section 32, 3.7 acres from the SW of Section 32, and 2.4 acres from the SE of Section 32. Note that this adds up to 18.3 total acres, but your e-mail mentions "moving approx. 22 acres" (I am not sure what number(s) are correct).

I agree with your idea that right 37-2668 can be moved separately from the other groundwater rights (37-19735, 37-2664A, and 37-2631). Note that 37-19735, 37-2664A, and 37-2631 are limited to a combined total 525 acres with 37-2668 adding an additional 77 acres for the total of 602 acres in Section 32 under the four groundwater rights. This means that the 77 acres under 37-2668 are different than the 525 acres covered under 37-19735, 37-2664A, and 37-2631.

However, it looks like all four of the groundwater rights overlap with various surface rights from the Big Wood River. Any groundwater acres moved from the NW, NE, or SE of Section 32 will have to include rights 37-22728, 37-22730, 37-22732, and 37-22734 (total overlap with the groundwater rights in these tracts). Acres moved from the South ½ of the SE of Section 32 will also have to include right 37-597A (total overlap with the groundwater rights on this land). It also appears that if acres are moved from the South ½ of the SE of Section 32 right 37-597A needs to be included (total overlap with the groundwater rights on this land). It is also possible that some combination of rights 37-115G, 37-666H, and 37-667M could also be included with any acres moved out of the NW, NE, or SE of section 32. Note that these three rights provide 1040 acres (480 + 560) on lands that include the NW, NE, or SE of Section 32 along with other lands. However, since you are wanting to move a relatively small amount of the groundwater right(s) these three rights could probably be excluded (probably your choice on this one). Since 1040 acres is less than the 1156.3 acre PPU, it is possible that there are up to 116.3 acres within the 1156.3 acre PPU that these three rights are not used on. I suppose you could make the argument that they would be transferring rights from some of these 116.3 acres.

While I understand that your efforts might make filing the applications easier, ultimately IDWR will have to modify all of the rights we have been talking about plus some others (conditions on some of these rights refer to nineteen different rights which potentially could lead to other rights).

Hopefully this gives you some ideas/options. I am interested in what thoughts Remington might have on this also.

Corey

From: Paul Arrington [<mailto:pla@idahowaters.com>]
Sent: Thursday, March 31, 2016 8:44 AM
To: Skinner, Corey; Buyer, Remington
Cc: Paul Arrington
Subject: Water Bank/Transfer Question

Remington & Corey:

I spoke with both of you yesterday about a water bank/transfer application that I am working on for a client in the Wood River Valley. In short, the situation involves moving approx. 22 acres of irrigation from a current PPU to land about a

mile north that present has no water. They intend to permanently transfer the water to the new property. However, since they hope to use the water this week, we will be filing a companion application with the Department for a year (maybe two) of water bank rental to allow the transfer to go through.

There are serious questions about ownership ... which I believe I have figured out and will have resolved prior to any filing.

The water rights in question are in PPU's with other water rights. There are actually 2 PPUs – one for 602 acres and one for 1100+ acres. My question for each of you yesterday was whether we would be able to move a portion of only a few of the rights within the PPU or if we had to move a portion of all rights within the PPU. I understood both of you to say that, under the right circumstances, my clients would be able to move a portion of only a few rights into the water bank or via transfer. The determination will depend on the conditions on the various water rights – including combined use limitations, etc. Further, after the move, the irrigated acreage within the PPU must be reduced accordingly.

Yesterday, I reviewed the water rights in question. Attached I have a few documents from this review:

1. First is a summary of the water rights and the land that they cover. The acres are limited to those where ground will be dried up for the transfer – though, the PPU's may actually include other acres.
2. From this review, and our calls yesterday, I believe that we could transfer a portion of water rights 37-2668 and 37-115G for this project – leaving all others within the PPUs untouched but reducing the total acreage allowed within the PPUs.
3. In the alternative, could we limit our transfer to just a portion of water right 37-2668? This would only require the amendment of one PPU and one water right?

We hope to file the companion application by the middle of next week, and the transfer shortly thereafter. I would appreciate your thoughts on this matter before we file.

Thanks,
Paul L. Arrington
Barker Rosholt & Simpson LLP
195 River Vista Place, Suite 204
Twin Falls, Idaho 83301
(208) 733-0700 - telephone
(208) 404-9436 - mobile
(208) 735-2444 - facsimile

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Edl, Michele

From: Edl, Michele
Sent: Thursday, November 10, 2016 11:10 AM
To: 'pla@idahowaters.com'
Subject: Stevenson WRs proposed for lease
Attachments: Lease-rental subset overlap.xlsx

Mr. Arrington,

As you now know, I have been assigned to review the 2016-2017 Water Supply Bank applications for Mr. John Stevenson. I have reviewed the map you provided against the water rights submitted for this partial lease and rental. The water rights listed on the applications doesn't match the list of rights that I believe are impacted by this lease-rental package.

Because my list is different than yours, I need to confirm with you and your client which water rights are intended for this lease-rental.

From your April 14, 2016 cover letter, the following rights are listed for the proposed lease:

37-22728
37-22730
37-22732
37-22734
37-501E
37-2668
37-597A

I have attached a small spreadsheet which illustrates the list of 13 rights that I believe might be impacted. The four rights listed at the top of the spreadsheet are sourced from groundwater and include 37-2668 which is also on your list although the other three are not.

The other nine rights on my spreadsheet are surface water rights. Some are on your list, some are not.

I have only begun to delve into these applications. To help me quickly understand the true intent of these applications, please compare your list with mine and get back to me as soon as possible with the answers to the following questions: Does the place of use illustrated by your receive comingled surface and groundwater? Did you intend 37-2668 and other GW rights be included?

If only surface water is used in this section, then why did you exclude surface water rights 37-666H, 37-667M, and 37-115G?

Sincerely,
Michele Edl

Field, Christine

From: Field, Christine
Sent: Monday, October 03, 2016 3:49 PM
To: 'Paul Arrington'
Cc: Thiel, Sandra
Subject: RE: Retained Rental Application Letter

Paul,

Here is what we know as of this afternoon.

No authorization from Cove Irrigation District, however there will be a vote in November on Triangle Merging with Cove, with a vote taking place in November.

We might not need authorization from Cove.

I have copied Sandy Thiel on this e-mail as she will be the Water Resource Agent that will be processing this rental.

Christine

From: Paul Arrington [<mailto:pla@idahowaters.com>]
Sent: Monday, October 03, 2016 3:39 PM
To: Field, Christine
Subject: RE: Retained Rental Application Letter

Does that also mean that we will not need to get written permission from Cove Irrigation since it will not be in place in 2017.

Paul L. Arrington

Barker Rosholt & Simpson, LLP

208-733-0700 – Office

208-404-9436 – Cell

208-735-2444 – Fax

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From: Field, Christine [<mailto:Christine.Field@idwr.idaho.gov>]
Sent: Monday, October 03, 2016 3:38 PM
To: Paul Arrington <pla@idahowaters.com>
Subject: RE: Retained Rental Application Letter

Yes, Paul this means that the Stevenson Rental application will be put in the queue to be processed for 2017, unless we hear from you otherwise.

Christine

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

Sent: Monday, October 03, 2016 3:36 PM

To: Field, Christine

Subject: RE: Retained Rental Application Letter

Does this mean you are still processing the application for the 2017?

Paul L. Arrington

Barker Rosholt & Simpson, LLP

208-733-0700 – Office

208-404-9436 – Cell

208-735-2444 – Fax

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From: Field, Christine [<mailto:Christine.Field@idwr.idaho.gov>]

Sent: Monday, October 03, 2016 3:34 PM

To: Paul Arrington <pla@idahowaters.com>

Subject: Retained Rental Application Letter

Dear Mr. Arrington,

Attached is a copy of the Retained Rental Application Letter that is being sent to your client John F Stevenson for the 2017 season.

A contact name and phone number is listed on this letter should you have any questions on this matter.

Kind Regards,

Christine Field
Water Supply Bank Support



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

October 4, 2016

JOHN F STEVENSON
36 HILLSIDE RANCH RD
BELLEVUE ID 83313

RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK

Dear Applicant:

On April 14, 2016 the Idaho Department of Water Resources (Department) received your application to rent water from the Water Supply Bank (Bank) for irrigation during 2016. A letter was sent on April 22, 2016 informing you it was unlikely the application would be processed. 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 2017 season.

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

Sincerely,

for Clay Webster
Water Resource Agent
WSB Process Point of Contact

c: Paul Arrington – Barker Rosholt & Simpson



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 22, 2016

JOHN F STEVENSON
36 HILLSIDE RANCH RD
BELLEVUE ID 83313

RE: APPLICATION(S) TO RENT WATER FROM THE WATER SUPPLY BANK

Dear Applicant:

The Idaho Department of Water Resources (Department) acknowledges receipt of your application(s) to rent water from the Idaho Water Resource Board's Water Supply Bank (Bank) for irrigation to irrigate 21.5 acres. Filing a Bank rental application does not automatically result in approval. Before a rental application can be approved, the rental request must be reviewed, a rental agreement must be prepared, the agreement must be approved by the applicant and the Department, and the rental fee must be paid. To maximize the number of rental applications processed while managing competing priorities, the Department begins accepting rental applications on November 1 for use in the next calendar year, and it processes as many applications as it can before the start of the irrigation season in March or April. Once the irrigation season begins, Department staff members are reassigned to address field work and other duties. Consequently, few rental applications are processed after May 1.

Because your application was received near the beginning of the irrigation season, which is now well underway, it is unlikely the Department will be able to process your application in time for approval in 2016 unless you have proposed a start date late in the year. If your application was for 2016 only and the latest possible start date on your application has passed, the application may be returned to you. If your application requests a rental for more than one year, the rental application may be retained by the Department and evaluated for 2017.

In future years, we encourage you to file your rental applications as soon as possible after November 1 to improve the chances that they will be processed.

Additional information about the Bank may be found on the Department's website at <http://idwr.idaho.gov/water-supply-bank/>.

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

Sincerely,

Water Supply Bank

C: Paul Arrington – Barker Rosholt & Simpson