

WATER SUPPLY BANK LEASE CONTRACT NO. 576

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

LESSOR: JOHN F STEVENSON
36 HILLSIDE RANCH RD
BELLEVUE, ID 83313

RECEIVED

MAR 07 2017

**DEPARTMENT OF
WATER RESOURCES**

RECITALS

1. The Board is authorized under chapter 17, title 42, Idaho Code to operate a water supply bank and to contract with lessors to act as an intermediary in facilitating the rental of water.
2. The Lessor has filed a completed application to lease water rights described below into the Water Supply Bank on forms supplied by the Idaho Department of Water Resources and received by the Department on April 14, 2016.
3. The Director of the Idaho Department of Water Resources has reviewed the application for compliance with the Water Supply Bank rules and has approved the Lease subject to conditions listed below.

NOW, THEREFORE, in consideration of the mutual covenants and contracts herein contained, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. **WATER RIGHTS:** The Lessor shall lease and the Board shall accept into the Bank the Applicant's water rights described as follows:

Summary of Water Rights or Portions Leased to the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)
37-22728	7/10/1884	BIG WOOD RIVER, tributary to MALAD RIVER	0.01	1.08	21.5
37-22730	10/15/1884	BIG WOOD RIVER, tributary to MALAD RIVER	0.04	6.47	21.5
37-501E	5/1/1886	BIG WOOD RIVER, tributary to MALAD RIVER	0.12	12.95	3.7
37-22732	6/12/1886	BIG WOOD RIVER, tributary to MALAD RIVER	0.05	8.35	21.5
37-22734	6/15/1891	BIG WOOD RIVER, tributary to MALAD RIVER	0.11	18.86	21.5
Lease Totals			0.33	47.71	21.5

SUPPORT DATA

IN FILE # 37-501E

Summary of Water Rights Elements Rentable From the Bank

Water Right	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (Limited) (AC)	Rate Per Acre (CFS/AC)	Volume Per Acre (AF/AC)
37-22728	0.010	1.08	0.30	0.02	3.5
37-22730	0.040	6.47	1.84	0.02	3.5
37-501E	0.120	12.95	3.70	0.02	3.5
37-22732	0.049	8.35	2.38	0.02	3.5
37-22734	0.109	18.86	5.38	0.02	3.5
Combined Totals Lease 576	0.33	47.71	13.60	0.02	3.5

37-597A	0.07	12.25	3.5	0.02	3.5
37-2668	0.43	75.3	21.5	0.02	3.5
Combined Totals Lease 575	0.43	75.3	21.5	0.02	3.5

Combined Totals Lease 575 & Lease 576	0.43	75.3	21.5	0.02	3.5
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** Lease contract #575 and lease contract #576 must be rented together. The water right elements rentable have been reduced from the water right elements leased to account for combined limits.*

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

Minimum Payment Acceptable: Current Rental Rate

- 3. TERM OF LEASE:** The term of this lease shall be January 1, 2017 to December 31, 2017. This Lease shall bind the parties and take effect when both parties have signed it.
- 4. WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE:** The Lessor shall abide by all terms and conditions contained in the Water Supply Bank Conditions of Acceptance, attached hereto as "Attachment A" and incorporated herein by this reference.
- 5. CHANGE OF WATER RIGHT:** This lease specifies water right elements including but not limited to: diversion rates; diversion volumes; number of acres authorized to be irrigated; places of use; points of diversion; beneficial uses; and seasons of use. During the term of this lease, if a water right is administratively changed due to a water right split and renumbering, this lease may be reduced by an equal amount to reflect the water right elements as legally defined under the water right. If a lease contract cannot be reduced sufficient to reflect the legal definition of a water right as amended through a water right split and/or water right transfer, the Board may release the water right from the Water Supply Bank.
- 6. ASSIGNMENT OF CONTRACT:** This lease is between the Board and the Lessor, who is the recognized owner or designated representative of the recognized owners of water rights described herein. Should ownership of any part of a water right herein described change during the term of this lease, either through a water right split, a water right transfer, sale of property to which the water right is appurtenant, or through any other recognized water right reassignment, the lease benefits and obligations to the conditions of acceptance for any such water rights will be assigned to the new owners.
- 7. DUPLICATE ORIGINAL:** This Lease is executed in duplicate. Each of the documents with an original signature of each party shall be an original.

FOR LEASE CONTRACT NO. 576

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

LESSOR: JOHN F STEVENSON
36 HILLSIDE RANCH RD
BELLEVUE, ID 83313

By 
Title operator
Date 3/3/17

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

By 
Brian Patton, Acting Administrator
Idaho Water Resource Board

Date 3/7/2017

Lease approved by IDWR 

Date 3-7-2017

ATTACHMENT A
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE
FOR LEASE CONTRACT NO. 576

The water rights or portions thereof leased to the bank are described as follows:

Source and Location of Point(s) of Diversion for Water Right No(s): 37-501E, 37-22728, 37-22730, 37-22732, 37-22734

BIG WOOD RIVER L3NESWNW Sec. 36 Twp 02N Rge 18E BLAINE County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
37-501E	IRRIGATION	04/15	to	10/31	0.12 cfs	12.95 AF
37-22728	IRRIGATION	04/15	to	10/31	0.01 cfs	1.08 AF
37-22730	IRRIGATION	04/15	to	10/31	0.04 cfs	6.47 AF
37-22732	IRRIGATION	04/15	to	10/31	0.05 cfs	8.35 AF
37-22734	IRRIGATION	04/15	to	10/31	0.11 cfs	18.86 AF
Totals:					0.33 cfs	47.71 AF

PLACES OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
01N	19E	32	3.0	0.8		1.5	3.0	1.5	2.4			2.3	1.4		2.1		1.1	2.4	21.5

Total Acres: 21.5

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the Department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, or the lease term expires. A right may be released from the bank upon request, provided the Board approves the release. Unless approved by the Department, leased rights may not be immediately available for release.
5. While a water right is in the bank, forfeiture provisions are stayed pursuant to Idaho Code § 42-223(5).
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.
8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.

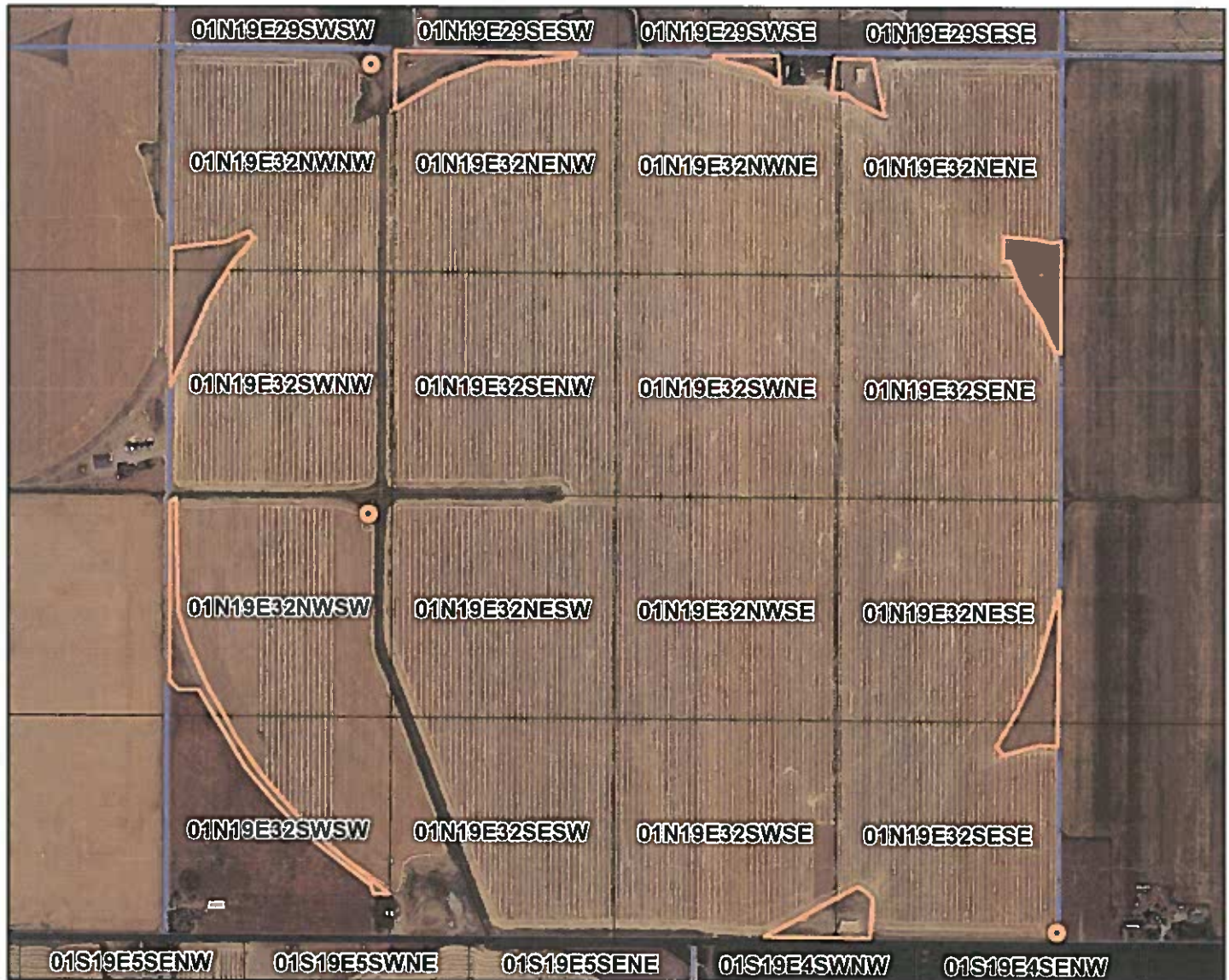
9. In accordance with Idaho Code § 42-248 and § 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season, even if the Department processes a Notice of Change in Water Right Ownership during the rental season.
 - b. New lessor(s) of record will receive payment for any subsequent rental seasons.
11. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.
12. Lease contract #575 and lease contract #576 must be rented together.
13. Use of water under these rights is 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.
14. The unleased portion of Right No. 37-597A is limited to the irrigation of 73.5 acres in a single irrigation season.
15. The unleased 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 580.5 acres in a single irrigation season.
16. The unleased 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 1134.8 acres.
17. These rights 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.
18. Pursuant to Section 42-1412(6), Idaho Code, these water rights are 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.

Idaho Water Resource Board
Water Supply Bank Lease

37-2668

Effective until December 31, 2017

This map depicts the place of use to be idled pursuant to the lease contract and is attached to the contract solely for illustrative purposes.



● Approved Lease Point of Diversion

Approved Lease Place of Use

Townships

PLS Sections

Quarter Quarters

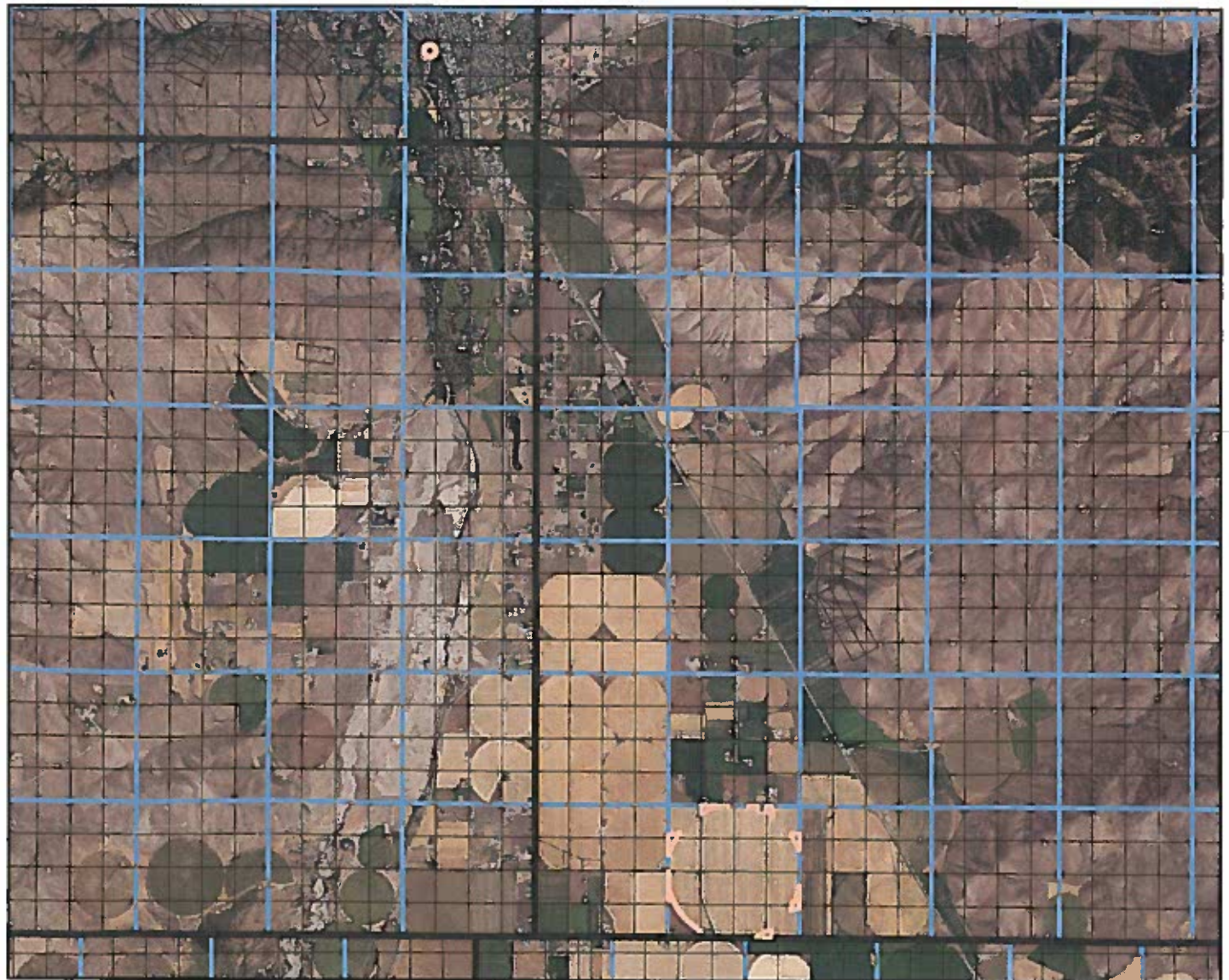


0 500 1,000 Feet

Idaho Water Resource Board
Water Supply Bank Lease

37-501E, 37-597A, 37-22728, 37-22730, 37-22732, and 37-22734
Effective until December 31, 2017

This map depicts the **place of use to be idled** pursuant to the lease contract and is attached to the contract solely for illustrative purposes.



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



 Miles
0 0.5 1

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

APR 14 2016

DEPARTMENT OF
WATER RESOURCESAPPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANKDesignated Applicant John F. Stevenson

(Select one owner – see item 1A on the application)

Water Right No. 37-501E

(One water right per application)

Is this application being submitted with a rental application as a lease/rental package?

Yes ☒ No ☐

This application must be prepared in accordance with the minimum requirement checklist below. Use this checklist to ensure all necessary documentation has been provided. This checklist is part of the lease application and must be included with the lease application. Applications that do not meet the minimum requirements will not be processed and may be returned or denied.

MINIMUM REQUIREMENT CHECKLIST

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

Yes

- ☒ Completed *Application to Sell or Lease a Water Right to the Water Supply Bank*.
- ☒ Application filing fee of \$250.00 per water right. If you are submitting more than one lease application and the water rights have an overlapping, common place of use, or a common diversion rate or volume, the total fee for all water rights is \$500.00. For places of use, multiple water rights must be used to irrigate the same lands in order to qualify for the joint filing fee. Individual filing fees are required for water rights that share a common permissible place of use but which cover separate acres within the permissible place of use.
- ☒ Confirmation this form has been printed **single sided**, per requirement of the Water Supply Bank.

Attachment N/A Yes

- 1A ☐ ☒ Signatures and contact information for *all owners* of the water right to be leased or sold on this application.
- 1B ☐ ☒ An Internal Revenue Service (IRS) Form W-9 for the Designated Applicant.
- 1C ☐ ☒ *Notice of Change in Water Right Ownership* form (accessible from www.idwr.idaho.gov).
- 1D ☐ ☒ Contact information for an authorized representative and documentary proof they are authorized to represent the Designated Applicant on this application. If the Designated Applicant is a business, partnership, municipality, organization or association, include documents identifying officers authorized to sign or act on behalf of the entity.
- 2 ☐ ☒ Description of a water right portion offered to the Water Supply Bank.
- 3 ☐ ☒ A map that clearly outlines the specific location where irrigated acres will be dried up, or where a beneficial use of water will be suspended. You have the option of printing a map using the map tool on IDWR's website at: www.idwr.idaho.gov.
- 4A ☒ ☐ Written consent from irrigation district or water delivery company.
- 4G ☐ ☒ Evidence demonstrating the water right has not been forfeited pursuant to Section 42-222(2), Idaho Code.

Department Use Only

Fee Amount \$ 500.-Received By: SLGDate Received: 4/14/16Receipt # C101846W-9 received? Yes ☒ No ☐ (Route W-9 to Fiscal)Name on W-9: ABJ2 LLC

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

1. CONTACT INFORMATION

- A. This application must be completed by a Designated Applicant who is a current owner of the water right being sold or leased to the Water Supply Bank. If there are additional current owners, those individuals must authorize the Designated Applicant to represent them on this application by completing and signing Attachment 1A of this application package.

Designated 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

☒ The Designated Applicant is the sole owner of the water right being sold or leased to the Water Supply Bank.

OR

☐ The Designated Applicant is representing additional water right holders who have completed Attachment 1A.

- B. Has the Designated Applicant submitted an IRS Form W-9 to this Department within the last 2 years? Yes ☐ No ☒

If no, complete the form and attach to this application (Attachment 1B).

- C. Are all applicants on this form listed in IDWR's records as the current owners of the water right? Yes ☒ No ☐

If no, attach a *Notice of Change in Water Right Ownership* form along with the required documentation and fee (Attachment 1C).

- D. Is this application being completed by an authorized representative of the Designated Applicant? Yes ☒ No ☐

If yes, representatives (includes employees of Designated Applicant companies) must complete this section and submit documentary proof of their authority to represent the Designated Applicant (Attachment 1D).

Name of Representative Paul L. Arrington Organization Barker Rosholt Simpson, LLP

Professional Title Attorney at Law Email Address pla@idahowaters.com

Mailing Address 195 River Vista Pl, Suite 204, Twin Falls, ID 83301 Phone Number 208-733-0700

☐ Send all correspondence for this application to the representative and not to the Designated Applicant.

OR

☒ Send original correspondence to the Designated Applicant and copies to the representative.

2. DESCRIPTION OF WATER RIGHT OFFERED TO THE BANK

☐ The full water right is being offered to the Bank.

OR

☒ A part of the water right is being offered to the Bank.

If a portion of the water right is being offered, complete Attachment 2.

3. MAP

Attach a map of the point(s) of diversion and place(s) of use proposed to be idled by this lease application. Make sure the idled 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 idle. If the water right proposed for lease is located within a permissible place of use (PPU) and portions of the PPU will continue to receive water from non-leased water rights, clearly outline on a map the acres within the PPU that will continue to be irrigated, as well as acres that will be idled during the lease term. Label the map **Attachment 3**.

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

4. GENERAL INFORMATION

- A. Is the diversion works or system owned or managed by an irrigation district or water delivery company? Yes ☒ No ☐
If yes, provide written consent from the company, corporation or irrigation district authorizing the proposed sale or lease (Attachment 4A).
If your water right is delivered through a canal, lateral or ditch operated by a canal company, irrigation district, or similar delivery entity, your lease request must include written consent from the company, district, or similar entity for your removal of water from its system pursuant to [Section 42-108, Idaho Code](#) and [IDAPA WSB Rule 37.02.03.25.02e](#).
- B. Please provide a description of the current water diversion and delivery system.
Pump in District 45 canal with pipeline to place of use.
- C. Describe any other water rights used for the same purpose at the same place of use as the water right being offered to the Bank. Water rights are part of PPU with several water rights (See Attached List). Six water bank applications are being filed at this time involving the stacked rights.
- D. Are any of the water rights identified in Section 4C stacked with the water right proposed for lease? Yes ☒ No ☐
Stacked water rights are used together to achieve a common beneficial use, such as irrigation of the same lands. Stacked water rights cannot be separated and must be jointly leased to the Water Supply Bank. Stacked water rights qualify for the multiple fee payment of \$500.
- E. Will the present place of use continue to receive water from any other source? Yes ☐ No ☒
If yes, explain the relationship between the different water sources and how enlargement of the authorized use will not occur if this water right is leased.
- F. Identify annual volumes and/or rates of water diverted in the last 5 years to accomplish the beneficial use authorized by this water right. This water right is authorized to divert a total of 4.20 cfs per Partial Decree entered June 4, 2009, in the Snake River Basin Adjudication.
- G. Has any portion of this water right undergone a period of five or more consecutive years of non-use? Yes ☐ No ☒
If yes, describe the circumstances and attach evidence to demonstrate how the water right has not been lost through forfeiture (Attachment 4G). See [Section 42-223, Idaho Code](#) for exceptions to forfeiture. Your application may be denied if forfeiture concerns are not addressed.
- H. Is this water right involved in any other IDWR process, such as an application for transfer or a mitigation plan?
If yes, describe. Yes ☒ No ☐
A companion application is being filed to rent this water at the new place of use. A transfer application will be filed to make the change permanent.

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

5. SALE/LEASE AGREEMENT

A. Is the water right, or portion thereof, offered to the Idaho Water Resource Board (IWRB) for sale ☐ or lease ☒?

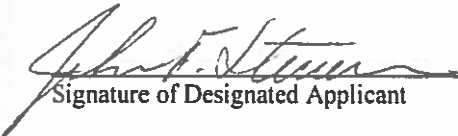
If lease, specify the years when the use of water will be suspended: 2016 to 2017 (maximum lease period 5 calendar years).
(Year) (Year)

B. Show the minimum payment acceptable to the seller/lessor. The minimum payment may be shown as the "current rental rate" as established by the IWRB. Include the method of determining the minimum payment if other than the current rental rate.

I hereby assert that the information contained in this application is true to the best of my knowledge, and that I have the authorities necessary to offer this water right for sale or lease to the Idaho Water Resource Board.

The Designated Applicant acknowledges the following:

1. Payment to the Designated Applicant is contingent upon the sale or rental of the water right from the Bank.
2. While a water right is in the Bank, the seller/lessor of the water right may not use the water right, even if the water right is not rented from the Bank.
3. A water right accepted into the Bank stays in the Bank until the Designated Applicant receives written confirmation from the Board or Water Supply Bank that the water right has been released from the Bank.
4. While a water right is in the Bank, forfeiture is stayed.
5. Acceptance of a water right into the Bank does not, in itself, confirm the validity of the water right or any element of the water right.


Signature of Designated Applicant

John F. Stevenson
Printed Name

4/9/16
Date

Signature of Authorized Representative

Printed Name

Date

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

STATE OF IDAHO
WATER RESOURCE BOARD

Complete Attachment 2 if only a portion of the water right is offered to the Bank.

ATTACHMENT 2

DESCRIPTION OF A WATER RIGHT PORTION OFFERED TO THE WATER SUPPLY BANK

<u>Water Right Number</u>	<u>Nature of Use</u>	<u>Leased Rate</u> (cfs)	<u>Leased Volume</u> (af)	<u>Leased Acres</u> (ac)
37-501E	Irrigation	0.11		3.7
	Total Amounts:			

2. Source of water Ground Water tributary to _____

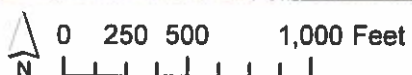
3. Point(s) of diversion:

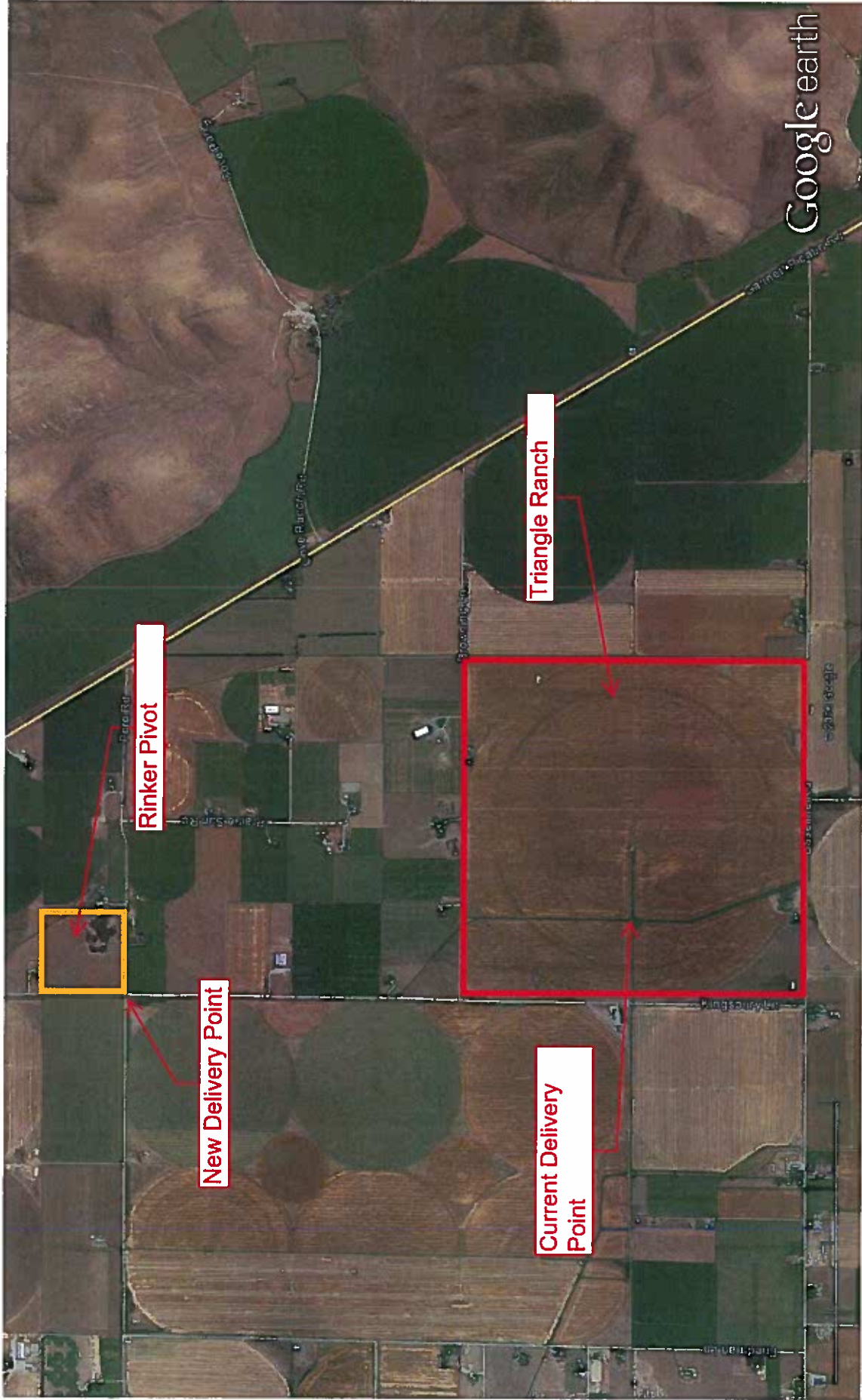
Twp	Rge	Sec	Lot	¼	¼	¼	County
2N	18E	36	3		SW	NW	BLAINE

WATER RIGHTS LIST

37-115G
37-158D
37-19735
37-22720
37-22722
37-22724
37-22726
37-22728
37-22730
37-22732
37-22734
37-22738
37-22740
37-2631
37-2656
37-2664A
37-2668
35-501E
37-577AP
37-597A
37-666H
37-667M
37-7645
37-886D

APR 20 2016
DEPARTMENT OF
WATER RESOURCES





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: WATER SUPPLY BANK LEASE CONTRACT FOR WATER RIGHTS 37-501E, 37-22728, 37-22730, 37-22732, and 37-22734

Dear Lessor:

Water rights 37-501E, 37-22728, 37-22730, 37-22732, and 37-22734 were leased into the Water Supply Bank (Bank) as of April 14, 2016, in accordance with the enclosed executed lease contract. **Your water rights, as described on the lease contract, are considered leased into the Bank and should remain unused until they are formally released from the Bank.** More information and further restrictions placed on your water rights while leased can be found in conditions of acceptance of the lease contract. Read the conditions of acceptance carefully.

The rights will automatically be released from the Bank on **December 31, 2017**, unless the rights are released earlier by the Water Resource Board (Board). On behalf of the Board, the Department of Water Resources (Department) can evaluate an early release of the lease contract upon your request. To release the water rights from the Bank prior to the release date, submit a written request on the *Request to Release a Water Right from the Bank* form. This form is available on our public website at www.idwr.idaho.gov. **Please note your water rights may not be available for immediate release if they have been rented or are being considered for a future rental. Furthermore, it is at the discretion of the Department whether or not a water right can be released early from a lease contract.**

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

Sincerely,

for Water Supply Bank

Enclosure: Executed Lease Contract

c: Corey Skinner - IDWR Southern Region
Kevin Lakey - Water District 37
Paul Arrington - Barker Rosholt & Simpson

Webster, Clay

From: Webster, Clay
Sent: Thursday, March 02, 2017 8:03 AM
To: 'pla@idahowaters.com'
Subject: Lease contract 576 for John F. Stevenson WRs 37-22728, 37-22730, 37-501E, 37-22732 and 37-22734

Mr. Arrington,

The water supply bank received one signed original for the above mentioned lease. We will need the second signed original in order to execute the lease, and then to execute the rental of these water rights. Thank you for your assistance in this matter.

Sincerely,
Clay Webster
Water Resource Agent Sr.
clay.webster@idwr.idaho.gov
208-287-4910
Idaho Department of Water Resources (IDWR)



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: APPLICATIONS TO LEASE WATER RIGHTS 37-501E, 37-22728, 37-22730, 37-22732,
and 37-22734 TO THE WATER SUPPLY BANK**

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

Dear Applicant:

The Department of Water Resources has completed its review of your application to lease the above-mentioned water right to the Water Supply Bank. I have enclosed two original Water Supply Bank Lease Contracts for your review and signature. Please sign and return ALL Lease Contracts within 14 days. Upon signature and return of the contracts, the Department will also sign the original contracts and return an executed copy to you. The Lease Contract is not considered final until you and the Department have both signed.

The rights will automatically be released from the Bank on **December 31, 2017**, unless the rights are released earlier by the Board, or upon your request. To release the rights from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. To propose a new lease period, submit a new Application to Sell or Lease a Water Right to the Water Supply Bank form along with applicable fees to the Department. These forms are available from any IDWR office or from our public website at <http://www.idwr.idaho.gov>. Please note your rights may not be available for immediate release if they have been rented.

Please review the conditions of acceptance listed on the Lease Contract, including #3 which says:

"While a right is in the bank, the lessor may not use the right without approval of the department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B."

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

Sincerely,


for Water Supply Bank

Enclosures: Proposed Lease Contracts
Receipt # C101846

c: Paul Arrington – Barker Rosholt & Simpson LLP

WATER SUPPLY BANK
Agent Lease Review Checklist
Applicant(s) Name: John F Stevenson

Memo Date: November 23, 2016

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

Associated WRs: 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.

Reviewers Name: Michele Edl

Quick Tools

Decreed	No Forfeiture Concerns Thru:
2009	2015
2010	2016
2011	2017
2012	2018
2013	2019

		Check box		COMMENTS/CONCERNS:
1	Fill out WSB Data Entry Checklist for Leases			
2	Reason for lease of water rights (Brief description of lease proposal in narrative)			Requests a self-serve lease-rental
	Portion of right	x		only idled pivot corners & edges
	All of right			
3	Check GWMA/CGWA/ADC and basin 63 areas of concern (note area in comments)			BWR GWMA; Trust Area
		Yes	No	
4	Rentable? If no explain in comments	x		
5	Authority to file			
	Current owner or designated applicant	x		attorney confirms ownership
	SOS Web site checked for business entity			
	Other (explain in comments)			
6	Water Right validity			
	Decreed/Licensed/Statutory claim date (write in comments section)			SRBA decrees in 2009 and 2010
	Past irrigation to ensure forfeiture is not an issue if decreed or licensed over 7 years ago (consider transfers that changed the POU, rentals to the POU etc.)			2012 xfer changed the POU; Imagery shows irrigation of the 8 pieces (21.5 acres) after decrees
	Has this right previously been leased to the bank or in CREP?			
7	Injury to other water rights			
	If the POD is through a delivery entity, was consent provided?	x		
	If the POD is through a delivery entity, was holdback required? (percentage in comments)		?	Triangle Irrigation District, Wood R Valley Irrigation District #45
8	Enlargement concerns	Check box		
	Complete a POU comparison overlap analysis	x		
	Complete a combined limits review	x		
	Complete POD overlap analysis (if there is an overlap add condition to lease)	x		
		Yes	No	
	Are there overlapping rights that need to be placed in the bank also?		x	see companion leases
	Will the place of use continue to receive water?		x	
9	Local Public Interest			
	Does the processor know of any problems this action will cause for the local public?		x	
10	Have you contacted regional office and watermaster for comment/concerns?			
	Send the watermaster comment request form or e-mail request	x		WM ok; region ok
11	Area Headgate requirement			3.5
12	Is water right involved in any other department action? Pull file and check database () Ownership Change () Transfer () Mitigation () Other - Explain in comments		x	
13	Narrative			
	A transfer is needed to update the POU for several of Stevenson's water rights. Refer to the POU overlap.xls for combined limits			

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

** Licensed in Idaho & Washington*



Paul L. Arrington
pla@idahowaters.com

April 20, 2016

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RECEIVED

APR 20 2016

**DEPARTMENT OF
WATER RESOURCES**

VIA HAND DELIVERY

Christine Field
Idaho Department of Water Resources
322 East Front Street
Boise, ID 83702

RE: Stevenson Water Bank Application

Dear Ms. Field:

Please find enclosed six copies of each of the the aerial photos that you and Paul Arrington had discussed:

- 1) One photo showing overall movement of water through these applications. The photo depicts the location of the current place of use (the "Triangle Ranch" property). It also depicts the location that the water will be used (the "Rinker Pivot").
- 2) An aerial photo showing the Triangle Ranch property that will be dried up to move water to the new location at the Rinker Pivot.
- 3) A close up of the Rinker Pivot property.

Please contact Paul should you have any questions.

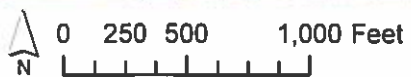
Very truly yours,

BARKER ROSHOLT & SIMPSON LLP

Jessica L. Witt, Assistant to
Paul L. Arrington

/jlw

Enclosures



NAIP 2015
2016-01-19

Buyer, Remington

From: Sawrey Jolyon [jolyon@vitalinkarchitecture.com]
Sent: Thursday, April 14, 2016 10:24 AM
To: Paul Arrington
Cc: js.super.12@gmail.com; jdwhite@q.com; Brett Stevenson; justin stevenson
Subject: Re: Stevenson Water Bank
Attachments: MEMO TO FILE - MOTION TO PASS STEVENSON APPL.docx; ATT00001.htm

Paul,

I concur with your summary pending that the conveyance loss if submitted to IDWR as part of the written record. I also concur with your summary of the drying up and application to 21.5 acres or less. With this you have my approval. However you need the approval of one or more of my remaining directors.

The attached language are the conditions in writing that were typed up by our secretary to include with your IDWR application for the response of the WRVID#4.

**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 water", 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.

Buyer, Remington

From: Buyer, Remington
Sent: Tuesday, April 19, 2016 8:49 AM
To: 'Paul Arrington'
Cc: Brett Stevenson
Subject: RE: Stevenson Water Bank

Good morning Paul,

Thank you for sending this. I will add these documents and emails to your application.

Remington

From: Paul Arrington [<mailto:pla@idahowaters.com>]
Sent: Tuesday, April 19, 2016 8:12 AM
To: Buyer, Remington
Cc: Paul Arrington; Brett Stevenson
Subject: Stevenson Water Bank

Remington:

Law week we filed the Stevenson water bank applications for processing. With the packed, I included all required information except the approval of Wood River Valley Irrigation District No. 45. That Board met and had some additional questions. The D45 Board is made up of Jim Super, Jim White and Jolyon Sawrey. In the attached Board resolution and email correspondence, the D45 Board have given its approval of the water bank applications.

Attached are the following documents:

1. Memo to File – Motion to Pass Stevenson Application: This is memo to the minutes of the D45 meeting evidencing approval of the application contingent on receiving some additional information.
2. Re: Stevenson Water Bank: I sent the Board the additional information request. This is an email response from Jolyon Sawrey indicating that, with that additional information, he approves of the application.
3. FW: Stevenson Water Bank: This is an email from Mr. Super in response to the additional information indicating that he approves of the application.

With this, we have approval from 2 of the 3 D45 board members.

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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**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

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

Buyer, Remington

From: Jim Super [js.super.13@gmail.com]
Sent: Monday, April 18, 2016 5:57 PM
To: James White; WRVID 45; Paul Arrington
Cc: Jolyon H. Sawrey
Subject: FW: Stevenson Water Bank
Attachments: 00 - Aerial of Dried Up Acres.pdf

Thanks Paul... helps when you have the correct e-mail.

Jolyon and Jim Spin, I am ok with the corrected motion to approve the transfer of Stevenson's water through the water bank as corrected, and as long as Jolyon is ok with it, then Jim Spin could you get a copy off to the IDWR and also send one to Paul.

I did talk with IDWR and they have an extensive process they complete to also insure there is no increase in irrigated acreage.

Jim Spin also include this email with the original submittal for transfer for the D45 records.

One side note...Hopefully similar requests should maybe occur prior to a land owner making capital expenditures to pump water. The analogy would be go into Ketchum, start your foundations for your new hotel, then go ask the City Council for a building permit and till them there would be harm if they did not issue the permit. Let's try to improve this process.

Thanks,

Jim Super
208-720-6727

From: Paul Arrington [<mailto:pla@idahowaters.com>]
Sent: Monday, April 18, 2016 9:25 AM
To: js.super.13@gmail.com
Cc: Paul Arrington <pla@idahowaters.com>; Brett Stevenson <brett@hillsideranchmalt.com>
Subject: FW: Stevenson Water Bank

Jim, I apologize that this did not get to you last week.

Paul L. Arrington

Barker Rosholt & Simpson, LLP

208-733-0700 – Office

208-404-9436 – Cell

208-735-2444 – Fax

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From: Paul Arrington

Sent: Wednesday, April 13, 2016 10:38 AM

To: 'Sawrey Jolyon' <jolyon@vitalinkarchitecture.com>; js.super.12@gmail.com; jdwhite@q.com

Cc: Brett Stevenson <brett@hillsideranchmalt.com>; justin stevenson <justinflood75@hotmail.com>; Paul Arrington <pla@idahowaters.com>

Subject: Stevenson Water Bank

Members of the Board of District 45:

I understand that the Board approved the Stevenson water bank application last night with a condition of 5% conveyance loss per mile and a statement from me confirming that there won't be any expansion of use.

The Water Bank Applications seek to move 21.5 acres of irrigation (0.43 cfs) from the property referred to as the Triangle Ranch, upstream, to a new point of delivery at the Rinker Pivot. The point of delivery will be moved approx. 1 ¼ miles upstream. At a rate of 5% per mile, the total conveyance loss would be 6.25% - or 0.027 cfs. I have confirmed with the Stevensons that they will leave 0.027 cfs in the ditch to account for conveyance loss associated with moving the water upstream 1 ¼ miles.

In order to accomplish the change sought by the Water Bank applications, the Department will require that the Stevensons dry up acres at the current place of use. Attached is the aerial photo, previously provided, showing the 21.5 acres of land that will be dried up in order to accommodate the Water Bank applications. Any irrigation at the Rinker Pivot will be limited to no more than 21.5 acres. Furthermore, upon approval of the application from the Water Bank, Stevenson will be required to sign a contract with the Water Bank confirming that irrigation will be limited to 21.5 acres or less.

As such, the drying up of acres, the limiting of irrigation at the Rinker pivot to no more than 21.5 acres, and leaving 0.027 cfs in the ditch for conveyance loss, will ensure that there is no expansion of use of these water rights.

Thank you again for considering and approving these applications.

Paul L. Arrington

Barker Rosholt & Simpson LLP

195 River Vista Place, Suite 204

Twin Falls, Idaho 83301

(208) 733-0700 - telephone

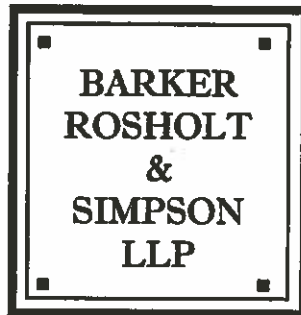
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April 14, 2016

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brs@idahowaters.com

RECEIVED

APR 14 2016
DEPARTMENT OF
WATER RESOURCES

VIA HAND DELIVERY

Remington Buyer
Idaho Department of Water Resources
322 East Front Street
Boise, ID 83702

RE: Stevenson Water Bank Application

Dear Remington:

First, thank you for discussing the Stevenson Water Bank Applications with me via email and phone conversation. We have gathered all the necessary information and included it herewith. Attached, please find the following:

1. *Applications to Sell or Lease a Water Right to the Water Supply Bank* for each of the following water rights:
 - a. 37-22728
 - b. 37-22730
 - c. 37-22732
 - d. 37-22734
 - e. 37-501E
 - f. 37-2668
 - g. 37-597A
2. *Application to Rent Water From the Board's Water Supply Bank*, filed by John F. Stevenson.
3. Check for \$500 for filing fees associated with the water bank applications.
4. Certificate of Action Taken by the Triangle Irrigation District, by which the District approved the Applications to be filed by Stevenson.
5. Three aerial photos:
 - a. One photo showing overall movement of water through these applications. The photo depicts the location of the current place of use (the "Triangle

Ranch" property). It also depicts the location that the water will be used (the "Rinker Pivot").

- b. An aerial photo showing the Triangle Ranch property that will be dried up to move water to the new location at the Rinker Pivot.
- c. A close up of the Rinker Pivot property.

6. W-9 for ABJ2, LLC.

In addition, at their regular meeting on April 12, 2016, the Board of Directors for the Wood River Valley Irrigation District No. 45 approved the applications. As soon as I receive written confirmation of that approval, I will forward to you for consideration with the applications.

Finally, a few matters warrant discussion as you consider the applications. First, all of these water rights are overlapping, with a common place of use. As such, according to the Application Instructions, the filing fee is limited to \$500.

Second, two applications are in the name of ABJ2, LLC (WR # 37-597A and 37-2668). These water rights were recently conveyed to ABJ2, LLC. We have filed a Notice of Change of Water Right Ownership with the Southern Region office to update the ownership records for these water rights.

Third, we had several discussions about water rights 37-22728, 37-22730, 37-22732 and 37-22734. As you may recall, these rights provide a diversion rate and are authorized for use on all 1,156.3 acres within the PPU. To determine the amount for rental, I divided the diversion rate by the total acres to get a per-acre diversion rate. Then, I multiplied that number by 17.5 (the total number of acres to be used within areas authorized under these water rights). If the total was less than 0.01 cfs, I rounded up to 0.01 cfs.

Fourth, as stated on the applications, there will be no rental fee charge other than the regular administrative fees.

Thank you for reviewing this. The Stevensons hope to be able to use this water at the new location for the upcoming irrigation season. If you have any questions, or need any additional information, please don't hesitate to give me a call (208-733-0700).

Yours Truly,



Paul L. Arrington

PLA/jn
Enclosures