

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT NO. 109

RECEIVED

FEB 23 2017

DEPARTMENT OF
WATER RESOURCES

This is to certify that:

BROWN RANCH INC
247 GLENDALE RD
BELLEVUE, ID 83313

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)
37-5	3/10/1883	BIG WOOD RIVER	1.16	203.0	58.0
37-20924	3/24/1883	BIG WOOD RIVER	0.22	46.6	13.3
37-20926	11/26/1886	BIG WOOD RIVER	0.44	46.6	13.3
			0.66	46.6	13.3
37-833R	11/12/1936	BIG WOOD RIVER	1.00	175.0	50.0
37-496B	7/1/1883	BIG WOOD RIVER	0.31	25.7	15.6
37-497B	7/1/1892	BIG WOOD RIVER	0.16	13.3	15.6
			0.47	39.0	15.6
Combined Rental Totals			3.29	463.6	136.9

Term of Rental: This rental shall take effect when all parties have signed it and shall continue in effect until December 31, 2018

Annual Rental Fee:

2017: \$7,881.20
2018: \$9,272.00

The full fee for the rental of the above-described right(s) is \$7,881.20 for 2017 and \$9,272.00 for 2018. The rental fee includes an administrative fee of \$788.12 for 2017 and \$927.20 for 2018.

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

Total Water Use Authorized Under Rental Agreement Click here to enter text.

Beneficial Use	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate/Acre (CFS/AC)	Volume/Acre (AF/AC)
IRRIGATION	2.8*	463.6	136.9	0.02	3.4
Combined Total	2.8*	463.6	136.9	0.02	3.4

* The authorized water usage reflects a reduction from the water right elements rented, to account for conveyance losses of 15 %.

SUPPORT DATA

IN FILE # 37-5

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Detailed water right conditions are attached.

WATER SUPPLY BANK RENTAL AGREEMENT NO. 109

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:

Daniel P. Brown
Signature of Renter

2-21-17
Date

DANIEL P. BROWN
Printed Name

PRESIDENT
Title

*Title required if signing on behalf of a company or organization or with power of attorney

Having determined that this agreement satisfied the provisions of Idaho Code § 42-1763 and IDAPA 37.02.03.030 (Water Supply Bank Rule 30), for the rental and use of water under the terms and condition herein provided, and none other, I hereby execute this Rental Agreement on behalf of the Idaho Water Resource Board.

By Brian Patton
BRIAN PATTON, Acting Administrator
Idaho Water Resource Board

Date 2/27/2017

Rental approved by IDWR [Signature]

Date 2-27-2017

WATER SUPPLY BANK RENTAL AGREEMENT NO. 109**WATER USE DETAILS****LOCATION OF POINT(S) OF DIVERSION**

BIG WOOD RIVER SESW Sec. 12, Twp 01N, Rge 18E, BLAINE County

Beneficial Use
IRRIGATION

Diversion Rate
3.29 CFS

Volume
463.6 AF

BENEFICIAL USE & SEASON OF USE

Water Right No.	From	To	Diversion Rate
37-5	4/15	10/31	1.16 CFS
37-496B	4/15	10/31	0.31 CFS
37-497B	4/15	10/31	0.16 CFS
37-833R	4/15	10/31	1.00 CFS
37-20924	4/15	10/31	0.22 CFS
37-20926	4/15	10/31	0.44 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	18E	14							1.7			3.7	0.3						5.7
01N	18E	15				1.2									35.0	30.0	27.0	38.0	131.2

Total Acres: 136.9

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 partial decree is subject to such general provisions necessary for the definition of the rights or for the efficient administration of the water rights as may be ultimately determined by the Court at a point in time no later than the entry of a final unified decree. Section 42-1412(6), Idaho Code.

9. This right when combined with all other rights shall provide no more than .02 cfs per acre nor more than 3.5 afa per acre for irrigation of the lands above.
10. A lockable device subject to the approval of the Department shall be maintained on the diverting works in a manner that will provide the watermaster suitable control of the diversion.
11. Use of water under this water right will be regulated by the watermaster of State Water District No.37.
12. Measuring devices of a type approved by this Department shall be maintained at the point of diversion and point of discharge to the Big Wood River.
13. The renter must diligently pursue a permanent water right to provide for the uses authorized under this rental agreement.
14. The following rights are diverted through the point(s) of diversion described above: 37-5, 37-496B, 37-497B, 37-833R, 37-20924, 37-20926 37-22220, 37-22222, 37-22224, 37-22226, 37-22228, 37-22219, 37-22221, 37-22223, 37-22225, 37-22227, 37-22833, and 37-22836.

CONDITIONS APPLICABLE TO RIGHT 37-833R

15. Pursuant to a call in times of scarcity, this right is senior to all other rights that did not result from saved water in the Rockwell By-Pass, as established by and subject to the provisions included within the Rockwell vs. Coffin decree issued on 29 July, 1949.
16. Rockwell By-Pass owners must maintain the by-pass for the entire length of the by-pass capable of carrying 17.36 cfs of water during the irrigation season.
17. The saved water shall be made available to the Rockwell By-Pass saved water right holders any time the Rockwell By-Pass is being used to deliver water to Broadford Slough right holders. The Rockwell saved water rights shall be curtailed when calls for senior water rights from the Broadford Slough cannot be delivered.

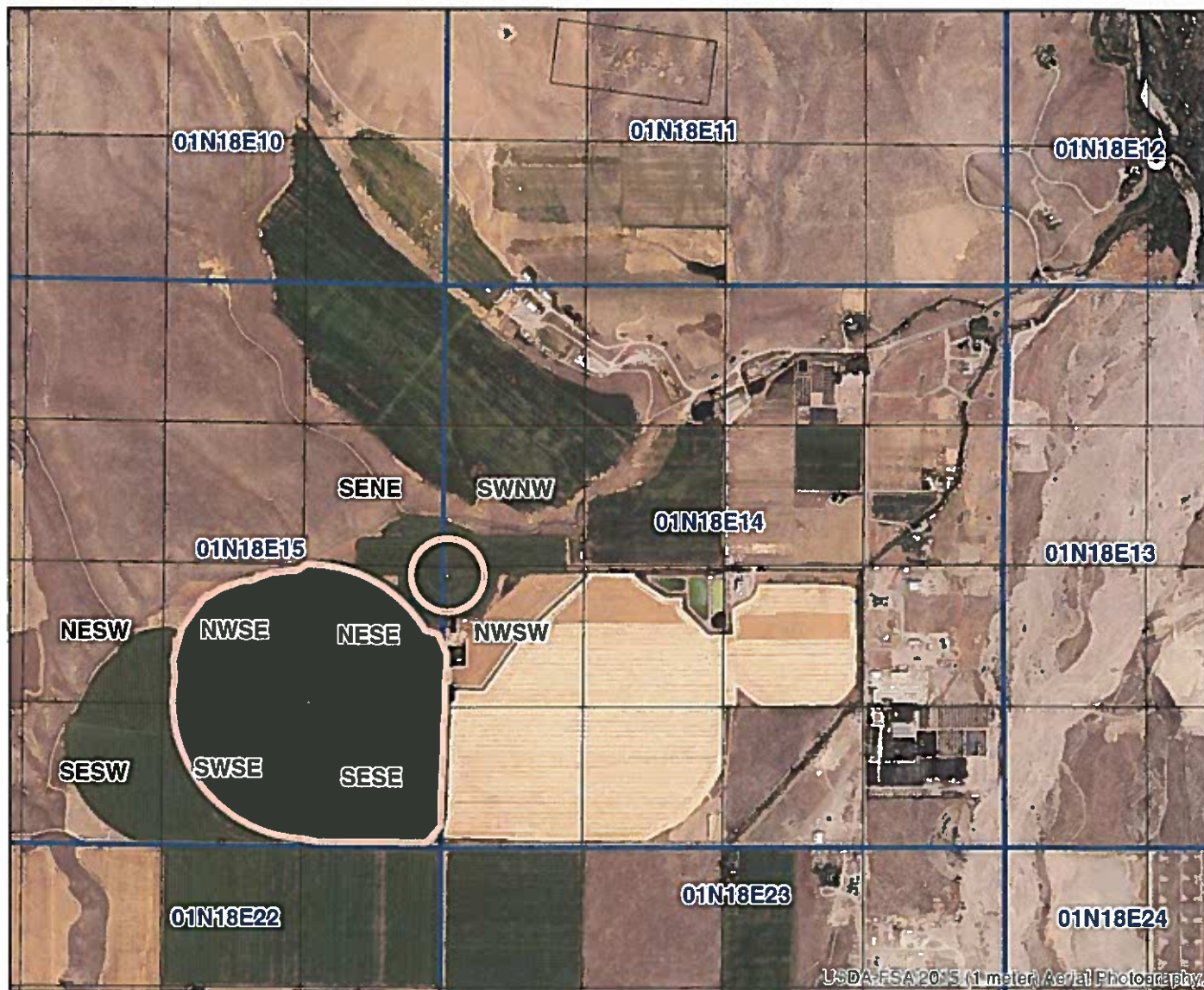
CONDITIONS APPLICABLE TO RIGHTS 37-496B and 37-497B

18. The period of use for the irrigation described in this approval may be extended to a beginning date of 04/01 and an ending date of 11/01 provided that beneficial use of the water can be shown and other elements of the right are not exceeded. The use of water before 4/15 and after 10/31 is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than the originating approval/SRBA partial decree date.

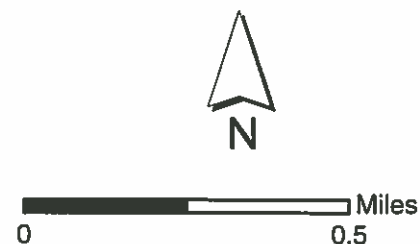
Idaho Water Resource Board
Water Supply Bank Rental Agreement

Effective until December 31, 2018

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



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



STATE OF IDAHO
WATER RESOURCE BOARDAPPLICATION TO RENT WATER
FROM THE BOARD'S WATER SUPPLY BANK

RECEIVED

DEC 01 2016

DEPARTMENT OF
WATER RESOURCESApplicant Name: BROWN RANCH, INC.

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 BROWN RANCH, INC.

Mailing Address 247 GLENDALE ROAD BELLEVUE IDAHO 83313
Street City State Zip Code

Email Address DANBROWN@SUNVALLEY.NET Phone Number 1(208)720-1982

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 NA Professional Title NA

Organization NA Relationship to Applicant NA

Mailing Address NA

Email Address NA Phone Number NA

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:

Additional water is needed when junior rights are shut off by priority. Proposed use is for irrigation.

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)
5 CFS	400 AF	2 CFS	100 AF	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?	
1/1/2017	7/1/2017	☐ 1	☒ 2	☐ 3	☐ 4	☐ 5	☒ Process application as soon as possible	☐ Return application to applicant

* The number of years permissible for a rental is subject to the lease contract duration for the water right(s) being rented.

** Per Idaho Code 42-201, it is unlawful to divert or use water without a valid water right. Water Supply Bank rental applicants are not authorized to utilize rental water prior to the execution of an approved rental agreement. Rental requests may be returned to applicants if no water is available from the Bank to fulfill a rental request.

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

- D. Describe your water distribution system and how rental water will be delivered from the point(s) of diversion (POD) to the proposed place of use (POU):

Water is delivered from the POD to POU via the Glendale Canal. Water is diverted from the Glendale Canal via a pump station from which it is delivered to various sprinkler systems on the ranch.

- 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
Glendale Canal	BIG WOOD RIVER	37-22219, 37-22221, 37-22223, 37-22225,
1N 18E sec. 12 NWSESW		37-22227

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 533.5 (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:

Water is also supplied through Bellevue City sewage treatment plant to the east pivot. Additional water is needed when other water rights are shut off by priority.

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)
37-5	irrigation	1.16		58		1.16		58
37-833R	irrigation	1.0	175	50		1.0	175	50
37-466	irrigation	3.65		489		3.65		489
37-22311	irrigation	1.5		31		1.5		31
37-22316	irrigation	.18				.18		
37-22321	irrigation	.19				.19		
37-21514	irrigation	.12		9.9		.12		9.9
37-577CB	irrigation	.1		4.1		.1		4.1
37-20924	irrigation	.22		19.85		.22		19.85
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	8.2	175	661.85
						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:

If water has unusually low rate per acre we do not wish to rent it. Excess water was requested in case some rights are unavailable from combined limits etc.

C. Does your rental request propose to change the nature of use for any water right(s) being rented?

Yes ☐ No ☒

If yes, explain how the water right(s) will be converted to new uses. Include the historic, consumptive use amounts for the water right being rented if you have it, as well as the new consumptive use amount for your proposed beneficial use. If space below is insufficient, attach a separate page and label it Attachment 4C:

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

5. ADDITIONAL INFORMATION

- A. Is this the first time that rental water is being requested for this purpose at the rental place of use? Yes ☐ No ☒
If no, list previous rental requests/agreements and explain why you have not secured a permanent water right for your needs:

- B. Have you or do you intend to submit an application for permit or transfer proposing a similar use as this rental? Yes ☐ No ☒
If yes, describe:

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

- D. Additional Information

DECLARATION

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

Daniel P. Brown
Signature of Applicant

DANIEL P. BROWN
Printed Name of Applicant

11-30-16
Date

Signature of Representative

Printed Name of Representative

Date

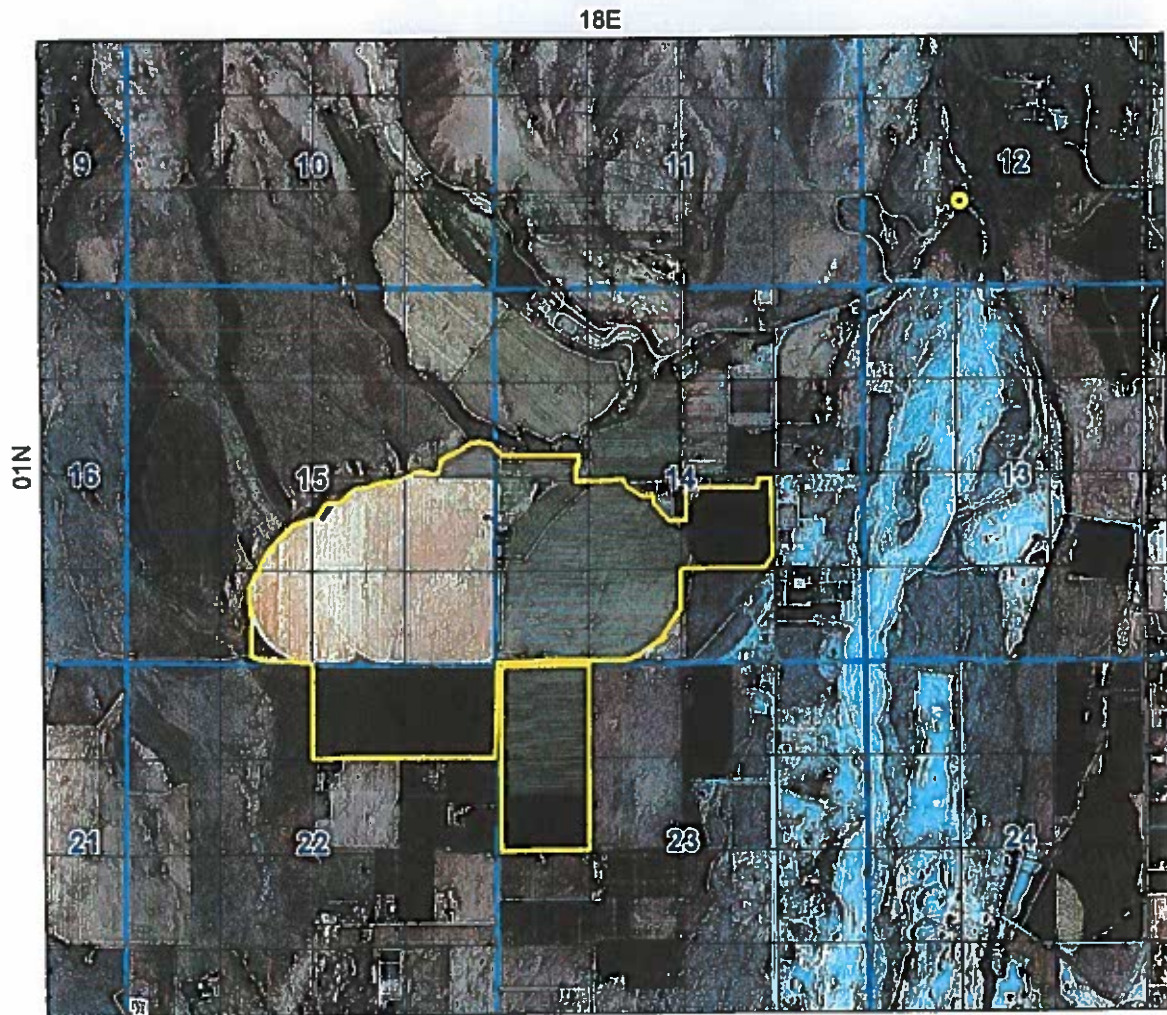
Mail to:

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

Water Supply Bank Application

POD and POU map of rental water

The map depicts the place of use for the water use listed above and point(s) of diversion of this right as currently derived from interpretations of the paper records and is used solely for illustrative purposes. Discrepancies between the computer representation and the permanent document file will be resolved in favor of the actual water right documents in the water right file.



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

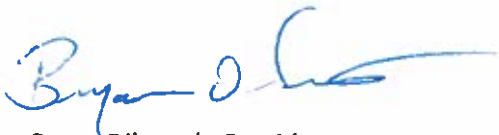
0 0.3 0.6 1.2 Miles



November 29, 2016

To whom it may concern:

The Glendale Lateral Ditch Association (Glendale #50) gives its consent to Brown Ranch, Inc. of Bellevue, Idaho to utilize the ditch system to deliver water rented from the Idaho Dept. of Water Resources Water Bank.

A handwritten signature in blue ink, appearing to read "Bryan Dilworth", with a stylized flourish extending to the right.

Bryan Dilworth, President



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 28, 2017

BROWN RANCH INC
247 GLENDALE RD
BELLEVUE ID 83313

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NOS. 37-5, 37-496B, 37-497B, 37-833R, 37-20924, and 37-20926**

Dear Renter:

Please find enclosed a receipt in the amount of **\$7,881.20** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 463.6 acre-feet of water for irrigation of 136.9 acres during 2017. Upon receipt of this fully executed agreement, you are authorized to divert water in compliance with the conditions of water use described in the agreement.

Pursuant to the Water Supply Bank Rules, 90% or \$7,093.08 of the rental fee will be paid to the lessor(s) and 10% or \$788.12 will be retained by the Department to offset administrative costs.

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

Sincerely,

Water Supply Bank

Enclosures: Receipt No. C103067
Rental Agreement (copy)

c: Sascha Marston – Fiscal
Corey Skinner – IDWR Southern Regional Office
Kevin Lakey – State Water District No. 37

MEMORANDUM

To: Rights 37-5, 37-833R, 37-496B, 37-497B, 37-20924 and 37-20926

From: Sandra Thiel

Date: February 6, 2017

Re: Review & Analysis of Brown Ranch's Application to Rent Water from the State Water Supply Bank

PURPOSE/NARRATIVE: On December 1, 2016 Brown Ranch Inc. submitted a rental application for Department received an application for 5.0 cfs and 400 af; minimum rate and volume 2 cfs and 100 af. The Ranch has rented water from the Bank at this place of use since 2014. Some of the requested rights are still available; however, the leases have expired for other rights.

The rental application seeks water to irrigate 533.5 acres. Five water rights with priority dates from 1884 through 1901 cover these acres. Brown Ranch Inc. seeks senior water rights to cover the land when these rights are cut. According to the 2016 memo regarding rentals at this place of use, the existing rights are typically cut the first or second week in July. Consequently, the application is for water with priority dates senior to March 1884.

Water will be diverted through the Glendale Canal #50 diversion to Brown Ranch. Application of water will be through pressurized irrigation.

AUTHORITY TO FILE:

According to available Blaine County taxlot information the proposed rental point-of-diversion is the headgate of the Glendale Canal. That POD appears to be located on property owned by Swiftsure Ranch Therapeutic Equestrian Center, Inc.

The proposed point of diversion supplies water for several rights including the following rights which are held by Brown Ranch, LLC: 37-22220, 37-22222, 37-22224, 37-22226, 37-22228, 37-22219, 37-22221, 37-22223, 37-22225, 37-22227, 37-22833, and 37-22836.

Blaine County taxlot information is silent about the ownership of most of the POU. Only a portion of the acreage is showing as owned by Brown Ranch Inc. I suspect that the taxlot data is being updated and I assumed that the traditional 533.5-acre place-of-use is still owned by Brown Ranch, Inc.

WATER RIGHT VALIDITY: Right 37-5 was decreed in the SRBA on June 29, 2010. It has been continuously leased to the WSB since February 23, 2011. The most recent contract extends the lease until December 31, 2020. No apparent irrigation has occurred at the authorized place-of-use. Forfeiture is not a concern at this time.

Right 37-833R was decreed in the SRBA on May 13, 2009. The decree has unique notes to describe the priority. In times of scarcity this right is senior to most basin 37 rights. Right 37-833R has been continuously leased to the bank since February 23, 2011. The most recent contract extends the lease until December 31, 2020. No apparent irrigation has occurred at the authorized place-of-use. Forfeiture is not a concern at this time.

Rights 37-496B and 37-497B were decreed in the SRBA on May 2, 2011. Portions were enrolled in the WSB in 2013. Forfeiture is not a concern at this time. These rights are leased into the Bank through 2018. Review of 2016 imagery shows the appropriate number of acres remain without irrigation. This lease is 2018.

The SRBA court decreed rights 37-20924 and 37-20926 on September 24, 2010. Portions were enrolled in the WSB in 2015. Forfeiture is not a concern at this time. It appears that the house and driveways remain un-irrigated. Sufficient acres have been idled at the authorized place-of-use. The current lease contract expires December 31, 2020.

INJURY TO OTHER WATER RIGHTS:

We will be moving the point of diversion approximately 4 miles downstream. Between the lease point of diversion and the rental point of diversion there are many points of diversion for water rights with priority dates later than the lease priority date of March 24, 1883.

Mike McVay, from the Department's hydrology section, identified the river reach between the lease point of diversion and the rental point of diversion as a losing reach. According to the *Potential Injury from Change in Point of Diversion on a Stream*: When a point of diversion is moved downstream injury can occur to juniors upstream or between old and new points of diversion. It will take more water to reach the applicant's new point of diversion.

Mike provided USGS data from seepage runs that were measured between 2012 and 2013. (see attached email and spreadsheet) Based on their measurements, the reach of the river between the lease and the proposed rental points of diversion loses approximately 15% of its flow. The proposed rental rate is 3.29 cfs. The rate will be reduced by 85% to account for the water lost from the river. It is not necessary to reduce the volume proportionally. The rate available for diversion will be limited to 2.8 cfs.

ENLARGEMENT OF USE: No enlargement is anticipated. Several water rights that had been rented at this place of use in the past were excluded from the current rental. Applying rights with very disparate rates per acre was deemed an enlargement. This greatly limited the rights available for this rental. There will be no change in the nature-of-use, the headgate requirement or season of use.

LOCAL PUBLIC INTEREST: Review staff has no information to suggest this application is inconsistent with the local public interest. Both the lease and rental are within the Trust Water Area and the Big Wood River Ground Water Management Area.

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

DEPARTMENT STAFF OR WATERMASTER COMMENTS: Comments were solicited from both the water master and southern region. Neither had concerns about this rental. (see attached)

Dan Brown**RECEIVED**

From: "Thiel, Sandra" <Sandra.Thiel@idwr.idaho.gov>
Date: Tuesday, February 07, 2017 1:51 PM
To: <danbrown@sunvalley.net>
Attach: Map.pdf
Subject: acres for water supply bank

FEB 13 2017**DEPARTMENT OF
WATER RESOURCES**

Hello, I am working toward completing your water supply bank rental and have a question. We have only been able to find water for 137 acres. I have attached a map. Could you please identify the 137 acres where the rented water will be used and return the map to me? Please return the map by February 21. Thank you for your help with this.

Sandra Beer Thiel

Idaho Department of Water Resources

322 East Front Street

Boise, Idaho 83720-0098

(208)287-4881

sandra.thiel@idwr.idaho.gov

2/9/2017



Thiel, Sandra

From: Skinner, Corey
Sent: Monday, February 06, 2017 1:51 PM
To: Thiel, Sandra
Subject: RE: Brown Ranch Rental

I have no concerns with this one.

From: Thiel, Sandra
Sent: Monday, February 06, 2017 9:12 AM
To: Kevin Lakey <watermanager@cableone.net>; Skinner, Corey <Corey.Skinner@idwr.idaho.gov>
Subject: Brown Ranch Rental

Good morning, the attached documents provide information about the Brown Ranch Rental. Please let me know if you have any questions or concerns.

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

Thiel, Sandra

From: Kevin Lakey <watermanager@cableone.net>
Sent: Monday, February 06, 2017 11:31 AM
To: Thiel, Sandra; Skinner, Corey
Subject: RE: Brown Ranch Rental

Sandra,

I have no concerns with this application, but I don't remember the 15% loss being applied before. Is that something new?

Kevin Lakey

From: Thiel, Sandra [mailto:Sandra.Thiel@idwr.idaho.gov]
Sent: Monday, February 06, 2017 9:12 AM
To: Kevin Lakey; Skinner, Corey
Subject: Brown Ranch Rental

Good morning, the attached documents provide information about the Brown Ranch Rental. Please let me know if you have any questions or concerns.

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

Thiel, Sandra

From: McVay, Michael
Sent: Tuesday, January 31, 2017 12:34 PM
To: Thiel, Sandra
Subject: RE: streamflow losses along the Big Wood River
Attachments: BigWood.jpg; StreamflowLosses37_22219.xlsx

Hi Sandy,

I did the same analysis that I have done for the last couple of transactions in that I only looked at the seepage rate in the Big Wood River for the reaches that include the lease and rental PODs. I have attached a location map and the spreadsheet with the calculations.

Let me know if this is not what you had envisioned.

Mike

From: Thiel, Sandra
Sent: Monday, January 30, 2017 4:34 PM
To: McVay, Michael <Michael.McVay@idwr.idaho.gov>
Subject: RE: streamflow losses along the Big Wood River

Hello, I have another analysis for your enjoyment.
Thank you for all of your help with this.

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

From: McVay, Michael
Sent: Tuesday, January 03, 2017 2:43 PM
To: Thiel, Sandra <Sandra.Thiel@idwr.idaho.gov>
Subject: RE: streamflow losses for 37-577CB

Hi Sandy,

I updated the seepage information to include the new POD. This new location is in a reach that is generally gaining (zero gain/loss in August). So I guess it would be the same loss as we calculated before - no loss between the new and old lease PODs, and the same losses for between the old POD and the rental point.

Hope you can understand that.

Mike

From: Thiel, Sandra
Sent: Tuesday, January 03, 2017 1:58 PM

Seepage Site #	Aug-12			Oct-12			Mar-13			Average
	Streamflow (cfs)	Loss (cfs)	% Loss	Streamflow (cfs)	Loss (cfs)	% Loss	Streamflow (cfs)	Loss (cfs)	% Loss	
Gimlet - Hailey	181	0	0.00	185	7.5	0.04	172	25	0.15	0.06
Hailey - N Broadford	156	-20	-0.13	156	-22	-0.14	197	-22	-0.11	-0.13
N Broadford - S Broadford	122	-20	-0.16	166	-17	-0.10	175	-30	-0.17	-0.15
S Broadford - Glendale Bridge	102	-23	-0.23	149	-20	-0.13	145	-22	-0.15	-0.17
Average			-0.17			-0.13			-0.14	-0.15

Losses calculated as: (flow at Gimlet minus (flow at Hailey plus diversions)), (flow at Hailey minus (flow at N Broadford plus diversions)), (flow at N Broadford minus (flow at S Broadford plus diversions)), and (flow at S Broadford minus (flow at Glendale plus diversions)).

Streamflow reported for sites Gimlet, Hailey, N Broadford, and S Broadford (upstream sites).

Transaction and Seepage Locations

- Seepage Meas. Sites
- LeasePODs
- RentalPOD

