

# WATER SUPPLY BANK LEASE CONTRACT No. 572

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

**LESSOR:** J R SIMPLOT CO  
 1099 W FRONT ST  
 PO BOX 27  
 BOISE, ID 83707-0027

RECEIVED

FEB 15 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 January 23, 2017.
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)
35-14260	10/1/1953	GROUND WATER	0.39	88.0	43.4
35-14262	1/8/1959	GROUND WATER	0.07	14.0	43.4
35-14258	1/18/1974	GROUND WATER	0.41	159.6	43.4
<b>Combined Lease Totals</b>			<b>0.87</b>	<b>173.6</b>	<b>43.4</b>

### 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)
35-14260	0.39	88.0	22.0	0.018	4.00
35-14262	0.07	14.0	3.5	0.020	4.00
35-14258	0.41	159.6	39.9	0.010	4.00
<b>Combined Limit Totals</b>		<b>0.87</b>	<b>173.6</b>	<b>0.020</b>	<b>4.00</b>

*\* The water right elements rentable have been reduced from the water right elements leased to account for combined limits.*

SUPPORT DATA

IN FILE # 35-14258

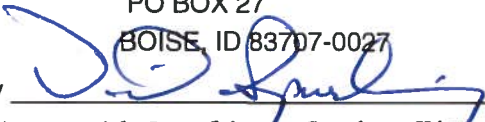
2. **COMPENSATION:** The Lessor shall accept and the Board shall pay compensation determined by the amount of water rented under the following rental rate during such times as the water is rented from the Bank over the term of this Lease.

**Minimum Payment Acceptable:** Current Rental Rate

3. **TERM OF LEASE:** The term of this lease shall be January 1, 2017 to December 31, 2019. 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.

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

**LESSOR:** J R SIMPLOT CO  
1099 W FRONT ST  
PO BOX 27  
BOISE, ID 83707-0027

By   
Title David Spurling, Senior Vice President and Secretary  
Date 10 FEB 2017

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

By  Date 2/16/2017  
Brian Patton, Acting Administrator  
Idaho Water Resource Board

Lease approved by IDWR  Date 2-16-2017

**ATTACHMENT A  
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE  
FOR LEASE CONTRACT NO. 572**

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): 35-14258, 35-14260, 35-14262**

GROUND WATER	NENSW	Sec. 7	Twp 05S	Rge 31E	BINGHAM County
GROUND WATER	SWSESW	Sec. 6	Twp 05S	Rge 31E	BINGHAM County
GROUND WATER	SESWSE	Sec. 6	Twp 05S	Rge 31E	BINGHAM County
GROUND WATER	NWNENE	Sec. 7	Twp 05S	Rge 31E	BINGHAM County
GROUND WATER	NWNENW	Sec. 8	Twp 05S	Rge 31E	BINGHAM County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
35-14258	IRRIGATION	04/01	to	11/01	0.41 cfs	159.6 AF
35-14260	IRRIGATION	04/01	to	10/31	0.39 cfs	88.0 AF
35-14262	IRRIGATION	04/01	to	11/01	0.07 cfs	14.0 AF
<b>Totals:</b>					0.87 cfs	173.6 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				
05S	31E	5												2.6	2.0	0.2	1.5					6.3
05S	31E	8					10.4	8.8	8.1	9.8												37.1

Total Acres: 43.4

**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. Use of water under this right will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 120.
13. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the place of use.
14. 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.
15. The unleased portions of rights 35-14258, 35-14260 and 35-14262 when combined shall not exceed a total annual maximum diversion volume of 1262.4 af at the field headgate, and the irrigation of 315.6 acres.
16. The unleased portion of right 35-14258 is limited to the irrigation of 290.3 acres and the unleased portion of right 35-14260 is limited to the irrigation 159.8 and the unleased portion of right 35-14262 is limited to the irrigation of 25.3 acres within the authorized place of use in a single irrigation season.

Idaho Water Resource Board  
Water Supply Bank Lease

35-14258, 35-14260, 35-14262  
Effective until December 31, 2019

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



STATE OF IDAHO  
WATER RESOURCE BOARD

RECEIVED

APPLICATION TO SELL OR LEASE A WATER RIGHT  
TO THE WATER SUPPLY BANK

JAN 23 2017

DEPARTMENT OF  
WATER RESOURCES

Designated Applicant J. R. Simplot Company Water Right No. 35-14258  
(Select one owner – see item 1A on the application) (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 <i>Attached (Yes)</i> or <i>Not Applicable (N/A)</i>		
<b>Yes</b>		
<input checked="" type="checkbox"/>		Completed <i>Application to Sell or Lease a Water Right to the Water Supply Bank</i> .
<input checked="" type="checkbox"/>		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.
<input checked="" type="checkbox"/>		Confirmation this form has been printed <b>single sided</b> , per requirement of the Water Supply Bank.
<b>Attachment</b>	<b>N/A</b>	<b>Yes</b>
1A	<input type="checkbox"/>	<input checked="" type="checkbox"/> Signatures and contact information for <i>all owners</i> of the water right to be leased or sold on this application.
1B	<input checked="" type="checkbox"/>	<input type="checkbox"/> An <u>Internal Revenue Service (IRS) Form W-9</u> for the Designated Applicant.
1C	<input checked="" type="checkbox"/>	<input type="checkbox"/> <i>Notice of Change in Water Right Ownership</i> form (accessible from <a href="http://www.idwr.idaho.gov">www.idwr.idaho.gov</a> ).
1D	<input checked="" type="checkbox"/>	<input type="checkbox"/> 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	<input type="checkbox"/>	<input checked="" type="checkbox"/> Description of a water right portion offered to the Water Supply Bank.
3	<input type="checkbox"/>	<input checked="" type="checkbox"/> 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: <a href="http://www.idwr.idaho.gov">www.idwr.idaho.gov</a> .
4A	<input checked="" type="checkbox"/>	<input type="checkbox"/> Written consent from irrigation district or water delivery company.
4G	<input checked="" type="checkbox"/>	<input type="checkbox"/> Evidence demonstrating the water right has not been forfeited pursuant to <u>Section 42-222(2), Idaho Code</u> .

Department Use Only			
Fee Amount \$	<u>250</u>	Received By:	<u>VC</u>
W-9 received?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Date Received:	<u>1/23/17</u>
	(Route W-9 to Fiscal)	Receipt #	<u>C102936</u>
		Name on W-9:	

*PK*

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 J. R. Simplot Company

Mailing Address P. O. Box 27 Boise, Idaho

Street City State Zip Code

Email Address vic.conrad@simplot.com Phone Number 208-336-2110

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 David Spurling Organization J. R. Simplot Company

Professional Title Sr. V.P. and Secretary Email Address \_\_\_\_\_

Mailing Address P. O. Box 27, Boise, ID 83707 Phone Number \_\_\_\_\_

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.

Wells, pumps, motors, underground pipelines, sprinkler systems

- 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. 35-14260, 35-14262

- 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. The place of use offered to the Bank will not be irrigated during the term of the lease.

- 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. Water has been leased to and rented from the water supply bank.

- 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

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: 2017 to 2019 (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.

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

David Spurling

\_\_\_\_\_  
Printed Name

16 JAN 2017  
\_\_\_\_\_  
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)
35-14258	Irrigation	0.40	173.6	43.4
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Amounts:		_____	_____	_____

2. Source of water \_\_\_\_\_ groundwater \_\_\_\_\_ tributary to \_\_\_\_\_

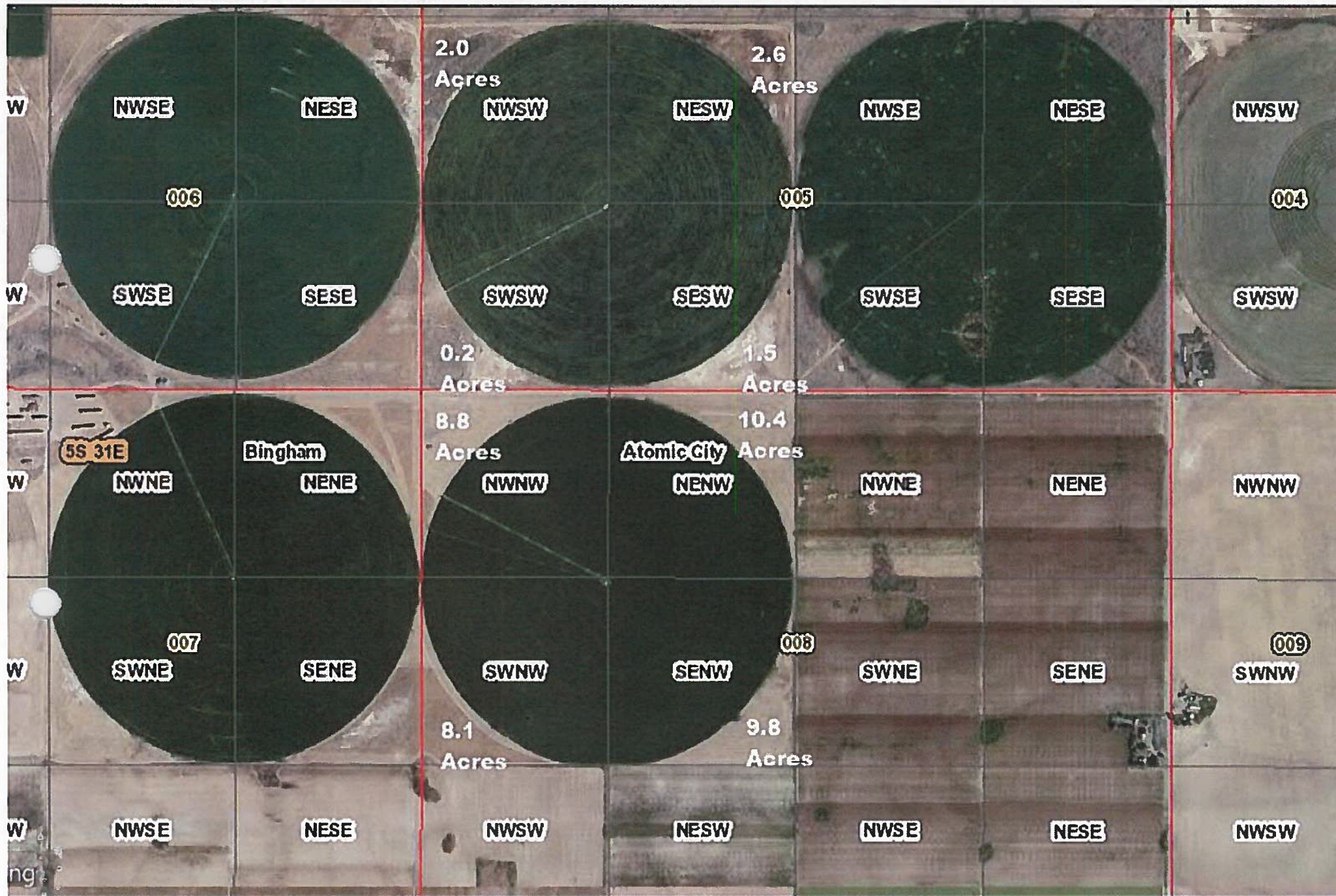
3. Point(s) of diversion:

<b>Twp</b>	<b>Rge</b>	<b>Sec</b>	<b>Lot</b>	<b>¼</b>	<b>¼</b>	<b>¼</b>	<b>County</b>
5S	31E	6		SE	SW	SE	Bingham
		6		SW	SE	SW	Bingham
		7		NW	NE	NE	Bingham
		7		NE	NW	SW	Bingham
		8		NW	NE	NW	Bingham

Plot

Bringing Earth's Resources to Life

# 43.4 acres under 35-14260, 35-14262, and 35-14258 available for Bank



Initial - Disclaimer: This product is for informational purposes and may not have been prepared for, or be suitable for legal, engineering, or surveying purposes. Users of this information should review primary data and information sources to ascertain the usability of the information.



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](http://www.idwr.idaho.gov)

C.L. "BUTCH" OTTER  
Governor

GARY SPACKMAN  
Director

February 17, 2017

J R SIMPLOT  
PO BOX 27  
BOISE ID 83707

**RE: WATER SUPPLY BANK LEASE CONTRACTS FOR WATER RIGHTS 35-2553A, 35-2713, 35-7169, 35-7373, 35-10422, 35-14258, 35-14260, and 35-14262**

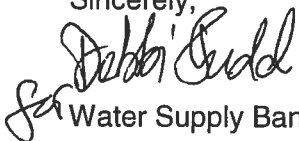
Dear Lessor:

Water rights **35-2553A, 35-2713, 35-7169, 35-7373, 35-10422, 35-14258, 35-14260, and 35-14262** were leased into the Water Supply Bank (Bank) as of January 23, 2017, in accordance with the enclosed executed lease contracts. **Your water rights, as described on the lease contracts, 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, 2019**, 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](http://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: James Cefalo - IDWR Eastern Region/Water District 120  
Watermaster – Water District XX



CORPORATE HEADQUARTERS

**February 13, 2017**

**RECEIVED**  
**FEB 15 2017**  
**DEPARTMENT OF**  
**WATER RESOURCES**

Jean Hersby  
Water Supply Bank  
State of Idaho  
Department of Water Resources  
P. O. Box 83720  
Boise, Idaho 83720-0098

**Re: Applications to Lease Water Right Nos. 35-2553A, 35-2713, 35-7169, 35-7373, 35-10422, 35-14258, 35-14260, 35-14262 and 36-4179 to the Water Supply Bank.**

Dear Jean:

Enclosed are duplicate partially executed originals of Water Supply Lease Contract Nos. 569, 570, 571, 572 and 567. Please arrange for the Contracts to be signed by the Idaho Water Resource Board and the IDWR, then return one fully executed original of each Contract to me.

Sincerely,

Vic Conrad  
Land, Water & Asset Recovery

Enclosures

**Hersley, Jean**

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**From:** Cefalo, James  
**Sent:** Monday, February 13, 2017 8:10 AM  
**To:** Hersley, Jean  
**Subject:** RE: WSB Leases for Simplot Basin 35

Jean,

I am not concerned about the proposed WSB leases for Simplot. It appears many of these rights have already been in the WSB for some time.

James

**From:** Hersley, Jean  
**Sent:** Tuesday, February 07, 2017 12:44 PM  
**To:** Cefalo, James <James.Cefalo@idwr.idaho.gov>  
**Subject:** WSB Leases for Simplot Basin 35

Memos and draft contracts can be found at N:\WRDocs\WSB\WSB PROCESSING DOCUMENTS\2017 Lease-Rentals\Leases\SIMPLOT. There are too many to attach to this email. Please let me know if you have any comments or concerns. Thank you.

*Jean Hersley  
Idaho Dept Water Resources  
Technical Records Specialist II  
208-287-4942*



State of Idaho

DEPARTMENT OF WATER RESOURCES

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

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

GARY SPACKMAN
Director

C.L. "BUTCH" OTTER
Governor

February 7, 2017

J R SIMPLOT CO
PO BOX 27
BOISE ID 83707

RE: APPLICATIONS TO LEASE WATER RIGHT 35-2553A, 35-2713, 35-7169, 35-7373, 35-10422, 35-14258, 35-14260, 35-14262 and 36-4179 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 of each 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.

All rights will automatically be released from the Bank on December 31, 2019, except water right 36-4179 which will automatically be released from the Bank on December 31, 2021, unless the rights are released earlier by the Board, or upon your request. To release the right 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,

Jean Hershey
for Water Supply Bank

Enclosure: Proposed Lease Contracts

**WATER SUPPLY BANK**

**Agent Lease Review Checklist**

**Applicant(s) Name:** JR Simplot

**Memo Date:** February 3, 2017

**Water Right Number(s):** 35-14258, 35-14260, 35-14262

**Reviewers Name:** Jean

**Quick Tools**

Decreed Year	No Forfeiture Concerns Thru:
2010	2016
2011	2017
2012	2018
2013	2019
2014	2020

	Check box		COMMENTS/CONCERNS:
1			
<b>Fill out WSB Data Entry Checklist for Leases</b>			
2			
<b>Reason for lease of water rights (Brief description of lease proposal in narrative)</b>			
	X		
3			ESPA-GWMA
<b>Check GWMA/CGWA/ADC and basin 63 areas of concern (note area in comments)</b>			
	Yes	No	
4	X		
<b>Rentable? If no explain in comments</b>			
5			
<b>Authority to file</b>			
	X		
	X		David Spurling-Sr VP & Sec
6			
<b>Water Right validity</b>			
			2002
	x		since 2009
7			
<b>Injury to other water rights</b>			
		na	
		na	%
8			
<b>Enlargement concerns</b>			
	X		
	X		
	X		
	Yes	No	
		X	
		X	
9			
<b>Local Public Interest</b>			
		X	
10			
<b>Have you contacted regional office and watermaster for comment/concerns?</b>			
	X		
	X		
11			4
<b>Area Headgate requirement</b>			
12		X	
<b>Is water right involved in any other department action? Pull file and check database</b>			
( ) Ownership Change ( ) Transfer ( ) Mitigation ( ) Other - Explain in comments			
13			
<b>Narrative:</b> The applicant wishes to place a total of 43.4 acres of this right in the Bank. These acres are mostly the pivot corners. David Spurling, Sr. VP and Secretary, signed the application. these rights overlap and all three together are limited to the irrigation o359.0 acres. These rights were decreed in 2002 and portions have been in the Bank since 2009. Forfeiture is not an issue. These rights are currently within WD 120.			

No. <b>C 28407</b>		<b>Due no later than Feb 28, 2017</b> <b>Annual Report Form</b>		2. Registered Agent and Address <b>(NO PO BOX)</b>		
Return to: SECRETARY OF STATE 700 WEST JEFFERSON PO BOX 83720 BOISE, ID 83720-0080  <b>NO FILING FEE IF RECEIVED BY DUE DATE</b>		<b>1. Mailing Address: Correct in this box if needed.</b> J. R. SIMPLOT COMPANY DAVID SPURLING P. O. BOX 27 BOISE ID 83707		CORPORATION SERVICE COMPANY 12550 W EXPLORER DR STE 100 BOISE ID 83713		
				3. <u>New</u> Registered Agent Signature:*		
4. Corporations: Enter Names and Business Addresses of President, Secretary, and Directors. Treasurer (optional).						
Office Held	Name	Street or PO Address	City	State	Country	Postal Code
DIRECTOR	JOHN D SIMPLOT	1099 W. FRONT STREET	BOISE	ID	USA	83702
DIRECTOR	JOHN OTTER	1099 W. FRONT STREET	BOISE	ID	USA	83702
PRESIDENT	WILLIAM J WHITACRE	1099 W. FRONT STREET	BOISE	ID	USA	83702-0027
SECRETARY	DAVID SPURLING	1099 W. FRONT STREET	BOISE	ID	USA	83702-0027
DIRECTOR	SCOTT R SIMPLOT	1099 W. FRONT STREET	BOISE	ID	USA	83702-0027
DIRECTOR	GAY C SIMPLOT	1099 W. FRONT STREET	BOISE	ID	USA	83702-0027
DIRECTOR	JOHN E SIMPLOT	1099 W. FRONT STREET	BOISE	ID	USA	83702-0027
DIRECTOR	A DALE DUNN	1099 W. FRONT STREET	BOISE	ID	USA	83702-0027
DIRECTOR	STEPHEN A BEEBE	1099 W. FRONT STREET	BOISE	ID	USA	83702-0027
DIRECTOR	RICHARD M HORMAECHEA	1099 W. FRONT STREET	BOISE	ID	USA	83702-0027
DIRECTOR	WILLIAM J WHITACRE	1099 W. FRONT STREET	BOISE	ID	USA	83702-0027
TREASURER	JOEL G BARKER	1099 W. FRONT STREET	BOISE	ID	USA	83702
DIRECTOR	TERRY T UHLING	1099 W. FRONT STREET	BOISE	ID	USA	83702
5. Organized Under the Laws of: <b>NV</b> <b>C 28407</b>		6. Annual Report must be signed.* Signature: David Spurling Name (type or print): David Spurling Date: 12/21/2016 Title: Secretary				
Processed 12/21/2016		* Electronically provided signatures are accepted as original signatures.				

CORPORATE HEADQUARTERS

RECEIVED

JAN 23 2017

DEPARTMENT OF  
WATER RESOURCES

January 18, 2017

Remington Buyer  
Water Supply Bank Coordinator  
State of Idaho  
Department of Water Resources  
P. O. Box 83720  
Boise, Idaho 83720

**Re: Water Supply Bank Lease Applications for 35-2553A, 35-2713, 35-7169, 35-7373, 35-10422, 35-14258, 35-14260, 35-14262 and 36-4179; and Water Supply Bank Rental Applications to Cover Water Use Curtailed under 36-8469 and 36-8471.**

Dear Remington:

Attached for filing are the above referenced applications. Similar to recent years, the Water Supply Bank Lease Applications for 35-2553A, 35-2713, 35-7169, 35-7373, 35-10422, 35-14258, 35-14260, 35-14262 are submitted for the Rental from the Water Supply Bank by Nic Behrend, who represents BBK, a farming enterprise who operates near Aberdeen, Idaho. By copy of this letter, Nic will arrange for the companion applications to Rent these water right from the Bank to be filed should you approve the enclosed Lease applications. I expect Nic will contact you directly to discuss any details that should be contained in his rental applications.

Water right 36-4179 was leased to the Water Supply Bank up to December 31, 2016. The attached Lease application is seeking to resume leasing this water right to the Water Supply Bank for a new five year term. In connection with this Lease application are two companion Rental applications. These Rental applications provide the water to cover the withdrawals formerly diverted under 36-8471 and 36-8469. Water Right 36-8471 and 36-8469 were curtailed due to the Rangen water call. The Rental of a portion of water right 36-4179 was previously approved during the last two years to cover the water use formerly diverted under 36-8471 and 36-8469.

I am enclosing a check in the amount of \$2,250.00 to cover the applications to Lease to the Water Supply Bank. I arrived at this fee as follows:

Water Right No(s) to be Lease to Bank	Fee Amount
35-2553A	\$250
35-2713	\$250
35-7169, 35-7373 and 35-10422	\$500
35-14258, 35-14260 and 35-14262	\$500
36-4179	\$250
<b>Total</b>	<b>\$2,250</b>

Please contact me should you need any additional information from me to conduct your analysis of these applications – or if I miscalculated the fee amount (phone: 208-780-7359; email: [vic.conrad@simplot.com](mailto:vic.conrad@simplot.com)).

Sincerely,



Vic Conrad

Land, Water & Asset Recovery

Enclosures

c: N. Behrend