



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

January 6, 2017

FLOPET INC
PO BOX 229
SUN VALLEY ID 83353

RE: NOTIFICATION OF WATER SUPPLY BANK LEASE EXPIRATION FOR WATER RIGHTS: 2-7287

Dear Lessor:

Idaho Department of Water Resources (Department) records show that all or a portion of the above referenced water right(s) were leased to the Water Supply Bank (Bank) through December 31, 2016. **This letter is notice that the right(s) are now considered released from the Bank.**

If you would like to renew the lease of these right(s) to the Bank, please complete a new Application to Sell or Lease a Water Right to the Water Supply Bank and remit the applicable filing fee. You can find new applications at the Department's website at www.idwr.idaho.gov.

A water right is not protected from forfeiture unless it is accepted into the Bank or unless an exception or defense to forfeiture applies as described under Idaho Code § 42-223. The five-year period of nonuse related to forfeiture of a water right shall begin to accrue upon release of the right from the bank or shall continue to accrue if a period of nonuse occurred prior to the lease date of the right to the Bank.

If you have any questions regarding this matter, please contact me at (208) 287-4918.

Sincerely,

A handwritten signature in black ink, appearing to read 'RB' with a long horizontal flourish extending to the right.

Remington Buyer
Water Supply Bank Coordinator

Enclosures:

WATER SUPPLY BANK LEASE CONTRACT

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

LESSOR: FLOPET INC
3RD FLOOR
100 BROADWAY
SAN FRANCISCO CA 94111
208-726-4591

RECEIVED
SEP 08 2016
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. On June 29, 2016, the Lessor filed an application to lease the water right described below into the Water Supply Bank.
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 the 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 RIGHT:** The Lessor shall lease and the Board shall accept into the Bank the Applicant's water right described as follows:

Summary of Water Right or Portion Leased to the Bank

Water Right	Priority Date	Source	Tributary	Leased Rate	Annual Leased Volume	Total Leased Acres
2-7287	06/25/1979	SNAKE RIVER	COLUMBIA RIVER	0.49 cfs	122.0 af	24.4 ac

Lease Totals 0.49 cfs 122.0 af 24.4 ac

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.

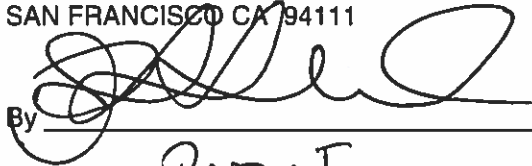
Minimum Payment Acceptable: Current Rental Rate

3. **TERM OF LEASE:** The term of this lease shall be January 1, 2016 to December 31, 2016. 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. **DUPLICATE ORIGINAL:** This Lease is executed in duplicate. Each of the documents with an original signature of each party shall be an original.

WATER SUPPLY BANK LEASE CONTRACT

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

FLOPET INC
3RD FLOOR
100 BROADWAY
SAN FRANCISCO CA 94111

By 
Printed Name RADDY FLOOD

Date 9/7/2016
Title Vice President

IDAHO WATER RESOURCE BOARD
322 EAST FRONT ST
PO BOX 83720
BOISE ID 83720-0098

By 
Brian Patton, Acting Administrator
Idaho Water Resource Board

Date 9/9/2016

Lease approved by IDWR 

Date 9-9-2016

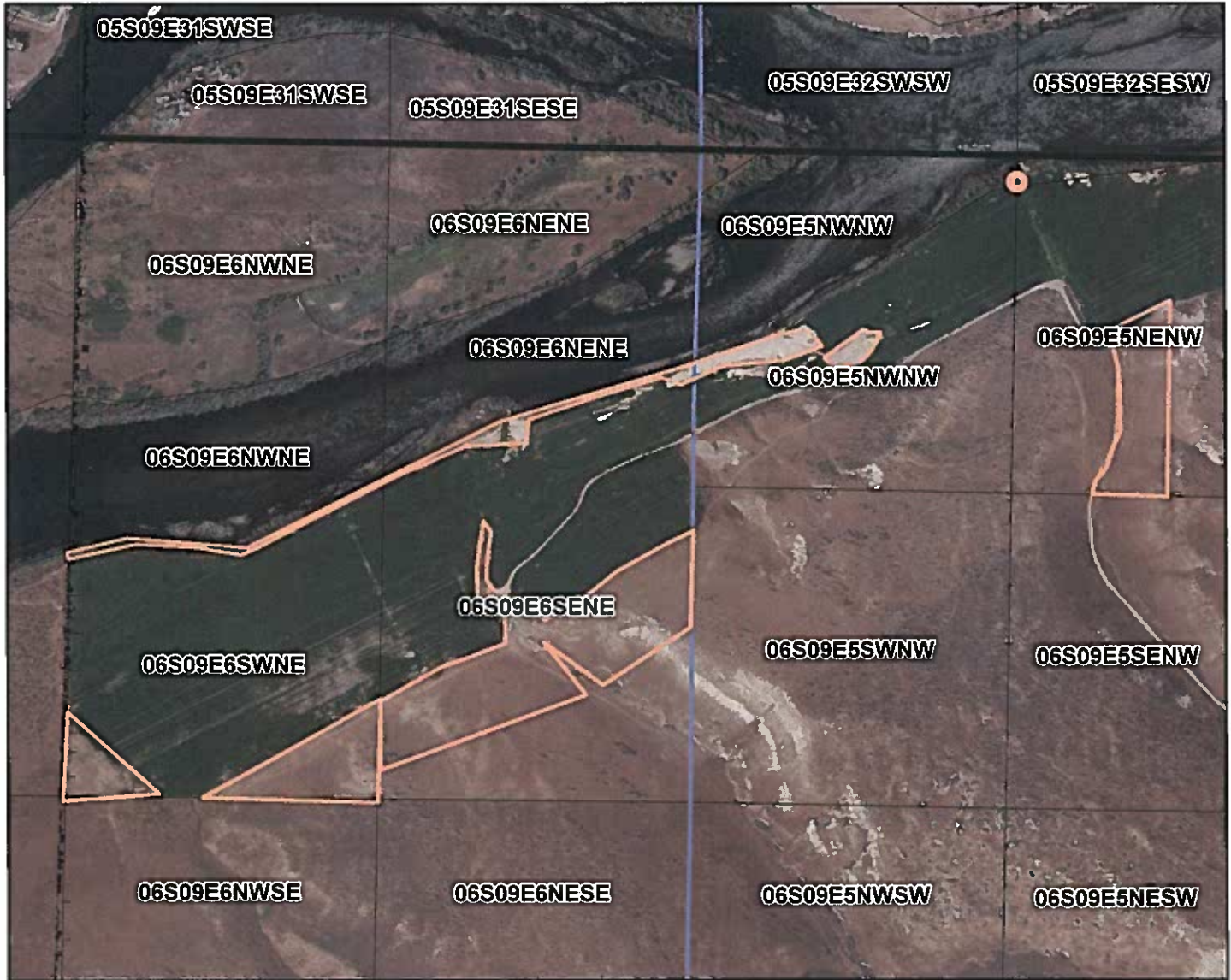
8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, nor does it improve the status of the right or accomplish the resumption of use. It does not preclude the opportunity for review of the validity of this water right in any 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 after the following rental season.
11. The water right leased to the bank is 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 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. 02.
13. When combined with all other rights, the leased rights shall provide not more than 0.02 cfs per acre nor more than 5.0 afa per acre at the field headgate for irrigation of the lands above.

Idaho Water Resource Board Water Supply Bank Lease

2-7287

Effective until December 31, 2016

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

JUN 29 2016

DEPARTMENT OF
WATER RESOURCES

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

Designated Applicant Flopet INC.
(Select one owner – see item 1A on the application)

Water Right No. 2-7287
(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>		
	Yes	
	<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 single sided , per requirement of the Water Supply Bank.
Attachment	N/A	Yes
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 type="checkbox"/>	<input checked="" type="checkbox"/> An Internal Revenue Service (IRS) Form W-9 for the Designated Applicant.
1C	<input checked="" type="checkbox"/>	<input type="checkbox"/> <i>Notice of Change in Water Right Ownership</i> form (accessible from www.idwr.idaho.gov).
1D	<input type="checkbox"/>	<input checked="" 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: www.idwr.idaho.gov .
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 Section 42-222(2), Idaho Code .
Department Use Only		
Fee Amount \$ <u>250.00</u>	Received By: <u>AO</u>	Date Received: <u>6-29-16</u> Receipt # <u>C102216</u>
W-9 received? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	(Route W-9 to Fiscal)	Name on W-9: <u>Flopet Inc</u>

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 Floypet INC

Mailing Address 3rd Floor 100 Broadway San Francisco, CA 94111

Street San Francisco City CA State CA Zip Code 94111

Email Address randy@randy-floyd.com Phone Number 208-726-4591

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 Zach Latham

Organization Brockway Engineering PLLC

Professional Title Hydrologist

Email Address zach.latham@brockwayeng.com

Mailing Address 2016 Washington St. N. Suite #4 Twin Falls, ID 83301

Phone Number 208-736-8543

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.
Water is diverted from Snake River and used for irrigation within the place of use. Water is distributed to POU via buried mainline and pressurized sprinklers.

- 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. None.

- 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. This application seeks to lease a portion of 2-7287 to the WSB, remaining portion of the right will be used for irrigation within the authorized POU.

- 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. 2-7287 has been used for irrigation purposes in the past 5 years. Additionally, all of 2-7287 was released from the WSB in 2011. Therefore, any portion of this right wanting to be leased to the WSB at this time is eligible for lease.

- 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. N/A.

- 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
N/A.

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 2016 (maximum lease period 5 calendar years).
(Year) (Year)

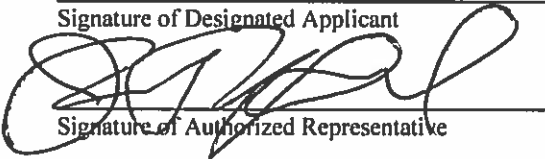
B. Show the minimum payment acceptable to the seller/lessor. The minimum payment may be shown as the "current rental rate" as established by the IWRB. Include the method of determining the minimum payment if other than the current rental rate.
Current rental rate.

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



Signature of Authorized Representative

Printed Name

Randy Flood - Vice President

Printed Name

Date

6/20/2016

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

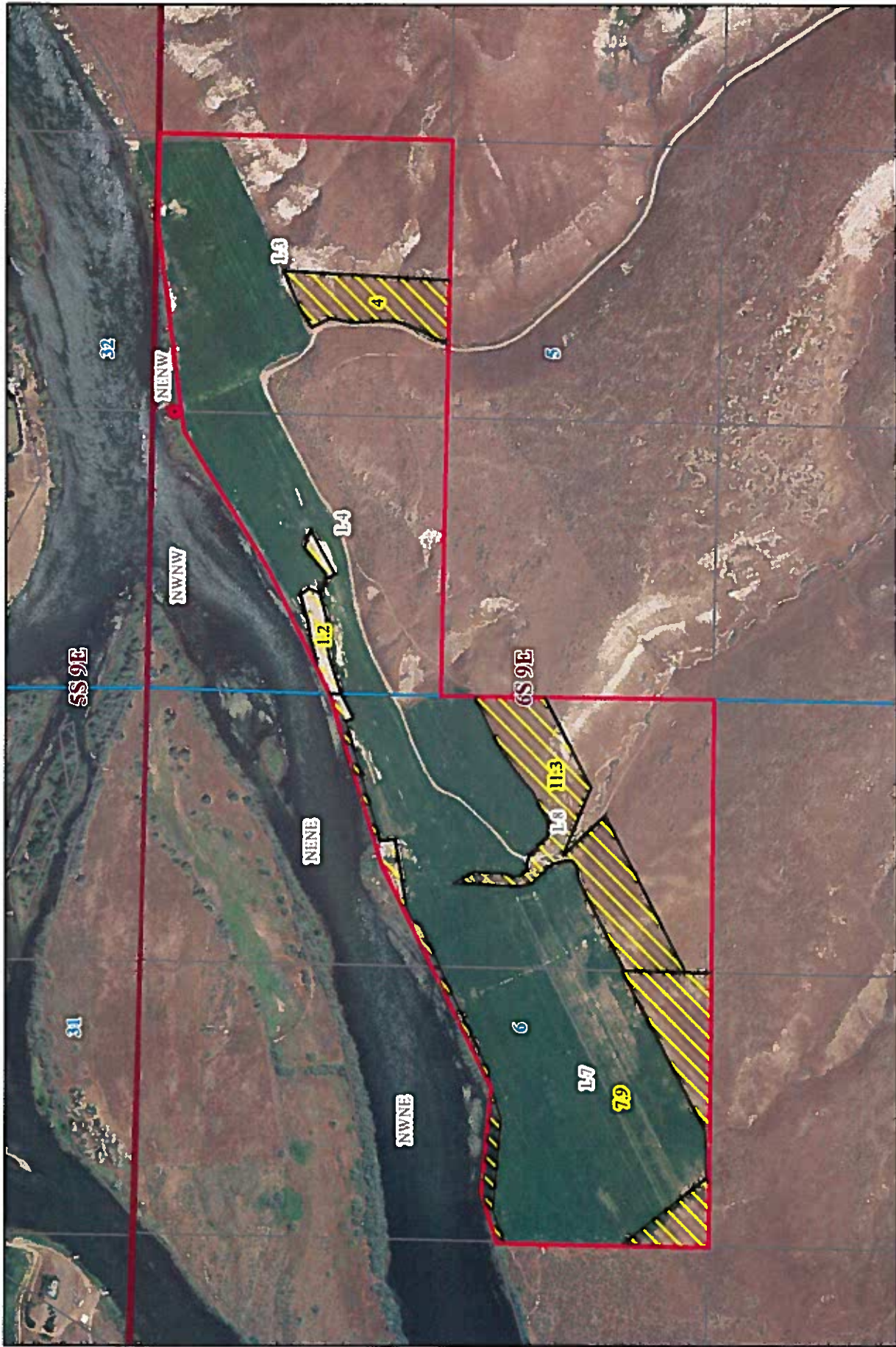
1. <u>Water Right Number</u>	<u>Nature of Use</u>	<u>Leased Rate</u> (cfs)	<u>Leased Volume</u> (af)	<u>Leased Acres</u> (ac)
<u>2-7287</u>	<u>Irrigation</u>	<u>0.49</u>	<u>122.0</u>	<u>24.4</u>
	Total Amounts:	<u>0.49</u>	<u>122.0</u>	<u>24.4</u>

2. Source of water Snake River tributary to Columbia River

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
6S	9E	5			NE	NW	ELMORE

No. C 100774		Due no later than Jan 31, 2016 Annual Report Form		2. Registered Agent and Address (NO PO BOX)			
Return to: SECRETARY OF STATE 700 WEST JEFFERSON PO BOX 83720 BOISE, ID 83720-0080 NO FILING FEE IF RECEIVED BY DUE DATE		1. Mailing Address: Correct in this box if needed. FLOPET, INC. DEBORAH S FLOOD PO BOX 229 SUN VALLEY ID 83353		DEBORAH S FLOOD 191 W RIVER ST STE 205 KETCHUM ID 83340			
				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	
PRESIDENT	DEBORAH S FLOOD	P.O. BOX 229	SUN VALLEY	ID	USA	83353	
SECRETARY	RICHARD J WALL	100 BROADWAY 3RD FLOOR	SAN FRANCISCO	CA	USA	83353	
VICE PRESIDENT	RANDY H FLOOD	P.O. BOX 229	SUN VALLEY	ID	USA	83353	
5. Organized Under the Laws of: CA C 100774		6. Annual Report must be signed.* Signature: Diane Palmer Nobuyama Name (type or print): Diane Palmer Nobuyama Date: 02/08/2016 Title: VP Administration					
Processed 02/08/2016		* Electronically provided signatures are accepted as original signatures.					



FLOPET, INC.
WSB LEASE 2-7287, 2016
NAIP 2015 AERIAL

- Legend
- WR_POD_2-7287
 - townshp
 - WR_POU_2-7287
 - Sections
 - WSB Lease
 - latedsc



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

September 12, 2016

FLOPET INC
100 BROADWAY 3RD FLOOR
SAN FRANCISCO CA 94111

RE: WATER SUPPLY BANK LEASE CONTRACT FOR WATER RIGHT 2-7287

Dear Lessor:

Water right 2-7287 was leased into the Water Supply Bank (Bank) as of June 29, 2016, in accordance with the enclosed executed lease contract. **Your water right), as described on the lease contract, is considered leased into the Bank and should remain unused until it is formally released from the Bank.** More information and further restrictions placed on your water right while leased can be found in conditions of acceptance of the lease contract. Read the conditions of acceptance carefully.

The right will automatically be released from the Bank on **December 31, 2016**, unless the right is 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 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. This form is available on our public website at www.idwr.idaho.gov. **Please note your water right may not be available for immediate release if it has been rented or is 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,

A handwritten signature in black ink that reads "Debby Cudd".

Handwritten initials "SCW" in black ink, positioned to the left of the typed name.
Water Supply Bank

Enclosure: Executed Lease Contract

c: Zach Latham – Brockway Engineering
Angie Grimm - IDWR Western Region
Rob Whitney – Water District 02

Hersley, Jean

From: Zach Latham <zach.latham@brockwayeng.com>
Sent: Wednesday, August 31, 2016 3:02 PM
To: Hersley, Jean
Subject: RE: WSB for Flopet

Jean-
Please send the Flopet Inc. leases to the following address;
Flopet Inc. c/o Mr. Randy Flood
P.O. Box 3578 Hailey, ID 83333

Apologies for the confusion. Please let me know if you need anything else relative to these lease contracts.

Zach Latham

Hydrologist
Brockway Engineering, P.L.L.C.
2016 Washington Street North, Suite 4
Twin Falls, ID 83301
t. 208-736-8543
c.208-721-2114
f. 208-736-8506
zach.latham@brockwayeng.com

All information, calculations, maps, drawings, or other documents transmitted via e-mail are preliminary unless explicitly stated in the e-mail text or in the documents themselves.

From: Hersley, Jean [<mailto:Jean.Hersley@idwr.idaho.gov>]
Sent: Tuesday, August 30, 2016 7:30 AM
To: Zach Latham
Subject: RE: WSB for Flopet

I was out of the office on Friday and Monday and am just catching up on emails.

The contracts were returned to me by the USPS as undeliverable. I sent them to the address on the application. Do you have a better address for them? The contracts went to: Flopet Inc, 3rd Floor, 100 Broadway, San Francisco CA 94111.

Jean

From: Zach Latham [<mailto:zach.latham@brockwayeng.com>]
Sent: Friday, August 26, 2016 8:02 AM
To: Hersley, Jean <Jean.Hersley@idwr.idaho.gov>
Subject: RE: WSB for Flopet

Jean-
Thank you, I have been out of town and am just catching up on emails, etc. I will get ahold of Flopet and let them know that they need to sign both lease contracts, as I'm assuming this hasn't been signed. Thanks again.

Zach Latham

Hydrologist
Brockway Engineering, P.L.L.C.
2016 Washington Street North, Suite 4
Twin Falls, ID 83301
t. 208-736-8543

c.208-721-2114

f. 208-736-8506

zach.latham@brockwayeng.com

All information, calculations, maps, drawings, or other documents transmitted via e-mail are preliminary unless explicitly stated in the e-mail text or in the documents themselves.

From: Hersley, Jean [<mailto:Jean.Hersley@idwr.idaho.gov>]

Sent: Friday, August 19, 2016 1:51 PM

To: Zach Latham

Subject: WSB for Flopet

Zach,

I sent this attached letter to Flopet Inc but it was returned as "unknown". Please let me know where I should be sending it.

Thank you.

Jean

X 83720
83720-0098

6020160713-110129368

5

RETURN SERVICE REQUESTED

94111



RECEIVED

AUG 25 2016

DEPARTMENT OF
WATER RESOURCES

*WSB
2-7287*

FLOPET INC
3RD FLOOR
~~100 BROADWAY~~
SAN FRANCISCO CA 94111

*not @ address
this*

NIXIE 941112051-IN 700 08/17/16

RETURN TO SENDER
ATTEMPTED - NOT KNOWN
UNABLE TO FORWARD
RETURN TO SENDER



STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
322 East Front Street, P.O. Box 83720
Boise, Idaho 83720-0098

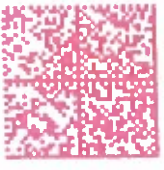
Return Service Requested

RECEIVED

AUG 19 2016

DEPARTMENT OF
WATER RESOURCES

U.S. POSTAGE PITNEY BOWES
ZIP 83702 \$ 000.37⁶
02 1W
0001393370 AUG 01 2016



PRESORTED
FIRST CLASS

2-7287

FLOPET INC

~~3RD FLOOR~~

~~100 BROADWAY~~

SAN FRANCISCO CA 94111

Wash to IN

NIXIE 957 DE 1268 0008/15/16

RETURN TO SENDER
ATTEMPTED - NOT KNOWN
UNABLE TO FORWARD

CUP-SSB S4 3C: 837200098
837200098

* 3014-02780-01-40





State of Idaho
DEPARTMENT OF WATER RESOURCES

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GARY SPACKMAN
Director

C.L. "BUTCH" OTTER
Governor

August 1, 2016

FLOPET INC
3RD FLOOR
100 BROADWAY
SAN FRANCISCO CA 94111

RE: REQUEST FOR RETURN OF SIGNED WATER SUPPLY BANK LEASE CONTRACTS FOR WATER RIGHT(S) 2-7287

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

Dear Applicant,

The Department of Water Resources (Department) mailed **two original Water Supply Bank Lease Contracts for your review and signature** on July 12, 2016. The signed contracts have not been returned to the Department.

Please sign both original Lease Contracts and return them to the Department within ten (10) days of this letter to complete processing. The Lease Contract is not considered final until both you and the Department have signed.

If the signed lease contracts are not received by the Department within the 10-day period, the lease application(s) will be returned, and the application fee will not be refunded. You can reapply to lease the water right(s) in the future by submitting new application form(s) along with applicable fees.

Please note the forfeiture period is not tolled unless a right is accepted into the Bank, or unless an exception or defense to forfeiture applies as described under Idaho Code § 42-223. If forfeiture is a concern, you may consider filing an Application for Extension of Time to Avoid Forfeiture of a Water Right form. This and other water right forms are available from the Department's web site at www.idwr.idaho.gov.

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

Sincerely,

Clay Webster
Water Resource Agent
WSB Process Point of Contact

c: Brockway Engineering PLLC



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

July 12, 2016

FLOPET INC
3RD FLOOR
100 BROADWAY
SAN FRANCISCO CA 94111

RE: APPLICATIONS TO LEASE WATER RIGHT 2-7287 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 right will automatically be released from the Bank on **December 31, 2016**, unless the right is 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,


for Water Supply Bank

Enclosure: Proposed Lease Contracts

c: Brockway Engineering PLLC

Hersley, Jean

From: Hersley, Jean
Sent: Tuesday, July 12, 2016 3:45 PM
To: Van Dyke, Nick; Whitney, Rob
Subject: WSB Lease for Flopet Inc 2-7287
Attachments: Idled Acres 2-7287.pdf; Lease Application Review 2-7287.xls; Lease Contract 2-7287.docx

Attached is the review memo, map and contract. 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*

WATER SUPPLY BANK

Agent Lease Review Checklist

Applicant(s) Name: Flopet Inc

Memo Date: July12, 2016

Water Right Number(s): 2-7287

Reviewers Name: Jean

Quick Tools

Decreed Year	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	x		
2	Reason for lease of water rights (Brief description of lease proposal in narrative)			
	Portion of right	x		
	All of right			
3	Check GWMA/CGWA/ADC and basin 63 areas of concern (note area in comments)			
		Yes	No	
4	Rentable? If no explain in comments	x		
5	Authority to file			
	Current owner or designated applicant	x		
	SOS Web site checked for business entity	x		
	Other (explain in comments)			
6	Water Right validity			
	Decreed/Licensed/Statutory claim date (write in comments section)			1991
	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.)			
	Has this right previously been leased to the bank or in CREP?	x		
7	Injury to other water rights			
	If the POD is through a delivery entity, was consent provided?			
	If the POD is through a delivery entity, was holdback required? (percentage in comments)			%
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	
	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?	x		
	Send the watermaster comment request form or e-mail request	x		
11	Area Headgate requirement			4
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: The applicant proposes to place 24.4 acres in the Bank. Randy Flood, vice president, signed the application. There are no overlapping rights. This right was licensed in 1991. The entire right was placed in the Bank in 2003 and released in 2011. Forfeiture is not an issue. This water right is currently with WD 02.			

RECEIVED

JUN 29 2016

DEPARTMENT OF
WATER RESOURCES



BROCKWAY
ENGINEERING
P.L.L.C.

Hydraulics

Hydrology

Water Resources

June 28th, 2016

Mr. Remington Buyer
Idaho Department of Water Resources
322 E. Front St.
P.O. Box 83720
Boise, ID 83720

Re: WSB Lease Application; Portion of 2-7287 on Behalf of Flopet Inc.

Dear Remington,

On behalf of Flopet Inc., Brockway Engineering PLLC is submitting one Water Supply Bank (WSB) lease application which proposes to lease 24.4 acres of water right 2-7287 to the WSB for the remainder of 2016. The associated map shows the location of the 24.4 acres to be idled during 2016 under the proposed lease application.

Also attached is a check from Brockway Engineering PLLC for \$250.00 to cover the cost of the lease application fee for one water right. Please copy our office on all correspondence regarding this water supply bank lease application. Thank you for your assistance on this matter and if you have questions or comments, please don't hesitate to call.

Regards,

Shirley Davis on behalf of
Zach Latham, M.S., Hydrologist

Enc: (1) Water Supply Bank Lease Application and Associated Map.
(1) Brockway Engineering PLLC Check # 132435

Cc: Flopet Inc.
Mr. Randy Flood

CHARLES E.
BROCKWAY,
PH.D., P.E.

CHARLES G.
BROCKWAY,
PH.D., P.E.

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WASHINGTON
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