

MEMORANDUM

To: Water Right 2-10420, 2-10422, 2-10510 & 57-11710

From: Remington Buyer

Date: 4/29/2016

Re: Review of WSB lease contracts & release requests for leased water rights

Water Rights 2-10420 and 2-10422 were proposed for full lease to the Bank in 2014. Through the lease review process, it was discovered that portions of water right 57-11710 overlapped with water rights 2-10420 and 2-10422. According to the review memo, 57.5 acres of the two aforementioned water rights overlapped with WR 57-11710 (21.5 acres under 2-10420 and 36 acres under 2-10422). Water right 57-11710 authorized irrigation of 99 acres while water right 2-10420 authorized irrigation of 69 acres and 2-10422 authorized irrigation of 100 acres.

To avoid enlargement, the overlapping portions of water right 57-11710 were also proposed for lease to the Bank and in 2014, portions of 57-11710 and all of water rights 2-10420 and 2-10422 were accepted for lease to the Bank.

In 2015, a transfer was proposed for water rights 2-10420 and 2-10422 (transfer #79727). The transfer has now been approved and changes to the elements of water rights 2-10420 and 2-10422 authorized under Transfer 79727 complicates the lease of these water rights to the Water Supply Bank.

Through the transfer review process, IDWR deemed that 39 acres (not 36 ac) of water right 57-11710 overlapped with water right 2-10422. To facilitate the transfer, the owner of 57-11710 relinquished and abandoned 39 acres of this water right. Additionally, though WR 2-10422 was leased for 100 ac, it was administratively reduced to 91 acres through the transfer.

Also of importance, it may be that the overlap of water rights 2-10420 and 57-11710 was in fact only 18.5 ac, not 21.5 acres, which may explain how the Department accepted that 20 acres of water right 2-10420 was available for transfer without the abandonment of any additional overlapping acres under water right 57-11710. Twenty acres of water right 2-10420 have now been authorized for transfer to a new location—the split of these 20 acres resulted in the creation of water right 2-10510.

The following summarizes the current authorized elements of water rights 2-10420, 2-10422, 2-10510 and 57-11710 and their lease status to the Water Supply Bank:

Water Right / Lease Status	WR/Lease Status	Div. Rate	Div. Vol.	Acres
2-10420	Water Right Elements:	1.240 cfs	N/A	49 acres
Fully Leased	Leased Elements:	1.240 cfs	N/A	49 acres
2-10510	Water Right Elements:	0.500 cfs	N/A	20 acres
Fully Leased	Leased Elements:	0.500 cfs	N/A	20 acres
2-10422	Water Right Elements:	1.820 cfs	N/A	91 acres
Fully Leased	Leased Elements:	2.000 cfs	N/A	100 acres
57-11710	Water Right Elements:	1.160 cfs	N/A	60 acres
Partially Leased	Leased Elements:	1.110 cfs	N/A	57.5 acres
	*Leased Elements:	0.360 cfs	N/A	18.5 acres

Due to the partial abandonment of acres under 57-11710, only 18.5 acres of this right likely remains leased to the Bank (which are likely the 18.5 acres overlapping with right 2-10420).

On February 24, 2016, the new owner of water rights 2-10422 and 2-10510 requested that their water rights be released from the Bank. Neither these water rights, nor water rights 2-10420 and 57-11710, are presently being rented. The release from the Bank of water rights 2-10422 and 2-10510 was approved of 4/27/2016.

It is not the policy of the Bank to partially release portions of a water right leased to the Bank; the Bank will either process a new lease contract for a leased water right if portions of the right are requested for release, else the Bank will fully release the water right if possible.

Upon further consideration of the release of water right 2-10510 from the Bank, it is noted that this is effectively a partial release of water right 2-10420. The release of 2-10510 thus either requires a new, reduced lease contract be processed for water right 2-10420, else all of water right 2-10420 should also now be released from the Bank.

The forfeiture clock for water rights 2-10420, 2-10510, 2-10422 and 57-11710 has been tolled for 2016 through the active lease of these water rights to the Bank during 2016. There is no advantage conferred in keeping the unreleased portion of water right 2-10420 leased to the Bank through the end of the year. Thus, because water rights 2-10420 and 57-11710 are not actively being rented 2016, and because a portion of water right 2-10420 has already been approved through the release of water right 2-10510 from the Bank, and because no impairment will be come to water rights 2-10420 and 57-11710 through their release now, as opposed to in December 2016, these two water rights are now being released from the Water Supply Bank.

Effective immediately, water rights 2-10420, 2-10510 and 2-10422 and 57-11710 are released from the Water Supply Bank.