

WATER SUPPLY BANK LEASE CONTRACT

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

LESSOR: JERRY SABALA
1609 E 2950 S
WENDELL ID 83355
208-539-3947

RECEIVED

APR 19 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 March 2, 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
36-7515	12/12/1974	GROUND WATER	NA	0.15 cfs	32.0 af	8.0 ac

Lease Totals 0.15 cfs 32.0 af 8.0 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, 2020. 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.

JERRY SABALA
1609 E 2950 S
WENDELL ID 83355

By Jerry Sabala
Printed Name JERRY SABALA

Date APRIL 16, 2016
Title OWNER - LESSOR

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

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

Date 4/20/2016

Lease approved by IDWR Clay West

Date 4-20-2016

ATTACHMENT A

WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

WATER RIGHT NO. 36-7515

The water right or portion thereof leased to the bank is described as follows:

Lessor: JERRY SABALA
 1609 E 2950 S
 WENDELL ID 83355
 208-539-3947

Location of Point(s) of Diversion for Water Right 36-7515

GROUND WATER NWNWSW Sec. 36, Twp 07S, Rge 14E, GOODING County

<u>Water Right</u>	<u>Beneficial Use</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
36-7515	IRRIGATION	04/01	to 11/01	0.15 cfs	32.0 af
Total:				0.15 cfs	32.0 af

Place of Use to be Idled Under This Lease: IRRIGATION

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
07S	14E	36									8.0								8.0

Total Acres: 8.0

Conditions Applicable to Leased Water Right

1. The water right 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, 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. 130.
13. The use of water for irrigation under this right may begin as early as March 15 and may continue to as late as November 15, provided other elements of the right are not exceeded. The use of water before April 1 and after November 1 under this remark is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than the date a partial decree is entered for this right.

Idaho Water Resource Board
Water Supply Bank Lease

36-7515
Effective until December 31, 2020

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

MAR 02 2016

DEPARTMENT OF
WATER RESOURCES

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

Designated Applicant JERRY SABALA
(Select one owner - see item 1A on the application)

Water Right No. 36-7515
(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.

MIMUMUM REQUIREMENT CHECKLIST

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

		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 <u>leased</u> or sold on this application.
1B	<input type="checkbox"/>	<input checked="" 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 www.idwr.idaho.gov).
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 checked="" type="checkbox"/>	<input 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 <u>Section 42-222(2), Idaho Code</u> .

CHANGE IN POINT OF DIVERSION

Department Use Only

Fee Amount \$ <u>250.00</u>	Received By: <u>EAL</u>	Date Received: <u>3/2/16</u>	Receipt # <u>0101574</u>
W-9 received? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	(Route W-9 to Fiscal)	Name on W-9: <u>JERRY SABALA</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 JERRY SABALA

Mailing Address 1609 E 2950 S WENDELL Id 83355
Street City State Zip Code

Email Address jerry.sabala@yahoo.com Phone Number 208 539 3947

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 _____ Organization _____

Professional Title _____ Email Address _____

Mailing Address _____ 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.

SEE ATTACHED

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.

GROUND WATER - WELL IRRIGATION

- 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. N/A

- D. Are any of the water rights identified in Section 4C stacked with the water right proposed for lease? N/A Yes No

Stacked water rights are used together to achieve a common beneficial use, such as irrigation of the same lands. Stacked water rights cannot be separated and must be jointly leased to the Water Supply Bank. Stacked water rights qualify for the multiple fee payment of \$500.

- E. Will the present place of use continue to receive water from any other source? Yes No

If yes, explain the relationship between the different water sources and how enlargement of the authorized use will not occur if this water right is leased.

- F. Identify annual volumes and/or rates of water diverted in the last 5 years to accomplish the beneficial use authorized by this water right. SEE ATTACHED REPORT FROM NORTH SHAKE GROUNDWATER

- 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. SEE DESCRIBED CIRCUMSTANCES ON ATTACHMENT 3,

WARRANTY DEED, WELL EASEMENT AGREEMENT AND MY 4G ATTACHMENT.

- 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

ALL I WANT TO DO IS LEASE MY WATER RIGHT,
I DO NOT WANT TO LOSE THAT RIGHT.
THE WATER LEVEL DROPPED. MY HOUSE AND IRRIGATIONS WELLS WENT DRY. I DRILLED A NEW HOUSE WELL. I COULD NOT AFFORD THE IRRIGATION WELL DRILLED AT THIS TIME.

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 2020 (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.

Terry Sabala
Signature of Designated Applicant

JERRY SABALA
Printed Name

FEB. 29, 2016
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

ATTACHMENT 1A

Additional Water Right Holders Party to the Lease Application

For the water right on this application, list all owners (individuals or business entities) of the right or the property to which it is appurtenant. All water right holders must sign a Water Supply Bank Lease Application. However, only the Designated Applicant needs to provide a completed IRS Form W-9 (Attachment 1B). All correspondence and any financial payment associated with the rental of this water right will be directed to the Designated Applicant. If additional space is needed to list any other water right holders, attach a second copy of Attachment 1A.

If submitting multiple applications, it is only necessary to complete one Attachment 1A for the group of applications. List each water right below.

Water Right No(s). 36-7515

	Designated Applicant	Applicant #2	Applicant #3
Name	JERRY SABALA	JANE M. SABALA	
Mailing Address	1609 E 2950 S WENDELL ID 83355	1609 E 2950 S WENDELL ID 83355	
Phone Number	208-539-3947	208-539-3947	
Email Address	jerry.sabala@yahoo.com	jerry.sabala@yahoo.com	
Applicant Declaration	As Designated Applicant, I submit this lease application on behalf of all other water right holders.	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.
Signature	Jerry Sabala	Jane M. Sabala	

	Applicant #4	Applicant #5	Applicant #6
Name			
Mailing Address			
Phone Number			
Email Address			
Applicant Declaration	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.
Signature			

WATER RIGHT # 36-7515

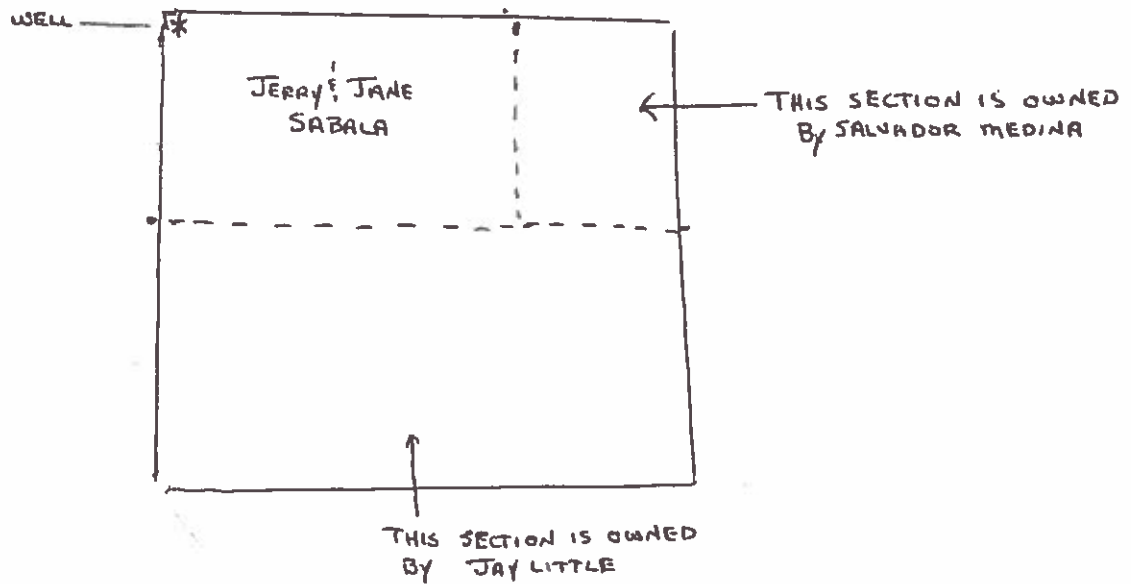
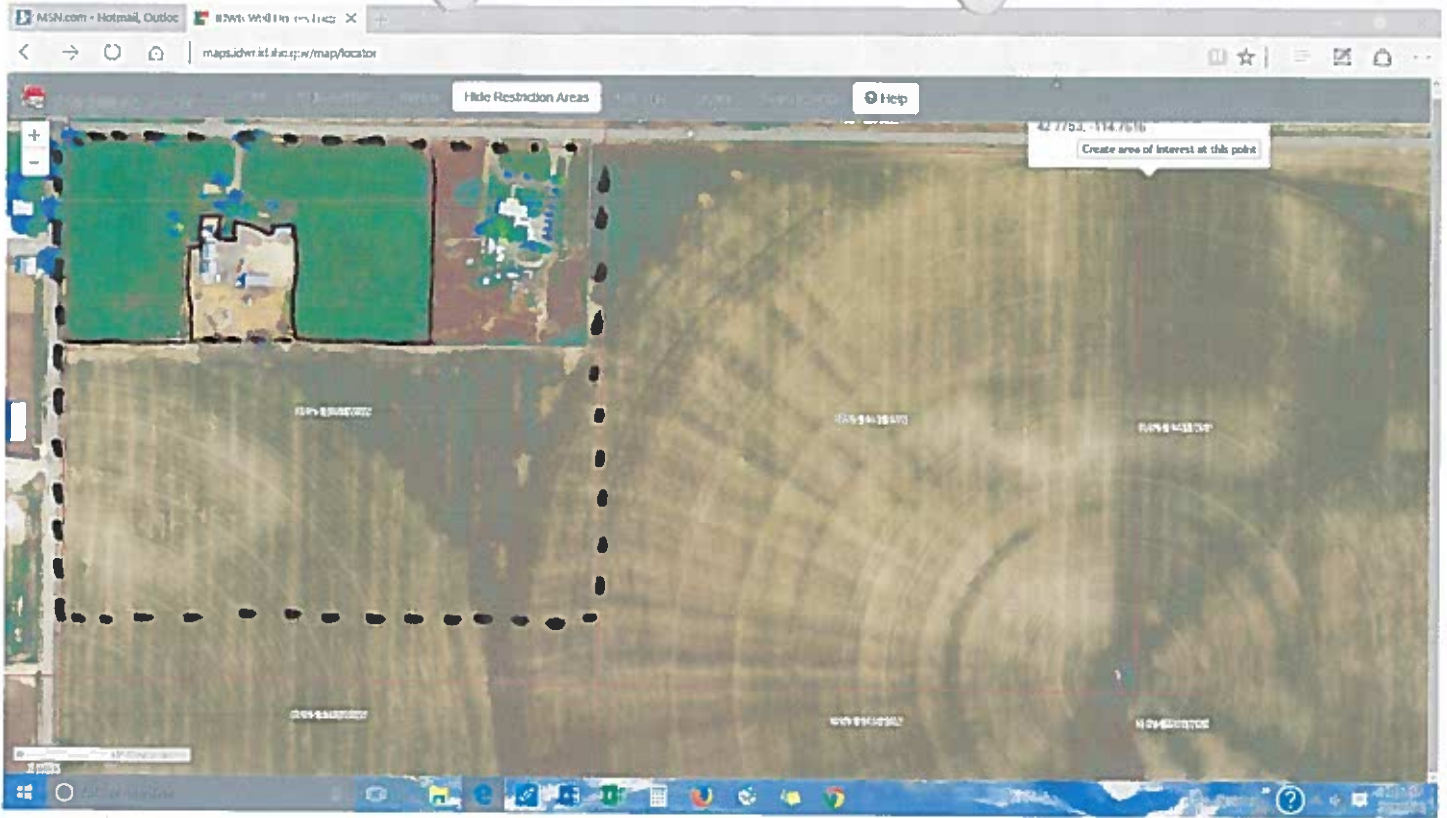
JERRY SABALA

NORTH SNAKE GROUNDWATER DISTRICT
5 Year Water Measurement Report
Summary Sheet

WMIS #	POD	DIVERSION NAME	5 yr Avg	WaterRight	PRIORITY DATE	CFS	Total Acres	Acra Limit	WaterUse	IRRIGATION	Combined Total	5 yr Total AF	r/ac
100118	075 14E S36 NWNWSW		27.5	36-7515	12/12/1974	0.73	38	0			38.0	27.5	0.7

* RECEIVED FROM NORTH SNAKE GROUNDWATER
DATED Nov. 25, 2015

Tommy Sabala



ALL THREE SECTIONS WAS FORMERLY OWNED BY ELMBA F. & HARRIETT M. JOHNSON (FATHER & MOTHER)

SALVADOR MEDINA'S SECTION WAS SOLD WITH NO WELL & EASEMENT AGREEMENT

JAY LITTLE'S SECTION WAS SOLD WITH A WELL & EASEMENT AGREEMENT
*SEE ATTACHED "WARRANTY DEED" AND "WELL & EASEMENT AGREEMENT"

WARRANTY DEED

For Value Received

THOMAS J. HOSKINS and BONITA KAY HOSKINS, husband and wife

Hereinafter called the Grantor, hereby grants, bargains, sells and conveys unto

JAY LITTLE and LOLA LITTLE, husband and wife
whose address is: 2947 South 1700 East Wendell, Idaho 83355

Hereinafter called the Grantee, the following described premises situated in Gooding County, Idaho, to-wit:

TOWNSHIP 7 SOUTH, RANGE 14, EAST OF THE BOISE MERIDIAN, GOODING COUNTY, IDAHO

Section 36: The South 792 feet of the NW $\frac{1}{4}$ SW $\frac{1}{4}$

This ground is conveyed dry and without water

SUBJECT TO THE FOLLOWING:

All reservations in patents or deeds in the chain of title.

Taxes for 1992 and subsequent years, which are not yet due and payable.

Assessments levied or to be levied by the Gooding County Solid Waste Department.

Right of way for canals, laterals and waste ditches of the North Side Canal Company, Ltd.

Well and Easement Agreement by and between Elmer F. Johnson and Harriett M. Johnson, husband and wife, and Thomas J. Hoskins and Bonita Kay Hoskins, husband and wife, dated March 30, 1979, recorded June 11, 1992 as Instrument Number 149035, Gooding County records.

TO HAVE AND TO HOLD, the said premises, with their appurtenances unto the said Grantee and to the successors heirs and assigns of the Grantee forever. The Grantor does hereby covenant to and with the said Grantee, that the Grantor is the owner in fee simple of said premises; that they are free from all incumbrances except as above described and that Grantor will warrant and defend the same from all lawful claims whatsoever.

Dated November 10, 1992

Thomas J. Hoskins
Thomas J. Hoskins

Bonita Kay Hoskins
Bonita Kay Hoskins **150763**

STATE OF IDAHO COUNTY OF GOODING

Filed for record at the request of *Land Title & Escrow Inc.*

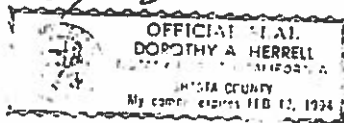
STATE OF Idaho, COUNTY OF Shasta
On this 10th day of November, 1992
before me, a notary public in and for said State, personally appeared

27 min. past 3 o'clock p. m. this 20
of Nov, 1992

Thomas J. Hoskins and
Bonita Kay Hoskins

JOHN A. MYERS Recorder *fee 3.00*
Deputy

known to me to be the persons whose names are
written in the within instrument, and acknowledged
to me that they executed the same



Dorothy A. Herrell
Notary Public

Residing at
Commission expires

WELL AND EASEMENT AGREEMENT

THIS AGREEMENT, made and entered into this 30th day of March, 1979, by and between ELMER F. JOHNSON and HARRIETT M. JOHNSON, husband and wife, party of the first part, which expression shall include his, her or their heirs, executors, administrators, agents or assigns where the context so requires or admits, and THOMAS J. HOSKINS and BONITA KAY HOSKINS, husband and wife, party of the second part, which expression shall include his, her or their heirs, executors, administrators, agents or assigns where the context so requires or admits.

WITNESSETH:

WHEREAS, the party of the first part owns and has title to certain real estate and real property located in the County of Gooding, State of Idaho, described as follows, to-wit: .

NW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 36, Township 7 South, Range 14 East, Boise Meridian,

EXCEPTING THEREFROM the South 792 feet of said NW $\frac{1}{4}$ SW $\frac{1}{4}$.

and

WHEREAS, the party of the second part is purchasing from party of the first part adjoining real estate and real property located in the County of Gooding, State of Idaho, described as follows: to-wit:

The South 792 feet of the NW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 36, Township 7 South, Range 14 East, Boise Meridian.

and

WHEREAS, there is an irrigation well and pump situate in the Northwest corner of the above-described real property owned by party of the first part, which irrigation well supplies irrigation water to the property owned by party of the second part and that in connection therewith the parties hereto desire to enter into an agreement whereunder and whereby party of the first part will

assign and convey the party of the second part an undivided one-half interest in and to said well together with conveying to party of the second part a permanent easement and right of way across the land owned by party of the first part to and for the benefit of the above-described land owned by party of the second part, for the purpose of supplying irrigation water from said irrigation well to the property owned by party of the second part.

NOW, THEREFORE, for good and valuable consideration, the receipt by which party of the first part is hereby acknowledged, and in consideration of the mutual covenants herein contained, it is hereby agreed by and between the parties as follows:

1. The party of the first part does hereby grant, assign and set over to the party of the second part an undivided one-half interest in and to the irrigation well and pump situate in the Northwest corner of the above-described property owned by party of the first part, together with an undivided one-half interest in and to the irrigation water supplied therefrom and together with granting, assigning and setting over to party of the second part a permanent easement and right-of-way across the land of party of the first part to and for the benefit of the above-described land owned by party of the second part for the purpose of conveying irrigation water from said irrigation well to the lands owned by party of the second part. Said easement and right-of-way conveyed hereunder shall be ten feet wide and lay directly East of the following described line, to-wit:

Commencing at the irrigation well situate in the NW corner of the NW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 36, Township 7 South, Range 14 East, Boise Meridian, thence South along the eastern boundary of the highway right of way located on the western boundary of said NW $\frac{1}{4}$ SW $\frac{1}{4}$ to the northern boundary of the above-described real property owned by party of the second part.

2. It is understood and agreed by and between the parties hereto that party of the second part shall be solely responsible for all expenses and costs incurred in the installation, construction,

repair and maintenance of the main irrigation pipe line to be constructed by party of the second part across the land of the party of the first part along the easement herein above mentioned.

3. It is further understood and agreed by and between the parties hereto that the parties shall equally share from this day forward all power charges, operating, maintenance and repair costs associated with the above-referred well and pump.

4. Party of the first part shall fully use and enjoy the aforesaid premises, except as to the rights herein granted, and the party of the second part hereby agrees to hold and save the party of the first part harmless from any and all damages arising from their use of the right, easement and right-of-way herein granted and agree to pay any damage or damages which may arise to the property, premises, or rights of the party of the first part through party of the second part's use, occupation and possession of the rights herein granted.

5. This agreement shall inure to and bind the heirs, executors, administrators, and assigns of the parties shall constitute a covenant running with the above-described lands of the parties.

Chas. F. Johnson

Thomas J. Hoskins

Harriet M. Johnson
Party of the First Part

Bonita Kay Hoskins
Party of the Second Part

STATE OF IDAHO)
) SS.
County of Gooding)

On this 30th day of March, 1979, before me, the undersigned, a Notary Public in and for said State personally appeared ELMER F. JOHNSON and HARRIETT M. JOHNSON, husband and wife, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same.

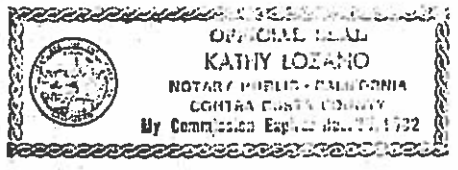
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first in this certificate written.

Bob J. M. Jupp
Notary Public for State of Idaho
Residing at Wendell Idaho

STATE OF CALIFORNIA)
) SS.
County of CONTRA COSTA)

On this 23rd day of March, 1979, before me, the undersigned, a Notary Public in and for said State personally appeared THOMAS J. HOSKINS and BONITA KAY HOSKINS, husband and wife, known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first in this certificate written.



Kathy Lozano
Notary Public for State of CALIFORNIA
Residing at CONTRA COSTA COUNTY

Idaho Code 42-223 – Exceptions or Defenses to Forfeiture

A right to the use of water shall not be lost by forfeiture pursuant to the provisions of section 42-222, Idaho Code, for a failure to apply the water to beneficial use under the conditions specified in any subsection of this section.

(6) No portion of any water right shall be lost or forfeited for nonuse if the nonuse results from circumstances over which the water right owner has no control.

JERRY & JANE SABALA HAD NO CONTROL OF JAY LITTLE'S NONUSE
OF HIS PORTION OF THE "WELL AND EASEMENT AGREEMENT."

Jerry Sabala



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

April 21, 2016

GARY SPACKMAN
Director

JERRY SABALA
1609 E 2950 S
WENDELL ID 83355

RE: WATER SUPPLY BANK LEASE CONTRACT FOR WATER RIGHT 36-7515

Dear Lessor:

Water right 36-7515 was leased into the Water Supply Bank (Bank) as of March 2, 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, 2020**, 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 me at 287-4910.

Sincerely,

for Clay Webster
Water Resource Agent
WSB Process Point of Contact

Enclosure: Executed Lease Contract

c: Allen Merritt - IDWR Southern Region
Nathan Erickson – Water District 130
North Snake Ground Water District



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GARY SPACKMAN
Director

C.L. "BUTCH" OTTER
Governor

April 15, 2016

JERRY SABALA
1609 E 2950 S
WENDELL ID 83355

RE: APPLICATIONS TO LEASE WATER RIGHT 36-7515 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, 2020, 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 me at 287-4910.

Sincerely,

for Clay Webster
Water Resource Agent
Water Supply Bank Point of Contact

Enclosure: Proposed Lease Contracts

Hersley, Jean

From: Erickson, Nathan
Sent: Wednesday, April 13, 2016 10:49 AM
To: Hersley, Jean
Subject: RE: WSB Lease Application for 36-7515

Jean,
I do not see any problem with this application.
Thanks,
Nathan

From: Hersley, Jean
Sent: Monday, April 11, 2016 12:02 PM
To: Erickson, Nathan
Subject: WSB Lease Application for 36-7515

Attached is the review memo, draft contract and map. Other information is available at N:\WRDocs\WSB\WSB PROCESSING DOCUMENTS\2016 Rentals-Leases\2016 Leases\SABALA 36-7515. This water right is for 38 acres. Historical and WMIS records show only 8 acres of this right being used in at least the past 5 years. We are only allowing 8 acres in the Bank. Please let me know within 7 days if you have any comments or concern. 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: Jerry Sabala

Memo Date: April 11, 2016

Water Right Number(s): 36-7515

Reviewers Name: Jean

Quick Tools

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

	Check box	Yes	No	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			
	Other (explain in comments)			
6	Water Right validity			
	Decreed/Licensed/Statutory claim date (write in comments section)			
	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			
11	Area Headgate requirement			
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 wanted to place the entire right in the Bank. This right was decreed in 2001 but a review of the records for the last 5 years shows no evidence of this right being used to irrigation 30 acres of the place of use that is currently owned by the Little's and Medina's. WMIS records concur. The Department will accept 8 acres in the Bank. This water right is currently within WD 130.



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GARY SPACKMAN
Director

C.L. "BUTCH" OTTER
Governor

March 8, 2016

JERRY SABALA
JANE M SABALA
1609 E 2950 S
WENDELL ID 83355

RE: APPLICATION TO LEASE WATER RIGHT NO. 36-7515 TO THE WATER SUPPLY BANK

Dear Applicant:

On March 2, 2016, the Department of Water Resources (Department) received your application(s) to lease all of water right 36-7515 to the Water Supply Bank (Bank). Bank Rule 25 (also known as IDAPA 37.02.03.025) requires the Department to evaluate whether the water right has been lost through abandonment or forfeiture as defined by Section 42-222(2), Idaho Code. Section 42-222(2) states, in part, "All rights to the use of water acquired under this chapter or otherwise shall be lost and forfeited by a failure for the term of five (5) years to apply it to the beneficial use for which is was appropriated."

A review of historical records for the last 5 years shows no evidence of ground water right 36-7515 being used to irrigate 30 acres of the place of use that is currently owned by the Littles and the Medinas. Water measurement records, dating back to 1996, show only 8 acres of irrigation has taken place pursuant to water right 36-7515. The records have been enclosed for your reference.

In your application, you mentioned you have no control over the non-use of a portion of the water right place of use owned by Jay Little due to a Well and Easement Agreement. Terms and conditions within a private agreement between the owner of the water right and a third party fall within the control of the contracting parties and therefore do not rise to circumstances beyond the control of the water right owner as described in Idaho Code Section 42-223(6).

Water Supply Bank Rule 25-06.c establishes that the Idaho Water Resource Board (Board) will consider information available to indicate that a water right has been abandoned or forfeited in determining whether to accept an offered water right into the Board's Bank.

Please submit additional information to show beneficial use or some other defense to forfeiture pursuant to 36-7515 has occurred at the 30 acre place of use. If the information is not provided within 30 days, the Department will draft a lease contract for the 8 acre place of use; which has clearly been irrigated in the last 5 years. Alternatively, you may withdraw your lease application. If that is the case, the lease application filing fees will not be refunded.

If you have any questions regarding this matter, please contact me at (208) 287-4944.

Sincerely,

for
Cherie Palmer
Senior Water Resource Agent