



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

January 6, 2017

GEORGE KELLEY  
PO BOX 25  
ALBION ID 83311

**RE: Expiration of Water Supply Bank Rental Agreement for water rights: 45-11969, 45-13998, 45-14000, 45-2746**

Renter,

This letter is to inform you that your rental agreement(s) to rent the above listed water rights from the Water Supply Bank (Bank) expired at the end of 2016.

Once the rental agreement concludes, any diversion or use of water under the rental agreement will no longer be authorized and, if occurring, may be subject to an enforcement action.

If you wish to rent water in the future, please download a rental application from: <http://idwr.idaho.gov>. You may submit rental applications on November 1 of the year prior to the intended use of rental water. **YOU ARE ENCOURAGED TO FILE AN APPLICATION AT LEAST 3 MONTHS PRIOR TO THE DATE YOU DESIRE TO USE RENTAL WATER.**

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

Sincerely,

Remington Buyer  
Water Supply Bank Coordinator

Enclosures:

DEPARTMENT OF  
WATER RESOURCES

STATE OF IDAHO  
DEPARTMENT OF WATER RESOURCES  
**WATER SUPPLY BANK RENTAL AGREEMENT**

The undersigned renter agrees to use the water rented under this agreement in accordance with the Water Supply Bank rules and in compliance with the limitations and conditions of use described in this agreement:

      George Kelley      3-23-16  
Signature of Renter      Printed Name and Title\*      Date

\_\_\_\_\_  
Signature of Renter      Printed Name and Title\*      Date

\*Please provide title of signatory if signing on behalf of a company or organization or with power of attorney

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

By       Date 3/28/2016  
BRIAN PATTON, Acting Administrator  
Idaho Water Resource Board

Rental Approved by IDWR       Date 3-28-2016

STATE OF IDAHO  
DEPARTMENT OF WATER RESOURCES  
**WATER SUPPLY BANK RENTAL AGREEMENT**

**WATER USE DETAILS**

**LOCATION OF POINT(S) OF DIVERSION**

GROUND WATER      NE¼NE¼      Sec. 35      Twp 11S      Rge 24E      CASSIA County

**BENEFICIAL USE**

IRRIGATION

**SEASON OF USE**

04/01 TO 10/31

**RENTER'S PLACE OF USE:**      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 |        |
| 11S | 24E | 25  |    |    |    |    |    |    |      |      | 23 | 26 | 28 | 26 |    |    |    |    | 103.0  |
| 11S | 24E | 36  |    |    |    |    | 18 | 18 | 19.5 | 19.5 | 19 | 19 | 19 | 19 |    |    |    |    | 151.0  |

Total Acres:    254.0

**CONDITIONS APPLICABLE TO ALL RENTED WATER RIGHTS**

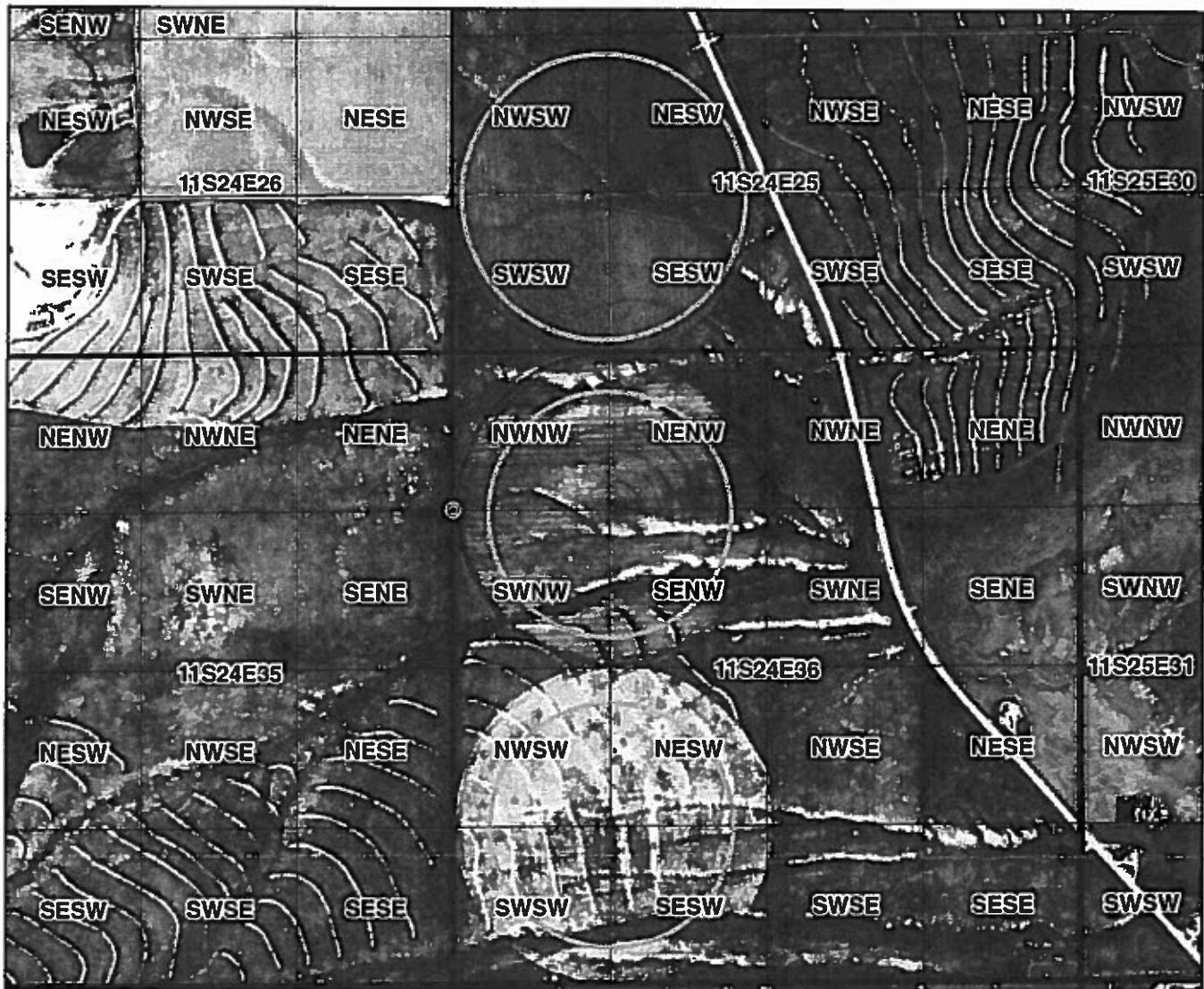
1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. Rental of the specified right from the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other department application process.
3. Use of water under this agreement does not constitute a dedication of the water to renter's place of use, and upon expiration of this agreement, the points of diversion and place of use of the water shall revert to those authorized under the water right and/or again be available to rent from the bank.
4. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
5. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.
6. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
7. Renter agrees to hold the Board, the Director and the state of Idaho harmless from all liability on account of negligent acts of the renter while using water.
8. Renter acknowledges and agrees that the Director may terminate diversion of water if the Director determines there is not a sufficient water supply for the priority of the right or portion thereof being rented.
9. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
10. This rental agreement does not authorize the construction of a well.
11. The renter must diligently pursue a permanent water right to provide for the uses authorized under this rental agreement.

12. 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 lands above.
13. Use of water under this agreement 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. 140.
14. The following rights are diverted through point(s) of diversion described above: 45-4084 and 45-4236.

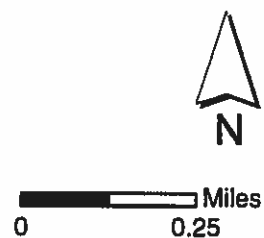
Idaho Water Resource Board  
**Water Supply Bank Rental Agreement**

Effective until December 31, 2016

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



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



STATE OF IDAHO  
WATER RESOURCE BOARD

**APPLICATION TO RENT WATER  
FROM THE BOARD'S WATER SUPPLY BANK**

RECEIVED

NOV 10 2015

DEPARTMENT OF  
WATER RESOURCESApplicant Name: George Kelley

Is this application being submitted with a lease application as a lease/rental package?

Yes ☐ No ☐

If yes, specify companion water rights in Section 4

This application must be completed according to the minimum requirement checklist below. This checklist is part of the rental application and must be included with the rental application. Applications that do not meet the minimum requirements will not be placed in the processing queue and may be returned until all minimum requirements have been met.

Rental applications should be submitted well in advance of the desired start date for the use of rental water. Rental applications may be processed as early as November 1 of the year prior to the intended use of rental water. Any rental application received on or before November 1 for use in the next year will be assigned a received date of November 1. Rental applications submitted more than one year in advance of the proposed start date for the use of rental water will not be accepted and will be returned to applicants. Rental applications may be returned to applicants if the desired start date for the use of rental water cannot be accommodated by the Water Supply Bank. Rental requests will not be accepted once the rental season of use period has concluded.

One rental application per beneficial use of water. For multiple beneficial uses of water, separate rental requests should be submitted for each unique beneficial use of water. One rental application can be submitted if you propose to rent water from multiple sources.

For additional instructions on completing a rental application, visit the Bank's website at [http://idwr.idaho.gov/water\\_supply\\_bank](http://idwr.idaho.gov/water_supply_bank).

**MINIMUM REQUIREMENT CHECKLIST**

Check All Items as Either Attached (Yes) or Not Applicable (N/A)

|            |                                     | Yes                                 |                                                                                                                                                              |
|------------|-------------------------------------|-------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
|            |                                     | <input checked="" type="checkbox"/> | Completed <i>Application to Rent Water from the Board's Water Supply Bank</i>                                                                                |
|            |                                     | <input checked="" type="checkbox"/> | Confirmation that this form has been printed single sided, per requirement of the Water Supply Bank                                                          |
| Attachment | N/A                                 | Yes                                 |                                                                                                                                                              |
| 2          | <input checked="" type="checkbox"/> |                                     | A map showing the proposed point(s) of diversion, place(s) of use, and water diversion and distribution systems proposed to be used with your rental request |
| 3A         | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | Detailed information on a proposed use of rental water                                                                                                       |
| 3F         | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | Authorization from the owner/operator of the rental point(s) of diversion                                                                                    |
| 3H         | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | Water modeling to account for the impacts of the rental request                                                                                              |
| 3J         | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | Documents justifying a rate of flow greater than 0.02 cfs/acre                                                                                               |
| 3K         | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | Authorization from the owner/operator of the property at the proposed rental place(s) of use                                                                 |
| 4B         | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | Explanation of how the rental water will sufficiently accomplish your rental purposes                                                                        |
| 4C         | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | Explanation of consumptive use amounts for water rights experiencing a change in nature of use                                                               |

**Department Use Only -- Proposed Water Right(s)**

45-2746      45-13998  
45-11969      45-14100

**STATE OF IDAHO  
WATER RESOURCE BOARD**

**Application to Rent Water (Continued)**

**1. CONTACT INFORMATION**

A. Applicant George Kelley

Mailing Address P.O. Box 25, Albion, Idaho 83311

Street

City

State

Zip Code

Email Address \_\_\_\_\_

Phone Number 208-673-5364

B. Is this application being completed by an authorized representative on behalf of the applicant? Yes ☒ No ☐  
If yes, representatives (includes company employees if the applicant is a corporation, as well as legal counsel or consultants) should provide their information below if they desire to be included on correspondence with the rental applicant.

Representative Paul L. Arrington

Professional Title Attorney

Organization Barker Rosholt & Simpson

Relationship to Applicant Attorney

Mailing Address 195 River Vista Place, Suite 204, Twin Falls, Idaho 83301

Email Address pla@idahowaters.com

Phone Number 208-733-0700

**2. MAP**

Create a map of the proposed point(s) of diversion, place(s) of use and water diversion, delivery and distribution systems. Make sure the rental place of use is outlined and annotated with legal land descriptions (Township, Range, Section and Quarter-Quarters) or with GPS coordinates. For irrigation purposes, mark the number of acres you desire to irrigate. Attach the map to this application and label it **Attachment 2**.

**3. DESCRIPTION OF PROPOSED USE FOR RENTAL WATER**

A. Describe why you desire to rent water and provide a detailed description of your proposed use. If the proposed use is not for irrigation, describe in detail how you determined the amount of rental water required. If the space below is insufficient, attach additional sheets as required and label them **Attachment 3A**:

Water will be used to allow for complete irrigation under existing pivots. Water will be commingled with Applicant's existing water rights to complete pivots.

B. Enter the desired and/or minimum rates of flow, volume, or irrigable acres requested for your rental purposes:

| Desired Rate<br>(Cubic Feet/Second) | Desired Volume<br>(Acre-Foot) | Minimum Rate*<br>(Cubic Feet/Second) | Minimum Volume*<br>(Acre-Foot) | Desired Acres<br>(if applicable) |
|-------------------------------------|-------------------------------|--------------------------------------|--------------------------------|----------------------------------|
| CFS                                 | AF                            | CFS                                  | AF                             | 291 AC                           |

\* Sometimes water rights provide an exceptionally low rate per acre and/or low volume per acre. This section is meant to establish an acceptable range of water sufficient for your proposed water use. Please see question 4B and complete if necessary.

C. This section must be completed in full. Enter the proposed start date and latest possible start date for using rental water as well as the number of years you would like to rent water. The latest possible start is the latest possible date by which you would be willing to pay for a rental and be able to benefit from utilizing rental water.

| Desired<br>Start Date<br>(month/day/year) | Latest Possible<br>Start Date<br>(month/day/year) | *Mark Desired<br>Rental Duration<br>(Calendar Years) |                            |                            |                            |                                       | **Applicant's preference if rental<br>application cannot be processed<br>prior to the latest possible start? |                                                             |
|-------------------------------------------|---------------------------------------------------|------------------------------------------------------|----------------------------|----------------------------|----------------------------|---------------------------------------|--------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|
| 4/15/2016                                 | 5/15/2016                                         | <input type="checkbox"/> 1                           | <input type="checkbox"/> 2 | <input type="checkbox"/> 3 | <input type="checkbox"/> 4 | <input checked="" type="checkbox"/> 5 | <input checked="" type="checkbox"/> Process application<br>as soon as possible                               | <input type="checkbox"/> Return application<br>to applicant |

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

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

STATE OF IDAHO  
WATER RESOURCE BOARD

**Application to Rent Water (Continued)**

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

Water is pumped from the well and piped to a sprinkler system.

- E. Describe the physical type (pump, headgate, etc.) and location of the POD from which rental water is proposed to be diverted:

| POD Description   | Water Source | Other Water Rights Diverted from this POD |
|-------------------|--------------|-------------------------------------------|
| 11S 24E 35, NE NE | Groundwater  | 45-4084 & 45-4236                         |
|                   |              |                                           |
|                   |              |                                           |
|                   |              |                                           |

*If the POD(s) above are located where water is turned into a canal, lateral or ditch, or if they are located on your property but are serviced by water that is delivered via a canal, lateral or ditch, your rental request must include documented authorization from all relevant canal companies, irrigation districts and/or water delivery entities, confirming that they consent to your diversion of water from their system.*

- F. Has documented consent from all relevant water delivery entities been obtained? Yes ☐ N/A ☒  
If yes, include documented consent as Attachment 3F.

- G. Do any POD(s) identified in Question 3E divert from a water source that may require water modeling? Yes ☐ No ☒  
*Refer to the Water Modeling Requirements Information Sheet to determine if a rental POD may require water modeling.*

- H. Has water modeling been provided with your rental request? Yes ☐ N/A ☒  
If yes, label modeling Attachment 3 H.  
*Rental applications that require modeling will be returned if modeling is not provided.*

- I. Specify the desired beneficial use of water and the requested season of use or number of acres required:

- ☒ Irrigation 291 (number of acres) Duration: Subject to IDWR standard seasons of use
- ☐ Commercial from: \_\_\_\_\_ (mm/dd) to: \_\_\_\_\_ (mm/dd)
- ☐ Stockwater from: \_\_\_\_\_ (mm/dd) to: \_\_\_\_\_ (mm/dd)
- ☐ Industrial from: \_\_\_\_\_ (mm/dd) to: \_\_\_\_\_ (mm/dd)
- ☐ Other: \_\_\_\_\_ from: \_\_\_\_\_ (mm/dd) to: \_\_\_\_\_ (mm/dd)

- J. For irrigation uses, do you propose to divert water at a rate greater than 0.02 cfs/acre? N/A ☐ Yes ☐ No ☒  
If yes, justify the rate of flow and attach any supporting documents as Attachment 3J. Justification may include information on soil composition, conveyance losses, crop type, irrigation systems, public access areas, etc. A rate of 0.03 cfs/acre is permissible for irrigation of 5 acres or less.

- K. Do you own the land at the proposed rental place of use (POU)? Yes ☒ No ☐  
If no, attach documentation from the POU owner/operator confirming your authorization to use the POU and label it Attachment 3K.

- L. List all other water rights and sources of water at the rental place of use for the same purpose, including privately owned water rights and water received from a municipal supplier, an irrigation district, a canal company or any other water delivery entity. Explain why additional water is required:

See E. above. Existing water rights do not cover entire pivot system. Additional water is needed to cover all acres.

STATE OF IDAHO  
WATER RESOURCE BOARD

**Application to Rent Water (Continued)**

**4. RENTAL REQUESTS FOR SPECIFIC WATER RIGHTS**

A. Are you requesting to rent specific water rights?

Yes ☐ No ☒

If yes, specify below the elements of the water rights you are requesting to rent. If no, continue to Question 4B.

**Important Information:** Diversion rates and volumes sought for rent must be proportionate to the per acre diversion rates and per acre volume limits of the water right under lease contract to the Water Supply Bank. Prior to completing this section, applicants should review all water right lease contracts and any active rental agreements to determine which elements of a water right are available to satisfy a rental request. Lease and rental documents are searchable via [IDWR's website](#).

Water rights identified below must either already be leased to the Bank or a lease proposal should accompany this rental request. Rental requests for water rights not yet leased to the Bank will be returned if companion lease applications are not provided with the rental request. For leased rights featuring combined limits, rentals must be consistent with combined diversion rate, volume or acre limits. Combined limits should be listed on a row below water right numbers.

| Water Right Elements Leased to Water Supply Bank                                                                                                                                         |               |                      |             |            | Leased totals, minus water right elements involved in active rental agreements, equals water right elements available for rent | Water Supply Bank Rental Request |             |            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|----------------------|-------------|------------|--------------------------------------------------------------------------------------------------------------------------------|----------------------------------|-------------|------------|
| Water Right Number<br>(leave blank if sub-total of combined limits)                                                                                                                      | Nature of Use | Diversion Rate (CFS) | Volume (AF) | Acres (AC) |                                                                                                                                | Diversion Rate (CFS)             | Volume (AF) | Acres (AC) |
|                                                                                                                                                                                          |               |                      |             |            |                                                                                                                                |                                  |             |            |
|                                                                                                                                                                                          |               |                      |             |            |                                                                                                                                |                                  |             |            |
|                                                                                                                                                                                          |               |                      |             |            |                                                                                                                                |                                  |             |            |
|                                                                                                                                                                                          |               |                      |             |            |                                                                                                                                |                                  |             |            |
|                                                                                                                                                                                          |               |                      |             |            |                                                                                                                                |                                  |             |            |
|                                                                                                                                                                                          |               |                      |             |            |                                                                                                                                |                                  |             |            |
|                                                                                                                                                                                          |               |                      |             |            |                                                                                                                                |                                  |             |            |
|                                                                                                                                                                                          |               |                      |             |            |                                                                                                                                |                                  |             |            |
| <b>Applicants must ensure the requested rate per acre and volume per acre do not exceed the rate per acre and volume per acre limits of water rights leased to the Water Supply Bank</b> |               |                      |             |            | <b>TOTAL</b>                                                                                                                   |                                  |             |            |
|                                                                                                                                                                                          |               |                      |             |            |                                                                                                                                | <b>CFS</b>                       | <b>AF</b>   | <b>AC</b>  |

*\*Attach multiple copies of this page if space above is insufficient to list all water rights requested to be rented on this application.*

B. If water right conditions, combined limits, or the sum of all water right elements being requested provide an unconventional duty of water (e.g., an unusually low rate per acre or volume per acre for irrigation use), explain how your proposed rental will sufficiently accomplish your intended purposes. Attach a separate page if space is insufficient and label it **Attachment 4B**:

Applicant will irrigate what he can with the water provided.

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

Yes ☐ No ☒

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

STATE OF IDAHO  
WATER RESOURCE BOARD

Application to Rent Water (Continued)

5. ADDITIONAL INFORMATION

- A. Is this the first time that rental water is being requested for this purpose at the rental place of use? Yes ☐ No ☒

If no, list previous rental requests/agreements and explain why you have not secured a permanent water right for your needs:

Applicant has attempted to purchase additional water rights by speaking with neighbors and others but has not been able to find any water for purchase.

- B. Have you or do you intend to submit an application for permit or transfer proposing a similar use as this rental?

If yes, describe:

Yes ☐ No ☒

- C. Was this rental application submitted in response to a Notice of Violation (NOV) or a pending NOV?

Yes ☐ No ☒

If yes, describe the date and location of the NOV.

- D. Additional Information

DECLARATION

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

  
Signature of Applicant

George Kelley  
Printed Name of Applicant

11-5-15  
Date

  
Signature of Representative

Paul Arrington  
Printed Name of Representative

11-5-15  
Date

Mail to:

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

