



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

MURPHY LAND CO LLC
PO BOX 3110
PASCO WA 99302-3110

RE: Expiration of Water Supply Bank Rental Agreement for water rights: 2-7036, 2-7037, 2-7038, 2-7127

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,

A handwritten signature in black ink, appearing to read 'RB', followed by a horizontal line.

Remington Buyer
Water Supply Bank Coordinator

Enclosures:

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

RECEIVED

MAR 07 2016

**DEPARTMENT OF
WATER RESOURCES**

This is to certify that: **MURPHY LAND CO LLC**
PO BOX 3110
PASCO WA 99302-3110

filed an application to rent water from the Water Supply Bank ("Bank"). The Idaho Water Resource Board ("Board"), being authorized to operate a Bank and to contract by and through the Director of the Idaho Department of Water Resources ("Director, Department") for rental of water from the Bank, agrees to rent water as follows:

Summary of Water Rights or Portions Rented from the Bank

Water Right	Priority Date	Source	Tributary	Rented Rate	Annual Rented Volume	Total Rented Acres
2-7036	8/30/1969	SNAKE RIVER	COLUMBIA RIVER	0.33 cfs	83.7 af	16.7 ac
2-7037	8/30/1969	SNAKE RIVER	COLUMBIA RIVER	0.15 cfs	37.0 af	7.4 ac
2-7038	6/5/1969	SNAKE RIVER	COLUMBIA RIVER	0.10 cfs	21.8 af	4.8 ac
2-7127	9/12/1973	SNAKE RIVER	COLUMBIA RIVER	0.92 cfs	231.0 af	46.2 ac
Total Annual Combined Limit				1.28 cfs	373.5 af	75.2 ac

Annual Combined Rental Totals

1.28 cfs 373.5 af 75.2 ac

Term of Rental: This rental is in effect from the day the Idaho Water Resource Board signs the rental agreement and shall be in effect until December 31, 2016.

Rental Fee: **\$634.95**

The fee for rental of the above-described water is \$6,349.50 per year. Because you own the above referenced water rights you are obligated to pay ten percent (\$634.95) to the Department for administrative costs only.

No rental fees will be refunded once the fee is collected and the start date for a Rental Agreement has passed.

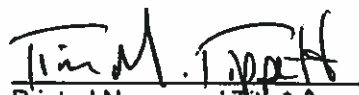
Detailed water right conditions are attached.

SUPPORT DATA

IN FILE # 2-7036

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:

 _____ Signature of Renter	 _____ Printed Name and Title* <i>Authorized Agent</i>	<u>3/1/16</u> _____ 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  _____ BRIAN PATTON, Acting Administrator Idaho Water Resource Board	Date <u>3/7/2016</u> _____
Rental Approved by IDWR  _____	Date <u>3-7-2016</u> _____

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

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

SNAKE RIVER

SEWNNE

Sec. 28, Twp 05S, Rge 05E, OWYHEE 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	
05S	5E	31			.9	8.8													9.7
		32															23.5	24	47.5
		33							2.2										2.2
06S	05E	6								15.8									15.8

Total Acres: 75.2

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 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.

11. 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. 02.
12. The following rights are diverted through point(s) of diversion described above: 2-57, 2-2129, 2-2130, 2-2406, 2-7025 and 2-7350.
13. The use of water for irrigation under rights 2-7036, 2-7037, 2-7038 may begin as early as March 1 provided other elements of the right are not exceeded. The use of water before March 15 under this remark is subordinate to all water rights having no subordinated early irrigation use and a priority date earlier than the date a partial decree is entered for this right.
14. The use of water for irrigation under right 2-7127 may begin as early as March 1 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 October 31 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 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.



2013 USDA-FSA Aerial Photography

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



0 0.25 0.5 0.75 Miles

STATE OF IDAHO
WATER RESOURCE BOARD

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

RECEIVED
JAN 04 2016
DEPARTMENT OF
WATER RESOURCES
DEC 29 2015
DEPT OF WATER RESOURCES
SOUTHERN REGION

Applicant Name: Murphy Land Co. LLC

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.

MINIMUM REQUIREMENT CHECKLIST

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

Yes

- ☒ Completed *Application to Rent Water from the Board's Water Supply Bank*
☒ Confirmation that this form has been printed single sided, per requirement of the Water Supply Bank

Attachment N/A Yes

- 2 ☒ 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 ☒ ☐ Detailed information on a proposed use of rental water
- 3F ☒ ☐ Authorization from the owner/operator of the rental point(s) of diversion
- 3H ☒ ☐ Water modeling to account for the impacts of the rental request
- 3J ☒ ☐ Documents justifying a rate of flow greater than 0.02 cfs/acre
- 3K ☒ ☐ Authorization from the owner/operator of the property at the proposed rental place(s) of use
- 4B ☒ ☐ Explanation of how the rental water will sufficiently accomplish your rental purposes
- 4C ☒ ☐ Explanation of consumptive use amounts for water rights experiencing a change in nature of use

Department Use Only – Proposed Water Right(s)

2-7036	2-7038	
2-7037	2-7127	Total

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

RECEIVED

DEC 29 2015

DEPT OF WATER RESOURCES
SOUTHERN REGION

1. CONTACT INFORMATION

A. Applicant MURPHY LAND CO LLC

Mailing Address PO BOX 3110 Pasco WA 99302-3110
Street City State Zip Code

Email Address _____ Phone Number _____

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 Hattie Zobott Professional Title P.E.

Organization Brockway Engineering PLLC Relationship to Applicant Consultant

Mailing Address 2016 N Washington ST Suite 4 Twin Falls ID 83301

Email Address hattie.zobott@brockwayeng.com Phone Number 208-736-8543

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:

The applicant desires to irrigate 64.6 acres of land with existing mainline and pumping station.

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

Desired Rate (Cubic Feet/Second)	Desired Volume (Acre-Foot)	Minimum Rate* (Cubic Feet/Second)	Minimum Volume* (Acre-Foot)	Desired Acres (if applicable)
1.29 CFS	318.3 AF	1.29 CFS	318.3 AF	64.6 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 Start Date (month/day/year)	Latest Possible Start Date (month/day/year)	*Mark Desired Rental Duration (Calendar Years)					**Applicant's preference if rental application cannot be processed prior to the latest possible start?	
03/15	05/01	☒ 1	☐ 2	☐ 3	☐ 4	☐ 5	☒ Process application as soon as possible	☐ Return application 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):

Pumping system from Snake River, existing mainline, new pivot.

- 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
Pumping Station	Snake River	2-2129, et al.

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 64.6 (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:

2-2129 et al. The water rights at the rental location is insufficient for the desired irrigation.

**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 (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)
2-7036	Irrigation	0.64	160.5	32.1		0.29	71.9	14.4
2-7037	Irrigation	0.28	71.0	14.2		0.13	31.8	6.4
2-7038	Irrigation	0.19	41.9	9.3		0.08	18.7	4.2
2-7127	Irrigation	1.77	443.0	88.6		0.79	198.5	39.7
Total		2.45	716.4	144.2				
<i>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</i>					TOTAL	1.10	320.9	64.6
						CFS	AF	AC

**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:

NA

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:

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 ☐

The transfer will be submitted in 2016.

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

Tim M. Tippet
Printed Name of Applicant

12/22/15
Date

Signature of Representative

Printed Name of Representative

Date

Mail to:

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

Appendix A- Calculations for Lease and Rental Amounts

Murphy Land Company Water Supply Bank Lease Application
Water Right Calculation

Individual Lease	
2-7028	
Total Acres	290.0
CFS	6.20
AFA	1450.0
Acres sold/ Transferring	12.5
	0.043

Water Right	Amount	Transfer Amount	Remaining Amount
	cfs	cfs	cfs
	acre-ft	acre-ft	acre-ft
2-7028	6.20 1450.0	0.27 62.5	5.93 1387.5
Total	6.20 1450	0.27 62.5	5.93 1387.5
	290.0 acres	12.5 acres	277.5 acres

Combined Lease	
Combined CFS Diversion Limit	23.60 cfs
Total CFS of Water Rights	27.78 cfs
Acres sold/ Transf	156 acres
Total Acres	1389 acres
AFA	6845 afa
cfs fraction	0.85
acres fraction	0.11

LEASE APPLICATION											
Amount						Transfer Amount					
						Remaining Amount					
						total					
Water Right	cfs	AFA	Acres	Transfer	% Transfer	Right	Right	Right	CFS	by	CFS rate
2-7036	6.44	1610	322	32.1	0.10	5.00	0.02000	5.47	0.0170	on	0.0170
2-7037	6.40	1600	320	14.2	0.04	5.00	0.02000	5.44	0.0170	Combinati	0.0170
2-7038	4.00	900	200	9.3	0.05	4.50	0.02000	3.40	0.0170	o	0.0170
2-7127	10.94	2735	547	88.6	0.16	5.00	0.02000	9.29	0.0170	Combinati	0.0170
Total	27.78	6845	1389			5.00		23.60			

Transferring		Remaining		Total	
Total Limits	2.45 CFS	21.15 CFS	23.6 CFS		
	716.4 AFA	6128.7 AFA	6845.0 AFA		
	144.2 Acres	1244.8 Acres	1389.0 Acres		

Murphy Land Company Water Supply Bank Rental Application
Water Right Calculation

RENTAL APPLICATION															
Combined CFS Diversion Limit															
Total CFS of Water Rights				2.45		cfs									
Acres sold/ Transf				2.88		cfs									
Total Acres				144.2											
AFA				716.35											
cfs fraction				0.85											
acres fraction				0.45											
Water Right		Amount		AFA		Acres		Transfer		Acres		AFA		Acres	
		cfs		160.50		32.10		14.4		0.45		5.00		0.02000	
2-7036		0.64		160.50		32.10		14.4		0.45		5.00		0.02000	
2-7037		0.28		71.00		14.20		6.4		0.45		5.00		0.02000	
2-7038		0.19		41.85		9.30		4.2		0.45		4.50		0.02000	
2-7127		1.77		443.00		88.60		39.7		0.45		5.00		0.02000	
Total		2.88		716.35		144.2		64.6							
Total Limits				1.10		CFS		0.850							
Total Limits				320.92		AFA		395.4		AFA		716.4		AFA	
Total Limits				64.60		Acres		79.6		Acres		144.2		Acres	
Transferring				1.35		CFS									
Transferring				395.4		AFA		79.6		Acres		716.4		AFA	
Transferring				64.60		Acres		144.2		Acres		144.2		Acres	
Total				2.5		CFS									
Total				716.35		AFA		716.35		AFA		716.35		AFA	
Total				64.6		Acres		64.6		Acres		64.6		Acres	

Legend

	CSF2 WSB RENTAL		township
			Sections
			labeled

CRYSTAL SPRINGS FARM
CFS 2 WATER BANK RENTAL 2016
NAIP 2013 AERIAL

A horizontal number line is shown with the word "Feet" written above it. The line has four major tick marks labeled 0, 625, 1,250, and 2,500. The line is divided into three equal segments by these tick marks.

BROCKWAY ENGINEERING, PLLC.
ALR - Date: 12/28/2015



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

March 8, 2016

GARY SPACKMAN

Director

MURPHY LAND CO LLC
PO BOX 3110
PASCO WA 99302-3110

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NOS. 2-7036, 2-7037, 2-7038, 2-7127**

Dear Renter:

Please find enclosed a receipt in the amount of **\$634.95** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 373.5 acre-feet of water for irrigation of 75.2 acres during 2016. Upon receipt of this fully executed agreement, you are authorized to divert water in compliance with the conditions of water use described in the agreement.

Pursuant to the Water Supply Bank Rules, the rental fee will be retained by the Department to offset administrative costs since you are the owner of the rights.

If you have any questions, please contact me at (208) 287-4881.

Sincerely,

Sandra Thiel
Sr. Water Resource Agent

Enclosures: Receipt No. C101590
Rental Agreement (copy)

c: Sascha Marston – Fiscal
Angie Grimm – IDWR Western Regional Office
Rob Whitney – State Water District No. 2
Hattie Zobott – Brockway Engineering



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

February 25, 2016

MURPHY LAND CO LLC
PO BOX 3110
PASCO WA 99302-3110

RE: WATER SUPPLY BANK LEASE CONTRACT FOR WATER RIGHTS 2-7036, 2-7037, 2-7038 and 2-7127

Dear Applicant:

Two Water Supply Bank lease contracts were mailed to you today. These contracts contain the incorrect first page. I have enclosed the correct first pages for these contracts. Please replace these correct pages in the contracts you have received.

I apologize for the inconvenience.

If you have any questions, please feel free to contact me at 208-287-4881.

Best regards,

A handwritten signature in cursive script, appearing to read 'Sandra Thiel'.

Sandra Thiel
Sr. Water Resource Agent

Handwritten initials 'ST' in cursive script.



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

February 24, 2016

MURPHY LAND CO LLC
PO BOX 3110
PASCO WA 99302-3110

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NOS. 2-7036, 2-7037, 2-7038, and 2-7127**

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

Dear Applicant:

The Department of Water Resources acknowledges receipt of your application to rent water from the Water Supply Bank. **I have enclosed a Water Supply Bank Rental Agreement for your review and signature.** Upon signature and return of the original agreement, together with the rental fee described below, the Department will also sign the original agreement and return an executed copy to you. Execution of the agreement and compliance with the conditions of approval authorize diversion and use of water as provided in the agreement.

A rental fee of **\$6,349.50** was calculated based on the current rental rate of \$17.00 per acre-foot times a diversion volume of 373.5 acre-feet. Since you are both the lessor and the renter of the rights, **you are only obligated to pay the 10% administrative fee or \$634.95.** An annual payment shall be received by the Department prior to the execution of this agreement and prior to January 1 in all subsequent years for the duration of the rental period. The agreement will be void if payment is not received prior to the due date in a given year. If you would like to terminate the agreement prior to the end of the rental period, you must submit written notice of your intent to the Department at least 30 days prior to the rental fee due date.

Please send a check for \$634.95 made payable to the Idaho Department of Water Resources, together with the signed rental agreement, within 14 days so I can complete processing.

If you have any questions, please contact me at (208) 287-4881.

Sincerely,

for Sandra Thiel
Sr. Water Resource Agent

Enclosure

c: IDWR Front Desk
Hattie Zobott – Brockway Engineering

MEMORANDUM

To: Water Rights: 2-7028, 2-7036, 2-7037, 2-7038 and 2-7127

From: Sandra Thiel

Date: February 2, 2016

Re: Review & Analysis of Application to Lease and Rent Water to the State Water Supply Bank

PURPOSE/NARRATIVE: On December 29, 2015 Hattie Zobott of Brockway Engineering submitted a lease/rental application package on behalf of Murphy Land Company. The lease portion of the package included five rights from two different points of diversion on the Snake River. One point of diversion supplies water for right 2-7028. Rights 2-7036, 2-7037, 2-7038 and 2-7127 share a point of diversion; however, each right has a separate and distinct place of use. Based on the two points of diversion there will be two leases.

Pumping stations on the Snake River provide water through mainlines to the lease places of use. Murphy Land intends to lease a portion of each right through 2016. The land to be idled is primarily pivot corners, these areas will not receive water from another source.

Murphy Land intends to irrigate 64.6 acres using 1.29 cfs and 318.3 af of the rented water. The Existing pumping station and mainlines will supply the water to the rental place of use. They plan to file a transfer for this water in 2016. A review of the irrigated acres revealed another 10.6 acres of irrigated land not covered by a water right. This will increase their rental to 75.2 acres.

AUTHORITY TO FILE: The Secretary of State lists Tim Tippet as the authorized agent of Murphy Land Company LLC. Mr. Tippet signed the applications.

WATER RIGHT VALIDITY: Right 2-7028 was decreed on 6/15/2009. The lease application was submitted before the end of 2015, within the window to protect the right from forfeiture. Aerial imagery from 2015 shows compelling evidence of irrigation for the 12.5 acres that Murphy Lands intends to put into the Bank.

Rights 2-7036, 2-7037, 2-7038 and 2-7127 were decreed on 6/15/2009. The Department received the lease application before the end of 2015. Forfeiture is not an issue at this time.

INJURY TO OTHER WATER RIGHTS: No apparent injury with proper rental.

ENLARGEMENT OF USE: No enlargement is evident through the lease alone.

LOCAL PUBLIC INTEREST: Review staff has no information to suggest this application is inconsistent with the local public interest.

BENEFICIAL USE/CONSERVATION OF WATER RESOURCES: The lease appears consistent with the conservation of water resources in Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS: The right is subject to Water District 02. See attached for western region comments. There are two points of diversion for the leased water rights. The renters intend to use the upstream point of diversion alleviating concerns about water rights that may divert between the two points of diversion.

Thiel, Sandra

From: Thiel, Sandra
Sent: Tuesday, February 02, 2016 11:10 AM
To: Whitney, Rob
Subject: RE: Murphy Land lease/rental
Attachments: MurphyLandLease Review Memo.docx; RentalAcres.pdf

Tracking:	Recipient	Delivery
	Whitney, Rob	Delivered: 2/2/2016 11:10 AM

Hello, The attached documentation is for the rental portion of the Murphy Land lease/rental package. You had some questions about the lease. Did I ever answer them to your satisfaction?

From: Thiel, Sandra
Sent: Tuesday, January 19, 2016 9:14 AM
To: Whitney, Rob
Subject: Murphy Land lease/rental

Hello, The attached documents explain a proposed lease/rental application package submitted by Murphy Land. Please let me know if you have any questions or concerns. Thanks

Sandra Beer Thiel
Idaho Department of Water Resources
322 East Front Street
Boise, Idaho 83720-0098
(208)287-4881
sandra.thiel@idwr.idaho.gov