



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

JR SIMPLOT
PO BOX 27
BOISE ID 83707

RE: Expiration of Water Supply Bank Rental Agreement for water rights: 2-10471, 24-4017, 36-4179

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:

WATER SUPPLY BANK RENTAL AGREEMENT

DEPARTMENT OF
WATER RESOURCES

This is to certify that: J R SIMPLOT CO
C/O VIC CONRAD
PO BOX 27
BOISE ID 83707
(208) 336-2110

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	Acre Limit	Total Rented Acres
24-4017	9/2/1890	South Fork Sage Creek	Sage Creek	0.90 cfs	158.6 af	NA	NA ac

Annual Combined Rental Totals	0.90 cfs	158.6' af	NA	NA ac
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***The renter is limited to a diversion volume of 113.3 acre-feet for the use authorized under this agreement.**

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: \$269.62

The fee for rental of the above-described water is \$2,696.20 per year. Because you own the above referenced water right(s) you are obligated to pay ten percent (\$269.62) to the Department for administrative costs only.

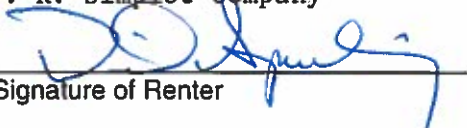
No rental fees will be refunded once the fee is collected and the start date for a Rental Agreement has passed.

Detailed water right conditions are attached.

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:

J. R. Simplot Company

By: 
Signature of Renter

David Spurling, Senior Vice
President and Secretary

Printed Name and Title*

23 FEB 2016
Date

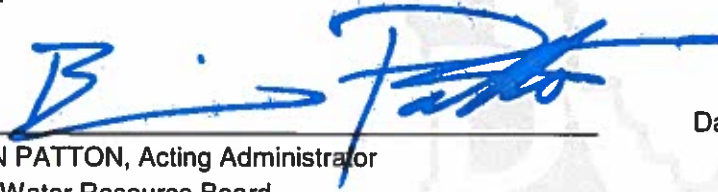
Signature of Renter

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 3/2/2016

Rental Approved by IDWR 

Date 3-2-2016

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

LOCATION OF POINT(S) OF DIVERSION

SOUTH FORK SAGE CREEK SE¼NE¼SE¼ Sec. 18, Twp 09S, Rge 46E

CARIBOU County

BENEFICIAL USE

INDUSTRIAL

SEASON OF USE

04/15 TO 10/15

RENTER'S PLACE OF USE: INDUSTRIAL

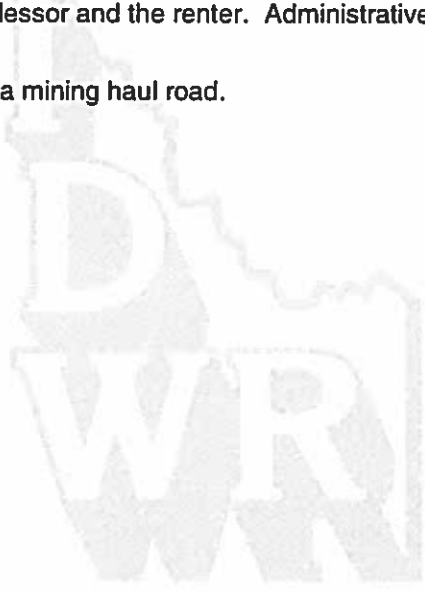
Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
08S	45E	24	X			X									X		X	X	NA
08S	45E	25	X			X									X	X	X	X	NA
08S	45E	36	X			X									X			X	NA
08S	46E	18											X	X			X	X	NA
08S	46E	19	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	NA
08S	46E	30	X	X	X		X	X	X	X	X	X	X	X		X	X		NA
08S	46E	31		X	X		X	X	X	X	X	X	X	X	X	X	X	X	NA
09S	45E	01	X L1												X			X	NA
09S	45E	12	X			X									X			X	NA
09S	45E	13	X	X	X	X								X	X	X	X	X	NA
09S	45E	24	X	X	X	X	X		X	X	X	X		X		X			NA
09S	46E	06	X L1	X L2	X	X	X L3	X L4	X	X	X	X	X	X	X	X	X	X	NA
09S	46E	07		X	X		X	X	X	X	X	X	X	X		X	X		NA
09S	46E	18		X	X		X	X	X	X	X	X	X	X			X		NA
09S	46E	19		X			X	X		X									NA

Total Acres: NA

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.

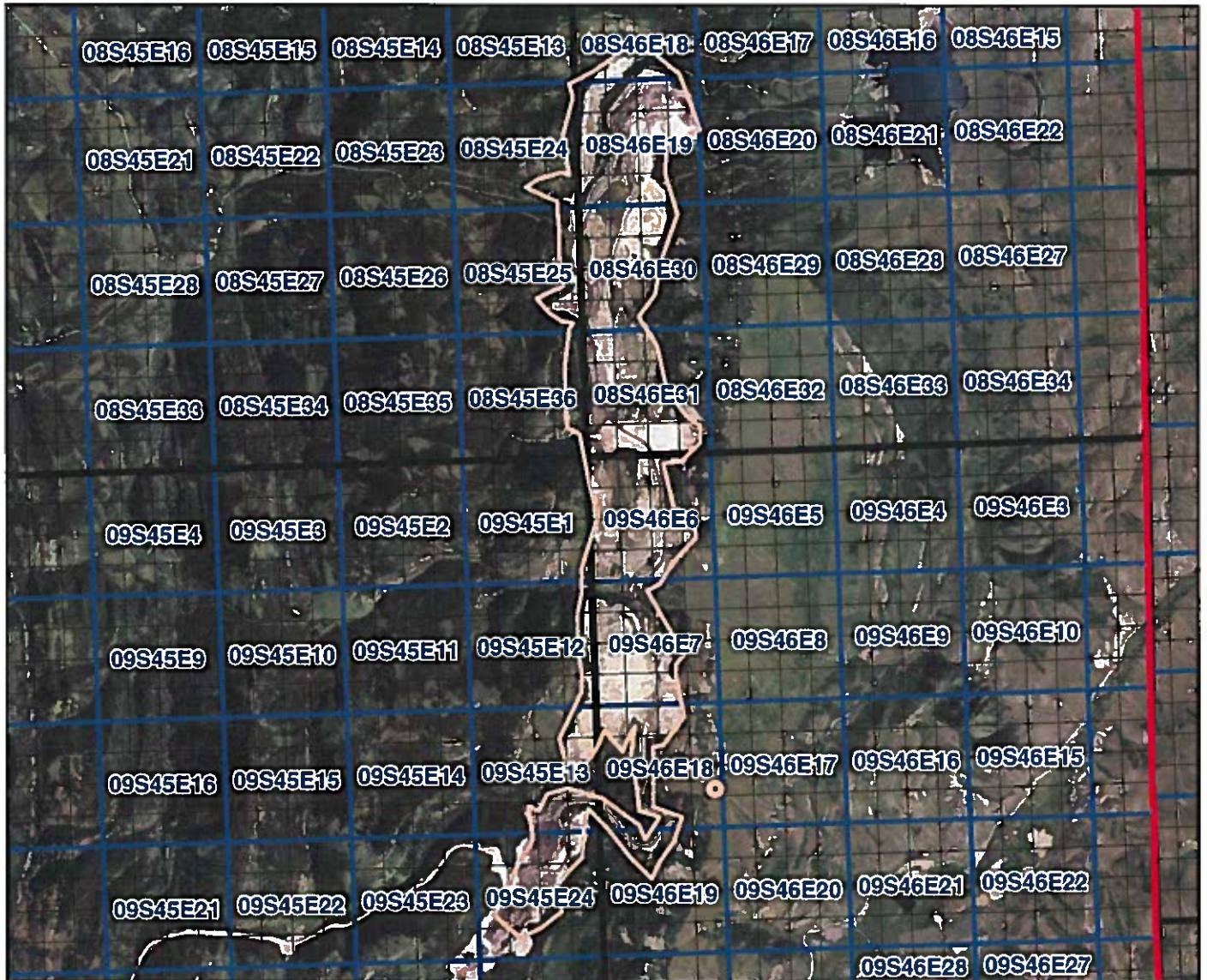
5. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.
6. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
7. 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. The water rented under this agreement is appurtenant to irrigation of 45.3 acres.
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. 1.
12. The water right reference above is accepted into the bank and rented in accordance with a private agreement formulated between the lessor and the renter. Administrative fees will be paid based on the current rental value.
13. Industrial use is dust abatement for a mining haul road.



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



 Miles
00.25

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

NOV 10 2015

DEPARTMENT OF
WATER RESOURCESAPPLICATION TO RENT WATER
FROM THE BOARD'S WATER SUPPLY BANKApplicant Name: J. R. Simplot Company

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)

24-4017

**STATE OF IDAHO
WATER RESOURCE BOARD**

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A. Applicant J. R. Simplot Company

Mailing Address P. O. Box 27 Boise Idaho 83707
Street City State Zip Code
 Email Address _____ Phone Number 208-336-2110

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 _____ Professional Title _____
 Organization _____ Relationship to Applicant _____
 Mailing Address _____
 Email Address _____ Phone Number _____

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 diverted from the South Fork of Sage Creek into a storage that will be used to fill water trucks. After the trucks are filled water will be applied for dust suppression purposes to the road used to haul mined ore to the milling operation.

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)
0.9 CFS	113.5 AF	CFS	AF	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?	
April 15		☒ 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):

Water will be diverted using a suction intake, pump, motor & pipeline into water storage. Water trucks will be filled from the storage then applied to road for suppressing dust.

- 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
NESE T.9S R.46E Sec. 18	South Fork of Sage Creek	

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 _____ (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: Dust Suppression from: April 15 (mm/dd) to: Oct. 15 (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:

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)
24-4017	Irrigation	0.9		45.3		0.9	113	45.3
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					TOTAL	0.9	113	45.3
						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:

Rental shall be for the consumptive volume for that portion of 24-4017 leased to the Water Supply Bank.

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:

Water has been leased for this same purpose for the last several years.

- 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

J. R. Simplot Company by David Spurling

Printed Name of Applicant

Date

5 NOV 2015

Signature of Representative

Sr. V.P., Secretary and General Counsel

Printed Name of Representative

Date

Mail to:

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

STATE OF IDAHO
WATER RESOURCE BOARD

Water Modeling Requirement Information Sheet

Information on water modeling requirements for rental requests within special administrative areas

Important information on requesting rental water within special administrative areas: Refer to the information below to determine whether the modeling of potential impacts from your rental request is necessary. Use Section 4 of the rental application to identify selected water rights. **If you submit an application to rent water from within a special administrative area and water modeling is required, your rental request will be returned if water modeling is not provided.**

Water modeling may be required when an application to rent water involves one of two scenarios:

Scenario 1: The rental request proposes to divert water from a regulated water source and/or within a special administrative area AND the distance between the rental point(s) of diversion (POD) and the POD(s) for the leased water right(s) is greater than the administratively established, acceptable distance.

Regulated water sources may areas include:

- A. Ground water resources within the modeled area of the Eastern Snake Plain Aquifer (ESPA) and tributary aquifers;
- B. Ground water within Ground Water Management Areas (GWMAs) or Critical Ground Water Areas (CGWAs);
- C. Water resources within other specified administrative areas, as established by the Idaho Water Resource Board (IWRB) or the Idaho Department of Water Resources.

The distance between any rental POD(s) and the POD(s) for a leased water right to be rented is important. On the ESPA, distance is measured in terms of model cells that cover an area of one square mile. Ground water modeling is not required if lease POD(s) and rental POD(s) are located within the same model cell or within adjacent model cells. If the lease and rental PODs are separated by more than one model cell groundwater modeling must be completed using the IDWR ESPA Transfer Tool and modeling results must be submitted with the rental application. ESPA modeling tools can be accessed and freely downloaded from IDWR's website by visiting: www.idwr.idaho.gov/WaterManagement/WaterRights/WaterRightTransfers/resources.htm.

Ground water modeling may be required within GWMAs, CGWAs or other regulated administrative areas. Applicants who desire to rent water within an established GWMA, CGWA or other regulated administrative area should consult IDWR's website before submitting their application to review the current status of administrative orders related to regulated administrative areas. Consult www.idwr.idaho.gov/WaterInformation/GroundWaterManagement/designated_areas.htm for information on GWMAs or CGWAs, visit <https://idwr.maps.arcgis.com/home/> to use mapping tools to find other regulated areas.

Applicants interested in renting water within a GWMA, CGWA or other regulated administrative areas should request water rights that have been leased into the Bank from within the same administrative area. Generally, the Bank will not permit a rental of water within a regulated administrative area if the leased water rights are not located within that same administrative area.

Scenario 2: A rental request proposes to divert water from a different but hydraulically connected water source.

Modeling situations may include:

- A. Rental requests that propose to divert surface water rights via ground water POD(s) (wells); and
- B. Rental requests that propose to divert ground water from one aquifer when the right being rented authorizes the diversion of ground water from a hydraulically connected, tributary aquifer.

Rental requests that propose to divert surface water rights from ground water points of diversion may be considered if ground water modeling establishes that the surface and ground water resources are directly and immediately hydraulically connected. An acceptable hydraulic connection occurs when at least 50 percent of the total depletions from a well are detectable from the original water source within a 24 hour period. The existing (leased) POD and proposed (rental) POD must be proximate such that diversion and use of water from the proposed POD would have substantially the same effect on the hydraulically-connected source as diversion and use of water from the original POD.

Requests to rent ground water across tributary aquifer sources may be considered if ground water modeling is provided to demonstrate that two aquifers are hydraulically connected and the anticipated impacts of diverting ground water from one source through the other is modeled accordingly.

For more information about rental application requirements, contact IDWR at (208) 287-4800.

Exhibit A
Rental Place of Use:

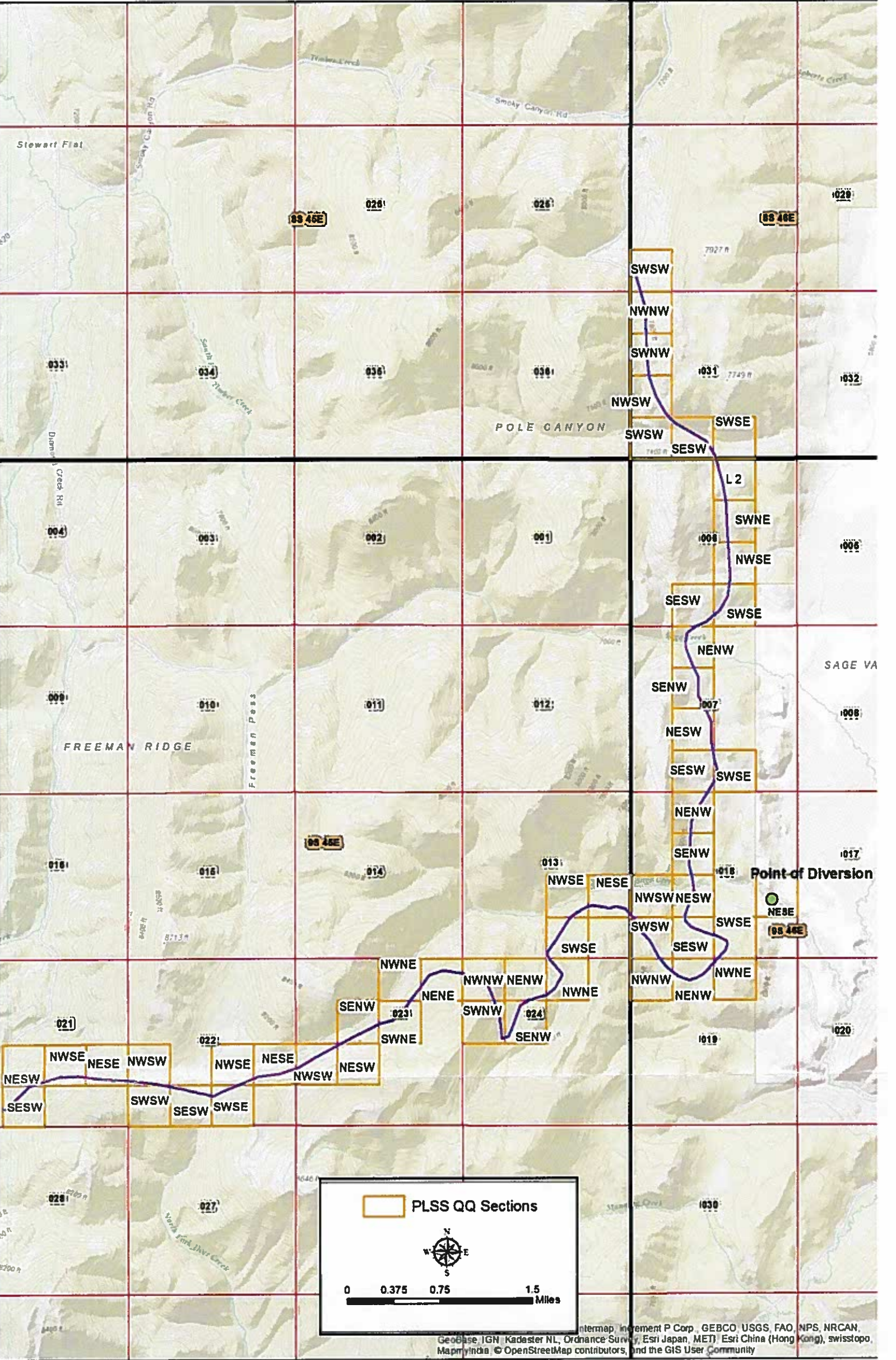
DS = Dust Suppression

[illegible]

Attachment 3K

The roads that will receive dust suppression treatment are located on lands owned by the United States of America, Forest Service ("USFS") and Bureau of Land Management ("BLM"). The use of the water for dust suppression is required to control fugitive dust emissions pursuant to the air operating permit for the Smoky Canyon Mine issued by the Idaho Department of Environmental Quality in July 1983. It is also a requirement of the current BLM and USFS mine operating permits.

Application to Rent Water from the Water Supply Bank for Dust Abatement 2016





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

March 4, 2016

J R SIMPLOT CO
PO BOX 27
BOISE ID 83707

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO. 24-4017**

Dear Renter:

Please find enclosed a receipt in the amount of **\$269.62** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 158.6 acre-feet of water for industrial use 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 right.

If you have any questions, please contact me at (208) 287-4946.

Sincerely,

for Michele Edl
Sr. Water Resource Agent

Enclosures: Receipt No. C101571
Rental Agreement (copy)

c: Sascha Marston – Fiscal
James Cefalo – IDWR Eastern Regional Office
Lyle Swank – State Water District No. 01



J.R. SIMPLOT COMPANY ONE CAPITAL CENTER 999 MAIN STREET SUITE 1300
P.O. BOX 27 BOISE, IDAHO 83707 (208) 336-2110 FAX (208) 389-7515

RECEIVED

MAR 02 2016

**DEPARTMENT OF
WATER RESOURCES**

February 29, 2016

Michele Edl
Sr. Water Resource Agent
State of Idaho
Department of Water Resources
322 East Front Street
P. O. Box 83720
Boise, Idaho 83720

Re: Water Supply Bank Rental Agreement; Water Right 24-4017.

Dear Michele:

Enclosed is the partially executed original Water Supply Rental Agreement, together with a check in the amount of \$262.62 to cover the rent during the term of the lease. Please arrange for the signature by the Water Resource Board and the IDWR, then return the fully executed original to me.

Sincerely,

Vic Conrad
Land, Water & Asset Recovery

Enclosure



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 19, 2016

J R SIMPLOT CO
C/O VIC CONRAD
PO BOX 27
BOISE ID 83707

RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO. 24-4017

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 **\$2,696.20** was calculated based on the current rental rate of \$17.00 per acre-foot times a diversion volume of 158.6 acre-feet. Since you are both the lessor and the renter of the right, **you are only obligated to pay the 10% administrative fee or \$269.62**. 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 \$269.62 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) 287-4946.

Sincerely,

 Michele Edl
Sr. Water Resource Agent

Enclosure

c: IDWR Front Desk

Edl, Michele

From: Cefalo, James
Sent: Thursday, February 18, 2016 4:42 PM
To: Edl, Michele
Subject: RE: Simplot lease-rental of 24-4017

I don't have any special knowledge about the water rights or the proposal. I'm sure you are okay to move forward with approval.

From: Edl, Michele
Sent: Thursday, February 18, 2016 4:34 PM
To: Cefalo, James
Subject: Simplot lease-rental of 24-4017

James,

We have completed drafting the 2016 rental agreement for use of Simplot's own water right for the dust abatement on their haul road. This lease-rental package has become pretty routine for us and maybe that's why none of us asked you for your feedback before now.

Do you have any concerns about the lease and rental of 24-4017?
Michele

Edl, Michele

From: Conrad, Vic [Vic.Conrad@simplot.com]
Sent: Thursday, February 18, 2016 7:37 AM
To: Edl, Michele
Subject: RE: rental of 24-4017

Can we make it consistent with the POU recognized by the bank last year? It will be for the same locations as last year.

From: Edl, Michele [<mailto:Michele.Edl@idwr.idaho.gov>]
Sent: Tuesday, February 16, 2016 6:23 PM
To: Conrad, Vic <Vic.Conrad@simplot.com>
Subject: rental of 24-4017

Mr. Conrad,

In the midst of the several 2016 Water Supply Bank leases and rentals for J R Simplot, it appears that I lost track of a rental. It is for the dust abatement on the mining haul road using 24-4017. The lease is processed the rental is not. I apologize.

I have attached a .jpg which is my understanding for the rental place-of-use in 2016. It does not include the mining operations on either side of the road so it is quite different than the POU recognized by bank last year.

Please confirm or correct it for me and I will get the rental agreement processed asap.

Thanks.

Michele Edl

287-4946

JR Simplot 2016 rental									
Water Right No.	Rented Vol (AF)	Lessor Fee (90%)	Administrative Fee (10%)	Total Fee @ \$17 (2015-2017)	Rental Amounts		Lessor Fee (90%)	Administrative Fee (10%)	Total Fee @ \$20 (2018-2022)
					Rate	Acres			
24-4017	158.60	\$2,426.58	\$269.62	\$2,696.20	0.90	NA			
Total	158.60	\$2,426.58	\$269.62	\$2,696.20	0.90	0.0	\$0.00	\$0.00	\$0.00
calculated by									
Michele Edl									
	vol	rate	ac	rate/ac	vol/ac				
24-4017	158.60	0.90	45.30	0.0199	3.501103753	expires 2016			
requested	113.30	0.90	45.30	0.0199	2.501103753	del NOU uses consumptive volume			
remaining	0	0.00	0.00			rental of entire rt required			

WATER SUPPLY BANK
Agent Lease Review Checklist
Applicant(s) Name: JR Simplot Company

Memo Date: 12/16/2015

Water Right Number(s): 24-4017

Reviewers Name: Michele Edl

Quick Tools

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

	Check box	COMMENTS/CONCERNS:
1 Fill out WSB Data Entry Checklist for Leases	x	
2 Reason for lease of water rights (Brief description of lease proposal in narrative)		dust abatement on a haul rd
Portion of right	x	a 1-yr re-enroll identical to previous
All of right		
3 Check GWMA/CGWA/ADC and basin 63 areas of concern (note area in comments)	x	N/A surface water
	Yes No	
4 Rentable? If no explain in comments	x	
5 Authority to file		
Current owner or designated applicant	x	
SOS Web site checked for business entity	x	
Other (explain in comments)		
6 Water Right validity		
Decreed/Licensed/Statutory claim date (write in comments section)		decreed
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	portion in WSB annually since 2009
7 Injury to other water rights		
If the POD is through a delivery entity, was consent provided?		N/A
If the POD is through a delivery entity, was holdback required? (percentage in comments)		N/A
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?		
Send the watermaster comment request form or e-mail request		
11 Is water right involved in any other department action? Pull file and check database () Ownership Change () Transfer () Mitigation () Other - Explain in comments	x	

12 Narrative

I was unable to locate information to support the MSF flag on Crow Creek. A WSB lease-rental package acting on this right has been processed for several years in a row and will be needed in the foreseeable future. The rented water is used to suppress dust on the haul road to a mine. The applicant stated that the road changes from year to year. Therefore the rental POU changes and the ideal and permanent solution (a transfer) does not appear to be feasible.

CORPORATE HEADQUARTERS

November 9, 2015

Clay Webster
Water Resource Agent
State of Idaho
Department of Water Resources
322 East Front Street
Boise, Idaho 83720-0098

RECEIVED
NOV 10 2015
DEPARTMENT OF
WATER RESOURCES

Re: Applications to Lease Water Right Nos. 2-10472, 61-12291, 35-14262, 35-14258, 35-14260, 35-10422, 35-7373, 35-7169, 35-2713, 35-2553A, 24-4017 to the Water Supply Bank, and Application to Rent Water Right Nos. 61-12291 and 24-4017 from the Water Supply Bank.

Dear Clay:

Attached are the above referenced applications for filing. The following table is a listing of the enclosed water rights that will be rented from the water supply bank.

Table 1:

Water Right Number	Renter	Amount and Use
24-4017	J. R. Simplot Company (application to rent enclosed)	Dust Abatement for Mine Haul Road
61-12291	J. R. Simplot Company (application to rent enclosed)	7.3 acre feet per year of the amount leased to the Bank for stockwater
35-14262	Behrend, Behrend, Knittle Farms, LLP ("BBK"); rental application forthcoming	Irrigation or Mitigation
35-14258	BBK; rental application forthcoming	Irrigation or Mitigation
35-14260	BBK; rental application forthcoming	Irrigation or Mitigation
35-10422	BBK; rental application forthcoming	Irrigation or Mitigation
35-7373	BBK; rental application forthcoming	Irrigation or Mitigation
35-7169	BBK; rental application forthcoming	Irrigation or Mitigation
35-2713	BBK; rental application forthcoming	Irrigation or Mitigation
35-2553A	BBK; rental application forthcoming	Irrigation or Mitigation
2-10472	None Identified	

Also enclosed is check no. 01466781 in the amount of \$2,250.00 to cover your fees for filing the enclosed lease applications. The following is a summary of my calculation of this fee:

Table 2

Water Right(s)	Application Fee
2-10472	\$250
61-12291	\$250
35-14258, 35-14260 and 35-14262 (share a common place of use)	\$500
35-7169, 35-7373 and 35-10422 (share a common place of use)	\$500
35-2713	\$250
35-2553A	\$250
24-4017	\$250
Total	\$2,250

Please file the enclosed applications and let me know if you have any questions about the renters identified in Table 1 or the fee calculations summarized in Table 2.

Sincerely,



Vic Conrad

Land, Water & Asset Recovery

Enclosure