

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:

J.R. Simplot Company

By: [Signature] David Spurling, Senior
Signature of Renter Vice President and Secretary
Printed Name and Title* Date 8 FEB 2016

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 [Signature] Date 2/12/2016
BRIAN PATTON, Acting Administrator
Idaho Water Resource Board

Rental Approved by IDWR [Signature] Date 2-12-2016

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

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER	SW ¼ SE ¼	Sec. 08	Twp 03S	Rge 06E	ELMORE County
GROUND WATER	NW ¼ NW ¼	Sec. 17	Twp 03S	Rge 06E	ELMORE County

BENEFICIAL USE

STOCKWATER

SEASON OF USE

01/01 TO 12/31

RENTER'S PLACE OF USE: STOCKWATER

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
03S	05E	12			X														
03S	06E	07										X L3					X		
03S	06E	08															X		

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 pending permanent transfer applications that the renter has filed to modify other water rights for irrigation of the subject lands nor shall it prejudice any future rental agreement that may be made of the subject water right after this rental agreement expires.
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 to provide stockwater for 500 head of beef cattle.
11. This rental agreement does not authorize the construction of a well.
12. The water right(s) referenced 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 rate.

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 <i>Application to Rent Water from the Board's Water Supply Bank</i>
	☒	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)

61-12291

61-12291

**STATE OF IDAHO
WATER RESOURCE BOARD**

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A. Applicant J. R. Simplot Company

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

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 used year round to provide stockwater for up to 500 head of beef cattle. Using 13 gallons per head per day, the total maximum volume used will be 7.3 acre feet per year.

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)
0.2 CFS	7.3 AF	0.04 CFS	7.3 AF	NA 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?	
1/1/2016	2/1/2016	☐ 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 pumped from 2 wells, then transported by underground pipeline to 4 stock water troughs

- 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
SWSE Sec.8 T.3S R.6E	Groundwater	61-12291
NWNW Sec. 17 T.3S R.6E	Groundwater	61-12291

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: 1-1 (mm/dd) to: 12-31 (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:

61-12291

**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)
61-12291	Irrigation	0.30	99.1	5.7		0.2	7.3	NA
61-12291	Industrial	0.67	174	NA				
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	0.2	7.3	NA
						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:**

Irrigation and Industrial Uses are more consumptive than the proposed stockwater use

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? Yes ☐ No ☒
If yes, describe:

- 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

David Spurling
Printed Name of Applicant

5 NOV 2015
Date

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

PODs and POUs for Stockwater Rental Application



Map Notes: Blue Dots = Points of Diversion

Yellow Shaded $\frac{1}{4}$ s = Places of Stockwater Use



PERMIT FOR CONSTRUCTION OF IMPROVEMENT

Project Number: RIP 60-12-16 Date: October 13, 2015
Lease Number: G6646 Legal Description: T03S. R06E. Sec 7 N2SW

Permission is hereby granted to:

Name: JR Simplot Co., Livestock Div. Telephone: (208)834-5152
Street: 1301 Highway 67
City/State/Zip: Grand View 83624

Description of improvement construction (attach scale plats, drawings, plat plans and/or specifications):

This permit authorizes the Permittee to construct a pipeline across T03S. R06E. Sec 7 N2SW of State Land. The well for this pipe line originates on Permittees private land. This permit also authorizes one (1) stock tank development for livestock use located within T03S. R06E. Sec 7 N2SW. See attached map for water improvement.

All disturbed areas resulting from construction actions including dams will need to be re-seeded with a mix of 7.5 lbs Sandberg bluegrass (POSE), 7.5 lbs squirreltail (ELEL), and ¼ lb forage kochia (BAPR5) at 15.5 lbs. per/ac. The Permittee will provide material, equipment and labor for this project.

The establishment of a water right shall be for the State of Idaho and no claim thereto shall be made by the Permittee: such rights shall attach to and become appurtenant to said land. Permittee is responsible to file all applications and obtain all necessary permits prior to construction

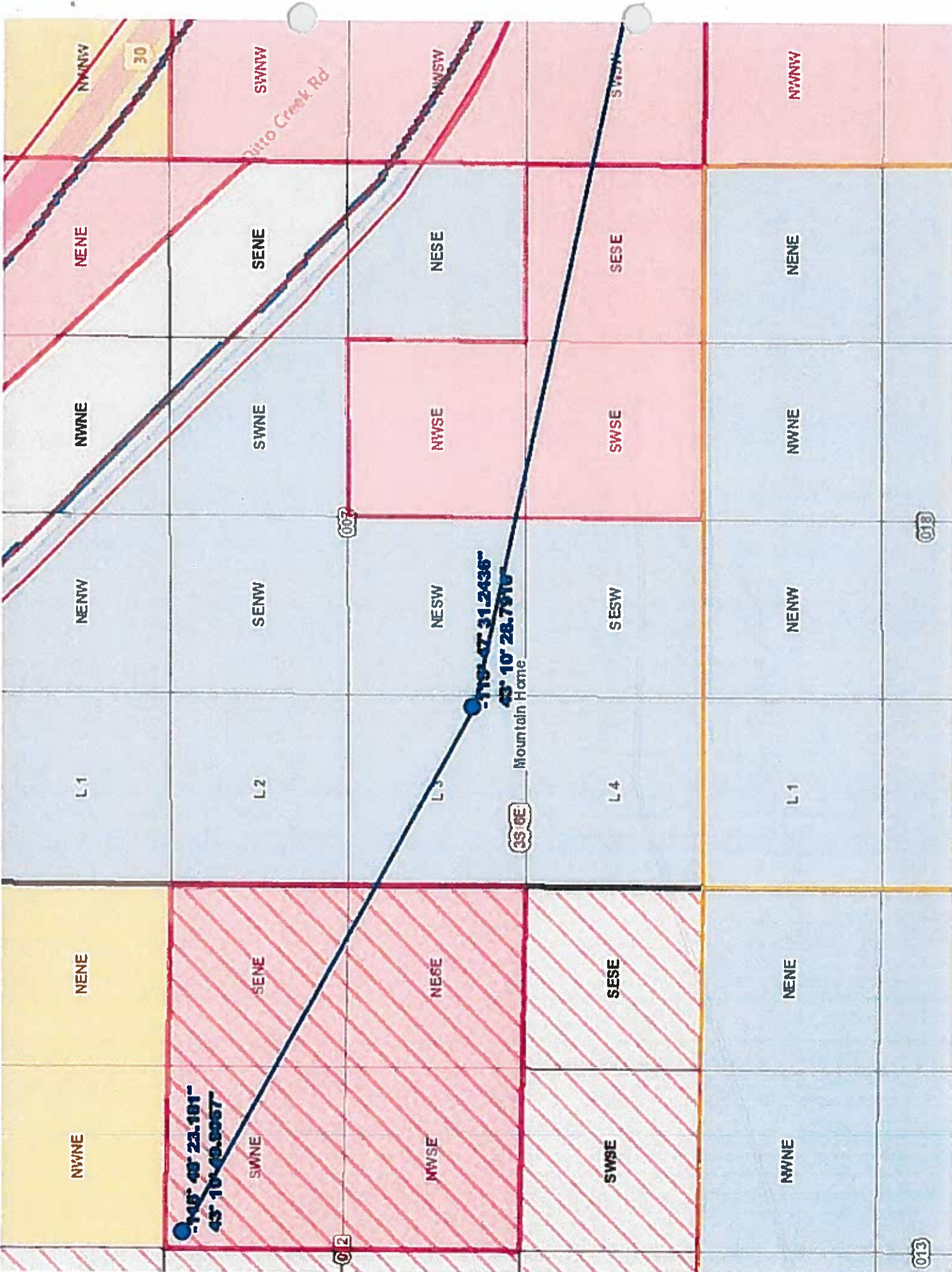
The Permittee agrees to comply with all state fire regulations and all other fire rules, regulations and statutes governing Idaho State Lands. The Permittee agrees to assume all liability for injury, death, or damage which might result from his/her exercise of the rights granted by this permit.

Improvement crediting will be in accordance with IDAPA 20.03.14, Grazing Leases and Cropland Leases.

Estimated Completion Date: December 31, 2015

Area Representative:

A handwritten signature in blue ink, appearing to be "Jm", written over a horizontal line.





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 22, 2016

J R SIMPLOT CO
PO BOX 27
BOISE ID 83707

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO. 61-12291**

Dear Renter:

Please find enclosed a receipt in the amount of \$12.41 and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 7.3 acre-feet of water for stock water 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,

Michele Edl
Sr. Water Resource Agent

Enclosures: Receipt No. C101512
Rental Agreement (copy)

c: Sascha Marston – Fiscal
Angie Grimm – IDWR Western Regional Office



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

FEB 11 2016

DEPARTMENT OF
WATER RESOURCES

February 9, 2016

Michele Edl
Sr. Water Resource Agent
State of Idaho
Department of Water Resources
322 East Front Street
P. O. Box 83720
Boise, Idaho 83720-0098

Re: Water Supply Bank Rental Contract for 61-12291.

Dear Michele:

Enclosed is the partially executed original Rental Contract. Please arrange the enclosed original to be signed by Mr. Patton on behalf of the Idaho Water Resource Board, and by the IDWR. Please return the fully executed original to me after they sign.

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 4, 2016

J R SIMPLOT CO
PO BOX 27
BOISE ID 83707

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO. 61-12291**

*****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 **\$124.10** was calculated based on the current rental rate of \$17.00 per acre-foot times a diversion volume of 7.3 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 \$12.41.** An annual payment shall be received by the Department prior to the execution of this agreement and prior to February 15 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 \$12.41 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

c: IDWR Front Desk

MEMORANDUM

To: Right(s) 61-12291

From: Michele Edl

Date: January 26, 2016

Re: Review & Analysis of J R Simplot Company's Application to Rent Water from the State Water Supply Bank

PURPOSE/NARRATIVE: On November 10, 2015, J R Simplot Company submitted an application to rent Water Right #61-12291. The application proposes to rent water for the purpose of watering 500 head of beef cattle during calendar years 2016 and 2017.

AUTHORITY TO FILE: According to available Elmore County taxlot information, the proposed points-of-diversion are existing wells within property owned by J R Simplot Company. They are the authorized PODs for water right 61-12291 (refer to transfer 78656). The wells were drilled in anticipation of the construction of a meat processing facility. No other water rights are currently authorized to divert from these wells.

Three of the four proposed places-of-use are also owned by J R Simplot Company. The fourth is on land owned by the State of Idaho.

The application package includes a BLM permit to construct on N2SW of sec 7, Township 03 South, Range 06 East, which coincides with the requested POU in lot 3 (NWSW) section 7.

J R Simplot is listed with ISOS as #C28407. David Spurling is listed as a corporate officer and he signed the application.

WATER RIGHT VALIDITY: Water Right 61-12291 is a split of 61-2165 (refer to Transfer 78656 approved in October 2013). Neither the irrigation nor the industrial uses have been developed at the authorized places-of-use. The right holder has asked for an extension of time to complete the transfer and enrolled and then re-enrolled both 61-2465 and 61-12291, into the water supply bank.

The irrigation component of Water Right 61-12291 is currently leased into the WSB for the 2016 season. The industrial component is leased in for 2016-2018.

Most of the irrigation component of the right is already committed to another rental. However, water sufficient to provide the requested stockwater volume is available from the industrial component of this right.

According to 2013 aerial photography, the water right has been idled at the pre-transfer place-of-use in the SW quarter of section 5, Township 5S, Range 04E. And it has not been developed at the transfer authorized place-of-use. In essence, the water right is severed from any land.

INJURY TO OTHER WATER RIGHTS: No injury is apparent.

ENLARGEMENT OF USE: No enlargement is evident through the rental. Both the industrial component of the right and the requested rental for stockwater use have a year-round SOU. The industrial use (with land application of the wastewater) was expected to be fully consumptive while the stockwater use is typically considered largely non-consumptive. For this rental, I assumed that the stockwater use was fully consumptive instead. That assumption allows simple math calculations to be made on both the rental right and the rental request.

Because the industrial use has not been developed, no actual water use data is available. The industrial volume was determined at the time of the transfer and was derived from the consumptive component of the irrigation which was developed under the parent right. I accepted that volume as the best available value for consideration of a rental of the industrial use.

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 rental appears consistent with the conservation of water resources in Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS: This ground water right is not subject to Watermaster control. Comment from Western Region will be requested.

I determined that was not necessary to deconstruct the change-in-nature of use and re-imagine the industrial use as its pre-transfer irrigation use. Instead, I am recommending a proportional rental based on the volume requested rather than tying both stockwater and industrial uses to a common 'currency', acres of irrigation.

The renter requested water sufficient for approximately 500 head of cattle. Exhibit 15, Water for Livestock, Out-of-Stream Diversion in the Field Examiner's Handbook indicates that 7.3 afa and 0.12 cfs (diverted 2 hr/day) will provide water for approximately 545 head of cattle. The requested volume is reasonable. And the standard rate is more than required if the diversion lasts more than 2 hours.

The requested volume and rate are not a compatible pair. I confirmed that the rental must meet the requested 7.4 af volume in preference to meeting the rate. Therefore, I am recommending a rental agreement for 7.3 af, the requested volume and 0.03 cfs the proportionate rate for that volume.

WATER FOR LIVESTOCK OUT OF STREAM DIVERSION

Exhibit 15

Range Cattle (365 Days)			Vol = Annual Volume		
Head	Cfs	Vol	Head	Cfs	Vol
1	0.01	0.1	220	0.05	2.9
5	0.01	0.1	225	0.05	3.0
10	0.01	0.1	230	0.05	3.1
15	0.01	0.2	235	0.05	3.1
20	0.01	0.3	240	0.05	3.2
25	0.01	0.3	245	0.05	3.3
30	0.01	0.4	250	0.06	3.4
35	0.01	0.5	255	0.06	3.4
40	0.01	0.5	260	0.06	3.5
45	0.01	0.6	265	0.06	3.6
50	0.01	0.7	270	0.06	3.6
55	0.01	0.7	275	0.06	3.7
60	0.01	0.8	280	0.06	3.8
65	0.01	0.9	285	0.06	3.8
70	0.02	0.9	290	0.06	3.9
75	0.02	1.0	295	0.06	4.0
80	0.02	1.1	300	0.07	4.0
85	0.02	1.1	305	0.07	4.1
90	0.02	1.2	310	0.07	4.2
95	0.02	1.3	315	0.07	4.2
100	0.02	1.3	320	0.07	4.3
105	0.02	1.4	325	0.07	4.4
110	0.02	1.5	330	0.07	4.4
115	0.03	1.5	335	0.07	4.5
120	0.03	1.6	340	0.07	4.6
125	0.03	1.7	345	0.08	4.6
130	0.03	1.7	350	0.08	4.7
135	0.03	1.8	355	0.08	4.8
140	0.03	1.9	360	0.08	4.8
145	0.03	1.9	365	0.08	4.9
150	0.03	2.0	370	0.08	5.0
155	0.03	2.1	375	0.08	5.0
160	0.04	2.1	380	0.08	5.1
165	0.04	2.2	385	0.08	5.2
170	0.04	2.3	390	0.09	5.2
175	0.04	2.3	395	0.09	5.3
180	0.04	2.4	400	0.09	5.4
185	0.04	2.5	405	0.09	5.4
190	0.04	2.5	410	0.09	5.5
195	0.04	2.6	415	0.09	5.6
200	0.04	2.7	420	0.09	5.6
205	0.05	2.7	425	0.09	5.7
210	0.05	2.8	430	0.09	5.8
215	0.05	2.9	435	0.10	5.8
			440	0.10	5.9
			445	0.10	6.0
			450	0.10	6.0
			455	0.10	6.1
			460	0.10	6.2
			465	0.10	6.2
			470	0.10	6.3
			475	0.10	6.4
			480	0.11	6.4
			485	0.11	6.5
			490	0.11	6.6
			495	0.11	6.6
			500	0.11	6.7
			505	0.11	6.8
			510	0.11	6.8
			515	0.11	6.9
			520	0.11	7.0
			525	0.12	7.0
			530	0.12	7.1
			535	0.12	7.2
			540	0.12	7.2
			545	0.12	7.3
			550	0.12	7.4
			555	0.12	7.4
			560	0.12	7.5
			565	0.12	7.6
			570	0.13	7.6
			575	0.13	7.7
			580	0.13	7.8
			585	0.13	7.8
			590	0.13	7.9
			595	0.13	8.0
			600	0.13	8.0
			605	0.13	8.1
			610	0.13	8.2
			615	0.14	8.2
			620	0.14	8.3
			625	0.14	8.4
			630	0.14	8.4
			635	0.14	8.5
			640	0.14	8.6
			645	0.14	8.6
			650	0.14	8.7
			655	0.14	8.8
			660	0.15	8.8
			665	0.15	8.9
			670	0.15	9.0
			675	0.15	9.0
			680	0.15	9.1
			685	0.15	9.2
			690	0.15	9.2
			695	0.15	9.3
			700	0.15	9.4
			705	0.16	9.4
			710	0.16	9.5
			715	0.16	9.6
			720	0.16	9.6
			725	0.16	9.7
			730	0.16	9.8
			735	0.16	9.8
			740	0.16	9.9
			745	0.16	10.0
			750	0.17	10.1
			755	0.17	10.1
			760	0.17	10.2
			765	0.17	10.3
			770	0.17	10.3
			775	0.17	10.4
			780	0.17	10.5
			785	0.17	10.5
			790	0.17	10.6
			795	0.17	10.7
			800	0.18	10.7
			805	0.18	10.8
			810	0.18	10.9
			815	0.18	10.9
			820	0.18	11.0
			825	0.18	11.1
			830	0.18	11.1
			835	0.18	11.2
			840	0.18	11.3
			845	0.19	11.3
			850	0.19	11.4
			855	0.19	11.5
			860	0.19	11.5
			865	0.19	11.6
			870	0.19	11.7
			875	0.19	11.7

Cfs = Head X 0.00022 Volume = Head X 0.0134 (Rate is based on 2 hr/day diversion)

J R SIMPLOT COMPANY 2016-2017 self serve 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			
61-12291	7.30	\$111.69	\$12.41	\$124.10	0.12	NA	\$131.40	\$14.60	\$146.00
Total	7.30	\$111.69	\$12.41	\$124.10	0.12	0.0	\$131.40	\$14.60	\$146.00
calculated by Michele Edl									
	vol (af)	rate (cfs)	acres	rate/ac	vol/ac	expires 2017			
61-12291 industrial requested	174.00	0.67	NA	#VALUE!	#VALUE!				
volume proportion	7.40	0.20	NA	#VALUE!	#VALUE!				
compatible rate	0.04								
rental amounts		0.03							
	7.4	0.03							
remaining	166.60	0.64							

Edl, Michele

From: Conrad, Vic [Vic.Conrad@simplot.com]
Sent: Tuesday, January 26, 2016 9:31 AM
To: Edl, Michele
Subject: RE: Water Supply Bank Lease Contract for 61-12291 (Revised).

I need the volume more than the flow rate for the stockwater system.

From: Edl, Michele [mailto:Michele.Edl@idwr.idaho.gov]
Sent: Tuesday, January 26, 2016 9:26 AM
To: Conrad, Vic <Vic.Conrad@simplot.com>
Subject: RE: Water Supply Bank Lease Contract for 61-12291 (Revised).

Vic,

Your revisions were included into two amended lease contracts.

I believe that the two contracts, (one for each of the two components of 61-12291), were snail-mailed from this office either late yesterday or this morning. I can also send them via email if you wish. Your

I am also redrafting the companion rental of 61-12291 so that it can be acted upon as soon as the leases are signed. For that rental you requested 0.2 cfs and 7.3 af but my math indicated that those numbers aren't a matched set. Do you need the 0.2 cfs rate or do you need the 7.3 af volume? 0.2 cfs requires a higher volume.

Michele
287-4946

From: Conrad, Vic [mailto:Vic.Conrad@simplot.com]
Sent: Wednesday, January 20, 2016 10:07 AM
To: Edl, Michele
Subject: Water Supply Bank Lease Contract for 61-12291 (Revised).

Michele,

After the expiration of the current rental contract, Simplot intends to irrigate with that portion of this water right that allows for irrigation. It is my understanding the current rental contract expires on December 31, 2016. Simplot will irrigate with this water right during the 2017 irrigation season.

We do, however, want to lease the Industrial portion of this water right to the Water Supply Bank until December 31, 2018. We have a use for a small portion of the "Industrial" part of this water right and I submitted an application to rent part of this water right for stockwater purposes.

In an attempt to clarify the Water Supply Lease Contract, I am attaching some proposed revisions to the contract that was included with your letter dated January 14, 2016. Please let me know if these changes are acceptable – or let me know if I can assist with any questions. If these changes are acceptable please prepare a revised final lease contract and email it to me. I will arrange for duplicates to be signed and returned to you.

Thank you Michele!
Vic

CORPORATE HEADQUARTERS

November 9, 2015

RECEIVED

NOV 10 2015

DEPARTMENT OF
WATER RESOURCES

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

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	

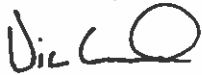
Also enclosed is check no. 01466781 in the amount of \$2,250.00 to cover your fees for filing the enclosed lease applications. The following is a summary of my calculation of this fee:

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