

WATER SUPPLY BANK LEASE CONTRACT

RECEIVED
DEC 28 2015
DEPARTMENT OF
WATER RESOURCES

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

LESSOR: GLOBAL AG PROPERTIES USA LLC
2004 FOX DR STE L
CHAMPAIGN IL 61820
208-908-3848

RECITALS

1. The Board is authorized under chapter 17, title 42, Idaho Code to operate a water supply bank and to contract with lessors to act as an intermediary in facilitating the rental of water.
2. On November 4, 2015, the Lessor filed an application to lease the water rights described below into the Water Supply Bank.
3. The Director of the Idaho Department of Water Resources has reviewed the application for compliance with the Water Supply Bank rules and has approved the Lease subject to the conditions listed below.

NOW, THEREFORE, in consideration of the mutual covenants and contracts herein contained, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. **WATER RIGHTS:** The Lessor shall lease and the Board shall accept into the Bank the Applicant's water rights described as follows:

Summary of Water Rights or Portions Leased to the Bank

Water Right	Priority Date	Source	Tributary	Leased Rate	Annual Leased Volume	Total Leased Acres
51-13005	12/17/1957	GROUND WATER		0.39 cfs	189.6 af	47.4 ac
51-13006	11/21/1960	GROUND WATER		0.31 cfs	153.5 af	43.6 ac
51-13011	12/17/1957	GROUND WATER		0.05 cfs	24.2 af	3.8 ac
51-13014	11/21/1960	GROUND WATER		0.03 cfs	13.4 af	3.8 ac

Lease Totals 0.78 cfs 189.6 af 47.4 ac

2. **COMPENSATION:** The Lessor shall accept and the Board shall pay compensation determined by the amount of water rented under the following rental rate during such times as the water is rented from the Bank over the term of this Lease.

Minimum Payment Acceptable: Current Rental Rate

3. **TERM OF LEASE:** This Lease shall take effect when both parties have signed it and shall continue in effect from January 1, 2016 until December 31, 2020.

4. **WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE:** The Lessor shall abide by all terms and conditions contained in the Water Supply Bank Conditions of Acceptance, attached hereto as "Attachment A" and incorporated herein by this reference.

SUPPORT DATA

51-13005

RELEASED
JAN 09 2017
SCANNED
JAN 20 2016

WATER SUPPLY BANK LEASE CONTRACT

5. **DUPLICATE ORIGINAL:** This Lease is executed in duplicate. Each of the documents with an original signature of each party shall be an original.

IN WITNESS WHEREOF, the parties have executed this Contract on the date following their respective signatures.

GLOBAL AG PROPERTIES USA LLC

2004 FOX DR STE L
CHAMPAIGN IL 61820

By Patrick Trainor
Printed Name Patrick Trainor

Date 12-21-2015
Title EVP

IDAHO WATER RESOURCE BOARD

322 EAST FRONT ST
PO BOX 83720
BOISE ID 83720-0098

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

Date 12/28/2015

Lease approved by IDWR Ang Webb

Date 12-28-2015

ATTACHMENT A

WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

WATER RIGHT NOS. 51-13005, 51-13006,
51-13011, and 51-13014

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

Lessor: GLOBAL AG PROPERTIES USA LLC
2004 FOX DR STE L
CHAMPAIGN IL 61820
208-908-3848

Location of Point(s) of Diversion for Water Right 51-13005, 51-13006, 51-13011 and 51-13014

GROUND WATER	SWSESE	Sec. 01, Twp 10S, Rge 12E, TWIN FALLS County
GROUND WATER	SWSESW	Sec. 01, Twp 10S, Rge 12E, TWIN FALLS County
GROUND WATER	SWNENW	Sec. 34, Twp 09S, Rge 12E, TWIN FALLS County
GROUND WATER	NENESE	Sec. 34, Twp 09S, Rge 12E, TWIN FALLS County
GROUND WATER	SWSESW	Sec. 01, Twp 10S, Rge 12E, TWIN FALLS County
GROUND WATER	NWSESW	Sec. 02, Twp 10S, Rge 12E, TWIN FALLS County
GROUND WATER	SENESE	Sec. 34, Twp 09S, Rge 12E, TWIN FALLS County
GROUND WATER	SESWNW	Sec. 35, Twp 09S, Rge 12E, TWIN FALLS County
GROUND WATER	SWSESW	Sec. 35, Twp 09S, Rge 12E, TWIN FALLS County
GROUND WATER	SWNESW	Sec. 35, Twp 09S, Rge 12E, TWIN FALLS County
GROUND WATER	SESENE	Sec. 30, Twp 09S, Rge 13E, TWIN FALLS County
GROUND WATER	SWSESE	Sec. 02, Twp 10S, Rge 12E, TWIN FALLS County
GROUND WATER	SENE	Sec. 12, Twp 10S, Rge 12E, TWIN FALLS County

<u>Water Right</u>	<u>Beneficial Use</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
51-13005	IRRIGATION	03/15	to 11/15	0.39 cfs	189.6 af
51-13006	IRRIGATION	03/15	to 11/15	0.31 cfs	153.5 af
51-13011	IRRIGATION	03/15	to 11/15	0.05 cfs	24.2 af
51-13014	IRRIGATION	03/15	to 11/15	0.03 cfs	13.4 af
Total:				0.78 cfs	189.6 af

Place of Use to be Idled Under This Lease: IRRIGATION

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
09S	12E	35													14.0				14.0
10S	12E	2		3.2		1.0								3.2	2.9	4.3	7.5	8.2	33.4

Total Acres: 47.4

Conditions Applicable to All Leased Water Rights

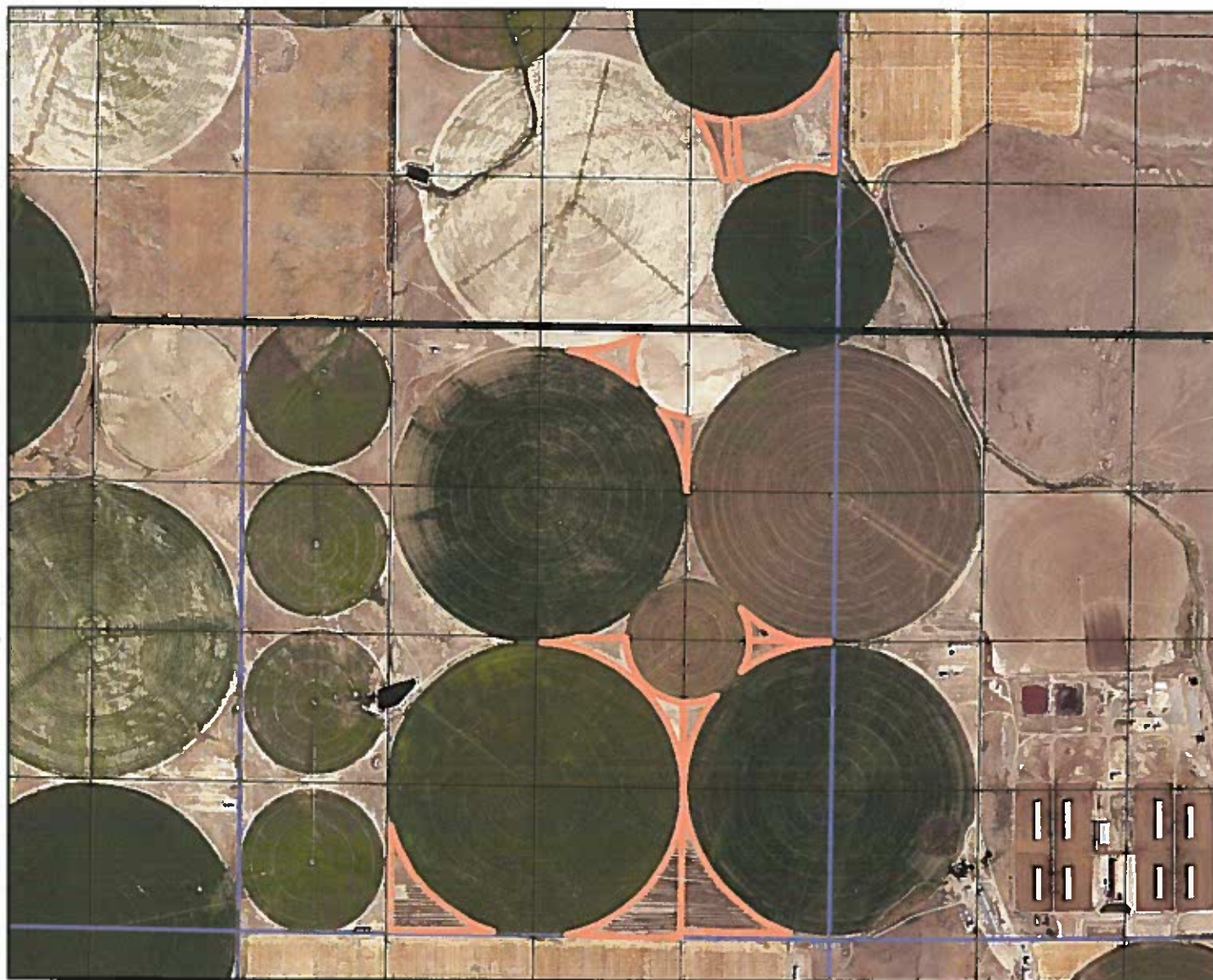
- The water rights referenced above will be rented from the bank at the current rental rate.
- There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
- While a right is in the bank, the lessor may not use the right without approval of the Department, even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.

4. A right accepted into the bank stays in the bank until the Board releases it, or the lease term expires. A right may be released from the bank upon request, provided the Board approves the release. Unless approved by the Department, leased rights may not be immediately available for release.
5. While a water right is in the bank, forfeiture provisions are stayed pursuant to Idaho Code § 42-223(5).
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.
8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, nor does it improve the status of the right or accomplish the resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.
9. In accordance with Idaho Code §§ 42-248 and 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season, even if the Department processes a Notice of Change in Water Right Ownership during the rental season.
 - b. New lessor(s) of record will receive payment after the following rental season.
11. The water right(s) leased to the bank are subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.
12. When combined with all other rights, the leased rights shall provide not more than 0.02 cfs per acre nor more than 4.0 af per acre at the field headgate for irrigation of the lands above.
13. Unleased portions of rights 51-2258, 51-2259, 51-2444, 51-2445, 51-7108A, 51-7108B, 51-7127A, 51-13005, 51-13006, 51-13007, 51-13008, 51-13009, 51-13011, 51-13014, 51-130259, 51-13030, 51-13031, 51-13032, 51-13033, 51-13034, 51-13035 and 51-13037 are limited to irrigation of a combined total of 3788.9 acres in a single irrigation season, a total combined diversion rate of 47.9 cfs, and a total combined annual diversion volume of 15,441.7 af.
14. The period of use for the irrigation described in this approval for water right 51-13008 may be extended to a beginning date of 3/15 and an ending date of 11/15 provided that beneficial use of the water can be shown and other elements of the right are not exceeded. The use of water before 4/1 and after 10/31 is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than 9/28/2007.
15. The unleased portion of water right 51-13005 is limited to the irrigation of 487.6 acres, the unleased portion of water right 51-13006 is limited to the irrigation of 449.0 acres, the unleased portion of water right 51-13011 is limited to the irrigation of 38.6 acres and the unleased portion of water right 51-13014 is limited to the irrigation of 38.6 acres within the authorized place of use in a single irrigation season.
16. The unleased portions of water rights 51-13005, 51-13006, 51-13011 and 51-13014 when combined shall not exceed a total annual maximum diversions volume of 1950.4 af at the field headgate and the irrigation of 487.6 acres.

Idaho Water Resource Board
Water Supply Bank Lease

51-13005, 51-13006, 51-13011 and 51-13014
Effective until December 31, 2020

This map depicts the **place of use to be idled** pursuant to the lease contract and is attached to the contract solely for illustrative purposes.



2013 USDA-FSA Aerial Photography

-  Approved Lease Place of Use
-  Townships
-  PLS Sections
-  Quarter Quarters



 Miles
0 0.25

RECEIVED

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

NOV 04 2015

DEPARTMENT OF
WATER RESOURCES

An application to lease or sell a water right into the Water Supply Bank must be prepared in accordance with the minimum requirements listed below to be acceptable for processing by the Department. Use this checklist to ensure all necessary documentation has been provided. This checklist is part of the lease application and must be included with the lease application. **Incomplete applications will be returned to applicants for completion.**

Designated Applicant Global AG Properties USA LLC
(Select one owner – see item 1A on the application)

Water Right No. 51-13005
(One water right per application)

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

YES

- ☒ Completed *Water Supply Bank Lease or Sale Application Checklist* (this form).
- ☒ Completed *Application to Sell or Lease a Water Right to the Water Supply Bank* (pages 2-3).
- ☒ Application filing fee of \$250.00 per water right. If you are submitting more than one lease application and the water rights have an overlapping, common place of use, or a common diversion rate or volume, the total fee for all water rights is \$500.00. For places of use, multiple water rights must be used to irrigate the same lands in order to qualify for the joint filing fee. Individual filing fees are required for water rights that share a common permissible place of use but which cover separate acres within the permissible place of use.

Attachment N/A YES

- | | | | |
|----|-------------------------------------|-------------------------------------|--|
| 1A | ☐ | ☒ | Contact information for <i>all owners</i> of the water right that is being leased or sold on this application. |
| 1B | | ☒ | An <u>Internal Revenue Service (IRS) Form W-9</u> for the Designated Applicant. |
| 1C | ☒ | ☐ | <i>Notice of Change in Water Right Ownership</i> form (accessible from www.idwr.idaho.gov). |
| 1D | ☒ | ☐ | Written consent from irrigation district or water delivery company. |
| 1E | ☐ | ☒ | Contact information for an authorized representative and documentary proof they are authorized to represent the Designated Applicant on this application. If the Designated Applicant is a business, partnership, municipality, organization or association, include documents identifying officers authorized to sign or act on behalf of the entity. |
| 2 | ☐ | ☒ | Description of a water right portion offered to the Water Supply Bank. |
| 3E | ☐ | ☒ | Evidence demonstrating that a water right has not been lost through abandonment or forfeiture pursuant to <u>Section 42-222(2), Idaho Code</u> . |
| 4 | | ☒ | A map that clearly outlines the specific location where irrigated acres will be dried up, or where a beneficial use of water will be suspended. You have the option of printing a map using the map tool on IDWR's website at: www.idwr.idaho.gov . |

Department Use Only

Fee Amount \$ <u>1,500.00</u>	Received By: <u>DJ</u>	Date Received: <u>11/4/2015</u>	Receipt # <u>C101177</u>
W-9 received? Yes ☐ No ☒ (Route W-9 to Fiscal)		Name on W-9:	

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

1. CONTACT INFORMATION

- A. An application to sell or lease a water right to the Water Supply Bank must be completed by a Designated Applicant who is a recognized owner of the water right being sold or leased to the Water Supply Bank. If there are additional owners recorded for the property to which the water right is appurtenant, those individuals must authorize the Designated Applicant to represent them on this application by completing and signing Attachment 1A of this application package.

Designated Applicant Global AG Properties USA LLC Email Address _____

Mailing Address 2004 Fox Dr STE L Champaign, IL 61820 Phone Number (208) 908-3848

☒ The Designated Applicant is the sole owner of the water right being sold or leased to the Water Supply Bank.

OR

☐ The Designated Applicant is representing additional water right holders who have completed Attachment 1A.

B. Has the designated applicant completed an IRS Form W-9 (Attachment 1B)? Previously Submitted Yes ☒ No ☐

C. Are all applicants on this form listed in IDWR's records as the current owners of the water right? Yes ☒ No ☐
If no, attach a *Notice of Change in Water Right Ownership* form along with the required documentation and fee (Attachment 1C).

D. Is the diversion works or system owned or managed by an irrigation district or water delivery company? Yes ☐ No ☒
If yes, provide written consent from the company, corporation or irrigation district authorizing the proposed sale or lease (Attachment 1D).

E. Is this application being completed by an authorized representative of the Designated Applicant? Yes ☒ No ☐
If yes, representatives (includes employees of Designated Applicant companies) must complete this section and submit documentary proof of their authority to represent the Designated Applicant (Attachment 1E).

Name of Representative Greg Sullivan Organization Brockway Engineering

Professional Title Engineer Email Address greg.sullivan@brockwayeng.com

Mailing Address 2016 North Washington St Ste 4, Twin Falls Idaho 83301 Phone Number 208-736-8543

☐ Send all correspondence for this application to the representative and not to the Designated Applicant.

OR

☒ Send original correspondence to the Designated Applicant and copies to the representative.

2. DESCRIPTION OF WATER RIGHT OFFERED TO THE BANK

Water Right Number 51-13005 ☐ The full water right is being offered to the Bank.

OR

☒ A part of the water right is being offered to the Bank.
(If a portion of a water right is being offered, complete Attachment 2)

3. GENERAL INFORMATION

- A. Please provide a description of the current water diversion system.

Existing wells, mainlines and delivery systems.

- B. Describe any other water rights used for the same purpose at the same place of use as the water right being offered to the Bank.
51-13005 et al.

C. Are any of the water rights identified in question 3B stacked with the water right proposed for lease? Yes ☒ No ☐

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

D. Will the present place of use continue to receive water from any other source?

Yes ☐ No ☒

If yes, describe. _____

E. Has any portion of this water right undergone a period of five or more consecutive years of non-use?

Yes ☐ No ☒

If yes, describe and attach Watermaster records or other evidence to demonstrate that the water right has not been lost through abandonment or forfeiture pursuant to Section 42-222(2), Idaho Code. _____

F. Is this water right involved in any other IDWR process such as an application for transfer or a mitigation plan? Yes ☐ No ☒

If yes, describe. _____

4. MAP

Plat map, survey map, or aerial photograph clearly showing the specific acres proposed to be idled by this lease application.

5. SALE/LEASE AGREEMENT

A. Is the water right, or portion thereof, offered to the Idaho Water Resource Board (IWRB) for sale ☐ or lease ☒?

If lease, specify the years when the use of water will be suspended: 2016 to 2020 (maximum lease period 5 years).
(Year) (Year)

B. Show the minimum payment acceptable to the seller/lessor. The minimum payment may be shown as the "current rental rate" as established by the IWRB. Include the method of determining the minimum payment if other than the current rental rate.
normal rental rate _____

I hereby assert that the information contained in this application is true to the best of my knowledge, and that I have the authorities necessary to offer this water right for sale or lease to the Idaho Water Resource Board.

The Designated Applicant acknowledges the following:

1. Payment to the Designated Applicant is contingent upon the sale or rental of the water right from the Bank.
2. While a water right is in the Bank, the seller/lessor of the water right may not use the water right even if the water right is not rented from the Bank.
3. A water right accepted into the Bank stays in the Bank until the Designated Applicant receives written confirmation from the Board or Water Supply Bank that the water right has been released from the Bank.
4. While a water right is in the Bank, forfeiture provisions are stayed.
5. Acceptance of a water right into the Bank does not, in itself, confirm the validity of the water right or any elements of the water right.

Patrick Trainor

Signature of Designated Applicant

PATRICK TRAINOR

Printed Name

11-2-15

Date

Signature of Authorized Representative

Printed Name

Date

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

**STATE OF IDAHO
WATER RESOURCE BOARD**

ATTACHMENT 1A

Additional Water Right Holders Party to the Lease Application

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

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

Water Right No(s). 51-13005

	Designated Applicant	Applicant #2	Applicant #3
Name			
Mailing Address			
Phone Number			
Email Address			
Applicant Declaration	As Designated Applicant, I submit this lease application on behalf of all other water right holders.	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.
Signature			

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

STATE OF IDAHO
WATER RESOURCE BOARD

ATTACHMENT 2

DESCRIPTION OF A WATER RIGHT PORTION OFFERED TO THE WATER SUPPLY BANK

<u>I. Water Right Number</u>	<u>Amount (cfs/ac-ft)</u>	<u>Nature of Use</u>	<u>Period of Use</u>
<u>51-13005</u>	<u>0.39/95</u>	<u>Irrigation</u>	<u>4/01</u> to <u>11/01</u>
			to
			to
			to
			to
			to
Total Amount:	0.39/95		

2. Source of water Ground Water tributary to _____

3. Point(s) of diversion:

[illegible]

4. Acres to be idled within the place of use:

[illegible]

If the water right is for irrigation, show total number of acres offered to the Bank. Total Acres 47.4

Exhibit A**PODs**

Township	Range	Sec.	QQQ	Source	County
9 S	12 E	34	SWNENW	GROUND WATER	TWIN FALLS County
9 S	12 E	34	NENESE	GROUND WATER	TWIN FALLS County
9 S	12 E	34	SENESE	GROUND WATER	TWIN FALLS County
9 S	12 E	35	SESWNW	GROUND WATER	TWIN FALLS County
9 S	12 E	35	SWNESW	GROUND WATER	TWIN FALLS County
9 S	12 E	35	SWNESW	GROUND WATER	TWIN FALLS County
9 S	12 E	30	SESENE	GROUND WATER	TWIN FALLS County
10 S	12 E	1	SWSESW	GROUND WATER	TWIN FALLS County
10 S	12 E	1	SWSESW	GROUND WATER	TWIN FALLS County
10 S	12 E	1	SWSESE	GROUND WATER	TWIN FALLS County
10 S	12 E	2	NWSESW	GROUND WATER	TWIN FALLS County
10 S	12 E	2	SWSESE	GROUND WATER	TWIN FALLS County
10 S	12 E	12	SENE	GROUND WATER	TWIN FALLS County



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 20, 2016

GLOBAL AG PROPERTIES USA LLC
C/O WESTCHESTER GROUP INVESTMENT MANAGEMENT
2004 FOX DR STE L
CHAMPAIGN IL 61820

RE: WATER SUPPLY BANK LEASE CONTRACT FOR WATER RIGHTS 51-13005, 51-13006, 51-13011, and 51-13014

Dear Lessor:

Water rights 51-13005, 51-13006, 51-13011, and 51-13014 were leased into the Water Supply Bank (Bank) as of November 4, 2015, in accordance with the enclosed executed lease contract. **Your water rights, as described on the lease contract, are considered leased into the Bank and should remain unused until they are formally released from the Bank.** More information and further restrictions placed on your water rights while leased can be found in conditions of acceptance of the lease contract. Read the conditions of acceptance carefully.

The rights will automatically be released from the Bank on **December 31, 2020**, unless the rights are released earlier by the Water Resource Board (Board). On behalf of the Board, the Department of Water Resources (Department) can evaluate an early release of the lease contract upon your request. To release the water rights from the Bank prior to the release date, submit a written request on the *Request to Release a Water Right from the Bank* form. This form is available on our public website at www.idwr.idaho.gov. Please note your water right may not be available for immediate release if they have been rented or are being considered for a future rental. Furthermore, it is at the discretion of the Department whether or not a water right can be released early from a lease contract.

If you have questions regarding this matter, please contact me at 287-4910.

Sincerely,

Clay Webster
Water Resource Agent
WSB Process Point of Contact

Enclosure: Executed Lease Contract

c: Greg Sullivan – Brockway Engineering PLLC
Angie Grimm - IDWR Western Region



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 • Web Site: www.idwr.idaho.gov

GARY SPACKMAN
Director

C.L. "BUTCH" OTTER
Governor

December 14, 2015

GLOBAL AG PROPERTIES USA LLC
2004 FOX DR STE L
CHAMPAIGN IL 61820

RE: APPLICATION(S) TO LEASE WATER RIGHT(S) 51-13005, 51-13006, 51-13011, 51-13014, 51-13007 and 51-13008 TO THE WATER SUPPLY BANK

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

Dear Applicant:

The Department of Water Resources has completed its review of your application to lease the above-mentioned water right(s) to the Water Supply Bank. **I have enclosed two original of each Water Supply Bank Lease Contracts for your review and signature. Please sign and return ALL Lease Contracts within 14 days.** Upon signature and return of the contracts, the Department will also sign the original contracts and return an executed copy to you. The Lease Contract is not considered final until you and the Department have both signed.

The rights will automatically be released from the Bank on **December 31, 2020**, unless the rights are released earlier by the Board, or upon your request. To release the right from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. To propose a new lease period, submit a new Application to Sell or Lease a Water Right to the Water Supply Bank form along with applicable fees to the Department. These forms are available from any IDWR office or from our public website at <http://www.idwr.idaho.gov>. Please note your rights may not be available for immediate release if they have been rented.

Please review the conditions of acceptance listed on the Lease Contract, including #3 which says:

"While a right is in the bank, **the lessor may not use the right** without approval of the department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B."

If you have questions regarding this matter, please contact me at 287-4910.

Sincerely,

for 
Clay Webster
Water Resource Agent
WSB Process Point of Contact

Enclosure: Proposed Lease Contracts

c. Brockway Engineering PLLC

Hersley, Jean

From: Van Dyke, Nick
Sent: Thursday, December 03, 2015 10:50 AM
To: Hersley, Jean
Cc: Grimm, Angie
Subject: FW: WSB Lease for Global Ag

Whoops – helps to send this to the right person!

Nicholas Van Dyke

*Sr. Water Resource Agent
Idaho Department of Water Resources
Phone: (208) 334-2190
Fax: (208) 334-2348
Email: nick.vandyke@idwr.idaho.gov*

From: Van Dyke, Nick
Sent: Thursday, December 03, 2015 10:50 AM
To: Grimm, Angie
Subject: RE: WSB Lease for Global Ag

Jean,

Don't see anything regional issue wise preventing going forward with this lease.

Nicholas Van Dyke

*Sr. Water Resource Agent
Idaho Department of Water Resources
Phone: (208) 334-2190
Fax: (208) 334-2348
Email: nick.vandyke@idwr.idaho.gov*

From: Hersley, Jean
Sent: Tuesday, December 01, 2015 12:04 PM
To: Grimm, Angie
Subject: WSB Lease for Global Ag

Attached is the review memos and draft lease contracts. Please let me know if you have any comments or concerns within 7 days. Thank you.

*Jean Hersley
Idaho Dept Water Resources
Technical Records Specialist II
208-287-4942*

Hersley, Jean

From: Greg Sullivan <greg.sullivan@brockwayeng.com>
Sent: Wednesday, November 25, 2015 2:02 PM
To: Hersley, Jean
Subject: RE: shape files for Global Ag leased acres
Attachments: WSB_Lease_Areas_2016.dbf; WSB_Lease_Areas_2016.sbn; WSB_Lease_Areas_2016.sbx; WSB_Lease_Areas_2016.shp; WSB_Lease_Areas_2016.shx

Jean,

See attached files, I believe this is the leased acres.

Greg Sullivan
Brockway Engineering
2016 North Washington Street, Suite 4
Twin Falls, Idaho 83301
208-736-8543

From: Hersley, Jean [mailto:Jean.Hersley@idwr.idaho.gov]
Sent: Wednesday, November 25, 2015 1:24 PM
To: Greg Sullivan <greg.sullivan@brockwayeng.com>
Subject: shape files for Global Ag leased acres

Greg,
Would you mind sending the shape files for the Global Ag leases? I would really appreciate it. Thank you.

Happy Thanksgiving!

Jean Hersley
Idaho Dept Water Resources
Technical Records Specialist II
208-287-4942

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Webster, Clay

From: Greg Sullivan [greg.sullivan@brockwayeng.com]
Sent: Tuesday, December 08, 2015 11:49 AM
To: Webster, Clay
Subject: FW: Water Bank Lease - Blue Gulch
Attachments: Signed resolution for signing documents.pdf

Clay,

See attached documentation regarding authority to sign on behalf of Global Ag Properties.

Greg Sullivan
Brockway Engineering
2016 North Washington Street, Suite 4
Twin Falls, Idaho 83301
208-736-8543

RECEIVED

DEC 08 2015

Assistant Secretary's Certificate
WESTCHESTER GROUP INVESTMENT MANAGEMENT, INC. DEPARTMENT OF
WATER RESOURCES

I certify that on May 28, 2013 the Board of Directors adopted a resolution appointing the following officers of Westchester Group Investment Management, Inc.

Randall E. Pope	President and CEO
H. Matthew Bull	Executive Vice President and CEO in Australia
J. Collins Hewes	Executive Vice President
Duane R. Nelson	Executive Vice President and CCLRO
Roderick T. Robertson	Executive Vice President
Kenny Traynom	Executive Vice President
Michael Robinson	Sr. Vice President and Controller
Patrick Trainor	Sr. Vice President
Renee Schum	Assistant Secretary

Such officers continue to hold their respective titles as of today and are authorized to execute documents for Global AG Properties USA LLC as its property manager under the Property Management Agreement dated May 1 2011 as amended by Assignment and Amendment No. 1 dated December 31, 2013.

Dated: March 1, 2015

Renee Schum
Assistant Corporate Secretary

Hersley, Jean

From: Van Dyke, Nick
Sent: Thursday, December 03, 2015 10:50 AM
To: Hersley, Jean
Cc: Grimm, Angie
Subject: FW: WSB Lease for Global Ag

Whoops – helps to send this to the right person!

Nicholas Van Dyke

*Sr. Water Resource Agent
Idaho Department of Water Resources
Phone: (208) 334-2190
Fax: (208) 334-2348
Email: nick.vandyke@idwr.idaho.gov*

From: Van Dyke, Nick
Sent: Thursday, December 03, 2015 10:50 AM
To: Grimm, Angie
Subject: RE: WSB Lease for Global Ag

Jean,

Don't see anything regional issue wise preventing going forward with this lease.

Nicholas Van Dyke

*Sr. Water Resource Agent
Idaho Department of Water Resources
Phone: (208) 334-2190
Fax: (208) 334-2348
Email: nick.vandyke@idwr.idaho.gov*

From: Hersley, Jean
Sent: Tuesday, December 01, 2015 12:04 PM
To: Grimm, Angie
Subject: WSB Lease for Global Ag

Attached is the review memos and draft lease contracts. Please let me know if you have any comments or concerns within 7 days. Thank you.

*Jean Hersley
Idaho Dept Water Resources
Technical Records Specialist II
208-287-4942*



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

December 2, 2015

GLOBAL AG PROPERTIES USA LLC
2004 FOX DR STE L
CHAMPAIGN IL 61820

**RE: ADDITIONAL INFORMATION REQUEST FOR PROCESSING APPLICATIONS TO LEASE
WATER RIGHT NOS 51-13005, 51-13006, 51-13011, 51-13014, 51-13007, 51-13008, 51-
13035 AND 51-13037 TO THE WATER SUPPLY BANK**

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

Dear Applicant:

The Idaho Department of Water Resources (Department) acknowledges receipt of the application to lease the above referenced water right to the Idaho Water Resource Board's Water Supply Bank (Bank). The Department will review your application as resources allow.

If the right is determined to be eligible for acceptance into the Bank, the right will be entered as of the date of receipt of the application. The acceptance date may be adjusted when additional information is required. A preliminary review of your application has been completed and it has been determined that additional information is required to continue processing.

Please provide the following information within 30 days of the date of this letter or the application will be denied:

- Lease Application for water right 51-7108A with combined acreage limit with 51-13035 and 51-13037 (to avoid enlargement)
- Fill out and sign the W-9 form (attached)
- Documentation showing that Patrick Trainer has the authority to sign on behalf of Global AG Properties USA LLC.

The department will continue processing your application once you have submitted the requested information. Water right forms are available from the Department's website at www.idwr.idaho.gov. If you have any questions, please contact me at (208) 287-4910.

Sincerely,

Clay Webster
Water Resource Agent
WSB Process Point of Contact

Enclosure: W9

c: Greg Sullivan – Brockway Engineering

WATER SUPPLY BANK
Agent Lease Review Checklist
Applicant(s) Name: Global Ag

Memo Date: november 30, 2015

Water Right Number(s): 51-13005, 51-13006, 51-13011 and 61-13014

Reviewers Name:
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)			
	Portion of right	X		
	All of right			
3	Check GWMA/CGWA/ADC and basin 63 areas of concern (note area in comments)	X		
		Yes	No	
4	Rentable? If no explain in comments	X		
5	Authority to file			
	Current owner or designated applicant			
	SOS Web site checked for business entity			
	Other (explain in comments)			
6	Water Right validity			
	Decreed/Licensed/Statutory claim date (write in comments section)			
	Past irrigation to ensure forfeiture is not an issue if decreed or licensed over 7 years ago (consider transfers that changed the POU, rentals to the POU etc.)			
	Has this right previously been leased to the bank or in CREP?	X		
7	Injury to other water rights			
	If the POD is through a delivery entity, was consent provided?			
	If the POD is through a delivery entity, was holdback required? (percentage in comments)			%
8	Enlargement concerns	Check box		
	Complete a POU comparison overlap analysis	X		
	Complete a combined limits review	X		
	Complete POD overlap analysis (if there is an overlap add condition to lease)	X		
		Yes	No	
	Are there overlapping rights that need to be placed in the bank also?	X		
	Will the place of use continue to receive water?	X		
9	Local Public Interest			
	Does the processor know of any problems this action will cause for the local public?		X	
10	Have you contacted regional office and watermaster for comment/concerns?	X		
	Send the watermaster comment request form or e-mail request			
11	Area Headgate requirement			4
12	Is water right involved in any other department action? Pull file and check database () Ownership Change () Transfer () Mitigation () Other - Explain in comments		X	
13	Narrative: These rights have been in the Bank since 2010. Forfeiture is not an issue. The 47.4 acres being offered to the Bank is the same on all water rights. See attached excel sheet for limits on all water rights.			

Basin	Sequence	Priority Date	Diversion Rate	Volume	Acre Limit	Total Acres	% of Acre limit	Leased acres	Leased Rate	Volume per rt of limit	Leased Volume
51	13005	12/17/1957	4.40	2140.0	535.0	5,156.0	1	47.4	0.39	1065.82	189.6
51	13008	11/21/1960	3.55	1732.4	492.0	5,156.0	0.919626168	43.6	0.31	862.81	153.5
51	13011	12/17/1957	0.56	273.2	43.0	5,156.0	0.080373832	3.8	0.05	136.07	24.2
51	13014	11/21/1960	0.31	151.2	43.0	5,156.0	0.080373832	3.8	0.03	75.30	13.4
Totals			8.82	4296.8	1,113.0			47.4	0.78	2140.00	
Limits				2140.0	535.0			47.4			189.6



BROCKWAY
ENGINEERING
P.L.L.C.

Hydraulics

Hydrology

Water Resources

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NOV 04 2015

DEPARTMENT OF
WATER RESOURCES

November 3, 2015

Cherie Palmer
Idaho Water Supply Bank
Idaho Department of Water Resources
P.O. Box 83720
Boise, ID 83720-0098

Re: Global AG Properties USA LLC

Dear Mrs. Palmer:

Global Ag Properties USA LLC recently submitted lease applications for water rights 51-13005, 51-13006, 51-13011, 51-13014, 51-13007, 51-13008, 51-13035 and 51-13037. The total acres to be leased to the water supply bank is 260.6 acres.

A lease processing fee was not submitted with the applications. Attached to this letter is a check for \$1,500.00 to cover all of the processing fees. Water rights 51-13005, 51-13006, 51-13011 and 51-13014 are grouped water rights with combined limits and will have a processing fee of \$500.00 for 47.4 acres. Water rights 51-13007 and 51-13008 have combined limits and will have a processing fee of \$500.00 for 136.6 acres. Water right 51-13035 will have a processing fee of \$250.00 for 40.3 acres. Water right 51-13037 will have a processing fee of \$250.00 for 34.5 acres.

CHARLES E.
BROCKWAY,
PH.D., P.E.

CHARLES G.
BROCKWAY,
PH.D., P.E.

2016 NORTH
WASHINGTON
STREET • SUITE 4

TWIN FALLS,
IDAHO 83301

208•736•8543

FAX: 736•8506

Sincerely,

Greg Sullivan, M.S., Engineer

Cc: Skye Root

Enc: Brockway Engineering Check # 12989 for \$1,500.00