



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

September 9, 2015

QUARTZBURG HOLDING CO LLC
C/O CHRIS GUILL PRES
5319 S APPLE ST
BOISE ID 83716

**RESPONSE REQUESTED BY:
OCTOBER 1, 2015**

Dear Water Right(s) Owner,

This letter regards Water Supply Bank lease contracts for water rights 63-2338. The above water rights have been leased to the Idaho Water Resource Board's (Board's) Water Supply Bank (Bank) for an indefinite period of time. Pursuant to Idaho Code 42-1762, water rights may be retained in the Bank for a period as determined by the Board. The Board has authorized the Water Supply Bank to proceed in updating indefinite water right lease contracts.

The Bank is seeking to update lease contract for your water rights. There is no fee associated with this contract update process. Enclosed is a form that authorizes the Bank to proceed in updating your lease contract.

Please complete the enclosed form by filling in all blanks, signing it and returning it to our office by the date listed above. The form can be returned to our office by mailing it to the Department at 322 East Front St, PO Box 83720, Boise, ID, 83720, or by scanning and emailing it to me at clay.webster@idwr.idaho.gov.

Please note, if by October 1, 2015, you request a lease contract update of less than five years, the Bank will accommodate your request, update our records and return to you a letter confirming the new duration of your lease contract. Additionally, the Bank will accommodate all water right release requests, however where a leased water right is currently being rented, a release of the water right is not possible until all rental agreements are concluded. Finally, pursuant to Water Supply Bank rule 25.08.C (IDAPA 37.02.03), a Board resolution ending any remaining unmodified indefinite leases will be sought in the coming year. Your assistance in providing information regarding how you would like your water right lease contract updated is appreciated.

If you have any questions related to this matter, I can be reached by phone at (208) 287-4910.

Regards,

Clay Webster

Water Resources Agent
Water Supply Bank Point of Contact



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ACKNOWLEDGEMENT LETTER: Water Supply Bank Indefinite Lease Contract Update

This notice pertains to water rights leased to the Water Supply Bank. As the owner of record for water rights leased indefinitely to the Water Supply Bank, I elect the following:

Water Right	Contract Update (Circle years desired)					This right rented through
63-2338	1	2	3	4	5	2016
	1	2	3	4	5	
	1	2	3	4	5	
	1	2	3	4	5	

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.

Name of Water Right Holder

Signature of Water Right Holder

Date

This form should be completed and returned the Department of Water Resources by mail at 322 East Front Street, PO Box 83720, Boise, ID, 83720, or by **email**, to clay.webster@idwr.idaho.gov.

* If this letter is returned to the Department, signed by the water right holder, but with no declaration as to whether the water right holder desires to have their water right released from the Bank after the rental concludes, or to have their contract updated, the Water Supply Bank will **provide such water right holders with an updated, five year lease contract.**