

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT

RECEIVED

JUN 01 2015

DEPARTMENT OF
WATER RESOURCES

This is to certify that: **FLYING F INC**
C/O RUSSELL FRISBY
2009 CREST RD
CALDWELL ID 83607
(208) 941-1210

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
63-31446	9/20/1985	Ground Water	NA	0.14 cfs	45.0 af	NA	10.0 ac
63-31915	4/26/1971	Ground Water	NA	0.20 cfs	41.0 af	NA	10.0 ac
63-32952	9/28/1978	Ground Water	NA	0.13 cfs	36.0 af	NA	8.0 ac
63-33181	1/3/1955	Ground Water	NA	0.04 cfs	12.6 af	NA	2.8 ac
63-33313	4/26/1971	Ground Water	NA	0.04 cfs	8.2 af	NA	2.0 ac
63-33314	4/26/1971	Ground Water	NA	0.05 cfs	10.3 af	NA	2.5 ac
63-33517	9/29/1978	Ground Water	NA	0.37 cfs	101.2 af	NA	22.5 ac
63-33835	9/29/1978	Ground Water	NA	0.01 cfs	4.5 af	NA	1.0 ac
Total Annual Combined Limit				0.98 cfs	258.8 af	NA	58.8 ac

Annual Combined Rental Totals

0.98 cfs 258.8 af 57.0 ac* 58.8 ac

This rental agreement is for the irrigation of 57 acres.

Term of Rental: June 1, 2015 thru December 31, 2015
Rental Fee: \$4,399.60

The fee for rental of the above-described water is \$4,399.60 per year. Ten percent (\$439.96) will go to the Department for administrative costs, and the remainder will be paid to the lessor(s). No rental fees will be refunded once the fee is collected and the start date for a Rental Agreement has passed.

Detailed water right conditions are attached.

SUPPORT DATA

IN FILE # 63-31446

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:

Chrisley Frisby Chrisley Frisby Secretary 5/26/2015
Signature of Renter Printed Name and Title* 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 Date June 1, 2015
BRIAN PATTON, Acting Administrator
Idaho Water Resource Board

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

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER SW¼NW¼ Sec. 20 Twp 06N Rge 3W PAYETTE County

BENEFICIAL USE

IRRIGATION

SEASONS OF USE

63-31446, 63-33517, 63-32952, 63-33181 AND 63-33835 03/15 TO 11/15
63-31915, 63-33313, 63-33314 04/15 TO 10/15

RENTER'S PLACE OF USE: IRRIGATION

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
06N	3W	17									32		7	18					57.0

Total Acres: 57.0

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. After specific notification by the Department, the right holder shall install a suitable measuring device or shall enter into an agreement with the Department to determine the amount of water diverted from power records and shall annually report the information to the Department.

11. This rental agreement does not authorize the construction of a well.
12. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.5 afa per acre at the field headgate for irrigation of the lands above.
13. The following rights are diverted through point(s) of diversion described above: 63-10785, 63-31505 and 63-31178.
14. The use of water for irrigation under rights 63-33313 and 63-33314 may continue to as late as November 15, provided other elements of the right are not exceeded. The use of water after October 15 under this remark is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than the date a partial decree is entered for this right.

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

MAR 16 2015

DEPARTMENT OF
WATER RESOURCES

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

Applicant Name: Flying F Inc., c/o Russell Frisby

Is this application being submitted with a lease application as a lease/rental package? Yes ☐ No ☒

An *Application to Rent Water from the Board's Water Supply Bank* must be completed in accordance with the minimum requirement checklist below to be acceptable for processing by the Idaho Department of Water Resources (IDWR). 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.**

Applications to rent water should be submitted well in advance of the desired start date for the use of water. Rental applications may be submitted as early as November 1 of the year prior to the intended use of rental water. Rental applications submitted more than one year in advance of the proposed start date for water use will not be accepted and will be returned to applicants. Rental applications will not be processed if they are received after the end of the rental season of use.

One rental application per beneficial use of water. One rental application can be submitted if you propose to rent water from multiple sources. For multiple beneficial uses of water, individual rental requests should be submitted for each unique beneficial use of water.

For additional instructions on completing a rental application, visit the Department's website at www.idwr.idaho.gov.

Checked 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>			
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
3E	☐	☒	Authorization from the owner/operator of the rental point(s) of diversion
3G	☒	☐	Water modeling to account for the impacts of the rental request
3J	☒	☐	Documents justifying a need to rent water for irrigation at 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)

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A. Applicant Flying F Inc., c/o Russell Frisby

Mailing Address 2009 Crest Rd, Caldwell, ID 83607

Email Address russsfris@gmail.com

Phone Number 208-941-1210

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 Lori Graves

Professional Title Water Rights Specialist

Organization SPF Water Engineering, LLC

Relationship to Applicant _____

Mailing Address 300 East Mallard Dr., Ste 350, Boise, ID 83706

Email Address lgraves@spfwater.com

Phone Number 208-383-4140

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 place of use is outlined with an obvious, bolded line. For irrigation purposes, note that the place of use outlined on your map cannot exceed the number of acres you are proposing to rent. Attach the map to this application and label it **Attachment 2**.

3. DESCRIPTION OF PROPOSED USE FOR RENTAL WATER

A. Describe the purpose of your rental request. Include any anticipated rates of water application, water use practices or number of stock (if any). If the proposed use is not for irrigation, please provide a detailed description of the proposed use and how you determined the amount of rental water required. Attach additional sheets if required and label it **Attachment 3A**:
Irrigation use on leased acres

B. Enter the desired and/or minimum necessary 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)	Acres (if applicable) (Acre)
1.14 CFS	265.5 AF	*0.99 CFS	*258.8 AF	57 AC

Sometimes water rights available for rent 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. Enter the proposed start date and latest possible start date for using rental water. Also provide the number of years you would like to rent water:

Proposed Start Date (month/day/year)	Latest Possible Start (month/day/year)	* Proposed Rental Duration (Max 5 Years)	** For multi-year rentals, indicate whether you desire to rent water for remaining years if a rental request cannot be approved for the first year?	
3/1	4/15	1	☐ Yes, approve rental for all remaining future years.	☐ No, return rental request if first year is unapprovable.

* The number of years permissible for a rental is subject to the lease contract duration for the water right(s) being rented.

** Subject to the availability of rentable water. A multi-year rental that cannot begin during the first year requested may be approved for some or all remaining years, depending on availability. Rental requests will be returned if no water is available to rent in the first and/or subsequent years of the rental request.

*Based on rental contract for the 2014 irrigation season. See Attachment 5A.

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

- D. Refer to the map you created in item 2 and specify the location of the point(s) of diversion (POD) from which rental water is proposed to be diverted:

Water Source	TWP	RGE	SEC	¼	¼	¼	County	Other water rights for the same purpose diverted from this POD
Ground Water	6N	3W	20		SW	NW	Payette	None

The entry in this grid must match the map from item 2 on the application.

- E. Do you own and/or possess the authority to divert water from the above POD(s)? Yes ☐ No ☒
If no, provide documentation from the owner/operator confirming your authorization to use the POD(s) and label it **Attachment 3E**.
- F. Do any POD(s) identified in Question 3D 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.
- G. Has water modeling been provided with your rental request? Yes ☐ No ☒
If yes, include as **Attachment 3G**. Otherwise please explain why modeling was not provided:

Rental applications that require modeling will be returned if modeling is not provided.

- H. Specify the proposed beneficial use: ☒ Irrigation ☐ Commercial ☐ Industrial ☐ Municipal
☐ Groundwater Recharge ☐ Mining ☐ Stockwater ☐ Other: _____
- I. Refer to the map you created in item 2 and specify below the places you propose to use water. If for irrigation, specify the number of acres to be irrigated per ¼ ¼ tract. Otherwise indicate usage by marking the ¼ ¼ tracts with the first letter of your proposed use identified above:

TWP	RGE	SEC	NE				NW				SW				SE				TOTALS
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
6N	3W	17									32		7	18					57
The entry in this grid must match the map from item 2 on the application.																			Total Acres (for irrigation)
																			57

- J. For irrigation uses, do you propose a water diversion rate greater than 0.02 cfs/acre? N/A ☐ Yes ☐ No ☒
If yes, explain the justification for this rate of flow and attach any supporting documents as **Attachment 3J**:
- 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. Describe your water distribution system and how water will be delivered from the POD(s) to the proposed POU(s):
Well, pump, drip and/or sprinkler irrigation

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

M. List all other water rights and sources of water at the rental place of use for the same purpose and explain why additional water is required. Include privately owned water rights and water received from a municipal supplier, an irrigation district, a canal company, or any other water deliver entity:
None

4. RENTAL REQUESTS FOR SPECIFIC WATER RIGHTS

A. Are you requesting to rent specific water rights? Yes ☐ No ☒
If yes, specify below the water rights you are requesting to rent. Otherwise continue to Section 5 of this application form.

Please note: Diversion rates and volumes to be rented from a leased water right must be proportionate to the per acre diversion rates and per acre volume limits of the water right leased to the Bank. Applicants should query a water right's rental availability by reviewing active lease and rental documents, searchable via IDWR's website, to ensure all elements of a water right remain available in sufficient quantity to satisfy a rental request.

Water rights identified below must either already be leased to the Bank or a lease proposal should accompany the 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 with combined limits, applicants should request to rent against the combined limit diversion rate, volume or acre limits.

Elements of Water Rights Leased to the Bank (Contract Details)								Leased totals minus water actively engaged in rental agreement equals rental availability	Rental Request		
Water Right Number	Nature of Use	Water Source	Rate (CFS)	Volume (AF)	Acres (AC)	Start (year)	End (year)		Rate (CFS)	Vol. (AF)	Acres (AC)
Applicants must ensure the requested rate per acre and volume per acre do not exceed the rate per acre and volume per acre that have been leased to the Water Supply Bank								TOTAL			
									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**:

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

- C. Does your rental request propose to change the nature of use for any water right(s) being requested? 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, as well as the new consumptive use amount for your proposed beneficial use. Attach a separate page if space is insufficient and label it Attachment 4C:

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:
Applicant is set to close on this property within the next month and will file an application for permit for irrigation use on the proposed acres. Rental water will be needed this irrigation season while the application is processed. An approved permit should be in place by the 2016 irrigation season. Included as Attachment 5A is the 2014 rental.

- 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: Yes, see 5A above

- 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.

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.


Signature of Applicant

Flying Fire
Printed Name of Applicant

2-25-15
Date

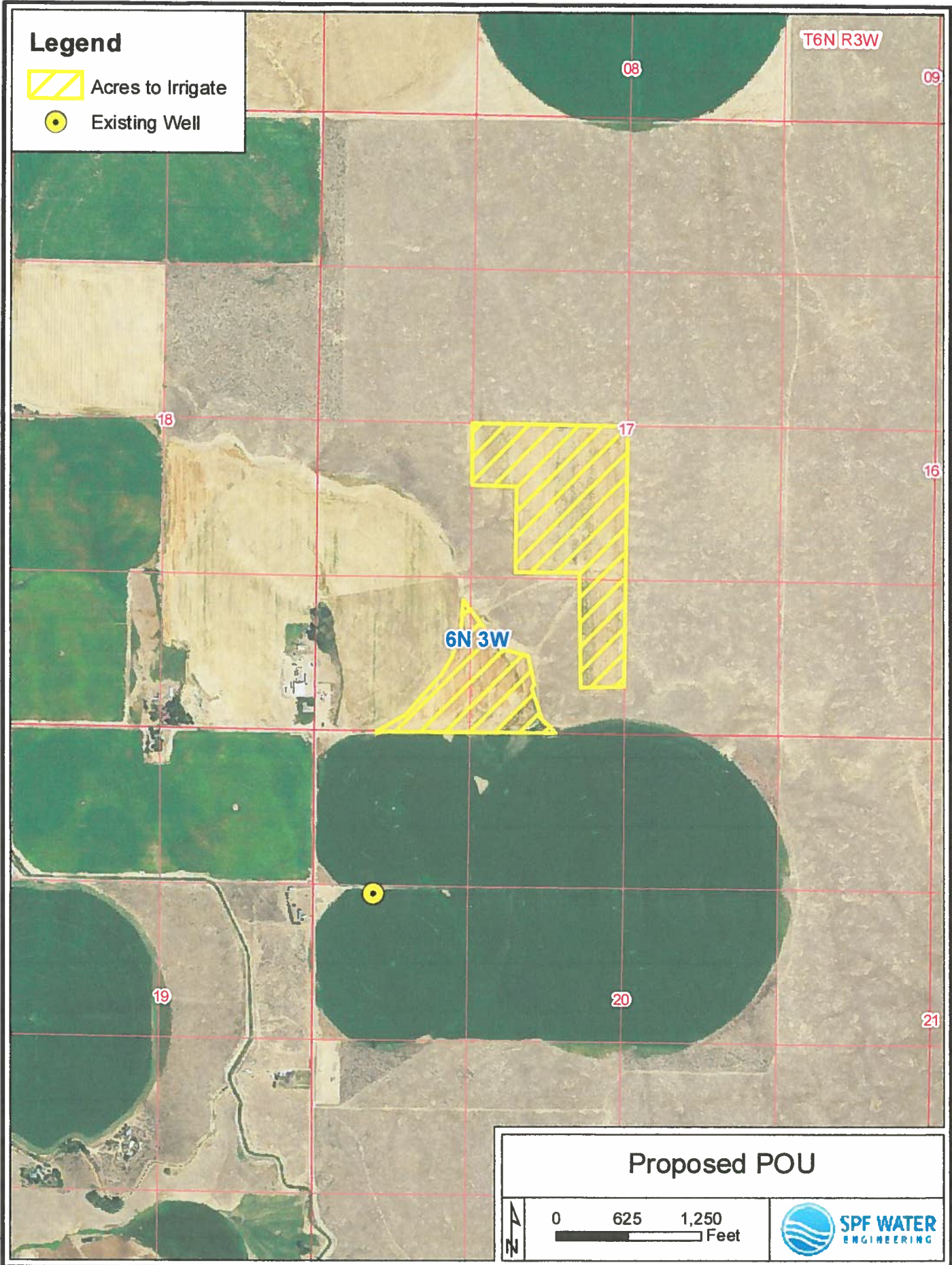
Signature of Representative

Printed Name of Representative

Date

Mail to:

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



2013 Photo

2/25/14

Rod and Maureen Frisby Family LP is letting Flying F Inc. use water from their well for the 2015 irrigation season.

A handwritten signature in blue ink that reads "Maureen Frisby". The signature is fluid and cursive, with the first name "Maureen" and the last name "Frisby" clearly distinguishable.

Maureen Frisby, Sec.

FARM LEASE

This agreement entered into this 12th day of Nov, 2014 by and between Daniel A. Schwalbe Inc, lessor, and Russel or Christy Frisby and or Flying F Inc. , Lessee.

Witnesseth: That the Lessor has leased and by these presents do lease unto the lessee on the terms hereinafter mentioned, all that certain real estate situate in Payette County, State of Idaho, as follows: 2015 Crest Road, Caldwell, ID (portion of 220 acres.)

Schwalbe/Frisby 2015Crest Rd Lease /rent for 2015;

Total due for 2015 is \$15,350.00 due June 1 & Dec 1,2015.

Total cultivated acres:

- | | | | |
|----|---|-------------------|----------------------------|
| 1. | Pivot: 3693054 sf/43560sf= 84.7 A | 68A(water right) | x \$175/A= \$11,900.00 |
| 2. | SE ½ Circle: 227,881 sf/43560= 5.2 A | 17A | |
| 3. | SE Circle Tip: 54,899sf/43560= 1.26 A | 1.5A | |
| 4. | NW infill handlines: 376,158sf/43560= 8.6 A | 9A | |
| 5. | SE infill handlines: 427,819sf/43560= 9.8 A | 10A | 42.5A x \$60/A= \$ 2550.00 |

Total existing Cultivated= 110.5A (w/out 34 A upper Bench)

Additional Agerage in use:

ATTACHMENT 3K

6. Driveway storage for my farm equipment 59998sf/43560= 1.37A 1 = \$ 500.00

7. Pivot Crossover SW Property onto Frisby property 356,859/43560= 8.1 A x \$50/A= \$ 400.00

8. Upper Bench 2011 Corn Crop= 34 A 34A x \$100/A= \$ 3,400.00 Not included in 2015 lease (verify-additional lease amount if used)

9. Total lease amount 2015 = \$15,350.00 have and to hold the said premises with the appurtenances thereto from this 1st day of Jan, 2015, until the 31st day of Dec. 2015.

Lease shall be for the year 2014-2015 for the purpose of growing crops. Lessee shall provide records to the lessor all the herbicides and pesticides used on the farm at the end of the farm lease. Lessors shall be responsible for carrying insurance on irrigation system. Lessee shall be responsible for paying the Idaho Power bill for irrigation power bills. Lessor shall be responsible for paying the water bill for 68 acre Black Canyon Irrigation District (BCID), water right and property taxes.

Cash rent shall be paid as follows: Cash lease shall be \$15,350.00 total for the land described in the legal. \$7675.00 *due and payable on the 1ST of June, 2015 and the balance of \$7675.00 due and payable on the 1st of Dec, 2015. *Note lessee shall pay the spring 2015 water Bill from BCID Spring 2015 Assessment Bill in the amount of (\$ verify) for the 68 acre BCID water right, and deduct it from the total lease amount due on June 1st.

That lessee hereby gives to the lessor a lien upon all crops grown on the said land under this lease, to secure the payment of the rental hereinbefore reserved, including damages for breach of covenants herein contained.

1. — To farm the said premises and the whole thereof (except as herein provided otherwise), throughout the said term and care for the crops grown after the manner of good husbandry.
2. — To keep ditch banks, fence rows and road sides free from weeds.
3. — Not to assign this lease or sublet any portion of said premises without the written consent thereto of the lessors.
4. — To permit the lessors, their agent or agents to enter into and upon said premises and each and every portion thereof at any time or times, for inspection thereof and of the crops thereon.
5. — To permit the lessors, his agent or agents to enter into and upon the said premises in the fall of the year to do fall plowing, plant crops for the coming year and to do any and all work that may be necessary to do upon any or all of the said premises.
6. — To quit and surrender possession of the said premises on the expiration of said term.
7. — To commence plowing said ground as soon as the weather will permit and as speedily as possible prepare ground for planting.
8. -That the lessee shall have the use of the water for the purpose of watering said premises, under the 68 acre BCID water right appurtenant thereto. Lessee will be responsible for the maintenance of the irrigation system including pumps, pivots, handlines, and underground water supply lines for the water

delivery on said prem

9. That the water rent or maintenance shall be paid for the term by the Lessor for the water bill for 68 acre BCID water right. Any fines for overages or associated costs for the mis- use or miss appropriation of any water right or transfer of water right associated with this property will be the sole responsibility of the lessee.
10. That the lessee shall not have any claim against the lessors for damages by reason of any shortage of water, not caused by the lessors neglect.
11. Hunting Rights: All hunting rights on the lands herein leased are reserved to Lessor and shall not permit any hunting except to Tom Delorenzo and Rex Harvey.
12. All labor performed and materials supplied by tenant on the said premises for any purpose during the term of this lease shall conclusively be deemed to have been done and furnished on behalf of and at the sole expense of Lessee, unless the parties hereto have agreed in writing in respect to particular items of such labor and materials in advance of the performance or furnishing of the same that the same are to be deemed extra work and materials outside the scope of this lease, for which compensation is to be made by lessor to lessee, and unless the amount or rate of such compensation is fixed by the terms of said writing; and the lessee shall not be entitled to claim compensation therefore unless lessor has so ordered the same and agreed to pay therefore as herein provided
13. Lessee shall replace the fence on the SW and SE property line if lessor requests. Lessee will replace at his cost the same as the original type he removed at both locations, which is metal post and barbed wire.
14. Lessee shall keep and save harmless the said premises and the crops grown thereon, and lessor herein , from any liens against the same on account of bills, debts for labor or materials incurred by lessee.
15. In the event the lessee or lessee shall take any legal action to enforce or interpret any of the terms of this contract , the prevailing party shall be entitled to recover from the other party all expenses while it may reasonably occur whether incurred in a suit or action or appeal from a judgement in connection w/ legal action.
16. Lessor agrees as long as lessee performs requirements of these covenants lessee shall have and enjoy quiet and peaceful possession of said premises for entire term of the lease term.
17. Lessee will remove all farm equipment from east side of driveway with- in 2 weeks of request by lessor.
18. This lease is for the 2015 growing season only and the 2015 growing season lease will be reviewed after June 2015 by tenant for 2016 growing season.

That in case of any breach of covenant or covenants herein contained to be kept and performed by the lessee or any cause of removal or disposition of any portion of said crops without the consent of the lessors, the lessors agent or agents shall have the right to enter into and upon said premises and eject all persons therefrom, to take possession thereof and of the crops thereon, and give such crops care and attention and protection as they may require. That the lessee agrees on demand in writing therefore, to pay lessors the expense incurred by the lessors in and about caring for and attending to said crops.

That in case of default by the lessee to pay the lessors the rental hereinbefore reserved or the moneys which may be due to the lessors hereunder, as and when herein required, the lessors may at their option proceed in the manner provided by Statute for the foreclosure of chattel mortgages, to sell the said crops, under lien herein given thereon, and out of the proceeds of such sale there shall be paid to the lessors the said rental, the expense incurred by the lessors in and about caring for and attending to the said crops, the damages suffered by the lessors by the lessee's breach of any covenant thereof, and the cost of foreclosure, including a reasonable attorney fee; and the balance of such proceeds of sale shall be paid to the lessee.

And thereupon the lessors shall have the option to declare this lease forfeited and lessee's right hereunder at an

end.

That in case of the lessee's breach of any covenant herein contained, by the lessee to be performed, the lessors shall have the option to declare this lease forfeited and rights of the lessee hereunder at an end and eject all persons from said premises.

That the covenants of the one party are in consideration of the covenants of the other and that the parties hereto bind themselves, their heirs, executors, administrators and assigns respectively, by these presents.

Lessor: (Daniel A Schwalbe Inc)

Daniel A. Schwalbe

Lessee: (Russel Frisby and Christy Frisby

and Or Flying F Inc.)

Russel Frisby
Christy Frisby
for Flying F Inc.

end.

That in case of the lessee's breach of any covenant herein contained, by the lessee to be performed, the lessors shall have the option to declare this lease forfeited and rights of the lessee hereunder at an end and eject all persons from said premises.

That the covenants of the one party are in consideration of the covenants of the other and that the parties hereto bind themselves, their heirs, executors, administrators and assigns respectively, by these presents.

Lessor: (Daniel A Schwalbe Inc)

Lessee: (Russel Frisby and Christy Frisby

and Or Flying F Inc.)

Christy Frisby

Christy Frisby for Flying F Inc.

Sec.

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

RECEIVED
JUN 05 2014
DEPARTMENT OF
WATER RESOURCES

This is to certify that: **FRISBY FARMS INC**
6205 SE 8 TH AVE
CALDWELL ID 83607
(208)459-0875

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:

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63-33314	4/26/1971	Groundwater		0.04 cfs	8.3 af	NA	2.0 ac
63-33363	9/14/1989	Groundwater		0.5 cfs	10.3 af	NA	2.5 ac
63-33517	9/29/1978	Groundwater		0.02 cfs	4.5 af	NA	1.0 ac
63-31446	9/20/1985	Groundwater		0.44 cfs	121.5 af	NA	27.0 ac
63-33518	9/29/1978	Groundwater		0.14 cfs	45 af	NA	10.0 ac
63-33835	9/29/1978	Groundwater		0.04 cfs	10.2 af	NA	3.0 ac
				0.06 cfs	18 af	NA	4.0 ac

Annual Combined Rental Totals				0.99 cfs	258.8 af	57 ac*	59.5 ac
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*This rental agreement is for the irrigation of 57 acres.

Term of Rental: April 1, 2014 to December 31, 2014

Rental Fee: \$4,399.60

The fee for rental of the above-described water is \$4,399.60. Ten percent (\$439.96) will go to the Department for administrative costs, and the remainder will be paid to the lessor

Detailed water right specific limitations and conditions are attached.

SUPPORT DATA
IN FILE # 63-31915

ATTACHMENT 5A

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:

<u><i>Bodney A Frisky</i></u>	<u>Bodney A Frisky</u>	<u>6/4/14</u>
Signature of Renter	Printed Name and Title*	Date
<u><i>MAAEEED G FRISKY</i></u>	<u>MAAEEED G FRISKY</u>	<u>6/4/14</u>
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 satisfies 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 conditions herein provided, and none other, I hereby execute this Rental Agreement on behalf of the Idaho Water Resource Board.

By *Brian Patton* Date June 5, 2014
BRIAN PATTON, Acting Administrator
Idaho Water Resource Board

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

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

GROUNDWATER SW¼NW¼ Sec. 20 Twp 6N Rge 3W PAYETTE County

BENEFIAL USE

IRRIGATION

SEASON OF USE

03/15 TO 11/15 FOR WATER RIGHTS 63-31446, 63-33363, 63-33517, 63-33518, 63-33835
04/15 to 10/15 FOR WATER RIGHTS 63-31915, 63-33313, 63-33314

RENTER'S PLACE OF USE: IRRIGATION

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
06N	3W	17									32		7	18					57

Total Acres: 57.0

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. This rental agreement does not authorize the construction of a well.
7. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
8. 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.
9. 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.
10. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
11. When combined, all rights shall provide no more than 0.02 cfs per acre nor more than 4.5 afa per acre at the field headgate for irrigation of the place of use.

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

WATER USE DETAILS

CONDITIONS APPLICABLE TO RIGHTS 63-31915, 63-33313 and 63-33314

12. The use of water for irrigation under this right may begin as early as March 1 and may continue to as late as November 15, provided other elements of the right are not exceeded. The use of water before April 15 and after October 15 under this remark is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than the date a partial decree is entered for this right.



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

June 3, 2015

FLYING F INC
C/O RUSSELL FRISBY
2009 CREST RD
CALDWELL ID 83607-8523

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 63-31446, 63-31915, 63-32952, 63-33181, 63-33313,
63-33314, 63-33517 AND 63-33835**

Dear Renter:

Please find enclosed a receipt in the amount of **\$4,399.60** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 258.8 acre-feet of water for irrigation of 58.8 acres during 2015. 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, 90% or \$3,959.64 of the rental fee will be paid to the lessor(s) and 10% or \$439.96 will be retained by the Department to offset administrative costs.

If you have any questions, please contact me at (208) 287-4910.

Sincerely,

For - Clay Webster
Water Resource Agent
WSB Process Point of Contact

Enclosure(s): Receipt No. C100525
Rental Agreement (copy)

c: Sascha Marston – Fiscal
Angela Grimm – IDWR Western Regional Office
Lori Graves – SPF Water Engineering LLC



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

May 22, 2015

FLYING F INC
C/O RUSSELL FRISBY
2009 CREST RD
CALDWELL ID 83607-8523

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 63-31446, 63-31915, 63-32952, 63-33181, 63-33313, 63-33314,
63-33517 AND 63-33835**

*****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 \$4,399.60 was calculated based on the current rental rate of \$17.00 per acre-foot times a diversion volume of 258.8 acre-feet.

Please send a check for \$4,399.60 made payable to the Idaho Department of Water Resources, **together with the signed rental agreement, within 14 days** so I can complete processing. Pursuant to the Water Supply Bank Rules, 90% or \$3,959.64 of the rental fee will be paid to the lessor(s) and 10% or \$439.96 will be retained by the Department to offset administrative costs.

If you have any questions, please contact me at (208) 287-4910.

Sincerely,

Clay Webster
Water Resource Agent
WSB Process Point of Contact
Enclosure(s): Rental Agreement

c: IDWR Front Desk
Lori Graves-SPF Water Engineering LLC

MEMORANDUM

To: Water Right(s) 63-31446, 63-31915, 63-32952, 63-33181, 63-33313, 63-33314, 63-33517 and 63-33835

From: Clay Webster

Date: 5/18/2015

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

PURPOSE/NARRATIVE: The Department received the application to rent 1.14 cfs and 265.5 af to irrigate 57 acres in TWP 6N RGE 3W Sec 17 from SPF Water Engineering for Flying F Inc. This rental was done in the name of Frisby Farms in 2014. I spoke with Lori Graves from SPF on 4/16/2015 to get clarification on volume requested. Full volume for 57 acres will be 256.5 AF. She confirmed that volume is what is needed for this rental, rate will be 0.98 cfs.

AUTHORITY TO FILE: The applicant provided a property lease agreement with the property owner (Daniel A. Schwalbe Inc.) for the 2015 season. They also provided written permission to use the well from Maureen Frisbee (owner of the proposed POD) The application was signed by Russell Frisby President of Frisby Farms Inc per the IDSOS web site.

WATER RIGHT VALIDITY: 63-31446 was split by transfer from 63-10315 in 2002, it has 10 acres leased indefinitely since 2006. 63-31915 was decreed in 2009 and has been leased in its entirety from 2010 through 2015. 63-32952 was decreed in 2009. It has been leased in its entirety into the bank since 2013. 63-33181 was split by ownership change from 63-3016A in 2009. 2.8 acres were leased into the bank in 2012. 63-33313 was decreed in 2010 and has been leased in its entirety since 2011. 63-33314 was decreed in 2010 and has been leased in its entirety since 2011. 63-33517 was split by transfer from 63-32445 in 2011. It has had 28.0 acres leased since the transfer was approved in 2011. Upon approval of a transfer in 2014, 63-33517 only had 22.5 acres left in the bank. 63-33835 was split from 63-33517 by transfer in 2014. It was leased in its entirety in 2014. Satellite imagery shows that the leased acres on these rights have been idled.

INJURY TO OTHER WATER RIGHTS: We reviewed the leased water rights by comparison to the rental POD. We used the guidance from the Ground Water Concerns South of Lake Lowell Memos and attachments to ensure the aquifers for the rented rights were not flowing to the Snake River. Review staff has no knowledge of any other injury concerns.

ENLARGEMENT OF USE: Daniel A. Schwalbe Inc has a permit (63-33298) that overlaps the POU. The proof of beneficial use is not due until 2016. I spoke to Lori Graves of SPF about this rental and she confirmed that the well had not been drilled for that permit yet. They will probably have to file an extension on that permit. According to the application submitted by the Frisbys, the land under the proposed rental POU will not receive water from any other source. Sixty-eight acres under the lease agreement for the land do receive water from the Black Canyon Irrigation District this acreage does not overlap the rental. No Enlargement concerns are apparent at this time.

LOCAL PUBLIC INTEREST: 63-32952 and 63-33181 are both in the City of Eagle area of Ground Water Concern. 63-33181 is located in the Basin 63 GW Restricted Area. This rental proposes moving the rented portions out of these areas. Review staff has no information to suggest this application is inconsistent with the local public interest.

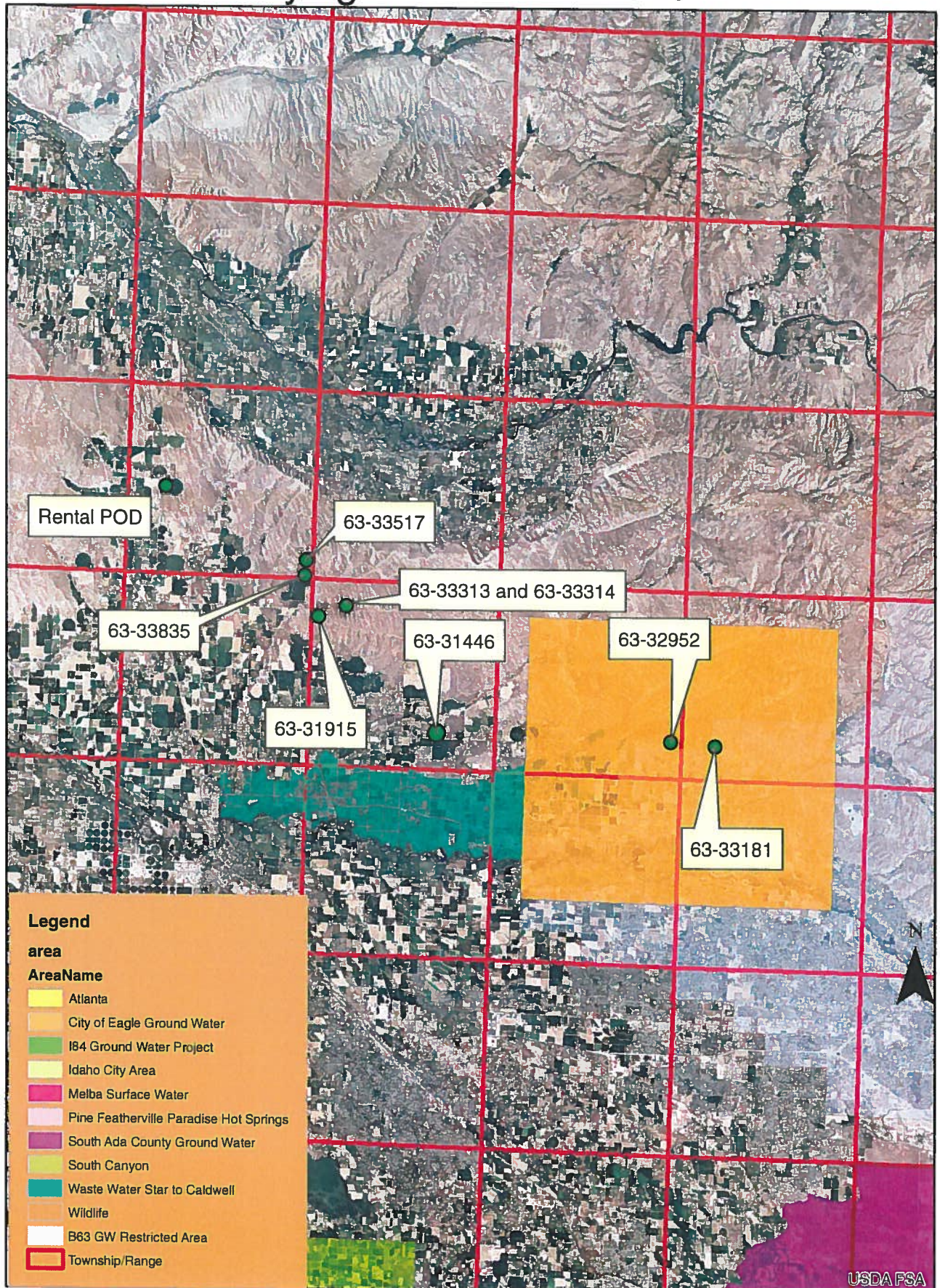
BENEFICIAL USE/CONSERVATION OF WATER RESOURCES: The rental appears consistent with the conservation of water resources in Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS: The rented right(s) are not subject to a Water District. Comments were requested from the regional office, they had no concerns.

Water Right No.

	Rented Vol (AF)	Lessor Fee (90%)	Administrative Fee (10%)	Total Fee @ \$17 (2013-2017)	Rental Amounts	
					Rate (cfs)	Acres
63-31446	45.0	688.50	76.50	765.00	0.140	10.00
63-31915	41.0	627.30	69.70	697.00	0.200	10.00
63-32952	36.0	550.80	61.20	612.00	0.130	8.00
63-33181	12.6	192.78	21.42	214.20	0.040	2.80
63-33313	8.2	125.46	13.94	139.40	0.040	2.00
63-33314	10.3	157.59	17.51	175.10	0.050	2.50
63-33517	101.2	1548.36	172.04	1720.40	0.370	22.50
63-33835	4.5	68.85	7.65	76.50	0.010	1.00
Total	258.8	3959.64	439.96	4399.60	0.980	58.80

Flying F Inc Rental 2015



Webster, Clay

From: Webster, Clay
Sent: Monday, May 18, 2015 9:58 AM
To: Grimm, Angie
Subject: WSB Rental Application Region Review for Flying F Inc.
Attachments: Flying F Inc Rental.pdf; Rental Review Memo Flying F Inc.docx

Angie,

We are currently processing this rental application. Do you have any concerns?

Sincerely,

Clay Webster

Water Resource Agent

clay.webster@idwr.idaho.gov

208-287-4910

Idaho Department of Water Resources (IDWR)

322 E. Front Street

P.O. Box 83720

Boise, ID 83720-0098

208-287-4800

www.idwr.idaho.gov

No. C 200608	Due no later than Dec 31, 2014 Annual Report Form		2. Registered Agent and Address (NO PO BOX)			
Return to: SECRETARY OF STATE 700 WEST JEFFERSON PO BOX 83720 BOISE, ID 83720-0080 NO FILING FEE IF RECEIVED BY DUE DATE	1. Mailing Address: Correct in this box if needed. FLYING F, INC. CHRISTY FRISBY 2009 CREST RD CALDWELL ID 83607		CHRISTY FRISBY 2009 CREST RD CALDWELL 83607			
			3. <u>New</u> Registered Agent Signature:*			
4. Corporations: Enter Names and Business Addresses of President, Secretary, and Directors. Treasurer (optional).						
Office Held	Name	Street or PO Address	City	State	Country	Postal Code
SECRETARY	CHRISTY FRISBY	2009 CREST RD	CALDWELL	ID	USA	83607
PRESIDENT	RUSSELL FRISBY	2009 CREST ROAD	CALDWELL	ID	USA	83607
5. Organized Under the Laws of:		6. Annual Report must be signed.*				
ID C 200608		Signature: Christy Frisby			Date: 11/03/2014	
		Name (type or print): Christy Frisby			Title: Secretary	
Processed 11/03/2014		* Electronically provided signatures are accepted as original signatures.				



SPF WATER
ENGINEERING

RECEIVED

MAR 16 2015

DEPARTMENT OF
WATER RESOURCES

March 13, 2015

Clay Webster
IDWR State Office
PO Box 83720
Boise, ID 83720-0098

Subject: *Water Bank Rental Application*

Dear Clay,

Enclosed on behalf of Flying F, Inc., is an Application to Rent Water from the Idaho Water Supply Bank for irrigation of 57 acres during the 2015 irrigation season. The source of water is ground water from an existing irrigation well.

Applicant has been renting water for this leased property since 2012 and is currently in purchase negotiations. Permanent water right(s) will be pursued upon closing. The adjacent pivot west of the 57 acres is irrigated with surface water from Black Canyon Irrigation District.

Please let me know if there are any questions. Thanks Clay.

Sincerely,

A handwritten signature in black ink, appearing to read "Lori Graves".

Lori Graves
Water Rights Specialist

Cc: Russell Frisby

Enclosures

SPF file number: 1080.0010