

APR 29 2015

DEPARTMENT OF
WATER RESOURCES**WATER SUPPLY BANK LEASE CONTRACT**

This Lease Contract ("**Lease**") is effective March 6, 2015, between the Idaho Water Resource Board ("**Board**"), and

Lessor: BLUE LAKES COUNTRY CLUB
PO BOX 5729
TWIN FALLS ID 83303-5729
208-733-2330

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. The Lessor has filed a completed application to lease water rights described below into the Water Supply Bank on forms supplied by the Idaho Department of Water Resources.
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 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

<u>Water Right</u>	<u>Lease Rate</u>	<u>Lease Volume</u>	<u>Acre Limit</u>	<u>Total Leased Acres</u>
36-2083A	0.16 CFS	49.6 AF	12.4 AC	12.7 AC
36-2083B	0.01 CFS	1.2 AF	0.3 AC	12.7 AC
36-8593	0.09 CFS	49.6 AF	12.4 AC	12.7 AC
Combined Lease Totals:	0.25 CFS	50.8 AF	12.7 AC	12.7 AC

The water rights described herein shall be available for rental from the Bank as follows:
Authorized Period of Use under Lease: March 15 to November 15

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 until December 31, 2015.
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

IN FILE # 36-2083A

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.

BLUE LAKES COUNTRY CLUB

PO BOX 5729

TWIN FALLS ID 83303-5729

By Kurt Staudley
Printed Name Kurt Staudley

Date 4/22/15
Title President

IDAHO WATER RESOURCE BOARD

322 East Front Street

P.O. Box 83720

Boise, ID 83720-9098

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

Date April 30, 2015

Lease approved by IDWR Cherie Palmer

Date 4/30/2015

ATTACHMENT A
WATER RIGHT NO. 36-2083A
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: BLUE LAKES COUNTRY CLUB
 PO BOX 5729
 TWIN FALLS ID 83303-5729
 208-733-2330

Priority Date: 05/26/1949

Source: ALPHEUS CREEK **Tributary to:** SNAKE RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	03/15	to 11/15	0.16 CFS	49.6 AF
	Total:		0.16 CFS	49.6 AF

LOCATION OF POINT(S) OF DIVERSION:

ALPHEUS CREEK	L6(NWNE)	Sec. 33	Twp 09S	Rge 17E	JEROME County
ALPHEUS CREEK	NW¼NE¼	Sec. 28	Twp 09S	Rge 17E	JEROME County

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	17E	28											1.93 L14	0.82 L12		0.5	1.48 L5		4.73
09S	17E	28															0.7 L11		0.7
09S	17E	33	3.65	1.8 L6		1.8 L7													7.25
09S	17E	34							0.02										0.02

Total Acres: 12.7

Limited to acres within place of use described above: 12.4 AC

COMBINED LIMITS OF LEASED RIGHT:

<u>Combined Rights</u>	<u>Lease Rate</u>	<u>Lease Volume</u>	<u>Acre Limit</u>	<u>Total Leased Acres</u>
36-2083A and 36-8593	0.25 CFS	49.6 AF	12.4 AC	12.4 AC
36-2083A, 36-2083B and 36-8593	0.25 CFS	50.8 AF	12.7 AC	12.7 AC

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. 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.
3. 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, the lease term expires, or upon request from the lessor to change the term of the lease, 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.
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, 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.
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.
 - b. If a change in ownership is processed by the Department during a rental season, rental payment will be made to the person or entity who is the lessor of record at the beginning of that rental season.
 - c. New lessor(s) of record will receive payment after the following rental season.
11. The water right(s) is leased to the bank 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. Use of water under this right will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 130.
13. The unleased portions of water rights 36-2083A and 36-8593 when combined shall not exceed a total diversion rate of 1.60 cfs, a total annual maximum diversion volume of 322.4 af at the field headgate and the irrigation of 80.6 acres.
14. The total unleased instantaneous diversion of water from all points of diversion under water rights 36-2083A, 36-2083B and 36-8593 shall not exceed 1.65 cfs, nor a total combined annual volume of 329.2 af for the irrigation of 82.3 acres in a single irrigation season.
15. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the lands above.

ATTACHMENT A
WATER RIGHT NO. 36-2083B
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: BLUE LAKES COUNTRY CLUB
 PO BOX 5729
 TWIN FALLS ID 83303-5729
 208-733-2330

Priority Date: 05/26/1949

Source: ALPHEUS CREEK **Tributary to:** SNAKE RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	03/15	to 11/15	0.01 CFS	1.2 AF
	Total:		0.01 CFS	1.2 AF

LOCATION OF POINT(S) OF DIVERSION:

ALPHEUS CREEK	L6(NWNE)	Sec. 33	Twp 09S	Rge 17E	JEROME County
ALPHEUS CREEK	NW¼NE¼	Sec. 28	Twp 09S	Rge 17E	JEROME County

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	17E	28											1.93 L14	0.82 L12		0.5	1.48 L5		4.73
09S	17E	28															0.7 L11		0.7
09S	17E	33	3.65	1.8 L6		1.8 L7													7.25
09S	17E	34							0.02										0.02

Total Acres: 12.7

Limited to acres within place of use described above: 0.3 AC

COMBINED LIMITS OF LEASED RIGHT:

<u>Combined Rights</u>	<u>Lease Rate</u>	<u>Lease Volume</u>	<u>Acre Limit</u>	<u>Total Leased Acres</u>
36-2083A, 36-2083B, and 36-8593	0.25 CFS	50.8 AF	12.7 AC	12.7 AC

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. 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.
3. 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, the lease term expires, or upon request from the lessor to change the term of the lease, 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.
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, 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.
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.
 - b. If a change in ownership is processed by the Department during a rental season, rental payment will be made to the person or entity who is the lessor of record at the beginning of that rental season.
 - c. New lessor(s) of record will receive payment after the following rental season.
11. The water right(s) is leased to the bank 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. Use of water under this right will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 130.
13. The total unleased instantaneous diversion of water from all points of diversion under water rights 36-2083A, 36-2083B and 36-8593 shall not exceed 1.65 cfs, nor a total combined annual volume of 329.2 af for the irrigation of 82.3 acres in a single irrigation season.
14. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the lands above.
15. The unleased portion of this right is limited to the irrigation of 1.7 acres within the place of use described above in a single irrigation season.

ATTACHMENT A
WATER RIGHT NO. 36-8593
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: BLUE LAKES COUNTRY CLUB
 PO BOX 5729
 TWIN FALLS ID 83303-5729
 208-733-2330

Priority Date: 07/19/1991

Source: ALPHEUS CREEK **Tributary to:** SNAKE RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	03/15	to 11/15	0.09 CFS	49.6 AF
	Total:		0.09 CFS	49.6 AF

LOCATION OF POINT(S) OF DIVERSION:

ALPHEUS CREEK	L6(NWNE)	Sec. 33	Twp 09S	Rge 17E	JEROME County
ALPHEUS CREEK	NW¼NE¼	Sec. 28	Twp 09S	Rge 17E	JEROME County

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	17E	28											1.93 L14	0.82 L12		0.5	1.48 L5		4.73
09S	17E	28															0.7 L11		0.7
09S	17E	33	3.65	1.8 L6		1.8 L7													7.25
09S	17E	34							0.02										0.02

Total Acres: 12.7

Limited to acres within place of use described above: 12.4 AC

COMBINED LIMITS OF LEASED RIGHT:

<u>Combined Rights</u>	<u>Lease Rate</u>	<u>Lease Volume</u>	<u>Acre Limit</u>	<u>Total Leased Acres</u>
36-2083A and 36-8593	0.25 CFS	49.6 AF	12.4 AC	12.4 AC
36-2083A, 36-2083B and 36-8593	0.25 CFS	50.8 AF	12.7 AC	12.7 AC

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. 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.
3. 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, the lease term expires, or upon request from the lessor to change the term of the lease, 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.
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, 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.
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.
 - b. If a change in ownership is processed by the Department during a rental season, rental payment will be made to the person or entity who is the lessor of record at the beginning of that rental season.
 - c. New lessor(s) of record will receive payment after the following rental season.
12. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.
13. Use of water under this right will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 130.
14. The unleased portions of water rights 36-2083A and 36-8593 when combined shall not exceed a total diversion rate of 1.60 cfs, a total annual maximum diversion volume of 322.4 af at the field headgate and the irrigation of 80.6 acres.
15. The total unleased instantaneous diversion of water from all points of diversion under water rights 36-2083A, 36-28083B and 36-8593 shall not exceed 1.65 cfs, nor a total combined annual volume of 329.2 af for the irrigation of 82.3 acres in a single irrigation season.
16. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the lands above.

RECEIVED

MAR 06 2015

DEPARTMENT OF
WATER RESOURCES

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

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 Blue Lakes Country Club
(Select one owner – see item 1A on the application)

Water Right No. 36-2083A
(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 all owners 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>500</u>	Received By: <u>Janh</u>	Date Received: <u>3-6-15</u>	Receipt # <u>CAR00013</u>
W-9 received? Yes ☒ No ☐	(Route W-9 to Fiscal)	Name on W-9: <u>Blue Lakes Country Club</u>	

**STATE OF IDAHO
WATER RESOURCE BOARD**

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 Blue Lakes Country Club Email Address _____
Mailing Address P.O. Box 5729, Twin Falls, Idaho 83303-5729 Phone Number (208) 733-2330

☒ 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)? 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 Kurt Standley Organization Blue Lakes Country Club
Professional Title President Email Address _____
Mailing Address P.O. Box 5729, Twin Falls, ID 83303-5729 Phone Number (208) 733-2330

☐ 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 36-2083A ☐ 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.

Water is pumped from Alpheus Creek through a 125 horsepower pump and distributed through a pipeline system throughout the property

- 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.
This Water Right is stacked with 36-2083B and 36-8593

C. Will the present place of use continue to receive water from any other source? Yes ☒ No ☐

If yes, describe. Only remaining acres authorized for irrigation under the water right will still be irrigated (not the 12.7)

D. 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. _____

E. 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. 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, for a period from 3/15/2015 to 11/15/2015 (maximum lease period 5 years).
(Month / Day / Year) (Month / Day / 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.

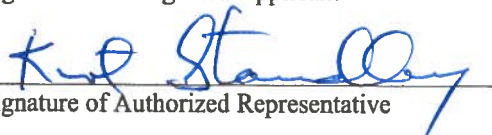
Current Rental Rate _____

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.

Signature of Designated Applicant



Printed Name

Kurt Standley, President

Printed Name

Date

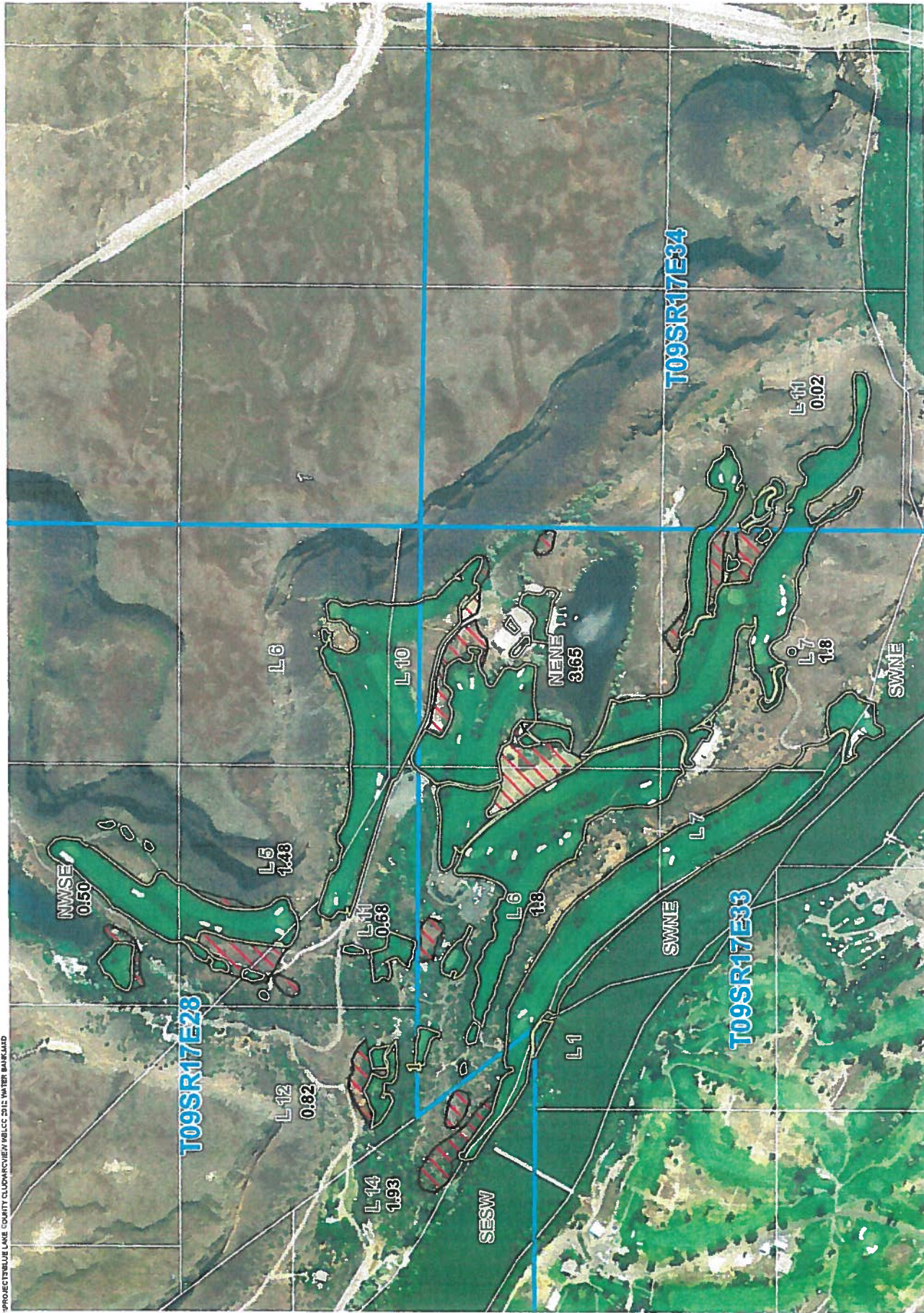
3-5-15

Date

Mail to:

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

P:\PROJECTS\BLUE LAKE COUNTY CLUO\VIEW\MLCC 2012 WATER BANK.AXD



0 250 500 1,000 Feet

**BLUE LAKE COUNTY CLUB
WATER BANK RENTAL 2012
NAIP 2011 AERIAL PHOTOGRAPH**

Legend

- Irrigation 2011
- Sections
- OO Lines
- Water_Bank 2012=12.68AC.

BROCKWAY ENGINEERING, PLLC.
ALR - March 1, 2012

Most Recent As of April 2014

No. C 21604 Return to: SECRETARY OF STATE 450 N 4th STREET PO BOX 83720 BOISE, ID 83720-0080 NO FILING FEE IF RECEIVED BY DUE DATE	Due no later than Feb 28, 2015 Annual Report Form 1. Mailing Address: Correct in this box if needed. BLUE LAKES COUNTRY CLUB, INC. BONNIE STEVENS PO BOX 5729 TWIN FALLS ID 83303-5729 USA	2. Registered Agent and Office (NOT A P.O. BOX) THOMAS MAGAW 1940 BLUE LAKES GRADE TWIN FALLS ID 83301 <i>Gary Lounsbury</i> 3. New Registered Agent Signature. <i>Gary Lounsbury</i>														
4. Corporations: Enter Names and Business Addresses of President, Secretary, Directors, Treasurer, Vice Pres. <table border="1"> <thead> <tr> <th>Office Held</th> <th>Name</th> <th>Street or PO Address</th> <th>City</th> <th>State</th> <th>Country</th> <th>Postal Code</th> </tr> </thead> <tbody> <tr> <td colspan="7" style="text-align: center;"><i>see attached list</i></td> </tr> </tbody> </table>			Office Held	Name	Street or PO Address	City	State	Country	Postal Code	<i>see attached list</i>						
Office Held	Name	Street or PO Address	City	State	Country	Postal Code										
<i>see attached list</i>																
5. Organized Under the Laws of: IDAHO C 21604	6. Signature: <i>Bonnie Stevens</i> Name (type or print): <i>Bonnie Stevens</i> Date: <i>01/28/2015</i> Title: <i>Administrator</i>															

Issued 01/22/2015 by SLD

120600

INSTRUCTIONS FOR THE IDAHO ANNUAL REPORT FORM

Block 1: Entity name may not be altered through the use of this form. Pay special attention to the mailing address. If the correct mailing address is not given in Block 1, strike it out and write in the correct address. **Note:** To ensure future mailings, the corrected address **must** be inside Block 1.

Block 2: To change the registered agent or office, strike the incorrect information and write in the correct information. **Note:** The office of the registered agent must be at a street address in Idaho, **not a Post Office Box or Personal Mail Box.**

Block 3: Only a new registered agent must sign in Block 3.

Block 4: Enter names and business addresses of president, secretary, and directors. **Note:** **DO NOT** put "same as last year" or "same as above". These will not be accepted. Changes here will not affect the address in Block 1. If more space is needed please add an attachment.

Block 5: May not be altered through the use of this form.

Block 6: The annual report must be signed by a person authorized to represent the corporation. Print or type the name of the signer below the signature.

**** The image of this form will be available on the internet once it has been filed. DO NOT enter Social Security numbers.**

If the corporation is no longer doing business in Idaho, you may file the appropriate form. Forms are available on the website at www.sos.idaho.gov. However, if no timely annual report is filed, administrative action will be taken, at no cost to the corporation to terminate the legal existence. If you have any questions contact the Commercial Division at (208) 334-2301.

If the document is incorrect, is there a telephone number to reach you for corrections? _____

POSTMARK DATES WILL NOT BE ACCEPTED

President	Kurt Standley	PO Box 14	Twin Falls, ID	USA	83303
Vice President	Gary Lounsbury	2292 Longbow Dr	Twin Falls, ID	USA	83301
Sec/ Treas	Cleve Buttars	1067 Laurelwood Ct	Twin Falls, ID	USA	83301
Director	John Sfingi	300 S 125 E	Jerome, ID	USA	83338
Director	Jean Shawver	1211 E 900 S	Eden, ID	USA	83325
Director	Alan Stutzman	3273 Longbow Dr	Twin Falls, ID	USA	83301
Director	Patrick Federico	3405 Canyon Cove Dr	Kimberly, ID	USA	83341
Director	Brenda Hughes	PO Box 2345	Twin Falls, ID	USA	83303
Director	Doug Vollmer	546 Pierce St	Twin Falls, ID	USA	83301
Director	Ray Wight	2012 Oakwood	Twin Falls, ID	USA	83301



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 4, 2015

BLUE LAKES COUNTRY CLUB INC
PO BOX 5729
TWIN FALLS ID 83303-5729

RE: WATER SUPPLY BANK LEASE CONTRACT FOR RIGHTS 36-2083A, 36-2083B & 36-8593

Dear Lessor:

Water Rights **36-2083A, 36-2083B AND 36-8593** were leased into the Water Supply Bank on March 6, 2015 in accordance with the executed original Lease Contract enclosed. **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.**

The rights will automatically be released from the Bank on **December 31, 2015**, unless the rights are released earlier by the Board, or upon your request. **Please note your rights may not be available for immediate release if they have been rented.** 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. This form is available from our public website at www.idwr.idaho.gov.

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: Executed Lease Contract

c: Allen Merritt – IDWR Southern Regional Office
Cindy Yenter – State Water District No. 130



State of Idaho

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GARY SPACKMAN
Director

C.L. "BUTCH" OTTER
Governor

April 20, 2015

BLUE LAKES COUNTRY CLUB
PO BOX 5729
TWIN FALLS ID 83303-5729

RE: APPLICATION(S) TO LEASE AND RENT WATER RIGHT(S) 36-2083A, 36-2083B & 36-8593 THROUGH THE WATER SUPPLY BANK

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

Dear Applicant:

Lease Applications

The Department of Water Resources has completed its review of your application to lease the above-mentioned water right to the Water Supply Bank. **I have enclosed two original Water Supply Bank Lease Contracts for your review and signature. Please sign and return BOTH 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, 2015**, 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:

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Rental Applications

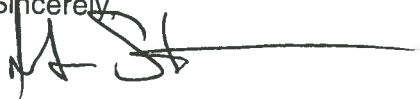
The Department of Water Resources acknowledges receipt of your application to rent water from the Water Supply Bank under the rights offered for lease. **I have enclosed a Water Supply Bank Rental Agreement for your review and signature.** Upon signature and return of the original agreement, together 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 \$863.60 was calculated based on the current rental rate of \$17.00 per acre-foot times a diversion volume of 50.8 acre-feet. Since you are both the lessor and the renter of the right(s), **you are only obligated to pay the 10% administrative fee or \$86.36.** 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 \$86.36 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 questions regarding this matter, please contact me at 287-4910.

Sincerely,



For
Clay Webster
Water Rights Agent
WSB Process Point of Contact

Enclosure: Proposed Lease Contracts (2), Rental Agreement (1) & Receipt #C100013

c. IDWR Front Desk



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

April 20, 2015

BLUE LAKES COUNTRY CLUB
PO BOX 5729
TWIN FALLS ID 83303-5729

**RE: APPLICATION(S) TO LEASE AND RENT WATER RIGHT(S) 36-2083A, 36-2083B & 36-8593
THROUGH THE WATER SUPPLY BANK**

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

Dear Applicant:

Lease Applications

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

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Please send a check for \$86.36 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 questions regarding this matter, please contact me at 287-4910.

Sincerely,



For Clay Webster
Water Rights Agent
WSB Process Point of Contact

Enclosure: Proposed Lease Contracts (2), Rental Agreement (1) & Receipt #C100013

c. IDWR Front Desk

Palmer, Cherie

From: Hersley, Jean
Sent: Thursday, April 09, 2015 1:09 PM
To: Palmer, Cherie
Subject: FW: Blue Lakes Lease and Rental Applications
Attachments: BLCC Bass Lake.xlsx

From Cindy for the Blue Lake Country Club lease and rental.

From: Yenter, Cindy
Sent: Thursday, April 09, 2015 1:08 PM
To: Hersley, Jean
Cc: Erickson, Nathan
Subject: RE: Blue Lakes Lease and Rental Applications

Jean – I have no objections to these applications, with the following Rental restrictions:

Total rental volume is limited to 38.1 AF consumptive value of the irrigation right. Total rate of 0.25 cfs is OK. See attached spreadsheet and the 2014 rental for guidance. My spreadsheet and the lease amounts differ a little due to rounding errors which are not significant.

Use all conditions from the 2014 rental, but add the following condition to right no 36-8593 only:

The diversion and use of water described in this right may be subject to additional conditions and limitations agreed to by the right holder and downstream water users under a separate agreement to which the Department is not a party. Because the Department is not a party, the Department is not responsible for enforcement of any aspect of the agreement not specifically addressed in other conditions herein. Enforcement of those portions of the agreement not specifically addressed in other conditions shall be the responsibility of the water right holder.

Cindy Yenter
Watermaster, Water District 130
Twin Falls, ID
cindy.yenter@idwr.idaho.gov
208-736-3033

From: Hersley, Jean
Sent: Tuesday, April 07, 2015 1:33 PM
To: Yenter, Cindy
Subject: Blue Lakes Lease and Rental Applications

Cindy,
Attached are the WSB Lease and Rental applications for Blue Lakes Country for your review. They are leasing in and renting out their own water. I completed the lease but we will send it out with the rental. Please review and let us know if you have any comments or concerns. Cherie hasn't assigned the rental review to any agent yet, but we wanted to get it to you. Please let me know if you have any questions.

Jean Hersley
Idaho Dept Water Resources

right	div rate	rate/ac	vol	AFA	acre limit	total acres	acres leased	pro rata acres	pro rata flow	pro rata vol	consumptive vol (3 AFA)
36-2083A	1.15		0.012	372	4	93	95	12.7	12.4	0.15	49.7
36-8593	0.7		0.008	372	4	93	95	12.7	12.4	0.09	49.7
36-8093B	0.05		0.025	8	4	2	95	12.7	0.3	0.01	1.1
	1.9			380		95		12.7		0.25	50.8
											38.1

full volume for lease
reduced volume for rental based on 3 AFA consumptive value

MEMORANDUM

To: Water Right No(s). 36-2803A, 36-2083B and 36-8593
From: Jean Hersley
Date: March 31, 2015
Re: Review of Applications to Lease Water Rights to the State Water Supply Bank

PURPOSE/NARRATIVE: These application(s) were received March 6, 2015. These applications are extensions from 2012, 2013 and 2014

AUTHORITY TO FILE: Kurt Standley, president, signed the applications. IDSOS confirmed his position.

WATER RIGHT VALIDITY: These portions of the water rights have been in the Bank since 2009. Forfeiture is not an issue.

INJURY TO OTHER WATER RIGHTS: No injury is apparent.

ENLARGEMENT OF USE: No enlargement is evident through the lease alone. Proper rental review should protect against enlargement.

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

DEPARTMENT STAFF OR WATERMASTER COMMENTS: The leased right(s) are subject to Water District # 130.

Blue Lakes Country Club

RECEIVED

MAR 06 2015

DEPARTMENT OF
WATER RESOURCES

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

Re: Water supply bank lease applications and water rental applications

Included in this mailing are

- Three Applications to Sell or Lease a Water Right to the Water Supply Bank
 1. Water Right 36-2083A
 2. Water Right 36-2083B
 3. Water Right 36-8593
- One W-9 form to cover all three lease applications (attachment 1B).
- One documentary proof for the authorized representative to cover all three lease applications (attachment 1E).
- One map to cover all three lease applications (attachment 4).
- A Check in the amount of \$500.00 for the Applications to Sell or Lease a Water Right to the Water Supply Bank.
- One Application to Rent Water.

Blue Lakes Country Club
P.O. Box 5729
Twin Falls, ID 83303-5729