

WATER SUPPLY BANK LEASE CONTRACT

RECEIVED

APR 10 2015

DEPARTMENT OF
WATER RESOURCES

This Lease Contract ("Lease") is effective January 1, 2015, between the Idaho Water Resource Board ("Board"), and

Lessor: SOUTHFIELD PROPERTIES LLC

3308 S 1600 E
WENDELL ID 83355
(208) 536-5414

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>
36-7377F	0.03 CFS	7.2 AF	1.8 AC	3.0 AC
36-7547F	0.04 CFS	12.0 AF	3.0 AC	3.0 AC
Combined Lease Totals:	0.06 CFS	12.0 AF	3.0 AC	3.0 AC

The water rights described herein shall be available for rental from the Bank as follows:

Authorized Period of Use under Lease: 3/15 to 11/15

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, 2019.
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.
5. **DUPLICATE ORIGINAL:** This Lease is executed in duplicate. Each of the documents with an original signature of each party shall be an original.

CANNED

APR 15 2015

Page 1 of 6

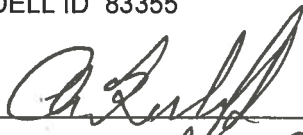
SUPPORT DATA

IN FILE # 36-7377F

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

SOUTHFIELD PROPERTIES LLC

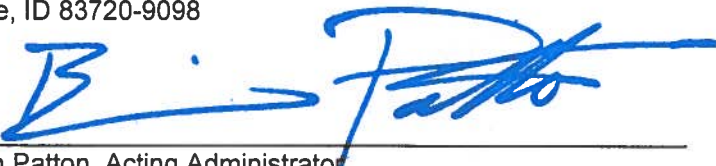
3308 S 1600 E
WENDELL ID 83355

By 
Printed Name Aric Roebuffs

Date 4-7-15
Title Partner Southfield Dairy

IDAHO WATER RESOURCE BOARD

322 East Front Street
P.O. Box 83720
Boise, ID 83720-9098

By 
Brian Patton, Acting Administrator
Idaho Water Resource Board

Date April 10, 2015

Lease approved by IDWR 

Date 4/10/2015

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APR 15 2015

ATTACHMENT A
WATER RIGHT NO. 36-7377F
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: SOUTHFIELD PROPERTIES LLC
3308 S 1600 E
WENDELL ID 83355
(208) 536-5414

Priority Date: 9/7/1973

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	03/15	11/15	0.03 CFS	7.2 AF
	Total:		0.03 CFS	7.2 AF

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER NENE Sec. 9, Twp 08S, Rge 14E, GOODING County

PLACE OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

IRRIGATION within GOODING County

			NE				NW				SW				SE				Totals
Twp	Rng	Sec	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
08S	14E	9	28.1	32.9	40.0	40.0													141.0

Right Acre Limit: 1.8

POU Total Acres: 141.0

Total Acres: 141.0

Limited to acres within place of use described above: 1.8 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>
36-7377F and 36-7547F,	0.06 CFS	12.0 AF	3.0 AC	3.0 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.

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APR 15 2015

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. 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.
13. Prior to diversion of water under this approval, the right holder shall install measuring devices acceptable to the Department and shall measure and annually report to the Department the amount (cfs and AF) of water diverted under this transfer. Reporting through a measuring district or a groundwater district will suffice although the Director may require more frequent measuring and reporting.
14. Right 36-07377F is limited to the irrigation of 1.8 acres within the place of use described above in a single irrigation season. Right 36-07547F is limited to the irrigation of 3.0 acres within the place of use described above in a single irrigation season.
15. Rights 36-07377F and 36-07547F when combined shall not exceed a total diversion rate of 0.06 cfs, a total annual maximum diversion volume of 12.0 af at the field headgate, and the irrigation of 3.0 acres.

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APR 15 2015

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

Priority Date: 5/13/1975

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	03/15	to 11/15	0.04 CFS	12.0 AF
		Total:	0.04 CFS	12.0 AF

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER NENE Sec. 9, Twp 08S, Rge 14E, GOODING County

PLACE OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

IRRIGATION within GOODING County

[illegible]

Right Acre Limit: 3.0

POU Total Acres: 141.0

Total Acres: 141.0

Limited to acres within place of use described above: 3.0 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>
36-7377F and 36-7547F,	0.06 CFS	12.0 AF	3.0 AC	3.0 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.

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APR 15 2015

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. 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.
13. Right 36-07377F is limited to the irrigation of 1.8 acres within the place of use described above in a single irrigation season. Right 36-07547F is limited to the irrigation of 3.0 acres within the place of use described above in a single irrigation season. Rights 36-07377F and 36-07547F when combined shall not exceed a total diversion rate of 0.06 cfs, a total annual maximum diversion volume of 12.0 af at the field headgate, and the irrigation of 3.0 acres.

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MAR 03 2015

STATE OF IDAHO
DEPARTMENT OF
WATER RESOURCES

Amended

WATER SUPPLY BANK LEASE OR SALE
APPLICATION CHECKLISTRECEIVED
NOV 05 2014
DEPT OF WATER RESOURCES
SOUTHERN REGION

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 Southfield Properties, LLCWater Right No. 36-7377F

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. If you are submitting more than one lease application and the water rights have a common place of use, or common diversion rate, or common diversion volume, the combined maximum fee is \$500.00.

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 Internal Revenue Service (IRS) Form W-9 for the Designated Applicant.
- 1C ☒ ☐ *Notice of Change in Water Right Ownership* 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.
- 3D ☒ ☐ Evidence demonstrating that a water right has not been lost through abandonment or forfeiture pursuant to Section 42-222(2), Idaho Code.
- 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. If you don't already have a detailed map, you can create one using IDWR's online General Mapping Tool (<http://maps.idwr.idaho.gov/mapall/>) to locate a water right place of use or point of diversion.

Department Use Only

Fee Amount \$ 500 -Received By: DMDate Received: 11-5-2014Receipt # 5034384W-9 received? Yes ☐ No ☒ (Route W-9 to Fiscal)

Name on W-9:

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APR 15 2015

STATE OF IDAHO
WATER RESOURCE BOARDAPPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANKRECEIVED
NOV 05 2014
DEPT OF WATER RESOURCES
SOUTHERN REGION

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 Southfield Properties, LLC Email Address _____
Mailing Address 3308 S., 1600 E. Wendell, ID 83355 Phone Number (208) 536-5414

☒ 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 _____ Organization _____
Professional Title _____ Email Address _____
Mailing Address _____ Phone Number _____

☐ 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 36-7377F

☐ 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)

after approval of
79679 & 79680

3. GENERAL INFORMATION

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

Existing well, mainline and center pivot system

- 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. See also 36-7547F and 36-2297 which are also offered to the water supply bank except for those portions pending transfer to other water uses.

ATTACHED
SCANNED
APR 15 2015

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

Yes ☐ No ☒

If yes, describe. _____

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. Two transfers moving portions of these water rights is pending.

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 1/1/2015 to 1/1/2020 (maximum lease period 5 years).
(Month / Day / Year) (Month / Day / Year)

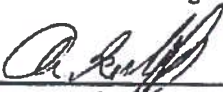
B. Show the minimum payment acceptable to the seller/lessor. The minimum payment may be shown as the "current rental rate" as established by the IWRB. Include the method of determining the minimum payment if other than the current rental rate.

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

Ann Roberts Partner
Printed Name Saintfield
Design

10-2-14
Date

Signature of Authorized Representative

Printed Name

Date

Mail to:

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

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APR 15 2015

STATE OF IDAHO
WATER RESOURCE BOARDWATER SUPPLY BANK LEASE OR SALE
APPLICATION CHECKLISTRECEIVED
NOV 05 2014
DEPT OF WATER RESOURCES
SOUTHERN REGION

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 Southfield Properties, LLCWater Right No. 36-7377F
One water right per applicationAll 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. If you are submitting more than one lease application and the water rights have a common place of use, or common diversion rate, or common diversion volume, the combined maximum fee is \$500.00.

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 [Internal Revenue Service \(IRS\) Form W-9](#) for the Designated Applicant.
- 1C ☒ ☐ *Notice of Change in Water Right Ownership* 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.
- 3D ☒ ☐ Evidence demonstrating that a water right has not been lost through abandonment or forfeiture pursuant to Section 42-222(2), Idaho Code.
- 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. If you don't already have a detailed map, you can create one using IDWR's online General Mapping Tool (<http://maps.idwr.idaho.gov/mapall/>) to locate a water right place of use or point of diversion.

Department Use Only

Fee Amount \$ <u>500-</u>	Received By: <u>dm</u>	Date Received: <u>11-5-2014</u>	Receipt # <u>S034 384</u>
W-9 received? Yes ☐ No ☒ (Route W-9 to Fiscal)		Name on W-9:	

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APR 15 2015

STATE OF IDAHO
WATER RESOURCE BOARDAPPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANKRECEIVED
NOV 05 2014
DEPT OF WATER RESOURCES
SOUTHERN REGION

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 Southfield Properties, LLC Email Address _____
Mailing Address 3308 S., 1600 E. Wendell, ID 83355 Phone Number (208) 536-5414

☒ 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 _____ Organization _____

Professional Title _____ Email Address _____

Mailing Address _____ Phone Number _____

☐ 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 36-7377F ☐ 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 well, mainline and center pivot system

- 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. See also 36-7547F and 36-2297 which are also offered to the water supply bank except for those portions pending transfer to other water uses.

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APR 15 2015

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

Yes ☐ No ☒

If yes, describe. _____

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. Two transfers moving portions of these water rights is pending.

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 1/1/2015 to 1/1/2020 (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]
Signature of Designated Applicant

And Roberts Partner
Printed Name

10-2-14
Date

Signature of Authorized Representative

Printed Name

Date

Mail to:

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

SCANNED
APR 15 2015

**STATE OF IDAHO
WATER RESOURCE BOARD**

RECEIVED
NOV 05 2014
DEPT OF WATER RESOURCES
SOUTHERN REGION
PLY BANK

ATTACHMENT 2

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

- | 1. <u>Water Right Number</u> | <u>Amount (cfs/ac-ft)</u> | <u>Nature of Use</u> | <u>Period of Use</u> |
|------------------------------|---------------------------|----------------------|----------------------|
| 36-7377F | 0.03 / 7.2 | Irrigation | 03/15 to 11/15 |
| | | | to |
| | | | to |
| | | | to |
| | | | to |
| | | | to |
| Total Amount: | 0.03 / 7.2 | | |

2. Source of water Ground Water tributary to ESPA (44,14)
3. Point(s) of Diversion:

[illegible]

4. Lands irrigated or place of use:

[illegible]

If the water right is for irrigation, show total number of acres offered to the Bank. **Total Acres** 1.8

SCANNED
APR 15 2015
Attachment 2



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 2, 2015

SOUTHFIELD PROPERTIES LLC
3308 S 1600 E
WENDELL ID 83355

RE: APPLICATION(S) TO LEASE WATER RIGHT'S 36-02297, 36-07547F & 36-07377F 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 four original 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.

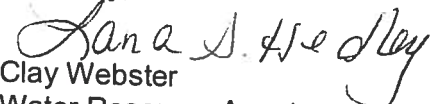
The rights will automatically be released from the Bank on **December 31, 2019**, unless the rights are released earlier by the Board, or upon your request. To release the right from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. 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 
Lana S. Webster
Water Resource Agent
WSB Process Point of Contact

Enclosure: Proposed Lease Contracts
Receipt # S034384

c.Gary Funderburg – TSK Enterprises LLC

Webster, Clay

From: Merritt, Allen
Sent: Monday, March 23, 2015 9:43 AM
To: Webster, Clay
Subject: RE: Regional and Watermaster Comments on Lease applications for Southfield Properties 36-2297, 36-7377F and 36-7547F

I do not have an issue but Cindy should comment.

From: Webster, Clay
Sent: Wednesday, March 18, 2015 2:00 PM
To: Merritt, Allen; Yenter, Cindy
Subject: Regional and Watermaster Comments on Lease applications for Southfield Properties 36-2297, 36-7377F and 36-7547F

Allen and Cindy,

We are processing a lease for the remaining portions of these rights after the approval of Transfers 79679 and 79680. Do you have any concerns? Thanks.

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

MEMORANDUM

To: Water Right No(s). 36-2297, 36-7377F and 36-7547F

From: Clay Webster

Date: 3/3/2015

Re: Review of Applications to Lease Water Rights to the State Water Supply Bank

PURPOSE/NARRATIVE: These applications were received by the department from TSK Enterprises LLC for Southfield Properties, LLC on November 5, 2015. These applications are for the entire water rights as they will be upon completion of transfers 79679 and 79680. I have been coordinating with the Southern Region Office to make sure that these leases are not processed in front of these transfers. (This will avoid disproportionate amounts being leased). The following is an excerpt from a spread sheet provided from the Southern Regional office about what will be left on the water rights upon completion of these transfers.

Remaining Water Rights							
WR#	Priority	Div. [cfs]	Div. Limit [cfs]	Volume [afa]	Volume Limit [afa]	POU [ac]	POU Limit [ac]
36-2297	3/23/1956	1.82		364.0		91.0	91.0
36-7377F	9/7/1973	0.03	0.06	7.2	12.0	1.8	3.0
36-7547F	5/13/1975	0.04		12.0		3.0	
COMBINED:		1.88		376.0		94.0	

I received amendments to the lease applications for 36-7377F and 36-7547F to correct the amounts offered to the bank from Cindy Yenter on 3/3/2015.

AUTHORITY TO FILE: The applications were signed by Arie Roeloffs, Member of Southfield Properties LLC (the current owner of these water rights) according to the Idaho SOS web site.

WATER RIGHT VALIDITY: 36-2297 was partially decreed in December 1997 by the SRBA. These rights were leased, in their entirety into the bank from 2009 to 2014. They just completed going through two Transfers 79679 and 79680. Forfeiture issues were addressed during the transfer. (6 acres were forfeited from right # 36-7547F) Forfeiture is not an issue at this time.

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.

No. W 70060		Due no later than Jan 31, 2015 Annual Report Form		2. Registered Agent and Address (NO PO BOX) EDWIN SOUTHFIELD 3308 S 1600 E WENDELL 83355	
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. SOUTHFIELD PROPERTIES, LLC EDWIN SOUTHFIELD 3308 S 1600 E WENDELL ID 83355		3. <u>New</u> Registered Agent Signature:*	
4. Limited Liability Companies: Enter Names and Addresses of at least one Member or Manager.					
Office Held	Name	Street or PO Address	City	State	Country
MANAGER	EDWIN SOUTHFIELD	3310 S 1600 E	WENDELL	ID	83355
MEMBER	ARIE ROELOFFS	3308 SOUTH 1600 EAST	WENDELL	ID	USA
					83355-3227
5. Organized Under the Laws of: ID W 70060		6. Annual Report must be signed.* Signature: Edwin Southfield Name (type or print): Edwin Southfield Date: 11/19/2014 Title: Owner/Partner			
Processed 11/19/2014 * Electronically provided signatures are accepted as original signatures.					

**T
S ENTERPRISES LLC**

K 255 Blue Lakes Blvd Nth, PMB 617
Twin Falls, Idaho 83301
Cell 208 320-0897

Nov. 4, 2014

Idaho Dept. of Water Res.
650 Addison Ave West.
Suite 500
Twin Falls, Idaho 83301

Att: Allen Merritt

Re: Southfield Properties LLC

Enclosed: (2)Transfer (3)Water Bank Applications w/ Fees.

RECEIVED
NOV 05 2014
DEPT OF WATER RESOURCES
SOUTHERN REGION

Please find enclose a (2) transfers and (3) Applications for Southfield Properties.

The 1st transfer is to move groundwater over to a parcel of ground that is to be irrigated from water that has been in the water bank. The 2nd Transfer is to move water for stockwater purposes. The (3) water bank applications are to be submitted back to the water bank.

✓ Sent to S.O. 11-5-2014

If you have any further question in this matter, please feel free to contact me at the above address or Jason Helms at Phone # 208-308-2109.

Thank You
Gary L. Funderburg