

RECEIVED

WATER SUPPLY BANK LEASE CONTRACT

MAR 04 2015

DEPARTMENT OF
WATER RESOURCES

This Lease Contract ("**Lease**") is effective April 30, 2014, between the Idaho Water Resource Board ("**Board**"), and

Lessor: REDSTONE PARTNERS LP
STEVE BEEVERS
1188 EAGLE VISTA CT
RENO NV 89511
(775)560-2228

AMENDED

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>Source</u>	<u>Lease Rate</u>	<u>Lease Volume</u>	<u>Total Leased Acres</u>
37-481B	Big Wood River	1.14 CFS	Not Stated	90.1 AC
37-482G	Big Wood River	0.91 CFS	Not Stated	90.1 AC
37-483B	Big Wood River	5.68 CFS	Not Stated	90.1 AC
37-665K	Big Wood River	0.17 CFS	Not Stated	22.0 AC
37-666J	Big Wood River	0.09 CFS	Not Stated	22.0 AC
37-667N	Big Wood River	0.20 CFS	Not Stated	22.0 AC
37-22155	Big Wood River	0.16 CFS	Not Stated	7.8 AC
*Combined Limit		8.18 CFS	Not Stated	119.8 AC

*The lease of these rights is limited to 6.54 cfs, the remaining portion is used for conveyance losses.

37-2625A	Ground Water	0.66 CFS	116.5 AF	33.3 AC
37-2638	Ground Water	0.34 CFS	125 AF	35.7 AC
37-2700	Ground Water	0.82 CFS	123.6 AF	41.2 AC
37-21463	Ground Water	0.25 CFS	57 AF	16.3 AC
Combined Limit		1.82 CFS	Not Stated	119.8 AC
*Combined Lease Totals:		10.0 CFS	419.3 AF	119.8 AC

*When combined the ground water and the surface water are limited to 8.36 cfs
(the Big Wood River water is limited to 6.54 cfs, 6.54 + 1.82 ground water = 8.36 cfs)

SUPPORT DATA

IN FILE # 37-481B

The water rights described herein shall be available for rental from the Bank as follows:
Authorized Period of Use under Lease: 4/15/2014 to 12/31/2018

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 12/31/2018.
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.

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

REDSTONE PARTNERS LP
STEVE BEEVERS
1188 EAGLE VISTA CT
RENO NV 89511

By Steve Beevers
Printed Name Steve Beevers

Date Feb 24, 2015
Title Mgr Mbr, SDB Ventures, LLC
Gen Partner
Redstone Partners, LP

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 March 30, 2015

Lease approved by IDWR Cheri Palmer

Date 3/30/2015

ATTACHMENT A
WATER RIGHT NO. 37-481B
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: REDSTONE PARTNERS LP
STEVE BEEVERS
1188 EAGLE VISTA CT
RENO NV 89511
(775)560-2228

Priority Date: 8/1/1882

Source: BIG WOOD RIVER **Tributary to:** SNAKE RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/15	to 10/31	1.14 CFS	NA
	Total:		1.14 CFS	NA

LOCATION OF POINT(S) OF DIVERSION:

BIG WOOD RIVER NESWNW Sec. 36, Twp 02N, Rge 18E, BLAINE 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	
01N	019E	17			14				4.6	0.7		2.7	0.3		1.2				23.5
		20						3.5											3.5
		27		2.1	13	1			4			5.1	8	11		4.3	1.8		50.3
				L2		L5										L7			
		28			0.1	4					4.7			0.9	10	1.6	1		22.3
		33		1.7		4													5.7
		34					0.1	7	7.4										14.5

Total Acres: 119.8

Limited to acres within place of use described above: 90.1 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. The un-leased portions of water rights 37-481B, 37-482G and 37-483B are limited to the irrigation of 988.9 acres in a single irrigation season.
7. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
8. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.
9. 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.
10. 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.
11. 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. The un-leased portion of 37-481B, 37-482G, 37-483B, 37-665K, 37-666J, 37-667N, 37-2625A, 37-2638, 37-2700, 37-22155 and 37-21463 are limited to the irrigation of a combined total of 1,315.3 acres
14. The surface water rights on this lease contract provide conveyance for other right holders in the shared delivery of water through the Irrigation District #45 canal. To prevent injury to other water right holders, the watermaster shall deliver 20% or 1.64 cfs of the leased portion of these rights into the Irrigation District #45 Canal whether they are rented or not.

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.
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12. The un-leased portions of water rights 37-481B, 37-482G and 37-483B are limited to the irrigation of 988.9 acres in a single irrigation season.
13. The un-leased portion of 37-481B, 37-482G, 37-483B, 37-665K, 37-666J, 37-667N, 37-2625A, 37-2638, 37-2700, 37-22155 and 37-21463 are limited to the irrigation of a combined total of 1,315.3 acres.
14. The surface water rights on this lease contract provide conveyance for other right holders in the shared delivery of water through the Irrigation District #45 canal. To prevent injury to other water right holders, the watermaster shall deliver 20% or 1.64 cfs of the leased portion of these rights into the Irrigation District #45 Canal whether they are rented or not.

ATTACHMENT A
WATER RIGHT NO. 37-483B

WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: REDSTONE PARTNERS LP
STEVE BEEVERS
1188 EAGLE VISTA CT
RENO NV 89511
(775)560-2228

Priority Date: 8/1/1902

Source: BIG WOOD RIVER **Tributary to:** SNAKE RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/15	to 10/31	5.68 CFS	NA
	Total:		5.68 CFS	NA

LOCATION OF POINT(S) OF DIVERSION:

BIG WOOD RIVER NESWNW Sec. 36, Twp 02N, Rge 18E, BLAINE 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	
01N	019E	17			14				4.6	0.7		2.7	0.3		1.2				23.5
		20						3.5											3.5
		27		2.1	13	1			4			5.1	8	11		4.3	1.8		50.3
				L2		L5										L7			
		28			0.1	4					4.7			0.9	10	1.6	1		22.3
		33		1.7		4													5.7
		34					0.1	7	7.4										14.5

Total Acres: 119.8

Limited to acres within place of use described above: 90.1 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.

WR No. 37-483B

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. The un-leased portions of water rights 37-481B, 37-482G and 37-483B are limited to the irrigation of 988.9 acres in a single irrigation season.
13. The un-leased portion of 37-481B, 37-482G, 37-483B, 37-665K, 37-666J, 37-667N, 37-2625A, 37-2638, 37-2700, 37-22155 and 37-21463 are limited to the irrigation of a combined total of 1,315.3 acres.
14. The surface water rights on this lease contract provide conveyance for other right holders in the shared delivery of water through the Irrigation District #45 canal. To prevent injury to other water right holders, the watermaster shall deliver 20% or 1.64 cfs of the leased portion of these rights into the Irrigation District #45 Canal whether they are rented or not.

ATTACHMENT A
WATER RIGHT NO. 37-665K
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: REDSTONE PARTNERS LP
STEVE BEEVERS
1188 EAGLE VISTA CT
RENO NV 89511
(775)560-2228

Priority Date: 10/15/1884

Source: BIG WOOD RIVER **Tributary to:** SNAKE RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/15	to 10/31	0.17 CFS	NA
	Total:		0.17 CFS	NA

LOCATION OF POINT(S) OF DIVERSION:

BIG WOOD RIVER NESWNW Sec. 36, Twp 02N, Rge 18E, BLAINE 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	
01N	019E	17			14				4.6	0.7		2.7	0.3		1.2				23.5
		20						3.5											3.5
		27		2.1	13	1			4			5.1	8	11		4.3	1.8		50.3
				L2		L5										L7			
		28			0.1	4					4.7			0.9	10	1.6	1		22.3
		33		1.7		4													5.7
		34					0.1	7	7.4										14.5

Total Acres: 119.8

Limited to acres within place of use described above: 22.0 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.

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. The un-leased portions of water rights 37-665K, 37-666J and 37-667N are limited to the irrigation of 241 acres in a single irrigation season.
13. The un-leased portion of 37-481B, 37-482G, 37-483B, 37-665K, 37-666J, 37-667N, 37-2625A, 37-2638, 37-2700, 37-22155 and 37-21463 are limited to the irrigation of a combined total of 1,315.3 acres
14. The surface water rights on this lease contract provide conveyance for other right holders in the shared delivery of water through the Irrigation District #45 canal. To prevent injury to other water right holders, the watermaster shall deliver 20% or 1.64 cfs of the leased portion of these rights into the Irrigation District #45 Canal whether they are rented or not.

ATTACHMENT A
WATER RIGHT NO. 37-666J
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: REDSTONE PARTNERS LP
STEVE BEEVERS
1188 EAGLE VISTA CT
RENO NV 89511
(775)560-2228

Priority Date: 6/12/1886

Source: BIG WOOD RIVER **Tributary to:** MALAD RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/15	to 10/31	0.09 CFS	NA
	Total:		0.09 CFS	NA

LOCATION OF POINT(S) OF DIVERSION:

BIG WOOD RIVER NESWNW Sec. 36, Twp 02N, Rge 18E, BLAINE 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	
01N	019E	17			14				4.6	0.7		2.7	0.3		1.2				23.5
		20						3.5											3.5
		27		2.1	13	1			4			5.1	8	11		4.3	1.8		50.3
				L2		L5										L7			
		28			0.1	4					4.7			0.9	10	1.6	1		22.3
		33		1.7		4													5.7
		34					0.1	7	7.4										14.5

Total Acres: 119.8

Limited to acres within place of use described above: 22.0 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.
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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.
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14. The surface water rights on this lease contract provide conveyance for other right holders in the shared delivery of water through the Irrigation District #45 canal. To prevent injury to other water right holders, the watermaster shall deliver 20% or 1.64 cfs of the leased portion of these rights into the Irrigation District #45 Canal whether they are rented or not.

ATTACHMENT A
WATER RIGHT NO. 37-667N
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: REDSTONE PARTNERS LP
STEVE BEEVERS
1188 EAGLE VISTA CT
RENO NV 89511
(775)560-2228

Priority Date: 6/15/1891

Source: BIG WOOD RIVER

Tributary to: MALAD RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/15	to 10/31	0.20 CFS	NA
	Total:		0.20 CFS	NA

LOCATION OF POINT(S) OF DIVERSION:

BIG WOOD RIVER

NESWNW

Sec. 36, Twp 02N, Rge 18E, BLAINE 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	
01N	019E	17			14				4.6	0.7		2.7	0.3		1.2				23.5
		20						3.5											3.5
		27		2.1	13	1			4			5.1	8	11		4.3	1.8		50.3
				L2		L5										L7			
		28			0.1	4					4.7			0.9	10	1.6	1		22.3
		33		1.7		4													5.7
		34					0.1	7	7.4										14.5

Total Acres: 119.8

Limited to acres within place of use described above: 22.0 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.
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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. The un-leased portions of water rights 37-665K, 37-666J and 37-667N are limited to the irrigation of 241 acres in a single irrigation season.
13. The un-leased portion of 37-481B, 37-482G, 37-483B, 37-665K, 37-666J, 37-667N, 37-2625A, 37-2638, 37-2700, 37-22155 and 37-21463 are limited to the irrigation of a combined total of 1,315.3 acres.
14. The surface water rights on this lease contract provide conveyance for other right holders in the shared delivery of water through the Irrigation District #45 canal. To prevent injury to other water right holders, the watermaster shall deliver 20% or 1.64 cfs of the leased portion of these rights into the Irrigation District #45 Canal whether they are rented or not.

ATTACHMENT A
WATER RIGHT NO. 37-2625A
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: REDSTONE PARTNERS LP
STEVE BEEVERS
1188 EAGLE VISTA CT
RENO NV 89511
(775)560-2228

Priority Date: 11/13/1959

Source: GROUND WATER

Tributary to:

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/01	to 11/01	0.64 CFS	116.5 AF
	Total:		0.64 CFS	116.5 AF

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER	NWSWNW	Sec. 17, Twp 01N, Rge 19E, BLAINE County
GROUND WATER	NENENW	Sec. 20, Twp 01N, Rge 19E, BLAINE County
GROUND WATER	SWSENW	Sec. 28, Twp 01N, Rge 19E, BLAINE 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	
01N	019E	17			14				4.6	0.7		2.7	0.3		1.2				23.5
		20						3.5											3.5
		27		2.1	13	1			4			5.1	8	11		4.3	1.8		50.3
				L2		L5										L7			
		28			0.1	4					4.7			0.9	10	1.6	1		22.3
		33		1.7		4													5.7
		34					0.1	7	7.4										14.5

Total Acres: 119.8

Limited to acres within place of use described above: 33.3 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. The un-leased portions of water rights, 37-2625A, 37-2638, 37-2700 and 37-21463 are limited to a combined diversion rate of 20.03 cfs.
14. The un-leased portion of 37-481B, 37-482G, 37-483B, 37-665K, 37-666J, 37-667N, 37-2625A, 37-2638, 37-2700, 37-22155 and 37-21463 are limited to the irrigation of a combined total of 1,315.3 acres.

ATTACHMENT A
WATER RIGHT NO. 37-2638
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: REDSTONE PARTNERS LP
STEVE BEEVERS
1188 EAGLE VISTA CT
RENO NV 89511
(775)560-2228

Priority Date: 8/1/1960

Source: GROUND WATER

Tributary to:

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/15	to 10/31	0.33 CFS	125 AF
	Total:		0.33 CFS	125 AF

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER	NENENW	Sec. 20, Twp 01N, Rge 19E, BLAINE County
GROUND WATER	SWSNW	Sec. 28, Twp 01N, Rge 19E, BLAINE County
GROUND WATER	NWSWNW	Sec. 17, Twp 01N, Rge 19E, BLAINE 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	
01N	019E	17			14				4.6	0.7		2.7	0.3		1.2				23.5
		20						3.5											3.5
		27		2.1	13	1			4			5.1	8	11		4.3	1.8		50.3
				L2		L5										L7			
		28			0.1	4					4.7			0.9	10	1.6	1		22.3
		33		1.7		4													5.7
		34					0.1	7	7.4										14.5

Total Acres: 119.8

Limited to acres within place of use described above: 35.7 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. The un-leased portions of water rights, 37-2625A, 37-2638, 37-2700 and 37-21463 are limited to a combined diversion rate of 20.03 cfs.
14. The un-leased portion of 37-481B, 37-482G, 37-483B, 37-665K, 37-666J, 37-667N, 37-2625A, 37-2638, 37-2700, 37-22155 and 37-21463 are limited to the irrigation of a combined total of 1,315.3 acres.

ATTACHMENT A
WATER RIGHT NO. 37-2700
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: REDSTONE PARTNERS LP
STEVE BEEVERS
1188 EAGLE VISTA CT
RENO NV 89511
(775)560-2228

Priority Date: 8/20/1964

Source: GROUND WATER

Tributary to:

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/01 to	11/01	0.82 CFS	123.6 AF
	Total:		0.82 CFS	123.6 AF

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER	NWSWNW	Sec. 17, Twp 01N, Rge 19E, BLAINE County
GROUND WATER	SWSENW	Sec. 28, Twp 01N, Rge 19E, BLAINE County
GROUND WATER	NENENW	Sec. 20, Twp 01N, Rge 19E, BLAINE 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	
01N	019E	17			14				4.6	0.7			2.7	0.3		1.2			23.5
		20						3.5											3.5
		27		2.1	13	1			4			5.1	8	11		4.3	1.8		50.3
				L2		L5										L7			
		28			0.1	4					4.7			0.9	10	1.6	1		22.3
		33		1.7		4													5.7
		34					0.1	7	7.4										14.5

Total Acres: 119.8

Limited to acres within place of use described above: 41.2 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. The un-leased portions of water rights, 37-2625A, 37-2638, 37-2700 and 37-21463 are limited to a combined diversion rate of 20.03 cfs.
14. The un-leased portion of 37-481B, 37-482G, 37-483B, 37-665K, 37-666J, 37-667N, 37-2625A, 37-2638, 37-2700, 37-22155 and 37-21463 are limited to the irrigation of a combined total of 1,315.3 acres

ATTACHMENT A
WATER RIGHT NO. 37-21463
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: REDSTONE PARTNERS LP
STEVE BEEVERS
1188 EAGLE VISTA CT
RENO NV 89511
(775)560-2228

Priority Date: 4/1/1984

Source: GROUND WATER

Tributary to:

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/15	to 10/31	0.25 CFS	57 AF
	Total:		0.25 CFS	57 AF

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER	NENENW	Sec. 20, Twp 01N, Rge 19E, BLAINE County
GROUND WATER	NWSWNW	Sec. 17, Twp 01N, Rge 19E, BLAINE County
GROUND WATER	SWSENW	Sec. 28, Twp 01N, Rge 19E, BLAINE 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	
01N	019E	17			14				4.6	0.7		2.7	0.3		1.2				23.5
		20						3.5											3.5
		27		2.1	13	1			4			5.1	8	11		4.3	1.8		50.3
				L2		L5										L7			
		28			0.1	4					4.7			0.9	10	1.6	1		22.3
		33		1.7		4													5.7
		34					0.1	7	7.4										14.5

Total Acres: 119.8

Limited to acres within place of use described above: 16.3 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. The un-leased portions of water rights, 37-2625A, 37-2638, 37-2700 and 37-21463 are limited to a combined diversion rate of 20.03 cfs.
14. The un-leased portion of 37-481B, 37-482G, 37-483B, 37-665K, 37-666J, 37-667N, 37-2625A, 37-2638, 37-2700, 37-22155 and 37-21463 are limited to the irrigation of a combined total of 1,315.3 acres.

ATTACHMENT A
WATER RIGHT NO.37-22155
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: REDSTONE PARTNERS LP
STEVE BEEVERS
1188 EAGLE VISTA CT
RENO NV 89511
(775)560-2228

Priority Date: 4/1/1922

Source: BIG WOOD RIVER **Tributary to:** MALAD RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/15	to 10/31	0.25 CFS	57 AF
	Total:		0.25 CFS	57 AF

LOCATION OF POINT(S) OF DIVERSION:
BIG WOOD RIVER NESWNW Sec. 36, Twp 02N, Rge 18E, BLAINE 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	
01N	019E	17			14				4.6	0.7		2.7	0.3		1.2				23.5
		20						3.5											3.5
		27		2.1	13	1			4			5.1	8	11		4.3	1.8		50.3
				L2		L5										L7			
		28			0.1	4					4.7			0.9	10	1.6	1		22.3
		33		1.7		4													5.7
		34					0.1	7	7.4										14.5

Total Acres: 119.8

Limited to acres within place of use described above: 7.8 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:
 - d. Rental payments will go to the lessor(s) of record at the beginning of the rental season.
 - e. 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.
 - f. 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. The un-leased portion of 37-481B, 37-482G, 37-483B, 37-665K, 37-666J, 37-667N, 37-2625A, 37-2638, 37-2700, 37-22155 and 37-21463 are limited to the irrigation of a combined total of 1,315.3 acres.
13. The surface water rights on this lease contract provide conveyance for other right holders in the shared delivery of water through the Irrigation District #45 canal. To prevent injury to other water right holders, the watermaster shall deliver 20% or 1.64 cfs of the leased portion of these rights into the Irrigation District #45 Canal whether they are rented or not.

STATE OF IDAHO
WATER RESOURCE BOARDWATER SUPPLY BANK LEASE OR SALE
APPLICATION CHECKLISTRECEIVED
APR 30 2014
DEPARTMENT OF
WATER RESOURCES

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

Designated Applicant Redstone Partners LPWater Right No. 37-481B

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 \$ <u>500⁰⁰</u>	Received By: <u>CS</u>	Date Received: <u>4/30/14</u>	Receipt # <u>C098766</u>
W-9 received? Yes ☒ No ☐	(Route W-9 to Fiscal)	Name on W-9: <u>Redstone Partners LP</u>	

STATE OF IDAHO
WATER RESOURCE BOARDRECEIVED
APR 30 2014
DEPARTMENT OF
WATER RESOURCESAPPLICATION 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 Redstone Partners LP Email Address _____
Mailing Address 1188 Eagle Vista Ct., Reno, NV 89511 Phone Number (775) 560-2228

☒ 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 Roxanne Brown Organization SPF Water Engineering LLC
Professional Title Sr. Water Right Specialist Email Address rbrown@spfwater.com
Mailing Address 300 E. Mallard Dr., Suite 350, Boise, ID 83707 Phone Number (208) 383-4140

☐ 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 37-481B ☐ 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.
Wells and pumps to mainlines and sprinkler irrigation.

- 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.
Portions of all overlapping rights are being offered to the Bank. Overlapping water right nos. 37-481B, 37-482G, 37-483B, 37-665K, 37-666J, 37-667N, 37-2625A, 37-2638, 37-2700, 37-21463 (enlargement), 37-22155.

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

If yes, describe. The place of use described in this application will not receive water from any other source.

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 4/15/2014 to 4/15/2019 (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 ank does not, in itself, confirm the validity of the water right or any elements of the water right.

Steve Beavers
Signature of Designated Applicant

Steve Beavers
Printed Name

4-23-14
Date

Signature of Authorized Representative

Roxanne Brown
Printed Name

Date

Mail to:

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

**STATE OF IDAHO
WATER RESOURCE BOARD**

ATTACHMENT 2

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

1. Water Right Number Amount (cfs/ac-ft) Nature of Use Period of Use
37-481B 1.14 cfs irrigation 4/15 to 10/31

Total Amount: _____

2. Source of water Big Wood River tributary to Malad River

3. Point(s) of Diversion:

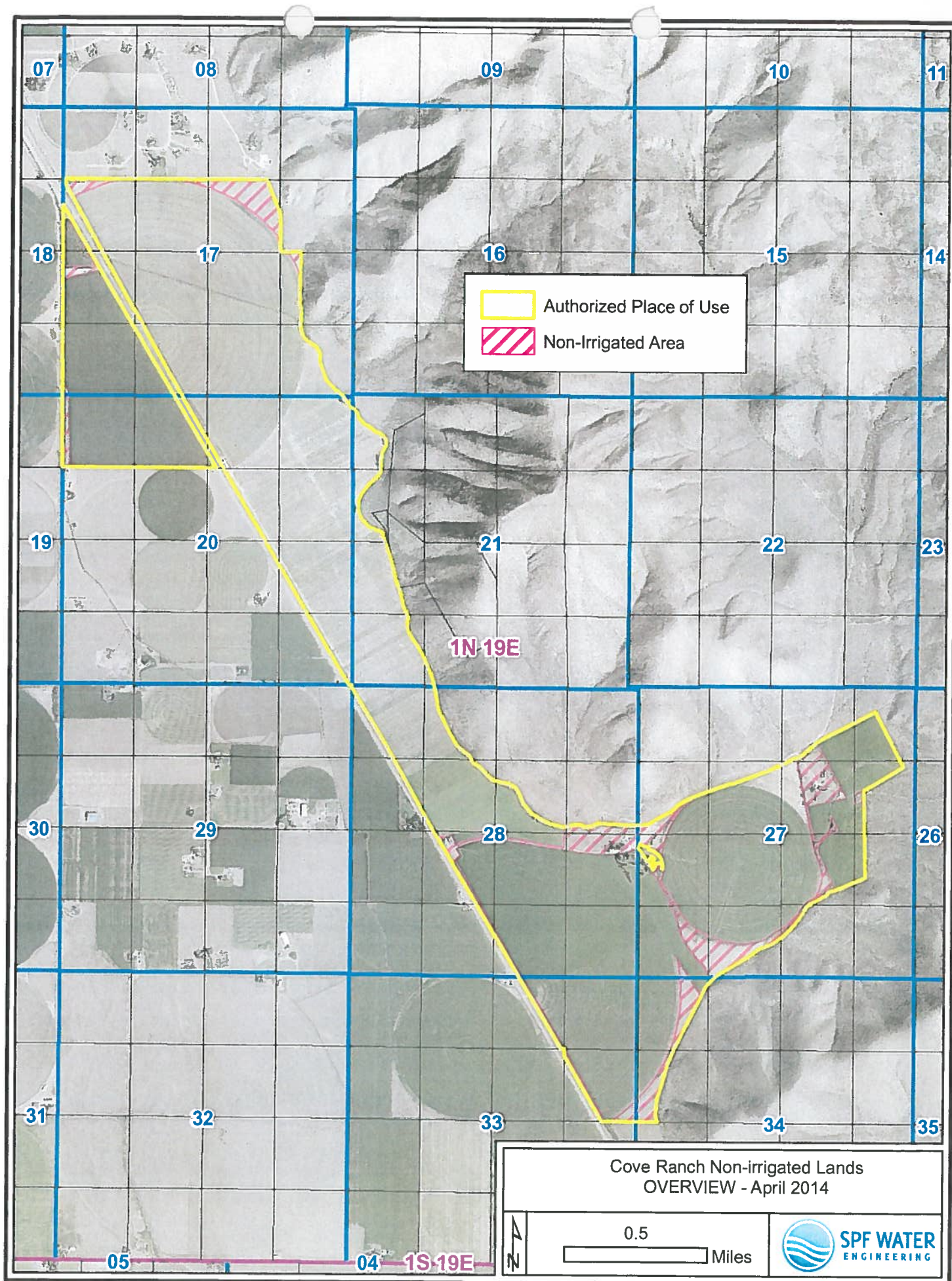
Twp	Rge	Sec	Lot	¼	¼	¼	County
2N	18E	36		NE	SW	NW	Blaine

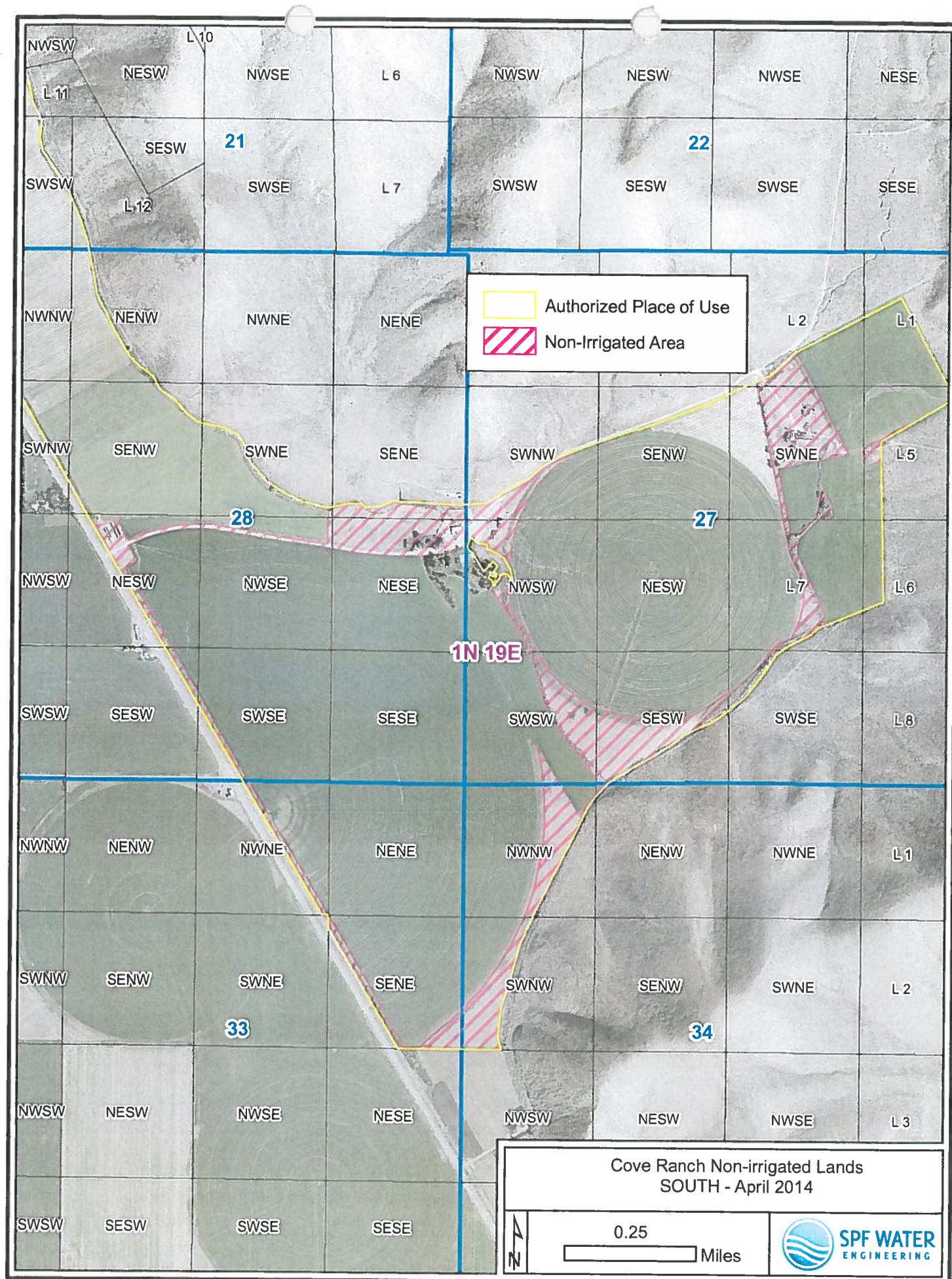
4. Lands irrigated or place of use:

TWP	RGE	SEC	NE				NW				SW				SE				TOTALS
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
1N	19E	17			14				4.6	0.7		2.7	0.3		1.2				23.5
		20						3.5											3.5
		27		2.1	13	1			4			5.1	8	11		4.3	1.8		50.3
				L2		L5										L7			
		28			0.1	4					4.7			0.9	10	1.6	1		22.3
		33		1.7		4													5.7
		34					0.1	7	7.4										14.5

If the water right is for irrigation, show total number of acres offered to the Bank. **Total Acres** 90.1

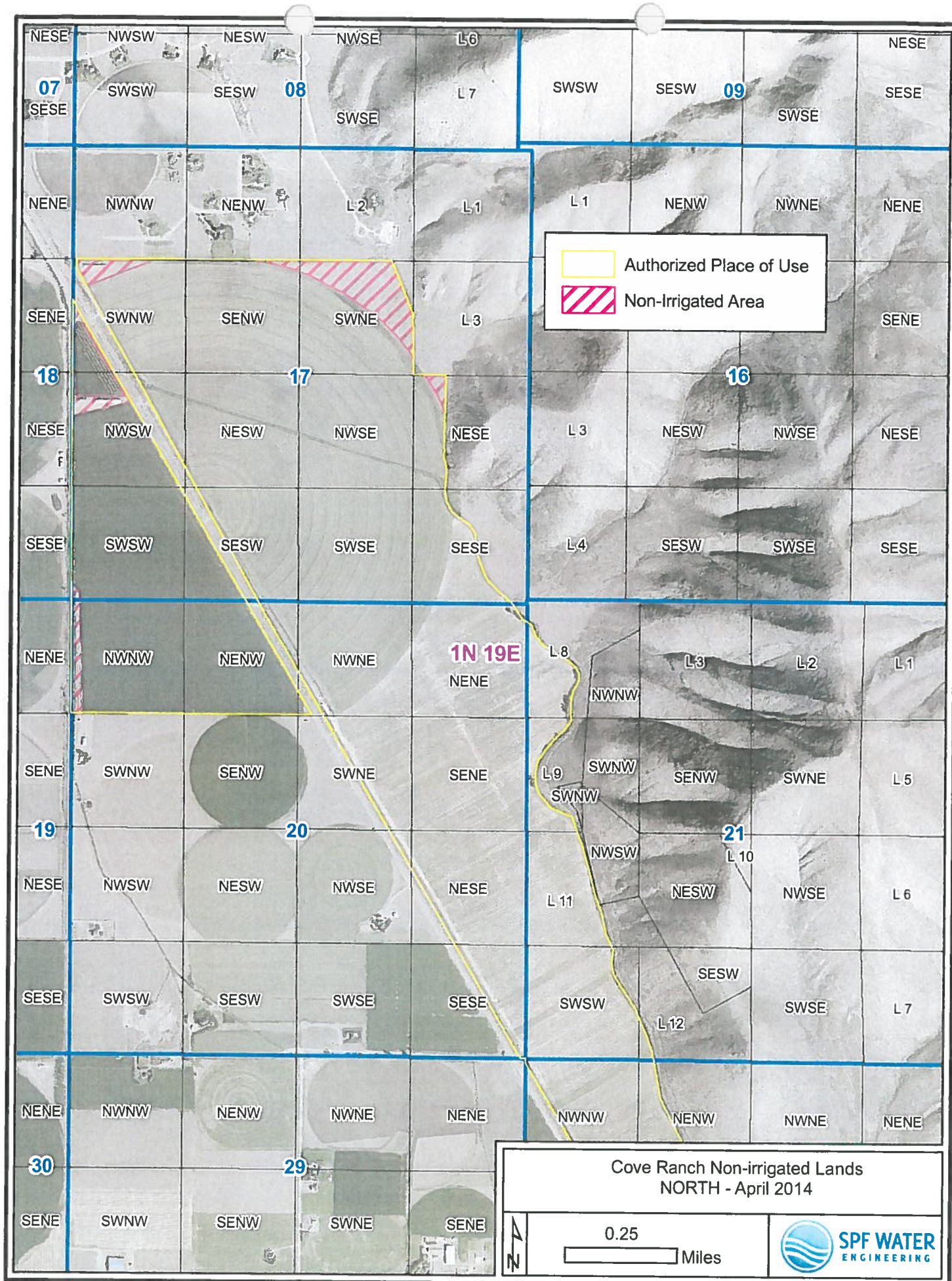
90.1 acres within a 119.8-acre permissible place of use.





Water Right No.	Priority Date	Source	PARTIAL DECREE			NON-IRRIGATED			IRRIGATED		
			Diversion Rate (cfs)	Place of Use (acres)	Combined POU (acres)	Diversion Rate (cfs)	Place of Use (acres)	Combined POU (acres)	Diversion Rate (cfs)	Place of Use (acres)	Combined POU (acres)
37-481B	8/1/1882	Big Wood River	13.67	1079.0	1435.1	1.14	90.1	119.8	12.53	988.9	1315.3
37-482G	8/1/1884	Big Wood River	10.87	1079.0		0.91	90.1		9.96	988.9	
37-483B	8/1/1902	Big Wood River	68.00	1079.0		5.68	90.1		62.32	988.9	
37-665K	10/15/1884	Big Wood River	2.06	263.0		0.17	22.0		1.89	241.0	
37-666J	6/12/1886	Big Wood River	1.10	263.0		0.09	22.0		1.01	241.0	
37-667N	6/15/1891	Big Wood River	2.34	263.0	119.8	0.20	22.0	119.8	2.14	241.0	1315.3
37-2625A	11/13/1959	Groundwater	7.96	399.0		0.66	33.3		7.30	365.7	
37-2638	8/1/1960	Groundwater	4.01	428.0		0.33	35.7		3.68	392.3	
37-2700	8/20/1964	Groundwater	9.88	494.0		0.82	41.2		9.06	452.8	
37-21463*	4/1/1984	Groundwater	2.95	194.0		0.25	16.2		2.70	177.8	
37-22155	4/1/1922	Big Wood River	1.86	93.1	1435.1	0.16	7.8	119.8	1.70	85.3	1315.3
TOTAL			124.70	5634.1		10.41	470.3		114.29	5163.8	

* Water right is based on a lawful enlargement.



No. L 6540		Due no later than Apr 30, 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				JOHN MILEY 535 GANNETT RD BELLEVUE ID 83313			
		1. Mailing Address: Correct in this box if needed. REDSTONE PARTNERS, LP STEVE BEEVERS 1188 EAGLE VISTA CT RENO NV 89511		3. <u>New</u> Registered Agent Signature:*			
Office Held	Name	Street or PO Address	City	State	Country	Postal Code	
GENERAL PARTNER	STEVE BEEVERS	1188 EAGLE VISTA CT	RENO	NV	USA	89511	
5. Organized Under the Laws of: NV L 6540		6. Annual Report must be signed.* Signature: Steve Beevers Date: 02/25/2014 Name (type or print): Steve Beevers Title: Mg Mbr,SDB Ventures, LLC, GP					
Processed 02/25/2014		* Electronically provided signatures are accepted as original signatures.					

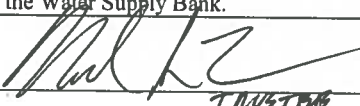
No. L 6540		Due no later than Apr 30, 2014		2. Registered Agent and Address (NO PO BOX)			
Return to: SECRETARY OF STATE 700 WEST JEFFERSON PO BOX 83720 BOISE, ID 83720-0080 NO FILING FEE IF RECEIVED BY DUE DATE		1. Mailing Address: Correct in this box if needed. REDSTONE PARTNERS, LP STEVE BEEVERS 1188 EAGLE VISTA CT RENO NV 89511		JOHN MILEY 535 GANNETT RD BELLEVUE ID 83313			
				3. <u>New</u> Registered Agent Signature:*			
Office Held	Name	Street or PO Address	City	State	Country	Postal Code	
GENERAL PARTNER	STEVE BEEVERS	1188 EAGLE VISTA CT	RENO	NV	USA	89511	
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		Name (type or print): Steve Beevers		Title: Mg Mbr,SDB Ventures, LLC, GP			
Processed 02/25/2014		* Electronically provided signatures are accepted as original signatures.					

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
LESSOR DESIGNATION FORM

RECEIVED
APR 23 2015
DEPARTMENT OF
WATER RESOURCES

When multiple individuals or business entities jointly own property to which a water right is appurtenant, the parties can use this form to nominate a designated lessor to represent their common interests on a Water Supply Bank lease contract. The signatures of all water right holders are required on this form to elect a designated lessor. The designated lessor is required to provide a completed IRS Form W-9 to receive any payment associated with the rental of a water right under a Water Supply Bank lease contract. **All correspondence and any financial payment associated with the rental of this water right will be directed to the designated lessor.** If additional space is needed to list any other water right holders, attach a second copy of this Lessor Designation Form.

Water Right No(s). 37-481B, 37-482C, 37-483B, 37-665K, 37-666J, 37-667N, 37-22155, 37-22154, 37-2638, 37-2700, 37-21463

	Designated Lessor	Water Right Co-owner	Water Right Co-owner
Name	~~THE~~ THE LOVAS TRUST UAD 10128 1999		
Mailing Address	681 NORMANT ST PUEBLO, CO. 81006		
Phone Number	925-577-0293		
Email Address	MJLOVAS@GMAIL.COM		
Water Right Owner Declaration	As designated lessor, I will represent the interest of all other water right owners on the lease of a water right to the Water Supply Bank.	I authorize the designated lessor to represent me on the lease of a water right to the Water Supply Bank.	I authorize the designated lessor to represent me on the lease of a water right to the Water Supply Bank.
Signature	 TRUSTEE		

	Water Right Co-owner	Water Right Co-owner	Water Right Co-owner
Name			
Mailing Address			
Phone Number			
Email Address			
Water Right Owner Declaration	I authorize the designated lessor to represent me on the lease of a water right to the Water Supply Bank.	I authorize the designated lessor to represent me on the lease of a water right to the Water Supply Bank.	I authorize the designated lessor to represent me on the lease of a water right to the Water Supply Bank.
Signature			



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

April 14, 2015

RECEIVED

C.L. "BUTCH" OTTER

APR 23 2015

DEPARTMENT OF
WATER RESOURCES

LOVAS TRUST UAD 10/28/1999

MICHAEL LOVAS TRUSTEE

681 NORANTE COURT

PLEASANTON CA 94566

See
ATTACHED
ML

RE: WATER SUPPLY BANK LEASE CONTRACT FOR RIGHTS 37-481B, 37-482G, 37-483B, 37-665K, 37-666J, 37-667N, 37-22155, 37-2625A, 37-2638, 37-2700 & 37-21463

Dear Mr. Lovas:

Water Rights 37-481B, 37-482G, 37-483B, 37-665K, 37-666J, 37-667N, 37-22155, 37-2625A, 37-2638, 37-2700 & 37-21463 were leased into the Water Supply Bank on April 30, 2014 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, 2018, 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.

Our database reflects that you are the current owner of these rights. However, the lease contract has been executed so no change to the lease contract is necessary. I have enclosed a Lessor Designation form and an IRS Form W9. Please complete and return both forms. To receive any payment associated with the rental of a water right under a WSB Lease Contract the designated lessor is required to provide a completed IRS Form W9. **All correspondence and any payments will be directed to the designated lessor.**

rec'd &
sent to Fiscal.

If you have questions regarding this matter, please contact me at 287-4881.

Sincerely,

Sandra Thiel

Senior Water Resource Agent

Enclosures: Lease Contract

W9



State of Idaho

DEPARTMENT OF WATER RESOURCES

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Phone: (208) 287-4800 • Fax: (208) 287-6700 • Web Site: www.idwr.idaho.gov

GARY SPACKMAN

Director

April 14, 2015

C.L. "BUTCH" OTTER

Governor

LOVAS TRUST UAD 10/28/1999
MICHAEL LOVAS TRUSTEE
681 NORANTE COURT
PLEASANTON CA 94566

RE: WATER SUPPLY BANK LEASE CONTRACT FOR RIGHTS 37-481B, 37-482G, 37-483B, 37-665K, 37-666J, 37-667N, 37-22155, 37-2625A, 37-2638, 37-2700 & 37-21463

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If you have questions regarding this matter, please contact me at 287-4881.

Sincerely,

Sandra Thiel
Senior Water Resource Agent
Enclosures: Lease Contract
W9

SUPPORT DATA

IN FILE #

37-481B



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

March 31, 2015

REDSTONE PARTNERS LP
STEVE BEEVERS
1188 EAGLE VISTA CT
RENO NV 89511

RE: WATER SUPPLY BANK LEASE CONTRACT FOR RIGHTS 37-481B, 37-482G, 37-483B, 37-665K, 37-666J, 37-667N, 37-22155, 37-2625A, 37-2638, 37-2700 & 37-21463

Dear Lessor:

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The rights will automatically be released from the Bank on **December 31, 2018**, 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 287-4881.

Sincerely,

Sandra Thiel
Senior Water Resource Agent
Enclosure: Executed Lease Contract

c: Roxanne Brown – SPF Water Engineering
Michael Lovas / Lovas Trust
IDWR Southern Region
Kevin Lakey – Water District #37

Palmer, Cherie

From: Thiel, Sandra
Sent: Friday, March 06, 2015 9:09 AM
To: Palmer, Cherie
Subject: RE: Redstone Review

Sorry this is so long but I wanted to get my thoughts down.

The important part of Doug's memo argues that the water supply bank process and the transfer process should result in similar decisions. If a water right is eligible to be leased into the bank it should also be considered a candidate for transfer. I see his point. However, our policy has been that we are not arguing with the SRBA court decrees. The land that Doug identified as currently a road or power pole easement was included in that water right decree in 2009. According to the court Redstone has a right to that water. Several months ago I had issues with the lease of land along a creek. I still don't believe that land was ever irrigated. It was green only because of stream braiding and a high water table. Shelley explained that the court had issued the right and therefore it was valid. Redstone and SPF could make the argument that we are changing the rules.

So my suggestion is that we leave the lease as is. Their application identifies 119.8 acres. Doug makes a persuasive argument that only 111.2 acres be available to rent. Would that compromise work, lease 119.8 acres and rent 111.2? In the past have we notified lessors that we will only rent a portion of their water?

I know that we have talked about this before....It seems to me that there are going to be more new people reviewing our bank applications. Maybe the first thing we need to do is explain how the bank and transfers differ. Maybe we could bring this up with Shelley as an agenda item for our region conference calls. That doesn't take care of Western but we can send them a summary.

From: Palmer, Cherie
Sent: Thursday, March 05, 2015 2:46 PM
To: Thiel, Sandra
Subject: RE: Redstone Review

Do you want to summarize your impression of Doug's letter. Ultimately, I don't want to accept a lease into the bank that has some problems that need to be worked out but, if the problems include brining acres into the bank that can't be irrigated because of the presence of roads and what not, we'll not take on those issues as long as forfeiture is not a concern.

If you decide this is something that we can't go forward with, you'll want to share Doug's email with SPF and let them respond. But, if you think we can move forward, I will sign the lease. Just print out a copy of Doug's email with your summary for the file.

Cherie

From: Thiel, Sandra
Sent: Thursday, March 05, 2015 9:30 AM
To: Palmer, Cherie
Subject: FW: Redstone Review

Hello, I just realized that I hadn't sent this to you. If you would like to take a look at this we can talk about his concerns and determine if we need to change the lease.

From: Jones, Doug
Sent: Tuesday, March 03, 2015 3:30 PM
To: Thiel, Sandra
Subject: Redstone Review

Sandra,

Please consider this place of use analysis in your review of the WSB Lease Application by Redstone Partnership. I am not the most concise writer and there may be confusing constructions in the narrative, so let me know if you have questions.

Thank you for the opportunity to provide input.

Doug

MEMORANDUM

To File: Redstone Ranch files 37-481B, etc.

Date: 03-2-2015

From: Douglas Jones

RE: Water Supply Bank Lease Application Review

State Office staff requested input from Southern Region staff regarding a pending draft WSB Lease Agreement approval. The draft approval document lists lands to be entered into the bank and included many fractional acres widely distributed around the 1400+ acre property. This memo is intended to provide insight into past and current water use practices with respect to the acres proposed to be idled for entry into the bank.

Some dialogue has taken place during Southern Region-Water Permit Section staff coordination meetings in the past about WSB processes and guidelines. There was some indication that the WSB process and the water right Transfer process should result in similar decisions regarding suitability of acres for lease or transfer.

The basic question being returned to the State Office is whether entry of acres into the bank includes consideration of savings of water, and therefore a cessation of diversion and application of water to the ground?

If the answer to the above question is that any ground in a place of use can be leased to the bank then the rest of this review is immaterial. If the answer is that the character of the land has to change AFTER the land is leased to the bank so that it could be rented and used elsewhere then the following analysis is offered for consideration.

Redstone's representatives have shared a GIS shapefile portraying the acres to be dried up at our request. Various circumstances regarding historical usage can be determined for these acres. Parts of the shape include areas that are paved and have not been irrigated in many years, or the area is in the footprint of the easement for District 45 Canal system that has been there since the late 1800's and has not irrigated. The shape also includes land that currently receives water but is not plowed and cropped. Still other areas would need unspecified modifications to existing irrigation systems to comply with the lease. Review also found that a 1.6 acre area is now being irrigated outside the presently described place of use.

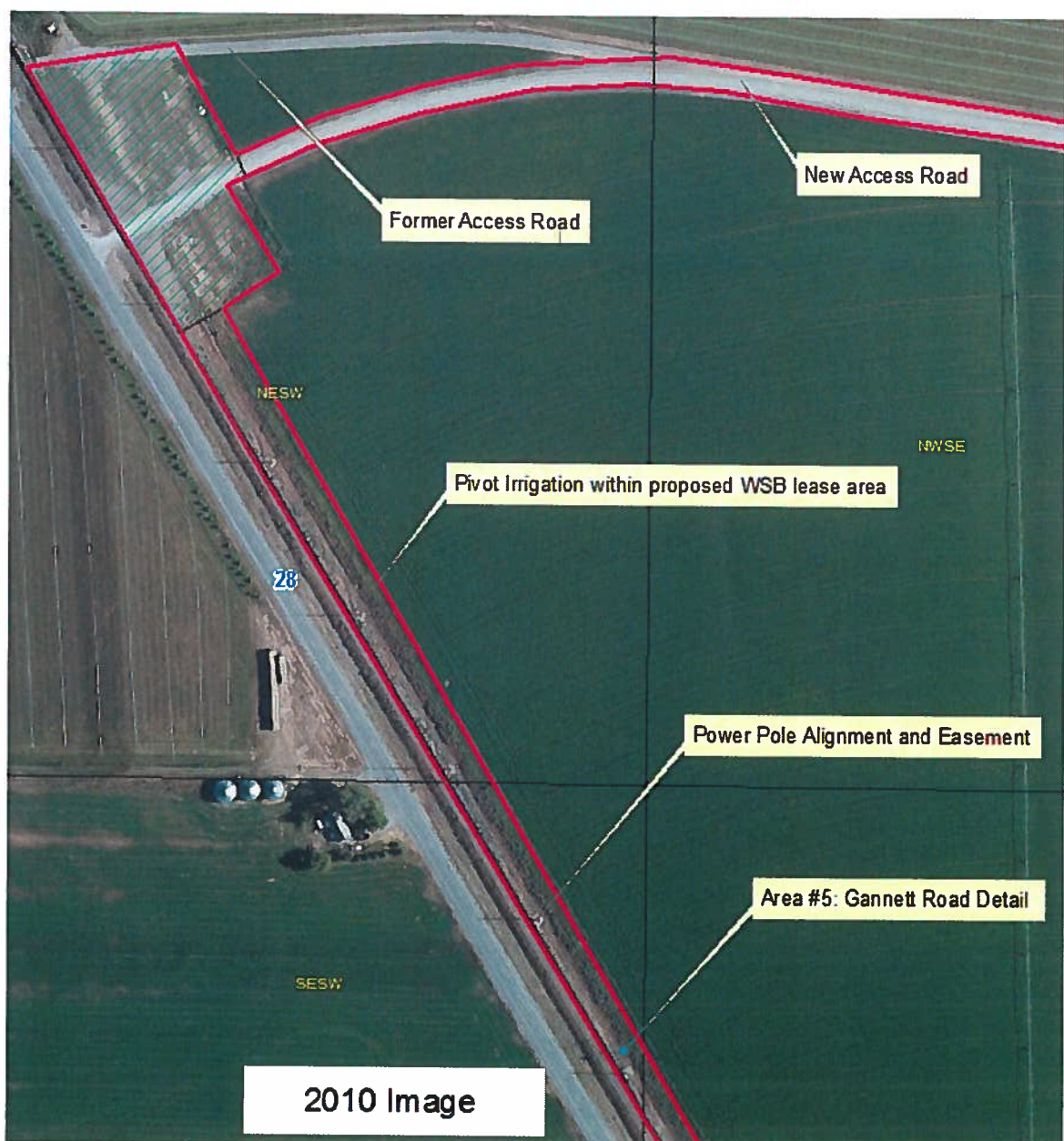
In the image below (GoogleEarth, 2014 photo) several examples are presented. Also attached is a clip of an ArcMap project on a 2013 photo base map showing the areas designated for lease to the bank (red lines) for comparison and discussion purposes. The document can be enlarged while displayed to examine the areas of interest closer.

Area #1 (top map) shows where a corner of a field may not be plowed and planted to a crop, but irrigation hand lines are strung across it and water is applied. The northern part of that area would be acceptable for lease, but it appears the southern part should not be favorably considered.

Area #2 illustrates where bottom land will still receive benefit of either direct or indirect irrigation even if not cultivated for crop. Area #3 is proposed to be included in the lease, but the grounds in the vicinity of the house will continue to be irrigated by another right (perhaps a domestic well?). Again, if this land is irrigated, then where is the Board's interest in leasing it?

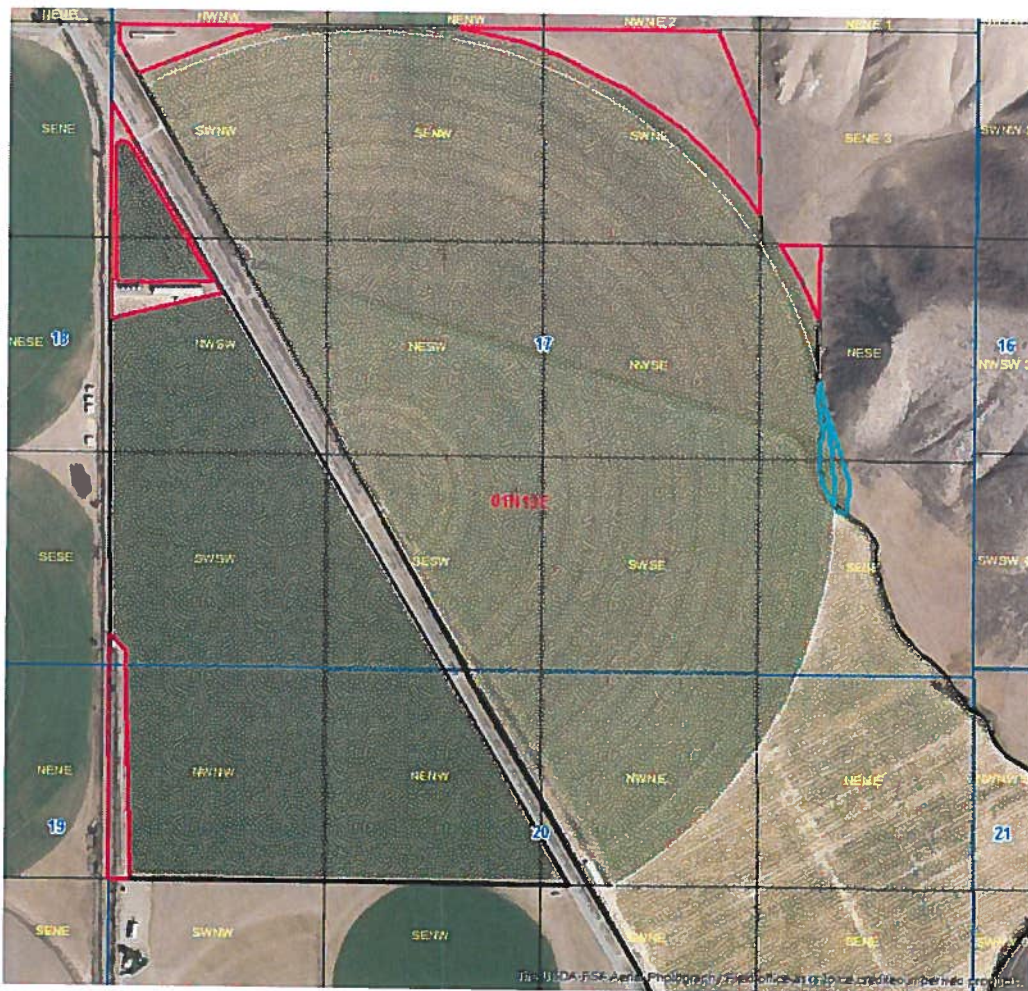
Area #4 includes an outside annulus of the pivot in the proposed lands to be leased. IDWR does not have enough information about how the pivot would be modified to create lease-available acres. The bottom image from 2013 shows the annulus was not cultivated but it appears to have water applied. Imagery from prior years and 2014 show the area is normally planted and irrigated.

Area #5 on the 2014 image shows the thin strip of land along the Bellevue-Gannett road. Redstone's designated strip is wide enough that it includes irrigated land along the pivot. The western part of the strip has never been irrigated (see image below). A portion of it is beyond the line of power poles and part is on land that was the old railroad right of way. During SRBA review IDWR staff did the best they could with the technological limits (e.g. image resolution and data layer rectification) and deadline time constraints that were in place.



The final area of concern in this area is not numerically designated on the 2014 image and involves the farm access road. The original road has been in place for a long, long time and it was modified and widened between the 2009 2010 irrigation seasons. It was beyond the scope of the SRBA mission to micro-define areas such as access roads and easements (almost pixel scale) because it was understood that, at the time, the transfer process would not have accepted moving water from bottom land, pavement, rock piles, etc. to other acres – that there would need to be an actual drying up to be able to irrigate elsewhere.

There is precedent for the WSB to require an actual drying up of acres to irrigate elsewhere. Sun Valley Company developed additional irrigation without a water right and the company proposed to “dry up” buildings, roads and parking lots to put in the bank. Sun Valley Company was required to actually dry up land to put those portions of their rights in the Bank and then rent them back. If there is a fresh perspective that provides significant leaniency to right holders to identify previously unirrigated land and parse pixels, then the result will be significant degree of expansion of use across this valley and others.



In the northern area of Redstone there are two or three places that bear scrutiny and these can be seen on the image above. In the NWNW Sec20 there is a long, skinny piece that is the footprint of part of the District 45 Canal. This has been here since the late 1800s and will not go away or change in irrigated character any time soon or ever. The second area of concern are the blue outlined zones at the right side of the image. These areas, totaling 1.6 acres, are outside the recommended place of use and inappropriately receive water via the pivot. A light-colored arc

has been drawn that would, if the narrow annulus is not irrigated, 1) eliminate small amount of trespass irrigation in the SENE Lot 3 Sec 17 and some of the illegal irrigation outside the current boundary in the E1/2SE Sec 20; and 2) increase the acreage total available for lease by 9.5 ac. The other three red outlined areas in the picture are acceptable.

All total the lease application identifies 119.8 acres. Using the conservative approach to determine acceptability it was found that 101.7 acres should be allowed. However, in order for even 101.7 acres to be approved Redstone must detail how the easternmost pivot will be modified to exclude the annulus presently irrigated. One recommendation for Redstone would be to modify the northern pivot as described above to eliminate water application past 2800 ft out pivot. This would resolve 0.8 of inappropriate irrigation and to increase the area approvable for lease by 9.5 ac. In total, if the additions and subtractions are applied then 111.2 acres could be leased and available for rental.



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

February 17, 2015

REDSTONE PARTNERS LP
STEVE BEEVERS
1188 EAGLE VISTA CT
RENO NV 89511

****AMENDED****

RE: APPLICATION(S) TO LEASE WATER RIGHT(S) 37-481B, 37-482G, 37-483B, 37-665K, 37-666J, 37-667N, 37-22155, 37-2625A, 37-2638, 37-2700 and 37-21463 TO THE WATER SUPPLY BANK

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

Dear Applicant:

The Department of Water Resources has amended the original contracts to lease the above-mentioned water right(s) to the Water Supply Bank. The Department added a condition to account for the conveyance loss through Irrigation District #45 Canal. **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, 2018**, unless the rights are released earlier by the Board, or upon your request. To release the right from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. To propose a new lease period, submit a new Application to Sell or Lease a Water Right to the Water Supply Bank form along with applicable fees to the Department. These forms are available from any IDWR office or from our public website at <http://www.idwr.idaho.gov>. Please note your rights may not be available for immediate release if they have been rented.

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

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

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

Sincerely,

for 
Clay Webster
Water Resource Agent
WSB Process Point of Contact

Enclosure: Proposed Lease Contracts

c. SPF Water Engineering LLC- Roxanne Brown

WATER SUPPLY BANK LEASE CONTRACT

This Lease Contract ("**Lease**") is effective April 30, 2014, between the Idaho Water Resource Board ("**Board**"), and

Lessor: REDSTONE PARTNERS LP

~~MICHAEL LAWRENCE~~

~~PO BOX 2720~~

~~BOISE ID 83701-2720~~

~~(208)388-1200~~

Steve Beavers
1188 Eagle Vista Ct
Reno NV 89511
(775) 560-2228

RECITALS

RECEIVED

FEB 09 2015

DEPARTMENT OF
WATER RESOURCES

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>Total Leased Acres</u>
37-481B	1.14 CFS	Not Stated	90.1 AC
37-482G	0.91 CFS	Not Stated	90.1 AC
37-483B	5.68 CFS	Not Stated	90.1 AC
37-665K	0.17 CFS	Not Stated	22 AC
37-666J	0.09 CFS	Not Stated	22 AC
37-667N	0.20 CFS	Not Stated	22 AC
37-22155	0.16 CFS	Not Stated	7.8 AC
Combined Limit	8.18 CFS	Not Stated	119.8 AC
37-2625A	0.66 CFS	116.5 AF	33.3 AC
37-2638	0.34 CFS	125 AF	35.7 AC
37-2700	0.82 CFS	123.6 AF	41.2 AC
37-21463	0.25 CFS	57 AF	16.3 AC
Combined Limit	1.82 CFS	Not Stated	119.8 AC
Combined Lease Totals:	10.0 CFS	419.3 AF	119.8 AC

The water rights described herein shall be available for rental from the Bank as follows:
Authorized Period of Use under Lease: 4/15/2014 to 12/31/2018

SUPPORT DATA
IN FILE # 37-481B

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 12/31/2018.
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.

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

REDSTONE PARTNERS LP
~~MICHAEL LAWRENCE~~
~~PO BOX 2720~~
~~BOISE ID 83701-2720~~

Steve Beevers
1188 Eagle Vista Ct
Reno, NV 89511

By

Steve Beevers

Printed Name

Steve Beevers

Date

2-2-2015

Title

Mg Member, SDB Ventures LLC
General Partner
Redstone Partners, LP

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

Lease approved by IDWR

Date



MEMORANDUM

To: File 37-481B, 37-482G, 37-483B, 37-665K, 37-666J, 37-667N, 37-2625A, 37-2638, 37-2700, 37-21463 and 37-22155

From: Sandra Thiel

Date: February 12, 2015

Re: Review of Applications to Lease Water Right to the Water Supply Bank

PURPOSE/NARRATIVE:

The Department received an application to lease water rights, 37-481B, 37-482G, 37-483B, 37-665K, 37-666J, 37-667N, 37-2625A, 37-2638, 37-2700, 37-21463 and 37-22155 into the bank through 4/15/2019. They planed to lease in 90.1 acres and 1.14 cfs. According to a letter from Redstone's consultant SPF, the water rights that are being offered for lease were created by 'changes in farming practice, including the installation of pivots...'

After an analysis of the combined use limits, the actual lease included 10 cfs, 419.3 af and 119.8 acres. See attached spread sheet for full analysis of combined limits.

Consent from the Wood River Valley irrigation district #45 is required for this lease (see attached). The certificate of action from the district includes a condition for a 20% holdback in the canal for carriage loss. The district also included the condition that there be no adverse impact on the Big Wood River minimum stream flow and that carriage loss sufficient to convey water to the district 45 head gate must be left in the river if the water right is rented upstream. The first lease contract was completed without the 20% hold back condition. A second lease was sent the week of February 16, 2015.

AUTHORITY TO FILE: Steve Beevers is the current registered agent for Redstone Partners LP (see attachement)

WATER RIGHT VALIDITY:

37-481B, 37-482G, 37-483B, 37-665K, 37-666J 37-22155 Decreed 1/6/2009
37-667N 37-2625A, 37-2638, 37-2700, 37-21463 Decreed 1/14/2009

INJURY TO OTHER WATER RIGHTS: No injury is apparent.

ENLARGEMENT OF USE: There does not appear to be a risk of enlargement provided the rental analysis is done appropriately.

LOCAL PUBLIC INTEREST: Review staff has no information to suggest this application is inconsistent with the local public interest. The points of diversion and place of use are within the Trust Water Area, the ESPA Moratorium Area, and the Big Wood River Ground Water Management Area

BENEFICIAL USE/CONSERVATION OF WATER RESOURCES:

The leases appear to be consistent with conservation of water resources in Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS: I solicited comments from Southern. None were received.

Basin	Sequence	Suffix	Priority Date	Diversion Rate	Source List	Total Acres	Acce Limit	Volume	#s to use for unleased limits		cts leased
37	481	B	8/1/1882	13.670	BIG WOOD RIVER	1,435.1	1,079.0			119.8 leased acres	1.14
37	482	G	8/1/1884	10.870	BIG WOOD RIVER	1,435.1	1,079.0				0.91
37	483	B	8/1/1902	68.000	BIG WOOD RIVER	1,435.1	1,079.0				5.68
37	665	K	10/15/1884	2.060	BIG WOOD RIVER	1,435.1	263.0		E55 for unleased portions		0.17
37	666	J	6/12/1886	1.100	BIG WOOD RIVER	1,435.1	263.0		1435.1 - 119.8 = 1315.3 ac		0.09
37	667	N	6/15/1891	2.340	BIG WOOD RIVER	1,435.1	263.0				0.20
37	2625	A	11/13/1959	7.960	GROUND WATER	1,435.1	399.0	1,396.5			0.66
37	2638		8/1/1960	4.010	GROUND WATER	1,435.1	428.0	1,498.0			0.33
37	2700		8/20/1964	9.880	GROUND WATER	1,435.1	494.0	1,482.0			0.82
37	21463		4/1/1984	2.950	GROUND WATER	1,435.1	194.0	679.0			0.25
37	22155		4/1/1922	1.860	BIG WOOD RIVER	1,435.1	93.1				0.16
Totals				124.700		1,435.1	5,634.1	5,055.5			10.41 Total leased cts
Combined limits							1,435.1				423.5 Total Leased af
				0.02 cfs delivered				3.5 af delivered			
37	481	B	8/1/1882	13.670	BIG WOOD RIVER	1,435.1	1,079.0			119.8 leased acres	
37	482	G	8/1/1884	10.870	BIG WOOD RIVER	1,435.1	1,079.0		E55 for unleased portions		
37	483	B	8/1/1902	68.000	BIG WOOD RIVER	1,435.1	1,079.0		1435.1 - 119.8 = 1315.3 ac		
37	665	K	10/15/1884	2.060	BIG WOOD RIVER	1,435.1	263.0				
37	666	J	6/12/1886	1.100	BIG WOOD RIVER	1,435.1	263.0				
37	667	N	6/15/1891	2.340	BIG WOOD RIVER	1,435.1	263.0				
37	2625	A	11/13/1959	7.960	GROUND WATER	1,435.1	399.0	1,396.5			
37	2638		8/1/1960	4.010	GROUND WATER	1,435.1	428.0	1,498.0			
37	2700		8/20/1964	9.880	GROUND WATER	1,435.1	494.0	1,482.0			
37	22155		4/1/1922	1.860	BIG WOOD RIVER	1,435.1	93.1				
Totals				121.750		1,435.1	5,440.1	4,376.5			
Combined limits							1,435.1				
37	481	B	8/1/1882	13.670	BIG WOOD RIVER	1,435.1	1,079.0				Surface Water Rights
37	482	G	8/1/1884	10.870	BIG WOOD RIVER	1,435.1	1,079.0		E52 for unleased portions from 37-22155		1.14
37	483	B	8/1/1902	68.000	BIG WOOD RIVER	1,435.1	1,079.0		98.04/99.90 = 0.9813813 X 8.35 = 8.190		0.91
37	665	K	10/15/1884	2.060	BIG WOOD RIVER	1,435.1	263.0		98.04 - 8.19 = 89.85 cfs		5.68
37	666	J	6/12/1886	1.100	BIG WOOD RIVER	1,435.1	263.0				0.17
37	667	N	6/15/1891	2.340	BIG WOOD RIVER	1,435.1	263.0				0.09
37	22155		4/1/1922	1.860	BIG WOOD RIVER	1,435.1	93.1				0.2
Totals				99.900		1,435.1	4,119.1				0.16
Combined limits				98.040		1,435.1					8.35 leased cfs
37-22155 adds 93.1 acres/ 0 cfs											

AF leased

10.41 Total leased cts

423.5 Total Leased af

Surface Water Rights

8.35 leased cfs

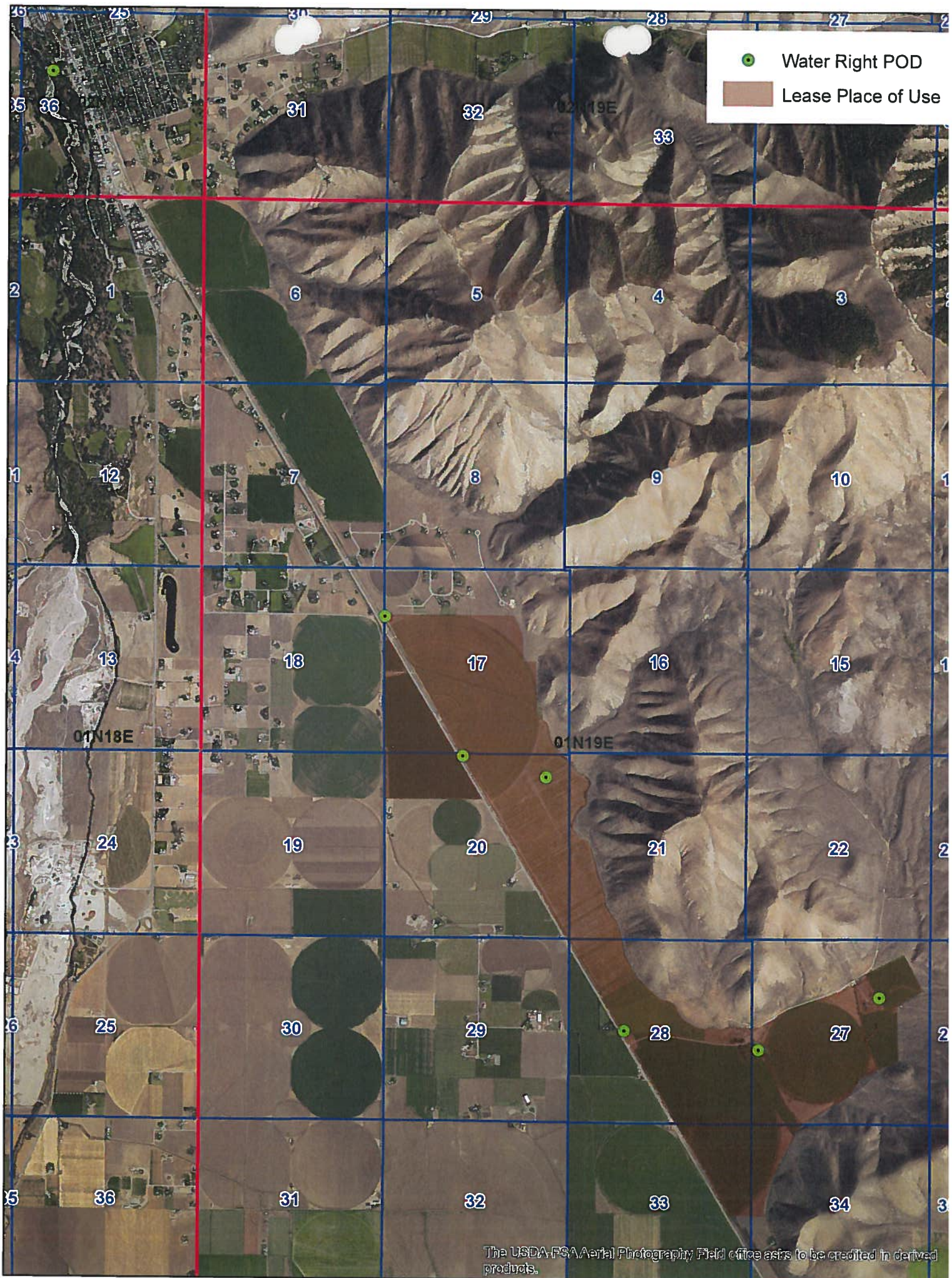
37	481 B	8/1/1882	13.670	BIG WOOD RIVER	1,435.1	1,079.0		E55 for unleased portions	
37	482 G	8/1/1884	10.870	BIG WOOD RIVER	1,435.1	1,079.0		1079 - 90.1 = 988.9 ac	
37	483 B	8/1/1902	68.000	BIG WOOD RIVER	1,435.1	1,079.0			
Totals			92.540		1,435.1	1,079.0			
Combined limits						1,079.0			
37	665 K	10/15/1884	2,060	BIG WOOD RIVER	1,435.1	263.0		E55 for unleased portions	
37	666 J	6/12/1886	1,100	BIG WOOD RIVER	1,435.1	263.0		263 - 22 = 241 ac	
37	667 N	6/15/1891	2,340	BIG WOOD RIVER	1,435.1	263.0			
Totals			5,500			263.0			
Combined limits						263.0			
37	2625 A	11/13/1959	7,960	GROUND WATER	1,435.1	399.0	1,396.5	condition 2 on 37-2625A for unleased portions	
37	2638	8/1/1960	4,010	GROUND WATER	1,435.1	428.0	1,498.0	1435.1 - 119.8 = 1315.3 ac	
37	2700	8/20/1964	9,880	GROUND WATER	1,435.1	494.0	1,482.0	E52 for unleased portions	
37	21463	4/1/1984	2,950	GROUND WATER	1,435.1	194.0	679.0	21.85 / 24.80 = 0.8810483 x 2.06 = 1.81 cfs	
Totals			24,800		1,435.1	1,515.0	5,055.5	21.85 - 1.81 = 20.04 cfs	
Combined limits			21,850			1,435.1		These are additive from below	
37	2638	8/1/1960	4,010	GROUND WATER	1,435.1	428.0	1,498.0	E55 for unleased portions	
37	2700	8/20/1964	9,880	GROUND WATER	1,435.1	494.0	1,482.0	842.1 x 0.04 = 33.7	
Totals			13,890		1,435.1	922.0	2,980.0	842.1 - 33.7 = 808.4 cfs	
Combined limits						842.1			
37	2625 A	11/13/1959	7,960	GROUND WATER	1,435.1	399.0	1,396.5	Condition 10 on 37-21463 for unleased portions	
37	21463	4/1/1984	2,950	GROUND WATER	1,435.1	194.0	679.0	7.96 / 10.91 = 0.7296058 X 0.89 = 0.65 cfs	
Totals			10,910		1,435.1	593.0	2,075.5	7,960 - 0.65 = 7,959.35 cfs	
Combined limits			7,960						

means limit

Ground Water Rights

0.66 116.6
0.33 125.0
0.82 124.9
0.25 57.0
2.06 leased cfs 423.5 Total leased af

0.66
0.25
0.91 leased cfs



RECEIVED

FEB 09 2015

DEPARTMENT OF
WATER RESOURCES

February 3, 2015

Clay Webster
Idaho Department of Water Resources
322 East Front Street
POB 83720
Boise, ID 83720-0098

Dear Mr. Webster,

Attached are the two signed copies of the Water Bank Leases for your review and processing. Please note that I changed the contact information as Givens Pursley no longer represents Redstone Partners on water issues.

Sincerely,



Steve Beevers
Managing Member
SDB Ventures, LLC
General Partner
Redstone Partners

REDSTONE PARTNERS, LP
1188 EAGLE VISTA CT
RENO, NV 89511
775-60-2228

COVE RANCH
535 GANNETT RD
BELLEVUE, ID 83313
208-788-5464



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

February 3, 2015

REDSTONE PARTNERS LP
1188 EAGLE VISTA CT
RENO NV 89511

**RESPONSE
DEADLINE
FEBRUARY 16,
2015**

RE: REQUEST FOR RETURN OF SIGNED WATER SUPPLY BANK LEASE CONTRACTS FOR WATER RIGHT(S) 37-481B, 37-482G, 37-483B, 37-665K, 37-666J, 37-667N, 37-22155, 37-2625A, 37-2638, 37-2700 and 37-21463

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

Dear Applicant,

The Department of Water Resources (Department) mailed **two original Water Supply Bank Lease Contracts for your review and signature** on January 13, 2015. The signed contracts have not been returned to the Department.

Please sign both original Lease Contracts and return them to the Department within ten (10) days of this letter to complete processing. The Lease Contract is not considered final until both you and the Department have signed.

If the signed lease contracts are not received by the Department within the 10-day period, the lease application(s) will be returned, and the application fee will not be refunded. You can reapply to lease the water right(s) in the future by submitting new application form(s) along with applicable fees.

Please note the forfeiture period is not tolled unless a right is accepted into the Bank, or unless an exception or defense to forfeiture applies as described under Idaho Code § 42-223. If forfeiture is a concern, you may consider filing an Application for Extension of Time to Avoid Forfeiture of a Water Right form. This and other water right forms are available from the Department's web site at www.idwr.idaho.gov.

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

c: SPF Water Engineering LLC- Roxanne Brown



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

January 13, 2015

REDSTONE PARTNERS LP
C/O MICHAEL LAWRENCE
PO BOX 2720
BOISE ID 83701-2720

RE: APPLICATION(S) TO LEASE WATER RIGHT(S) 37-481B, 37-482G, 37-483B, 37-665K, 37-666J, 37-667N, 37-22155, 37-2625A, 37-2638, 37-2700 and 37-21463 TO THE WATER SUPPLY BANK

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

Dear Applicant:

The Department of Water Resources has completed its review of your application to lease the above-mentioned water right(s) to the Water Supply Bank. **I have enclosed two original 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, 2018**, unless the rights are released earlier by the Board, or upon your request. To release the right from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. To propose a new lease period, submit a new Application to Sell or Lease a Water Right to the Water Supply Bank form along with applicable fees to the Department. These forms are available from any IDWR office or from our public website at <http://www.idwr.idaho.gov>. Please note your rights may not be available for immediate release if they have been rented.

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

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

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

Sincerely,


for Clay Webster
Water Resource Agent
WSB Process Point of Contact

Enclosure: Proposed Lease Contracts
Receipt # C098766

c. Redstone Partners LP, Reno, NV

Thiel, Sandra

From: Kevin Lakey [watermanager@cableone.net]
Sent: Wednesday, January 07, 2015 1:41 PM
To: Thiel, Sandra
Subject: RE: Redstone Water Supply Bank lease

OK thanks

From: Thiel, Sandra [<mailto:Sandra.Thiel@idwr.idaho.gov>]
Sent: Wednesday, January 07, 2015 1:14 PM
To: Kevin Lakey
Subject: RE: Redstone Water Supply Bank lease

Thanks for the fast turnaround. My apologies. The POD in the NENE of section 20 is 37-12194 for Stockwater. The other in section 27 is 37-12193 for domestic. Neither should have been included on the map.

From: Kevin Lakey [<mailto:watermanager@cableone.net>]
Sent: Wednesday, January 07, 2015 11:32 AM
To: Thiel, Sandra
Subject: RE: Redstone Water Supply Bank lease

Sandra,

There is a POD in the NENE of section 20 and another in the NE?center?NE of section 27 that WD 37 is not aware of. If these are Groundwater diversions, WD 37 would need meters in those locations.

Kevin Lakey

From: Thiel, Sandra [<mailto:Sandra.Thiel@idwr.idaho.gov>]
Sent: Wednesday, January 07, 2015 9:17 AM
To: Kevin Lakey
Subject: Redstone Water Supply Bank lease

Good Morning, the attached documents concern a application to lease water by Redstone Partners. I have included a copy of the proposed lease contract that shows the water rights and their combined limits. I've also attached a copy of District 45's consent. Please let me know as soon as possible if you have any issues with this lease. Thanks.

Sandra Beer Thiel
Idaho Department of Water Resources
322 East Front Street
Boise, Idaho 83720-0098
(208)287-4881
sandra.thiel@idwr.idaho.gov

Palmer, Cherie

From: James White [jdw@jamesdwhitelaw.com]
Sent: Thursday, July 17, 2014 10:53 AM
To: Palmer, Cherie; Skaggs, Pam
Cc: Roxanne Brown; Jim Super; Sarah Gardner; Gary Frugard; 'Steve Beevers'
Subject: Cert by Sec of Reso Approving Redstone Apps
Attachments: Cert of Sec re Approval of Redstone Apps.pdf

Cheri,

Per our telcon this morning, I am circulating my certificate of the resolution passed on July 14.

Please let me know if you need anything further.

Thanks for your insights this morning.

I will be in touch.

Regards,

Jim White

Cell 949 697 9236

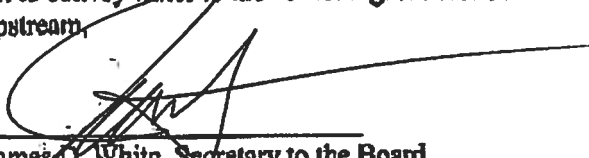
**CERTIFICATE OF ACTION TAKEN BY
THE WOOD RIVER VALLEY IRRIGATION DISTRICT # 45**

The undersigned hereby certify that at the July 14, 2014 meeting of the Board of Directors of the WOOD RIVER VALLEY IRRIGATION DISTRICT # 45 the board took up the matter of the APPLICATIONS of REDSTONE PARTNERS, LP, and the board, after discussion and on motion by Director Frugard, seconded by Director Gardner, and unanimously approved, the following resolution was adopted by the Board and is at this time in full force and effect:

RESOLVED, THAT the Secretary was instructed to notify the IDWR Water Bank officials of the District's consent to the District's consent to the Applications of Redstone Partners, LP subject to and with the continuing condition of a 20% hold-back in the District 45 system and on the further condition that there be no adverse impact on minimum stream flow in the river and that carriage loss sufficient to convey water to the 45 head-gate must be left in the river if the water right is to be leased upstream.

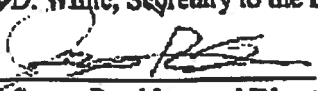
Dated:

7/17/14


James D. White, Secretary to the Board

Dated:

7/16/14


James Super, President and Director

Skaggs, Pam

From: Gary Frugard [ggfanda@msn.com]
Sent: Tuesday, June 17, 2014 5:06 PM
To: Skaggs, Pam
Cc: rbrown@spfwater.com; Steve Beevers; Jim White; Jim Super; Sarah Gardner
Subject: RE: Irrigation District #45 - Consent for Proposed Water Supply Bank Lease for Redstone Partners LP

Pam,
Thank you very much for your help. D45 will act on this application and forward our response to you by August 1.

All the best,
Gary Frugard
D45 BOD

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> From: Pam.Skaggs@idwr.idaho.gov
> To: ggfanda@msn.com
> CC: rbrown@spfwater.com
> Subject: Irrigation District #45 - Consent for Proposed Water Supply Bank Lease for Redstone Partners LP
> Date: Tue, 17 Jun 2014 21:51:00 +0000
>
> Gary,
>
> Thank you for your call today regarding the proposed Water Supply Bank (WSB) Lease application from Redstone Partners LP for a portion of their Cove Ranch water rights. The 05-21-2014 letter from Cherie Palmer noted that Irrigation District written consent of the proposed lease is a requirement. Our application form has been modified to direct applicants and/or their consultants to request the Districts consent first and submit it with the WSB application. It is an ongoing education of the WSB requirements.
>
> We will hold this application from further processing until 08-01-2014 as we agreed on the phone today. That should allow the Irrigation District time to discuss the consent request at your 07-14-2014 meeting and forward the results to the Department.
>
> Thank you for your cooperation in resolving this lease request.
>
> Pam
> _____
> Pamela S. Skaggs
> Water Rights Supervisor
> Idaho Department of Water Resources
> 322 E Front St

> PO Box 83720

> Boise ID 83720-0098

> Phone (208) 287-4951

> Fax (208) 287-6700

>

>

> -----Original Message-----

> From: dwr-NECVoiceMail

> Sent: Tuesday, June 17, 2014 3:09 PM

> To: Skaggs, Pam

> Subject: Message from 949-683-1642  Gary Frugard - IRR Dist #45 ggfanda@msn.com

>

> Hello Skaggs, Pam,

>

> You have received a new forwarded Voice message from Unknown sender (9496831642) on June 17, 2014 3:05 PM.

>

> Sent by Unified Messaging System

>



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 21, 2014

SPF ENGINEERING
CO ROXANNE BROWN
300 E MALLARD DR STE 350
BOISE ID 83706

**RE: IRRIGATION DISTRICT REQUIREMENT FOR APPLICATION TO LEASE
WATER RIGHTS TO THE WATER SUPPLY BANK
37-481B, 37-482G, 37-483B, 37-665K, 37-666J, 37-667N, 37-22155**

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

Dear Applicant:

The Department of Water Resources (Department) acknowledges receipt of your Application to Lease water rights to the Water Supply Bank (Bank). A cursory review of your application revealed that required information was not included with the application.

Question 1.D. on the Bank lease application form asks, "Is the diversion works or system owned or managed by an Irrigation District or water delivery company?" You checked "No", but all the above listed water rights appear to be delivered through Irrigation District #45 Canal.

Idaho Administrative Code IDAPA 37-02.03.025 requires the written consent of an irrigation company be submitted with the application for lease. **Please contact Irrigation District #45 for written consent of your proposed lease and submit it to the Department to complete your application.**

The application will be returned, unprocessed, if the consent is not received within thirty (30) days from the date of this letter. If you have questions regarding this matter, please contact me at 287-4944.

Sincerely,

Cherie Palmer, Sr. Water Resource Agent
Water Supply Bank Point of Contact

c: Redstone Partners LP
1188 Eagle Vista Ct
Reno NV 89511



April 29, 2014

Remington Buyer
IDWR State Office
322 E. Front St.
P.O. Box 83720
Boise, ID 83720-0098

RECEIVED

APR 30 2014

DEPARTMENT OF
WATER RESOURCES

Subject: Applications for Idaho Water Supply Bank (11)

Dear Remington,

Enclosed on behalf of Redstone Partners LP (Redstone) are eleven applications to lease water to the IWSB. Redstone is seeking to place portions of each water right on their Cove Ranch property in the water supply bank to protect the rights from forfeiture and provide an opportunity for rental of the rights by other water users in Basin 37. The water rights offered for lease were created by changes in farming practice, including the installation of pivots to provide sprinkler irrigation. In addition, a permanent road has been constructed and must be maintained to comply with a zoning change in Blaine County.

The water rights are currently described as a permissible place of use (PPU), and some rights have combined use limits within the PPU. For this reason, we provide a copy of the spreadsheet used to calculate the diversion rate and acreage offered for lease under each water right.

Redstone Partners provided a single check for the IWSB application fee, and fees associated with an *Application for Extension of Time to Avoid Forfeiture of a Water Right* which was submitted separately to the Southern Regional Office. A copy of the fee receipt is attached to this submittal.

SPF can provide GIS shapefiles via email for the proposed lands on request. Please contact me if you have any questions.

Sincerely,

A handwritten signature in blue ink that reads "Roxanne Brown".

Roxanne Brown
Sr. Water Rights Specialist

Cc: Steve Beevers, Redstone Partners

Enclosures

SPF file number: 754.0030