

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

RECEIVED

MAR 06 2015

DEPARTMENT OF
WATER RESOURCES

This is to certify that: **JR SIMPLOT COMPANY**
PO BOX 27
BOISE ID 83707
208-336-2110

filed an application to rent water from the Water Supply Bank ("Bank"). The Idaho Water Resource Board ("Board"), being authorized to operate a Bank and to contract by and through the Director of the Idaho Department of Water Resources ("Director, Department") for rental of water from the Bank, agrees to rent water as follows:

Summary of Water Rights or Portions Rented from the Bank

Water Right	Priority Date	Source	Tributary	Rented Rate	Annual Rented Volume	Acre Limit	Total Rented Acres
61-2162	01/22/1964	Ground Water	NA	3.05 cfs	1417.5 af	NA	315.0 ac
61-2163	12/02/1963	Ground Water	NA	3.09 cfs	1332.0 af	NA	296.0 ac

Annual Combined Rental Totals **6.14 cfs 2749.5 af NA 611.0 ac**

Term of Rental: **February 3, 2015 to December 31, 2015**

Rental Fee: **\$4674.15**

The fee for rental of the above-described water is \$46,741.50. Because you own the above referenced water rights you are obligated to pay ten percent (\$4,674.15) to the Department for administrative costs only. No rental fees will be refunded once the fee is collected and the start date for a Rental Agreement has passed.

Detailed water right conditions are attached.

The undersigned renter agrees to use the water rented under this agreement in accordance with the Water Supply Bank rules and in compliance with the limitations and conditions of use described in this agreement:


Signature of Renter

David Spurling, Senior Vice-
Printed Name and Title*
President, Secretary & General Counsel

4 MAR 2015
Date

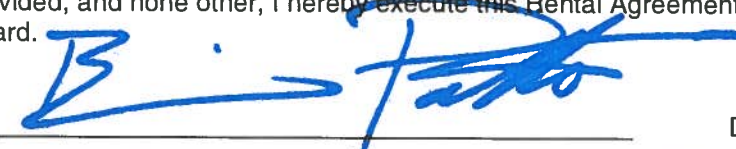
Signature of Renter

Printed Name and Title*

Date

*Please provide title of signatory if signing on behalf of a company or organization or with power of attorney.

Having determined that this agreement satisfied the provisions of Idaho Code § 42-1763 and IDAPA 37.02.03.030 (Water Supply Bank Rule 30), for the rental and use of water under the terms and condition herein provided, and none other, I hereby execute this Rental Agreement on behalf of the Idaho Water Resource Board.

By 
BRIAN PATTON, Acting Administrator
Idaho Water Resource Board

Date March 6, 2015

SUPPORT DATA

IN FILE # 61-2162

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

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER	SE¼SE¼	Sec. 31	Twp 04S	Rge 04E	ELMORE County
GROUND WATER	SE¼NE¼	Sec. 6	Twp 05S	Rge 04E	ELMORE County
GROUND WATER	NE¼SE¼	Sec. 5	Twp 05S	Rge 04E	ELMORE County
GROUND WATER	NW¼NW¼	Sec. 5	Twp 05S	Rge 04E	ELMORE County
GROUND WATER	NE¼SW¼	Sec. 5	Twp 05S	Rge 04E	ELMORE County
GROUND WATER	SE¼NW¼NE¼	Sec. 32	Twp 04S	Rge 04E	ELMORE County
GROUND WATER	SE¼SW¼NE¼	Sec. 32	Twp 04S	Rge 04E	ELMORE County
GROUND WATER	NE¼NW¼SE¼	Sec. 32	Twp 04S	Rge 04E	ELMORE County

BENEFICIAL USE

IRRIGATION

SEASON OF USE

04/01 TO 10/31 FOR WATER RIGHT 61-2162

03/15 TO 11/15 FOR WATER RIGHT 61-2163

RENTER'S PLACE OF USE: IRRIGATION

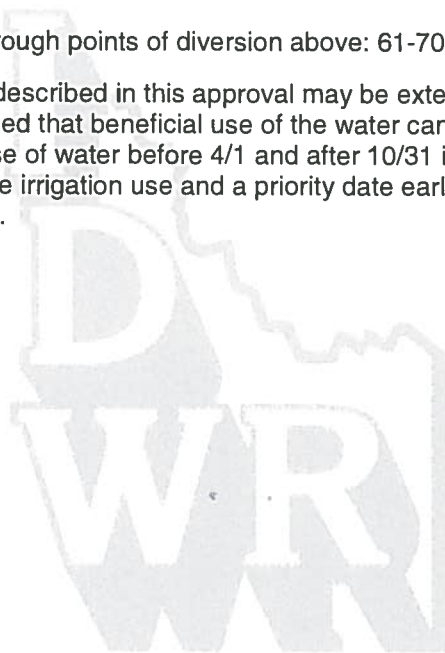
Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
04S	04E	31													40.0				40.0
04S	04E	32		40.0	39.0		40.0		40.0	40.0	40.0	40.0	40.0			39.0	40.0	39.0	477.0
04S	04E	33											39.0						39.0
05S	04E	5		36.0			19.0												55.0

Total Acres: 611.0

CONDITIONS APPLICABLE TO ALL RENTED WATER RIGHTS

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. Rental of the specified right from the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other department application process.
3. Use of water under this agreement does not constitute a dedication of the water to renter's place of use, and upon expiration of this agreement, the points of diversion and place of use of the water shall revert to those authorized under the water right and/or again be available to rent from the bank.
4. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
5. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.
6. Use of water under this agreement shall not prejudice any pending permanent transfer applications that the renter has filed to modify other water rights for irrigation of the subject lands nor shall it prejudice any future rental agreement that may be made of the subject water right after this rental agreement expires.
7. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.

8. Renter agrees to hold the Board, the Director and the state of Idaho harmless from all liability on account of negligent acts of the renter while using water.
9. Renter acknowledges and agrees that the Director may terminate diversion of water if the Director determines there is not a sufficient water supply for the priority of the right or portion thereof being rented.
10. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
11. This rental agreement does not authorize the construction of a well.
12. The renter must diligently pursue a permanent water right to provide for the uses authorized under this rental agreement.
13. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the lands above.
14. The water right(s) referenced above is accepted into the bank and rented in accordance with a private agreement formulated between the lessor and the renter. Administrative fees will be paid based on the current rental rate.
15. The following rights are diverted through points of diversion above: 61-7088 and 61-11747.
16. The period of use for the irrigation described in this approval may be extended to a beginning date of 3/15 and an ending date of 11/15 provided that beneficial use of the water can be shown and other elements of the right are not exceeded. The use of water before 4/1 and after 10/31 is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than the originating approval/SRBA partial decree date.



STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

FEB 03 2015

DEPARTMENT OF
WATER RESOURCESAPPLICATION TO RENT WATER
FROM THE BOARD'S WATER SUPPLY BANKApplicant Name: J. R. Simplot CompanyIs this application being submitted with a lease application as a lease/rental package? Yes ☒ No ☐

An *Application to Rent Water from the Board's Water Supply Bank* must be completed in accordance with the minimum requirement checklist below to be acceptable for processing by the Idaho Department of Water Resources (IDWR). This checklist is part of the rental application and must be included with the rental application. **Applications that do not meet the minimum requirements will not be placed in the processing queue and may be returned until all minimum requirements have been met.**

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

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

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

Checked All Items as Either Attached (Yes) or Not Applicable (N/A)

YES

☒ Completed *Application to Rent Water from the Board's Water Supply Bank*

Attachment N/A YES

- | | | | |
|----|-------------------------------------|-------------------------------------|--|
| 2 | ☒ | ☒ | A map showing the proposed point(s) of diversion, place(s) of use, and water diversion and distribution systems proposed to be used with your rental request |
| 3A | ☐ | ☒ | Detailed information on a proposed use of rental water |
| 3E | ☒ | ☐ | Authorization from the owner/operator of the rental point(s) of diversion |
| 3G | ☒ | ☐ | Water modeling to account for the impacts of the rental request |
| 3J | ☒ | ☐ | Documents justifying a need to rent water for irrigation at a rate of flow greater than 0.02 cfs/acre |
| 3K | ☒ | ☐ | Authorization from the owner/operator of the property at the proposed rental place(s) of use |
| 4B | ☒ | ☐ | Explanation of how the rental water will sufficiently accomplish your rental purposes |
| 4C | ☒ | ☐ | Explanation of consumptive use amounts for water rights experiencing a change in nature of use |

Department Use Only – Proposed Water Right(s)

61-2162

61-2163

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A. Applicant J. R. Simplot Company

Mailing Address P. O. Box 27, Boise, ID 83707

Email Address _____ Phone Number 208-336-2110

B. Is this application being completed by an authorized representative on behalf of the applicant? Yes ☐ No ☒

If yes, representatives (includes company employees if the applicant is a corporation, as well as legal counsel or consultants) should provide their information below if they desire to be included on correspondence with the rental applicant.

Representative _____ Professional Title _____

Organization _____ Relationship to Applicant _____

Mailing Address _____

Email Address _____ Phone Number _____

2. MAP

Create a map of the proposed point(s) of diversion, place(s) of use, and water diversion, delivery and distribution systems. Make sure the place of use is outlined with an obvious, bolded line. For irrigation purposes, note that the place of use outlined on your map cannot exceed the number of acres you are proposing to rent. Attach the map to this application and label it **Attachment 2**.

3. DESCRIPTION OF PROPOSED USE FOR RENTAL WATER

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

Water diverted from the points of diversion described under water right nos. 61-2162 and 61-2163, together with points of diversion described under 61-7088 and 61-11747 will be used to irrigate the places of use described under 61-7088 and 61-11747

B. Enter the desired and/or minimum necessary rates of flow, volume, or irrigable acres requested for your rental purposes:

Desired Rate (Cubic Feet/Second)	Desired Volume (Acre-Foot)	Minimum Rate* (Cubic Feet/Second)	Minimum Volume* (Acre-Foot)	Acres (if applicable) (Acre)
6.14 CFS	2,749.5 AF	CFS	AF	611 AC

Sometimes water rights available for rent provide an exceptionally low rate per acre and/or low volume per acre. This section is meant to establish an acceptable range of water sufficient for your proposed water use. Please see question 4B and complete if necessary.

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

Proposed Start Date (month/day/year)	Latest Possible Start (month/day/year)	* Proposed Rental Duration (Max 5 Years)	** For multi-year rentals, indicate whether you desire to rent water for remaining years if a rental request cannot be approved for the first year?	
April 1, 2015		1	☐ Yes, approve rental for all remaining future years.	☐ No, return rental request if first year is unapprovable.

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

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

**STATE OF IDAHO
WATER RESOURCE BOARD**

Application to Rent Water (Continued)

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

Water Source	TWP	RGE	SEC	¼	¼	¼	County	Other water rights for the same purpose diverted from this POD
Groundwater	4S	4E	31		SE	SE	Elmore	

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

- E. Do you own and/or possess the authority to divert water from the above POD(s)? Yes ☒ No ☐
If no, provide documentation from the owner/operator confirming your authorization to use the POD(s) and label it **Attachment 3E**.

- F. Do any POD(s) identified in Question 3D divert from a water source that may require water modeling? Yes ☐ No ☒
Refer to the Water Modeling Requirements Information Sheet to determine if a rental POD may require water modeling.

- G. Has water modeling been provided with your rental request? Yes ☐ No ☒

If yes, include as **Attachment 3G**. Otherwise please explain why modeling was not provided:

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

- H. Specify the proposed beneficial use: ☒ Irrigation ☐ Commercial ☐ Industrial ☐ Municipal
☐ Groundwater Recharge ☐ Mining ☐ Stockwater ☐ Other: _____

- I. Refer to the map you created in item 2 and specify below the places you propose to use water. If for irrigation, specify the number of acres to be irrigated per ¼ ¼ tract. Otherwise indicate usage by marking the ¼ ¼ tracts with the first letter of your proposed use identified above:

TWP	RGE	SEC	NE				NW				SW				SE				TOTALS
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
4S	4E	31													40				40
		32		40	39		40		40	40	40	40	40	40		39	40	39	477
		33											39						39
		5		36			19												55
The entry in this grid must match the map from item 2 on the application.																			Total Acres (for irrigation)
																			611

- J. For irrigation uses, do you propose a water diversion rate greater than 0.02 cfs/acre? N/A ☐ Yes ☐ No ☒
If yes, explain the justification for this rate of flow and attach any supporting documents as **Attachment 3J**:

- K. Do you own the land at the proposed rental place of use (POU)? Yes ☒ No ☐
If no, attach documentation from the POU owner/operator confirming your authorization to use the POU and label it **Attachment 3K**.

- L. Describe your water distribution system and how water will be delivered from the POD(s) to the proposed POU(s):
Wells, pumps, motors, pipelines, sprinkler systems.

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

M. List all other water rights and sources of water at the rental place of use for the same purpose and explain why additional water is required. Include privately owned water rights and water received from a municipal supplier, an irrigation district, a canal company, or any other water deliver entity:

61-7088 and 61-11747. Due to declining aquifer levels, the diversion from wells under 61-2162 and 61-2163 must be combined to divert enough water to irrigate the place of use under 61-7088 and 61-11747.

4. RENTAL REQUESTS FOR SPECIFIC WATER RIGHTS

A. Are you requesting to rent specific water rights?

Yes ☒ No ☐

If yes, specify below the water rights you are requesting to rent. Otherwise continue to Section 5 of this application form.

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

Water rights identified below must either already be leased to the Bank or a lease proposal should accompany the rental request. **Rental requests for water rights not yet leased to the Bank will be returned if companion lease applications are not provided with the rental request.**

For leased rights with combined limits, applicants should request to rent against the combined limit diversion rate, volume or acre limits.

Elements of Water Rights Leased to the Bank (Contract Details)								Leased totals minus water actively engaged in rental agreement equals rental availability	Rental Request		
Water Right Number	Nature of Use	Water Source	Rate (CFS)	Volume (AF)	Acres (AC)	Start (year)	End (year)		Rate (CFS)	Vol. (AF)	Acres (AC)
61-2162	Irrigation	Groundwater	3.1cfs	1140af	320	2015	2015		3.1 cfs	1140	320
61-2163	Irrigation	Groundwater	3.09cfs	1332af	296	2015	2015		3.09	1332	296
Applicants must ensure the requested rate per acre and volume per acre do not exceed the rate per acre and volume per acre that have been leased to the Water Supply Bank								TOTAL	6.19 CFS	2772 AF	616 AC

Attach multiple copies of this page if space above is insufficient to list all water rights requested to be rented on this application.

B. If water right conditions, combined limits, or the sum of all water right elements being requested provide an unconventional duty of water (e.g., an unusually low rate per acre or volume per acre for irrigation use), explain how your proposed rental will sufficiently accomplish your intended purposes. Attach a separate page if space is insufficient and label it **Attachment 4B:**

NA

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

C. Does your rental request propose to change the nature of use for any water right(s) being requested? Yes ☐ No ☒

If yes, explain how the water right(s) will be converted to new uses. Include the historic, consumptive use amounts for the water right being rented, as well as the new consumptive use amount for your proposed beneficial use. Attach a separate page if space is insufficient and label it **Attachment 4C**:

5. ADDITIONAL INFORMATION

A. Is this the first time that rental water is being requested for this purpose at the rental place of use? Yes ☐ No ☒

If no, list previous rental requests/agreements and explain why you have not secured a permanent water right for your needs:
Water rental for the same purpose expired December 31, 2014.

B. Have you or do you intend to submit an application for permit or transfer proposing a similar use as this rental? Yes ☐ No ☒

If yes, describe: It is uncertain if the application will be able to continue to irrigate the rental place of use given the water supply conditions.

C. Was this rental application submitted in response to a Notice of Violation (NOV) or a pending NOV? Yes ☐ No ☒

If yes, describe the date and location of the NOV.

DECLARATION

I hereby assert that the information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in rejection of the application or cancellation of an approval. I understand that if this rental application is approved, it will be subject to the provisions of Section 42-1766, Idaho Code and all applicable state and federal laws.


Signature of Applicant

David Spurling, Senior Vice President,
Printed Name of Applicant

30 JAN 2015
Date

Signature of Representative

Secretary and General Counsel
Printed Name of Representative

Date

Mail to:

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

STATE OF IDAHO
WATER RESOURCE BOARD

Water Modeling Requirement Information Sheet

Information on water modeling requirements for rental requests within special administrative areas

Important information on requesting rental water within the Eastern Snake Plain Aquifer (ESPA) and other selected administrative areas: If your proposed rental falls within the boundaries of the ESPA or other selected administrative area (as explained below) you must identify specific water rights leased into the Bank to use for your rental. Item 4 of the rental application can be used for this purpose. Use the information below to determine whether modeling the potential impacts of your proposed rental is necessary. If you submit an application to rent water from within the ESPA and/or a special administrative area and it is determined that your rental request requires water modeling, your rental request will be returned if water modeling is not provided.

Water modeling may be required when an application to rent water involves one of two scenarios:

Scenario 1: The application proposes the use of a regulated water source within an administrative area and the distance between the rental point(s) of diversion (POD) and the POD(s) for the leased water right(s) is greater than the administratively established, acceptable distance.

Regulated water sources areas may include:

- A. Ground water within the Eastern Snake Plain Aquifer (ESPA);
- B. Ground water within Ground Water Management Areas (GWMAs) or Critical Ground Water Areas (CGWAs);
- C. Water resources within other specified administrative areas, as established by the Idaho Water Resource Board (IWRB) or the Idaho Department of Water Resources.

The distance between any rental POD(s) and the POD(s) for a leased water right is important. On the ESPA, distance is measured in terms of model cells that cover an area of one square mile. Ground water modeling is not required if lease POD(s) and rental POD(s) are within the same or adjacent model cells. If lease and rental POD(s) are separated by more than one model cell, however, groundwater modeling must be completed and submitted with the rental application. ESPA modeling tools can be accessed and freely downloaded from IDWR's website by visiting:

www.idwr.idaho.gov/WaterManagement/WaterRights/WaterRightTransfers/resources.htm.

Ground water modeling may be required within GWMAs, CGWAs or other regulated administrative areas. Applicants who desire to rent water within an established GWMA, CGWA or other regulated administrative area should consult IDWR's website before submitting their application to review the current status of administrative orders related to regulated administrative areas. Consult www.idwr.idaho.gov/WaterInformation/GroundWaterManagement/designated_areas.htm for information on GWMAs or CGWAs, visit www.idwr.idaho.gov/AboutIDWR/legal.htm for information on other regulated areas.

Applicants interested in renting water within a GWMA, CGWA or other regulated administrative areas should request water rights that have been leased into the Bank from within the same administrative area. Generally, the Bank will not permit a rental of water within a regulated administrative area if the leased water rights are not located within that same administrative area.

Scenario 2: A rental request proposes to divert water from a different but hydraulically connected water source.

Modeling situations may include:

- A. Rental requests that propose to divert surface water rights via ground water POD(s) (wells); and
- B. Rental requests that propose to divert ground water from one aquifer when the right being rented is authorized to divert ground water from a hydraulically connected, tributary aquifer.

Rental requests that propose to divert surface water rights from ground water points of diversion may be considered if ground water modeling establishes that the surface and ground water resources are sufficiently hydraulically connected. The ground water and surface water sources must have a direct and immediate hydraulic connection (at least 50 percent of the total depletion must be detectable in the original source in one day). The existing POD and proposed POD must be proximate such that diversion and use of water from the proposed POD would have substantially the same effect on the hydraulically-connected source as diversion and use of water from the original POD.

Requests to rent ground water across tributary aquifer sources may be considered if ground water modeling is provided to demonstrate that two aquifers are hydraulically connected and the anticipated impacts of diverting ground water from one source through the other is modeled accordingly.

For more information about rental application requirements, contact IDWR at (208) 287-4800.





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 9, 2015

J R SIMPLOT COMPANY
PO BOX 27
BOISE ID 83707

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 61-2162 AND 61-2163**

Dear Renter:

Please find enclosed a receipt in the amount of **\$4,674.15** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 2749.5 acre-feet of water for irrigation of 611 acres during 2015. Upon receipt of this fully executed agreement, you are authorized to divert water in compliance with the conditions of water use described in the agreement.

Pursuant to the Water Supply Bank Rules, the rental fee will be retained by the Department to offset administrative costs since you are the owner of the right(s).

If you have any questions, please contact me at (208) 287-4946.

Sincerely,

Michele Edl
Senior Water Resource Agent
WSB Process Point of Contact

Enclosure(s): Receipt No. C100016
Rental Agreement (copy)

c: Sascha Marston – Fiscal
IDWR Western Regional Office



CORPORATE HEADQUARTERS

RECEIVED

MAR 06 2015

DEPARTMENT OF
WATER RESOURCES

March 5, 2015

State of Idaho
Department of Water Resources
Michele Edl, Senior Water Resource Agent
P. O. Box 83720
Boise, ID 83720-0098

RE: Application to Rent Water From the Water Supply Bank;
Water Right No(s). 61-2162 and 61-2163

Ms. Edl,

Enclosed please find an executed Agreement and appropriate administrative fee payable to IDWR, to rent water from the Water Supply Bank from the above mentioned Water Right.

Please let me know if you have any questions, and a final executed copy to my attention for our records is appreciated. I can be reached at (208) 389-7258 or diana.gastanaga@simplot.com.

Thank you for your assistance.

Sincerely,

Diana Gastanaga
Property Administrator



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 3, 2015

JR SIMPLOT COMPANY
PO BOX 27
BOISE ID 83707

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 61-2162 AND 61-2163**

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

Dear Applicant:

The Department of Water Resources acknowledges receipt of your application to rent water from the Water Supply Bank. **I have enclosed a Water Supply Bank Rental Agreement for your review and signature.** Upon signature and return of the original agreement, together with the rental fee described below, the Department will also sign the original agreement and return an executed copy to you. Execution of the agreement and compliance with the conditions of approval authorize diversion and use of water as provided in the agreement.

A rental fee of **\$46,741.50** was calculated based on the current rental rate of \$17.00 per acre-foot times a diversion volume of 2749.5 acre-feet. Since you are both the lessor and the renter of the rights, **you are only obligated to pay the 10% administrative fee or \$4,674.15.** An annual payment shall be received by the Department prior to the execution of this agreement and prior to February 15 in all subsequent years for the duration of the rental period. The agreement will be void if payment is not received prior to the due date in a given year. If you would like to terminate the agreement prior to the end of the rental period, you must submit written notice of your intent to the Department at least 30 days prior to the rental fee due date.

Please send a check for \$4,674.15 made payable to the Idaho Department of Water Resources, together with the signed rental agreement, within 14 days so I can complete processing.

If you have any questions, please contact me at (208) 287-4946.

Sincerely,

Michele Edl
Senior Water Resource Agent
WSB Process Point of Contact

Enclosure: Water Supply Bank Rental Agreement

c: IDWR Front Desk

Edl, Michele

From: Grimm, Angie
Sent: Wednesday, February 25, 2015 10:20 AM
To: Edl, Michele
Subject: RE: Request for region comment JR Simplot rental

Michelle,

Good morning! The proposed rental PODs are within the Mtn Home GWMA & Trust Water Area. So long as no enlargement occurs, there should not be any injury due to implementation of the proposed rental. Along those lines, your statement (Enlargement of Use section of your memo) that the overlapping "...surface water system has not yet been developed." is a bit perplexing to me considering I believe one or two of these surface water rights are in the WSB and are being rented out. I think Pam just worked on a WSB rental for JR Simplot Co of 2-10471. These are the "old Cottonwood Canal Co" rights that have a long drawn out story I don't even know all of (I'm sure Pam knows more than I do), but I believe the end result is these rights were moved to their current WR POU via Transfer, but not used on the new POU land (put into WSB instead). It may be a little clearer to elaborate on how the surface rights are valid, but were not used on that particular land thus the rights aren't stacked. Just some food for thought.

One other thought/question that occurred to me is if JR Simplot Co plans to keep using these particular GW rights to irrigate the adjacent rental POU, perhaps they should make the permanent change via a Transfer application? Just wondering if this has been contemplated by JR Simplot Co and if they've let IDWR know why they don't want to do this. Again, just food for thought, not a show stopper or anything for this rental approval.

Overall, no local regional issues or concerns come to mind on this rental proposal. I appreciate the opportunity to comment. I hope some of my comments are helpful. Have a great day!

Thanks,
Angie

Angela M. Grimm, P.G.
Water Resources Agent, Sr.
IDWR - Western Region
2735 Airport Way
Boise, ID 83705-5082
(208) 334-2190 phone
(208) 334-2348 fax

From: Edl, Michele
Sent: Thursday, February 12, 2015 3:09 PM
To: Grimm, Angie
Subject: Request for region comment JR Simplot rental

James,

I have completed my review of the 2015 WSB rental application, submitted by J R Simplot, for 61-2162 and 61-2163. In essence, this is a re-up of a rental that expired in December 2014. J R Simplot will be renting these rights to satisfy irrigation requirements on a nearby contract farm.

Please give me your feedback about these applications.

I have attached my review memo and a jpg showing the location of the rental acres.

Thank you.

Michele

MEMORANDUM

To: Water Right(s) 61-2162 and 61-2163
From: Michele Edl
Date: February 12, 2015
Re: Review & Analysis of J R Simplot Company's Application to Rent Water from the State Water Supply Bank (B61)

PURPOSE/NARRATIVE: On February 3, 2015, J R Simplot Company submitted an application to rent water from the State Water Supply Bank. The application proposes to rent portions of J R Simplot Company's water rights to irrigate 611 acres in Twp 4S, Rge 4E, sec 31, 32, 33 & 5 known by the applicant as the Dobaran Farm.

This is a recurring request. Declining aquifer levels in the wells serving the rental place-of-use has required that water from a nearby farm supplement the native water. The water from two farms is combined in order to complete the irrigation of crops at the single farm.

AUTHORITY TO FILE: According to available Elmore County taxlot information, the proposed place-of-use is owned by J R Simplot Company. J.R. Simplot Company is listed with ISOS as C28407. David Spurling is listed as an officer and he signed the application.

The proposed points-of diversion are eight existing wells. Those wells are the three authorized POD's shared by the existing, native rights 61-7088 and 61-11747 plus the five authorized PODs shared by the rented rights 61-2162 and 61-2163.

WATER RIGHT VALIDITY: Water rights 61-2162 and 61-2163 have been leased to the State Water Supply Bank since 2005 for an indefinite period. They are available to rent in the quantity requested.

A review of 2013 aerial photography shows that the water rights have been idled at the authorized place-of-use.

INJURY TO OTHER WATER RIGHTS: No injury is apparent. The proposed rental POU is directly adjacent to the POU for WR 61-2163 and quarter-quarter away from the POU for 61-2162.

ENLARGEMENT OF USE: The rental agreement will be issued with combined use limits on the rights. The current season-of-use at the rental location is 3/1 - 11/15. The current headgate requirement in the area is 4. For decreed rights 61-2162 and 61-2163 the seasons-of-use are less than the current standard but both rights authorize 4.5 acre-ft per acre which is more than the current standard.

Both lease POU and the rental POU show overlapping surface water rights from Basin 2. However, according to the applicant, the surface water system has not yet been developed. Therefore, the surface water and ground water rights are not yet stacked.

LOCAL PUBLIC INTEREST: Review staff has no information to suggest this application is inconsistent with the local public interest.

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

DEPARTMENT STAFF OR WATERMASTER COMMENTS: The rented right(s) are not subject to a Water District. However, they are diverting water from the Mountain Home Ground Water Management Area. Western Region will be consulted.

Edl, Michele

From: Conrad, Vic [Vic.Conrad@simplot.com]
Sent: Thursday, February 12, 2015 5:17 PM
To: Edl, Michele
Subject: RE: PODs WSB rental of 61-2162 & 61-2163

Michele,

We will try to use as many wells under 61-2162 and 61-2163 as we can. We will continue to use water from all POD's identified under 61-7088 and 61-11747. We refer to the farm identified under 61-7088 and 61-11747 as the "Dobaran Farm" and the land under the native place of use for 61-2162 & 61-2163 is the "Nicholson Farm". Please let me know if I can help further.

From: Edl, Michele [mailto:Michele.Edl@idwr.idaho.gov]
Sent: Thursday, February 12, 2015 5:10 PM
To: Conrad, Vic
Subject: PODs WSB rental of 61-2162 & 61-2163

Mr. Conrad,

I have finished my review of JR Simplot Company's rental of its own water rights 61-2162 and 61-2163 on the native place-of-use for water rights 61-7088 and 61-11747. (By the way, do you have name for these fields or this farm which differentiates from the others?)

I am drafting the rental agreement while we wait for comment from the Western Region office and I have a question about the number of wells that will be active.

Rental rights 61-2162 and 61-2163 share the same 5 PODs.

Native rights 61-7088 and 61-11747 share the same 3 PODs but none are shared between these groups.

Please confirm for me that the irrigation water for this lease/rental will be drawn from any or all of the PODs which have been authorized by the rights; that there will be 8 unique PODs conveying water to the rental farm.

Thank you.

Michele Edl

Water Right No.	Rented Vol (AF)	Lessor Fee (90%)	Administrative Fee (10%)	Total Fee @ \$17 (2015-2017)	Rental Amounts	
					Rate (cfs)	Acres
61-2162	1417.5	\$ -	\$ 2,409.75	\$ 2,409.75	3.05	315.00
61-2163	1332.0	\$ -	\$ 2,264.40	\$ 2,264.40	3.09	296.00
Total	2749.5	\$ -	\$ 4,674.15	\$ 4,674.15	6.14	611.00
	vol	rate	ac	rate/ac	vol/ac	priority 1964
61-2162	1440	3.10	320	0.0096875	4.5	
already committed	0.00	0.00	0.00			
available	1440.00	3.10	320.00	0.009688		
requested	1417.50	3.05	315.00	0.009683	4.5	
still available	22.50	0.05	5.00			
61-2163	1332	3.09	296	0.010439189	4.5	priority 1963
already committed	0.00	0.00	0.00			
available	1332.00	3.09	296.00	0.0104		
requested	1332.00	3.09	296.00	0.0104		
	0.00	0.00	0.00	ALL GONE		