

WATER SUPPLY BANK LEASE CONTRACT

This Lease Contract ("**Lease**") is effective May 13, 2014, between the Idaho Water Resource Board ("**Board**"), and

Lessor: BYRON PEHRSON
3340 W 2800 N
MOORE ID 83255
(208) 588-3381

RECEIVED

DEC 22 2014

DEPARTMENT OF
WATER RESOURCES

RECITALS

1. The Board is authorized under chapter 17, title 42, Idaho Code to operate a water supply bank and to contract with lessors to act as an intermediary in facilitating the rental of water.
2. The Lessor has filed a completed application to lease water rights described below into the Water Supply Bank on forms supplied by the Idaho Department of Water Resources.
3. The Director of the Idaho Department of Water Resources has reviewed the application for compliance with the Water Supply Bank rules and has approved the Lease subject to conditions listed below.

NOW, THEREFORE, in consideration of the mutual covenants and contracts herein contained, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. **WATER RIGHTS:** The Lessor shall lease and the Board shall accept into the Bank the Applicant's water rights described as follows:

Summary of Water Rights or Portions Leased to the Bank

<u>Water Right</u>	<u>Lease Rate</u>	<u>Lease Volume</u>	<u>Total Leased Acres</u>
34-02304	0.56 CFS	98.0 AF	28.0 AC
34-07025	0.56 CFS	46.6 AF	41.3 AC
Combined Lease Limits:	1.09 CFS	144.6 AF	41.3 AC

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

Authorized Period of Use under Lease: 04/01 to 10/31

2. **COMPENSATION:** The Lessor shall accept and the Board shall pay compensation determined by the amount of water rented under the following rental rate during such times as the water is rented from the Bank over the term of this Lease.

Minimum Payment Acceptable: Current Rental Rate

3. **TERM OF LEASE:** This Lease shall take effect when both parties have signed it and shall continue in effect until December 31, 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.

SUPPORT DATA

IN FILE # 34-2304

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.

BYRON PEHRSON
3340 W 2800 N
MOORE ID 83255

By  Date 12-14-14
Printed Name Byron Pehrson Title Owner

IDAHO WATER RESOURCE BOARD
322 East Front Street
P.O. Box 83720
Boise, ID 83720-9098

By  Date December 22, 2014
Brian Patton, Acting Administrator
Idaho Water Resource Board

Lease approved by IDWR  Date 12/22/2014

ATTACHMENT A
WATER RIGHT NO. 34-02304
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: BYRON PEHRSON
3340 W 2800 N
MOORE ID 83255
(208) 588-3381

Priority Date: 5/18/1953

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/01	to 10/31	0.56 CFS	Not Stated
	Total:		0.56 CFS	Not Stated

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER	NWSESW	Sec. 4, Twp 06N, Rge 25E, CUSTER County
GROUND WATER	SESWNW	Sec. 4, Twp 06N, Rge 25E, CUSTER County

PLACE OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

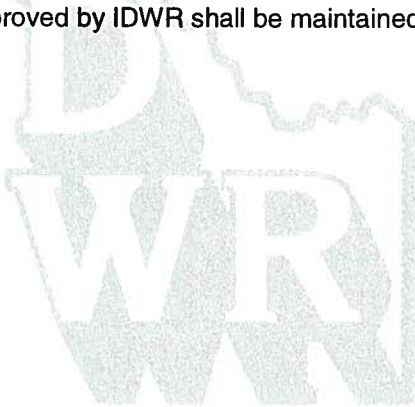
Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
06N	25E	4								4.0		8.0	2.0	2.0				2.0	18.0
06N	25E	9	10.0																10.0

Total Acres: 28.0

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the Department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, the lease term expires, or upon request from the lessor to change the term of the lease, provided the Board approves the release. Unless approved by the Department, leased rights may not be immediately available for release.
5. While a water right is in the bank, forfeiture provisions are stayed.
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.

8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.
9. In accordance with Idaho Code §§ 42-248 and 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season.
 - b. If a change in ownership is processed by the Department during a rental season, rental payment will be made to the person or entity who is the lessor of record at the beginning of that rental season.
 - c. New lessor(s) of record will receive payment after the following rental season.
11. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.
12. Use of the un-leased portion of this right with right no. 34-07025 is limited to a total combined diversion rate of 11.39 cfs and to a total combined annual diversion volume of 1311.4 af.
13. Use of the un-leased portion of this right with right no. 34-07025 is limited to the irrigation of a combined total of 374.7 acres in a single irrigation season.
14. A measuring device of a type approved by IDWR shall be maintained as a part of the diverting works.



ATTACHMENT A
WATER RIGHT NO. 34-07025
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: BYRON PEHRSON
3340 W 2800 N
MOORE ID 83255
(208) 588-3381

Priority Date: 5/5/1972

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/01	to 11/01	0.56 CFS	Not Stated
	Total:		0.56 CFS	Not Stated

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER	SESWNW	Sec. 4, Twp 06N, Rge 25E, CUSTER County
GROUND WATER	NWSESW	Sec. 4, Twp 06N, Rge 25E, CUSTER County

PLACE OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

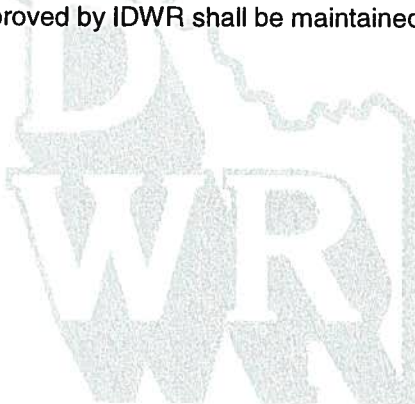
Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
06N	25E	4							5.0	4.0		7.0	2.0		6.0	1.0	4.0	1.0	30.0
06N	25E	9	10.0	1.3															11.3

Total Acres: 41.3

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the Department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, the lease term expires, or upon request from the lessor to change the term of the lease, provided the Board approves the release. Unless approved by the Department, leased rights may not be immediately available for release.
5. While a water right is in the bank, forfeiture provisions are stayed.
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.

8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.
9. In accordance with Idaho Code §§ 42-248 and 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season.
 - b. If a change in ownership is processed by the Department during a rental season, rental payment will be made to the person or entity who is the lessor of record at the beginning of that rental season.
 - c. New lessor(s) of record will receive payment after the following rental season.
11. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.
12. Use of the un-leased portion of this right with right no. 34-02304 is limited to a total combined diversion rate of 11.39 cfs and to a total combined annual diversion volume of 1311.4 af.
13. Use of the un-leased portion of this right with right no. 34-2304 is limited to the irrigation of a combined total of 374.7 acres in a single irrigation season.
14. A measuring device of a type approved by IDWR shall be maintained as a part of the diverting works.



STATE OF IDAHO
WATER RESOURCE BOARD

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MAY 13 2014

Department of Water Resources
Eastern Region

WATER SUPPLY BANK LEASE OR SALE APPLICATION CHECKLIST

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 Byron Pehrson

Water Right No. 34-2304

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 <i>all owners</i> of the water right that is being leased or sold on this application. |
| 1B | | ☒ | An <u>Internal Revenue Service (IRS) Form W-9</u> for the Designated Applicant. |
| 1C | ☒ | ☐ | <i>Notice of Change in Water Right Ownership</i> form (accessible from www.idwr.idaho.gov). |
| 1D | ☒ | ☐ | Written consent from irrigation district or water delivery company. |
| 1E | ☐ | ☒ | Contact information for an authorized representative and documentary proof they are authorized to represent the Designated Applicant on this application. If the Designated Applicant is a business, partnership, municipality, organization or association, include documents identifying officers authorized to sign or act on behalf of the entity. |
| 2 | ☐ | ☒ | Description of a water right portion offered to the Water Supply Bank. |
| 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 \$	Received By: <u>Eastern</u>	Date Received: <u>5/13/14</u>	Receipt # <u>8039830</u>
W-9 received? Yes ☒ No ☐	(Route W-9 to Fiscal)	Name on W-9: <u>Byron Pehrson</u>	

**STATE OF IDAHO
WATER RESOURCE BOARD**

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

1. CONTACT INFORMATION

- A. An application to sell or lease a water right to the Water Supply Bank must be completed by a Designated Applicant who is a recognized owner of the water right being sold or leased to the Water Supply Bank. If there are additional owners recorded for the property to which the water right is appurtenant, those individuals must authorize the Designated Applicant to represent them on this application by completing and signing Attachment 1A of this application package.

Designated Applicant Byron Pehrson Email Address _____
Mailing Address 3340 W 2800 N, Moore, ID 83255 Phone Number 208-588-3381

☐ 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 Kristin Moore Organization Rocky Mountain Environmental Associates
Professional Title Water Rights Analyst Email Address kmoore@rockymountainenvironmental.co
Mailing Address 482 Constitution Way 303, Idaho Falls, ID 83402 Phone Number 208-524-2353

☐ 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 34-2304 ☐ 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 divert into irrigation system now including 4 pivots.

- 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.

Water Right 34-7025 also overlaps this place of use in part. Together they are limited to a total of 416 acres.

This right is also being offered to the Bank.

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

Yes ☐ No ☒

If yes, describe. _____

D. Has any portion of this water right undergone a period of five or more consecutive years of non-use?

Yes ☐ No ☒

If yes, describe and attach Watermaster records or other evidence to demonstrate that the water right has not been lost through abandonment or forfeiture pursuant to Section 42-222(2), Idaho Code. _____

E. Is this water right involved in any other IDWR process such as an application for transfer or a mitigation plan? Yes ☐ No ☒

If yes, describe. _____

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 4/01/2014 to 12/31/2018 (maximum lease period 5 years).
(Month / Day / Year) (Month / Day / Year)

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

I hereby assert that the information contained in this application is true to the best of my knowledge, and that I have the authorities necessary to offer this water right for sale or lease to the Idaho Water Resource Board.

The Designated Applicant acknowledges the following:

1. Payment to the Designated Applicant is contingent upon the sale or rental of the water right from the Bank.
2. While a water right is in the Bank, the seller/lessor of the water right may not use the water right even if the water right is not rented from the Bank.
3. A water right accepted into the Bank stays in the Bank until the Designated Applicant receives written confirmation from the Board or Water Supply Bank that the water right has been released from the Bank.
4. While a water right is in the Bank, forfeiture provisions are stayed.
5. Acceptance of a water right into the Bank does not, in itself, confirm the validity of the water right or any elements of the water right.

Byron Pehrson
Signature of Designated Applicant

Byron Pehrson
Printed Name

5-8-14
Date

Signature of Authorized Representative

Printed Name

Date

Mail to:

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

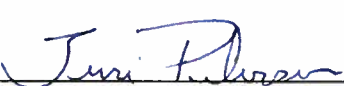
**STATE OF IDAHO
WATER RESOURCE BOARD**

ATTACHMENT 1A

Additional Water Right Holders Party to the Lease Application

List all individuals or business entities that are owners of the property to which the water right on this application is appurtenant. All water right holders must be signatories to a Water Supply Bank Lease Application however only the Designated Applicant needs to provide a completed IRS Form W-9 (Attachment 1B). **All correspondence and any financial payment associated with the rental of this water right will be directed to the Designated Applicant.** If additional space is needed to list any other water right holders, attach a second copy of Attachment 1A.

Water Right No. 34-7025

	Designated Applicant	Applicant #2	Applicant #3
Name	Byron Pehrson	Terri Pehrson	
Mailing Address	3340 W 2800 N Moore, ID 83255	3340 W 2800 N Moore, ID 83255	
Phone Number	208-588-3381	208-588-3101	
Email Address			
Applicant Declaration	As Designated Applicant, I submit this lease application on behalf of all other water right holders.	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.
Signature			

	Applicant #4	Applicant #5	Applicant #6
Name			
Mailing Address			
Phone Number			
Email Address			
Applicant Declaration	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.
Signature			

Authority to Act on Behalf

Loy Pehrson and Byron Pehrson hereby authorize Rocky Mountain Environmental Associates to act on our behalf regarding the Water Supply Bank applications for water rights in Custer and Butte Counties.



Loy Pehrson



Byron Pehrson

STATE OF IDAHO
WATER RESOURCE BOARD

ATTACHMENT 2

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

1. <u>Water Right Number</u>	<u>Amount (cfs/ac-ft)</u>	<u>Nature of Use</u>	<u>Period of Use</u>
34-2304	0.6 cfs	Irrigation	4/01 to 10/31
			to
			to
			to
			to
			to
Total Amount:	0.6 cfs		

2. Source of water Ground Water tributary to _____

3. Point(s) of Diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
6N	25E	4		SE	SW	NW	CUSTER
6N	25E	4		NW	SE	SW	CUSTER

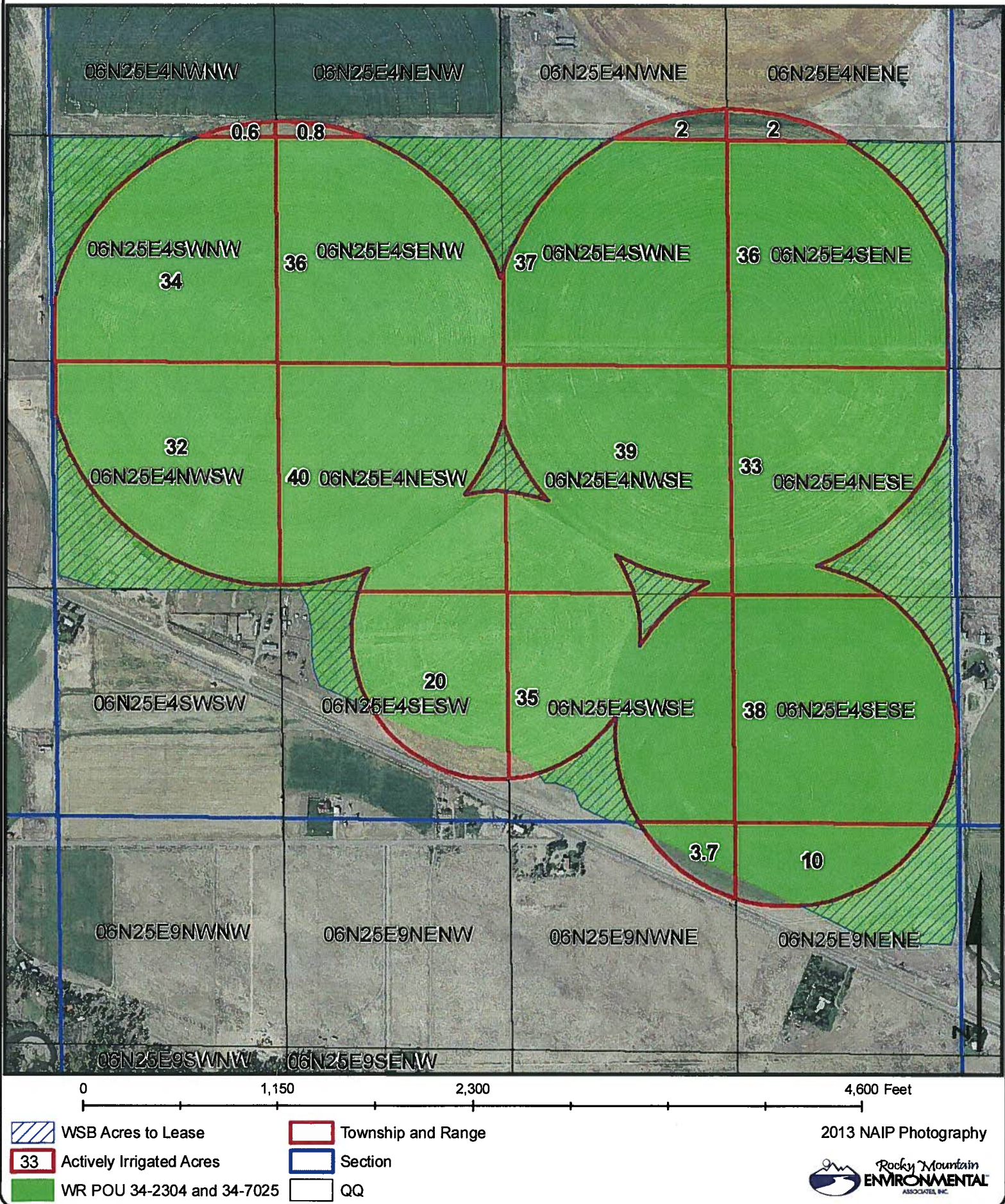
4. Lands irrigated or place of use:

[illegible]

If the water right is for irrigation, show total number of acres offered to the Bank. **Total Acres** 28

Water Supply Bank Attachment #4

Water Rights 34-2304 and 34-7025



WR 34-2304 and 34-7025

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MAY 13 2014

Department of Water Resources
Eastern Region

Water Rights	cfs	AFA	POU Ac	Acre Limit	% Acre/P OU	Combined Use Limits	% of CUL	Active Irrigated Acres	Not Actively Irrigated	WSB Acres	WSB Acre Limit	WSB cfs	WSB AF	Remaining Acre Limits
WR 34-2304	7.18	1256.5	359	359	100%	416	86.3%	331	28	28	28.0	0.6	98	331.0
6N25E4 SWNE			25					25	0	0				
SENE			27					27	0	0				
SWNW			30					30	0	0				
SENW			40					36	4	4				
NESW			40					40	0	0				
NWSW			40					32	8	8				
SWSW			2					0	2	2				
SESW			22					20	2	2				
NESE			30					30	0	0				
NWSE			20					20	0	0				
SWSE			23					23	0	0				
SESE			40					38	2	2				
6N25E9 NENE			20					10	10	10				
WR 34-7025	5.62	1456	416	416	100%	416	100.0%	374.7	41.3	41.3	41.3	0.6	144.55	374.7
6N25E4 NENE			0					2	-2	0				
NWNE			0					2	-2	0				
SWNE			34					31	3	0				
SENE			20					19	1	0				
NENW			0					0.8	-0.8	0				
NWNW			0					0.6	-0.6	0				
SWNW			39					32.6	6.4	5				
SENW			40					36	4	4				
NESW			40					40	0	0				
NWSW			39					32	7	7				
SESW			22					20	2	2				
NESE			39					33	6	6				
NWSE			40					39	1	1				
SWSE			39					35	4	4				
SESE			39					38	1	1				
6N25E9 NENE			20					10	10	10				
NWNE			5					3.7	1.3	1.3				

*Note: Since the pivots appear to extend beyond the water right shapefile, 5.4 acres were determined to be in QQs that were not included in the place of use description. To prevent enlargement of the water right, adjustments were made to the proposed acreage to be leased to the Water Supply Bank, removing 5.4 acres from the proposed acreages from the SWNE, SENE, SWNW of Section 4, T6N, R25E.



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

December 22, 2014

BYRON PEHRSON
3340 W 2800 N
MOORE ID 83255

RE: WATER SUPPLY BANK LEASE CONTRACT FOR RIGHTS 34-2304, 34-7025, 34-4010 and 34-14205

Dear Lessor:

Water Rights **34-2304, 34-7025, 34-4010 and 34-14205** were leased into the Water Supply Bank on May 13, 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.

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

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

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

Sincerely,


for Clay Webster
Water Resource Agent
WSB Process Point of Contact

Enclosure: Executed Lease Contracts

c: Rocky Mountain Environmental
IDWR Eastern Region
M Todd Perkes – Water District No. 34



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

December 12, 2014

BYRON PEHRSON
3340 W 2800 N
MOORE ID 83255

RE: **REQUEST FOR RETURN OF SIGNED WATER SUPPLY BANK LEASE CONTRACTS FOR
WATER RIGHT(S) 34-2304 & 34-7025**

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

Dear Applicant,

The Department of Water Resources (Department) mailed **two original Revised Water Supply Bank Lease Contracts for your review and signature** on November 20, 2014. 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,

Clay Webster
Water Resource Agent

c. Kristin Moore – Rocky Mountain Environmental



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

November 20, 2014

BYRON PEHRSON
3340 W 2800 N
MOORE ID 83255

RE: APPLICATION(S) TO LEASE WATER RIGHT(S) 34-02304 & 34-07025 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 rights to the Water Supply Bank. **I have enclosed two original revised Water Supply Bank Lease Contracts for your review and signature. Please sign and return BOTH revised 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.

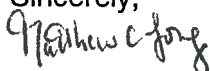
The rights will automatically be released from the Bank on **December 31, 2018**, unless the rights are released earlier by the Board, or upon your request. To release the right from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. 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 287-4944.

Sincerely,


for Cherie Palmer

Water Rights Supervisor
WSB Process Point of Contact

Enclosure: Revised Proposed Lease Contracts

c. Kristin Moore – Rocky Mountain Environmental Associates, Inc

Webster, Clay

From: Palmer, Cherie
Sent: Tuesday, November 18, 2014 12:36 PM
To: Webster, Clay
Subject: FW: WSB Lease Contract WRs 34-2304 and 34-7025
Attachments: WSB_34.7025_Attach2.pdf

Here is the amendment per our discussion.

From: Kristin Moore [mailto:kristin.rmea@gmail.com]
Sent: Tuesday, November 18, 2014 12:36 PM
To: Palmer, Cherie
Subject: RE: WSB Lease Contract WRs 34-2304 and 34-7025

Whoops.

Kristin Moore
Water Rights Analyst
482 Constitution Way, Ste 303, Idaho Falls, ID 83402
E-Mail: kmoore@rockymountainenvironmental.com
VOICE: 208-524-2353 ||| FAX: 208-524-1795



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From: Palmer, Cherie [mailto:Cherie.Palmer@idwr.idaho.gov]
Sent: Tuesday, November 18, 2014 12:25 PM
To: Kristin Moore
Subject: RE: WSB Lease Contract WRs 34-2304 and 34-7025

I think the attachment got left off your email.

From: Kristin Moore [mailto:kristin.rmea@gmail.com]
Sent: Tuesday, November 18, 2014 12:19 PM
To: Palmer, Cherie
Subject: RE: WSB Lease Contract WRs 34-2304 and 34-7025

Cherie,

Here's the amended Attachment 2 for 34-7025. The application for 34-2304 was correct, so it didn't need amended.

Thank you for your hard work on these.

Kristin Moore

Water Rights Analyst

482 Constitution Way, Ste 303, Idaho Falls, ID 83402

E-Mail: kmoore@rockymountainenvironmental.com

VOICE: 208-524-2353 ||| FAX: 208-524-1795



Rocky Mountain
ENVIRONMENTAL™
Associates, Inc.

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From: Palmer, Cherie [<mailto:Cherie.Palmer@idwr.idaho.gov>]

Sent: Tuesday, November 18, 2014 11:02 AM

To: Kristin Moore

Subject: RE: WSB Lease Contract WRs 34-2304 and 34-7025

Yes, I will call you then. Clay is also invited to join us. We will be prepared to discuss all outstanding leases.

Cherie Palmer, Water Rights Supervisor

Idaho Dept of Water Resources

Water Allocation Bureau

322 E. Front Street (Front St. & Broadway Ave)

Mail: PO BOX 83720 Boise, ID 83720-0098

email: cherie.palmer@idwr.idaho.gov

phone: (208) 287-4944

fax: (208) 287-6700

From: Kristin Moore [<mailto:kristin.rmea@gmail.com>]

Sent: Tuesday, November 18, 2014 10:55 AM

To: Palmer, Cherie

Subject: RE: WSB Lease Contract WRs 34-2304 and 34-7025

Ok, Cherie, I think I figured this one out. I have a client coming in any minute. Can we talk at about 11:30?

Kristin Moore

Water Rights Analyst

482 Constitution Way, Ste 303, Idaho Falls, ID 83402

E-Mail: kmoore@rockymountainenvironmental.com



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From: Palmer, Cherie [<mailto:Cherie.Palmer@idwr.idaho.gov>]
Sent: Tuesday, November 18, 2014 9:32 AM
To: Kristin Moore
Cc: Webster, Clay
Subject: RE: WSB Lease Contract WRs 34-2304 and 34-7025

Good Morning Kristin,

I attached a spreadsheet that I created that may help explain the number on the lease for 34-2304 and 34-7025.

As you can see from the spreadsheet water right 34-7025 does not entirely cover the leased POU. For example, you asked to bank 2 acres in the SWSW; however, only water right 34-2304 includes acres in that legal description. That's part of why there's a difference in acres.

We can discuss this lease more in detail once you review the spreadsheet.

At this point I would like to complete all the leases for the Pehrsons. My concern is that we are already inundated with 2015 applications and must close up 2014 applications ASAP. I feel that communicating these complicated situations hasn't been very effective over email. Let's meet over a phone conference and be prepared to discuss all the outstanding Pehrson applications at that time. I can set aside time today or Thursday.

Please let me know what time works for you and we'll work around that time as best we can. We are looking forward to meeting with you and reaching final resolutions for the remaining Pehrson applications.

*Cherie Palmer, Water Rights Supervisor
Idaho Dept of Water Resources
Water Allocation Bureau
322 E. Front Street (Front St. & Broadway Ave)
Mail: PO BOX 83720 Boise, ID 83720-0098
email: cherie.palmer@idwr.idaho.gov
phone: (208) 287-4944
fax: (208) 287-6700*

From: Kristin Moore [<mailto:kristin.rmea@gmail.com>]
Sent: Tuesday, November 18, 2014 8:58 AM
To: Palmer, Cherie
Cc: Webster, Clay
Subject: WSB Lease Contract WRs 34-2304 and 34-7025

Cherie,

I just received the Lease contracts for 34-2304 and 34-7025. After reviewing it, I agree with the quantities for 34-2304, but I have the same concerns for 34-7025 that we discussed last week for the other water rights. It covers the entire place of use, so the leased portion of this right should be 100% of the total leased acres, or 41.3 acres.

Thank you,

Kristin Moore

Water Rights Analyst

482 Constitution Way, Ste 303, Idaho Falls, ID 83402

E-Mail: kmoore@rockymountainenvironmental.com

VOICE: 208-524-2353 ||| FAX: 208-524-1795



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MEMORANDUM

To: Water Right No(s). 34-2304 and 34-7025
From: Clay Webster thru Cherie Palmer
Date: November 13, 2014
Re: Review of Applications to Lease Water Rights to the State Water Supply Bank

PURPOSE/NARRATIVE: The department received lease applications to lease portions of these rights into the water supply bank on May 13, 2014

AUTHORITY TO FILE: These applications were signed by Byron Pehrson designated applicant and partial owner of these water rights

WATER RIGHT VALIDITY: These rights were partially decreed by the SRBA in July 2002. Satellite imagery indicate that these acres of these rights have been irrigated as recently as 2009. Forfeiture is not an issue.

INJURY TO OTHER WATER RIGHTS: No injury is apparent.

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

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

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

DEPARTMENT STAFF OR WATERMASTER COMMENTS: The leased right(s) are subject to Water District # 34. No comments were received for the Watermaster. The regional office had no concerns or comments.

Process	Basin Sequence	Draft	Owner	Source	POD/POU	SWNE	SENE	SWNW	SENW	NESW	NWSW	SWSW	SESW	NESE	NWSE	SWSE	SESE
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06N25E4

Water Right	34-2304	N	PEHRSON, BYRON, PEHRSON, TERRI	GROUND WATER	POU	25.0	27.0	30.0	40.0	40.0	40.0	40.0	2.0	22.0	30.0	20.0	23.0	40.0
-------------	---------	---	--------------------------------	--------------	-----	------	------	------	------	------	------	------	-----	------	------	------	------	------

Acres to Bank

0	0	0	4	0	8	2	2	0	0	0	2
---	---	---	---	---	---	---	---	---	---	---	---

Water Right	34-7025	N	PEHRSON, BYRON, PEHRSON, TERRI	GROUND WATER	POU	34.0	20.0	39.0	40.0	40.0	39.0	22.0	39.0	40.0	39.0	39.0	39.0
-------------	---------	---	--------------------------------	--------------	-----	------	------	------	------	------	------	------	------	------	------	------	------

Acres to Bank

0	0	5	4	0	7	0	2	6	1	4	1
---	---	---	---	---	---	---	---	---	---	---	---

Combined Limit

06N25E9	34	27	39	40	40	40	0	22	39	40	39	40
Total	5	4	4	8	2	2	6	1	4	2		

06N25E9

Water Right	34-2304	N	PEHRSON, BYRON, PEHRSON, TERRI	GROUND WATER	POU	20.0	10
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Acres to Bank

10

Water Right	34-7025	N	PEHRSON, BYRON, PEHRSON, TERRI	GROUND WATER	POU	20.0	5.0
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Acres to Bank

10

Combined Limit

20	5
Total	10

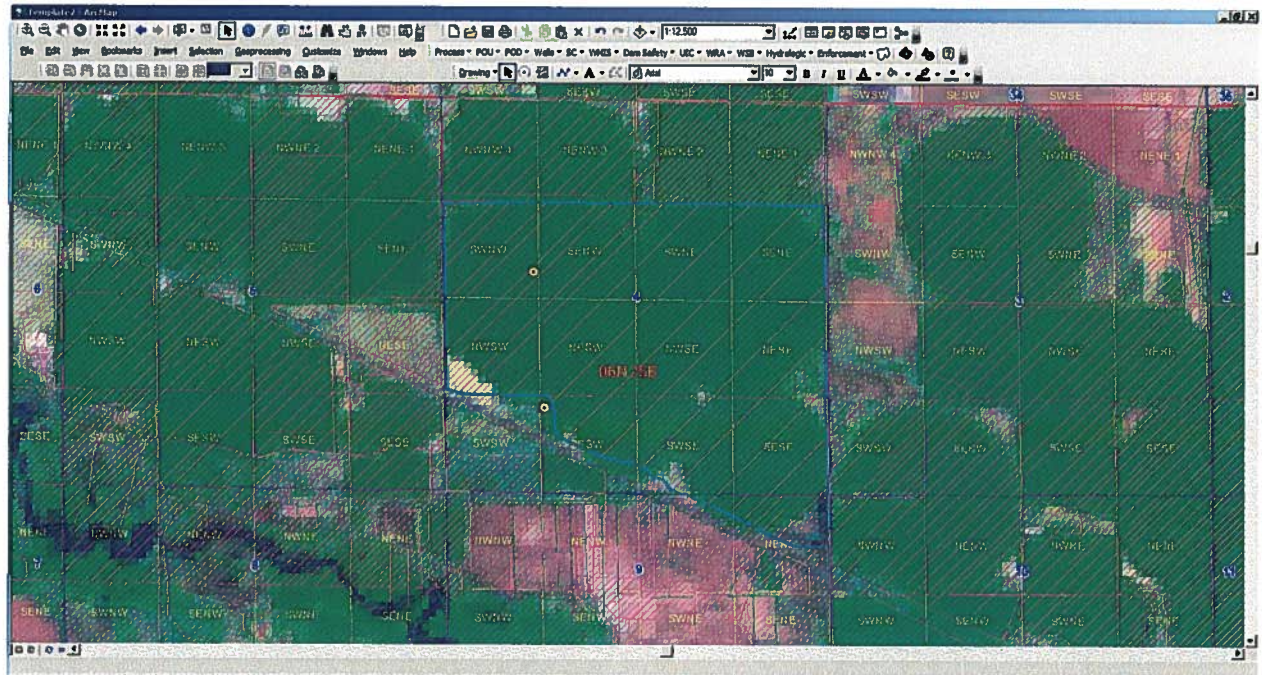
Conclusion: There are no privately held water rights that overlap water right 34-2304 and 34-7025. There is Big Lost Irrigation Dist. water that does overlap the POU.

ACRES	Non-overlapped	Rate	Related Volume	ACRES	Overlapped	Rate	Related Volume	TOTAL	Acres	Rate	Volume
34-2304	4	0.08	14.0	24	0.48	84	28	0.56	98.0		
34-7025	17.3	0.23	60.6		0.32	84	41.3	0.56	46.6		
Total		0.31	74.6		0.80			1.12			
Combined Limit		0.22			0.78	84	41.3	1.09	144.6		

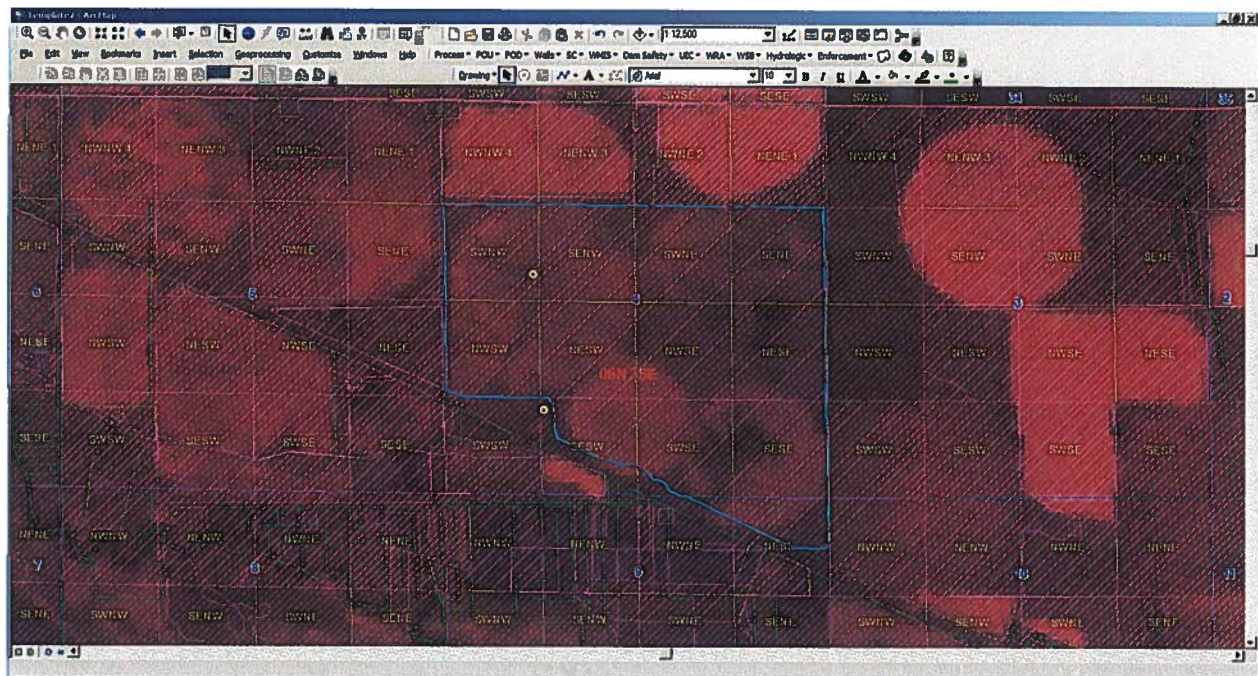
AS DECREED	Rate	Volume	Acres	Acres Limit
5/18/1953	34	2304	7.18 Not Stated	359 None
5/5/1972	34	7025	5.62 Not Stated	416 None
Combined Total	12.48	1456	12.8 3.5 aff/acre	416

[illegible]

Satellite imagery for 34-2304 and 34-7025 for June 28, 2009



Satellite imagery for 34-2304 and 34-7025 for August 15, 2009



Webster, Clay

From: Cefalo, James
Sent: Friday, November 14, 2014 8:51 AM
To: Webster, Clay
Subject: RE: Region and Watermaster comments on WSBLease applications for Byron Pehrson 34-2304 and 34-7025

I don't have any comments or concerns about the proposed WSB lease.
James

From: Webster, Clay
Sent: Thursday, November 13, 2014 1:37 PM
To: Cefalo, James; Todd Perkes
Subject: Region and Watermaster comments on WSBLease applications for Byron Pehrson 34-2304 and 34-7025

James and Todd,

We are currently processing these lease applications. Do you have any concerns? Thanks.

Sincerely,

Clay Webster

Water Resource Agent
clay.webster@idwr.idaho.gov
208-287-4910
Idaho Department of Water Resources (IDWR)
322 E. Front Street
P.O. Box 83720
Boise, ID 83720-0098
208-287-4800
www.idwr.idaho.gov



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

November 13, 2014

BYRON PEHRSON
3340 W 2800 N
MOORE ID 83255

RE: APPLICATION(S) TO LEASE WATER RIGHT(S) 34-02304 & 34-07025 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 rights 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.

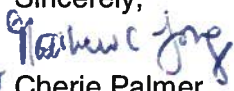
The rights will automatically be released from the Bank on **December 31, 2018**, unless the rights are released earlier by the Board, or upon your request. To release the right from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. 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 287-4944.

Sincerely,


for Cherie Palmer

Water Rights Supervisor
WSB Process Point of Contact

Enclosure: Proposed Lease Contracts

c. Kristin Moore – Rocky Mountain Environmental Associates, Inc

RECEIVED

AUG 20 2014

Department of Water Resources

Big Lost River Irrigation District

101 S. Main Street, P.O. Box 205, Mackay ID 83251 (208) 588-2231 www.blrid.com

August 12, 2014

State of Idaho
Water Resources Board

The Big Lost River Irrigation District gives consent for Water Supply Bank for decree water for the following:

Byron Pehrson
3624 W 3700 N
Moore, Idaho 83255

Loy Pehrson
3700 N 3624 E
Darlington ID 83255

Total number of acres for water bank: up to 126 acres

Sincerely,



James Rindfleisch
General Manager

CC: Kristin Moore – Rocky Mountain Environmental
Michael Holiday – Idaho Department of Water Resources



May 13, 2014

RMEA 11-0029

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

Re: Water Supply Bank Applications

RECEIVED

Dear Agent,

MAY 13 2014

Department of Water Resources
Eastern Region

Enclosed are four groups of applications to Lease water into the Water Supply Bank for Loy Pehrson and Byron Pehrson and a check for \$2,000 to cover filing fees. Portions of each of these water rights are offered to the Bank. There are some factors to note that explain the calculations used to determine acreages offered for each water right. Additionally, original signatures for Attachments #1B and #1E are included with the Application for Water Right No. 34-14189 for Loy Pehrson and 34-14205 for Byron Pehrson; copies of these attachments were attached to the remaining applications.

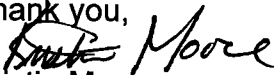
Applicant proposes to Bank the corners of the pivots that are no longer being irrigated within the ground water rights. Overlapping surface water rights are also offered to the Bank as appropriate.

In creating the maps for Attachment #4, it was discovered that the shapefile, available from IDWR GIS Database, does not always correspond to the place of use description for the water rights. The acres per QQ do not match. To determine how many acres are to be offered to the Bank, a reverse approach was used. The irrigated acres are displayed on the map for the portions that WILL NOT be leased to the Bank. A simple subtraction from the place of use description resulted in the number of acres not being irrigated, which is the number of acres proposed to be leased. An attached spreadsheet for each set of applications displays the values determined in this process, along with the acre limits and cfs associated with each water right.

If approved, applicant intends to rent the Banked water to be used on another piece of property that has no water rights.

The applicants have authorized us to act on their behalf in regards to these applications. If you have questions or concerns, please contact me at 524-2353 or through my email kmoore@rockymountainenvironmental.com.

Thank you,


Kristin Moore
Water Rights Analyst

Enclosures: WSB Applications