

WATER SUPPLY BANK LEASE CONTRACT

This Lease Contract ("**Lease**") is effective February 26, 2014, between the Idaho Water Resource Board ("**Board**"), and

Lessor: J R SIMPLOT CO
A NEVADA CORP
PO BOX 27
BOISE ID 83707-0027
208-336-2110
vic.conrad@simplot.com

RECEIVED
SEP 08 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>Acre Limit</u>	<u>Total Leased Acres</u>
2-10472	4.80 CFS	960.0 AF	240.0 AC	1,428.0 AC
Combined Lease Totals:	4.80 CFS	960.0 AF	240.0 AC	1,428.0 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, 2014.
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.

**J R SIMPLOT CO
A NEVADA CORP**
PO BOX 27
BOISE ID 83707-0027

By 
Printed Name David Spurling

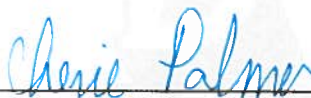
Date 4 SEP 2014

Title Senior Vice President, Secretary,
and General Counsel

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 September 9, 2014

Lease approved by IDWR 

Date September 9, 2014

ATTACHMENT A
WATER RIGHT NO. 2-10472
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: J R SIMPLOT CO
 PO BOX 27
 BOISE ID 83707-0027
 208-336-2110

Priority Date: 2/25/1963

Source: SNAKE RIVER

Tributary to: COLUMBIA RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/01	to 10/31	4.80 CFS	960.0 AF
	Total:		4.80 CFS	960.0 AF

LOCATION OF POINT(S) OF DIVERSION:

SNAKE RIVER L4(SE¼SW¼SW¼) Sec. 22 Twp 05S Rge 04E ELMORE 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	
04S	04E	30				40.0					40.0		40.0	40.0	40.0	40.0	40.0	40.0	320.0
04S	04E	31															39.0	40.0	79.0
05S	04E	4										40.0							40.0
05S	04E	5						38.0	40.0	35.0	39.0	40.0	39.0	40.0	40.0	37.0	40.0	39.0	427.0
05S	04E	6	39.0	40.0	40.0	40.0									40.0	40.0	40.0	40.0	319.0
05S	04E	7	40.0			40.0													80.0
05S	04E	8			3.0		40.0	40.0	40.0	40.0									163.0

Leased Right Acre Limit: 240.0 AC

POU Total Acres: 1,428.0 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 period of use for the irrigation described in this approval may be extended to a beginning date of 3/1 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 4/8/2008.
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 place of use.
14. Use of water under this right will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. #02.

STATE OF IDAHO
WATER RESOURCE BOARDWATER SUPPLY BANK LEASE OR SALE
APPLICATION CHECKLISTRECEIVED
FEB 26 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 J. R. Simplot CompanyWater Right No. 2-10472All 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>250.00</u>	Received By: <u>CJ</u>	Date Received: <u>2/26/14</u>	Receipt # <u>C098391</u>
W-9 received? Yes ☒ No ☐	(Route W-9 to Fiscal)	Name on W-9: <u>JR Simplot Company</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 J. R. Simplot Company Email Address vic.conrad@simplot.com
Mailing Address P.O. Box 27, Boise, ID 83707-0027 Phone Number 208-336-2110

☒ 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 David Spurling Organization J.R. Simplot Company
Professional Title Sr. VP, Secretary & General Counsel Email Address _____
Mailing Address P. O. Box 27, Boise, ID 83707-0027 Phone Number _____

☒ Send all correspondence for this application to the representative and not to the Designated Applicant.

OR

☐ Send original correspondence to the Designated Applicant and copies to the representative.

2. DESCRIPTION OF WATER RIGHT OFFERED TO THE BANK

Water Right Number 2-10472 ☒ 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.

Pumping platform, intakes, penstock

- 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.
61-7096

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

Yes ☒ No ☐

If yes, describe. Groundwater diverted under 61-7196

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 1/1/2014 to 12/31/2014 (maximum lease period 5 years).
(Month / Day / Year) (Month / Day / Year)

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

Current rental rate

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

The Designated Applicant acknowledges the following:

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


Signature of Designated Applicant

David Spurling
Printed Name

24 FEB 2014
Date

Signature of Authorized Representative

Printed Name

Date

Mail to:

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

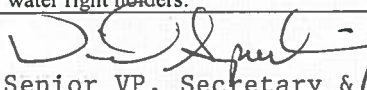
**STATE OF IDAHO
WATER RESOURCE BOARD**

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. 2-10472

	Designated Applicant	Applicant #2	Applicant #3
Name	J.R. Simplot Company		
Mailing Address	P.O. Box 27 Boise, ID 83707-0027		
Phone Number	208-336-2110		
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	 Senior VP, Secretary & General Counsel		

	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			



J R SIMPLOT COMPANY, PO BOX 27, BOISE, ID 83707-0027
TELEPHONE: 208-336-2110

October 8, 2013

J R SIMPLOT COMPANY
CORPORATE OFFICE
MAILING ADDRESS:
PO BOX 27
BOISE, ID 83707-0027

PHYSICAL ADDRESS:
999 MAIN STREET
BOISE, ID 83702

Substitute Form W-9 and Supplemental Data Request

PART 1: TAX STATUS

Corporation:

J R SIMPLOT COMPANY

Name of C Corporation

1955

Incorporation Date

8 2 - 0 1 9 6 6 1 1

Employer ID Number

DO BUSINESS AS:

GRAND VIEW FARMS
JACKLIN SEED
L & L RANCHES
NATIONAL SEED
POTATO & ASSOCIATED PRODUCTS
QUALITY DRIVEN CUSTOM PACKAGING LLC

PRO PRODUCT FERTILIZER
SIMPLOT AGRIBUSINESS
SIMPLOT FOOD GROUP
SIMPLOT GROWER SOLUTIONS
SIMPLOT PARTNERS

SIMPLOT SILICA
SIMPLOT SOILBUILDERS
US WHOLESALE
VALLEY STORAGE
WESTERN STOCKMENS (WSI)

PART 2: 1099 REPORTING EXEMPTION AND EXCEPTIONS

Backup Withholding Exempt Payee Code

FATCA Exempt Reporting Code (if any)

5 - Corporation

PART 3: CERTIFICATION OF BUSINESS STATUS (Please check all that apply)

This firm is: ☒ Large Business (LB)

For business classification definitions, please refer to Code of Federal Regulation 13 CFR 124, contact your local Small Business Administration office, or visit their website at www.sba.gov.

PART 4: SIGNATURE:

Under penalties of perjury, I certify that (1) the number shown on this form is the correct taxpayer identification number, (2) the payee is not subject to backup withholding due to failure to report interest and dividend income or because the payee is exempt from backup withholding, (3) the payee is a U.S. person, and (4) the FACTA code(s) entered on this form (if any) indicate that the payee is exempt from FATCA reporting is correct.

Print Name of Person completing this form: Kristen Barber

Signature:

Title:

Address:

City, State, Zip Code:

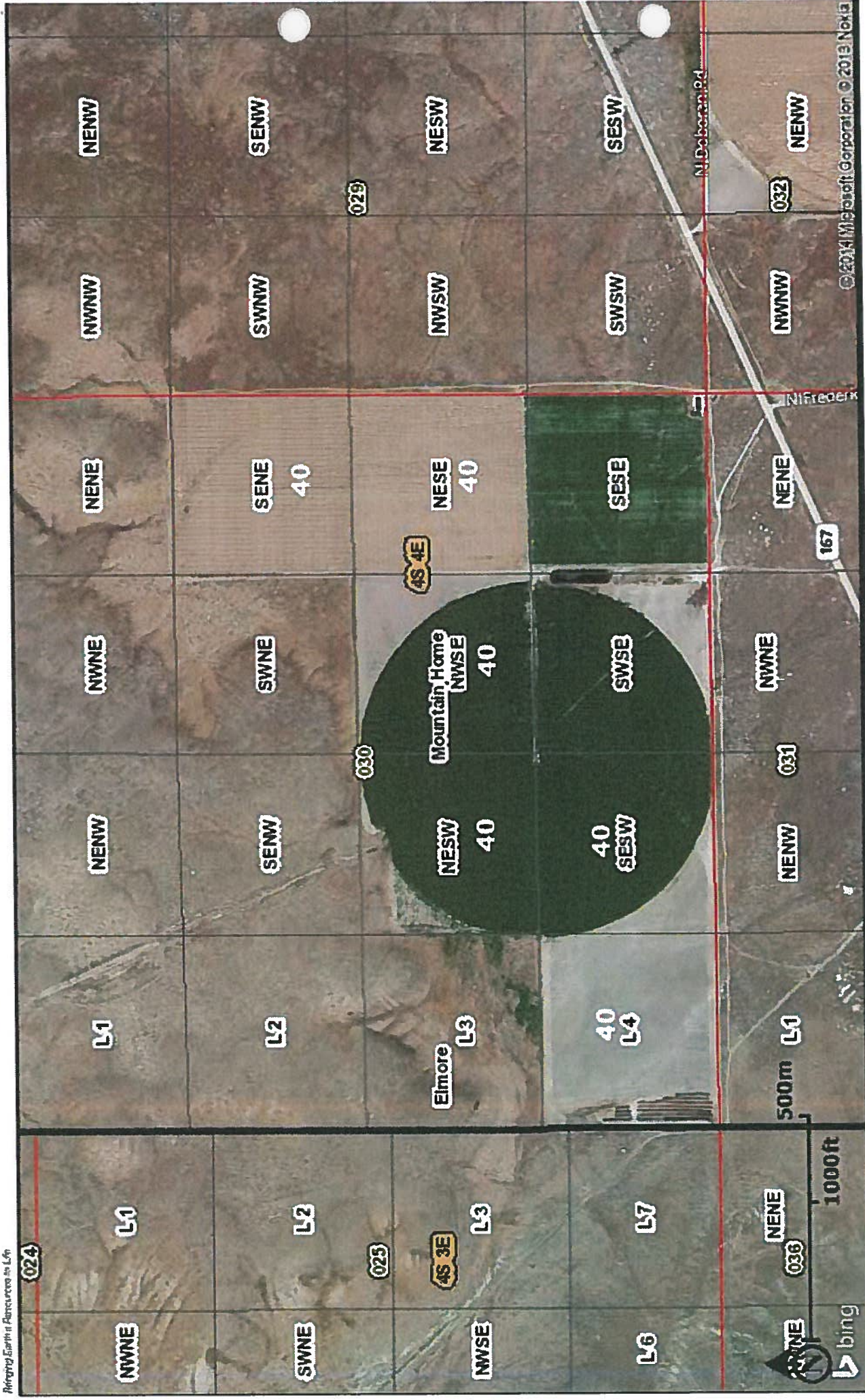
Kristen Barber
Tax Accountant V
PO Box 27
Boise, ID 83707-0027

Date: 10/8/2013

Phone: (208) 336-2110

J. R. SIMPLOT COMPANY
List of Officers
as of
December 20, 2013

<i>Title/Date Taking Office</i>	<i>Name</i>	<i>Address</i>
Chairman 04-17-01	Scott R. Simplot	999 Main Street Suite 1300 Boise, ID 83702
President and Chief Executive Officer 09-01-09	William J. Whitacre	999 Main Street Suite 1300 Boise, ID 83702
Sr. Vice-President and Chief Financial Officer 07-10-02	Annette G. Elg	999 Main Street Suite 1300 Boise, ID 83702
Sr. Vice-President 11-02-10	Mark McKellar	6360 S. Federal Way Boise, ID 83706
Sr. Vice-President 07-07-09	Garrett C. Lofto	999 Main Street Suite 300 Boise, ID 83702
Sr. Vice President and Secretary 07-17-13	David Spurling	999 Main Street Suite 1300 Boise, ID 83702
Assistant Secretary 07-17-13	Jodee Kelly	999 Main Street Suite 1300 Boise, ID 83702
Vice-President and Treasurer 12-20-13	Joel G. Barker	999 Main Street Suite 1300 Boise, ID 83702
Vice-President and Controller 03-20-00	Laura M. Peterson	999 Main Street Suite 1300 Boise, ID 83702





State of Idaho

DEPARTMENT OF WATER RESOURCES

Western Region, 2735 Airport Way • Boise, Idaho 83705-5082

Phone: (208) 334-2190 • Fax: (208) 334-2348 • Web Site: www.idwr.idaho.gov

C. L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

November 7, 2011

J R SIMPLOT CO
PO BOX 27
BOISE ID 83707

LYNNE K RINGERT
And/Or
WILLIAM F RINGERT
PO BOX 105
HAMMETT ID 83627

COTTONWOOD MUTUAL CANAL CO
C/O RINGERT CLARK CHARTERED
PO BOX 2773
BOISE ID 83701

RE: Transfer No.: 77479
Water Right No(s): 2-10472 2-10471

Transfer Approval Notice

Dear Water Right Holder and other Interested Persons:

The Department of Water Resources has issued the enclosed approved Transfer of Water Right(s). Please be sure to thoroughly review the conditions of approval and remarks listed on the approval document.

The Transfer of Water Right(s) is a PRELIMINARY ORDER issued by the Department pursuant to section 67-5243, Idaho Code. It can and will become a final order without further action by the Department unless the APPLICANT petitions for reconsideration or files an exception and/or brief within fourteen (14) days of the service date as described in the enclosed information sheet.

ANY PERSON aggrieved by any decision, determination, order or action of the Department and who has not previously been afforded an opportunity for a hearing on the matter may request a hearing pursuant to section 42-1701A(3), Idaho Code (IC). A written petition contesting the action of the Department and requesting a hearing shall be filed within fifteen (15) days after receipt of the denial or conditional approval.

If the transfer approval includes a condition requiring measuring and recording devices, such devices shall comply with specifications established by the Department. Detailed specifications are available on the Department's homepage on the Internet, or you can request a copy by contacting any office of the Department. Please be sure to thoroughly review the specifications to avoid unnecessary costs for reinstallation or modification due to non-conforming or improperly installed devices.

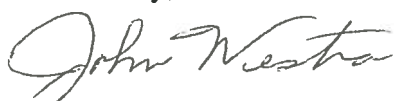
Please note, water right 02-10471 was leased to the Water Supply Bank (bank) on March 22, 1991. In accordance with the water supply bank lease acceptance, the lessor may not use the right while it is in the bank, even if the right is not rented from the bank. The right will remain in the bank until indefinitely unless released earlier by the Water Resource Board, or upon request by the lessor. To change the term of the lease or to release the right(s) from the bank, the lessor must submit a request in writing to the department prior to the release date.

Condition of Approval No. 1 states the right holder shall accomplish the change authorized within 5 years of the date of the approval. As a courtesy, the Department requests the right holders provide the Department with a yearly update on the status of the change authorized. Be reminded, the extended change period (5 yrs.) does not prevent forfeiture for non use pursuant to sections 42-222 & 42-223 IC.

Please note that water right owners are required to report any change of water right ownership and/or mailing address to the Department within 120 days of the change. Failure to report these changes could result in a \$100 late filing fee. Contact any office of the Department or visit the Department's homepage on the Internet to obtain the proper forms and instructions.

If you have any questions, please contact me at 208-334-2190.

Sincerely,



John Westra
Western Regional Manager

Enclosure(s)

cc: DANIEL V STEENSON
CHARLES L HONSINGER

CERTIFICATE OF SERVICE

I hereby certify that on November 8, 2011 I mailed a true and correct copy, postage prepaid, of the foregoing TRANSFER APPROVAL to the person(s) listed below:

RE: TRANSFER NO. 77479
WATER RIGHTS NOS. 2-10472 2-10471

J R SIMPLOT CO
PO BOX 27
BOISE ID 83707

DANIEL V STEENSON
CHARLES L HONSINGER
RINGERT LAW
PO BOX 2773
BOISE ID 83701

LYNNE K RINGERT
And/Or
WILLIAM F RINGERT
PO BOX 105
HAMMETT ID 83627

COTTONWOOD MUTUAL CANAL CO
C/O RINGERT CLARK CHARTERED
PO BOX 2773
BOISE ID 83701



Jean Hersley
Office Specialist II

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
TRANSFER OF WATER RIGHT
TRANSFER NO. 77479

This is to certify that: J R SIMPLOT CO
PO BOX 27
BOISE ID 83707
(208) 336-2110

has requested a change to the water rights listed below. This change in water rights is authorized pursuant to the provisions of Section 42-222, Idaho Code. A summary of the changes is also listed below. The authorized change for each affected water right, including conditions of approval, is shown on the following pages of this document.

Summary of Water Rights Before the Proposed Change

<u>Right</u>	<u>Origin/Basis</u>	<u>Priority</u>	<u>Rate</u>	<u>Volume</u>	<u>Acre Limit</u>	<u>Total Acres</u>	<u>Source</u>
2-10471	WR/Decreed	02/25/1963	23.76 cfs	4752 af	1,188.0	2,640.0	SNAKE RIVER
2-10472	WR/Decreed	02/25/1963	4.80 cfs	960 af	240.0	2,640.0	SNAKE RIVER

Purpose of Transfer (Changes Proposed)

<u>Current Number</u>	<u>Split</u>	<u>POD</u>	<u>POU</u>	<u>Add POD</u>	<u>Period of Use</u>	<u>Nature of Use</u>
2-10471	NO	YES	YES	NO	NO	NO
2-10472	NO	YES	YES	NO	NO	NO

Summary of Water Rights After the Approved Change

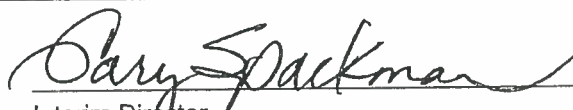
<u>Existing Right</u>	<u>New No. (changed portion)</u>	<u>Transfer Rate</u>	<u>Transfer Volume</u>	<u>Acre Limit</u>	<u>Total Acres</u>	<u>New No. (remaining portion)</u>	<u>Remaining Rate</u>	<u>Remaining Volume</u>	<u>Remaining Acre Limit</u>	<u>Remaining Total Acres</u>
2-10471	2-10471	23.76 cfs	4752 af	1188.0	1428.0		N/A	N/A	N/A	N/A
2-10472	2-10472	4.80 cfs	960 af	240.0	1428.0		N/A	N/A	N/A	N/A

COMBINED

TOTALS		28.56 cfs	5712 af	1428.0	1428.0		N/A	N/A	N/A	N/A
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Detailed Water Right Descriptions attached

Dated this 7th day of November, 2011


Interim Director

WATER RIGHT NO. 2-10472
As Modified by Transfer No. 77479

In accordance with the approval of Transfer No. 77479, Water Right No. 2-10472 is now described as follows.

Right Holder: WILLIAM F RINGERT And LYNNE K RINGERT
 PO BOX 105
 HAMMETT ID 83627

Priority Date: February 25, 1963

Source: SNAKE RIVER

Tributary: COLUMBIA RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/01	to 10/31	4.80 CFS	960.0 AF
			4.80 CFS	960.0 AF

LOCATION OF POINT OF DIVERSION:

SNAKE RIVER L4 (SESWSW) Sec. 22, Twp 05S, Rge 04E, ELMORE County

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 30				40.0					40.0		40.0	40.0	40.0	40.0	40.0	40.0	320.0
04S 04E 31															39.0	40.0	79.0
05S 04E 4									40.0								40.0
05S 04E 5						38.0	40.0	35.0	39.0	40.0	39.0	40.0	40.0	37.0	40.0	39.0	427.0
05S 04E 6	39.0	40.0	40.0	40.0									40.0	40.0	40.0	40.0	319.0
05S 04E 7	40.0			40.0													80.0
05S 04E 8			3.0		40.0	40.0	40.0	40.0									163.0

Total Acres: 1428

CONDITIONS OF APPROVAL

1. The right holder shall accomplish the change authorized by this transfer within five years of the date of this approval.
2. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
3. Pursuant to Section 42-1412(6), Idaho Code, this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as may be determined by the Snake River Basin Adjudication court at a point in time no later than the entry of the final unified decree.

WATER RIGHT NO. 2-10472
As Modified by Transfer No. 77479

CONDITIONS OF APPROVAL

4. The period of use for the irrigation described in this approval may be extended to a beginning date of 3/1 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 4/8/2008.
5. This right is limited to the irrigation of 240 acres within the authorized place of use in a single irrigation season.
6. 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 place of use.
7. The following rights are diverted through point of diversion described above: 2-2220, 2-2221, 2-2222, 2-2409, 2-7040, 2-7396, 2-10471 and 2-10472.
8. After specific notification by the Department, the right holder shall install a suitable measuring device or shall enter into an agreement with the Department to use power records to determine the amount of water diverted and shall annually report the information to the Department.

This water right is subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.

Dated this 7th day of November, 20 11


Interim Director



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

September 9, 2014

C.L. "BUTCH" OTTER

Governor

DIANA GASTANAGA
J R SIMPLOT CO
PO BOX 27
BOISE ID 83707-0027

RE: WATER SUPPLY BANK LEASE CONTRACT FOR RIGHT 02-10472

Dear Lessor:

Water Right **02-10472** was leased into the Water Supply Bank on February 26, 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.**

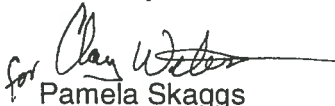
The rights will automatically be released from the Bank on **December 31, 2014**, unless the rights are released earlier by the Board, or upon your request. **Please note your rights may not be available for immediate release if they have been rented.** To release the right from the Bank prior to the 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 287-4944.

Sincerely,


for Pamela Skaggs

Water Rights Supervisor

Enclosure: Executed Lease Contract

c: John Westra – IDWR Western Regional Manager
Corbin Knowles – Water District 02

CORPORATE HEADQUARTERS

RECEIVED
SEP 08 2014
DEPARTMENT OF
WATER RESOURCES

September 4, 2014

State of Idaho
Department of Water Resources
Attn: Ms. Pamela Skaggs
P. O. Box 83720
Boise, ID 83720-0098

RE: Water Supply Bank Lease Contract
Water Right 2-10472

Ms. Skaggs,

Enclosed please find two executed Water Supply Bank Lease Contracts for the Water Right mentioned above.

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

September 2, 2014

J R SIMPLOT CO
A NEVADA CORP
PO BOX 27
BOISE ID 83707-0027

RE: APPLICATION(S) TO LEASE WATER RIGHT 2-10472 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 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, 2014**, 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 287-4951.

Sincerely,

for Clay Webb

Pamela Skaggs
Water Rights Supervisor

Enclosure: Proposed Lease Contracts
Receipt #C098391

Skaggs, Pam

From: Knowles, Corbin
Sent: Tuesday, April 22, 2014 1:17 PM
To: Skaggs, Pam
Subject: RE: WATERMASTER COMMENT - WD#02 - WSB Lease 2-10472 J R Simplot Co

Pam

I have been watching this unfold and asked enough questions about how the current groundwater rights involved in the transfer are being used. I believe this is in the interest of not only the district but also the state's minimum stream flow right held at the Murphy gauge. By keeping this water in the river and diverting it below the Murphy gauge and outside of the current WD 02 boundary it is beneficial in meeting the minimum stream flow demands in July that most definitely will be an issue.

Thanks

Corbin

From: Skaggs, Pam
Sent: Tuesday, April 22, 2014 12:23 PM
To: Knowles, Corbin
Subject: WATERMASTER COMMENT - WD#02 - WSB Lease 2-10472 J R Simplot Co

Corbin,

Please review my draft review memo regarding this proposed lease. The entire right is offered to the Bank & the applicant proposes to rent the it with other of their rights downstream in Canyon County.

Let me know if you have any questions or want to review the application. I will hold processing for one week to allow for your comments.

Thanks,

Pam

Pam Skaggs
Water Rights Supervisor
(208) 287-4951

Skaggs, Pam

From: Skaggs, Pam
Sent: Tuesday, April 22, 2014 12:28 PM
To: Lester, Steve
Subject: FW: REGION COMMENT - WSB Lease 2-10472 J R Simplot Co
Attachments: DRAFT-Lease Review Memo 2-10472 J R Simplot Co.docx

Steve,

Please take a look at my review memo and let me know if you have any comments on the lease of Right 2-10472 to the Bank.

I will be sending you more information regarding the proposed rental of this right & others in 4N, 5W, Canyon County.

I will hold this lease from processing for two weeks to allow for your comment.

Pam

From: Skaggs, Pam
Sent: Tuesday, April 22, 2014 12:22 PM
To: Knowles, Corbin
Subject: WATERMASTER COMMENT - WD#02 - WSB Lease 2-10472 J R Simplot Co

Corbin,

Please review my draft review memo regarding this proposed lease. The entire right is offered to the Bank & the applicant proposes to rent the it with other of their rights downstream in Canyon County.

Let me know if you have any questions or want to review the application. I will hold processing for one week to allow for your comments.

Thanks,

Pam

Pam Skaggs
Water Rights Supervisor
(208) 287-4951



J.R. SIMPLOT COMPANY ONE CAPITAL CENTER 999 MAIN STREET SUITE 1300
P.O. BOX 27 BOISE, IDAHO 83707 (208) 336-2110 FAX (208) 389-7515

CORPORATE HEADQUARTERS

March 10, 2014

Sent Via PDF Image and Regular U.S. Mail

Cherie Palmer, Sr. Water Resource Agent
Water Allocation Bureau
State of Idaho
Department of Water Resources
322 East Front Street
Boise Idaho 83720-0098

RECEIVED

MAR 12 2014

**DEPARTMENT OF
WATER RESOURCES**

COPY

Re: IDWR Water Right Nos. 61-2165, 61-12991 and 2-10471.

Dear Cherie:

In response to your letter dated March 4, 2014, Simplot acknowledges that the place of use described under water right nos. 61-2165 and 2-10471 overlap. Once a system for delivering water diverted from the Snake River under 2-10471 is completed, Simplot intends to irrigate the place of use with surface water. However, the system for delivering surface water to the place of use will not be installed before the end of the 2014 irrigation season. Consequently, the place of use described under 61-2165 will not receive water from the Snake River during the 2014 irrigation season.

With respect to the term of the lease for 61-12291 and 61-2165 to the Water Supply Bank, Simplot will submit new applications to lease these water rights to the Bank. The term of the new application will be commensurate with the end of the term of the current lease of these water rights from the water supply bank. If you will please confirm that the term of the current lease of these water rights from the Bank is December 31, 2016, I will prepare and file new applications to lease these water rights to the Bank until December 31, 2016.

In the event you would like to visit the place of use described under 61-2165 to confirm there are no methods of delivering water diverted from the Snake River to this place of use, please contact me and we will make arrangements for a convenient date and time.

Sincerely,

Vic Conrad
Land, Water & Asset Recovery

Enclosure

Palmer, Cherie

From: Palmer, Cherie
Sent: Tuesday, March 04, 2014 1:38 PM
To: 'Conrad, Vic'
Subject: Status Letter 61-2165 and 61-12291--RESPONSE REQUIRED
Attachments: Status Letter 61-2165 and 61-12291.docx

Vic,

I have prepared a letter for your response. I am emailing your copy of the letter so you get the letter ASAP as I have required a short 7 day response time. Once you provide an answer to the questions in my letter, I can move forward with your pending WSB applications for water rights 61-2162, 61-2163, 2-10471, and 2-10472. Please let me know if you have any questions.

Thanks,

Cherie

March 4, 2014

JR SIMPLOT COMPANY
C/O TERRY UHLING
999 MAIN ST STE 1300
BOISE ID 83707

**RESPONSE
DEADLINE**

March 11, 2014

RE: Water Right 61-2165 and 61-12291 Water Supply Bank Status and Overlap 2-10471

Dear Right Holder:

In 2005, water right 61-2165 was fully leased into the Water Supply Bank (WSB). In October of 2013, water right 61-2165 was split through Transfer No. 78656 creating water right 61-12291. The above referenced water rights are still entirely leased into the WSB and cannot be used unless the water rights are released. The following table describes the remaining portion of water right 61-2165 and the new split portion of 61-12291:

61-2165			
59 acres	1.16 cfs	339 af	Irrigation purposes
61-12291			
200 acres	3.20 cfs	900 af	Irrigation purposes
	0.67 cfs	174 af	Industrial purposes
200 acres	3.87 cfs	1074 af	

However in 2012, 253.3 acres of water right 61-2165 was rented to a third party that expires at the end of 2016. As a result of the water right split, the entire portion of water right 61-2165 is rented and 194.3 acres of water right 61-12291 is rented until the end of 2016.

At this time, water rights 61-2165 and 61-12291 are fully leased into the WSB. If you would like to release any portion from the WSB, you may only release the uncommitted portion of water right 61-12291 as follows:

5.7 acres	0.30 cfs	99.1 af	Irrigation purposes
	0.67 cfs	174 af	Industrial purposes
5.7 acres	0.97 cfs	273.1 af	

Page 2
WSB Status Letter
March 4, 2014

If you would like to change the leased amount for water right 61-12291, please submit a new *Application to Sell or Lease a Water Right to the Water Supply Bank* (lease application) for at least 194.3 acres, 2.90 cfs, and 800.9 af. If you do not change the current lease under 61-12291 within 7 days, the remaining 273.1 af will be made available for others to rent.

Lastly, in 2011, water rights 2-10471 and 2-10472 were modified through Transfer No. 77479 that "stacked" the water rights with ground water rights that include water right 61-2165. Generally applicants are required to offer the corresponding portion of each of the stacked right for lease to the WSB. A single lease application proposing to "unstack" one or more water right used for irrigation or other use, without leasing all the rights for the same use, is presumed to enlarge the water right.

At this time water right 2-10471 is already completely leased into the WSB. Please either provide evidence that the Transfer No. 77479 has not and will not be accomplished by the end of 2014. Otherwise, 253.3 acres under water right 61-2165 will be considered unavailable to rent. Please submit the requested information within 7 days.

Also please note that ground water rights 61-7096, 61-2162, 61-2163, 61-7170, and 61-12039 are appurtenant to the same lands as surface water rights 2-10471 and 2-10472. Because the ground water rights and surface water rights may be "stacked", additional acres may not be available for rental under your surface water rights unless other evidence is submitted.

You may contact me at (208) 287-4944 if you have questions regarding this matter.

Sincerely,

Cherie Palmer, Sr. Water Resource Agent
Water Allocation Bureau

c: JR Simplot Company
c/o Vic Conrad
PO Box 27
Boise ID 83707-0027



J.R. SIMPLOT COMPANY ONE CAPITAL CENTER 999 MAIN STREET SUITE 1300
P.O. BOX 27 BOISE, IDAHO 83707 (208) 336-2110 FAX (208) 389-7515

CORPORATE HEADQUARTERS

February 25, 2014

State of Idaho
Department of Water Resources
Attn: Cherie Palmer
P. O. Box 83720
Boise, ID 83720-0098

RECEIVED
FEB 26 2014
DEPARTMENT OF
WATER RESOURCES

RE: Application to Lease Water Right 2-10472 to Water Supply Bank

Ms. Palmer,

Enclosed please find an executed Application and appropriate documentation to place water into the above mentioned water supply bank. A check in the amount of \$250.00 for the applicable filing fee payable to IDWR is enclosed for our request.

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 Coordinator