



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 • Website: www.idwr.idaho.gov

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

August 1, 2014

HENRY HAFLIGER
2175 E 3500 N
FILER ID 83355

Re: Application to lease a water right into the Water Supply Bank

Mr. Hafliger,

This letter is in regards to your applications to lease and rent water rights through the Water Supply Bank in 2014. This letter is to inform you that we are unable to accept water right 47-2306A for lease into the Water Supply Bank.

In order to accept a water right for lease into the Water Supply Bank, the use of water under a water right must be reduced or suspended. Use of water right 47-2306A authorizes irrigation of 89.5 acres within a 209 acre permissible place of use. An analysis of 2014 aerial imagery indicates the place of use is currently being irrigated and water right 47-2306A is being fully utilized. Because the water right is being utilized, it cannot be accepted into the Water Supply Bank.

Your rental application can be fully approved as proposed through the full utilization of water right 47-16828. This water right provides 3.5 AF/AC of flow. Please advise if this amount will satisfy your rental needs. If this volume per acre is satisfactory, a rental agreement will be produced.

Additionally, your rental application for water rights 47-7519A and 47-7431A cannot be accepted as proposed because both of these water rights are also unacceptable for lease into the Water Supply Bank. The Bank is currently in the process of putting together a rental agreement for you with alternative water rights.

Regards,

Remington Buyer
Water Supply Bank Coordinator

CC: - Greg Sullivan, Brockway Engineering
- IDWR Southern Region, Allen Merritt

Buyer, Remington

From: Greg Sullivan [greg.sullivan@brockwayeng.com]
Sent: Wednesday, June 25, 2014 2:29 PM
To: Buyer, Remington
Cc: hankhafliger@hotmail.com
Subject: RE: Hafliger Lease+Rental
Attachments: Water Supply Bank Documents.pdf

Remington,

This email has one attachment that includes several documents that are in response to your email and letter dated June 16, 2014. Included in the attachment are signed W-9 forms for Henry Hafliger and Antoinette Hafliger, Salmon River Canal Company shares owned by Blue Sage Properties and Luis and Sharon Bettencourt and Hank Hafliger, aerial maps for 47-7431A and 47-7519A and annual pumping calculations.

Water right 47-7431A was partially decreed on 6/1/2010 and 47-7519A is a licensed water right. These two water rights are in need of a transfer to correctly define the irrigation place of use. It is expected that a transfer will be filed during the winter of 2014.

Correspondence with the farm and dairy manager indicated that the wells operate at 1200 gpm and 500 gpm. There are no flow meters installed on these wells and no historical records have been recorded.

Water rights 47-7519A and 47-7431A have an allowed combined annual volume limit of 836.4 acre feet. The well located in Township 11S Range 16E Section 5 NENW operates at 1200 gpm. This well does not pump continuously for entire irrigation season but does pump a majority of the season. It would take 157 days at 1200 gpm for the max volume to be reached for these water rights.

Water right 47-2306A has an annual volume limit of 358 acre feet. The well for this water right is located in Township 11S Range 16E Section 6 NWSE and operates at 500 gpm. This well does not pump continuously for entire irrigation season but does pump a majority of the season. It would take 162 days at 500 gpm for the max volume to be reached for these water rights.

Salmon River Canal Company delivers 1829.15 shares for Blue Sage Properties and 2251.71 shares for Luis and Sharon Bettencourt and Hank Hafliger for a total 4080.86 shares delivered to the farm. The current allotment per share as of June 4, 2014 is 0.31 acre feet. Therefore, the max volume of water to be delivered can be 1265.07 acre feet. The shares are delivered to head gates and are not assigned per quarter quarter. The shares are utilized in various locations on the farm through the irrigation season. Currently, Salmon Falls Reservoir is at less than 20% capacity and has been operating at below average conditions for several years. A full allotment and full delivery of the shares has not occurred on a regular bases for the Salmon River Canal Company.

Let me know if you have any further questions regarding the leases and rentals on this farm.

Thank you,

Greg Sullivan
Brockway Engineering
2016 N. Washington St. Suite 4
Twin Falls, Id 83301
208-736-8543

From: Buyer, Remington [mailto:Remington.Buyer@idwr.idaho.gov]
Sent: Monday, June 16, 2014 3:49 PM
To: 'Greg Sullivan'
Subject: Hafliger Lease+Rental

Greg,

The Bank is sending the attached letters to the Hafligers today, seeking information necessary to process the lease component of their companion applications. The rental applications will be reviewed once the lease applications are processed. Please feel free to scan and electronically submit the documents directly to me, or forward by mail.

Remington Buyer

Water Supply Bank Coordinator
Idaho Department of Water Resources
322 East Front Street, Boise, ID, 83720
T: (208) 287-4918 | F: (208) 287-6700

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Version: 2012.0.2247 / Virus Database: 3955/7184 - Release Date: 06/16/14



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

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

June 16, 2014

HENRY HAFLIGER
2175 E 3500 N
FILER ID 83355

Re: Information Required Regarding Your Application to Lease Water Rights into the Water Supply Bank

Mr. Hafliger,

The Department has received your application to lease water rights into the Water Supply Bank however we require additional information to process your lease and rental applications.

Water right 47-2306A is a groundwater right to be used in conjunction with surface water shares from the Salmon River Canal Company. In order to avoid enlargement of a water right, the Water Supply Bank must determine the average volume of water that has been pumped from groundwater when used in conjunction with water delivered from canal company shares.

Please confirm your historic, average volume of water diverted under water right 47-2306A and used for irrigation at this location? How many Salmon River Canal Company shares are held for use in the same place of use as water right 47-2306A? How much water do these shares represent?

Additionally, you did not sign the IRS W9 form submitted with your application. Without a signed W9, the Department is unable to remit to you payment for any rental of your water right that is being offered for lease into the Water Supply Bank.

Regards,

Remington Buyer
Water Supply Bank Coordinator

Cc: Greg Sullivan, Brockway Engineering

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 Henry Hafliger Jr.Water Right No. 47-2306AAll 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>750.00</u>	Received By: <u>CJ</u>	Date Received: <u>4/26/14</u>	Receipt # <u>C098387</u>
W-9 received? Yes ☒ No ☐	(Route W-9 to Fiscal)	Name on W-9: <u>Henry C. Hafliger Jr.</u>	<u>Luis Bettencourt & Sharon Bettencourt</u> <u>2008 Trust</u>

* 2 W-9's received

**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 Henry Hafliger Jr. Email Address _____
Mailing Address PO Box 105 Twin Falls Idaho 83303 Phone Number 208-326-5972

☐ 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 Greg Sullivan Organization Brockway Engineering
Professional Title Engineer Email Address greg.sullivan@brockwayeng.com
Mailing Address 2016 North Washington St. Suite 4 Twin Falls, ID 83301 Phone Number 208-736-8506

☐ 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 47-2306A ☒ The full water right is being offered to the Bank.

OR

☐ A part of the water right is being offered to the Bank.
(If a portion of a water right is being offered, complete Attachment 2)

3. GENERAL INFORMATION

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

Existing well, mainline and delivery system.

- B. Describe any other water rights used for the same purpose at the same place of use as the water right being offered to the Bank.

N/A

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

Yes ☒ No ☐

If yes, describe. Salmon Falls Irrigation District

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 ☒?

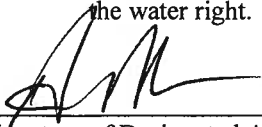
If lease, for a period from 1/01/2014 to 12/31/2014 (maximum lease period 5 years).
(Month / Day / Year) (Month / Day / Year)

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.
standard 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

HENRY HAFLIGER

Printed Name

2-13-14

Date

Signature of Authorized Representative

Printed Name

Date

Mail to:

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

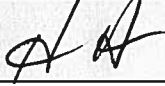
**STATE OF IDAHO
WATER RESOURCE BOARD**

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. 47-2306A

	Designated Applicant	Applicant #2	Applicant #3
Name	HENRY HAFLIGER JR	LUIS M BETTENCOURT & SHARON BETTENCOURT 2008 TRUST	
Mailing Address	2175 E 3500 N FILER, ID 83328	2930 S 2300 E WENDELL, ID 83355	
Phone Number	(208)280-0118	(208)536-6182	
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			

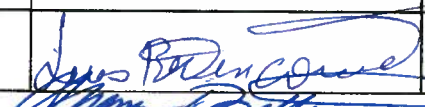
**STATE OF IDAHO
WATER RESOURCE BOARD**

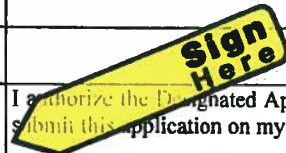
ATTACHMENT 1A

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.

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Signature			



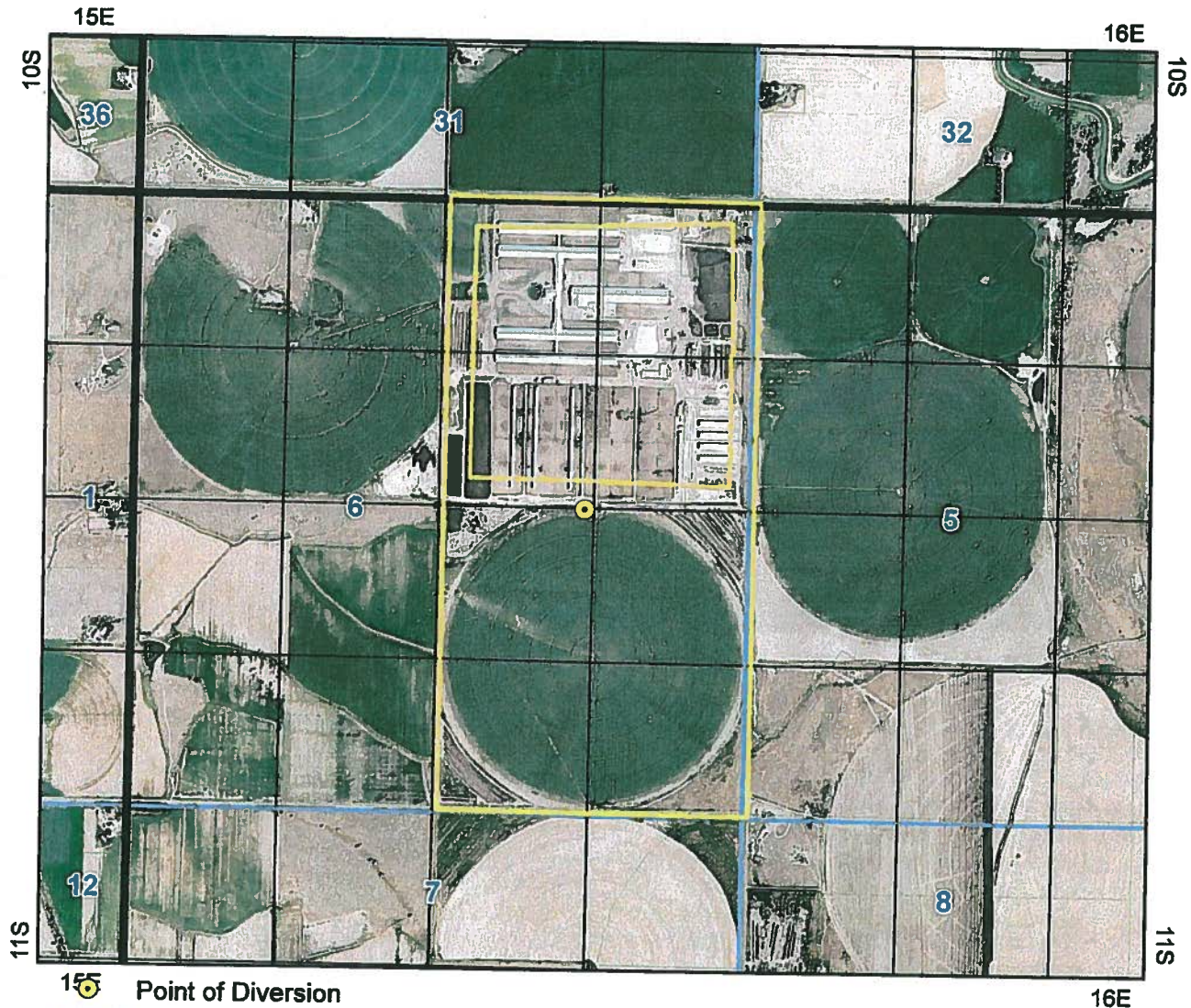
	Applicant #4	Applicant #5	Applicant #6
Name			
Mailing Address			
Phone Number			
Email Address			
Applicant Declaration	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated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

State of Idaho
Department of Water Resources

Water Right
47-2306A

IRRIGATION

The map depicts the place of use for the water use listed above and point(s) of diversion of this right as currently derived from interpretations of the paper records and is used solely for illustrative purposes. Discrepancies between the computer representation and the permanent document file will be resolved in favor of the actual water right documents in the water right file.



-  Point of Diversion
-  Place Of Use Boundary
-  Townships
-  PLS Sections
-  Quarter Quarters
-  Taxlots

0 0.175 0.35 0.7 Miles



Salmon River Canal Co., Ltd.

2700 Hwy 93
Twin Falls, Idaho 83301
Phone: (208) 655-4220
Fax: (208) 655-4288
Email: srcctd@filertel.com

**Water Allocation Form
Salmon River Canal Company
2014**

To Whom It May Concern:

Shareholders Name: Luis and Sharon Bettencourt and Hank Hafliger

Total Number of Water Shares Owned: 2251.71

Total Water Bought or Sold: 0

The Allotment as of June 12, 2014: .310 acre feet per share

April 21	.213	=	.213	af per share	First Allotment
May 6	.027	=	.240	af per share	Second Allotment
May 20	.05	=	.290	af per share	Third Allotment
June 4	.02	=	.310	af per share	Fourth Allotment

Allotment Prediction from NRCS: Given to Shareholders April 9, 2014

Percent chance of receiving the allotment

90%	=	.267	af per share
70%	=	.334	
50%	=	.390	
30%	=	.552	
10%	=	.475	

Precipitation Records: I can send them to your office upon request.

Louise Lanting,
Office Manager

Date

Directors: Everett Messner, Doug Jones, Greg Rambo, Karl Joslin, and Jon McGregor

Pumping Volume Analysis
Hank Hafliger & Blue Sage Properties

Brockway Engineering
GWS 6/25/2014

Well Location	11S16E 05 NENW
Water Rights	47-7519A & 47-7431A
Diversion Capacity of the Well	1200 gpm
Number of Days of Pumping	157 days
Volume Pumped per Year*	833 acre-feet per year

Well Location	11S16E 06 NWSE
Water Rights	47-2306A
Diversion Capacity of the Well	500 gpm
Number of Days of Pumping	162 days
Volume Pumped per Year*	358 acre-feet per year

*This calculation is based on continuous 24 hours per day pumping for the entire number of days of pumping.



BROCKWAY
ENGINEERING
P.L.L.C.

Hydraulics

Hydrology

Water Resources

February 24, 2014

Pam Skaggs
Idaho Water Supply Bank
Idaho Department of Water Resources
P.O. Box 83720
Boise, ID 83720-0098

RECEIVED
FEB 26 2014
DEPARTMENT OF
WATER RESOURCES

Re: Hank Hafliger Water Supply Bank Applications

Dear Mrs. Skaggs:

Henry (Hank) Hafliger Jr. desires to lease several water rights to the Idaho Water Supply Bank for a period of one year. Water right 47-2306A is to be leased to the Water Supply Bank and is owned by Henry Hafliger Jr. and Luis and Sharon Bettencourt. Water rights 47-7431A and 47-7519A are owned by Blue Sage Properties LLC and are proposed to be leased to the Water Supply Bank.

Hank Hafliger proposes to rent 91.2 acres of ground water in Section 6 of Township 11 South Range 16 East. The rental will be for the 2014 irrigation season. There is an existing well with and existing delivery system.

Hank Hafliger proposes to rent 193.5 acres of ground water in Section 4 Township 11 South Range 16 East. The rental will be for the 2014 irrigation season.

The proposed rentals will utilize the 180.1 acres from 47-7431A and 47-7519A and the 89.5 acres from 47-2306A. The remaining 15.1 acre can come from 47-16828.

Please copy our office on all correspondence regarding this application. Thank you for your assistance and if you have questions or comments, please don't hesitate to call.

Sincerely,

Greg Sullivan, M.S., Engineer

Cc: Hank Hafliger

Enc: Aerial Maps, W-9 Forms, Brockway Engineering Check # 11879 for \$750.00

CHARLES E.
BROCKWAY,
PH.D., P.E.

CHARLES G.
BROCKWAY,
PH.D., P.E.

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IDAHO 83301

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FAX: 736•8506