

WATER SUPPLY BANK LEASE CONTRACT

This Lease Contract ("**Lease**") is effective April 24, 2014, between the Idaho Water Resource Board ("**Board**"), and

Lessor: CYNTHIA CRAMER JESINGER
PO BOX 111
SUN VALLEY ID 83353
(208)725-5255

RECEIVED
JUL 14 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>
37-21259	0.05 CFS	NA	0.8 AC	1.7 AC
37-21261	0.08 CFS	NA	1.7 AC	1.7 AC
37-21263	0.05 CFS	NA	0.8 AC	1.7 AC
Combined Lease Totals:	0.08 CFS	NA	1.7 AC	1.7 AC

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

Authorized Period of Use under Lease: 4/15 to 10/31 & 4/01 to 11/01

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 # 37-21259

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.

CYNTHIA CRAMER JESINGER

PO BOX 111
SUN VALLEY ID 83353

By Cynthia C. Jesinger Date June 30, 2014
Printed Name Cynthia C. Jesinger Title Owner

IDAHO WATER RESOURCE BOARD

322 East Front Street
P.O. Box 83720
Boise, ID 83720-9098

By Brian Patton Date July 15, 2014
Brian Patton, Acting Administrator
Idaho Water Resource Board

Lease approved by IDWR Cherie Palmer Date July 15, 2014

ATTACHMENT A
WATER RIGHT NO. 37-21259
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: CYNTHIA CRAMER JESINGER
 PO BOX 111
 SUN VALLEY ID 83353
 (208)725-5255

Priority Date: 5/1/1887

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

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/15	10/31	0.05 CFS	NA
	Total:			0.05 CFS
				NA

LOCATION OF POINT(S) OF DIVERSION:
 BIG WOOD RIVER SENE Sec. 30, Twp 04N, Rge 18E, BLAINE County

PLACE OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

			NE				NW				SW				SE				Totals
Twp	Rng	Sec	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
03N	18E	6			1.7														1.7

Total Acres: 1.7

Limited to acres within place of use described above: 0.8 AC

COMBINED LIMITS OF LEASED RIGHT:

<u>Combined Rights</u>	<u>Lease Rate</u>	<u>Lease Volume</u>	<u>Acre Limit</u>	<u>Total Leased Acres</u>
37-21259, 37-21261, and 37-21263	0.08 CFS	NA	1.7 AC	1.7 AC

ADDITIONAL CONDITIONS OF ACCEPTANCE

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

7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.
8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.
9. In accordance with Idaho Code §§ 42-248 and 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season.
 - b. If a change in ownership is processed by the Department during a rental season, rental payment will be made to the person or entity who is the lessor of record at the beginning of that rental season.
 - c. New lessor(s) of record will receive payment after the following rental season.
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 rights listed below are limited to a total combined diversion rate of 0.08 cfs. Combined Right Nos.: 37-21259, 37-21261, and 37-21263.
13. The rights listed below are limited to the irrigation of a combined total of 1.7 acres in a single irrigation season. Combined Right Nos.: 37-21259, 37-21261, and 37-21263.
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. 37.
15. This right when combined with all other rights listed herein shall provide no more than 3.5 afa per acre at the field headgate for irrigation of the lands in the place of use whenever sprinkler methods of irrigation are used.
16. Property is also known as Lot 1, Gimlet Corner.

ATTACHMENT A
WATER RIGHT NO. 37-21261
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: CYNTHIA CRAMER JESINGER
PO BOX 111
SUN VALLEY ID 83353
(208)725-5255

Priority Date: 11/12/1936

Source: BIG WOOD RIVER

Tributary to: MALAD RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/01	to 11/01	0.08 CFS	NA
	Total:		0.08 CFS	NA

LOCATION OF POINT(S) OF DIVERSION:

BIG WOOD RIVER SWSW Sec. 29, Twp 04N, Rge 18E, BLAINE County

PLACE OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

			NE				NW				SW				SE				Totals
Twp	Rng	Sec	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
03N	18E	6			1.7														1.7

Total Acres: 1.7

Limited to acres within place of use described above: NA

COMBINED LIMITS OF LEASED RIGHT:

<u>Combined Rights</u>	<u>Lease Rate</u>	<u>Lease Volume</u>	<u>Acre Limit</u>	<u>Total Leased Acres</u>
37-21259, 37-21261, and 37-21263	0.08 CFS	NA	1.7 AC	1.7 AC

ADDITIONAL CONDITIONS OF ACCEPTANCE

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

7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.
8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.
9. In accordance with Idaho Code §§ 42-248 and 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season.
 - b. If a change in ownership is processed by the Department during a rental season, rental payment will be made to the person or entity who is the lessor of record at the beginning of that rental season.
 - c. New lessor(s) of record will receive payment after the following rental season.
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 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. 37.
13. The rights listed below are limited to a total combined diversion rate of 0.08 cfs. Combined Right Nos.: 37-21259, 37-21261, and 37-21263.
14. The rights listed below are limited to the irrigation of a combined total of 1.7 acres in a single irrigation season. Combined Right Nos.: 37-21259, 37-21261, and 37-21263.
15. This right when combined with all other rights listed herein shall provide no more than 3.5 afa per acre at the field headgate for irrigation of the lands in the place of use whenever sprinkler methods of irrigation are used.
16. Property is also known as Lot 1, Gimlet Corner.
17. Rockwell By-Pass owners must maintain the by-pass for the entire length of the by-pass capable of carrying 17.36 cfs of water during the irrigation season.
18. The saved water shall be made available to the Rockwell By-Pass saved water right holders any time the Rockwell By-Pass is being used to deliver water to Broadford Slough right holders. The Rockwell saved water rights shall be curtailed when calls for senior water rights from the Broadford Slough cannot be delivered.
19. Pursuant to a call in times of scarcity, this right is senior to all other rights that did not result from saved water in the Rockwell By-Pass, as established by and subject to the provisions included within the Rockwell vs. Coffin decree issued on 29 July, 1949.
20. A measuring device of a type approved by this Department shall be maintained as a part of the diverting works.

ATTACHMENT A
WATER RIGHT NO. 37-21263
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: CYNTHIA CRAMER JESINGER
 PO BOX 111
 SUN VALLEY ID 83353
 (208)725-5255

Priority Date: 4/15/1971

Source: CLEAR CREEK

Tributary to: BIG WOOD RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/15	to 10/31	0.05 CFS	NA
	Total:		0.05 CFS	NA

LOCATION OF POINT(S) OF DIVERSION:

CLEAR CREEK NWSE Sec. 31, Twp 04N, Rge 18E, BLAINE County

PLACE OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

			NE				NW				SW				SE				Totals
Twp	Rng	Sec	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
03N	18E	6			1.7														1.7

Total Acres: 1.7

Limited to acres within place of use described above: 0.8 AC

COMBINED LIMITS OF LEASED RIGHT:

<u>Combined Rights</u>	<u>Lease Rate</u>	<u>Lease Volume</u>	<u>Acre Limit</u>	<u>Total Leased Acres</u>
37-21259, 37-21261, and 37-21263	0.08 CFS	NA	1.7 AC	1.7 AC

ADDITIONAL CONDITIONS OF ACCEPTANCE

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

7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.
8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.
9. In accordance with Idaho Code §§ 42-248 and 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season.
 - b. If a change in ownership is processed by the Department during a rental season, rental payment will be made to the person or entity who is the lessor of record at the beginning of that rental season.
 - c. New lessor(s) of record will receive payment after the following rental season.
21. 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.
22. The rights listed below are limited to the irrigation of a combined total of 1.7 acres in a single irrigation season. Combined Right Nos.: 37-21259, 37-21261, and 37-21263.
23. The rights listed below are limited to a total combined diversion rate of 0.08 cfs. Combined Right Nos.: 37-21259, 37-21261, and 37-21263.
24. This right is limited to the irrigation of 0.8 acres within the place of use described above in a single irrigation season.
25. 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. 37.
26. A measuring device of a type approved by this Department shall be maintained as a part of the diverting works.
27. This right when combined with all other rights listed herein shall provide no more than 3.5 afa per acre at the field headgate for irrigation of the lands in the place of use whenever sprinkler methods of irrigation are used.
28. Property is also known as Lot 1, Gimlet Corner.

RECEIVED

FEB 05 2014

DEPARTMENT OF
WATER RESOURCES

WATER RESOURCE BOARD

 Receipt No. C098279
 Fee Amount \$ 500.00
 Date/by 2/5/14 CS
 (For Department Use Only)

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

Name of Seller/Lessor Cynthia Cramer Jesinger Phone (208) 725-5255
 Mailing address P.O. Box 111, Sun Valley, Idaho 83353 Email _____

A. DESCRIPTION OF WATER RIGHT, OR PORTION THEREOF, OFFERED TO THE BANK

If the entire right is for sale or lease, check here ☒, list the water right number, and skip to Part B.

1. <u>Water Right Number</u>	<u>Amount (cfs/ac-ft)</u>	<u>Nature of Use</u>	<u>Period of Use</u>
<u>37-21259</u>	_____	_____	_____ to _____
_____	_____	_____	_____ to _____
_____	_____	_____	_____ to _____

Total Amount: _____

2. Source of water _____ tributary to _____

3. Point(s) of Diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County

4. Lands irrigated or place of use: *See Part D for additional information regarding place of use.

Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	

If the right is for irrigation, show total number of acres offered to the bank. **Total Acres** _____

B. OWNERSHIP

1. Are you currently listed in IDWR's records as the owner of the water right being offered to the bank? Yes ☒ No ☐
 If no, provide documentation of your authority to sign on behalf of the right holder OR attach a Notice of Change in Water Right Ownership form along with the required documentation and fee.
2. 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 to the proposed sale or lease and list name of entity:

C. GENERAL INFORMATION

1. Please provide a description of the current diversion system.

Water was historically diverted out of the Comstock Ditch to the place of use; Gimlet Corner, Lot 1 & Aspen Hollow
Subdivision, Lot 19A.

2. Describe any other water rights used for the same purpose or at the same place of use as described above.

A domestic well and water rights 37-21261 and 37-21263.

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

Yes ☒ No ☐

If yes, describe. Domestic well and/or 37-21263, a water right from Clear Creek, a different source.

4. 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 right has not been lost through abandonment or forfeiture pursuant to Section 42-222(2), Idaho Code. Water right was decreed on September 5, 2012.

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

If yes, describe.

D. REQUIRED ITEMS

This form must be signed and submitted with the following REQUIRED items:

1. Plat map, survey map or aerial photograph clearly showing the specific acres proposed to be idled by this lease application.
2. Filing fee of \$250.00. If you are submitting more than one lease application and the rights have a common place of use or common diversion rate or common diversion volume, the combined maximum fee is \$500.00.
3. A completed Internal Revenue Service (IRS) Form W-9. If your water right is rented, we will be unable to issue payment to you without a current W-9 form.

E. SALE/LEASE AGREEMENT

1. Is the water right, or portion thereof, described above offered to the Idaho Water Resource Board (IWRB) for sale
- ☐
- or lease
- ☒
- .

If lease, for a period from 4/15/14 to 10/31/19 (not to exceed 5 years).
(Month / Day / Year) (Month / Day / Year)

2. 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 right for sale or lease to the Idaho Water Resource Board.

The owner/lessor acknowledges the following:

1. Payment to the owner/lessor is contingent upon the sale or rental of the right from the bank.
2. While a right is in the bank, the owner/lessor of the right may not use the right even if the right is not rented from the bank.
3. A right accepted into the bank stays in the bank until the Board releases it or the lease term expires.
4. While a right is in the bank, forfeiture provisions are stayed.
5. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right.

Signature of Applicant

Cynthia Cramer Jesinger

Printed Name and Title*

Date

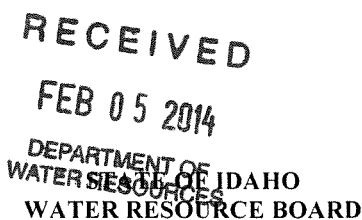
Signature of Applicant

Printed Name and Title*

Date

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

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



Receipt No. C098279
 Fee Amount \$ 500.00
 Date/by 1/5/14 CJ
 (For Department Use Only)

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

Name of Seller/Lessor Cynthia Cramer Jesinger Phone (208) 725-5255
 Mailing address P.O. Box 111, Sun Valley, Idaho 83353 Email _____

A. DESCRIPTION OF WATER RIGHT, OR PORTION THEREOF, OFFERED TO THE BANK

If the entire right is for sale or lease, check here ☒, list the water right number, and skip to Part B.

1. <u>Water Right Number</u>	<u>Amount (cfs/ac-ft)</u>	<u>Nature of Use</u>	<u>Period of Use</u>
<u>37-21261</u>	_____	_____	_____ to _____
	_____	_____	_____ to _____
	_____	_____	_____ to _____

Total Amount: _____

2. Source of water _____ tributary to _____

3. Point(s) of Diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County

4. Lands irrigated or place of use: *See Part D for additional information regarding place of use.

Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	

If the right is for irrigation, show total number of acres offered to the bank. **Total Acres** _____

B. OWNERSHIP

1. Are you currently listed in IDWR's records as the owner of the water right being offered to the bank? Yes ☒ No ☐
If no, provide documentation of your authority to sign on behalf of the right holder OR attach a Notice of Change in Water Right Ownership form along with the required documentation and fee.

2. 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 to the proposed sale or lease and list name of entity:

C. GENERAL INFORMATION

1. Please provide a description of the current diversion system.

Water was historically diverted out of the Comstock Ditch to the place of use; Gimlet Corner, Lot 1 & Aspen Hollow
Subdivision, Lot 19A.

2. Describe any other water rights used for the same purpose or at the same place of use as described above.

A domestic well and water rights 37-21259 and 37-21263.

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

Yes ☒ No ☐

If yes, describe. Domestic well and/or 37-21263, a water right from Clear Creek, a different source.

4. 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 right has not been lost through abandonment or forfeiture pursuant to Section 42-222(2), Idaho Code. Water right was decreed on September 5, 2012.

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

If yes, describe.

D. REQUIRED ITEMS

This form must be signed and submitted with the following REQUIRED items:

1. Plat map, survey map or aerial photograph clearly showing the specific acres proposed to be idled by this lease application.
2. Filing fee of \$250.00. If you are submitting more than one lease application and the rights have a common place of use or common diversion rate or common diversion volume, the combined maximum fee is \$500.00.
3. A completed Internal Revenue Service (IRS) Form W-9. If your water right is rented, we will be unable to issue payment to you without a current W-9 form.

E. SALE/LEASE AGREEMENT

1. Is the water right, or portion thereof, described above offered to the Idaho Water Resource Board (IWRB) for sale
- ☐
- or lease
- ☒
- .

If lease, for a period from 4/15/14 to 10/31/19 (not to exceed 5 years).
(Month / Day / Year) (Month / Day / Year)

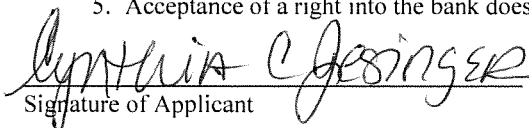
2. Show the minimum payment acceptable to the Seller/Lessor. The minimum payment may be shown as the "current rental rate" as established by the IWRB. Include the method of determining the minimum payment if other than the current rental rate.

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 right for sale or lease to the Idaho Water Resource Board.

The owner/lessor acknowledges the following:

1. Payment to the owner/lessor is contingent upon the sale or rental of the right from the bank.
2. While a right is in the bank, the owner/lessor of the right may not use the right even if the right is not rented from the bank.
3. A right accepted into the bank stays in the bank until the Board releases it or the lease term expires.
4. While a right is in the bank, forfeiture provisions are stayed.
5. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right.


Signature of Applicant

Cynthia Cramer Jesinger
Printed Name and Title*

2/03/2014
Date

Signature of Applicant

Printed Name and Title*

Date

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

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

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED
APR 24 2014
DEPARTMENT OF
WATER RESOURCES

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 Cynthia Cramer Jesinger Email Address _____
Mailing Address P.O. Box 111, Sun Valley, Idaho 83353 Phone Number (208) 725-5255

☒ 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 Fritz X. Haemmerle Organization Haemmerle & Haemmerle, P.L.L.C.
Professional Title Attorney Email Address fxh@haemlaw.com
Mailing Address P.O. Box 1800, Hailey, Idaho 83333 Phone Number (208) 578-0520

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

OR

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

2. DESCRIPTION OF WATER RIGHT OFFERED TO THE BANK

Water Right Number 37-21263 ☒ 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.
pump from ditch

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.
A domestic well and water rights 37-21261 and 37-21259 (already applied for in water bank)

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

Yes ☒ No ☐

If yes, describe. Domestic right

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. Water right was decreed on September 5, 2012

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

If yes, describe. _____

4. SALE/LEASE AGREEMENT

A. Is the water right, or portion thereof, offered to the Idaho Water Resource Board (IWRB) for sale ☐ or lease ☒?

If lease, for a period from 4/15/14 to 10/31/19 (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.

Cynthia Cramer Jesinger
Signature of Designated Applicant

Cynthia Cramer Jesinger
Printed Name

4/21/14
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

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

July 16, 2014

CYNTHIA CRAMER JESINGER C/O
FRITZ HAEMMERLE
PO BOX 1800
HAILEY ID 83333

RE: WATER SUPPLY BANK LEASE CONTRACT FOR RIGHTS 37-12159, 37-21261 & 37-21263

Dear Lessor:

Water Rights 37-12159, 37-21261 and 37-21263 were leased into the Water Supply Bank on April 24, 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,

Clay Webster
Technical Records Specialist

Enclosure: Executed Lease Contract

c: Allen Merritt- IDWR Southern Regional Manager
Kevin Lakey - State Water District 37

Webster, Clay

From: Webster, Clay
Sent: Monday, July 14, 2014 8:01 AM
To: 'Fritz Haemerle'
Subject: RE: Jesinger Water Lease

Mr. Haemerle,

We still have not received the original leases on the Jesinger water lease.

Clay

From: Fritz Haemerle [<mailto:fxh@haemlaw.com>]
Sent: Monday, June 30, 2014 1:55 PM
To: Webster, Clay
Subject: Jesinger Water Lease

Clay:

Please find attached a PDF of a Lease Contract executed by my client. I will send the originals by mail. The letter I received was marked "Time Sensitive" with a due date of today.

If you require any other information, please advise.

Thank you.

Fritz X. Haemmerle
HAEMMERLE & HAEMMERLE, P.L.L.C.
P.O. Box 1800
Hailey, ID 83333
Tel: (208) 578-0520
FAX: (208) 578-0564

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Webster, Clay

From: Fritz Haemerle [fxh@haemlaw.com]
Sent: Monday, June 30, 2014 1:55 PM
To: Webster, Clay
Subject: Jesinger Water Lease
Attachments: 20140701014506773.pdf

Clay:

Please find attached a PDF of a Lease Contract executed by my client. I will send the originals by mail. The letter I received was marked "Time Sensitive" with a due date of today.

If you require any other information, please advise.

Thank you.

Fritz X. Haemmerle
HAEMMERLE & HAEMMERLE, P.L.L.C.
P.O. Box 1800
Hailey, ID 83333
Tel: (208) 578-0520
FAX: (208) 578-0564

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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

June 20, 2014

CYNTHIA CRAMER JESINGER C/O
FRITZ HAEMMERLE
PO BOX 1800
HAILEY ID 83333

**RE: REQUEST FOR RETURN OF SIGNED WATER SUPPLY BANK LEASE CONTRACTS FOR
WATER RIGHT(S) 37-12159, 37-21261 and 37-21263**

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

Dear Applicant,

The Department of Water Resources (Department) mailed **two original Water Supply Bank Lease Contracts for your review and signature** on June 5, 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,

A handwritten signature in black ink, appearing to read 'Clay Webster'.

Clay Webster
Technical Records Specialist



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

June 5, 2014

CYNTHIA CRAMER JESINGER C/O
FRITZ HAEMMERLE
PO BOX 1800
HAILEY ID 83333

**RE: APPLICATION(S) TO LEASE WATER RIGHT(S) 37-12159, 37-21261 and 37-21263 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, 2018**, unless the rights are released earlier by the Board, or upon your request. To release the right from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. To propose a new lease period, submit a new Application to Sell or Lease a Water Right to the Water Supply Bank form along with applicable fees to the Department. These forms are available from any IDWR office or from our public website at <http://www.idwr.idaho.gov>. Please note your rights may not be available for immediate release if they have been rented.

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

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

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

Sincerely,

Clay Webster
Technical Records Specialist

Enclosure: Proposed Lease Contracts

Webster, Clay

From: Kevin Lakey [watermanager@cableone.net]
Sent: Monday, June 02, 2014 6:57 AM
To: Webster, Clay
Subject: RE: Water Supply Bank Lease Watermaster Comments

Clay,
I have no concerns about this application.

Kevin Lakey

From: Webster, Clay [<mailto:Clay.Webster@idwr.idaho.gov>]
Sent: Friday, May 30, 2014 4:00 PM
To: watermanager@cableone.net
Subject: Water Supply Bank Lease Watermaster Comments

Mr. Lakey,

I am currently processing a Water Supply Bank Lease application for Cynthia Cramer Jessinger for water rights 37-21259, 37-21261 and 37-21263 to be placed entirely into the bank. They will be submitting a rental to rent out enough to irrigate 0.5 acres for around their house. Do you have any concerns with this application? I have enclosed a map for your convenience.

Sincerely,

Clay Webster

Technical Records Specialist
clay.webster@idwr.idaho.gov

208-287-4910

Idaho Department of Water Resources (IDWR)

208-287-4800

www.idwr.idaho.gov

MEMORANDUM

To: Water Right No(s). 37-21259, 37-21261 and 37-21263
From: Clay Webster through Pam Skaggs
Date: May 30, 2014
Re: Review of Applications to Lease Water Rights to the State Water Supply Bank

PURPOSE/NARRATIVE: The Department received applications to lease water rights 37-21261 and 37-21259 into the WSB on February 5, 2014. Upon review it was discovered that there was a third overlapping water right (37-21263). On March 17, 2014 the department contacted Fritz Haemmerle (the owner's attorney) for directions concerning the third water right. We were asked to hold the application for three weeks so he could consult his client. On April 24, 2014 the department received the application for lease on 37-21263.

On May 8, 2014 the department received a phone call from Rick Jessinger about retaining part of these rights to irrigate his property. The department was asked to place this application on hold by Mr. Haemmerle on May 8, 2014 until his client and he could decide the best course of action. Today, we received notice that they would proceed with leasing the entirety of these three water rights into the bank. They will be submitting a rental application to rent 0.5 acres back for their irrigation.

AUTHORITY TO FILE: These applications were signed by Cynthia Cramer Jesinger, the current water right owner.

WATER RIGHT VALIDITY: These rights were partially decreed in September 2012. 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 # 37. The watermaster has no concerns regarding the proposed lease of these rights.

Lease/Rental Proposal for Jesinger 2014-2018

Basin	Sequence	Process	Basis	Status	Priority Date	Diversion Rate	Acres	Limit	Total Acres	Volume	Source List	Water Use List	Current Owner
37	21259	Water Right Decreed	Active	5/1/1887		0.05	0.8		1.7		BIG WOOD RIVER	IRRIGATION	JESINGER, CYNTHIA CRAMER
37	21261	Water Right Decreed	Active	11/12/1936		0.08	1.7		1.7		BIG WOOD RIVER	IRRIGATION	JESINGER, CYNTHIA CRAMER
37	21263	Water Right Decreed	Active	4/15/1971		0.05	0.8		1.7		CLEAR CREEK	IRRIGATION	JESINGER, CYNTHIA CRAMER
						0.08	1.7		1.7				

SRBA Court issued Partial Decrees for these rights 09-12-2012 ending forfeiture protection of the adjudication.
Only the Clear Creek water is currently delivered to the irrigation place of use.
Big Wood River rights could be subject to forfeiture in the future if not delivered & used.
Proposal to lease all 3 rights to the Bank entirely to protect them from forfeiture.
Right holder intends to continue irrigation of 0.5 acre from the pond with surface water.
Proposal to rent back 0.5 acre irrigation under these combined rights to cover the irrigation use.

Proposed Split Portions of Rights for Rental

Basin	Sequence	Diversion Rate	Acres	Limit	Total Acres	Volume
37	21259	0.01	0.2		0.5	
37	21261	0.02	0.5		0.5	
37	21263	0.01	0.2		0.5	
		0.02	0.5		0.5	1.8

Standard Headgate Requirement for this area is 3.5 acre-foot per acre
0.5 acre x 3.5 acre-foot = 1.8 acre-foot

Current Rental Fee = \$17.00 per acre-foot
1.8 acre-foot x \$17.00 = \$30.60
As owner of the rights only the 10% administrative fee required = **\$3.06 Annual Rental Fee**

Scheduled Rental Rate increase in 2018 to \$20.00 per acre-foot
1.8 acre-foot x \$20.00 = \$36.00
As owner of the rights only the 10% administrative fee required = **\$3.60 Annual Rental Fee**

Pam Skaggs 06-04-2014

Skaggs, Pam

From: Cindy Jesinger [cindyjesinger@gmail.com]
Sent: Friday, May 30, 2014 11:07 AM
To: Skaggs, Pam; fxh@haemlaw.com
Cc: Richard Jesinger
Subject: Re: FW: Jessinger Lease/Rental Proposal - Rights 37-21259, 37-21261 & 37-21263

Fritz & Pam,

Thank you both for your work on our water rights issue.

Rick and I are thrilled with the resolution Fritz proposed in this email. I have telephoned his office relating our delight and asking him to go forward with the arrangement as he most recently proposed. Fritz, thank you.

Pam, thanks for allowing us time to take our trip to Alaska while holding the rights and working with Fritz to find such a positive solution.

Both of you, please let Rick and/or me know if there is anything else we need to do to move this forward.

All the best,
Cindy Jesinger

On Mon, May 26, 2014 at 3:54 PM, Richard Jesinger <richardjesinger@gmail.com> wrote:

----- Forwarded message -----

From: Fritz Haemerle <fxh@haemlaw.com>
Date: Thu, May 8, 2014 at 5:01 PM
Subject: FW: Jessinger Lease/Rental Proposal - Rights 37-21259, 37-21261 & 37-21263
To: "Richard Jessinger (richardjesinger@gmail.com)" <richardjesinger@gmail.com>

Rick and Cindy:

Please see Pam Skagg's e-mail. If you want to "reserve" water from the Water Bank, the part of the water right you reserve will be subject to forfeiture and abandonment. The reason you put water into the water bank is to avoid forfeiture or abandonment.

As you know, you possess two water rights which are delivered out of the Big Wood River. These water rights have not been delivered to your property for over 20 years. However, they were decreed in the SRBA, so they are still valid. The only water right which is delivered to you is the Clear Creek water right.

Your most valuable right is the Rockwell Bypass (one of the Big Wood water rights) right with the 1936 priority date. This water right is worth \$30,000 - \$50,000 per irrigable acre. You have 1.7 acres. **You do not**

want to loss any part of this right. If you reserve out 0.5 acres, you risk losing up to \$25,000 of water. On the other hand, if you place all your water into the Bank, you can lease out 0.5 acres at an annual fee of \$3.06. As you can plainly see, the best decision is to protect your valuable asset at a cost of \$3.06 per year.

Please advise. We need a face-to-face conversation about this matter.

Thank you.

Fritz X. Haemmerle

HAEMMERLE & HAEMMERLE, P.L.L.C.

P.O. Box 1800

Hailey, ID 83333

Tel: (208) 578-0520

FAX: (208) 578-0564

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From: Skaggs, Pam [<mailto:Pam.Skaggs@idwr.idaho.gov>]

Sent: Thursday, May 08, 2014 4:28 PM

To: Fritz Haemerle

Subject: Jessinger Lease/Rental Proposal - Rights 37-21259, 37-21261 & 37-21263

Fritz,

Thank you for discussing the details of how these rights are currently used with me earlier today. I have attached a breakdown of the lease/rental proposal we discussed. Please advise me if I misinterpreted anything. The proposal to lease all of the rights into the Water Supply Bank (Bank) will provide forfeiture protection, and the rental will allow continued irrigation of 0.5 acres on the property from surface water.

You have noted the advantages of forfeiture protection through the lease and I agree. The annual rental fee is very small since the right holder is renting their own rights and only the 10% administrative fee is required. If you and your client agree, please submit a companion rental application to be matched with the leases. This will ensure the portion of the rights for irrigation of the 0.5 acres will be reserved for their use before other renters. No rental fee is required until the Rental Agreement is executed.

I will hold processing until June 1st for your response.

Pam

Pamela S. Skaggs

Water Rights Supervisor

Idaho Department of Water Resources

322 E Front St

PO Box 83720

Boise ID 83720-0098

Phone (208) 287-4951

Fax (208) 287-6700

Skaggs, Pam

From: Skaggs, Pam
Sent: Thursday, May 08, 2014 4:27 PM
To: 'fxh@haemlaw.com'
Subject: Jessinger Lease/Rental Proposal - Rights 37-21259, 37-21261 & 37-21263
Attachments: Jessinger-Lease-Rental splits.pdf

Fritz,

Thank you for discussing the details of how these rights are currently used with me earlier today. I have attached a breakdown of the lease/rental proposal we discussed. Please advise me if I misinterpreted anything. The proposal to lease all of the rights into the Water Supply Bank (Bank) will provide forfeiture protection, and the rental will allow continued irrigation of 0.5 acres on the property from surface water.

You have noted the advantages of forfeiture protection through the lease and I agree. The annual rental fee is very small since the right holder is renting their own rights and only the 10% administrative fee is required. If you and your client agree, please submit a companion rental application to be matched with the leases. This will ensure the portion of the rights for irrigation of the 0.5 acres will be reserved for their use before other renters. No rental fee is required until the Rental Agreement is executed.

I will hold processing until June 1st for your response.

Pam

Pamela S. Skaggs
Water Rights Supervisor
Idaho Department of Water Resources
322 E Front St
PO Box 83720
Boise ID 83720-0098
Phone (208) 287-4951
Fax (208) 287-6700

HAEMMERLE & HAEMMERLE, P.L.L.C.

Attorneys & Counselors at Law

Fritz X. Haemmerle
Jennifer L. K. Haemmerle

P. O. Box 1800
Hailey, ID 83333

400 South Main Street, Suite 102
Tel: (208) 578-0520
Fax: (208) 578-0564

April 21, 2014

Idaho Department of Water Resources
c/o Pam Skaggs
P.O. Box 83720
Boise, ID 83720-0098

RECEIVED
APR 24 2014
DEPARTMENT OF
WATER RESOURCES

Re: Water Rights 37-21259, 37-21261 & 37-21263 (Jesinger)

Dear Pam:

This letter is offered in response to your letter dated April 15, 2014. In response to your position that the overlapping rights must all be placed in the Bank, please find enclosed an application to lease water right 37-21263. My client has already paid the \$500.00 filing fee as well as delivered a W-Form. Accordingly, you should have all the documents you need. Please advise if there is anything else required to place these water rights into the Bank.

Thank you.

Sincerely,

HAEMMERLE & HAEMMERLE, P.L.L.C.



Fritz X. Haemmerle

FXH: fxh
cc: client



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

April 15, 2014

FRITZ X HAEMMERLE
HAEMMERLE & HAEMMERLE
PO BOX 1800
HAILEY ID 83333

**RE: APPLICATION(S) TO SELL LEASE A WATER RIGHT TO THE WATER SUPPLY
BANK FOR WATER RIGHT NO(S). 37-21259, 37-21261 & 37-21263**

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

Dear Lessor:

The Department of Water Resources received applications to Lease Water Rights 37-21259 and 37-21261 from you on February 5, 2014. On March 17, 2014 the department contacted you about a third water right (37-21263) with overlapping acres and requested that you provide direction on how your client wishes to proceed. You requested a three week hold to consult with your client. On April 8, 2014 the department left a phone message to solicit the solution to this situation.

As of the date of this letter, the Department has not received any information from you.

Because the Department cannot process the Applications to lease these water rights without the information requested, we will hold any action on your applications pending receipt of the necessary information. If we do not receive the necessary information within **14 days** these applications will be denied because they cannot be processed without the requested information.

If you have any questions or no longer have an interest in the water right, please contact me at (208) 287-4951.

Sincerely,

Pam Skaggs
Water Right Supervisor

Enclosure Receipt # C098279

Webster, Clay

From: Skaggs, Pam
Sent: Monday, March 10, 2014 8:22 AM
To: Hersley, Jean; Webster, Clay; Thiel, Sandra
Cc: Palmer, Cherie; Baxter, Garrick
Subject: FW: Correspondence and Attorneys

Jean, Clay & Sandy,

Let's double check any Bank applications we have submitted by **Fritz Haemmerle & make sure the documents are being sent solely to him as the representing attorney** per his request to Garrick (see email below). We should note his request in the review memo of each application to explain why we aren't following standard mail protocol. The new application will resolve any questions like this in the future.

Pam

From: Baxter, Garrick
Sent: Friday, March 07, 2014 3:37 PM
To: Skaggs, Pam
Cc: Buyer, Remington; Palmer, Cherie
Subject: RE: Correspondence and Attorneys

I agree that the new form will help going forward. Until his next application, however, how can we make sure communications related to existing application are all routed to him instead of his clients?

From: Skaggs, Pam
Sent: Friday, March 07, 2014 11:54 AM
To: Baxter, Garrick
Cc: Buyer, Remington; Palmer, Cherie
Subject: RE: Correspondence and Attorneys

Garrick,

The two applications I spoke with Fritz about this morning had correspondence sent out on the 5th & he probably just hasn't received them yet. I verified that he was sent a copy of the letters. The newer lease form actually asks for clearer designation of who & how the documents should be handled when a representative is involved. So, we encourage use of the updated form from the website to customers. This will eliminate some confusion.

Pam

From: Baxter, Garrick
Sent: Friday, March 07, 2014 10:50 AM
To: Buyer, Remington; Skaggs, Pam; Palmer, Cherie
Subject: RE: Correspondence and Attorneys

Hi All,

I received a call from Fritz Haemmerle again complaining about the way documents are being served. He wants them sent to him only, not to his clients. I have forwarded him the latest form which should fix this issue going forward, but

for any existing applications that he has filed, is there some way to make sure all communication goes directly to Fritz and not his clients?

Thanks,
Garrick

From: Buyer, Remington
Sent: Tuesday, February 18, 2014 4:51 PM
To: Water Rights Permits
Cc: Baxter, Garrick
Subject: RE: Correspondence and Attorneys

Thanks Cherie for forwarding this. Question 1E of our [new Lease Application forms](#) addresses the intent of an authorized representative (such as an attorney) regarding correspondence. Authorized representatives must now specify if they want to be cc'd on any correspondence, or if they want ALL correspondence go directly through them.

From: Palmer, Cherie
Sent: Tuesday, February 18, 2014 4:44 PM
To: Water Rights Permits
Cc: Buyer, Remington
Subject: Correspondence and Attorneys

I hope everybody is having a good afternoon. I wanted to send out a quick note about attorneys. We are receiving guidance from our legal team in regard to correspondence and attorneys. Here it is: if there is an attorney representing a water right holder or applicant, always cc the attorney on ANY correspondence and/or emails. I suppose the attorneys always want the opportunity to intervene. Thanks for your time.

Cherie

HAEMMERLE & HAEMMERLE, P.L.L.C.

Attorneys & Counselors at Law

Fritz X. Haemmerle
Jennifer L. K. Haemmerle

P. O. Box 1800
Hailey, ID 83333
February 3, 2014

400 South Main Street, Suite 102
Tel: (208) 578-0520
Fax: (208) 578-0564

RECEIVED

FEB 05 2014

DEPARTMENT OF
WATER RESOURCES

Idaho Dept. of Water Resources
c/o Water Bank, Remington Buyer
P.O. Box 83720
Boise, ID 83720-0098

*Re: Request to Water Bank 37-21259 and 37-21261 (Cynthia Cramer
Jesinger)*

Dear Remington:

This firm represents Cynthia Jesinger. I am the attorney from Hailey who discussed how stacked water rights may or may not be banked. I understand that the Department evaluates these situations on a case-by-case basis.

The place of use is served by three (3) water rights: 37-21259, 37-21261 and 37-21263. The two water rights proposed for the water bank are right numbers 37-21259 and 37-21261. These two water rights were historically diverted out of the Big Wood River from the Comstock Ditch. The other water right, 37-21263, comes from Clear Creek and is diverted from an entirely different source and ditch. Under these circumstances, I believe it is appropriate for the Department to allow the two water rights diverted out of the Big Wood River to be banked. Otherwise, my client will risk forfeiture of the rights.

If the Department does not believe it is appropriate to allow my client to bank the Big Wood River rights (37-21259 and 37-21261) separate from the Clear Creek right (37-21263), then I will likely submit an application to bank all the water rights, with my client leasing back the rights. If this application is not accepted, I would appreciate an opinion as to whether the second option would be acceptable.

I have enclosed with this letter: (1) forms to bank two water rights; (2) completed W-9 Form; (3) a map of the place of use; and (4) a fee of \$500.00 as all water rights are stacked and share the same place of use. Please confirm receipt of this Application.

If you require any further information, please advise.

Thank you.

Remington Buyer
February 3, 2014
Page 2

Sincerely,

HAEMMERLE & HAEMMERLE, P.L.L.C.

A handwritten signature in black ink, appearing to read 'Fritz X. Haemmerle', written in a cursive style.

Fritz X. Haemmerle

FXH: fxh
Encl
cc: client