

WATER SUPPLY BANK LEASE CONTRACT

This Lease Contract ("Lease") is effective April 30, 2014, between the Idaho Water Resource Board ("Board"), and

Lessor: JOHN M RITCHIE
PO BOX 1068
BLACKFOOT ID 83221
(208) 785-5982

RECEIVED
JUL 09 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>
35-13997	0.62 CFS	158.4 AF	39.6 AC	55.0 AC
35-13999	0.17 CFS	61.6 AF	15.4 AC	55.0 AC
Combined Lease Totals:	0.62 CFS	220.0 AF	55.0 AC	55.0 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, 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 # 35-13997

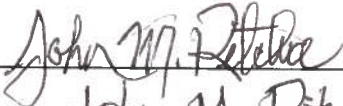
SCANNED

JUL 04 2014
Page 1 of 6

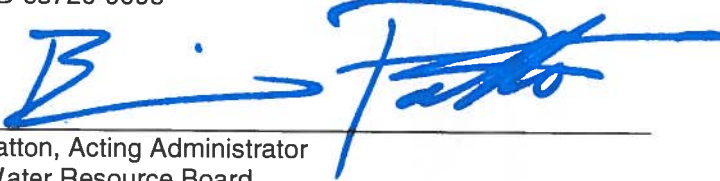
5. **DUPLICATE ORIGINAL:** This Lease is executed in duplicate. Each of the documents with an original signature of each party shall be an original.

IN WITNESS WHEREOF, the parties have executed this Contract on the date following their respective signatures.

JOHN M RITCHIE
PO BOX 1068
BLACKFOOT ID 83221

By  Date 07-03-14
Printed Name John M. Ritchie Title _____

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

By  Date July 9, 2014
Brian Patton, Acting Administrator
Idaho Water Resource Board

Lease approved by IDWR  Date July 9, 2014

ATTACHMENT A
WATER RIGHT NO. 35-13997
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: JOHN M RITCHIE
 PO BOX 1068
 BLACKFOOT ID 83221
 (208) 785-5982

Priority Date: 5/11/1949

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/01 to	10/31	0.62 CFS	158.4 AF
	Total:		0.62 CFS	158.4 AF

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER NENENE Sec. 4, Twp 02S, Rge 34E, BINGHAM 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	
02S	34E	4	3.6			5.7									15.7			30.0	55.0

Total Acres: 50.0

Limited to acres within place of use described above: 39.6 AC

COMBINED LIMITS OF LEASED RIGHT:

<u>Combined Rights</u>	<u>Lease Rate</u>	<u>Lease Volume</u>	<u>Total Leased Acres</u>
35-13997 and 35-13999	0.62 CFS	220 AF	55.0 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. This right is limited to the irrigation of 39.6 acres within the authorized place of use in a single irrigation season.
13. Rights 35-13997 and 35-13999 when combined shall not exceed a total diversion rate of 0.62 cfs, a total annual maximum diversion volume of 220 af at the field headgate, and the irrigation of 55 acres.
14. Right No. 35-13999 is an enlargement of this right pursuant to Section 42-1426, Idaho Code.
15. 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.120.

ATTACHMENT A
WATER RIGHT NO. 35-13999
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: JOHN M RITCHIE
PO BOX 1068
BLACKFOOT ID 83221
(208) 785-5982

Priority Date: 4/1/1966

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/01	to 10/31	0.17 CFS	61.6 AF
	Total:		0.17 CFS	61.6 AF

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER NENENE Sec. 4, Twp 02S, Rge 34E, BINGHAM 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	
02S	34E	4	3.6			5.7									15.7			30.0	55.0

Total Acres: 55.0

Limited to acres within place of use described above: 15.4

COMBINED LIMITS OF LEASED RIGHT:

<u>Combined Rights</u>	<u>Lease Rate</u>	<u>Lease Volume</u>	<u>Total Leased Acres</u>
35-13997 and 35-13999,	0.62 CFS	220 AF	55.0 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. This right is limited to the irrigation of 15.4 acres within the authorized place of use in a single irrigation season.
13. Rights 35-13997 and 35-13999 when combined shall not exceed a total diversion rate of 0.62 cfs, a total annual maximum diversion volume of 220 af at the field headgate, and the irrigation of 55.0 acres.
14. This right is based upon an enlargement of Right No. 35-13997 pursuant to Section 42-1426, Idaho Code.
15. 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. 120

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

APR 30 2014

Department of Water Resources
Eastern Region

WATER SUPPLY BANK LEASE OR SALE APPLICATION CHECKLIST

An application to lease or sell a water right into the Water Supply Bank must be prepared in accordance with the minimum requirements listed below to be acceptable for processing by the Department. Use this checklist to ensure all necessary documentation has been provided. This checklist is part of the lease application and must be included with the lease application. **Incomplete applications will be returned to applicants for completion.**

Designated Applicant John M. Ritchie and Kaye RitchieWater Right No. 35-13997

One water right per application

All items must be checked as either *Attached (Yes)* or *Not Applicable (N/A)*

YES

- ☐ Completed *Water Supply Bank Lease or Sale Application Checklist* (this form).
- ☒ Completed *Application to Sell or Lease a Water Right to the Water Supply Bank* (pages 2-3).
- ☒ Application filing fee of \$250.00. If you are submitting more than one lease application and the water rights have a common place of use, or common diversion rate, or common diversion volume, the combined maximum fee is \$500.00.

Attachment N/A YES

- 1A ☐ ☒ Contact information for *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>500-</u>	Received By: <u>Se</u>	Date Received: <u>4/30/14</u>	Receipt # <u>E039786</u>
W-9 received? Yes ☐ No ☐ (Route W-9 to Fiscal)		Name on W-9:	

W9 on File John Ritchie

**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 John M. Ritchie and Kaye Ritchie Email Address krazykaye@q.com
Mailing Address PO Box 1068, Blackfoot, ID 83221 Phone Number 785-5982

☒ 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 Jared M. Harris Organization The Law Firm of Baker & Harris
Professional Title Attorney as Law Email Address jharris@bakerharrislaw.com
Mailing Address 266 W Bridge St., Blackfoot, ID 83221 Phone Number 785-2310

☐ 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 35-13997 ☐ 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 and Panel

- B. Describe any other water rights used for the same purpose at the same place of use as the water right being offered to the Bank.
Water Right No. 35-13999 is a combined water right with Water Right No. 35-13997.

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

Yes ☐ No ☒

If yes, describe. N/A

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. N/A

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. N/A

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 March 1, 2014 to November 1, 2019 (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

John M. Ritchie

Printed Name

Date

4-25-2014

Signature of Authorized Representative

Kaye Ritchie

Printed Name

Date

4-25-2014

Mail to:

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

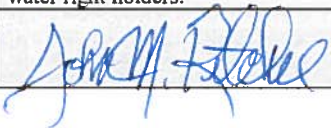
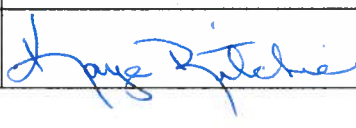
**STATE OF IDAHO
WATER RESOURCE BOARD**

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. 35-13997

	Designated Applicant	Applicant #2	Applicant #3
Name	John M. Ritchie	Kaye Ritchie	
Mailing Address	PO Box 1068, Blackfoot, ID 83221	PO Box 1068, Blackfoot, ID 83221	
Phone Number	785-5982	785-5982	
Email Address	krazykaye@q.com	krazykaye@q.com	
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			

AUTHORIZATION

We, JOHN M. RITCHIE and KAYE RITCHIE, husband and wife, hereby authorize Jared M. Harris, of the law firm of BAKER & HARRIS, located at 266 W. Bridge St., Blackfoot, Idaho 83221, with the telephone number of 208-785-2310, to be our authorized representative in submitting Water Supply Bank Lease Applications for Water Right Numbers 35-13997 and 35-13999 to the Idaho Department of Water Rights.

DATED this 25th day of April, 2014.



John M. Ritchie



Kaye Ritchie

State of Idaho
Department of Water Resources

Water Right
35-13997

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



Map produced on April 24, 2014

STATE OF IDAHO
WATER RESOURCE BOARD

WATER SUPPLY BANK LEASE OR SALE APPLICATION CHECKLIST

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Designated Applicant John M. Ritchie and Kaye RitchieWater Right No. 35-13999

One water right per application

All items must be checked as either *Attached (Yes)* or *Not Applicable (N/A)*

YES

- ☐ Completed *Water Supply Bank Lease or Sale Application Checklist* (this form).
- ☒ Completed *Application to Sell or Lease a Water Right to the Water Supply Bank* (pages 2-3).
- ☒ Application filing fee of \$250.00. If you are submitting more than one lease application and the water rights have a common place of use, or common diversion rate, or common diversion volume, the combined maximum fee is \$500.00.

Attachment N/A YES

- 1A ☐ ☒ Contact information for *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.
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Department Use Only

Fee Amount \$ <u>500</u>	Received By: <u>S Cox</u>	Date Received: <u>5/1/2014</u>	Receipt # <u>E039786</u>
W-9 received? Yes ☒ No ☐	(Route W-9 to Fiscal) ☒	Name on W-9: <u>John M Ritchie</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 John M. Ritchie and Kaye Ritchie Email Address krazykaye@q.com
Mailing Address PO Box 1068, Blackfoot, ID 83221 Phone Number 785-5982

☒ 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 Jared M. Harris Organization The Law Firm of Baker & Harris
Professional Title Attorney as Law Email Address jharris@bakerharrislaw.com
Mailing Address 266 W Bridge St., Blackfoot, ID 83221 Phone Number 785-2310

☐ 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 35-13999 ☐ 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 and Panel

- B. Describe any other water rights used for the same purpose at the same place of use as the water right being offered to the Bank.
Water Right No. 35-13997 is a combined water right with Water Right No. 35-13999.

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

Yes ☐ No ☒

If yes, describe. N/A

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. N/A

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. N/A

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 March 1, 2014 to November 1, 2019 (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

John M. Ritchie

Printed Name

4-25-2014
Date


Signature of Authorized Representative

Kaye Ritchie

Printed Name

4-25-2014
Date

Mail to:

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

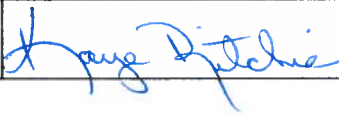
**STATE OF IDAHO
WATER RESOURCE BOARD**

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. 35-13999

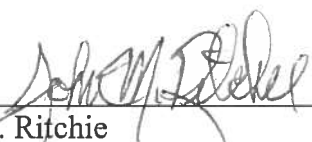
	Designated Applicant	Applicant #2	Applicant #3
Name	John M. Ritchie	Kay Ritchie	
Mailing Address	PO Box 1068, Blackfoot, ID 83221	PO Box 1068, Blackfoot, ID 83221	
Phone Number	785-5982	785-5982	
Email Address	krazykaye@q.com	krazykaye@q.com	
Applicant Declaration	As Designated Applicant, I submit this 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			

AUTHORIZATION

We, JOHN M. RITCHIE and KAYE RITCHIE, husband and wife, hereby authorize Jared M. Harris, of the law firm of BAKER & HARRIS, located at 266 W. Bridge St., Blackfoot, Idaho 83221, with the telephone number of 208-785-2310, to be our authorized representative in submitting Water Supply Bank Lease Applications for Water Right Numbers 35-13997 and 35-13999 to the Idaho Department of Water Rights.

DATED this 25th day of April, 2014.



John M. Ritchie



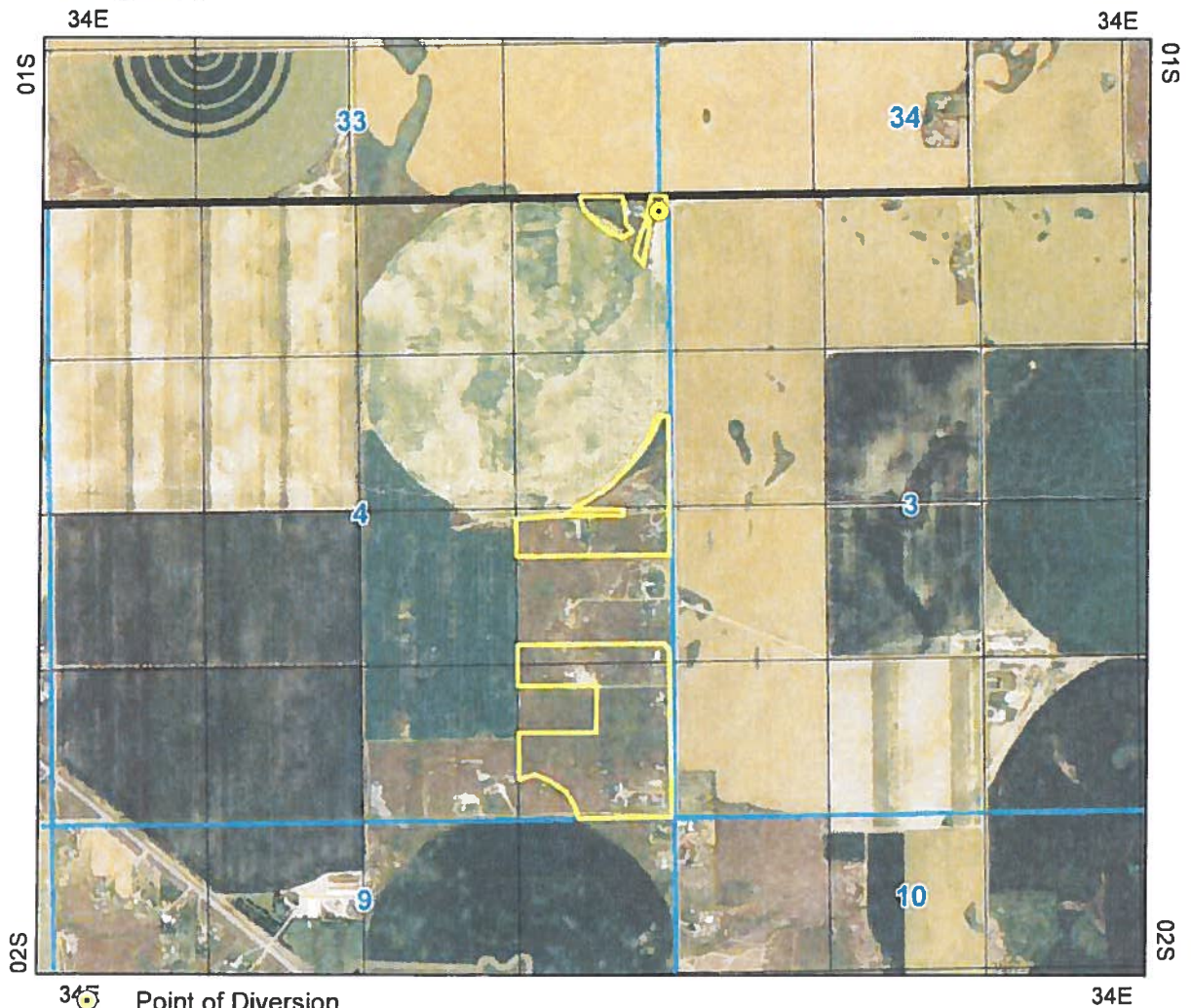
Kaye Ritchie

State of Idaho
Department of Water Resources

**Water Right
35-13999**

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.



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

0 0.175 0.35 0.7 Miles



Map produced on April 24, 2014



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 10, 2014

JOHN M RITCHIE
PO BOX 1068
BLACKFOOT ID 83221

RE: WATER SUPPLY BANK LEASE CONTRACT FOR RIGHTS 35-13997 AND 35-13999

Dear Lessor:

Water Rights 35-13997 and 35-13999 were leased into the Water Supply Bank on April 30, 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: Jared M. Harris – Baker and Harris
James Cefalo- IDWR Eastern Regional Office



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 26, 2014

JOHN M RITCHIE
PO BOX 1068
BLACKFOOT ID 83221

RE: APPLICATION(S) TO LEASE WATER RIGHT(S) 35-13997 AND 35-13999 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

c. Jared M. Harris – Baker and Harris

Webster, Clay

From: Cefalo, James
Sent: Wednesday, June 04, 2014 4:48 PM
To: Webster, Clay
Subject: RE: Watermaster and region comment for WSB Lease Applications for 35-13997 and 35-13999

I have concerns about forfeiture. However, forfeiture appears to have been addressed in a previous WSB review memo. If these rights have been accepted into the WSB in the past, I have no concerns about continuing that lease.

James

From: Webster, Clay
Sent: Wednesday, June 04, 2014 1:48 PM
To: Cefalo, James
Subject: Watermaster and region comment for WSB Lease Applications for 35-13997 and 35-13999

James,

I am currently processing a lease for these two water rights into the bank for 5 years. Do you have any concerns on these? Thanks.

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

Webster, Clay

From: Jared M. Harris [jharris@bakerharrislaw.com]
Sent: Wednesday, June 04, 2014 3:21 PM
To: Webster, Clay
Subject: RE: Lease Application for Water Right 35-13997 and 35-13999

That is my understanding. Jared

Jared M. Harris
BAKER & HARRIS
266 W Bridge St
Blackfoot ID 83221
p: (208) 785-2310
f: (208) 785-6749
e: jharris@bakerharrislaw.com

----- Original Message -----

From: "Webster, Clay" <Clay.Webster@idwr.idaho.gov>
To: "jharris@bakerharrislaw.com" <jharris@bakerharrislaw.com>
Sent: 6/04/2014 1:21PM
Subject: Lease Application for Water Right 35-13997 and 35-13999

Mr. Harris,

I am currently processing the Water Supply Bank Lease Application for John M and Kaye Ritchie. I just need clarification on the question 2 on the application. Was their intention to lease these entire rights into the bank? Thanks for the assistance.

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). 35-13997 and 35-13999
From: Clay Webster thru Cherie Palmer
Date: May 19, 2014
Re: Review of Applications to Lease Water Rights to the State Water Supply Bank

PURPOSE/NARRATIVE: The department received the applications to lease these rights into the WSB on April 30, 2014. However, question number 2 did not have a block checked to indicate whether their intent was to lease the entire water rights into the bank or a part of them. I received an e-mail from Jared Harris of Baker Harris Law confirming they intended to lease the entire rights.

AUTHORITY TO FILE: These applications were signed by John and Kaye Ritchie the current water right owners. Attachment 1A was filled out designating John M Ritchie as the designated applicant.

WATER RIGHT VALIDITY: These rights were the result of an ownership split from water rights 35-2142 and 35-13059 in 2009. 37.8 acres of these rights have been leased from June 2009 to December 2013. Forfeiture is not an issue at this time. However, according to the original review for lease in 2012, the owners need to be prepared to resume use upon release from the bank to avoid a possibility of forfeiture.

INJURY TO OTHER WATER RIGHTS: No injury is apparent.

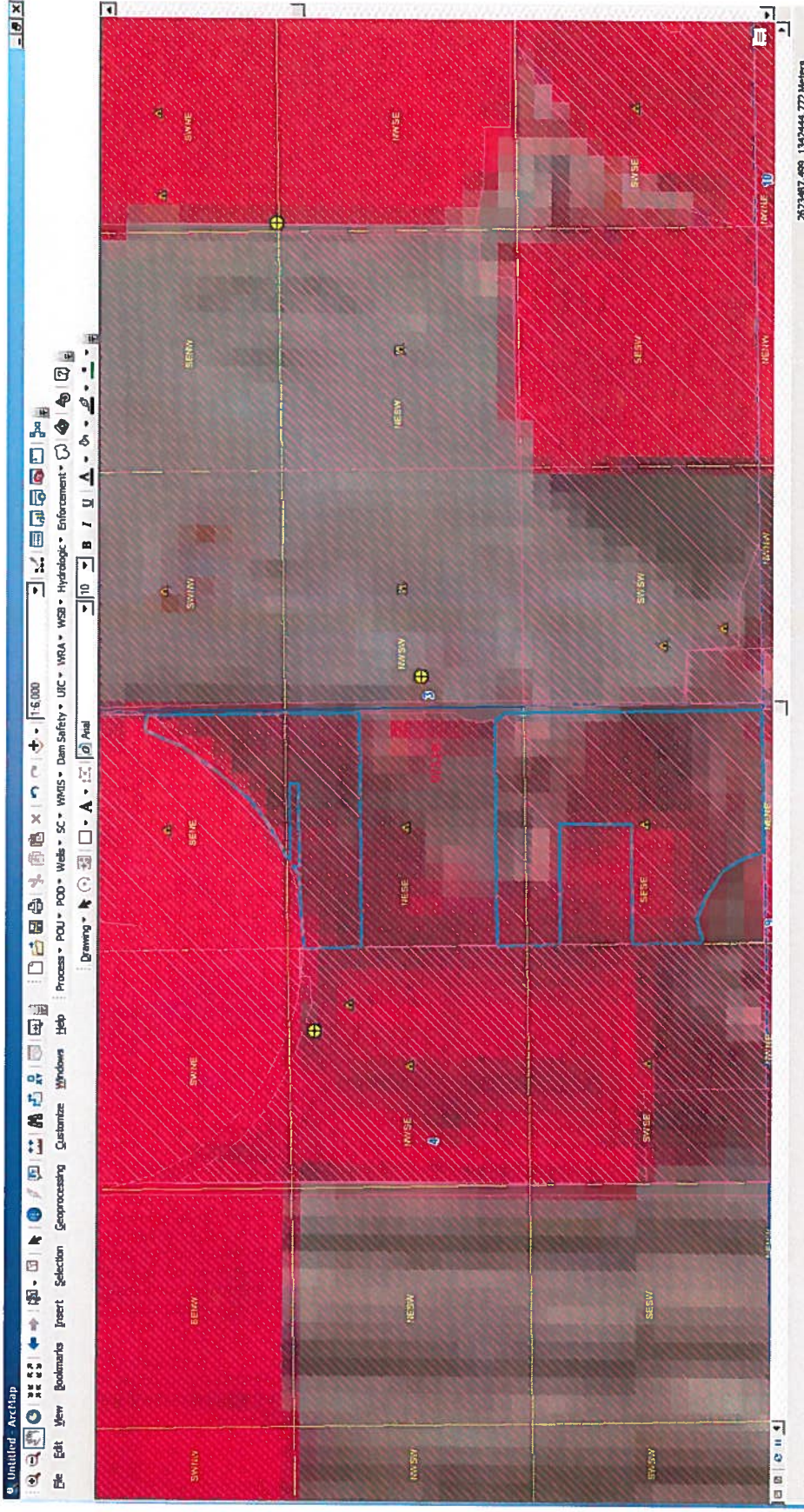
ENLARGEMENT OF USE: No enlargement is evident through the lease alone. Proper rental review should protect against enlargement.

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 # 120. Watermaster had some concerns about forfeiture of the portion that was un-leased previously. However, the satellite imagery was inconclusive on whether it was irrigated or not. The conclusion is to give the owners the benefit of the doubt.

May 2013 imagery for WR 35-13997 and 35-13999



[illegible]

RECEIVED

APR 30 2014

Department of Water Resources
Eastern Region

Law Offices of
BAKER & HARRIS

Dwight E. Baker
Jared M. Harris*
Jonathan W. Harris
* Also Admitted in Utah

266 W. BRIDGE STREET
BLACKFOOT, ID 83221
Telephone (208) 785-2310
Facsimile (208) 785-6749
E-Mail —@bakerharrislaw.com

April 28, 2014

Idaho Department of Water Resources
PO Box 83720
Boise, ID 83720-0003

Re: Water Supply Bank Lease Application
B & H Matter No. 7075

Dear Sir or Madam:

Enclosed please find the following:

1. Water Supply Bank Lease Application - Water Right No. 35-13997;
2. Water Supply Bank Lease Application - Water Right No. 35-13999; and
3. Check in the amount of \$500.00.

If you should require anything further, please advise.

Very truly yours,

BAKER & HARRIS



Jared M. Harris

JMH/jm

Enclosures

cc: John and Kaye Ritchie, without enc