

RECEIVED

MAY 20 2014

DEPARTMENT OF  
WATER RESOURCES

## Summary of Water Rights or Portions Rented from the Bank

|        |           |             |                |          |          |    |         |
|--------|-----------|-------------|----------------|----------|----------|----|---------|
| 2-2262 | 12/6/1963 | Snake River | Columbia River | 0.64 cfs | 189.6 af | NA | 47.4 ac |
|--------|-----------|-------------|----------------|----------|----------|----|---------|

Date May 21, 2014

STATE OF IDAHO  
DEPARTMENT OF WATER RESOURCES  
**WATER SUPPLY BANK RENTAL AGREEMENT**  
**WATER USE DETAILS**

**RECEIVED**  
**MAY 20 2014**  
DEPARTMENT OF  
WATER RESOURCES

**LOCATION OF POINT(S) OF DIVERSION**

SNAKE RIVER      NW¼NW¼      Sec. 06      Twp 06S      Rge 07E      OWYHEE County

**BENEFIAL USE**

IRRIGATION

**SEASON OF USE**

03/15 TO 11/15

**RENTER'S PLACE OF USE:**      IRRIGATION

| Twp | Rge | Sec | NE |    |    |    | NW |    |    |    | SW |    |    |    | SE   |     |    |    | Totals |
|-----|-----|-----|----|----|----|----|----|----|----|----|----|----|----|----|------|-----|----|----|--------|
|     |     |     | NE | NW | SW | SE | NE | NW | SW | SE | NE | NW | SW | SE | NE   | NW  | SW | SE |        |
| 06S | 07E | 12  |    |    |    |    |    |    |    |    |    |    |    |    | 32.0 | 8.0 |    |    | 40.0   |

Total Acres:    40.0

**CONDITIONS APPLICABLE TO ALL RENTED WATER RIGHTS**

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. Rental of the specified right from 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.
3. Use of water under this agreement does not constitute a dedication of the water to renter's place of use, and upon expiration of this agreement, the points of diversion and place of use of the water shall revert to those authorized under the water right and/or again be available to rent from the bank.
4. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
5. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.
6. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
7. Renter agrees to hold the Board, the Director and the state of Idaho harmless from all liability on account of negligent acts of the renter while using water.
8. Renter acknowledges and agrees that the Director may terminate diversion of water if the Director determines there is not a sufficient water supply for the priority of the right or portion thereof being rented.
9. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
10. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the lands above.
11. Use of water under this agreement will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 02.



State of Idaho

## 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](http://www.idwr.idaho.gov)

GARY SPACKMAN  
Director

C.L. "BUTCH" OTTER  
Governor

November 19, 2014

COPY

FLYING H FARMS PARTNERSHIP  
518 OLD HWY 30  
MOUNTAIN HOME, ID 83647

RE: EXPIRATION OF RENTAL AGREEMENT FOR WATER RIGHT NO(S). <sup>2-1242</sup> Feb-62  
FROM THE WATER SUPPLY BANK

Dear Renter:

This letter is to inform you that your Rental Agreement for rental of water from the Water Supply Bank has expired. You applied for the rental of water on 5/23/2014 and the subsequent Rental Agreement authorized diversion of water under Water Right No(s). ~~Feb-62~~ through the 2014 season only. <sup>2-1242</sup>

**The Rental Agreement is expired, or will be expired by the end of the season of use, and the water use in connection with the rental will no longer be in effect.** Any diversion or use of water associated with this rental agreement is not authorized and, if occurring, will be subject to any necessary enforcement action.

If you wish to rent water in the future, please reapply using new forms from the Department's website at [www.idwr.idaho.gov](http://www.idwr.idaho.gov). If you have any questions regarding this matter, please contact me at (208) 287-4944.

Sincerely,

Cherie Palmer  
Water Rights Supervisor  
WSB Process Point of Contact

c: NA

## **MEMORANDUM**

**TO:** Water Right File 02-02262

**FROM:** Clay Webster

**DATE:** May 23, 2014

**RE:** WSB Rental POD Typographical Error for WR #02-02262 for Flying H Farms Partnership

While creating shapes for the above mentioned rental, I discovered a typographical error. On the rental agreement the POD is described as TWP 6S, Rge 07E, Section 06, NW, NW . I verified through the rental application and through Arc Map that the correct location for this POD is TWP 6S, Range 08E, Section 06, NW, NW



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GARY SPACKMAN  
Director

C.L. "BUTCH" OTTER  
Governor

May 22, 2014

FLYING H FARMS PARTNERSHIP  
518 OLD HWY 30  
MOUNTAIN HOME ID 83647

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK  
WATER RIGHT NO. 2-02262**

Dear Renter:

Please find enclosed a receipt in the amount of **\$2,720.00** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 160.0 acre-feet of water for irrigation of 40 acres during 2014. Upon receipt of this fully executed agreement, you are authorized to divert water in compliance with the conditions of water use described in the agreement.

Pursuant to the Water Supply Bank Rules, 90% or \$2,448.00 of the rental fee will be paid to the lessor(s) and 10% or \$272.00 will be retained by the Department to offset administrative costs.

If you have any questions, please contact me at (208) 287-4944.

Sincerely,

Cherie Palmer  
Senior Water Resource Agent  
WSB Process Point of Contact

Enclosure(s): Receipt No. C098859  
Rental Agreement (copy)

c: Sascha Marston – Fiscal  
Rachel Sommer – IDWR Western Regional Office  
Corbin Knowles – State Water District No. 02



State of Idaho

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GARY SPACKMAN  
Director

C.L. "BUTCH" OTTER  
Governor

May 14, 2014

FLYING H FARMS PARTNERSHIP  
518 OLD HWY 30  
MOUNTAIN HOME ID 83647

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK  
WATER RIGHT NO 2-2262**

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

Dear Applicant:

The Department of Water Resources acknowledges receipt of your application to rent water from the Water Supply Bank. **I have enclosed a Water Supply Bank Rental Agreement for your review and signature.** Upon signature and return of the original agreement, together with the rental fee described below, the Department will also sign the original agreement and return an executed copy to you. Execution of the agreement and compliance with the conditions of approval authorize diversion and use of water as provided in the agreement.

A rental fee of \$2,720.00 was calculated based on the current rental rate of \$17.00 per acre-foot times a diversion volume of 160 acre-feet.

**Please send a check for \$2720.00** made payable to the Idaho Department of Water Resources, **together with the signed rental agreement, within 14 days** so I can complete processing. Pursuant to the Water Supply Bank Rules, 90% or \$2,448.00 of the rental fee will be paid to the lessor(s) and 10% or \$272.00 will be retained by the Department to offset administrative costs.

If you have any questions, please contact me at (208) 287-4944.

Sincerely,

*for Cherie Palmer*

Cherie Palmer  
Senior Water Resource Agent  
WSB Process Point of Contact

Enclosure(s)

c: IDWR Front Desk  
Liz Cresto – IDWR State Office

## Palmer, Cherie

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**From:** Lester, Steve  
**Sent:** Tuesday, May 13, 2014 12:41 PM  
**To:** Palmer, Cherie  
**Cc:** Knowles, Corbin  
**Subject:** RE: Flying H Farms WSB Rental

Looks good to me, too.

---

**From:** Palmer, Cherie  
**Sent:** Tuesday, May 13, 2014 9:48 AM  
**To:** Knowles, Corbin; Lester, Steve  
**Subject:** Flying H Farms WSB Rental

Steve and Corbin,

I have reviewed an application from Flying H Farms for a rental of Basin 2 water. Please see the attached memo for analysis and map. Let me know as soon as you can if there are any concerns.

Thanks,

Cherie

## Palmer, Cherie

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**From:** Knowles, Corbin  
**Sent:** Tuesday, May 13, 2014 11:39 AM  
**To:** Palmer, Cherie; Lester, Steve  
**Subject:** RE: Flying H Farms WSB Rental

Cherie

As we discussed I am in support of the use of this water as proposed under the rental.

Thanks

Corbin

---

**From:** Palmer, Cherie  
**Sent:** Tuesday, May 13, 2014 9:48 AM  
**To:** Knowles, Corbin; Lester, Steve  
**Subject:** Flying H Farms WSB Rental

Steve and Corbin,

I have reviewed an application from Flying H Farms for a rental of Basin 2 water. Please see the attached memo for analysis and map. Let me know as soon as you can if there are any concerns.

Thanks,

Cherie

## MEMORANDUM

**To:** Right(s) 2-2262

**From:** Cherie Palmer

**Date:** May 12, 2014

**Re:** Review & Analysis of Application to Rent Water from the State Water Supply Bank

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**PURPOSE/NARRATIVE:** Flying H Farms submitted a rental application March 21, 2013 for 431 acres to be used in the 2014 season. I corresponded with the applicant and confirmed that they only need 40 acres for the 2014 season instead of 431 acres. I secured a new map of the proposed rental place of use. The applicant wished to rent the water for 5 years but, the only water right that could fit this rental was only available thru 2014.

There is already an existing rental at Flying H Farms but, that rental covers different acres than what this rental is proposing. In addition, there is a water right that covers adjacent land. The total portfolio is as follows:

2-2262 rental of 40 acres (thru 2014)  
2-10450 rental of 354 acres (thru 2016)  
2-7369 appurtenant to 385 acres  
2-7065C appurtenant to 431 acres  
1210 acres can be irrigated at Flying H Farms in 2014

Note that the applicant asked for a diversion rate of 0.016 cfs/acre. In order to bring up the diversion rate under 2-2262, more acres were required to rent (water right 2-2262 provides 0.0135 cfs/acre). The rental will be limited to 40 acres and 160 af.

**AUTHORITY TO FILE:** Jeff Harper signed the application. Mr. Harper is a partner of Flying H Farms Partnership and is authorized to sign the application. In addition, Wilson and Wilson Co. owns the lands that the proposed rental will encompass. The applicant enclosed a copy of a farm lease between the two parties.

**WATER RIGHT VALIDITY:** Water right 2-2262 will serve the applicant's proposed needs. This right was leased into the bank and is considered a valid water right.

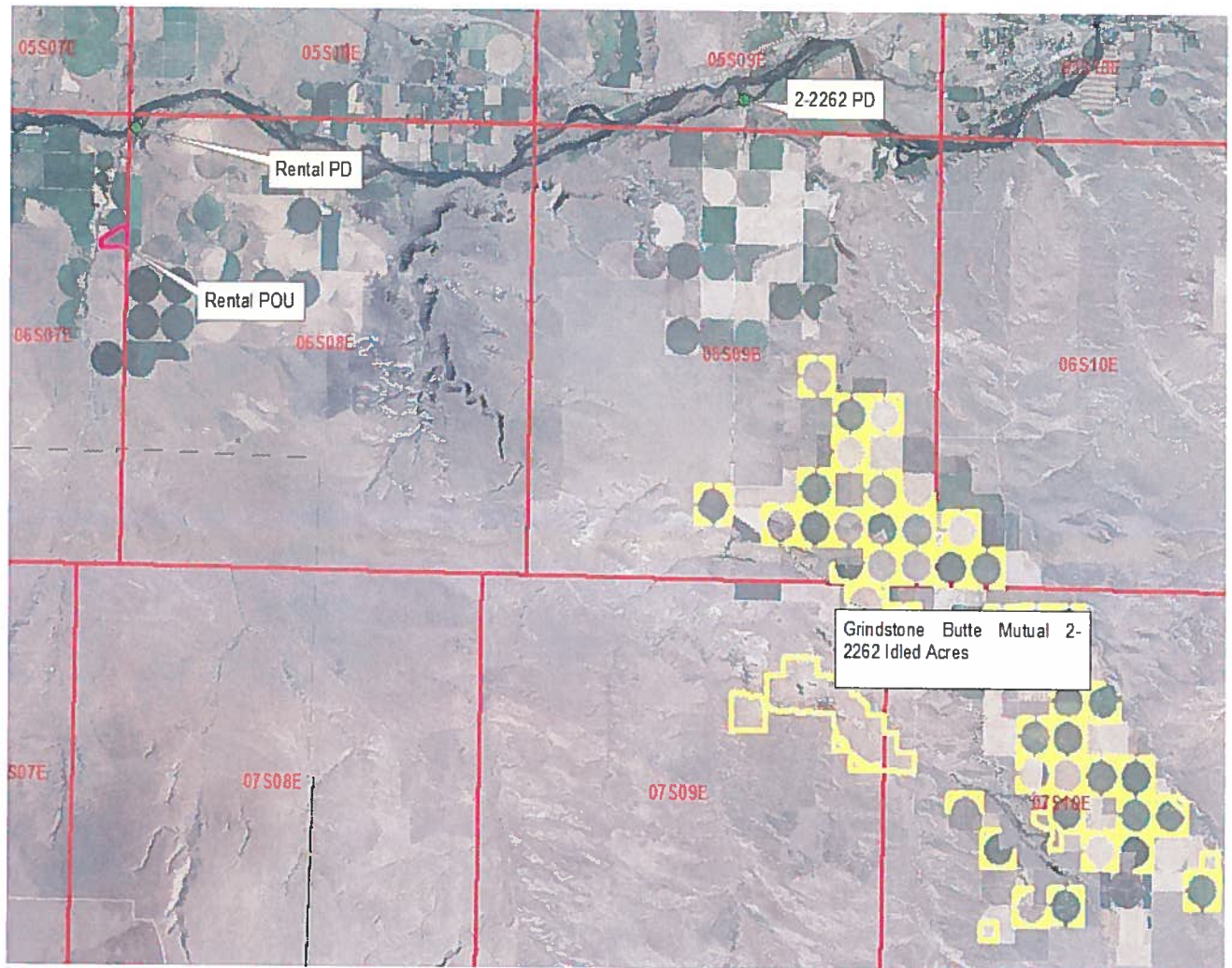
**INJURY TO OTHER WATER RIGHTS:** Water right 2-2262 is directly upstream of the proposed rental point of diversion. Because the location of the rental relative to the lease point of diversion no injury is anticipated.

**ENLARGEMENT OF USE:** No enlargement is evident through the rental.

**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 rental appears consistent with the conservation of water resources in Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS: The rented right is subject to Water District 02. Corbin Knowles, watermaster, suggested the use of water right 2-2262 to fulfill this rental and does not have any concerns. Steve Lester of western region did not have any concerns with this rental.



Flying H Farms Rental Map cpalmer

## Palmer, Cherie

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**From:** Steven Tarbet [steve@flyinghfarms.net]  
**Sent:** Tuesday, April 22, 2014 4:21 PM  
**To:** Palmer, Cherie  
**Subject:** RE: WSB Rental-2014  
**Attachments:** 40 Acres.pdf

Cherie,

Please amend our water application to be 40 acres from 431 acres.

Thanks,

Steven Tarbet  
Flying H Farms Partnership  
518 Old Highway 30  
Mountain Home, ID 83647  
Office: (208) 587-8716  
Fax: (208) 587-5455

**From:** Palmer, Cherie [mailto:Cherie.Palmer@idwr.idaho.gov]  
**Sent:** Monday, April 21, 2014 4:26 PM  
**To:** [steve@flyinghfarms.net](mailto:steve@flyinghfarms.net)  
**Subject:** WSB Rental-2014

Steve,

I am following up on our telephone conversation of a couple weeks ago. I haven't processed your rental of 35.8 acres yet because I was waiting for a few items:

- A map from you showing me what 35.8 acres you intend to irrigate thru the rental
- Completion of water right leases that will fulfill your rental

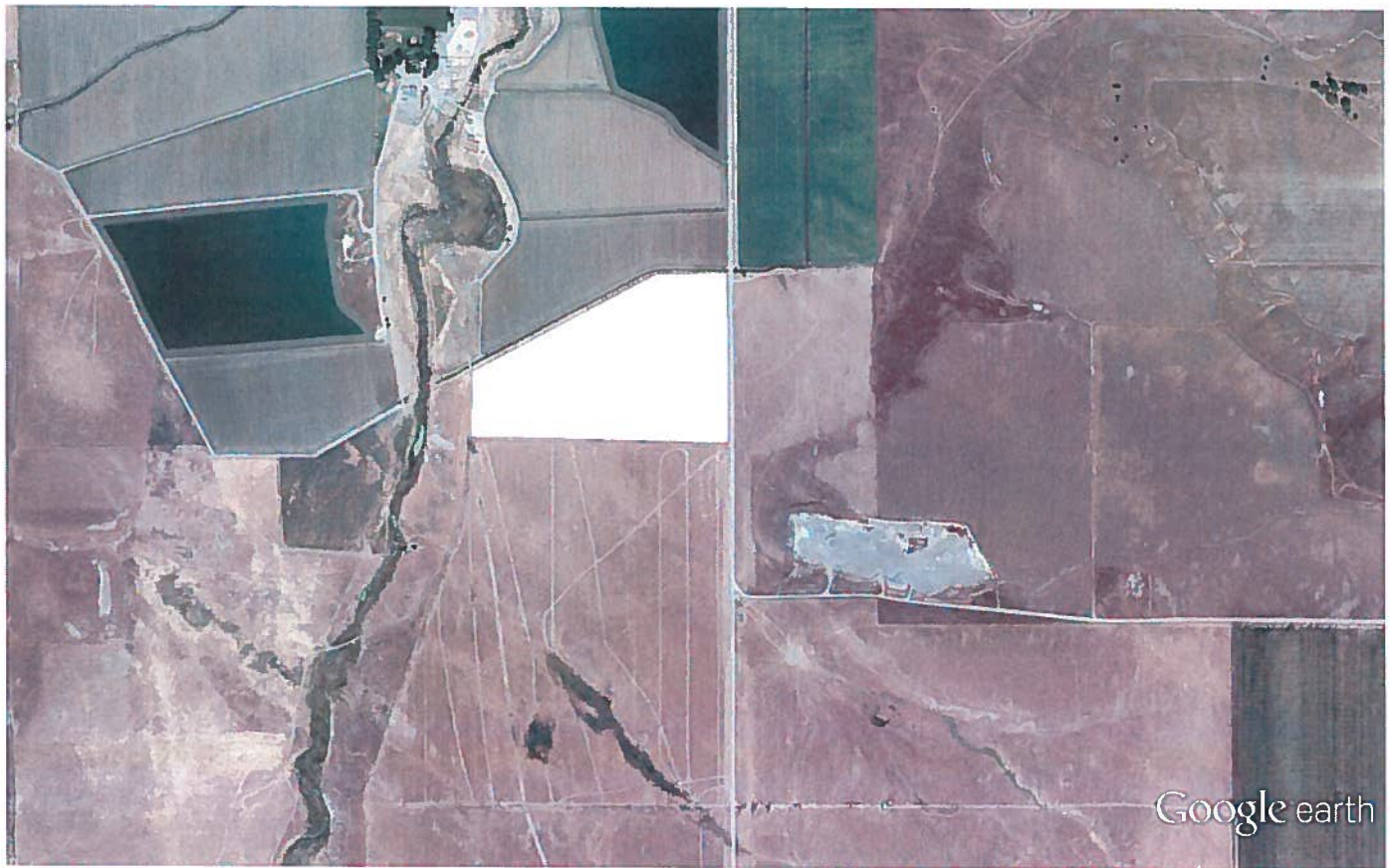
There have been a few developments since the last time we spoke. First, the initial water rights leases for 35.8 acres I thought could fulfill your rental will not work due to unforeseen circumstances. However, a water right lease is being processed at this time that will cover your initial request of 431 acres for the 2014 season.

If you would like to proceed by renting 431 acres a map is not required. If you would like to proceed with less than 431 acres, please submit a map demonstrating which acres you will be applying water to thru the rental.

Please note that I can only approve your rental for 2014 due to availability.

Thank you for your time.

*Cherie Palmer, Sr. Water Resource Agent  
Idaho Dept of Water Resources  
Water Allocation Bureau  
322 E. Front Street (Front St. & Broadway Ave)*



Google earth

feet | 5000  
km | 1



Flying H Farms Partnership

40 Acres

Section 12 6S 7E

SE 1/4 of the NW 1/4 of the SE 1/4 & NE 1/4 of the SW 1/4

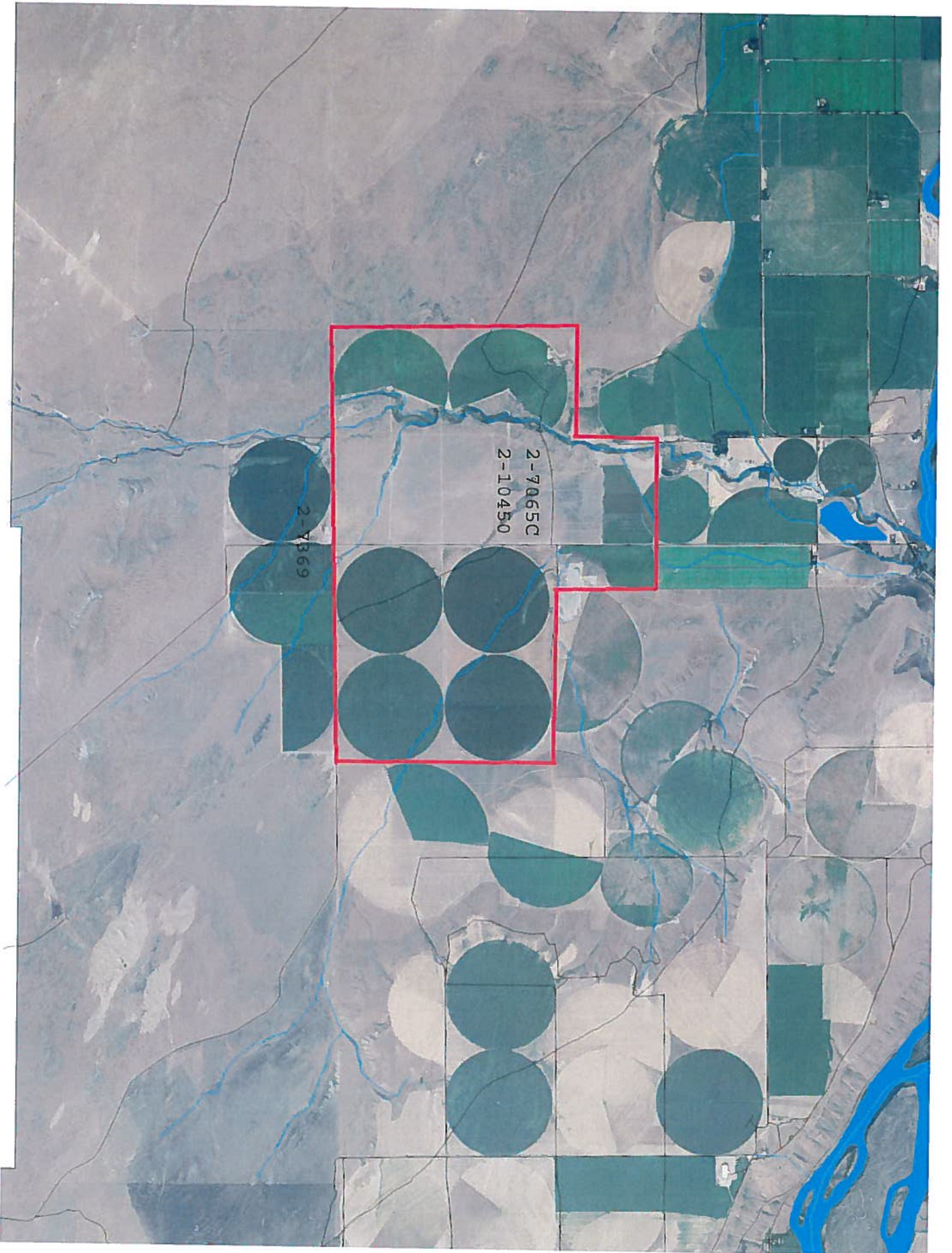
## Palmer, Cherie

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**From:** Steven Tarbet [steve@flyinghfarms.net]  
**Sent:** Wednesday, February 26, 2014 10:30 AM  
**To:** Palmer, Cherie  
**Subject:** Water Right Rental App  
**Attachments:** Water Right Rental App2.pdf

Thanks Cherie,

Steven Tarbet  
Flying H Farms Partnership  
518 Old Highway 30  
Mountain Home, ID 83647  
Office: (208) 587-8716  
Fax: (208) 587-5455



2-7065C  
2-10450

2-7369



State of Idaho

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GARY SPACKMAN  
Director

C.L. "BUTCH" OTTER  
Governor

Date: February 20, 2014

FLYING H FARMS, PARTNERSHIP  
518 OLD HIGHWAY 30  
MOUNTAIN HOME ID 83647

### RESPONSE DEADLINE

February 28, 2014

#### RE: Water Supply Bank Rental Application – Additional Information Required

Dear Applicant,

The Idaho Department of Water Resources received your application to rent water rights from the Idaho Water Resource Board's Water Supply Bank however, as submitted, your application is incomplete.

In accordance with Water Supply Bank Rule 30.01 "the Director will evaluate applications...whether there will be injury to other water rights...whether the proposal would constitute an enlargement of the water right, whether the water will be put to a beneficial use..."

Currently, your application cannot be processed. The required information is missing or insufficient:

- ☐ A completed *Application to Rent Water from the Water Supply Bank*
- ☐ If the application proposes to change the point of diversion for a water right affecting the Eastern Snake Plain Aquifer (ESPA), attach the results of an ESPA analysis and a detailed mitigation plan to offset any depletions to hydraulically connected reaches of the Snake River. ESPA transfer spreadsheet and model grid labeled cells are available on the Department's website at [www.idwr.idaho.gov/WaterManagement/WaterRights/WaterRightTransfers/resources.htm](http://www.idwr.idaho.gov/WaterManagement/WaterRights/WaterRightTransfers/resources.htm).
- ☐ The place of use described in item #4 of the application does not match your map
- ☐ The signature is missing or we need power of attorney documentation for the signor
- ☐ How will the proposed diversion point of diversion convey water to the place of use
- ☐ Authorization from the individual/entity that owns the land at the place of use
- ☐ Authorization from the individual/entity that owns the land at the proposed point of diversion
- ☒ A map that clearly outlines the location of irrigated acres. Please see that attached analysis.
- ☐ Other: \_\_\_\_\_

Please provide the required information within seven (7) days. If sufficient information is not received within 7 days, your application will be returned to you unprocessed and you will have to re-file your application.

Sincerely,

Cherie Palmer, Sr. Water Resource Agent  
Water Allocation Bureau

## Flying H Farms, Partnership WSB Rental Application Analysis

First, I need to confirm the number of acres you would like to rent. The map you provided Sandy Hemenway says that 456 acres are needed for your rental. However, your application states that you are seeking 431 acres. Please clarify the number of acres you need to rent. In addition, the map you submitted to Sandy includes 4 pivots that are already partially covered by water right 2-7065C. See below for further details.

Secondly, I see that you already have a rental in place that encompasses the same permissible place of use for your proposed rental POU. Through a rental, water right 2-10450 provides 354 acres. You also have water rights 2-7369 and 2-7065C that provide an additional 816 acres of irrigation.

Total irrigation that can take place in 2014, without the new rental, is 1170 acres.

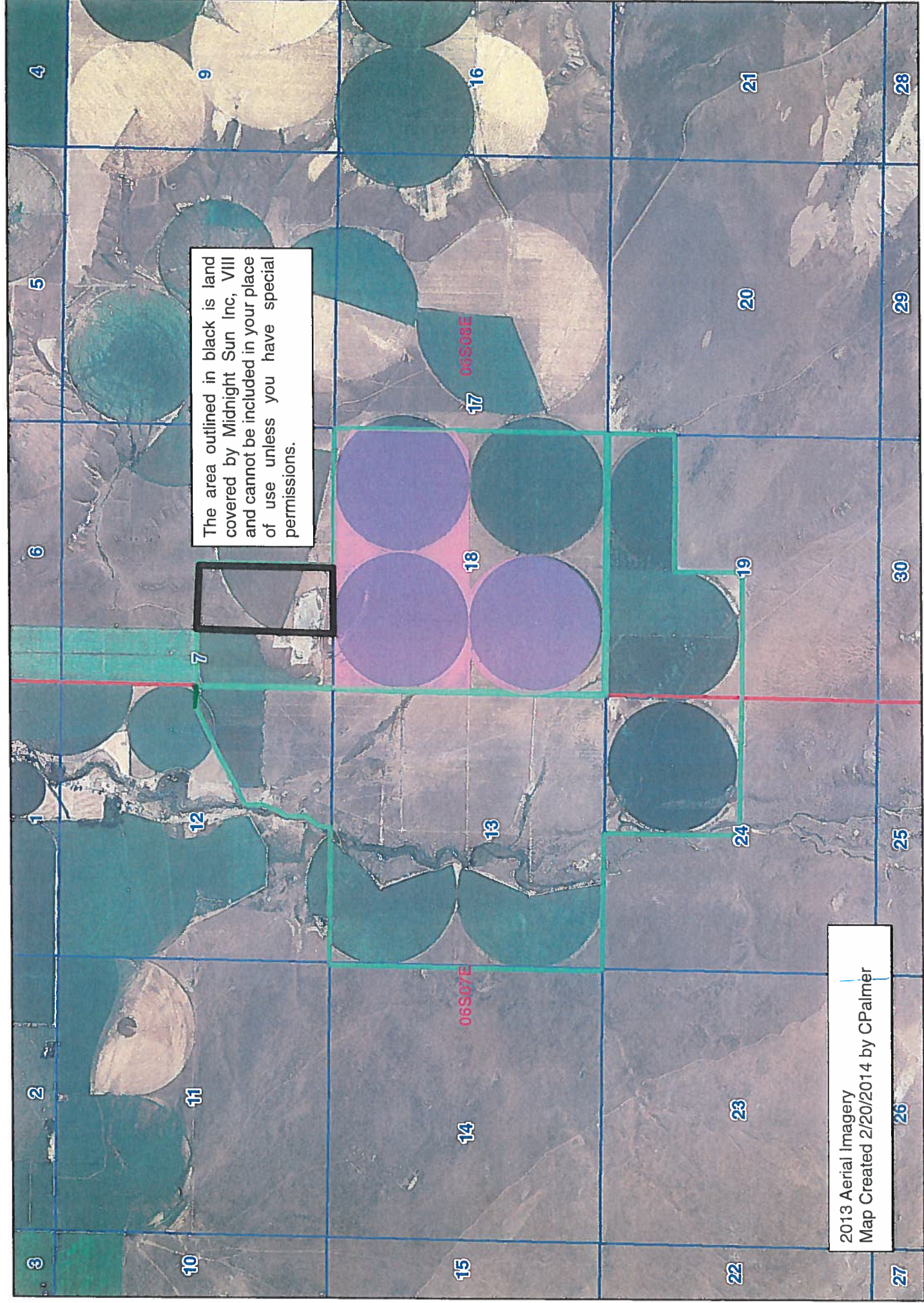
In order to process your new rental application I need to know which acres you will be irrigating for the 2014 season. I have attached a map for your use. Please outline the following:

- where the 354 acres will be irrigated under the existing rental
- where the 385 acres will be irrigated in connection with 02-7369
- where the new acres, under your recent rental application, will be irrigated
- water right 2-7065C is used on a specific 431 acres place of use within Section 18. See the purple shaded area on the map for a picture of the place of use for 2-7065C.

Also notice that water rights 2-7369 and 2-7065C must be located within the permissible place of use which is located within the green outlined area on the map.

This information is essential in order to complete your rental application review. Once you have an acceptable application in place, the next step is to find a water right for your rental. It appears that we should be able to fulfill your rental request but, there are a lot of rental applicants seeking water in your basin. Re-filing your application at a later date will jeopardize the likelihood of getting your requested water. Please contact me if you have any questions about the map. **If the map does not provide the information that is required, your application will be returned to you unprocessed.**

# Flying H Farms Partnership WSB Rental Place of Use and Associated Rights



## Hemenway, Sandy

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**From:** Hemenway, Sandy  
**Sent:** Wednesday, November 06, 2013 10:03 AM  
**To:** steve@flyinghfarms.net  
**Cc:** Hemenway, Sandy  
**Subject:** Flying H Farms, Partnership, Water Supply Bank Rental Application for 2014 - 2018  
  
**Importance:** High

Jeff,

I am currently reviewing the Flying H Farms, Partnership water supply bank rental application, of which you are requesting irrigation of 431 acres irrigation within 1,600 permissible place of use.

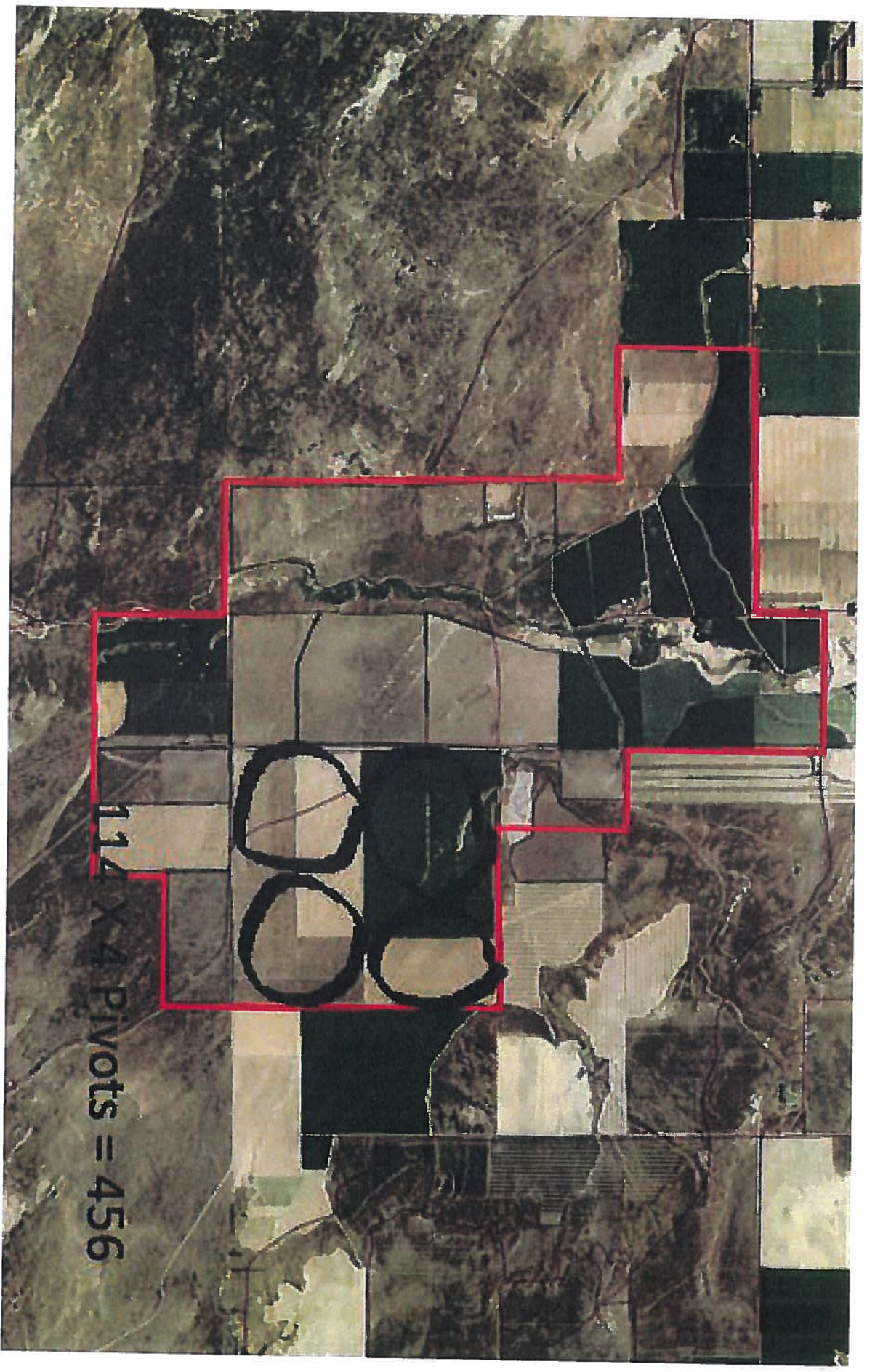
Within 14 days, please send me the following:

- (1) An aerial map or ArcMap shapefile indicating the exact 431 acres that will be irrigated during the 2014 irrigation season.

If this information is not received within 14 days, the application will be returned.

If you have any questions please give me a call.

Sandy Hemenway  
Sr. Water Resource Agent  
IDWR State Office  
PO Box 83720  
Boise, ID 83720-0098



This map you submitted is not sufficient -  
 Claire Palmer  
 3/20/2014