

MAY 05 2014

## WATER SUPPLY BANK LEASE CONTRACT

DEPT. OF WATER RESOURCE  
SOUTHERN REGION

This Lease Contract ("**Lease**") is effective December 31, 2013, between the Idaho Water Resource Board ("**Board**"), and

**Lessor:** IDAHO WATER CO LLC  
1135 VALLEY RD S  
EDEN ID 83325  
(208) 312-1135  
delkohtzidwc@mindspring.com

## 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> |
|-------------------------------|-------------------|---------------------|-------------------|---------------------------|
| 25-14383                      | 0.08 CFS          | 22.8 AF             | 5.7 AC            | 261.0 AC                  |
| 25-14385                      | 0.05 CFS          | 12.4 AF             | 3.1 AC            | 261.0 AC                  |
| <b>Combined Lease Totals</b>  | <b>0.03 CFS</b>   | <b>8.4 AF</b>       | <b>2.1 AC</b>     | <b>NA</b>                 |
| <b>For 2014-2017</b>          |                   |                     |                   |                           |
| 25-14381                      | 0.19 CFS          | 51.2 AF             | 12.8 AC           | 261.0 AC                  |
| <b>Combined Lease Totals:</b> | <b>0.22 CFS</b>   | <b>59.6 AF</b>      | <b>14.9 AC</b>    | <b>261.0 AC</b>           |

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

Authorized Period of Use under Lease: April 1 to October 31

2. **COMPENSATION:** The Lessor shall accept and the Board shall pay compensation determined by the amount of water rented under the following rental rate during such times as the water is rented from the Bank over the term of this Lease.

**Minimum Payment Acceptable:** Current Rental Rate

3. **TERM OF LEASE:** This Lease shall take effect when both parties have signed it and shall continue in effect until December 31, 2014.
4. **WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE:** The Lessor shall abide by all terms and conditions contained in the Water Supply Bank Conditions of Acceptance, attached hereto as "Attachment A" and incorporated herein by this reference.

SUPPORT DATA

INLET # 25-14381

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.

**IDAHO WATER CO**  
1135 VALLEY RD S  
EDEN ID 83325

*Idaho Water Company LLC*  
By *Delbert Rontz*  
Printed Name Delbert Rontz  
Date 5/1  
Title Managing Member

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

By *Brian Patton*  
Brian Patton, Acting Administrator  
Idaho Water Resource Board  
Date 05-08-2014

Lease approved by IDWR *Camela S Skaraga*  
Date 05-08-2014

**ATTACHMENT A**  
**WATER RIGHT NO. 25-14381**  
**WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE**

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

**Lessor:** IDAHO WATER CO  
1135 VALLEY RD S  
EDEN ID 83325  
(208) 312-1135

**Priority Date:** 07/19/1973

**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  | 0.19 CFS              | 51.2 AF        |
|                       | <b>Total:</b> |           | <b>0.19 CFS</b>       | <b>51.2 AF</b> |

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

|              |                                                    |         |         |         |                   |
|--------------|----------------------------------------------------|---------|---------|---------|-------------------|
| GROUND WATER | SE $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ | Sec. 28 | Twp 01N | Rge 38E | BONNEVILLE County |
| GROUND WATER | SE $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ | Sec. 28 | Twp 01N | Rge 38E | BONNEVILLE County |
| GROUND WATER | NE $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ | Sec. 28 | Twp 01N | Rge 38E | BONNEVILLE County |
| GROUND WATER | NW $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$ | Sec. 21 | Twp 01N | Rge 38E | BONNEVILLE County |

**PLACE OF USE TO BE IDLED UNDER THIS LEASE:** IRRIGATION

| Twp | Rge | Sec | NE   |    |    |      | NW  |    |      |      | SW |    |      |    | SE   |      |      |      | Totals |
|-----|-----|-----|------|----|----|------|-----|----|------|------|----|----|------|----|------|------|------|------|--------|
|     |     |     | NE   | NW | SW | SE   | NE  | NW | SW   | SE   | NE | NW | SW   | SE | NE   | NW   | SW   | SE   |        |
| 01N | 38E | 27  |      |    |    |      |     |    | 40.0 |      |    |    | 40.0 |    |      |      |      |      | 80.0   |
| 01N | 38E | 28  | 14.0 |    |    | 22.0 | 3.0 |    |      | 27.0 |    |    |      |    | 24.0 | 18.0 | 34.0 | 39.0 | 181.0  |

Total Acres: 261.0

Limited to acres within place of use described above: 12.8 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> |
|------------------------------------|-------------------|---------------------|-------------------|---------------------------|
| 25-14381, 25-14383<br>and 25-14385 | 0.22 CFS          | 59.6 AF             | 14.9 AC           | 261.0 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 12.8 acres within the authorized place of use in a single irrigation season.
13. Rights 25-14381, 25-14383 and 25-14385 when combined shall not exceed the irrigation of 21.6 acres,
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. 120.
15. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the place of use.

**ATTACHMENT A**  
**WATER RIGHT NO. 25-14383**  
**WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE**

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

**Lessor:** IDAHO WATER CO  
1135 VALLEY RD S  
EDEN ID 83325  
(208) 312-1135

**Priority Date:** 08/19/1952

**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  | 0.08 CFS              | 22.8 AF        |
|                       | <b>Total:</b> |           | <b>0.08 CFS</b>       | <b>22.8 AF</b> |

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

|              |           |         |         |         |                   |
|--------------|-----------|---------|---------|---------|-------------------|
| GROUND WATER | SE¼SW¼NE¼ | Sec. 28 | Twp 01N | Rge 38E | BONNEVILLE County |
| GROUND WATER | SE¼SE¼NE¼ | Sec. 28 | Twp 01N | Rge 38E | BONNEVILLE County |
| GROUND WATER | NE¼SE¼NW¼ | Sec. 28 | Twp 01N | Rge 38E | BONNEVILLE County |
| GROUND WATER | NW¼SW¼SE¼ | Sec. 21 | Twp 01N | Rge 38E | BONNEVILLE County |

**PLACE OF USE TO BE IDLED UNDER THIS LEASE:** IRRIGATION

| Twp | Rge | Sec | NE   |    |    |      | NW  |    |      |      | SW |    |      |    | SE   |      |      |      | Totals |
|-----|-----|-----|------|----|----|------|-----|----|------|------|----|----|------|----|------|------|------|------|--------|
|     |     |     | NE   | NW | SW | SE   | NE  | NW | SW   | SE   | NE | NW | SW   | SE | NE   | NW   | SW   | SE   |        |
| 01N | 38E | 27  |      |    |    |      |     |    | 40.0 |      |    |    | 40.0 |    |      |      |      |      | 80.0   |
| 01N | 38E | 28  | 14.0 |    |    | 22.0 | 3.0 |    |      | 27.0 |    |    |      |    | 24.0 | 18.0 | 34.0 | 39.0 | 181.0  |

Total Acres: 261.0

Limited to acres within place of use described above: 5.7 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> |
|------------------------------------|-------------------|---------------------|-------------------|---------------------------|
| 25-14381, 25-14383<br>and 25-14385 | 0.22 CFS          | 59.6 AF             | 14.9 AC           | 261.0 AC                  |
| 25-14383 and 25-14385              | 0.03 CFS          | 8.4 AF              | 2.1 AC            | 261.0 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 5.7 acres within the authorized place of use in a single irrigation season.
13. Rights 25-14383 and 25-14385 when combined shall not exceed the irrigation of 8.8 acres.
14. Rights 25-14381, 25-14383 and 25-14385 when combined shall not exceed the irrigation of 21.6 acres.
15. Beginning on the date of approval of Transfer # 77439, the irrigation uses under rights 25-14383 and 25-14385 when combined are limited to the following schedule of allowed use. The right holder shall file a notice of intent with the Department prior to the increased use of water under the right each time an increase according to the schedule is sought.
  - Year 2013 through 2017 the rights are limited to 0.03 cfs, 8.4 afa and 2.1 acres.
  - Year 2018 through 2023 the rights are limited to 0.11 cfs, 28.8 afa and 7.2 acres.
  - Year 2024 and beyond the rights are limited to 0.13 cfs, 35.2 afa and 8.8 acres.
16. Use of water under this right will be regulated by a water master 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.
17. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the place of use.

**ATTACHMENT A**  
**WATER RIGHT NO. 25-14385**  
**WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE**

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

**Lessor:** IDAHO WATER CO  
1135 VALLEY RD S  
EDEN ID 83325  
(208) 312-1135

**Priority Date:** 08/19/1952

**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  | 0.05 CFS              | 12.4 AF        |
|                       | <b>Total:</b> |           | <b>0.05 CFS</b>       | <b>12.4 AF</b> |

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

|              |           |         |         |         |                   |
|--------------|-----------|---------|---------|---------|-------------------|
| GROUND WATER | SE¼SW¼NE¼ | Sec. 28 | Twp 01N | Rge 38E | BONNEVILLE County |
| GROUND WATER | SE¼SE¼NE¼ | Sec. 28 | Twp 01N | Rge 38E | BONNEVILLE County |
| GROUND WATER | NE¼SE¼NW¼ | Sec. 28 | Twp 01N | Rge 38E | BONNEVILLE County |
| GROUND WATER | NW¼SW¼SE¼ | Sec. 21 | Twp 01N | Rge 38E | BONNEVILLE County |

**PLACE OF USE TO BE IDLED UNDER THIS LEASE:** IRRIGATION

| Twp | Rge | Sec | NE   |    |    |      | NW  |    |      |      | SW |      |    |    | SE   |      |      |      | Totals |
|-----|-----|-----|------|----|----|------|-----|----|------|------|----|------|----|----|------|------|------|------|--------|
|     |     |     | NE   | NW | SW | SE   | NE  | NW | SW   | SE   | NE | NW   | SW | SE | NE   | NW   | SW   | SE   |        |
| 01N | 38E | 27  |      |    |    |      |     |    | 40.0 |      |    | 40.0 |    |    |      |      |      |      | 80.0   |
| 01N | 38E | 28  | 14.0 |    |    | 22.0 | 3.0 |    |      | 27.0 |    |      |    |    | 24.0 | 18.0 | 34.0 | 39.0 | 181.0  |

Total Acres: 261.0

Limited to acres within place of use described above: 3.1 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> |
|------------------------------------|-------------------|---------------------|-------------------|---------------------------|
| 25-14381, 25-14383<br>and 25-14385 | 0.22 CFS          | 59.6 AF             | 14.9 AC           | 261.0 AC                  |
| 25-14383 and 25-14385              | 0.03 CFS          | 8.4 AF              | 2.1 AC            | 261.0 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 3.1 acres within the authorized place of use in a single irrigation season.
13. Rights 25-14383 and 25-14385 when combined shall not exceed the irrigation of 8.8 acres.
14. Rights 25-14381, 25-14383 and 25-14385 when combined shall not exceed the irrigation of 21.6 acres.
15. Beginning on the date of approval of Transfer # 77439, the irrigation uses under rights 25-14383 and 25-14385 when combined are limited to the following schedule of allowed use. The right holder shall file a notice of intent with the Department prior to the increased use of water under the right each time an increase according to the schedule is sought.
  - Year 2013 through 2017 the rights are limited to 0.03 cfs, 8.4 afa and 2.1 acres.
  - Year 2018 through 2023 the rights are limited to 0.11 cfs, 28.8 afa and 7.2 acres.
  - Year 2024 and beyond the rights are limited to 0.13 cfs, 35.2 afa and 8.8 acres.
16. Use of water under this right will be regulated by a water master 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.
17. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the place of use.

STATE OF IDAHO  
WATER RESOURCE BOARDWATER SUPPLY BANK LEASE OR SALE  
APPLICATION CHECKLISTRECEIVED  
APR 21 2014  
DEPARTMENT OF  
WATER RESOURCES

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

Designated Applicant IDAHO WATER CO LLCWater Right No. 25-14383

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).

Not Required  
Per Seller  
3/20

- ☐ 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. *Already on file*
- 1C ☒ ☐ *Notice of Change in Water Right Ownership* form (accessible from [www.idwr.idaho.gov](http://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>0.00</u>                                                         | Received By: <u>CS</u> | Date Received: <u>4/21/14</u> | Receipt # <u>N/A 0098133</u> |
| W-9 received? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | (Route W-9 to Fiscal)  | Name on W-9:                  | <u>12-31-13</u>              |

STATE OF IDAHO  
WATER RESOURCE BOARD

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

RECEIVED  
APR 21 2014  
DEPARTMENT OF  
WATER RESOURCES

**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 IDAHO WATER CO LLC Email Address \_\_\_\_\_

Mailing Address \_\_\_\_\_ Phone Number \_\_\_\_\_

☐ 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 \_\_\_\_\_ Organization \_\_\_\_\_

Professional Title \_\_\_\_\_ Email Address \_\_\_\_\_

Mailing Address \_\_\_\_\_ Phone Number \_\_\_\_\_

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

**OR**

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

**2. DESCRIPTION OF WATER RIGHT OFFERED TO THE BANK**

Water Right Number 25-14383 ☒ 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.

None - This right has been in the Water Supply Bank since first transferred to this property.

- 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.

25-14381, 25-14385

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

Yes ☐ No ☒

If yes, describe. NO

D. Has any portion of this water right undergone a period of five or more consecutive years of non-use?

Yes ☐ No ☒

If yes, describe and attach Watermaster records or other evidence to demonstrate that the water right has not been lost through abandonment or forfeiture pursuant to Section 42-222(2), Idaho Code. \_\_\_\_\_

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

If yes, describe. \_\_\_\_\_

#### 4. SALE/LEASE AGREEMENT

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

If lease, for a period from 11/1/2014 to 12/31/2014 (maximum lease period 5 years).  
(Month / Day / Year) (Month / Day / Year)

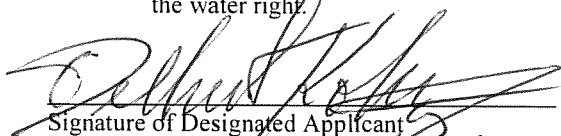
B. Show the minimum payment acceptable to the seller/lessor. The minimum payment may be shown as the "current rental rate" as established by the IWRB. Include the method of determining the minimum payment if other than the current rental rate.

current 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

Delbert Kohitz  
Printed Name

4/10/14  
Date

Idaho Water Company LLC  
Signature of Authorized Representative

Printed Name

4/10/14  
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. 25-14383

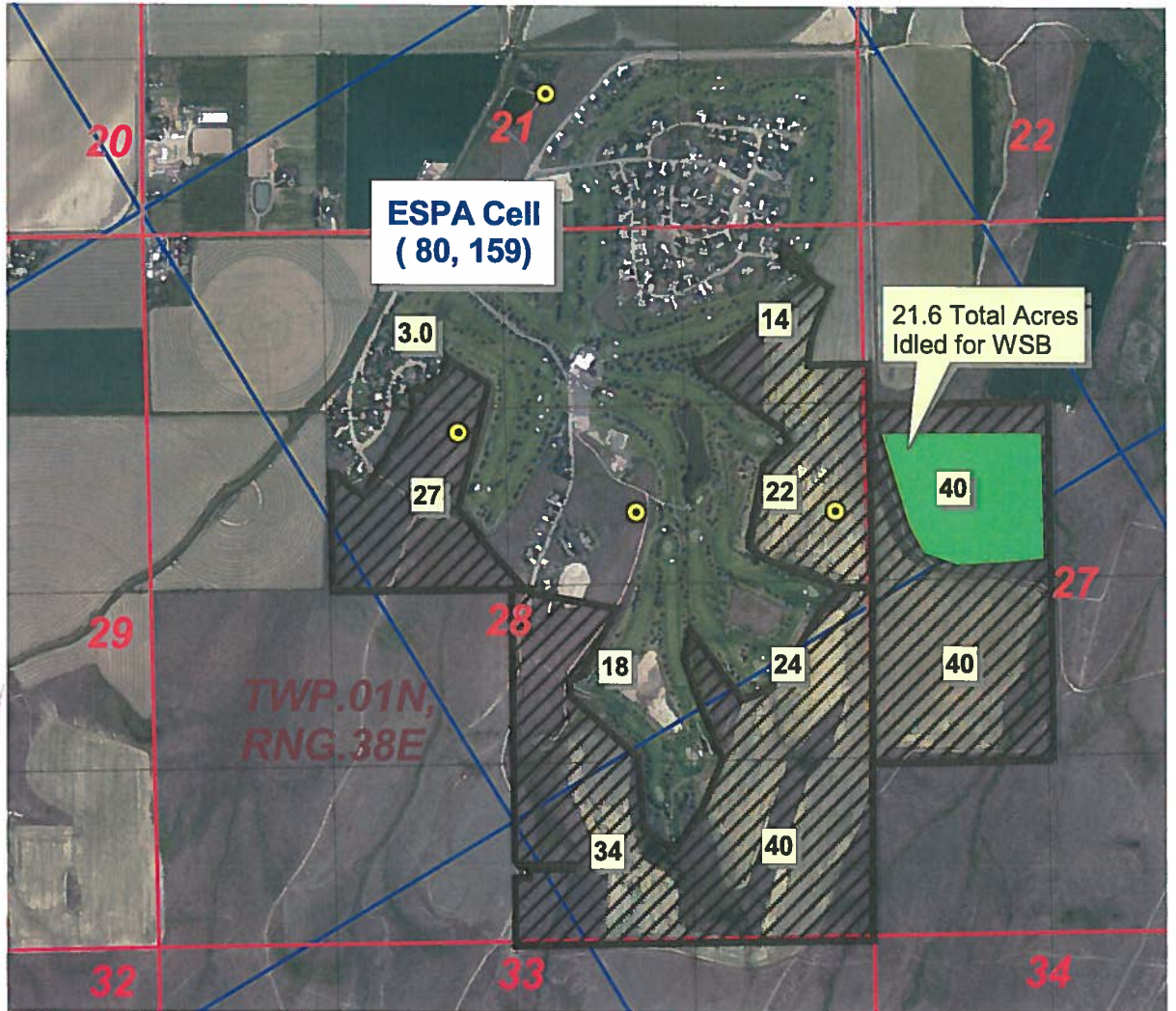
No other owners / Applicant

|                       | Designated Applicant                                                                                 | Applicant #2                                                                  | Applicant #3                                                                  |
|-----------------------|------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------|
| Name                  |                                                                                                      |                                                                               |                                                                               |
| Mailing Address       |                                                                                                      |                                                                               |                                                                               |
| Phone Number          |                                                                                                      |                                                                               |                                                                               |
| Email Address         |                                                                                                      |                                                                               |                                                                               |
| Applicant Declaration | As Designated Applicant, I submit this lease application on behalf of all other water right holders. | I authorize the Designated Applicant to submit this application on my behalf. | I authorize the Designated Applicant to submit this application on my behalf. |
| Signature             |                                                                                                      |                                                                               |                                                                               |

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



# WATER SUPPLY BANK APPLICATION TO LEASE WATER RIGHTS ( Idaho Water Co. 25-14381, 14383, 14385 )



JCH - 1/31/2013

NAIP 2011 Aerial Photo

0.3      0      0.3      0.6 Miles

(Scale: 4 inches equals 1 mile)

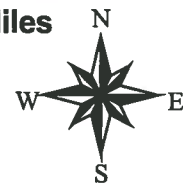
ESPA Model Grid

● Authorized Irrigation Wells

25-14381, 25-14383\*, 25-14385\* Permissible Place Of Use

Townships

Sections



25-14381 Authorizes 0.19 cfs, 51.2.0 afa, 12.8 ac. following approval of transfer # 78979

25-14383\* and 25-14385\* are limited to the following schedule of diversions:

|                                         |
|-----------------------------------------|
| 2013-2017: 0.03 cfs / 8.8 afa / 2.1 ac  |
| 2018-2024: 0.11 cfs / 28.8 afa / 7.2 ac |
| 2013-2017: 0.13 cfs / 35.2 afa / 8.8 ac |

## ATTACHMENT #1