

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
WATER SUPPLY BANK RENTAL AGREEMENT

RECEIVED

APR 23 2014

DEPARTMENT OF
WATER RESOURCES

This is to certify that: J R SIMPLOT CO
C/O VIC CONRAD
999 MAIN ST STE 1300
PO BOX 27
BOISE ID 83707
(208) 336-2110

filed an application to rent water from the Water Supply Bank ("Bank"). The Idaho Water Resource Board ("Board") being authorized to operate a Bank and to contract by and through the Director of the Idaho Department of Water Resources ("Director, Department") for rental of water from the Bank agrees to rent water as follows:

Summary of Water Rights or Portions Rented from the Bank

Water Right	Rented Rate	Annual Rented Volume	Total Rented Acres
24-4017	0.90 CFS	158.6 AF*	45.3 AC

*The renter is limited to a diversion volume of 113.3 acre-feet for the use authorized under this agreement.

TERM OF RENTAL: January 1, 2014 to December 31, 2014

RENTAL FEE: \$2,696.20

The total fee for rental of the above-described water is \$2,696.20. The undersigned renter is also the lessor under this agreement, and is therefore obligated to pay only the administrative fee of \$269.62.

Detailed water right specific limitations and conditions attached.

The undersigned renter agrees to use the water rented under this agreement in accordance with the Water Supply Bank rules and in compliance with the limitations and conditions of use described in this agreement:

Dated this 16th day of April, 2014.

By: David Spurling
(Print Name)

[Signature]
(Signature)
Sr. Vice President
(Title if on behalf of company or organization)

Having determined that this agreement satisfies the provisions of Idaho Code § 42-1763 and IDAPA 37.02.03.030 (Water Supply Bank Rule 30), for the rental and use of water under the terms and conditions herein provided, and none other, I hereby execute this Rental Agreement on behalf of the Idaho Water Resource Board this 24th day of April, 2014.

[Signature]
Brian Patton, Acting Administrator
Idaho Water Resources Board

WATER RIGHT NO. 24-4017

WATER SUPPLY BANK RENTAL AGREEMENT

The renter agrees to use the water rented under this agreement in accordance with the Water Supply Bank rules and in compliance with the limitations and conditions of use described below:

Renter: J R SIMPLOT CO
C/O VIC CONRAD
999 MAIN ST STE 1300
PO BOX 27
BOISE ID 83707
(208) 336-2110

Priority Date: 09/18/1890

Source: SOUTH FORK SAGE CREEK **Tributary to:** SAGE CREEK

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
INDUSTRIAL	04/15	to 10/31	0.90 CFS	*158.6 AF
	Total:		0.90 CFS	*158.6 AF

LOCATION OF RENTER'S POINT(S) OF DIVERSION:

SOUTH FORK SAGE CREEK SE¼NE¼SE¼ Sec. 18 Twp 09S Rge 46E CARIBOU County

RENTER'S PLACE OF USE: INDUSTRIAL

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
08S	45E	25													X		X	X	NA
08S	46E	30											X						NA
08S	46E	31						X	X			X	X	X			X		NA
09S	45E	13													X		X	X	NA
09S	46E	6		X (Lot 2)	X	X	X (Lot 3)							X		X	X		NA
09S	46E	7			X		X			X	X			X		X	X		NA
09S	46E	18					X			X	X		X	X			X		NA
09S	46E	19		X			X	X											NA

Total Acres: NA

CONDITIONS OF WATER USE

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. The water rented under this agreement is appurtenant to irrigation of 45.3 acres.
3. *The renter is limited to a diversion volume of 113.3 acre-feet for the use authorized under this agreement.
4. 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.
5. 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.
6. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.

**WATER RIGHT NO. 24-4017
WATER SUPPLY BANK RENTAL AGREEMENT**

CONDITIONS OF WATER USE

7. 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.
8. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
9. 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.
10. 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.
11. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
12. Industrial use is for dust abatement for road construction.



STATE OF IDAHO
WATER RESOURCE BOARD

Water Supply Bank No. _____
(For Department Use Only)

RECEIVED

NOV 07 2013

DEPARTMENT OF
WATER RESOURCES

APPLICATION TO RENT WATER
FROM THE WATER SUPPLY BANK

Name of Renter J. R. Simplot Company Phone 208-336-2110

Mailing address PO Box 27, Boise, ID 83707 Email _____

A. DESCRIPTION OF WATER SOUGHT FOR RENT

1. <u>Maximum Flow Rate (cfs)</u>	<u>Maximum Volume (ac-ft)</u>	<u>Nature of Use</u>	<u>Period of Use</u>
<u>0.9 cfs</u>	<u>113.25</u>	<u>Industrial Dust Abatement</u>	<u>April 15</u> to <u>October 31</u>
_____	_____	_____	_____ to _____
_____	_____	_____	_____ to _____

Total: 0.9 cfs 113.25 ac-ft

2. Source of water South Fork Sage Creek tributary to Sage Creek

3. Point(s) of Diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
9S	46E	18		SE	NE	SE	Caribou

4. Lands to be irrigated or place of use:

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

Please see Exhibit A attached hereto
for a list of the place of use for
industrial dust abatement

If the use is for irrigation, show total number of acres proposed through rental. **Total Acres** _____

B. OWNERSHIP

1. Do you own the land at the proposed point of diversion? Yes ☒ No ☐

If no, list owner, contact information, and provide documentation of the authority to use the proposed point of diversion. _____

2. Do you own the land at the proposed place of use? Yes ☐ No ☒

If no, list owner, contact information, and provide documentation of the authority to use the proposed place of use. Please See Exhibit A attached hereto for the response to this question. _____

C. MAP

Attach a map identifying the proposed point(s) of diversion, place(s) of use, and water diversion and distribution system details as described by this application in section A. Include legal description labels.

D. GENERAL INFORMATION

1. Please provide a description of the proposed diversion system. Suction intake, pump, motor & pipeline.

2. Describe any other water rights diverted through the same point(s) of diversion or used for the same purpose(s) as described above.
None

3. Will the proposed place of use receive water from any other source? Yes ☐ No ☒
If yes, describe. _____

4. If the proposed use is not for irrigation, please provide a detailed description of the proposed use and how you determined the amount of water required. Attach additional sheets if needed. Please see Exhibit A for the response to this question.

5. Are there any other applications pending before the Department, such as an application for permit or transfer, for the same use(s) proposed by this rental? Yes ☐ No ☒
If yes, describe. _____

6. Was this rental application submitted in response to a Notice of Violation or a pending Notice of Violation? Yes ☐ No ☒
If yes, describe. _____

E. RENTAL TERM

1. Do you wish to rent water from the Board's bank for more than one (1) year? Yes ☐ No ☒
If yes, please specify the number of years desired through proposed rental. _____

I hereby assert that the information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in rejection of the application or cancellation of an approval.

If this application is approved, the applicant agrees to the following:

1. The use of water under this agreement shall be subject to the provisions of Section 42-1766, Idaho Code.
2. Renter shall comply with all applicable state and federal laws while using water under this agreement.
3. Renter shall hold the Board, the Director, and the state of Idaho harmless from all liability on account of negligent acts of the renter.
4. 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.
5. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
6. Renter is not authorized to use water proposed by this application until the rental fees are paid in full and the renter receives an executed copy of the agreement signed by the Director.



Signature of Applicant

Vic Conrad, Director
Land, Water & Asset Recovery
Printed Name and Title*

Nov. 5, 2013
Date

Signature of Applicant

Printed Name and Title*

Date

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

Exhibit A

Question A.4. Lands to be irrigated or place of use:

Response:

“DA” = Dust Abatement for Roadways

Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
8S	45E	25													DA		DA	DA	
	46E	30											DA						
		31						DA	DA			DA	DA	DA			DA		
9S	45E	13													DA		DA	DA	
	46E	6		Lot 2 DA	DA	DA	Lot 3 DA							DA		DA	DA		
		7			DA		DA			DA	DA			DA		DA	DA		
		18					DA			DA	DA		DA	DA			DA		
		19		DA			DA	DA											

Question B.2. Do you own the land at the proposed place of use?

Response: The roads that will receive dust abatement treatment are located on lands owned by the United States of America, Forest Service (“USFS”) and Bureau of Land Management (“BLM”). The use of the water for purposes of dust abatement is required to control fugitive dust emissions pursuant to the air operating permit for the Smoky Canyon Mine issued by the Idaho Department of Environmental Quality in July 1983. It is also a requirement of the current BLM and USFS mine operating permits.

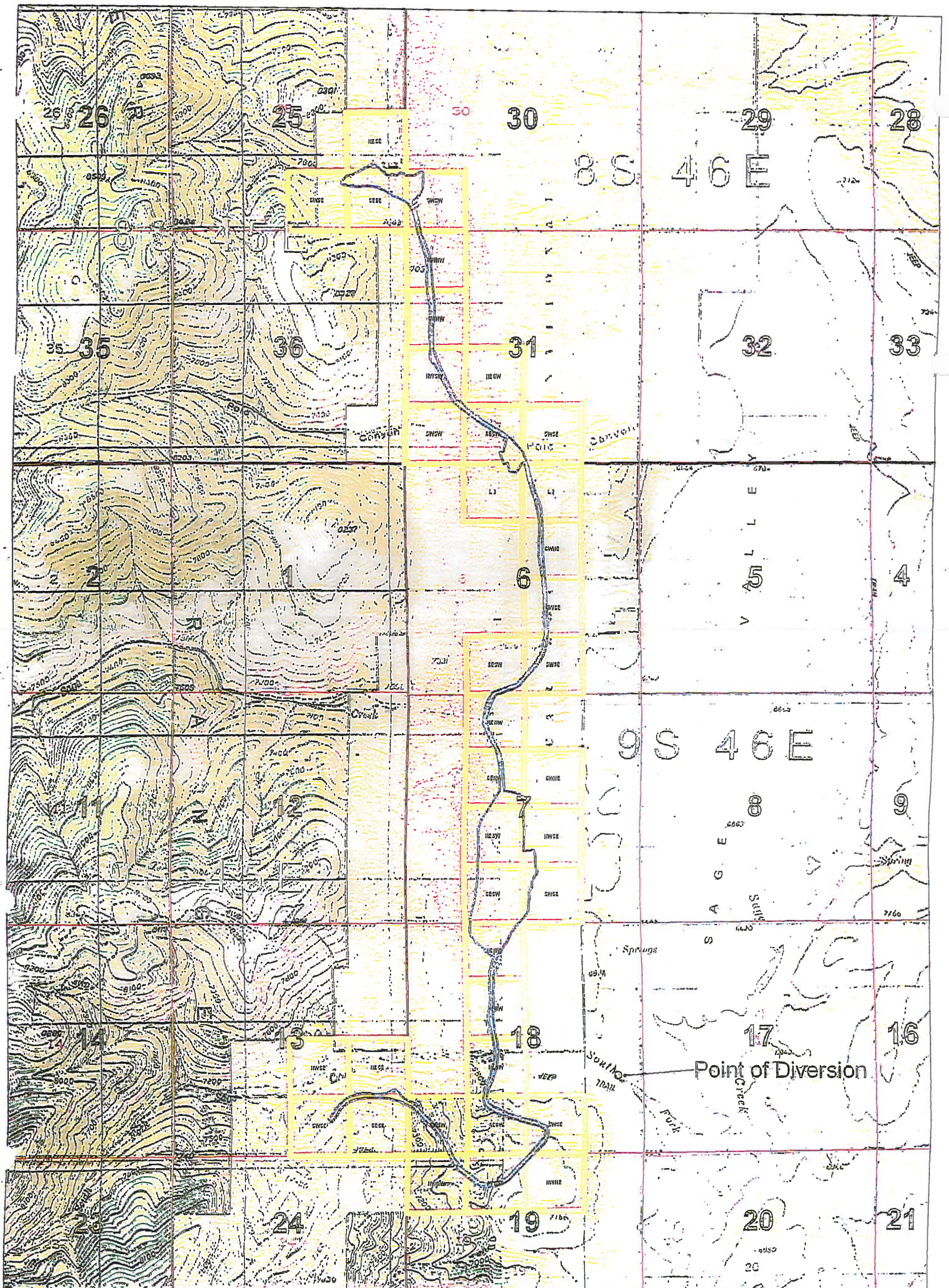
Exhibit A

Question C.4. If the use is not for irrigation, please provide detailed description of the proposed use and how you determined the amount of water required.

Response: A 30,000 tanker truck will be used to apply water to the roadways. Using the distance of the roadways to be treated, the width of the roadways and the frequency of the applications required to overcome evaporation, thereby preventing dust emissions, the following is the intended rate volume required during each month of the intended use:

Month	Volume of Water to be applied for Dust Abatement this Month (In Gallons)
May, 2010	2,250,000
June, 2010	2,250,000
July, 2010	10,000,000
August, 2010	10,000,000
September, 2010	10,000,000
October	2,400,000
Total	36,900,000
Total (in Acre Feet)	113.24

Application to Rent Water from the Water Supply Bank for Dust Abatement



Place of Use

0 1,300 2,600 5,200 Feet



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

November 19, 2014

JR Simplot Co
PO BOX 27
BOISE, ID 83707

COPY

**RE: EXPIRATION OF RENTAL AGREEMENT FOR WATER RIGHT NO(S). 24-4017
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 11/22/2013 and the subsequent Rental Agreement authorized diversion of water under Water Right No(s). 24-4017 through the 2014 season only.

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. 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



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098

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

GARY SPACKMAN

Director

C.L. "BUTCH" OTTER

Governor

April 25, 2014

VIC CONRAD
J R SIMPLOT CO
999 MAIN ST STE 1300
PO BOX 27
BOISE ID 83707

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 24-4017**

Dear Renter:

Please find enclosed a receipt in the amount of **\$269.02** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 113.3 acre-feet of water for industrial use 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, the rental fee will be retained by the Department to offset administrative costs since you are the owner of the right(s).

If you have any questions, please contact me at (208) 287-4879.

Sincerely,


for Sandra Thiel

Water Resource Planner

Enclosure(s): Receipt No. C098725
Rental Agreement (copy)

c: Sascha Marston – Fiscal
James Cefalo – IDWR Eastern Regional Office
Lyle Swank – State Water District No. 01



CORPORATE HEADQUARTERS

April 16, 2014

Sandra Thiel
Water Resource Planner
State of Idaho
Department of Water Resources
322 E. Front Street
Boise, ID 83720-0098

RECEIVED
APR 23 2014
DEPARTMENT OF
WATER RESOURCES

Re: Water Bank Rental; Water Right 24-4017.

Dear Ms. Thiel:

Enclosed are the following partially executed documents:

1. Duplicate originals of the Water Supply Bank Lease Contract.
2. Water Supply Bank Rental Agreement.

Please use the enclosed check in the amount of \$269.62 to cover the administrative fee due in connection with the enclosed Water Supply Bank Rental Agreement. After these documents are signed, please return on fully executed original of the Lease Contract and the fully executed Rental Agreement to me.

Sincerely,

Vic Conrad
Land, Water & Asset Recovery

Enclosure



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098

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

GARY SPACKMAN
Director

C.L. "BUTCH" OTTER
Governor

April 11, 2014

VIC CONRAD
J R SIMPLOT CO
999 MAIN ST STE 1300
PO BOX 27
BOISE ID 83707

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 24-4017**

*****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 \$2,696.20 was calculated based on the current rental rate of \$17.00 per acre-foot times a diversion volume of 158.6 acre-feet. Since you are both the lessor and the renter of the right, **you are only obligated to pay the 10% administrative fee or \$269.62.** Payment shall be received by the Department prior to the execution of this agreement.

Please send a check for \$269.62 made payable to the Idaho Department of Water Resources, **together with the signed rental agreement, within 14 days** so I can complete processing.

If you have any questions, please contact me at (208) 287-4879.

Sincerely,

Sandra Thiel

Sandra Thiel
Water Resource Planner

Enclosure(s)

c: IDWR Front Desk

MEMORANDUM

To: File 24-4017

From: Sandra Thiel

Date: April 9, 2014

Re: Review of Application to Rent a Water Right from the State Water Supply Bank

PURPOSE/NARRATIVE: On March 25, 2011, the Department received applications to lease 45.3 acres of this water right and rent the water back for dust abatement/industrial use. The JR Simplot Company extended the rental in both 2012 and 2013.

During a review of the lease place of use it became evident that land outside the place of use was being irrigated. I notified Vic Conrad and they filed a transfer to cover the irrigated acres the irrigated acres. (See attachments) The transfer moved the place of use for 1.4 acres.

AUTHORITY TO FILE: The applications were signed by Vic Conrad, director of Land, Water & Asset Recovery for JR Simplot and the attorney of record for this water right.

WATER RIGHT VALIDITY: This right was partially decreed in the SRBA on March 14, 2008.

INJURY TO OTHER WATER RIGHTS: No injury is apparent.

ENLARGEMENT OF USE: The lessor will lease 45.3 acres of irrigation to the Bank and rent the consumptive use associated with those 45.3 acres (2.5 AF/ac). However, the renter will be required to rent the entire field headgate requirement of 158.6 AF (3.5 AF/ac) so no enlargement will occur.

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 leases appear to be consistent with conservation of water resources in Idaho. The applicant/owner has been operating under an approved permit and a right licensed with the State of Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS:

No comments were received.

Thiel, Sandra

From: Conrad, Vic [Vic.Conrad@simplot.com]
Sent: Tuesday, April 08, 2014 8:55 AM
To: Thiel, Sandra
Subject: Water Right Transfer Application for 24-4017.
Attachments: Irrigated area in NWNE and NENW of Section 21.jpg

In the transfer, I added the areas in the NWNE and NENW of Section 21 T.9S R.46E to the place of use. The sprinkler system was changed and moved westerly. The area you can see on the attached image is the area that is currently irrigated with this sprinkler system. I didn't draw shapes around the two new areas in an attempt to avoid obscuring the image. Please let me know if you would like me to draw shapes around these two areas.



Attachment #7b



Map Notes: Blue Dot = Point of Diversion

White Letters ■ Old Place of Use

Yellow Letters = New Place of Use

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