

RECEIVED

DEC 23 2013

DEPARTMENT OF
WATER RESOURCES

STATE OF IDAHO
WATER RESOURCE BOARD

WATER SUPPLY BANK
REQUEST TO EXTEND LEASE TERM

ONE FORM PER WATER RIGHT

This form is a statement that the lessor requests an extension of a Water Supply Bank ("Bank") lease for the water right identified below. A water right remains in the Bank for the accepted lease period unless released earlier by the Water Resource Board or until the lessor submits a request in writing to the Department of Water Resources to release the right from the Bank. However, if a water right is currently rented, the portion of the right being rented must remain in the Bank for the duration of the rental agreement.

If requesting a change in lease amounts (reducing or increasing acreage, etc.), you must file an Application to Sell or Lease a Water Right to the Water Supply Bank. This form can be found on IDWR's website at: www.idwr.idaho.gov.

Water Right No: 2-2371 Telephone No: 208-991-2701

Name(s) of Lessor(s): MAN Farms LLC

Mailing Address: PO Box 99

City: Glenns Ferry State: ID Zip: 83623

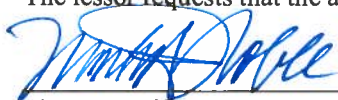
Current Expiration Date: Dec 31, 2013

Requested Expiration Date: Dec 31, 2014

All lease extension request forms must be signed and submitted with the following REQUIRED items:

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

The lessor requests that the above water right remain in the Bank through the date referenced above.


Signature of Lessor

Mark Noble, Manager
Printed Name and Title*

December 20, 2013
Date

Signature of Lessor

Printed Name and Title*

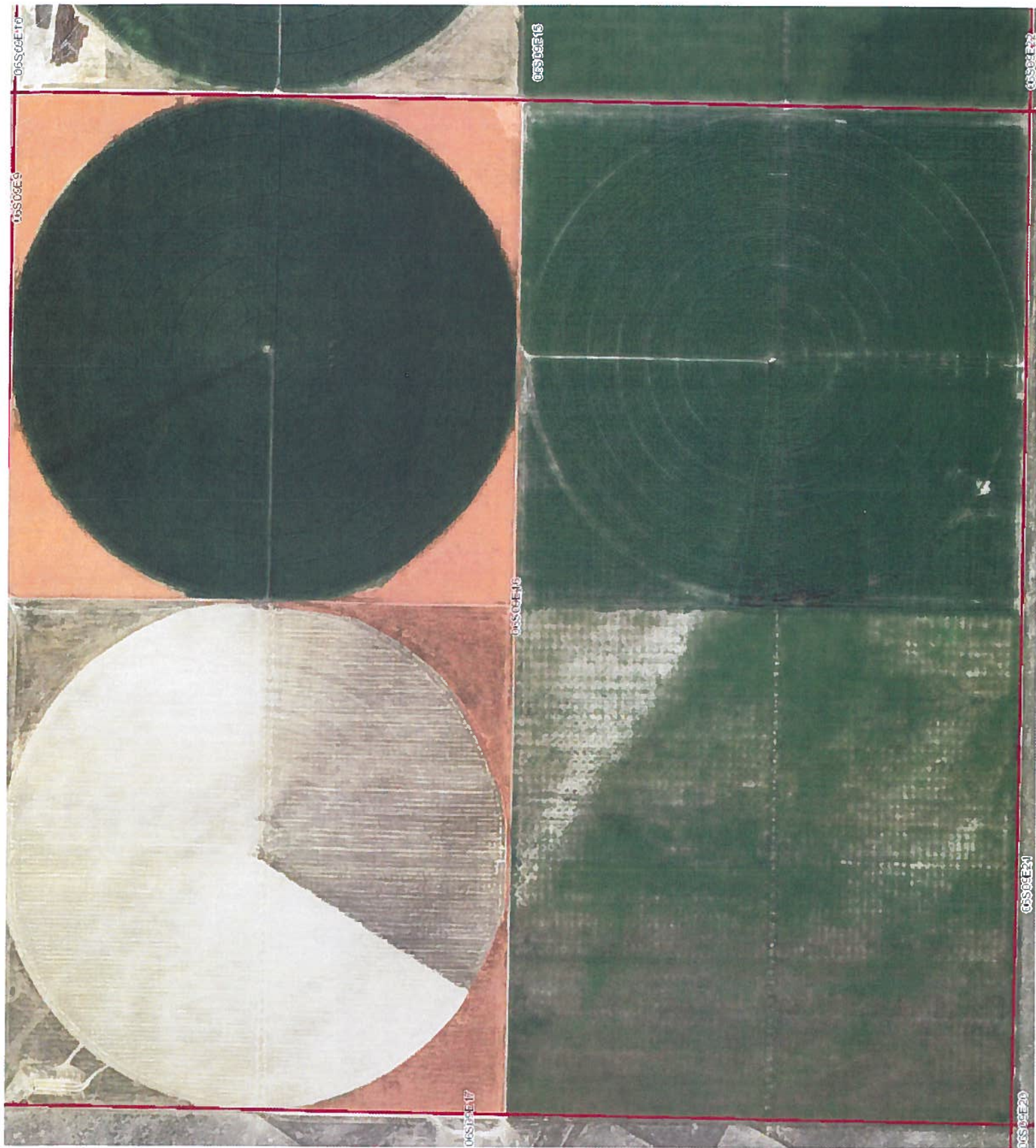
Date

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

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

FOR OFFICE USE ONLY

Filing fee received by: dp Date: 12-23-13 Receipt No: C098097



06S06E10

06S06E9

06S06E13

06S06E12

06S06E15

06S06E14

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This form is a statement that the lessor requests an extension of a Water Supply Bank ("Bank") lease for the water right identified below. A water right remains in the Bank for the accepted lease period unless released earlier by the Water Resource Board or until the lessor submits a request in writing to the Department of Water Resources to release the right from the Bank. However, if a water right is currently rented, the portion of the right being rented must remain in the Bank for the duration of the rental agreement.

If requesting a change in lease amounts (reducing or increasing acreage, etc.), you must file an Application to Sell or Lease a Water Right to the Water Supply Bank. This form can be found on IDWR's website at: www.idwr.idaho.gov.

Water Right No: 2-10032 Telephone No: 208-991-2701

Name(s) of Lessor(s): MAN Farms LLC

Mailing Address: PO Box 99

City: Glenns Ferry State: ID Zip: 83623

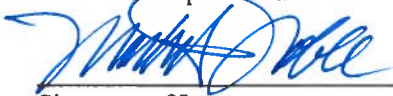
Current Expiration Date: Dec 31, 2013

Requested Expiration Date: Dec 31, 2014

All lease extension request forms must be signed and submitted with the following REQUIRED items:

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

The lessor requests that the above water right remain in the Bank through the date referenced above.


Signature of Lessor

Mark Noble, Manager
Printed Name and Title*

December 20, 2013
Date

Signature of Lessor

Printed Name and Title*

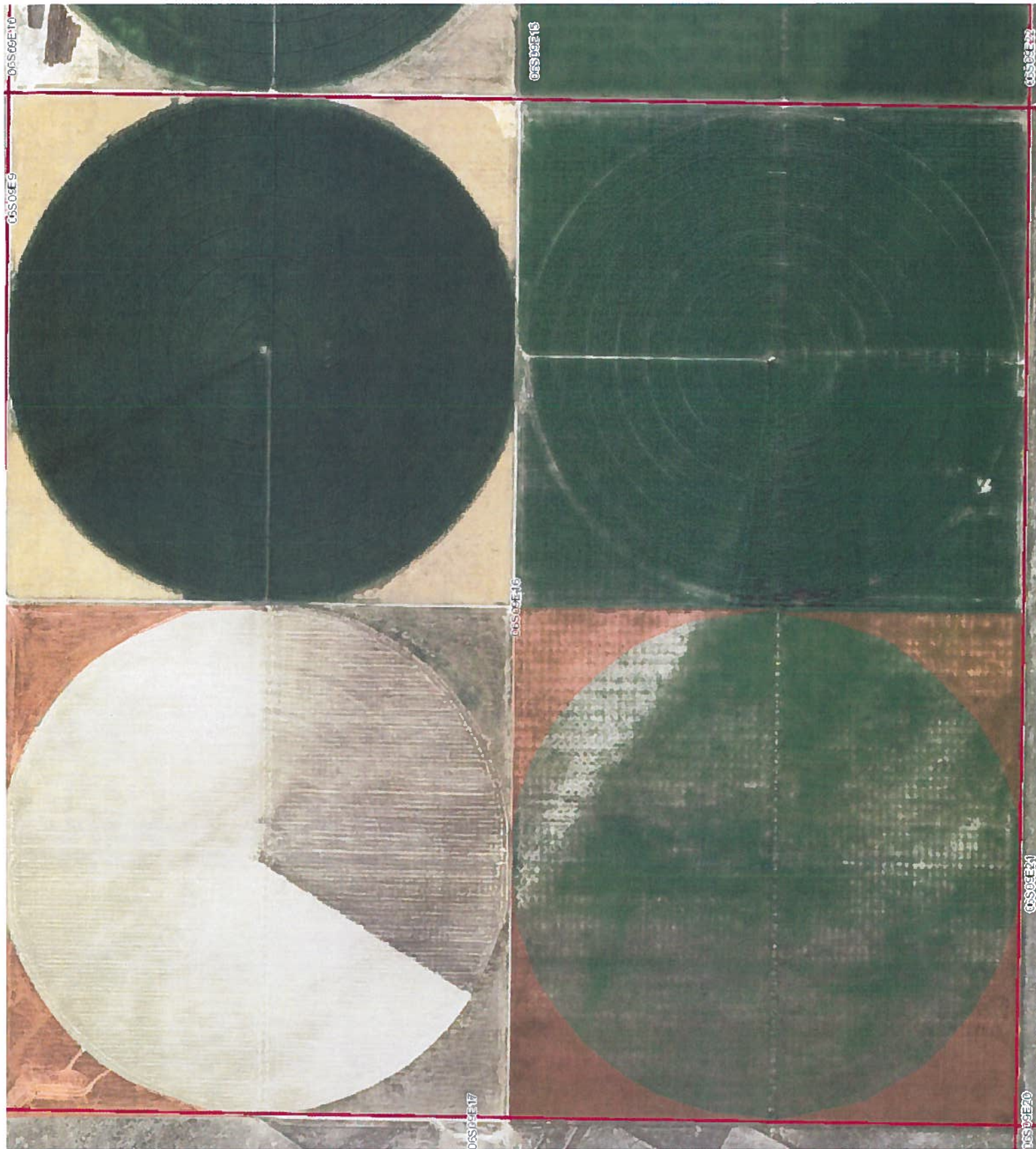
Date

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

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

FOR OFFICE USE ONLY

Filing fee received by: HP Date: 12-23-13 Receipt No: C098097





State of Idaho

DEPARTMENT OF WATER RESOURCES

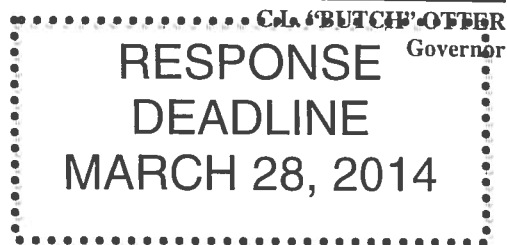
322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098

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

GARY SPACKMAN
Director

March 18, 2014

MAN FARMS LLC
PO BOX 99
GLENN'S FERRY ID 83623



RE: REQUEST FOR RETURN OF SIGNED WATER SUPPLY BANK LEASE CONTRACTS FOR WATER RIGHT(S) 2-2371 and 2-10032

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

Dear Applicant,

The Department of Water Resources (Department) mailed **two original Water Supply Bank Lease Contracts for your review and signature** on February 28, 2014. The signed contracts have not been returned to the Department.

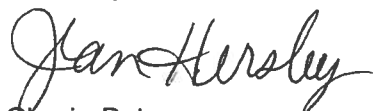
Please sign both original Lease Contracts and return them to the Department within ten (10) days of this letter to complete processing. The Lease Contract is not considered final until both you and the Department have signed.

If the signed lease contracts are not received by the Department within the 10-day period, the lease application(s) will be returned, and the application fee will not be refunded. You can reapply to lease the water right(s) in the future by submitting new application form(s) along with applicable fees.

Please note the forfeiture period is not tolled unless a right is accepted into the Bank, or unless an exception or defense to forfeiture applies as described under Idaho Code § 42-223. If forfeiture is a concern, you may consider filing an Application for Extension of Time to Avoid Forfeiture of a Water Right form. This and other water right forms are available from the Department's web site at www.idwr.idaho.gov.

If you have questions regarding this matter, please contact me at 287-4944.

Sincerely,


for Cherie Palmer
Senior Water Resource Agent
WSB Process Point of Contact

c: John Marshall Law PLLC



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

February 28, 2014

MAN FARMS LLC
PO BOX 99
GLENN'S FERRY ID 83623

RE: APPLICATION(S) TO LEASE WATER RIGHT(S) 2-2371 and 2-10032 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.

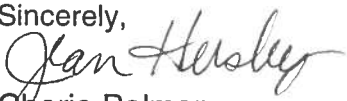
The rights will automatically be released from the Bank on **December 31, 2014**, unless the rights are released earlier by the Board, or upon your request. To release the right from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. 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 287-4944.

Sincerely,


for Cherie Palmer
Senior Water Resource Agent
WSB Process Point of Contact

Enclosure: Proposed Lease Contracts

c. John Marshall Law PLLC

MEMORANDUM

To: Water Right No(s). 2-2371 and 2-10032
From: Jean Hersley
Date: February 21, 2014
Re: Review of Applications to Lease Water Rights to the State Water Supply Bank

PURPOSE/NARRATIVE: The Department received these Requests to Extend Lease Terms on December 23, 2013. The lease is for the pivot corners associated with these rights for the 2014 season.

These water rights have a combined diversion rate limit with a number of other water rights. None of the other rights have the limit. These two are the most junior. An email dated 9/6/2012, from John Marshall, attorney for the right holders, indicates the rights are all managed by the same family (Mark Noble of MAN Farms and Allen Noble of ATN Holdings). The Nobles divert less than 71 cfs to begin with, so there shouldn't be enlargements issues with rental. See spreadsheet attached to email.

AUTHORITY TO FILE: Applications were signed by Mark Noble, manager of MAN Farms LLC

WATER RIGHT VALIDITY: These rights were partial decreed in 2011 so forfeiture is not an issue. The portions requested to be leased have been in the Bank since 2012.

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.

These rights are within the Sailor Creek Project. More information will be needed about how the water has been used in conjunction with the Sailor Creek Project before we can rent them.

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 # 02. POD is located within Water District 02.
I will contact Corbin Knowles, Water District 02 watermaster and Steve Lester, Western Region for comments or concerns regarding these leases.

Hersley, Jean

From: Knowles, Corbin
Sent: Tuesday, February 25, 2014 10:05 AM
To: Hersley, Jean
Subject: RE: Lease Extensions for WSB Basin 2 water rights.

One last question, are these rights going to be rented out per the lessee request at a higher than \$17/af amount?

From: Hersley, Jean
Sent: Tuesday, February 25, 2014 10:00 AM
To: Knowles, Corbin
Cc: Palmer, Cherie
Subject: RE: Lease Extensions for WSB Basin 2 water rights.

They are putting the pivot corners in the Bank.

2-2371 is 45 acres, 225 af

2-10032 is 45 acres, 22.50 af

2-2186 is 53.5 acres, 267.5 af

2-10034 is 69.6 acres, 348 af

2-10035 is 181.4 acres, 907 af

2-10477 is 92.3 acres, 461.5 af

There are maps in the files if you need to see them. And yes, the lease is consistent with the remaining acres to be irrigated in terms of rate remaining.

From: Knowles, Corbin
Sent: Tuesday, February 25, 2014 9:50 AM
To: Hersley, Jean
Cc: Palmer, Cherie
Subject: RE: Lease Extensions for WSB Basin 2 water rights.

Jean

Under these leases do we know the number of acres to be idled out of the 4145 acres under the rights? Is the lease consistent with the remaining acres to be irrigated in terms of rate remaining? These are my only concerns and if those questions are answered then proceed with the extensions.

Thanks

Corbin

From: Hersley, Jean
Sent: Friday, February 21, 2014 12:44 PM
To: Lester, Steve; Knowles, Corbin
Subject: Lease Extensions for WSB Basin 2 water rights.

Hersley, Jean

From: Lester, Steve
Sent: Tuesday, February 25, 2014 12:48 PM
To: Hersley, Jean
Subject: RE: Lease Extensions for WSB Basin 2 water rights.

Jean – these look good, no red flags.

From: Hersley, Jean
Sent: Friday, February 21, 2014 12:44 PM
To: Lester, Steve; Knowles, Corbin
Subject: Lease Extensions for WSB Basin 2 water rights.

I have attached the review memo's for Lease Extension Requests for water rights 2-2371, 2-10032 (owned by MAN Farms LLC), 2-2186, 2-10034, 2-10035 and 2-10477 (owned by ATN Holdings LLC).
All have the condition "Place of use is within the area served by the Sailor Creek Project."

Please let me know of your concerns or comments within 5 days. We have many large rental applications that these rights could be used to fulfill.

Thanks.

Jean << File: 2-2371_and_2-10032.pdf >> << File: 2-10034_and_2-10035_and_2-10477.pdf >> << File: 2-2186.pdf >>

I have attached the review memo's for Lease Extension Requests for water rights 2-2371, 2-10032 (owned by MAN Farms LLC), 2-2186, 2-10034, 2-10035 and 2-10477 (owned by ATN Holdings LLC). All have the condition "Place of use is within the area served by the Sailor Creek Project."

Please let me know of your concerns or comments within 5 days. We have many large rental applications that these rights could be used to fulfill.

Thanks.

Jean << File: 2-2371_and_2-10032.pdf >> << File: 2-10034_and_2-10035_and_2-10477.pdf >> << File: 2-2186.pdf >>

Van Bussum, Monica

From: John Marshall [john@jmarshalllaw.com]
Sent: Thursday, September 06, 2012 6:42 PM
To: Van Bussum, Monica
Subject: Sailor Creek system water bank
Attachments: Sailor Creek water bank analysis.xls

Monica, I write regarding the 71-cfs combined diversion limit that appears on the two most junior of the 6 water rights that make up the Sailor Creek irrigation project (rights 2-2371 and 2-10032). I put together a spreadsheet that shows the effect of the combined use limit spread over all 6 rights that I have attached.

I represent both ATN Holdings and MAN Farms LLC. These entities both treat the combined use limit on 2-2371 and 2-10032 as applicable to all the rights in the system. Accordingly, both entities treat the rights as though the diversion rate for each right is the rate reflected in column H on the attached spreadsheet, which, as indicated in column K, equates to a 0.86 inch/acre diversion rate for each right. If you have questions or need anything more, please contact me.

Thank you,

John

Right	Actual Owner	Priority	Rate (cfs)	Acres	cfs/acre	inch/acre	cfs - 71	inches	cfs/acr	inch/acre
							limit	w/ limit	e w/	w/ limit
02-2186	ATN Holdings LLC	#####	6.16	308	0.02		1	5.28	263.79	0.017
02-10477	ATN Holdings LLC	#####	18.08	904	0.02		1	15.48	774.23	0.017
02-10034	ATN Holdings LLC	#####	17.38	869	0.02		1	14.89	744.26	0.017
02-10035	ATN Holdings LLC	#####	28.48	1424	0.02		1	24.39	1219.59	0.017
02-2371	MAN Farms LLC	#####	8	400	0.02		1	6.85	342.58	0.017
02-10032	MAN Farms LLC	#####	4.8	240	0.02		1	4.11	205.55	0.017
			82.9	4145				71.00		

System rate per acre at 71.0 cfs 0.0171

Van Bussum, Monica

Subject: FW: MAN Farms/ATN Holdings Bank lease applications

From: Lester, Steve
Sent: Tuesday, September 04, 2012 8:55 AM
To: Van Bussum, Monica
Subject: RE: MAN Farms/ATN Holdings Bank lease applications

Hi Monica:

Sailor Creek project was a Desert Land Entry development on BLM land, appears Ringert was involved back in the day. Similar to Cottonwood Canal Co. setup also involving Ringert – lots of Snake River Water for many acres.

Name probably originated from Sailor Creek Water Co. – not an irrigation district. I haven't looked but don't imagine ground water is also involved.

Not sure why there is combined rate limit – don't see any recent transfers that would have added that. Maybe something in SRBA, objections & settlement? Is 2-10032 an expansion right that might relate to limits?

Does appear troubling to put those 2 in the bank if they don't add another increment of water to the situation.

SL

From: Van Bussum, Monica
Sent: Sunday, September 02, 2012 3:09 PM
To: Lester, Steve
Subject: MAN Farms/ATN Holdings Bank lease applications

Hi Steve,

I'm processing a bunch of partial lease applications (mostly pivot corners) for MAN Farms and ATN Holdings. John Marshall has filed the lease applications on behalf of his clients. Anyway, just about everything looks fine – partially decreed in 2011, no ownership issues, few overlaps – but 2-2371 and 2-10032 have an interesting limiting conditions, which says:

Rights 2-2186, 2-2371, 2-10032, 2-10034, 2-10035, 2-10043, 2-10248, and 2-10249 when combined shall not exceed a total diversion rate of 71.0 cfs.

I looked up the authorized diversion rates for this list of rights and they are all owned by ATN Holdings or MAN Farms. All but 2-2186 have some portion offered to the Bank and those diversion rates add up to 82.9 cfs. Interestingly, *none* of the other rights have that same diversion rate limiting condition on them. What do you make of that? I'm not sure how to accept portions of these rights into the Bank without enlargement.

Also, they all have this condition in them as well:

Place of use is within the area served by Sailor Creek Project.

What is the Sailor Creek Project? Is that like an irrigation district where we have to worry about supplemental/primary water?

Any help you can send my way would be much appreciated. Hope you had a good holiday weekend. Thanks, Steve.

Monica

John Marshall Law PLLC

575 W Bannock, Suite B
Boise, ID 83702

phone 208-991-2701
fax 208-906-8043
john@jmarshalllaw.com

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WATER RESOURCES

December 20, 2013

Via US mail

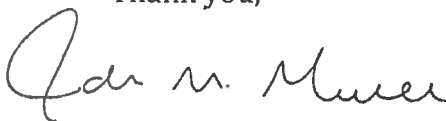
Cherie Palmer
Idaho Department of Water Resources
322 East Front Street
P.O. Box 83720
Boise, ID 83720-0098

Re: Grindstone Butte and Sailor Creek Water Bank Lease Extensions

Dear Cherie,

Enclosed please find executed Requests to Extend Lease Term for water right 2-2262 (the Grindstone Butte right) and rights 2-2186, 2-2371, 2-10032, 2-10034, 2-10035 and 2-10477 (the Sailor Creek rights). I've also enclosed a check for \$750.00 to cover the required fee. Of this amount \$250.00 covers the Grindstone Butte right and \$500.00 covers the Sailor Creek rights, which are all part of the same irrigation system. Please contact me with any questions.

Thank you,



John M. Marshall