



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 20, 2014

GRINDSTONE BUTTE MUTUAL CANAL COMPANY
PO BOX 2673
BOISE ID 83701

RE: APPLICATION TO LEASE A PORTION OF WATER RIGHT NO(S). 02-2262 TO THE WATER SUPPLY BANK

Dear Applicant:

On December 23, 2013, the Department of Water Resources (Department) received your application(s) to lease water right 02-2262 to the Water Supply Bank (Bank).

Your application has been reviewed and we cannot accept a Request to Extend Lease Term form. I apologize for my previous letter where I mis-directed you to this form. On May 8, 2013, the Department received a Request to Release a Water Right from the Bank. The request terminated your lease at the end of 2013. Once a lease is terminated, it cannot be extended.

Please complete the enclosed Water Supply Bank Lease or Sale Application. The \$250 filing fee, map, and W9 have already been submitted so those items do not need to be mailed in with your application. If you don't intend on filing a lease application, please let me know so I can generate a refund of your filing fee.

Please note that a water right is not protected from forfeiture unless it 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 also consider filing an Application for Extension of Time to Avoid Forfeiture of a Water Right form(s) available 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, Sr. Water Resource Agent
Water Allocation Bureau

c: John Marshall Law PLLC

RECEIVED

DEC 23 2013

DEPARTMENT OF
WATER RESOURCES

Returned
Unprocessed
2/20/2014 CP

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: 2-2262 Telephone No: 208-991-2701

Name(s) of Lessor(s): Grindstone Butte Mutual Canal Company

Mailing Address: PO Box 2673

City: Boise State: ID Zip: 83701

Current Expiration Date: 12/31/2013

Requested Expiration Date: 12/31/2014

Lease term not to exceed 5 years.

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]
Signature of Lessor

President
Printed Name and Title*

12/20/13
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: 1098097