



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

July 30, 2013

SV RANCH LLC
PO BOX 1607
BELLEVUE WA 98009

RE: WATER SUPPLY BANK LEASE CONTRACT FOR RIGHTS 37-7028, 37-7295B and 37-22790

Dear Lessor:

Water Rights 37-7028, 37-7295B and 37-22790 were leased into the Water Supply Bank on July 29, 2013 in accordance with the executed original Lease Contract enclosed. **The portion of your rights described on the Lease Contract is considered leased into the Bank, and should remain unused, until it is formally released from the Bank.**

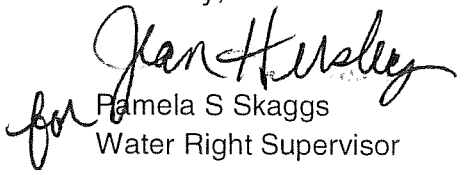
The rights will automatically be released from the Bank on **December 31, 2017**, unless the rights are released earlier by the Board, or upon your request. To release the right from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. To request an extension of the lease period, submit a Request to Extend the Lease Term form along with applicable fees to the Department prior to the release date. 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."

Contact me at (208) 287-4951 if you have any further questions.

Sincerely,


Pamela S Skaggs
Water Right Supervisor

Enclosure: Executed Lease Contracts

C: Brockway Engineering PLLC- Greg Sullivan
Allen Merritt- IDWR Southern Regional Manager(via email)