



State of Idaho

## DEPARTMENT OF WATER RESOURCES

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

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GARY SPACKMAN  
Director

C.L. "BUTCH" OTTER  
Governor

June 17, 2013

PURITY SWEET INC  
315 E AVE H  
JEROME ID 83338

RE: Water Supply Bank Lease and Rental

Dear Water Right Owner:

While reviewing pending water right matters, we noticed that you had not rented water to cover your water bottling operation in Murphy Hot Springs, as you had from 9/1/2009 to 8/31/2011. The amended transfer application you filed in 2011 to cover the bottling operation is still pending. Steve Lester informed me that he has been communicating with you about additional information needed to complete the transfer application. You may want to double-check with Steve to be sure all the required information has been submitted. Once it is complete, processing of the transfer application could take a considerable period of time, especially if it is protested. Meanwhile, it appears the bottling operation is not currently covered by an existing water right.

If you intend to continue the bottling operation while your transfer application is pending, the most straightforward option may be to once again rent a portion of your own water right, no. 51-4037. To initiate the rental process, please complete and submit the enclosed *Application to Rent Water from the Water Supply Bank*. If you rent 0.5 acre-feet per year, as you have in the past, the rental fee will be \$8.50 per year. Since you would be renting your own water right, your cost would actually be only the 10% administrative charge of \$0.85.

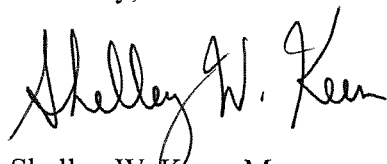
In addition, because the lease of a portion of your water right into the Water Supply Bank expires on December 31, 2013, you will also need to extend your existing lease if you intend to rent the water beyond that date. Leases can typically be authorized for up to five years. The *Request to Extend Lease Term* you submitted in December of 2012 asked for an extension only until December 31, 2013. Since the extension request was just submitted and the full year is not yet over, to accommodate the rental of your right, you may consider amending your *Request to Extend Lease Term* for up to four additional years. A detailed letter from you should be sufficient to amend the *Request to Extend Lease Term*. The filing fee would not be required for an amended request. If the current extension were to expire before you reapply, the \$250 filing fee would be required.

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Meanwhile, until the lease/rental package is executed, the transfer application is processed and approved, or some other water right is changed to cover the bottling use, you are not authorized to divert water from Murphy Hot Springs for that purpose.

If you have any questions or would like to arrange for a meeting to discuss your water rights, please call me at 208-287-4947, or email me at [shelley.keen@idwr.idaho.gov](mailto:shelley.keen@idwr.idaho.gov).

Sincerely,

A handwritten signature in black ink that reads "Shelley W. Keen". The signature is written in a cursive, flowing style.

Shelley W. Keen, Manager  
Water Rights Section

cc: Steve Lester of IDWR Western Region  
John Homan of the Office of the Attorney General  
Isaac Keppler of Capitol Law Group LLC