

Edl, Michele

From: Edl, Michele
Sent: Friday, April 05, 2013 1:29 PM
To: 'nmcroy@metlife.com'
Subject: RE: 195045 - Fw: IDA GOLD Water Supply Bank Lease-MetLife loan

Nancy,

Mr. Todd Gerratt phoned back a few minutes ago. He has been working with his local MetLife agent, Chad Brown, who is likely more 'in the know' than either of us. I trust you have good contact information on him.

I understood from Mr. Gerratt, that he and Mr. Spratling had worked out a water and land agreement several years ago but that it was not made known to IDWR. Mr. Gerratt intends to visit our Southern Region office (in Twin Falls ID) if not today, then very soon, and speak to a water rights agent about it. Maybe the agreement will be formalized and if changes to water rights are needed, they can be made based on more complete information than what has been provided to date.

Now, to answer the question that prompted your call yesterday, Mr. Gerratt's request to lease rights to the Water Supply Bank, dated 3/5/2013, was not sufficient for us to act on. He admitted that he had never conversed with the Water Supply Bank before and didn't complete the form well enough for the purposes intended.

I was happy to hear that Mr. Garrett was willing to take steps to clarify his agreement with IDWR. I trust this is good news for you too.

Sincerely,
Michele Edl

From: nmcroy@metlife.com [mailto:nmcroy@metlife.com]
Sent: Friday, April 05, 2013 11:38 AM
To: Edl, Michele
Subject: Fw: 195045 - Fw: IDA GOLD Water Supply Bank Lease-MetLife loan

Michele, I apologize for the misspelling of your name. We have a Michele in our office too, so I should have paid better attention. Let me know what you find out if you hear from Todd Gerratt.

Nancy J. McRoy | Agricultural Loan Administrator II | MetLife Agricultural Investments | Central Regional Office
10801 Mastin Blvd., Suite 930 | Overland Park, KS 66210 | www.metlife.com/ag
☎: 913-661-2223 | 📠: 518-953-1506 | ✉: nmcroy@metlife.com

----- Forwarded by Nancy McRoy/Inv/MetLife/US on 04/05/2013 12:36 PM -----

From: Nancy McRoy/Inv/MetLife/US
To: michelle.edl@idwr.idaho.gov
Cc: Chad Brown/Inv/MetLife/US, Inv_AgiMemo@MetLife
Date: 04/05/2013 08:39 AM
Subject: 195045 - Fw: IDA GOLD Water Supply Bank Lease-MetLife loan

Michelle,

I received your phone message with information that a letter was sent to John Spratling dated 3/21/13 approving an application on water rights numbers 43-2574D, 43-2576D and 43-10597A . It appears you are correct in that these water rights are not connected to MetLife security. However, yesterday you found two numbers in your system that you were going to check on. Those were 45-07680 and 45-07684. Could there be another application involving the water right numbers which are related to MetLife security?

I understand your challenge in the absence of an agent, but I would appreciate someone checking on those MetLife numbers above and reviewing again the application attached below. For instance, the following dates for the lease period are found on pg 4, Item E.

1 / 1 / 12 to 1 / 1 / 14
(Month / Day / Year) (Month / Day / Year)

This does not match a lease period ending 12/1/2016 which you referenced for the three water rights numbers that are not associated to MetLife security.

I will contact our field associate, Chad Brown, to see if we can provide you with more details about this matter.

Thanks,

Nancy

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----- Forwarded by Nancy McRoy/Inv/MetLife/US on 04/05/2013 08:04 AM -----

From: Nancy McRoy/Inv/MetLife/US
To: michelle.cdl@idwr.idaho.gov
Cc: Inv_AgiMemo@MetLife, Chad Brown/Inv/MetLife/US
Date: 04/04/2013 03:54 PM
Subject: IDA GOLD Water Supply Bank Lease-MetLife loan #195045

Michelle,

Thank you for calling me back. As Monica is no longer with your office, I appreciate your willingness to investigate and provide the information I requested from her on 3/28/13. MetLife's approval and consent is conditional upon confirmation of these water right's numbers, locations and time period of the lease to the water supply bank.

Thanks again,

Nancy

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----- Forwarded by Nancy McRoy/Inv/MetLife/US on 04/04/2013 03:45 PM -----

From: Nancy McRoy/Inv/MetLife/US
To: monica.vanbussum@idwr.idaho.gov
Cc: Chad Brown/Inv/MetLife/US
Date: 03/28/2013 10:38 AM
Subject: IDA GOLD Water Supply Bank Lease-MetLife loan #195045

Monica, I left you a phone message concerning this lease application on 3/26/13, but I have not heard from you.

I am attaching the information which was provided to MetLife along with an Exhibit "C" attached to the MetLife Mortgage which identifies all Water Rights for the above referenced loan. In order for MetLife to consent to the lease, the following information is needed.

1. The exact Water Right numbers and locations associated with this application.
2. The time period that the lease covers or will cover -a beginning date and ending date.

Thank you,

Nancy McRoy

(See attached file: Water lease-application-IDA GOLD.pdf)

(See attached file: Exhibit-Water Rights Numbers.pdf)

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Edl, Michele

From: Edl, Michele
Sent: Friday, April 05, 2013 11:00 AM
To: 'NMcroy@metlife.com'
Subject: Water Supply Bank lease offer

Nancy McRoy,

I got the fax. If you have been spelling my first name with two L's I wouldn't have received your email messages. I hope I am successfully connecting with you. I'll call if this doesn't work.

IDWR would have found the application to lease signed by Mr. Garrett 3/15/13 very difficult to process because no water rights are listed. It may have been returned to him.

I understand that Mr. Spratling may need to rent additional water from the bank. If Ida Gold has some available, the bank will likely accept it. I have not connected with Mr. Garrett. I hope to hear from him before the day is over.

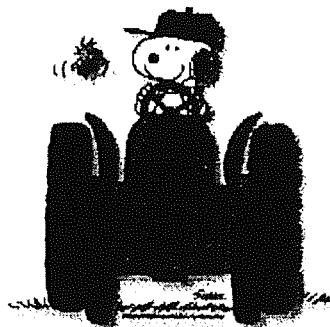
Sincerely

Michele (with one L) Edl

MetLife®

Agricultural Investments

Central Regional Office
10801 Mastin Blvd. Suite 930
Overland Park, KS 66210-2101
Tel 913-338-0629 Fax 913-661-2267



Fax Letter

To: Michelle Edl

From: Nancy McRoy
Sr Ag Loan Administrator

Fax#: 208-287-6700

Date: April 5, 2013

Pages: , including cover page.

4 pages

Message:

RE: IDA GOLD- MetLife Loan 195045 – Application to IDWRD Water Supply Bank

Michelle, attached is the information sent to MetLife from Todd Gerratt. If you also need me to fax a copy of MetLife's Water Rights numbers (Exhibit C) that I sent to you via email, let me know.

Thanks,

Nancy

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☎: 913-661-2223 | 📠: 518-953-1506 | ✉: nmcroy@metlife.com

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Mar 15 13 07:26a

Ida Gold Farms

2086784925

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**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

C.L. "BUTCH" OTTER

Governor

GARY SPACKMAN

Director

February 25, 2013

IDA-GOLD FARMS
246 E 300 S
BURLEY ID 83318JOHN SPRATLING
550 TERRACE DR
BURLEY ID 83368**RE: WATER SUPPLY BANK LEASE FOR IDA-GOLD FARMS; WATER SUPPLY BANK
RENTAL APPLICATION FOR SPRATLING**

Dear Applicants:

On February 1, 2013, we received a letter from Ida-Gold demonstrating intent to rent excess water to John Spratling. In that same correspondence, we received an Application to Rent Water from the Water Supply Bank from John Spratling.

I am unable to find any record of Ida-Gold leasing water to the Water Supply Bank. Please identify which water rights, if any, are leased so we can continue processing the application. If no water rights are leased to the Bank, please submit an application (or applications) to lease within 14 days so we can continue processing. If we receive no applications, we will review the rental application to see if other leased rights are acceptable candidates.

If you have any questions, please contact me at (208) 287-4907.

Sincerely,


Monica Van Bussum
Sr. Water Resource Agent

Enclosure - Lease Application

*Left msg for a
"Michelle" 4/4/13**gone
4/3/13*

Mar 15 13 07:26a

Ida Gold Farms

2086784925

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Form 42-1761-1 12/12

WSB No. _____

Receipt No. _____

Date/by _____

(For Department Use Only)

**STATE OF IDAHO
WATER RESOURCE BOARD**

**APPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANK**

Name of Seller (Lessor) Ida Gold Farms Phone 208-678-4800
 Mailing address 246 E 300S Burley ID 83318 Email idagoldfarms@stateidaho.com

A. DESCRIPTION OF WATER RIGHT, OR PORTION THEREOF, OFFERED TO THE BANK

If the entire right is for sale or lease, check here ☐, list the water right number, and skip to Part B.

1. Water Right Number _____ Amount (cfs/ac-ft) _____ Nature of Use Irrigation Period of Use April 1 to Nov. 15

Total Amount: _____

2. Source of water Deep well tributary to _____

3. Point(s) of Diversion:

Twp	Rge	Sec	Lot	1/4	1/4	1/4	County

4. Lands irrigated or place of use: *See Part D for additional information regarding place of use.

Twp	Rge	Sec	NE 1/4				NW 1/4				SW 1/4				SE 1/4				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	

If the right is for irrigation, show total number of acres offered to the bank. Total Acres _____

B. OWNERSHIP

1. Are you currently listed in IDWR's records as the owner of the water right being offered to the bank? Yes ☐ No ☐
 If no, provide documentation of your authority to sign on behalf of the right holder OR attach a Notice of Change in Water Right Ownership form along with the required documentation and fee.
2. Is the diversion works or system owned or managed by an irrigation district or water delivery company? Yes ☐ No ☒
 If yes, provide written consent from the company, corporation or irrigation district to the proposed sale or lease and list name of entity:

Mar 15 13 07:26a

Ida Gold Farms

2086784925

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Form 42-1761-I 08/11

C. GENERAL INFORMATION

1. Please provide a description of the current diversion system.

Main line

2. Describe any other water rights used for the same purpose or at the same place of use as described above.

3. Will the present place of use continue to receive water from any source?

Yes ☐ No ☒

If yes, describe.

4. Has any portion of this water right undergone a period of five or more consecutive years of non-use?

Yes ☐ No ☒

If yes, describe and attach watermaster records or other evidence to demonstrate that the right has not been lost through abandonment or forfeiture pursuant to Section 42-222(2), Idaho Code.

5. Is this water right involved in any other Department process such as an application for transfer or a mitigation plan? Yes ☐ No ☒

If yes, describe.

D. REQUIRED ITEMS

This form 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 by this lease application.
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.

E. SALE/LEASE AGREEMENT

1. Is the water right, or portion thereof, described above offered to the Idaho Water Resource Board (IWRB) for sale ☐ or lease ☒?

If lease, for a period from 1/1/13 to 1/1/14 (not to exceed 5 years).
(Month / Day / Year) (Month / Day / Year)

2. Show the minimum payment acceptable to the Seller/Lessor. The minimum payment may be shown as the "current rental rate" as established by the IWRB. Include the method of determining the minimum payment if other than the current rental rate.

I hereby assert that the information contained in this application is true to the best of my knowledge, and that I have the authorities necessary to offer this right for sale or lease to the Idaho Water Resource Board.

The owner/lessor acknowledges the following:

1. Payment to the owner/lessor is contingent upon the sale or rental of the right from the bank.
2. While a right is in the bank, the owner/lessor of the right may not use the right even if the right is not rented from the bank.
3. A right accepted into the bank stays in the bank until the Board releases it or the lease term expires.
4. While a right is in the bank, forfeiture provisions are stayed.
5. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right.

Tom Barrett
Signature of Applicant

Tom Barrett
Printed Name and Title*

3-5-13
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

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