



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

March 7, 2013

CHRISTOPHER W GUILL
QUARTZBURG LLC
5319 S APPLE ST
BOISE ID 83716

RE: Water Supply Bank (WSB) Lease Release Request 63-2117 & 63-2338

Dear Water Right Holder:

In a letter received by the Department of Water Resources, you requested release of all of the water rights referenced above from the Water Supply Bank. The water rights are currently owned by Donald Miller and Jesse Hamilton. If you are the current owner of the property associated with these rights, please submit a completed Change of Ownership with a copy of Deed, Title Policy, Contract of Sale, or other legal document indicating your ownership of the property and/or water rights in question including a property plat or survey map usually on file with the county. We cannot take action on your request to release these rights without an ownership change or other authorization from current right holders.

In addition a portion or all of the leased water rights may be rented from the bank. If any of the leased rights are rented they cannot be released from the bank until the end of the rental term. This will be reviewed by WSB staff upon the return of the requested change of ownership or rental release request from the current owner of the water rights has been received and processed.

If we do not receive the necessary information within 30 days we will return your request and all attachments and your notice will not be processed. In addition, the Water Supply Bank Lease Release cannot be processed until the ownership change has been completed.

Please note that Section 42-248, Idaho Code, requires you or the owner of this water right to maintain current ownership and address records on file with the department. Forms to file a change of ownership of a water right and/or a change in the address of the water right owner are available from any department office, or at the department's website at: www.idwr.idaho.gov.

Please feel free to contact the Department if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Danni M. Smith". The signature is fluid and cursive, with the first name "Danni" being more prominent.

Danni M. Smith
Technical Specialist II
(208) 287-4910

QUARTZBURG, LLC

5319 S. APPLE ST. - BOISE, ID 83716



RECEIVED

MAR 04 2013

**DEPARTMENT OF
WATER RESOURCES**

2/27/2013

Christopher W. Guill
Quartzburg, LLC
5319 S. Apple St. - Boise, ID 83716

The Idaho Water Center
322 East Front Street
PO Box 83720

Dear Idaho Department of Water Resources

I am writing to request that the water rights NO(S). 63-2117 AND 63-23³88 be removed from the Idaho Water Supply Bank effective Feb 27, 2013. Attached are the original Lease Agreements as a reference.

Best Regards,

A handwritten signature in black ink, appearing to read "CW Guill", written over a horizontal line.

Christopher W. Guill
Manager
Quartzburg, LLC

WATER RIGHTS

EXHIBIT #



State of Idaho

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C. L. "BUTCH" OTTER
Governor

DAVID R. TUTHILL, JR.
Director

June 11, 2008

DONALD MILLER
1912 N 17TH ST
BOISE ID 83702

RE: APPLICATION TO LEASE ALL OR PART OF WATER RIGHT NO(S). 63-2117
AND 63-2338 TO THE WATER SUPPLY BANK

Dear Lessor:

The Department of Water Resources ("Department") has completed its review of the Application to Sell or Lease Water Right(s) to the Water Supply Bank ("Bank"). The offered water right(s) is accepted into the bank in accordance with the attached Water Supply Bank Lease Acceptance. If you do not agree with the conditions of the Lease Acceptance and would like to withdraw your water right from the Bank, you must contact the department within thirty (30) days of receipt of this notification.

The right(s) will remain in the Bank for an "indefinite" lease term unless the right(s) are released earlier by the Board, or upon request by the lessor. To change the term of the lease or to release the right(s) from the Bank, the lessor must submit a request in writing to the Department prior to the release date.

Please review the conditions of acceptance listed on the Lease Acceptance and contact me if you have any questions at (208) 287-4943.

Sincerely,

Aaron Marshall
Water Allocation Bureau

Enc: 1

c: John Westra – IDWR Western Regional Office
Rex Barrie – State Water District 63
Lori Graves – SPF Water Engineering

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
WATER SUPPLY BANK LEASE ACCEPTANCE

COPY

This is to certify that: DONALD MILLER
1912 N 17TH ST
BOISE ID 83702
(208) 830-6644

has requested to lease the water right(s) listed below to the Water Supply Bank ("Bank"). The Idaho Water Resource Board ("Board") being authorized to operate a bank and to contract by and through the Director of the Idaho Department of Water Resources ("Director", "Department") the acquisition of water rights for the Board's Bank, agrees to lease the water right to the Bank as follows:

Summary of Water Rights or Portions Leased to the Bank

Water Right	Lease Rate	Lease Volume	Acre Limit	Total Leased Acres
63-2117	0.50 CFS	N/A	N/A	N/A
63-2338	2.00 CFS	N/A	N/A	N/A
COMBINED LEASE TOTALS:	2.50 CFS	N/A	N/A	N/A

TERM OF LEASE:

Lease Begin Date: April 26, 2007

Expiration Date: Indefinite

RENTAL AVAILABILITY:

Season of Use: 03/01 to 11/30

MINIMUM PAYMENT ACCEPTABLE:

Current Rental Rate

Detailed Lease Acceptance attached.

Dated this 11TH day of JUNE, 2008


FOR DAVID R. TUTHILL, JR., Director
Department of Water Resources

WATER RIGHT NO. 63-2117
WATER SUPPLY BANK LEASE ACCEPTANCE

The water right or portion thereof leased to the bank is described as follows:

Lessor: DONALD MILLER
 1912 N 17TH ST
 BOISE ID 83702
 (208) 830-6644

Priority Date: 11/30/1909

Source: CONFEDERATE GULCH CREEK

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>
MINING	03/01	to 11/30	0.50 CFS
	Total:		0.50 CFS

LOCATION OF POINT(S) OF DIVERSION:

CONFEDERATE GULCH CREEK	NE $\frac{1}{4}$ SW $\frac{1}{4}$	Sec. 9	Twp 07N	Rge 04E	BOISE County
CONFEDERATE GULCH CREEK	SW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$	Sec. 9	Twp 07N	Rge 04E	BOISE County
CONFEDERATE GULCH CREEK	NW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$	Sec. 9	Twp 07N	Rge 04E	BOISE County

PLACE OF USE TO BE IDLED UNDER THIS LEASE: MINING

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
07N	04E	9								X	X					X			

CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. 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 section 42-351, Idaho Code, for illegal diversion and use of water, and may include civil penalties pursuant to Section 42-1701B, Idaho Code.
4. A right accepted into the bank stays in the bank until the Board releases it, the lease term expires, or upon request from the lessor to change the term of the lease.
5. While a water right is in the bank, forfeiture provisions are stayed.
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.
8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other department application process.
9. In accordance with Sections 42-248 and 42-1409(6), Idaho Code, all owners of water rights are required to notify the department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.

**WATER RIGHT NO. 63-2117
WATER SUPPLY BANK LEASE ACCEPTANCE**

CONDITIONS OF ACCEPTANCE

10. Upon acceptance of a water right into the Board's water supply bank, the owner of the right may withdraw the right within thirty (30) days of acceptance into the bank if the owner does not agree with the conditions of acceptance.
11. Rental of the right from the bank may require additional review to confirm the availability of the surface water sources, the extent of beneficial use, and historic consumptive water use.

The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.

Dated this 11TH day of JUNE, 2008



FOR DAVID R. TUTHILL, JR., Director
Department of Water Resources

**WATER RIGHT NO. 63-2338
WATER SUPPLY BANK LEASE ACCEPTANCE**

The water right or portion thereof leased to the bank is described as follows:

Lessor: DONALD MILLER
1912 N 17TH ST
BOISE ID 83702
(208) 830-6644

Priority Date: 11/12/1919

Source: GRANITE CREEK

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>
MINING	03/01 to	11/30	2.00 CFS
	Total:		2.00 CFS

LOCATION OF POINT(S) OF DIVERSION:

GRANITE CREEK	NE $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$	Sec. 9 Twp 07N Rge 04E	BOISE County
GRANITE CREEK	NE $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$	Sec. 9 Twp 07N Rge 04E	BOISE County
GRANITE CREEK	SW $\frac{1}{4}$ NE $\frac{1}{4}$	Sec. 9 Twp 07N Rge 04E	BOISE County

PLACE OF USE TO BE IDLED UNDER THIS LEASE: MINING

Twp	Rge	Sec	NE				NW				SW				SE				
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	Totals
07N	04E	9			X					X						X			

CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. 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 section 42-351, Idaho Code, for illegal diversion and use of water, and may include civil penalties pursuant to Section 42-1701B, Idaho Code.
4. A right accepted into the bank stays in the bank until the Board releases it, the lease term expires, or upon request from the lessor to change the term of the lease.
5. While a water right is in the bank, forfeiture provisions are stayed.
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.
8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other department application process.
9. In accordance with Sections 42-248 and 42-1409(6), Idaho Code, all owners of water rights are required to notify the department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.

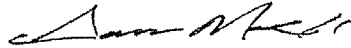
**WATER RIGHT NO. 63-2338
WATER SUPPLY BANK LEASE ACCEPTANCE**

CONDITIONS OF ACCEPTANCE

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Dated this 11TH day of JUNE, 2008



FOR DAVID R. TUTHILL, JR., Director
Department of Water Resources