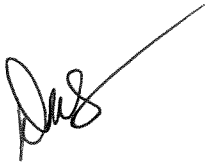


MEMORANDUM

To: File 37-208G

From: Danni M. Smith

A handwritten signature in black ink, appearing to read 'DMS', with a long, thin horizontal line extending to the right from the top of the signature.

Subject: Water Supply Bank Lease Documents from 37-208 Backfile

Attached are documents indicating Water Supply Bank Lease was extended in March 2008 and will remain in the Bank "indefinitely". There is no evidence in the backfile to indicate when the lease was granted by the Department. In addition the original lease was granted under water right 37-208E and is changed after a transfer to 37-208G.

Documents attached.



State of Idaho

DEPARTMENT OF WATER RESOURCES

1301 North Orchard Street, Boise, ID 83706 - P.O. Box 83720, Boise, ID 83720-0098

Phone: (208) 327-7900 Fax: (208) 327-7866 Web Site: www.idwr.state.id.us

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

March 8, 2004

CONRAD V CASSAR
PO BOX 3073
HAILEY ID 83333

RE: WATER SUPPLY BANK LEASE TERM. WATER RIGHT NO(S). 37-208G.

Dear Lessor(s):

As requested in your letter, received by the department on March 2, 2004, the Department will retain the water right number(s) referenced above in Water Supply Bank. The right(s) will remain in the bank for an "indefinite" lease term unless the rights are released earlier by the Board, or upon a request from the owner of the rights. To extend the term of the lease or to release the right(s) from the bank, the water right owner or lease applicant must contact the department in writing prior the release date.

Enclosed is a copy of the Internal Revenue Service Request for Taxpayer Identification and Certification, Form W-9. The Department of Water Resources is required to file an information return with the Internal Revenue Service ("IRS") for all rental payments issued to owners of water rights leased to the bank. Please return this form to my attention. Payments for the rental of a water right or a part thereof cannot be issued to the lessor unless the department has received a completed IRS W-9 form.

Additionally, a portion of water right 37-208E was originally leased to the bank. The right has been split with your portion now represented by right number 37-208G. The water supply bank records have been updated to reflect this change. If you have questions, please feel free to contact me.

Sincerely,


Cynthia Bridge Clark
Water Allocation Bureau

c: Allen Merritt -- IDWR Southern Region

Part G

State of Idaho
Department of Water Resources
1301 N. Orchard St.
Boise, ID 83706
Cynthia Bridge Clark

RECEIVED
MAR 07 2004
Department of Water Resources

March 1, 2004

Dear Ms. Clark:

Please extend the lease period to the Water Supply Bank for an indefinite period on my right NO. 37-208E.

Thank you for your help on this and for making me aware of the expiration of my prior lease agreement.

Best regards,



Conrad Casser
549 Croy Creek Road
Box 3073
Hailey, ID. 83333

MICROFILMED
MAR 10 2004



State of Idaho

DEPARTMENT OF WATER RESOURCES

1301 North Orchard Street, Boise, ID 83706 - P.O. Box 83720, Boise, ID 83720-0098
Phone: (208) 327-7900 Fax: (208) 327-7866 Web Site: www.idwr.state.id.us

DIRK KEMPTHORNE
Governor

February 24, 2004

KARL J. DREHER
Director

CONRAD V CASSAR
PO BOX 3073
HAILEY ID 83333

**RE: TERMINATION OF LEASE TO THE WATER SUPPLY BANK – WATER
RIGHT NO(S). 37-208E**

Dear Sir or Madam:

Department records show that the above referenced water right(s) has been leased through December 31, 2003 to the Water Supply Bank ("bank") operated by the Idaho Water Resource Board. This letter is notice that the right will be considered released from the bank unless you advise me, in writing, within fourteen (14) days of the date of this letter that you want to extend the period of the lease.

If you would like the right(s) to remain leased to the bank, please specify the date to which you want the lease extended. You may also request the right(s) remain leased to the bank for an "indefinite" period. In this case, the right(s) will remain in the bank indefinitely unless released earlier by the Board or until the water right owner or lease applicant contacts the department in writing to request the release of the right(s) from the bank.

Please consider that the five (5) year period of nonuse related to forfeiture of a water right shall begin to accrue upon release of the right from the bank or shall continue to accrue if a period of nonuse occurred prior to the lease date of the right to the bank. If a written request is not received within fourteen (14) days, the right(s) will be considered released from the bank as of December 31, 2003.

If you have questions, feel free to contact me directly at (208) 327-7898.

Sincerely,


Cynthia Bridge Clark
Water Allocation Bureau

MICROFILM

MAR 1 2004

Part E

c: IDWR - Regional Office



State of Idaho

DEPARTMENT OF WATER RESOURCES

1301 North Orchard Street, Boise, ID 83706 - P.O. Box 83720, Boise, ID 83720-0098
Phone: (208) 327-7900 Fax: (208) 327-7866 Web Site: www.idwr.state.id.us

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

June 6, 2003

RECEIVED

JUN 10 2003

Department of Water Resources

CONRAD V CASSER
PO BOX 3073
HAILEY ID 83333

RE: APPLICATION TO LEASE PART OF WATER RIGHT NO. 37-208E TO THE WATER SUPPLY BANK

Dear Mr. Casser:

The department has completed its review of the Application to Sell or Lease Water Rights to the Water Supply Bank ("bank") that you submitted to this office. In part 2a of your application, you indicated that the entire authorized rate and volume of the right would be leased to the bank. However, in part 3d of the application, you noted that you plan to irrigate 6 of the 14.4-acre place of use. Idaho Water Supply Bank rules, IDAPA 37.02.03, state that upon acceptance of a right into the bank, the owner of the right is not authorized to continue the diversion and use of the right. Therefore, only the portion of the right associated with the remaining 8.4 acres can be leased to the bank at this time. Based on those acres, please consider that a diversion rate of 0.32 cubic feet per second (cfs) and 29.4 acre-feet per year (af) are accepted into the bank.

Several items to keep in mind in connection with lease of a water right to the bank are as follows:

1. There is no rental payment to the owner of the water right if the right or a part thereof is not rented from the bank.
2. While a right is in the bank, the owner of the right may not use the right even if the right is not rented.
3. A right accepted into the bank stays in the bank until the Board releases it or until the lease term expires.
4. While a water 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.
6. The lessor may be required to provide evidence of availability of the surface water source prior to rental of the right.

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MAR 10 2004

If you have questions, please feel free to contact me.

Sincerely,



Cynthia Bridge Clark
Water Allocations Bureau

c: IDWR - Southern Region
37-208E

James P Speck
Speck & Aanestad

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MAR 10 2004

COMMUNICATION DOCUMENTATION

IDWR Employee/Agent Georgia Satterlee

DATE
July 14, 1999 12:07pm

CUSTOMER
Casser, Minna

SUBJECT: T#5439 A37-00208G
phone call (x) walk-in (.)

She wanted to know why they could not use their "NEW" development this season.

When she filed the transfer, I told her "...normally a transfer is 12-18 month process before it is approved..." I repeated this statement to her. She persisted in wanting to know why the approval take so long. I repeated the above statement to her.

Also, I explained about the Clark Transfer, which was still under protest and my persistence in trying to get McAtee to sign a "withdrawal of protest".

I explained about their neighbor, Ferris, who filed the exact same transfer whose advertisement period was just completed on 12 July 99. I tried to explain that since all three were the same proposal we were going to recommend and ship all three off together.

Because of her persistence and inability to accept anything I was saying, I suggested she write a letter with a request to "allow them to use the new development this season" (she said they are beginning construction). Why aren't they using the old system? She said they have to dig out the old ditch. Since I already went through the above scenario, which I felt was a losing battle, I chose NOT to bring up possibility of forfeiture.

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MAR 23 2000

MEMO

FROM: Allen Merritt 

DATE: August 30, 1999

TO: Transfer File No. 4257
Water Right(s): 37-00208D
In the Name of: Leslie Clarke

TO: Transfer File No. 5439
Water Right(s): 37-00208G
In the Name of: Minna & Conrad Casser

TO: Transfer File No. 5473
Water Right(s): 37-00208F
In the Name of: Greg & Lee Ann Ferris

SUBJECT: Review and Recommendation

These three transfers deal with splits of an old decreed right. Currently the original place of use has been subdivided and three of the lot owners wish to modify the historical means of irrigation. See Georgia Satterlee's memo dated 8/26/99 and associated sheets for calculation of the excess flow.

RECOMMENDATION:

I recommend that the excess flow analysis be reviewed by Peppersack and that the transfers be approved with the following conditions:

Transfer 4257

- Limit use of right 37-00208D to 0.38 cfs for irrigation of 16.3 acres to be diverted from Croy Creek. This includes 0.03 cfs for conveyance loss and 0.35 cfs deliverable at the field headgate.
- Request to drill a well for supplemental water is denied.
- Measuring device be maintained at point of diversion and use is under control of Watermaster of District 37.

Transfer 5439

- Limit use to 0.29 cfs for irrigation of 14.4 acres.
- Measuring device be maintained at point of diversion and use is under control of Watermaster of District 37.

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MAR 23 2000

Transfer 5473

-Limit use to 0.37 cfs for irrigation of 18.7 acres.

-Measuring device be maintained at point of diversion and use is under control of Watermaster of District 37.

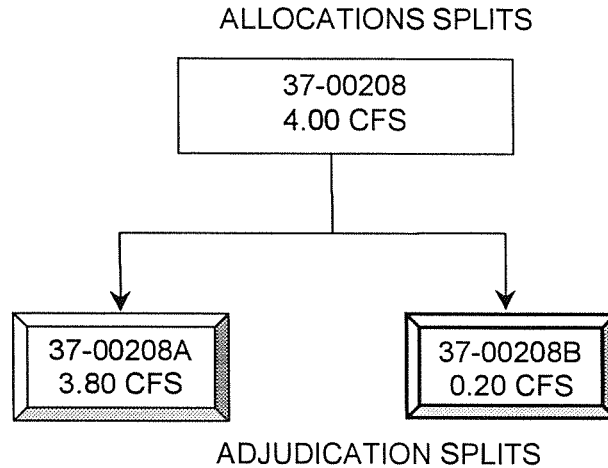
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MAR 4 3 2000

SPLIT ANALYSIS FOR 37-00208

Prepared by Kelly K Christensen
August 31, 1999 *KKC*

D:\Data\Transfer Review\37-00208F
split tree and analysis.doc



A37-00208A	Falkner	1.60 cfs		
A37-00208B	Dehlmer		0.20 cfs (claimed against allocations 37-00208B)	
A37-00208C	Bergdahl	0.40 cfs		
A37-00208D	Clarke	0.40 cfs	T-4257	0.38 cfs
A37-00208E	split right	////////	see parts F and G.	
A37-00208F	Brunetta	0.83 cfs	T-5473	0.37 cfs
A37-00208G	Dollar	0.77 cfs	T-5439	0.29 cfs
<u>Total claimed against part A</u>		<u>4.00 cfs</u>		1.04 cfs

ANALYSIS:

The allocations parts A appears to be over claimed through the adjudication process whereas allocations part B is claimed in full as part B in the adjudication process. Part A is over-claimed.

Although part A is over-claimed, through the transfer process the recognized diversion rate has been recognized at a lower rate for each right involved in a transfer process. This amount when added to the other claims against part A would now total 3.04 cfs. This is less than the allocations rate for part A of 3.80 cfs.

Based upon post transfer analysis, the original right is not over-claimed.

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MAR 23 2000