

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

November 29, 2012

BIG CREEK RANCH LLC PO BOX 5987 KETCHUM ID 83340-5987

RE: WATER RIGHT PLACE OF USE FOR RIGHT NOS. 73-2B, 73-7A, 73-7B, 73-8B, 73-

113, 73-140, 73-2164, AND 73-7000;

WATER SUPPLY BANK LEASE FOR RIGHT NOS. 73-12206, 73-12207, 73-12208,

73-12209, 73-12210, AND 73-12211

Dear Rightholder:

The Department of Water Resources recently processed lease applications from the Idaho Water Resource Board for Right Nos. 73-12206, 73-12207, 73-12208, 73-12209, 73-12210, and 73-12211. These rights overlap in place of use (POU) with your water rights 73-2B, 73-7A, 73-7B, 73-8B, 73-113, 73-140, 73-2164, and 73-7000.

The IWRB rights are surface water rights and your water rights are ground water rights. The places of use overlap but the acres under the lease are not to be irrigated either by you or by the IWRB. Condition #3 on the IWRB lease acceptance 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."

The Bank lease is permanent in nature, meaning these acres should never be irrigated either by the IWRB's surface water rights or by your existing ground water rights. To avoid possible violations, it may be in your best interest to file an Application for Transfer to more accurately characterize your irrigation practices as a result of the lease.

Contact me at (208) 287-4907 if you have any questions.

Sincerely,

Monica Van Bussum

Sr. Water Resource Agent

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c: Lyle Swank – IDWR Eastern Regional Office
 Morgan Case – for the IWRB at IDWR Northern Regional Office