

MEMORANDUM

To: Water Right File No(s). 2-10034, 2-10035 AND 2-10477

From: Monica Van Bussum

Date: September 1, 2012

Re: Review of Applications to Lease Water Rights to the State Water Supply Bank

PURPOSE/NARRATIVE: On May 21, 2012, the Department received applications to lease pivot corners associated with these rights to the Bank for the 2012 season.

AUTHORITY TO FILE: The applications were signed by Allen Noble, manager of ATN Holdings LLC.

WATER RIGHT VALIDITY: These rights have been partially decreed by the SRBA in the last five years (2009 and 2011).

INJURY TO OTHER WATER RIGHTS: No injury is apparent.

ENLARGEMENT OF USE: No enlargement is evident through the lease alone. Proper rental review should protect against enlargement.

LOCAL PUBLIC INTEREST:

Review staff has no information to suggest this application is inconsistent with the local public interest.

BENEFICIAL USE/CONSERVATION OF WATER RESOURCES:

The leases appear consistent with the conservation of water resources in Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS:

None. I asked Steve Lester about the Sailor Creek Project and he indicated the Sailor Creek Project rights are for surface water from the Snake, the same as these water rights. It's unlikely these rights have been commingled with Sailor Creek Project water but the rental acceptance cover letter requests such information.

Van Bussum, Monica

Subject: FW: MAN Farms/ATN Holdings Bank lease applications

From: Lester, Steve
Sent: Tuesday, September 04, 2012 8:55 AM
To: Van Bussum, Monica
Subject: RE: MAN Farms/ATN Holdings Bank lease applications

Hi Monica:

Sailor Creek project was a Desert Land Entry development on BLM land, appears Ringert was involved back in the day. Similar to Cottonwood Canal Co. setup also involving Ringert – lots of Snake River Water for many acres.

Name probably originated from Sailor Creek Water Co. – not an irrigation district. I haven't looked but don't imagine ground water is also involved.

Not sure why there is combined rate limit – don't see any recent transfers that would have added that. Maybe something in SRBA, objections & settlement? Is 2-10032 an expansion right that might relate to limits?

Does appear troubling to put those 2 in the bank if they don't add another increment of water to the situation.

SL

From: Van Bussum, Monica
Sent: Sunday, September 02, 2012 3:09 PM
To: Lester, Steve
Subject: MAN Farms/ATN Holdings Bank lease applications

Hi Steve,

I'm processing a bunch of partial lease applications (mostly pivot corners) for MAN Farms and ATN Holdings. John Marshall has filed the lease applications on behalf of his clients. Anyway, just about everything looks fine – partially decreed in 2011, no ownership issues, few overlaps – but 2-2371 and 2-10032 have an interesting limiting conditions, which says:

Rights 2-2186, 2-2371, 2-10032, 2-10034, 2-10035, 2-10043, 2-10248, and 2-10249 when combined shall not exceed a total diversion rate of 71.0 cfs.

I looked up the authorized diversion rates for this list of rights and they are all owned by ATN Holdings or MAN Farms. All but 2-2186 have some portion offered to the Bank and those diversion rates add up to 82.9 cfs. Interestingly, *none* of the other rights have that same diversion rate limiting condition on them. What do you make of that? I'm not sure how to accept portions of these rights into the Bank without enlargement.

Also, they all have this condition in them as well:

Place of use is within the area served by Sailor Creek Project.

What is the Sailor Creek Project? Is that like an irrigation district where we have to worry about supplemental/primary water?

Any help you can send my way would be much appreciated. Hope you had a good holiday weekend. Thanks, Steve.

Monica