



State of Idaho

DEPARTMENT OF WATER RESOURCES

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C.L. "BUTCH" OTTER

Governor

GARY SPACKMAN

Director

September 10, 2012

MURPHY LAND CO LLC
PO BOX 310
AMERICAN FALLS ID 83211

RE: WATER SUPPLY BANK LEASE APPLICATIONS FOR 2-10395 and 2-10398

Dear Applicant:

The Department of Water Resources has completed its review of your applications to lease to the Water Supply Bank. Based on that review, we cannot accept the water rights into the Bank.

The Water Supply Bank Rules provide criteria to be considered when determining whether to accept a water right into the Bank. The criteria include assessing whether enlargement will occur upon rental of the right. Water rights 2-10395 and 2-10398 are considered stacked with Right Nos. 57-7034A, 57-11709, and 57-11710, and rental of 2-10395 and/or 2-10398 alone would constitute enlargement. Therefore, we must **deny** your lease applications.

If you still wish to offer the rights for lease to the Bank, please submit new applications along with an application to lease the appropriate portion of the associated stacked water rights. Future lease applications must be on current Department application forms and include all requested information including a map of the specific acres to be idled during the lease period and evidence that the offered rights have been used within the previous five years. Please note a water right is not protected from forfeiture unless accepted into the Bank or an exception or defense to forfeiture applies as described in Idaho Code § 42-223. If forfeiture is a concern, consider filing an Application for Extension of Time to Avoid Forfeiture. Please contact me at (208) 287-4907 with questions.

Sincerely,

Monica Van Bussum
Sr. Water Resource Agent

Enclosure – Lease Application (copy)

C: John Westra – IDWR Western Regional Office
Greg Sullivan – Brockway Engineering PLLC