

**STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
TRANSFER OF WATER RIGHT
TRANSFER NO. 77387**

This is to certify that: JEROME CHEESE CO
547 W NEZ PERCE AVE
JEROME ID 83338
(208)324-8006

has requested a change to the water right(s) listed below. This change in water right(s) is authorized pursuant to the provisions of Section 42-222, Idaho Code. A summary of the changes is also listed below. The authorized change for each affected water right, including conditions of approval, is shown on the following pages of this document.

Summary of Water Rights Before the Proposed Change

<u>Right</u>	<u>Origin/Basis</u>	<u>Priority</u>	<u>Rate</u>	<u>Volume</u>	<u>Acre Limit</u>	<u>Total Acres</u>	<u>Source</u>
36-7337F	WR/Decreed	11/25/1977	0.66 cfs	99 af	N/A	N/A	GROUND WATER
36-2554B	WR/Decreed	08/31/1962	1.88 cfs	342 af	N/A	N/A	GROUND WATER
36-2461B	WR/Decreed	01/12/1961	0.82 cfs	174 af	N/A	N/A	GROUND WATER
36-16907	WR/Decreed	07/18/1973	0.91 cfs	268.8 af	67.2	67.2	GROUND WATER
36-16380	WR/Decreed	09/12/1973	0.11 cfs	21.2 af	5.3	485.0	GROUND WATER
35-14253	WR/Decreed	08/19/1952	0.06 cfs	16 af	N/A	4.0	GROUND WATER

Associated Water Rights Also Included in Transfer Approval (Conditions Updated)

36-16909	WR/Decreed	09/12/1973	0.06 cfs	12.8 af	3.2	485.0	GROUND WATER
36-16911	WR/Decreed	09/12/1973	0.1 cfs	19.2 af	4.8	485.0	GROUND WATER

Purpose of Transfer (Changes Proposed)

<u>Current Number</u>	<u>Split</u>	<u>POD</u>	<u>POU</u>	<u>Add POD</u>	<u>Period of Use</u>	<u>Nature of Use</u>
36-7337F	NO	NO	YES	NO	NO	NO
36-2554B	NO	NO	YES	NO	NO	NO
36-2461B	NO	NO	YES	NO	NO	NO
36-16907	NO	YES	YES	YES	YES	YES
36-16380	NO	NO	NO	NO	NO	YES
35-14253	NO	NO	NO	NO	NO	YES

SUPPORT DATA

IN FILE # 36-2461B

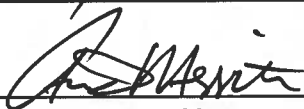
**STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
TRANSFER OF WATER RIGHT
TRANSFER NO. 77387**

Summary of Water Rights After the Approved Change

Existing Right	New No. (changed portion)	Transfer Rate	Transfer Volume	Acre Limit	Total Acres	New No. (remaining portion)	Remaining Rate	Remaining Volume	Remaining Acre Limit	Remaining Total Acres
36-7337F	36-7337F	0.66 cfs	99 af	N/A			N/A	N/A	N/A	N/A
36-2554B	36-2554B	1.88 cfs	342 af	N/A			N/A	N/A	N/A	N/A
36-2461B	36-2461B	0.82 cfs	174 af	N/A			N/A	N/A	N/A	N/A
36-16907	36-16907	0.83 cfs	200.1 af	N/A			N/A	N/A	N/A	N/A
36-16380	36-16380	0.11 cfs	21.2 af	N/A			N/A	N/A	N/A	N/A
35-14253	35-14253	0.06 cfs	16 af	N/A			N/A	N/A	N/A	N/A
COMBINED										
TOTALS		4.98 cfs	871.2 af				N/A	N/A	N/A	N/A

Detailed Water Right Description(s) attached

Dated this 2nd day of July, 2012



Southern Region Manager

Right Holder: JEROME CHEESE CO
547 W NEZ PERCE AVE
JEROME ID 83338

Source: GROUND WATER

[illegible]

WATER RIGHT NO. 36-16907
As Modified by Transfer No. 77387

CONDITIONS OF APPROVAL

1. Rights 36-2461B, 36-2554B, 36-7337F and 36-16907 when combined for commercial use shall not exceed a total diversion rate of 4.19 cfs and a total annual maximum diversion volume of 815.1 af.
2. The water right holder shall maintain control of rights 36-16380 and 35-14253 for mitigation purposes under Transfer approval 77387. If the mitigation rights are sold, transferred, leased, used on any place of use, or are not deliverable due to a priority call, then the amount of water authorized for diversion under this transfer approval shall be reduced by the same proportion of the amount reduced under the mitigation rights.
3. To mitigate for the depletion of water resulting from the use of water under Transfer 77387 and to prevent injury to senior water right holders, the right holder shall cease diverting and using water as authorized by the following water rights for the purposes and amounts specified below. Moreover, the official record for the following water rights will be changed to show that diversion and use of water is not authorized because the rights are being dedicated to mitigation purposes.

	Use Changed	Irrigation	Mitigation	Mitigation
36-16380	to Mitigation	0.11 cfs	21.2 AF	5.3 Acres
35-14253	to Mitigation	0.06 cfs	16.0 AF	4.0 Acres

The lands that will no longer be irrigated under these rights are located within the NWSW, Section 36, Township 01S, Range 33E, B.M (4.0 acres) and 5.3 acres within a 385-acre place of use covering Sections 24 & 25, Township 08S, R21E and Section 30, Township 08S, Range 22E.

In addition, a portion of 36-16907 will be changed as follows, to be left undiverted at the site of Jerome Cheese:

36-16907	to Mitigation	0.08 cfs	23.2 AF	5.8 Acres
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If the specified mitigation rights are sold, transferred, leased, used on any place of use, or is not deliverable due to a shortage of water or a priority call, then the amount of water authorized for diversion under this right approval shall be reduced by the same proportion as the reduction to the mitigation rights.

4. Use of water under this right will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 130.
5. Prior to the diversion and use of water under Transfer approval 77387, the right holder shall install and maintain acceptable measuring devices at the authorized points of diversion in accordance with Department specifications, or shall obtain an approved variance from the Department to determine the amount of water diverted from power records or to maintain an existing measuring device.
6. Upon specific notification of the Department, the right holder shall install and maintain data loggers to record water usage information at the authorized point(s) of diversion in accordance with Department specifications.
7. Commercial use is for a Cheese Factory.

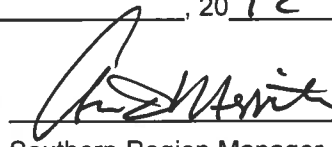
WATER RIGHT NO. 36-16907
As Modified by Transfer No. 77387

CONDITIONS OF APPROVAL

8. The right holder shall accomplish the change authorized by this transfer within one year of the date of this approval.
9. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
10. Pursuant to Section 42-1412(6), Idaho Code, this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as may be determined by the Snake River Basin Adjudication court at a point in time no later than the entry of the final unified decree.

This water right is 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 2nd day of July, 2012


Southern Region Manager

WATER RIGHT NO. 36-2461B
As Modified by Transfer No. 77387

In accordance with the approval of Transfer No. 77387, Water Right No. 36-2461B is now described as follows.

Right Holder: JEROME CHEESE CO
547 W NEZ PERCE AVE
JEROME ID 83338

Priority Date: January 12, 1961

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
COMMERCIAL	01/01	to 12/31	0.82 CFS	174.0 AF
			0.82 CFS	174.0 AF

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER NWNWNE Sec. 25 Twp 08S Rge 16E JEROME County

GROUND WATER NWNWNE Sec. 25 Twp 08S Rge 16E JEROME County

PLACE OF USE: COMMERCIAL

[illegible]

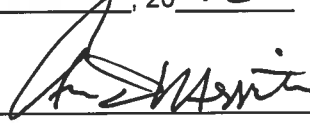
WATER RIGHT NO. 36-2461B
As Modified by Transfer No. 77387

CONDITIONS OF APPROVAL

1. Rights 36-2461B, 36-2554B, 36-7337F and 36-16907 when combined for commercial use shall not exceed a total diversion rate of 4.19 cfs and a total annual maximum diversion volume of 815.1 af.
2. Use of water under this right will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 130.
3. Prior to the diversion and use of water under Transfer approval 77387, the right holder shall install and maintain acceptable measuring devices at the authorized points of diversion in accordance with Department specifications, or shall obtain an approved variance from the Department to determine the amount of water diverted from power records or to maintain an existing measuring device.
4. Upon specific notification of the Department, the right holder shall install and maintain data loggers to record water usage information at the authorized points of diversion in accordance with Department specifications.
5. Commercial use is for a Cheese Factory.
6. The right holder shall accomplish the change authorized by this transfer within one year of the date of this approval.
7. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
8. Pursuant to Section 42-1412(6), Idaho Code, this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as may be determined by the Snake River Basin Adjudication court at a point in time no later than the entry of the final unified decree.

This water right is 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 2nd day of July, 2012



Southern Region Manager

WATER RIGHT NO. 36-2554B
As Modified by Transfer No. 77387

In accordance with the approval of Transfer No. 77387, Water Right No. 36-2554B is now described as follows.

Right Holder: JEROME CHEESE CO
547 W NEZ PERCE AVE
JEROME ID 83338

Priority Date: August 31, 1962

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
COMMERCIAL	01/01	to 12/31	1.88 CFS	342.0 AF
			1.88 CFS	342.0 AF

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER NWNWNE Sec. 25 Twp 08S Rge 16E JEROME County

GROUND WATER NWNWNE Sec. 25 Twp 08S Rge 16E JEROME County

PLACE OF USE: COMMERCIAL

[illegible]

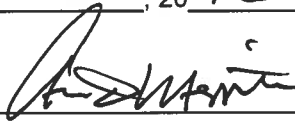
WATER RIGHT NO. 36-2554B
As Modified by Transfer No. 77387

CONDITIONS OF APPROVAL

1. Rights 36-2461B, 36-2554B, 36-7337F and 36-16907 when combined for commercial use shall not exceed a total diversion rate of 4.19 cfs and a total annual maximum diversion volume of 815.1 af.
2. Use of water under this right will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 130.
3. Prior to the diversion and use of water under Transfer approval 77387, the right holder shall install and maintain acceptable measuring devices at the authorized points of diversion in accordance with Department specifications, or shall obtain an approved variance from the Department to determine the amount of water diverted from power records or to maintain an existing measuring device.
4. Upon specific notification of the Department, the right holder shall install and maintain data loggers to record water usage information at the authorized points of diversion in accordance with Department specifications.
5. Commercial use is for a Cheese Factory.
6. The right holder shall accomplish the change authorized by this transfer within one year of the date of this approval.
7. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
8. Pursuant to Section 42-1412(6), Idaho Code, this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as may be determined by the Snake River Basin Adjudication court at a point in time no later than the entry of the final unified decree.

This water right is 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 24th day of July, 2012



Southern Region Manager

Right Holder: JEROME CHEESE CO
547 W NEZ PERCE AVE
JEROME ID 83338

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
COMMERCIAL	01/01	to 12/31	0.66 CFS	99.0 AF
			0.66 CFS	99.0 AF

GROUND WATER NWNWNE Sec. 25 Twp 08S Rge 16E JEROME County

[illegible]

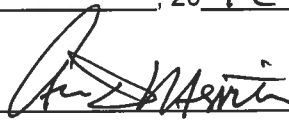
WATER RIGHT NO. 36-7337F
As Modified by Transfer No. 77387

CONDITIONS OF APPROVAL

1. Rights 36-2461B, 36-2554B, 36-7337F and 36-16907 when combined for commercial use shall not exceed a total diversion rate of 4.19 cfs and a total annual maximum diversion volume of 815.1 af.
2. Use of water under this right will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 130.
3. Prior to the diversion and use of water under Transfer approval 77387, the right holder shall install and maintain acceptable measuring devices at the authorized points of diversion in accordance with Department specifications, or shall obtain an approved variance from the Department to determine the amount of water diverted from power records or to maintain an existing measuring device.
4. Upon specific notification of the Department, the right holder shall install and maintain data loggers to record water usage information at the authorized point(s) of diversion in accordance with Department specifications.
5. Commercial use is for a Cheese Factory.
6. The right holder shall accomplish the change authorized by this transfer within one year of the date of this approval.
7. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
8. Pursuant to Section 42-1412(6), Idaho Code, this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as may be determined by the Snake River Basin Adjudication court at a point in time no later than the entry of the final unified decree.

This water right is 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 2nd day of July, 2012



Southern Region Manager

WATER RIGHT NO. 36-16380
As Modified by Transfer No. 77387

In accordance with the approval of Transfer No. 77387, Water Right No. 36-16380 is now described as follows.

Right Holder: JEROME CHEESE CO
547 W NEZ PERCE AVE
JEROME ID 83338

Priority Date: September 12, 1973

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
MITIGATION	04/15	to 10/01	0.11 CFS	21.2 AF
			0.11 CFS	21.2 AF

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER NESESW Sec. 24 Twp 08S Rge 21E JEROME County

GROUND WATER NENESE Sec. 24 Twp 08S Rge 21E JEROME County

PLACE OF USE: MITIGATION

[illegible]

WATER RIGHT NO. 36-16380
As Modified by Transfer No. 77387

CONDITIONS OF APPROVAL

1. The water right holder shall maintain control of rights 36-16380 and 35-14253 for mitigation purposes under Transfer approval 77387. If the mitigation rights are sold, transferred, leased, used on any place of use, or are not deliverable due to a priority call, then the amount of water authorized for diversion under this transfer approval shall be reduced by the same proportion of the amount reduced under the mitigation rights.
2. To mitigate for the depletion of water resulting from the use of water under Transfer 77387 and to prevent injury to senior water right holders, the right holder shall cease diverting and using water as authorized by the following water rights for the purposes and amounts specified below. Moreover, the official record for the following water rights will be changed to show that diversion and use of water is not authorized because the rights are being dedicated to mitigation purposes.

	Use Changed	Irrigation	Mitigation	Mitigation
36-16380	to Mitigation	0.11 cfs	21.2 AF	5.3 Acres
35-14253	to Mitigation	0.06 cfs	16.0 AF	4.0 Acres

The lands that will no longer be irrigated under these rights are located within the NWSW, Section 36, Township 01S, Range 33E, B.M (4.0 acres) and 5.3 acres within a 385-acre place of use covering Sections 24 & 25, Township 08S, R21E and Section 30, Township 08S, Range 22E.

In addition, a portion of 36-16907 will be changed as follows, to be left undiverted at the site of Jerome Cheese:

36-16907	to Mitigation	0.08 cfs	23.2 AF	5.8 Acres
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If the specified mitigation rights are sold, transferred, leased, used on any place of use, or is not deliverable due to a shortage of water or a priority call, then the amount of water authorized for diversion under this right approval shall be reduced by the same proportion as the reduction to the mitigation rights.

3. Use of water under this right will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 130.
4. A lockable device subject to the approval of the Department shall be maintained on the diverting works in a manner that will provide the watermaster suitable control of the diversion.
5. Prior to the diversion and use of water under Transfer approval 77387, the right holder shall install and maintain acceptable measuring devices at the authorized points of diversion in accordance with Department specifications, or shall obtain an approved variance from the Department to determine the amount of water diverted from power records or to maintain an existing measuring device.
6. Upon specific notification of the Department, the right holder shall install and maintain data loggers to record water usage information at the authorized points of diversion in accordance with Department specifications.
7. This right does not grant any right-of-way or easement across the land of another.

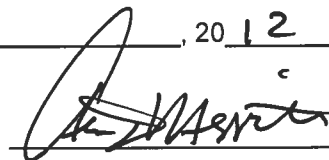
WATER RIGHT NO. 36-16380
As Modified by Transfer No. 77387

CONDITIONS OF APPROVAL

8. The right holder shall accomplish the change authorized by this transfer within one year of the date of this approval.
9. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
10. Pursuant to Section 42-1412(6), Idaho Code, this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as may be determined by the Snake River Basin Adjudication court at a point in time no later than the entry of the final unified decree.

This water right is 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 2nd day of July, 2012



Southern Region Manager

WATER RIGHT NO. 35-14253
As Modified by Transfer No. 77387

In accordance with the approval of Transfer No. 77387, Water Right No. 35-14253 is now described as follows.

Right Holder: JEROME CHEESE CO
547 W NEZ PERCE AVE
JEROME ID 83338

Priority Date: August 19, 1952

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
MITIGATION	04/01	to 10/31	0.06 CFS	16.0 AF
			0.06 CFS	16.0 AF

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER NWSWNE Sec. 36 Twp 01S Rge 33E BINGHAM County

PLACE OF USE: MITIGATION

[illegible]

WATER RIGHT NO. 35-14253
As Modified by Transfer No. 77387

CONDITIONS OF APPROVAL

1. The water right holder shall maintain control of rights 36-16380 and 35-14253 for mitigation purposes under Transfer approval 77387. If the mitigation rights are sold, transferred, leased, used on any place of use, or are not deliverable due to a priority call, then the amount of water authorized for diversion under this transfer approval shall be reduced by the same proportion of the amount reduced under the mitigation rights.
2. To mitigate for the depletion of water resulting from the use of water under Transfer 77387 and to prevent injury to senior water right holders, the right holder shall cease diverting and using water as authorized by the following water rights for the purposes and amounts specified below. Moreover, the official record for the following water rights will be changed to show that diversion and use of water is not authorized because the rights are being dedicated to mitigation purposes.

		Use Changed	Irrigation	Mitigation	Mitigation
36-16380	to Mitigation	0.11 cfs	21.2 AF	5.3 Acres	
35-14253	to Mitigation	0.06 cfs	16.0 AF	4.0 Acres	

The lands that will no longer be irrigated under these rights are located within the NWSW, Section 36, Township 01S, Range 33E, B.M (4.0 acres) and 5.3 acres within a 385-acre place of use covering Sections 24 & 25, Township 08S, R21E and Section 30, Township 08S, Range 22E.

In addition, a portion of 36-16907 will be changed as follows, to be left undiverted at the site of Jerome Cheese:

36-16907	to Mitigation	0.08 cfs	23.2 AF	5.8 Acres
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If the specified mitigation rights are sold, transferred, leased, used on any place of use, or is not deliverable due to a shortage of water or a priority call, then the amount of water authorized for diversion under this right approval shall be reduced by the same proportion as the reduction to the mitigation rights.

3. A lockable device subject to the approval of the Department shall be maintained on the diverting works in a manner that will provide the watermaster suitable control of the diversion.
4. Use of water under this right will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 120.
5. This right does not grant any right-of-way or easement across the land of another.
6. Prior to the diversion and use of water under Transfer approval 77759, the right holder shall install and maintain acceptable measuring device(s) at the authorized point(s) of diversion in accordance with Department specifications, or shall obtain an approved variance from the Department to determine the amount of water diverted from power records or to maintain an existing measuring device.
7. The right holder shall accomplish the change authorized by this transfer within one years of the date of this approval.

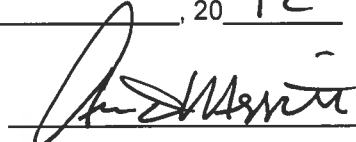
WATER RIGHT NO. 35-14253
As Modified by Transfer No. 77387

CONDITIONS OF APPROVAL

8. Upon specific notification of the Department, the right holder shall install and maintain data loggers to record water usage information at the authorized point(s) of diversion in accordance with Department specifications.
9. Pursuant to Section 42-1412(6), Idaho Code, this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as may be determined by the Snake River Basin Adjudication court at a point in time no later than the entry of the final unified decree.
10. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.

This water right is 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 2nd day of July, 2012



Southern Region Manager

WATER RIGHT NO. 36-16909
As Modified by Transfer No. 77387

In accordance with the approval of Transfer No. 77387, Water Right No. 36-16909 is now described as follows.

Right Holder: IDAHO WATER CO LLC
 C/O DEL KOHTZ
 1135 VALLEY RD S
 EDEN ID 83325

Priority Date: September 12, 1973

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/15	to 10/01	0.06 CFS	12.8 AF
			0.06 CFS	12.8 AF

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER NESESW Sec. 24 Twp 08S Rge 21E JEROME County

GROUND WATER NENESE Sec. 24 Twp 08S Rge 21E JEROME County

PLACE OF USE: IRRIGATION

Twp Rge Sec	NE				NW				SW				SE				Totals
	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
08S 21E 24									40.0			40.0	40.0	40.0	40.0	40.0	240.0
08S 21E 25	40.0	40.0	26.0	22.0	39.0			15.0									182.0
08S 22E 30						42.0	21.0										63.0
						L 1											

Total Acres: 485

WATER RIGHT NO. 36-16909
As Modified by Transfer No. 77387

CONDITIONS OF APPROVAL

1. This right is limited to the irrigation of 3.2 acres within the place of use described above in a single irrigation season.
2. Rights 36-16909 and 36-16911 when combined shall not exceed a total diversion rate of 0.16 cfs, a total annual maximum diversion volume of 32.0 af at the field headgate, and the irrigation of 7.9 acres.
3. Use of water under this right will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 130.
4. A lockable device subject to the approval of the Department shall be maintained on the diverting works in a manner that will provide the watermaster suitable control of the diversion.
5. Upon specific notification of the Department, the right holder shall install and maintain data loggers to record water usage information at the authorized point(s) of diversion in accordance with Department specifications.
6. Prior to the diversion and use of water under Transfer approval 75045 the right holder shall install and maintain acceptable measuring device(s) at the authorized point(s) of diversion in accordance with Department specifications, or shall obtain an approved variance from the Department to determine the amount of water diverted from power records or to maintain an existing measuring device.
7. The combination of changes under Transfer approval 75042 as described under right 37-22446 and Transfer approval 75043 as described under rights 36-16380 and 36-16674 provide the necessary mitigation for any increased depletion to connected reaches of the Snake River that would result from each individual transfer. These transfer approvals shall not require mutual dependence for ongoing mitigation.

Any future action, including a subsequent transfer of this right or an order rescinding a transfer approval, which would result in a change to the point(s) of diversion under this right may require mitigation for the effects of the change. Such future action to change the point(s) of diversion under this right shall be analyzed for effects to connected reaches of the Snake River based on the priority date, point(s) of diversion and steady-state quantity as authorized for this right under Transfer approval 75043

8. Prior to diversion of water under this transfer approval the right holder shall submit to the Department a diagram identifying the specific location of the 7.9 acres authorized for irrigation annually, and prior to the irrigation season any year when irrigated acres will be different than previously identified.
9. The period of use for the irrigation described in this approval may be extended to a beginning date of 3/15 and an ending date of 11/15 provided that beneficial use of the water can be shown and other elements of the right are not exceeded. The use of water before 4/15 and after 10/1 is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than 8/27/2001.

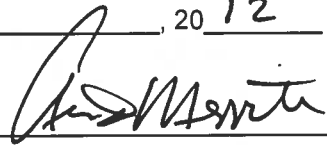
WATER RIGHT NO. 36-16909
As Modified by Transfer No. 77387

CONDITIONS OF APPROVAL

10. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the lands above.
11. This right does not grant any right-of-way or easement across the land of another.
12. The right holder shall accomplish the change authorized by this transfer within one year of the date of this approval.
13. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
14. Pursuant to Section 42-1412(6), Idaho Code, this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as may be determined by the Snake River Basin Adjudication court at a point in time no later than the entry of the final unified decree.

This water right is 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 2nd day of July, 2012



Southern Region Manager

WATER RIGHT NO. 36-16911
As Modified by Transfer No. 77387

In accordance with the approval of Transfer No. 77387, Water Right No. 36-16911 is now described as follows.

Right Holder: IDAHO WATER CO LLC
 C/O DEL KOHTZ
 1135 VALLEY RD S
 EDEN ID 83325

Priority Date: September 12, 1973

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/15	to 10/01	0.10 CFS	19.2 AF
			0.10 CFS	19.2 AF

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER NESESW Sec. 24 Twp 08S Rge 21E JEROME County

GROUND WATER NENESE Sec. 24 Twp 08S Rge 21E JEROME County

PLACE OF USE: IRRIGATION

Twp Rge Sec	NE				NW				SW				SE				Totals
	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
08S 21E 24									40.0			40.0	40.0	40.0	40.0	40.0	240.0
08S 21E 25	40.0	40.0	26.0	22.0	39.0			15.0									182.0
08S 22E 30						42.0	21.0										63.0
						L 1											

Total Acres: 485

WATER RIGHT NO. 36-16911
As Modified by Transfer No. 77387

CONDITIONS OF APPROVAL

1. This right is limited to the irrigation of 4.8 acres within the place of use described above in a single irrigation season.
2. Rights 36-16909 and 36-16911 when combined shall not exceed a total diversion rate of 0.16 cfs, a total annual maximum diversion volume of 32.0 af at the field headgate, and the irrigation of 7.9 acres.
3. Use of water under this right will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 130.
4. A lockable device subject to the approval of the Department shall be maintained on the diverting works in a manner that will provide the watermaster suitable control of the diversion.
5. Upon specific notification of the Department, the right holder shall install and maintain data loggers to record water usage information at the authorized point(s) of diversion in accordance with Department specifications.
6. Prior to the diversion and use of water under Transfer approval 75045 the right holder shall install and maintain acceptable measuring device(s) at the authorized point(s) of diversion in accordance with Department specifications, or shall obtain an approved variance from the Department to determine the amount of water diverted from power records or to maintain an existing measuring device.
7. The combination of changes under Transfer approval 75042 as described under right 37-22446 and Transfer approval 75043 as described under rights 36-16380 and 36-16674 provide the necessary mitigation for any increased depletion to connected reaches of the Snake River that would result from each individual transfer. These transfer approvals shall not require mutual dependence for ongoing mitigation.

Any future action, including a subsequent transfer of this right or an order rescinding a transfer approval, which would result in a change to the point(s) of diversion under this right may require mitigation for the effects of the change. Such future action to change the point(s) of diversion under this right shall be analyzed for effects to connected reaches of the Snake River based on the priority date, point(s) of diversion and steady-state quantity as authorized for this right under Transfer approval 75043

8. Prior to diversion of water under this transfer approval the right holder shall submit to the Department a diagram identifying the specific location of the 7.9 acres authorized for irrigation annually, and prior to the irrigation season any year when irrigated acres will be different than previously identified.
9. The period of use for the irrigation described in this approval may be extended to a beginning date of 3/15 and an ending date of 11/15 provided that beneficial use of the water can be shown and other elements of the right are not exceeded. The use of water before 4/15 and after 10/1 is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than 8/27/2001.

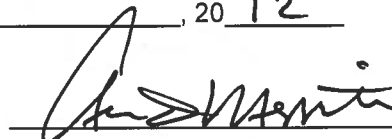
WATER RIGHT NO. 36-16911
As Modified by Transfer No. 77387

CONDITIONS OF APPROVAL

10. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the lands above.
11. This right does not grant any right-of-way or easement across the land of another.
12. The right holder shall accomplish the change authorized by this transfer within one year of the date of this approval.
13. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
14. Pursuant to Section 42-1412(6), Idaho Code, this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as may be determined by the Snake River Basin Adjudication court at a point in time no later than the entry of the final unified decree.

This water right is 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 2nd day of July, 2012


Southern Region Manager

State of Idaho
Department of Water Resources

Attachment To Transfer Of Water Right

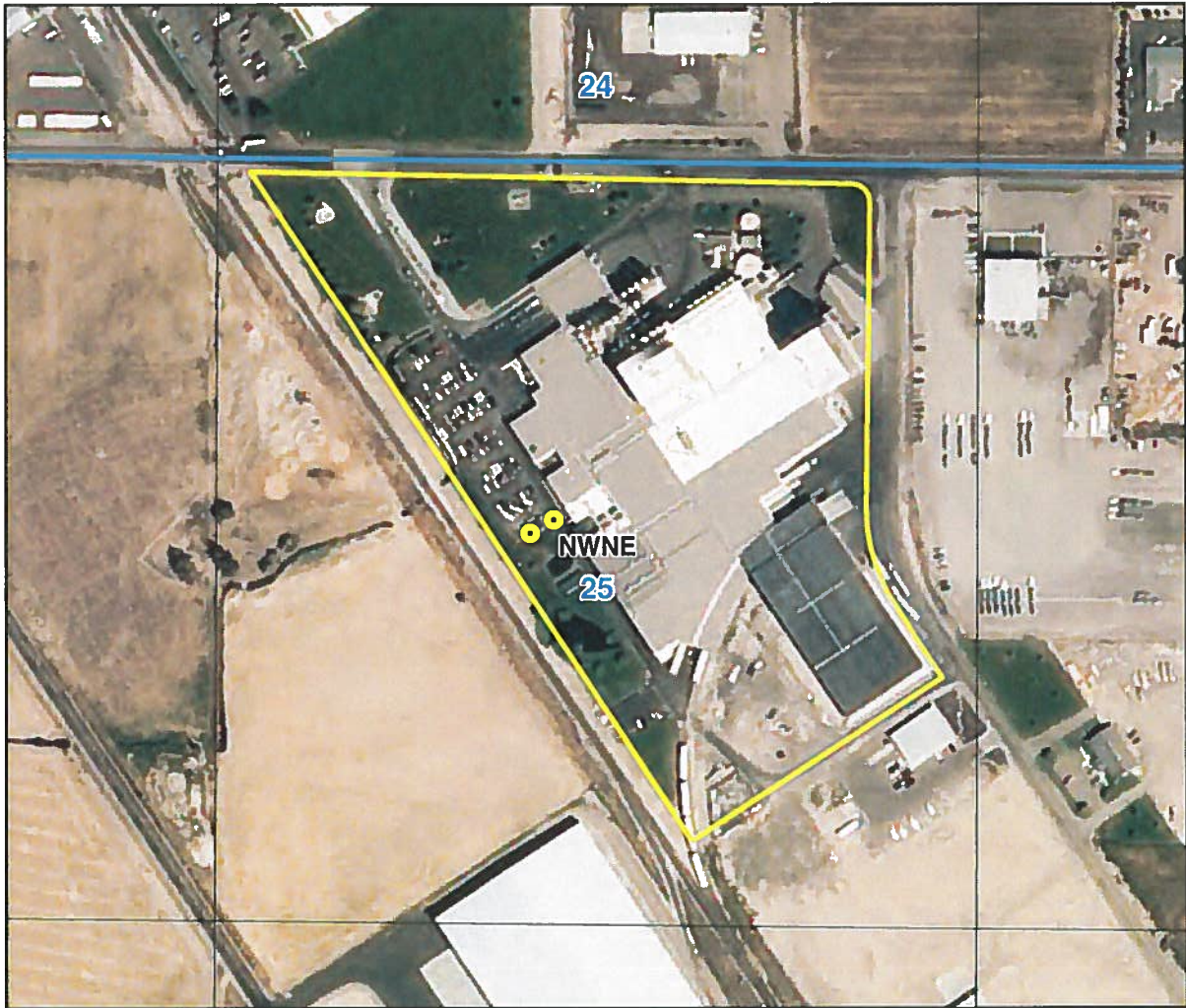
Transfer No. 77387

Rights: 36-2461B, 36-2554B, 36-7337F, 36-16907

This map depicts the COMMERCIAL place of use boundary for this water right at the time of this approval and is attached to the approval document solely for illustrative purposes.

R16E

T08S



0 0.04 0.08 0.16 Miles

- Point of Diversion
- Place Of Use Boundary
- Townships
- PLS Sections
- Quarter Quarters





State of Idaho

DEPARTMENT OF WATER RESOURCES

Southern Region, 1341 Fillmore Street, Suite 200 • Twin Falls, Idaho 83301-3380
Phone: (208) 736-3033 • Fax: (208) 736-3037 • Web Site: www.idwr.idaho.gov

C. L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

July 3, 2012

JEROME CHEESE CO
547 W NEZ PERCE AVE
JEROME ID 83338

IDAHO WATER CO LLC
C/O DEL KOHTZ
1135 VALLEY RD S
EDEN ID 83325

RE: Transfer No.: 77387

Water Right No(s):	36-16907	36-2461B	36-2554B	36-7337F	36-16909
	36-16911	36-16380	35-14253		

Transfer Approval Notice

Dear Water Right Holder and other Interested Persons:

The Department of Water Resources has issued the enclosed approved Transfer of Water Right(s). Please be sure to thoroughly review the conditions of approval and remarks listed on the approval document.

The Transfer of Water Right(s) is a PRELIMINARY ORDER issued by the Department pursuant to section 67-5243, Idaho Code. It can and will become a final order without further action by the Department unless the APPLICANT petitions for reconsideration or files an exception and/or brief within fourteen (14) days of the service date as described in the enclosed information sheet.

ANY PERSON aggrieved by any decision, determination, order or action of the Department and who has not previously been afforded an opportunity for a hearing on the matter may request a hearing pursuant to section 42-1701A(3), Idaho Code. A written petition contesting the action of the Department and requesting a hearing shall be filed within fifteen (15) days after receipt of the denial or conditional approval.

If the transfer approval includes a condition requiring measuring and recording devices, such devices shall comply with specifications established by the Department. Detailed specifications are available on the Department's homepage on the Internet, or you can request a copy by contacting any office of the Department. Please be sure to thoroughly review the specifications to avoid unnecessary costs for reinstallation or modification due to non-conforming or improperly installed devices.

Please note that water right owners are required to report any change of water right ownership and/or mailing address to the Department within 120 days of the change. Failure to report these changes could result in a \$100 late filing fee. Contact any office of the Department or visit the Department's homepage on the Internet to obtain the proper forms and instructions.

If you have any questions, please contact me at 208-736-3033.

Sincerely,

A handwritten signature in black ink, appearing to read "Allen Merritt". The signature is fluid and cursive, with a large initial "A" and "M".

Allen Merritt
Southern Region Manager

Enclosure(s)

cc: SPF WATER ENGINEERING LLC

CERTIFICATE OF SERVICE

I hereby certify that on July 3, 2012 I mailed a true and correct copy, postage prepaid, of the foregoing TRANSFER APPROVAL to the person(s) listed below:

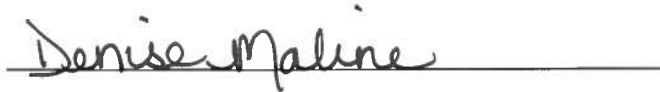
RE: TRANSFER NO. 77387

WATER RIGHTS NOS.	36-16907	36-2461B	36-2554B	36-7337F
	36-16909	36-16911	36-16380	35-14253

**JEROME CHEESE CO
547 W NEZ PERCE AVE
JEROME ID 83338**

**IDAHO WATER CO LLC
C/O DEL KOHTZ
1135 VALLEY RD S
EDEN ID 83325**

**SPF WATER ENGINEERING LLC
C/O SCOTT N KING
300 E MALLARD DR STE 350
BOISE ID 83706**

A handwritten signature in cursive script that reads "Denise Maline". The signature is written in dark ink and is positioned above a solid horizontal line.

**Denise Maline
Administrative Assistant**

EXPLANATORY INFORMATION TO ACCOMPANY A PRELIMINARY ORDER

(To be used in connection with actions when a hearing was **not** held)

(Required by Rule of Procedure 730.02)

The accompanying order or approved document is a "**Preliminary Order**" issued by the department pursuant to section 67-5243, Idaho Code. **It can and will become a final order without further action of the Department of Water Resources ("department") unless a party petitions for reconsideration, files an exception and brief, or requests a hearing as further described below:**

PETITION FOR RECONSIDERATION

Any party may file a petition for reconsideration of a preliminary order with the department within fourteen (14) days of the service date of this order. **Note: the petition must be received by the department within this fourteen (14) day period.** The department will act on a petition for reconsideration within twenty-one (21) days of its receipt, or the petition will be considered denied by operation of law. See Section 67-5243(3) Idaho Code.

EXCEPTIONS AND BRIEFS

Within fourteen (14) days after: (a) the service date of a preliminary order, (b) the service date of a denial of a petition for reconsideration from this preliminary order, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration from this preliminary order, any party may in writing support or take exceptions to any part of a preliminary order and may file briefs in support of the party's position on any issue in the proceeding with the Director. Otherwise, this preliminary order will become a final order of the agency.

REQUEST FOR HEARING

Unless a right to a hearing before the Department or the Water Resource Board is otherwise provided by statute, any person aggrieved by any final decision, determination, order or action of the Director of the Department and who has not previously been afforded an opportunity for a hearing on the matter may request a hearing pursuant to section 42-1701A(3), Idaho Code. A written petition contesting the action of the Director and requesting a hearing shall be filed within fifteen (15) days after receipt of the denial or conditional approval.

ORAL ARGUMENT

If the Director grants a petition to review the preliminary order, the Director shall allow all parties an opportunity to file briefs in support of or taking exceptions to the preliminary order and may schedule oral argument in the matter before issuing a final order. If oral arguments are to be heard, the Director will within a reasonable time period notify each party of the place, date and hour for the argument of the case. Unless the Director orders otherwise, all oral arguments will be heard in Boise, Idaho.

CERTIFICATE OF SERVICE

All exceptions, briefs, requests for oral argument and any other matters filed with the Director in connection with the preliminary order shall be served on all other parties to the proceedings in accordance with IDAPA Rules 37.01.01302 and 37.01.01303 (Rules of Procedure 302 and 303).

FINAL ORDER

The Director will issue a final order within fifty-six (56) days of receipt of the written briefs, oral argument or response to briefs, whichever is later, unless waived by the parties or for good cause shown. The Director may remand the matter for further evidentiary hearings if further factual development of the record is necessary before issuing a final order. The department will serve a copy of the final order on all parties of record.

Section 67-5246(5), Idaho Code, provides as follows:

Unless a different date is stated in a final order, the order is effective fourteen (14) days after its service date if a party has not filed a petition for reconsideration. If a party has filed a petition for reconsideration with the agency head, the final order becomes effective when:

- (a) The petition for reconsideration is disposed of; or
- (b) The petition is deemed denied because the agency head did not dispose of the petition within twenty-one (21) days.

APPEAL OF FINAL ORDER TO DISTRICT COURT

Pursuant to sections 67-5270 and 67-5272, Idaho Code, if this preliminary order becomes final, any party aggrieved by the final order or orders previously issued in this case may appeal the final order and all previously issued orders in this case to district court by filing a petition in the district court of the county in which:

- i. A hearing was held,
- ii. The final agency action was taken,
- iii. The party seeking review of the order resides, or
- iv. The real property or personal property that was the subject of the agency action is located.

The appeal must be filed within twenty-eight (28) days of this preliminary order becoming final. See section 67-5273, Idaho Code. The filing of an appeal to district court does not itself stay the effectiveness or enforcement of the order under appeal.

State of Idaho
Department of Water Resources

RECOMMENDATION OF WATERMASTER

Application No: 77387
Water Right No: 36-2461B
Applicant Name: Jerome Cheese

Watermaster's Recommendation:

- a) ☒ I do not oppose approval of this application
- b) ☐ I do not oppose approval of this application if it is conditioned as follows:
- c) ☐ I oppose approval of this application(s) for the following reasons:
- d) ☐ Additional comment:

Dated: June 8, 2012

Water District 130



Cindy J. Yenter, Watermaster

MEMORANDUM

Date: June 8, 2012
To: Transfer 77387 File – Jerome Cheese
From: Jeanie Robertson
Re: Evaluation of Sufficiency of Information Submitted

This transfer dries up 67.2 acres of irrigation and moves 0.83 cfs & 200.1 af (CU) approximately 6 ½ miles east to be converted to year round commercial use, diverted from two existing wells, at a cheese factory currently authorized for the combined diversion of 2.7 cfs and 615.0 af. 36-7352 was split up front into 36-16906 & 36-16907 in preparation for this and companion transfer 77388 for Boer Dairy. (Transfer 77388 creates a PPU with the remaining irrigation portions of the splits which are not going to commercial use.) This transfer utilizes right 36-16907, which will leave 0.08 cfs and 18.9 af (CU) undiverted as partial mitigation for the transfer. Rights 36-16380 and 35-14253 were conveyed to Jerome Cheese through a Special Warranty Deed from Idaho Water Company and will also be left undiverted and changed to mitigation as required by the ESPA Model Run. (There are also two Associated Rights, 36-16909 and 36-16911, which overlapped with 36-16380 and needed to have their Conditions updated.) Rights 36-2461B, 36-2554B, and 36-7337F are existing rights at the facility and were included to update their place of use and add new combined limits. No new wells will be drilled. Location of the proposed place of use and existing wells is approximately 1 mile south and ½ mile west of the center of Jerome.

- **Authority to File:**
The application was submitted by Scott King of SPF Water Engineering. (The original application was signed by Bill Riebesell II, Manager of Jerome Cheese, not really authorized to sign on their behalf.) The amended application was signed by Jim Ward, CFO, who is authorized according to the IDSOS web-page. A letter from Northwest Farm Credit Services, lien holder on the property, was included agreeing to the proposed transfer.
- **Water Right Validity:**
36-7337F was decreed in 1997 and the other three rights were decreed in 2001. There is no reason to believe they have not been utilized in the cheese factory operations since.
- **Injury to Other Water Rights:**
An ESPA model run was conducted and showed additional mitigation was required. An ownership change and Special Warranty Deed from Idaho Water Company to Jerome Cheese Company was submitted for 5.3-acre irrigation right 36-16380 and a 4-acre portion of right 35-2241A (35-14253). Both will be left undiverted as mitigation. The rights in this transfer are within WD130 so water master comments will be needed.
- **Enlargement of Use:**
None anticipated.
- **Local Public Interest:**
No negative impacts anticipated.
- **Beneficial Use/Conservation of Water Resources:**
Proposed commercial use in a cheese factory is recognized as a beneficial use of water.

Review of the application finds there is no clear inconsistency with criteria set forth in Section 42-222 Idaho Code preventing processing of this application.

Affidavit of Publication

STATE OF IDAHO)
COUNTY OF TWIN FALLS) SS.

RECEIVED

MAY 25 2012

DEPT. OF WATER RESOURCES
SOUTHERN REGION

I, Ruby Aufderheide, being first duly sworn upon oath, depose and say that I am Legal Clerk of the TIMES-NEWS, published daily at, Twins Falls, Idaho, and do solemnly swear that a copy of the notice of advertisement, as per clipping attached, was published in the regular and entire issue of said newspaper, and not in any supplement thereof, for two consecutive weeks, commencing with the issue dated 17th day of May, 2012 and ending with the issue dated 24th day of May, 2012

And I do further certify that said newspaper is a consolidation, effective February 16, 1942, of the Idaho Evening Times, published theretofore daily except Sunday, and the Twin Falls News, published theretofore daily except Monday, both of which newspapers prior to consolidation had been published under said names in said city and county continuously and uninterruptedly during a period of more than twelve consecutive months, and said TIMES-NEWS, since such consolidation, has been published as a daily newspaper except Saturday, until July 31, 1978, at which time said newspaper began daily publication under said name in said city and county continuously and uninterruptedly.

And I further certify that pursuant to Section 60-108 Idaho Code, Thursday of each week has been designated as the day on which legal notice by law or by order of any court of competent jurisdiction within the state of Idaho to be issued thereof Thursday is announced as the day on which said legal will be published.

Ruby Aufderheide
Ruby Aufderheide, Legal Clerk

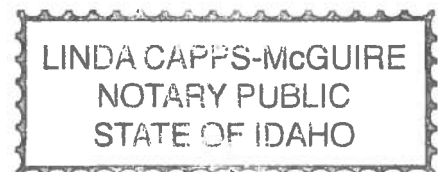
STATE OF IDAHO
COUNTY OF TWIN FALLS

On this 24th day of May, 2012, before me,

a Notary Public, personally appeared Ruby Aufderheide, known or identified to me to be the person whose name subscribed to the within instrument, and being by me first duly sworn, declared that the statements therein are true, and acknowledged to me that he executed the same.

Linda Capps McGuire
Notary Public for Idaho
Residing at Twin Falls, Idaho.

My commission expires: 5-19-15



✓ OK
DM 6/5/2012

**NOTICE OF PROPOSED CHANGE OF WATER RIGHT
TRANSFER NO. 77387**

*

JEROME CHEESE CO, PO BOX 485, JEROME, ID 83338 has filed Application No. 77387 for changes to the following water rights within JEROME, BINGHAM, GOODING County(s): Right No(s). 36-7337F, 36-2554B, 36-2461B, 36-16907, 36-16909, 36-16911, 36-16380, 35-14253; to see a full description of these rights and the proposed transfer, please see www.idwr.idaho.gov/apps/ExtSearch/WRFiling.asp. The purpose of the transfer is to change a portion of the above rights as follows: Application proposes transferring a 67.2-acre (0.83 cfs & 200.1 afa) portion of a groundwater irrigation right from a farm located approximately 6.5 miles east of Jerome and converting it to year round commercial use at an existing cheese factory located approximately 1 mile south of Jerome. The portion of groundwater right will be combined with three existing groundwater rights (that currently allow for the diversion of 2.7 cfs & 615.0 afa for commercial use) at the cheese factory and will be diverted from two existing wells. No new wells will be drilled. In order to mitigate impact to hydraulically connected reaches of the Snake River, 9.3 acres from two groundwater rights diverting a combined total of 0.17 cfs and 37.2 afa will no longer be irrigated.

For additional information concerning the property location, contact Southern Region office at (208) 736-3033. Protests may be submitted based on the criteria of Idaho Code Sec. 42-222. Any protest against the proposed change must be filed with the Department of Water Resources, Southern Region, 1341 Fillmore St, Suite 200, Twin Falls ID 83301 together with a protest fee of \$25.00 for each application on or before June 4, 2012. The protestant must also send a copy of the protest to the applicant.

GARY SPACKMAN, Interim Director
PUBLISH: May 17th & 24th, 2012

* address = 547 W. Nez Perce Ave
Jerome id 83338.

✓ ok DM to 5/5/2012