



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

April 18, 2012

C. L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

ARK PROPERTIES LLC
11204 N BAR 21 DR
GLENN'S FERRY ID 83623-5033

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK;
OTHER WATER RIGHT NOS. 63-12447 AND 63-33344**

Dear Applicant:

In January 2012, the Idaho Department of Water Resources ("Department") received your application to rent water from the Water Supply Bank to irrigate 200 acres. The Department denied the application because: (1) a contested case is pending for an application filed by ARK Properties proposing diversion and use of ground water at the same location, and (2) the location of the point(s) of diversion for the rights proposed for rental are a significant distance from the proposed new point of diversion, and there is questionable hydraulic connection between the ground water underlying the points of diversion for the water rights proposed to be rented and the ground water underlying your new proposed point of diversion.

Based on conversations at a status conference for the contested case, I understood that ARK Properties wanted to divert water from an existing well and gather data in preparation for the contested case hearing. I asked staff to reconsider your Water Supply Bank application in combination with a monitoring plan to evaluate aquifer response to additional pumping.

Thank you for the additional time to reevaluate the application and review possibilities for a monitoring plan. The Water Supply Bank Rules provide criteria to be considered when determining whether to accept a water right into the Bank. The Department denied your original application in part because there were not water rights in the Water Supply Bank available in the vicinity of the proposed wells. This is still the case and continues to be a concern for the Department. The proposed monitoring plan is also deemed insufficient to provide any significant additional data to evaluate the sufficiency of the water supply. This letter again denies your rental application.

The Department is willing to further discuss using the Water Supply Bank as a tool to allow diversion of water for data collection in the contested case hearing. My purpose for agreeing to reconsider the rental application was for data collection, not to establish a long term water supply. I've asked staff to search for any other water rights available for rental. Because

the rental would be approved for the purpose of data collection, I suggest a rental of a one-year combined with an aquifer test during the rental period.

If you have any questions, please contact me at (208) 287-4800.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary Spackman". The signature is fluid and cursive, with the first name "Gary" and last name "Spackman" clearly distinguishable.

Gary Spackman
Interim Director

C: John Westra – IDWR Western Regional Office
Lori Graves and Scott King – SPF Water Engineering
Bruce Smith – Moore, Smith, Buxton & Turcke, Chtd.
Monica Van Bussum – IDWR State Office, Water Supply Bank
Sean Vincent – IDWR State Office, Hydrology Section



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

February 8, 2012

C. L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

ARK PROPERTIES LLC
11204 N BAR 21 DR
GLENN'S FERRY ID 83623-5033

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK; OTHER
WATER RIGHT NOS. 63-12447 AND 63-33344**

Dear Applicant:

The Department of Water Resources has completed its review of your application to rent water for 200 acre of irrigation from ground water in Elmore County. Based on that review, the Department cannot accept the water right into the Bank. The reasons are described below.

First, there is not adequate water in the Water Supply Bank available in the vicinity of the proposed rental wells. Second, the proposed pumping location is in a contested area and the Director is in the process of holding a consolidated hearing on water supply in that area. You were seeking additional irrigation in the area of your water right 63-12447. You also have pending Application for Permit 63-33344, which seeks additional water in the same area. Application 63-33344 was protested. The protests cited lack of information about water supply in the area and concern over impacts of additional pumping. The Water Supply Bank would be reluctant to approve an application for additional pumping in the area until the protests are resolved.

If you have any questions, please contact me at (208) 287-4907.

Sincerely,

Monica Van Bussum
Sr. Water Resource Agent

Enclosure – Rental application

C: John Westra – IDWR Western Regional Office
Lori Graves – SPF Water Engineering

RECEIVED

Form 42-1761-2
09/09

JAN 17 2012

DEPARTMENT OF
WATER RESOURCESSTATE OF IDAHO
WATER RESOURCE BOARDWater Supply Bank No. _____
(For Department Use Only)APPLICATION TO RENT WATER
FROM THE WATER SUPPLY BANKName of Renter Ark Properties, LLC Phone 208-336-7931Mailing address 11204 N. Bar 21 Dr., Glens Ferry 83623-5033 Email _____

A. DESCRIPTION OF WATER SOUGHT FOR RENT

1. Maximum Flow Rate (cfs) Maximum Volume (ac-ft) Nature of Use Period of Use

4.0 cfs 800.0 ac-ft Irrigation 3/15 to 11/15

_____ to _____

_____ to _____

Total: 4.0 cfs 800.0 ac-ft2. Source of water Ground Water tributary to _____

3. Point(s) of Diversion:

Twp	Rge	Sec	Lot	1/4	1/4	1/4	County
1N	4E	24			SW	SW	Elmore
1N	4E	24			SW	NE	Elmore

4. Lands to be irrigated or place of use:

Twp	Rge	Sec	NE 1/4				NW 1/4				SW 1/4				SE 1/4				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
1N	4E	13																5	5
		24	39	21	40	40	1		7	29	40	40	40	40	40	40	40	40	497
1N	5E												L4						
		18											36	40	38	19	40	40	213
								L1	L2			L3	L4						
		19	40	40	40	40	40	42	42	40	40	42	43	40		40	40		569

If the use is for irrigation, show total number of acres proposed through rental. Total Acres 200 acres w/i
1,284-acre PPU

B. OWNERSHIP

1. Do you own the land at the proposed point of diversion? Yes ☒ No ☐

If no, list owner, contact information, and provide documentation of the authority to use the proposed point of diversion. _____

2. Do you own the land at the proposed place of use? Yes ☒ No ☐

If no, list owner, contact information, and provide documentation of the authority to use the proposed place of use. _____

C. MAP

Attach a map identifying the proposed point(s) of diversion, place(s) of use, and water diversion and distribution system details as described by this application in section A. Include legal description labels.

SCANNED

JAN 24 2012

D. GENERAL INFORMATION

1. Please provide a description of the proposed diversion system. Two existing wells with vertical turbine pumps will supply water to an interconnected system of pivot sprinklers and hand-lines.
2. Describe any other water rights diverted through the same point(s) of diversion or used for the same purpose(s) as described above.
63-12447
3. Will the proposed place of use receive water from any other source? Yes ☒ No ☐
If yes, describe. Ground water right 63-12447 irrigates 200 separate acres within the proposed ppu (same wells) and decree 63-2046 from Indian Creek partially overlaps acres in the N1/2SE, Section 18. See attached photo.
4. If the proposed use is not for irrigation, please provide a detailed description of the proposed use and how you determined the amount of water required. Attach additional sheets if needed. _____
5. Are there any other applications pending before the Department, such as an application for permit or transfer, for the same use(s) proposed by this rental? Yes ☒ No ☐
If yes, describe. Application 63-33344 proposes to develop 9.0 cfs for 475 acres of new irrigation within the ppu described above. Applicant seeks to irrigate 200 of the 475 proposed acres with this application.
6. Was this rental application submitted in response to a Notice of Violation or a pending Notice of Violation? Yes ☐ No ☒
If yes, describe. _____

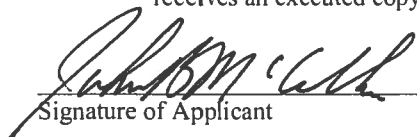
E. RENTAL TERM

1. Do you wish to rent water from the Board's bank for more than one (1) year? Yes ☒ No ☐
If yes, please specify the number of years desired through proposed rental. 5

I hereby assert that the information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in rejection of the application or cancellation of an approval.

If this application is approved, the applicant agrees to the following:

1. The use of water under this agreement shall be subject to the provisions of Section 42-1766, Idaho Code.
2. Renter shall comply with all applicable state and federal laws while using water under this agreement.
3. Renter shall hold the Board, the Director, and the state of Idaho harmless from all liability on account of negligent acts of the renter.
4. The Director may terminate diversion of water if the Director determines there is not a sufficient water supply for the priority of the right or portion thereof being rented.
5. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
6. Renter is not authorized to use water proposed by this application until the rental fees are paid in full and the renter receives an executed copy of the agreement signed by the Director.


Signature of Applicant

JOHN B McCALLUM
Printed Name and Title*

1/11/2012
Date

Signature of Applicant

Printed Name and Title*

Date

*Please provide title of signatory if signing on behalf of a company or organization or with power of attorney



WIX

RECEIVED

JAN 17 2012

DEPARTMENT OF
WATER RESOURCES

January 13, 2012

Monica Van Bussum
IDWR State Office
PO Box 83720
Boise, ID 83720-0098

Subject: ***Application to Rent Water***

Dear Monica,

Enclosed on behalf of Ark Properties, is an *Application to Rent Water From the Water Supply Bank* for five years irrigation use.

Please let me know if there are any questions concerning this application. Thanks Monica.

Sincerely,

A handwritten signature in blue ink that reads "Lori Graves".

Lori Graves
Water Rights Specialist

Cc: John & Theresa McCallum
Bruce Smith

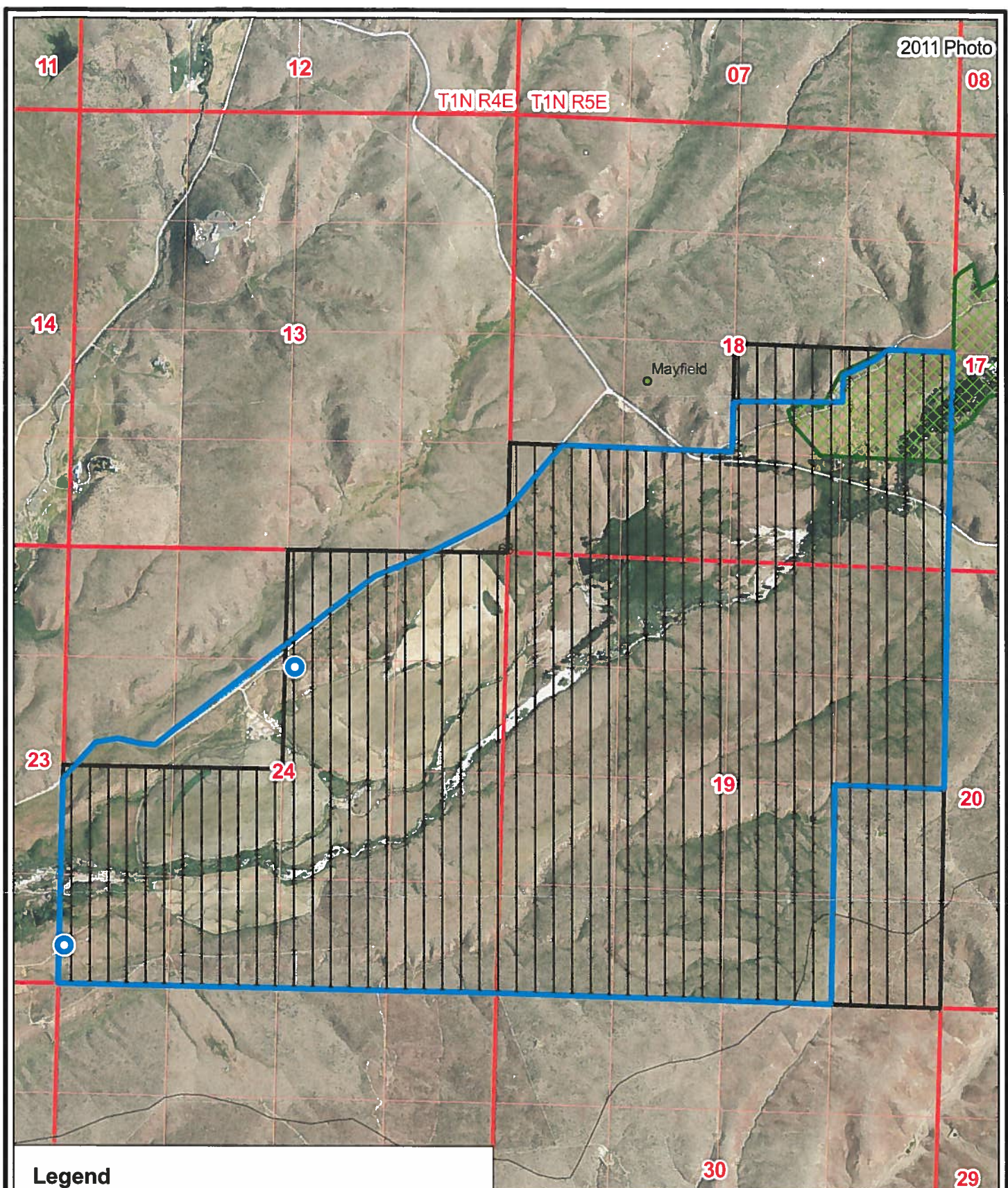
Enclosures
Rental Application

SPF file number: 162.0080

SCANNED

JAN 24 2012

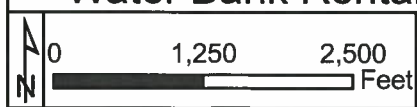
2011 Photo



Legend

-  Points of Diversion
-  63-12447 Amended PPU (for Licensing) & WB Rental
-  63-12447 Permitted PPU
-  63-2046 POU

**Ark Properties
Water Bank Rental Application**



JAN 24 2012



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

January 25, 2012

C. L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

ARK PROPERTIES LLC
11204 N BAR 21 DR
GLENN'S FERRY ID 83623-5033

RE: APPLICATION(S) TO RENT WATER FROM THE WATER SUPPLY BANK

Dear Applicant:

The Idaho Department of Water Resources (Department) acknowledges receipt of your application(s) to rent water for purpose of use to irrigate 200 acres from the Idaho Water Resource Board's Water Supply Bank (Bank). The Department will review your application(s) as resources allow. If the application(s) is not processed prior to the end of the proposed rental period, it will be returned to you. The Department regrets any inconvenience caused by the delay. Please note that you are not authorized to use water without a valid water right or an approved Water Supply Bank rental agreement.

Please be advised, if your application seeks rental of water from the Eastern Snake Plain Aquifer (ESPA), the total cost of your rental will likely include additional mitigation water required to offset the effects of the proposed change in water use.

Additional information about the Bank may be found on the Department's web site www.idwr.idaho.gov.

Sincerely,

Monica Van Bussum
Sr. Water Resource Agent
(208) 287-4907
Monica.vanbussum@idwr.idaho.gov

C: Lori Graves – SPF Water Engineering

SCANNED

JAN 26 2012

Van Bussum, Monica

From: Bruce M. Smith [BMS@msbtlaw.com]
Sent: Tuesday, April 17, 2012 2:02 PM
To: Van Bussum, Monica; Vincent, Sean; Spackman, Gary
Subject: Water Bank Rental for John McCallum

All—Last week I had a chance to speak with Gary about this application which has been pending since January. My client has spent a lot of money based on IDWR representations that there was water to rent, IDWR wanted data, and that we could get this processed if we just agreed to monitoring. We spent money with SPF to get a professional monitoring plan in place. Sean has imposed monitoring conditions which I have never seen on a water bank rental and appear to be little more than using the rental bank to extract monitoring information. My client agreed to it just so he could get his water bank rental completed. This effectively has the impact of improperly increasing water bank rental fees and is in my opinion inconsistent with the IDWR's responsibility to the IWRB to operate the water bank. We just went through a fee increase to keep the bank running and now the bank is being used for purposes that it was never intended to do simply because someone thinks they can get information by obstructing a rental unless they get information for wholly unrelated purposes. My client would like a meeting with IDWR to see if this can be worked out. How about Wednesday at 3:00? Bruce

Van Bussum, Monica

From: Teresa McCallum [irondragonmistress@yahoo.com]
Sent: Tuesday, April 17, 2012 1:14 PM
To: Van Bussum, Monica
Cc: Bruce M. Smith
Subject: Re: Mayfield water testing

On Apr 17, 2012, at 1:10 PM, Teresa McCallum wrote:

> Dear Monica,
> We are extremely concerned over the rental water of Mayfield. Based on original discussions we have on site two pivots and the corn seed has been purchased of a total of over \$170,000. spent. We still have to change out the pump and install new mainlines. This is approximately \$80,000. additional expenditure for a total of \$250,000. plus rent, plus testing, to determine the amount of water available.
> We only have 30-40 days left to install all the equipment and plant. I'm sure you can see our concern. Please call me at 366-7931 or my cell 599-1580.
>
> Teresa McCallum

Van Bussum, Monica

From: Teresa McCallum [irondragonmistress@yahoo.com]
Sent: Tuesday, April 17, 2012 1:11 PM
To: Van Bussum, Monica
Subject: Mayfield water testing

Dear Monica,

We are extremely concerned over the rental water of Mayfield. Based on original discussions we have on site two pivots and the corn seed has been purchased of a total of over \$170,000. spent. We still have to change out the pump and install new mainlines. This is approximately \$80,000. additional expenditure for a total of \$250,000. plus rent, plus testing, to determine the amount of water available.

We only have 30-40 days left to install all the equipment and plant. I'm sure you can see our concern. Please call me at 366-7931 or my cell 599-1580.

Teresa McCallum

Van Bussum, Monica

From: Bruce M. Smith [BMS@msbtlaw.com]
Sent: Tuesday, April 17, 2012 9:58 AM
To: Van Bussum, Monica
Subject: RE: water bank rental--Mccallum

"Response letter" doesn't sound promising.

From: Van Bussum, Monica [<mailto:Monica.VanBussum@idwr.idaho.gov>]
Sent: Tuesday, April 17, 2012 9:44 AM
To: Bruce M. Smith
Subject: RE: water bank rental--Mccallum

Hi Bruce,

It's not just your calls, it's everyone's. The voicemail server has completely crashed and Glen Gardiner is working to replace it.

I have a response letter that will go out in tomorrow's mail and I will send you a scanned copy in advance. It is common practice to put conditions on rentals where needed, as it is common practice to put conditions on permits, licenses and transfers. I do agree, though, that monitoring is an unusual thing for the Bank to be involved in, which is why others are involved in discussions.

Monica

From: Bruce M. Smith [<mailto:BMS@msbtlaw.com>]
Sent: Tue 4/17/2012 9:13 AM
To: Van Bussum, Monica
Subject: water bank rental--Mccallum

Monica—We are reaching the point of the absurd. I've been calling to leave you a voicemail but can't because your phone system has been modified to not accept my calls. So now I don't get responses and can't leave messages. Staff's efforts to sabotage water bank rentals seems contrary to the obligation to the IWRB to rent water. This has been ongoing since January. Sean says he is letting you handle it, doesn't indicate any problems with the monitoring, but is also apparently taking steps to stop the rental. There is no basis for attaching conditions to gather information for staff in return for renting water. It effectively increases the rental rate which is contrary to the rules. So—let's please get it done without worrying about Sean's wish for data. He is not helping. Bruce

Van Bussum, Monica

From: Van Bussum, Monica
Sent: Tuesday, April 17, 2012 9:44 AM
To: Bruce M. Smith
Subject: RE: water bank rental--Mccallum

Hi Bruce,

It's not just your calls, it's everyone's. The voicemail server has completely crashed and Glen Gardiner is working to replace it.

I have a response letter that will go out in tomorrow's mail and I will send you a scanned copy in advance. It is common practice to put conditions on rentals where needed, as it is common practice to put conditions on permits, licenses and transfers. I do agree, though, that monitoring is an unusual thing for the Bank to be involved in, which is why others are involved in discussions.

Monica

From: Bruce M. Smith [<mailto:BMS@msbtlaw.com>]
Sent: Tue 4/17/2012 9:13 AM
To: Van Bussum, Monica
Subject: water bank rental--Mccallum

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Van Bussum, Monica

From: Bruce M. Smith [BMS@msbtlaw.com]
Sent: Tuesday, April 17, 2012 9:14 AM
To: Van Bussum, Monica
Subject: water bank rental--Mccallum

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Van Bussum, Monica

From: Bruce M. Smith [BMS@msbtlaw.com]
Sent: Thursday, April 05, 2012 2:38 PM
To: Van Bussum, Monica
Subject: FW: Mayfield Townsite
Attachments: McCallum Monitoring Plan - Apr 2012.pdf; McCallum Mon Plan Cov Ltr.pdf

Here's the Monitoring Plan and explanatory letter. Thanks Bruce

From: Scott King [<mailto:SKing@spfwater.com>]
Sent: Thursday, April 05, 2012 1:40 PM
To: Bruce M. Smith
Cc: Christian Petrich
Subject: Mayfield Townsite

Scott N. King, P.E.
Supervising Engineer
SPF Water Engineering, LLC
300 E Mallard Drive, Suite 350
Boise, Idaho 83706
Phone: (208) 383-4140
Fax: (208) 383-4156
sking@spfwater.com
www.spfwater.com



MEMORANDUM

DATE: April 5, 2012
TO: Monica Van Bussum
FROM: Christian Petrich, Ph.D., P.E., P.G.
Scott King, P.E.
CC: John and Theresa McCallum
Bruce Smith, Moore, Smith, Buxton & Turke, Chartered
RE: Monitoring Plan for the ARK Properties rental application

The purpose of this memorandum is to (1) respond to your e-mail of March 28, 2012, and to (2) submit a proposed monitoring plan for the ARK Properties rental application.

Several of the monitoring requirements suggested in your e-mail are appropriate for controlled, constant-discharge aquifer tests. However, for irrigation withdrawals, several of the suggested monitoring requirements represent substantial cost to the applicant, and in our opinion, would provide limited benefit.

Installing pressure transducers into the two active irrigation wells and the stockwater well that are currently monitored manually would likely cost the Applicant between \$5,500 and \$13,000. This is because installing measurement tubes to protect down-hole transducers will likely require removal of the pump motor, pump column, pump, and discharge line. Similarly, monitoring groundwater levels on a biweekly basis for a year would cost the Applicant approximately \$10,500 per year (assuming 3.5 hours per monitoring trip and incidental costs of \$50). These costs are greater than any others with which we have been involved for an Idaho Water Bank rental.

The benefits of high-frequency monitoring will likely be limited because of the nature of irrigation pumping. Irrigation pumping does not typically provide the equivalent of a constant-rate aquifer test because irrigation water diversions fluctuate based on crop irrigation requirements. Furthermore, discharge rates likely will vary because of water-level drawdown in the production wells. These factors preclude analysis using methods for a typical constant-rate discharge test.

The primary benefit of monitoring water levels in response to the proposed ARK Properties diversions is a determination of whether or not groundwater levels recover to pre-pumping levels. This is essential to evaluating aquifer capacity in this area. We believe that monitoring discharge rates, discharge volumes, and groundwater levels on a less frequent basis than that proposed in your March 28 email would be ample for this purpose. Thus, the attached Monitoring Plan proposes (1) installation of flow meters on pumping irrigation wells, (2) measuring water levels on a bi-monthly basis during the first

year (and quarterly thereafter), and (3) preparing and submitting to IDWR an annual summary report.

We believe that this monitoring plan is sufficient for evaluating the long-term impacts of the proposed withdrawals. Please call us if you have any questions.

Groundwater Level Monitoring Plan Water Bank Rental Application

Prepared for

**ARK Properties, LLC
c/o John McCallum
11204 N Bar 21 Dr
Glenns Ferry, ID 83623-5033**

Prepared by

**SPF Water Engineering, LLC
300 East Mallard, Suite 350
Boise, Idaho 83706
(208) 383-4140**

Submitted by

John McCallum
ARK Properties, LLC

April 5, 2012



1. INTRODUCTION

1.1. Background

Two water right permit applications and one water bank rental application are pending at Mayfield Townsite. These include the following:

- Application for Permit no. 63-32499 seeking 10 cfs of ground water for municipal use,
- Application for Permit no. 63-33344 seeking 9 cfs of ground water for irrigation of 475 acres, and
- A Water Bank Rental application seeking 4 cfs of ground water for irrigation of 200 acres.

The purpose of this monitoring plan is to evaluate the response to pumping under the proposed temporary, multi-year water bank rental. The plan is consistent with monitoring the effects of long-term, non-uniform withdrawals.

1.2. Current Monitoring Efforts

Water levels are currently measured in eight wells located on Mayfield Townsite property (see Figure 1). On July 28, 2010, water level logging equipment (In-Situ Level TROLL pressure transducers/dataloggers) supplied by IDWR were installed in four unused in Mayfield Townsite property wells to collect continuous level measurements. Instantaneous manual measurements are obtained on a quarterly basis in four additional wells located on the property.

2. MONITORING PLAN

The proposed monitoring plan consists of the following:

1. Install flow meters meeting IDWR's minimum acceptable standards on discharge lines from Irrigation Well #1 and Irrigation Well #2. Record instantaneous flow rate and aggregate volume readings bi-monthly for the first year and quarterly thereafter. IDWR minimum standards include the following:
 - a. Minimum manufacturers' design accuracy of $\pm 2\%$ of reading;
 - b. Repeatability of at least $\pm 5\%$ of reading;
 - c. Meter must be calibrated with an independent, secondary measuring device when installed, and at least once every four years thereafter;
 - d. Must read instantaneous flow or be capable of flow rate calculation;
 - e. Must record total volume;
 - f. Non-volatile memory (power outage does not zero volume reading);

- g. Sufficient digits to ensure "roll-over" does not occur within two years;
 - h. Volume reading cannot be reset; and
 - i. Installed to manufacturers' specifications (meter manufacturers typically specify that a meter must be located in a section of straight pipe at least 10 pipe diameters downstream and 5 pipe diameters upstream of any valves, bends, contractions, or other interferences that will distort the flow pattern).
2. Install a pressure transducer/datalogger in the "Unused Domestic Well" and maintain it on a quarterly basis. Quarterly datalogger maintenance includes a manual water level measurement.
 3. Continue maintaining existing pressure transducer/dataloggers in the four wells currently equipped with these devices (Transfer Camp, Narrows, Mayfield Bridge, and Unused 1300-ft wells) on a quarterly basis. Quarterly datalogger maintenance includes a manual water level measurement.
 4. Manually measure water levels in three wells equipped with operating pumps (Irrigation Well #1, Irrigation Well #2, and Stock Well, Figure 1) on a bi-monthly basis for the first year and quarterly thereafter (except following the cessation of the first seasonal irrigation, at which time water levels in these wells will be measured and recorded on a bi-weekly basis for one month, monthly basis for two months, and bimonthly thereafter).
 5. Provide recorded water level and discharge measurement data in electronic spreadsheet (or transducer/datalogger files in native format if requested) on a bi-annual basis for the first year and on an annual basis thereafter.
 6. Prepare and submit to IDWR a summary report on an annual basis that includes the following:
 - a. Flowmeter data collected as part of this monitoring plan in the previous year.
 - b. Water level data collected as part of this monitoring plan in the previous year.
 - c. Water level data collected with IDWR-supplied transducers/dataloggers in wells on the Mayfield Townsite property in the previous year.
 - d. Graphs illustrating discharge from the two Irrigation Wells (#1 & #2) and water level data for the eight measured wells.
 - e. A brief narrative describing crops grown and irrigation patterns (approximate start time, approximate harvest time, etc.).

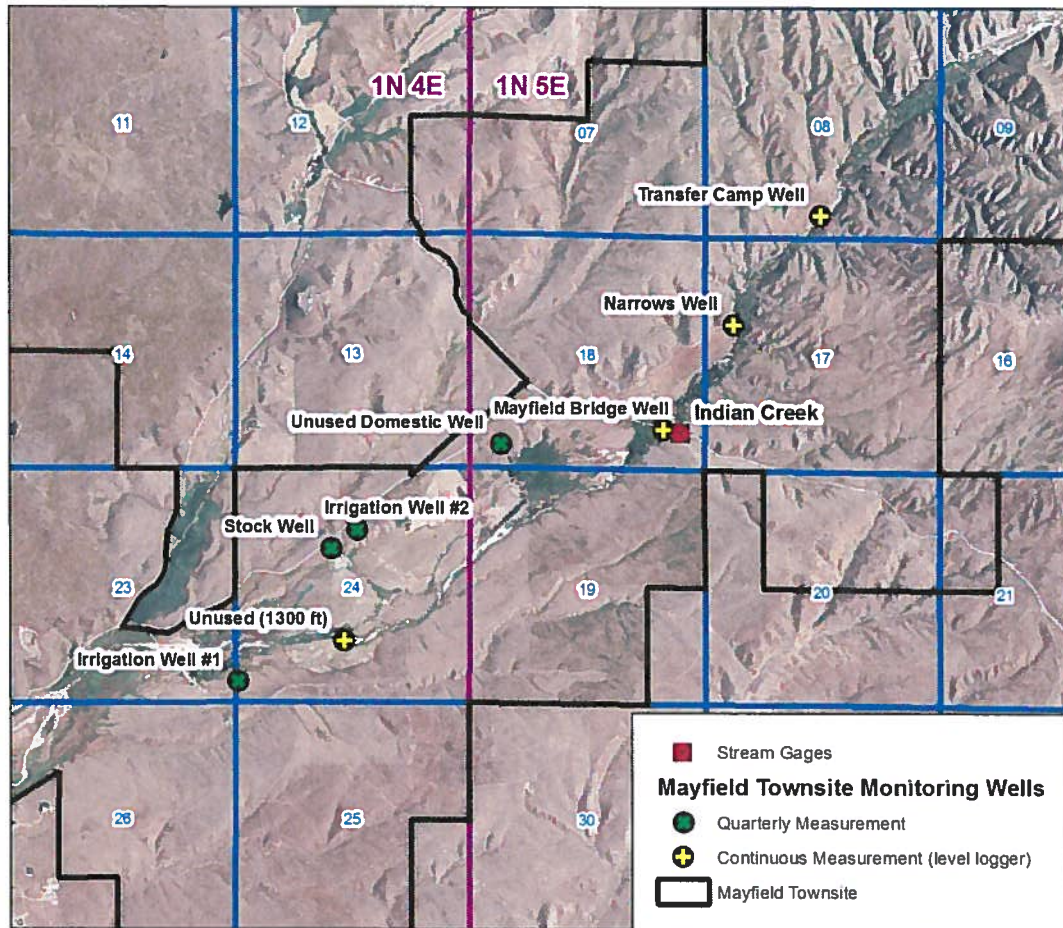


Figure 1: Monitored wells at Mayfield Townsite.

Van Bussum, Monica

From: Bruce M. Smith [BMS@msbtlaw.com]
Sent: Thursday, April 05, 2012 12:47 PM
To: Van Bussum, Monica
Subject: Monitoring Plan Ark Properties

Monica—I'm sending you a monitoring plan and memo from SPF to address Sean's ideas and deal with a couple of practical issues Sean would not have any way of knowing about. I'd like for you to use this monitoring plan with the water rental. I also talked to John Homan and he indicated the portion of the Brown water right that is not in dispute could be used so if you can get the 200 acres together, that would be fine. But if there is any delay, please just use the 160 acres as we are so far behind schedule we can't wait any longer. Thanks for all your help. Bruce

Van Bussum, Monica

From: Bruce M. Smith [BMS@msbtlaw.com]
Sent: Sunday, April 01, 2012 3:47 PM
To: Van Bussum, Monica
Cc: Peppersack, Jeff; Vincent, Sean; Scott King
Subject: RE: Ark Properties rental application - monitoring plan

Monica—Thank you for getting to this. I have discussed it with my client and since it appears he has no choice if he wants to use the water bank, he has agreed to install yet more monitors. The additional monitors do not appear related to the water bank but a desire by IDWR to simply gather more data and to run tests. I would urge the IDWR to consider whether this type of process—using the water bank to impose other obligations on a party—is reasonably related to the role the bank was designed to accomplish. Thanks for your attention. Regards, Bruce

From: Van Bussum, Monica [mailto:Monica.VanBussum@idwr.idaho.gov]
Sent: Wednesday, March 28, 2012 4:53 PM
To: Bruce M. Smith
Cc: Peppersack, Jeff; Vincent, Sean; Scott King
Subject: Ark Properties rental application - monitoring plan

Hi Bruce,

As promised, Sean and I had the opportunity to discuss Scott's memo regarding water level monitoring at the Mayfield Townsite. Sean also spoke with Scott King yesterday evening and Scott indicated that SPF had likely not sent all the monitoring data to IDWR. Scott has since provided a complete water level monitoring dataset to Sean. Scott also mentioned that SPF prepared a well completion report for irrigation well #1. We would like to request a copy of the completion report for irrigation well #1 and any data related to the installation and testing of irrigation well #2 that have not already been submitted to the Department.

As for water level monitoring, it is great that your client has allowed IDWR to install pressure transducers in four of the wells in the Mayfield Townsite network. In moving forward with the Ark Properties rental, we would like to see the other four wells outfitted with pressure transducers to allow for collection of twice-daily water level measurements on a year-round basis. If your client and SPF would rather collect manual water level measurements every two weeks instead of installing pressure transducers, that alternative is acceptable to IDWR.

Scott's memo does not mention flow measurement data but, in order to evaluate the response of the aquifer to pumping, we will need flow rate and total volume versus time data, either continuously recorded flow rate measurements or instantaneous rate and total volume readings taken every other week during the initial irrigation season and monthly during subsequent years. The flow measuring device would need to meet minimum department standards for a full profile, magnetic flow meter (<http://www.idwr.idaho.gov/WaterManagement/WaterMeasurement/PDFs/MinAccepStand.pdf>) and be installed in accordance with manufacturer specifications. A list of Department-approved flow meters is found on our web site at the following url: http://www.idwr.idaho.gov/WaterManagement/WaterMeasurement/PDFs/Approved_flow_meter_list.pdf. Flow and water level data collection would need to commence prior to the actual pumping (so we can have a baseline measurement) and be reported to IDWR quarterly for the first year and annually thereafter for the

duration of the rental period. The data should be compiled and submitted to the Department in spreadsheet format.

I should recap so this is clear.

- IDWR is asking for a copy of the well completion report for irrigation well #1 and any data related to the installation and testing of irrigation well #2 that has not already been submitted to the Department.
- We would like the four manually monitored wells to be outfitted with pressure transducers to facilitate water level measurements on a twice-daily basis.
- If your client/SPF would rather make manual water level measurements every two weeks, that is an acceptable alternative.
- At a minimum, flow rate and flow volume readings should be collected every other week during the irrigation season, or more frequently if a datalogger is used.
- Data collection should commence prior to pumping to establish a baseline and continue to the end of the rental period.
- Water level, flow rate, and total volume data should be compiled in a spreadsheet and reported to IDWR quarterly for the first year of the rental (April 2012 through April 2013) and then annually after that for the duration of the rental period.

As you know, part of the reason for potentially approving this rental and asking for monitoring data is to assist the Department in determining the sufficiency of the water supply for future development in this area. These data are important to developing a better understanding of the water resource and allowing the Department to move forward with pending applications. In closing, I want to express our appreciation to you and your client for your willingness and flexibility to establish this kind of information. Please let me know if you have any questions and, of course, Scott can feel free to call me or Sean directly.

Monica

MONICA VAN BUSSUM

Sr. Water Resource Agent

Coordinator, State Water Supply Bank

Idaho Department of Water Resources

322 East Front Street

PO Box 83720

Boise, ID 83720-0098

(208) 287-4907

Fax: (208) 287-6700

Van Bussum, Monica

From: Van Bussum, Monica
Sent: Wednesday, March 28, 2012 4:53 PM
To: 'Bruce M. Smith'
Cc: Peppersack, Jeff; Vincent, Sean; 'Scott King'
Subject: Ark Properties rental application - monitoring plan

Hi Bruce,

As promised, Sean and I had the opportunity to discuss Scott's memo regarding water level monitoring at the Mayfield Townsite. Sean also spoke with Scott King yesterday evening and Scott indicated that SPF had likely not sent all the monitoring data to IDWR. Scott has since provided a complete water level monitoring dataset to Sean. Scott also mentioned that SPF prepared a well completion report for irrigation well #1. We would like to request a copy of the completion report for irrigation well #1 and any data related to the installation and testing of irrigation well #2 that have not already been submitted to the Department.

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Van Bussum, Monica

From: Vincent, Sean
Sent: Wednesday, March 28, 2012 11:01 AM
To: Van Bussum, Monica; Owsley, Dennis
Subject: FW: Mayfield Townsite Water Levels

fyi

From: Vincent, Sean
Sent: Wednesday, March 28, 2012 10:59 AM
To: 'Scott King'
Cc: Tesch, Craig
Subject: RE: Mayfield Townsite Water Levels

Got it Scott. Thanks. I assume that the reference point is the top of casing elevation for each well. Is that correct? Also, I noticed that there was a 9-foot rise in the water level in Irrigation Well #1 between 1/22/2007 and 1/23/2007. To what do you attribute the large single-day fluctuation? Was the well being developed? Also, I noticed that there is no data for 2009 and no indication as to whether the wells were pumped during 2007. Do you happen to know which months and/or years each of the irrigation wells was used? Why weren't data collected during 2009?

Sorry to have so many questions.

Sean

From: Scott King [<mailto:SKing@spfwater.com>]
Sent: Wednesday, March 28, 2012 10:29 AM
To: Vincent, Sean
Subject: Mayfield Townsite Water Levels

Sean,

My notes indicate we reported most of this data in December 2010. The table is updated with data collected since then, and with levels from the Unused Domestic well.

Please confirm your receipt of this data, and let me know if you have any questions.

Thank you,
Scott

Scott N. King, P.E.
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Boise, Idaho 83706
Phone: (208) 383-4140
Fax: (208) 383-4156
sking@spfwater.com
www.spfwater.com

Van Bussum, Monica

From: Bruce M. Smith [BMS@msbtlaw.com]
Sent: Tuesday, March 27, 2012 4:03 PM
To: Bruce M. Smith; Van Bussum, Monica
Subject: RE: Mayfield Townsite water level monitoring

Monica—I spoke with Sean today and explained this information that my client paid to have put together because IDWR doesn't even know what it is getting or already has. IDWR is getting info from John. It's going to Craig which apparently no one else at IDWR knows. There is other info (see figure 2) that is being gathered that IDWR may/may not be getting but we have no control over it. It is not reasonable to hold up our water bank application over that situation. No one has ever had to submit monitoring reports for a rental and my client has cooperated ad nauseum to provide information. Seventy percent of the info IDWR is getting is coming from John's cooperation. If we can't get a simple water bank rental done, I'm going to have to figure out another way. Sorry to be so adamant about this but this is ridiculous. This has been on hold or under some unidentified process for way too long. Sean says he will talk to you tomorrow. If IDWR isn't going to approve the application, just tell me but don't let us die over delay and inaction. Bruce

From: Bruce M. Smith
Sent: Thursday, March 22, 2012 4:21 PM
To: 'Van Bussum, Monica'
Subject: FW: Mayfield Townsite water level monitoring

Monica—Here is a report on all the monitoring that is already ongoing in the area of the well that we are seeking the water bank right for. I don't think additional monitoring is possible or called for. Bruce

Van Bussum, Monica

From: Bruce M. Smith [BMS@msbtlaw.com]
Sent: Thursday, March 22, 2012 4:21 PM
To: Van Bussum, Monica
Subject: FW: Mayfield Townsite water level monitoring
Attachments: Water Monitoring Summary Memo v1.docx

Monica—Here is a report on all the monitoring that is already ongoing in the area of the well that we are seeking the water bank right for. I don't think additional monitoring is possible or called for. Bruce

MEMORANDUM

DATE: March 22, 2012

TO: Bruce Smith

FROM: Scott King

CC: John McCallum

Job: 162.0060

RE: Summary of Water Level Monitoring at Mayfield Townsite

This memorandum provides a summary of SPF's current water level monitoring activities at the Mayfield Townsite property in western Elmore County.

Water levels are currently measured in eight wells located on Mayfield Townsite property (see Figure 1). On July 28, 2010, water level logging equipment (In-Situ Level TROLL) supplied by IDWR was installed in four unused wells to collect continuous level measurements (recorded every six hours). Craig Tesch of IDWR assisted me with the installation of these loggers. Quarterly (instantaneous) measurements are obtained in four additional wells located on the property. Monitored wells, their location, and measurement frequency are listed in Table 1.

Water levels are measured and level loggers serviced on an approximate quarterly basis. Service dates thus far are: October 28, 2010, February 11, 2011, April 12, 2011, August 5, 2012, and October 17, 2012. The Unused 1,300-ft well was not accessible on August 5, 2012 and was not serviced on this date, but data collected from this well on October 17, 2012 included the full record since the prior service. Data files collected from the loggers are provided to Craig Tesch.

Whenever possible, instantaneous water level measurements are obtained on a quarterly basis from the four wells not equipped with data loggers. These measurement results are also provided to Craig Tesch.

Mayfield Townsite has also cooperated with the USGS with installing a stream gaging station on Indian Creek at Mayfield Road. The location of this site is depicted in Figure 1.

Table 1: Water level monitoring wells at Mayfield Townsite.

Well Name	Well Location	Logger Installed	Measurement Frequency
Transfer Camp	1N 5E 08 SESW	Yes	Continuous
Narrows	1N 5E 17 SWNW	Yes	Continuous
Mayfield Bridge	1N 5E 18 SESE	Yes	Continuous
Unused 1,300-ft (aka Kenny Owing's Well)	1N 4E 24 NESW	Yes	Continuous
Unused Domestic	1N 4E 18 Lot 4 (SWSW)	No	Quarterly
Irrigation Well #2	1N 4E 24 SWNE	No	Quarterly
Stock Well	1N 4E 24 SENW	No	Quarterly
Irrigation Well #1	1N 4E 24 SWSW	No	Quarterly

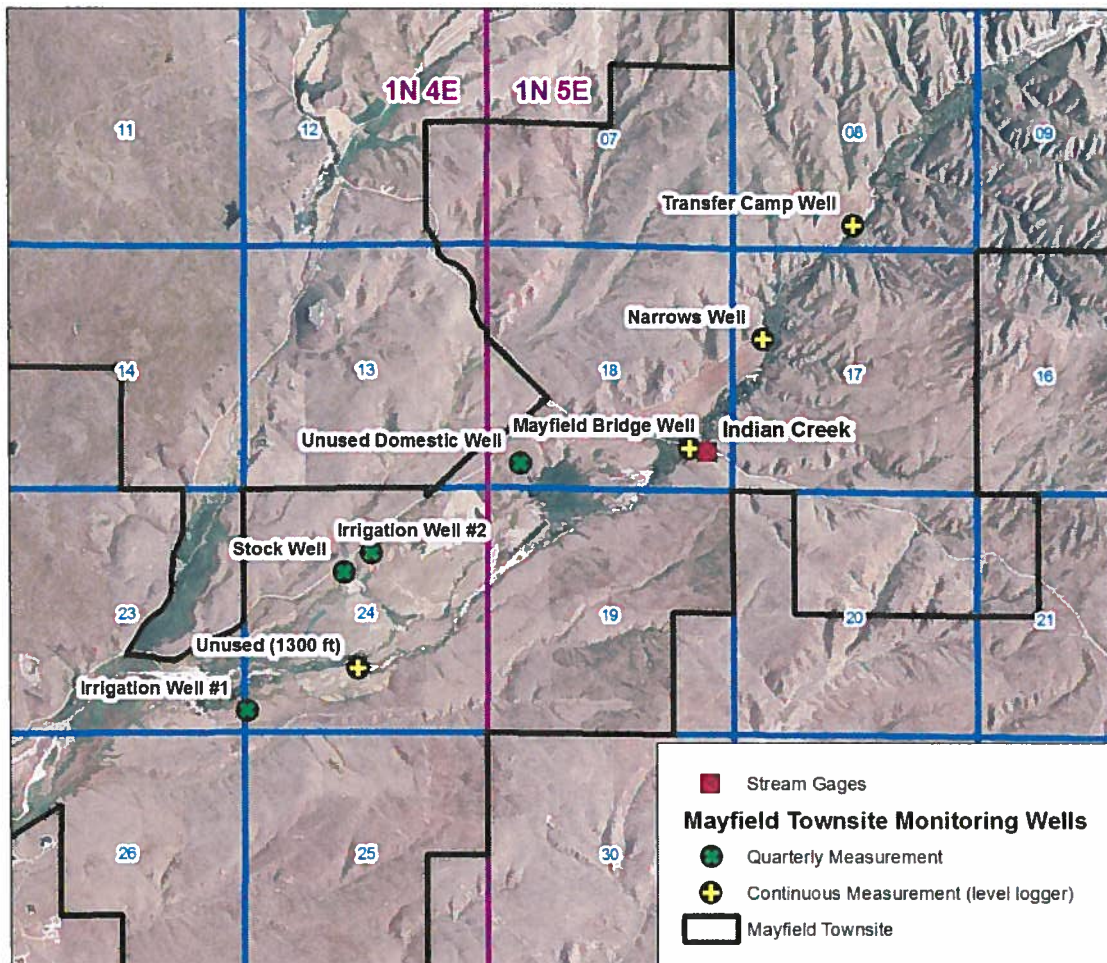


Figure 1: Monitored wells at Mayfield Townsite.

IDWR reports water levels in approximately 25 wells in the vicinity of Mayfield Townsite. All but 6 of these 25 wells include current level data. The level data are reported on IDWR's hydro.online ground water level database. The four Mayfield Townsite wells with loggers and continuous measurements are included in the 25 wells reported.

The USGS has also installed a stream gaging station on Bowns Creek. The location of this station, IDWR's hydro.online wells, and the eight wells reported for Mayfield Townsite are presented in Figure 2.

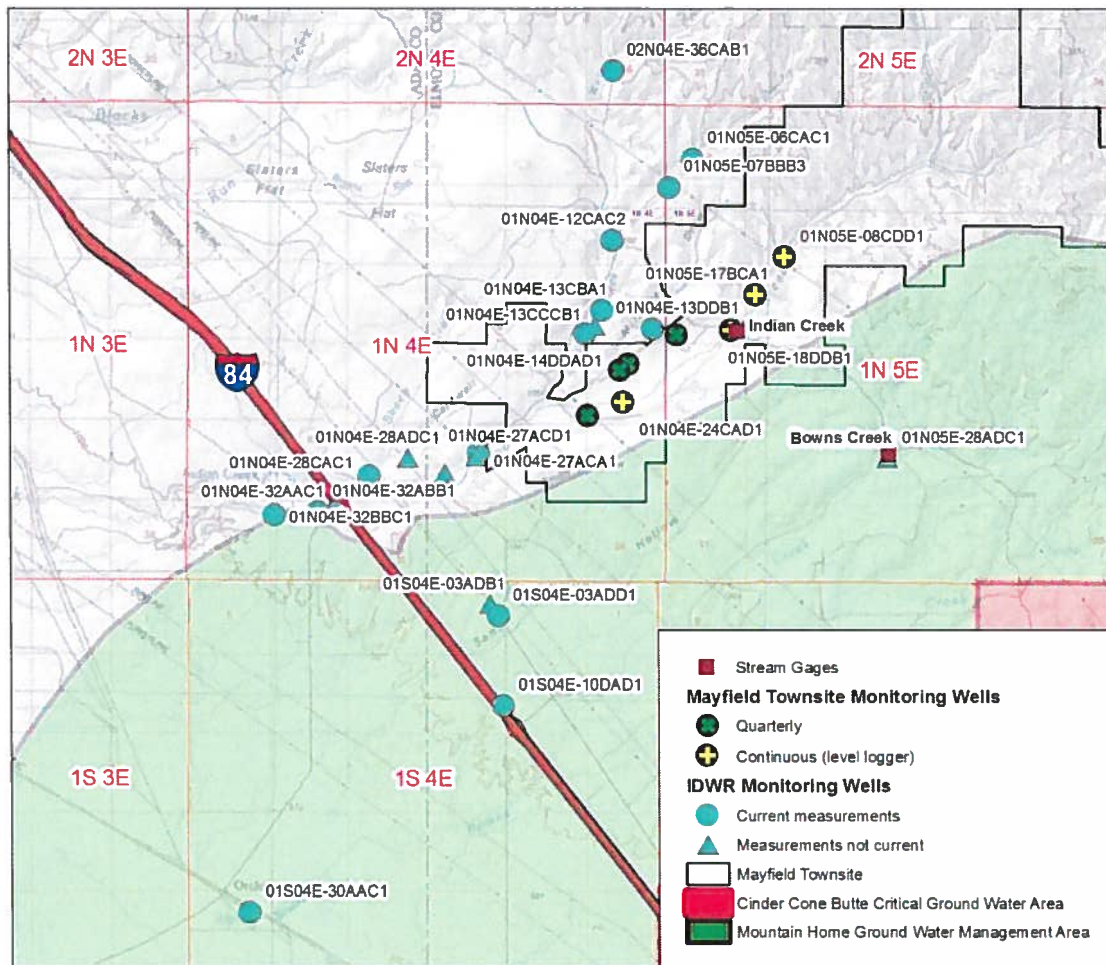


Figure 2: Mayfield Townsite monitoring wells and IDWR water level monitoring network in the vicinity of Mayfield Townsite.