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Form 12-1761-1
06/09

JUN 23 2011

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DEPARTMENT OF
WATER RESOURCESWater Supply Bank No. _____
(for Department use only)STATE OF IDAHO DEPARTMENT OF
WATER RESOURCES BOARDAPPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANKName of Seller/Lessor Telford Lands LLCPhone 1-208-532-4555Mailing address 1850 N 1450 W, Paul, IdahoEmail telfordsunvalleyseed@gmail.com

A. DESCRIPTION OF WATER RIGHT, OR PORTION THEREOF, OFFERED TO THE BANK

If the entire right is for sale or lease, show "ALL" below and skip the remainder of part A. Attach a copy of the water right report.

1. Right Number

Amount (cfs/ac-ft)

Nature of Use

Period of Use

Please see attached spreadsheet.

Total:

2. Source of water Groundwater

tributary to _____

3. Point(s) of Diversion:

Twp	Rge	Sec	Lot	1/4	1/4	1/4	County
Please see attached spreadsheet.							

4. Lands irrigated or place of use:

Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
Please see attached spreadsheet.																			

If the right is for irrigation, show total number of acres offered to the bank.

Total Acres _____

Please see attached spreadsheet.

B. OWNERSHIP

1. Are you currently listed in IDWR's records as the owner of the water right being offered to the bank?

Yes X No _____

If no, provide documentation of your authority to sign on behalf of the right holder OR attach a Notice of Change in Water Right Ownership form along with the required documentation and fee.

2. Is the water right appurtenant to land subject to any liens, deeds of trust, mortgages, or contracts?

No _____ Yes X

If yes, provide a notarized statement from the holder of the lien, deed of trust, mortgage or contract agreeing to the proposed changes and list name of entity: _____

C. GENERAL INFORMATION

1. Please provide a description of the current diversion system.

Water is diverted through pipelines to pivots, handlines, and wheellines.

2. Describe any other water rights used for the same purpose or at the same place of use as described above.

Surface water rights are diverted from the Big Lost River through the Moore Diversion to the same place of use.

3. Will the present place of use continue to receive water from any source?

No ☒ Yes ☐ If yes, describe.

4. Has any portion of this water right undergone a period of five or more consecutive years of non-use?

No ☒ Yes ☐ If yes, describe and attach watermaster records or other evidence to demonstrate that the right has not been lost through abandonment or forfeiture pursuant to Section 42-222(2), Idaho Code.

5. Is this water right involved in any other Department process such as an application for transfer or a mitigation plan?

No ☒ Yes ☐ If yes, describe.

D. SALE/LEASE AGREEMENT

1. Is the water right, or portion thereof, described above offered to the Idaho Water Resource Board for sale or lease:

Sale ☐ Lease ☒

If Lease, for a period from _____ to _____ OR ☒ Indefinite
(Month / Day / Year) (Month / Day / Year)

2. Show the minimum payment acceptable to the Seller/Lessor. The minimum payment may be shown as the "current rental rate" as established by the Idaho Water Resource Board. Include the method of determining the minimum payment if other than the current rental rate. Current rental rate.

I hereby assert that the information contained in this application is true to the best of my knowledge, and that I have the authorities necessary to offer this right for sale or lease to the Idaho Water Resource Board.

The owner/lessor acknowledges the following:

1. Payment to the owner/lessor is contingent upon the sale or rental of the right from the bank.
2. While a right is in the bank, the owner/lessor of the right may not use the right even if the right is not rented from the bank.
3. A right accepted into the bank stays in the bank until the Board releases it or the lease term expires.
4. While a right is in the bank, forfeiture provisions are stayed.
5. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right.

Signature of Applicant

Printed Name and Title*

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

Telford Lands LLC

Point of Diversion

Twn	Rng	Sec	QQQ	QQ	Q
4N	26E	4	NE	NW	NE
4N	26E	4	NW	NW	NE
4N	26E	5	NE	NE	NW
5N	26E	21	SW	NW	NW
5N	26E	29	SE	NW	SE
5N	26E	32	SE	SW	NE
5N	26E	32	SE	NW	SE

Butte County

Period of Use
4/1-11/1

Twn	Rng	Sec	QQQ	QQ	Q	Acres	Water Rights	34-7092	34-7121a	34-7121B	34-7179	34-12376	34-13840	34-13842
4N	25E	36	NE	NE	NE	8.9	34-2330B	34-7077	34-7080B	34-7121a	34-7121B	34-12376	34-13840	34-13842
4N	25E	36	NW	NW	NE	7.4	34-2330B	34-7077	34-7080B	34-7121a	34-7121B	34-12376	34-13840	34-13842
4N	25E	36	SW	SW	NE	7	34-2330B	34-7077	34-7080B	34-7121a	34-7121B	34-12376	34-13840	34-13842
4N	25E	36	SE	SE	NE	8.4	34-2330B	34-7077	34-7080B	34-7121a	34-7121B	34-12376	34-13840	34-13842
4N	25E	36	NE	NE	NW	5.7	34-2330B	34-7077	34-7080B	34-7121a	34-7121B	34-12376	34-13840	34-13842
4N	25E	36	NW	NW	NW	5.5	34-2330B	34-7077	34-7080B	34-7121a	34-7121B	34-12376	34-13840	34-13842
4N	25E	36	SW	SW	NW	5.2	34-2330B	34-7077	34-7080B	34-7121a	34-7121B	34-12376	34-13840	34-13842
4N	25E	36	SE	SE	NW	5.5	34-2330B	34-7077	34-7080B	34-7121a	34-7121B	34-12376	34-13840	34-13842
4N	25E	36	NE	NE	SW	6.2	34-2330B	34-7077	34-7080B	34-7121a	34-7121B	34-12376	34-13840	34-13842
4N	25E	36	NW	NW	SW	6.2	34-2330B	34-7077	34-7080B	34-7121a	34-7121B	34-12376	34-13840	34-13842
4N	25E	36	SW	SW	SW	6.9	34-2330B	34-7077	34-7080B	34-7121a	34-7121B	34-12376	34-13840	34-13842
4N	25E	36	SE	SE	SW	7.3	34-2330B	34-7077	34-7080B	34-7121a	34-7121B	34-12376	34-13840	34-13842
4N	25E	36	NE	NE	SE	8	34-2330B	34-7077	34-7080B	34-7121a	34-7121B	34-12376	34-13840	34-13842
4N	25E	36	NW	NW	SE	7.7	34-2330B	34-7077	34-7080B	34-7121a	34-7121B	34-12376	34-13840	34-13842
4N	25E	36	SW	SW	SE	7.1	34-2330B	34-7077	34-7080B	34-7121a	34-7121B	34-12376	34-13840	34-13842
4N	25E	36	SE	SE	SE	7.4	34-2330B	34-7077	34-7080B	34-7121a	34-7121B	34-12376	34-13840	34-13842
4N	25E	35	NE	NE	NE	8	34-2330B	34-7077	34-7080B	34-7121a	34-7121B	34-12376	34-13840	34-13842
4N	25E	35	NW	NW	NE	7	34-2330B	34-7077	34-7080B	34-7121a	34-7121B	34-12376	34-13840	34-13842
4N	25E	35	SE	SE	NE	7.8	34-2330B	34-7077	34-7080B	34-7121a	34-7121B	34-12376	34-13840	34-13842
4N	25E	35	NE	NE	SE	6.9	34-2330B	34-7077	34-7080B	34-7121a	34-7121B	34-12376	34-13840	34-13842
4N	25E	35	SW	SW	SE	6.4	34-2330B	34-7077	34-7080B	34-7121a	34-7121B	34-12376	34-13840	34-13842
4N	25E	35	SE	SE	SE	7	34-2330B	34-7077	34-7080B	34-7121a	34-7121B	34-12376	34-13840	34-13842
3N	25E	12	NE	NE	NE	6.9	34-2330B	34-7077	34-7080B	34-7121a	34-7121B	34-12376	34-13840	34-13842
3N	25E	12	NW	NW	NE	8.3	34-2330B	34-7077	34-7080B	34-7121a	34-7121B	34-12376	34-13840	34-13842
3N	25E	12	SW	SW	NE	6.6	34-2330B	34-7077	34-7080B	34-7121a	34-7121B	34-12376	34-13840	34-13842

Twn	Rng	Sec	QQQ	QQ	Q	Acres	Water Rights
3N	25E	12	SE	SE	NE	8.9	34-2330B 34-7077 34-7080B 34-7092 34-7121a 34-7121B 34-7179 34-12376 34-13840 34-13842
3N	25E	12	NE	NE	NW	6.2	34-2330B 34-7077 34-7080B 34-7092 34-7121a 34-7121B 34-7179 34-12376 34-13840 34-13842
3N	25E	12	NW	NW	NW	9	34-2330B 34-7077 34-7080B 34-7092 34-7121a 34-7121B 34-7179 34-12376 34-13840 34-13842
3N	25E	12	SW	SW	NW	8.3	34-2330B 34-7077 34-7080B 34-7092 34-7121a 34-7121B 34-7179 34-12376 34-13840 34-13842
3N	25E	12	SE	SE	NW	9.7	34-2330B 34-7077 34-7080B 34-7092 34-7121a 34-7121B 34-7179 34-12376 34-13840 34-13842
3N	25E	12	SE	SE	SW	1.4	34-2330B 34-7077 34-7080B 34-7092 34-7121a 34-7121B 34-7179 34-12376 34-13840 34-13842
3N	25E	12	NE	NE	SE	6.6	34-2330B 34-7077 34-7080B 34-7092 34-7121a 34-7121B 34-7179 34-12376 34-13840 34-13842
3N	25E	12	NW	NW	SE	7.4	34-2330B 34-7077 34-7080B 34-7092 34-7121a 34-7121B 34-7179 34-12376 34-13840 34-13842
3N	25E	12	SW	SW	SE	3.9	34-2330B 34-7077 34-7080B 34-7092 34-7121a 34-7121B 34-7179 34-12376 34-13840 34-13842
3N	25E	12	SE	SE	SE	3.8	34-2330B 34-7077 34-7080B 34-7092 34-7121a 34-7121B 34-7179 34-12376 34-13840 34-13842
3N	26E	17	NW	NW	NW	7.8	34-2330B 34-7077 34-7080B 34-7092 34-7121a 34-7121B 34-7179 34-12376 34-13840 34-13842
3N	26E	17	SW	SW	NW	1.4	34-2330B 34-7077 34-7080B 34-7092 34-7121a 34-7121B 34-7179 34-12376 34-13840 34-13842
3N	26E	18	NE	NE	NE	1	34-2330B 34-7077 34-7080B 34-7092 34-7121a 34-7121B 34-7179 34-12376 34-13840 34-13842
3N	26E	18	NW	NW	NE	11.9	34-2330B 34-7077 34-7080B 34-7092 34-7121a 34-7121B 34-7179 34-12376 34-13840 34-13842
3N	26E	18	SW	SW	NE	4.8	34-2330B 34-7077 34-7080B 34-7092 34-7121a 34-7121B 34-7179 34-12376 34-13840 34-13842
3N	26E	18	SE	SE	NE	0.4	34-2330B 34-7077 34-7080B 34-7092 34-7121a 34-7121B 34-7179 34-12376 34-13840 34-13842
3N	26E	18	NE	NE	NW	2.3	34-2330B 34-7077 34-7080B 34-7092 34-7121a 34-7121B 34-7179 34-12376 34-13840 34-13842
3N	26E	18	SW	SW	NW	0.8	34-2330B 34-7077 34-7080B 34-7092 34-7121a 34-7121B 34-7179 34-12376 34-13840 34-13842
3N	26E	18	NW	NW	SW	5.1	34-2330B 34-7077 34-7080B 34-7092 34-7121a 34-7121B 34-7179 34-12376 34-13840 34-13842
3N	26E	18	NE	NE	SW	0.7	34-2330B 34-7077 34-7080B 34-7092 34-7121a 34-7121B 34-7179 34-12376 34-13840 34-13842
Total						276.7	



October 7, 2009

Aaron Marshall
% Idaho Dept. of Water Resources
PO Box 83720
Boise, Idaho 83720-0098

Dear Mr. Marshall:

Mike Telford a member of Telford Lands, LLC, CIF #55515-441, has notified Farm Credit Services regarding his pending application to lease a portion of his water rights to the Water Supply Bank of the Idaho Department of Water Resources. It is also our understanding that this lease of water rights application needs consent from mortgage holders who have liens on the ground associated with the specific water rights involved. After my discussion with you regarding the benefits to the water rights owner, Farm Credit Services does not object and gives full consent to pursue the completion of the application.

Upon receipt and approval of Mr. Telford's application, would you forward a copy of the completed application to our Burley office of Farm Credit. Should there be any additional questions or concerns, please give me a call.

Sincerely,

A handwritten signature in cursive script, appearing to read "Robert E. Blakeslee".

Robert E. Blakeslee
Relationship Manager
NW Farm Credit Services, Burley

cc: Telford Lands, LLC

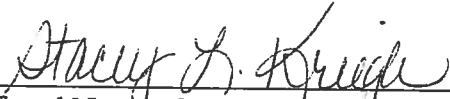


NorthwestSM

State of Idaho)
) ss.
County of Cassia)

On October 7, 2009, before me personally appeared Robert E. Blakeslee, known to me to be an authorized agent of the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same as its free act and deed; and on oath stated that he/she was authorized to execute said instrument.




Printed Name Stacey L. Kriegh
Notary Public for the State of Idaho
Residing at Burley
My commission expires 06-06-2012