

RECEIVED
JAN 06 2012
DEPARTMENT OF
WATER RESOURCES

STATE OF IDAHO
WATER RESOURCE BOARD

Water Supply Bank No. _____
(For Department Use Only)

APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK

Name of Renter Mitchell Sorensen Phone (208) 221-3293

Mailing address 3871 W. 2500 N., Moore, ID 83213 Email _____

A. DESCRIPTION OF WATER SOUGHT FOR RENT

1. <u>Maximum Flow Rate (cfs)</u>	<u>Maximum Volume (ac-ft)</u>	<u>Nature of Use</u>	<u>Period of Use</u>
<u>8.07</u>	_____	<u>Irrigation</u>	<u>04/01</u> to <u>11/01</u>
_____	_____	_____	_____ to _____
_____	_____	_____	_____ to _____
Total: <u>8.07</u>	_____	_____	_____

2. Source of water Big Lost River tributary to _____ Sinks _____

3. Point(s) of Diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
05N	26E	4		NW	SE	SE	Butte

4. Lands to be 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	
03N	25E	11	39.7	40	39.4	38.4	40	40	40	39.6					39.4	39.8	38	37.7	472

If the use is for irrigation, show total number of acres proposed through rental. **Total Acres** 472

B. OWNERSHIP

- 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. The point of diversion is owned by the Big Lost River Irrigation District which enters into transport agreements to carry non-BLRID water rights.
- 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. Proposed place of use is owned by Todd and Norma Perkes. Applicant is currently leasing this property. A copy of this lease is attached.

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.

D. GENERAL INFORMATION

1. Please provide a description of the proposed diversion system. Water will be diverted as needed and available at the Moore Diversion on the Big Lost River. From the Moore Diversion, water will flow through the Moore Canal to the Timber Dome Canal to the Applicant's pump station.
2. Describe any other water rights diverted through the same point(s) of diversion or used for the same purpose(s) as described above. Since the point of diversion is owned by the Big Lost River Irrigation District, many water rights are diverted there.
3. Will the proposed place of use receive water from any other source? Yes ☒ No ☐
If yes, describe. A companion rental application will be filed with this application, which if approved, would allow irrigation of the proposed place of use with Water Right No. 34-7052.
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. _____
6. Was this rental application submitted in response to a Notice of Violation or a pending Notice of Violation? Yes ☐ No ☒
If yes, describe. _____

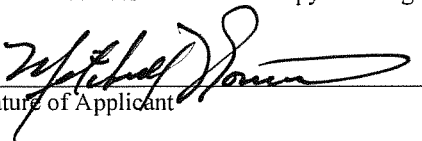
E. RENTAL TERM

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. 1

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

Mitchell D. Sorensen
Printed Name and Title*

JAN. 4, 2012
Date

Signature of Applicant

Printed Name and Title*

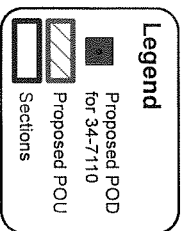
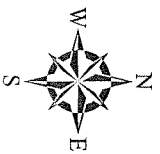
Date

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

Mail to: Idaho Department of Water Resources, P.O. Box 83720, Boise, ID 83720-0098

ATTACHMENT 1

SORENSEN WATER BANK LEASE- Potter Water Rights



2011 NAIP Photo

Prepared by:
Luke H. Marchant
12/30/2011



ATTACHMENT 2

AMENDED CASH FARM LEASE AND OPTION TO PURCHASE

This Amended Agreement modifies and supercedes the CASH FARM LEASE AND OPTION TO PURCHASE Agreement entered into on the 2nd day of May, 2011, by and between M. Todd Perkes and Norma Perkes, husband and wife of 2790 North 3325 West, Moore, Idaho 83255, hereinafter referred to as "LESSOR", and Mitchell D. Sorensen and Elaine R. Sorensen, husband and wife of 3871 West 2500 North, Moore, Idaho 83255, hereinafter referred to as "LESSEE".

For good and valuable consideration, LESSOR agrees to lease to LESSEE, and LESSEE agrees to lease from LESSOR the following described real property located in Butte County, Idaho, hereinafter referred to as the "premises":

The NW, NE, and SE quarter sections of Section 11, T. 3 N., 25 E.B.M., comprising of approximately 480 acres together with the stock water rights and pumping facilities, and one hundred (100%) interest in the pond, pumping station, buried mainline and electrical wires located within Section 11, and existing fences and roads including the right of ingress and egress on the roadway located along the east side of the SE1/4 Section 11, T. 3 N., 25 E.B.M. along with all other improvements located on this property.

1. Term of Lease and Rental.

The term of this Lease shall be for a period of 5 years, commencing in 2011 and ending on December 31, 2015. The annual rental price shall be [REDACTED] for a total of approximately 480 acres, payable in the amount of [REDACTED] on or before May 1 of each year, and [REDACTED] on or before December 1 of each year.

The rental payment for the 2011 year will be the [REDACTED] which has been remitted and received, [REDACTED] to be paid by a Third Party (PU RANCH) directly to the LESSOR, and the balance of second [REDACTED] first by offset of government payments and/or benefits described below, second the cash value of any custom worked performed by the LESSEE on other property owned by LESSOR, and lastly by cash payment at the time of annual settlement between the parties.

The rental payment for the 2012 through 2015 years will be [REDACTED] payable on or before May 1 of each year, and the second [REDACTED] payable first by offset of government payments and/or benefits described below, second the cash value of any custom worked performed by the LESSEE on other property owned by LESSOR, and lastly by cash payment at the time of annual settlement between the parties.

LESSEE shall be entitled to 100% of all government related payments or benefits including but not limited to the assignment of One hundred twenty (120) acres of wheat base and One hundred twenty (120) acres of barley base Direct-Counter-Cyclical Payments, Loan Deficiency Payments, Emergency or NAP Payments or any other subsidy benefits related to the operation of the premises by the LESSEE during the period of this Lease. Lessor shall continue to accept such payments and benefits in Lessor's name and make all necessary reports relevant to government programs. Such government payments and benefits received by Lessor shall subsequently be offset or deducted from the above described October 1 payment due from Lessee.

2. Option to Purchase.

Within 180 days from the expiration of this Lease, the LESSEE shall have the right to exercise the Option to Purchase this property with all improvements and access easements described above. LESSOR and LESSEE agree the terms of the Buy-Sale Agreement will include the purchase price of [REDACTED] per acre for 480 acres totaling [REDACTED] payable in fifteen (15) equal annual payments with the unpaid balance accrual of nine (9%) annual interest. In the event LESSEE elects to prepay the unpaid balance a thirty (30%) penalty shall be applied to the unpaid principal balance.

3. Assignment or Sublease.

LESSEE shall have the right to sublet this property but shall not have the right to assign or sale the purchase option to any person or party other than a direct family member.

4. Improvements.

LESSOR and LESSEE agree the premise is currently non-irrigated pasture. The parties also agree that LESSEE may explore and acquire water rights, irrigation equipment, financing, and other assets and facilities necessary for the irrigation of the premise at LESSEE expense and risk. LESSOR agrees to cooperate and allow LESSEE to pursue such endeavors including the granting of security agreements that may be necessary to construct and install irrigation equipment on the premise.

In the event LESSEE does not exercise the purchase option referenced in this agreement or if the agreement is terminated, LESSOR may elect to purchase from LESSEE all such improvements at fair market values. If LESSOR elects not to purchase such improvements or if fair market values can not be agreed to LESSEE may remove all improvements previously made by LESSEE.

5. Expenses.

LESSOR agrees to pay all real estate taxes. LESSEE shall pay all costs associated with dry pasture grazing and the eventual irrigation of crops if any are grown. If this Lease terminates or expires without LESSEE exercising the purchase option as provided, LESSEE shall plant and re-establish dry pasture vegetation similar to what currently exists.

6. Relationship of Parties

The relationship of the parties hereto is strictly that of landlord and tenant and this Lease shall not be construed as a joint venture or partnership. LESSEE is not and shall not be deemed to be an agent or representative of LESSOR.

7. Applicable Law.

This Lease shall be construed and enforced in accordance with the laws of the State of Idaho.

This Amended Agreement is hereby agreed to and entered into this 13 day of December, 2011.

LESSOR

M. Todd Perkes
M. Todd Perkes

Norma Perkes
Norma Perkes

LESSEE

Mitchell D. Sorensen
Mitchell D. Sorensen

Elaine R. Sorensen
Elaine R. Sorensen