



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

C. L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

October 26, 2011

TELFORD LANDS LLC
C/O MIKE TELFORD
1450 W HWY 24
PAUL ID 83347

RE: APPLICATION TO LEASE PORTIONS OF WATER RIGHT NOS. 34-618, 34-2330B, 34-7077, 34-7080B, 34-7092, 34-7121A, 34-7121B, 34-7179, 34-12376, 34-13659, 34-13661, 34-13840 AND 34-13842 TO THE WATER SUPPLY BANK

Dear Lessor:

The Department of Water Resources ("Department") has completed its review of your applications to lease the above-mentioned water right numbers to the Water Supply Bank ("Bank"). The offered water rights are accepted into the Bank in accordance with the attached Water Supply Bank Lease Acceptance. If you do not agree with the conditions of the Lease Acceptance and would like to withdraw your water rights from the Bank, you must contact the Department within thirty (30) days of receipt of this notification.

The rights will automatically be released from the bank on **December 31, 2014**, unless the rights are released earlier by the Board, or upon request by the lessor. To change the term of the lease or to release the right from the Bank, you must submit a request in writing to the Department prior to the release date.

Please review the conditions of acceptance listed on the Lease Acceptance and contact me at (208) 287-4907 if you have any questions.

Sincerely,

Monica Van Bussum
Sr. Water Resource Agent

Enclosure(s)

c: Lyle Swank – IDWR Eastern Regional Office
Robert L. Harris – Holden Kidwell Hahn & Crapo PLLC