



State of Idaho

DEPARTMENT OF WATER RESOURCES

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June 24, 2011

C. L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

BLISS VALLEY PROPERTIES LLC
756 LYNNMERE DR
THOUSAND OAKS CA 91360

**RE: WATER SUPPLY BANK LEASE APPLICATIONS
WATER RIGHT NOS. 37-810, 37-811, 37-4040
ASSOCIATED RIGHT NOS. 37-4041 and 37-8165**

Dear Applicant:

On September 2, 2009, the Idaho Department of Water Resources (Department) received your application to lease all of water right nos. 37-810, 37-811 and 37-4040 to the Water Supply Bank (Bank). I have been reviewing the applications and it appears we must return them to you unprocessed for two reasons.

First, 37-810, 37-811 and 37-4040 appear to overlap in irrigated place of use (POU) with water right numbers 37-4041 and 37-8165. Applicable portions of the irrigated acreage under 37-4041 and 37-8165 must be placed in the Water Supply Bank to prevent enlargement, according to the Water Supply Bank Rules. I have been in correspondence with your consultant, Greg Sullivan of Brockway Engineering, about what information we will need to ensure enlargement does not take place.

Second, 37-8165 is still considered at issue in the Snake River Basin Adjudication (SRBA). The license was issued for 37-8165 in January 2011 and I anticipate it will not be many months before it is partially decreed. However, until 37-8165 is resolved in the SRBA, we are unable to process these lease applications. When 37-8165 is partially decreed, you may resubmit the lease applications for 37-810, 37-811 and 37-4040, and submit new lease applications for 37-4041 and 37-8165. Applicable fees for 37-4041 and 37-8165 will apply.

Please contact me at (208) 287-4907 if you have any questions.

Sincerely,

Monica Van Bussum
Sr. Water Resource Agent

Enclosures: Lease Applications (copies)

C: Allen Merritt – IDWR Southern Regional Office
Kevin Lakey – Watermaster, Water District 37
Greg Sullivan – Brockway Engineering PLLC