



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 • Website: www.idwr.idaho.gov

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

April 17, 2015

KURT A DRUMHELLER
7270 WILD ROSE DR
VICTOR ID 83455

RE: LEASED WATER RIGHT NO(S). 22-13994 RELEASED FROM THE WATER SUPPLY BANK

Dear Lessor:

On April 1, 2015, the Department of Water Resources (Department) received your request to cancel the existing Water Supply Bank (Bank) Lease Contract executed on June 20, 2011 and release water right(s) 22-13994 from the Bank. **At this time the Department acknowledges that the Bank Lease Contract for 66.5 acres of water right(s) 22-13994 has been canceled releasing the right(s) from the Bank.**

The five (5) year period of nonuse related to forfeiture of a water right shall begin to accrue upon release of the right from the bank or shall continue to accrue if a period of nonuse occurred prior to the lease date of the right to the bank.

You can reapply to lease the water right(s) in the future by submitting new application form(s) from the Department's website at www.idwr.idaho.gov along with applicable fees.

If you have any questions regarding this matter, please contact me at (208) 287-4910.

Sincerely,

for Clay Webster
Water Resource Agent
WSB Process Point of Contact

RECEIVED

APR 01 2015

DEPARTMENT OF
WATER RESOURCES

Department of Water Resources,

I am requesting release of water right # 22-13994 from the Water Supply Bank.

In September 2014, I purchased acreage and the associated water rights.

I have completed and enclosed an IRS form W9 and a Lessor Designation form.

Thank you,

A handwritten signature in black ink, appearing to read "Kurt A. Drumheller". The signature is fluid and cursive, with the first name "Kurt" being the most prominent part.

Kurt A. Drumheller

7270 Wild Rose Dr.

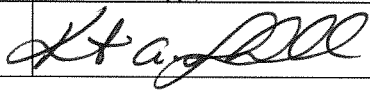
Victor, ID 83455

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

LESSOR DESIGNATION FORM

When multiple individuals or business entities jointly own property to which a water right is appurtenant, the parties can use this form to nominate a designated lessor to represent their common interests on a Water Supply Bank lease contract. The signatures of all water right holders are required on this form to elect a designated lessor. The designated lessor is required to provide a completed IRS Form W-9 to receive any payment associated with the rental of a water right under a Water Supply Bank lease contract. **All correspondence and any financial payment associated with the rental of this water right will be directed to the designated lessor.** If additional space is needed to list any other water right holders, attach a second copy of this Lessor Designation Form.

Water Right No(s). 22 - 13994

	Designated Lessor	Water Right Co-owner	Water Right Co-owner
Name	KURT A. DRUMHELLER	ALISON L. DRUMHELLER	
Mailing Address	7270 WILD ROSE DR. VICTOR, ID 83455	7270 WILD ROSE DR. VICTOR, ID 83455	
Phone Number	(208) 787-2024	(208) 787-2024	
Email Address	kdrumheller@tetonsheriff.org		
Water Right Owner Declaration	As designated lessor, I will represent the interest of all other water right owners on the lease of a water right to the Water Supply Bank.	I authorize the designated lessor to represent me on the lease of a water right to the Water Supply Bank.	I authorize the designated lessor to represent me on the lease of a water right to the Water Supply Bank.
Signature			

	Water Right Co-owner	Water Right Co-owner	Water Right Co-owner
Name			
Mailing Address			
Phone Number			
Email Address			
Water Right Owner Declaration	I authorize the designated lessor to represent me on the lease of a water right to the Water Supply Bank.	I authorize the designated lessor to represent me on the lease of a water right to the Water Supply Bank.	I authorize the designated lessor to represent me on the lease of a water right to the Water Supply Bank.
Signature			

**STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
WATER SUPPLY BANK LEASE ACCEPTANCE**

This is to certify that: BC PROPERTIES LLC
PO BOX 28
DRIGGS ID 83422
(208) 705-0859

has requested to lease the water right(s) listed below to the Water Supply Bank ("Bank"). The Idaho Water Resource Board ("Board") being authorized to operate a bank and to contract by and through the Director of the Idaho Department of Water Resources ("Director", "Department") the acquisition of water rights for the Board's Bank, agrees to lease the water right to the Bank as follows:

Summary of Water Rights or Portions Leased to the Bank

	Water Right	Lease Rate	Lease Volume	Acre Limit	Total Leased Acres
	22-13994	0.35 CFS	66.5 AF	NA	19.0 AC
COMBINED LEASE TOTALS:		0.35 CFS	66.5 AF	NA	19.0 AC

**RELEASED
APR 01 2015**

TERM OF LEASE:

Lease Begin Date: May 23, 2011

Expiration Date: December 31, 2015

RENTAL AVAILABILITY:

Season of Use: April 15 to October 15 annually

MINIMUM PAYMENT ACCEPTABLE:

Current Rental Rate

Detailed Lease Acceptance attached.

Dated this 20th day of June, 20 11


GARY SPACKMAN, Interim Director
Department of Water Resources

**SCANNED
JUN 20 2011**

**STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
WATER SUPPLY BANK LEASE ACCEPTANCE**

This is to certify that: BC PROPERTIES LLC
PO BOX 28
DRIGGS ID 83422
(208) 705-0859

has requested to lease the water right(s) listed below to the Water Supply Bank ("Bank"). The Idaho Water Resource Board ("Board") being authorized to operate a bank and to contract by and through the Director of the Idaho Department of Water Resources ("Director", "Department") the acquisition of water rights for the Board's Bank, agrees to lease the water right to the Bank as follows:

Summary of Water Rights or Portions Leased to the Bank

	Water Right	Lease Rate	Lease Volume	Acre Limit	Total Leased Acres
	22-13994	0.35 CFS	66.5 AF	NA	19.0 AC
COMBINED LEASE TOTALS:		0.35 CFS	66.5 AF	NA	19.0 AC

TERM OF LEASE:

Lease Begin Date: May 23, 2011

Expiration Date: December 31, 2015

RENTAL AVAILABILITY:

Season of Use: April 15 to October 15 annually

MINIMUM PAYMENT ACCEPTABLE:

Current Rental Rate

Detailed Lease Acceptance attached.

Dated this 20th day of June, 2011


for GARY SPACKMAN, Interim Director
Department of Water Resources

**WATER RIGHT NO. 22-13994
WATER SUPPLY BANK LEASE ACCEPTANCE**

The water right or portion thereof leased to the bank is described as follows:

Lessor: BC PROPERTIES LLC
PO BOX 28
DRIGGS ID 83422
(208) 705-0859

Priority Date: 01/08/1991

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/15	to 10/15	0.35 CFS	66.5 AF
	Total:		0.35 CFS	66.5 AF

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER SW¼NE¼ Sec. 5 Twp 05N Rge 45E TETON County

PLACE OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
05N	45E	5									19								19

Total Acres: 19.0

CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, the lease term expires, or upon request from the lessor to change the term of the lease.
5. While a water right is in the bank, forfeiture provisions are stayed.
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.
8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other department application process.
9. In accordance with Idaho Code § 42-248 and 42-1409(6), all owners of water rights are required to notify the department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.

**WATER RIGHT NO. 22-13994
WATER SUPPLY BANK LEASE ACCEPTANCE**

CONDITIONS OF ACCEPTANCE

10. Upon acceptance of a water right into the Board's water supply bank, the owner of the right may withdraw the right within thirty (30) days of acceptance into the bank if the owner does not agree with the conditions of acceptance.
11. If the surface water right(s) appurtenant to the place of use is abandoned, forfeited, sold, transferred, leased or used on any other place of use, this right to divert ground water shall not be used without an approved transfer pursuant to Section 42-222, Idaho Code, or approval of the Department if a transfer is not required.
12. The right holder shall make full beneficial use of all surface water rights available to the right holder for irrigation of the lands authorized to be irrigated under this right. The right holder shall limit the diversion of ground water under this right to those times when the surface water supply is not available or the surface water supply is not reasonably sufficient to irrigate the place of use authorized under this right.
13. This right when combined with all other rights shall provide no more than .02 cfs per acre nor exceed a combined annual diversion volume of 66.5 af for the lands above.
14. The use of water under this right shall not give rise to any claim against the holder of a senior water right based upon the theories of forfeiture, abandonment, adverse possession, waiver, equitable estoppel, estoppel by laches or customary preference.
15. The Director retains jurisdiction of the right to incorporate the use into a water district, require streamflow augmentation or other action needed to protect prior surface water and groundwater rights.

The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.