



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

April 8, 2011

C. L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

LAMBERT PRODUCE CO INC
DOUBLE C FARMS
203 E 1100 S
BURLEY ID 83318

**RE: APPLICATION TO LEASE AND RENT WATER RIGHT NO(S). 45-2254A, 45-2382
AND 45-2520 TO THE WATER SUPPLY BANK**

Dear Applicant:

The Department of Water Resources ("Department") has completed its review of your applications to lease and rent 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 Acceptances. If you do not agree with the conditions of the Lease Acceptance and would like to withdraw your water right 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 **November 16, 2011**.

I have enclosed Water Supply Bank Rental Agreement for your review and signatures. Upon signature and return of the original agreements, together with the rental fees described below, the Department will also sign the original agreement and return an executed copy to you. Execution of the agreement and compliance with the conditions of approval authorize diversion and use of water as provided in the agreement.

The rental fees were calculated based on the current rental rate of \$14.00 per acre-foot times the diversion volume. The total fees due are \$3,847.20.

Please send a check made payable to the Idaho Department of Water Resources, together with the signed rental agreement, to my attention within 14 days so I can complete the processing.

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

Sincerely,

Monica Van Bussum
Sr. Water Resource Agent

Enclosure(s)

c: Allen Merritt – IDWR Southern Regional Office
Brian Higgs – Watermaster, Water District 140
John Marshall – John Marshall Law PLLC

**STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
WATER SUPPLY BANK RENTAL AGREEMENT**

This is to certify that: LAMBERT PRODUCE CO INC
DOUBLE C FARMS
203 E 1100 S
BURLEY ID 83318
(208) 678-2668

filed an application to rent water from 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") for rental of water from the Bank agrees to rent water as follows:

Summary of Water Rights or Portions Rented from the Bank

<u>Water Right</u>	<u>Rented Rate</u>	<u>Annual Rented Volume</u>	<u>Total Rented Acres</u>
45-2254A	2.60 CFS	880 AF	220 AC
45-2382	1.96 CFS	488 AF	122 AC
45-2520	4.25 CFS	1380 AF	345 AC

COMBINED RENTAL TOTALS:	8.81 CFS	2748 AF	687 AC
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TERM OF RENTAL: March 15, 2011 through November 15, 2011

RENTAL FEE: \$38,472.00 annually

The total fee for rental of the above-described water is \$ 38,472.00. The undersigned renter is also the lessor under this agreement, and is therefore obligated to pay only the administrative fee of \$ 3,847.20 annually.

Detailed water right specific limitations and conditions attached.

The undersigned renter agrees to use the water rented under this agreement in accordance with the Water Supply Bank rules and in compliance with the limitations and conditions of use described in this agreement:

Dated this _____ day of _____, 20_____.

By: _____
(Print Name) (Signature)

(Title if on behalf of company or organization)

Having determined that this agreement satisfies the provisions of Idaho Code § 42-1763 and IDAPA 37.02.03.030 (Water Supply Bank Rule 30), for the rental and use of water under the terms and conditions herein provided, and none other, I hereby execute this Rental Agreement on behalf of the Idaho Water Resource Board this ____ day of _____, 20_____.

GARY SPACKMAN, Interim Director
Department of Water Resources

**WATER RIGHT NO. 45-2254A
WATER SUPPLY BANK RENTAL AGREEMENT
CONDITIONS OF WATER USE**

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. Rental of the specified right from 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.
3. Measurement condition if applicable (see below).
4. Use of water under this agreement does not constitute a dedication of the water to renter's place of use and upon expiration of this agreement, the points of diversion and place of use of the water shall revert to those authorized under the water right and/or again be available to rent from the bank.
5. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
6. This rental agreement does not authorize the construction of a well.
7. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.
8. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
9. Renter agrees to hold the Board, the Director and the state of Idaho harmless from all liability on account of negligent acts of the renter while using water.
10. Renter acknowledges and agrees that 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.
11. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
12. The renter must diligently pursue a permanent water right to provide for the uses authorized under this rental agreement.
13. Use of water under this agreement will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 140.

**WATER RIGHT NO. 45-2382
WATER SUPPLY BANK RENTAL AGREEMENT
CONDITIONS OF WATER USE**

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. Rental of the specified right from 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.
3. Measurement condition if applicable (see below).
4. Use of water under this agreement does not constitute a dedication of the water to renter's place of use and upon expiration of this agreement, the points of diversion and place of use of the water shall revert to those authorized under the water right and/or again be available to rent from the bank.
5. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
6. This rental agreement does not authorize the construction of a well.
7. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.
8. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
9. Renter agrees to hold the Board, the Director and the state of Idaho harmless from all liability on account of negligent acts of the renter while using water.
10. Renter acknowledges and agrees that 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.
11. The renter must diligently pursue a permanent water right to provide for the uses authorized under this rental agreement.
12. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
13. Use of water under this agreement will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 140.

**WATER RIGHT NO. 45-2520
WATER SUPPLY BANK RENTAL AGREEMENT
CONDITIONS OF WATER USE**

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. Rental of the specified right from 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.
3. Measurement condition if applicable (see below).
4. Use of water under this agreement does not constitute a dedication of the water to renter's place of use and upon expiration of this agreement, the points of diversion and place of use of the water shall revert to those authorized under the water right and/or again be available to rent from the bank.
5. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
6. This rental agreement does not authorize the construction of a well.
7. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.
8. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
9. Renter agrees to hold the Board, the Director and the state of Idaho harmless from all liability on account of negligent acts of the renter while using water.
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11. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
12. Use of water under this agreement will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 140.