



Rocky Mountain
ENVIRONMENTAL™
ASSOCIATES, INC.

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JUN 15 2009

DEPARTMENT OF
WATER RESOURCES

June 8, 2009

RMEA 09-0047

Idaho Department of Water Resources
Attn: Aaron Marshall
322 E Front Street
PO Box 83720
Boise, ID 83720-0098

Re: Water Banking Applications for Blue Indian HOA Inc

Dear Aaron,

The Blue Indian Subdivision in Teton County is proposing to excavate a small fire protection pond to be maintained through a domestic well. Due to the length of time it would require to fill the lined pond under a domestic exemption, the HOA is seeking an alternative method.

Two irrigation water rights (22-2125 and 22-2137) out of Horseshoe Creek, which is tributary to the Teton River, are appurtenant to the property. The applicants are proposing to lease 1 acre of water right 22-2137, or 0.02 cfs and 3.5 AF into the Water Supply Bank, and to rent 1.0 AF and 0.02 cfs from this water right for storage in the pond. Find enclosed an Application to Sell or Lease a Water Right to the Water Supply Bank and a companion Application to Rent Water From the Water Supply Bank.

The water rights are currently not in the name of the Blue Indian Homeowners Association Inc. Enclosed is a change of ownership form for both water rights with the required documentation.

Sincerely,

Kristin Moore
Water Rights Analyst

Attachment(s): Application to Sell or Lease a Water Right to the Water Supply Bank
Application to Rent Water From the Water Supply Bank
Notice of Change in Water Right Ownership Form
Special Warranty Deed for Water Right to Blue Indian HOA
Articles of Incorporation of Blue Indian Homeowners Association
Warranty Deed to Surprise Valley Holdings, LLC
Warranty Deed to The Kem C Gardner Family partnership, LTD, et al

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DEPARTMENT OF
WATER RESOURCES

Water Supply Bank No. _____

Water Right No. _____

Form 42-1761
01/03

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANK

Name of Seller/Lessor Blue Indian Homeowners Association Inc Phone (208) 399-8080

Post Office Address PO Box 1601, Driggs, ID 83422

c/o Rocky Mountain Environmental Associates, Inc.

482 Constitution, Ste 303

Idaho Falls, ID 83402

(208) 524-2353

Fax (208) 524-1795

1. DESCRIPTION OF WATER RIGHT:

Right evidenced by:

a. Decree No. ____ Decreed to ____

in case of ____ vs.

dated ____ in ____ county of

b. License No. 22-2137 issued by the Idaho Department of Water Resources.

c. Permit No. ____ issued by the Idaho Department of Water Resources.

2. DESCRIPTION OF PORTION OF RIGHT FOR SALE OR LEASE *(If the entire right is for sale or lease show "all" on line a. below and skip the remainder of part 2).*

a. Amount of water under right: 0.02 cubic feet per second &/or 3.5 acre-feet per annum

b. Point of Diversion: NE 1/4 NW 1/4 of Section 27 Township 5N Range 44E B.M., in TETON

County.

Additional points: ____.

c. Place of use:

Water Supply Bank No. _____

Water Right No. _____

Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Totals
			NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	
5N	44E	26																1	1

If right is for irrigation, show the number of acres for the part of the right to be put in the bank

Total number of Acres 1

3. ADDITIONAL INFORMATION ABOUT RIGHT, OR PORTION THEREOF, FOR SALE OR LEASE.

a. Explain how the seller/lessor acquired the right, or portion thereof, and attach a copy of the deed to the land to which it is appurtenant or other evidence of ownership of the right. If the right is not recorded in the name of the seller/lessor, attach a copy of a change of ownership form as required by Sec 42-248 or 42-1409(6), Idaho Code, together with required documentation.

Lessor purchased the property to which the water right is appurtenant. Attached is a Change of Ownership form in addition to a Chain of Title.

b. Describe the frequency of water use under the right, or portion thereof, during the past five (5) years of use. Attach watermaster records, pumping power bill, or other evidence to demonstrate that the right has not been lost through abandonment or forfeiture. (This information is not required if a partial decree has been issued on the right within the last 5 years).

Adjudication Recommendation that has not yet been partially decreed. Water right has been used every year.

c. If the right is from a surface water source, describe the period of the year that water is typically available to satisfy the right.

Water is typically available throughout the entire irrigation season.

Water Supply Bank No. _____

Water Right No. _____

- d. Describe any other water rights with the same purpose and place of use as the right, or portion thereof, offered for lease. Will the present place of use continue to receive water from any source?

Water right 22-2125 is combined with this water right on the place of use. It also shares the same point of diversion. However, 22-2125 is limited in acres and will not be affected with this lease.

- e. If the water is a permit, describe the work accomplished toward developing the right.

_____.

- f. If the right to the use of the water or the use of the diversion works or irrigation system is represented by shares of stock in a company or corporation, or if such works or system is owned or managed by an irrigation district, a written consent of the sale or lease must be attached.

4. REMARKS:

This water right is being leased into the bank with the intention that the Lessor will also rent this right for filling a fire pond within Blue Indian Subdivision. A companion Application to Rent Water from the Water Supply Bank is being submitted simultaneously.

Water Supply Bank No. _____

Water Right No. _____

5. SALE/LEASE AGREEMENT:

1. The water right, or portion thereof, described above is offered to the Idaho Water Resource Board:

_____ For Sale;

X For lease for a period from 4/15/2009 to 10/31/2009
(Day, Month, Year) (Day, Month Year)

(The lease period may be shown as "indefinite", if the total duration of the lease is unknown); or

_____ As a gift to the state of Idaho

2. Show the minimum payment acceptable to the Seller/Lessor. Include the method of determining the minimum payment. The minimum payment may be shown as the "current rental rate".

Current Rental Rate

I hereby assert that the information contained in the application is true to the best of my knowledge, and that I have the authority necessary to offer this right for sale or lease to the Idaho Water Resource Board.

The owner/lessor acknowledges the following:

1. Payment to the owner/lessor is contingent upon the sale or rental of the right from the bank.
2. While a right is in the bank, the owner of the right may not use the right even if the right is not rented.
3. A right accepted into the bank stays in the bank until the Board releases it or until the lease term expires.
4. While a water right is in the bank, forfeiture provisions are stayed.
5. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right.

5-25-2009
Date

Matthew Hill
Signature

FOR DEPARTMENT USE ONLY

Received by _____ Date _____ Prelim check by _____ Fee _____

Watermaster recommendation requested on _____ Received _____

Recommended for _____ approval _____ denial By _____

No. C 182991	Due no later than May 31, 2010 Annual Report Form		2. Registered Agent and Address (NO PO BOX)			
Return to: SECRETARY OF STATE 700 WEST JEFFERSON PO BOX 83720 BOISE, ID 83720-0080 NO FILING FEE IF RECEIVED BY DUE DATE	1. Mailing Address: Correct in this box if needed. BLUE INDIAN HOMEOWNERS ASSOCIATION INC. MATTHEW B HAIL PO BOX 1601 DRIGGS ID 83422 USA		MATTHEW HAIL 240 GARNET AVE DRIGGS ID 83422			
			3. <u>New</u> Registered Agent Signature:*			
4. Corporations: Enter Names and Business Addresses of President, Secretary, Directors and(optional) Treasurer.						
Office Held	Name	Street or PO Address	City	State	Country	Postal Code
PRESIDENT	MATTHEW B HAIL	240 GARNET AVE.	DRIGGS	ID	USA	83422
DIRECTOR	PETER HATCHER	PO BOX 3071	ALPINE	WY	USA	83128
DIRECTOR	KENT CORNELISON	PO BOX 50243	IDAHO FALLS	ID	USA	83405
5. Organized Under the Laws of: ID C 182991		6. Annual Report must be signed.* Signature: Matthew Hail Name (type or print): Matthew Hail Date: 03/16/2010 Title: President				
Processed 03/16/2010		* Electronically provided signatures are accepted as original signatures.				



22-13355

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**GIS Place of Use Illustration
1987/1988 NAPP Photography
Prepared by: A. Ruberry
Date: March 2005**





