



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

October 27, 2010

C. L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

LARRY KEMP
SYNDEE KEMP
LARRY KEMP FAMILY LTD PARTNERSHIP
2600 N RIVER STONE CIR
POCATELLO ID 83204

**RE: APPLICATION TO LEASE ALL OF WATER RIGHT NO(S). 29-13240 AND 29-13241
TO THE WATER SUPPLY BANK**

Dear Lessors:

The Department of Water Resources ("Department") has completed its review of your application to lease water right nos. 29-13240 and 29-13241 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 right will automatically be released from the bank on **December 31, 2015**, unless the right is released earlier by the Board, or upon request by the lessor. To change the term of the lease or to release the rights 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 if you have any questions at (208) 287-4907.

Sincerely,

Monica Van Bussum
Sr. Water Resource Agent

Enclosure(s)

c: Lyle Swank – IDWR Eastern Regional Office
Steve Hebdon – Watermaster, Water District 29
Randy Budge – Racine Olson Nye Budge & Bailey Chartered

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

This is to certify that: LARRY KEMP
SYNDEE KEMP
LARRY KEMP FAMILY LTD PARTNERSHIP
2600 N STONE RIVER CIR
POCATELLO ID 83204
(208) 237-0224

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
29-13240	0.22 CFS	44 AF	NA	11 AC
29-13241	0.30 CFS	60 AF	NA	15 AC
COMBINED LEASE TOTALS:	0.52 CFS	104 AF	NA	25 AC

TERM OF LEASE:

Lease Begin Date: August 16, 2010

Expiration Date: December 31, 2015

RENTAL AVAILABILITY:

Season of Use: Dictated by rental

MINIMUM PAYMENT ACCEPTABLE:

Current Rental Rate

Detailed Lease Acceptance attached.

Dated this 26th day of October, 2010



GARY SPACKMAN, Interim Director
Department of Water Resources

WATER RIGHT NO. 29-13240 **WATER SUPPLY BANK LEASE ACCEPTANCE**

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

Lessor: LARRY KEMP
 SYNDEE KEMP
 LARRY KEMP FAMILY LTD PARTNERSHIP
 2600 N STONE RIVER CIR
 POCA TELLO ID 83204
 (208) 237-0224

Priority Date: 02/26/1869

Source: PORTNEUF RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/01	to 10/31	0.22 CFS	44 AF
	Total:		0.22 CFS	44 AF

LOCATION OF POINT(S) OF DIVERSION:

PORTNEUF RIVER SE¼SE¼NW¼ Sec. 21 Twp 07S Rge 35E BANNOCK 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	
07S	23E	21								11									11

Total Acres: 11

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 other department application process.

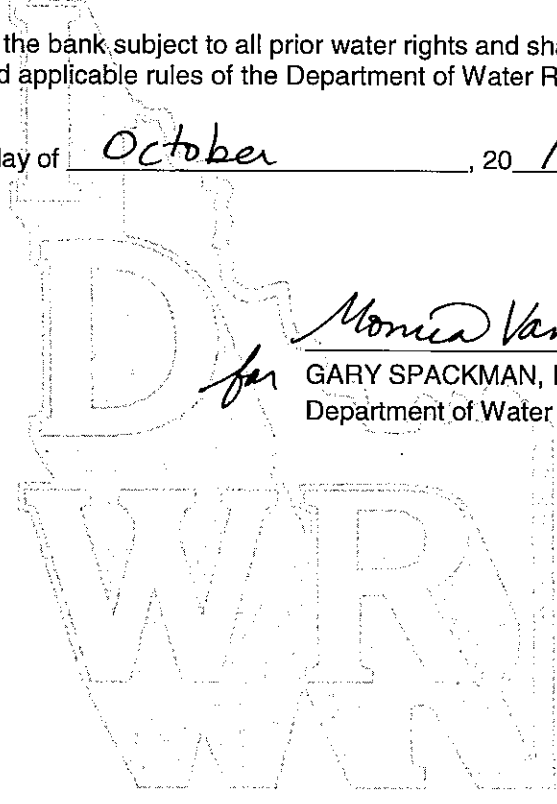
WATER RIGHT NO. 29-13240
WATER SUPPLY BANK LEASE ACCEPTANCE

CONDITIONS OF ACCEPTANCE

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.
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. Diversion of water under this right is limited to those times water is available for this diversion under this right and priority from the original source, Mink Creek.

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.

Dated this 26th day of October, 20 10



for GARY SPACKMAN, Interim Director
Department of Water Resources

WATER RIGHT NO. 29-13241
WATER SUPPLY BANK LEASE ACCEPTANCE

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

Lessor: LARRY KEMP
 SYNDEE KEMP
 LARRY KEMP FAMILY LTD PARTNERSHIP
 2600 N STONE RIVER CIR
 POCA TELLO ID 83204
 (208) 237-0224

Priority Date: 02/26/1869

Source: PORTNEUF RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/01	to 10/31	0.30 CFS	60 AF
	Total:			0.30 CFS
				60 AF

LOCATION OF POINT(S) OF DIVERSION:

PORTNEUF RIVER SE¼SE¼NW¼ Sec. 21 Twp 07S Rge 35E BANNOCK 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	
07S	23E	21								15									15

Total Acres: 15

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.
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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 other department application process.

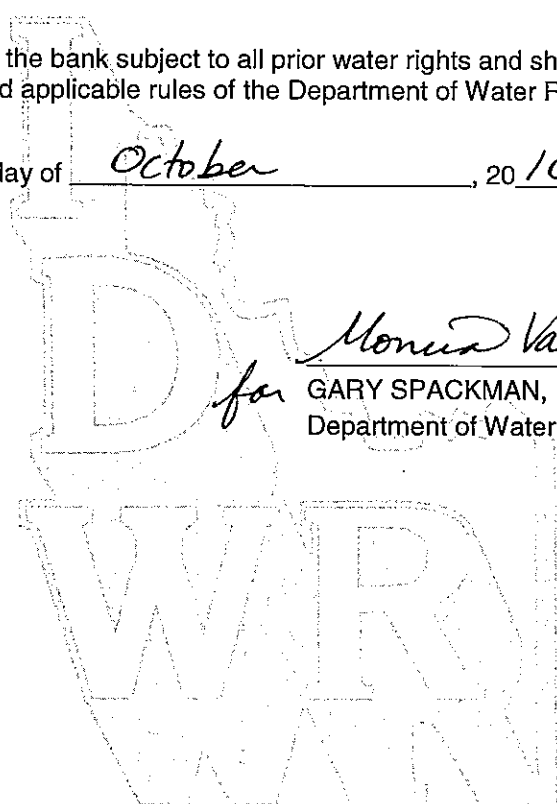
WATER RIGHT NO. 29-13241
WATER SUPPLY BANK LEASE ACCEPTANCE

CONDITIONS OF ACCEPTANCE

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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. Diversion of water under this right is limited to those times water is available for this diversion under this right and priority from the original source, Mink Creek.

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.

Dated this 26th day of October, 2010


for Monica Van Buren
GARY SPACKMAN, Interim Director
Department of Water Resources