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JUN 14 2010

**DEPARTMENT OF
WATER RESOURCES**

May 21, 2010

Aaron Marshall
Idaho Department of Water Resources
P.O. Box 83720
Boise, ID 83720-0098

Re: Blue Gulch Farms

Dear Mr. Marshall:

It is desired by Standlee Family Limited Partnership to lease 220.3 acres of water to the Idaho Water Supply Bank. The 220.3 acres will be leased from water rights 51-13007, 51-13008, 51-13035 and 51-13037. All four of these water rights were decreed in 2007. The 220.3 acres identified to be leased will not be irrigated and are identified by the attached maps. These rights are to be included in a large 5196 acre PPU that will be created with a transfer that will soon be submitted to IDWR. The 3907.8 acre POU within the 5196 acre PPU will be reduced by 220.3 acres.

It is further desired by Standlee Family Limited Partnership to rent from the Idaho Water Supply Bank an amount of 504 acre-feet annually to irrigate 126 acres. The 126 acres are owned by a Mr. Ed Aregues in which Standlee Family Limited Partnership has an agreement to irrigated 126 acres with water owned by Standlee Family Limited Partnership.

All water rights involved will have current ownership names changed to Standlee Family Limited Partnership with the pending transfer application.

Please copy our office on all correspondence regarding this application. Thank you for your assistance and if you have questions or comments, please don't hesitate to call.

Sincerely,

Greg Sullivan, M.S., E.I.T.

Cc: Standlee Family Limited Partnership
Enc: Lease Applications, Rental Application, Aerial Maps, Exhibit A, Irrigation Agreement



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

C. L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

June 15, 2010

Standlee Family Partnership LLC
826 S 1700 E
Eden, ID 83325

**RE: APPLICATION(S) TO LEASE WATER RIGHT NO(S). 51-13007, 51-13008, 51-13035
AND 51-13037 TO THE WATER SUPPLY BANK**

Dear Applicant:

The Idaho Department of Water Resources (Department) acknowledges receipt of your application(s) to lease the above referenced water right(s) to the Idaho Water Resource Board's Water Supply Bank (Bank). The Department will review your application as resources allow. If the application(s) is not processed prior to the end of the proposed lease period, it will be returned to the applicant. The Department regrets any inconvenience caused by the delay. *df*

Please note that a water right is not protected from forfeiture unless it is accepted into the Bank or unless an exception or defense to forfeiture applies as described under Idaho Code § 42-223. If forfeiture is a concern, you may also consider filing an Application for Extension of Time to Avoid Forfeiture of a Water Right. This and other water right forms are available from the Department's web site at:

<http://www.idwr.idaho.gov/>

Sincerely,

Christine Field for

Aaron Marshall
Sr. Water Resource Agent
(208) 287-4943
aaron.marshall@idwr.idaho.gov

CC: Brockway Engineering

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Form 42-1761-1
06/09

JUN 14 2010

DEPARTMENT OF
WATER RESOURCESWater Supply Bank No. _____
(for Department use only)STATE OF IDAHO
WATER RESOURCE BOARDAPPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANKName of Seller/Lessor Standlee Family Limited Partnership Phone 208-825-5117Mailing address 826 South 1700 East Eden, ID 83325 Email _____

A. DESCRIPTION OF WATER RIGHT, OR PORTION THEREOF, OFFERED TO THE BANK

If the entire right is for sale or lease, show "ALL" below and skip the remainder of part A. Attach a copy of the water right report.

1. Right Number	Amount (cfs/ac-ft)	Nature of Use	Period of Use
<u>51-13008</u>	<u>1.7/290.8</u>	<u>Irrigation</u>	<u>4/01</u> to <u>10/31</u>
			to _____
			to _____
Total: <u>1.7/290.8</u>			

2. Source of water Ground Water tributary to _____

3. Point(s) of Diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
10S	12E	01			SE	SE	Twin Falls

4. Lands irrigated or place of use:

Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
09S	12E	24	6.5			7.1									8.0				21.6
09S	13E	19		9.8	9.1		26.4	0.3	0.4	26.7									72.7

If the right is for irrigation, show total number of acres offered to the bank. Total Acres 94.3

*

B. OWNERSHIP

1. Are you currently listed in IDWR's records as the owner of the water right being offered to the bank?

Yes X No _____ If no, provide documentation of your authority to sign on behalf of the right holder OR
attach a Notice of Change in Water Right Ownership form along with the required documentation and fee.

2. Is the water right appurtenant to land subject to any liens, deeds of trust, mortgages, or contracts?

No _____ Yes X If yes, provide a notarized statement from the holder of the lien, deed of trust, mortgage or contract
agreeing to the proposed changes and list name of entity: Northwest Farm Credit Services, FLCA

C. GENERAL INFORMATION

1. Please provide a description of the current diversion system.
Existing wells, pumps and piping
2. Describe any other water rights used for the same purpose or at the same place of use as described above.
A large 5196 acre PPU is being created to include this water right.
Allowed irrigation within 3907.8 acre PPU will be reduced by 94.3 acres
3. Will the present place of use continue to receive water from any source?
No ☒ Yes ☐ If yes, describe.
4. Has any portion of this water right undergone a period of five or more consecutive years of non-use?
No ☒ Yes ☐ If yes, describe and attach watermaster records or other evidence to demonstrate that the right has not been lost through abandonment or forfeiture pursuant to Section 42-222(2), Idaho Code.
5. Is this water right involved in any other Department process such as an application for transfer or a mitigation plan?
No ☐ Yes ☒ If yes, describe.
A large 5196 acre PPU is being created to enable better management.

D. SALE/LEASE AGREEMENT

1. Is the water right, or portion thereof, described above offered to the Idaho Water Resource Board for sale or lease:
Sale ☐ Lease ☒
If Lease, for a period from _____ to _____ OR ☒ Indefinite
(Month / Day / Year) (Month / Day / Year)
2. Show the minimum payment acceptable to the Seller/Lessor. The minimum payment may be shown as the "current rental rate" as established by the Idaho Water Resource Board. Include the method of determining the minimum payment if other than the current rental rate. Current rental rate

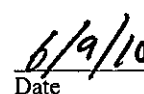
I hereby assert that the information contained in this application is true to the best of my knowledge, and that I have the authorities necessary to offer this right for sale or lease to the Idaho Water Resource Board.

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/lessor of the right may not use the right even if the right is not rented from the bank.
3. A right accepted into the bank stays in the bank until the Board releases it or the lease term expires.
4. While a 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.


Signature of Applicant


Printed Name and Title*


Date

Signature of Applicant

Printed Name and Title*

Date

*Please provide title of signatory if signing on behalf of a company or organization or with power of attorney