



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 20, 2010

C. L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

STANDLEE FAMILY PARTNERSHIP LLC
STANDLEE FAMILY LTD PARTNERSHIP
M & W KMA LLC
826 S 1700 E
EDEN ID 83325

RE: WATER SUPPLY BANK APPLICATIONS TO LEASE 51-13005, 51-13006, 51-13007, 51-13008, 51-13011, 51-13014, 51-13035 AND 51-13037, AND RENT 51-13007 AND 51-13008

Dear Lessors/Renters:

The Department of Water Resources ("Department") has completed its review of your applications to lease water right nos. 51-13007, 51-13008, 51-13035 and 51-13037 to the Water Supply Bank ("Bank"). These rights are accepted into the Bank in accordance with the enclosed 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.

Also enclosed is a Water Supply Bank Rental Agreement for your review and signature. Upon signature and return of the original agreement, together with the rental fee 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.

A total rental fee of \$7,056.00 per year was calculated based on the current rental rate of \$14.00 per acre-foot times an annual diversion volume of 504 acre-feet. Ten percent (10%) of the total rental fee is retained by the Department for administrative fees in accordance with Water Supply Bank Rules (IDAPA 37.02.03). The remaining ninety percent (90%) is issued back to the lessor of the rented water right in the form of a warrant. Since you are the lessor and the renter under this agreement, the Department requires that you submit only the portion of the total payment to be retained for administrative fees. Please send a check for **\$705.60** made payable to the Idaho Department of Water Resources along with the original signed agreement within fourteen (14) days so I can complete the processing.

An annual payment of \$705.60 shall be received by the Department prior to March 15 each year for the duration of the rental period. The agreement will be void if payment is not received prior to the due date in a given year. To terminate the agreement prior to the end of the rental period, written notice must be received by the Department at least 30 days prior to the rental fee due date. Please contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Monica Van Bussum", with a long horizontal flourish extending to the right.

Monica Van Bussum
Sr. Water Resource Agent

Enclosure(s): Rental Agreement (original)
Lease Acceptance (copy)

c: John Westra – IDWR Western Regional Office
Greg Sullivan – Brockway Engineering

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

This is to certify that: **STANDLEE FAMILY PARTNERSHIP LLC**
 826 S 1700 E
 EDEN ID 83325

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

Water Right	Rented Rate	Annual Rented Volume	Total Rented Acres
51-13007	0.85 CFS	169.2 AF	42.3 AC
51-13008	1.51 CFS	334.8 AF	83.7 AC
COMBINED RENTAL TOTALS:	1.58 CFS	504 AF	126 AC

TERM OF RENTAL: March 15, 2011, to November 15, 2011
March 15, 2012, to November 15, 2012
March 15, 2013, to November 15, 2013
March 15, 2014, to November 15, 2014
March 15, 2015, to November 15, 2015

RENTAL FEE: \$7,056.00 per year

The total fee for rental of the above-described water is \$7,056.00. The undersigned renter is also the lessor under this agreement, and is therefore obligated to pay only the administrative fee of **\$705.60**. An annual payment shall be received by the Department prior to March 15, the beginning of the irrigation season, each year for the duration of the rental period. The agreement will be void if payment is not received prior to the due date in a given year. To terminate the agreement prior to the end of the rental period, written notice must be received by the Department at least 30 days prior to the rental fee due date.

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. 51-13007
WATER SUPPLY BANK RENTAL AGREEMENT

The 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 below:

Renter: STANDLEE FAMILY PARTNERSHIP LLC
 826 S 1700 E
 EDEN ID 83325
 (208) 825-5117

Priority Date: 05/22/1968

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	03/15	to 11/15	0.85 CFS	169.2 AF
	Total:		0.85 CFS	169.2 AF

LOCATION OF RENTER'S POINT(S) OF DIVERSION:

GROUND WATER	SE¼NE¼	Sec. 12	Twp 10S	Rge 12E	TWIN FALLS County
GROUND WATER	SW¼ SE¼SE¼	Sec. 1	Twp 10S	Rge 12E	TWIN FALLS County
GROUND WATER	SW¼ SE¼SW¼	Sec. 1	Twp 10S	Rge 12E	TWIN FALLS County
GROUND WATER	SW¼ SE¼SW¼	Sec. 1	Twp 10S	Rge 12E	TWIN FALLS County
GROUND WATER	NW¼SE¼SW¼	Sec. 2	Twp 10S	Rge 12E	TWIN FALLS County
GROUND WATER	NW¼SW¼	Sec. 2	Twp 10S	Rge 12E	TWIN FALLS County
GROUND WATER	NW¼SW¼	Sec. 2	Twp 10S	Rge 12E	TWIN FALLS County
GROUND WATER	SW¼NE¼SW¼	Sec. 35	Twp 09S	Rge 12E	TWIN FALLS County
GROUND WATER	SW¼NE¼SW¼	Sec. 35	Twp 09S	Rge 12E	TWIN FALLS County
GROUND WATER	SE¼SW¼NW¼	Sec. 35	Twp 09S	Rge 12E	TWIN FALLS County
GROUND WATER	NE¼NE¼SE¼	Sec. 34	Twp 09S	Rge 12E	TWIN FALLS County
GROUND WATER	SE¼NE¼SE¼	Sec. 34	Twp 09S	Rge 12E	TWIN FALLS County
GROUND WATER	SW¼NE¼NW¼	Sec. 34	Twp 09S	Rge 12E	TWIN FALLS County

RENTER'S PLACE OF USE: IRRIGATION

Twp	Rge	Sec	NE				NW				SW				SE				
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	Totals
09s	12e	36						39.0	39.0	15.0		33							126

Total Acres: 126

Acre Limit within Place of Use described: 42.3

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. 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.
4. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.

**WATER RIGHT NO. 51-13007
WATER SUPPLY BANK RENTAL AGREEMENT
CONDITIONS OF WATER USE**

5. This rental agreement does not authorize the construction of a well.
6. 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.
7. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
8. 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.
9. 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.
10. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
11. When combined, the water bank rental for Right Nos. 51-13007 and 51-13008 is limited to 1.58 cfs.

WATER RIGHT NO. 51-13008
WATER SUPPLY BANK RENTAL AGREEMENT

The 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 below:

Renter: STANDLEE FAMILY PARTNERSHIP LLC
 826 S 1700 E
 EDEN ID 83325
 (208) 825-5117

Priority Date: 07/24/1968

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	03/15	to 11/15	1.51 CFS	334.8 AF
	Total:		1.51 CFS	334.8 AF

LOCATION OF RENTER'S POINT(S) OF DIVERSION:

GROUND WATER	SE¼NE¼	Sec. 12	Twp 10S	Rge 12E	TWIN FALLS County
GROUND WATER	SW¼ SE¼SE¼	Sec. 1	Twp 10S	Rge 12E	TWIN FALLS County
GROUND WATER	SW¼ SE¼SW¼	Sec. 1	Twp 10S	Rge 12E	TWIN FALLS County
GROUND WATER	SW¼ SE¼SW¼	Sec. 1	Twp 10S	Rge 12E	TWIN FALLS County
GROUND WATER	NW¼SE¼SW¼	Sec. 2	Twp 10S	Rge 12E	TWIN FALLS County
GROUND WATER	NW¼SW¼	Sec. 2	Twp 10S	Rge 12E	TWIN FALLS County
GROUND WATER	NW¼SW¼	Sec. 2	Twp 10S	Rge 12E	TWIN FALLS County
GROUND WATER	SW¼NE¼SW¼	Sec. 35	Twp 09S	Rge 12E	TWIN FALLS County
GROUND WATER	SW¼NE¼SW¼	Sec. 35	Twp 09S	Rge 12E	TWIN FALLS County
GROUND WATER	SE¼SW¼NW¼	Sec. 35	Twp 09S	Rge 12E	TWIN FALLS County
GROUND WATER	NE¼NE¼SE¼	Sec. 34	Twp 09S	Rge 12E	TWIN FALLS County
GROUND WATER	SE¼NE¼SE¼	Sec. 34	Twp 09S	Rge 12E	TWIN FALLS County
GROUND WATER	SW¼NE¼NW¼	Sec. 34	Twp 09S	Rge 12E	TWIN FALLS County

RENTER'S PLACE OF USE: IRRIGATION

Twp	Rge	Sec	NE				NW				SW				SE				
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	Totals
09s	12e	36						39.0	39.0	15.0		33							126

Total Acres: 126

Acre Limit within Place of Use described: 83.7

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. 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.
4. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.

**WATER RIGHT NO. 51-13008
WATER SUPPLY BANK RENTAL AGREEMENT
CONDITIONS OF WATER USE**

5. This rental agreement does not authorize the construction of a well.
6. 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.
7. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
8. 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.
9. 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.
10. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
11. When combined, the water bank rental for Right Nos. 51-13007 and 51-13008 is limited to 1.58 cfs.