



## 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](http://www.idwr.idaho.gov)

May 29, 2009

C. L. "BUTCH" OTTER  
Governor

DAVID R. TUTHILL, JR.  
Director

KNUDSEN POOR FARMS INC  
98 FORT HALL AVE  
AMERICAN FALLS ID 83211

RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK  
WATER RIGHT NO. 35-2543

Dear Renter:

The Department of Water Resources ("Department") acknowledges receipt of your application to rent water from the Water Supply Bank ("Bank") during the 2008 irrigation season. Please find enclosed 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.

On the application and in your lease agreement with Aberdeen Springfield Canal Company, you requested a rental diversion rate of 3.30 cfs and a diversion volume of 630.0 acre-feet for irrigation of 258.0 acres during 2008. The amount of water reflected in this agreement is the rate and volume proportional to the amounts authorized under the water right rented for irrigation of 165.0 acres (the shortfall under water right 35-2391 due to a prior lease agreement): 1.55 cfs and 660.0 acre-feet.

In accordance with your private lease agreement, the total fee for rental of the above-described water is \$9,900.00 based on a rate of \$15.00 per acre-foot times a diversion volume of 660.0 acre-feet. Since the Department has already received payment in the amount of \$378.00, the remaining balance you owe for the rental of this water is **\$9,522.00**. Please send a check for the residual fee to the Idaho Department of Water Resources, along with the signed rental agreement, within fourteen (14) days of receipt of this letter so I can complete the processing.

If you have any questions, please contact me at (208) 287-4943.

Sincerely,

Aaron Marshall  
Sr. Water Resource Agent

Enclosure(s)

c: Lyle Swank – IDWR Eastern Regional Office  
Ernie Carlsen – State Water District No. 120  
Randy Budge – Racine Olson Nye Budge & Bailey

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

This is to certify that: **KNUDSEN POOR FARMS INC**  
**98 FORT HALL AVE**  
**AMERICAN FALLS ID 83211**  
**(208) 226-7777**

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<br/>Right</u> | <u>Rented<br/>Rate</u> | <u>Annual Rented<br/>Volume</u> | <u>Total Rented<br/>Acres</u> |
|------------------------------------|------------------------|------------------------|---------------------------------|-------------------------------|
|                                    | 35-2543                | 1.55 CFS               | 660.0 AF                        | 165.0 AC                      |
| <b>COMBINED<br/>RENTAL TOTALS:</b> |                        | <b>1.55 CFS</b>        | <b>660.0 AF</b>                 | <b>165.0 AC</b>               |

**TERM OF RENTAL:** May 30, 2008 to October 31, 2008

**RENTAL FEE:** \$9,900.00

In accordance with a private agreement negotiated between the lessor and renter, the total fee for rental of the above-described water is \$9,900.00 based on a rate of \$15.00 per acre-foot.

Detailed water right specific limitations and conditions attached.

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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)

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Having determined that this agreement satisfies the provisions of Section 42-1763, Idaho Code, and, IDAPA 37.02.03030 (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\_\_\_\_\_.

\_\_\_\_\_  
**DAVID R. TUTHILL, JR., Director**  
Department of Water Resources

**WATER RIGHT NO. 35-2543**  
**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:** KNUDSEN POOR FARMS INC  
 98 FORT HALL AVE  
 AMERICAN FALLS ID 83211  
 (208) 226-7777

**Priority Date:** 08/07/1958

**Source:** GROUND WATER

| <u>BENEFICIAL USE</u> | <u>From</u>   | <u>To</u> | <u>Diversion Rate</u> | <u>Volume</u>   |
|-----------------------|---------------|-----------|-----------------------|-----------------|
| IRRIGATION            | 04/01         | to 10/31  | 1.55 CFS              | 660.0 AF        |
|                       | <b>Total:</b> |           | <b>1.55 CFS</b>       | <b>660.0 AF</b> |

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

GROUND WATER      SE¼NE¼      Sec. 28      Twp 01S      Rge 33E      BINGHAM 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 |
| 01S | 33E | 27  |    |    |      |      |    |    | 39.0 | 40.0 |    | 39.0 |    |    |      |      |    |    | 118.0  |
| 01S | 33E | 28  |    |    | 40.0 | 39.0 |    |    |      |      |    |      |    |    | 39.0 | 40.0 |    |    | 158.0  |

Total Acres: 276.0

Acre Limit within Place of Use described: 165.0

**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 the ongoing Snake River Basin Adjudication or 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.
5. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer filed by the applicant for this same use.
6. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
7. 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.
8. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
9. 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. 120.