



## 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 9, 2008

C. L. "BUTCH" OTTER  
Governor

DAVID R. TUTHILL, JR.  
Director

DR JAMES KRANZ  
RUBBER BAND HOLDINGS LLC  
910 N CURTIS RD  
BOISE ID 83706

RE: WATER SUPPLY BANK LEASED WATER RIGHT NO. 57-7034A

Dear Dr. Kranz:

The Department of Water Resources (Department) requests clarification of your intent to maintain the lease of water right no. 57-7034A to the Water Supply Bank (Bank). The water right was originally accepted into the Bank in its entirety on January 12, 2004, in the name of Arthur Merrick for an "indefinite" lease period. An ownership change approved on May 3, 2008, lists you as the current owner of the water right.

Please clarify either in writing or using the attached form whether you intend to continue to lease all or a portion of water right no. 57-7034A to the Bank. If you would like all or a portion of the right to remain leased to the Bank, please specify the date to which you want the lease term extended. You may also request the right remain leased to the Bank for an "indefinite" period. In this case, the right will remain in the Bank indefinitely unless released earlier by the Water Resource Board or until the lessor submits a request to the Department in writing to release the right from the Bank. If the Department does not receive a response, the right will remain in the Bank indefinitely.

Please note, while a right is in the Bank, the owner of the right 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 Section 42-351, Idaho Code, for illegal diversion and use of water, and may include civil penalties pursuant to Section 42-1701B, Idaho Code. Also consider that the five (5) year period of nonuse related to forfeiture of a water right shall begin to accrue upon release of the right from the Bank or shall continue to accrue if a period of nonuse occurred prior to the lease date of the right to the Bank.

For your convenience, I have also enclosed an Application to Rent Water from the Water Supply Bank and an Application for Transfer of Water Right. If you have any questions, please contact me at (208) 287-4943.

Sincerely,

Aaron Marshall  
Water Allocation Bureau