



State of Idaho

DEPARTMENT OF WATER RESOURCES

1301 North Orchard Street, Boise, ID 83706 - P.O. Box 83720, Boise, ID 83720-0098

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DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

February 18, 2004

JAMES P SPECK
HOGUE SPECK & AANESTAD
120 EAST AVE
KETCHUM ID 83340

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK.
WATER RIGHT NO. 37-2627D**

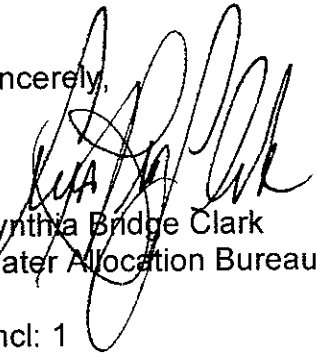
Dear Mr. Speck:

The department acknowledges receipt of the application to rent water from the Water Supply Bank on behalf of Mr. Mark Palmer. Please find enclosed a Water Supply Bank Rental Agreement for your review and signature. Upon signature and return of the agreement, together with the rental fee described below, the department also will sign the agreement and will 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.

The rental fee is **\$77.00** and was calculated as \$11.00 per acre-foot times 7.0 acre-feet. Please send a check made payable to the Idaho Department of Water Resources together with the signed rental agreement. Also return the signed agreement and fee to my attention so I can complete the processing.

Please return the signed rental agreement to my attention so I can complete the processing. If you have questions, please feel free to contact me.

Sincerely,



Cynthia Bridge Clark
Water Allocation Bureau

Encl: 1

c: Allen Merritt – IDWR Southern Regional Office

MICROFILMED

JUN 02 2004

Before the Idaho Water Resource Board

WATER SUPPLY BANK RENTAL AGREEMENT

The Idaho Water Resource Board ("Board") being authorized to operate a Water Supply Bank ("bank") and to contract by and through the Director of the Idaho Department of Water Resources ("Director") for rental of water from the bank agrees to rent water as follows:

1. Renter: Mark Palmer
2. Address: 391 Glendale Road, Bellevue, ID 83313
3. Source of water: Ground water
4. Volume of water rented: 7 AF Max rate: 0.04 cfs
5. Diversion period: 2004 irrigation season
6. Use of water: Irrigation
7. a) Renter's point of diversion:
Legal description: SWSE Section 22, T1N, R18E, B.M., Blaine County
b) Renter's place of use:
Legal description: 2 acres within SWSE Section 22, T1N, R18E, B.M.
8. The right from which water will be rented is 37-2627D.

The undersigned renter agrees to pay \$ 77.00 for rental of the above described water and agrees to use the water in compliance with the Water Supply Bank rules and in compliance with the conditions of water use shown below:

Conditions of water use under this agreement:

1. The use of water under this agreement shall be subject to the provisions of Section 42-1766, Idaho Code.
2. Upon Department request, the renter shall provide for the measurement of the water diverted in a manner acceptable to the Director and shall report the amount of water diverted at the end of the irrigation season.

3. Use of water under this agreement does not constitute a dedication of the water to renter's land 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. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
5. 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.
6. 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.
7. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
8. This rental does not authorize the construction of a well.

Dated this _____ day of _____, 2003

by _____
for _____

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 _____, 2004.

KARL J. DREHER, Director
Department of Water Resources