

MEMORANDUM

To: Files 61-2154, 61-2155, 61-7005, 61-7119, 61-7396, AND 61-10378

From: Cynthia Bridge Clark

Date: July 19, 2006

Re: Application to lease to the Water Supply Bank

I spoke with Bernard Brown several times over the telephone and he visited the office a few times to discuss the application filed in his name to lease portions of the above referenced water rights to the Board's Water Supply Bank (bank). Processing of the application was initially delayed due to the questions related to the portions offered for lease and the status of transfer no. 71266 that created a permissible place of use for all of the rights.

In the application to the bank, the applicant proposed consolidating much of the diversion rate authorized under the rights for use on lands that he intended to irrigate. He offered the remaining portion for lease to the bank. The general procedure followed in administering rights leased into the bank or renting water from the bank requires the applicant offer or rent amounts proportional to the other elements of the water right. I discussed the complications with combined limits and portions offered with the applicant, as well as changes proposed through the transfer.

Ultimately, the lease acceptance was drafted based on the amounts proportional to the number of acres to be idled and the changes approved through the transfer. The applicant also filed an application to the Snake River Water Rights Acquisition Program and considered withdrawing his application to lease the rights to the bank. The offer to sell the rights was denied, so he asked that processing the lease application be finalized.

SCANNED

AUG 15 2007