

Water Supply Bank No. _____

Water Right No. 37-415

**STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES**

RECEIVED

JUN 21 2007

**APPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANK**

Name of Seller/Lessor Sinclair Oil Corporation, dba Sun Valley Co. Phone (208) 622-4111

Post office address Post Office Box 10, Sun Valley, Idaho 83353

1. DESCRIPTION OF WATER RIGHT:

Right evidenced by:

a. Decree No. _____ Decreed to Horace C. Lewis
(Name)
in case of S.C. Frost vs Alturas Water Co.
dated 12/9/09 in Lincoln county of Fourth Judicial District
(Name of court)

b. License No. _____ issued by the Idaho Department of Water
Resources

c. Permit No. _____ issued by the Idaho Department of Water
Resources

2. DESCRIPTION OF PORTION OF RIGHT FOR SALE OR LEASE: (If the entire right is for sale or lease,

show "all" on line a below and skip the remainder of part 2.)

a. Amount of water under right: 4.0 1.7 ^{THOUS} cubic feet per second &/or
_____ acre-feet per annum

b. Point of diversion: NE ¼ of SE ¼ of Section 32 Township 5N Range
18E, B M in Blaine County

Additional points Township 4N, Range 18E, Section 5, NENW, Blaine County

c Place of use:

TWP	RGE	SEC	N E				N W				S W				S E				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
4N	18E	7									0.8 4.4			2.2		5.0 9.0	8.8		16.8 10.1
		6																6.1 8.0	6.1 8.0
		18		0.2			2.0		7.0										2.2 7.0
5N	18E	32													19		12.0	11.0	24.9

If the right is for irrigation, show the number of acres for the part of the right to be put into the bank.

Total number of acres 50.0

3 ADDITIONAL INFORMATION ABOUT RIGHT, OR PORTION THEREOF, FOR SALE OR LEASE

- a Explain how the seller/lessor acquired the right, or portion thereof, and attach a copy of the deed to the land to which it is appurtenant or other evidence of ownership of the right. If the right is not recorded in the name of the seller/lessor, attach a copy of a change of ownership form as required by Section 42-248 or 42-1409(6), Idaho Code, together with required documentation.

Lessor acquired the right when it purchased the real property to which water right 37-415 is appurtenant. Please see attached copy of applicable deed.

- b Describe the frequency of water use under the right, or portion thereof, during the past five (5) years of use. Attach watermaster records, pumping power bills, or other evidence to demonstrate that the right has not been lost through abandonment or forfeiture. (This information is not required if a partial decree has been issued on the right within the last 5 years)

The place of use of this portion of water right 37-415 has been confirmed by the Idaho Department of Water Resources for the irrigation of the lands identified in Section 2.c. above. See attached Director's Report. Attached hereto are the water master records corresponding to water right 37-415.

- c. If the right is from a surface water source, describe the period of the year that water is typically available to satisfy the right

The source of water right 37-415 is Trail Creek, and water is available to satisfy the right throughout the irrigation season (4/15-10/31). This Application implicates only the irrigation portion of water right 37-415. The aesthetic and wildlife components of this water right remains unchanged.

- d. Describe any other water rights with the same purpose and place of use as the right, or portion thereof, offered for lease. Will the present place of use continue to receive water from any source? If so, describe.

Please see water right 37-416. The present place of use as identified in Section 2.c. above may continue to receive water under water right 37-416.

- e. If the water right is a permit, describe the work accomplished toward developing the right

N/A

- f. If the right to the use of the water or the use of the diversion works or irrigation system is represented by shares of stock in a company or corporation, or if such works or system is owned or managed by an irrigation district, a written consent of the sale or lease must be attached

4 REMARKS:

As stated in Section 5 below, this water right may only be rented from the water bank to Sinclair Oil Corporation, dba Sun Valley Co.

5 SALE/LEASE AGREEMENT

1. The water right, or portion thereof, described above is offered to the Idaho Water Resource Board:

_____ For sale;

X For lease for a period from 18 June 2007 to 31 Dec 2012
(Day month, year) (Day, month year)

(The lease period may be shown as "indefinite", if the total duration of lease is unknown); or

_____ As a gift to the state of Idaho.

2 Show the minimum payment acceptable to the Seller/Lessor. Include the method of determining the minimum payment. The minimum payment may be shown as the "current rental rate"

The minimum payment shall be \$10 per af. This water right shall only be available for rental to the Sun Valley Co.

I hereby assert that the information contained in this application is true to the best of my knowledge, and that I have the authorities necessary to offer this right for sale or lease to the Idaho Water Resource Board.

The owner/lessor acknowledges the following:

1. Payment to the owner/lessor is contingent upon the sale or rental of the right from the bank
2. While a right is in the bank, the owner of the right may not use the right even if the right is not rented
3. A right accepted into the bank stays in the bank until the Board releases it or until the lease term expires.
4. While a water right is in the bank, forfeiture provisions are stayed.
5. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right

June 18 2007
Date

William Hugg
Signature

FOR DEPARTMENT USE ONLY

Received by _____ Date _____ Preliminary check by _____

Watermaster recommendation requested on _____ Received _____

Recommended for _____ approval _____ denial by _____