

Water Supply Bank No _____

Water Right No _____

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

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MAR 20 2006

Department of Water Resources

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

Name of Seller/Lessor V & R Farms, L.L.C.

Phone (208) 654-2054 Post office address 715 S 750 E, Burley, ID 83318

1 DESCRIPTION OF RIGHT:

Right as evidenced by:

a. Decree No _____ Decreed to _____
(Name)

in case of _____ vs _____

dated _____ in _____ county of _____

(Name of Court)

b. License No 45-13962 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: 5.88 cubic feet per second

& / or

1176 acre-feet per annum

b. Point of diversion SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 20 Township 11S Range 24E

B M in Cassia County

Additional points 11S24E20SESE

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	
11S	24E	21									39.2	11.7	39.6	40.2					130.7
11S	24E	22													15.6	41.6	34	2.7	93.9
11S	24E	27		1.3			38.3	40	33.7	32		12.7							158

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 382.6

NOTE: only 294 of the 367.4 acres allowed by the right will be available for rental

3 ADDITIONAL INFORMATION ABOUT RIGHT, OR PORTION THEROF, 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

See attached

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)

Water right was licensed on 10/18/2001 as a primary ground water right. V & R Farms is currently in an agreement with the Southwest Irrigation District to utilize surface water sources prior to utilizing this right.

Under the current agreement V & R farms only utilizes this right when water from the District is not sufficient for his crops.

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

N/A

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.

The Place of Use will continue to receive water from the Southwest Irrigation District. The remaining portion of the right will not be leased in order to allow for temporary pumping on the described place of use if the Southwest Irrigation District does not have the volume to supply the crop demand.

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

N/A

f If the right to use 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: This right is being placed into the water bank in order to protect the right from forfeiture. Once a mitigation plan for the Southwest Irrigation District is put into place this right may be included in this plan. Therefore, in order for this right to be in compliance with this before mentioned mitigation plan, the right would then be retracted from water bank at that time

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 period from indefinite to _____
(Month Day Year) (Month Day 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".

Current rental rate _____

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 the sale or lease of this right 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.

3-14-06
Date


Signature

FOR DEPARTMENT USE ONLY

Received by _____ Date _____ Preliminary check by _____

Watermaster recommendation requested on _____ Received _____

Recommended for _____ approval _____ denial by _____