

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
APPLICATION FOR PERMIT

To appropriate the public waters of the State of Idaho

1. Name of Applicant South Interchange Properties, LLC Phone 208-523-0620
Mailing address c/o Holden, Kidwell, Hahn & Crapo, PLLC, PO Box 50130, Idaho Falls, ID 83405-0130
2. Source of water supply Groundwater which is a tributary of _____
3. Location of point of diversion is Township 1N Range 37E Sec. 8, in the SW $\frac{1}{4}$, NW $\frac{1}{4}$, NE $\frac{1}{4}$, Govt. Lot __, E.B.M., Bonneville County;
additional points of diversion if any: _____
4. Water will be used for the following purposes:
Amount 0.2 cfs up to 140 afa for Commercial and Industrial purposes from 1/1 to 12/31 (both dates inclusive)
Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)
Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)
5. Total quantity to be appropriated is (a) 0.2 cfs and/or (b) up to 140.00
cubic feet per second acre feet per annum
6. Proposed diverting works:
 - a. Describe type and size of devices used to divert water from the source Well and pump
 - b. Height of storage dam _____ feet; active reservoir capacity _____ acre-feet; total reservoir capacity _____ acre-feet
 - c. Proposed well diameter is 12 inches; proposed depth of well is 250 feet
 - d. Is ground water with a temperature of greater than 85°F being sought? No
 - e. If well is already drilled, when? In process; Drilling firm Andrew Well Drilling;
Well was drilled for (well owner) Applicant; Drilling Permit No. D0036361
7. Time required for completion of works and application of water to proposed beneficial use is 5 years (minimum 1 year)
8. Description of proposed uses (if irrigation only, go to item 9):
 - a. Hydropower; show total feet of head and proposed capacity in kW. _____
 - b. Stockwatering; list number and kind of livestock. _____
 - c. Municipal; show name of municipality. _____
 - d. Domestic; show number of households. _____
 - e. Other; describe fully. _____

9. Description of place of use:

- a. If water is for irrigation, indicate acreage in each subdivision in the tabulation below.
- b. If water is used for other purposes, place a symbol of the use (*example: D for Domestic*) in the corresponding place of use below. See instructions for standard symbols.

Twp	Rge	Sec	NE 1/4				NW 1/4				SW 1/4				SE 1/4				TOTALS
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
1N	37E	8	C&I	C&I	C&I	C&I													

Total number of acres to be irrigated _____

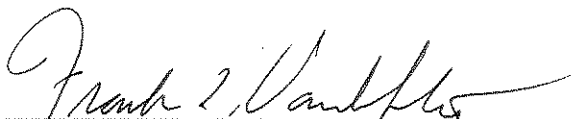
10. Describe any other water rights used for the same purposes as described above. 35-13537

11. a. Who owns the property at the point of diversion? Applicant
- b. Who owns the land to be irrigated or place of use? Applicant
- c. If the property is owned by a person other than the applicant, describe the arrangement enabling the applicant to make this filing: _____

12. Remarks: _____

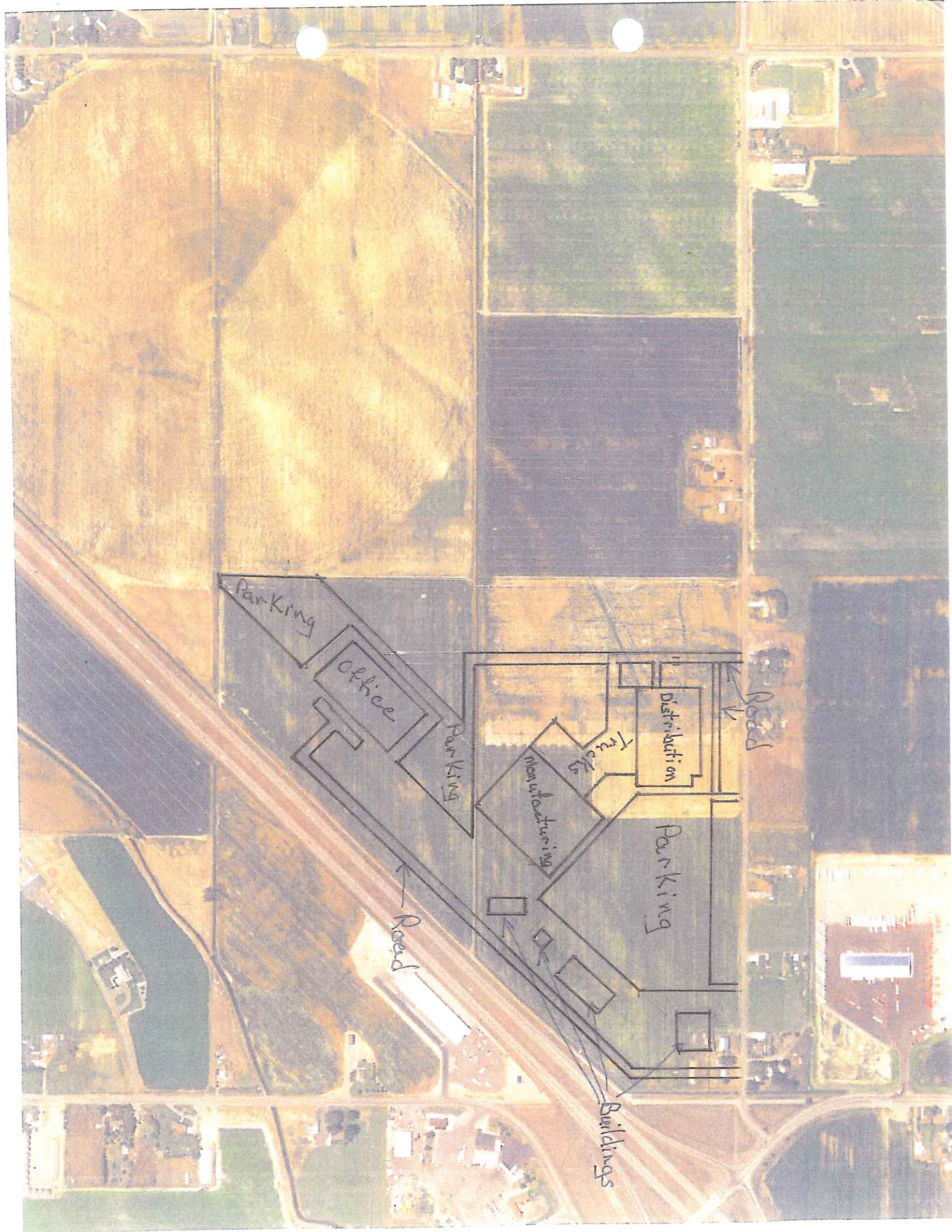
13. **MAP OF PROPOSED PROJECT REQUIRED** - Attach an 8½"x11" map clearly identifying the proposed point of diversion, place of use, section #, township & range. (A photocopy of a USGS 7.5 minute topographic quadrangle map is preferred.)

BE IT KNOWN that the undersigned hereby makes this application for permit to appropriate the public waters of the State of Idaho as herein set forth.



Signature of Applicant (and title, if applicable)

Received by SC Date 10/20/05 Time _____ Preliminary check by _____
Fee \$ 100 Received by SC # ED 31306 Date 10/20/05
Publication prepared by SC Date 11/3 & 11/10/05 Published in Post Register
Publication approved _____ Date _____



NARRATIVE STATEMENT REGARDING MITIGATION

As can be seen from the attached charts which were generated using the "transfer tool", no reach of the Snake River will be negatively impacted more than 5% by this proposed transfer.

This proposed transfer includes a change in nature of use and season of use for a portion of the right to be transferred for commercial purposes. A sheet is attached to this statement showing the allocation in cfs, acres and acre feet, of the portion of 35-7206D proposed to be transferred, among the various contemplated commercial activities and the watering of landscaping and crops (irrigation) at the new location. The previous history of use under right number 35-7206D is as follows:

1. 1997 - all 272 acres - alfalfa;
2. 1998 - all 272 acres - potatoes;
3. 1999 - 60 acres - alfalfa, balance in grain;
4. 2000 - all 272 acres - grass;
5. 2001 - all 272 acres - grass;
6. 2002 - all 272 acres - grass;
7. 2003 - idle;
8. 2004 - idle;
9. 2005 - idle.

After the transfer, applicant proposes to install a pivot to irrigate 117 acres remaining at the present place of use and to dry up 155 of the acres at that location. At the new site, some 119.8 acres of grass and landscaping will be watered, and normal crops (hay, grain, and potatoes) will be irrigated the 119.8 acres.

The commercial use will be for three facilities, and the amounts which were calculated for each are as follows:

Distribution Center - 400 employees x 30 gallons per day x 5 days per week x 52 weeks per year = 3,120,000 gallons per year or about 9.6 acre feet per year.

Manufacturing Plant - 400 employees x 30 gallons per day x 5 days per week x 52 weeks per year = 3,120,000 gallons per year or about 9.6 acre feet, and 2,000,000,000 gallons per month for process water x 12 months = 24,000,000,000 gallons per year or about 73.6 acre feet per year.

Administration Building - 2,000 employees x 30 gallons per day x 5 days per week x 52 weeks per year = 15,600,000,000 gallons per year or about 74.9 acre feet per year.

Of this total of 140.7 acre feet per year, all but some 7.4 acre feet (about 10% of the “process water” in the manufacturing plant which will be used in product) will be treated in the Shelley Sewage Treatment Plant, the effluent from which we understand will be discharged into the Snake River.

Our conclusion is that the portion of this 140.7 acre feet per year which will be used consumptively will be substantially less than the portion that has historically been used consumptively for irrigation purposes.

Therefore, we believe there is no need for mitigation in connection with the approval of this proposed application for transfer.