

MEMORANDUM

To: File 36-2474B and 36-10082B

From: Jeff Peppersack

Date: June 21, 2004

Re: Lease of Water Rights to the State Water Supply Bank

<u>Water Right</u>	<u>SRBA Claims</u>	<u>Lease/Rental:</u> <u>Rate</u>	<u>Volume</u>	<u>Acres</u>
36-2474B	Decreed	0.59 cfs	122.1 af	na
36-10082B	Decreed	0.06 cfs	13.8	na
Combined Total		0.59 cfs	135.9 af	

The applicants have offered the entire rights for lease to the bank. Note that the listed applicant, Calvin DeKruyf is deceased (see October, 2002 letter in file). However, Mark DeKruyf signed the application and is listed as an owner of the water rights in the department's records. Right 36-2474 was decreed in the SRBA in 1997 and amended in 2001. Right 36-10082B was decreed in 2002. Right 36-10082B was decreed as an enlargement of right 61-2474B with combined limits. No forfeiture or other issues have been identified, but it should be noted that a transfer involving the rights has been appealed to district court. This should not affect the lease of the rights to the bank because the validity of the rights are not in question. The rights should be accepted into the bank as proposed in the application with combined limit conditions.