

MEMORANDUM

Date: August 13, 2003
To: Transfer 70663
From: kwilson
Re: Evaluation

This transfer proposes to dry up 276 acres of irrigation within the S1/2NW, and NWSW Sec 27; S1/2NE, and N1/2SE Sec 28, T01S, R33E, and move the associated water rights (35-2391, 35-7777), for irrigation, to the N1/2 Sec 35, T06S, R29E. The transfer moves the water across the ESPA approximately 38 miles. The transfer proposes to drill one new well for irrigation of 276 acres.

Authority to file:

Subject land is owned by Kundsens Poor Farms Inc., C/O Bob Knudsen, Jr., President (See Business Entity Documents). Attached documentation consists of a sales contract between Bob Knudsen and Andrew E. Povey for water rights 35-2391 and 35-7777.

Water Right Validity:

All water rights involved have recently been decreed in the SRBA partial decree dated 01/31/2003. The land under water rights 35-2391 and 35-7777 was last irrigated in 1986. If this transfer is not approved pumping at the FROM Well will resume in 2004. Attached documentation indicates that the land under these water rights has been enrolled in the Conservation Reserve Program. Forfeiture does not appear to be an issue.

Injury to Other Water Rights:

Included with the application is a proposed mitigation plan between the applicant and Water District 01. The mitigation plan is based upon the renting of water from the Global Rental Pool to be administered by the water master of Water District 01: Using the IDWR guidelines, the proposed transfer could be mitigated by reducing the consumptive use to 100 ac-ft/trimester or 300 ac-ft/year. With the implementation of the global rental pool the applicant proposes the following method of mitigating the associated impacts:

In April of every year the applicant will provide IDWR an acreage breakdown of the crops he proposes to raise that year and will purchase 73% of the depletion associated with these crops based upon ET tables provided by the University of Idaho, from the Water District 01 Global Rental Pool. The storage purchased will be distributed by the Water master of Water District 01 based upon the year-end run of the ESPA aquifer model. The price paid by for the mitigation water will be the established rental price. On years when the reservoirs fill and there are flood releases past Milner there will be no obligation for mitigation associated with this transfer.

The applicant proposes, under this plan, that should the rules or analysis process of the state change which would reduce his obligation that he be afforded that reduction. The applicant also proposes under this plan, that if, in the future, he is able to purchase additional groundwater rights that would provide an off-set to the analysis under which the mitigation plan is based, he be able to do so.

Enlargement of Use:

Water rights 35-2391 and 35-7777 are limited in combination to a total combined diversion rate of 5.21 cfs, a combined annual volume of 1104 af and the irrigation of 276 acres in a single irrigation season. This transfer proposes to remain within those conditions.

Local Public Interest:

The proposed transfer and subsequent use of these water rights will increase the productivity of the land and will also increase the taxable value of the land.

Beneficial Use/Conservation of Water Resources:

The proposed system consists of two center pivots, which would be consistent with the best technology available at this time.

Review of the application finds there is no clear inconsistency with the criteria set forth in Section 42-222 Idaho Code preventing this application.

SCANNED

AUG 26 2003