



State of Idaho

DEPARTMENT OF WATER RESOURCES

1301 North Orchard Street, Boise, ID 83706 - P.O. Box 83720, Boise, ID 83720-0098
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DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

July 23, 2002

TERRY KETTERLING
SOUTH ELMORE IRRIGATION CO INC
PO BOX 396
MOUNTAIN HOME ID 83647

RE: APPLICATION TO LEASE PORTIONS OF WATER RIGHT 2-2269, ~~2-2267~~, 2-7255, 2-7263, AND 2-7317 TO THE WATER SUPPLY BANK

Dear Mr. Ketterling:

The department has conducted an initial review of the Application to Sell or Lease a Water Right to the Water Supply Bank ("bank") that you submitted to this office in the name of South Elmore Irrigation Company, Inc. The application was submitted in connection with the lease of water rights ("rights") from high-lift pumpers on the Snake River.

Please consider that the offered part(s) of the water rights are accepted into the bank under the following terms:

1. Payment for rental of the right(s) from the bank is contingent upon a determination that the acres associated with the rental application have a valid Snake River water right(s), and that they qualify for payment as provided in Memorandum of Agreement ("MOA") No. 1425-02-MA-10-3460 between the U.S. Bureau of Reclamation and the Idaho Department of Water Resources regarding Rental of Water From High-Lift Pumpers on the Snake River, said agreement dated May 10, 2002.
2. While part(s) of a right(s) is in the bank, the owner of the right may not use that part of the right. As specified in the MOA, however, a lessor who did not divert water prior to the acceptance of the lease may give notice that the lessor requires the use of water on and after September 1, 2002 for land or crop preparation purposes for the 2003 irrigation season.
3. While a right is in the bank, forfeiture provisions are stayed.
4. Acceptance of a right into the bank does not confirm the validity of the right or any elements of the water right.

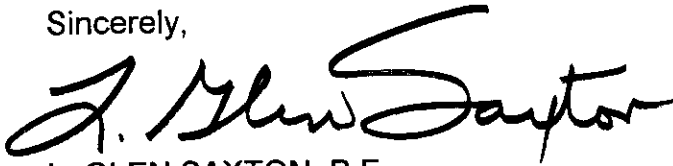
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5. The right(s) will be considered released from the bank on December 31, 2002.

If you have questions, please feel free to contact the Department.

Sincerely,

A handwritten signature in black ink, appearing to read "L. Glen Saxton". The signature is fluid and cursive, with the first name "L." being small and the last name "Saxton" being larger and more prominent.

L. GLEN SAXTON, P.E.
Chief, Water Allocation Bureau

- c: IDWR Regional Office
Water right nos. 2-2269, 2-2367, 2-7255, 2-7263, and 2-7317

Rich Rigby
ESA Coordinator
Bureau of Reclamation
1150 N Curtis, PN 3030
Boise ID 83706-1234

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