

**STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES**

**TRANSFER OF WATER RIGHT
TRANSFER NO. 87276**

This is to certify that: **CITY OF CHALLIS**
PO BOX 587
CHALLIS, ID 83226

has requested a change to the water right(s) listed below. This change in water right(s) is authorized pursuant to the provisions of Section 42-222, Idaho Code. A summary of the changes is also listed below. The authorized change for each affected water right, including conditions of approval, is shown on the following pages of this document.

Summary of Water Rights Before the Proposed Changes

<u>Water Right</u>	<u>Origin/Basis</u>	<u>Priority Date</u>	<u>Diversion Rate</u>	<u>Diversion Volume</u>	<u>Acre Limit</u>	<u>Total Acres</u>	<u>Source</u>
72-7117	WR/DECREED	1/19/1981	2.730 cfs	N/A	N/A	N/A	GROUND WATER
72-7167	WR/DECREED	11/4/1981	0.380 cfs	N/A	N/A	N/A	GROUND WATER

Purpose of Transfer (Changes Proposed)

<u>Current Number</u>	<u>Split</u>	<u>POD</u>	<u>POU</u>	<u>Add POD</u>	<u>Period of Use</u>	<u>Nature of Use</u>
72-7117	NO	NO	NO	YES	NO	NO
72-7167	NO	NO	NO	YES	NO	NO

Summary Of Water Rights After the Approved Change

<u>Existing Right</u>	<u>New No. (Changed Portion)</u>	<u>Transfer Rate</u>	<u>Transfer Volume</u>	<u>Acre Limit</u>	<u>Total Acres</u>	<u>New No. (remaining portion)</u>	<u>Remaining Rate</u>	<u>Remaining Volume</u>	<u>Remaining Acre Limit</u>	<u>Remaining Total Acres</u>
72-7117	72-7117	2.730 cfs	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
72-7167	72-7167	0.380 cfs	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
COMBINED TOTALS		3.110 cfs	N/A	N/A	N/A		N/A	N/A	N/A	N/A

This water right(s) is subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources. Detailed Water Right Description(s) attached.

Dated this 15th day of February, 2023.


Southern Region Manager

SUPPORT DATA

IN FILE # 72-7117

Transfer No. 87276

SCANNED
FEB 21 2023

WATER RIGHT NO. 72-7117

As Modified by Transfer No. 87276

In accordance with the approval of Transfer No. 87276, Water Right No. 72-7117 is now described as follows:

Right Holder: CITY OF CHALLIS
PO BOX 587
CHALLIS, ID 83226

Priority Date: 1/19/1981

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>
MUNICIPAL	1/01	to 12/31	2.730 cfs 2.730 cfs

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER	SWNE	Sec 32 Twp 14N Rge 19E	CUSTER County
GROUND WATER	NENW	Sec 32 Twp 14N Rge 19E	CUSTER County
GROUND WATER	SENE	Sec 32 Twp 14N Rge 19E	CUSTER County
GROUND WATER	SENE	Sec 33 Twp 14N Rge 19E	CUSTER County
GROUND WATER	NWSW	Sec 34 Twp 14N Rge 19E	CUSTER County

CONDITIONS OF APPROVAL

1. Place of use is within the service area of the City of Challis municipal water supply system as provided for under Idaho Law.
2. The boundary encompassing the place of use for this water right is described with a digital boundary as authorized by Idaho law. The data comprising the digital boundary are stored in the electronic document management system of the Department and are incorporated into this approval by this reference. A map depicting the place of use is attached to this approval document to illustrate the place of use described by the digital boundary.
3. Right holder shall comply with the drilling permit requirements of Section 42-235, Idaho Code and applicable Well Construction Rules of the Department.
4. Use of water under this right will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 170.
5. The right holder shall maintain a measuring device and lockable controlling works of a type approved by the Department in a manner that will provide the watermaster suitable control of the diversions.
6. This right does not grant any right-of-way or easement across the land of another.

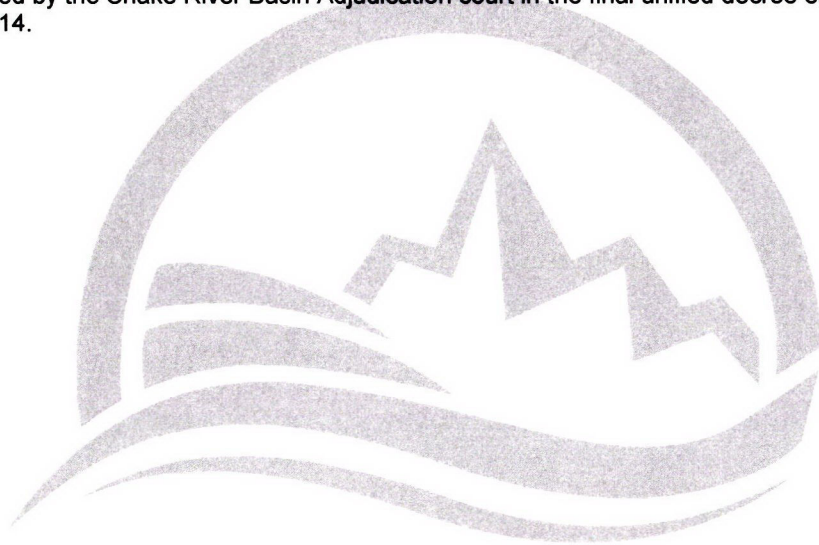
Transfer No. 87276

SCANNED
FEB 21 2023

WATER RIGHT NO. 72-7117
As Modified by Transfer No. 87276

CONDITIONS OF APPROVAL

7. The right holder shall accomplish the change authorized by this transfer within one year of the date of this approval.
8. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
9. Pursuant to Idaho Code § 42-1412(6), this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as determined by the Snake River Basin Adjudication court in the final unified decree entered 08/26/2014.



WATER RIGHT NO. 72-7167
As Modified by Transfer No. 87276

In accordance with the approval of Transfer No. 87276, Water Right No. 72-7167 is now described as follows:

Right Holder: CITY OF CHALLIS
PO BOX 587
CHALLIS, ID 83226

Priority Date: 11/4/1981

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>
MUNICIPAL	1/01	to 12/31	0.380 cfs 0.380 cfs

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER	SWNE	Sec 32 Twp 14N Rge 19E	CUSTER County
GROUND WATER	NENW	Sec 32 Twp 14N Rge 19E	CUSTER County
GROUND WATER	SENE	Sec 32 Twp 14N Rge 19E	CUSTER County
GROUND WATER	SENE	Sec 33 Twp 14N Rge 19E	CUSTER County
GROUND WATER	NWSW	Sec 34 Twp 14N Rge 19E	CUSTER County

CONDITIONS OF APPROVAL

1. Place of use is within the service area of the City of Challis municipal water supply system as provided for under Idaho Law.
2. The boundary encompassing the place of use for this water right is described with a digital boundary as authorized by Idaho law. The data comprising the digital boundary are stored in the electronic document management system of the Department and are incorporated into this approval by this reference. A map depicting the place of use is attached to this approval document to illustrate the place of use described by the digital boundary.
3. Right holder shall comply with the drilling permit requirements of Section 42-235, Idaho Code and applicable Well Construction Rules of the Department.
4. Use of water under this right will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 170.
5. The right holder shall maintain a measuring device and lockable controlling works of a type approved by the Department in a manner that will provide the watermaster suitable control of the diversions.
6. This right does not grant any right-of-way or easement across the land of another.

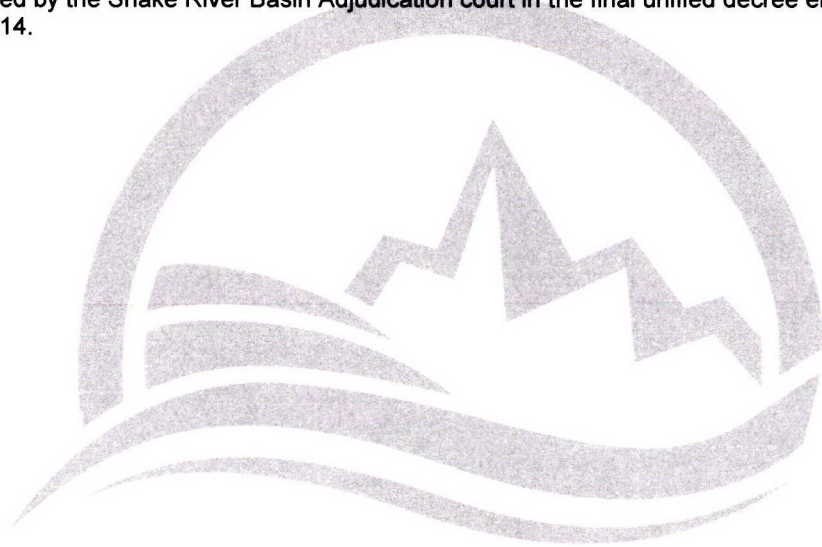
Transfer No. 87276

SCANNED
FEB 21 2023

WATER RIGHT NO. 72-7167
As Modified by Transfer No. 87276

CONDITIONS OF APPROVAL

7. The right holder shall accomplish the change authorized by this transfer within one year of the date of this approval.
8. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
9. Pursuant to Idaho Code § 42-1412(6), this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as determined by the Snake River Basin Adjudication court in the final unified decree entered 08/26/2014.

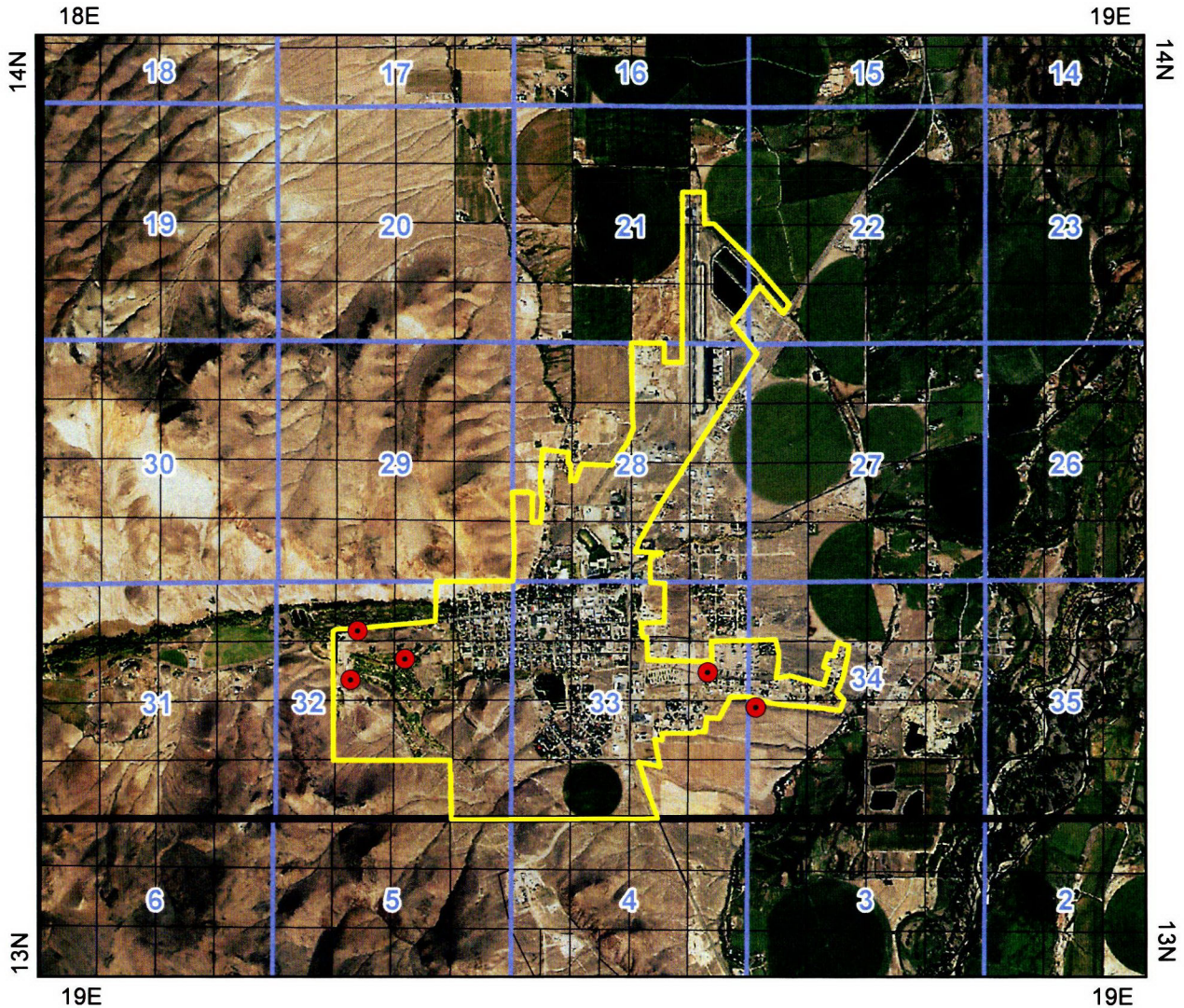


State of Idaho
Department of Water Resources

Attachment to Transfer # 87276

72-7117 & 72-7167

This map depicts the MUNICIPAL place of use boundary for these water rights at the time of this approval and is attached to the approval document solely for illustrative purposes.



- Point of Diversion
- Water Service Area Boundary
- Townships
- PLS Sections
- Quarter Quarters



SCANNED

FEB 21 2023

RECEIVED

87276

NOV 18 2022

42-222 POD - 07/18

NOV 28 2022

STATE OF IDAHO

DEPT OF WATER RESOURCES
SOUTHERN REGION

DEPARTMENT OF WATER RESOURCES

Department of Water Resource
Eastern Region

APPLICATION FOR TRANSFER OF WATER RIGHT – POINT(S) OF DIVERSION

This form may be used to apply to change and/or add points of diversion for existing water rights and to report an ownership change for a water right(s) in connection with the proposed point of diversion change(s). Do not use this form to apply for changes to other elements of a water right. See the [Application for Transfer Instructions](#) for help completing this form and for mailing addresses of Department offices where your application can be submitted.

Check all that apply:

- ☐ Change diversion point(s) ☒ Add diversion point(s) ☐ Ownership change ☐ Ownership split
☐ Transfer is for changes pursuant to [Idaho Code § 42-221.O.8](#). Attach an explanation and any supporting documentation.

1. APPLICANT(S) City of Challis Phone _____2. MAILING ADDRESS PO Box 587 City ChallisState ID Zip 83226 Email _____

- ☐ If the applicant is not an individual and not registered to do business in the State of Idaho, attach documentation identifying officers authorized to sign for the applicant.
☐ If the applicant is not the current water right(s) owner, attach documentation of authority to file the application.
☐ If the application includes a change in ownership of water right(s), attach a copy of the conveyance document, such as a warranty deed, court decree, contract of sale, etc. The conveyance document must include a legal description of the property conveyed or description of the water right if no land is conveyed. Additional fee(s) are required for water right ownership changes; see Item 9 for the [fee schedule](#).

If the ownership change resulted in the water right(s) being split, how did the division occur? Mark one:

- ☐ The water rights or claims were divided as specifically identified in a deed, contract, or other conveyance document.
☐ The water rights or claims were divided proportionately based on the portion of their place(s) of use acquired by the new owner.
☐ If the application is not signed by the applicant, attach a Power of Attorney or other documentation providing authority to sign for the applicant.

3. LIST WATER RIGHT NUMBER(S) 72-7117 and 72-7167

- ☒ Attach a copy of the water right(s) as recorded, available at idwr.idaho.gov, *Water Right Transfers, Step 1*, or by contacting any Department office.

4. TOTAL AMOUNT OF WATER transferred is 3.11 cubic feet per second and/or _____ acre-feet per annum.
(diversion rate) (storage volume)5. POINT OF DIVERSION – Describe all the point(s) of diversion to be included on the water right(s) after the proposed change.

- ☐ Attach Eastern Snake Plain Aquifer (ESPA) analysis if this transfer proposes to change a point of diversion affecting the ESPA. ESPA analysis information is available at idwr.idaho.gov, *Water Rights, Water Right Transfers, Modeling Resources*.

New?	Lot	¼	¼	¼	Sec	Twp	Rge	County	Source	Local name or tag #
N			SW	NE	32	14N	19E	CUSTER	GROUND WATER	
N			NE	NW	32	14N	19E	CUSTER	GROUND WATER	E0007351/W WELL 1
N			SE	NW	32	14N	19E	CUSTER	GROUND WATER	E0007352/W WELL 2
N			SE	NE	33	14N	19E	CUSTER	GROUND WATER	E0007349/E WELL 1
Y			NW	SW	34	14N	19E	CUSTER	GROUND WATER	

6. GENERAL INFORMATION

- a. Describe the complete diversion system, including how you will accommodate a measuring device and lockable controlling works should they be required now or in the future:

Four existing wells and one new well connected to the city municipal water system. Measuring devices are already installed on existing wells and will be installed on the new well during construction.

- b. Who owns the property at the point(s) of diversion? Thompson Creek Mining Company
If other than the applicant, describe the arrangement enabling the applicant to access the property for the diversion system:
Applicant is in the process of purchasing the new well location, subject to approvals. See Attachment #6b.

- c. To your knowledge, has/is any portion of the water right(s) proposed to be changed:

Yes No

- ☐ ☒ undergone a period of five or more consecutive years of non-use,
☐ ☒ currently used in a mitigation plan limiting the use of water under the right(s), or
☐ ☒ currently enrolled in a Federal set-aside program limiting the use of water under the right(s)?

If yes, describe:

- d. Is any portion of the water right(s) proposed to be changed currently leased to the Water Supply Bank? ☐ Yes ☒ No
☐ If yes and there are multiple owners, attach a [Lessor Designation](#) form.
☐ If yes, the individual owner or designated lessor must complete, sign and attach an [IRS Form W-9](#).
(Disregard if these items are on file and ownership has not changed.)

7. **MAP** – ☒ Attach a map of the diversion, measurement, control and distribution system. Include the place of use if a split of the water right occurred. Clearly label the map with township, range, section and $\frac{1}{4}$ $\frac{1}{4}$ of section information. You may create a map at idwr.idaho.gov, *Water Rights, Water Right Transfers, File a Transfer Application, Step 2C*.

8. **SIGNATURE** – The information in this application is true to the best of my knowledge. I understand any willful misrepresentations in this application may result in rejection of the application or cancellation of an approval.

Signature of applicant or authorized agent

Print name and title if applicable

Date

Signature of applicant or authorized agent

Print name and title if applicable

Date

9. **FEE** – ☐ The application filing fee provided in Idaho Code § 42-221.O, must be submitted with the application for transfer. Applications for changes pursuant to Idaho Code § 42-221.O.8. require a filing fee of \$50 per water right. All other application fees are based on the total amount of water proposed for transfer in Item 4: the larger fee for either cubic feet per second (diversion rate) or acre-feet per annum (storage volume). The [Fee Schedule](#) is available at www.idwr.idaho.gov, *Water Right Transfers, Step 4* and in the [Application for Transfer Instructions](#).

FOR DEPARTMENT USE ONLY

Transfer includes _____ pages of attachments. Received by _____ Date _____

Fee paid \$740.00 Date 11/18/22 Received by C. B. H. Receipt # E048736

Preliminary review by _____ Date _____ Active in the Water Supply Bank? Yes ☐ No ☐

W-9 received? Yes ☐ No ☐ Name on W-9 _____ W-9 forwarded to fiscal? Yes ☐ No ☐

(Do NOT scan the W-9 – confidential information is held by fiscal only)

IDAHO DEPARTMENT OF WATER RESOURCES

WATER RIGHT REPORT

11/10/2022

IDAHO DEPARTMENT OF WATER RESOURCES

Water Right Report

WATER RIGHT NO. 72-7117

<u>Owner Type</u>	<u>Name and Address</u>
Current Owner	CITY OF CHALLIS PO BOX 587 CHALLIS, ID 83226 2088792386

Priority Date: 01/19/1981

Basis: Decreed

Status: Active

<u>Source</u>	<u>Tributary</u>
GROUND WATER	

<u>Beneficial Use</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
MUNICIPAL	1/01	12/31	2.73 CFS	
Total Diversion			2.73 CFS	

Location of Point(s) of Diversion:

GROUND WATER	SWNE	Sec. 32	Township 14N	Range 19E	CUSTER County
GROUND WATER	NENW	Sec. 32	Township 14N	Range 19E	CUSTER County
GROUND WATER	SENE	Sec. 32	Township 14N	Range 19E	CUSTER County
GROUND WATER	SENE	Sec. 33	Township 14N	Range 19E	CUSTER County

Place(s) of use: [Large POU Info](#)

Conditions of Approval:

- 124 Place of use is within the service area of the City of Challis municipal water supply system as provided for under Idaho Law.

2. 172 The boundary encompassing the place of use for this water right is described with a digital boundary as authorized by Idaho law. The data comprising the digital boundary are stored in the electronic document management system of the Department and are incorporated into this approval by this reference. A map depicting the place of use is attached to this approval document to illustrate the place of use described by the digital boundary.
3. 046 Right holder shall comply with the drilling permit requirements of Section 42-235, Idaho Code and applicable Well Construction Rules of the Department.
4. R05 Use of water under this right will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 170.
5. R43 The right holder shall maintain a measuring device and lockable controlling works of a type approved by the Department in a manner that will provide the watermaster suitable control of the diversions.
6. T19 Pursuant to Section 42-1412(6), Idaho Code, this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as may be determined by the Snake River Basin Adjudication court at a point in time no later than the entry of the final unified decree.

Dates:

Licensed Date:

Decreed Date: 12/01/2000

Permit Proof Due Date: 4/1/1986

Permit Proof Made Date: 7/5/1983

Permit Approved Date: 4/2/1981

Permit Moratorium Expiration Date:

Enlargement Use Priority Date:

Enlargement Statute Priority Date:

Water Supply Bank Enrollment Date Accepted:

Water Supply Bank Enrollment Date Removed:

Application Received Date: 01/19/1981

Protest Deadline Date:

Number of Protests: 0

Other Information:

State or Federal: S

Owner Name Connector:

Water District Number: 170

Generic Max Rate per Acre:

Generic Max Volume per Acre:

Civil Case Number:

Old Case Number:

IDAHO DEPARTMENT OF WATER RESOURCES

WATER RIGHT REPORT

11/10/2022

IDAHO DEPARTMENT OF WATER RESOURCES

Water Right Report

WATER RIGHT NO. 72-7167

<u>Owner Type</u>	<u>Name and Address</u>
Current Owner	CITY OF CHALLIS PO BOX 587 CHALLIS, ID 83226 2088792386

Priority Date: 11/04/1981

Basis: Decreed

Status: Active

<u>Source</u>	<u>Tributary</u>
GROUND WATER	

<u>Beneficial Use</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
MUNICIPAL	1/01	12/31	0.38 CFS	
Total Diversion			0.38 CFS	

Location of Point(s) of Diversion:

GROUND WATER	SWNE	Sec. 32	Township 14N	Range 19E	CUSTER County
GROUND WATER	NENW	Sec. 32	Township 14N	Range 19E	CUSTER County
GROUND WATER	SENE	Sec. 32	Township 14N	Range 19E	CUSTER County
GROUND WATER	SENE	Sec. 33	Township 14N	Range 19E	CUSTER County

Place(s) of use: [Large POU Info](#)

Conditions of Approval:

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Dates:

Licensed Date:

Decreed Date: 12/01/2000

Permit Proof Due Date: 1/1/1987

Permit Proof Made Date: 11/26/1986

Permit Approved Date: 1/30/1982

Permit Moratorium Expiration Date:

Enlargement Use Priority Date:

Enlargement Statute Priority Date:

Water Supply Bank Enrollment Date Accepted:

Water Supply Bank Enrollment Date Removed:

Application Received Date: 11/04/1981

Protest Deadline Date:

Number of Protests: 0

Other Information:

State or Federal: S

Owner Name Connector:

Water District Number: 170

Generic Max Rate per Acre:

Generic Max Volume per Acre:

Civil Case Number:

Old Case Number:

City of Challis
414 Main Street
Challis, ID 83226

August 17, 2022

Thompson Creek Mining Company
P.O. Box 62
Clayton, ID 83227

RE: Memorandum of Understanding for Purchase and Sale of Real Property and Easement

Dear Sir:

This Memorandum of Understanding ("Memorandum") constitutes the expression of the parties' interest in purchasing and selling the Property (as hereinafter defined) on the general terms and conditions described herein. It will also serve as the basis for negotiating a definitive purchase and sale agreement for the purchase and sale of the Property and associated Easement (the "Purchase Agreement"). Upon acceptance, the City of Challis ("Purchaser") and Thompson Creek Mining Company ("Seller") agree to proceed in good faith to execute a definitive Purchase Agreement.

1. Property. That certain property representing approximately 100 feet by 100 feet in Custer County, Idaho, within the area as further described and depicted on Exhibit A, attached hereto and incorporated by reference (the "Property"), and to be further determined as to exact location, along with an easement for utilities as depicted on Exhibit A.
2. Execution of Purchase Agreement. The Memorandum is an expression of the basic terms and conditions to be incorporated in the Purchase Agreement.
3. Purchase Price. The purchase price for the Property (the "Purchase Price") shall be \$1.00, with the remaining value of the Property to be a donation to the Purchaser. The Purchaser shall document the value of such donation for tax purposes.
4. Closing Costs. Purchaser shall pay the cost of the survey, title commitment, title policy, closing costs, and other title related costs, as well as any and all costs related to its due diligence investigation. Seller shall pay any outstanding taxes or liens on the Property. Each party shall pay its own legal fees and one-half of any escrow or closing fee.

5. Credits and Prorations. The Purchase Agreement shall contain customary prorations with respect to rent, other lease payments, real estate taxes, and any and all items customarily prorated between the parties in transactions of this size and type in the State of Idaho.

6. Due Diligence Investigation.

a. From and after the mutual acceptance of this Memorandum by the parties, and continuing until the earlier of (i) the closing of the Sale of the Property, or (ii) the termination of the transaction contemplated by this Memorandum and the Purchase Agreement (the "Inspection Period"), Seller shall allow Purchaser to have access to the Property to investigate and inspect the legal, physical, economic, hydrogeological, and environmental condition of the Property, and the suitability of the Property for Purchaser's intended use thereof. If Purchaser determines, in its sole absolute discretion, that it is unsatisfied with any aspect of the Property prior to the expiration of the Inspection Period, then Purchaser shall have the right to terminate the Purchase Agreement by written notice to Seller given prior to the expiration of the Inspection Period.

b. Without limiting the general applicability of Paragraph 7,a., Purchaser shall conduct a geotechnical and environmental site evaluation of the Property within one hundred fifty (150) days of the mutual acceptance of this Memorandum by the parties. If, at Purchaser's sole discretion, the Property is not suitable for Purchaser's intended use, this Memorandum shall be terminated.

c. Within thirty (30) days after the mutual acceptance of this Memorandum by the parties, Seller shall provide to Purchaser for its review, all information and documentation regarding the Property which is in the possession or control of Seller, its affiliates, and/or property manager (the "Due Diligence Materials"). Seller shall represent in the Purchase Agreement that to Seller's knowledge, the Due Diligence Materials constitute all of the information and documentation relating to the Property that is in Seller's possession or control.

d. Purchaser understands and agrees that any on-site inspections, including the drilling of test holes, of the Property shall occur at reasonable times agreed upon by Seller and Purchaser after reasonable prior written notice from Purchaser to Seller (which shall, in all cases, be at least 24 hours in advance) and shall be conducted so as not to interfere with the use and operation of the Property and rights of Seller and its tenants, subtenants, licensees, or other users and occupants of the Property.

e. In the event that Seller does not proceed in good faith to execute a Purchase Agreement, it shall reimburse the Purchaser for its inspection fees incurred during Due Diligence.

7. Representations and Warranties. The Purchase Agreement shall contain representations and warranties from Seller with respect to the environmental, physical, and economic condition of the Property, title to the Property, the compliance of the Property with laws and other applicable requirements, the leases and leasing activities affecting the Property, and any other matters reasonable requested by Purchaser.

8. Closing Conditions. The parties' obligations under the Purchase Agreement shall be conditioned upon the following closing conditions:

a. The City Council of Purchaser shall approve the Purchase Agreement and the transactions contemplated therein.

b. Purchaser shall obtain all necessary consents and approvals from all applicable jurisdictions, governmental or otherwise, necessary to use the Property for Purchaser's intended use.

c. The Purchase Agreement and the transactions contemplated therein shall not be contrary to any applicable law, ordinance, or regulation.

d. The Purchase Agreement will contain reasonable and customary closing conditions and other contingencies as agreed to by the parties.

9. Termination. Unless extended in writing by the parties, this Memorandum shall automatically terminate and be of no further force and effect upon the earlier of: (a) the mutual execution of the Purchase Agreement by Purchaser and Seller; and (b) (180) days after the date this Memorandum is executed by Purchaser.

10. Confidentiality. This Memorandum is being transmitted to you with the express understanding that its contents and the fact that it has been transmitted remain confidential. By execution of this Memorandum, each party agrees to maintain the confidentiality of the other party's involvement (including the identity of such other party) in a possible transaction as described herein, including, without limitation, the structure and pricing thereof as well as the terms of the transaction, and not disclose same to any person or entity other than: (a) on an as-needed basis, to such party's advisors, agents, consultants, lenders, and potential lenders and the applicable party shall inform them of the confidentiality requirements of this Memorandum and

their duty to comply with its terms: (b) with respect to any other disclosures required by law; or (c) disclosures consented to by both parties.

11. Merger and Integration. This Money offer supersedes all prior oral and written proposals between the parties.

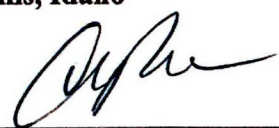
12. Counterparts. This Memorandum may be signed in one or more counterparts, each of which may be an original or copy and all of which when taken together shall constitute one and the same instrument.

13. Revocable Offer. This Memorandum represents a revocable offer that may be withdrawn by Purchaser any time prior to Seller's acceptance.

If the foregoing terms and conditions are acceptable to you, please execute and return to as an executed copy of this Memorandum.

Sincerely,

City of Challis, Idaho

By: 

Name: Corey Rine

Title: Mayor

Dated: 9/15/22

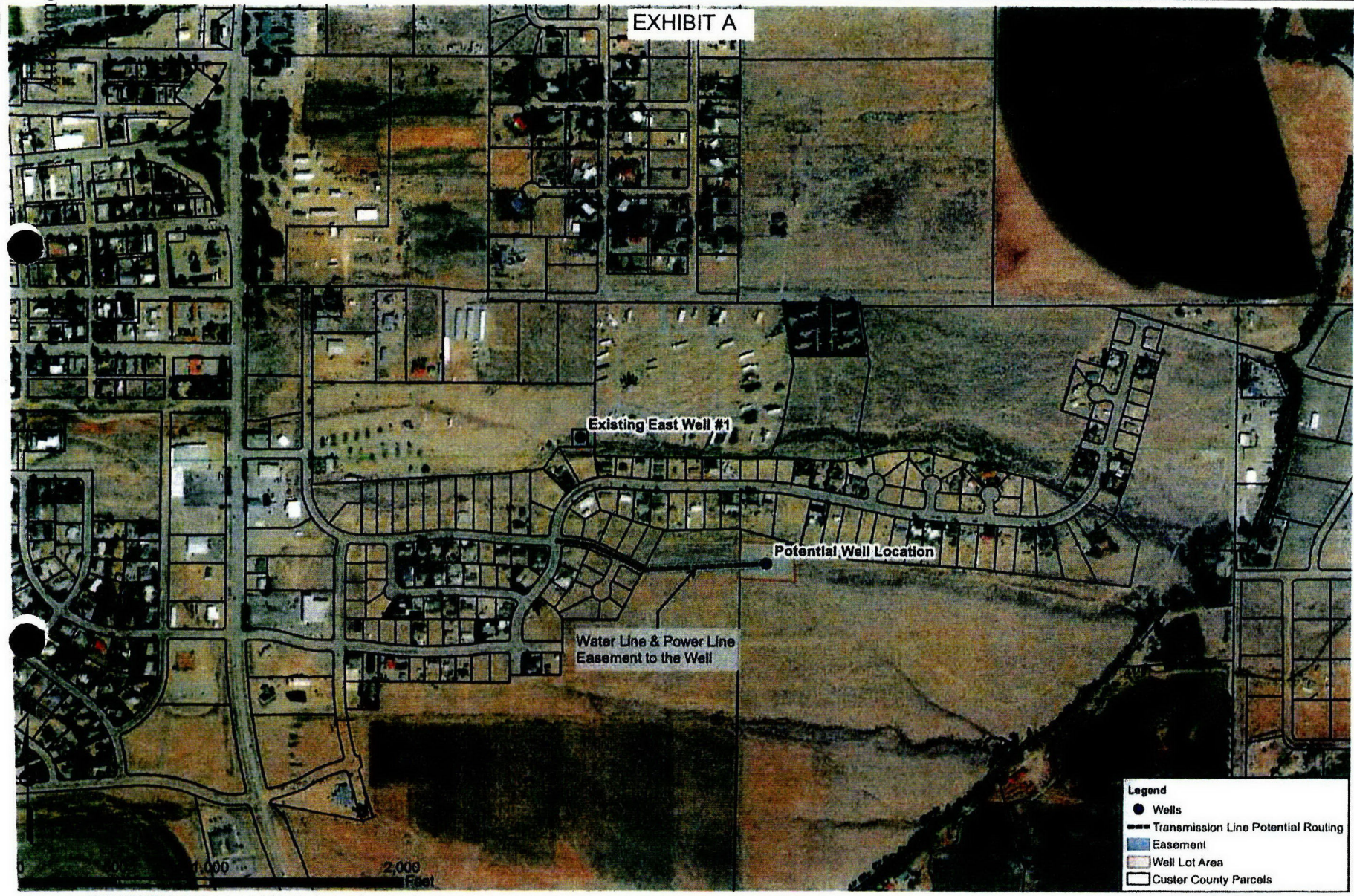
Thompson Creek Mining Company

By: 

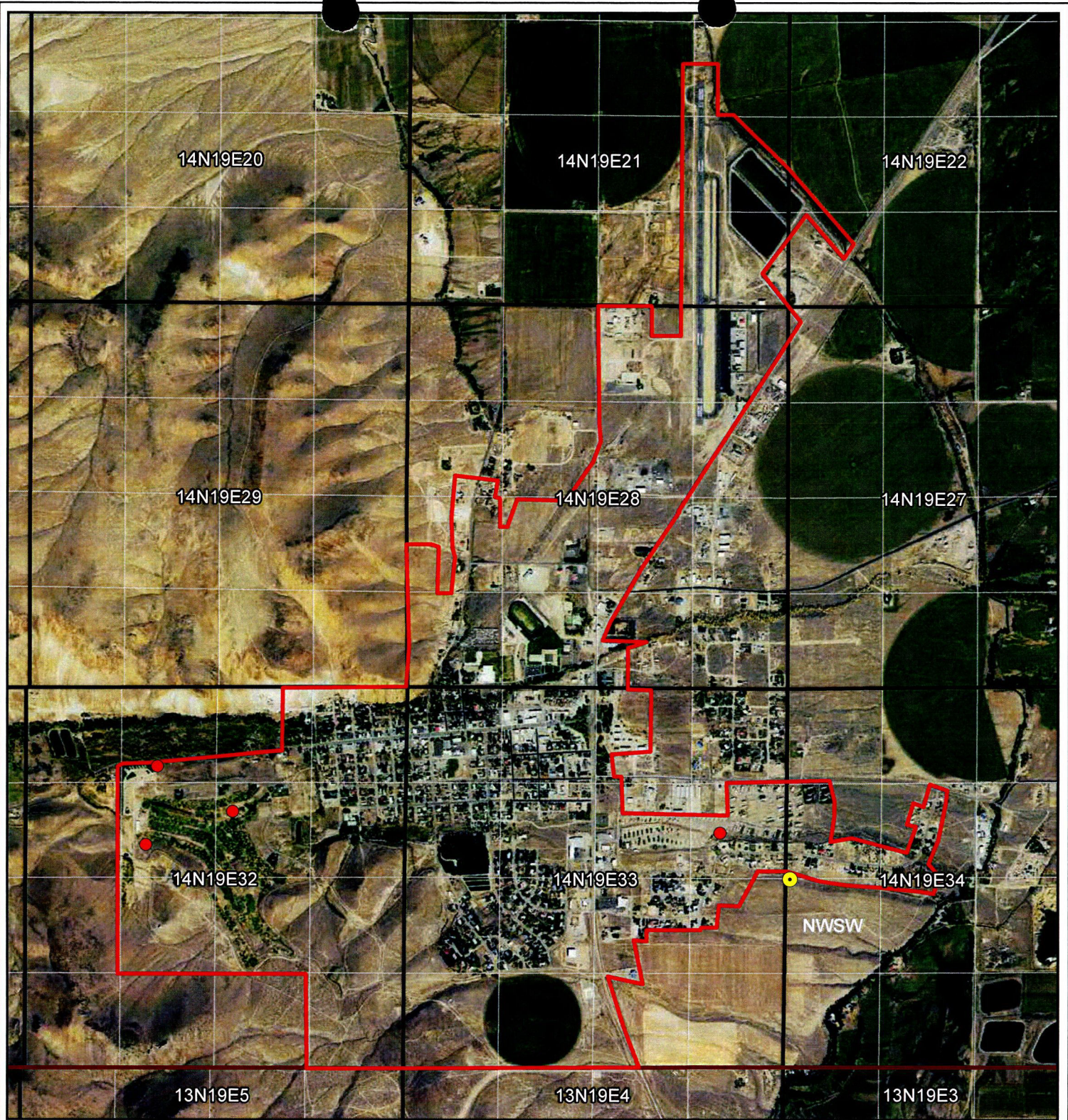
Name: _____

Title: Site Manager

Dated: 9-12-22



Challis Water Improvements		CITY OF CHALLIS	PROJECT NO. 222102 FILENAME NewWell.mxd
New Well Location			
FIGURE NO. 1-1		KELLER 305 N. 3rd Avenue Pocatello, ID 83201 208.238.2145	

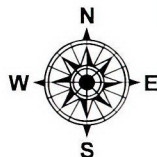


0 1,850 3,700 7,400 Feet

2021 NAIP

Legend

- Proposed New Well Location
- Existing Municipal Wells
- Municipal Service Area
- Twp & Rng
- Section
- QQ



87276

Attachment #7 Pg 1 of 2 Application for Permit City of Challis

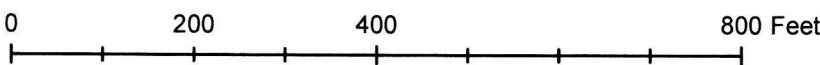
RMEA # 22-0209

by: KM

Date: 11/10/2022



DEC 30 2022

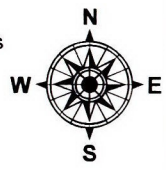


2021 NAIP

87276

Legend

- Proposed New Well Location
- Existing Municipal Wells
- Well Lot - Estimated
- Municipal Service Area
- Custer Cnty Parcels
- Twp & Rng
- Section
- QQ



Attachment #7 Pg 2 of 2
Application for Permit
City of Challis

RMEA # 22-0209
 by: KM
 Date: 11/10/2022





IDAHO DEPARTMENT OF
WATER RESOURCES

Southern Region • 650 Addison Ave W, Suite 500 • Twin Falls, ID 83301-5858

Phone: 208-736-3033 • Fax: 208-736-3037 • Email: southerninfo@idwr.idaho.gov • Web: idwr.idaho.gov

Governor Brad Little

Director Gary Spackman

February 16, 2023

CITY OF CHALLIS
PO BOX 587
CHALLIS ID 83226-0587

Re: Transfer No: 87276
Water Right No(s): 72-7117, 72-7167

Correspondence

Transfer Approval Notice

Dear Water Right Holder and other Interested Persons:

The Department of Water Resources has issued the enclosed approved Transfer of Water Right(s). Please be sure to thoroughly review the conditions of approval and remarks listed on the approval document.

The Transfer of Water Right(s) is a PRELIMINARY ORDER issued by the Department pursuant to section 67-5243, Idaho Code. It can and will become a final order without further action by the Department unless the APPLICANT petitions for reconsideration or files an exception and/or brief within fourteen (14) days of the service date as described in the enclosed information sheet.

ANY PERSON aggrieved by any decision, determination, order or action of the Department and who has not previously been afforded an opportunity for a hearing on the matter may request a hearing pursuant to section 42-1701A(3), Idaho Code. A written petition contesting the action of the Department and requesting a hearing shall be filed within fifteen (15) days after receipt of the denial or conditional approval.

If the transfer approval includes a condition requiring measuring and recording devices, such devices shall comply with specifications established by the Department. Detailed specifications are available on the Department's home page on the Internet, or you can request a copy by contacting any office of the Department. Please be sure to thoroughly review the specifications to avoid unnecessary costs for reinstallation or modification due to non-conforming or improperly installed devices.

Please note that water right owners are required to report any change of water right ownership and/or mailing address to the Department within 120 days of the change. Failure to report these changes could result in a \$100 late filing fee. Contact any office of the Department or visit the Department's homepage on the Internet to obtain the proper forms and instructions.

If you have any questions, please contact me at (208) 736-3033.

Sincerely,

A handwritten signature in blue ink, appearing to read "Corey Skinner".

Corey Skinner
Southern Regional Manager

Enclosure

c:

ROCKY MOUNTAIN ENVIRONMENTAL ASSOC INC
482 CONSTITUTION WAY STE 303
IDAHO FALLS ID 83402-3552

WATER DISTRICT 170
DAVID GRAYBILL
102 S WARPATH
SALMON ID 83467

CERTIFICATE OF SERVICE

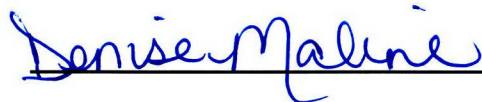
I hereby certify that on February 16, 2023 I mailed a true and correct copy, postage prepaid, of the foregoing PRELIMINARY ORDER (Approved Transfer) to the person(s) listed below:

Re: Transfer No.: 87276
Water Right No(s): 72-7117, 72-7167

CITY OF CHALLIS
PO BOX 587
CHALLIS ID 83226-0587

ROCKY MOUNTAIN ENVIRONMENTAL ASSOC INC
482 CONSTITUTION WAY STE 303
IDAHO FALLS ID 83402-3552

WATER DISTRICT 170
DAVID GRAYBILL
102 S WARPATH
SALMON ID 83467



Denise Maline
Administrative Assistant

EXPLANATORY INFORMATION TO ACCOMPANY A PRELIMINARY ORDER

(To be used in connection with actions when a hearing was **not** held)

(Required by Rule of Procedure 730.02)

The accompanying order or approved document is a "**Preliminary Order**" issued by the department pursuant to section 67-5243, Idaho Code. **It can and will become a final order without further action of the Department of Water Resources ("department") unless a party petitions for reconsideration, files an exception and brief, or requests a hearing as further described below:**

PETITION FOR RECONSIDERATION

Any party may file a petition for reconsideration of a preliminary order with the department within fourteen (14) days of the service date of this order. **Note: the petition must be received by the department within this fourteen (14) day period.** The department will act on a petition for reconsideration within twenty-one (21) days of its receipt, or the petition will be considered denied by operation of law. See Section 67-5243(3) Idaho Code.

EXCEPTIONS AND BRIEFS

Within fourteen (14) days after: (a) the service date of a preliminary order, (b) the service date of a denial of a petition for reconsideration from this preliminary order, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration from this preliminary order, any party may in writing support or take exceptions to any part of a preliminary order and may file briefs in support of the party's position on any issue in the proceeding with the Director. Otherwise, this preliminary order will become a final order of the agency.

REQUEST FOR HEARING

Unless a right to a hearing before the Department or the Water Resource Board is otherwise provided by statute, any person aggrieved by any final decision, determination, order or action of the Director of the Department and who has not previously been afforded an opportunity for a hearing on the matter may request a hearing pursuant to section 42-1701A(3), Idaho Code. A written petition contesting the action of the Director and requesting a hearing shall be filed within fifteen (15) days after receipt of the denial or conditional approval.

ORAL ARGUMENT

If the Director grants a petition to review the preliminary order, the Director shall allow all parties an opportunity to file briefs in support of or taking exceptions to the preliminary order and may schedule oral argument in the matter before issuing a final order. If oral arguments are to be heard, the Director will within a reasonable time period notify each party of the place, date and hour for the argument of the case. Unless the Director orders otherwise, all oral arguments will be heard in Boise, Idaho.

CERTIFICATE OF SERVICE

All exceptions, briefs, requests for oral argument and any other matters filed with the Director in connection with the preliminary order shall be served on all other parties to the proceedings in accordance with IDAPA Rules 37.01.01302 and 37.01.01303 (Rules of Procedure 302 and 303).

FINAL ORDER

The Director will issue a final order within fifty-six (56) days of receipt of the written briefs, oral argument or response to briefs, whichever is later, unless waived by the parties or for good cause shown. The Director may remand the matter for further evidentiary hearings if further factual development of the record is necessary before issuing a final order. The department will serve a copy of the final order on all parties of record.

Section 67-5246(5), Idaho Code, provides as follows:

Unless a different date is stated in a final order, the order is effective fourteen (14) days after its service date if a party has not filed a petition for reconsideration. If a party has filed a petition for reconsideration with the agency head, the final order becomes effective when:

- (a) The petition for reconsideration is disposed of; or
- (b) The petition is deemed denied because the agency head did not dispose of the petition within twenty-one (21) days.

APPEAL OF FINAL ORDER TO DISTRICT COURT

Pursuant to sections 67-5270 and 67-5272, Idaho Code, if this preliminary order becomes final, any party aggrieved by the final order or orders previously issued in this case may appeal the final order and all previously issued orders in this case to district court by filing a petition in the district court of the county in which:

- i. A hearing was held,
- ii. The final agency action was taken,
- iii. The party seeking review of the order resides, or
- iv. The real property or personal property that was the subject of the agency action is located.

The appeal must be filed within twenty-eight (28) days of this preliminary order becoming final. See section 67-5273, Idaho Code. The filing of an appeal to district court does not itself stay the effectiveness or enforcement of the order under appeal.

MEMORANDUM

Date: February 03, 2023
To: Transfer 87276
From: Kent Aasa
Re: Review & Evaluation of Sufficiency of Information

Review & Evaluation of Sufficiency of Information
12/13/2022

Application for transfer proposes to add a point of diversion to the Municipal System of the City of Challis. The proposed point of diversion is located approximately 0.5 miles east and 0.4 miles south of the Highway 93/Main St intersection in Challis. Comments were solicited from Water District 170 watermaster and from the Idaho Water Resource Board. No comments were received from Water District 170 watermaster and the Idaho Water Resource Board did not have concerns.

Authority to File: The Department's database indicates that the water rights involved are owned by the City of Challis. The application was signed by the applicants' representative.

Water Right Validity: Based on department records, and historic purpose of use, there does not appear to be a validity issue. Water rights 72-7167 and 72-7117 were both decreed on 12/01/2000.

Injury to Other Water Rights: None anticipated or foreseen. The transfer is adding a point of diversion to an existing Municipal System. There is no change to the amount of water used. The POD change simply means that the two water rights involved in the transfer will have five points of diversion.

Enlargement of Use: None anticipated.

Local Public interest: No issues anticipated.

Beneficial Use/Conservation of Water Resources: Proposed use is recognized as a beneficial use of water.

Effect on Economy the Local Area: No adverse effects anticipated.

Effect on Agricultural Base of the Local Area: No adverse effects anticipated.

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

Aasa, Kent

From: Buyer, Remington
Sent: Tuesday, January 3, 2023 1:05 PM
To: Aasa, Kent; IWRB Water Use Reviews
Subject: RE: Transfer 87276 for the City of Challis

Hi Kent,

The IWRB MSF WRs on the Salmon River in basin 72 are subordinate to DCMI uses. I do not expect the IWRB to protest or provide any comments on Transfer 87276.

Regards,

Remington Buyer
Project Manager
[Idaho Department of Water Resources](#)
322 East Front Street, Suite 600
Boise, ID 83702
(208) 287-4918

From: Aasa, Kent <Kent.Aasa@idwr.idaho.gov>
Sent: Thursday, December 29, 2022 11:40 AM
To: IWRB Water Use Reviews <WaterUseApprovalReviews@idahogov.onmicrosoft.com>
Subject: Transfer 87276 for the City of Challis

Hi Cynthia,

We are forwarding a new application for transfer (87276) for the City of Challis for advertising. The application will be in the paper in the next two weeks and the file will be scanned and available in a few days.

Advertising remarks: Application for transfer proposes to add a point of diversion to the Municipal System of the City of Challis (3.11cfs). The proposed point of diversion is located approximately 0.5 miles east and 0.4 miles south of the Highway 93/Main St intersection in Challis.

Respectfully,

Kent Aasa
Water Resource Agent
Southern Region
(208) 736-3033



PROOF OF PUBLICATION
The Challis Messenger

RECEIVED
JAN 17 2023
DEPT OF WATER RESOURCES
SOUTHERN REGION

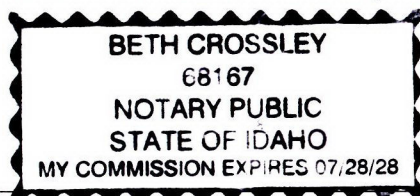
State of Idaho
County of Custer

I, ~~Dawn Giannini~~, or Collins Crapo first being duly sworn, depose and say: That I am the ~~Classified~~ Manager, or Processing Clerk employed by Adams Publishing Group of the Rockies LLC, publishers of The Challis Messenger, a newspaper of general circulation, published 1 day, Thursday at Challis, Idaho.

That the notice, of which a copy is hereto attached and made a part of this affidavit, was published in said The Challis Messenger for 2 day(s), first publication having been made on 01/05/2023 last publication having been made on 01/12/2023, and that the said notice was published in the regular and entire issue of said paper on the respective dates of publication, and that such notice was published in the newspaper and not in a supplement.

[Signature]

Subscribed and sworn to before me, on this 12th day of January, 2023



[Signature]

Notary Public
My commission expires:

attached jurat _____

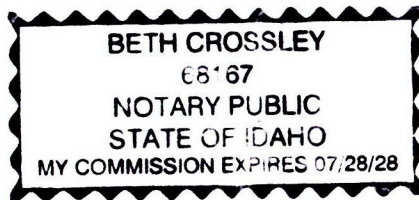
STATE OF IDAHO

ss.

COUNTY OF CUSTER

On this 12th day of January, 2023 before me, the undersigned, a Notary public for said state, personally appeared ~~Dawn Giannini~~ or Collins Crapo, known or identified to me to be the person(s) whose name(s) is/are subscribed to the within instrument, and being by me first duly sworn, declared that the statements therein are true, and acknowledged to me that he/she/they executed the same,

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



[Signature]
Notary Public for APG of the Rockies
Residing: Idaho Falls, Idaho
Commission expires:

✓ o/c dm 1-24-2023

The following application(s) have been filed to appropriate the public waters of the State of Idaho:

71-11019

B & C PROPERTY HOLDINGS LLC

PO BOX 350

STANLEY, ID 83278-0350

Point of Diversion L10 (SWSW) S3 T10N R13E CUSTER County Source GROUND WATER Tributary

Use: HEATING 01/01 to 12/31 3.34 CFS

Use: RECREATION 01/01 to 12/31 3.34 CFS

Total Diversion: 3.34 CFS

Date Filed: 10-20-2022

Place Of Use: HEATING, RECREATION

T10N R13E S3 SWSW, SESW

Application proposes to divert 3.34 cfs of low-temperature geothermal (LTG) ground water for heating and recreation uses. Application proposes a non-consumptive use of water that will utilize a new production well and a separate injection well to return the water to the LTG source. The proposed POD and POU are located approximately 0.25 miles north and .05 miles east of the Highway 21 & Highway 75 intersection in Stanley. This application proposes the diversion and use of water from ground water tributary to the Salmon Wild & Scenic River. The decreed minimum stream flow rights for the federal Wild & Scenic Rivers are subordinate to certain categories of water use and to specific amounts of water use established after the minimum stream flow. The water use proposed in this application will benefit from the subordination provision because it is for non-consumptive purposes.

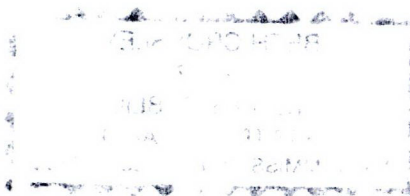
**NOTICE OF PROPOSED CHANGE OF WATER RIGHT
TRANSFER NO. 87276**

CITY OF CHALLIS, PO BOX 587, CHALLIS, ID 83226 has filed Application No. 87276 for changes to the following water rights within CUSTER County(s): Right No(s). 72-7117, 72-7167. The purpose of the transfer is to change a portion of the above rights as follows: Application for transfer proposes to add a point of diversion to the Municipal System of the City of Challis (3.11 cfs). The proposed point of diversion is located approximately 0.5 miles east and 0.4 miles south of the Highway 93 & Main St intersection in Challis.

Permits will be subject to all prior water rights. For additional information concerning the property locations, contact Southern Region office at (208) 736-3033; or for a full description of the rights &/or proposed transfer, please see <https://research.idwr.idaho.gov>. Protests may be submitted based on the criteria of Sec 42-222 and 42-203A, Idaho Code. Any protest against the approval of this application(s) must be filed with the Director, Dept. of Water Resources, Southern Region, 650 ADDISON AVE W, STE 500, TWIN FALLS, ID 83301-5858 together with a protest fee of \$25.00 for each application on or before **January 23, 2023**. The protestant must also send a copy of the protest to the applicant.

GARY SPACKMAN
Director

Published: January 5, 12, 2023 (CM12622-318726)



✓ OK DM 1-24-2023



ADVERTISING RECEIPT

APG West Payment
Processing
PO Box 1570
Pocatello, ID 83204
Ph. (208) 542-6712

BILLING DATE:	ACCOUNT NO:
12/29/22	12622

Denise Maline
IDWR SOUTHERN REGION TWIN FALLS
650 ADDISON AVE W STE 500
TWIN FALLS, ID 83301

AD #	DESCRIPTION	START	STOP	TIMES	AMOUNT
318726	The following applic	01/05/23	01/12/23	2	\$167.45

Corrected proof of legal notice received from Challis Messenger 12/29/2022.

Payments:

Date	Method	Card Type	Last 4 Digits	Check	Amount
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Discount: \$0.00
Surcharge: \$0.00
Credits: \$0.00

Gross: \$167.45
Paid Amount: \$0.00

Amount Due: \$167.45

We Appreciate Your Business!

318726

SCANNED
DEC 30 2022

The following application(s) have been filed to appropriate the public waters of the State of Idaho:

71-11019

B & C PROPERTY HOLDINGS LLC

PO BOX 350

STANLEY, ID 83278-0350

Point of Diversion L10 (SWSW) S3 T10N R13E CUSTER County Source GROUND WATER Tributary

Use: HEATING 01/01 to 12/31 3.34 CFS

Use: RECREATION 01/01 to 12/31 3.34 CFS

Total Diversion: 3.34 CFS

Date Filed: 10-20-2022

Place Of Use: HEATING, RECREATION

T10N R13E S3 SWSW, SESW

Application proposes to divert 3.34 cfs of low-temperature geothermal (LTG) ground water for heating and recreation uses. Application proposes a non-consumptive use of water that will utilize a new production well and a separate injection well to return the water to the LTG source. The proposed POD and POU are located approximately 0.25 miles north and .05 miles east of the Highway 21 & Highway 75 intersection in Stanley. This application proposes the diversion and use of water from ground water tributary to the Salmon Wild & Scenic River. The decreed minimum stream flow rights for the federal Wild & Scenic Rivers are subordinate to certain categories of water use and to specific amounts of water use established after the minimum stream flow. The water use proposed in this application will benefit from the subordination provision because it is for non-consumptive purposes.

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Permits will be subject to all prior water rights. For additional information concerning the property locations, contact Southern Region office at (208) 736-3033; or for a full description of the rights &/or proposed transfer, please see <https://research.idwr.idaho.gov>. Protests may be submitted based on the criteria of Sec 42-222 and 42-203A, Idaho Code. Any protest against the approval of this application(s) must be filed with the Director, Dept. of Water Resources, Southern Region, 650 ADDISON AVE W, STE 500, TWIN FALLS, ID 83301-5858 together with a protest fee of \$25.00 for each application on or before **January 23, 2023**. The protestant must also send a copy of the protest to the applicant.

GARY SPACKMAN
Director

Published: January 5, 12, 2023 (CM12622-318726)

✓ DM 12/29/2022



THE JEFFERSON
STAR

THE CHALLIS
Messenger

ADVERTISING RECEIPT

APG West Payment
Processing
PO Box 1570
Pocatello, ID 83204
Ph. (208) 542-6712

BILLING DATE:	ACCOUNT NO:
12/29/22	12622

Denise Maline
IDWR SOUTHERN REGION TWIN FALLS
650 ADDISON AVE W STE 500
TWIN FALLS, ID 83301

AD #	DESCRIPTION	START	STOP	TIMES	AMOUNT
318726	The following applic	01/05/23	01/12/23	2	\$167.45

Dates should be 1/5 & 12. (see pg.2)

Payments:

Date	Method	Card Type	Last 4 Digits	Check	Amount
------	--------	-----------	---------------	-------	--------

Discount:	\$0.00
Surcharge:	\$0.00
Credits:	\$0.00

Gross:	\$167.45
Paid Amount:	\$0.00

Amount Due: **\$167.45**

We Appreciate Your Business!

318726

SCANNED
DEC 30 2022

The following application(s) have been filed to appropriate the public waters of the State of Idaho:

71-11019

B & C PROPERTY HOLDINGS LLC

PO BOX 350

STANLEY, ID 83278-0350

Point of Diversion L10 (SWSW) S3 T10N R13E CUSTER County Source GROUND WATER Tributary

Use: HEATING 01/01 to 12/31 3.34 CFS

Use: RECREATION 01/01 to 12/31 3.34 CFS

Total Diversion: 3.34 CFS

Date Filed: 10-20-2022

Place Of Use: HEATING, RECREATION

T10N R13E S3 SWSW, SESW

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Permits will be subject to all prior water rights. For additional information concerning the property locations, contact Southern Region office at (208) 736-3033; or for a full description of the rights &/or proposed transfer, please see <https://research.idwr.idaho.gov>. Protests may be submitted based on the criteria of Sec 42-222 and 42-203A, Idaho Code. Any protest against the approval of this application(s) must be filed with the Director, Dept. of Water Resources, Southern Region, 650 ADDISON AVE W, STE 500, TWIN FALLS, ID 83301-5858 together with a protest fee of \$25.00 for each application on or before **January 23, 2023**. The protestant must also send a copy of the protest to the applicant.

GARY SPACKMAN
Director

Published: January 3, 10, 2023 (CM12622-318726)

5th & 12th

✓ fixed. dm 12/29/2022



Southern Region • 650 Addison Ave W, Suite 500 • Twin Falls, ID 83301-5858

Phone: 208-736-3033 • Fax: 208-736-3037 • Email: southerninfo@idwr.idaho.gov • Web: idwr.idaho.gov

Governor Brad Little

Director Gary Spackman

December 29, 2022

CITY OF CHALLIS
PO BOX 587
CHALLIS, ID 83226

RE: Transfer No. 87276
Water Right No(s). 72-7117, 72-7167

Dear Applicant(s):

The Department of Water Resources has received your water right transfer application. Please refer to the transfer number referenced above in all future correspondence regarding this transfer.

A legal notice of the application has been prepared and is scheduled for publication in the **CHALLIS MESSENGER on 1/5/2023 and 1/12/2023**. Protests to this application may be submitted for a period ending ten (10) days after the second publication. Any protest against this application must be filed with the Department of Water Resources, together with a protest fee of \$25.00 for each application, on or before **January 23, 2023**.

If the application is protested, you will be sent a copy of each protest. All protests must be resolved before the application can be considered for approval. If the protest(s) cannot be resolved voluntarily, the Department will conduct a conference and/or hearing on the matter.

If the application is not protested, the Department will process your application and notify you of any action taken on the application. If your application is approved, the Department will send you a copy of the approval document.

Please contact this office if you have any questions regarding the application.

Sincerely,

Denise Maline

Denise Maline
Administrative Assistant

c: Rocky Mountain Environmental Assoc. Inc.



Southern Region • 650 Addison Ave W, Suite 500 • Twin Falls, ID 83301-5858

Phone: 208-736-3033 • Fax: 208-736-3037 • Email: southerninfo@idwr.idaho.gov • Web: idwr.idaho.gov

Governor Brad Little

Director Gary Spackman

December 29, 2022

WATER DISTRICT 170
DAVID GRAYBILL
102 S WARPATH
SALMON ID 83467

RE: Application for Permit No(s). 71-11019 (B & C Property Holdings LLC)
RE: Application for Transfer No(s). 87276 (City of Challis)

Dear David:

The Idaho Department of Water Resources (IDWR) is seeking written comment and/or recommendations from you regarding the above referenced water right application. You can find a copy of the application at:

<https://idwr.idaho.gov/apps/ExtSearch/WRAJSearch/WRADJSearch.aspx>. Please review the application, then complete the enclosed recommendation form and return it to this office within 21 days of the date of this letter.

If the application is approved, IDWR will include appropriate standard conditions of approval for a water right located within a water district, such as regulation by the watermaster, lockable controlling works, and/or measuring devices. Any special conditions or other concerns you have related to this application should be specifically addressed in your recommendation.

IDWR can finish reviewing an unprotested application as soon as the protest period has past. Your prompt response to this request will ensure that your recommendation can be considered. If IDWR has not received your written recommendation within 21 days from the date of this letter, IDWR will presume that you do not oppose approval of the application and that you have no comments for IDWR to consider.

Sincerely,

Denise Maline

Denise Maline
Administrative Assistant 1

Enclosure(s)

SCANNED

DEC 30 2022

Maline, Denise

From: Maline, Denise
Sent: Thursday, December 29, 2022 12:33 PM
To: Challis Messenger
Subject: LEGAL NOTICE
Attachments: Challis Messenger cover letter.docx; Challis Messenger ad.docx

Attached please find (1) legal notice being submitted for publication in *the Challis Messenger* on January 5th & 12th, 2023. Please let me know if there are any questions or if you are not able to run the ad on the dates requested.

Thank you in advance,

Denise @ IDWR Twin Falls

Denise Maline, Administrative Assistant
Idaho Dept of Water Resources, Southern Region
650 Addison Ave W Ste 500
Twin Falls ID 83301-5858
(208) 293-9908
denise.maline@idwr.idaho.gov



Southern Region • 650 Addison Ave W, Suite 500 • Twin Falls, ID 83301-5858

Phone: 208-736-3033 • Fax: 208-736-3037 • Email: southerninfo@idwr.idaho.gov • Web: idwr.idaho.gov

Governor Brad Little

Director Gary Spackman

December 29, 2022

LEGAL NOTICE DEPARTMENT
CHALLIS MESSENGER
PO BOX 405
CHALLIS, ID 83226-0405

RE: Application for Permit No. 71-11019

RE: Transfer No. 87276
Water Right No(s). 72-7117, 72-7167

Dear Legal Notice Department:

Please publish the enclosed legal notice on the dates indicated (once a week for two consecutive weekly issues). If you cannot publish the notice on the proposed dates, please contact us immediately.

An affidavit of publication must be submitted to the Department along with the publication bill. Please send the affidavit and bill to this office before January 23, 2023. Your cooperation is appreciated.

Sincerely,

Denise Maline

Denise Maline
Administrative Assistant

Enclosure(s)

The following application(s) have been filed to appropriate the public waters of the State of Idaho:

71-11019

B & C PROPERTY HOLDINGS LLC

PO BOX 350

STANLEY, ID 83278-0350

Point of Diversion L10 (SWSW) S3 T10N R13E CUSTER County Source GROUND WATER Tributary

Use: HEATING 01/01 to 12/31 3.34 CFS

Use: RECREATION 01/01 to 12/31 3.34 CFS

Total Diversion: 3.34 CFS

Date Filed: 10-20-2022

Place Of Use: HEATING, RECREATION

T10N R13E S3 SWSW, SESW

Application proposes to divert 3.34 cfs of low-temperature geothermal (LTG) ground water for heating and recreation uses. Application proposes a non-consumptive use of water that will utilize a new production well and a separate injection well to return the water to the LTG source. The proposed POD and POU are located approximately 0.25 miles north and .05 miles east of the Highway 21 & Highway 75 intersection in Stanley. This application proposes the diversion and use of water from ground water tributary to the Salmon Wild & Scenic River. The decreed minimum stream flow rights for the federal Wild & Scenic Rivers are subordinate to certain categories of water use and to specific amounts of water use established after the minimum stream flow. The water use proposed in this application will benefit from the subordination provision because it is for non-consumptive purposes.

**NOTICE OF PROPOSED CHANGE OF WATER RIGHT
TRANSFER NO. 87276**

CITY OF CHALLIS, PO BOX 587, CHALLIS, ID 83226 has filed Application No. 87276 for changes to the following water rights within CUSTER County(s): Right No(s). 72-7117, 72-7167. The purpose of the transfer is to change a portion of the above rights as follows: Application for transfer proposes to add a point of diversion to the Municipal System of the City of Challis (3.11cfs). The proposed point of diversion is located approximately 0.5 miles east and 0.4 miles south of the Highway 93 & Main St intersection in Challis.

Permits will be subject to all prior water rights. For additional information concerning the property locations, contact Southern Region office at (208) 736-3033; or for a full description of the rights &/or proposed transfer, please see <https://research.idwr.idaho.gov>. Protests may be submitted based on the criteria of Sec 42-222 and 42-203A, Idaho Code. Any protest against the approval of this application(s) must be filed with the Director, Dept. of Water Resources, Southern Region, 650 ADDISON AVE W, STE 500, TWIN FALLS, ID 83301-5858 together with a protest fee of \$25.00 for each application on or before **January 23, 2023**. The protestant must also send a copy of the protest to the applicant.

GARY SPACKMAN, Director

Published on January 5th & 12th, 2023

Aasa, Kent

From: Aasa, Kent
Sent: Thursday, December 29, 2022 11:40 AM
To: IWRB Water Use Reviews
Subject: Transfer 87276 for the City of Challis

Hi Cynthia,

We are forwarding a new application for transfer (87276) for the City of Challis for advertising. The application will be in the paper in the next two weeks and the file will be scanned and available in a few days.

Advertising remarks: Application for transfer proposes to add a point of diversion to the Municipal System of the City of Challis (3.11cfs). The proposed point of diversion is located approximately 0.5 miles east and 0.4 miles south of the Highway 93/Main St intersection in Challis.

Respectfully,

Kent Aasa
Water Resource Agent
Southern Region
(208) 736-3033

MEMORANDUM

Date: December 13, 2022
To: Transfer 87276
From: Kent Aasa
Re: Legal Notice Remarks

Application for transfer proposes to add a point of diversion to the Municipal System of the City of Challis (3.11cfs). The proposed point of diversion is located approximately 0.5 miles east and 0.4 miles south of the Highway 93/Main St intersection in Challis.

MEMORANDUM

Date: December 13, 2022

To: Transfer 87276

From: Kent Aasa

Re: Fee Memo

Fee Memo
12/13/2022

The filing fee for this transfer is based on the current transfer fee schedule of \$740.00 for the 3.11 cfs associated with a POD change. Rocky Mountain Environmental, Representative for the City of Challis, submitted a check in the amount of \$740.00 (receipt number E048736).

MEMORANDUM

Date: December 13, 2022

To: Transfer 87276

From: Kent Aasa

Re: Synopsis Memo

Synopsis Memo
12/13/2022

Application for transfer proposes to add a point of diversion to the Municipal System of the City of Challis (3.11cfs). The proposed point of diversion is located approximately 0.5 miles east and 0.4 miles south of the Highway 93/Main St intersection in Challis.



November 17, 2022

RMEA 22-0209

Idaho Department of Water Resources
900 N Skyline Dr. Ste A
Idaho Falls, ID 83404

RECEIVED

Re: New Application for Transfer - POD for the City of Challis

NOV 18 2022

Dear Agent,

Department of Water Resources
Eastern Region

Please find enclosed an application to add a new well to the municipal system for the City of Challis. Also enclosed is a check in the amount of \$740 for the filing fees.

The City of Challis currently has a Memorandum of Understanding with the Thompson Creek Mining Company, who owns the location for the proposed well. A copy of the MOU is included as Attachment #6b, and item 8.b. shows the intention to allow the City to obtain all authorizations to use this well location before finalizing the purchase of the well lot. A Purchase and Sale Agreement has not yet been executed, but is anticipated, and will include the same conditions. A copy can be provided to IDWR when completed, if required.

Please contact our office with any questions regarding this application.

Thank you,

A handwritten signature in blue ink that reads "Kristin Moore".

Kristin Moore
Senior Water Rights Analyst

Enclosures: Application for Transfer - POD
 Check # 21791