

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1852

This Lease Contract ("**Lease**") is between the Idaho Water Resource Board ("**Board**"), and

LESSOR: SALMON FALLS LAND & LIVESTOCK CO INC
MICHAEL J HENSLEE
95A BELL RAPIDS RD
HAGERMAN, ID 83332-6039

RECEIVED

OCT 03 2024

DEPARTMENT OF
WATER RESOURCES

RECITALS

1. The Board is authorized under chapter 17, title 42, Idaho Code to operate a water supply bank and to contract with lessors to act as an intermediary in facilitating the rental of water.
2. The Lessor has filed a completed application to lease water rights described below into the Water Supply Bank on forms supplied by the Idaho Department of Water Resources and received by the Department on March 14, 2024.
3. The Director of the Idaho Department of Water Resources has reviewed the application for compliance with the Water Supply Bank rules and has approved the Lease subject to conditions listed below.

NOW, THEREFORE, in consideration of the mutual covenants and contracts herein contained, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. **WATER RIGHTS:** The Lessor shall lease and the Board shall accept into the Bank the Applicant's water rights described as follows:

Summary of Water Rights or Portions Leased to the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)
2-7462	9/29/1969	SNAKE RIVER, tributary to COLUMBIA RIVER	1.25	Not Stated	63.0
2-7249	2/7/1977	SNAKE RIVER, tributary to COLUMBIA RIVER	1.87	Not Stated	101.5
Combined Lease Totals			1.87	Not Stated	152.1

Summary of Water Rights Elements Rentable From the Bank

Water Right	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (Limited) (AC)	Rate Per Acre (CFS/AC)	Volume Per Acre (AF/AC)
2-7462	1.25	252	63.0	0.020	4.0
2-7249	1.87	406	101.5	0.018	4.0
Combined Limit Totals	1.87	608	152.1	0.012	4.0

** The water right elements rentable have been reduced from the water right elements leased to account for combined limits.*

WATER SUPPLY BANK LEASE CONTRACT No. 1852

2. **COMPENSATION:** The Lessor shall accept and the Board shall pay compensation determined by the amount of water rented under the following rental rate during such times as the water is rented from the Bank over the term of this Lease.

Minimum Payment Acceptable: Current Rental Rate

3. **TERM OF LEASE:** The term of this lease shall be January 1, 2024 to December 31, 2025. This Lease shall bind the parties and take effect when both parties have signed it.
4. **WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE:** The Lessor shall abide by all terms and conditions contained in the Water Supply Bank Conditions of Acceptance, attached hereto as "Attachment A" and incorporated herein by this reference.
5. **CHANGE OF WATER RIGHT:** This lease specifies water right elements including but not limited to: diversion rates; diversion volumes; number of acres authorized to be irrigated; places of use; points of diversion; beneficial uses; and seasons of use. During the term of this lease, if a water right is administratively changed due to a water right split and renumbering, this lease may be reduced by an equal amount to reflect the water right elements as legally defined under the water right. If a lease contract cannot be reduced sufficient to reflect the legal definition of a water right as amended through a water right split and/or water right transfer, the Board may release the water right from the Water Supply Bank.
6. **ASSIGNMENT OF CONTRACT:** This lease is between the Board and the Lessor, who is the recognized owner or designated representative of the recognized owners of water rights described herein. Should ownership of any part of a water right herein described change during the term of this lease, either through a water right split, a water right transfer, sale of property to which the water right is appurtenant, or through any other recognized water right reassignment, the lease benefits and obligations to the conditions of acceptance for any such water rights will be assigned to the new owners.
7. **DUPLICATE ORIGINAL:** This Lease is executed in duplicate. Each of the documents with an original signature of each party shall be an original.

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DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1852

IN WITNESS WHEREOF, the parties have executed this Contract on the date following their respective signatures.

LESSOR: SALMON FALLS LAND & LIVESTOCK CO INC
MICHAEL J HENSLEE
95A BELL RAPIDS RD
HAGERMAN, ID 83332-6039

By Michael J. Henslee
Title Q.P.
Date 9/30/24

IDAHO WATER RESOURCE BOARD

322 East Front Street
P.O. Box 83720
Boise, ID 83720-0098

By Brian Patton
Brian Patton, Acting Administrator
Idaho Water Resource Board

Date 10/4/24

Lease approved by IDWR [Signature]

Date 10/4/24

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1852

ATTACHMENT A
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

The water rights or portions thereof leased to the bank are described as follows:

Source and Location of Point(s) of Diversion for Water Right No(s): 2-7249, 2-7462

SNAKE RIVER NESE Sec. 7 Twp 08S Rge 14E TWIN FALLS County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
2-7249	IRRIGATION	04/01	to	10/31	1.87 cfs	406 AF
2-7462	IRRIGATION	04/01	to	10/31	1.25 cfs	252 AF
Totals:					1.87 cfs	608 AF

PLACES OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
08S	13E	11											23	12			15	11.6	61.6
08S	13E	13		15				20	14										49
08S	13E	14	9.5			18	14												41.5

Total Acres: 152.1

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the Department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, or the lease term expires. A right may be released from the bank upon request, provided the Board approves the release. Unless approved by the Department, leased rights may not be immediately available for release.
5. While a water right is in the bank, forfeiture provisions are stayed pursuant to Idaho Code § 42-223(5).
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1852

8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.
9. In accordance with Idaho Code § 42-248 and § 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season, even if the Department processes a Notice of Change in Water Right Ownership during the rental season.
 - b. New lessor(s) of record will receive payment for any subsequent rental seasons.
11. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.
12. After specific notification by the Department, the right holder shall install a suitable measuring device or shall enter into an agreement with the Department to use power records to determine the amount of water diverted and shall annually report the information to the Department.
13. The unleased portions of rights 02-7249 and 02-7462 when combined shall not exceed a total diversion rate of 28.02 cfs, a total annual maximum diversion volume of 9119 af at the field headgate, and the irrigation of 2279.9 acres.
14. The unleased portion of right 2-7249 is limited to a total diversion rate of 18.75 cfs and the irrigation of 1522.5 acres within the place of use described above in a single irrigation season.
15. The unleased portion of right 2-7462 is limited to a total diversion rate of 28.02 and the irrigation of 944.2 acres within the place of use described above in a single irrigation season.
16. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the place of use.
17. Water shall not be diverted under this right unless the flow of the Snake River exceeds flows required by prior downstream minimum stream flow rights.
18. The period of use for the irrigation described in this approval may be extended to a beginning date of 3/15 and an ending date of 11/15 provided that beneficial use of the water can be shown and other elements of the right are not exceeded. The use of water before 4/1 and after 10/31 is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than 12/10/2010.
19. Use of water under this agreement may 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. 02.

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

MAR 14 2024

DEPT. OF WATER RESOURCES

APPLICATION TO SELL OR LEASE A WATER RIGHT TO THE WATER SUPPLY BANK

Designated Applicant Salmon Falls Land & Livestock Co. INC
(Select one owner – see item 1A on the application)

Water Right No. 2-7249.
(One water right per application)

Is this application being submitted with a rental application as a lease/rental package?

Yes ☒ No ☐

This application must be prepared in accordance with the minimum requirement checklist below. Use this checklist to ensure all necessary documentation has been provided. This checklist is part of the lease application and must be included with the lease application. **Applications that do not meet the minimum requirements will not be processed and may be returned or denied.**

MINIMUM REQUIREMENT CHECKLIST

All items must be checked as either *Attached (Yes)* or *Not Applicable (N/A)*

Yes

- ☒ Completed *Application to Sell or Lease a Water Right to the Water Supply Bank*.
- ☒ Application filing fee of \$250.00 per water right. If you are submitting more than one lease application and the water rights have an overlapping, common place of use, or a common diversion rate or volume, the total fee for all water rights is \$500.00. For places of use, multiple water rights must be used to irrigate the same lands in order to qualify for the joint filing fee. Individual filing fees are required for water rights that share a common permissible place of use but which cover separate acres within the permissible place of use.
- ☒ Confirmation this form has been printed **single sided**, per requirement of the Water Supply Bank.

Attachment N/A Yes

- | | | | |
|-----------|-------------------------------------|-------------------------------------|--|
| 1A | ☐ | ☒ | Signatures and contact information for <i>all owners</i> of the water right to be leased or sold on this application. |
| 1B | ☐ | ☒ | An Internal Revenue Service (IRS) Form W-9 for the Designated Applicant. |
| 1C | ☒ | ☐ | <i>Notice of Change in Water Right Ownership</i> form (accessible from www.idwr.idaho.gov). |
| 1D | ☐ | ☒ | Contact information for an authorized representative and documentary proof they are authorized to represent the Designated Applicant on this application. If the Designated Applicant is a business, partnership, municipality, organization or association, include documents identifying officers authorized to sign or act on behalf of the entity. |
| 2 | ☐ | ☒ | Description of a water right portion offered to the Water Supply Bank. |
| 3 | ☐ | ☒ | A map that clearly outlines the specific location where irrigated acres will be dried up, or where a beneficial use of water will be suspended. You have the option of printing a map using the map tool on IDWR's website at: www.idwr.idaho.gov . |
| 4A | ☒ | ☐ | Written consent from irrigation district or water delivery company. |
| 4G | ☒ | ☐ | Evidence demonstrating the water right has not been forfeited pursuant to Section 42-222(2), Idaho Code . |

Department Use Only

Fee Amount \$ <u>500.00</u>	Received By: <u>KM</u>	Date Received: <u>3.14.24</u>	Receipt # <u>C117950</u>
W-9 received? Yes ☒ No ☐	(Route W-9 to Fiscal)	Name on W-9: <u>Salmon Falls Land + Livestock Co.</u>	

2959

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

1. CONTACT INFORMATION

- A. This application must be completed by a Designated Applicant who is a current owner of the water right being sold or leased to the Water Supply Bank. If there are additional current owners, those individuals must authorize the Designated Applicant to represent them on this application by completing and signing Attachment 1A of this application package.

Designated Applicant Salmon Falls Land & Livestock Co. Inc

Mailing Address 95A Bell Rapids Rd. Hagerman, ID 83332

Street

City

State

Zip Code

Email Address _____

Phone Number 208-837-6053

- ☒ The Designated Applicant is the sole owner of the water right being sold or leased to the Water Supply Bank.

OR

- ☐ The Designated Applicant is representing additional water right holders who have completed Attachment 1A.

- B. Has the Designated Applicant submitted an IRS Form W-9 to this Department within the last 2 years? Yes ☒ No ☐
If no, complete the form and attach to this application (Attachment 1B).

- C. Are all applicants on this form listed in IDWR's records as the current owners of the water right? Yes ☒ No ☐
If no, attach a *Notice of Change in Water Right Ownership* form along with the required documentation and fee (Attachment 1C).

- D. Is this application being completed by an authorized representative of the Designated Applicant? Yes ☒ No ☐
If yes, representatives (includes employees of Designated Applicant companies) must complete this section and submit documentary proof of their authority to represent the Designated Applicant (Attachment 1D).

Name of Representative Zach Latham

Organization Brockway Engineering PLLC

Professional Title Hydrologist

Email Address zach.latham@brockwayeng.com

Mailing Address 2016 Washington Ave. N Suite #4 Twin Falls ID 83301

Phone Number 208-736-8543

- ☐ Send all correspondence for this application to the representative and not to the Designated Applicant.

OR

- ☒ Send original correspondence to the Designated Applicant and copies to the representative.

2. DESCRIPTION OF WATER RIGHT OFFERED TO THE BANK

- ☐ The full water right is being offered to the Bank.

OR

- ☒ A part of the water right is being offered to the Bank.

If a portion of the water right is being offered, **complete Attachment 2.**

3. MAP

Attach a map of the point(s) of diversion and place(s) of use proposed to be idled by this lease application. Make sure the idled place of use is outlined and annotated with legal land descriptions (Township, Range, Section and Quarter-Quarters) or with GPS coordinates. For irrigation purposes, mark the number of acres you desire to idle. If the water right proposed for lease is located within a permissible place of use (PPU) and portions of the PPU will continue to receive water from non-leased water rights, clearly outline on a map the acres within the PPU that will continue to be irrigated, as well as acres that will be idled during the lease term. Label the map **Attachment 3.**

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

4. GENERAL INFORMATION

- A. Is the diversion works or system owned or managed by an irrigation district or water delivery company? Yes ☐ No ☒
If yes, provide written consent from the company, corporation or irrigation district authorizing the proposed sale or lease (Attachment 4A).
If your water right is delivered through a canal, lateral or ditch operated by a canal company, irrigation district, or similar delivery entity, your lease request must include written consent from the company, district, or similar entity for your removal of water from its system pursuant to [Section 42-108, Idaho Code](#) and [IDAPA WSB Rule 37.02.03.25.02e](#).
- B. Please provide a description of the current water diversion and delivery system.
Existing pump station and buried mainlines convey water water to place of use.

- C. Describe any other water rights used for the same purpose at the same place of use as the water right being offered to the Bank. Portions of 2-7249 and 7462 are being offered for lease to the Water Supply Bank.

- D. Are any of the water rights identified in Section 4C stacked with the water right proposed for lease? Yes ☒ No ☐
Stacked water rights are used together to achieve a common beneficial use, such as irrigation of the same lands. Stacked water rights cannot be separated and must be jointly leased to the Water Supply Bank. Stacked water rights qualify for the multiple fee payment of \$500.
- E. Will the present place of use continue to receive water from any other source? Yes ☒ No ☐
If yes, explain the relationship between the different water sources and how enlargement of the authorized use will not occur if this water right is leased. Un-leased portions of 2-7249 and 2-7462 will continue to be used at present POU.

- F. Identify annual volumes and/or rates of water diverted in the last 5 years to accomplish the beneficial use authorized by this water right. See approved 2023 IDWR lease contract.

- G. Has any portion of this water right undergone a period of five or more consecutive years of non-use? Yes ☐ No ☒
If yes, describe the circumstances and attach evidence to demonstrate how the water right has not been lost through forfeiture (Attachment 4G). See [Section 42-223, Idaho Code](#) for exceptions to forfeiture. Your application may be denied if forfeiture concerns are not addressed. N/A.

- H. Is this water right involved in any other IDWR process, such as an application for transfer or a mitigation plan?
If yes, describe. Yes ☐ No ☒
N/A.

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

5. SALE/LEASE AGREEMENT

- A. Is the water right, or portion thereof, offered to the Idaho Water Resource Board (IWRB) for sale ☐ or lease ☒?
If lease, specify the years when the use of water will be suspended: 2024 to 2025 (maximum lease period 5 calendar years).
(Year) (Year)
- B. Show the minimum payment acceptable to the seller/lessor. The minimum payment may be shown as the "current rental rate" as established by the IWRB. Include the method of determining the minimum payment if other than the current rental rate.
Current rental rate.

I hereby assert that the information contained in this application is true to the best of my knowledge, and that I have the authorities necessary to offer this water right for sale or lease to the Idaho Water Resource Board.

The Designated Applicant acknowledges the following:

1. Payment to the Designated Applicant is contingent upon the sale or rental of the water right from the Bank.
2. While a water right is in the Bank, the seller/lessor of the water right may not use the water right, even if the water right is not rented from the Bank.
3. A water right accepted into the Bank stays in the Bank until the Designated Applicant receives written confirmation from the Board or Water Supply Bank that the water right has been released from the Bank.
4. While a water right is in the Bank, forfeiture is stayed.
5. Acceptance of a water right into the Bank does not, in itself, confirm the validity of the water right or any element of the water right.

by Michael J. Henslee V.P.
Signature of Designated Applicant

Michael J. Henslee V.P.
Printed Name

3/08/2024
Date

Signature of Authorized Representative

Printed Name

Date

Mail to:
Idaho Department of Water Resources
P.O. Box 83720
Boise, ID 83720-0098

**STATE OF IDAHO
WATER RESOURCE BOARD**

ATTACHMENT 1A

Additional Water Right Holders Party to the Lease Application

For the water right on this application, list all owners (individuals or business entities) of the right or the property to which it is appurtenant. All water right holders must sign a Water Supply Bank Lease Application. However, only the Designated Applicant needs to provide a completed IRS Form W-9 (Attachment 1B). **All correspondence and any financial payment associated with the rental of this water right will be directed to the Designated Applicant.** If additional space is needed to list any other water right holders, attach a second copy of Attachment 1A.

If submitting multiple applications, it is only necessary to complete one Attachment 1A for the group of applications. List each water right below.

Water Right No(s). 2-7249 and 2-7462

	Designated Applicant	Applicant #2	Applicant #3
Name	Salmon Falls Land & Livestock Co. Inc		
Mailing Address	95A Bell Rapids Rd, Hagerman ID 83332		
Phone Number	208-837-6053		
Email Address			
Applicant Declaration	As Designated Applicant, I submit this lease application on behalf of all other water right holders.	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.
Signature	<i>by Michael J. Hendee</i> M.P.		

	Applicant #4	Applicant #5	Applicant #6
Name			
Mailing Address			
Phone Number			
Email Address			
Applicant Declaration	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.
Signature			

**STATE OF IDAHO
WATER RESOURCE BOARD**

Complete Attachment 2 if only a portion of the water right is offered to the Bank.

ATTACHMENT 2

DESCRIPTION OF A WATER RIGHT PORTION OFFERED TO THE WATER SUPPLY BANK

<u>Water Right Number</u>	<u>Nature of Use</u>	<u>Leased Rate</u> (cfs)	<u>Leased Volume</u> (af)	<u>Leased Acres</u> (ac)
2-7249	Irrigation	1.87	406.0	101.5
	Total Amounts:	1.87	406.0	101.5

2. Source of water Snake River tributary to Columbia River

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
08S	14E	7	6	NE	NE	SE	TWIN FALLS



SALMON FALLS LAND & LIVESTOCK CO INC
WATER SUPPLY BANK RENTAL

BROCKWAY ENGINEERING, PLLC.
GWS - Date: 3/11/2024

2021 NAIP AERIAL

Salmon Falls L&L- PPU
WSB Rental Area - 19.4 ac.





United States Department of the Interior
BUREAU OF LAND MANAGEMENT
BUREAU OF LAND MANAGEMENT
Jarbidge Field Office
2878 Addison Ave. East
Twin Falls, Idaho 83301



In Reply Refer To:
2920 IDI-31038
(IDT010) P

April 10, 2018

CERTIFEID MAIL: 7013 2250 0001 7619 2523
RETURN RECEIPT REQUESTED

Decision

Salmon Falls Land & Livestock	:	
Attn: Mike Henslee	:	Land Use Permit Issued
123 Bell Rapids Rd.	:	IDI-31038
Hagerman, ID 83332	:	

Land Use Permit Approved
Rental Determined
Monitoring Fee Determined

The Bureau of Land Management (BLM), Jarbidge Field Office has completed a review of an application from Salmon Falls Land & Livestock for the renewal of a land use permit (LUP), referenced as IDI-31038. This LUP authorizes the operation, maintenance and removal of two circular wet pivot crossings on public lands in Twin Falls County, Idaho. The LUP occupies 19.9 acres, more or less, located on a portion of public lands legally described as:

Boise Meridian, T. 08 S., R. 14 E., sec. 07, NE $\frac{1}{4}$ SW $\frac{1}{4}$.

Based on a review of the LUP proposal and the categorical exclusion documentation (CX), it has been determined that the proposed action would not result in unnecessary or undue environmental degradation and is in conformance with the applicable land use plans. Furthermore, the proposed action is categorically excluded from the National Environmental Policy Act (NEPA) under 516 DM 11.9 E. (9). Accordingly, it has been determined that CX documentation is appropriate because there are no extraordinary circumstances having effects that may significantly affect the environment.

In addition to, this permit shall be automatically renewable upon payment of the annual rental unless the BLM Authorized Officer notified the permittee within 60 days of the expiration date of the permit that the permit shall not be renewed (43 CFR 2920(i)).

Rent for use of public lands must be paid in advance of such use and prior to issuance of the LUP. The Office of Appraisal Services determined a minimum rental rate of \$250 annually. The rental payment has been received, so no additional rent is due at this time.

According to Federal regulations contained in 43 CFR 2920.6 and 43 CFR 2805.16, LUP and right-of-way holders must pay a fee to reimburse the BLM for the costs incurred in monitoring the operation, maintenance and termination of the project authorized through the permit or grant. These fees are categorized according to the number of work hours necessary to monitor the permit, and are not refundable. A monitoring fee was estimated at the time your permit was offered to you as a Category 1, which requires a fee of **\$125.00**. Since you accepted the permit without any changes, it has been determined that the Category 1 monitoring fee is appropriate and due at this time.

Therefore, it is the decision of the authorized officer to grant Salmon Falls Land & Livestock a LUP for two wet pivot crossings across public lands pursuant to Title III of the Federal Land Policy and Management Act of October 21, 1976, as amended, 43 USC 1732 for a term of 3 years. Enclosed is a copy of the executed LUP, serial number IDI-31038.

This decision may be appealed to the Interior Board of Land Appeals, Office of the Secretary, in accordance with the regulations contained in 43 CFR, Part 4 and the enclosed Form 1842-1. If an appeal is taken, the notice of appeal must be filed in this office (at the above address) within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

If you wish to file a petition (request) pursuant to regulation 43 CFR 2801.10 or 43 CFR 2881.10 for a stay (suspension) of the effectiveness of this decision during the time that your appeal is being reviewed by the Board, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the notice of appeal and petition for a stay must also be submitted to each party named in this decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Standards for Obtaining a Stay

Except at otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards:

- 1) The relative harm to the parties if the stay is granted or denied,
- 2) The likelihood of the appellant's success on the merits,
- 3) The likelihood of immediate and irreparable harm if the stay is not granted, and
- 4) Whether the public interest favors granting the stay.

If you have any questions please contact Lisa Claxton, Realty Specialist at (208) 736-2360 or by email lclaxton@blm.gov.


for Elliot Traher
Field Manager

3- Enclosures:

- 1- Form 1842-1 (2 pp)
- 2- IDI-31038 LUP
- 3- Monitoring Fee Courtesy Statement

WATER SUPPLY BANK LEASE CONTRACT No. 1710

This Lease Contract ("**Lease**") is between the Idaho Water Resource Board ("**Board**"), and

LESSOR: SALMON FALLS LAND & LIVESTOCK CO INC
MICHAEL J HENSLEE
95A BELL RAPIDS RD
HAGERMAN, ID 83332-6039

RECEIVED
JUN 26 2023
DEPARTMENT OF
WATER RESOURCES

RECITALS

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3. The Director of the Idaho Department of Water Resources has reviewed the application for compliance with the Water Supply Bank rules and has approved the Lease subject to conditions listed below.

NOW, THEREFORE, in consideration of the mutual covenants and contracts herein contained, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. **WATER RIGHTS:** The Lessor shall lease and the Board shall accept into the Bank the Applicant's water rights described as follows:

Summary of Water Rights or Portions Leased to the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)
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Combined Lease Totals			1.87	Not Stated	152.1

Summary of Water Rights Elements Rentable From the Bank

Water Right	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (Limited) (AC)	Rate Per Acre (CFS/AC)	Volume Per Acre (AF/AC)
2-7462	1.25	252	63.0	0.020	4.0
2-7249	1.87	406	101.5	0.018	4.0
Combined Limit Totals	1.87	608	152.1	0.012	4.0

** The water right elements rentable have been reduced from the water right elements leased to account for combined limits.*

SUPPORT DATA
IN FILE # 2-7249
SCANNED
AUG 14 2023
Page 1 of 5

WATER SUPPLY BANK LEASE CONTRACT No. 1710

2. **COMPENSATION:** The Lessor shall accept and the Board shall pay compensation determined by the amount of water rented under the following rental rate during such times as the water is rented from the Bank over the term of this Lease.

Minimum Payment Acceptable: Current Rental Rate

3. **TERM OF LEASE:** The term of this lease shall be January 1, 2023 to December 31, 2023. This Lease shall bind the parties and take effect when both parties have signed it.
4. **WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE:** The Lessor shall abide by all terms and conditions contained in the Water Supply Bank Conditions of Acceptance, attached hereto as "Attachment A" and incorporated herein by this reference.
5. **CHANGE OF WATER RIGHT:** This lease specifies water right elements including but not limited to: diversion rates; diversion volumes; number of acres authorized to be irrigated; places of use; points of diversion; beneficial uses; and seasons of use. During the term of this lease, if a water right is administratively changed due to a water right split and renumbering, this lease may be reduced by an equal amount to reflect the water right elements as legally defined under the water right. If a lease contract cannot be reduced sufficient to reflect the legal definition of a water right as amended through a water right split and/or water right transfer, the Board may release the water right from the Water Supply Bank.
6. **ASSIGNMENT OF CONTRACT:** This lease is between the Board and the Lessor, who is the recognized owner or designated representative of the recognized owners of water rights described herein. Should ownership of any part of a water right herein described change during the term of this lease, either through a water right split, a water right transfer, sale of property to which the water right is appurtenant, or through any other recognized water right reassignment, the lease benefits and obligations to the conditions of acceptance for any such water rights will be assigned to the new owners.
7. **DUPLICATE ORIGINAL:** This Lease is executed in duplicate. Each of the documents with an original signature of each party shall be an original.

SCANNED
AUG 4 2023

WATER SUPPLY BANK LEASE CONTRACT No. 1710

IN WITNESS WHEREOF, the parties have executed this Contract on the date following their respective signatures.

LESSOR: SALMON FALLS LAND & LIVESTOCK CO INC
MICHAEL J HENSLEE
95A BELL RAPIDS RD
HAGERMAN, ID 83332-6039

By Michael J. Henslee V.P.
Title Vice President
Date 06/18/2023

IDAHO WATER RESOURCE BOARD

322 East Front Street
P.O. Box 83720
Boise, ID 83720-0098

By [Signature]
Brian Patton, Acting Administrator
Idaho Water Resource Board

Date 6/27/23

Lease approved by IDWR [Signature]

Date 6/27/23

SCANNED
AUG 4 2023

WATER SUPPLY BANK LEASE CONTRACT No. 1710

ATTACHMENT A WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

The water rights or portions thereof leased to the bank are described as follows:

Source and Location of Point(s) of Diversion for Water Right No(s): 2-7249, 2-7462

SNAKE RIVER NESE Sec. 7 Twp 08S Rge 14E TWIN FALLS County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
2-7249	IRRIGATION	4/01	to	10/31	1.87 cfs	406 AF
2-7462	IRRIGATION	4/01	to	10/31	1.25 cfs	252 AF
Totals:					1.87 cfs	608 AF

PLACES OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
08S	13E	11											23	12			15	11.6	61.6
08S	13E	13		15				20	14										49.0
08S	13E	14	9.5			18	14												41.5

Total Acres: 152.1

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the Department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, or the lease term expires. A right may be released from the bank upon request, provided the Board approves the release. Unless approved by the Department, leased rights may not be immediately available for release.
5. While a water right is in the bank, forfeiture provisions are stayed pursuant to Idaho Code § 42-223(5).
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.

SCANNED
AUG 14 2023

WATER SUPPLY BANK LEASE CONTRACT No. 1710

8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.
9. In accordance with Idaho Code § 42-248 and § 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season, even if the Department processes a Notice of Change in Water Right Ownership during the rental season.
 - b. New lessor(s) of record will receive payment for any subsequent rental seasons.
11. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.
12. After specific notification by the Department, the right holder shall install a suitable measuring device or shall enter into an agreement with the Department to use power records to determine the amount of water diverted and shall annually report the information to the Department.
13. The unleased portions of rights 02-7249 and 02-7462 when combined shall not exceed a total diversion rate of 28.02 cfs, a total annual maximum diversion volume of 9119 af at the field headgate, and the irrigation of 2279.9 acres.
14. The unleased portion of right 2-7249 is limited to a total diversion rate of 18.75 cfs and the irrigation of 1522.5 acres within the place of use described above in a single irrigation season.
15. The unleased portion of right 2-7462 is limited to a total diversion rate of 28.02 and the irrigation of 944.2 acres within the place of use described above in a single irrigation season.
16. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the place of use.
17. Water shall not be diverted under this right unless the flow of the Snake River exceeds flows required by prior downstream minimum stream flow rights.
18. The period of use for the irrigation described in this approval may be extended to a beginning date of 3/15 and an ending date of 11/15 provided that beneficial use of the water can be shown and other elements of the right are not exceeded. The use of water before 4/1 and after 10/31 is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than 12/10/2010.
19. Use of water under this agreement 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. 02.

SCANNED

AUG 14 2023

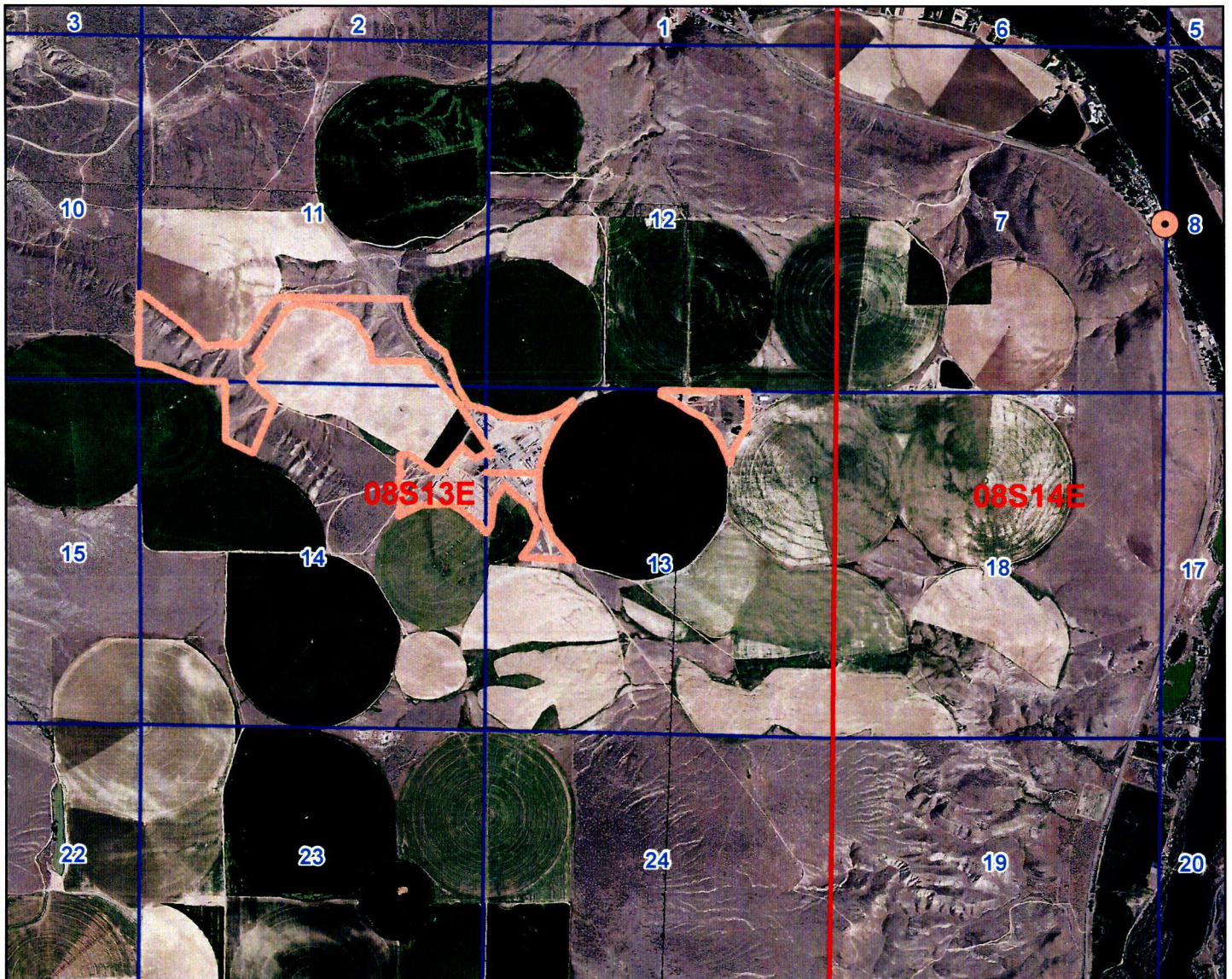
Idaho Water Resource Board

Water Supply Bank Lease Contract No. 1710

2-7249 & 2-7462

Effective until December 31, 2023

This map depicts the **IRRIGATION place of use to be idled** pursuant to the lease contract and is attached to the contract solely for illustrative purposes.



○ Approved Lease Point of Diversion

Approved Lease Place of Use

Township/Range

Sections



0 1,500 3,000 4,500 Feet

SCANNED
AUG 14 2023

RECEIVED

MAR 31 2023

DEPARTMENT OF
WATER RESOURCESSTATE OF IDAHO
WATER RESOURCE BOARDAPPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANKDesignated Applicant Salmon Falls Land & Livestock Co. INC
(Select one owner – see item 1A on the application)Water Right No. 2-7249
(One water right per application)

Is this application being submitted with a rental application as a lease/rental package?

Yes ☒ No ☐

This application must be prepared in accordance with the minimum requirement checklist below. Use this checklist to ensure all necessary documentation has been provided. This checklist is part of the lease application and must be included with the lease application. Applications that do not meet the minimum requirements will not be processed and may be returned or denied.

MINIMUM REQUIREMENT CHECKLIST

All items must be checked as either *Attached (Yes)* or *Not Applicable (N/A)*

Yes

- ☒ Completed *Application to Sell or Lease a Water Right to the Water Supply Bank*.
- ☒ Application filing fee of \$250.00 per water right. If you are submitting more than one lease application and the water rights have an overlapping, common place of use, or a common diversion rate or volume, the total fee for all water rights is \$500.00. For places of use, multiple water rights must be used to irrigate the same lands in order to qualify for the joint filing fee. Individual filing fees are required for water rights that share a common permissible place of use but which cover separate acres within the permissible place of use.
- ☒ Confirmation this form has been printed **single sided**, per requirement of the Water Supply Bank.

Attachment N/A Yes

- 1A ☐ ☒ Signatures and contact information for *all owners* of the water right to be leased or sold on this application.
- 1B ☐ ☒ An Internal Revenue Service (IRS) Form W-9 for the Designated Applicant.
- 1C ☒ ☐ *Notice of Change in Water Right Ownership* form (accessible from www.idwr.idaho.gov).
- 1D ☐ ☒ Contact information for an authorized representative and documentary proof they are authorized to represent the Designated Applicant on this application. If the Designated Applicant is a business, partnership, municipality, organization or association, include documents identifying officers authorized to sign or act on behalf of the entity.
- 2 ☐ ☒ Description of a water right portion offered to the Water Supply Bank.
- 3 ☐ ☒ A map that clearly outlines the specific location where irrigated acres will be dried up, or where a beneficial use of water will be suspended. You have the option of printing a map using the map tool on IDWR's website at: www.idwr.idaho.gov.
- 4A ☒ ☐ Written consent from irrigation district or water delivery company.
- 4G ☒ ☐ Evidence demonstrating the water right has not been forfeited pursuant to [Section 42-222\(2\), Idaho Code](#).

Department Use Only

Fee Amount \$ 250 Received By: CHISTAS Date Received: 3.31.23 Receipt # C115745

W-9 received? Yes ☐ No ☒ (Route W-9 to Fiscal) Name on W-9: SCANNED

AUG 14 2023

2638

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

1. CONTACT INFORMATION

- A. This application must be completed by a Designated Applicant who is a current owner of the water right being sold or leased to the Water Supply Bank. If there are additional current owners, those individuals must authorize the Designated Applicant to represent them on this application by completing and signing Attachment 1A of this application package.

Designated Applicant Salmon Falls Land & Livestock Co. Inc

Mailing Address 95A Bell Rapids Rd. Hagerman, ID 83332

Street

City

State

Zip Code

Email Address _____

Phone Number 208-837-6053

☒ The Designated Applicant is the sole owner of the water right being sold or leased to the Water Supply Bank.

OR

☐ The Designated Applicant is representing additional water right holders who have completed Attachment 1A.

- B. Has the Designated Applicant submitted an IRS Form W-9 to this Department within the last 2 years? Yes ☒ No ☐
If no, complete the form and attach to this application (Attachment 1B).

- C. Are all applicants on this form listed in IDWR's records as the current owners of the water right? Yes ☒ No ☐
If no, attach a *Notice of Change in Water Right Ownership* form along with the required documentation and fee (Attachment 1C).

- D. Is this application being completed by an authorized representative of the Designated Applicant? Yes ☒ No ☐
If yes, representatives (includes employees of Designated Applicant companies) must complete this section and submit documentary proof of their authority to represent the Designated Applicant (Attachment 1D).

Name of Representative Zach Latham

Organization Brockway Engineering PLLC

Professional Title Hydrologist

Email Address zach.latham@brockwayeng.com

Mailing Address 2016 Washington Ave. N Suite #4 Twin Falls ID 83301

Phone Number 208-736-8543

☐ Send all correspondence for this application to the representative and not to the Designated Applicant.

OR

☒ Send original correspondence to the Designated Applicant and copies to the representative.

2. DESCRIPTION OF WATER RIGHT OFFERED TO THE BANK

☐ The full water right is being offered to the Bank.

OR

☒ A part of the water right is being offered to the Bank.

If a portion of the water right is being offered, complete Attachment 2.

3. MAP

Attach a map of the point(s) of diversion and place(s) of use proposed to be idled by this lease application. Make sure the idled place of use is outlined and annotated with legal land descriptions (Township, Range, Section and Quarter-Quarters) or with GPS coordinates. For irrigation purposes, mark the number of acres you desire to idle. If the water right proposed for lease is located within a permissible place of use (PPU) and portions of the PPU will continue to receive water from non-leased water rights, clearly outline on a map the acres within the PPU that will continue to be irrigated, as well as acres that will be idled during the lease term. Label the map **Attachment 3**.

SCANNED

AUG 14 2023

Page 2

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

4. GENERAL INFORMATION

- A. Is the diversion works or system owned or managed by an irrigation district or water delivery company? Yes ☐ No ☒
If yes, provide written consent from the company, corporation or irrigation district authorizing the proposed sale or lease (Attachment 4A).
If your water right is delivered through a canal, lateral or ditch operated by a canal company, irrigation district, or similar delivery entity, your lease request must include written consent from the company, district, or similar entity for your removal of water from its system pursuant to [Section 42-108, Idaho Code](#) and [IDAPA WSB Rule 37.02.03.25.02e](#).
- B. Please provide a description of the current water diversion and delivery system.
Existing pump station and buried mainlines convey water water to place of use.

- C. Describe any other water rights used for the same purpose at the same place of use as the water right being offered to the Bank. Portions of 2-7249 and 7462 are being offered for lease to the Water Supply Bank.

- D. Are any of the water rights identified in Section 4C stacked with the water right proposed for lease? Yes ☒ No ☐
Stacked water rights are used together to achieve a common beneficial use, such as irrigation of the same lands. Stacked water rights cannot be separated and must be jointly leased to the Water Supply Bank. Stacked water rights qualify for the multiple fee payment of \$500.
- E. Will the present place of use continue to receive water from any other source? Yes ☒ No ☐
If yes, explain the relationship between the different water sources and how enlargement of the authorized use will not occur if this water right is leased. Un-leased portions of 2-7249 and 2-7462 will continue to be used at present POU.

- F. Identify annual volumes and/or rates of water diverted in the last 5 years to accomplish the beneficial use authorized by this water right. See approved IDWR lease contract no. 1539 (2022).

- G. Has any portion of this water right undergone a period of five or more consecutive years of non-use? Yes ☐ No ☒
If yes, describe the circumstances and attach evidence to demonstrate how the water right has not been lost through forfeiture (Attachment 4G). See [Section 42-223, Idaho Code](#) for exceptions to forfeiture. Your application may be denied if forfeiture concerns are not addressed. N/A.

- H. Is this water right involved in any other IDWR process, such as an application for transfer or a mitigation plan?
If yes, describe. Yes ☐ No ☒
N/A.

SCANNED

AUG 14 2023

Page 3

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

5. SALE/LEASE AGREEMENT

- A. Is the water right, or portion thereof, offered to the Idaho Water Resource Board (IWRB) for sale ☐ or lease ☒?

If lease, specify the years when the use of water will be suspended: 2023 to 2023 (maximum lease period 5 calendar years).
(Year) (Year)

- B. Show the minimum payment acceptable to the seller/lessor. The minimum payment may be shown as the "current rental rate" as established by the IWRB. Include the method of determining the minimum payment if other than the current rental rate.
Current rental rate. _____

I hereby assert that the information contained in this application is true to the best of my knowledge, and that I have the authorities necessary to offer this water right for sale or lease to the Idaho Water Resource Board.

The Designated Applicant acknowledges the following:

1. Payment to the Designated Applicant is contingent upon the sale or rental of the water right from the Bank.
2. While a water right is in the Bank, the seller/lessor of the water right may not use the water right, even if the water right is not rented from the Bank.
3. A water right accepted into the Bank stays in the Bank until the Designated Applicant receives written confirmation from the Board or Water Supply Bank that the water right has been released from the Bank.
4. While a water right is in the Bank, forfeiture is stayed.
5. Acceptance of a water right into the Bank does not, in itself, confirm the validity of the water right or any element of the water right.

<u>Salmon Falls Land & Livestock Co.</u> Signature of Designated Applicant	<u>Salmon Falls Land & Livestock Co.</u> Printed Name	<u>3/28/2023</u> Date
<u>by Michael J. Henslee V.P.</u> Signature of Authorized Representative	<u>by Michael J. Henslee V.P.</u> Printed Name	<u>3/28/2023</u> Date

Mail to:
Idaho Department of Water Resources
P.O. Box 83720
Boise, ID 83720-0098

SCANNED
AUG 14 2023

**STATE OF IDAHO
WATER RESOURCE BOARD**

ATTACHMENT 1A

Additional Water Right Holders Party to the Lease Application

For the water right on this application, list all owners (individuals or business entities) of the right or the property to which it is appurtenant. All water right holders must sign a Water Supply Bank Lease Application. However, only the Designated Applicant needs to provide a completed IRS Form W-9 (Attachment 1B). **All correspondence and any financial payment associated with the rental of this water right will be directed to the Designated Applicant.** If additional space is needed to list any other water right holders, attach a second copy of Attachment 1A.

If submitting multiple applications, it is only necessary to complete one Attachment 1A for the group of applications. List each water right below.

Water Right No(s). 2-7249 and 2-7462

	Designated Applicant	Applicant #2	Applicant #3
Name	Salmon Falls Land & Livestock Co. Inc		
Mailing Address	95A Bell Rapids Rd, Hagerman ID 83332		
Phone Number	208-837-6053		
Email Address			
Applicant Declaration	As Designated Applicant, I submit this lease application on behalf of all other water right holders.	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.
Signature			

	Applicant #4	Applicant #5	Applicant #6
Name			
Mailing Address			
Phone Number			
Email Address			
Applicant Declaration	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.
Signature			

SCANNED

AUG 14 2023 Attachment 1A

**STATE OF IDAHO
WATER RESOURCE BOARD**

Complete Attachment 2 if only a portion of the water right is offered to the Bank.

ATTACHMENT 2

DESCRIPTION OF A WATER RIGHT PORTION OFFERED TO THE WATER SUPPLY BANK

<u>1. Water Right Number</u>	<u>Nature of Use</u>	<u>Leased Rate</u> (cfs)	<u>Leased Volume</u> (af)	<u>Leased Acres</u> (ac)
2-7249	Irrigation	1.87	406.0	101.5
	Total Amounts:	1.87	406.0	101.5

2. Source of water Snake River tributary to Columbia River

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
08S	14E	7	6	NE	NE	SE	TWIN FALLS

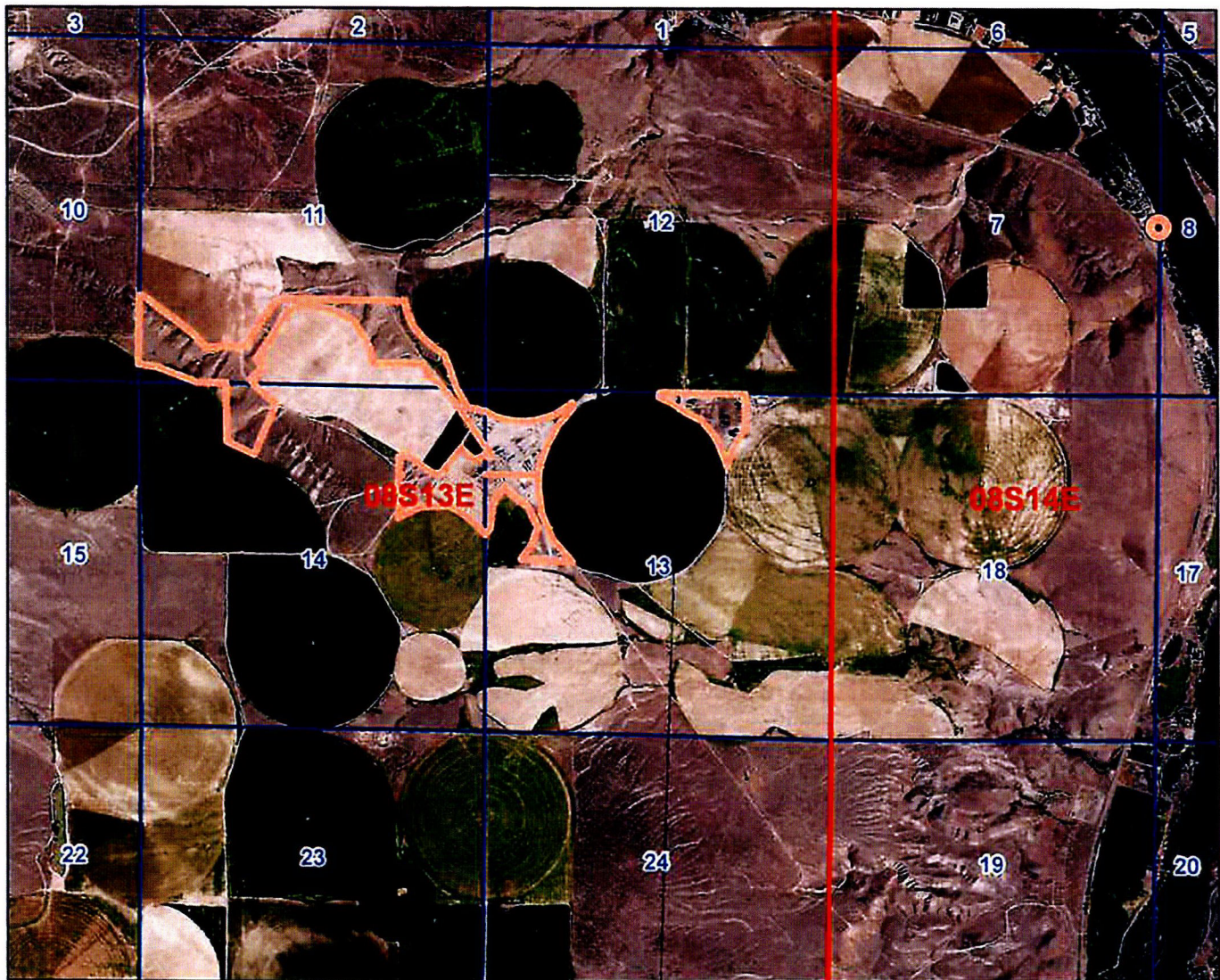
SCANNED

AUG 14 2023

Idaho Water Resource Board
Water Supply Bank Lease Contract No. 1539

2-7249 & 2-7462
Effective until December 31, 2022

This map depicts the **place of use to be idled** pursuant to the lease contract and is attached to the contract solely for illustrative purposes.



-  Approved Lease Point of Diversion
-  Approved Lease Place of Use
-  Township/Range
-  Sections



0 1,500 3,000 4,500 Feet

SCANNED

AUG 14 2023

WSB Mailing Checklist for Leases

Instructions: Staple to outside of lowest numbered water right file during processing.

Key:	Who Completes What?
CLERICAL STAFF:	CRB
REVIEWER:	

Received Date 03/14/2024

Desired Lease Duration 2024-2025

Lease / Rental Package (Y) N

If yes, Renter Name: Salmon Falls Land & Livestock Co INC

Application # 2959 Contract # 1852

WR#s	#
# 02-7249	#
#	#
#	#
#	#
#	#
#	#
#	#

Applicant Authorized?	<u>(Y)</u> / N
Multiple owners, Attach 1A included?	<u>(Y)</u> / N NA
If portion is offered, Attach 2 included?	<u>(Y)</u> / N NA
Map of POU and POD?	<u>(Y)</u> / N NA
POD Consent (if required)?	<u>(Y)</u> / N NA
Application Complete?	<u>(Y)</u> / N
Minimum checklist in data base?	☒
Request for additional information letter sent:	Y NA
WSB Action Request for deficiencies	☐

Stacked Water Rights Need to be Leased? ☐

If checked, list water rights: _____

If the WR owner provided a different address on the application than what's in our database, update address in workflow.

Mailings (per lease application)	CC	Original	
Designated Applicant:	☐	☐	EMAIL: _____
Attorney:	☐	☐	EMAIL: _____
Consultants Name:	☐		Comments: _____
Watermaster: <u>Rob Whitney</u>	☐		_____
Delivery Entity:	☐		
Water District: <u>WD 2</u>	☐		
Ground Water District:	☐		
Region:	☐		
Other:	☐	☐	
Address:			

Call up Date: _____

DO NOT SCAN



322 E Front Street, Suite 648, Boise ID 83702 • PO Box 83720, Boise ID 83720-0098
Phone: 208-287-4800 • Fax: 208-287-6700 • Email: idwrinfo@idwr.idaho.gov • Website: idwr.idaho.gov

Governor Brad Little

Director Mathew Weaver

October 7, 2024

SALMON FALLS LAND & LIVESTOCK CO INC
MICHAEL J HENSLEE
95A BELL RAPIDS RD
HAGERMAN, ID 83332-6039

**RE: WATER SUPPLY BANK LEASE CONTRACT 1852
FOR WATER RIGHT 2-7249, 2-7462**

Dear Lessor:

Water right **29-8126** is leased into the Water Supply Bank (Bank) as of January 2024 in accordance with the enclosed executed lease contract. **Your water rights, as described on the lease contract, are considered leased into the Bank and should remain unused until they are formally released from the Bank.** More information and further restrictions placed on your water rights while leased can be found in conditions of acceptance of the lease contract. Read the conditions of acceptance carefully.

The right(s) will automatically be released from the Bank on **December 31, 2028**, unless the rights are released earlier by the Water Resource Board (Board). To release the water rights from the Bank prior to the release date, submit a written request on the *Request to Release a Water Right from the Bank* form. This form is available on our public website at www.idwr.idaho.gov. **Please note your water rights may not be available for immediate release if they are rented.**

If you have questions regarding this matter, please contact this office at bank@idwr.idaho.gov or 208-287-4800.

Sincerely,

A handwritten signature in blue ink that reads "Delra Mansfield".

Technical Records Specialist I

Enclosure: Executed Lease Contract

c: IDWR- Western Region Office Representative
Water District No. 2

Mansfield, Debra

From: Mansfield, Debra
Sent: Friday, October 4, 2024 11:54 AM
To: Zach Latham; Whitney, Rob; Miller, Nick
Cc: Bank
Subject: Executed WSB Lease Contract 1852 and Executed WSB Rental Agreement 858, SALMON FALLS LAND & LIVESTOCK CO INC
Attachments: Executed WSB Lease Contract 1852, SALMON FALLS LAND & LIVESTOCK CO INC.pdf;
Executed WSB Rental Agreement 858, SALMON FALLS LAND & LIVESTOCK CO INC.pdf

Hello,

Please see the attached copies of Executed WSB Lease Contract 1852 and Executed WSB Rental Agreement 858, both for SALMON FALLS LAND & LIVESTOCK CO INC.

Both letters are being mailed in the same packet to SALMON FALLS LAND & LIVESTOCK CO INC.

Thank you,

Debra Mansfield | Technical Records Specialist 1
IDWR – State Office
322 E Front St, Boise ID 83702-7371
(208) 287-4921 | Debra.Mansfield@idwr.idaho.gov



IDAHO DEPARTMENT OF
WATER RESOURCES

322 E Front Street, Suite 648, Boise ID 83702 • PO Box 83720, Boise ID 83720-0098
Phone: 208-287-4800 • Fax: 208-287-6700 • Email: idwrinfo@idwr.idaho.gov • Website: idwr.idaho.gov

Governor Brad Little

Director Mathew Weaver

September 24, 2024

SALMON FALLS LAND & LIVESTOCK CO INC
MICHAEL J HENSLEE
95A BELL RAPIDS RD
HAGERMAN, ID 83332-6039

**RE: APPLICATION TO LEASE WATER RIGHTS 2-7249, 2-7462 TO THE WATER SUPPLY BANK
CONTRACT 1852**

******TIME SENSITIVE RESPONSE REQUIRED*****

Dear Applicant:

The Department of Water Resources has completed its review of your application to lease the above-mentioned water right to the Water Supply Bank. **I have enclosed two original Water Supply Bank Lease Contracts for your review and signature. Please sign and return ALL Lease Contracts within 14 days.** Upon signature and return of the contracts, the Department will also sign the original contracts and return an executed copy to you. The Lease Contract is not considered final until you and the Department have both signed.

The right will automatically be released from the Bank on **December 31, 2025**, unless the right is released earlier by the Board, or upon your request. To release the right from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. To propose a new lease period, submit a new Application to Sell or Lease a Water Right to the Water Supply Bank form along with applicable fees to the Department. These forms are available from any IDWR office or from our public website at <http://www.idwr.idaho.gov>. Please note your right may not be available for immediate release if it has been rented.

Please review the conditions of acceptance listed on the Lease Contract, including #3 which says:

"While a right is in the bank, **the lessor may not use the right** without approval of the department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B."

If you have questions regarding this matter, please contact this office at bank@idwr.idaho.gov or 208-287-4800.

Sincerely,

Debra Mansfield

for
Water Supply Bank

Enclosures: Proposed Lease Contracts

C: Consultant (via email)

RECEIVED

MAR 14 2024

DEPT. OF WATER RESOURCES



BROCKWAY
ENGINEERING
P.L.L.C.

Hydraulics

Hydrology

Water Resources

March 12th, 2024

Ms. Mary Condon
Idaho Water Supply Bank
Idaho Department of Water Resources
P.O. Box 83720
Boise, ID 83720-0098

Re: WSB Lease and Rental Applications; Portions of 2-7249 and 2-7462 on
Behalf of Salmon Falls Land & Livestock Co Inc.

Dear Mary,

On behalf of Salmon Falls Land & Livestock Co Inc., Brockway Engineering is submitting two water supply bank lease applications which propose to lease 101.5 acres of water right 2-7249 and 63.0 acres of water right 2-7462 for a combined total of 152.0 acres, to the Water Supply Bank for the 2024 and 2025 irrigation seasons. Additionally, Salmon Falls Land & Livestock Co. Inc. seeks to rent back 19.4 acres of both previously mentioned water rights, to allow irrigation on a wet pivot crossing on lands owned by the BLM. Identical lease and rental requests were approved by IDWR in 2019, 2021, 2022 and 2023.

Also enclosed is a check for \$500.00 to cover the cost of the two lease applications. Please copy our office on all correspondence regarding these lease and rental applications. Thank you for your assistance and if you have questions or comments, please don't hesitate to call.

CHARLES E.
BROCKWAY,
PH.D., P.E.

CHARLES G.
BROCKWAY,
PH.D., P.E.

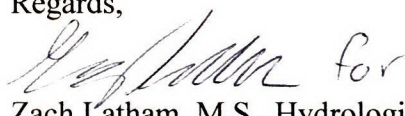
2016 NORTH
WASHINGTON
STREET • SUITE 4

TWIN FALLS,
IDAHO 83301

208•736•8543

FAX: 736•8506

Regards,

 for
Zach Latham, M.S., Hydrologist

Enc: (2) Salmon Falls Land & Livestock Co Inc. WSB Lease
Applications and Map.
(1) Salmon Falls Land & Livestock Co Inc. WSB Rental Application
and Map.
(1) BLM Letter of Consent; Pivot Crossing.
(1) Brockway Engineering PLLC Check # 17869.

Cc: Mike Henslee

2959, 2960, 2961

WSB Mailing Checklist for Leases

Instructions: Staple to outside of lowest numbered water right file during processing.

Executed
6/27/23

Key: Who Completes What?

CLERICAL STAFF: MK

REVIEWER: MK

Received Date 3/31/2023

Desired Lease Duration 2023

Lease / Rental Package (Y) N

If yes, Renter Name: Salmon Falls Land & Livestock Co Inc

Application # 2638 Contract # 1710

WR#s		#
		2-7249
#	2-7462	#
#		#
#		#
#		#
#		#
#		#
#		#

Applicant Authorized?	<u>(Y)</u> / N
Multiple owners, Attach 1A included?	Y / N <u>(NA)</u>
If portion is offered, Attach 2 included?	<u>(Y)</u> / N NA
Map of POU and POD?	<u>(Y)</u> / N NA
POD Consent (if required)?	Y / N <u>(NA)</u>
Application Complete?	<u>(Y)</u> / N
Minimum checklist in data base?	☒
Request for additional information letter sent:	Y NA
WSB Action Request for deficiencies	☐

Stacked Water Rights Need to be Leased? ☐

If checked, list water rights:

If the WR owner provided a different address on the application than what's in our database, update address in workflow.

Mailings (per lease application)

Designated Applicant: Salmon Falls Land & Livestock Co Inc

Attorney:

Consultants

Name: Zach Latham - Brockway Engineering

Watermaster: Rob Whitney

Delivery Entity:

Water District: WD 02

Ground Water District: N/A

Region: Southern

Other:

Address:

CC Original

☐
☒

EMAIL:

☐
☐

EMAIL:

Comments:

- ESPA no POD change
- rental app 2639
- prev contract 1539

→ SW

Call up Date: _____

DO NOT SCAN



322 E Front Street, Suite 648, Boise ID 83702 • PO Box 83720, Boise ID 83720-0098
Phone: 208-287-4800 • Fax: 208-287-6700 • Email: idwrinfo@idwr.idaho.gov • Website: idwr.idaho.gov

Governor Brad Little

Director Gary Spackman

June 28, 2023

SALMON FALLS LAND & LIVESTOCK CO INC
MICHAEL J HENSLEE
95A BELL RAPIDS RD
HAGERMAN, ID 83332-6039

**RE: WATER SUPPLY BANK LEASE CONTRACT 1710
FOR WATER RIGHTS 2-7249 & 2-7462**

Dear Lessor:

Water right(s) **2-7249 & 2-7462** were leased into the Water Supply Bank (Bank) as of January 1, 2023, in accordance with the enclosed executed lease contract. **Your water rights, as described on the lease contract, are considered leased into the Bank and should remain unused until they are formally released from the Bank.** More information and further restrictions placed on your water rights while leased can be found in conditions of acceptance of the lease contract. Read the conditions of acceptance carefully.

The right(s) will automatically be released from the Bank on **December 31, 2023**, unless the rights are released earlier by the Water Resource Board (Board). On behalf of the Board, the Department of Water Resources (Department) can evaluate an early release of the lease contract upon your request. To release the water rights from the Bank prior to the release date, submit a written request on the *Request to Release a Water Right from the Bank* form. This form is available on our public website at www.idwr.idaho.gov. **Please note your water rights may not be available for immediate release if they have been rented or are being considered for a future rental. Furthermore, it is at the discretion of the Department whether or not a water right can be released early from a lease contract.**

If you have questions regarding this matter, please contact this office at bank@idwr.idaho.gov or 208-287-4800.

Sincerely,

A handwritten signature in black ink, appearing to read "Mackenzie Kienholz", is written over a horizontal line.

Mackenzie Kienholz
Water Supply Bank Specialist

Enclosure: Executed Lease Contract

c: Sascha Marston – Fiscal
IDWR – Southern Region Office
Zach Latham – Brockway Engineering PLLC
Water District No. 02

SCANNED
AUG 14 2023



Governor Brad Little

Director Gary Spackman

06/01/2023

SALMON FALLS LAND & LIVESTOCK CO INC
MICHAEL J HENSLEE
95A BELL RAPIDS RD
HAGERMAN, ID 83332-6039

**RE: APPLICATION TO LEASE WATER RIGHTS 2-7462 and 2-7249 TO THE WATER SUPPLY
BANK CONTRACT 1710**

******TIME SENSITIVE RESPONSE REQUIRED******

Dear Applicant:

The Department of Water Resources has completed its review of your application to lease the above-mentioned water right to the Water Supply Bank. **I have enclosed two original Water Supply Bank Lease Contracts for your review and signature. Please sign and return ALL Lease Contracts within 14 days.** Upon signature and return of the contracts, the Department will also sign the original contracts and return an executed copy to you. The Lease Contract is not considered final until you and the Department have both signed.

The right will automatically be released from the Bank on **December 31, 2023**, unless the right is released earlier by the Board, or upon your request. To release the right from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. To propose a new lease period, submit a new Application to Sell or Lease a Water Right to the Water Supply Bank form along with applicable fees to the Department. These forms are available from any IDWR office or from our public website at <http://www.idwr.idaho.gov>. Please note your right may not be available for immediate release if it has been rented.

Please review the conditions of acceptance listed on the Lease Contract, including #3 which says:
"While a right is in the bank, **the lessor may not use the right** without approval of the department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B."

If you have questions regarding this matter, please contact this office at bank@idwr.idaho.gov or 208-287-4800.

Sincerely,

Amanda Johnson-Veibell

for
Water Supply Bank

Enclosures: Proposed Lease Contracts

SCANNED
AUG 4 2023

MEMORANDUM FOR LEASE APPLICATION #2638

To: Water Right(s) 2-7249 & 2-7462
From: Mackenzie Kienholz
Date: 4/25/2023
Re: Review & Analysis of Application to Lease Water to the State Water Supply Bank

PURPOSE/NARRATIVE: Lease application #2638 was submitted by Zach Latham (Brockway Engineering) on behalf of Salmon Falls Land and Livestock Co. Inc. and was received by the Department on 3/31/2023. This application proposes to lease a portion of both 2-7249 (1.87 cfs, 101.5 acres, 406.0 af) and 2-7462 (1.25 cfs, 63.0 acres, 251.8 af) for 2023. Both rights have the Snake River tributary to the Columbia River listed as their source. This lease was accompanied by rental application #2639 which proposes to rent a total of 19.4 acres from these two rights.

This lease is within WD #02.

AUTHORITY TO FILE: The lease applications for 2-7249 & 2-7462 were signed by Michael J. Henslee who is listed as a Vice President on the most recent IDSOS filing for Salmon Falls Land & Livestock Company (2/24/2023). Both water rights are owned by Salmon Falls Land & Livestock Co. Inc. c/o Michael J Henslee. The POD is on land owned by the BLM. The acres proposed for lease are on acres owned by the applicant. No concerns with authority to file.

WATER RIGHT VALIDITY: Both rights were decreed on 12/10/2010. The portions proposed for lease have been in the Bank since 2016, most recently under Contract #1539 (2022). Lessors appear to have complied with previous lease agreements.

No concerns with validity of the water right and portion offered to the bank.

INJURY TO OTHER WATER RIGHTS: Lease of this water right would not cause injury to other water rights. Proper review to prevent injury completed through rental application review.

ENLARGEMENT OF USE: The POU for the two water rights is 2662.8 acres, with a combined limit of 2432.0 acres. The POU shape is 2277.9 acres, intentionally leaving out 154.1 of the allowed acres. The 152.1 acres proposed for lease are part of this 154.1 unirrigated acres. Based on 2022 sentinel imagery, the applicants do not appear to have irrigated more than the 2277.9 acres under the water right POU plus the 2.0 unassigned but unleased acres. There are no other water rights at the proposed lease POU or POD. WMIS data from 2016-2022 shows that the volume and rate have not been exceeded. No concerns with enlargement of use.

LOCAL PUBLIC INTEREST: Review staff has no information to suggest this application is inconsistent with the local public interest.

BENEFICIAL USE/CONSERVATION OF WATER RESOURCES: The lease appears consistent with the conservation of water resources in Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS: The location for the rental POD is subject to Water District #02. A request for comments was sent to the WD #02 watermaster and the Southern Regional Office on 4/25/2023.

SCANNED
AUG 4 2023

Kienholz, Mackenzie

From: Zach Latham <zach.latham@brockwayeng.com>
Sent: Tuesday, April 4, 2023 8:41 AM
To: Kienholz, Mackenzie
Subject: RE: Confirmation Needed- Water Supply Bank Package for Salmon Falls Land & Livestock

Follow Up Flag: Follow up
Flag Status: Flagged

CAUTION: This email originated outside the State of Idaho network. Verify links and attachments BEFORE you click or open, even if you recognize and/or trust the sender. Contact your agency service desk with any concerns.

Thanks Mackenzie,
Yes, the shapes should be the exact same, no changes, therefore they are correct.
Please let me know if you have additional comments or questions-

Zach Latham

Hydrologist
Brockway Engineering, P.L.L.C.
2016 Washington Street North, Suite 4
Twin Falls, ID 83301
t. 208-736-8543
c. 208-721-2114
f. 208-736-8506

zach.latham@brockwayeng.com

All information, calculations, maps, drawings, or other documents transmitted via e-mail are preliminary unless explicitly stated in the e-mail text or in the documents themselves.

From: Kienholz, Mackenzie [mailto:Mackenzie.Kienholz@idwr.idaho.gov]
Sent: Monday, April 03, 2023 4:27 PM
To: Zach Latham
Subject: Confirmation Needed- Water Supply Bank Package for Salmon Falls Land & Livestock

Good afternoon Zach,

We received the Water Supply Bank lease/rental package, water rights 2-7249 and 2-7462, for Salmon Falls Land & Livestock Co Inc. You noted that this package is for the same purpose as previous Lease Contract #1539 and Rental Agreement #635. Can you please review the maps from the previous lease contract and rental agreement and confirm that the shapes have not changed? If these maps look correct, I will add them to the new lease and rental applications as maps are required.

Thank you,

Mackenzie Kienholz
Water Supply Bank Specialist



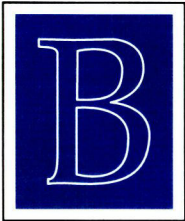
Planning & Projects

SCANNED
AUG 14 2023

Mackenzie.kienholz@idwr.idaho.gov

Phone: (208) 287-4822

SCANNED
AUG 14 2023



BROCKWAY
ENGINEERING
P.L.L.C.

Hydraulics

Hydrology

Water Resources

RECEIVED
MAR 31 2023
DEPARTMENT OF
WATER RESOURCES

March 28th, 2023

Ms. Mary Condon
Idaho Water Supply Bank
Idaho Department of Water Resources
P.O. Box 83720
Boise, ID 83720-0098

Re: WSB Lease and Rental Applications; Portions of 2-7249 and 2-7462 on
Behalf of Salmon Falls Land & Livestock Co Inc.

Dear Mary,

On behalf of Salmon Falls Land & Livestock Co Inc., Brockway Engineering is submitting two water supply bank lease applications which propose to lease 101.5 acres of water right 2-7249 and 63.0 acres of water right 2-7462 for a combined total of 152.0 acres, to the Water Supply Bank for the 2023 irrigation season. Additionally, Salmon Falls Land & Livestock Co. Inc. seeks to rent back 19.4 acres of both previously mentioned water rights, to allow irrigation on a wet pivot crossing on lands owned by the BLM. Identical lease and rental requests were approved by IDWR in 2019, 2021 and 2022.

Also enclosed is a check for \$500.00 to cover the cost of the two lease applications. Please copy our office on all correspondence regarding these lease and rental applications. Thank you for your assistance and if you have questions or comments, please don't hesitate to call.

Regards,

Zach Latham, M.S., Hydrologist

Enc: (2) Salmon Falls Land & Livestock Co Inc. WSB Lease
Applications and Map.
(1) Salmon Falls Land & Livestock Co Inc. WSB Rental Application
and Map.
(1) BLM Letter of Consent; Pivot Crossing.
(1) Brockway Engineering PLLC Check # 17380

Cc: Mike Henslee

SCANNED
AUG 14 2023

CHARLES E.
BROCKWAY,
PH.D., P.E.

CHARLES G.
BROCKWAY,
PH.D., P.E.

2016 NORTH
WASHINGTON
STREET • SUITE 4

TWIN FALLS,
IDAHO 83301

208•736•8543

FAX: 736•8506

2638
2639