STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1726

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

LESSOR: RAGS LLC
3869 WESTMINISTER PL
IDAHO FALLS, ID 83404-7974

RECEIVED
OCT 02 2023
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 August 14, 2023.

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)
22-14307	6/19/1961	GROUND WATER, tributary to	0.09	21.0	7.0
Lease Totals			**0.09**	**21.0**	**7.0**

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.

WATER SUPPLY BANK LEASE CONTRACT No. 1726

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.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1726

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

LESSOR: RAGS LLC
3869 WESTMINISTER PL
IDAHO FALLS, ID 83404-7974

By _____
Title Member
Date 9-27-23

IDAHO WATER RESOURCE BOARD
322 East Front Street
P.O. Box 83720
Boise, ID 83720-0098

By _____ Date 10/5/23
Brian Patton, Acting Administrator
Idaho Water Resource Board

Lease approved by IDWR _____ Date 10/5/23

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1726

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): 22-14307

GROUND WATER NENW Sec. 7 Twp 05N Rge 46E TETON County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
22-14307	IRRIGATION	04/15	to	10/15	0.09 cfs	21.0 AF
				Totals:	0.09 cfs	21.0 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	
05N	46E	7					7.0												7.0

Total Acres: 7.0

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water right 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.
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.

WATER SUPPLY BANK LEASE CONTRACT No. 1726

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 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. This right, when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 3.5 afa per acre at the field headgate for irrigation of the place of use.
13. The use of water for irrigation under this right may continue to as late as October 31, provided other elements of the right are not exceeded. The use of water after October 15 under this remark is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than November 24, 2008.
14. 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.

Idaho Water Resource Board

Water Supply Bank Lease Contract No. 1726

22-14307

Effective until December 31, 2025

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

QQ

N

0 160 320 Feet

Idaho Department of Water Resources Receipt

Receipt ID: C116891

Payment Amount	$250.00	Date Received	8/14/2023 11:31 AM	Region	STATE
Payment Type	Check	Check Number	2128		

Payer ANDERSON, RANDY C OR GALYE SUE

Comments WATER SUPPLY BANK LEASE APPLICATION FEE
FOR WR# 22-14307
FOR: RAGS, LLC
FOR 2024- 2025 SEASONS

DOCUMENT NUMBER: D775

Fee Details

Amount	Description	PCA	Fund	Fund Detail	Subsidiary	Object
$250.00	WATER BANK LEASE APPLICATIONS	55111	0229	21		1205

Signature Line (Department Representative)

Form 42-1761-1 10/15

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED
AUG 14 2023
DEPARTMENT OF WATER RESOURCES

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

Designated Applicant RAGS, LLC
(Select one owner – see item 1A on the application)

Water Right No. 22-14307
(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.**

MIMUMUM 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: KU	Date Received: 8.14.23	Receipt # C116891
W-9 received? Yes ☐ No ☑ (Route W-9 to Fiscal)		Name on W-9:	

2717

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 RAGS LLC

Mailing Address 3869 Westminister Place (Street) Idaho Falls (City) Idaho (State) 83404-7974 (Zip Code)

Email Address Randyceeanderson@Gmail.com Phone Number (208) 317-0399

☑ 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 Robert L. Harris Organization Holden, Kidwell, Hahn & Crapo, P.L.L.C.

Professional Title Attorney Email Address rharris@holdenlegal.com

Mailing Address P.O. Box 50130, Idaho Falls, Idaho 83405 Phone Number (208) 523-0620

☐ 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.

Well and pump. Need to install sprinkllng equipment

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. None

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.

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. The parent water right of 22-14307 (22-14026) has been placed in the Idaho Water Supply Bank since 2013 after it was decreed in 2008 to protect if from forfeiture. The applicant purchased a 7-acre portion of 22-14026, which 7-acre portion has now been assigned the number of 22-14307.

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. Water Right No. 22-14307 and/or its parent righ has been in the Idaho Water Supply Bank since 2013

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 ☑

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 (Year) to 2025 (Year) (maximum lease period 5 calendar years).

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.

Signature of Designated Applicant	Randy Anderson, RAGS LLC Member Printed Name	8/15/2023 Date
Signature of Authorized Representative	Printed Name	Date

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

Idaho Water Resource Board

Water Supply Bank Lease Contract No. 1099

22-14307

Effective until December 31, 2020

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
- QQ

N

0 100 200 Feet

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1676

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

LESSOR: RAGS LLC
3869 WESTMINISTER PL
IDAHO FALLS, ID 83404-7974

RECEIVED
FEB 13 2023
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 January 09, 2023.

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)
22-14307	6/19/1961	GROUND WATER	0.09	21.0	7.0
Lease Totals			**0.09**	**21.0**	**7.0**

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.

SCANNED
MAR 15 2023

WATER SUPPLY BANK LEASE CONTRACT No. 1676

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
MAR 15

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1676

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

LESSOR: RAGS LLC
3869 WESTMINISTER PL
IDAHO FALLS, ID 83404-7974

By _____
Title Member
Date 2-6-2023

IDAHO WATER RESOURCE BOARD
322 East Front Street
P.O. Box 83720
Boise, ID 83720-0098

By _____ Date 3/2/23
Brian Patton, Acting Administrator
Idaho Water Resource Board

Lease approved by IDWR _____ Date 3/2/23

SCANNED
MAR 15 2023

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1676

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): 22-14307
GROUND WATER NENW Sec. 7 Twp 05N Rge 46E TETON County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
22-14307	IRRIGATION	04/15	to	10/15	0.09 cfs	21.0 AF
				Totals:	0.09 cfs	21.0 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	
05N	46E	7					7.0												7.0

Total Acres: 7.0

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.
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.

SCANNED
MAR 15 2023

WATER SUPPLY BANK LEASE CONTRACT No. 1676

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:
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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. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 3.5 afa per acre at the field headgate for irrigation of the place of use.
13. The use of water for irrigation under this right may continue to as late as October 31, provided other elements of the right are not exceeded. The use of water after October 15 under this remark is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than November 24, 2008.
14. 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.

SCANNED
MAR 15

Idaho Water Resource Board

Water Supply Bank Lease Contract No. 1676

22-14307
Effective until December 31, 2023

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
QQ

N

0 200 400 Feet

SCANNED
MAR 15 2023

Form 42-1761-1 10/15

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED
JAN 09 2023
DEPARTMENT OF
WATER RESOURCES

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

Designated Applicant RAGS, LLC
(Select one owner – see item 1A on the application)

Water Right No. 22-14307
(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.**

MIMUMUM 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 $ 250.00	Received By: KM	Date Received: 1.9.23	Receipt # C115065
W-9 received? Yes ☐ No ☑ (Route W-9 to Fiscal)		Name on W-9:	

2561

SCANNED
MAR 15

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 RAGS, LLC

Mailing Address 3869 WESTMINISTER PL (Street) IDAHO FALLS (City) IDAHO (State) 83404-7974 (Zip Code)

Email Address randyceeanderson@gmail.com Phone Number 208-317-0399

☑ 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 Robert L Harris Organization Holden, Kidwell, Hahn & Crapo, P.L.L.C

Professional Title Attorney Email Address rharris@holdenlegal.com

Mailing Address P.O.Box 50130, Idaho Falls, Idaho 83450 Phone Number 208-523-0620

☐ 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**.

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MAR 15 2023

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.

Well and pump. Still working to determine use and design irrigation system - hopefully next year.

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. None

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.

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.Parent water right of 22-14307 (22-14026) was being placed in the Idaho Supply Bank since 2013 after it was decreed in 2008 to protect it from forfeiture. Applicant purchased a 7-acre portion of 22-1406, which 7 acre portion has now been assigned the number of 22-14307

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.Water Right No. 22-14307 and/or its parent right has been in the Idaho Water Supply Bank since 2013

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 ☑

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MAR 15 2023

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 (Year) to 2023 (Year) (maximum lease period 5 calendar years).

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.

Signature of Designated Applicant	Randy Anderson, RAGS, LLC Member Printed Name	1-2-23 Date
Signature of Authorized Representative	Printed Name	Date

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

SCANNED
MAR 15 2023

Form 42-1761-1 10/15

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). 22-14307

	Designated Applicant	Applicant #2	Applicant #3
Name	RAGS, LLC		
Mailing Address	3869 Westminister Pl Idaho Falls, Idaho 83404-7974		
Phone Number	208-317-0399		
Email Address	randyceeanderson@gmail.com		
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
JAN 15 2023
Attachment 1A

Attachment 3

Idaho Water Resource Board

Water Supply Bank Lease Contract No. 1372

22-14307

Effective until December 31, 2021

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

QQ

N

0 200 400 Feet

SCANNED
MAR 15 2023

WSB Mailing Checklist for Leases

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

Key: Who Completes What?
CLERICAL STAFF: MK
REVIEWER: BH

Received Date 8/14/2023

Desired Lease Duration 2024-2025

Lease / Rental Package Y (N)

If yes, Renter Name: _____

Application # 2717 Contract # 1726

WR#s	# 22-14307
#	#
#	#
#	#
#	#
#	#
#	#

Applicant Authorized?	(Y) / N
Multiple owners, Attach 1A included?	Y / N (NA)
If portion is offered, Attach 2 included?	Y / N (NA)
Map of POU and POD?	(Y) / N NA
POD Consent (if required)?	Y / N (NA)
Application Complete?	(Y) / 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: RAGS LLC	☐	☐	EMAIL:
Attorney: Robert L. Harris	☐	☐	EMAIL:
Consultants Name:	☐		Comments: prev contract # 16716
Watermaster:	☐		
Delivery Entity:	☐		
Water District: N/A	☐		
Ground Water District:	☐		
Region: EASTERN	☐		
Other:	☐	☐	
Address:			

Call up Date: _____

DO NOT SCAN

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

October 5, 2023

RAGS, LLC
3869 WESTMINISTER PL
IDAHO FALLS, ID 83404-7974

RE: WATER SUPPLY BANK LEASE CONTRACT 1726
FOR WATER RIGHT(S) 22-14307

Dear Lessor:

Water right(s) **22-14307** are leased into the Water Supply Bank (Bank) as of January 1, 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, 2025,** 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,

Bob Howe

IDAHO DEPARTMENT OF
WATER RESOURCES

Bob Howe | Water Resource Agent
322 E Front St, PO Box 83720, Boise, ID 83720
(208) 287-4800 | www.idwr.idaho.gov

for
Water Supply Bank

Enclosure: Executed Lease Contract

c: IDWR- Eastern Region Office
Robert L. Harris

IDAHO DEPARTMENT
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 22, 2023

RECEIVED
OCT 02 2023
DEPARTMENT OF
WATER RESOURCES

RAGS, LLC
3869 WESTMINISTER PL
IDAHO FALLS, ID 83404-7974

RE: APPLICATION TO LEASE WATER RIGHT 22-14307 TO THE WATER SUPPLY BANK CONTRACT 1726

******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.

Regards,

Bob Howe

IDAHO DEPARTMENT OF
WATER RESOURCES
Bob Howe | Water Resource Agent
322 E Front St, PO Box 83720, Boise, ID 83720
(208) 287-4800 | www.idwr.idaho.gov

IDAHO DEPARTMENT
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 22, 2023

RAGS, LLC
3869 WESTMINISTER PL
IDAHO FALLS, ID 83404-7974

RE: APPLICATION TO LEASE WATER RIGHT 22-14307 TO THE WATER SUPPLY BANK CONTRACT 1726

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

Dear Applicant:

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> "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.

Regards,

Bob Howe

IDAHO DEPARTMENT OF
WATER RESOURCES
Bob Howe | Water Resource Agent
322 E Front St, PO Box 83720, Boise, ID 83720
(208) 287-4800 | www.idwr.idaho.gov

Howe, Bob

From: Howe, Bob
Sent: Thursday, October 5, 2023 4:18 PM
To: Cefalo, James
Cc: Bank
Subject: FW: Executed Lease Contract 1726-Mailed to RAGS,LLC
Attachments: Lease 1726-Cover Letter and Executed Contract.pdf

Hi James,
The executed lease contract for RAGS, LLC, for the lease of full water right 22-14307, has been submitted by mail today. I have attached the lease contract, map, and cover letter for your review. Please feel free to reach out to us with any questions or concerns.
Thank you and have a great day!

Regards,

Bob Howe

IDAHO DEPARTMENT OF
WATER RESOURCES
Bob Howe | Water Resource Agent
322 E Front St, PO Box 83720, Boise, ID 83720
(208) 287-4847 | www.idwr.idaho.gov

From: Howe, Bob
Sent: Thursday, October 5, 2023 3:28 PM
To: rharris@holdenlegal.com
Cc: Bank <Bank@idwr.idaho.gov>
Subject: Executed Lease Contract 1726-Mailed to RAGS,LLC

Dear Robert L. Harris,
The executed lease contract for RAGS, LLC, for the lease of full water right 22-14307, has been submitted by mail today. I have attached the lease contract, map, and cover letter for your review. Please feel free to reach out to us with any questions or concerns via phone, or via email to bank@idwr.idaho.gov .
Thank you and have a great day!

Regards,

Bob Howe

IDAHO DEPARTMENT OF
WATER RESOURCES
Bob Howe | Water Resource Agent
322 E Front St, PO Box 83720, Boise, ID 83720
(208) 287-4800 | www.idwr.idaho.gov

Howe, Bob

From: Howe, Bob
Sent: Thursday, October 5, 2023 3:28 PM
To: rharris@holdenlegal.com
Cc: Bank
Subject: Executed Lease Contract 1726-Mailed to RAGS,LLC
Attachments: Lease 1726-Cover Letter and Executed Contract.pdf

Dear Robert L. Harris,
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Thank you and have a great day!

Regards,

Bob Howe

IDAHO DEPARTMENT OF
WATER RESOURCES
Bob Howe | Water Resource Agent
322 E Front St, PO Box 83720, Boise, ID 83720
(208) 287-4800 | www.idwr.idaho.gov

Howe, Bob

From: Howe, Bob
Sent: Friday, September 22, 2023 12:48 PM
To: rharris@holdenlegal.com
Cc: Bank
Subject: FW: Lease Contract 1726- Mailed to Applicant
Attachments: RAGS LLC - Lease Contract 1726.pdf; 1726 Lease Cover Letter.pdf; Lease 1726 Map.pdf

Mr. Harris,
Please see the corrected subject line. The lease contract number is 1726.
Thank you

Regards,

Bob Howe

IDAHO DEPARTMENT OF
WATER RESOURCES
Bob Howe | Water Resource Agent
322 E Front St, PO Box 83720, Boise, ID 83720
(208) 287-4800 | www.idwr.idaho.gov

From: Howe, Bob
Sent: Friday, September 22, 2023 12:46 PM
To: rharris@holdenlegal.com
Cc: Bank <Bank@idwr.idaho.gov>
Subject: Lease Contract 2716- Mailed to Applicant

Dear Robert L. Harris,
The lease contract for RAGS, LLC, for the lease of full water right 22-14307, has been submitted by mail today for signing. I have attached the lease contract, map, and cover letter for your review. Please feel free to reach out to us with any questions or concerns via phone, or via email to bank@idwr.idaho.gov .
Thank you and have a great day!

Regards,

Bob Howe

IDAHO DEPARTMENT OF
WATER RESOURCES
Bob Howe | Water Resource Agent
322 E Front St, PO Box 83720, Boise, ID 83720
(208) 287-4800 | www.idwr.idaho.gov

WATER SUPPLY BANK

Lease Review Checklist

Applicant(s) Name: Rags LLC

Memo Date: September 14, 2023

Water Right Number(s): 22-14307

Reviewers Name: Bob Howe

Quick Tools

Decreed Year	No Forfeiture Concerns Thru:
2011	2017
2012	2018
2013	2019
2014	2020
2015	2021

		Check box		COMMENTS/CONCERNS:
1	**Fill out WSB Data Entry Checklist for Leases (Front of File)**	x		
2	**Reason for lease of water rights (Brief description of lease proposal in narrative)**			
	Portion of right			
	All of right	x		
3	Check GWMA/CGWA/ADC and basin 63 areas of concern (note area in comments)			
		Yes	**No**	
4	Rentable? (If no explain in comments or narrative)	x		
5	**Authority to file**			
	Current owner or designated applicant	x		
	SOS Web site checked for business entity	x		
	Other (explain in comments)			
6	**Water Right validity**			
	Decreed/Licensed/Statutory claim date (write in comments section)			parent decreed in 2008
	Past irrigation to ensure forfeiture is not an issue if decreed or licensed over 7 years ago (consider transfers that changed the POU, rentals to the POU etc.)			
	Has this right previously been leased to the bank or in CREP?	x		2013-2023
7	**Injury to other water rights**			
	If the POD is through a delivery entity, was consent provided?		na	
	If the POD is through a delivery entity, was holdback required? (percentage in comments)			%
	Any other concerns		x	
8	**Enlargement concerns**	Check box		
	Complete a POU comparison overlap analysis	x		
	Complete a combined limits review	x		
	Complete POD overlap analysis (if there is an overlap add condition to lease)	x		
		Yes	**No**	
	Are there overlapping rights that need to be placed in the bank also?		x	
	Will the place of use continue to receive water? (if yes explain in comments)		x	
9	**Local Public Interest**			
	Does the processor know of any problems this action will cause for the local public?		x	
10	**Have you contacted regional office and watermaster for comment/concerns?**			
	Send the watermaster comment request form or e-mail request			
11	Area Headgate requirement (write in Comments)			3.5
12	**Is water right involved in any other department action? Pull file and check database** ( ) Ownership Change ( ) Transfer ( ) Mitigation ( ) Other - Explain in comments		x	

13 **Narrative:** The Department received this application on August 14, 2023, for the full right 22-14307, for a 2 year term from 2024-2025. The applicant was signed by Randy Anderson, member, who is also the land owner. This right was split from 22-12527, which was decreed in 2008. This right has been in the Bank since 2013. An ownership change in 2018 split water right 22-12527. Only the water right was conveyed. Transfer 82110, approved in 2018, moved the POU to the current place of use. There are no issues with forfeiture. This right is not currently within a WD.

WSB Mailing Checklist for Leases

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

Key:	**Who Completes What?**
CLERICAL STAFF:	MK
REVIEWER:	

Received Date: 1/9/2023

Desired Lease Duration: 2023 - 2023

Lease / Rental Package: Y (N)

If yes, Renter Name:

Application # 2561 Contract # 1676

WR#s	# 22-14307
#	#
#	#
#	#
#	#
#	#
#	#

Stacked Water Rights Need to be Leased? ☐

If checked, list water rights:

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

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: Rags LLC	☐	☐	EMAIL:
Attorney: Robert L. Harris - Holden, Kidwell, Hahn & Crapo, PLLC	☐	☐	EMAIL:
~~Consultants~~ Name:	☐		Comments: prev contract #1372
Watermaster:	☐		
Delivery Entity:	☐		
Water District: N/A	☐		SRBA Moratorium
Ground Water District:	☐		HG - 3.5
Region: Eastern	☐		
Other:	☐	☐	
Address:			

Call up Date: 2-19-23

DO NOT SCAN

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 Gary Spackman

March 2, 2023

RAGS LLC
3869 WESTMINISTER PL
IDAHO FALLS ID 83404-7974

RE: WATER SUPPLY BANK LEASE CONTRACT 1676
FOR WATER RIGHTS 22-14307

Dear Lessor:

Water right(s) **22-14307** was/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,

Jean Hersley

for
Water Supply Bank

Enclosure: Executed Lease Contract

c: IDWR- Eastern Region Office
Robert L Harris

COPIED
MAR 15

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 Gary Spackman

February 2, 2023

RAGS LLC
3869 WESTMINISTER PL
IDAHO FALLS ID 83404-7974

RE: APPLICATION TO LEASE WATER RIGHTS 22-14307 TO THE WATER SUPPLY BANK CONTRACT 1676

******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,

Jean Hersley

for
Water Supply Bank

Enclosures: Proposed Lease Contracts

C: Holden Kidwell Hahn & Crapo PLLC

SCANNED
MAR 15 2023

Hersley, Jean

From: Hersley, Jean
Sent: Thursday, February 2, 2023 1:56 PM
To: Cefalo, James
Subject: WSB lease 22-14307
Attachments: Lease - Template 2023.pdf; Lease Contract - 1676.docx; Lease Application Review Checklist July 2017.xls

Please let me know if you have any comments or concerns with this lease. This right has been in the Bank since 2013.

Jean Hersley
Technical Records Specialist II
Idaho Dept Water Resources
(208) 287-4942

SCANNED
MAR 15

WATER SUPPLY BANK

Lease Review Checklist

Applicant(s) Name: Rags LLC

Memo Date: February 2, 2023

Water Right Number(s): 22-14307

Reviewers Name: Jean

Quick Tools

Decreed Year	No Forfeiture Concerns Thru:
2011	2017
2012	2018
2013	2019
2014	2020
2015	2021

		Check box		COMMENTS/CONCERNS:
1	**Fill out WSB Data Entry Checklist for Leases (Front of File)**	x		
2	**Reason for lease of water rights (Brief description of lease proposal in narrative)**			
	Portion of right			
	All of right	x		
3	Check GWMA/CGWA/ADC and basin 63 areas of concern (note area in comments)			
		Yes	**No**	
4	Rentable? (If no explain in comments or narrative)	x		
5	**Authority to file**			
	Current owner or designated applicant	x		
	SOS Web site checked for business entity	x		
	Other (explain in comments)			
6	**Water Right validity**			
	Decreed/Licensed/Statutory claim date (write in comments section)			parent decreed in 2008
	Past irrigation to ensure forfeiture is not an issue if decreed or licensed over 7 years ago (consider transfers that changed the POU, rentals to the POU etc.)			
	Has this right previously been leased to the bank or in CREP?	x		2013-2022
7	**Injury to other water rights**			
	If the POD is through a delivery entity, was consent provided?		na	
	If the POD is through a delivery entity, was holdback required? (percentage in comments)			%
	Any other concerns		x	
8	**Enlargement concerns**	**Check box**		
	Complete a POU comparison overlap analysis	x		
	Complete a combined limits review	x		
	Complete POD overlap analysis (if there is an overlap add condition to lease)	x		
		Yes	**No**	
	Are there overlapping rights that need to be placed in the bank also?		x	
	Will the place of use continue to receive water? (if yes explain in comments)		x	
9	**Local Public Interest**			
	Does the processor know of any problems this action will cause for the local public?		x	
10	**Have you contacted regional office and watermaster for comment/concerns?**	x		
	Send the watermaster comment request form or e-mail request			
11	Area Headgate requirement (write in Comments)			3.5
12	**Is water right involved in any other department action? Pull file and check database** ( ) Ownership Change ( ) Transfer ( ) Mitigation ( ) Other - Explain in comments		x	

13 **Narrative:** The Department received this application on January 23, 2023. The applicant was signed by Randy Anderson, member, who is also the land owner. This right was split from 22-12527, which was decreed in 2008. This right has been in the Bank since 2013. An ownership change in 2018 split water right 22-12527. Only the water right was conveyed. Transfer 82110, approved in 2018, moved the POU to the current place of use. There are no issues with forfeiture. This right is not currently within a WD.

RECEIVED
MAR 15