STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 715

RECEIVED
APR 11 2023
DEPT OF WATER RESOURCES
SOUTHERN REGION

This is to certify that:

BILL KELLEY
PO BOX 25
ALBION, ID 83311-0025

filed an application to rent water from the Water Supply Bank ("Bank"). The Idaho Water Resource Board ("Board"), being authorized to operate a Bank and to contract by and through the Director of the Idaho Department of Water Resources ("Director, Department") for rental of water from the Bank, agrees to rent water as follows:

Summary of Water Rights or Portions Rented from the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate Per Acre (CFS/AC)	Volume Per Acre (AF/AC)
43-13595	5/4/1978	GROUND WATER	3.01	729	182.0	0.017	4.0
43-13597	5/23/1962	GROUND WATER	0.54	350	87.0	0.006	4.0
Combined Rental Totals			**3.55**	**1,079**	**269.7**	**0.014**	**4.0**

Term of Rental: This rental agreement shall take effect when all parties have signed it and shall continue in effect until December 31, 2025. Use of rental water shall be authorized as of either the date this rental agreement takes effect or the first day of the rental season of use, in 2023, whichever occurs last.

Annual Rental Fee:

2023 - 2025: $24,812.40 annually

The full fee for the rental of the above-described right(s) is $24,812.40 per year for years 2023 - 2025. The rental fee includes an administrative fee of $2,481.24 per year for years 2023 - 2025. The full fee and administrative fee required for this rental are calculated using more decimals than the rounded amounts recorded on this agreement.

An annual payment shall be received by the Department on or before December 31 each year preceding the use of the rented water rights. The agreement will be void if payment is not received by the due date in a given year. Rental fees are non-refundable. To voluntarily terminate the agreement early, notify the Department in writing prior to the rental fee due date.

Detailed water right conditions are attached.

SCANNED
MAY 24 2023

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 715

The undersigned renter agrees to use the water rented under this agreement in accordance with the Water Supply Bank rules and in compliance with the limitations and conditions of use described in this agreement:

Signature of Renter _____ Date 4-11-23

Printed Name Bill Kelley Title Owner

*Title required if signing on behalf of a company or organization or with power of attorney

Having determined that this agreement satisfied the provisions of Idaho Code § 42-1763 and IDAPA 37.02.03.030 (Water Supply Bank Rule 30), for the rental and use of water under the terms and condition herein provided, and none other, I hereby execute this Rental Agreement on behalf of the Idaho Water Resource Board.

By _____ Date 4/21/23
BRIAN PATTON, Acting Administrator
Idaho Water Resource Board

Rental approved by IDWR _____ Date 4/21/23

SCANNED
MAY 24 2023

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 715

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER NENE Sec. 35, Twp 11S, Rge 24E, CASSIA County

BENEFICIAL USE	DIVERSION RATE	VOLUME
IRRIGATION	3.55 CFS	1079 AF

SEASON OF USE

From	To
4/1	10/31

RENTERS PLACE OF USE: 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	
11S	24E	25									24	5.0	31	30					90
11S	24E	36					30		2.0	30	30	30	28	30					180

Total Acres: 269.7

RENTAL AGREEMENT CONDITIONS OF ACCEPTANCE

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. Rental of the specified right from 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.
3. Use of water under this agreement does not constitute a dedication of the water to renter's place of use, and upon expiration of this agreement, the points of diversion and place of use of the water shall revert to those authorized under the water right and/or again be available to rent from the bank.
4. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.
5. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
6. Renter agrees to hold the Board, the Director and the state of Idaho harmless from all liability on account of negligent acts of the renter while using water.
7. Renter acknowledges and agrees that the Director may terminate authorization for the use of a water right based on a water right's priority date.
8. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
9. 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.
10. The right holder shall maintain a measuring device and lockable controlling works of a type approved by the Department in a manner that will provide the watermaster suitable control of the diversion(s).

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MAY 24 2023

WATER SUPPLY BANK RENTAL AGREEMENT No. 715

11. Use of water under this right 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. 140.
12. This rental agreement does not authorize the construction of a well.

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MAY 24 2023

Form 42-1761-2 10/15

STATE OF IDAHO
WATER RESOURCE BOARD

Amended

RECEIVED
Jan 27, 2023
DEPARTMENT OF
WATER RESOURCES

APPLICATION TO RENT WATER FROM THE BOARD'S WATER SUPPLY BANK

Applicant Name: Bill Kelley

Is this application being submitted with a lease application as a lease/rental package? **Yes** ☐ **No** ☑
If yes, specify companion water rights in Section 4

This application must be completed according to the minimum requirement checklist below. This checklist is part of the rental application and must be included with the rental application. **Applications that do not meet the minimum requirements will not be placed in the processing queue and may be returned until all minimum requirements have been met.**

Rental applications should be submitted well in advance of the desired start date for the use of rental water. Rental applications may be processed as early as November 1 of the year prior to the intended use of rental water. Any rental application received on or before November 1 for use in the next year will be assigned a received date of November 1. Rental applications submitted more than one year in advance of the proposed start date for the use of rental water will not be accepted and will be returned to applicants. Rental applications may be returned to applicants if the desired start date for the use of rental water cannot be accommodated by the Water Supply Bank. Rental requests will not be accepted once the rental season of use period has concluded.

One rental application per beneficial use of water. For multiple beneficial uses of water, separate rental requests should be submitted for each unique beneficial use of water. One rental application can be submitted if you propose to rent water from multiple sources.

For additional instructions on completing a rental application, visit the Bank's website at http://idwr.idaho.gov/water_supply_bank.

MINIMUM REQUIREMENT CHECKLIST

Check All Items as Either Attached (Yes) or Not Applicable (N/A)

		Yes	
		☐	Completed *Application to Rent Water from the Board's Water Supply Bank*
		☐	Confirmation that this form has been printed single sided, per requirement of the Water Supply Bank
Attachment	**N/A**	**Yes**	
2		☐	A map showing the proposed point(s) of diversion, place(s) of use, and water diversion and distribution systems proposed to be used with your rental request
3A	☐	☐	Detailed information on a proposed use of rental water
3F	☐	☐	Authorization from the owner/operator of the rental point(s) of diversion
3H	☐	☐	Water modeling to account for the impacts of the rental request
3J	☐	☐	Documents justifying a rate of flow greater than 0.02 cfs/acre
3K	☐	☐	Authorization from the owner/operator of the property at the proposed rental place(s) of use
4B	☐	☐	Explanation of how the rental water will sufficiently accomplish your rental purposes
4C	☐	☐	Explanation of consumptive use amounts for water rights experiencing a change in nature of use

Department Use Only – Proposed Water Right(s)

SCANNED
MAY 24 2023

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A. Applicant Bill Kelley

Mailing Address P.O. Box 25, Albion, Idaho 83311
Street City State Zip Code

Email Address _____ Phone Number 208-312-0087

B. Is this application being completed by an authorized representative on behalf of the applicant? Yes ☑ No ☐
If yes, representatives (includes company employees if the applicant is a corporation, as well as legal counsel or consultants) should provide their information below if they desire to be included on correspondence with the rental applicant.

Representative Sarah W. Higer Professional Title Attorney

Organization Barker Rosholt & Simpson Relationship to Applicant Attorney

Mailing Address P.O. Box 2139, Boise, Idaho 83701-2139

Email Address swh@idahowaters.com Phone Number 208-336-0700

2. MAP

Create a map of the proposed point(s) of diversion, place(s) of use and water diversion, delivery and distribution systems. Make sure the rental 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 irrigate. Attach the map to this application and label it **Attachment 2**.

3. DESCRIPTION OF PROPOSED USE FOR RENTAL WATER

A. Describe why you desire to rent water and provide a detailed description of your proposed use. If the proposed use is not for irrigation, describe in detail how you determined the amount of rental water required. If the space below is insufficient, attach additional sheets as required and label them **Attachment 3A**:

Water will be used to allow for irrigation under existing pivots. Water will be commingled with applicatants existing water rights.

B. Enter the desired and/or minimum rates of flow, volume, or irrigable acres requested for your rental purposes:

Desired Rate (Cubic Feet/Second)	Desired Volume (Acre-Foot)	Minimum Rate* (Cubic Feet/Second)	Minimum Volume* (Acre-Foot)	Desired Acres (if applicable)
CFS	AF	CFS	AF	269.7 AC

* ***Sometimes water rights provide an exceptionally low rate per acre and/or low volume per acre. This section is meant to establish an acceptable range of water sufficient for your proposed water use. Please see question 4B and complete if necessary.***

C. This section must be completed in full. Enter the proposed start date and latest possible start date for using rental water as well as the number of years you would like to rent water. The latest possible start is the latest possible date by which you would be willing to pay for a rental and be able to benefit from utilizing rental water.

Desired Start Date (month/day/year)	Latest Possible Start Date (month/day/year)	*Mark Desired Rental Duration (Calendar Years)					**Applicant's preference if rental application cannot be processed prior to the latest possible start?	
3/15/23	5/1/23	☐ 1	☐ 2	☑ 3	☐ 4	☐ 5	☑ Process application as soon as possible	☐ Return application to applicant

* ***The number of years permissible for a rental is subject to the lease contract duration for the water right(s) being rented.***
** ***Per Idaho Code 42-201, it is unlawful to divert or use water without a valid water right. Water Supply Bank rental applicants are not authorized to utilize rental water prior to the execution of an approved rental agreement. Rental requests may be returned to applicants if no water is available from the Bank to fulfill a rental request.***

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MAY 24 2023

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

D. Describe your water distribution system and how rental water will be delivered from the point(s) of diversion (POD) to the proposed place of use (POU):

Water is pumped from the well and piped to a sprinkler system.

E. Describe the physical type (pump, headgate, etc.) and location of the POD from which rental water is proposed to be diverted:

POD Description	Water Source	Other Water Rights Diverted from this POD
11S24E35NENE	groundwater	45-4084 45-4236 pending approval of application
		45-7153, 45-7176 and 45-7260

If the POD(s) above are located where water is turned into a canal, lateral or ditch, or if they are located on your property but are serviced by water that is delivered via a canal, lateral or ditch, your rental request must include documented authorization from all relevant canal companies, irrigation districts and/or water delivery entities, confirming that they consent to your diversion of water from their system.

F. Has documented consent from all relevant water delivery entities been obtained? Yes ☐ N/A ☑
If yes, include documented consent as **Attachment 3F**.

G. Do any POD(s) identified in Question 3E divert from a water source that may require water modeling? Yes ☐ No ☑
Refer to the Water Modeling Requirements Information Sheet to determine if a rental POD may require water modeling.

H. Has water modeling been provided with your rental request? Yes ☐ N/A ☑
If yes, label modeling Attachment 3 H.
Rental applications that require modeling will be returned if modeling is not provided.

I. Specify the desired beneficial use of water and the requested season of use or number of acres required:

☑ Irrigation 269.7 (number of acres) Duration: Subject to IDWR standard seasons of use

☐ Commercial from: _____ (mm/dd) to: _____ (mm/dd)

☐ Stockwater from: _____ (mm/dd) to: _____ (mm/dd)

☐ Industrial from: _____ (mm/dd) to: _____ (mm/dd)

☐ Other: _____ from: 3/15 (mm/dd) to: 11/15 (mm/dd)

J. For irrigation uses, do you propose to divert water at a rate greater than 0.02 cfs/acre? N/A ☐ Yes ☐ No ☑
If yes, justify the rate of flow and attach any supporting documents as **Attachment 3J**. Justification may include information on soil composition, conveyance losses, crop type, irrigation systems, public access areas, etc. A rate of 0.03 cfs/acre is permissible for irrigation of 5 acres or less.

K. Do you own the land at the proposed rental place of use (POU)? Yes ☑ No ☐
If no, attach documentation from the POU owner/operator confirming your authorization to use the POU and label it **Attachment 3K**.

L. List all other water rights and sources of water at the rental place of use for the same purpose, including privately owned water rights and water received from a municipal supplier, an irrigation district, a canal company or any other water delivery entity. Explain why additional water is required:

Existing water rights do not cover the entire pivot system. Additional water is needed to cover all acres.

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MAY 24 2023

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

4. RENTAL REQUESTS FOR SPECIFIC WATER RIGHTS

A. Are you requesting to rent specific water rights? Yes ☑ No ☐

If yes, specify below the elements of the water rights you are requesting to rent. **If no,** continue to Question 4B.

Important Information: Diversion rates and volumes sought for rent must be proportionate to the per acre diversion rates and per acre volume limits of the water right under lease contract to the Water Supply Bank. Prior to completing this section, applicants should review all water right lease contracts and any active rental agreements to determine which elements of a water right are available to satisfy a rental request. Lease and rental documents are searchable via IDWR's website.

Water rights identified below must either already be leased to the Bank or a lease proposal should accompany this rental request. **Rental requests for water rights not yet leased to the Bank will be returned if companion lease applications are not provided with the rental request.** For leased rights featuring combined limits, rentals must be consistent with combined diversion rate, volume or acre limits. Combined limits should be listed on a row below water right numbers.

Water Right Elements Leased to Water Supply Bank					Leased totals, minus water right elements involved in active rental agreements, equals water right elements available for rent	Water Supply Bank Rental Request		
Water Right Number (leave blank if sub-total of combined limits)	**Nature of Use**	**Diversion Rate (CFS)**	**Volume (AF)**	**Acres (AC)**		**Diversion Rate (CFS)**	**Volume (AF)**	**Acres (AC)**
43-13595	irrigation	5.0		269.7		5.0		269.7
43-13597	irrigation	0.89		269.7		0.89		269.7
Applicants must ensure the requested rate per acre and volume per acre do not exceed the rate per acre and volume per acre limits of water rights leased to the Water Supply Bank					**TOTAL**	5.0		269.7
						CFS	**AF**	**AC**

**Attach multiple copies of this page if space above is insufficient to list all water rights requested to be rented on this application.*

B. If water right conditions, combined limits, or the sum of all water right elements being requested provide an unconventional duty of water (e.g., an unusually low rate per acre or volume per acre for irrigation use), explain how your proposed rental will sufficiently accomplish your intended purposes. Attach a separate page if space is insufficient and label it **Attachment 4B**:

Applicant will irrigate what he can with the water provided.

C. Does your rental request propose to change the nature of use for any water right(s) being rented? Yes ☐ No ☑

If yes, explain how the water right(s) will be converted to new uses. Include the historic, consumptive use amounts for the water right being rented if you have it, as well as the new consumptive use amount for your proposed beneficial use. If space below is insufficient, attach a separate page and label it **Attachment 4C**:

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MAY 24 2023

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

5. ADDITIONAL INFORMATION

A. Is this the first time that rental water is being requested for this purpose at the rental place of use? Yes ☐ No ☑
If no, list previous rental requests/agreements and explain why you have not secured a permanent water right for your needs:

Applicant has been unable to find any additional water for purchase. Applicant has existing water rights 45-4236 and 45-4084.

B. Have you or do you intend to submit an application for permit or transfer proposing a similar use as this rental? Yes ☐ No ☑
If yes, describe:

C. Was this rental application submitted in response to a Notice of Violation (NOV) or a pending NOV? Yes ☐ No ☑
If yes, describe the date and location of the NOV.

D. Additional Information

DECLARATION

I hereby assert that the information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in rejection of the application or cancellation of an approval. I understand that if this rental application is approved, it will be subject to the provisions of Section 42-1766, Idaho Code and all applicable state and federal laws. I understand that the submission of a rental application provides no guarantee for approval of a rental agreement. I also understand that, per Idaho Code 42-201, it is unlawful to divert or use water without a valid water right and that I am not authorized to utilize water as proposed in this application prior to the execution of an approved rental agreement.

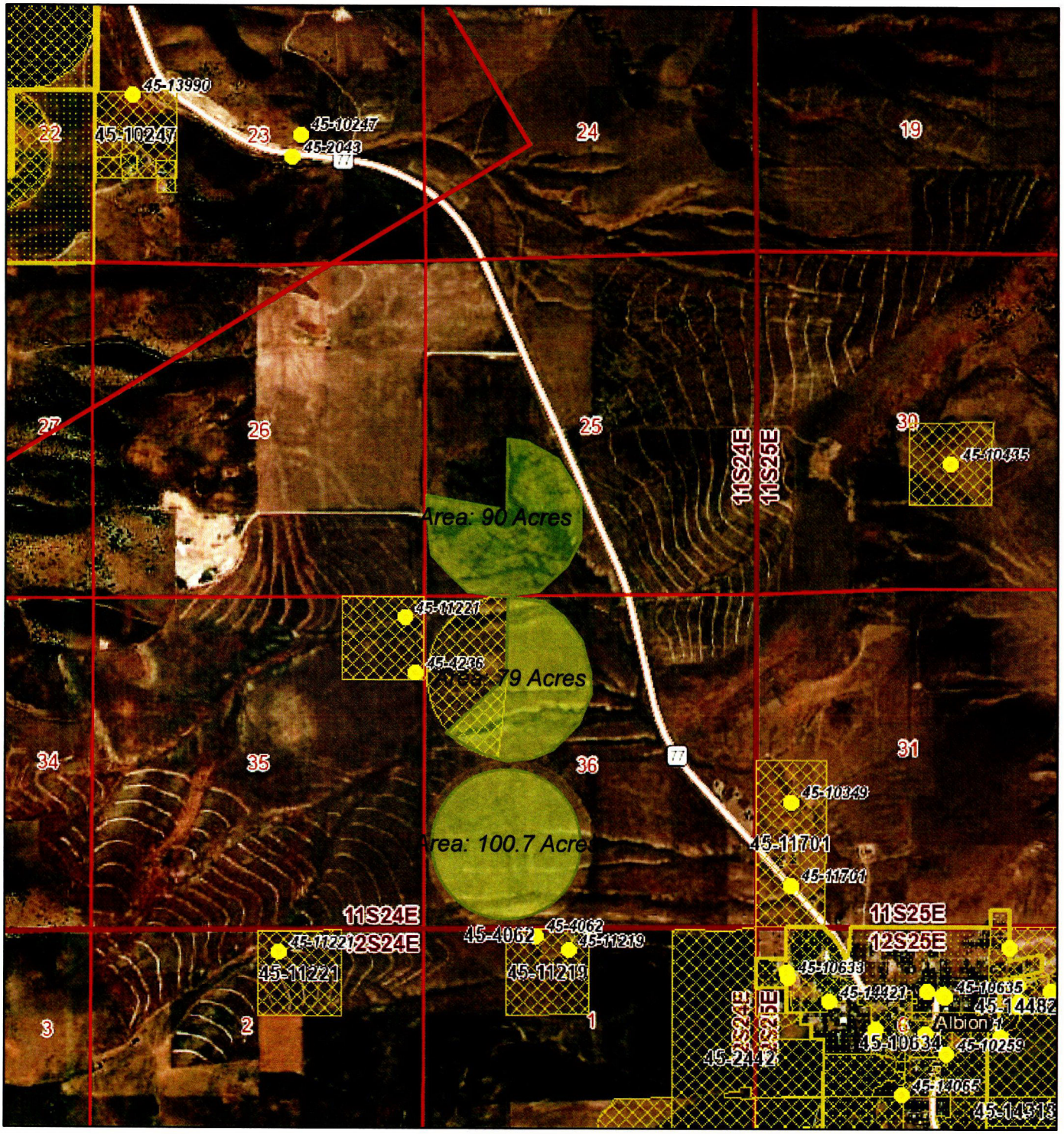
Signature of Applicant	Bill Kelley Printed Name of Applicant	1-27-23 Date
Signature of Representative	Sarah W. Higer Printed Name of Representative	1/27/23 Date

Mail to:

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

SCANNED
MAY 24 2023

Kelley WSB1



1/27/2023, 2:09:36 PM

- ESPA Model Outline

POU - Water Rights

- All Other POU (non-provider)
- Irrigation Providers and Municipal Service Areas
- POD - Water Rights
- PLS Sections
- Townships

1:36,112

0 0.23 0.45 0.9 mi

0 0.35 0.7 1.4 km

Esri, HERE, Garmin, Esri, HERE, Maxar

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MAY 24 2023

Form 42-1761-2 10/15

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED
Dec 20, 2022
DEPARTMENT OF
WATER RESOURCES

APPLICATION TO RENT WATER FROM THE BOARD'S WATER SUPPLY BANK

Applicant Name: Bill Kelley

Is this application being submitted with a lease application as a lease/rental package? **Yes** ☐ **No** ☑
If yes, specify companion water rights in Section 4

This application must be completed according to the minimum requirement checklist below. This checklist is part of the rental application and must be included with the rental application. **Applications that do not meet the minimum requirements will not be placed in the processing queue and may be returned until all minimum requirements have been met.**

Rental applications should be submitted well in advance of the desired start date for the use of rental water. Rental applications may be processed as early as November 1 of the year prior to the intended use of rental water. Any rental application received on or before November 1 for use in the next year will be assigned a received date of November 1. Rental applications submitted more than one year in advance of the proposed start date for the use of rental water will not be accepted and will be returned to applicants. Rental applications may be returned to applicants if the desired start date for the use of rental water cannot be accommodated by the Water Supply Bank. Rental requests will not be accepted once the rental season of use period has concluded.

One rental application per beneficial use of water. For multiple beneficial uses of water, separate rental requests should be submitted for each unique beneficial use of water. One rental application can be submitted if you propose to rent water from multiple sources.

For additional instructions on completing a rental application, visit the Bank's website at http://idwr.idaho.gov/water_supply_bank.

MINIMUM REQUIREMENT CHECKLIST

Check All Items as Either Attached (Yes) or Not Applicable (N/A)

Attachment	N/A	Yes	
		Yes	
		☑	Completed *Application to Rent Water from the Board's Water Supply Bank*
		☑	Confirmation that this form has been printed single sided, per requirement of the Water Supply Bank
2		☑	A map showing the proposed point(s) of diversion, place(s) of use, and water diversion and distribution systems proposed to be used with your rental request
3A	☐	☑	Detailed information on a proposed use of rental water
3F	☑	☐	Authorization from the owner/operator of the rental point(s) of diversion
3H	☑	☐	Water modeling to account for the impacts of the rental request
3J	☑	☐	Documents justifying a rate of flow greater than 0.02 cfs/acre
3K	☑	☐	Authorization from the owner/operator of the property at the proposed rental place(s) of use
4B	☐	☑	Explanation of how the rental water will sufficiently accomplish your rental purposes
4C	☑	☐	Explanation of consumptive use amounts for water rights experiencing a change in nature of use

SUPERCEDED

Department Use Only – Proposed Water Right(s)
45-13998
45-14000

SCANNED
MAY 24 2023

2535

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A. Applicant Bill Kelley

Mailing Address P.O. Box 25, Albion, Idaho 83311
Street City State Zip Code

Email Address _____ Phone Number 208-312-0087

B. Is this application being completed by an authorized representative on behalf of the applicant? Yes ☑ No ☐
If yes, representatives (includes company employees if the applicant is a corporation, as well as legal counsel or consultants) should provide their information below if they desire to be included on correspondence with the rental applicant.

Representative Sarah W. Higer Professional Title Attorney

Organization Barker Rosholt & Simpson Relationship to Applicant Attorney

Mailing Address P.O. Box 2139, Boise, Idaho 83701-2139

Email Address swh@idahowaters.com Phone Number 208-336-0700

2. MAP

Create a map of the proposed point(s) of diversion, place(s) of use and water diversion, delivery and distribution systems. Make sure the rental 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 irrigate. Attach the map to this application and label it **Attachment 2**.

3. DESCRIPTION OF PROPOSED USE FOR RENTAL WATER

A. Describe why you desire to rent water and provide a detailed description of your proposed use. If the proposed use is not for irrigation, describe in detail how you determined the amount of rental water required. If the space below is insufficient, attach additional sheets as required and label them **Attachment 3A**:
Water will be used to allow for irrigation under existing pivots. Water will be commingled with Applicant's existing water rights.

B. Enter the desired and/or minimum rates of flow, volume, or irrigable acres requested for your rental purposes:

Desired Rate (Cubic Feet/Second)	Desired Volume (Acre-Foot)	Minimum Rate* (Cubic Feet/Second)	Minimum Volume* (Acre-Foot)	Desired Acres (if applicable)
1.04 CFS	180.8 AF	0.015 CFS	1.0 AF	70.5 AC

* ***Sometimes water rights provide an exceptionally low rate per acre and/or low volume per acre. This section is meant to establish an acceptable range of water sufficient for your proposed water use. Please see question 4B and complete if necessary.***

C. This section must be completed in full. Enter the proposed start date and latest possible start date for using rental water as well as the number of years you would like to rent water. The latest possible start is the latest possible date by which you would be willing to pay for a rental and be able to benefit from utilizing rental water.

Desired Start Date (month/day/year)	Latest Possible Start Date (month/day/year)	*Mark Desired Rental Duration (Calendar Years)					**Applicant's preference if rental application cannot be processed prior to the latest possible start?	
		☐ 1	☐ 2	☐ 3	☐ 4	☑ 5	☑ Process application as soon as possible	☐ Return application to applicant
4/1/23	5/1/23							

* ***The number of years permissible for a rental is subject to the lease contract duration for the water right(s) being rented.***

** ***Per Idaho Code 42-201, it is unlawful to divert or use water without a valid water right. Water Supply Bank rental applicants are not authorized to utilize rental water prior to the execution of an approved rental agreement. Rental requests may be returned to applicants if no water is available from the Bank to fulfill a rental request.***

SCANNED
MAY 24 2023

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

D. Describe your water distribution system and how rental water will be delivered from the point(s) of diversion (POD) to the proposed place of use (POU):
Water is pumped from the well and piped to a sprinkler system.

E. Describe the physical type (pump, headgate, etc.) and location of the POD from which rental water is proposed to be diverted:

POD Description	Water Source	Other Water Rights Diverted from this POD
11S 24 E 35, NE NE	Groundwater	45-4084, 45-4236
		pending approval of application 45-7153,
		45-7176, 45-7260, 45-7434, 457498

If the POD(s) above are located where water is turned into a canal, lateral or ditch, or if they are located on your property but are serviced by water that is delivered via a canal, lateral or ditch, your rental request must include documented authorization from all relevant canal companies, irrigation districts and/or water delivery entities, confirming that they consent to your diversion of water from their system.

F. Has documented consent from all relevant water delivery entities been obtained? Yes ☐ N/A ☑
If yes, include documented consent as **Attachment 3F**.

G. Do any POD(s) identified in Question 3E divert from a water source that may require water modeling? Yes ☐ No ☑
Refer to the Water Modeling Requirements Information Sheet to determine if a rental POD may require water modeling.

H. Has water modeling been provided with your rental request? Yes ☐ N/A ☑
If yes, label modeling Attachment 3 H.
Rental applications that require modeling will be returned if modeling is not provided.

I. Specify the desired beneficial use of water and the requested season of use or number of acres required:

☑ Irrigation 70.5 (number of acres) Duration: Subject to IDWR standard seasons of use

☐ Commercial from: _____ (mm/dd) to: _____ (mm/dd)

☐ Stockwater from: _____ (mm/dd) to: _____ (mm/dd)

☐ Industrial from: _____ (mm/dd) to: _____ (mm/dd)

☐ Other: _____ from: 4/1 (mm/dd) to: 10/31 (mm/dd)

J. For irrigation uses, do you propose to divert water at a rate greater than 0.02 cfs/acre? N/A ☐ Yes ☐ No ☑
If yes, justify the rate of flow and attach any supporting documents as **Attachment 3J**. Justification may include information on soil composition, conveyance losses, crop type, irrigation systems, public access areas, etc. A rate of 0.03 cfs/acre is permissible for irrigation of 5 acres or less.

K. Do you own the land at the proposed rental place of use (POU)? Yes ☑ No ☐
If no, attach documentation from the POU owner/operator confirming your authorization to use the POU and label it **Attachment 3K**.

L. List all other water rights and sources of water at the rental place of use for the same purpose, including privately owned water rights and water received from a municipal supplier, an irrigation district, a canal company or any other water delivery entity. Explain why additional water is required:
Existing water rights do not cover entire pivot system. Additional water is needed to cover all acres.

SCANNED
MAY 24 2023

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

4. RENTAL REQUESTS FOR SPECIFIC WATER RIGHTS

A. Are you requesting to rent specific water rights? Yes ☑ No ☐

If yes, specify below the elements of the water rights you are requesting to rent. **If no,** continue to Question 4B.

Important Information: Diversion rates and volumes sought for rent must be proportionate to the per acre diversion rates and per acre volume limits of the water right under lease contract to the Water Supply Bank. Prior to completing this section, applicants should review all water right lease contracts and any active rental agreements to determine which elements of a water right are available to satisfy a rental request. Lease and rental documents are searchable via IDWR's website.

Water rights identified below must either already be leased to the Bank or a lease proposal should accompany this rental request. **Rental requests for water rights not yet leased to the Bank will be returned if companion lease applications are not provided with the rental request**. For leased rights featuring combined limits, rentals must be consistent with combined diversion rate, volume or acre limits. Combined limits should be listed on a row below water right numbers.

Water Right Elements Leased to Water Supply Bank					Leased totals, minus water right elements involved in active rental agreements, equals water right elements available for rent	Water Supply Bank Rental Request		
Water Right Number (leave blank if sub-total of combined limits)	Nature of Use	Diversion Rate (CFS)	Volume (AF)	Acres (AC)		Diversion Rate (CFS)	Volume (AF)	Acres (AC)
45-13998	Irrigation	0.93	119.8	70.5		1.04	180.8	70.5
45-14000	Irrigation	0.48	61	70.5				
Applicants must ensure the requested rate per acre and volume per acre do not exceed the rate per acre and volume per acre limits of water rights leased to the Water Supply Bank					**TOTAL**	104.4	180.8	70.5
						CFS	**AF**	**AC**

Attach multiple copies of this page if space above is insufficient to list all water rights requested to be rented on this application.

B. If water right conditions, combined limits, or the sum of all water right elements being requested provide an unconventional duty of water (e.g., an unusually low rate per acre or volume per acre for irrigation use), explain how your proposed rental will sufficiently accomplish your intended purposes. Attach a separate page if space is insufficient and label it **Attachment 4B**:

Applicant will irrigate what he can with the water provided.

C. Does your rental request propose to change the nature of use for any water right(s) being rented? Yes ☐ No ☑

If yes, explain how the water right(s) will be converted to new uses. Include the historic, consumptive use amounts for the water right being rented if you have it, as well as the new consumptive use amount for your proposed beneficial use. If space below is insufficient, attach a separate page and label it **Attachment 4C**:

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MAY 24 2023

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

5. ADDITIONAL INFORMATION

A. Is this the first time that rental water is being requested for this purpose at the rental place of use? Yes ☐ No ☑

If no, list previous rental requests/agreements and explain why you have not secured a permanent water right for your needs:

Applicant has been unable to find any additional water for purchase. Applicant has existing water rights 45-4236 and 45-4084.

B. Have you or do you intend to submit an application for permit or transfer proposing a similar use as this rental? Yes ☐ No ☑

If yes, describe:

C. Was this rental application submitted in response to a Notice of Violation (NOV) or a pending NOV? Yes ☐ No ☑

If yes, describe the date and location of the NOV.

D. Additional Information

DECLARATION

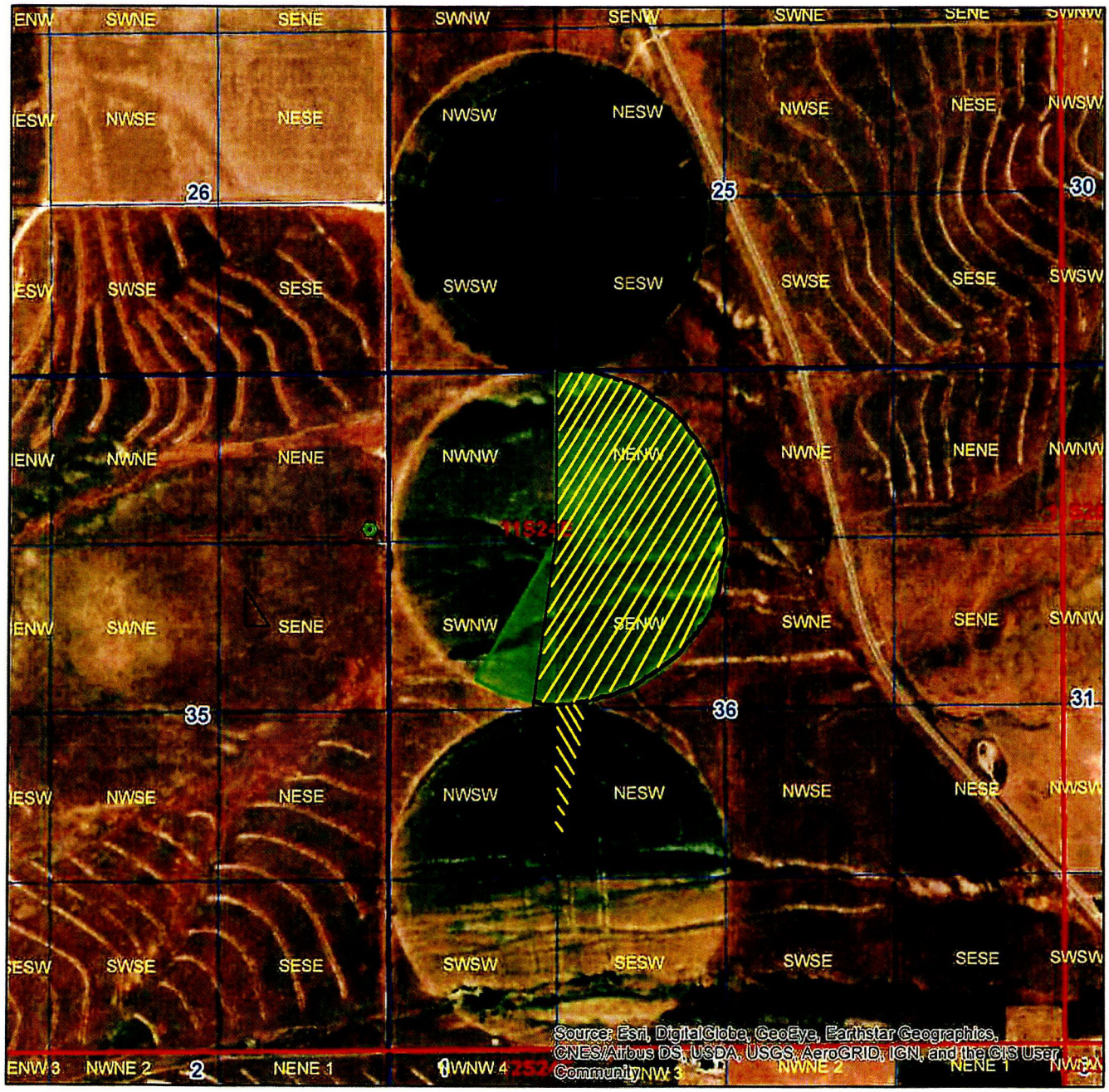
I hereby assert that the information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in rejection of the application or cancellation of an approval. I understand that if this rental application is approved, it will be subject to the provisions of Section 42-1766, Idaho Code and all applicable state and federal laws. I understand that the submission of a rental application provides no guarantee for approval of a rental agreement. I also understand that, per Idaho Code 42-201, it is unlawful to divert or use water without a valid water right and that I am not authorized to utilize water as proposed in this application prior to the execution of an approved rental agreement.

Signature of Applicant	Bill Kelley Printed Name of Applicant	12/22/2022 Date
Signature of Representative	Sarah W. Higer Printed Name of Representative	12/20/2022 Date

Mail to:

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

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JAN 24 2023



- Authorized Rental Point of Diversion
- Authorized Rental Place of Use
- Township/Range
- Sections
- QQ

N

0 1,000 2,000 Feet

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MAY 24 2023

WSB Mailing Checklist for Rentals

(For use on all new rental applications)

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

Received Date: 12/20/2022
Latest Start Date: 5/1/2023
Renter: Bill Kelley
Rental Expiration Date
Lease/Rental Package Y (N)

Application # 2535 Agreement # 715

Water Right	Lease Contract ID
# 45-13998	
# 45-14000	
#	
#	
#	
#	
#	
#	
#	
#	
#	
#	
#	

Applicant Authorized? (Y) / N
Map of POU and POD (Y) / N
POD consent? (Y) / N
ESPA Modeling? Y / N (NA)
Application Complete? (Y) / N
Minimum Checklist in database? ☑
Request for additional information letter sent: Y NA
WSB Action Request for deficiencies ☐

Comments:

similar to prev agreement #555 - same amounts, slightly different acres

Mailings (per application)	Original	CC	Email or Address
Renter: Bill Kelley	☐	☐	
Attorney:	☐	☐	
Consultants Name: Sarah W. Higer	☐	☐	
Conveyence Entity: (final only) Ex. Irrigation Dist. of Canal Co.		☐	
(Ground) Water Dist: WD 140 (final only)		☐	
Other: (final only) WD Snake 01, Boise, Payette, and Bear River		☐	
Region: Southern (final only)		☐	
Watermaster: Adam McCoy (final only)		☐	
Compliance: (final only)		☐	

Resolving NOV? Y / N
#

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 Gary Spackman

May 24, 2023

BILL KELLEY
PO BOX 25
ALBION, ID 83311-0025

RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 43-13595 & 43-13597 AGREEMENT 715

Dear Renter:

Please find enclosed receipts in the amount of **$24,812.40** and a copy of the fully executed Water Supply Bank Rental Agreements in connection with the rental of 1,079 acre-feet of water for irrigation of 269.7 acres. Upon receipt of this fully executed agreement, you are authorized to divert water in compliance with the conditions of water use described in the agreement.

Pursuant to the Water Supply Bank Rules, 90% or $22,331.16 of the rental fees will be paid to the lessor(s) and 10% or $2,481.24 will be retained by the Department to offset administrative costs.

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

Sincerely,

Amanda Johnson-Veibell

for
Water Supply Bank

Enclosures: Receipt No. C115272
Rental Agreement (copy)

c: Sascha Marston – Fiscal
IDWR Southern Regional Office
Kristin Moore – Rocky Mountain Environmental
Water District 140

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MAY 24 2023

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 23, 2023

BILL KELLEY
PO BOX 25
ALBION ID 83311-0025

RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NOS. 43-13595, 43-13597 AGREEMENT 715

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

Dear Applicant:

The Department of Water Resources acknowledges receipt of your application to rent water from the Water Supply Bank. **I have enclosed a Water Supply Bank Rental Agreement for your review and signature.** Upon signature and return of the original agreement, together with the rental fee described below, the Department will also sign the original agreement and return an executed copy to you. Execution of the agreement and compliance with the conditions of approval authorize diversion and use of water as provided in the agreement.

A rental fee of $24,812.40 per year was calculated based on the current rental rate of $23.00 per acre-foot times a diversion volume of 1,079 acre-feet.

Please send a check for $24,812.40 for 2023 made payable to the Idaho Department of Water Resources, **together with the signed rental agreement**, **within 14 days** so I can complete processing. An annual payment shall be received by the Department prior to the execution of this agreement and prior to January 1 in all subsequent years for the duration of the rental period. The agreement will be void if payment is not received prior to the due date in a given year. If you would like to terminate the agreement prior to the end of the rental period, you must submit written notice of your intent to the Department at least 30 days prior to the rental fee due date.

Pursuant to the Water Supply Bank Rules, 90% or $22,331.16 of the rental fee will be paid to the lessor(s) and 10% or $2,481.24 will be retained by the Department to offset administrative costs for **2023**.

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

Sincerely,

Amanda Johnson-Veibell

for
Water Supply Bank

Enclosure

c: IDWR Front Desk

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MAY 24 2023

MEMORANDUM FOR AGREEMENT # 715

To: Water Right No(s). 43-13595, 43-13597

From: Skyler Cheever – Water Resource Agent

Date: 3/6/2023

Re: Review & Analysis of Application to Rent Water from the State Water Supply Bank

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PURPOSE/NARRATIVE:
Application 2535 was sent in by Bill Kelley and received on December 20th, 2022. The applicant was informed the original requested water rights, 45-13998 and 45-14000 are not currently available. The Idaho Water Resource Board currently refrains from moving outside the ESPA Modeling Boundary. The applicant sent an amended application on January 27th, 2023. The application proposes to rent contract 1293 from the water supply bank from 2023-2025. This contract has 301.2 acres of irrigation available.

What remains from contract 1293 only authorizes 0.01 cfs per acre. However, measurements of the current pivot systems indicated they can only output 0.01 cfs per acre. The point of diversion is within the Snake River Moratorium and Trust Water Area. This application is a renewal of agreement 555 with additional acres added due to more water and acres available under contract 1293.

AUTHORITY TO FILE:
Bill Kelley signed the application. Mr. Kelley has the authority to file this application because he is the owner of the property according to Department records. He is also the owner of water rights 45-4084 and 45-4236, authorizing access to the proposed point of diversion.

INJURY TO OTHER WATER RIGHTS:
The rental point of diversion is within basin 45 while the lease point of diversion is within basin 43. There could be injury concerns if aquifers at either place of use are not interconnected. The aquifer systems do intersect each other, they could interconnect. GIS Aquifer flow layers seem to indicate the aquifers are interconnected. the proposed POD is not moving outside GWMA's, CGWMA's the lease POD was located within. Therefore, there are no injury concerns.

ENLARGEMENT OF USE:
Table 1. Table depicting IDWR observed acres in each pivot, the number of acres proposed, and the remaining acres.

Pivot	IDWR Observations	Applicants Request	Remaining
Northern Pivot	111.0	90.0	21.0
Center Pivot	119.0	79.0	40.0
Sothern Pivot	127.0	100.7	26.3
Total	357.0	269.7	87.3

Table 2. Table depicting IDWR observed acres in each pivot, and the number of acres adjusted given the concern of enlarging water rights 45-4084 and 45-4326.

Pivot	IDWR Observations	Adjusted Proposal	Remaining
North Pivot	111.0	90.0	21.0
Center Pivot	119.0	62.0	57.0
Southern Pivot	127.00	118.0	9.0
Total	357.0	270	87.0

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Water rights 45-4084 and 45-4326 authorize 57 acres at the center pivot. According to the Table 1 there are only 40 acres remaining after subtracting the applicant's proposal. The proposal would overlap 45-4084 and45-4326. To prevent enlargement, 17 acres were moved to the southern pivot which has observed irrigated acres available. There is another rental application, 2370, authorizing 21 acres of irrigation in the northern pivot. There are 21 acres remaining in the northern pivot under this proposal. Therefore, there are no other enlargement concerns.

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 rental appears consistent with the conservation of water resources in Idaho.

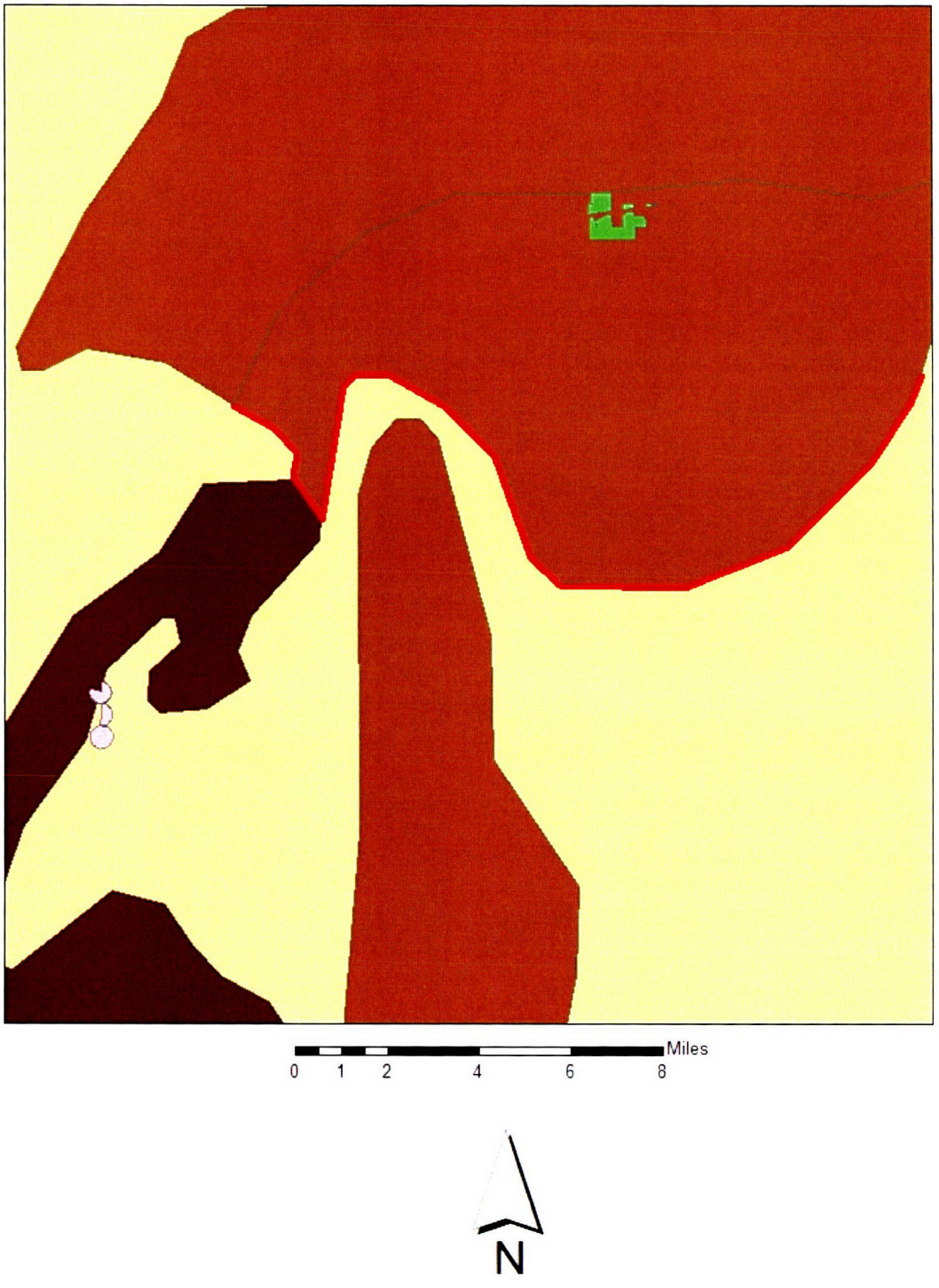
DEPARTMENT STAFF OR WATERMASTER COMMENTS:
The point of diversion is within Basin 45 and Water District 140. The Water Master and Southern Regional Manager were contacted for comment on March 6th, 2023. No response was received, it is assumed there is no concern with this proposal.

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MAY 24 2023

Aquifer Map

Map of aquifer systems present in the area with the lease and rental place of use visible in green and pink. The red line indicates where the two aquifer systems boundary and possibly interconnect with each other.

Aquifer Interactions



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MAY 24 2023

Cheever, Skyler

From: Cheever, Skyler
Sent: Monday, March 6, 2023 4:23 PM
To: Skinner, Corey; adam@waterwellconsultants.com
Subject: RE: Water Supply Bank Rental Application 2535
Attachments: Rental Agreement 715.docx; Rental Map 715.pdf; Rental Review Memo 715.docx; Aquifer Flow Map.pdf

Hello Corey and Adam,

After issues with the requested water rights, the applicant sent in a new application proposing to rent from contract 1293 from 2023-2025. There are some concerns with aquifer connectivity, but I think I have compiled enough evidence to support the aquifers being interconnected, thus relieving injury concerns. Attached is the updated daft agreement, review memo, map of the place of use and aquifer map. . If you have any comments you would like to make, please reply to this email within 14 days if comment is needed.

Best,

Skyler

From: Cheever, Skyler
Sent: Wednesday, January 25, 2023 11:50 AM
To: Skinner, Corey <Corey.Skinner@idwr.idaho.gov>; adam@waterwellconsultants.com
Subject: Water Supply Bank Rental Application 2535

Hello Mr. Skinner and Mr. McCoy,

I am currently working on reviewing a rental application within Basin 45 and Water District 140. The applicant is Bill Kelley. The application proposes to rent contract 1603 from the water supply bank from 2023-2027. The application proposes to change the nature of use under contract 1603 for the irrigation of 70.5 acres, 65 acres to complete a 120-acre pivot and 5.5 acres in a pivot to the south. Attached to this email is a copy of the draft rental agreement, review memo, and map of the place of use. If you have any comments you would like to make, please reply to this email within 14 days if comment is needed.

Best,

Skyler

Skyler Cheever
Water Resource Agent, State Office
Email: skyler.cheever@idwr.idaho.gov
Phone: 208-287-4913

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MAY 24 2023

LEGISLATURE OF THE STATE OF IDAHO

Sixty-seventh Legislature First Regular Session - 2023

IN THE SENATE

SENATE BILL NO. 1033

BY RESOURCES AND ENVIRONMENT COMMITTEE

AN ACT

RELATING TO IRRIGATION; AMENDING CHAPTER 2, TITLE 42, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 42-204A, IDAHO CODE, TO PROVIDE FOR THE APPROPRIATION OF GROUND WATER FOR SUPPLEMENTAL IRRIGATION USE; AND DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Chapter 2, Title 42, Idaho Code, be, and the same is hereby amended by the addition thereto of a NEW SECTION, to be known and designated as Section 42-204A, Idaho Code, and to read as follows:

42-204A. APPROPRIATION OF GROUND WATER FOR SUPPLEMENTAL IRRIGATION USE. (1) The intent of this section is to conserve ground water resources and secure the maximum use and benefit from surface water resources in Idaho by requiring that permits to appropriate ground water to irrigate land with surface water rights for irrigation be conditioned to require use of available surface water as the primary irrigation supply and use of ground water as a supplemental water supply when surface water is not available. Surface water rights include decreed, licensed, claimed, or permitted water rights diverted from surface sources, such as springs, streams, rivers, drains, or lakes.

(2) When the department of water resources receives an application to appropriate ground water, as defined in section 42-230(a), Idaho Code, for irrigation purposes, it shall determine whether the proposed place of use:

(a) Has appurtenant surface water rights for irrigation purposes; or

(b) Is entitled to distribution of surface water from an irrigation district, canal company, ditch users association, or other water delivery entity for irrigation purposes and whether the entity's distribution system is capable of delivering the water to the land.

(3) When the department finds the proposed place of use meets the criteria of subsection (2) of this section and the requirements of section 42-203A(5), Idaho Code, have been met, the department shall condition the permit for irrigation from ground water to:

(a) Require use of all surface water rights identified in subsection (2) of this section when irrigating the proposed place of use and limit the use of ground water to those times when the surface water supply is not reasonably sufficient to irrigate the place of use or is not available due to drought, curtailment by priority, or the seasonal startup and shutoff or maintenance schedules for surface water deliveries; and

(b) Prohibit the diversion and use of ground water for irrigation purposes if use of surface water is intentionally discontinued or reduced or is not deliverable due to nonpayment of annual assessments levied by the water delivery entity.

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MAY 24 2023

(4) The department may elect to not condition a permit pursuant to subsection (3) of this section if the department finds that:

(a) The appurtenant surface water rights for irrigation are not distributed by a water delivery entity identified by subsection (2)(b) of this section and the applicant demonstrates that the use of surface water for irrigation is not necessary to protect the local public interest or to conserve water resources in the state of Idaho; or

(b) The application is submitted in connection with a proposed or approved mitigation plan or ground water management plan that allows the diversion of ground water to irrigate land with appurtenant surface water rights.

(5) This section, and any determinations by the department concerning the appropriation of ground water as provided in this section, shall be binding upon the applicant and the applicant's successors and assigns in any proceedings before all other state and local governmental entities.

SECTION 2. An emergency existing therefor, which emergency is hereby declared to exist, this act shall be in full force and effect on and after July 1, 2023.

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MAY 24 2023

Hersley, Jean

From: Jessica Nielsen <jf@idahowaters.com>
Sent: Friday, January 27, 2023 3:11 PM
To: IDWR File
Cc: Sarah Higer
Subject: Kelley Water Bank Application for Contract 1293
Attachments: 20230127 WBS Rental Application re WR 43-13595 and 43-13597.pdf

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.**

Attached for filing, please find the Kelly Water Bank Application for Contract 1293.

Jess Nielsen
Barker Rosholt & Simpson LLP
163 2nd Avenue West
P.O. Box 63
Twin Falls, Idaho 83303-0063
Office: (208) 733-0700
Fax: (208) 735-2444

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