

MEMORANDUM

Date: February 7, 2024
To: Transfer 86187
From: James Cefalo
Re: Review & Evaluation of Sufficiency of Information

This transfer proposes to add a point of diversion to water rights 29-2390, 29-2414 and 29-2535. Currently, water rights 29-2390 and 29-2414 are diverted from the same well. Water right 29-2535 is diverted from a separate well. The two wells are located less than 1/4 mile from each other. Applicants, CX Holdings and KRC Holdings, propose to connect the two wells and list both wells as authorized points of diversion on all three rights.

This application also proposes to create a 760-acre permissible place of use for all three rights. The three rights in combination authorize 650 acres of irrigation. The three rights will be used to irrigate 650 acres within the 760-acre permissible place of use.

The northernmost part of the proposed place of use is currently irrigated with multiple surface water rights. CX Holdings filed Application for Transfer 88743 to remove the surface water rights (45 acres) from the ground in conjunction with this transfer to avoid stacking the surface water rights and ground water rights.

Authority to File:

CX Holdings Inc is the owner of record for water rights 29-2390 and 29-2414. KRC Holdings LLC is the owner of record for water right 29-2535. Reed Crandall is the president of CX Holdings and a member of KRC Holdings LLC. The application was signed by Reed Crandall. Proposed points of diversion are on land owned by CX Holdings and KRC Holdings. The applicant has authority to make the change.

Water Right Validity:

The rights included in this transfer were decreed in the SRBA in 2004. Water right 29-2535 has been enrolled in the Conservation Reserve Program for the past 40 years. Applicant provided CRP contracts to confirm enrollment in the program. Aerial photography and the online Climate Engine tool shows consistent irrigation of the existing places of use for water rights 29-2390 and 29-2414. Forfeiture does not appear to be an issue.

Injury to Other Water Rights:

Other rights do not appear to be injured by the proposed change. The quantity being diverted will not change as a result of this transfer. Water rights are not in a water district. There are no wells located between the proposed points of diversion. The transfer was advertised without protest.

Enlargement of Use:

The proposed change does not appear to result in enlargement because neither rate nor volume nor irrigated acres will increase as a result of the transfer.

Water right 29-2390 was licensed in August 1967. Water right 29-2414 was licensed in May 1969. Right 29-2414 was diverted from the same well as right 29-2390 but was used to irrigate a separate place of use. The beneficial use field exam noted that both rights were diverted from the same well but did not impose any combined limits for the rights. Right 29-2414 was licensed for 138 acres of irrigation. The license stated that the right was limited to 414 acre-feet "when combined with all other rights appurtenant to the same land." This equates to 3 acre-feet per acre. In 1969, there were no other water rights appurtenant to the place of use for water right 29-2414. The license for water right 29-2414 did not adopt

any combined volume limit with water right 29-2390.

The Snake River Basin Adjudication (SRBA) Court issued a partial decree for water rights 29-2390 and 29-2414 on the same day, March 22, 2004. Right 29-2390 did not include any reference to right 29-2414. Right 29-2414 included the following condition: "Use of this right with right No. 29-2390 is limited to a total combined annual diversion volume of 414 AF." This equates to 3.0 acre-feet per acre for the 138 irrigated acres decreed for water right 29-2414. Rights 29-2390 and 29-2414 have separate and distinct places of use. Right 29-2390 was never used in combination with right 29-2414. The condition appears to be an attempt to create a 3.0 acre-feet per acre limit for water right 29-2414 and all other water rights. The condition included in the SRBA partial decree is ambiguous and ineffective because rights 29-2390 and 29-2414 were never used together on the same place of use. The condition should be replaced with the more-restrictive, standard condition: "This right when combined with all other rights shall provide not more than 3.0 afa per acre at the field headgate for irrigation of the place of use."

Local Public interest:
No issues identified.

Beneficial Use/Conservation of Water Resources:
No issues identified.

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



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**STATE OF IDAHO***Office of the secretary of state, Lawrence Denney***ANNUAL REPORT**

Idaho Secretary of State

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File #: 0004817646

Date Filed: 7/11/2022 4:09:59 AM

Entity Name and Mailing Address:

Entity Name: CX Holdings Inc.
The file number of this entity on the records of the Idaho
Secretary of State is: 0004387850
Address: 1034 KIMBALL LN
BANCROFT, ID 83217-5155

Entity Details:

Entity Status: Active-Good Standing
This entity is organized under the laws of: IDAHO
If applicable, the old file number of this entity on the records of
the Idaho Secretary of State was:

The registered agent on record is:

Registered Agent: CRAIG C CRANDALL
Registered Agent
Physical Address
1034 KIMBALL LANE
CHESTERFIELD, ID 83217
Mailing Address

Corporate Officers and Directors:

Name	Title	Business Address
+ Reed Crandall	President	1034 KIMBALL LANE BANCROFT, ID 84217
+ Keith Crandall	Vice President	1040 KIMBALL LANE BANCROFT, ID 84217
+ Craig Crandall	Vice President	1046 KIMBALL LANE BANCROFT, ID 83217

The annual report must be signed by an authorized signer of the entity.

Job Title: Vice president

Craig C Crandall07/11/2022

Sign Here

Date

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File #: 0004832060

Date Filed: 7/26/2022 3:56:26 PM

Entity Name and Mailing Address:

Entity Name: KRC Holdings LLC
The file number of this entity on the records of the Idaho Secretary of State is: 0004368529
Address: 1034 KIMBALL LN
BANCROFT, ID 83217-5155

Entity Details:

Entity Status: Active-Existing
This entity is organized under the laws of: IDAHO
If applicable, the old file number of this entity on the records of the Idaho Secretary of State was:

The registered agent on record is:

Registered Agent: Reed W Crandall
Registered Agent
Physical Address
1034 KIMBALL LANE
CHESTERFIELD, ID 83217
Mailing Address
1034 KIMBALL LN
BANCROFT, ID 83217-5155

Limited Liability Company Managers and Members

Name	Title	Business Address
• Reed W Crandall	Member	1034 KIMBALL LANE CHESTERFIELD, ID 83217
• Keith C Crandall	Member	14671 S 2200 W BLUFFDALE, UT 84065

The annual report must be signed by an authorized signer of the entity.

Job Title: president

*Reed W Crandall**07/26/2022*

Sign Here

Date