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DEPT. OF WATER RESOURCES
EASTERN REGION

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April 15, 2024

James Cefalo
Eastern Region Office
Idaho Department of Water Resources
900 N. Skyline Dr., Ste. A
Idaho Falls, ID 83402

**RE: *April Report for Licensed Water Rights 35-14240, 35-14241, 35-14242, 35-14243
and 35-14655 in the Name of Farmland Reserve, Inc.***

Dear James:

This document is being prepared to satisfy the stipulated agreement dated December 1, 2014, signed agreement between Surface Water Coalition ("SWC"), Idaho Power Company, IGWA, and the permit developer (Lance Funk) pertaining to the approval of water right permits 35-14240, 35-14241, 35-14242 and 35-14243. The stipulated agreement states that a written report by a qualified consultant will describe the acres planned for irrigation for the current irrigation season by April 15 of each year.

The property and associated water right licenses have been purchased by Farmland Reserve Inc. The company representatives are Jared Cobell and me.

Water right 35-14240 is allowed a diversion rate of 2.44 cfs, an annual volume of 488 afa and the irrigation of 122.0 acres. It is expected that during the 2024 irrigation season, 122.0 acres of irrigation will occur under 35-14240. However, if Transfer #88767 can be approved by IDWR before the 2024 irrigation season starts, then a total of 51.0 acres of permanent water right can be irrigated at this location without yearly mitigation requirements under License 35-14240. Idaho Power Company has protested Transfer #88767 which may prevent permanent water rights to transferred to this location for the 2024 irrigation season. Some of these acres may also be covered by a water supply bank rental that is pending.

Water right 35-14241 is allowed a diversion rate of 5.9 cfs, an annual volume of 1476.4 afa and the irrigation of 369.1 acres. It is expected that during the 2022 irrigation season, 369.1 acres of irrigation will occur under 35-14241. However, if Transfer #88772 can be approved by IDWR before the 2024 irrigation season starts. A total of 35.0 acres of permanent water right can be irrigated at this location without yearly mitigation requirements under license 35-14241. Idaho

Power Company has protested Transfer #88772 which may prevent permanent water rights to transferred to this location for the 2024 irrigation season. Some of these acres may also be covered by a water supply bank rental that is pending.

Water right 35-14242 is allowed a diversion rate of 2.39 cfs, an annual volume of 478.0 afa and the irrigation of 119.5 acres. This water right will be set aside in the 2024 irrigation season. No irrigation water will be applied to the 119.5 acres.

Water right 35-14243 is allowed a diversion rate of 7.88 cfs, an annual volume of 2636.0 afa and the irrigation of 659.0 acres. It is expected that during the 2024 irrigation season, 659.0 acres of irrigation will occur under 35-14243. However, if Transfer #88765 can be approved by IDWR before the 2024 irrigation season starts. A total of 58.0 acres of permanent water right can be irrigated at this location without yearly mitigation requirements under license 35-14243. Idaho Power Company has protested transfer #88767 which may prevent permanent water rights to transferred to this location for the 2024 irrigation season. Some of these acres may also be covered by a water supply bank rental that is pending.

Water right 35-14655 is allowed a diversion rate of 0.15 cfs, an annual volume of 63.7 afa and the irrigation of 46.7 acres. It is expected that during the 2024 irrigation season, 46.7 acres of irrigation will occur under 35-14655. Some of these acres may also be covered by a water supply bank rental that is pending.

A contract agreement between Farmland Reserve Inc. and Aberdeen American Falls Ground Water District ("AAFGWD") has been agreed upon for the 2024 irrigation season utilizing water rights 29-2284 and 29-2301 as mitigation for the above-described licenses. AAFGWD will lease the water from Power County, and then AAFGWD will sublease the water to Farmland Reserve, Inc. All the parties are finalizing the paperwork, and a copy of the signed agreement will be submitted once it is finalized.¹

Farmland Reserve is also pursuing an alternative mitigation plan that could be utilized along with the lease of Power County water rights. As you are aware, the alternative mitigation plan has been protested by the Surface Water Coalition and IGWA. It is anticipated that the contested case for the alternative mitigation plan will be completed later this year.

¹ Counsel for Farmland Reserve, Inc. confirmed this with Skyler Johns, counsel for Power County, in a call on Friday, April 12, 2024.

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We appreciate your attention to this matter. If you have any questions or need any further information, please let me know.

Best regards,

/s/ Robert L. Harris

Robert L. Harris
HOLDEN, KIDWELL, HAHN & CRAPO, P.L.L.C.

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