

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1809

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

LESSOR: PANCHERI BROTHERS LLC
1494 HIGHWAY 33
HOWE, ID 83244-8719

RECEIVED
FEB 26 2024
DEPARTMENT OF
WATER RESOURCES

RECITALS

1. The Board is authorized under chapter 17, title 42, Idaho Code to operate a water supply bank and to contract with lessors to act as an intermediary in facilitating the rental of water.
2. The Lessor has filed a completed application to lease water rights described below into the Water Supply Bank on forms supplied by the Idaho Department of Water Resources and received by the Department on January 04, 2024.
3. The Director of the Idaho Department of Water Resources has reviewed the application for compliance with the Water Supply Bank rules and has approved the Lease subject to conditions listed below.

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

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

Summary of Water Rights or Portions Leased to the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)
33-7055	8/24/1977	GROUND WATER	0.22	56.0	16.0
Lease Totals			0.22	56.0	16.0

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, 2028. 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.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1809

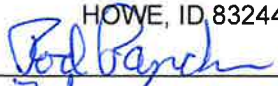
5. **CHANGE OF WATER RIGHT:** This lease specifies water right elements including but not limited to: diversion rates; diversion volumes; number of acres authorized to be irrigated; places of use; points of diversion; beneficial uses; and seasons of use. During the term of this lease, if a water right 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. 1809

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

LESSOR: PANCHERI BROTHERS LLC
1494 HIGHWAY 33
HOWE, ID 83244-8719

By 
Title Partner/owner
Date 2-19-24

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

By  Date 2/27/24
Brian Patton, Acting Administrator
Idaho Water Resource Board

Lease approved by IDWR  Date 2/27/24

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1809

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): 33-7055

GROUND WATER NWSWNE Sec. 21 Twp 09N Rge 27E BUTTE County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
33-7055	IRRIGATION	4/01	to	11/01	0.22 cfs	56.0 AF
Totals:					0.22 cfs	56.0 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	
09N	27E	21		7.0	3.0											3.0	3.0		16.0

Total Acres: 16.0

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.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1809

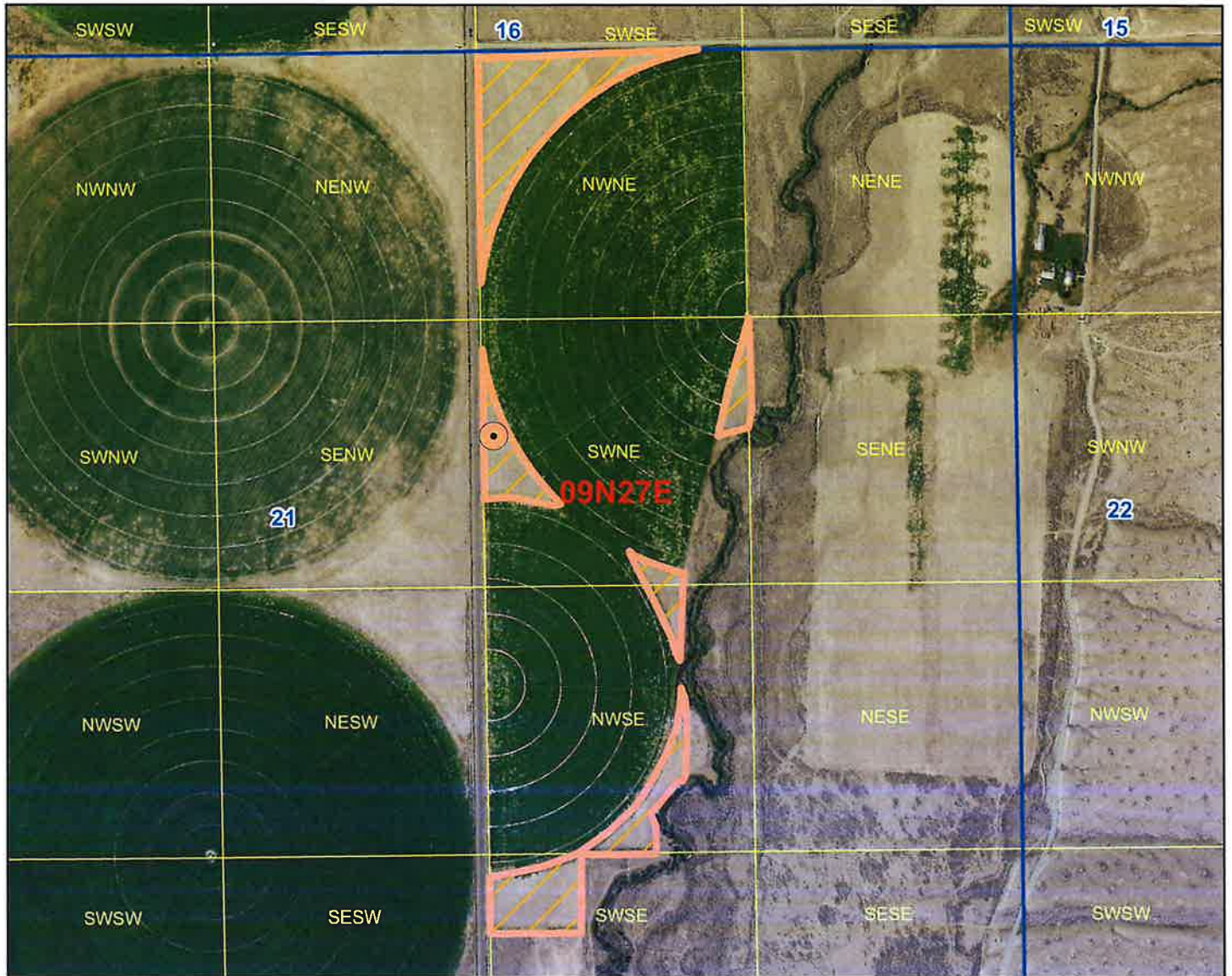
9. In accordance with Idaho Code § 42-248 and § 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season, even if the Department processes a Notice of Change in Water Right Ownership during the rental season.
 - b. New lessor(s) of record will receive payment for any subsequent rental seasons.
11. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.
12. The unleased portions of right 33-7055 shall not exceed a total diversion rate of 1.22 cfs, a total annual maximum diversion volume of 315 af at the field headgate, and the irrigation of 90 acres.
13. 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. 33– the Little Lost River.

Idaho Water Resource Board
Water Supply Bank Lease Contract No. 1809

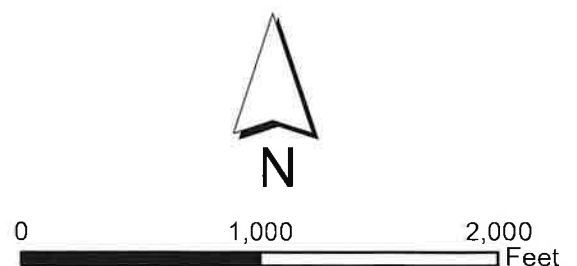
33-7055

Effective until December 31, 2028

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



STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 822

This is to certify that:

PANCHERI BROTHERS LLC
1494 HIGHWAY 33
HOWE, ID 83244-8719

RECEIVED

FEB 26 2024

DEPARTMENT OF
WATER RESOURCES

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)
33-7055	8/24/1977	GROUND WATER	0.22	56.0	16.0	0.014	3.5
Rental Totals			0.22	56.0	16.0	0.014	3.5

Term of Rental: This rental agreement shall take effect when all parties have signed it and shall continue in effect until December 31, 2028. 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 2024, whichever occurs last.

Annual Rental Fee:

2024 - 2028: \$128.80 annually

The full fee for the rental of the above-described right(s) is \$128.80 per year for the years 2024 - 2028. The rental fee includes an administrative fee of \$128.80 per year for the years 2024 - 2028. Note that the renter is obligated to pay only the administrative fees associated with the water right(s): 33-7055.

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.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 822

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:

Rod Parker 2-19-24
Signature of Renter Date

Rod Parker Partner/ Owner
Printed Name Title

*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 Brian Patton 2/27/24
BRIAN PATTON, Acting Administrator Date
Idaho Water Resource Board

Rental approved by IDWR HP 2/27/24
Date

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 822

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER	NWNE	Sec. 33, Twp 09N, Rge 27E,	BUTTE County (R)
GROUND WATER	NENW	Sec. 3, Twp 08N, Rge 27E,	BUTTE County (I)
GROUND WATER	NENW	Sec. 3, Twp 08N, Rge 27E,	BUTTE County

BENEFICIAL USE
IRRIGATION

DIVERSION RATE
0.22 CFS

VOLUME
56.0 AF

SEASON OF USE

Water Right No.	From	To
33-7055	4/15	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	
09N	27E	33													11.0			1.0	12.0
09N	27E	34										4.0							4.0

Total Acres: 16.0

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. Water diverted under this right is exchanged by injecting water diverted under this right into the Little Lost River at the point of injection described above and diverting an equal amount from Little Lost River at the point of rediversion described above.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

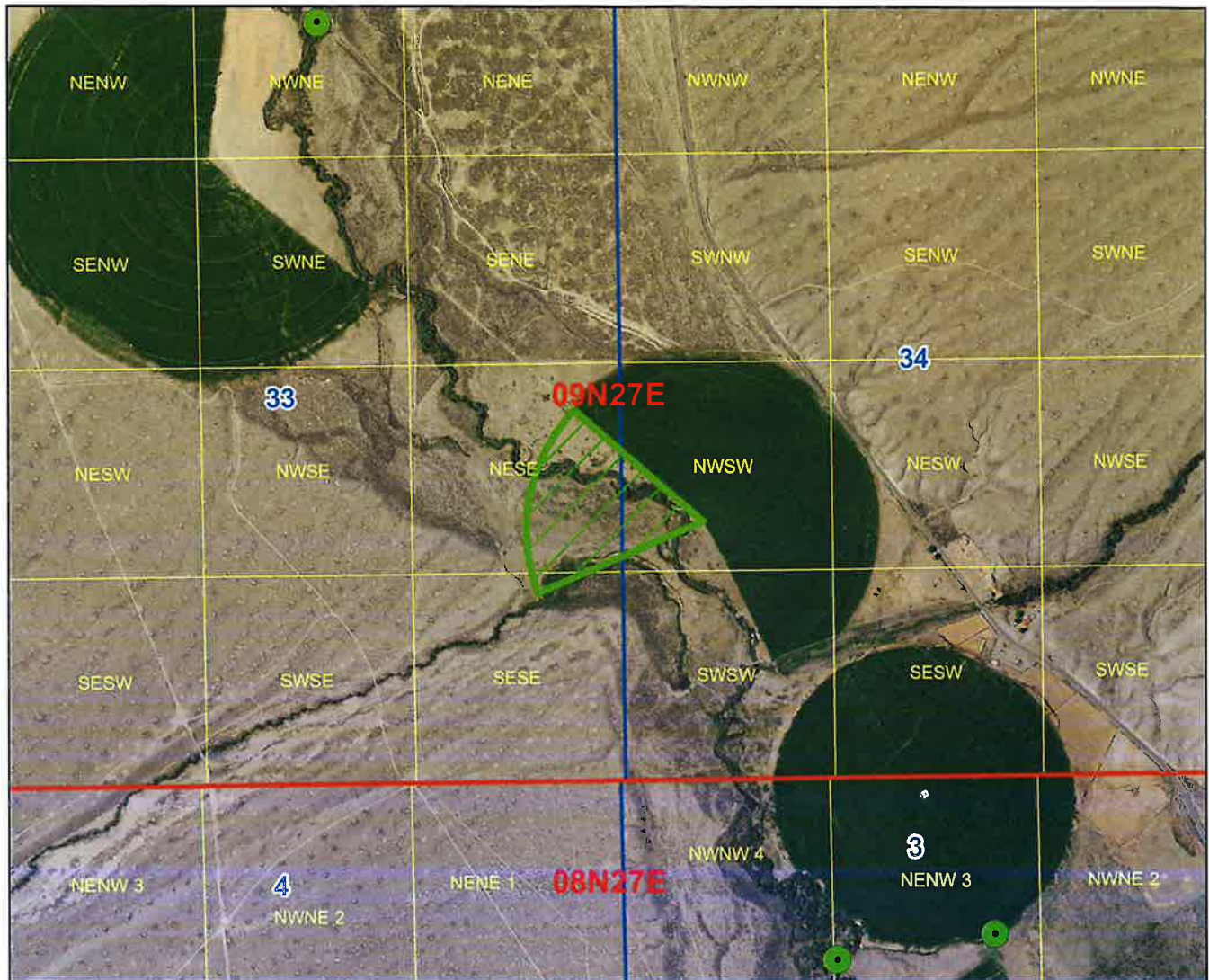
WATER SUPPLY BANK RENTAL AGREEMENT No. 822

10. This right when combined with all other rights shall provide no more than 3.5 afa per acre at the field headgate for irrigation of the place of use.
11. This agreement and rights 33-35A and 33-2068A when combined shall not exceed a total diversion rate of 2.50 cfs and the irrigation of 130 acres.
12. This agreement and rights 33-32A, 33-33A, 33-35A, 33-2068A, 33-14944 and 33-10997 when combined shall not exceed a total diversion rate of 4.81 cfs and the irrigation of 204 acres
13. This agreement and rights 33-32A, 33-33A, 33-35A, 33-2068A, and 33-10997 when combined shall not exceed a total diversion rate of 4.70 cfs and the irrigation of 194 acres.
14. This agreement and rights 33-2068A, 33-10997, and 33-14944 when combined shall not exceed a total diversion rate of 2.50 cfs and the irrigation of 139 acres.
15. 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 diversions.
16. This rental agreement does not authorize the construction of a well.

Idaho Water Resource Board
Attachment to Water Supply Bank Rental Agreement No. 822

Effective until December 31, 2028

This map depicts the **rental place of use** pursuant to the rental agreement and is attached to the agreement solely for illustrative purposes.



Legend

- Water Supply Bank Rental POD
- Water Supply Bank Rental POU
- Township/Range
- Sections
- QQ



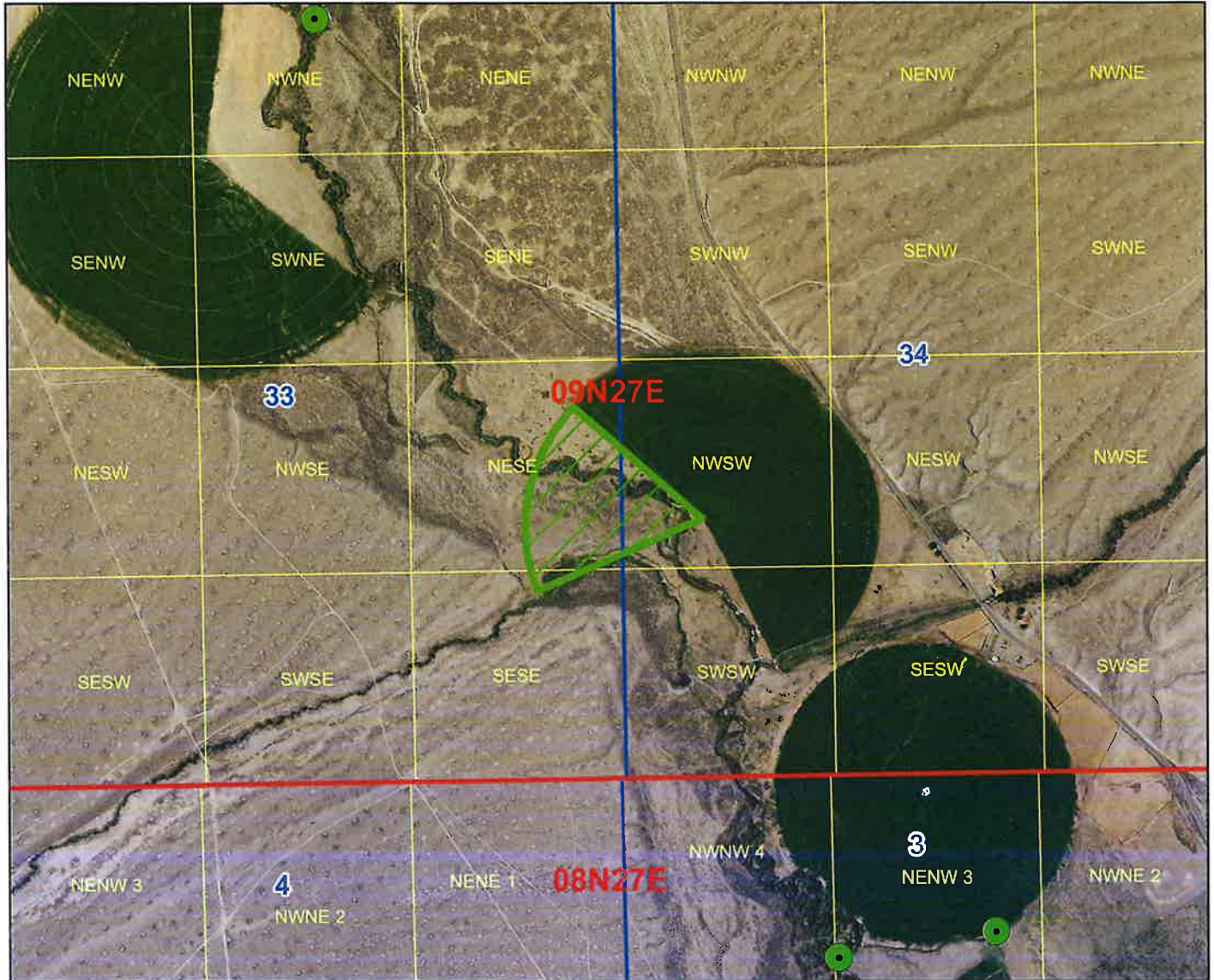
0 1,250 2,500 Feet

Idaho Water Resource Board

Attachment to Water Supply Bank Rental Agreement No. 822

Effective until December 31, 2028

This map depicts the **rental place of use** pursuant to the rental agreement and is attached to the agreement solely for illustrative purposes.



Legend

-  Water Supply Bank Rental POD
-  Water Supply Bank Rental POU
-  Township/Range
-  Sections
- QQ



0 1,250 2,500 Feet

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

JAN 04 2024

DEPARTMENT OF
WATER RESOURCES

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

Designated Applicant Pancheri Brothers LLC

(Select one owner – see item 1A on the application)

Water Right No. 33-7055

(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: KMDate Received: 1.4.24Receipt # C117607W-9 received? Yes ☒ No ☐ (Route W-9 to Fiscal)Name on W-9: Pancheri Bros

2881

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 Pancheri Brothers LLC

Mailing Address <u>1494 Hwy 33</u>	<u>Howe</u>	<u>ID</u>	<u>83244</u>
Street	City	State	Zip Code

Email Address _____ Phone Number 208-339-1293

☒ 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 Kristin Moore Organization Rocky Mountain Environmental Assoc., Inc

Professional Title Senior Water Rights Analyst Email Address kristin.rmea@gmail.com

Mailing Address 482 Constitution Way Ste 303, Idaho Falls, ID 83402 Phone Number 208-524-2353

☐ 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.
A well delivers water to a sprinkler irrigation system including two pivots.

- 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. Water was used fully under wheel lines until the rights were placed in the WSB in 2019-2023 season.

- 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.

- H. Is this water right involved in any other IDWR process, such as an application for transfer or a mitigation plan?
If yes, describe.

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

5. SALE/LEASE AGREEMENT

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

If lease, specify the years when the use of water will be suspended: 2024 to 2028 (maximum lease period 5 calendar years).
(Year) (Year)

- B. Show the minimum payment acceptable to the seller/lessor. The minimum payment may be shown as the "current rental rate" as established by the IWRB. Include the method of determining the minimum payment if other than the current rental rate.
No payment required as applicant will also be renting the right for another property.

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.

Rod Pancheri
Signature of Designated Applicant

Rod Pancheri
Printed Name

12-27-23
Date

Signature of Authorized Representative

Printed Name

Date

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

TO: IDAHO DEPARTMENT OF WATER RESOURCES

FROM: PANCHERI BROTHERS, LLC

RE: Authorized Representatives

Rocky Mountain Environmental Associates, Inc.
482 Constitution Way 303
Idaho Falls, ID 83402
(208) 524-2353 / (208) 524-1795 Fax

Rocky Mountain Environmental Associates, Inc. (RMEA) is hereby authorized to act on behalf of Pancheri Brothers, LLC regarding Water Supply Bank Application(s) for water right(s).

Rod Pancheri

Signature

Rod Pancheri

Printed Name

12-27-23

Date



**STATE OF IDAHO
WATER RESOURCE BOARD**

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

ATTACHMENT 2

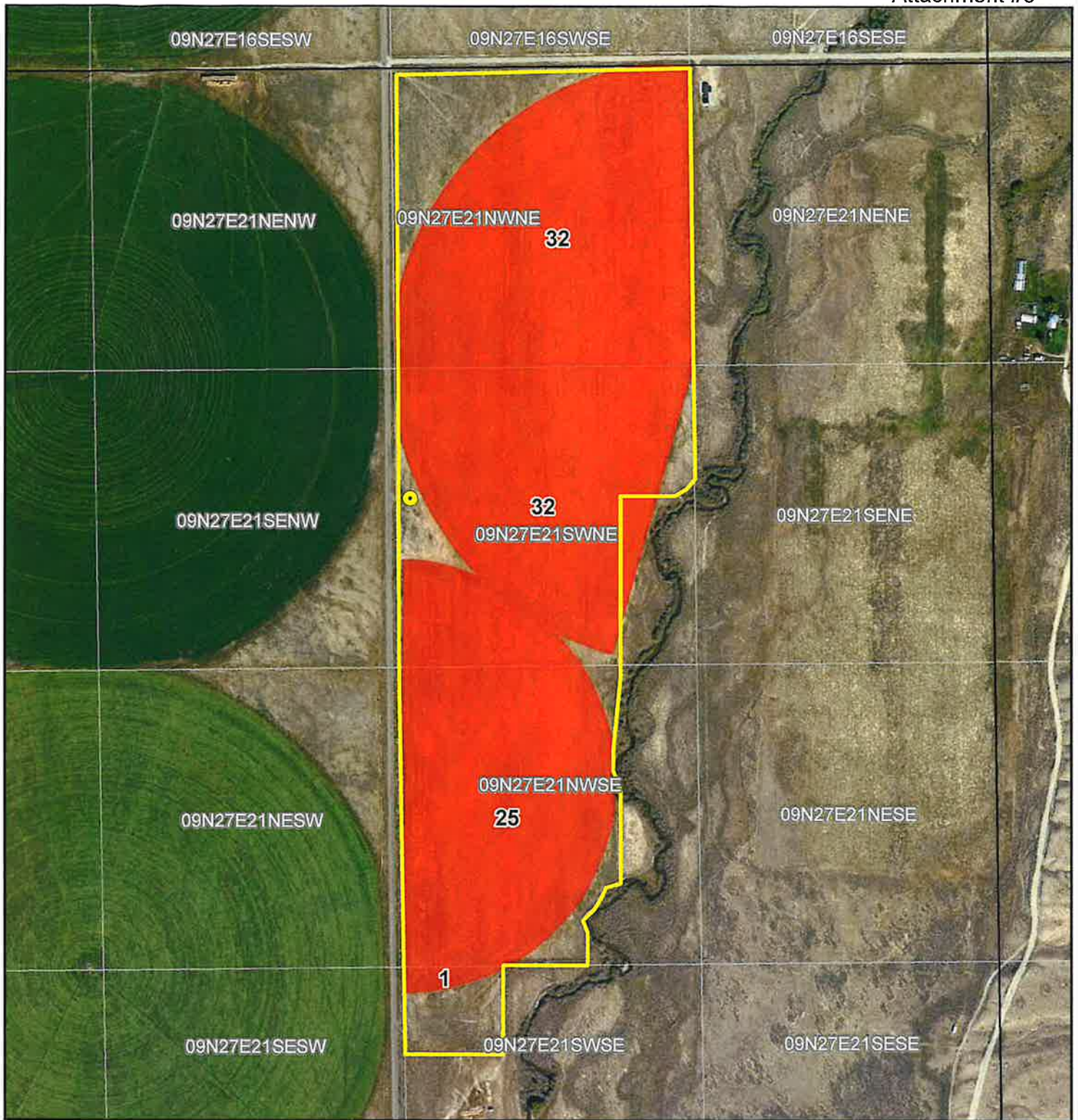
DESCRIPTION OF A WATER RIGHT PORTION OFFERED TO THE WATER SUPPLY BANK

1. <u>Water Right Number</u>	Nature of Use	Leased Rate (cfs)	Leased Volume (af)	Leased Acres (ac)
<u>33-7055</u>	<u>Irrigation</u>	<u>0.22</u>	<u>56</u>	<u>16</u>
	Total Amounts:			

2. Source of water Ground water tributary to NA

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
9N	27E	21		NW	SW	NE	BUTTE



0 450 900 1,800 Feet

2023 NAIP

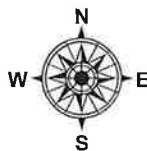
● WRPOD 33-7055 □ QQ

□ WRPOU 33-7055

32 Irrigated Acres

□ Twp & Rng

□ Section



Water Right 33-7055

Pancheri Brothers LLC

RMEA #13-0020

by: KM

Date: 12/27/2023



STATE OF IDAHO
WATER RESOURCE BOARDAPPLICATION TO RENT WATER
FROM THE BOARD'S WATER SUPPLY BANKRECEIVED
JAN 04 2024
DEPARTMENT OF
WATER RESOURCESApplicant Name: Pancheri Inc.

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)

33-7055

2882

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A. Applicant Pancheri Inc.

Mailing Address <u>1494 Highway 33</u>	Howe	ID	83244
Street	City	State	Zip Code
Email Address <u>rpancheri@gmail.com</u>	Phone Number <u>208-339-1293</u>		

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 <u>Kristin Moore</u>	Professional Title <u>Sen. Water Rights Analyst</u>
Organization <u>Rocky Mountain Environmental Assoc. Inc</u>	Relationship to Applicant <u>Consultant</u>
Mailing Address <u>482 Constitution Way Ste 303, Idaho Falls, ID 83402</u>	
Email Address <u>kristin.rmea@gmail.com</u>	Phone Number <u>208-524-2353</u>

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**:

Applicant desires to allow the existing pivot to run full circle for irrigation. Only 16 acres of additional water rights are required and are proposed to be rented from another property owned by the applicant, under a different entity name.

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)
0.22 CFS	56 AF	0.22 CFS	56 AF	16 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?	
5/1/2024	6/1/2024	☐ 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.

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):

Existing well injects water into the Little Lost River, which is rediverted into a pipeline and delivered to the pivot system that will irrigate the proposed POU.

- 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
T8N R27E S3 NENW L3	Ground Water	Well - 33-2068A, 33-10997, 33-14944, 33-2068B
T8N R27E S3 NENW L3	Ground Water	Injection - 33-2068A, 33-10997, 33-14944
T9N R27E S33 NWNE	Ground Water	Rediversion - Many water rights

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 16 (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: _____ (mm/dd) to: _____ (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:

Other water rights diverted into the same pivot include 33-33A, 33-32A, 33-35A, 33-2068A, 33-10997, and 33-10119 from ground water, Little Lost River, or Deer Creek. 33-10119 will not be used on same acres.

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)
33-7055	Irrigation	0.22	56	16		0.22	56	16
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	0.22	56	16
						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**:
Rate per acre under this right is sufficient for pivot irrigation.

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**:

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.

Also rented from 2022-2023, but all infrastructure changes were not installed to accomplish the use. A permanent change may be made at a later date.

- 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

Applicant also owns Pancheri Brothers LLC, the owner of the water right proposed to be rented. If possible, it is requested that the current rental rate be waived except for the administrative fee required by the Water Supply Bank.

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.

Rod Pancheri
Signature of Applicant

Rod Pancheri
Printed Name of Applicant

12-27-23
Date

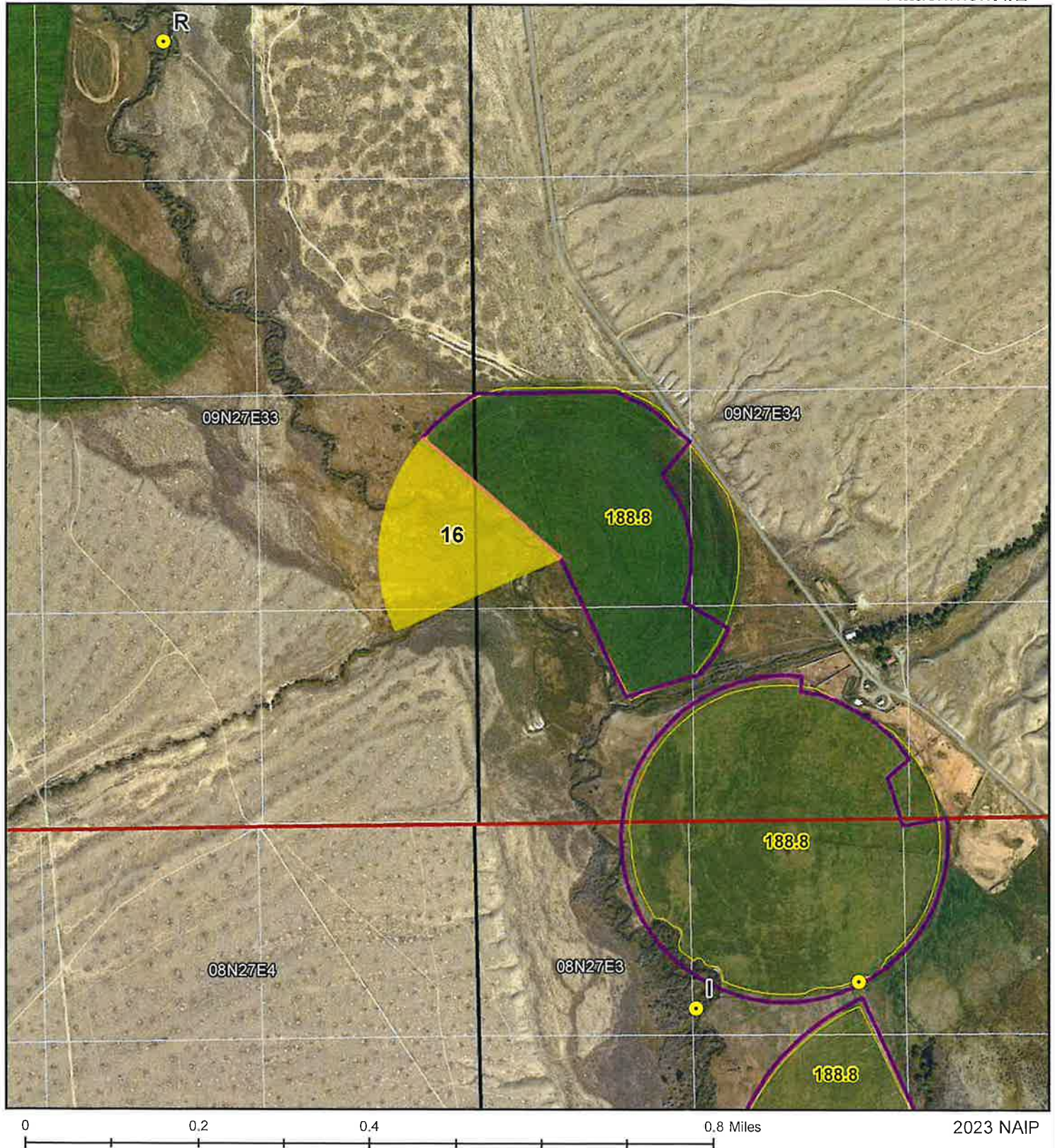
Signature of Representative

Printed Name of Representative

Date

Mail to:

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



● Proposed Rental POD

□ Section

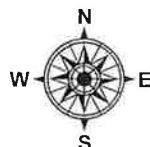
■ Rental POU

□ QQ

□ WRPOU 33-32A et al

□ 33-32A et al Irrigated Acres

□ Twp & Rng



WSB Rental App. 33-7055

Pancheri Inc.

RMEA #13-0020

by: KM

Date: 12/27/2023





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 Mathew Weaver

February 27, 2024

PANCHERI BROTHERS LLC
1494 HIGHWAY 33
HOWE, ID 83244-8719

**RE: WATER SUPPLY BANK LEASE CONTRACT 2881
FOR WATER RIGHT 33-7055**

Dear Lessor:

Water right **33-7055** is leased into the Water Supply Bank (Bank) as of January 2024 in accordance with the enclosed executed lease contract. **Your water rights, as described on the lease contract, are considered leased into the Bank and should remain unused until they are formally released from the Bank.** More information and further restrictions placed on your water rights while leased can be found in conditions of acceptance of the lease contract. Read the conditions of acceptance carefully.

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

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

Sincerely,
Signature

Catalina Beck

Enclosure: Executed Lease Contract

c: IDWR- Eastern Region Office Representative
Water District No. 33



IDAHO DEPARTMENT OF
WATER RESOURCES

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Phone: 208-287-4800 • Fax: 208-287-6700 • Email: idwrinfo@idwr.idaho.gov • Website: idwr.idaho.gov

Governor Brad Little

Director Mathew Weaver

February 9, 2024

PANCHERI BROTHERS LLC
1494 HIGHWAY 33
HOWE, ID 83244-8719

**RE: APPLICATION TO LEASE WATER RIGHT 33-7055 TO THE WATER SUPPLY BANK
CONTRACT 1809**

******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, 2028**, 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

WATER SUPPLY BANK		Quick Tools	
Lease Review Checklist		Decreed Year	No Forfeiture Concerns Thru:
Applicant(s) Name: Pancheri Brothers LLC		2011	2017
Memo Date: 02/01/2024		2012	2018
Water Right Number(s): 33-7055		2013	2019
		2014	2020
		2015	2021
Reviewers Name: Bob Howe			
		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	x	
	All of right		
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)		2000
	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	17 acre portion from 2019-present
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	X	Comment was req from the WM when the contracts were mailed.
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 4, 2024, as a lease/rental companion for Pancheri Bros. The application is for a smaller portion of the same right as contract 965, ending 12/31/2023. The current application idles the pivot corners of right 33-7055, a total area of 16.0 acres of irrigation into the Water Supply Bank (WSB) for a term from 2024-2028. A review of aerial imagery confirmed that the portion offered to the WSB has been idled for the last 5 years. The application was signed by Rod Pancheri, member of the current right owner, Pancheri Brothers LLC. Right 33-7055 was decreed in 2000. This water right is administered by WD33-Little Lost River.		

Howe, Bob

From: Howe, Bob
Sent: Friday, February 9, 2024 10:05 AM
To: Skinner, Corey; slashdranch@atcnet.net
Cc: Bank
Subject: RE: Comment Request- WSB Lease Contract 1809- Pancheri
Attachments: Lease 1809 Map.pdf; Report - Lease Contract 1809.pdf; Lease Application Review 33-7055.pdf

Dear Interested Agencies:

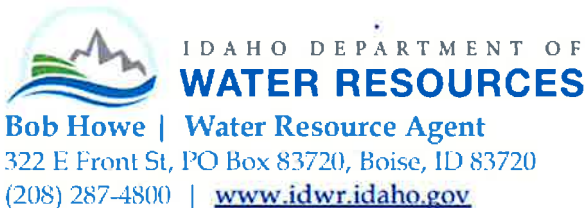
The Department of Water Resources is seeking comment from your agency, regarding the Water Supply Bank (WSB) Lease Contract 1809, for Pancheri Brothers LLC (Pancheri Inc.). The rental is for a 16-acre portion of the same right as the current lease (Contract 965-ending 12/31/2023), for a new term from 2024-2028. A copy of the proposed lease contract, the lease review, and map are attached for your reference.

Please submit your comments within 14 days, no later than February 23, 2024. If we do not hear from you by that date, we will assume that no comment from you means you have no objection to, concerns about, or conditions pertaining to the execution of the lease.

Comments are preferred to be received by e-mail to bob.howe@idwr.idaho.gov. However, comments by regular mail and/or FAX to 208-287-6700 are acceptable.

If you have any questions, don't hesitate to contact me at the State Office at (208) 287-4847.

Bob Howe



From: Howe, Bob
Sent: Friday, February 9, 2024 9:48 AM
To: Skinner, Corey <Corey.Skinner@idwr.idaho.gov>; slashdranch@atcnet.net
Cc: Bank <Bank@idwr.idaho.gov>
Subject: Comment Request- WSB Rental Agreement 822- Pancheri

Dear Interested Agencies:

The Department of Water Resources is seeking comment from your agency, regarding the Water Supply Bank (WSB) Rental Agreement 822, for Pancheri Brothers LLC (Pancheri Inc.). The rental is for a 16-acre portion of the same right as the current rental (Agreement 684-ending 12/31/2023), for a new term from 2024-2028. A copy of the proposed rental contract, the rental review, and map are attached for your reference.

Please submit your comments within 14 days, no later than February 23, 2024. If we do not hear from you by that date, we will assume that no comment from you means you have no objection to, concerns about, or conditions pertaining to the execution of the lease.

Comments are preferred to be received by e-mail to bob.howe@idwr.idaho.gov. However, comments by regular mail and/or FAX to 208-287-6700 are acceptable.

If you have any questions, don't hesitate to contact me at the State Office at (208) 287-4847.

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

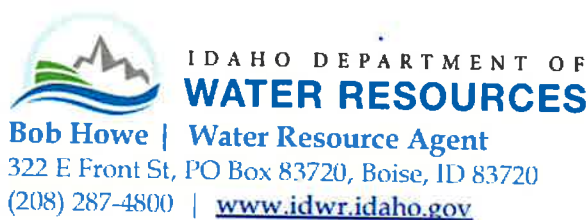
From: Howe, Bob
Sent: Friday, February 9, 2024 10:01 AM
To: Kristin Moore; rpancheri@gmail.com
Cc: Bank
Subject: RE: WSB Lease Contract 1809- Pancheri Inc.-Mailed for signature
Attachments: Proposed Lease Contract 1809 Pancheri Cover letter.pdf; Lease 1809 Map.pdf; Lease Application Review 33-7055.pdf

Dear Kristin and Rod,

The attached documents for Lease Contract 1809 (right 33-7055) have been dropped in the mail today for signature and return to the department within 14 days. Please feel free to reach out with any questions or concerns. Thank you and have a great day.

Best Regards,

Bob Howe



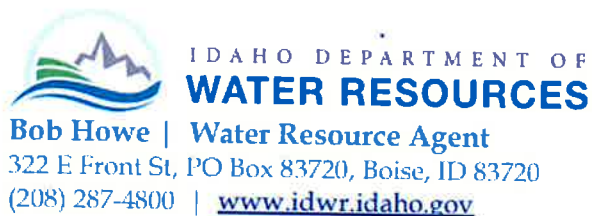
From: Howe, Bob
Sent: Friday, February 9, 2024 9:43 AM
To: Kristin Moore <kristin.rmea@gmail.com>; rpancheri@gmail.com
Cc: Bank <Bank@idwr.idaho.gov>
Subject: WSB Rental Agreement 822- Pancheri Inc.-Mailed for signature

Dear Kristin and Rod,

The attached documents for Rental Agreement 822 (right 33-7055) have been dropped in the mail today for signature and return to the department within 14 days. Please feel free to reach out with any questions or concerns. Thank you and have a great day.

Best Regards,

Bob Howe





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

February 9, 2024

PANCHERI BROTHERS LLC
1494 HIGHWAY 33
HOWE, ID 83244-8719

**RE: APPLICATION TO LEASE WATER RIGHT 33-7055 TO THE WATER SUPPLY BANK
CONTRACT 1809**

******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, 2028**, 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



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WATER RESOURCES

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Governor Brad Little

Director Mathew Weaver

February 9, 2024

PANCHERI BROTHERS LLC
1494 HIGHWAY 33
HOWE, ID 83244-8719

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO. 33-7055, AGREEMENT 822**

*****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 **\$128.80 per year** was calculated based on the current rental rate of \$23.00 per acre-foot times a diversion volume of 56 acre-feet. Since you have a private agreement with the lessor for right 2-7061, and you are both the lessor and the renter of the rights 33-7055, **you are only obligated to pay the 10% administrative fee or \$128.80. The annual rental fee for 2024 is due within 14 days, by February 23, 2024.** The rental fee for 2025 is due by December 31, 2024. 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.

Please send a check in the amount of \$128.80 for 2024 made payable to the Idaho Department of Water Resources, **together with the signed rental agreement, within 14 days** so I can complete processing.

Pursuant to the Water Supply Bank Rules, \$128.80 will be retained by the Department to offset administrative costs for 2024.

If you have any questions, please contact this office at (208) 287-4800.

Sincerely,

Bob Howe

Water Supply Bank
Enclosure: Rental Agreement 804 and map.
c: IDWR Front Desk

Howe, Bob

From: Howe, Bob
Sent: Friday, February 9, 2024 10:05 AM
To: Skinner, Corey; slashdranch@atcnet.net
Cc: Bank
Subject: RE: Comment Request- WSB Lease Contract 1809- Pancheri
Attachments: Lease 1809 Map.pdf; Report - Lease Contract 1809.pdf; Lease Application Review 33-7055.pdf

Dear Interested Agencies:

The Department of Water Resources is seeking comment from your agency, regarding the Water Supply Bank (WSB) Lease Contract 1809, for Pancheri Brothers LLC (Pancheri Inc.). The rental is for a 16-acre portion of the same right as the current lease (Contract 965-ending 12/31/2023), for a new term from 2024-2028. A copy of the proposed lease contract, the lease review, and map are attached for your reference.

Please submit your comments within 14 days, no later than February 23, 2024. If we do not hear from you by that date, we will assume that no comment from you means you have no objection to, concerns about, or conditions pertaining to the execution of the lease.

Comments are preferred to be received by e-mail to bob.howe@idwr.idaho.gov. However, comments by regular mail and/or FAX to 208-287-6700 are acceptable.

If you have any questions, don't hesitate to contact me at the State Office at (208) 287-4847.

Bob Howe



From: Howe, Bob
Sent: Friday, February 9, 2024 9:48 AM
To: Skinner, Corey <Corey.Skinner@idwr.idaho.gov>; slashdranch@atcnet.net
Cc: Bank <Bank@idwr.idaho.gov>
Subject: Comment Request- WSB Rental Agreement 822- Pancheri

Dear Interested Agencies:

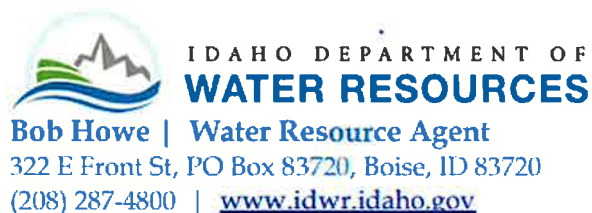
The Department of Water Resources is seeking comment from your agency, regarding the Water Supply Bank (WSB) Rental Agreement 822, for Pancheri Brothers LLC (Pancheri Inc.). The rental is for a 16-acre portion of the same right as the current rental (Agreement 684-ending 12/31/2023), for a new term from 2024-2028. A copy of the proposed rental contract, the rental review, and map are attached for your reference.

Please submit your comments within 14 days, no later than February 23, 2024. If we do not hear from you by that date, we will assume that no comment from you means you have no objection to, concerns about, or conditions pertaining to the execution of the lease.

Comments are preferred to be received by e-mail to bob.howe@idwr.idaho.gov. However, comments by regular mail and/or FAX to 208-287-6700 are acceptable.

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Bob Howe



Howe, Bob

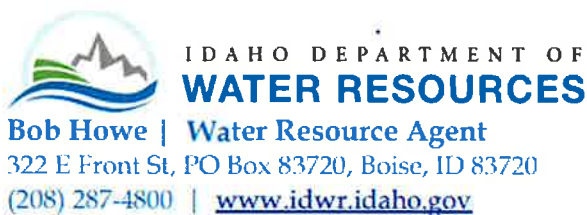
From: Howe, Bob
Sent: Friday, February 9, 2024 10:01 AM
To: Kristin Moore; rpancheri@gmail.com
Cc: Bank
Subject: RE: WSB Lease Contract 1809- Pancheri Inc.-Mailed for signature
Attachments: Proposed Lease Contract 1809 Pancheri Cover letter.pdf; Lease 1809 Map.pdf; Lease Application Review 33-7055.pdf

Dear Kristin and Rod,

The attached documents for Lease Contract 1809 (right 33-7055) have been dropped in the mail today for signature and return to the department within 14 days. Please feel free to reach out with any questions or concerns. Thank you and have a great day.

Best Regards,

Bob Howe



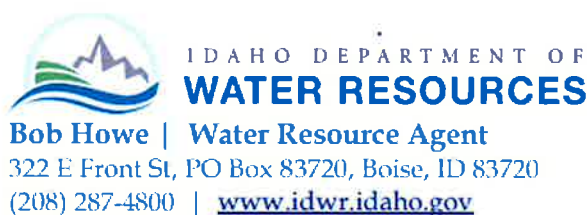
From: Howe, Bob
Sent: Friday, February 9, 2024 9:43 AM
To: Kristin Moore <kristin.rmea@gmail.com>; rpancheri@gmail.com
Cc: Bank <Bank@idwr.idaho.gov>
Subject: WSB Rental Agreement 822- Pancheri Inc.-Mailed for signature

Dear Kristin and Rod,

The attached documents for Rental Agreement 822 (right 33-7055) have been dropped in the mail today for signature and return to the department within 14 days. Please feel free to reach out with any questions or concerns. Thank you and have a great day.

Best Regards,

Bob Howe



MEMORANDUM FOR RENTAL AGREEMENT 2822

To: Water Right No. 33-7055
From: Bob Howe – Water Resource Agent
Date: 02/05/2024
Re: Review & Analysis of Application to Rent Water from the State Water Supply Bank

PURPOSE/NARRATIVE:

Application 2882 was received on January 4, 2024, submitted by representative Kristin Moore (RME Assoc. Inc.) on behalf of Pancheri Brothers LLC. The application proposes to rent a 16-acre portion of right 33-7055 leased into the Water Supply Bank (WSB) for a term from 2024-2028. IDWR records list Pancheri Brothers LLC and members thereof as current owners of rights appurtenant to the proposed lease and rental places of use. As the renter and lessor are the same, only administrative fees will apply. For the 2023 season a 17-acre portion of right 33-7055 was leased for use at the same rental place of use, for rental agreement 684. However, the rental water was never utilized as the infrastructure for delivery was never completely developed.

AUTHORITY TO FILE:

Application 2882 was signed by Rod Pancheri. According to an Idaho Secretary of State website business search Rod Pancheri is listed as the current Director of the Pancheri Inc. The parcels appurtenant to the lease and rental places of use (POU) and points of diversion (POD) are listed in Butte County tax lot data as currently owned by Pancheri Brothers LLC and Jerry Pancheri (member). All rights appurtenant to the lease and rental POU and PODs are currently owned by Pancheri Brothers LLC, according to IDWR records.

INJURY TO OTHER WATER RIGHTS:

The rental proposes to use the system currently in place for rights 33-33A, 33-32A, 33-35A, 33-2068A, 33-10997 and 33-10119 diverting from groundwater, Little Lost River, or Deer Creek. The rental water would be diverted from a well, which (a shared POD for rights 33-2068A, 33-10997, and 33-14944) injects water into the Little Lost River, which is rediverted to the pivot system at the proposed rental POU. As stated in the 2023 rental review for the same purposes, the diversion of comingled water from the Little Lost Creek will not injure existing rights if it does not exceed the amounts authorized by existing rights and this rental. The rights are administered by the water district such that diversion can be limited to amounts injected when the surface water rights are not in priority.

ENLARGEMENT OF USE:

As stated in the previous rental agreement, the use of the rental when combined with existing surface water rights and ground water rights will be limited to combined limits plus the rental elements. The pivot will need to be operated such that the number of acres can be restricted when the surface water rights are not available, and the entire pivot cannot be irrigated. In correspondence regarding the 2023 rental agreement 684, Kristen Moore (Representative) stated that Pancheri can operate the pivots so that land owned by BLM outside the 188-acre place of use of existing rights is **not** irrigated. After clarification Rental Agreement 684 was approved for 2023. However, Landsat images from 2023 show irrigation on BLM land in addition to the 188-acre limit at the pivot site (see figures 1-3). A total irrigated area of 198 acres was measured for the pivots within the system. The irrigation occurring on BLM land is a use beyond the water right authorization, which we are not considering violation of the WSB agreement. As the applicant stated on the application that infrastructure changes were not implemented to accomplish the use under the previous agreement.

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 rental point of diversion is within Basin 33. At the time of mailing the lease and rental documents for applicant signature the Eastern Regional Manager-Corey Skinner and Watermaster Dave Andreason were solicited for comment via email.

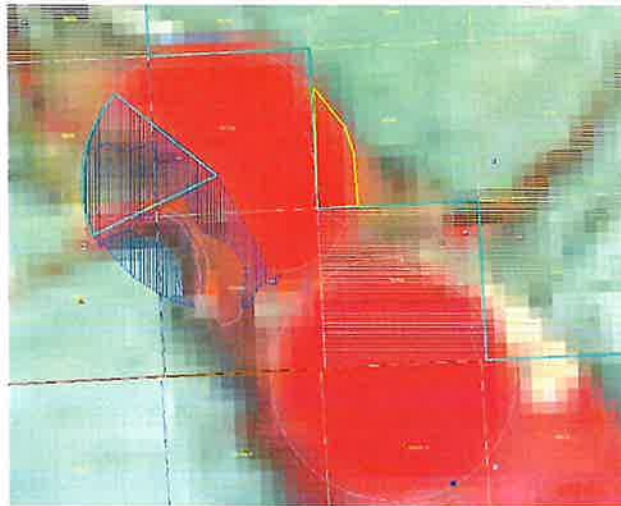


Figure 1- August 14, 2023- Landsat imagery of the rental POU. Blue wedge shape on the left is the proposed rental POU. Blue line from the upper center of image to the lower right is the BLM parcel boundary. The yellow outlined area is the largest measured overlap of the BLM parcel.

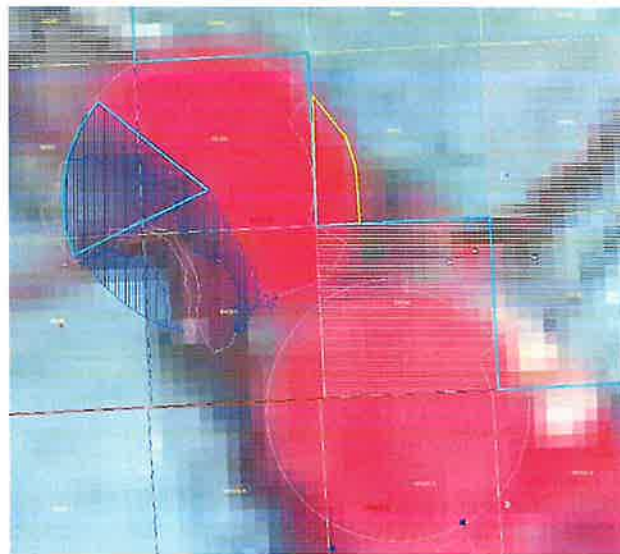


Figure 2- September 15, 2023- Landsat imagery of the rental POU. The previous rental for 17 acres of irrigation in the same location as the proposed rental POU was never developed.

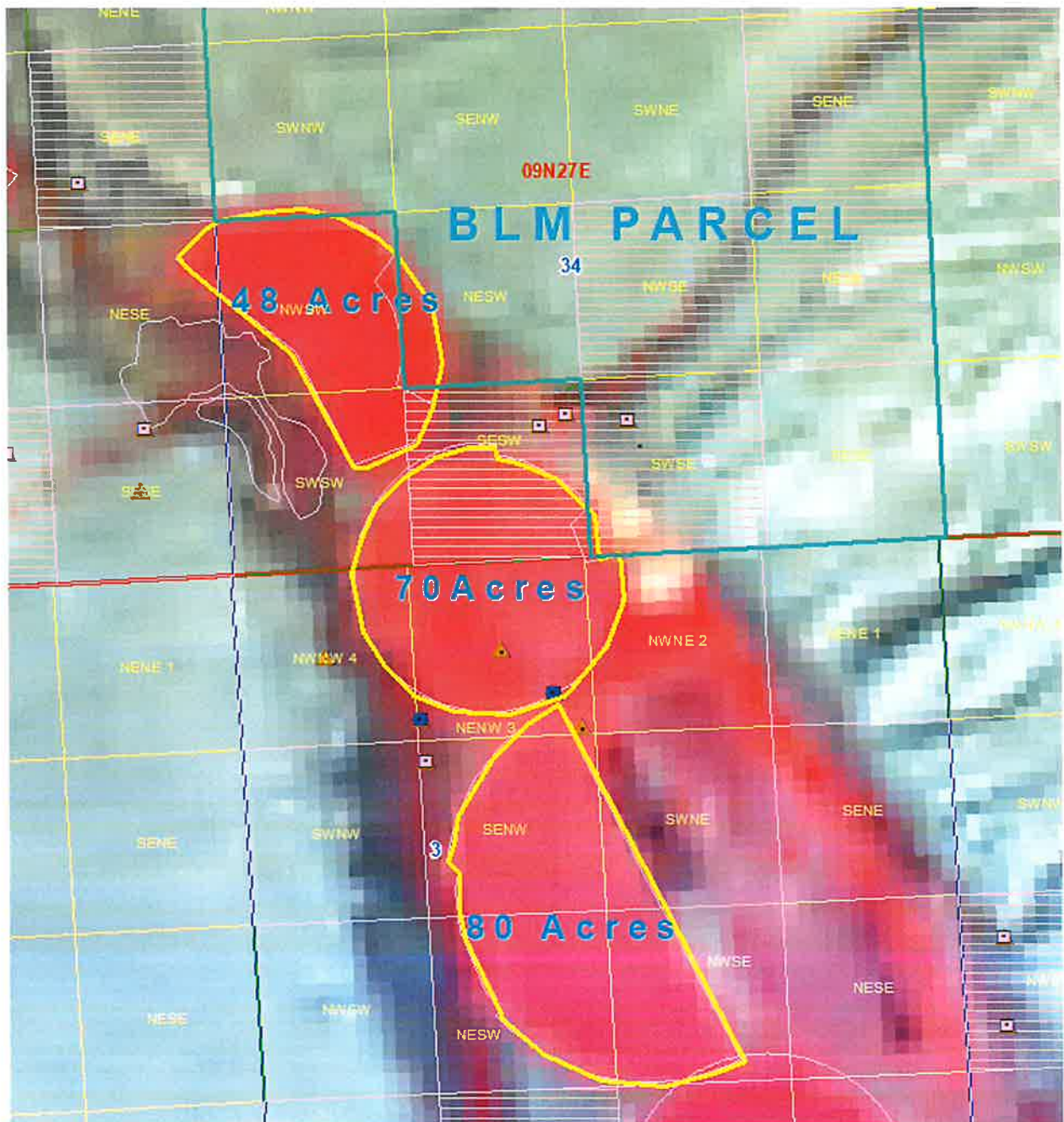


Figure 3- September 15, 2023- Landsat imagery of the combined POU sharing the system for irrigation of the pivot of the proposed rental in the north. The combined limit for these areas is 188 acres. Approximately 198 acres of irrigation were measured with GIS in the image. The BLM parcel is outlined in blue and identified in the upper half of the image.

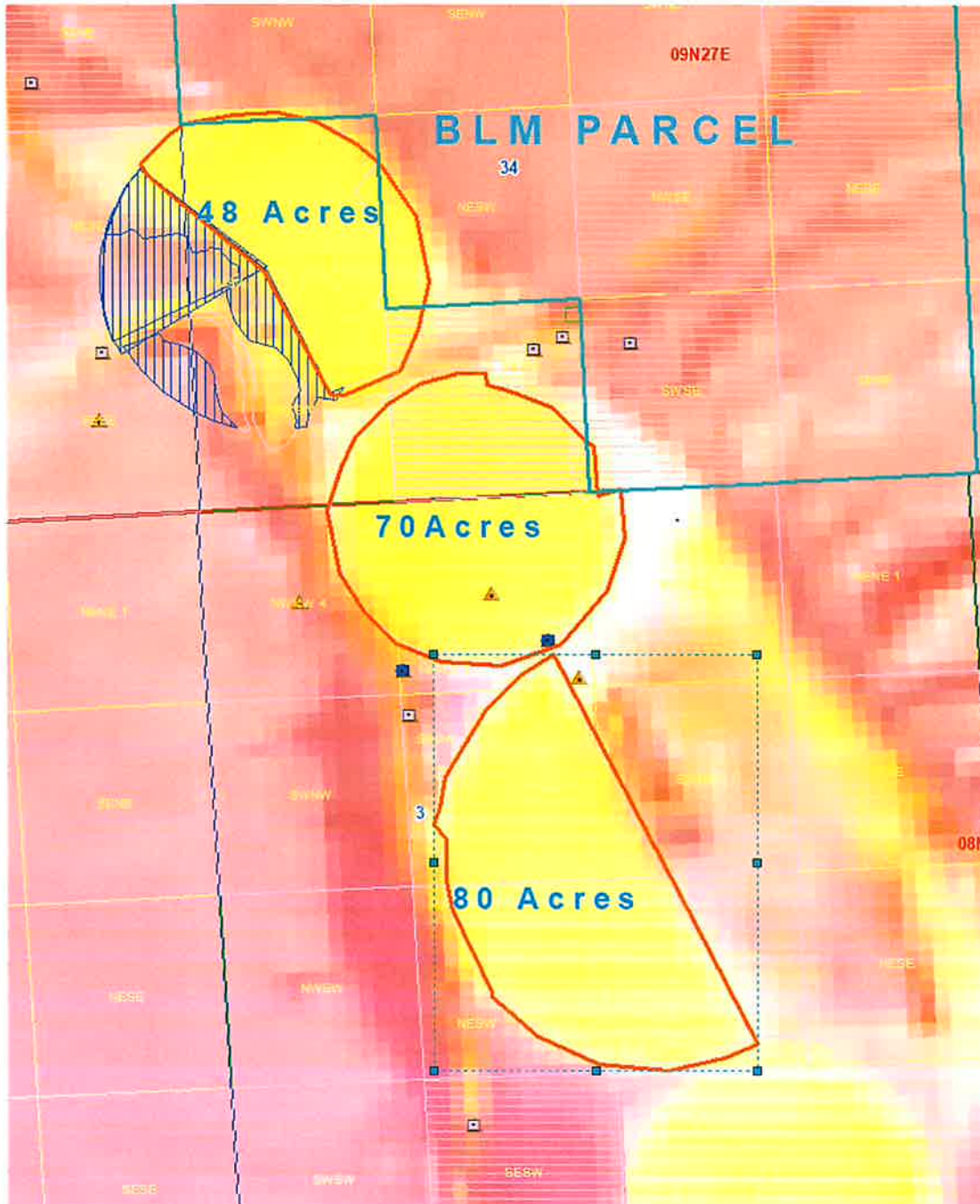


Figure 4- Landsat 09.04.2022 imagery of the irrigated pivots, outlined in red. BLM parcel outlined in blue in the upper right.



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

February 9, 2024

PANCHERI BROTHERS LLC
1494 HIGHWAY 33
HOWE, ID 83244-8719

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
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*****TIME SENSITIVE RESPONSE REQUIRED*****

Dear Applicant:

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Please send a check in the amount of \$128.80 for 2024 made payable to the Idaho Department of Water Resources, **together with the signed rental agreement, within 14 days** so I can complete processing.

Pursuant to the Water Supply Bank Rules, \$128.80 will be retained by the Department to offset administrative costs for 2024.

If you have any questions, please contact this office at (208) 287-4800.

Sincerely,

Bob Howe

Water Supply Bank
Enclosure: Rental Agreement 804 and map.
c: IDWR Front Desk

Howe, Bob

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Sent: Friday, February 9, 2024 9:48 AM
To: Skinner, Corey; slashdranch@atcnet.net
Cc: Bank
Subject: Comment Request- WSB Rental Agreement 822- Pancheri
Attachments: Rental Agreement 822 Review Memo.pdf; Report, Rental Agreement 822.pdf; Rental 822-Map.pdf

Dear Interested Agencies:

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Bob Howe

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Subject: WSB Rental Agreement 822- Pancheri Inc.-Mailed for signature
Attachments: Report, Rental Agreement 822.pdf; Rental 822-Map.pdf; Proposed Rental Agreement 822 Cover Letter10% Administrative fees.pdf

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Best Regards,

Bob Howe



IDAHO DEPARTMENT OF
WATER RESOURCES

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WATER RESOURCES

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Governor Brad Little

Director Mathew Weaver

February 27, 2024

PANCHERI BROTHERS LLC
1494 HIGHWAY 33
HOWE, ID 83244-8719

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 33-7055, AGREEMENT 822**

Dear Renter:

Please find enclosed a receipt in the amount of **\$128.80** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 56 acre-feet of water for irrigation of 16 acres during 2024. 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 \$128.80 of the rental fee will be paid to the lessor(s) and 10% or \$128.80 will be retained by the Department to offset administrative costs.

The annual rental fee for 2025 is due by December 31, 2024. If you have questions regarding this matter, please contact this office at bank@idwr.idaho.gov or 208-287-4800.

Sincerely,

Catalina Beck

for
Water Supply Bank

Enclosures: Receipt No. C117841
Rental Agreement (copy)

c: Sascha Marston – Fiscal
IDWR Eastern Regional Office
Representative