STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1999

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

LESSOR: WELLSPRINGS GROUP LLC
950 W HURON ST UNIT 405
CHICAGO, IL 60642-6830

RECEIVED
JUN 16 2025
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 06, 2025.

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)
37-4100	9/6/1956	SPRING, tributary to DEER CREEK	0.25	Not Stated	0.00
37-21614	9/6/1956	DEER CREEK, tributary to BIG WOOD RIVER	0.24	Not Stated	0.00
Combined Lease Totals			**0.49**	**Not Stated**	**0.00**

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, 2025 to December 31, 2025. This Lease shall bind the parties and take effect when both parties have signed it.

4. **WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE**: The Lessor shall abide by all terms and conditions contained in the Water Supply Bank Conditions of Acceptance, attached hereto as "Attachment A" and incorporated herein by this reference.

SUPPORT DATA
IN FILE # 37-4100

WATER SUPPLY BANK LEASE CONTRACT No. 1999

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.

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WATER RESOURCES

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1999

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

LESSOR: WELLSPRINGS GROUP LLC
950 W HURON ST UNIT 405
CHICAGO, IL 60642-6830

By DW Mackey
Title Manager
Date 06/16/25

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

By _____ Date 6/26/25
Brian Patton, Executive Manager
Idaho Water Resource Board

Lease approved by IDWR _____ Date 6/26/25

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1999

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): 37-4100

SPRING	NENW	Sec. 34	Twp 03N	Rge 17E	BLAINE County

Source and Location of Point(s) of Diversion for Water Right No(s): 37-21614

DEER CREEK	NENW	Sec. 34	Twp 03N	Rge 17E	BLAINE County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
37-4100	RECREATION	01/01	to	12/31	0.250 cfs	0.00 AF
37-21614	RECREATION	01/01	to	12/31	0.240 cfs	0.00 AF
				Totals:	0.490 cfs	0.00 AF

PLACES OF USE TO BE IDLED UNDER THIS LEASE: RECREATION

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
03N	17E	34					x												0.0

Total Acres: 0.0

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.

WATER SUPPLY BANK LEASE CONTRACT No. 1999

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.
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. Use of water under this right shall be non-consumptive.
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. 37.

Form 42-1761-1
09/2024

RECEIVED
JAN 06 2025
DEPT. OF WATER RESOURCES

Print Form

STATE OF IDAHO
WATER RESOURCE BOARD

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

Applicant / Designated Lessor Wellsprings Group LLC
(Select one owner – see item 1A on the application)

Water Right No. 37-21614
(One water right per application)

Is this application being submitted with a rental application as a lease/rental package? Yes ☐ No ☑
If yes, include renter and rental fee payment information as attachment 5B.

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.**

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

Yes	
☒	Completed *Application to Sell or Lease a Water Right to the Water Supply Bank,* printed **single sided**, per requirement of 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.

N /A	Yes	Attachments	
☐	☑	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 Applicant / Designated Lessor.
☒	☐	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 Applicant on this application. If the 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.
☑	☐	5B	Rental rate and owner payment agreement between lessor and renter for lease/rental packages.

Department Use Only

Fee Amount $ 250.00 Received By: KM Date Received: 1.6.25 Receipt # C119766

W-9 received? Yes ☑ No ☐ (Route W-9 to Fiscal) Name on W-9: Wellsprings Group llc

3172

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

1. CONTACT INFORMATION

A. The applicant or designated lessor must be listed as a current owner of the water right offered for sale or lease to the Water Supply Bank. If there are multiple current owners, choose one owner as the Designated Lessor. Complete and attach the Designated Lessor - Attachment 1A of this application package with the signatures of all current owners.

Applicant / Designated Lessor Wellsprings Group LLC

Mailing Address 950 W Huron St Unit 405 Chicago, IL 60642-6830
Street City State Zip Code

Email Address mackgreenco@gmail.com Phone Number 773-899-3188

☑ The Applicant is the sole owner of the water right being sold or leased to the Water Supply Bank.

OR

☐ The Designated Lessor is representing additional water right holders who have completed Attachment 1A.

B. Has the Designated Lessor / Applicant submitted an IRS Form W-9 to this Department within 6 months? 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 Water Right Holder? Yes ☑ No ☐
If yes, representatives (includes employees of Water Right Holder companies) must complete this section and submit documentary proof of their authority to represent the Water Right Holder (Attachment 1D).

Name of Representative Zach Latham Organization Brockway Engineering PLLC

Professional Title Consultant- Hydrologist Email Address zach.latham@brockwayeng.com

Mailing Address 2016 Washington St. N Suite 4 Twin Falls, ID 83301 Phone Number 208-736-8543

☐ Send all correspondence for this application to the representative and not to the Designated Lessor / Applicant.

OR

☑ Send original correspondence to the Designated Lessor / 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 and none will still be used.

OR

☐ A portion of the water right is being offered to the Bank and a portion will still be used.
If a portion of the water right is being offered, **complete Attachment 2**.

3. MAP

Attach a map The map must locate the point of diversion from the source of water and the location of the lands to be idled or the place where the water will no longer be used. The map must also show townships, ranges, sections, and government lots. **For irrigation purposes**, mark the number of acres for lease **per** 40-acre tract (1/4-1/4). 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. Identify the owner of the water delivery system or well Applicant.

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. (Label Attachment 4A)

B. Please provide a description of the current water diversion and delivery system, including source, pump, pipeline or diversion.
Pump in Deer Creek to pool, return to creek.

C. Describe any other water sources, including municipal, irrigation company shares, or water rights with combined limits to the water right offered to the bank, which are 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, and usually have combined limits in the conditions of the water rights. 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, including those listed in 4C? 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. N/A.

F. 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 (Label Attachment 4G). See Section 42-223, Idaho Code for exceptions to forfeiture, including lease into the Bank. Your application may be denied if forfeiture concerns are not addressed. This water right has previously been accepted into the Water Supply Bank from 2015-2019 and 2020-2024.

G. Identify annual volumes and/or rates of water diverted (used) in the last 5 years to accomplish the beneficial use authorized by this water right. Right has been leased to the WSB.

H. Is this water right involved in any other IDWR process, such as an application for transfer or a mitigation plan? Yes ☐ No ☑

If yes, describe.
N/A.

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

5. SALE/LEASE CONTRACT

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

If lease, specify the first calendar year when the use of water will be suspended: 2025 (year)

All lease contracts are for a calendar year from January 1st to December 31st

*Mark Desired Lease Duration (Calendar Years)					
☑ 1	☐ 2	☐ 3	☐ 4	☐ 5	Other Term Length (# of years): *Prior IWRB approval required*

B. Show the minimum payment acceptable to the seller/lessor. **If lease,** the minimum payment may be shown as the "current rental rate" as established by the IWRB, or a negotiated rental rate with submittal of an agreement between the lessor and the renter. ***The owner payment is 90% of the rental fee. The administrative fee retained by the IWRB is 10% of either the current rental rate or the negotiated rental fee, whichever is higher. Include the method of determining the minimum payment if submitted as a companion lease rental package, and whether the owner payment will be paid directly to the lessor from the renter or if owner payment should be collected by the Department from the renter for payment to the lessor. (Label attachment 5B).***

Current rental rate.

I hereby assert that the information contained in this application is true to the best of my knowledge, and that I have the authorities necessary to offer this water right for sale or lease to the Idaho Water Resource Board.

The Designated Lessor / Applicant acknowledges the following:

1. Payment to the Designated Lessor / 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 Lessor / Applicant receives written confirmation from the Board or Water Supply Bank that the water right has been released from the Bank.
4. While a water right is in the Bank, forfeiture is stayed.
5. Acceptance of a water right into the Bank does not, in itself, confirm the validity of the water right or any element of the water right.

Signature of Designated Lessor or Applicant	Printed Name: Devin Mackey	Date: 12-21-24
Signature of Co-Applicant	Printed Name	Date
Signature of Authorized Representative	Printed Name	Date

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

Print Form

State of Idaho
Department of Water Resources

Water Right

37-21614

RECREATION

The map depicts the place of use for the water use listed above and point(s) of diversion of this right as currently derived from interpretations of the paper records and is used solely for illustrative purposes. Discrepancies between the computer representation and the permanent document file will be resolved in favor of the actual water right documents in the water right file.

0 0.01 0.03 0.06 0.09 0.12
Miles

Legend
- Quarter Quarters
- PLS Sections
- Townships
- Place of Use Boundary
- Point of Diversion

N

Date created: 12/11/2024