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JUN 06 2025

DEPT. OF WATER RESOURCES
EASTERN REGION

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT

GENERAL INFORMATION AND INSTRUCTIONS

Pursuant to Section 42-222(1), *Idaho Code*, a transfer application may be filed to change the point of diversion, place of use, period of use, or nature of use of all or part of an established water right. Any person proposing to make such a change is required to file a transfer application with the Department. "Such application shall be upon forms furnished by the department and shall describe the [water right] to be changed and the changes which are proposed and shall be accompanied by the statutory filing fee." *Idaho Code* § 42-222(1).

The Department has developed this application form to assist applicants in satisfying the requirements of Section 42-222(1). This application form requests information about the applicant's authority to file (Part 1), information about the current elements of the water right(s) to be changed (Part 2), information about the proposed changes (Part 3), information about the validity of the water right(s) and the effects of the proposed changes (Part 4), and confirmation that the information provided is truthful (Part 5).

The applicant or their representative must provide a response for all applicable questions, any additional information required, and the proper filing fee before this application will be considered complete. If an application is incomplete or more information is required, the Department will notify the applicant or representative and allow time for the application to be completed. An application that remains incomplete will be returned to the applicant and the filing fee will be refunded.

An application for transfer is limited to the changes proposed for a single water distribution system. A proposal to change two or more separate water distribution systems, that will remain separate after the transfer, must be filed as separate applications. Applicants may provide additional pages to supplement their responses to the questions posed on this application form. Supplemental forms for listing additional water rights, points of diversion, or places of use can be found on the Department's website (idwr.idaho.gov). If you need assistance understanding the questions on this form, generating current water right reports, determining legal descriptions, or accessing water measurement records feel free to contact the nearest regional office of the Department.

PART 1 – CONTACT INFORMATION, OWNERSHIP RECORDS, AUTHORITY TO FILE

Name(s) of Applicant(s) HK Contractors Inc.

Mailing Address PO Box 51450, Idaho Falls, ID 83405-1450

Email* jeff.trosper@hkcontractors.com Phone 208-523-6600

Name of Representative (if any) Rocky Mountain Environmental Associates, Inc.

Mailing Address 482 Constitution Way STE 303, Idaho Falls, ID 83402

Email* kristin.rmea@gmail.com Phone 208-524-2353

*If an email address is provided, Department staff will use email as the primary method for corresponding with the applicant and representative about the application.

A. Representative. If the representative is authorized to sign or amend the application on behalf of the applicant, attach documents confirming that authority. Label documents as Attachment 1A.

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B. Current Owner. If the applicant is not the current owner of record for all water rights included in this application, attach documents showing that the applicant has the authority to make the proposed changes. Label documents as Attachment 1B.

C. Updating Ownership Records. Applicants needing to update the ownership records for any of the water rights included in this application must attach documents supporting the ownership change. Such documents must trace ownership of the subject water rights or the current place of use for the subject water rights from the current owner of record for the water rights to the applicant. Label documents as Attachment 1C.

D. Business Entities. If the applicant is a business entity (corporation, LLC, partnership, trust, etc.), is the entity currently registered with the Idaho Secretary of State?

☒ Yes. If this application is signed by someone other than a person listed on the most recent annual report filed with the Idaho Secretary of State, attach documents confirming the authority of the signer to sign on behalf of the business entity. Label documents as Attachment 1D.

☐ No. Attach documents confirming the authority of the signer to sign on behalf of the business entity. Label documents as Attachment 1D.

E. Approval of Irrigation Delivery Entity. Section 42-108, *Idaho Code*, states that a transfer application proposing to change water rights held by an irrigation company or district requires the consent of the irrigation entity. If this application proposes to change water rights held by an irrigation entity, attach a letter of consent from the entity (labeled as Attachment 1E) or have an authorized representative of the entity co-sign the application.

F. Encumbered Properties. If the current place of use for the water rights included in this application is subject to a lien, deed of trust, mortgage, or contract and the application proposes to change the nature of use of the water rights or to move water rights off the current place of use, attach a statement of consent for the change signed by the lien holder, trustee, mortgagor or contract holder. Label documents as Attachment 1F.

G. Legal Access. If the applicant is not the current owner of the proposed point(s) of diversion, conveyance system, or place(s) of use, provide evidence of legal access to the land or infrastructure not owned by the applicant. Label documents as Attachment 1G. For example, an applicant may provide a letter of consent from the owner of the land or conveyance system or may have the owner co-sign the application. For applications proposing to divert water on or convey water across federal land, an applicant is not required to demonstrate legal access to the federal land prior to approval. Instead, if the transfer application is approved, the applicant must obtain access authorization from the relevant federal agency prior to diverting water under the subject water rights.

PART 2 – WATER RIGHTS BEFORE PROPOSED CHANGES

A. Current Water Rights. For each water right proposed to be changed, attach a current water right report obtained from any Department office or from the Department's website (idwr.idaho.gov). Label water right reports as Attachment 2A.

B. Map of Current System. Attach a map of the current point(s) of diversion and place(s) of use for the water rights to be changed. The map should clearly depict the elements of the water rights to be changed. For example, if the application proposes to change the point of diversion for a water right, the map should display the current location of the point of diversion. For irrigation water rights, the map should also identify the location of the irrigated acres to be changed. Label map as Attachment 2B.

C. Current Location of Irrigated Acres. If this application proposes to change the place of use or nature of use for only a portion of an irrigation water right, use the following table to identify the current location of the irrigated acres to be changed. If additional pages are required, label additional pages as Attachment 2C. If this application proposes to change or rearrange the entire place of use for irrigation water right(s), skip to Part 3.

☐ **N/A.** This application does not propose to change the place of use or nature of use of an irrigation water right or this application proposes to change the place of use or nature of use for an entire irrigation right.

Current Location of Irrigated Acres to be Changed

Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Acre Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
3S	32E	15			3.9														3.9

Total Irrigated Acres to be Changed: 3.9

PART 3 – DESCRIPTION OF PROPOSED CHANGES

A. Purpose of Transfer. Section 42-222(1), *Idaho Code*, states that transfer applications may only be filed to change the point of diversion, place of use, period of use, or nature of use of an established water right. Section 42-248(3), *Idaho Code*, authorizes water right ownership changes to be described on a transfer application. Identify the changes proposed in this application:

- ☒ Change point(s) of diversion
- ☐ Add point(s) of diversion
- ☒ Change nature of use
- ☒ Change place of use
- ☒ Change period of use
- ☐ Update water right ownership records

B. Proposed Changes. Describe the proposed changes in narrative form:
Applicant is submitting this Application for Transfer with a companion Application for Permit for
a new concrete batch plant. The Permit App proposes an instantaneous diversion rate more
appropriate for the facility with all consumptive uses Mitigated by Non-Use of the transferred
water right described herein. No ownership will change until after approval of the applications.

C. Summary of Proposed Changes.

1. Water Rights. Use the following table to list all water rights, or portions thereof, that are proposed to be changed as they would appear after the proposed changes. In the Amount column, list the volume in acre-feet (af) for storage uses or the rate in cubic feet per second (cfs) for all other uses.

All or Part	Right Number	Amount (cfs/af)	Nature of Use	Period of Use	Source
☐ ☐				to	
☐ ☒	35-14923	0.04 cfs	Mitigation by Non-Use	1/1 to 12/31	Ground Water
☐ ☐		10.9 afa		1/1 to 12/31	Ground Water
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	

2. Total Amounts. Calculate the total quantity, in cfs or af, of water rights that are proposed to be changed through this application. For an application proposing to only change the place of use for irrigation rights, the total quantity of water is calculated by comparing the current place of use to the proposed place of use, summing the number of acres increased in each legal subdivision, and quantifying the proportional amount of diversion rate for the increased acres. For an application proposing to change or add points of diversion for irrigation or any other beneficial use, the total amount is the total diversion rate for the changed portion of the right.

Total Amount of Water Rights Proposed to be Changed: 0.04 cfs and/or _____ af.

3. Point(s) of Diversion. Use the following table to list all the proposed points of diversion for the water rights to be changed, including any current points of diversion that will continue to be used as part of the proposed water distribution system.

The legal description for the proposed point(s) of diversion must be to the nearest 40-acre subdivision (QQ) or U.S. Government Lot of the Public Land Survey System (PLSS). PLSS information is typically available from USGS topographic maps, property deeds, tax bills or various mapping tools on the Department's website.

For points of diversion within platted subdivisions, list the lot and block number in the "Diversion Name/Number" column. An application proposing an injection into a stream and a re-diversion from that stream must list the source for the original diversion as the source for the injection and re-diversion points. If this application proposes construction of a new diversion structure (for example, a new ground water well or a new pump station on a creek), please indicate the status in the appropriate column.

☐ N/A. This application does not propose to add or change any points of diversion.

Proposed Points of Diversion

New?	Twp	Rge	Sec	Lot	1/4	1/4	1/4	County	Source	Diversion Name/Number
Y	7N	40E	36			SE	SW	Fremont	Ground Water	New Industrial Well

4. Place of Use. The proposed place of use must be described to the nearest 40-acre subdivision (QQ) or U.S. Government Lot of the Public Land Survey System. Government lot numbers can be noted in parenthesis below the approximate quarter-quarter location of the government lot. For water rights held by irrigation districts, municipal providers or irrigation companies, the proposed place of use may be generally described as authorized by Sections 42-202B, 42-219 and 42-222B, *Idaho Code*.

☐ N/A. This application does not propose to change the place of use.

Proposed Place of Use

Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Acre Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
7N	40E	36										I	I	I					

Total Irrigated Acres: _____

5. Map of Proposed System. Attach a map showing the location of the points of diversion, reservoirs, dams, canals, ditches, pipelines and other works proposed to divert and convey water. Also show the location of the place of use, including any lands to be irrigated. The map should delineate the legal subdivisions including townships, ranges, sections, quarter-quarters and government lots. Label map as Attachment 3C.

PART 4 – ADDITIONAL INFORMATION

Section 42-222(1), *Idaho Code*, establishes the criteria used to evaluate transfer applications. An applicant bears the burden of demonstrating that the water right to be changed is a valid right, that the proposed use is a beneficial use, and that the proposed changes will not injure other water rights, will not enlarge the use of the original rights, are in the local public interest, and are consistent with the conservation of water resources within the state of Idaho. To satisfy this burden, an applicant must provide sufficient data and information for the

Department to evaluate the effects of the proposed change. The Department may deny an application if the applicant fails to provide sufficient data and information to determine whether the criteria from Section 42-222(1) are satisfied. In addition to the information requested in Parts 1-3 of this application, the following information must be provided for an application to be considered complete. Department staff may request additional information or clarification as the application is processed.

A. Validity of Water Rights

1. If one or more of the water rights proposed to be changed is a statutory claim, established pursuant to Section 42-248, *Idaho Code*, attach evidence supporting the priority date claimed. Label documents as Attachment 4A-1. For statutory claims, the Department may conduct a field inspection as part of the application review process to evaluate the water right elements listed on the statutory claim.
2. Has any portion of the water right(s) proposed to be changed undergone a period of five or more consecutive years of non-use?
 - ☐ Yes. Attach a statement describing the portion of the right(s) that were not used and the length of time of the non-use. In addition, identify any exception or defense to forfeiture and provide a detailed description as to why the water rights have not been lost and forfeited for non-use. Label documents as Attachment 4A-2. Statutory exceptions or defenses to forfeiture are set forth in Section 42-223, *Idaho Code*.
 - ☒ No.

B. Injury to Other Water Rights

1. Identify any other water right(s) diverted at the current point(s) of diversion.
 35-02276B- a domestic right that services the homestead. 35-13473 - Parent right to this irrigation right.
 35-13474-identified to be diverted here, but was severed from the mainline in 2017 and is no longer diverted at this POD
2. Identify any other water right(s) diverted at the proposed point(s) of diversion.
 None.
3. Is the proposed point of diversion within a state water district? ☒ Yes. Water District # 100. ☐ No.
4. If already constructed and in use, are the proposed points of diversion equipped with Department-approved measuring devices? ☐ Yes. ☐ No.
5. If this application proposes to divert a surface water right from a ground water well, attach a technical analysis evaluating the hydraulic connection between the proposed ground water point of diversion and the source of water listed on the right to be changed. Label technical analysis as Attachment 4B-5.
6. If this application proposes changing the point of diversion for a ground water right in the Eastern Snake Plain Aquifer (ESPA), attach a technical analysis of the anticipated depletions to reaches of the Snake River that are hydraulically connected to the ESPA using the Department's current ground water model for the ESPA. The technical analysis must evaluate depletion impacts in a time-series format at transient and steady state time steps. To assist applicants in preparing the required technical analysis, the Department has developed a transfer tool interface for the ESPA model. The transfer tool and user instructions can be downloaded from the Department's website (idwr.idaho.gov). If the proposed and current points of diversion are in the same or adjacent model cells, no technical analysis is required, unless specifically requested by the Department. Label technical analysis as Attachment 4B-6.

C. Enlargement in Use

1. Identify any other water rights used at the current place of use, including the number of shares in a canal company or acres assessed by an irrigation district.

None

2. Identify any other water rights used at the proposed place of use, including the number of shares in a canal company or acres assessed by an irrigation district.

Property is overlapped by irrigation surface water rights from the Teton River: 22-636A, 22-14581, 22-207B.

3. If this application proposes changing the place of use or nature of use for irrigation water rights, will the current place of use, for the portion of the right to be changed, continue to be irrigated?

☐ Yes. Identify the water right(s) to be used for the continued irrigation.

☒ No. The place of use for the portion to be changed will no longer be irrigated.

☐ N/A. The application does not propose to change the place of use for irrigation rights.

4. Unstacking Water Rights for Irrigation. If this application proposes to change the place of use for an irrigation water right that is combined with other irrigation rights at the current place of use but does not propose to change the place of use for all the stacked irrigation rights, attach evidence of the historical consumptive use occurring under all water rights at the current place of use. For irrigation rights, this should include at least five years of diversion data and/or crop data and estimates of evapotranspiration. Label the information as Attachment 4C-4. Evapotranspiration data may be available on the Department's website (<http://et-idwr.idaho.gov>)

5. If the application proposes to change the nature of use for a water right, attach evidence of the historical consumptive use occurring under the portion of the water right to be changed. For irrigation rights, this should include diversion data, crop data and estimates of evapotranspiration. Label the information as Attachment 4C-5. Evapotranspiration data may be available on the Department's website (<http://et-idwr.idaho.gov>)

6. If the application proposes to change the nature of use of a water right to municipal use for reasonably anticipated future needs, complete the form titled "Municipal Water Right Application Checklist" found on the Department's website (idwr.idaho.gov). Label the form as Attachment 4C-6.

7. To your knowledge, are any portions of the water rights proposed to be changed:

Yes

☐

No

☒

currently leased to the Water Supply Bank?

If yes, complete the form titled "Application for Transfer of Water Right Attachment WSB" found on the Department's website (idwr.idaho.gov).
Label the Form as Attachment 4C-7.

☐☒

currently used in a mitigation plan limiting the use of water under the right?

☐☒

subject to an agreement not to divert (CREP)?

☐☒

currently enrolled in a federal set-aside program (CRP)?

D. Local Public Interest

The department must consider whether the proposed changes are in the local public interest as defined in Section 42-202B(3), *Idaho Code*. Some of the local public interest factors that may be considered in conjunction with a transfer application are (1) Recreation, fish, and wildlife impacts, (2) Water quality or contamination concerns, (3) Local and state ordinances, regulations, or policies related to water use, (4) Goals, requirements and limits set forth in the State Water Plan. If you choose to provide information about local public interest factors, label the information as Attachment 4D.

E. Conservation of Water Resources

Describe the diversion works and water delivery system. This may include sizes and dimensions of pumps, pipelines, headgates, ditches, dams, impoundments and irrigation equipment.

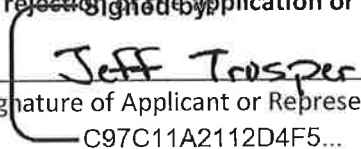
A new well with pump to a concrete batch plant.

PART 5 – FILING FEE AND SIGNATURE

A. Filing Fee. Filing fees for transfer applications are set forth in Section 42-221.O, *Idaho Code*. A table summarizing the filing fees for transfer applications is also found on the Department's website (idwr.idaho.gov). Any application proposing to change the nature of use for one or more rights requires an additional filing fee of \$250. Applications proposing to update the ownership records for water rights must also include the appropriate filing fee to update the ownership records. For any application relying on the filing fee set forth in Section 42-221.O.8, *Idaho Code*, attach a statement describing how the application qualifies under Section 42-221.O.8. Label documents as Attachment 5A.

B. Affidavit of Applicant or Representative:

I hereby assert that no one will be injured by the proposed changes and that the proposed changes do not constitute an enlargement in use of the original right(s). 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.

	Jeff Trosper, President	6/6/2025
Signature of Applicant or Representative*	Print Name and Title, if applicable	Date
C97C11A2112D4F5...		
Signature of Applicant or Representative*	Print Name and Title, if applicable	Date

*If water rights included in this application are owned by multiple people or entities, each owner must sign the application form.

FOR DEPARTMENT USE ONLY

Fee Paid: \$ <u>450.00</u>	Receipt #: <u>E050901</u>	Date: <u>6/6/25</u>	Received by: <u>ct h</u>
Add'l Paid: \$ _____	Receipt #: _____	Date: _____	Received by: _____

AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

THIS AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT (this "Agreement") is made and entered to be effective as of the 10 day of March, 2025 (the "Effective Date"), by and between the following entities:

1. **Rocky Mountain Water Exchange, LLC**, an Idaho limited liability company, whose address is 482 Constitution Way, Suite 303, Idaho Falls, Idaho 83402 (hereinafter "Seller"); and
2. Acting on behalf of Seller, **Keller Williams Realty East Idaho**, an Idaho limited liability limited partnership whose address is 3525 Merlin Dr., Idaho Falls, Idaho 83404, with **Reed D. Nord** acting as Agent for the Broker (hereinafter "Broker").
3. **HK Contractors Inc.**, whose address is PO Box 51450, Idaho Falls, Idaho 83405-1450 (hereinafter "Buyer");

Buyer, Seller, and Broker are individually a "Party" and together the "Parties".

RECITALS:

- A. Seller currently has the legal right and option to a portion of Water Right No. 35-13473 (the "Water Right"), which was decreed on February 25, 2002 in the Snake River Basin Adjudication by the District Court for the Fifth Judicial District of Idaho for irrigation purposes with a priority date of November 3, 1952. The current description of the Water Right is more fully set forth in the report obtained from the Idaho Department of Water Resources ("IDWR" or the "Department") attached hereto as **Exhibit 1**.
- B. Seller desires to sell, and Buyer desires to buy 4.0 acres of the Water Right. Buyer has agreed to purchase 4.0 acres of the Water Right from Seller as set forth in the terms and provisions of this Agreement.

AGREEMENT:

IN CONSIDERATION of the mutual representations, warranties, and covenants contained herein, the Parties, intending to be legally bound hereby, agree as follows:

1. Property Purchased. Seller hereby agrees to sell to Buyer, and Buyer agrees to buy from Seller, on the terms and conditions herein specified, the following-described portions of the Water Rights:

Water Right No. 35-13473

Purpose:

Irrigation

Priority:

11/3/1952

Quantity (Diversion Rate):

0.04 cfs of the total authorized 1.65 cfs

AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

BUYER AND SELLER'S INITIALS: JS / LK DATE: 3/10/25 PAGE 1 OF 15

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Quantity (Volume): 16.0 acre-feet per annum
Place of Use (Acreage): 4.0 acres identified on **Exhibit 2**.

The above-described portion of the Water Right is referred to hereafter as the "Purchased Water Right."

2. Property Retained. Other than the Purchased Water Right, Seller reserves and retains unto Seller any other water rights that may be appurtenant to the authorized place of use for the Water Right. No land, easements, or other property interests, other than the Purchased Water Right, are included in this Agreement.
3. Purchase Price. The purchase price for the Purchased Water Right is [REDACTED] (the "Purchase Price").
4. Earnest Money Deposit. Contemporaneous with the execution of this Agreement, Buyer shall deliver to Seller earnest money in the amount of [REDACTED] (the "Earnest Money"). The Earnest Money shall be applied towards the Purchase Price at closing, or otherwise disposed of as provided herein. A check for earnest money should be made to "*Pioneer Title*" who will escrow said monies until closing. The Earnest Money shall be applied towards the Purchase Price at closing, or otherwise disposed of as provided herein.
5. Transfer Application. Within 30 days after both Parties sign this Agreement, Buyer will file with IDWR an *Application for Transfer of Water Right* (the "Transfer") to amend and move the Purchased Water Right to Buyer's desired location(s). The Parties will cooperate in obtaining IDWR approval of the Transfer and will provide and execute any necessary documents requested by IDWR. Buyer will be responsible for the costs to file the Transfer, including all attorney fees, consultant fees, and filing fees associated with preparation of the Transfer and/or defending against a protest to the Transfer. In the event this Agreement is terminated pursuant to paragraph 6 of this Agreement, Buyer shall at its sole expense take such action as may be required to void or reverse the Transfer in order to return the Purchased Water Right to the condition it existed on the Effective Date, upon completion of which the Earnest Money will be returned by Buyer within 14 days of such completion.
6. Transfer Contingencies.
 - (a) [IF APPLICABLE] Unstacking of Water Rights. While the elements of the Water Right and an associated water right, Water Right No. _____, are sufficiently described to allow IDWR to "unstack" these water rights, this Agreement shall be null and void and of no further effect if IDWR does not unstack the Purchased Water Right from Water Right No. _____.
 - (b) [IF APPLICABLE] Lien Release. If, after exercising commercially reasonable efforts, Seller is unable to obtain a lien release on the Water Right, this Agreement shall be null and void and of no further effect, and Seller shall return the Earnest Money to Buyer.

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- (c) No Protests. If no protests or other objections to the Transfer are filed with IDWR, but the Transfer is (i) denied, (ii) approved by IDWR for less than 4.0 acres, or (iii) approved by IDWR with conditions that materially devalue the Purchased Water Right for Buyer's intended use thereof; then Buyer may terminate this Agreement within 14 days after the date of the IDWR approval notice by providing written notice of termination to Seller. Within 14 days of receipt of the notice of termination, Seller shall refund the Earnest Money to Buyer. If Buyer does not terminate this Agreement as provided herein, the Parties shall proceed to Closing as set forth in paragraph 7.
- (d) Protest Filed. If a protest or other objection to the Transfer is filed with IDWR, then Buyer may terminate this Agreement within 180 days after the protest is filed with IDWR. If Buyer does elect to terminate this Agreement, Seller shall refund the Earnest Money to Buyer within 14 days of receipt of the notice of termination.
- (e) Option Agreement. If Seller is unable to obtain title to the Water Right through the exercise of Seller's option to purchase the Water Right because of a breach by the other party to the Option Agreement, Seller may elect to terminate this Agreement within 180 days of the breach. In such event, Closing on this Agreement shall be stayed for said 180 days pending resolution of the dispute over the Option Agreement or termination by Seller. See Addendum 1

7. Closing.

- (a) Closing Date. If (1) the Water Right is unstacked as provided in paragraph 6(a); and (2) no protest to the Transfer is filed with IDWR; or (3) IDWR issues a transfer approval acceptable to Buyer without the conditions of paragraph 6(c) present, then Closing on the Purchased Water Right shall occur within 30 days after the date all the above items are satisfied. If a protest or other objection to the Transfer is filed with IDWR, or there is a dispute over the Option Agreement, and Buyer does not elect to terminate the Agreement as set forth in paragraph 6(d) of this Agreement, the Closing shall occur within 14 days after the 180-day termination period expires. Notwithstanding the above, the Parties may mutually agree to another date for the Closing.
- (b) Closing Location. The Closing shall occur at the offices of *Pioneer Title Company*, 1655 Elk Creek Drive Suite 100, Idaho Falls, Idaho 83404, or at another location mutually agreed by the Parties.
- (c) Documents to be Delivered at Closing.

(2) At Closing, Seller shall deliver to Buyer the Special Warranty Deed (the "Deed") substantially in the form attached to this Agreement as **Exhibit 3** for the Purchased Water Right, and any lien release or other documents reasonably requested to confirm the conveyance of the

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Purchased Water Right free and clear of encumbrances.

- (d) Fees and Costs of Closing. The cost of recording the Deed after Closing shall be paid by Buyer. All other expenses not specifically referenced in this Agreement but related to the Transfer and incurred by Seller or Buyer with respect to this transaction shall be borne and paid exclusively by the Party incurring the same, without reimbursement.
8. Default. In addition to either Party's failure to perform any material term or condition of this Agreement or a Party's breach of any of such Party's representations or warranties (in which event the non-defaulting party may pursue any available remedy, including equitable relief), Buyer shall be deemed in default hereof if Buyer files a petition in bankruptcy or is adjudicated bankrupt or insolvent, Buyer makes an assignment for the benefit of its creditors, or consents to the appointment of a receiver of itself or of its property, or institutes proceedings for its reorganization, in which case, in addition to any other remedies or rights Seller might have, Seller shall have the power and authority to notify the Department that the Application for Transfer has been withdrawn.
9. Seller's Representations and Warranties. Seller hereby represents and warrants to Buyer, as of the Effective Date and again as of the Closing as follows:
- (a) Authority. Seller has the full legal right, power and authority to enter into and perform this Agreement, and will obtain good marketable title to the Purchased Water Right in fee simple, and Seller (at its expense) shall remove, or shall exercise commercially reasonable efforts to cause to be removed, all liens, claims, or encumbrances, whether of record or not, upon or affecting the Purchased Water Right on or before Closing. If, after exercising commercially reasonable efforts, the liens, claims, or encumbrances are not removed by Closing, Seller may terminate this Agreement.
- (b) Conveyance. Seller shall then convey the Purchased Water Right free and clear of all liens, encumbrances and restrictions, except such restrictions on the use of water as may appear on the Water Right Report contained at **Exhibit 1**.
- (c) Appurtenance. The Purchased Water Right is appurtenant to and has been beneficially used as the water source to irrigate its place of use and/or been properly preserved for future use consistent with Idaho law.
- (d) Not Forfeited. No portion of the Purchased Water Right has been forfeited or abandoned in whole or in part.
- (e) No Representation or Warranty Concerning Suitability for Buyer's Intended Use. Seller has not made, and hereby makes, no representation or warranty to Buyer except as expressly contained in this Agreement.
10. Buyer's Representations and Warranties. Buyer hereby represents and warrants to Seller as of the Effective Date and again as of the Closing for the Purchased Water Right, as follows:

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- (a) Authority. Buyer has the legal power, right and authority to enter into this Agreement and to perform Buyer's obligations hereunder.
- (b) Buyer's Due Diligence. Buyer and Buyer's consultants and counsel have had a full opportunity to review all documents, records and other information made available to Buyer by Seller and/or otherwise reasonably available to Buyer through public or other sources, related to the nature and extent of the Purchased Water Right, the laws and rules affecting their transfer and use by Buyer, and the suitability or fitness of the Purchased Water Right for Buyer's intended purposes.
11. Warranties to Survive Closing. All representations and warranties made by the Parties herein are also covenants, and each Party shall take all such actions as may be required to satisfy said covenants and to cause the representations and warranties to be true on and as of the Closing. The Parties' respective obligations to close and consummate the transaction contemplated herein are contingent upon the representations, warranties and covenants contained in this Agreement being true, valid and satisfied on and as of the Closing. All such representations and warranties shall survive the Closing.
12. Broker.
- (a) 
- (b) Consent To Limited Dual Representation And Assigned Agency. The undersigned Buyer has received, read and understand the Agency Disclosure Brochure (prepared by the Idaho Real Estate Commission). The undersigned Buyer understands that the brokerage involved in this transaction may be providing agency representation to both the Buyer and the Seller. The undersigned Buyer understands that, as an agent for both Buyer/client and Seller/client, a brokerage will be a limited dual agent of each client and cannot advocate on behalf of one client over another, and cannot legally disclose to either client certain confidential client information concerning price negotiations, terms, or factors motivating the Buyer/client to buy or the Seller/client to sell without specific written permission of the client to whom the information pertains. The specific duties, obligations, and limitations of a limited dual agent are contained in the Agency Disclosure Brochure as required by § 54-2085, Idaho Code. The undersigned Buyer understands that a limited dual agent does not have a duty of undivided loyalty to either client. The undersigned Buyer further acknowledges that, to the extent the brokerage firm offers assigned agency as a type of agency representation, individual sales associates may be assigned to represent each client to act solely on behalf of the client consistent with applicable duties set forth in § 54-2087, Idaho Code. In an assigned agency situation, the designated Broker (the broker who supervises the sales associates) will remain a limited dual agent of the client and shall have the duty to supervise the assigned agents in the fulfillment of their duties to their respective clients, to refrain from

AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHTBUYER AND SELLER'S INITIALS: JT IRL DATE: 3/10/25 PAGE 5 OF 15

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advocating on behalf of any one client over another, and to refrain from disclosing or using, without permission, confidential information of any other client with whom the brokerage has an agency relationship.

- (c) Buyer Notification and Consent to Release from Conflicting Agency Duties. Buyer acknowledges that Broker as named above has disclosed the fact that at times Broker acts as agent(s) for other buyers and for sellers in the sale of the property. Buyer has been advised and understands that it may create a conflict of interest for Broker to introduce Buyer to a Seller client's property because Broker could not satisfy all of its client duties to both Buyer client and Seller client in connection with such a showing or any transaction which resulted. **Based on the understandings acknowledged, Buyer makes the following election.** (Make one election only.)

_____/_____
Initials
Limited Dual Agency
and / or
Assigned Agency

Buyer DOES want to be introduced to Seller client's property and hereby agrees to relieve Broker of conflicting agency duties, including the duty to disclose confidential information known to the Broker at the time and the duty of loyalty to either party. Relieved of all conflicting agency duties, Broker will act in an unbiased manner to assist the Buyer and Seller in the introduction of Buyer to such Seller client's property and in the preparation of any contract of sale which may result. Buyer authorizes Broker to act in a limited dual agency capacity. Further, Buyer agrees that Broker may offer, but is not obligated to offer, assigned agency representation, and if offered by the Broker, Buyer authorizes Broker to act in such capacity.

OR

JT / WRL
Initials
Single Agency

Buyer DOES NOT want to be introduced to Seller client's property and hereby releases Broker from any responsibility or duty under the agency agreement. Broker shall be under no obligation or duty to introduce the Buyer to any Seller client's property.

13. Miscellaneous.

- (a) Attorneys' Fees. If either party commences any legal action or proceeding to enforce any of the terms of this Agreement (or for damages because of an alleged breach hereof), the prevailing party therein shall be entitled to recover from the other, in addition to any other relief granted, its reasonable attorney's fees, costs and expenses incidental to such legal action.
- (b) Notices. Any notice under this Agreement shall be in writing and be delivered in person, by U.S. Mail, by private courier, or by facsimile. Notice shall be provided to the following:

AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

BUYER AND SELLER'S INITIALS: JT / WRL DATE: 3/12/25 PAGE 6 OF 15

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<u>Seller</u> Rocky Mountain Water Exchange, LLC 482 Constitution Way Ste 303 Idaho Falls, ID 83402 Email: rog.rmca@gmail.com	<u>Buyer</u> HK Contractors Inc. PO Box 51450 Idaho Falls, ID 83405-1450
<u>Seller's Representative</u> Reed Nord 3525 Merlin Dr. Idaho Falls, ID 83404 Email: rgNord@ida.net	<u>Buyer's Representative</u> Jeff Trosper PO Box 51450 Idaho Falls, ID 83405-1450 Email: jeff.trosper@hkcontractors.com

- (c) Merger. This Agreement supersedes any and all other written or verbal agreements between the Parties hereto regarding the Purchased Water Right. Neither Buyer nor Seller shall be bound by any understanding, agreement, promise, representation or stipulation, express or implied, not specifically contained herein.
- (d) Remedies Cumulative. Upon any breach, any and all rights and remedies which either Party may have under this Agreement or by operation of law or equity, shall be distinct, separate and cumulative and shall not be deemed inconsistent with each other. No such right or remedy, whether exercised by said Party or not, shall be deemed to be in exclusion of any other right or remedy, any two or more of all such rights and remedies may be exercised at the same time or separately as desired.
- (e) Further Documents. The Parties hereby agree that they shall sign such other and further documents as may be required to carry into effect the terms and conditions of this Agreement.
- (f) Enforceability. The validity or enforceability of any term, phrase, clause, paragraph, restriction, covenant, agreement or other provision hereof, shall in no way affect the validity or enforcement of the remaining provisions, or any part hereof.
- (g) Counterparts. This Agreement may be executed in any number of counterparts for all the convenience of the Parties, all of which, when taken together and after execution by all Parties hereto, shall constitute one and the same Agreement.
- (h) Governing Law. This Agreement shall be governed by the laws of the State of Idaho.

AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

BUYER AND SELLER'S INITIALS: JT / DPL DATE: 3/10/25 PAGE 7 OF 15

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- (i) Successors. This Agreement is for the benefit only of the Parties hereto and shall inure to the benefit of and bind their respective heirs, agents, personal representatives, successors and assigns.
- (j) Essence of Time. Time is of the essence in this Agreement.

AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

BUYER AND SELLER'S INITIALS: JT / WR DATE: 3/10/25 PAGE 8 OF 15

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IN WITNESS WHEREOF, the undersigned have duly executed this Agreement effective on the date set forth above.

"SELLER"

**ROCKY MOUNTAIN WATER EXCHANGE,
LLC**


By: W. Roger Warner
Its: Partner

"BROKER"

KELLER WILLIAMS EAST IDAHO


By: Reed D. Nord, Agent for Broker

"BUYER"

HK CONTRACTORS INC.


By: Jeff Trosper
Its: President

AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

BUYER AND SELLER'S INITIALS: JT / RL DATE: 3/10/25 PAGE 9 OF 15

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Exhibit 1 **The "Water Right"**

Water Right Report : 35-13473(Decreed/Active)

Water Right Owners

Owner Type	Name	Address	City	State	Postal Code
Current Owner	WALKER, DENNIS L	2015 W 200 S	PINGREE	UT	84262

Water Right Status

Priority Date : 11/3/1952
Basis : Decreed
Status : Active

Water Source

Source	Source Qualifier	Tributary	Tributary Qualifier
GROUND WATER			

Points Of Diversion (Location)

Source	Township	Range	Section	Govt. Lot	QQQ	QQ	Q	County	Diversion Type
GROUND WATER	03S	32E	15	0	SE	NW	NE	BINGHAM	
GROUND WATER	03S	32E	15	0	SW	NE	NW	BINGHAM	

Water Uses

Beneficial Use	From	To	Diversion Rate	Volume
IRRIGATION	04/01	10/11	1.05 CFS	624,00 AFA
TOTAL			1.05 CFS	624,00 AFA

Places of Use



Place of Use Legal Description : IRRIGATION (BINGHAM county)

Township	Range	Section	Lot	QQQ	QQ	Q	Acres
03S	32E	15			NE	NE	40
03S	32E	15			NW	NE	40
03S	32E	15			SW	NE	40
03S	32E	15			SE	NE	40

Irrigation Totals

Total Acres: Acre Unit
156.00

Conditions

Code Conditions

C1B THIS PARTIAL DECREE IS SUBJECT TO SUCH GENERAL PROVISIONS NECESSARY FOR THE DEFINITION OF THE RIGHTS OR FOR THE EFFICIENT ADMINISTRATION OF THE WATER RIGHTS AS MAY BE ULTIMATELY DETERMINED BY THE COURT AT A POINT IN TIME NO LATER THAN THE ENTRY OF A FINAL UNIFIED DECREE, SECTION 42-1412(6), IDAHO CODE

USE OF THIS RIGHT WITH RIGHT NO. 35-022768 AND 35-13474 IS LIMITED TO A TOTAL COMBINED DIVERSION RATE OF 3.34 CFS

AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

BUYER AND SELLER'S INITIALS: JT : W DATE: 3/10/25 PAGE 10 OF 15

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Dates	Other Information
Licensed Date :	State or Federal : S
Decreed Date : 2/25/2002	Water District Number : 120
Permit Proof Due Date :	Generic Max Rate Per Acre : 0
Permit Proof Made Date :	Generic Max Volume Per Acre : 4
Permit Approved Date :	Civil Case Number :
Permit Moratorium Expiration Date :	Decree Plaintiff :
Enlargement Use Priority Date :	Decree Defendant :
Enlargement Statute Priority Date :	Swan Falls Trust or Nontrust :
Application Received Date :	Swan Falls Dismissed :
Protest Deadline Date :	DLE Act Number :
	Cary Act Number :
	Mitigation Plan: False

IDAHO DEPARTMENT OF WATER RESOURCES

5/14/2024

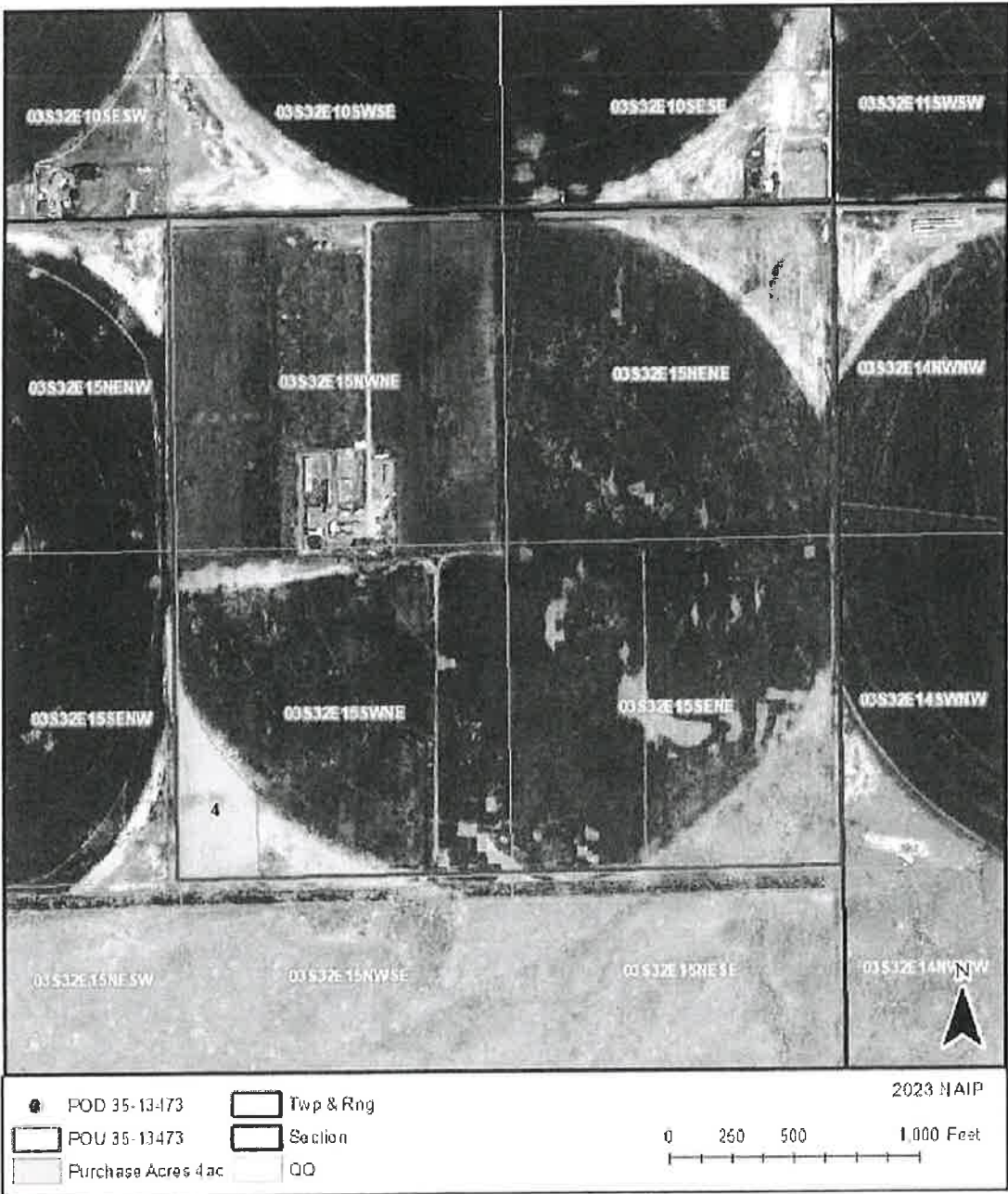
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AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

BUYER AND SELLER'S INITIALS: JT / LVL DATE: 3/10/25 PAGE 11 OF 15

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Exhibit 2
Map of 4.0 Acres—the “Purchased Water Right”



AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

BUYER AND SELLER'S INITIALS: JT / LVR DATE: 3/10/25 PAGE 12 OF 15

**Exhibit 3
Form of the Deed**

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Kristin Moore
Rocky Mountain Environmental Associates, Inc.
482 Constitution Way, Suite 303
Idaho Falls, ID 83402

(Space Above for Recorder's Use)

SPECIAL WARRANTY DEED FOR WATER RIGHTS

BRIAN ROWLAN AND JESSICA ROWLAN, a married couple, whose address is 2146 W 850 S, Sterling, ID 83262 (hereinafter collectively "Grantor") does hereby grant, bargain, sell, assign, and convey unto **HK CONTRACTORS INC.**, whose address is PO Box 51450, Idaho Falls, Idaho 83405-1450 (hereinafter "Grantee") and to Grantee's heirs and assigns forever, all of Grantor's right, title, and interest in water right described on Exhibit A attached hereto (hereinafter the "Water Right").

Grantor hereby covenants and warrants to Grantee as follows:

- (A) Grantor is the owner of the Water Right;
- (B) Grantor has not conveyed any of the Water Right to anyone other than Grantee;
- (C) The Water Right is free from all liens, claims, or encumbrances; and
- (D) Grantor has the authority to convey the Water Right to Grantee.

Grantor makes no other covenants or warranties as to the Water Right.

IN WITNESS WHEREOF, the undersigned authorized officer of Grantor, acting on behalf of Grantor, has caused his name to be hereunto subscribed.

DATED this _____ day of _____, 20__.

AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

BUYER AND SELLER'S INITIALS: JT / LK DATE: 3/10/25 PAGE 13 OF 15

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"GRANTOR"

BRIAN ROWLAN

JESSICA ROWLAN

STATE OF IDAHO)
)ss.
County of _____)

 This record was acknowledged before me on the _____ day of _____,
20____ by _____.

Notary Public for Idaho
My Commission Expires: _____

STATE OF IDAHO)
)ss.
County of _____)

 This record was acknowledged before me on the _____ day of _____,
20____ by _____.

Notary Public for Idaho
My Commission Expires: _____

AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

BUYER AND SELLER'S INITIALS: JT / JWR **DATE:** 3/10/25 **PAGE 14 OF 15**

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EXHIBIT A
WATER RIGHT DESCRIPTION
(TO BE COMPLETED AFTER APPROVED TRANSFER)

AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

BUYER AND SELLER'S INITIALS: JT / WRL DATE: 3/10/25 PAGE 15 OF 15

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ADDENDUM 1

OPTION AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

THIS OPTION AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT ("Option Agreement") is made and entered to be effective as of the 26th day of November, 2024 (the "Effective Date"), by and between the following entities:

1. **Brian Rowlan and Jessica Rowlan**, husband and wife whose address is 2146 W. 850 S. Sterling, ID 83262 (hereinafter "Seller");
2. **Rocky Mountain Water Exchange, LLC**, an Idaho limited liability company, whose address is 482 Constitution Way, Suite 303, Idaho Falls, Idaho 83402 (hereinafter "Buyer"); and
3. Acting as Agent on behalf of the Broker, **Reed D. Nord**, a licensed real estate agent in the state of Idaho whose business address is 3525 Merlin Dr., Idaho Falls, Idaho 83404, (hereinafter "Agent").

Buyer, Seller, and Agent are individually a "Party" and together the "Parties".

RECITALS:

- A. Seller owns Water Right No. 35-13473 (the "Water Right"), which was decreed on February 25, 2002 in the Snake River Basin Adjudication by the District Court for the Fifth Judicial District of Idaho for irrigation purposes with a priority date of November 3, 1952. The current description of the Water Right is more fully set forth in the report obtained from the Idaho Department of Water Resources ("IDWR" or the "Department") attached hereto as **Exhibit 1**.
- B. Buyer has inspected government records and reviewed other information pertaining to the Water Right. Seller desires to grant, and Buyer desires to obtain, an option to purchase the Water Right as set forth in the terms and provisions of this Agreement.

AGREEMENT:

IN CONSIDERATION of the mutual representations, warranties, and covenants contained herein, the Parties, intending to be legally bound hereby, agree as follows:

1. Option Granted. Seller hereby grants and sells to Buyer the exclusive option and right ("Option") to purchase, at Buyer's sole discretion, **22-acres** of the Water Right illustrated

OPTION AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

BUYER AND SELLER'S INITIALS: BRL JRP DATE: 11-26-24 PAGE 1 OF 13

in **Exhibit 2** at any time on or before January 1, 2027 (the "Option Period") if Buyer is not then in default of any provision of this Agreement.

2. Payment for Option. Upon execution of the Option Agreement, Buyer shall pay to Seller a fee in the amount of \$ [REDACTED] as payment for the Option. This payment is nonrefundable, except in the case of Seller's default.
3. Transfer Application. During the Option Period, Buyer, in its sole discretion may elect to file with IDWR one or more applications for transfer ("Transfer" or "Transfer Application") for the Water Right. Seller hereby consents to such transfers. Buyer shall bear all costs associated with each Transfer and shall have the ability to file a Transfer as to any of the Water Rights. The Transfer applications may entail a change in any element or condition of the Water Rights or may entail use of the Water Rights for mitigation or some other similar purpose. Buyer shall be entitled to any mitigation credits resulting from the Transfer. Upon IDWR approval of a Transfer, Buyer shall purchase the changed portion of the Water Right in accordance with section 9 of this Option Agreement.
4. Cooperation with Transfer Efforts. Seller shall reasonably cooperate fully with Buyer throughout each Transfer. At Buyer's request and direction, Seller shall take whatever steps are reasonable and appropriate to support and assist in securing approval of the Transfer, including signing and notarizing Transfer Applications, authorizations, and other documents consistent with Buyer's rights under this Option Agreement, or ceasing irrigation of portions of the Water Right place of use if necessary. Any costs incurred by Seller at Buyer's direction in this regard shall be reimbursed by Buyer. In the event that it is necessary to dry up acres in order to obtain transfer approval, Buyer will inform Seller of the need to dry up acres and shall identify which acres need to be dried up. Seller acknowledges that Buyer may not have the ability to immediately dry up acres if crops have been planted or if the Water Right is in the Water Supply Bank. Buyer will inform and cooperate with the Seller about the amount and timing of Transfers and the withdrawal of all or portions of the Water Right from the Water Supply Bank as necessary to ensure that Transfers do not dry up planted or growing crops or cause any other damage or liability to Seller. Additionally, to the extent crop reports are available, Seller agrees to secure and provide to Buyer (or to assist Buyer to obtain) Farm Service Agency crop reports for the Water Right place of use.
5. Withdrawal of Transfer Application. At any time and in its sole discretion Buyer may withdraw, amend, or suspend any pending Transfer Application or file a new or revised Transfer Application.
6. Use and Protection of Water Rights. Prior to their conveyance to Buyer at Closing if the Option is exercised, Seller is authorized to continue to use any portion of the place of use of the Water Right that is not the subject of a Transfer. Seller shall keep Buyer fully advised of the status and use of the Water Rights during the Option Period. At no time

OPTION AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

BUYER AND SELLER'S INITIALS: BR/L / BKR DATE: 11-26-24 PAGE 2 OF 13

during which this Option Agreement is in effect shall Seller take any action that diminishes the value or utility of the Water Right.

7. Exercise of Option. Buyer may exercise its option as to all or part of the Water Right, in one or more increments, during the Option Period. For example, if Buyer exercises its option as to a 10-acre portion of the Water Right, Buyer may subsequently exercise its option again for the remaining 12.0 acres or new portions thereof. Buyer shall exercise the Option by providing notice consistent with paragraphs 3 and 9 of this Option Agreement.
8. Purchase Price. Buyer will exercise its Option in connection with Buyer's sale of the Water Right to third-party buyers (each an "End Buyer"). The purchase price from Seller to Buyer shall be the same as the purchase price from Buyer to the End Buyer plus the End Buyer's purchase premium (or "Buyer's Premium"). The purchase price shall be a minimum of
unless Seller consents in writing to a
lesser purchase price.
9. Closing. Within 10 days after IDWR approves a Transfer, Buyer shall deliver to Seller the IDWR approval notice. Closing of the transferred portion of the Water Right shall occur within 45 days following the date of the IDWR approval notice unless such date is not feasible due to planted or growing crops or the Water Right being rented from the Water Supply Bank, in which case closing shall occur as soon as reasonably practicable. At the closing, (1) Seller shall convey title to the transferred portion of Water Right to Buyer or the End Buyer, at Buyer's direction, via special warranty deed, (2) Buyer shall pay to Seller the purchase price less the Agent's Premium identified in section 12.a, and (3) Buyer shall pay to Agent the Agent's Premium identified in section 12.a.
10. Seller's Representations and Warranties. Seller hereby represents and warrants to Buyer, as of the Effective Date as follows:
 - (a) Authority. Seller has the full legal right, power and authority to enter into and perform this Option Agreement, and shall remove, or shall exercise commercially reasonable efforts to cause to be removed, all liens, claims, or encumbrances, whether of record or not, upon or affecting the Water Right on or before Closing if the Option is exercised and the Water Right is purchased by Buyer.
 - (b) Appurtenance. The Water Right is appurtenant to and has been beneficially used as the water source to irrigate its place of use and/or been properly preserved for future use consistent with Idaho law.
 - (c) Not Forfeited. No portion of the Water Right has been forfeited or abandoned in whole or in part.

OPTION AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

BUYER AND SELLER'S INITIALS: ABV BKR DATE: 11-26-23 PAGE 3 OF 13

- (d) No Representation or Warranty Concerning Suitability for Buyer's Intended Use. Seller has not made, and hereby makes, no representation or warranty to Buyer except as expressly contained in this Agreement.

11. Buyer's Representations and Warranties. Buyer hereby represents and warrants to Seller as of the Effective Date and again as of the Closing for the Water Right, as follows:

- (a) Authority. Buyer has the legal power, right and authority to enter into this Agreement and to perform Buyer's obligations hereunder.
- (b) Buyer's Due Diligence. Buyer and Buyer's consultants and counsel have had a full opportunity to review all documents, records and other information made available to Buyer by Seller and/or otherwise reasonably available to Buyer through public or other sources, related to the nature and extent of the Water Right, the laws and rules affecting their transfer and use by Buyer, and the suitability or fitness of the Water Right for Buyer's intended purposes.

12. Agent.

- (a) The Seller shall pay Agent a *Sellers Premium* [REDACTED] the sale price.
- (b) Consent To Limited Dual Representation And Assigned Agency. The undersigned Seller has received, read and understand the Agency Disclosure Brochure (prepared by the Idaho Real Estate Commission). The undersigned Seller understands that the Agent involved in this transaction may be providing agency representation to both the Buyer and the Seller. The undersigned Seller understands that, as an agent for both Buyer/client and Seller/client, an Agent will be a limited dual agent of each client and cannot advocate on behalf of one client over another, and cannot legally disclose to either client certain confidential client information concerning price negotiations, terms, or factors motivating the Buyer/client to buy or the Seller/client to sell without specific written permission of the client to whom the information pertains. The specific duties, obligations, and limitations of a limited dual agent are contained in the Agency Disclosure Brochure as required by § 54-2085, Idaho Code. The undersigned Seller understands that a limited dual agent does not have a duty of undivided loyalty to either client. The undersigned Seller further acknowledges that, to the extent the Agents brokerage firm offers assigned agency as a type of agency representation, individual sales associates may be assigned to represent each client to act solely on behalf of the client consistent with applicable duties set forth in § 54-2087, Idaho Code. In an assigned agency situation, the designated Broker (the broker who supervises the sales agent associates) will remain a limited dual agent of the client and shall have the

OPTION AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

BUYER AND SELLER'S INITIALS: [Signature], [Signature] DATE: 11-26-24 PAGE 4 OF 13

duty to supervise the assigned agents in the fulfillment of their duties to their respective clients, to refrain from advocating on behalf of any one client over another, and to refrain from disclosing or using, without permission, confidential information of any other client with whom the brokerage has an agency relationship.

- (c) Seller Notification and Consent to Release from Conflicting Agency Duties. Seller acknowledges that Agent as named above has disclosed the fact that at times Agent acts as agent for other buyers and for sellers in the sale of the property. Seller has been advised and understands that it may create a conflict of interest for Agent to introduce Seller to a Buyer client's property because the Agent could not satisfy all of its client duties to both Buyer client and Seller client in connection with such a showing or any transaction which resulted. **Based on the understandings acknowledged, Seller makes the following election.** (Make one election only.)

1 BKR
Initials
Limited Dual Agency
and / or
Assigned Agency

Seller DOES want to be introduced to Buyer client's property and hereby agrees to relieve Agent of conflicting agency duties, including the duty to disclose confidential information known to the Agent at the time and the duty of loyalty to either party. Relieved of all conflicting agency duties, Agent will act in an unbiased manner to assist the Buyer and Seller in the introduction of Seller to such Buyer client's property and in the preparation of any contract of sale which may result. Seller authorizes Agent to act in a limited dual agency capacity. Further, Seller agrees that Agent may offer, but is not obligated to offer, assigned agency representation, and if offered by the Agent, Seller authorizes Agent to act in such capacity.

OR

1 BKR
Initials
Single Agency

Seller DOES NOT want to be introduced to Buyer client's property and hereby releases Agent from any responsibility or duty under the agency agreement. Agent shall be under no obligation or duty to introduce the Seller to any Buyer client's property.

13. Miscellaneous.

- (a) Attorneys' Fees. If either party commences any legal action or proceeding to enforce any of the terms of this Agreement (or for damages because of an alleged breach hereof), the prevailing party therein shall be entitled to recover from the other, in addition to any other relief granted, its reasonable attorney's fees, costs and expenses incidental to such legal action.

OPTION AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

BUYER AND SELLER'S INITIALS: LSL, BKR DATE: 11-26-24 PAGE 5 OF 13

- (b) Notices. Any notice under this Agreement shall be in writing and be delivered in person, by U.S. Mail, by private courier, by facsimile, or by email to the listed email address below. Notice shall be provided to the following:

<u>Seller</u>	<u>Buyer</u>
Brian Rowlan	Rocky Mountain Water
Jessica Rowlan	Exchange LLC
2146 W. 850 S.	482 Constitution Way Ste. 303
Sterling, ID 83262	Idaho Falls, ID 83402
	rog.rmea@gmail.com
<u>Seller's Representative</u>	<u>Broker's Representative</u>
None	Reed Nord
	3525 Merlin Dr.
	Idaho Falls, ID 83404
	nordpsa@gmail.com

- (c) Merger. This Agreement supersedes any and all other written or verbal agreements between the Parties hereto regarding this Option Agreement. Neither Buyer nor Seller shall be bound by any understanding, agreement, promise, representation or stipulation, express or implied, not specifically contained herein.
- (d) Remedies Cumulative. Upon any breach, any and all rights and remedies which either Party may have under this Agreement or by operation of law or equity, shall be distinct, separate and cumulative and shall not be deemed inconsistent with each other. No such right or remedy, whether exercised by said Party or not, shall be deemed to be in exclusion of any other right or remedy, any two or more of all such rights and remedies may be exercised at the same time or separately as desired.
- (e) Further Documents. The Parties hereby agree that they shall sign such other and further documents as may be required to carry into effect the terms and conditions of this Agreement.
- (f) Enforceability. The validity or enforceability of any term, phrase, clause, paragraph, restriction, covenant, agreement or other provision hereof, shall in no way affect the validity or enforcement of the remaining provisions, or any part hereof.
- (g) Counterparts. This Agreement may be executed in any number of counterparts for all the convenience of the Parties, all of which, when taken together and after execution by all Parties hereto, shall constitute one and the same Agreement.

OPTION AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

BUYER AND SELLER'S INITIALS: RL, BN DATE: 11-26-24 PAGE 6 OF 13

- (h) Governing Law. This Agreement shall be governed by the laws of the State of Idaho.
- (i) Successors. This Agreement is for the benefit only of the Parties hereto and shall inure to the benefit of and bind their respective heirs, agents, personal representatives, successors and assigns.
- (j) Essence of Time. Time is of the essence in this Option Agreement.
- (k) Recording. The Parties may record a notice of this Option Agreement in the records of Bingham County, Idaho, in a form substantially like the form attached hereto as **Exhibit 3**.

[SIGNATURES ON FOLLOWING PAGE]

OPTION AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT
BUYER AND SELLER'S INITIALS: LEL, BKR DATE: 11-26-24 PAGE 7 OF 13

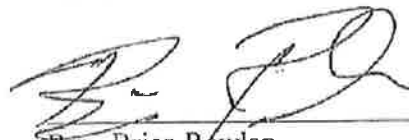
90079

IN WITNESS WHEREOF, the undersigned have duly executed this Agreement effective on the date set forth above.

"SELLER"

BRIAN ROWLAN, and

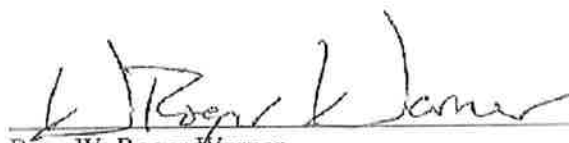
JESSICA ROWLAN


By: Brian Rowlan

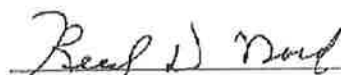

By: Jessica Rowlan

"BUYER"

**ROCKY MOUNTAIN WATER EXCHANGE,
LLC**


By: W. Roger Warner
Its: Managing Member

"BROKER"


Reed D. Nord, Agent for Broker

OPTION AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

BUYER AND SELLER'S INITIALS: LWR JRR DATE: 11-26-24 PAGE 8 OF 13

Exhibit 1 **The "Water Right"**

Water Right Report : 35-13473(Decreed/Active)

Water Right Owners

Owner Type	Name	Address	City	State	Postal Code
Current Owner	WALKER, DENNIS L.	2035 W 230 S	PINGREE	ID	83262

Water Right Status

Priority Date : 11/3/1962
Basis : Decreed
Status : Active

Water Source

Source	Source Qualifier	Tributary	Tributary Qualifier
GROUND WATER			

Points Of Diversion (Location)

Source	Township	Range	Section	Govt. Lot	QQQ	QQ	Q	County	Diversion Type
GROUND WATER	03S	32E	15	0	SE	NW	NE	BINGHAM	
GROUND WATER	03S	32E	15	0	SW	NE	NW	BINGHAM	

Water Uses

Beneficial Use	From	To	Diversion Rate	Volume
IRRIGATION	04/01	10/31	1.65 CFS	624.00 AFA
TOTAL			1.65 CFS	624.00 AFA

Places of Use

Print Report Page 1 of 1

Place of Use Legal Description : IRRIGATION (BINGHAM county)

Township	Range	Section	Lot	QQQ	QQ	Q	Acres
03S	32E	15			NE	NE	40
03S	32E	15			NW	NE	36
03S	32E	15			SW	NE	40
03S	32E	15			SE	NE	40

Irrigation Totals

Total Acres: 156.00
Acres Unit

Conditions

Code Conditions

C1A THIS PARTIAL DECREE IS SUBJECT TO SUCH GENERAL PROVISIONS NECESSARY FOR THE DEFINITION OF THE RIGHTS OR FOR THE EFFICIENT ADMINISTRATION OF THE WATER RIGHTS AS MAY BE ULTIMATELY DETERMINED BY THE COURT AT A POINT IN TIME NO LATER THAN THE ENTRY OF A FINAL UNIFIED DECREE. SECTION 42-1412(6), IDAHO CODE.

USE OF THIS RIGHT WITH RIGHT NO. 35-022768 AND 35-13474 IS LIMITED TO A TOTAL COMBINED DIVERSION RATE OF 3.34 CFS.

OPTION AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

BUYER AND SELLER'S INITIALS: LDJ / KRL DATE: _____ PAGE 9 OF 13

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Dates	Other Information
Licensed Date :	State or Federal : S
Decreed Date : 2/25/2002	Water District Number : L20
Permit Proof Due Date :	Generic Max Rate Per Acre : 0
Permit Proof Made Date :	Generic Max Volume Per Acre : 4
Permit Approved Date :	Civil Case Number :
Permit Moratorium Expiration Date :	Decree Plaintiff :
Enlargement Use Priority Date :	Decree Defendant :
Enlargement Statute Priority Date :	Swan Falls Trust or Nontrust :
Application Received Date :	Swan Falls Dismissed :
Protest Deadline Date :	D/E Act Number :
	Cary Act Number :
	Mitigation Plan: false

IDAHO DEPARTMENT OF WATER RESOURCES

8/14/2014

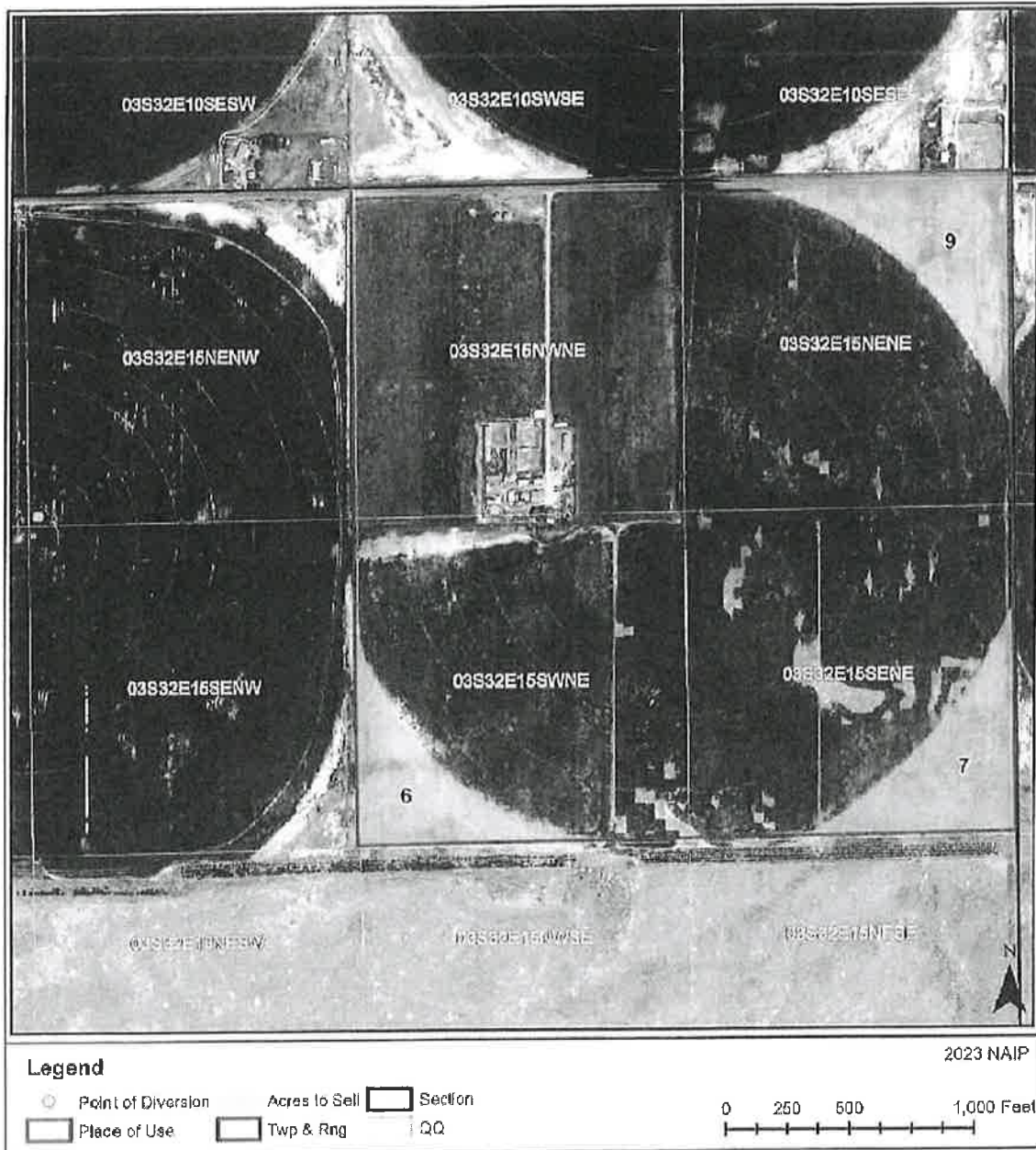
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OPTION AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

BUYER AND SELLER'S INITIALS: LSR / _____ DATE: _____ PAGE 10 OF 13

90079

Exhibit 2
Map of the 22-acre Water Right



OPTION AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

BUYER AND SELLER'S INITIALS: LSH DATE: _____ PAGE 11 OF 13

Exhibit 3
MEMORANDUM OF OPTION AGREEMENT

THIS MEMORANDUM OF OPTION AGREEMENT is entered into this _____ day of December, 2024, (the "Effective Date") by and between the following parties:

1. **Brian Rowlan and Jessica Rowlan**, husband and wife, whose address is 2146 W. 850 S. Sterling, ID 83262 (hereinafter "Seller"); and
 2. **Rocky Mountain Water Exchange, LLC**, an Idaho limited liability company, whose address is 482 Constitution Way, Suite 303, Idaho Falls, Idaho 83402 (hereinafter "Buyer")
- A. Seller owns Water Right No. 35-13473 (the "Water Right"), which was decreed on February 25, 2002 in the Snake River Basin Adjudication by the District Court for the Fifth Judicial District of Idaho for irrigation purposes with a priority date of November 3, 1952.
- B. Pursuant to a certain Option Agreement for Purchase and Sale of Water Right ("Option Agreement"), Seller has granted Buyer an exclusive option and right to purchase the Water Right.

NOW, THEREFORE, in order to provide public notice thereof, Seller and Buyer recite as follows:

1. Buyer and Seller acknowledge and agree that the Water Right is subject to Buyer's exclusive right to purchase under the terms and conditions of the Option Agreement.
2. Buyer and Seller acknowledge and agree that the Water Right is subject to Buyer's exclusive right to purchase under the terms and conditions of the Option Agreement.
3. Buyer and Seller agree that this Memorandum of Option Agreement may be recorded.
4. Buyer shall execute and record a release of this Memorandum of Option Agreement upon the expiration of the Option Period or termination of the Option Agreement in the event that Buyer does not exercise the option under the Option Agreement.

IN WITNESS WHEREOF, the undersigned have duly executed this Memorandum of Option Agreement effective as of the Effective Date.

[SIGNATURES ON FOLLOWING PAGE]

OPTION AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

BUYER AND SELLER'S INITIALS: LR _____ DATE: _____ PAGE 12 OF 13

"SELLER"

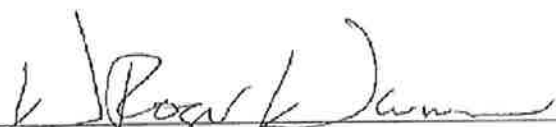
**BRIAN ROWLAN, and
JESSICA ROWLAN**

By: Brian Rowlan


By: Jessica Rowlan

"BUYER"

**ROCKY MOUNTAIN WATER EXCHANGE,
LLC**


By: W. Roger Warner
Its: Managing Member

OPTION AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

BUYER AND SELLER'S INITIALS: L. PL DATE: _____ PAGE 13 OF 13

90079

Close

Water Right Report : 35-13473(Decreed/Active)

Water Right Owners

Owner Type	Name	Address	City	State	Postal Code
Current Owner	WALKER, DENNIS L	2035 W 200 S	PINGREE	ID	83262

Water Right Status

Priority Date : 11/3/1952
Basis : Decreed
Status : Active

Water Source

Source	Source Qualifier	Tributary	Tributary Qualifier
GROUND WATER			

Points Of Diversion (Location)

Source	Township	Range	Section	Govt. Lot	QQQ	QQ	Q	County	Diversion Type
GROUND WATER	03S	32E	15	0	SE	NW	NE	BINGHAM	
GROUND WATER	03S	32E	15	0	SW	NE	NW	BINGHAM	

Water Uses

Beneficial Use	From	To	Diversion Rate	Volume
IRRIGATION	04/01	10/31	1.65 CFS	624.00 AFA
TOTAL			1.65 CFS	624.00 AFA

Places of Use

Printable View Faded View

Place of Use Legal Description : IRRIGATION (BINGHAM county)

Township	Range	Section	Lot	QQQ	QQ	Q	Acres
03S	32E	15			NE	NE	40.0
03S	32E	15			NW	NE	36.0
03S	32E	15			SW	NE	40.0
03S	32E	15			SE	NE	40.0

Irrigation Totals

Total Acres Acre Limit
156.00

Conditions

Code Conditions

C18 THIS PARTIAL DECREE IS SUBJECT TO SUCH GENERAL PROVISIONS NECESSARY FOR THE DEFINITION OF THE RIGHTS OR FOR THE EFFICIENT ADMINISTRATION OF THE WATER RIGHTS AS MAY BE ULTIMATELY DETERMINED BY THE COURT AT A POINT IN TIME NO LATER THAN THE ENTRY OF A FINAL UNIFIED DECREE. SECTION 42-1412(6), IDAHO CODE.

USE OF THIS RIGHT WITH RIGHT NO. 35-02276B AND 35-13474 IS LIMITED TO A TOTAL COMBINED DIVERSION RATE OF 3.34 CFS.

Dates

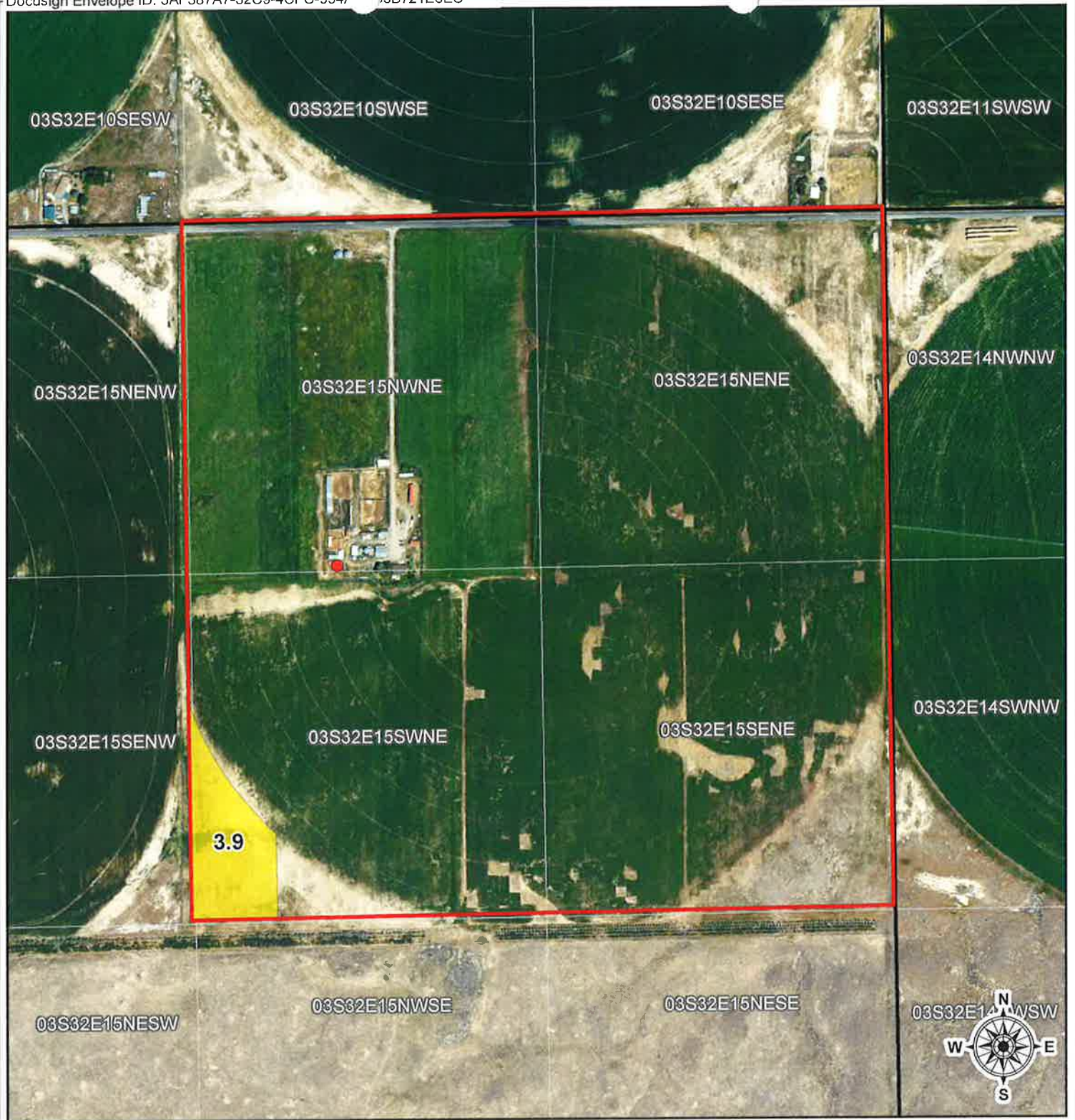
Licensed Date :
Decreed Date : 2/25/2002
Permit Proof Due Date :
Permit Proof Made Date :
Permit Approved Date :
Permit Moratorium Expiration Date :
Enlargement Use Priority Date :
Enlargement Statute Priority Date :
Application Received Date:
Protest Deadline Date:

Other Information

State or Federal : S
Water District Number : 120
Generic Max Rate Per Acre : 0
Generic Max Volume Per Acre : 4
Civil Case Number :
Decree Plaintiff :
Decree Defendant :
Swan Falls Trust or Nontrust :
Swan Falls Dismissed :
DLE Act Number :
Cary Act Number :
Mitigation Plan: False

IDAHO DEPARTMENT OF WATER RESOURCES

2/25/2025



Basemap: 2023 NAIP

Attachment 2B. Existing Locations

Legend

- POD 35-13473
- POU 35-13473
- Purchase Acres
- Twp & Rng
- Section
- QQ

HK Contractors, Inc.
Application for Transfer
Water Right 35-13473

Date: 6/2/2025

RMEA #: 24-0059

Drafted by: KM





Basemap: 2023 NAIP

Attachment 3C. Proposed Locations

Legend

- Proposed POD
- Proposed POU
- Twp & Rng
- Section
- QQ

HK Contractors, Inc.
Application for Transfer
Water Right 35-13473

Date: 6/5/2025

RMEA #: 24-0059

Drafted by: KM



Eastern Snake Plain Aquifer Modeling Analysis

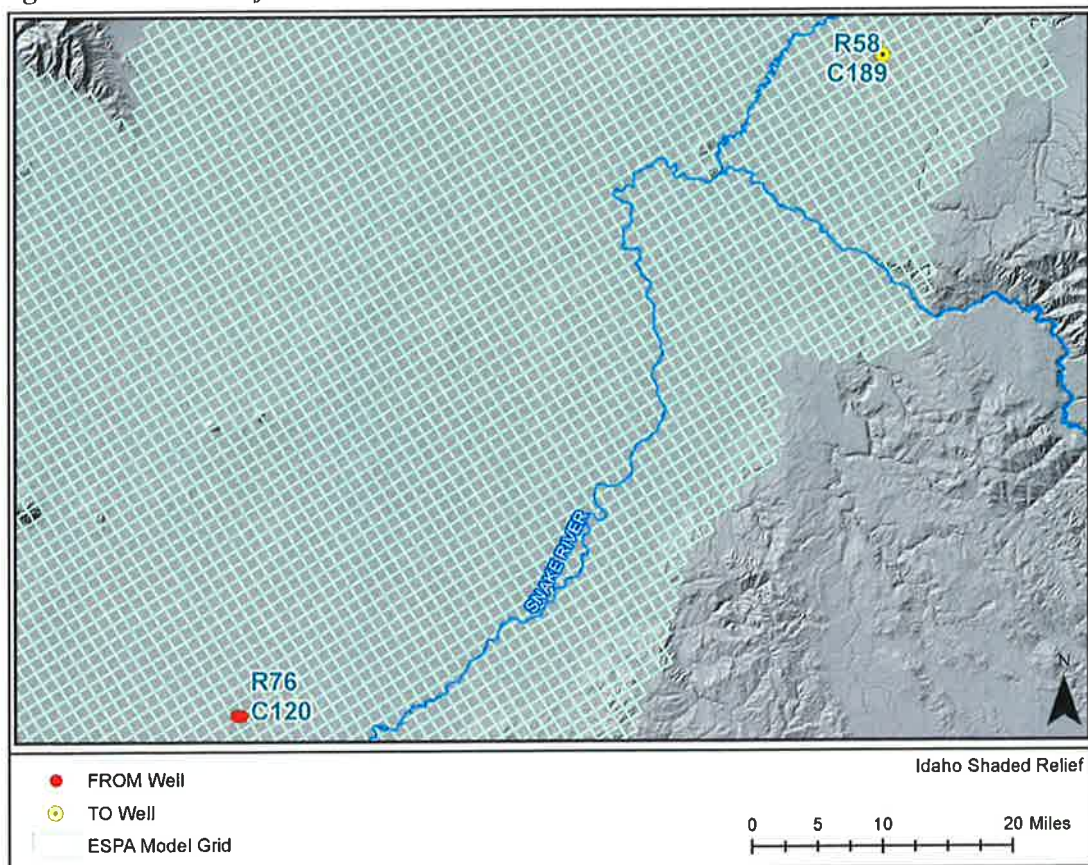
The Applicant proposes to purchase 3.9- acres of irrigation water 35-13473 for use at a new concrete mixing facility.

Data Input Values

The TO Well location is an existing point of diversion (POD) located in model cell R58 and C189.

The FROM Well location is a POD located in model cell R76 C120, the POD primarily used for the water right being transferred. Well locations and ESPA Grid Cells used for modeling are shown in Figure 1.

Figure 1. Data Entry



The historical consumptive use volume of 2.8 afa/acre for a total of 10.9 afa, or 3.63 af/trimester was used for the modeling simulation. An explanation of these values are provided in Attachment 4C-5.

Using ESPAM 2.2 to simulate the depletions of transferring a total of 3.6 af/trimester, to the proposed place of use, the affects reach the threshold of 2.0 af/trimester and the

Mitigation Analysis Tool indicates that **no mitigation is required**. Figures 2-5 include excerpts from the ESPAM 2.2 simulation.

Figure 2. Data Entry

ENHANCED GROUND-WATER RIGHTS TRANSFER

UNIVERSITY OF IDAHO - IDAHO WATER RESOURCES RESEARCH INSTITUTE IDAHO DEPARTMENT OF AGRICULTURE

Cells this color are set up for user entries

UPDATE DATES

RUN MODEL

GET OUTPUT

CALCULATE EFFECTS

ENTER STARTING DATE FOR SIMULATION. THEN PUSH "UPDATE DATES" BUTTON

TRANSFER NO: Trans. 35-13473

YEAR: 1952

SEASON: SPRING

TRANSFER NAME: Rowlan to Teton

ENTER CELL LOCATIONS:

	'TO' CELL	'FROM1' CELL	'FROM2' CELL	'FROM3' CELL
ROW	58	76	0	0
COLUMN	189	120	0	0

TRIMESTER OF ACTIVITY	TO WELL	FROM1 WELL		FROM2 WELL		FROM3 WELL	
	Projected Use AF/TRIMESTER	With Transfer AF/TRIMESTER	Without Transfer AF/TRIMESTER	With Transfer AF/TRIMESTER	Without Transfer AF/TRIMESTER	With Transfer AF/TRIMESTER	Without Transfer AF/TRIMESTER
SPR 1952	0.00	3.63	3.63	0.00	0.00	0.00	0.00
SUM 1952	0.00	3.63	3.63	0.00	0.00	0.00	0.00
WIN 1952	0.00	3.63	3.63	0.00	0.00	0.00	0.00
SPR 1953	0.00	3.63	3.63	0.00	0.00	0.00	0.00
SUM 1953	0.00	3.63	3.63	0.00	0.00	0.00	0.00
WIN 1953	0.00	3.63	3.63	0.00	0.00	0.00	0.00
SPR 2024	0.00	3.63	3.63	0.00	0.00	0.00	0.00
SUM 2024	0.00	3.63	3.63	0.00	0.00	0.00	0.00
WIN 2024	0.00	3.63	3.63	0.00	0.00	0.00	0.00
SPR 2025	0.00	3.63	3.63	0.00	0.00	0.00	0.00
SUM 2025	0.00	3.63	3.63	0.00	0.00	0.00	0.00
WIN 2025	0.00	3.63	3.63	0.00	0.00	0.00	0.00
SPR 2026	3.63	0.00	3.63	0.00	0.00	0.00	0.00
SUM 2026	3.63	0.00	3.63	0.00	0.00	0.00	0.00
WIN 2026	3.63	0.00	3.63	0.00	0.00	0.00	0.00
SPR 2027	3.63	0.00	3.63	0.00	0.00	0.00	0.00
SUM 2027	3.63	0.00	3.63	0.00	0.00	0.00	0.00
WIN 2027	3.63	0.00	3.63	0.00	0.00	0.00	0.00
SPR 2028	3.63	0.00	3.63	0.00	0.00	0.00	0.00
SUM 2028	3.63	0.00	3.63	0.00	0.00	0.00	0.00
WIN 2028	3.63	0.00	3.63	0.00	0.00	0.00	0.00
SPR 2029	3.63	0.00	3.63	0.00	0.00	0.00	0.00
SUM 2029	3.63	0.00	3.63	0.00	0.00	0.00	0.00
WIN 2029	3.63	0.00	3.63	0.00	0.00	0.00	0.00
SPR 2030	3.63	0.00	3.63	0.00	0.00	0.00	0.00
SUM 2030	3.63	0.00	3.63	0.00	0.00	0.00	0.00
WIN 2030	3.63	0.00	3.63	0.00	0.00	0.00	0.00
SPR 2031	3.63	0.00	3.63	0.00	0.00	0.00	0.00

Figure 3. Net Transfer Graphs

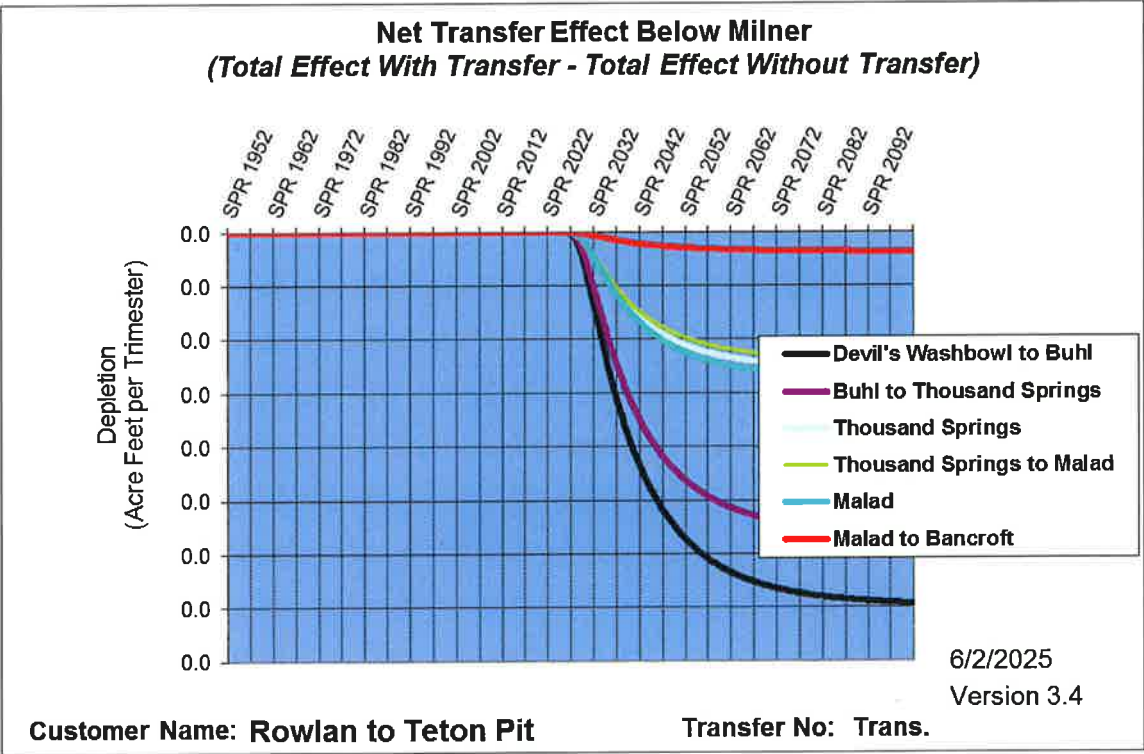
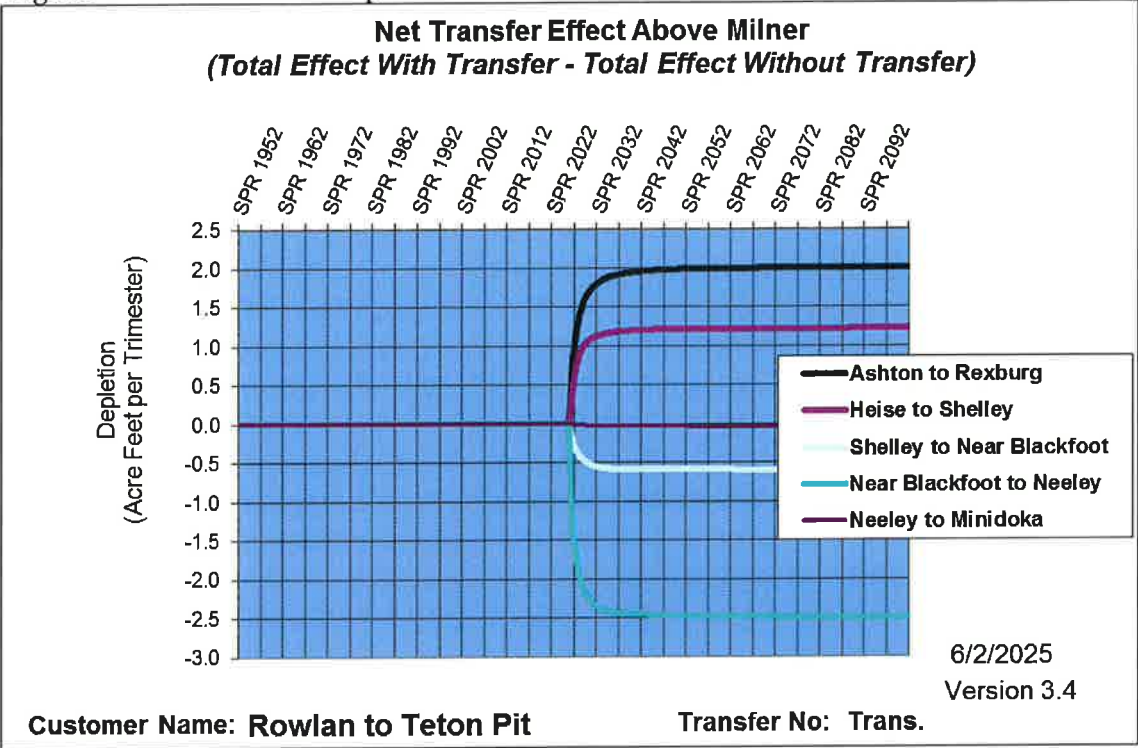


Figure 4. Calculated Effects and Mitigation Analysis Tool

Net Transfer Effect (AF/four months)											
	Ashton to Rexburg	Heise to Shelley	Shelley to Nr Bickft	Nr Bickft Neeley	Neeley to Minidoka	Dev. Wbl. Buhl	Buhl to Kspr	Kspr Kspr	Kspr to Malad	Malad Malad	Malad to Malad to Bancroft
SPR 1952	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUM 1952	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WIN 1952	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SPR 1953	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUM 1953	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SPR 2024	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUM 2024	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WIN 2024	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SPR 2025	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUM 2025	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WIN 2025	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SPR 2026	0.3	0.2	-0.1	-0.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUM 2026	0.6	0.3	-0.2	-1.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WIN 2026	0.8	0.5	-0.2	-1.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SPR 2027	1.0	0.6	-0.3	-1.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUM 2027	1.2	0.7	-0.3	-1.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WIN 2027	1.3	0.8	-0.4	-1.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SPR 2028	1.4	0.9	-0.4	-1.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUM 2028	1.5	0.9	-0.4	-2.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WIN 2028	1.5	1.0	-0.4	-2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SPR 2029	1.6	1.0	-0.5	-2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUM 2029	1.6	1.0	-0.5	-2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WIN 2029	1.7	1.1	-0.5	-2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SPR 2030	1.7	1.1	-0.5	-2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUM 2030	1.7	1.1	-0.5	-2.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WIN 2030	1.7	1.1	-0.5	-2.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SPR 2031	1.8	1.1	-0.5	-2.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WIN 2039	1.9	1.2	-0.6	-2.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SPR 2040	1.9	1.2	-0.6	-2.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUM 2040	1.9	1.2	-0.6	-2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WIN 2040	2.0	1.2	-0.6	-2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SPR 2041	2.0	1.2	-0.6	-2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUM 2041	2.0	1.2	-0.6	-2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WIN 2041	2.0	1.2	-0.6	-2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SPR 2042	2.0	1.2	-0.6	-2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUM 2042	2.0	1.2	-0.6	-2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WIN 2042	2.0	1.2	-0.6	-2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SPR 2043	2.0	1.2	-0.6	-2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUM 2100	2.0	1.2	-0.6	-2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WIN 2100	2.0	1.2	-0.6	-2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SPR 2101	2.0	1.2	-0.6	-2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUM 2101	2.0	1.2	-0.6	-2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WIN 2101	2.0	1.2	-0.6	-2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0

ne Step of Transfer: SPR 2026

Match:	223	Match: 456										
	AtR	HtS	StNB	NbIN	NtM	DWtB	BtTS	TS	TSuM	M	MtB	Total
SS (Last Time Step):	0.07	0.12	0.66	2.63	0.04	0.04	0.03	0.01	0.01	0.01	0.00	3.63
p. @ Last Time Step:	2.07	1.34	0.06	0.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.63
Max Value Timestep):	0.07	0.12	0.66	2.63	0.04	0.04	0.03	0.01	0.01	0.01	0.00	3.63
of Dep. After Transfer:	2.07	1.34	0.55	1.88	0.03	0.04	0.03	0.01	0.01	0.01	0.00	5.99
Steady State Change:	2.00	1.22	-0.59	-2.49	-0.03	-0.03	-0.03	-0.01	-0.01	-0.01	0.00	
Transient State Change:	2.00	1.22	-0.11	-0.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

Figure 5. Mitigation Analysis Tool

			Impact by Reach (AF/Trimester)									
POD	Dedicated Vol.	Model	Ashton to	Heise to	Shelley to	Nr Blckft To	Neeley to	Dev. Wbl. To	Buhl to	Kspr	Kspr to	Malad
Location	AFA/ AFT	Node	Rexburg	Shelley	Nr Blckft	Neeley	Minidoka	Buhl	Kspr		Malad	Malad to
Following Transfer												
			0.07	0.12	0.66	2.63	0.04	0.04	0.03	0.01	0.01	0.01
			2.07	1.34	0.06	0.14	0.00	0.00	0.00	0.00	0.00	0.00
After Transfer												
			0.07	0.12	0.66	2.63	0.04	0.04	0.03	0.01	0.01	0.01
			2.07	1.34	0.55	1.88	0.03	0.04	0.03	0.01	0.01	0.01
Steady State Analysis	Mitigation Check 1 - >10% of Historical:		2758.2%	1020.3%	-90.2%	-94.6%	-94.1%	-93.2%	-93.2%	-93.1%	-93.1%	-92.9%
	Mitigation Check 2: > 2 AF/T:		2.0	1.2	-0.6	-2.5	0.0	0.0	0.0	0.0	0.0	0.0
	Mitigation Check 3 - >10% of Total:		57.1%	37.0%	1.8%	3.9%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%
	Mitigation Required?:		NO	NO	NO	NO	NO	NO	NO	NO	NO	NO
	Mitigation Vol. Req'd (ac-ft):		2.00	1.2	-0.6	-2.5	0.0	0.0	0.0	0.0	0.0	0.0
Transient State Analysis	Mitigation Check 1 - >10% of Historical:		2758.2%	1020.3%	-16.3%	-28.7%	-5.7%	-1.5%	-1.5%	-1.6%	-1.6%	-1.8%
	Mitigation Check 2: > 2.01 AF/T:		2.0	1.2	-0.1	-0.8	0.0	0.0	0.0	0.0	0.0	0.0
	Mitigation Required?:		NO	NO	NO	NO	NO	NO	NO	NO	NO	NO
	Mitigation Vol. Req'd (ac-ft):		2.00	1.2	-0.1	-0.8	0.0	0.0	0.0	0.0	0.0	0.0

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Conversion of Nature of Use

HK Contractors Inc.

Applicant proposes to convert a 3.9-acre portion of existing water right 35-13473 from irrigation to be used for Mitigation of a New Permit. This narrative discusses the water requirements at the proposed location, as well as, historical diversion and consumption under the right at its original location.

Proposed Uses

The applicant is establishing a new concrete batch plant at the proposed location. Proposed uses anticipate the need for about 3 million gallons per year, or about 9.2 afa. Modeling thresholds will allow a transfer of up to 10.9 afa from the identified water right, which will allow a small buffer of the anticipated values.

Analysis of 35-13473

Place of Use

Review of the place of use boundary of the entire right 35-13473 shows that there are acres within the POU that are not irrigable, including the road on the north boundary. The POU boundary also excludes some portions of the fields that are actually irrigated. Therefore, to ensure that any split of the water rights would not affect the total irrigable acres of the original POU, a review of the actual irrigation was required.

Figure 1 illustrates the current water right POU, obtained from the IDWR geospatial database. A second boundary is illustrated that represents field boundaries under irrigation from the well. The acreage is the same for each boundary, suggesting that historical irrigation has been consistent with water right authorizations of 156 acres. This figure uses a 2021 NAIP, which represents the original irrigation system (wheel lines) that was used until about 2022.

By 2023, a new pivot was installed that changed the irrigation practices and dried up corners. Figure 2 illustrates the actual irrigated acres shown in Figure 1, but has been divided into acres that are required to continue the new irrigation practices, leaving corners that are no longer irrigated. Total corners no longer irrigated sum to 22 acres. If the corners are measured on the current water right boundary, the sum is also 22 acres (Figure 3).

Diversion Data

Two wells are currently identified on the water right. The original farm included both the NE1/4 and NW1/4 of Section 15, but was split in about 2017 when the farm was sold. Daughter splits from the parent rights resulted in 35-13473 and 35-13474. The mainline was severed that connected the wells together. Since the split,

the east well has been delivering irrigation water to the current POU under 35-13473 exclusively. Therefore, this evaluation assumes that all measurement data from the east well is a reflection of the historical pumping under 35-13473.

Diversion data from 2017-2023 from the Water Management Information System for the east POD under 35-13473 are listed in Table 1. The current POU was irrigating 156 acres from 2017-2021 or 2022. The 2021 season shows peak diversion volumes, which is consistent with the wheel line irrigation system on the 156 acres, resulting in historical diversions as high as 3.8 af/ac.

Table 1. Diversion Data Current POU

<i>Year</i>	<i>Diversion Volume (AFA)</i>
2017	463.09
2018	458.47
2019	346.06
2020	495.04
2021	595.77
2022	464.92
2023	396.64

Conversion of Nature of Use

Historically, the farm rotates between irrigation of grain and alfalfa. As alfalfa is more consumptive, it is used for evaluation of the conversion from irrigation to mitigation use. The precipitation deficit for Alfalfa – Less Frequent Cutting from the Blackfoot Station (NWS – USC00100915), gathered from ET-IDWR 2021, is 859 mm/year, or 2.8 af/year, for the growing season (Figure 4). **Therefore, 3.9 acre of irrigation water right would convert to a total of 10.92 afa** of consumptive volume available for mitigation use.

These values are consistent with the 2021 irrigation practices that show a pumping volume of 3.8 af/acre, assuming the consumptive irrigation requirement of 2.8 afa plus additional water to compensate for inefficiencies.

Figure 1. 2021 Aerial with WR POU Boundary and Actual POU Boundary showing irrigated acres.

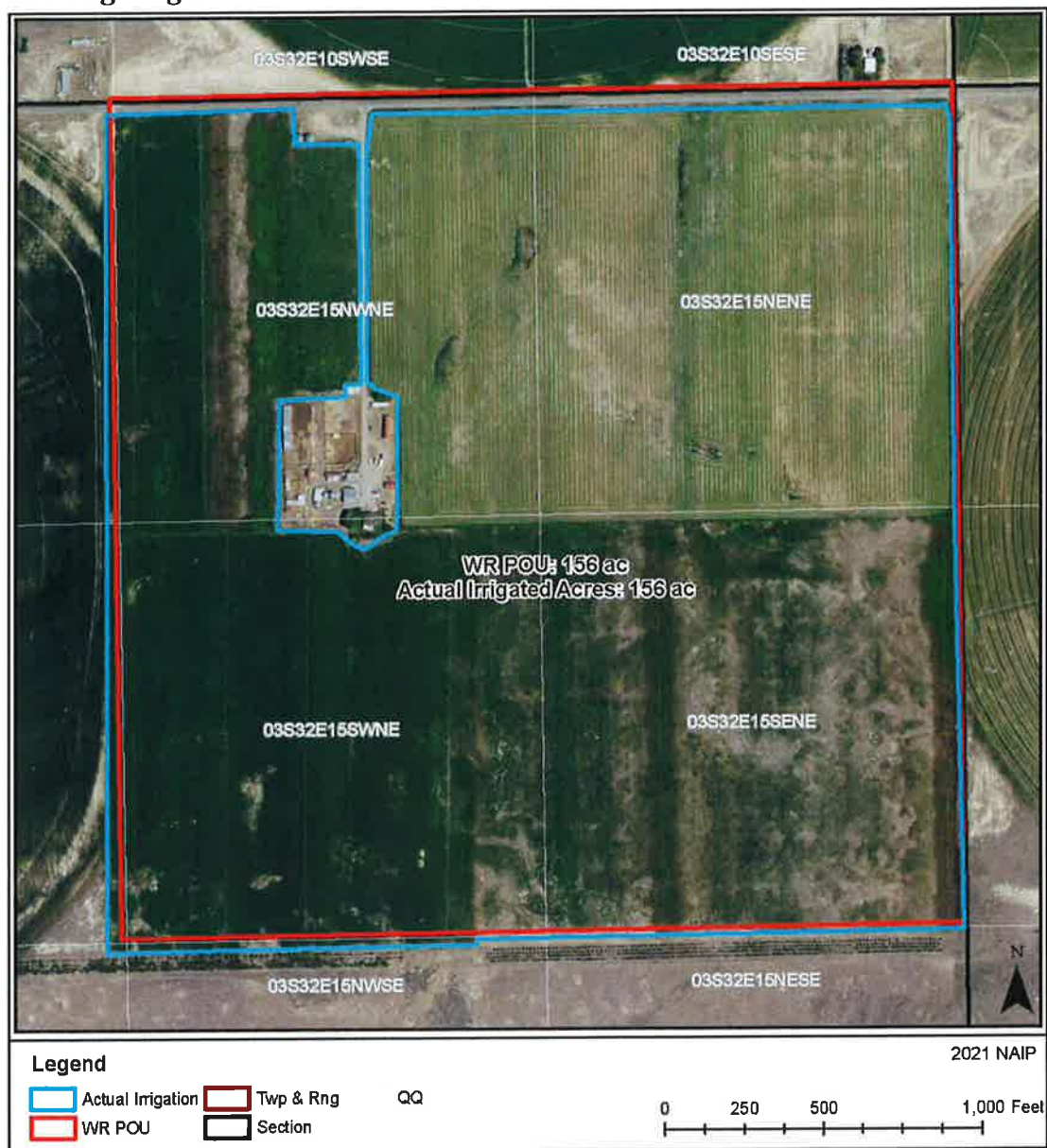


Figure 2. 2023 Aerial with Actual POU Boundary showing acres to continue being irrigated and dry corners.

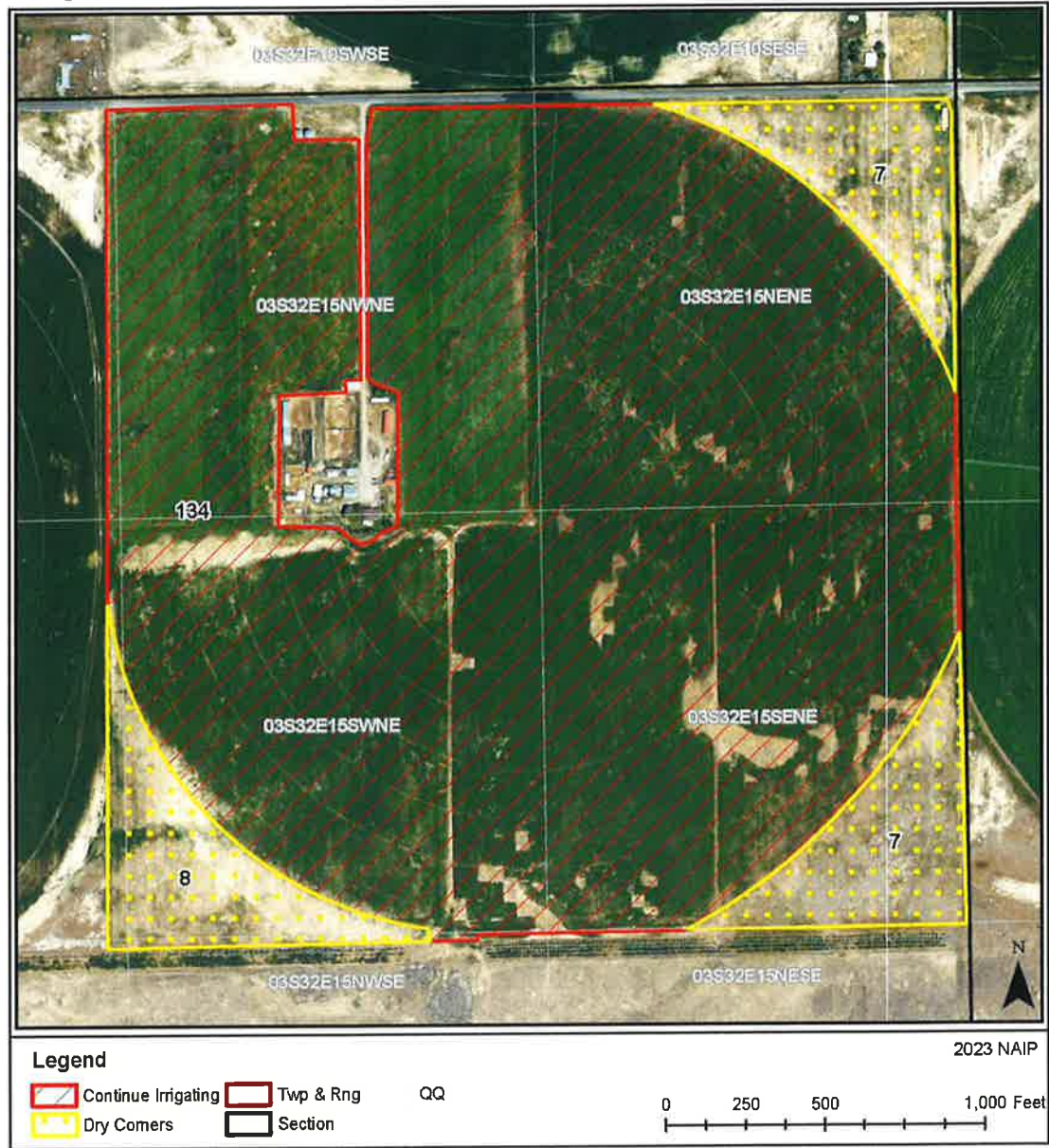
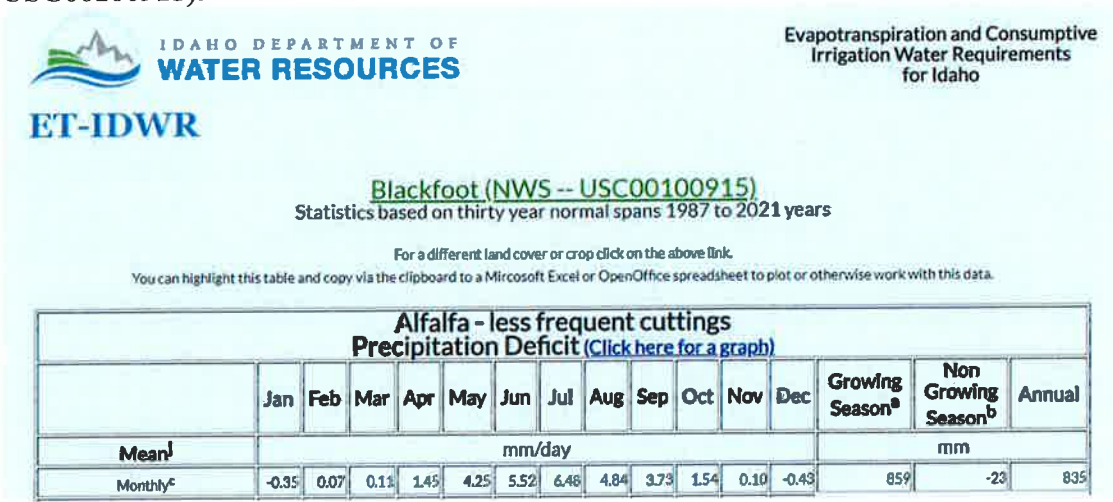


Figure 3. 2023 Aerial with WR POU Boundary showing dry corners.



Figure 4. ET Values for Alfalfa – less frequent cuttings at Blackfoot (NWS – USC00100915).





IDAHO DEPARTMENT OF
WATER RESOURCES

Eastern Region • 900 N Skyline Drive, Suite A • Idaho Falls, ID 83402-1718

Phone: 208-525-7161 • Fax: 208-525-7177 • Email: easterninfo@idwr.idaho.gov • Web: idwr.idaho.gov

Governor Brad Little

Director Mathew Weaver

October 2, 2025

HK CONTRACTORS INC
PO BOX 51450
IDAHO FALLS, ID 83405-1450

RE: Transfer No. 90079
Water Right No(s). 35-14923

Dear Applicant:

The Department of Water Resources has received your water right transfer application. Please refer to the transfer number referenced above in all future correspondence regarding this transfer.

A legal notice of the application has been prepared and is scheduled for publication in the STANDARD JOURNAL on 10/10/2025 and 10/17/2025. Protests to this application may be submitted for a period ending ten (10) days after the second publication.

If the application is protested, you will be sent a copy of each protest. All protests must be resolved before the application can be considered for approval. If the protest(s) cannot be resolved voluntarily, the Department will conduct a conference and/or hearing on the matter.

If the application is not protested, the Department will process your application and notify you of any action taken on the application. If your application is approved, the Department will send you a copy of the approval document.

Please contact this office if you have any questions regarding the application.

Sincerely,

Christina Henman
Administrative Assistant

CC:
ROCKY MOUNTAIN ENVIRONMENTAL ASSOC INC
482 CONSTITUTION WAY STE 303
IDAHO FALLS, ID 83402-3552

Henman, Christina

From: Henman, Christina
Sent: Thursday, October 2, 2025 8:17 AM
To: legalnotices@postregister.com
Subject: Legal Notice for Standard Journal
Attachments: 90079, 22-14678 Standard Journal.docx

LEGAL NOTICE DEPARTMENT
REXBURG STANDARD JOURNAL
PO BOX 10
REXBURG, ID 83440

RE: Application for Permit No. 22-14678, Application for Transfer No. 90079

Dear Legal Notice Department:

Please publish the enclosed legal notice on the dates indicated (once a week for two consecutive weekly issues). If you cannot publish the notice on the proposed dates, please contact us immediately.

An affidavit of publication must be submitted to the Department along with the publication bill. Please send the affidavit and bill to this office before 10/27/2025. Your cooperation is appreciated.

Thank You,



Christina Henman
Administrative Assistant
IDWR, Eastern Region
900 N Skyline Ste. A
Idaho Falls, ID 83402
Phone: (208) 525-7161

**NOTICE OF PROPOSED CHANGE OF WATER RIGHT
TRANSFER NO. 90079**

HK CONTRACTORS INC, PO BOX 51450, IDAHO FALLS, ID 83405-1450 has filed Application No. 90079 for changes to the following water rights within FREMONT County(s): Right No(s). 35-14923; to see a full description of these rights and the proposed transfer, please see <https://research.idwr.idaho.gov/apps/waterrights/querynewtransfers>. The purpose of the transfer is to change a portion of the above rights as follows:

change point of diversion, place of use, period of use, and nature of use. The point of diversion is in SESW, Sec 36, T07N, R40E, from ground water for 0.04 cfs and 10.9 afa. The place of use is in the SW 1/4, Sec 36, T07N, R40E for Mitigation by Non-Use from 01/01-12/31.

For additional information concerning the property location, contact Eastern Region office at (208)525-7161. Protests may be submitted based on the criteria of Idaho Code Sec. 42-222. Any protest against the proposed change must be filed with the Department of Water Resources, Eastern Region, 900 N SKYLINE DR STE A, IDAHO FALLS ID 83402-1718 together with a protest fee of \$25.00 for each application on or before 10/27/2025. The protestant must also send a copy of the protest to the applicant.

The following application(s) have been filed to appropriate the public waters of the State of Idaho:

22-14678

HK CONTRACTORS INC, PO BOX 51450, IDAHO FALLS, ID 83405-1450

Point of Diversion SESW S36 T07N R40E FREMONT County

Source GROUND WATER Tributary

Use: INDUSTRIAL

01/01 to 12/31

0.78 CFS

10.9 AF

Total Diversion:

0.78 CFS

10.9 AF

Date Filed: 06-06-2025

Place Of Use: INDUSTRIAL

T07N R40E S36

NWSW, SESW, SWSW

This application proposes to appropriate trust water and will be evaluated in compliance with Section 42-203C, Idaho Code, and IDWR's Water Appropriation Rules, IDAPA 37.03.08.

Mitigation is proposed for consumptive use.

Permits will be subject to all prior water rights. For additional information concerning the property location, contact the Eastern office at (208)525-7161; or for a full description of the right(s), please see <https://idwr.idaho.gov/apps/ExtSearch/WRAApplicationResults/>. Protests may be submitted based on the criteria of Idaho Code § 42-203A. Any protest against the approval of this application must be filed with the Director, Dept. of Water Resources, Eastern Region, 900 N SKYLINE DR STE A, IDAHO FALLS ID 83402-1718 together with a protest fee of \$25.00 for each application on or before 10/27/2025. The protestant must also send a copy of the protest to the applicant.

MATHEW WEAVER, Director

Published on 10/10/2025 and 10/17/2025