

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 2077

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

LESSOR: ALAN HENDERSON
PO BOX 645
CHALLIS, ID 83226

By Alan Henderson
Title Owner
Date Nov. 6, 2025

RECEIVED

NOV 12 2025

DEPARTMENT OF
WATER RESOURCES

IDAHO WATER RESOURCE BOARD

322 East Front Street
P.O. Box 83720
Boise, ID 83720-0098

By Brian Patton
Brian Patton, Executive Manager
Idaho Water Resource Board

Date 11/25/25

Lease approved by IDWR

AP

Date 11/25/25

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Form 42-1761-1

09/2024 AUG 08 2025

STATE OF IDAHO
WATER RESOURCE BOARD

Print Form

DEPT. OF WATER RESOURCES

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

Applicant / Designated Lessor Alan Henderson
(Select one owner - see item 1A on the application)

Water Right No. 72-10156
(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: BM

Date Received: 8-8-25

Receipt # C122480

W-9 received? Yes ☐ No ☒ (Route W-9 to Fiscal)

Name on W-9:

3263

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 Alan Henderson
Mailing Address PO Box 645 Challis Idaho 83226
Street City State Zip Code
Email Address NO Phone Number 208-879-4563

☒ 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 _____ Organization _____
Professional Title _____ Email Address _____
Mailing Address _____ Phone Number _____

☐ 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 Alan Henderson

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.

canal off of salmon river; fed by headgate diversion directly next to river

- 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. _____

- 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. _____

- 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. Have always renewed

lease to Bank every 5 years since we owned it from 1996

- 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. _____

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

If yes, describe.

Yes No

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SEP 25 2025

DEPT. OF WATER RESOURCES

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: _____

All lease contracts are for a calendar year from January 1st to December 31st (year) 2026 to 2030

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

Alan E. Henderson

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).*

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.

Alan Henderson
Signature of Designated Lessor or Applicant

Alan Henderson
Printed Name

Sept. 21, 2025
Date

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
WATER RESOURCE BOARD

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SEP 11 2025

DEPARTMENT OF
WATER RESOURCES

Complete Attachment 1A if more than one water right owner

ATTACHMENT 1A

Multiple Water Right Holders Party to the Lease Application

For the water right offered for sale or lease, list all owners (individuals or business entities) of the right or the property to which it is appurtenant. All water right holders must sign a Water Supply Bank Lease Application. However, only the Designated Lessor or Applicant needs to provide a completed IRS Form W-9 (Attachment 1B). All correspondence and any financial payment associated with the rental of this water right will be directed to the Designated Lessor. If additional space is needed to list any other water right holders, attach a second copy of Attachment 1A.

If submitting multiple applications, it is only necessary to complete one Attachment 1A for the group of applications. List each water right below.

Water Right No(s). 72-10150

	Designated Lessor	Applicant #2	Applicant #3
Name	Alan Henderson	(wife) Harriet Henderson	
Mailing Address	Challis, PO Box 645 Idaho 83226	PO Box 645 Challis, Idaho 83226	
Phone Number	208-879-4563	208-879-4563	
Email Address	NONE	harrietmagee@hotmail.com	
Applicant Declaration	As Designated Lessor, I submit this lease application on behalf of all other water right holders.	I authorize the Designated Lessor to submit this application on my behalf.	I authorize the Designated Lessor to submit this application on my behalf.
Signatures	Alan Henderson	Harriet Henderson	

	Applicant #4	Applicant #5	Applicant #6
Name			
Mailing Address			
Phone Number			
Email Address			
Applicant Declaration	I authorize the Designated Lessor to submit this application on my behalf.	I authorize the Designated Lessor to submit this application on my behalf.	I authorize the Designated Lessor to submit this application on my behalf.
Signatures			

RECEIVED

SEP 11 2025

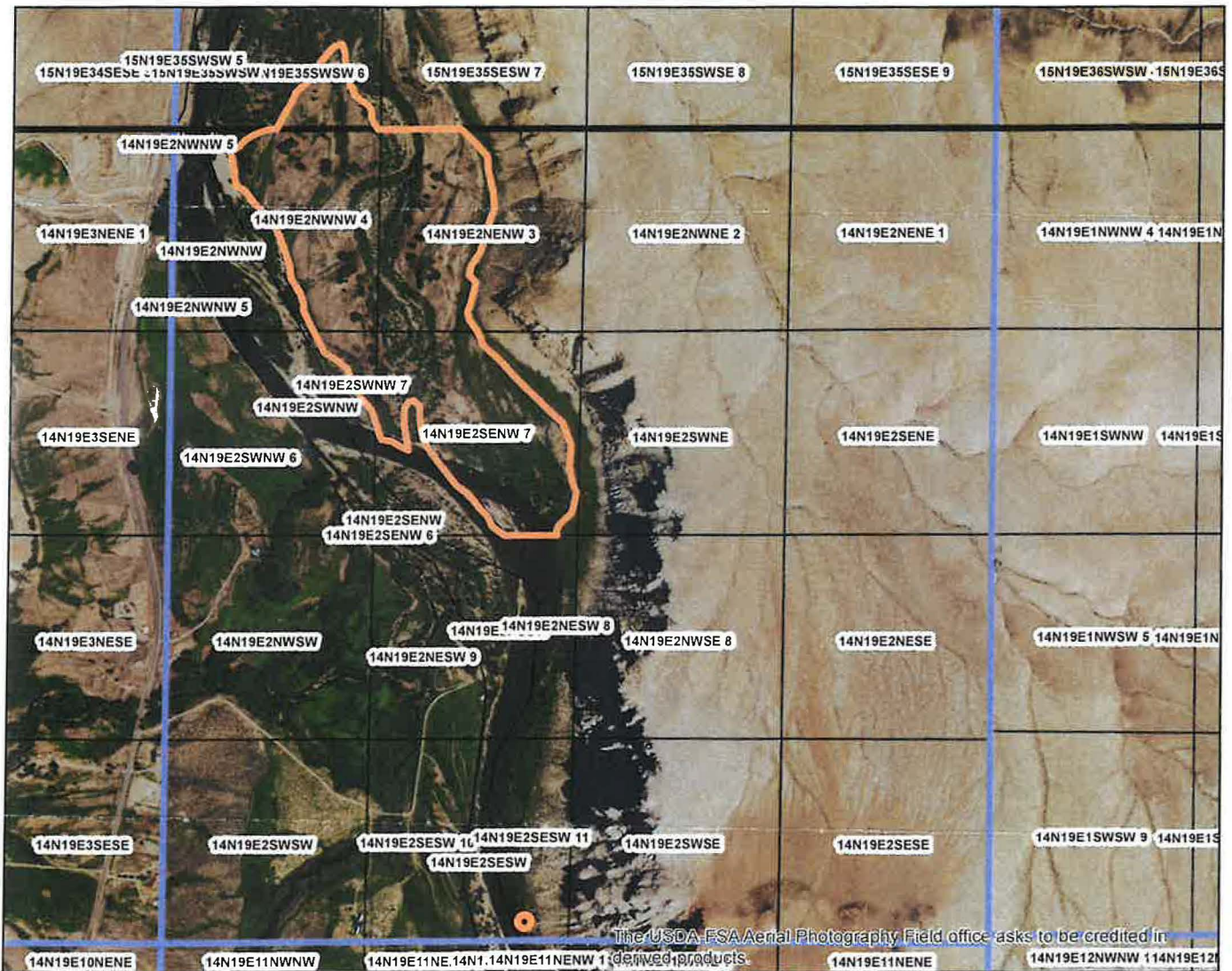
DEPARTMENT OF
WATER RESOURCES

Idaho Water Resource Board Water Supply Bank Lease Contract No. 1375

72-10150

Effective until December 31, 2025

This map depicts the **place of use to be idled** pursuant to the lease contract and is attached to the contract solely for illustrative purposes.



- Approved Lease Point of Diversion
- Approved Lease Place of Use
- Township/Range
- Sections
- QQ

A.H. - Sept. 4, 2025 correct.



0 0.25 0.5 Miles

SCANNED

APR 09 2021



IDAHO DEPARTMENT OF
WATER RESOURCES

322 E Front Street, Suite 648, Boise ID 83702 • PO Box 83720, Boise ID 83720-0098
Phone: 208-287-4800 • Fax: 208-287-6700 • Email: idwrinfo@idwr.idaho.gov • Website: idwr.idaho.gov

Governor Brad Little

Director Mathew Weaver

November 25, 2025

ALAN HENDERSON
PO BOX 645
CHALLIS, ID 83226

**RE: WATER SUPPLY BANK LEASE CONTRACT 2077
FOR WATER RIGHT(S) 72-10150**

Dear Lessor:

Water right **72-10150** is leased into the Water Supply Bank (Bank) as of January **2026** in accordance with the enclosed executed lease contract. **Your water rights, as described on the lease contract, are considered leased into the Bank and should remain unused until they are formally released from the Bank.** More information and further restrictions placed on your water rights while leased can be found in conditions of acceptance of the lease contract. Read the conditions of acceptance carefully.

The right(s) will automatically be released from the Bank on **December 31, 2030**, unless the rights are released earlier by the Water Resource Board (Board). To release the water rights from the Bank prior to the release date, submit a written request on the *Request to Release a Water Right from the Bank* form. This form is available on our public website at www.idwr.idaho.gov. **Please note your water rights may not be available for immediate release if they are rented.**

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

Sincerely,

Kris Margheim

Kris Margheim
Technical Records Specialist

Enclosure: Executed Lease Contract

c: IDWR- Southern Region Office
Water District No.17C (via email)



IDAHO DEPARTMENT OF
WATER RESOURCES

322 E Front Street, Suite 648, Boise ID 83702 • PO Box 83720, Boise ID 83720-0098
Phone: 208-287-4800 • Fax: 208-287-6700 • Email: idwrinfo@idwr.idaho.gov • Website: idwr.idaho.gov

Governor Brad Little

Director Mathew Weaver

October 27, 2025

ALAN HENDERSON
PO BOX 645
CHALLIS, ID 83226

**RE: APPLICATION TO LEASE WATER RIGHTS 72-10150 TO THE WATER SUPPLY BANK
CONTRACT 2077**

******TIME SENSITIVE RESPONSE REQUIRED******

Dear Applicant:

The Department of Water Resources has completed its review of your application to lease the above-mentioned water right to the Water Supply Bank. **I have enclosed two original Water Supply Bank Lease Contracts for your review and signature. Please sign and return ALL Lease Contracts within 14 days.** Upon signature and return of the contracts, the Department will also sign the original contracts and return an executed copy to you. The Lease Contract is not considered final until you and the Department have both signed.

The right will automatically be released from the Bank on **December 31, 2030**, unless the right is released earlier by the Board, or upon your request. To release the right from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. To propose a new lease period, submit a new Application to Sell or Lease a Water Right to the Water Supply Bank form along with applicable fees to the Department. These forms are available from any IDWR office or from our public website at <http://www.idwr.idaho.gov>. Please note your right may not be available for immediate release if it has been rented.

Please review the conditions of acceptance listed on the Lease Contract, including #3 which says:

"While a right is in the bank, **the lessor may not use the right** without approval of the department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B."

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

Sincerely,

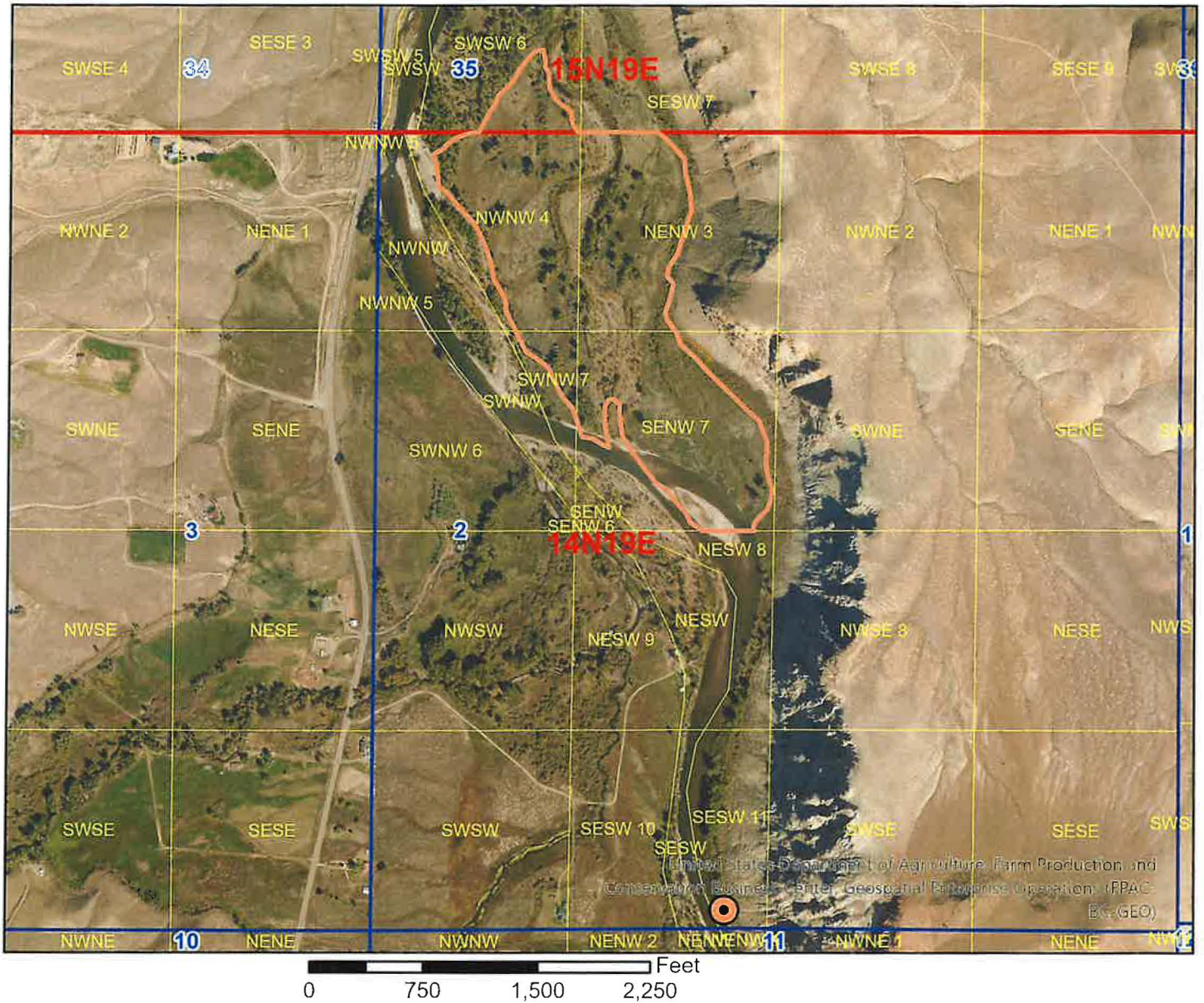
Skyler Cheever
Water Resource Agent, Sr – State Office
Idaho Dept. of Water Resources

Enclosures: Proposed Lease Contracts, Receipt No. C122480

Idaho Water Resource Board
Water Supply Bank Lease Contract No. 2077

72-10150
Effective until December 31, 2030

This map depicts the **place of use** to be idled pursuant to the lease contract and is attached to the contract solely for illustrative purposes.



Legend

- Water Supply Bank Lease Point of Diversion
- Water Supply Bank Lease Place of Use
- Township/Range
- Sections
- QQ

Cheever, Skyler

From: Cheever, Skyler
Sent: Wednesday, October 15, 2025 2:05 PM
To: Skinner, Corey; Graybill, David
Subject: Water Supply Bank Lease Application 3263 Alan Henderson
Attachments: Lease Approval Map 2077.pdf; Lease Review Memo 3263.pdf

Hello Corey and David,

I have completed my review of a Water Supply Bank Lease Application 3263 with the proposed point of diversion within Administrative Basin 63 and Water District . The applicant is Alan Henderson. The applicant proposes to lease the entirety of water right(s) 72-10150 into the water supply bank from 2026-2030. Attached is a copy of a review memo and map of the place of use. If you have any comments on the applicant's proposal or my review, please let me know within 7 days. If you have any questions or concerns, please let me know.

Thank you,

Skyler



Skyler Cheever

Water Resource Agent, Sr - State Office

(208) 287-4913

Skyler.cheever@idwr.idaho.gov

Idaho Dept. of Water Resources

322 E. Front St. P.O. Box 83720 Boise, ID
83720

MEMORANDUM FOR APPLICATION # 3263

To: Water Right No. 72-10150

From: Skyler Cheever – Water Resource Agent, Sr – State Office

Date: 10/15/2025

Re: Review & Analysis of Application to Lease Water to the State Water Supply Bank

PURPOSE/NARRATIVE:

Application 3263 was sent in by Alan Henderson and received by the Idaho Dept. of Water Resources on August 8th, 2025, with the correct fee payment received the same date. The applicant proposes to lease the entirety of Water Right No. (WR) 72-10150 into the Water Supply Bank from 2026-2030. The proposed point of diversion is within Administrative Basin 72 and is administered by Water District 170. This application is intended as a renewal of lease contract 1375 which is set to expire on December 31st, 2025.

AUTHORITY TO FILE:

WR 72-10150 is owned by Alan and Harriet Henderson. Mr. Henderson signed the application. He has the authority to sign because Attachment 1A included with the application assigned Mr. Anderson as the designated applicant.

WATER RIGHT VALIDITY:

WR 72-10150 was decreed by the SRBA Court in 2003. The WR was leased into the WSB from 2011 through December 31st, 2025. According to Idaho Code §42-1764 if a WR is leased into the WSB the forfeiture clock resets once the lease expires. Therefore, there is enough information available to the bank to conclude WR 72-10150 is likely not lost to forfeiture and can be leased into the WSB.

ENLARGEMENT OF USE:

There are no other WR's overlapping the proposed POD or place of use (POU). Therefore, there are no enlargement concerns leasing this WR into the bank.

LOCAL PUBLIC INTEREST:

Accepting valid rights into the water supply bank to provide water for new and supplemental uses is in the local public interest.

DEPARTMENT STAFF OR WATERMASTER COMMENTS:

The proposed POD is within Administrative Basin 72 and is administered by Water District 170. The Watermaster and Southern Regional Manager was contacted for comment on October 15th, 2025. No concerns were received.