STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1874

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

LESSOR: FARMLAND RESERVE INC
60 E SOUTH TEMPLE STE 1700
SALT LAKE CTY, UT 84111-1008

RECEIVED
SEP 25 2024
DEPARTMENT OF
WATER RESOURCES

RECITALS

1. The Board is authorized under chapter 17, title 42, Idaho Code to operate a water supply bank and to contract with lessors to act as an intermediary in facilitating the rental of water.

2. The Lessor has filed a completed application to lease water rights described below into the Water Supply Bank on forms supplied by the Idaho Department of Water Resources and received by the Department on January 08, 2024.

3. The Director of the Idaho Department of Water Resources has reviewed the application for compliance with the Water Supply Bank rules and has approved the Lease subject to conditions listed below.

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

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

Summary of Water Rights or Portions Leased to the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)
35-7969	3/23/1981	GROUND WATER	1.19	306.0	76.5
Lease Totals			**1.19**	**306.0**	**76.5**

2. **COMPENSATION**: The Lessor shall accept and the Board shall pay compensation determined by the amount of water rented under the following rental rate during such times as the water is rented from the Bank over the term of this Lease.

   Minimum Payment Acceptable: Current Rental Rate

3. **TERM OF LEASE**: The term of this lease shall be January 1, 2024 to December 31, 2028. This Lease shall bind the parties and take effect when both parties have signed it.

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

WATER SUPPLY BANK LEASE CONTRACT No. 1874

5. **CHANGE OF WATER RIGHT:** This lease specifies water right elements including but not limited to: diversion rates; diversion volumes; number of acres authorized to be irrigated; places of use; points of diversion; beneficial uses; and seasons of use. During the term of this lease, if a water right is administratively changed due to a water right split and renumbering, this lease may be reduced by an equal amount to reflect the water right elements as legally defined under the water right. If a lease contract cannot be reduced sufficient to reflect the legal definition of a water right as amended through a water right split and/or water right transfer, the Board may release the water right from the Water Supply Bank.

6. **ASSIGNMENT OF CONTRACT:** This lease is between the Board and the Lessor, who is the recognized owner or designated representative of the recognized owners of water rights described herein. Should ownership of any part of a water right herein described change during the term of this lease, either through a water right split, a water right transfer, sale of property to which the water right is appurtenant, or through any other recognized water right reassignment, the lease benefits and obligations to the conditions of acceptance for any such water rights will be assigned to the new owners.

7. **DUPLICATE ORIGINAL:** This Lease is executed in duplicate. Each of the documents with an original signature of each party shall be an original.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1874

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

LESSOR: FARMLAND RESERVE INC
60 E SOUTH TEMPLE STE 1700
SALT LAKE CITY, UT 84111-1008

By _____
Title Vice President
Date 9/20/24

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

By _____ Date 9/26/24
Brian Patton, Executive Manager
Idaho Water Resource Board

Lease approved by IDWR _____ Date 9/26/24

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1874

ATTACHMENT A
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

The water rights or portions thereof leased to the bank are described as follows:

Source and Location of Point(s) of Diversion for Water Right No(s): 35-7969

GROUND WATER SWNESE Sec. 12 Twp 06S Rge 29E POWER County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
35-7969	IRRIGATION	4/01	to	11/01	1.19 cfs	306.0 AF
				Totals:	1.19 cfs	306.0 AF

PLACES OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
06S	29E	12	9.5	9.5	10.0	9.0									9.0	10.0	9.5	10.0	76.5

Total Acres: 76.5

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the Department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, or the lease term expires. A right may be released from the bank upon request, provided the Board approves the release. Unless approved by the Department, leased rights may not be immediately available for release.
5. While a water right is in the bank, forfeiture provisions are stayed pursuant to Idaho Code § 42-223(5).
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.
8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.

WATER SUPPLY BANK LEASE CONTRACT No. 1874

9. In accordance with Idaho Code § 42-248 and § 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
    a. Rental payments will go to the lessor(s) of record at the beginning of the rental season, even if the Department processes a Notice of Change in Water Right Ownership during the rental season.
    b. New lessor(s) of record will receive payment for any subsequent rental seasons.
11. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.
12. The unleased portion of Water Right No 35-7969 shall not exceed a total diversion rate of 3.66 cfs, a total annual maximum diversion volume of 942 af at the field headgate, and the irrigation of 235.5 acres.

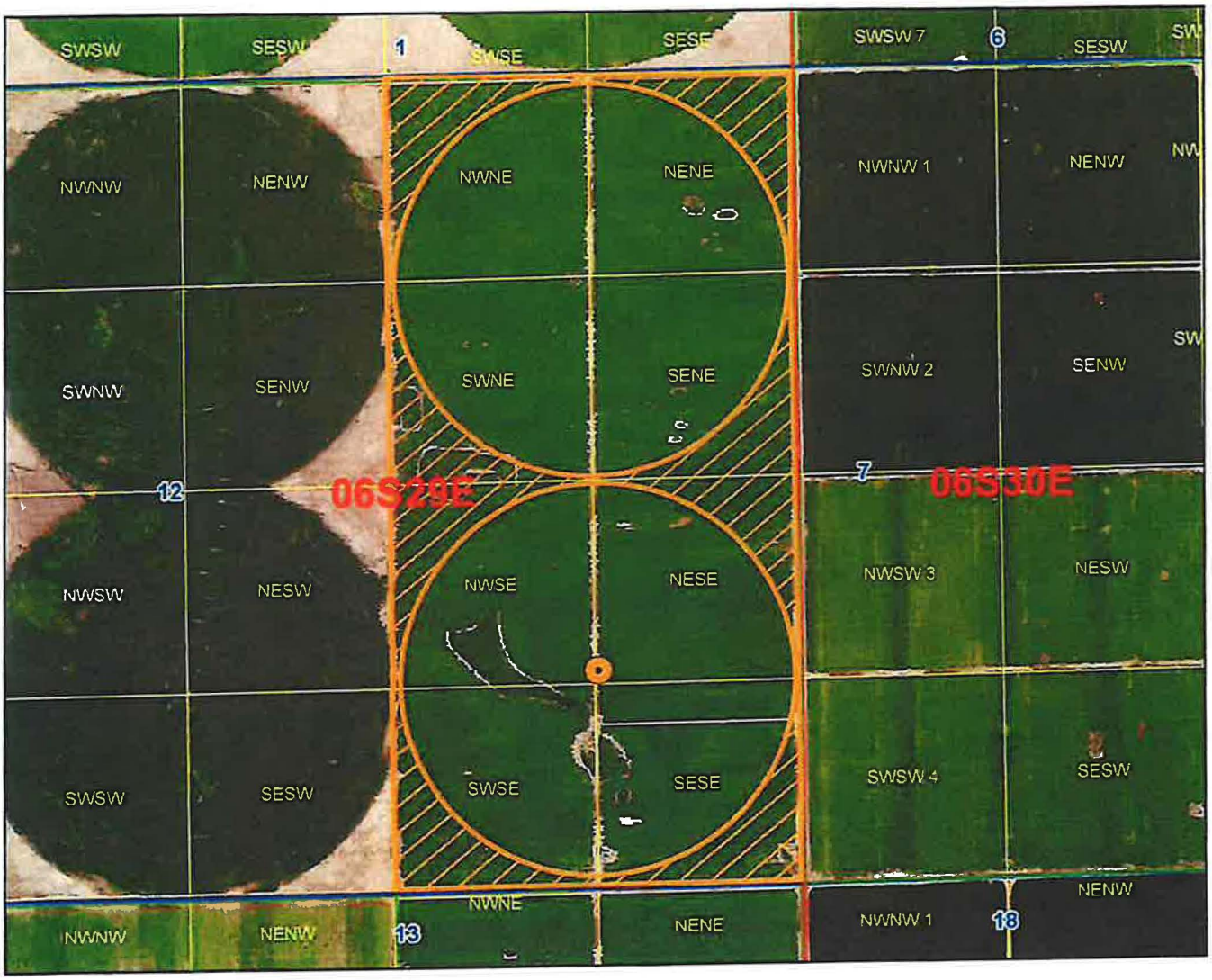
Idaho Water Resource Board

Water Supply Bank Lease Contract No. 1874

35-7969

Effective until December 31, 2028

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



Approved Lease POD

Approved Lease POU

Township/Range

Sections

QQ

N

0 1,300 2,600 Feet

Form 42-1761-1 10/15

STATE OF IDAHO
WATER RESOURCE BOARD

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

RECEIVED JAN 08 2024 DEPARTMENT OF WATER RESOURCES

Designated Applicant Farmland Reserve
(Select one owner – see item 1A on the application)

Water Right No. 35-7969
(One water right per application)

Is this application being submitted with a rental application as a lease/rental package? **Yes** ☑ **No** ☐

This application must be prepared in accordance with the minimum requirement checklist below. Use this checklist to ensure all necessary documentation has been provided. This checklist is part of the lease application and must be included with the lease application. **Applications that do not meet the minimum requirements will not be processed and may be returned or denied.**

MIMUMUM REQUIREMENT CHECKLIST

All items must be checked as either *Attached* (Yes) or *Not Applicable* (N/A)

Yes	
☑	Completed *Application to Sell or Lease a Water Right to the Water Supply Bank.*
☑	Application filing fee of $250.00 per water right. If you are submitting more than one lease application and the water rights have an overlapping, common place of use, or a common diversion rate or volume, the total fee for all water rights is $500.00. For places of use, multiple water rights must be used to irrigate the same lands in order to qualify for the joint filing fee. Individual filing fees are required for water rights that share a common permissible place of use but which cover separate acres within the permissible place of use.
☑	Confirmation this form has been printed **single sided**, per requirement of the Water Supply Bank.

Attachment	N/A	Yes	
1A	☐	☑	Signatures and contact information for ***all owners*** of the water right to be leased or sold on this application.
1B	☑	☐	An Internal Revenue Service (IRS) Form W-9 for the Designated Applicant.
1C	☑	☐	*Notice of Change in Water Right Ownership* form (accessible from www.idwr.idaho.gov).
1D	☐	☑	Contact information for an authorized representative and documentary proof they are authorized to represent the Designated Applicant on this application. If the Designated Applicant is a business, partnership, municipality, organization or association, include documents identifying officers authorized to sign or act on behalf of the entity.
2	☐	☑	Description of a water right portion offered to the Water Supply Bank.
3	☐	☑	A map that clearly outlines the specific location where irrigated acres will be dried up, or where a beneficial use of water will be suspended. You have the option of printing a map using the map tool on IDWR's website at: www.idwr.idaho.gov.
4A	☑	☐	Written consent from irrigation district or water delivery company.
4G	☐	☑	Evidence demonstrating the water right has not been forfeited pursuant to Section 42-222(2), Idaho Code.

Department Use Only

Fee Amount $ 250 **	Received By: KM	Date Received: 1.8.24	Receipt # C117615
W-9 received? Yes ☐ No ☑	(Route W-9 to Fiscal)	Name on W-9:	

2899

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

1. CONTACT INFORMATION

A. This application must be completed by a Designated Applicant who is a current owner of the water right being sold or leased to the Water Supply Bank. If there are additional current owners, those individuals must authorize the Designated Applicant to represent them on this application by completing and signing Attachment 1A of this application package.

Designated Applicant Farmland Reserve

Mailing Address 79 S Main St Ste 1000 Salt Lake City, Utah 84111
Street City State Zip Code

Email Address _____ Phone Number 801-7155-9100

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

OR

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

B. Has the Designated Applicant submitted an IRS Form W-9 to this Department within the last 2 years? Yes ☐ No ☑
If no, complete the form and attach to this application (Attachment 1B).

C. Are all applicants on this form listed in IDWR's records as the current owners of the water right? Yes ☑ No ☐
If no, attach a *Notice of Change in Water Right Ownership* form along with the required documentation and fee (Attachment 1C).

D. Is this application being completed by an authorized representative of the Designated Applicant? Yes ☑ No ☐
If yes, representatives (includes employees of Designated Applicant companies) must complete this section and submit documentary proof of their authority to represent the Designated Applicant (Attachment 1D).

Name of Representative Greg Sullivan Organization Brockway Engineering

Professional Title Engineering Email Address greg.sullivan@brockwayeng.com

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

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

OR

☑ Send original correspondence to the Designated Applicant and copies to the representative.

2. DESCRIPTION OF WATER RIGHT OFFERED TO THE BANK

☐ The full water right is being offered to the Bank.

OR

☑ A part of the water right is being offered to the Bank.
If a portion of the water right is being offered, **complete Attachment 2**.

3. MAP

Attach a map of the point(s) of diversion and place(s) of use proposed to be idled by this lease application. Make sure the idled place of use is outlined and annotated with legal land descriptions (Township, Range, Section and Quarter-Quarters) or with GPS coordinates. For irrigation purposes, mark the number of acres you desire to idle. If the water right proposed for lease is located within a permissible place of use (PPU) and portions of the PPU will continue to receive water from non-leased water rights, clearly outline on a map the acres within the PPU that will continue to be irrigated, as well as acres that will be idled during the lease term. Label the map **Attachment 3**.

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

4. GENERAL INFORMATION

A. Is the diversion works or system owned or managed by an irrigation district or water delivery company? Yes ☐ No ☑
If yes, provide written consent from the company, corporation or irrigation district authorizing the proposed sale or lease (Attachment 4A).

If your water right is delivered through a canal, lateral or ditch operated by a canal company, irrigation district, or similar delivery entity, your lease request must include written consent from the company, district, or similar entity for your removal of water from its system pursuant to Section 42-108, Idaho Code and IDAPA WSB Rule 37.02.03.25.02e.

B. Please provide a description of the current water diversion and delivery system.
Existing POD, mainline and delivery system.

C. Describe any other water rights used for the same purpose at the same place of use as the water right being offered to the Bank. None

D. Are any of the water rights identified in Section 4C stacked with the water right proposed for lease? Yes ☐ No ☑

Stacked water rights are used together to achieve a common beneficial use, such as irrigation of the same lands. Stacked water rights cannot be separated and must be jointly leased to the Water Supply Bank. Stacked water rights qualify for the multiple fee payment of $500.

E. Will the present place of use continue to receive water from any other source? Yes ☐ No ☑

If yes, explain the relationship between the different water sources and how enlargement of the authorized use will not occur if this water right is leased.

F. Identify annual volumes and/or rates of water diverted in the last 5 years to accomplish the beneficial use authorized by this water right. See historical aerial photographs.

G. Has any portion of this water right undergone a period of five or more consecutive years of non-use? Yes ☐ No ☑

If yes, describe the circumstances and attach evidence to demonstrate how the water right has not been lost through forfeiture (Attachment 4G). See Section 42-223, Idaho Code for exceptions to forfeiture. Your application may be denied if forfeiture concerns are not addressed.

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

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

5. SALE/LEASE AGREEMENT

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

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

B. Show the minimum payment acceptable to the seller/lessor. The minimum payment may be shown as the "current rental rate" as established by the IWRB. Include the method of determining the minimum payment if other than the current rental rate.

Current rental rate

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

The Designated Applicant acknowledges the following:

1. Payment to the Designated Applicant is contingent upon the sale or rental of the water right from the Bank.
2. While a water right is in the Bank, the seller/lessor of the water right may not use the water right, even if the water right is not rented from the Bank.
3. A water right accepted into the Bank stays in the Bank until the Designated Applicant receives written confirmation from the Board or Water Supply Bank that the water right has been released from the Bank.
4. While a water right is in the Bank, forfeiture is stayed.
5. Acceptance of a water right into the Bank does not, in itself, confirm the validity of the water right or any element of the water right.

Signature of Designated Applicant	Scott Baird Printed Name	Jan 4, 2024 Date
Signature of Authorized Representative	Printed Name	Date

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

FARMLAND RESERVE, INC.

INCUMBENCY CERTIFICATE

I, Paul L. Allen, HEREBY CERTIFY that I am the Secretary/Treasurer of Farmland Reserve, Inc., a Utah Corporation (the "Corporation").

I DO HEREBY FURTHER CERTIFY:

1. L. Scott Baird is the duly elected and acting Vice President of the Corporation.

2. Pursuant to the Corporation's Articles of Incorporation and Bylaws, L. Scott Baird, in his capacity of the Corporation's Vice President, is authorized to execute instruments, documents, applications and agreements on behalf of the Corporation and otherwise to represent the Corporation before and in dealing with individuals, other entities and governmental bodies and authorities.

IN WITNESS WHEREOF, I have signed my name this 16th day of August, 2023.

Paul L. Allen, Secretary

STATE OF UTAH)
§
COUNTY OF SALT LAKE)

On this 16th day of August, 2023, Paul L. Allen, who is personally known by me, signed this document in my presence.

NOTARY PUBLIC
My Commission Expires 7/8/2025

Kathryn A. Phillips
Notary Public, State of Utah
Commission # 719142
My Commission Expires
July 8, 2025

Form 42-1761-1 10/15

STATE OF IDAHO
WATER RESOURCE BOARD

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

ATTACHMENT 2

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

1.

Water Right Number	Nature of Use	Leased Rate (cfs)	Leased Volume (af)	Leased Acres (ac)
35-7969	Irrigation	1.19	306.0	76.5
	Total Amounts:	1.19	306.0	76.5

2. Source of water Ground Water tributary to _____

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
06S	29E	12		SW	NE	SE	Power County

Path: F:\Projects\Church of Jesus Christ of Latter-day Saints\Canyon Falls Farm American Falls\Arcview\Farmland Reserve Farm Transfers.mxd

0 0.25 0.5 Miles

FARMLAND RESERVE
LEASE ACRES
NAIP 2021 AERIAL

N

BROCKWAY ENGINEERING,PLLC.
GWS 11/17/2023

IDAHO DEPARTMENT OF
WATER RESOURCES

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

Governor Brad Little **Director Mathew Weaver**

November 7, 2024

FARMLAND RESERVE INC
60 E SOUTH TEMPLE STE 1700
SALT LAKE CITY UT 84111-1008

RE: WATER SUPPLY BANK LEASE CONTRACTS 1874, 1876, 1877, 1882, 1883 &1884 FOR WATER RIGHTS 35-7969, 65-4020A, 35-7596, 35-7611B, 35-7611A, 35-2632, 35-8218

Dear Lessor:

Water rights 35-7969, 65-4020A, 35-7596, 35-7611B, 35-7611A, 35-2632, 35-8218 **are** leased into the Water Supply Bank (Bank) as of January 2024 in accordance with the enclosed executed lease contract. **Your water rights, as described on the lease contract, are considered leased into the Bank and should remain unused until they are formally released from the Bank**. More information and further restrictions placed on your water rights while leased can be found in conditions of acceptance of the lease contract. Read the conditions of acceptance carefully.

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

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

Sincerely,

Delora Mansfield

Technical Records Specialist I

Enclosure: Executed Lease Contracts (COPIES)

c: IDWR Eastern Region Office
Representative
Water District No. 120

Mansfield, Debra

From: Mansfield, Debra
Sent: Wednesday, November 6, 2024 4:27 PM
To: greg.sullivan@brockwayeng.com; Jordan, Blake
Cc: Bank
Subject: Executed Lease Contracts, Farmland Reserve Inc
Attachments: Executed WSB Lease Contracts 1866, 1869, 1871, 1872, 1873 Farmland Reserve Inc 2024-2025.pdf; Executed WSB Lease Contracts 1874, 1876, 1877, 1882, 1883, 1884 Farmland Reserve Inc 2024-2028.pdf

Hello,

Please see the attached copies of Executed WSB Lease Contracts 1866, 1869, 1871, 1872, 1873, 1874, 1876, 1877, 1882, 1883, & 1884, for your records.

We apologize for the delay in returning these finalized Water Supply Bank Lease Contracts. There was an unexpected delay between the time when the signed contracts were received by the Department and when the Department was able to confirm that we had all of the necessary information to accept the leases into the Water Supply Bank as valid

The contracts that were are returning to Farmland Reserve Inc are **copies** because the Department only received ONE signed copy of each contract, instead of the requested TWO signed copies of each. The Department is required to keep on file a copy of each lease contract that has the original signatures from both parties.

Thank you,

Debra Mansfield | Technical Records Specialist 1
IDWR – State Office
322 E Front St, Boise ID 83702-7371
(208) 287-4921 | Debra.Mansfield@idwr.idaho.gov

RECEIVED
SEP 25 2024
DEPARTMENT OF
WATER RESOURCES

BROCKWAY
ENGINEERING
P.L.L.C.

Hydraulics
Hydrology
Water Resources

September 23, 2024

Mary Condon
Idaho Water Supply Bank
Idaho Department of Water Resources
P.O. Box 83720
Boise, ID 83720-0098

Re: Farmland Reserve Rental Agreements and Lease Contracts

Dear Ms. Condon:

Attached to this letter are two copies of signed rental agreements 866, 869, 871, 872, 878 and 879 for Farmland Reserve.

Attached to this letter are the sign lease contracts 1866, 1869, 1871, 1872, 1873, 1874, 1876, 1877, 1882, 1883 and 1884 for Farmland Reserve.

Let me know if the Water Supply Bank has any questions or needs additional information.

Sincerely,

Greg Sullivan, M.S., Engineer

Cc: Jared Cobell via Email
Enc: Rental Agreements and Lease Contracts

CHARLES E. BROCKWAY, PH.D., P.E.

CHARLES G. BROCKWAY, PH.D., P.E.

2016 NORTH WASHINGTON STREET • SUITE 4

TWIN FALLS, IDAHO 83301

208•736•8543

FAX: 736•8506

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**

September 19, 2024

FARMLAND RESERVE INC
60 E SOUTH TEMPLE STE 1700
SALT LAKE CITY, UT 84111-1008

RE: APPLICATION TO LEASE WATER RIGHTS 35-7969, 35-4020A, 35-7596, 35-7611B, 35-7611A, 35-2632, 35-8218 TO THE WATER SUPPLY BANK CONTRACTS 1874, 1876, 1877, 1882, 1883, 1884

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

Dear Applicant:

The Department of Water Resources has completed its review of your application to lease the above-mentioned water rights to the Water Supply Bank. **I have enclosed ten 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 Contracts are not considered final until you and the Department have both signed.

The rights will automatically be released from the Bank on **December 31, 2028** unless the rights are released earlier by the Board, or upon your request. To release a 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 <u>not</u> 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,

Debra Mansfield
for
Water Supply Bank

Enclosures: Proposed Lease Contracts, Receipt C117615

MEMORANDUM FOR APPLICATION # 2899 / CONTRACT # 1874

To: Water Right(s) 35-7969

From: Mary Condon

Date: July 15, 2024

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

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PURPOSE/NARRATIVE: Application to lease 76.5 acres of water right 35-7969 worth 312 acres of irrigation for five years, 2024-2028, received on January 8, 2024, as part of a companion package with other lease applications and rental application 2898. This review covers the lease of this right, only.

AUTHORITY TO FILE: Application to lease is filed for Farmland Reserve, Inc., and signed by Scott Baird, who is authorized to sign for Farmland Reserve according to the most recent State of Idaho business filing. The applicant is represented by Greg Sullivan with Brockway Engineering. County tax lot data shows the parcel(s) under the water right place of use (POU) and point of diversion (POD) are in the name of Farmland Reserve. No concerns with authority to file.

WATER RIGHT VALIDITY: Water right was decreed in 2002 and has never been leased into the Board's bank. The full water right has been beneficially used, as visible in the 2023, 2021, and 2019 NAIP imagery. Acres offered are corners of two new pivots equal to approximately 118 acres each. No concerns with validity of the water right and portion offered to the bank.

INJURY TO OTHER WATER RIGHTS: No other water rights overlap the water right place of use or point of diversion. Lease of this water right would not cause injury to other water rights.

ENLARGEMENT OF USE: No other water rights overlap the water right place of use or point of diversion. Enlargement through the lease and rental of this water right is not expected.

LOCAL PUBLIC INTEREST: Review staff has no information to suggest this application is inconsistent with the local public interest.

BENEFICIAL USE/CONSERVATION OF WATER RESOURCES: The lease appears consistent with the conservation of water resources in Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS: The location for the Lease PD is within the Eastern Snake Plain Aquifer (ESPA), is within the trust water area boundary, the Aberdeen American Falls Ground Water District (AAFGWD) and is subject to Water District # 120. Request for comments or concerns emailed to the regional manager and watermaster on July 15, 2024.

From:	Condon, Mary
To:	Cefalo, James; Jordan, Blake
Cc:	Bank
Subject:	Lease Review for WR 35-7969 - Farmland Reserve - WD 120
Date:	Monday, July 15, 2024 10:23:00 AM
Attachments:	image001.png Lease Map 1874.pdf Lease Review Memo App 2899.docx image002.png

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Good morning, James, and Blake,

Please see the attached lease review memo and lease map for a partial lease of water right 35-7969 during years 2024-2028, and kindly reply with comments or concerns within 10 days. This is the first time this right has been leased into the bank and is requested as part of a rental application along with other water rights yet to be reviewed all for Farmland Reserve. This is the first water right in this new set for the lease side. I have included a tracking table, pasted below.

	Farmland Reserve		
2024-2028		**Acres**	**Rental Apps**
2904	35-2632	10	2898
	35-8218		2898
2903	35-7611A	40	2898
2902	35-7611B	20	2898
2901	35-7596	12	2898
2900	35-4020A	40	2898
2899 / 1874	35-7969	76.5	2898
		198.5	

Best,
Mary

Mary Condon
Water Supply Bank Program Coordinator
IDAHO DEPARTMENT OF WATER RESOURCES
Planning & Projects
mary.condon@idwr.idaho.gov
Direct: (208) 287-4936

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JAN 08 2024
DEPARTMENT OF
WATER RESOURCES

January 5, 2024

Mary Condon
Idaho Water Supply Bank
Idaho Department of Water Resources
P.O. Box 83720
Boise, ID 83720-0098

Re: 198.5 Acre Rental Application and Lease Applications

Dear Ms. Condon:

Farmland Reserve Inc desires to lease 198.5 acres of water rights in the Water Supply Bank and rent 198.5 acres from the Water Supply Bank for the years 2024, 2025, 2026, 2027 and 2028. Attached to this letter is the rental application and ESPA model analysis for the 2024 through 2028 irrigation seasons.

Lease application for 75.5 acres from 35-7969 for the years 2024 through 2028 is attached to this letter. The 76.5 acres to be leased are comprised of pivot corners that will no longer be irrigated. Pivots at this location will be installed and utilized for the 2024 irrigation season. $250.00 lease application fee.

Lease application for 40.0 acres from 35-4020A for the years 2024 through 2028 is attached to this letter. The 40.0 acres to be leased are comprised of pivot corners that will no longer be irrigated. Pivots at this location will be installed and utilized for the 2024 irrigation season. $250.00 lease application fee.

Lease application for 12.0 acres from 35-7596 for the years 2024 through 2028 is attached to this letter. The 12.0 acres to be leased are comprised of pivot corners that will no longer be irrigated. Pivots at this location will be installed and utilized for the 2024 irrigation season. $250.00 lease application fee.

Lease application for 20.0 acres from 35-7611B for the years 2024 through 2028 is attached to this letter. The 20.0 acres to be leased are comprised of pivot corners that will no longer be irrigated. Pivots at this location will be

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Rentals - 2898
Leases. - 2899, 2900, 2901, 2902, 2903, 2904

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installed and utilized for the 2024 irrigation season. $250.00 lease application fee.

Lease application for 40.0 acres from 35-7611A for the years 2024 through 2028 is attached to this letter. The 40.0 acres to be leased are comprised of pivot corners that will no longer be irrigated. Pivots at this location will be installed and utilized for the 2024 irrigation season. $250.00 lease application fee.

Lease application for 10.0 acres from 35-2632 and 35-8218 for the years 2024 through 2028 is attached to this letter. The 10.0 acres to be leased are comprised of pivot corners that will no longer be irrigated. Pivots at this location will be installed and utilized for the 2024 irrigation season. $500.00 application lease fee.

Sincerely,

Greg Sullivan, M.S., Engineer

Cc: Lauren Cabrera via Email
Enc: Rental Application, Leas Applications, Aerial Maps, ESPA Model Analysis, Farmland Reserve Inc Incumbency Certificate, Brockway Engineering Check # 17769 for $1750.00

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