

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 1049

RECEIVED

AUG 06 2026

DEPT. OF WATER RESOURCES

This is to certify that:

SALMON FALLS LAND & LIVESTOCK CO INC
C/O MICHAEL J HENSLEE
95A BELL RAPIDS RD
HAGERMAN, ID 83332-6039

filed an application to rent water from the Water Supply Bank ("Bank"). The Idaho Water Resource Board ("Board"), being authorized to operate a Bank and to contract by and through the Director of the Idaho Department of Water Resources ("Director, Department") for rental of water from the Bank, agrees to rent water as follows:

Summary of Water Rights or Portions Rented from the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate Per Acre (CFS/AC)	Volume Per Acre (AF/AC)
2-7462	9/29/1969	SNAKE RIVER	0.16	32.1	8.0	0.020	4.00
2-7249	2/7/1977	SNAKE RIVER	0.24	52.0	13.0	0.018	4.00
Combined Limit Totals			0.24	77.6	19.4	0.012	4.00

Term of Rental: This rental agreement shall take effect when all parties have signed it and shall continue in effect until December 31, 2028. Use of rental water shall be authorized as of either the date this rental agreement takes effect or the first day of the rental season of use, in 2026, whichever occurs last.

Annual Rental Fee:

2026 - 2028: \$256.08 annually

The full fee for the rental of the above-described right(s) is \$256.08 per year for years 2026 - 2028. The rental fee includes an administrative fee of \$256.08 per year for years 2026 - 2028. Note that the renter is obligated to pay only the administrative fees associated with the water right(s): 2-7462, 2-7249.

An annual payment shall be received by the Department on or before December 31 each year preceding the use of the rented water rights. The agreement will be void if payment is not received by the due date in a given year. Rental fees are non-refundable. To voluntarily terminate the agreement early, notify the Department in writing prior to the rental fee due date.

Detailed water right conditions are attached.

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The undersigned renter agrees to use the water rented under this agreement in accordance with the Water Supply Bank rules and in compliance with the limitations and conditions of use described in this agreement:

Michael J. Henslee V.P.
Signature of Renter

8/03/2026
Date

Michael J. Henslee
Printed Name

Vice President
Title

*Title required if signing on behalf of a company or organization or with power of attorney

Having determined that this agreement satisfied the provisions of Idaho Code § 42-1763 and IDAPA 37.02.03.030 (Water Supply Bank Rule 30), for the rental and use of water under the terms and condition herein provided, and none other, I hereby execute this Rental Agreement on behalf of the Idaho Water Resource Board.

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

Date 8/7/26

Rental approved by IDWR Thummm

Date 8/7/26

STATE OF IDAHO
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WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

SNAKE RIVER NESE Sec. 7, Twp 08S, Rge 14E, TWIN FALLS County

BENEFICIAL USE
IRRIGATION

DIVERSION RATE
0.24 CFS

VOLUME
77.6 AF

SEASON OF USE

From To
4/10 10/31

RENTERS PLACE OF USE: IRRIGATION

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
08S	14E	7									19.4								19.4

Total Acres: 19.4

RENTAL AGREEMENT CONDITIONS OF ACCEPTANCE

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. Rental of the specified right from the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other department application process.
3. Use of water under this agreement does not constitute a dedication of the water to renter's place of use, and upon expiration of this agreement, the points of diversion and place of use of the water shall revert to those authorized under the water right and/or again be available to rent from the bank.
4. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.
5. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
6. Renter agrees to hold the Board, the Director and the state of Idaho harmless from all liability on account of negligent acts of the renter while using water.
7. Renter acknowledges and agrees that the Director may terminate authorization for the use of a water right based on a water right's priority date.
8. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
9. After specific notification by the Department, the right holder shall install a suitable measuring device or shall enter into an agreement with the Department to use power records to determine the amount of water diverted and shall annually report the information to the Department.
10. The rented portions of rights 2-7249 and 2-7462 when combined shall not exceed a total diversion rate of 0.24 cfs, a total annual maximum diversion volume of 77.6 af at the field headgate, and the irrigation of 19.4 acres.

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11. The rented portion of right 2-7249 is limited to the irrigation of 13.0 acres within the place of use described above in a single irrigation season.
12. The rented portion of right 2-7462 is limited to the irrigation of 8.0 acres within the place of use described above in a single irrigation season.
13. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the place of use.
14. Water shall not be diverted under this right unless the flow of the Snake River exceeds flows required by prior downstream minimum stream flow rights.
15. The period of use for the irrigation described in this approval may be extended to a beginning date of 3/15 and an ending date of 11/15 provided that beneficial use of the water can be shown and other elements of the right are not exceeded. The use of water before 4/1 and after 10/31 is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than 12/10/2010.
16. Use of water under this agreement may be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 02.

Idaho Water Resource Board

Attachment to Water Supply Bank Rental Agreement No. 1049

Effective until December 31, 2028

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



Legend

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



STATE OF IDAHO
WATER RESOURCE BOARD

Print Form

APPLICATION TO RENT WATER
FROM THE BOARD'S WATER SUPPLY BANK

Applicant Name: Salmon Falls Land & Livestock Co. Inc.

Is this application being submitted with a lease application as a lease/rental package?

Yes ☒ No ☐

If yes, specify companion water rights in Section 4

This application must be completed according to the minimum requirement checklist below and printed single sided. This checklist is part of the rental application and must be included with the rental application. **Applications that do not meet the minimum requirements will not be placed in the processing queue and may be returned until all minimum requirements have been met.**

There is no filing fee for submitting a rental application. The annual rental fee due will be calculated based on the volume of water required under an approved rental agreement. **Timing:** Rental application processing is prioritized between November through March. Any rental application received on or before November 1 for use in the next year will be assigned a received date of November 1. Rental applications may be returned to applicants if the desired start date for the use of rental water cannot be accommodated by the Water Supply Bank. Rental requests cannot provide retroactive approval, and applications will not be accepted once the rental season of use period has concluded. Rental applications submitted more than one year in advance of the proposed start date for the use of rental water will not be accepted and will be returned to applicant.

One rental application per beneficial use of water. For multiple beneficial uses of water, separate rental requests should be submitted for each unique beneficial use of water. One rental application can be submitted if you propose to rent water from multiple sources.

For additional instructions on completing a rental application, visit <https://idwr.idaho.gov/iwrb/programs/water-supply-bank/resources/>

MINIMUM REQUIREMENT CHECKLIST

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

Attachment	N/A	Yes	
		Yes	
		☒	Completed <i>Application to Rent Water from the Board's Water Supply Bank</i>
		☒	Confirmation that this form has been printed single sided, per requirement of the Water Supply Bank
1B	☐	☒	Authorization to represent the applicant, or sign on behalf of the company
2		☒	A map showing the proposed point(s) of diversion, place(s) of use, and water diversion and distribution systems proposed to be used with your rental request.
3A	☐	☒	Detailed information on proposed use of rental water
3F	☐	☒	Authorization from the owner/operator of the rental point(s) of diversion
3H	☒	☐	Water modeling to analyze impacts of the rental request
3J	☒	☐	Documents justifying a rate of flow greater than 0.02 cfs/acre
3K	☐	☒	Authorization from the owner/operator of the property at the proposed rental place(s) of use
4B	☐	☒	Explanation of how the rental water will sufficiently accomplish your rental purposes
4C	☒	☐	Explanation of consumptive use amounts for water rights experiencing a change in nature of use

Department Use Only – Proposed Water Right(s)

3495

**STATE OF IDAHO
WATER RESOURCE BOARD**

Application to Rent Water (Continued)

1. CONTACT INFORMATION

- A. Applicant Salmon Falls Land & Livestock Co. Inc. c/o Mr. Michael Henslee
- Mailing Address 95-A Bell Rapids Road Hagerman, ID 83332
- Street City State Zip Code
- Email Address _____ Phone Number 208-837-6053
- B. Is this application being completed or signed by an authorized representative on behalf of the applicant? Yes ☐ No ☐
- If yes, representatives (includes company employees, as well as legal counsel or consultants) should provide their information below and include their authority to represent and/or sign the application on behalf of the applicant. Label **Attachment 1B**.
- Representative Zach Latham Professional Title Hydrologist
- Organization Brockway Engineering PLLC Relationship to Applicant Consultant
- Mailing Address 2016 Washington St. North, Suite #4 Twin Falls, ID 83301
- Email Address zach.latham@brockwayeng.com Phone Number 208-736-8543

2. MAP

Attach a map. Create a map of the proposed point(s) of diversion, place(s) of use and water diversion, delivery and distribution systems. The map must include the rental place of use 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 to irrigate **per 40-acre tract** (1/4-1/4). Attach the map to this application and label it **Attachment 2**.

3. DESCRIPTION OF PROPOSED USE FOR RENTAL WATER

- A. Describe why you desire to rent water and provide a detailed description of your proposed use. If the proposed use is not for irrigation, describe in detail how you determined the amount of rental water required. If the space below is insufficient, attach additional sheets as required and label them **Attachment 3A**:
- Irrigation use of 19.4 acres of BLM land, see attached consent from BLM.

- B. Enter the desired and/or minimum rates of flow, volume, or irrigable acres requested for your rental purposes:

Desired Rate (Cubic Feet/Second)	Desired Volume (Acre-Foot)	Minimum Rate* (Cubic Feet/Second)	Minimum Volume* (Acre-Foot)	Desired Acres (if applicable)
0.24 CFS	77.6 AF	0.24 CFS	77.6 AF	19.4 AC

* Sometimes water rights provide an exceptionally low rate per acre and/or low volume per acre. This section is meant to establish an acceptable range of water sufficient for your proposed water use. Please see question 4B and complete if necessary.

- C. **This section must be completed in full.** The desired start date must be later than the date received by the Department. The latest possible start is the latest possible date you could begin diverting water to put the rental to beneficial use in the desired start year. **Rentals are not retroactive and are not approved until the annual rental fee payment is received for the year of beneficial use and an approval document is executed by the Department.**

Desired Start Date (month/day/year)	**Latest Possible Start Date (month/day/year)	*Mark Desired Rental Duration (Calendar Years)	**Applicant's preference if rental application cannot be processed prior to the latest possible start?
4/15/26	7/1/26	☐ 1 ☐ 2 ☒ 3 ☐ 4 ☐ 5 Other Term Length (# of years): Prior IWRB approval required	☒ Process application as soon as possible. I understand the rental fee is annual and is not calculated on a pro rata basis. ☐ Return application to applicant

* The number of years permissible for a rental is subject to the lease contract duration for the water right(s) being rented.

** Per Idaho Code 42-201, it is unlawful to divert or use water without a valid water right. Water Supply Bank rental applicants are not authorized to utilize rental water prior to the execution of an approved rental agreement. Rental requests may be returned to applicants if no water is available from the Bank to fulfill a rental request.

**STATE OF IDAHO
WATER RESOURCE BOARD**

Application to Rent Water (Continued)

- D. Describe your water distribution system and how rental water will be delivered from the point(s) of diversion (POD) to the proposed place of use (POU):
Point of diversion is owned by applicant. Applicant seeks to rent back portions of 2-7249 and 2-7462 for irrigation of BLM lands, see authorization by BLM for irrigation by applicant.

- E. **Point(s) of diversion.** Locate the point of diversion within each 40-acre tract and/or the U.S. Government Lot of the Public Land Survey System. Spring sources should be described to the nearest 10-acre tract. Identify the county where the point of diversion is located. An existing well must be identified for a request to rent ground water under a short-term rental.

TWP	RGE	SEC	GOVT LOT	¼	¼	¼	County	Source	Local name or tag #
08S	14E	7			NE	SE	TWIN FALLS	SNAKE RIVER	EXISTING DIVERSION

- F. If the POD(s) above are located where water is turned into a canal, lateral or ditch, or if they are located on your property but are serviced by water that is delivered via a canal, lateral or ditch, your rental request must include documented authorization from all relevant canal companies, irrigation districts and/or water delivery entities, confirming that they consent to your diversion of water from their system.

Has documented consent from all relevant water delivery entities been obtained?

Yes ☐ N/A ☒

If yes, include documented consent as **Attachment 3F**.

- G. Do any POD(s) identified in Question 3E divert from a water source that may require water modeling?

Yes ☐ No ☒

Refer to the Water Modeling Requirements Information Sheet to determine if a rental POD may require water modeling.

- H. Has water modeling been provided with your rental request?

Yes ☐ N/A ☒

If yes, label modeling Attachment 3 H.

Rental applications that require modeling will be returned if modeling is not provided.

- I. Specify the desired beneficial use of water and the requested season of use or number of acres required:

- ☐ Irrigation 19.4 (number of acres) Duration: Subject to IDWR standard seasons of use
- ☐ Commercial from: _____ (mm/dd) to: _____ (mm/dd)
- ☐ Stockwater from: _____ (mm/dd) to: _____ (mm/dd)
- ☐ Industrial from: _____ (mm/dd) to: _____ (mm/dd)
- ☐ Other: _____ from: _____ (mm/dd) to: _____ (mm/dd)

- J. For irrigation uses, do you propose to divert water at a rate greater than 0.02 cfs/acre?

N/A ☐ Yes ☐ No ☒

If yes, justify the rate of flow and attach any supporting documents as **Attachment 3J**. Justification may include information on soil composition, conveyance losses, crop type, irrigation systems, public access areas, etc. A rate of 0.03 cfs/acre is permissible for irrigation of 5 acres or less.

N/A

- K. Do you own the land at the proposed rental place of use (POU)?

Yes ☐ No ☒

If no, attach documentation from the POU owner/operator confirming your authorization to use the POU and label it **Attachment 3K**.

- L. List all other water rights and sources of water at the rental place of use for the same purpose, including privately owned water rights and water received from a municipal supplier, an irrigation district, a canal company or any other water delivery entity. Explain why additional water is required: Attach a separate page if space is insufficient and label it **Attachment 3L**.

None. Land being irrigated by applicant does not have a water right appurtenant to it, hence the need for this rental application.

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

4. RENTAL REQUESTS FOR SPECIFIC WATER RIGHTS

A. Are you requesting to rent specific water rights?

Yes ☒ No ☐

If yes, specify below the elements of the water rights you are requesting to rent. *Rental applications that require modeling must also complete the table below for the specific water rights to be rented. If no, continue to Question 4B.*

Important Information: Diversion rates and volumes sought for rent must be proportionate to the per acre diversion rates and per acre volume limits of the water right under lease contract to the Water Supply Bank. For leased rights featuring combined limits, rentals must be consistent with combined diversion rate, volume or acre limits. Combined limits should be listed on a row below water right numbers. Include any additional water required to meet area headgate requirements, minimum flow rates when combined with existing water rights at the rental location, or mitigation requirements because of [ESPA Modeling Analysis](#) results. Prior to completing this section, applicants should review all water right lease contracts and any active rental agreements to determine which elements of a water right are available to satisfy a rental request. Active leases and rentals are searchable via the [Lease and Rental Map Search](#) tool. Water rights identified below must either already be leased to the Bank or a lease proposal should accompany this rental request. **Rental requests for water rights not yet leased to the Bank will be returned if companion lease applications are not provided with the rental request.**

Water Right Elements Leased to Water Supply Bank					Leased totals, minus water right elements involved in active rental agreements, equals water right elements available for rent	Water Supply Bank Rental Request		
Water Right Number (leave blank if sub-total of combined limits)	Nature of Use	Diversion Rate (CFS)	Volume (AF)	Acres (AC)		Diversion Rate (CFS)	Volume (AF)	Acres (AC)
2-7249	Irrigation	1.87	406.3	101.6		0.24	107.0	13.0
2-7462	Irrigation	1.25	252.0	63.0		0.16	32.1	8.0
Applicants must ensure the requested rate per acre and volume per acre do not exceed the rate per acre and volume per acre limits of water rights leased to the Water Supply Bank					TOTAL	0.24 CFS	77.6 AF	19.4 AC

**Attach multiple copies of this page if space above is insufficient to list all water rights requested to be rented on this application.*

B. If water right conditions, combined limits, or the sum of all water right elements being requested provide an unconventional duty of water (e.g., an unusually low rate per acre or volume per acre for irrigation use), explain how your proposed rental will sufficiently accomplish your intended purposes. Attach a separate page if space is insufficient and label it **Attachment 4B**:

N/A.

C. Does your rental request propose to change the nature of use for any water right(s) requested above?

Yes ☐ No ☒

If yes, explain how the water right(s) will be converted to new uses. Include the historic, consumptive use amounts for the water right being rented if you have it, as well as the new consumptive use amount for your proposed beneficial use. If space below is insufficient, attach a separate page and label it **Attachment 4C**:

N/A.

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

5. ADDITIONAL INFORMATION

- A. Is this the first time that rental water is being requested for this purpose at the rental place of use? Yes ☐ No ☒

If no, list previous rental requests/agreements and explain why you have not secured a permanent water right for your needs:

See previously approved 2019-2025 rentals, which are identical to this rental request.

- B. Have you or do you intend to submit an application for permit or transfer proposing a similar use as this rental?

If yes, describe:

Yes ☒ No ☐

Applicant seeks to permanently transfer a portion of 2-7249 and 2-7462 in the near future.

- C. Was this rental application submitted in response to a Notice of Violation (NOV) or a pending NOV?

Yes ☐ No ☒

If yes, describe the date and location of the NOV.

N/A.

- D. Additional Information

DECLARATION

I hereby assert that the information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in rejection of the application or cancellation of an approval. I understand that if this rental application is approved, it will be subject to the provisions of Section 42-1766, Idaho Code and all applicable state and federal laws. I understand that the submission of a rental application provides no guarantee for approval of a rental agreement. I also understand that, per Idaho Code 42-201, it is unlawful to divert or use water without a valid water right and that I am not authorized to utilize water as proposed in this application prior to the execution of an approved rental agreement.

Salmon Falls Land & Livestock Co.

by Michael J. Henslee V.P.
Signature of Applicant

Michael J. Henslee
Printed Name of Applicant

3/13/2026
Date

Signature of Representative

Printed Name of Representative

Date

Print Form

Mail to:

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

Electronic Filing:

file@idwr.idaho.gov
cc_bank@idwr.idaho.gov



United States Department of the Interior
BUREAU OF LAND MANAGEMENT
BUREAU OF LAND MANAGEMENT
Jarbidge Field Office
2878 Addison Ave. East
Twin Falls, Idaho 83301



In Reply Refer To:
2920 IDI-31038
(IDT010) P

April 10, 2018

CERTIFIED MAIL: 7013 2250 0001 7619 2523
RETURN RECEIPT REQUESTED

Decision

Salmon Falls Land & Livestock
Attn: Mike Henslee
123 Bell Rapids Rd.
Hagerman, ID 83332

:
:
:
:

Land Use Permit Issued
IDI-31038

Land Use Permit Approved
Rental Determined
Monitoring Fee Determined

The Bureau of Land Management (BLM), Jarbidge Field Office has completed a review of an application from Salmon Falls Land & Livestock for the renewal of a land use permit (LUP), referenced as IDI-31038. This LUP authorizes the operation, maintenance and removal of two circular wet pivot crossings on public lands in Twin Falls County, Idaho. The LUP occupies 19.9 acres, more or less, located on a portion of public lands legally described as:

Boise Meridian, T. 08 S., R. 14 E., sec. 07, NE $\frac{1}{4}$ SW $\frac{1}{4}$.

Based on a review of the LUP proposal and the categorical exclusion documentation (CX), it has been determined that the proposed action would not result in unnecessary or undue environmental degradation and is in conformance with the applicable land use plans. Furthermore, the proposed action is categorically excluded from the National Environmental Policy Act (NEPA) under 516 DM 11.9 E. (9). Accordingly, it has been determined that CX documentation is appropriate because there are no extraordinary circumstances having effects that may significantly affect the environment.

In addition to, this permit shall be automatically renewable upon payment of the annual rental unless the BLM Authorized Officer notified the permittee within 60 days of the expiration date of the permit that the permit shall not be renewed (43 CFR 2920(i)).

Rent for use of public lands must be paid in advance of such use and prior to issuance of the LUP. The Office of Appraisal Services determined a minimum rental rate of \$250 annually. The rental payment has been received, so no additional rent is due at this time.



0006154448

**STATE OF IDAHO***Office of the secretary of state, Phil McGrane***ANNUAL REPORT**

Idaho Secretary of State
PO Box 83720
Boise, ID 83720-0080
(208) 334-2301
Filing Fee: \$0.00

*For Office Use Only***-FILED-**

File #: 0006154448

Date Filed: 3/10/2025 11:26:19 AM

Entity Name and Mailing Address:

Entity Name: SALMON FALLS LAND & LIVESTOCK COMPANY
The file number of this entity on the records of the Idaho Secretary of State is: 0000104980
Address: 95A BELL RAPIDS RD
HAGERMAN, ID 83332-6039

Entity Details:

Entity Status: Active-Good Standing
This entity is organized under the laws of: IDAHO
If applicable, the old file number of this entity on the records of the Idaho Secretary of State was: C30678

The registered agent on record is:

Registered Agent: TIMOTHY J STOVER
Registered Agent
Physical Address
905 SHOSHONE ST N
TWIN FALLS, ID 83301
Mailing Address
83332-6039

Corporate Officers and Directors:

Name	Title	Business Address
KATHERINE A. HENSLEE	Secretary	123 BELL RAPIDS RD. HAGERMAN, ID 83332
MICHAEL J. HENSLEE	Vice President	23 SAYLOR CR. RD. HAGERMAN, ID 83332
MARK W. HENSLEE	Vice President	3016 SOUTH 1000 E. HAGERMAN, ID 83332

The annual report must be signed by an authorized signer of the entity.

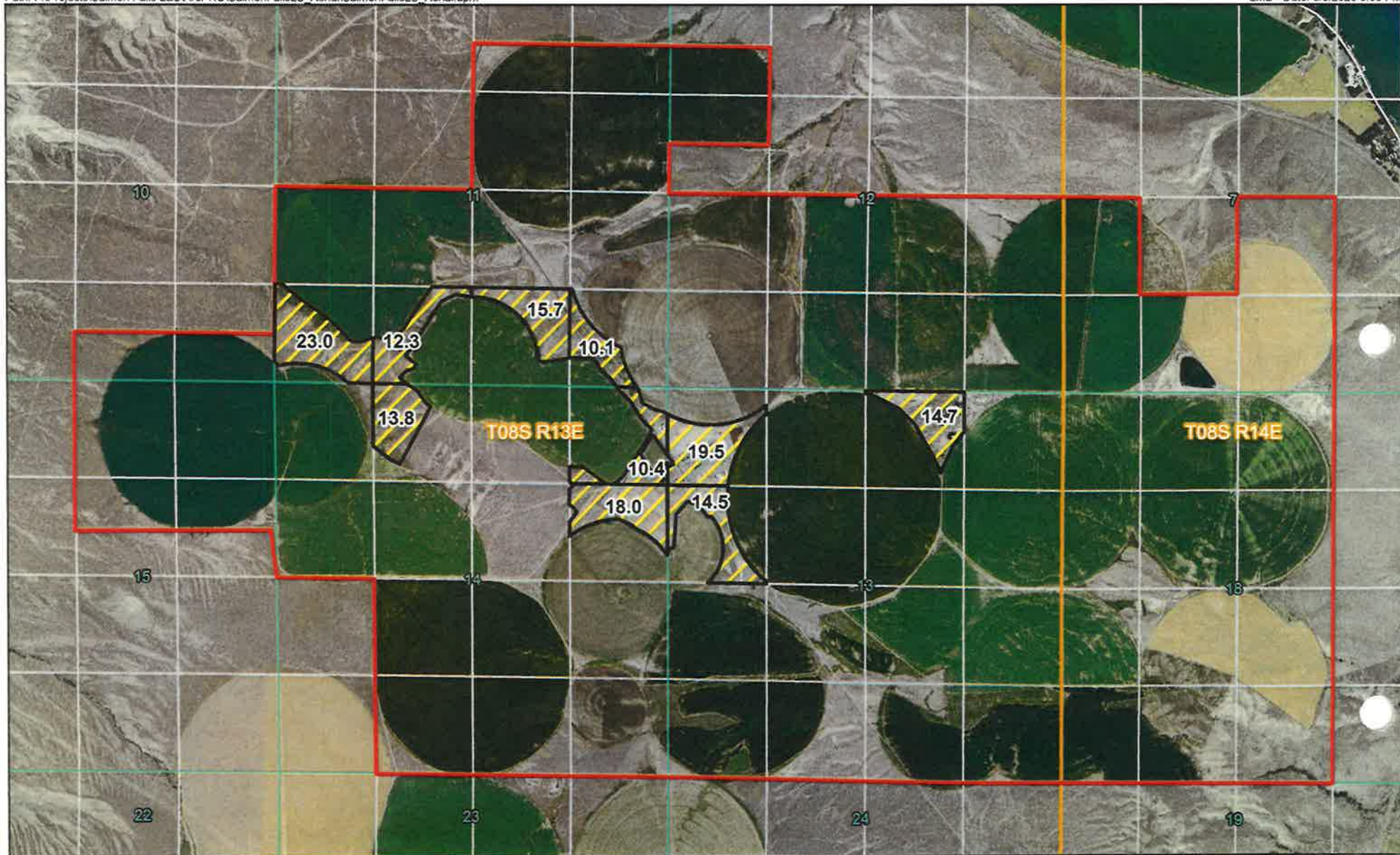
Job Title: Vice President

*Michael J. Henslee**03/10/2025*

Sign Here

Date

B0996-0518 03/10/2025 11:26 AM Received by Office of the Idaho Secretary of State



0 0.25 0.5
Miles

SALMON FALLS LAND & LIVESTOCK CO INC

WATER SUPPLY BANK LEASE 2026-2028

2023 NAIP AERIAL

Legend

-  WSB Lease Areas 2023
-  Salmon Falls L&L- PPU



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

August 7, 2026

SALMON FALLS LAND & LIVESTOCK CO INC
C/O MICHAEL J HENSLEE
95A BELL RAPIDS RD
HAGERMAN, ID 83332-6039

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO. 2-7249 and 2-7462, AGREEMENT 1049**

Dear Renter:

Please find enclosed a receipt in the amount of **\$256.08** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 77.6 acre-feet of water for irrigation of 19.4 acres during 2026. Upon receipt of this fully executed agreement, you are authorized to divert water in compliance with the conditions of water use described in the agreement.

The rental fee will be retained by the Department to offset administrative costs since you are the owner of the rights. The annual rental fee for 2027 is due by December 31, 2026.

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

Sincerely,

Darin Vrem
Water Supply Bank

Enclosures: Receipt No. C127662
Rental Agreement (copy)

c: Sascha Marston – Fiscal
IDWR Regional Office (via email)
Zach Latham, Brockway Engineering PLLC
Water District – 02



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

July 28, 2026

SALMON FALLS LAND & LIVESTOCK CO INC
C/O MICHAEL J HENSLEE
95A BELL RAPIDS RD
HAGERMAN, ID 83332-6039

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 2-7249 AND 2-7462, AGREEMENT 1049**

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

Dear Applicant:

The Department of Water Resources acknowledges receipt of your application to rent water from the Water Supply Bank. **I have enclosed a Water Supply Bank Rental Agreement for your review and signature.** Upon signature and return of the original agreement, together with the rental fee described below, the Department will also sign the original agreement and return an executed copy to you. Execution of the agreement and compliance with the conditions of approval authorize diversion and use of water as provided in the agreement.

A rental fee of **\$256.08 per year** was calculated based on the current rental rate of \$33.00 per acre-foot times a diversion volume of 77.6 acre-feet. Since you are both the lessor and the renter of the rights, **you are only obligated to pay the 10% administrative fee or \$256.08.** The annual rental fee for 2027 is due by December 31, 2026. The agreement will be void if payment is not received prior to the due date in a given year. If you would like to terminate the agreement prior to the end of the rental period, you must submit written notice of your intent to the Department at least 30 days prior to the rental fee due date.

Please send a check in the amount of \$256.08 for 2026 made payable to the Idaho Department of Water Resources, **together with the signed rental agreement, within 14 days** so I can complete processing.

Pursuant to the Water Supply Bank Rules, **\$256.08** will be retained by the Department to offset administrative costs for **2026**.

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

Sincerely,

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

Enclosure: Proposed Rental Agreement 1049

cc: IDWR Front Desk (via email)
Bank (via email)
Representative: Zach Latham, Brockway Engineering (via email)

Cheever, Skyler

From: Cheever, Skyler
Sent: Tuesday, July 14, 2026 8:35 AM
To: Smith, Kellie; Skinner, Corey
Cc: Erling, Jes
Subject: Water Supply Bank Lease/Rental Application Package 2236/1049
Attachments: Lease Approval Map 2236.pdf; Lease Review Memo 3494.pdf; Rental Agreement 1049.pdf; Rental Approval Map 1049.pdf; Rental Review Memo 1049.pdf

Hello Corey and Kellie,

I have completed my review of Water Supply Bank Lease 3494 and Rental 3495 Application package with the proposed points of diversion within Administrative Basin 2 and Water District 2. The lease and rental applicant are the Salmon Falls Land and Livestock Co. The applicant proposes to lease a 152.1-acre portion of water rights 2-7249 and 2-7462 into the WSB from 2026-2028. They propose to rent a 19.4-acre portion of the same lease contract 2236 from the Water Supply Bank from 2026-2028. Attached is a copy of the rental agreement, review memos, and maps of the place of use. If you have any comments regarding the applicant's proposals or my reviews, please let me know within 7 days. If you have any questions or concerns, please let me know.

Best,

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

(208)-287-4800 or www.idwr.idaho.gov

MEMORANDUM FOR RENTAL AGREEMENT # 1049

To: Water Right No(s). 2-7249 and 2-7462

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

Date: 7/13/2026

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

PURPOSE/NARRATIVE:

Application 3495 was sent in by the Salmon Falls Land and Livestock Co. and received by the Idaho Dept. of Water Resources on March 19th, 2026. This application is part of a lease/rental application package with lease contract 2236 under the same applicant. Since the lessor and renter are the same the applicant is only obligated to pay the administrative rental fee. The applicant proposes to rent 19.4 acres of irrigation from 2-7249 and 2-7462 from 2026-2028. The proposed point of diversion (POD) is within the Snake River Basin Moratorium Area, Blue Gulch Critical Groundwater Management Area, and Trust Water Area. This application is intended as a renewal of rental agreement 858 which expired on December 31st, 2025.

AUTHORITY TO FILE:

Mike Henslee signed the application. Mr. Henslee has the authority to sign the application on behalf of Salmon Falls Land and Livestock Co. because he is a vice president with the company according to the Idaho Secretary of States Office Database. The proposed POD is the same as the proposed WR's. The proposed place of use (POU) is under the ownership of the Bureau of Land Management. Documentation was provided with the application indicating the applicant obtained consent from BLM granting legal access to the POU. Therefore, there are no legal access concerns to the proposed POD or POU.

INJURY TO OTHER WATER RIGHTS:

The proposed rental POD is the same as the lease POD. In addition, the rental proposal is less than the total leased acres under contract 2236, leaving idle acres remaining. Therefore, it's unlikely this rental proposal would impact other Snake River water users.

ENLARGEMENT OF USE:

There are no other WR's overlapping the proposed POU. The leased WR's overlap the proposed POD. The unleased portions of WR's 2-7249 and 2-7462 are limited when combined to 28.02 cfs, 9,120.6 af and the irrigation of 2,279.9 acres. To prevent an enlargement of the existing WR's combined limits for the rented portion of each WR and when combined will be added to the agreement. There are no other enlargement concerns.

LOCAL PUBLIC INTEREST:

The proposed rental of water is in the local public interest.

BENEFICIAL USE/CONSERVATION OF WATER RESOURCES:

The proposed rental is consistent with the conservation of water resources in Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS:

The proposed rental POD is within Administrative Basin 2 and Water District 2. The proposed rental POU is within Administrative Basin 47. A request for comment was sent to the Watermaster and Southern Regional Manager on July 14th, 2026. No concerns were received.

Idaho Water Resource Board
Attachment to Water Supply Bank Rental Agreement No. 1049

Effective until December 31, 2028

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



0 500 1,000 1,500 Feet

Legend

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

