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Department of Water Resources
Eastern Region

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July 19, 2004

Allen B. Ruberry
Sr. Water Resource Agent
Adjudication Bureau
900 N. Skyline Dr. Suite A
Idaho Falls, ID 83402

**RE: Water Right Claim 22-7228A
Teton Rainbow Ranch Inc.
450 W. 749 S.
Victor ID 83455**

Dear Mr. Ruberry,

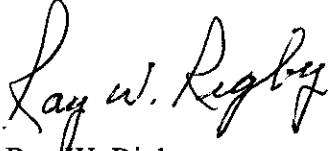
In behalf of Teton Rainbow Ranch Inc., I am responding to your letter to that corporation dated May 12, 2004, wherein you ask for evidence of priority for the above numbered water right. I submit herewith a copy of Water Right License for said water right number 22-7228, issued to Merle Kunz, Duane H. Kunz, Darrell Kunz, Clarence Kunz & Edwin Schiess, on September 12, 1984 by the Idaho Department of Water Resources, which shows the priority date of April 25, 1977.

Darrell Kunz and his wife Dorothy Kunz, Clarence Kunz and his wife Genevie Kunz, and Jerry Kunz, and Larry Kunz formed a corporation called Teton Rainbow Ranch Inc., on March 1, 1978, and their portion of the water right described above was transferred with land owned by them, to said corporation. Darrell, Dorothy and Clarence are now dead and Larry and Jerry own all their interest in the land, water right and capital stock of said corporation and are purchasing the interest of Genevie Kunz, who has transferred her title to Larry and Jerry. The records of the IDWR will show the division of said license and that water right number 22-7228A belongs to said corporation. Therefore the priority date from the said original license should be valid for water right 22-7228A.

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If you desire additional information or that information from this letter become a part of an affidavit, would you please let me know. I have represented these families and this corporation for a long while and I can verify the statements made in this letter.

Sincerely,

A handwritten signature in cursive script that reads "Ray W. Rigby". The signature is written in black ink and is positioned above the printed name.

Ray W. Rigby
RWR/bml

enclosures
cc. Teton Rainbow Ranch Inc.

State of Idaho
Department of Water Resources

WATER RIGHT LICENSE

License of Water Right No. 22-7228 Priority April 25, 1977 Amount 1.59 cfs

THIS IS TO CERTIFY, that Merle Kunz, Duane H. Kunz, Darrell Kunz, Clarence Kunz & Edwin Schiess of Victor, Idaho

, has complied with the terms and conditions of Permit No. 22-7228 issued pursuant to Application for Permit dated April 25, 1977 and has submitted proof to the Department of Water Resources on May 26, 1982 that he has applied water to a beneficial use; an examination by the Department indicates that the works have a capacity for the diversion of 1.59 cfs of water from a groundwater source tributary to _____, and that the permit holder has applied to a beneficial use and established a right to use water as follows:

Beneficial Use	Period of Use	Rate of Diversion	Annual Volume
<u>Irrigation</u>	<u>from April 15 to October 15</u>	<u>at 1.59 cfs and</u>	<u>577.1 acre feet</u>
_____	_____ from _____ to _____	_____ at _____ cfs and	_____
_____	_____ from _____ to _____	_____ at _____ cfs and	_____

(both dates inclusive)

Subject, however, to the condition that no more than 1.59 cfs of water be diverted at any one time, and that the amount of water so diverted and to which such right is entitled and confirmed is for the purpose aforementioned and is limited to the amount which can actually be beneficially used and shall not exceed 577.1 acre feet per year, said waters to be diverted within the NW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 17, Twp 4N, Rge 45E _____ in the County of Teton

Description and location of place of use:

Twp.	Range	Sec.	NE $\frac{1}{4}$				NW $\frac{1}{4}$				SW $\frac{1}{4}$				SE $\frac{1}{4}$				Totals
			NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$	NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$	NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$	NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$	
4N	45E	17							40	40	40	39							159
		18																39	39

Total number of acres irrigated 198

NOTE: Modifications to or variance from this license must be made within the limits of Section 42-222, Idaho Code, or the applicable Idaho Law. This right may be forfeited by five years of non-use.

The right to the use of the water hereby confirmed is restricted and appurtenant to the lands or place of use herein described, and is subject to all prior water rights, as provided by the laws of Idaho.

Witness the seal and signature of the Director, affixed at Boise, Idaho, this 12TH day of SEPTEMBER, 19 84.

Acting for the Director Ronnan C Young