

DISTRICT COURT
SNAKE RIVER BASIN ADJUDICATION
STATE OF IDAHO

RECEIVED

JUN 11 2002

Department of Water Resources



TERRENCE A. DOLAN
SPECIAL MASTER
(208) 736-3011
FAX (208) 736-2121

SRBA CHAMBERS
P.O. BOX 2707
TWIN FALLS, IDAHO 83303-2707

June 7, 2002

Hon. James C. Morfitt
District Judge
Fourth Judicial District
1115 Albany Street
Caldwell, Idaho 83605

Re: CV 01-03402 and SRBA Subcase
51-04037

Dear Judge Morfitt:

Enclosed is an *Order* I recently entered in an SRBA subcase that relates to a quiet title action pending before you. I've highlighted the relevant sections. Essentially, I plan on holding our subcase in abeyance until the issue of ownership of the land at Murphy Hot Springs is resolved in your proceeding. There are a number of individuals involved, but the corporate entities are WaterOne Enterprises LLC (Idaho), WaterOne Enterprises LLC (California) and Purity Sweet, Inc.

If you need any records from our file, please give me a call. In the meantime, we'll check in with the Clerk of the District Court in Murphy now and then to follow the progress of the quiet title action. We plan to set our subcase on a trial track as soon as ownership is resolved.

Sincerely,

A handwritten signature in cursive script, appearing to read "Terrence A. Dolan".

Terrence A. Dolan
Special Master
Snake River Basin Adjudication

Enclosure

cc. WaterOne Enterprises, LLC
Purity Sweet
Kevin J. Beaton
David Barber
Garrick Baxter

RECEIVED

JUN 11 2002

Department of Water Resources

2002 JUN -7 PM 1:47

DISTRICT COURT-SRBA
TWIN FALLS, IDAHO

IN THE DISTRICT COURT OF THE FIFTH JUDICIAL DISTRICT OF THE
STATE OF IDAHO, IN AND FOR THE COUNTY OF TWIN FALLS

In Re SRBA	)	Subcase 51-04037
	)	(Purity Sweet, Inc., or WaterOne
Case No. 39576	)	Enterprises LLC)
	)	
	)	ORDER GRANTING MOTION TO
	)	WITHDRAW; ORDER GRANTING
	)	STATE'S MOTION FOR LEAVE TO
	)	FILE RESPONSE; and ORDER GRANTING
	)	MOTION TO FILE LATE OBJECTION

A hearing on pending *Motions* was held on June 6, 2002, at the SRBA Courthouse in Twin Falls, Idaho. Claimant Purity Sweet, Inc., was not represented by counsel, but two of its officers (Don Dozier and Matthew Olivas) appeared in court; Timothy J. Schneider appeared for claimant WaterOne Enterprises LLC (Idaho); Kevin J. Beaton appeared for claimant WaterOne Enterprises LLC (California), along with Thomas Scroggins; David J. Barber appeared for respondent the State of Idaho; respondent Janet O'Crowley appeared *pro se*; and Garrick L. Baxter appeared by telephone for IDWR.

The first matter to be heard was Mr. Schneider's oral motion to withdraw as attorney of record for WaterOne Enterprises LLC (Idaho). Mr. Schneider cited irreconcilable conflicts of interest having consulted with parties of both WaterOne Enterprises LLC (Idaho) and WaterOne Enterprises LLC (California).¹ Mr. Beaton, counsel for WaterOne Enterprises LLC (California), said his client would not waive any claim of conflict of interest and did not oppose the motion. Messrs. Dozier and Olivas spoke against the motion because it would leave WaterOne Enterprises LLC (Idaho) without an attorney. Their roles in WaterOne Enterprises LLC (Idaho) are presumably the same as their roles in Purity Sweet, Inc.

¹ There is a pending quiet title action in Owyhee County District Court, case no. CV 01-03402, essentially between WaterOne Enterprises LLC (California) and Purity Sweet, Inc. [WaterOne Enterprises LLC (Idaho)] to determine ownership of the land to which water right 51-04037 is appurtenant.

The second matter was the State of Idaho's *Motion for Leave to File a Response or in the Alternative to File a Late Response* filed April 10, 2002. Mr. Barber pointed out that the State filed a *Response to Objection* in subcase 51-04037 on August 17, 2000, in response to Matthew Olivas' *Objection* to quantity. The State filed the present *Objection* simply to make the record clear that it remains a party to the subcase, including WaterOne Enterprises LLC's pending *Objection* to purpose of use filed December 28, 2001. No one opposed the State's *Motion*.

The third matter to be heard was a *Motion to File Late Objection* filed by WaterOne Enterprises LLC (California) on April 24, 2002. Mr. Beaton argued his client is a necessary party being an adverse claimant to 51-04037 and the plaintiff in the pending Owyhee County District Court quiet title action. No one opposed the *Motion*.

THEREFORE, IT IS ORDERED that:

1. Mr. Schneider's oral motion to withdraw as attorney of record for WaterOne Enterprises LLC (Idaho) is **granted**. His client will have ample time to retain substitute counsel in light of the Special Master's stated intent to defer further action in the subcase pending resolution of ownership by the Owyhee County District Court;²
2. The State of Idaho's *Motion for Leave to File a Response or in the Alternative to File a Late Response* is **granted**; and
3. The *Motion to File Late Objection* filed by WaterOne Enterprises LLC (California) is **granted**.

DATED June 7, 2002.


TERRENCE A. DOLAN
Special Master
Snake River Basin Adjudication

² Mr. Beaton said a summary judgment hearing before the Owyhee County District Court is scheduled for July 12, 2002, and trial is set for sometime in March, 2003.

CERTIFICATE OF MAILING

I certify that a true and correct copy of the ORDER GRANTING MOTION TO WITHDRAW; ORDER GRANTING STATE'S MOTION FOR LEAVE TO FILE RESPONSE AND MOTION GRANT was mailed on June 07, 2002, with sufficient first-class postage to the following:

STATE OF IDAHO

Represented by:
DAVID J. BARBER
STATEHOUSE RM 210
STATEHOUSE MAIL
BOISE, ID 83720-0010
Phone: 208-334-2400

WATERONE ENTERPRISES, LLC

Represented by:
KEVIN J. BEATON
101 S CAPITOL BLVD STE 1900
BOISE, ID 83702-5958
Phone: 208-389-9000

DIRECTOR OF IDWR
PO BOX 83720
BOISE, ID 83720-0098

JANET O'CROWLEY
16 STUBB ROAD
CAREY, ID 83320-5026
Phone: 208-823-4554

PURITY SWEET
WATERONE ENTERPRISES LLC
359 N 400 W
PAUL, ID 83347

