

July 24, 2003

Burgess Canal Co. Inc.
225 N. 3600 East
Rigby, ID 83442

To: Vic Rounds; Administrator for Burgess Canal Adjudication; et al

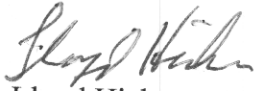
Subject: Guidelines for Western Boundaries Determination for Adjudication Maps

Whereas the western boundaries of the Burgess Canal Co. does not interface to fixed boundaries of other canal companies or on the Snake River in some areas, or to a natural edgeline, The "Large Area Boundary" method defined by the Adjudication Supervisor/Master will apply. The historical boundary line, "Greenline", shows the meandering boundary on the map. The update will include the pieces and parts of the sections affected at the outside boundary up the 40 acres allowance for each piece or part affected.

1. At the Burgess board meeting of June 6, 2003, the plan was reviewed prior to formalization of the maps. The Green boundary line was established as the baseline for the west boundary. Whereas, the canal company benefits from the guidelines for squaring the section lines to the deeded edges of each affected parcel and the "Large Area Boundary" guidelines provide for this method, the map boundary shall include the pieces or parts outside the green line to the deeded section lines up to the guideline of 40 acres per parcel or piece affected.
2. Meetings held at Idaho Falls and other cities with the State of Idaho adjudication personnel and procedure handouts provided the guidelines for Canal Company mapping. Lloyd Hicks and Roger Stucki attended each of these meetings. Lloyd Hicks met with Mr. Dave Tuthill (Adjudication Master) to review our plans. Lloyd Hicks and Roger Stucki met with Dick Larsen, (Boise Office mapping) to confirm our methods and obtain guidance. Basically the guidelines are to include all lands justifiable based on historical irrigation and allowable by the adjudication procedures.
3. Therefore maps shall be marked and submitted based on the "Large Area Boundary" guidelines including the pieces and parcels up to the deeded section lines up to 40 acres per piece or parcel. The above summarizes the agreements and actions to finalize the western boundaries of the Burgess Canal Company. This plan ensures the Burgess Canal Company will have submitted the maximum acreage allowed by procedures of the Adjudication process. This plan also protects the stockholders of the west boundary to the extent possible by adjudication procedures. The rest of the canal company is served by this method as the additional acreage, however, small provides a broader baseline for allowed water determination.

The above plan and facts are in compliance to the rules and requirements of the Adjudication process as I understand them. I have attended the sessions and hearings, read the procedures and became informed to my best ability. Based on the above, the Administrator, Victor Rounds is requested to mark the maps appropriately and submit in behalf of the Burgess Canal Company.

Respectfully,

A handwritten signature in cursive script, appearing to read "Lloyd Hicks".

Lloyd Hicks
President
Burgess Canal Company