

HOFSTETTER LAW OFFICE

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Telephone: (208) 424-7800
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April 26, 2002

RECEIVED

APR 29 2002

Department of Water Resources

Joe Eld
Roseberry Irrigation District
2554 East Roseberry
McCall, ID 83638

Mack Miller
1008 North 6th Street
Boise, ID 83702

Lyle Points
P.O. Box 53
Donnelly, ID 83615

Re: Roseberry Irrigation Boundary Map

Dear Gentlemen:

As you know, Eastern Western Corporation and Island Capitol, LLC previously requested certain changes to the Roseberry Irrigation District boundary map dated November 9, 1999. I enclose a copy of my November 1, 2001 letter to Joe Eld, describing the requested changes. Island Capitol and the Idaho Department of Water Resources are nearing final resolution of several of Island Capitol's water rights in the Snake River Basin Adjudication. As part of that process, Island Capitol also would like to finalize the requested changes to the Roseberry Irrigation District boundary map. On behalf of Island Capitol, LLC, I would request that as soon as possible you consider the requested changes and notify Sue Bock of Idaho Department of Water Resources and myself, concerning whether or not you approve. As you will note, the requested changes actually would result in a net decrease in the number of acres identified within Roseberry's boundaries. The Roseberry Irrigation District assessments for the land Island

Re: District Boundary Map
April 26, 2002
Page 2

Capitol purchased from Eastern Western Corporation have been corrected by the Valley County Treasurer's Office and those corrected assessments would be consistent with the requested changes on the map.

You can indicate your assent to the requested changes by signing this letter below and returning the signed letter to me. I will arrange to forward the information to Sue Bock. Thank you for your assistance in this matter.

Sincerely,

HOFSTETTER LAW OFFICE, LLC



Dana L. Hofstetter

Approved by: _____
Joe Eld

Approved by: _____
Lyle Points

Approved by: _____
Mack Miller

Enclosures

cc: Garrick Baxter

Sue Bock

Island Capitol, LLC

E:/4004.1/5236

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November 1, 2001

Via facsimile

Joe Eld
Roseberry Irrigation District
2554 East Roseberry
McCall, Idaho 83638

Re: Roseberry Irrigation District Boundary Map

Dear Joe:

On behalf of Eastern Western Corporation and Island Capitol, LLC, I requested that the Idaho Department of Water Resources ("IDWR") make certain changes to its Roseberry Irrigation District boundary map dated November 9, 1999. I believe you have a copy of that map. The requested changes only concern the property that recently was sold by Eastern Western to Island Capitol. IDWR has indicated that it will make the requested changes after obtaining the approval of the Roseberry Irrigation District ("Roseberry" or "District"). Therefore, on behalf of Eastern Western Corporation and Island Capitol, I request Roseberry's approval of these changes. The changes only pertain to the IDWR boundary map, and will not alter the total number of acres that are authorized to be irrigated within those boundaries under Roseberry's water rights. As you know, this latter issue is the subject of ongoing Snake River Basin Adjudication ("SRBA") proceedings. The two requested changes to the Roseberry boundary map, if approved, will result in a net decrease of approximately 5-10 acres within District boundaries.

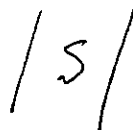
Based on the February 23, 1995 Judgment excluding lands from the Roseberry Irrigation District (copy enclosed), it appears that there should be no District lands in the NE1/4SW1/4 Section 1, Township 16 North, Range 3 East. However, the November 9, 1999 IDWR map includes about 20 acres in that quarter-quarter section within District boundaries. Therefore, Eastern Western and Island Capitol requested that IDWR amend the map to remove those 20 acres from Roseberry's boundaries.

The second requested change concerns the NW1/4NW1/4 Section 12, Township 16 North, Range 3 East. Based on the Roseberry SRBA claim, it appears that all of that quarter-quarter section should be within District boundaries. However, the November 9, 1999 IDWR map omits about 10-15 acres from that quarter-quarter section. Accordingly, Eastern Western and Island Capitol requested that the IDWR map be revised to include this entire quarter-quarter section in District boundaries.

Roseberry probably should also confirm that other portions of the IDWR map accurately reflect Roseberry boundaries. My limited review of this matter concerned only the lands involved in the Eastern Western/Island Capitol transaction. As part of this effort, Roseberry also may wish to confirm that County assessment information is up to date and consistent with the IDWR map. Please do not hesitate to contact me if you have any questions about this matter. In any event, we would request that you contact Sue Bock at IDWR (208-334-2190) as soon as possible to discuss the two changes requested by Eastern Western and Island Capitol. She is expected to go on maternity leave by November 10, 2001. Thank you for your assistance.

Sincerely,

HOFSTETTER LAW OFFICE

A handwritten signature in black ink, appearing to read 'D L Hofstetter', written over the printed name.

Dana L. Hofstetter

Enclosure
cc: Sue Bock
Mack Miller
Lyle Points
Linda Jones
Michael McGinley

E:/1838.3/5071

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LELAND G. HEINRICH, CLERK
By DeLoe Deputy

FEB 23 1995

Case No. _____ Inst. No. _____
Filed _____ A.M. _____ P.M.

Attorneys for Plaintiff,
Board of Directors of the
Roseberry Irrigation District

IN THE DISTRICT COURT OF THE FOURTH JUDICIAL DISTRICT OF THE
STATE OF IDAHO, IN AND FOR THE COUNTY OF VALLEY

BOARD OF DIRECTORS OF THE)
ROSEBERRY IRRIGATION DISTRICT,)

Plaintiff,)

vs.)

DOES I-XX, Defendants, Whose)
True Names are Unknown, and)
All Other Persons Unknown,)
Having Interest in or Claim)
Against the Roseberry)
Irrigation District,)

Defendants.)

Case No. CV-94-197

JUDGMENT AND DECREE OF
CONFIRMATION

The Defendants having been duly served by published summons
in this action, and having failed to answer or object in the
allotted time, and the default of said Defendants having been
entered, and it appearing that there are no outstanding bonds,
warrants or other indebtedness of the Roseberry Irrigation
District, and it appearing the proceedings concerning the Special
Election Modifying the Roseberry Irrigation District by the

JUDGMENT AND DECREE OF CONFIRMATION - 1

Exclusion of Land followed the proper statutory procedures pursuant to Idaho Code Title 43, Chapter 13.

IT IS ORDERED, ADJUDGED AND DECREED AND THIS DOES ORDER, JUDGE AND DECREE that the Plaintiff have judgment by default against the Defendants and that the proceedings concerning the Special Election Modifying the Roseberry Irrigation District by the Exclusion of Lands are hereby confirmed and the following lands are excluded from the boundaries of the Roseberry Irrigation District:

SE $\frac{1}{4}$ SW $\frac{1}{4}$ (40 acres), E $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ (20 acres), W $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ (2 acres) and S $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ (15 acres), Section 1, Township 16 North, Range 3 East, Boise Meridian, Valley County, Idaho;

NW $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ (10 acres), Section 12, Township 16 North, Range 3 East, Boise Meridian, Valley County, Idaho; and

NW $\frac{1}{4}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$ (10 acres), Section 13, Township 16 North, Range 3 East, Boise Meridian, Valley County, Idaho.

Dated this 23 day of February, 1995.


Judge G.D. Carey

49715/36304.3001

JUDGMENT AND DECREE OF CONFIRMATION - 2