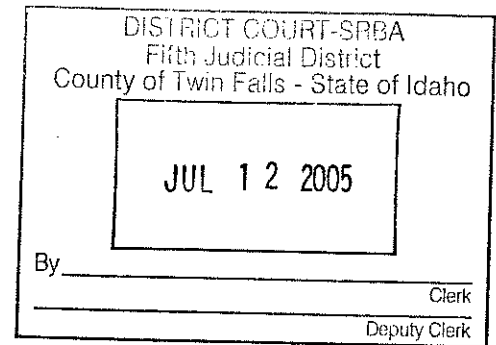




Names of Parties Filing Document:

UNITED STATES OF AMERICA

R.O. JONES & SONS, INC.

CRAIG S. HAWKER

Attorneys' Names and Addresses:

KELLY A. JOHNSON
Acting Assistant Attorney General
Environment and Natural Resources Division

LARRY A. BROWN
Attorney, U.S. Dept. of Justice
Natural Resources Section
Environment and Natural Resources Division
550 West Fort Street, MSC 033
Boise, Idaho 83724
Ph.: (202) 305-0435 FAX: (202) 305-0274

**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 Numbers: 45-11006, 45-11020,
	)	45-11049, 45-11050, 45-13799, 45-13800,
	)	45-13809, and 45-13810
	)	
Case No. 39576	)	STIPULATION TO RESOLVE
	)	SUBCASES

The United States of America (hereinafter "United States") and R.O. Jones & Sons, Inc. and Craig S. Hawker (hereinafter collectively "Claimants"), agree and stipulate to resolve the United States Department of the Interior, Bureau of Land Management (hereinafter "BLM") objections filed in the above-captioned subcases as follows:

PAGE 1 - **STIPULATION TO RESOLVE SUBCASES; SUBCASE NUMBERS: 45-11006, 45-11020, 45-11049, 45-11050, 45-13799, 45-13800, 45-13809, AND 45-13810**

STIPULATION

WHEREAS, the United States recognizes the significant role of the livestock industry in the settlement, history and culture of the State of Idaho; and,

WHEREAS, the United States and Claimants recognize the importance of the stockwater rights at issue in these subcases to the livestock industry in the State of Idaho and the BLM's grazing program; and,

WHEREAS, the United States and Claimants wish to resolve BLM's objections without further litigation, expense and delay;

THEREFORE, Claimants and the United States stipulate and agree as follows:

1. The United States and Claimants agree and stipulate that pursuant to I.R.C.P. 41(a)(1)(ii), Claimants dismiss with prejudice Water Right Claim Numbers 45-11006, 45-11049, 45-11050, 45-13799, 45-13809, and 45-13810.

2. The United States and Claimants agree and stipulate that pursuant to I.R.C.P. 41(a)(1)(ii), Claimants dismiss with prejudice points of diversion and places of use in Water Right Claim Number 45-11020 that describe federal public land. The United States and Claimants further agree and stipulate to sign and file such other stipulation as necessary to delete such points of diversion and places of use from Water Right Claim Number 45-11020 within 30 days of the date this Stipulation is filed in the Snake River Basin Adjudication District Court.

3. The United States and Claimants agree and stipulate that the United States is the owner of Water Right Claim Numbers 45-12525, 45-12526, 45-12558, 45-12559, 45-12561, 45-12678, 45-12686, 45-12689, 45-12690, 45-12718, 45-12779, 45-12796, and 45-12920. For

these instream stockwater rights, the stockwater purpose of use is the watering of livestock owned by persons holding valid BLM-issued grazing permits. The stockwater purpose of use of these water rights shall not be changed so long as a valid BLM-issued grazing permit exists for the land on which a particular water right is located.

4. Nothing in this stipulation shall prevent the BLM from administering the use of a grazing allotment and its associated water rights in accordance with applicable law, including taking such administrative actions as changing the boundaries of grazing allotments or modifying or terminating BLM-issued grazing permits.

5. This stipulation was reached through negotiations for the purpose of resolving legal disputes, including pending litigation. All parties agree that no offers and/or compromises made in the course of the negotiations regarding any of the subcases mentioned in this document shall be construed as admissions against interest or be used in any legal proceeding.

6. This stipulation comprises the entire agreement and no promise, inducement, or representation other than herein set forth has been made, offered, or agreed upon, and the terms of this stipulation are contractual and not merely a recital.

7. All parties agree to bear their own costs and attorney fees in connection with this matter.

//

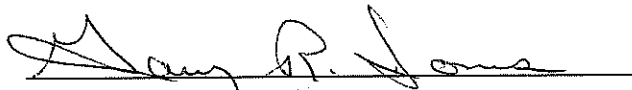
//

//

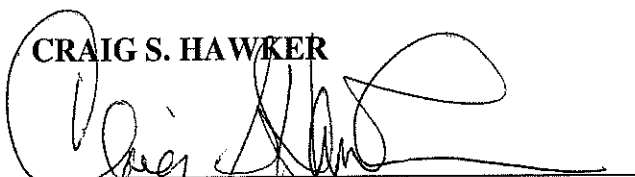
//

8. This stipulation was entered into and executed voluntarily by all parties in good faith, and without any fraud, misunderstanding, overreaching, misrepresentation, duress, or undue influence.

CLAIMANTS:
R.O. JONES & SONS, INC.

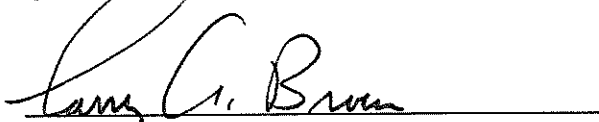

Gary R. Jones, President

DATED: 7-12-05

CRAIG S. HAWKER

Craig S. Hawker

DATED: 7-12-05

OBJECTOR:
UNITED STATES OF AMERICA


LARRY A. BROWN
Of Attorneys for the United States

DATED: 7/12/05

CERTIFICATE OF SERVICE

I certify that on Jul. 12, 2005, I served a true and correct copy of the foregoing **STIPULATION TO RESOLVE SUBCASES; SUBCASE NUMBERS: 45-11006, 45-11020, 45-11049, 45-11050, 45-13799, 45-13809, and 45-13810** upon the following individuals by placing the document in the United States Mail in Boise, Idaho, postage paid, and addressed as follows:

1. Original to:
Clerk of the District Court
Snake River Basin Adjudication
253 Third Avenue North
P.O. Box 2707
Twin Falls, ID 83303-2707

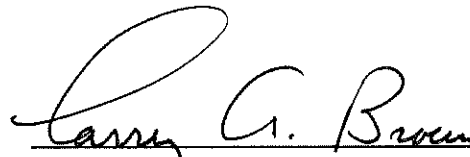
2. Copies to:
U.S. Department of Justice
General Litigation Section
Environment and Natural Resources Division
550 West Fort Street, MSC 033
Boise, ID 83724

R.O. Jones & Sons, Inc.
P.O. Box 137
Almo, Idaho 83312

Chief, Natural Resources Division
Office of the Attorney General
State of Idaho
P.O. Box 44449
Boise, ID 83711-4449

Craig S. Hawker,
2014 S 50 E
Oakley, Idaho 83346-8705

IDWR Document Depository
P.O. Box 83720
Boise, ID 83720-0098



Person serving document