

BROCKWAY
ENGINEERING
P.L.L.C.

Hydraulics

Hydrology

Water Resources

July 14, 2005

Douglas Jones
Idaho Department of Water Resources
Southern Region Office
1341 Fillmore, Suite 200
Twin Falls, ID 83301

RECEIVED
JUL 18 2005
Department of Water Resources
Southern Region

Re: Sun Valley Ranch LLC: Amended Claims & Change of Ownership

Dear Doug:

Please find the enclosed amended claims for Sun Valley Ranch LLC. These claims are being amended as a result of your recommendations from our meeting on June 16, 2005 regarding SC Ranch LLC. The amended claims should create a permissible place of use appurtenant to the lands formerly known as Diamond Dragon Ranch (owned by E. Hadley Stuart Jr.). These claims are based on the use of the lands in 1987 and should correct the errors within in the current claims. In addition, it two more claims are being submitted (37-67A and 37-69A) since these rights were never claimed in the initial claiming process. However, these two rights have continually been delivered by the local Watermaster. In order to obtain the shapefiles for the PPU please contact me at my new email daren.nelson@brockwayeng.com and I will send them via email.

In order to change ownership of these rights two forms have been submitted (claimed rights and partially decreed rights). An attached purchase agreement for the property is also included. The final closing of these transactions will be completed shortly and the appropriate deeds will be submitted to IDWR as soon as the transaction is complete. In addition, a limited power attorney is attached that signifies Charles E. Brockway as the authorized agent for Sun Valley Ranch LLC.

I have included a check for a total of \$25.00 to cover the costs of the change of ownership forms appurtenant to the rights that have been partially decreed. If any other costs are needed during the processing of these documents please call our office to discuss the matter. Our client wishes that these amendments be processed as soon as possible and if or any other agent have any questions regarding the enclosed documents, please feel free to give our office a call.

Sincerely,

Daren T. Nelson.

CHARLES E.
BROCKWAY,
PH.D., P.E.

CHARLES G.
BROCKWAY,
PH.D., P.E.

2016 NORTH
WASHINGTON
STREET • SUITE 4

TWIN FALLS,
IDAHO 83301

208•736•8543

FAX: 736•8506

Attachments: Limited Power of Attorney
Two (2) change of ownership forms
Purchase agreement and amendments
Brockway Engineering Check # 6741

cc: Robert Kantor

RECEIVED

AUG 01 2005

Department of Water Resources
Southern Region

Supporting Narrative

Sun Valley Ranch, LLC (Diamond Dragon Ranch): Amended Claims

Project #: 787-03-2005

Brockway Engineering is submitting the attached amended claims, in order to create a permissible place of use appurtenant to the property currently owned by E. Stuart Hadley Junior. It has been the recommendation of Douglas Jones at IDWR to amend these claimed rights so that they can be included in a PPU and allow flexibility in the management of these rights. These claimed rights are being amended based on how the rights were being used in 1987. In addition, two rights are being claimed that are appurtenant to the property that were not formerly claimed in the SRBA. SC Ranch, LLC has entered a purchase agreement with E. Stuart Hadley Jr. regarding the Diamond Dragon Ranch, and will close the transaction regarding the ownership of this property shortly. However, SC Ranch, LLC would like to proceed with the change of ownership of these rights and these amendments in order to update and fix errors that have occurred in the process of claiming many of these rights.

Based on our research of the IDWR water right database, eighteen (18) water rights are appurtenant to the E. Stuart Hadley Jr. (Diamond Dragon Ranch) property in Township 1S and Range 18E. According to the legal description acquired from the attached purchase agreement the ranch is ~ 1813 acres. In addition, according to aerial photos ~1551.5 of these acres were being irrigated in 1987. In the near future, when IDWR reviews these claims, the total allowed acreage of this property would probably equal the amount of acreage that was being irrigated in 1987. Therefore these claimed rights are being amended in order to reflect the 1551.5 acres that was being irrigated on the ranch in 1987.

To assist in the understanding of these rights, I have included a the following table that lists the priority date, source, status, diversion rate, allowed uses, etc. of each right owned by the ranch and used for irrigational purposes. In addition, see the attached current water right map to identify the claimed location of the POU's and POD's of each water right, and the boundaries of the properties. After these rights are amended the total claimed irrigatable area of the permissible place of use should be 1551.5 acres and the POU and POD's of the amended claims should reflect this.

Group #1 water rights are seven (7) water rights that have been claimed in the SRBA and have been decreed in the Frost Decree. All of these rights are being diverted from the Big Wood River and are being used for irrigation. The claimed diversion rate of these claims are higher than the standard allowed limit of 0.02 cfs/acre and all of the rights in this group have combined limits above this standard (0.035 (37-60, 37-61, and 37-62), 0.0375 (37-230, 37-231B, and 37-232), or 0.05 (37-577AZ) cfs/acre). However, within the remarks of 37-230, 37-231B, and 37-232 it states that the water applied to the POU exceeds the standard limit and are based on historical water master records that show that larger diversion rates are needed due to the extremely porous soils. The remarks also

state that the water that is applied in excess of the standard enters the ground water system and is returned to the Big Wood River. Thus, these higher diversion rates should be justified.

Table 3: Current Status of the Diamond Dragon Ranch Water Rights

Water Right #	Priority Date	Source	Diversion (cfs/afa)	Beneficial Use	Status in SRBA	Allowed Acreage
Group #1: Claimed Irrigation Rights that Exceed the Standard Rate						
37-60	07/01/1880	Big Wood River	2.80/---	Irrigation	Claim	400
37-61	07/01/1880	Big Wood River	8.40/---	Irrigation	Claim	400
37-62	07/01/1881	Big Wood River	2.80/---	Irrigation	Claim	400
37-230	05/15/1883	Big Wood River	4.00/---	Irrigation	Claim	160
37-231B	05/15/1883	Big Wood River	0.40/---	Irrigation	Claim	160
37-232	05/15/1884	Big Wood River	1.60/---	Irrigation	Claim	160
37-577AZ	03/24/1883	Big Wood River	2.90/203	Irrigation	Claim	57.9
Group #2: Claimed Irrigation Rights that are Below or At the Standard Rate						
37-63A	07/01/1881	Big Wood River	1.23/---	Irrigation	Claim	614
37-64A	05/01/1883	Big Wood River	3.32/---	Irrigation	Claim	614
37-66A	12/19/1882	Big Wood River	2.46/---	Irrigation	Claim	614
37-68A	06/26/1883	Big Wood River	0.98/---	Irrigation	Claim	614
37-70	05/15/1887	Big Wood River	1.98/---	Irrigation	Claim	520
37-71B	05/01/1882	Big Wood River	0.50/---	Irrigation	Claim	40
37-2492	09/16/1948	Big Wood River	2.80/490	Irrigation	Claim	140
37-2538	06/20/1953	Big Wood River	1.86/326	Irrigation	Claim	93
37-4266	03/01/1910	Big Wood River	2.26/396	Irrigation	Beneficial Use Claim	113
Group #3: Irrigation Rights Not Claimed in the SRBA						
37-67A (Portion)	06/26/1883	Big Wood River	2.80/---	Irrigation	Frost Decree	---
37-69A (Portion)	06/26/1883	Big Wood River	2.55/---	Irrigation	Frost Decree	---

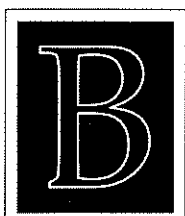
Group #2 water rights are nine (9) water rights that have been claimed in the SRBA and have been decreed in the Frost Decree except 37-2492, 37-2538, and 37-4266. Both 37-2492 and 37-2538 have currently been licensed and 37-4266 is still a beneficial use claim. All of these rights are being diverted from the Big Wood River except 37-2492 and 37-2538, which are diverted from ground water sources. The claimed diversion rates of these rights are all either below or at the standard allowed limit of 0.02 cfs/acre.

Since 37-4266 is still a beneficial use claim the validity of this right still needs to be determined. It is our understanding that ERO Resources out of Boise is currently working with IDWR to regarding the priority of this right.

William M. Black owned all of the decreed rights at the time of these decrees. E. Stuart Hadley then acquired this property and the water rights associated with the property since the time of these former decrees. However, some of these rights were still in William M.

Blacks name when these claims were being made in 1987. The included area within the POU of these original rights included land that is not currently owned by Hadley. Thus, in 1987 when these rights were claimed the rights were divided to reflect the new ownership of the property. Group #3 water rights are two rights (37-67A and 37-69A) that were originally decreed in the Frost Decree and are appurtenant to a portion of the property, but were never claimed in the SRBA. Wood River Ranch owns a portion of the property that these rights POU describe and have claimed the corresponding portions of these rights. However, the remainder of the two rights have never been claimed by the ranch, even though the Watermaster for this region has continued to deliver these rights. Therefore, these two rights are now being claimed.

Thank you for your time and thorough review of these amended claims. We would appreciate if these transactions could be approved and processed as soon as possible. If you have any questions concerning this narrative or any of the amended claims, please do not hesitate to contact our office.



BROCKWAY
ENGINEERING
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Hydraulics

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Water Resources

July 29, 2005

Douglas Jones
Idaho Department of Water Resources
Southern Region Office
1341 Fillmore, Suite 200
Twin Falls, ID 83301

RECEIVED

AUG 01 2005

Department of Water Resources
Southern Region

Re: Sun Valley Ranch LLC: Amended Claims & Change of Ownership

Dear Doug:

I am resending the enclosed amended claims now that the warranty deed has been obtained from our client. We have not resubmitted the purchase agreement that was sent to you on July 14, 2005, since you stated that these documents were inadequate. In addition, I have included the original check for \$25.00 and an additional check for \$50.00 to cover the costs of the change of ownership forms appurtenant to the rights that have been partially decreed. As before stated if any other costs are needed during the processing of these documents please call our office and we will be glad to resolve the issue.

Just for your information our client will not receive the deed for the JD Spring Creek Ranch until August 12, 2005. Therefore, we will not be resubmitting these other amended claims until that point.

Our client wishes that these amendments be processed as soon as possible and if or any other agent have any questions regarding the enclosed documents, please feel free to give our office a call.

CHARLES E.
BROCKWAY,
PH.D., P.E.

CHARLES G.
BROCKWAY,
PH.D., P.E.

Sincerely,

Daren T. Nelson.

Attachments: Brockway Engineering Check # _____
Warranty Deed

2016 NORTH
WASHINGTON
STREET • SUITE 4

TWIN FALLS,
IDAHO 83301

208•736•8543

FAX: 736•8506

cc: Robert Kantor

AMENDED 37-232IN THE DISTRICT COURT OF THE FIFTH JUDICIAL DISTRICT OF THE
STATE OF IDAHO, IN AND FOR THE COUNTY OF TWIN FALLSIN RE THE GENERAL ADJUDICATION
OF RIGHTS TO THE USE OF WATER FORM
THE SNAKE RIVER BASIN WATER SYSTEM

CIVIL CASE NUMBER: 39576

Ident. Number _____

Date Received _____

Receipt Number _____

**NOTICE OF CLAIM
TO A
WATER RIGHT
ACQUIRED UNDER STATE LAW**

RECEIVED

AUG 01 2005

RECEIVED
JUL 18 2005
Department of Water Resources
Southern RegionDepartment of Water Resources
Southern Region

Please type or print clearly

1. Name of Claimant (s) Sun Valley Ranch, LLC Phone (208) 726-1780Mailing Address P.O. Box 40380, Ketchum, Idaho Zip 833402. Date of Priority (Only one (1) per claim) 05/15/18843. Source of water supply (a) Big Wood Riverwhich is tributary to (b) Malad River4. a. Location of existing point of diversion is: Township 01N Range 18E Section 35,
NW 1/4 of SE 1/4 of 1/4, Govt. Lot, B.M., County of BlaineAdditional points of diversion if any: 01S18E10SWNE, 01S18E02NWSE, 01S18E11NWNW,
01S18E11SWSW, and 01S18E15NWNE

b. If instream flow, beginning point of claimed instream flow is:

Township _____ Range _____ Section _____, _____ 1/4 of _____ 1/4 of _____ 1/4,

Govt. Lot _____ B.M., County of _____

ending point is: Township _____ Range _____ Section _____, _____ 1/4 of _____ 1/4 of

_____ 1/4, Govt. Lot _____ B.M., County of _____

5. Description of existing diversion works (Dams, Reservoirs, Ditches, Wells, Pumps, Pipelines, Headgates, Etc.),
Including the dates of any changes or enlargements in use, the dimensions of the diversion works as constructed
and as enlarged and the depth of each well. Existing ditches and pipelines that are gravity fed into the system

6. Water is claimed for the following purposes:

(both dates are inclusive) (cfs) (acre feet)

For Irrigation purposes from 04/01 to 11/01 amount 1.6 or 480

For _____ purposes from _____ to _____ amount _____ or _____

For _____ purposes from _____ to _____ amount _____ or _____

For _____ purposes from _____ to _____ amount _____ or _____

7. Total quantity claimed (a) 1.6 (cfs) and / or (b) _____ (acre feet)

8. Total consumptive use claimed is 480 acre feet per annum.

9. Non-irrigation uses; described fully (e.g. Domestic: list number of households served; Stockwater: type and number of livestock, etc.) _____.

10. Description of place of use:

- a. If water is for irrigation, indicate acreage in each subdivision in the tabulation below.
- b. If water is used for other purposes, place a symbol of use (example: D for Domestic) in the corresponding place of use below. See instructions for standard symbols.

TWP	RNG	SEC	NE 1/4				NW 1/4				SW 1/4				SE 1/4				TOTALS
			NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	
01S	18E	10				8					25.6		37	34	16.6	40	40	11.6	212.8
		11	40	40	40	40	40	16.7	37.3	40	40	39	38	40	38.5	35.4			524.9
		12						29.4	24										53.4
		13					40	40	28	40									148
		14	36	38.5	40	36	38.7	40	40	40									309.2
		15	40	36.8	39	40	25	22	17.6	33.8									254.2
		16	22			27													49

Total number of Irrigatable acres 1551.5

11. In which county (ies) are lands listed above as place of use located? Blaine

12. Do you own the property listed above as place of use? Yes _____ No XX
If your answer is No, describe in Remarks below the authority you have to claim this water right.

13. Describe any other water rights used at the same place and for the same purposes as described above.

See attached Or None ☐

14. Remarks:

*1: Total authorized irrigated acres shall not exceed 160 acres per irrigation season when used without the rest of the associated water rights of the PPU

*2: Total authorized irrigated acres of the rights in the PPU shall not exceed 1551.5 acres per irrigation season

See attached Purchase Agreement regarding the ownership transactions for this water right and the appertenant property

Last Name _____ Ident. No. _____
15. Basis of Claim (check one) Beneficial Use _____ Posted Notice _____ License _____ Permit _____
Decree XX

If applicable provide IDWR Water Right Number 37-232
Court _____ Case Number _____ Decree Date 12/13/1909
Plaintiff vs Defendant _____

16. Signature (s)
(a.) By signing below, I/We acknowledge that I/We have received, read, and understand the form entitled
"How you will receive notice in the Snake River Basin Adjudication." (b.) I/We ☐ do ☐ do not
wish to receive and pay a small annual fee for monthly copies of the docket sheet.

Number of attachments _____

For Individuals: I do solemnly swear or affirm that the statements contained in the foregoing document are true and correct.

Signature of Claimant (s) _____ Date _____
_____ Date _____

For Organizations: I do solemnly swear or affirm that I am Authorized Agent
Title
Of Sun Valley Ranch LLC, that I have signed the foregoing
Organization
Document in the space below as Senior Member of Brockway Engineering P.L.L.C.
Title Organization

And that the statements contained in the foregoing document are true and correct.

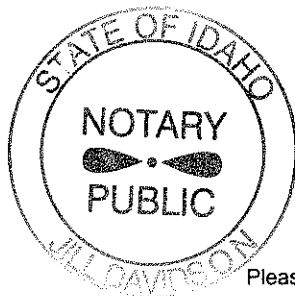
Signature of Authorized Agent [Signature]
Title and Organization Senior Member / Brockway Engineering Date 7-13-05

State of Idaho / or _____)
County of Twin Falls) ss.

Subscribed and sworn (or affirmed) before me this 13TH day of July, 2005.

Notary Public [Signature]
Residing at Twin Falls
My Commission Expires November 18, 2010

SEAL



Please Print Name

17. Notice of Appearance:

Notice is hereby given that I, _____ will be acting as attorney at law on behalf
Of the claimant signing above, and that all notices required by law to be mailed by the director to the claimant signing
above should be mailed to me at the address listed below.

Signature _____

Address _____

Date _____

Last Name _____ Ident. Number _____

