

Mr Chris Bromley,

Am regards to the mediation I had with Earl Swarthin, protesting my Howell Creek water. I'm sending two copies from Lee Diamond which you requested in the meeting.

As you can see in the affidavit from Lee I did not intend to sign his permit back to the State of Idaho.

I feel Earl is correct, but there was no need for creek water because ^{the previous owners} they were using well water.

My father ^{and I} have farmed this property off and on for years even before Lee Diamond owned it. In 1987 we leased 90 acres and grew potatoes on this part, with well water.

If they should decline the reinstatement of this permit or water right, I should still have surface water rights out of Howell Creek.

I hope this sheds some light on the issues. If you have any other questions please call Bill Kelley at 208-312-0087

Thank You

Bill Kelley

March 15, 2005

Idaho Department of Water Resources

Re: Water Rights 45-7319
Legal Description of Property:

Township 11S, Range 25E, Section 28, Tract NWNW, Acres 40, Tract SWNW, Acres 40,
Tract SENW, Acres 40

Township 11S, Range 25E, Section 28, Tract NESW, Acres 40, Tract NWSW, Acres 40,
Tract SWSW Acres 40, Tract Acres SESW 40

Total: 280 Acres

Dear Sirs,

I, Lee Dimond owned (2) separate pieces of property in Albion, Idaho. The properties were about 1/2 mile apart. There was a well on the property I sold to Ray Robinson that was used to not only irrigate that property, but with the underground pipe I pumped water to irrigate the smaller piece of property. The underground pipe still exists today. Since 1978 I farmed this land growing wheat, corn and other crops and irrigated them with this well. When I decided to retire I put the smaller piece of property that I still owned (see property description above) into the CRP program for 10 years. When I sold Ray Robinson the larger piece of property the attorneys had me sign a whole lot of papers. One paper that I thought I was signing was an agreement that I would not take water from the well that was on the property I sold to Ray Robinson. My plan all along was after the sale to change the point of diversion from the well that was on the property I sold to Ray Robinson. No one told me at the time I signed this paper that I was actually signing the water rights that I owned for the smaller piece of property over to the State of Idaho. I would have to be pretty stupid to give the water away and decrease the value of the land I still owned. I wasn't worried about the water because I had put the smaller piece of property into the CRP for 10 years. I figured before the land came out of the CRP program I would put a well in at some other point so I would still be able to irrigate the smaller piece of property. The present property owner has come to me and said that he cannot get water back on the property I sold to him because the state says I gave it to them. I am writing this letter to say I would not have knowingly signed that paper if someone would have told me what it was for.

Lee G. Dimond

Lee G. Dimond Signature

Public Notary: Cynthia Basselli

April 13, 2005 Date



11/99

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

ASSIGNMENT OF APPLICATION FOR PERMIT
To change the ownership of an application for permit

I, Lee G. Dimond, hereby assign to George Bill Kelley
of Alamosa Id Po Box 525 9505-1300E 808 673 6675
(Full Address) (Phone)

All my right, title, and interest in and to Application for Permit No. 45-7319
to appropriate the public waters of the State of Idaho.

OR (for partial assignments)

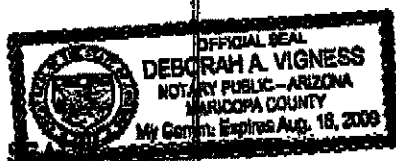
~~The following described portion of my right, title, and interest in and to Application for
Permit No. 45-7319 to appropriate the public waters of the State of Idaho.
(Describe portion of the application for permit assigned, listing the number of acres in each 40 acre
subdivision, point of diversion location, and amount of the water in cubic feet per second.)~~

Made this 27 day of Jan, 2006

Lee G Dimond
Applicant(s)

State of Idaho Arizona
County of Maricopa

On this 28 day of January, 2006, personally appeared before me the signor(s) of the above
instrument, who duly acknowledged to me that he (she) (they) executed the same.



Deborah A Vigness
Notary Public residing at

My commission expires: 8-16-09