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APR 27 2006

DEPARTMENT OF
WATER RESOURCES

**Also Licensed in Missouri & Kansas

April 25, 2006

Roxanne Brown
Idaho Department of Water Resources
PO Box 83720
Boise, ID 83720-0098

Dear Roxanne:

We appreciate your email of Wednesday, April 19, 2006. Since then, we have received the extra Warranty Deed for which we have been waiting, for the portion of the 160 acres in the name of David A. & Natalie Laatz located in Custer County. We are enclosing a copy of that deed with this letter.

Maybe we have here a problem of "which comes first, the chicken or the egg". I do not know how to make the numbers come out right either, but I do know that what was intended was for the water to be split up in proportion to the number of irrigated acres on each piece of property.

I suppose we can prepare amended claims to exclude the BLM, but I don't know how to split up the water and the land any better than I have just indicated.

It appears that water right number 73-12037 has already been changed to the names of Hall and Sullivan and so maybe nothing further needs to be done on that one. The same may be true with respect to the Laatz property which appears to be covered by right no. 73-12038, except that I do not believe it has been changed to the names of David A. & Natalie M. Laatz yet. Their address appears to be 704 S. Wenonah Ave., Oak Park, IL 60304, but I do not have a telephone number for them.

The major problem appears to be with the land divided between Mr. Robert Dreyer and the Northwest Fidelity Trust. The total acres deeded to Northwest Fidelity Trust appears to be 360 and total acres deeded to Mr. Dreyer appears to be about 225. But I do not have a clue how many acres are actually irrigated within either parcel and so I do not know how to allocate the

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amounts of water to each parcel. As a possibility, suppose we were to have the Northwest Fidelity Trust and Mr. Dreyer each file amended claims. The Northwest Fidelity Trust claims could show the nine relevant 40s (actually eight 40s and two 20s) and the Dreyer amended claim could show the approximately 225 acres, also claiming the full amount in each 40. Since the 360 versus the approximately 225 works out to be about 62.5% versus 38.5%, suppose we then divided up the amounts of cfs under each of the five relevant water rights based on this percentage. Since we know that all of this would be wrong, you could then proceed to figure out the correct irrigated acreage within each ownership and we might have to somehow adjust the amounts to make them proportionate to the amounts of acreage when you reach these figures. Does this make any sense?

Please let me know what makes your job the simplest and we will try to get you the amendments that potentially accomplish that objective.

Yours very truly,



Kent W. Foster