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August 6, 2003

ERNEST CARLSEN, SUPERVISOR
STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
900 N SKYLINE DR, STE A
IDAHO FALLS ID 83402-1718

RECEIVED

AUG 07 2003

Department of Water Resources
Eastern Region

RE: BASIN 29 WATER RIGHTS

Mr. Carlsen,

I have been forwarded paperwork from my clients concerning water rights in Basin 29. Frankly, I am not 100% sure what they may be required to do in order to maintain those water rights. What I can tell is that apparently there is some incorrect property information contained in your data base with regard to the use of those water rights.

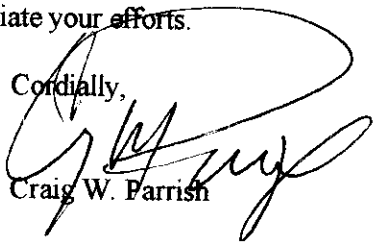
In this particular matter, my client is Sunbeam Water Company, and as you should know, they are a small and basically insolvent water company created by a land developer in order to facilitate development and establishment of Garden Grove Subdivision just east of American Falls, Idaho in Power County. Sunbeam Water Company is not defunct, it still operates, collects a minimal amount of money monthly for water usage and continues to provide domestic, culinary water for all of the homes in the Subdivision. I note under your preliminary recommendation, provided in documentation dated February 18th, that the domestic use specified is indicated for 17 homes, I believe that is inaccurate as it is my understanding that we are talking about more home sites than that. In fact I think under the plat that there is almost twice that, although many of those lots have not been developed.

Either way, be that as it may, there has been no change in water right ownership and I suspect that if there has been any notice of new owner, it is simply somebody in your office misunderstanding the status of this particular subdivision.

With that in mind, I am unsure as to how you want me to proceed on behalf of my clients. I would be more than happy to take steps as may be necessary in order to preserve the water rights necessary concerning the subdivision and homes of which we speak.

I will await to hear from you and appreciate your efforts.

Cordially,


Craig W. Parrish

CWP/ehb
c: Sunbeam Water