

Attorneys for Bluegrass, LLC and David Hendrickson

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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

Case No. 39576

Subcase No. 63-04037

AFFIDAVIT OF DAVID HENDRICKSON

STATE OF IDAHO)
) ss.
County of Ada)

DAVID HENDRICKSON, having been duly sworn upon oath, deposes and states
as follows:

1. I am over the age of 18 years and make this affidavit based upon personal
information.

2. Water right no. 63-04037 is owned by Bluegrass, LLC, a limited liability corporation owned by Robert Donnelly. As such, Mr. Donnelly owns the real property to which water right no. 63-04037 is appurtenant via his ownership of Bluegrass, LLC.

3. I am the lessee of the real property to which water right no. 63-04037 is appurtenant. I am the operator and manager of Quail Hollow Golf Club which water right no. 63-04037 is used to irrigate. As the lessee of the property, I have a real property right/interest in both the property and the water rights appurtenant to it.

4. When the Director's Report issued from the Idaho Department of Water Resources regarding water right no. 63-04037, notification of the Director's Report was sent to Robert Donnelly rather than to me as Mr. Donnelly is the listed owner of the right. I did not receive notice of the issuance of the Director's Report from Mr. Donnelly until sometime during the second week of April, 2006.

5. In the meantime, I received a phone call from Steve Hannula of ERO Resources during the first week of April. Mr. Hannula mentioned to me that the Director's Report recommending the particulars of water right no. 63-04037 had issued, and he inquired as to whether I was aware of the Report. I informed him that I was not aware that the Director's Report had issued.

6. As a result of my phone conversation with Mr. Hannula, I contacted Vicky L. Music of the Idaho Department of Water Resources within the next couple of days to discuss these matters with her. Ms. Music provided me with a copy of the Director's Report via facsimile at the end of the first week of April.

7. After reviewing the Director's Report, I was aware that I needed to object to the heating condition imposed/recommended by the Director's report regarding water right

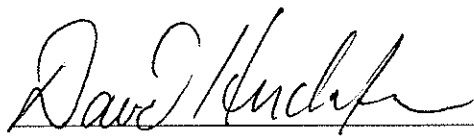
no. 63-04037, however, I was unaware of any pending deadline for doing so. Further, I was not familiar with the process for filing such an objection. Ms. Music and I did not discuss the objection deadline, nor the process for objections. The heating condition imposed/recommended by the Director's Report is erroneous and presents difficulties for the operation/irrigation of the golf course. For example, the golf course and its facilities are not equipped and do not contain the necessary infrastructure to use water right no. 63-04037 for heating purposes. Further, the irrigation season includes the spring and summer months when heat is not used or necessary.

8. In an attempt to familiarize myself with the objection process, I placed a phone call to the SRBA Court during the week of April 24, 2006. The Court informed me that the objection deadline had passed on April 21, 2006, but that I should file a late objection regarding water right no. 63-04037.

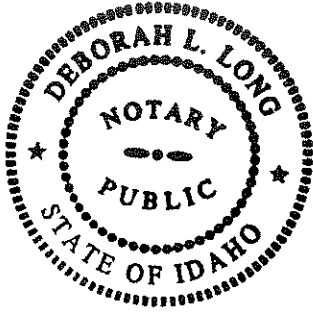
9. Once I was informed that the objection was no longer timely, but that I should file a late objection, I contacted water law attorney Scott L. Campbell to assist me in the late objection process. I was unable to meet with Mr. Campbell until May 16, 2006, due to scheduling difficulties between myself and Mr. Campbell. For example, I was out of town from May 4 through May 15, 2006.

10. Since my meeting with Mr. Campbell on May 16, 2006, Mr. Campbell's law firm has been working with me to prepare the necessary papers for my Motion for Late Objection.

Further your affiant sayeth naught.


David Hendrickson

SUBSCRIBED AND SWORN to before me this 24th day of May, 2006.



Deborah L. Long
NOTARY PUBLIC FOR IDAHO

Residing at Boise Idaho

My Commission Expires 10/10/07

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 25th day of May, 2006, I caused a true and correct copy of the foregoing **AFFIDAVIT OF DAVID HENDRICKSON** to be served by the method indicated below, and addressed to the following:

Director
IDAHO DEPARTMENT OF WATER RESOURCES
322 E. Front Street, 6th Floor
P.O. Box 83720
Boise, ID 83720
Fax: 387-6700

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

Charles L. Honsinger
RINGERT CLARK CHTD.
455 S. Third Street P.O. Box 2773
Boise, ID 83701-2773
Fax: 342-4657

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

Dana L. Hofstetter
608 W. Franklin
Boise, ID 83702
Fax: 424-8774

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

Scott L. Campbell
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