

Kenneth Knoblock
Department of Water Resources
7600 Mineral Drive, Suite 100
Coeur d'Alene, Idaho 83815

RECEIVED
MAY 21 2007
IDWR/North

Re: 77-2088 and 77-4045

Dear Kenneth,

As to the questions that came up regarding the change of water rights;

1. The special warranty Deed lists the new owners as Mackay Bar Ranch LLC and Change of ownership list me as new owner..... If it doesn't require further filing or a significant prolonging of this process it would be better to have the water rights listed under Mackay Bar Ranch LLC, which is my wife and I. This may make it easier for transfer in the future if we ever sell the ranch.
2. Our portion of claim 77-2088 describes the irrigation of 8 acres using 0.70 cfs. If the Idaho code allows for only 0.02 cfs per acre then that is what we will file upon for irrigation. The 0.70 figure represents the percentage of claim 77-2088 that was to be transferred to us in our purchase of the ranch. The previous owners retained 0.30 of the claim for the holdings they retained here. They retained this primarily for domestic use. Our portion is for our use to maintain and operate the ranch as it has been historically done. Including hydro (see #3 below). We do actively irrigate 8 acres of land for pasture and lawns.
3. Listed water for power use.....We acquired a hydro power plant that has been in operation on the ranch for years. I'm not even sure what year it was put in use. We have all the permits from the Forest Service for diversion and water transmission lines. This is a very valued aspect of the water use as we are so remote and rely upon it for power production. We will gladly file a change of use to maintain this. Or take any other necessary steps. In fact if the allowed use of water for irrigation is less, should I apply for more for hydro to utilize and protect my percentage of the claim?

I hope this answers your questions. Please let us know if we can provide you with any other information and what we need to do to complete the transfer, including the change of use. Thank you,

Sincerely,

Ken Cameron
Mackay Bar Ranch LLC