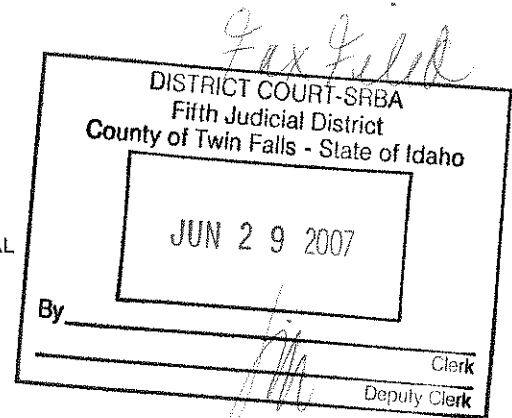


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DEPARTMENT OF
WATER RESOURCES



STATE OF IDAHO
OFFICE OF THE ATTORNEY GENERAL
LAWRENCE G. WASDEN

June 29, 2007



VIA U.S. MAIL &
FACSIMILE (208) 736-2121

Honorable Theodore Booth
Special Master
253 3rd Avenue North
P.O. Box 2707
Twin Falls, ID 83303-2707

Re. Update Regarding Water Right Nos. 77-02121, 77-02124, 77-04179, and
77-04181.

Dear Special Master Booth:

I had the opportunity of participating in a conference call with Mr. Ken Knoblock and Mr. Chris Bromley about the material that I sent them regarding water right no. 77-2121. I have also had the opportunity of discussing with my client, the Idaho Department of Fish and Game (hereinafter the "IDF&G"), the Amended Director's Reports for these four water rights. The IDF&G is satisfied with the recommendations in the Amended Director's Reports for water right nos. 77-02124, 77-04179, and 77-04181. Those three water rights could proceed to a special master's report and partial decree. The last wilderness water right, water right no. 77-02121, presents more challenges. The additional research that I conducted regarding this facility may support some additional claims. The IDF&G and I are still evaluating this information at this time. In addition, the definition of the proposed place of use presents some challenges since this township has never been surveyed. The maps that I obtained locate the three old homesteads in various locations. Mr. Knoblock agreed to redo the map of the premises and the legal description based on the best information that I obtained from the Bureau of Land Management.

Finally, Mr. Bromley called this morning and informed me that the issuance of a transfer for this water right in the early 1992 may present some administrative problems as well. I do not have this issue sorted out at this time. After I finish the appellate brief for water right no. 29-11609, I will meet with the Idaho Department of Water Resources. I fully expect that we will

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June 29, 2007
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be able to jointly make a recommendation on how to proceed with water right no. 77-02121.

Sincerely,

A handwritten signature in cursive script, appearing to read "David J. Barber".

DAVID J. BARBER
Deputy Attorney General

DJB/ov

cc: Ken Knoblock
Chris Bromley