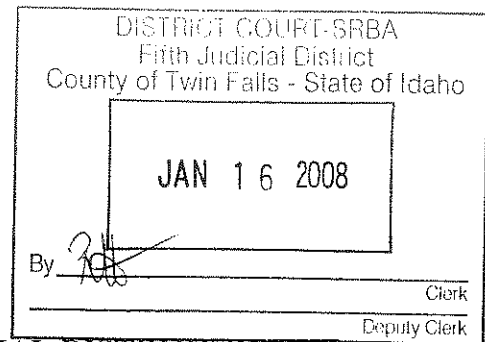




IN THE DISTRICT COURT OF THE FIFTH JUDICIAL DISTRICT OF THE
STATE OF IDAHO, IN AND FOR THE COUNTY OF TWIN FALLS

In Re SRBA) Subcases 78-7243A (Montalbo)
) and 78-7243B (Sallas)
Case No. 39576)
) SETTLEMENT CONFERENCE
) REPORT

On January 9, 2008, Special Master Theodore R. Booth entered an *Order for Mandatory Settlement Conference* appointing Terrence A. Dolan as settlement moderator and setting the above subcases for settlement conference by telephone. The one hour conference was convened on January 14, 2008.

Claimants Cheryl and Angel Montalbo appeared *pro se*; claimants Wendy and Charles Sallas appeared *pro se*; objector Douglas H. Boggan appeared *pro se*; and Andrea L. Courtney appeared for IDWR, along with IDWR agent Carter Fritschle.

The parties were unable to resolve all contested issues, although there was agreement on the elements of the two water rights. The remaining issues concern 1) delivery of the water rights and 2) whether written agreements concerning delivery are appropriate.

The parties agreed a site visit would be useful *after* the April 1, 2008 deadline for hearing on motion for summary judgment. Instead of the settlement moderator joining the site visit, the parties agreed an IDWR agent, perhaps Mr. Fritschle, should visit the point of diversion near Riggins, Idaho, to view the delivery system with all the parties present. Attached is a summary sheet used by the settlement moderator during the conference.

DATED January 16, 2008.


TERRENCE A. DOLAN
Settlement Moderator
Snake River Basin Adjudication

Subcases 78-7243A (Montalbo) & B (Sallas)
Mandatory Telephone Settlement Conference
January 14, 2008

78-7243A

Claim (filed July 14, 1988, by Peggy and Ted Wicks)

Cheryl and Angel Montalbo

.04 cfs, Alum Creek

Year-'round domestic use

Idaho County

Priority date - May 25, 1983

Basis -license

Objection

Douglas H. Boggan

"This water right should not exist: There is no functional delivery system; overflow water wasted, netting no livestock water."

78-7242B

Claim (filed July 19, 1988, by Wayne and Leslie Wicks and Bernerd and Frances Green)

Wendy and Charles Sallas

.04 cfs

Alum Creek Spring

Year-'round domestic use

Idaho County

Priority date - May 25, 1983

Basis - license

Objection

Douglas H. Boggan

"This water right should not exist: There is no functional delivery system; overflow water wasted, netting no livestock water."

Introduction:

1. Terrence A. Dolan, Settlement Moderator, Special Master in other SRBA basins – special master in major water litigation for 22 years (Big Horn River General Adjudication [WY] and Snake River Basin Adjudication [ID]).
2. Attorneys representing parties.
3. Discussion confidential, no recording
4. Statements cannot be used for any purpose.
5. Purpose of conference – settlement, not a trial.
6. Trial before Special Master Theodore R. Booth if not settled.
7. Settlement moderator does not speak for Special Master.
8. General settlement statement filed at end, copies to all parties.
9. Recommendation re: site visit and in-person settlement conference (Riggins, New Meadows or McCall?).

CERTIFICATE OF MAILING

I certify that a true and correct copy of the SETTLEMENT
CONFERENCE REPORT was mailed on January 16, 2008, with sufficient
first-class postage to the following:

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