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Department of Water Resources
Eastern Region

Law Offices

***RIGBY, THATCHER, ANDRUS,
RIGBY, KAM & MOELLER, Chartered***

*Ray W. Rigby
Gordon S. Thatcher
G. Rich Andrus
Jerry R. Rigby
Michael S. Kam
Gregory W. Moeller*

*P.O. Box 250
25 North Second East
Rexburg, ID 83440*

*Telephone:
Rexburg: (208) 356-3633
Fax: (208) 356-0768
E-Mail: Rexlaw@srv.net*

April 6, 1998

Idaho Department of Water Resources
900 N. Skyline
Idaho Falls, ID 83401

ATTN: GREG TAYLOR

RE: CITY OF REXBURG

Dear Greg,

This letter will serve as additional explanation for claims 22-00203 and 22-00204C for the City of Rexburg:

Paragraph 5 should read as follows: Diversionary dam, canal and pumps, mainline and sprinklers for the additional points of delivery and diversion. The City of Rexburg decrees were for water used for irrigation of approximately 425 acres of farm land outside the City and approximately 432-435 acres within the City (see Exhibit "D" attached to Affidavit of Ray W. Rigby) and all other City purposes. Very little land is still irrigated within the City and the acreage outside the City has diminished. Consequently, the City has been leasing its water rights to the Rexburg Irrigation Company and Teton Pipeline Company, also known as the Clementsville Pipeline, above what is needed to irrigate those farm lands included within the original decree. The Teton Pipeline Company and the Rexburg Irrigation Company use this excess water to supplement their water rights.

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The following exhibits are attached:

Exhibit "B" is a "place of use" land list of Clementsville Pipeline's own water rights and the same lands the said water leased from the City of Rexburg used

Exhibit "C" is the "place of use" land list of the City of Rexburg where a part of its decreed surface water rights are used for irrigation and all other City purposes including water need under "Growing Communities" doctrine in Idaho law.

Exhibit "D" is a place of use" land list of the Rexburg Irrigation Company's own water rights and the same lands and the same water leased from the City of Rexburg is used. A map labeled Exhibit "E" is also attached which shows in green where the City's water is used, and that portion of the Rexburg Irrigation Company's lands that surround the City's land list or, what appears as a possible overlap (actually both may furnish water within a same 40 acres tract, and there may be some small overlapping wherein particular areas some supplementing is done.

With regard to the multiple claims of the City of Rexburg, it is very important to keep in mind the history surrounding the claims. Please refer to Exhibit E which is a map showing the City of Rexburg as well as the surrounding area. Particularly, notice the elevations of the land and the elevation of the Woodmansee-Johnson Canal, the City of Rexburg ditch, and the Rexburg Irrigation Company canal. The Woodmansee-Johnson Canal was originally the Rexburg Milling Company canal and that water was used for irrigation and particularly for operating a grist mill on the low hills on the east side of Rexburg. All water not consumed was picked up by the City of Rexburg ditch and from that canal water was taken for lands that had higher elevation than lands irrigated by the Rexburg Irrigation Company canal (as well as lands within the City of Rexburg and all city purposes). The surplus water from the city canal was then picked up by the Rexburg Irrigation Company canal for use on lands of its stockholders. This system worked well over the years. However, when the Rexburg Mill ceased to function, more of the water of that company was used for the irrigation of lands, and so less water ran into the system described above. The minutes of the Rexburg City Council will reveal that there had been constant complaints by the Rexburg Irrigation Company that it wasn't getting sufficient water and it was entitled to all of the water not used by the City of Rexburg and therefore it shouldn't lease water to anyone else. Nevertheless, the city has leased water for several years to the Clementsville Pipeline Company, and asserts that none of its water has been lost from non-use.

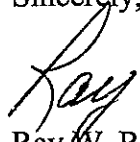
With regard to paragraph 13, the City of Rexburg has the following wells: 22-07074 (Smith Park Well); 22-07175 (Wells 1 & 6); 22-07176 (Well #5); 22-07617 (Porter Park Well); 22-07618 (Sewer Pump Well); 22-07619 (City Golf Course Well); 22-07571 (Teton Lakes Golf Course); 22-07754 (Well in Sec. 17). The wells are used for the purposes and upon the lands described in each of said other water rights to accommodate growth and expansion of the City.

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The City also owns shares of stock in the following canal companies: Rexburg Irrigation Company - 13 ½ shares; Teton Island Canal - 10 shares.

Please let us know if you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Ray".

Ray W. Rigby

Enclosures
pj:rexburg.ltr