

NO 19903

December 11, 2008

State of Idaho
Department of Water Resources
322 East Front Street, P.O. Box 83720
Boise, Idaho 83720-0098

Re: Water Right #952162

Dear Sirs,

RECEIVED

MAY 14 2009

IDWR/North

The purpose of this letter is to clarify the subject Water Right related to the pending Notice in Change of Water Right Ownership submitted by Big Sky Estates Home Owner's Association.

The property for which the Water Right was granted has been subsequently subdivided, sold and conveyed to others in accordance with an accompanying DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS for Big Sky Estates dated March 4, 2002 (prior to or simultaneously with the division of the property into 32 lots). In ARTICLE 3, Paragraph 3.1 of these COVENANTS states that **"the Irrigation System (to be used solely for irrigation, and not for domestic purposes) the operation, repair, maintenance, and replacement easements for which are hereby reserved to the Association and all Owners of Lots the Project, and all which shall be operated and maintained for the benefit of the Owners of all Lots. Common Area for any future Phase shall be identified as such in the Declaration of Annexation. The Common Area shall also include any other property or property rights conveyed or held by the Association for the benefit of all Lots within the Project."**

This declaration became part of every real estate contract and effectively "excludes" and transfers the Water Right #952162 owned by John A. Buetler and Ann J Beutler Living Trust to the Big Sky Home Owners' Association through the above statement in the COVENANTS.

It was the "Trust's" intent, in developing the property, that the Irrigation System and the attendant Water Right be held in common by all lot owners through the Big Sky Home Owners Association. The irrigation system distribution network in-ground piping delivers irrigation water to each individual lot granted under the identified Water Right. This Water Right #952162 conveyed to the Association in the transfer of land from John A. Buetler and Ann J. Beutler Living Trust continues to be used for the same beneficial purpose, i.e. the irrigation of the same land for which the Water Right was granted.

Sincerely,



John A. Beutler

cc: Lowell Renz
Big Sky Estates Home Owner's Association
6353 W. Big Sky Dr.
Post Falls, Id 83854

SCANNED

MAY 13 2009