

CONVERSATIONAL MEMORANDUM

Date: September 12, 2005

To: File 67-10191

From: Craig L. Saxton

Subject: Evidence of priority

Received a message from Richard Hollon (707-994-1822) regarding EOP. Called back and spoke with his wife. They wanted an extension on the deadline as they were out of town. I told them no problem, just get it to me ASAP.

With further review, I found that this claim, claims the exact same POU as 67-2385 (Little Weiser Irrigation District). I called back and spoke with Richard and asked if he paid shares to them. He said he didn't know, they just bought the property in April. He told me to call their son, Clay Hollon (257-3400) as he ran the place. I called Clay and left a message to have him call me back.

It looks to me like this is a competing claim with 67-2385 and will be disallowed.

September 13, 2005:

Spoke with Clay Horton this morning (7:30 am) and he feels that the water use out of the Little Weiser River is not only company water but a privately held water right. He is going to look into it and get back to me. They also use Lost Valley Reservoir and Ben Ross Reservoir water shares.

Later that Morning:

Clay called back again and said that he spoke with someone on the board of Little Weiser Irrigation district and that they are claiming that they own all the water delivered from the Little Weiser. I told Clay that it really sounds like Little Weiser Irrigation owns the water right and his fathers claim is a duplicate claim. That at this time, I plan to disallow the claim as it will be recommended under Little Weiser Irrigation district. He agreed reluctantly and will continue to look into it and call me back if he finds other information.