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DEPARTMENT OF
WATER RESOURCES

*Attorneys for Cedron Irrigation, LLC, Cedron Cemetery District, Teton Rainbow
Ranches, Inc., Mahogany Ranch Holdings, Inc., Trees, Inc., and Wally Rothgeb, Jr*

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

Subcase Nos. 22-13509

Case 39576

STIPULATION

Ronald K. Miller, Daniel D. Miller, Lewis J. Miller, M. Phillip Miller, Ralph P. Miller, Larry J. Miller, and David W. Miller (collectively, the "Claimants"), by and through their attorney, Robert L. Harris of the firm HOLDEN KIDWELL HAHN & CRAPO, PLLC, and Cedron Irrigation, LLC, Cedron Cemetery District, Teton Rainbow Ranches, Inc., Trees, Inc., Mahogany Ranch Holdings, Inc., and Wally Rothgeb, Jr. (collectively, the "Participants"), by and through their attorney, Thomas J. Budge of the firm RACINE OLSON NYE BUDGE & BAILEY, CHARTERED, jointly present this stipulation to resolve any and all objections the Participants may have against SRBA claim numbers 22-13509 and to provide for the entry of partial decrees for water right numbers 22-13509.

1. The Claimants are the claimants of SRBA claim number 22-13509 which had as its source Paradise Springs.
2. The Participants own ground water rights¹ that divert from an aquifer that is alleged to be hydraulically connected to Paradise Springs.

¹ Water Right Nos. 22-13135, 22-13961, 22-13962, 22-13963, 22-13964, 22-2280E, 22-2296B, 22-2296D and 22-13681.

3. The Claimants filed an amended notice of claim for water right 22-13509 on September 3, 2009.

4. In response to the amended notice of claim, the Participants filed a Motion to Participate in this subcases on October ___, 2009.

5. The Claimants and Participants have recently discussed the Participants' interest in this subcase, and hereby stipulate and agree that the Participants have an interest in this subcase that warrants their participation pursuant to SRBA Administrative Order 1 § 10.k and Rule 24(a) of the Idaho Rules of Civil Procedure.

6. The Claimants and the Participants hereby stipulate and agree that the Participants have grounds to object to water right 22-13509. The Claimants and the Participants further agree that legal and factual issues exist which, if not resolved cooperatively, will necessitate a trial at substantial expense to all involved.

7. The Claimants and Participants have engaged in settlement negotiations, and have reached a settlement that will enable water right 22-13509 to be partial decreed without resort to litigation.

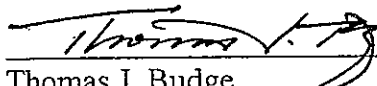
9. The Claimants and the Participants hereby stipulate and agree that water right 22-13509 be decreed according to the elements defined in the Claimants' amended notice of claim filed September 3, 2009, with the exception that the following condition be added to the partial decree:

This water right shall not be permitted to make a delivery call against Water Right Nos. 22-13135, 22-13961, 22-13962, 22-13963, 22-13964, 22-2280E, 22-2296B, 22-2296D, and 22-13681.

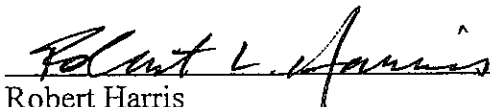
11. In consideration of the conditions and terms set out in this Stipulation, the Participants agree to refrain from filing any objections against water right 22-13509, including any amended claims that may be necessary for water right 22-13509.

DATED this 18th day of December, 2009.

**RACINE, OLSON, NYE, BUDGE &
BAILEY, CHARTERED**


Thomas J. Budge
Attorneys for the Participants

**HOLDEN KIDWELL HAHN &
CRAPO, PLLC**


Robert Harris
Attorneys for the Claimants

CERTIFICATE OF MAILING

I certify that on this 18th day of December, 2009, I served the above document on the following persons in the manner specified:

1. Original via facsimile to:

Clerk of the District Court
Snake River Basin Adjudication
P.O. Box 2707
Twin Falls, Idaho 83303-2707

3. Copies mailed to: *(mailed Dec. 21st)*

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THOMAS J. BUDGE