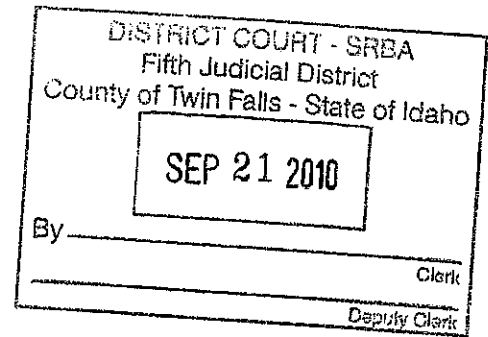


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SEP 22 2010
DEPARTMENT OF
WATER RESOURCES



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 45-10355 (split into 45-14206
) and 45-14207)
) (Shoulder 3 Ranches, Inc., and Matthews)
Case No. 39576)
) SPECIAL MASTER REPORT
AND RECOMMENDATION

Findings of Fact

The Director of the Idaho Department of Water Resources filed his *Director's Report for Irrigation and Other, Reporting Area 10, IDWR Basin 45* on September 2, 2004. The Director recommended claim 45-10355 to Shoulder 3 Ranches, Inc., P.O. Box 218, Oakley, Idaho, 83346, as well as Luther Gardner, Bill J. Matthews, Eugene Layton and Keith Warr, for .02 cfs from North Water Spring for stockwater use in Cassia County from May 1 to November 30 with a priority date of October 16, 1960, based on beneficial use.

The United States of America, Department of Agriculture, Forest Service filed an *Objection* on October 18, 2004, objecting to quantity and priority date. IDWR filed a *Notice of Completed Administrative Proceeding* on February 7, 2007, for a substitution of party listing current claimants as Shoulder 3 Ranches and E. Eugene Matthews, 1249 S. Highway 27, Oakley, Idaho, 83346. The claimants and the USDA/FS, with IDWR's concurrence, filed a *Standard Form 5* on September 9, 2010, splitting claim 45-10355 into two water rights.

Conclusions of Law

1. Shoulder 3 Ranches and E. Eugene Matthews are entitled to partial decrees as described in the SF-5 and the attached *Special Master Recommendations for Partial Decrees for Water Rights 45-14206 and 45-14207*; and
2. The claimants are **not** entitled to a water right for claim 45-10355 because of the split.

Recommendation

THEREFORE, IT IS RECOMMENDED that claim 45-10355 be **disallowed**.

DATED September 20, 2010.


TERRENCE A. DOLAN
Special Master
Snake River Basin Adjudication

In Re SRBA) PARTIAL DECREE PURSUANT TO
)
) I.R.C.P. 54 (b) FOR
Case No. 39576)
)
) Water Right 45-14206

PAGE 1
Sep-14-2015

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)
) PARTIAL DECREE PURSUANT TO
) I.R.C.P. 54(b) FOR
Case No. 39576)
)
) Water Right 45-14207

NAME AND ADDRESS: SHOULDER 3 RANCHES INC
PO BOX 218
OAKLEY, ID 83346

E EUGENE MATTHEWS
1249 S HWY 27
OAKLEY, ID 83346

SOURCE: NORTH WATER SPRING TRIBUTARY: SINKS

QUANTITY: 0.02 CFS

This right shall be used in conjunction with 45-14206 & 45-11978
and is limited to a total combined diversion rate of 0.02 cfs
and a total combined quantity of 13,000 gallons per day.

PRIORITY DATE: 12/10/1892

POINT OF DIVERSION: T14S R20E S13 SENESW Within Cassia County

PURPOSE AND

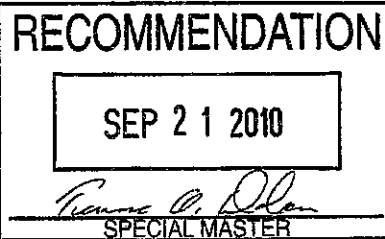
PERIOD OF USE:	PURPOSE OF USE	PERIOD OF USE	QUANTITY
	Stockwater	05-01 TO 10-31	0.02 CFS

PLACE OF USE: Stockwater Within Cassia County
T14S R21E S13 NESW

OTHER PROVISIONS NECESSARY FOR DEFINITION OR ADMINISTRATION OF THIS WATER RIGHT:

The quantity of water decreed for this water right is not a
determination of historical beneficial use.
The operation, use, and administration of this water right is
also subject to the terms and conditions of the stipulation and
joint motion for order approving stipulation entered into on
August 29, 2002 between the United States of America and Shoulder
Three Ranches Inc., Keith Warr, Eugene Layton, Luther Gardner
and Bill J. Matthews filed in the office of the Cassia County
Recorder and recorded on June 6, 2003 as Instrument No: 289179.

THIS PARTIAL DECREE IS SUBJECT TO SUCH GENERAL PROVISIONS
NECESSARY FOR THE DEFINITION OF THE RIGHTS OR FOR THE EFFICIENT
ADMINISTRATION OF THE WATER RIGHTS AS MAY BE ULTIMATELY
DETERMINED BY THE COURT AT A POINT IN TIME NO LATER THAN THE
ENTRY OF A FINAL UNIFIED DECREE. I.C. SECTION 42-1412(6).



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)
Case No. 39576)
_____)

NOTICE OF ISSUANCE OF
SPECIAL MASTER'S
RECOMMENDATION

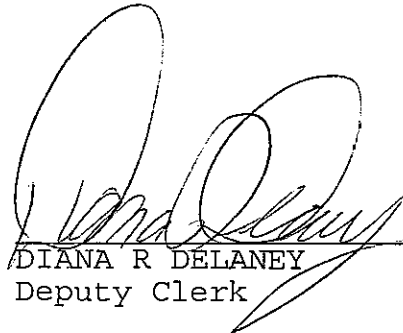
Water Right(s): 45-10355
45-14206 45-14207

On September 21, 2010, Special Master TERRENCE A. DOLAN issued a SPECIAL MASTER'S RECOMMENDATION for the above subcase(s) pursuant to SRBA Administrative Order 1 (AO1), Section 13a.

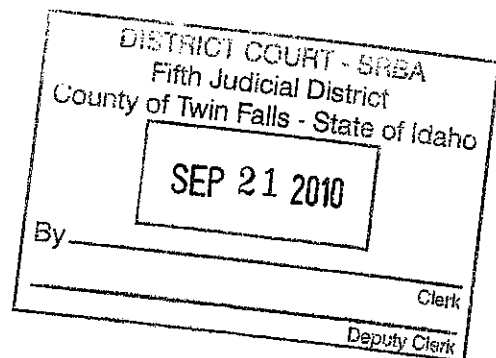
Pursuant to SRBA Administrative Order 1, Section 13a, any party to the adjudication including parties to the subcase, may file a Motion to Alter or Amend on or before the 28th day of the next month.

Failure of any party in the adjudication to pursue or participate in a Motion to Alter or Amend the SPECIAL MASTER'S RECOMMENDATION shall constitute a waiver of the right to challenge it before the Presiding Judge.

DATED September 21, 2010.



DIANA R DELANEY
Deputy Clerk



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)

Case No. 39576)
_____)

CERTIFICATE OF MAILING

Water Right(s): 45-10355
45-14206 45-14207

CERTIFICATE OF MAILING

I certify that a true and correct copy of the SPECIAL MASTER'S REPORT, SPECIAL MASTER'S RECOMMENDATION FOR PARTIAL DECREE and NOTICE OF ISSUANCE OF SPECIAL MASTER'S REPORT AND RECOMMENDATION were mailed on September 21, 2010, with sufficient first-class postage prepaid to the following:

DIRECTOR OF IDWR
PO BOX 83720
BOISE, ID 83720-0098

E. Eugene Matthews
SHOULDER 3 RANCHES INC

Represented by:
TRAVIS L THOMPSON
113 MAIN AVE W, STE 303
PO BOX 485
TWIN FALLS, ID 83303-0485
Phone: 208-733-0700

USDA FOREST SERVICE
Represented by:
US DEPARTMENT OF JUSTICE
ENVIRONMENT & NATL' RESOURCES
550 WEST FORT STREET, MSC 033
BOISE, ID 83724

CERTIFICATE OF MAILING

PAGE 1
09/21/10

A large, stylized handwritten signature, likely of Travis L. Thompson, written in dark ink.