



STATE OF IDAHO
OFFICE OF THE ATTORNEY GENERAL
LAWRENCE G. WASDEN

February 3, 2011

Rex Miller
P.O. Box 532
Driggs, ID 83422

Re: Water right 22-13853

Dear Mr. Miller:

I am a deputy attorney general representing the Idaho Department of Water Resources ("IDWR"). This letter is a follow-up to the letter Michael Holliday from IDWR sent to you last month about your subcase.

As you know, the Paradise Springs subcases in the Snake River Basin Adjudication ("SRBA") are on the road to settlement. Your water right 22-13853 is one of the subcases involved in said settlement. The SRBA Court held a hearing yesterday to discuss the status of the subcases involved in the settlement. The Court set a final deadline of February 11, 2011, in which to file an amended claim, if you intend to do so. As referenced in Mr. Holliday's letter, as part of the settlement, you can receive an increase in quantity for your water right (from .25 cfs to .33 cfs). However, IDWR can only recommend the increased amount to the SRBA Court if you file an amended claim. Amending a claim is not difficult, and you can contact Mr. Holliday for assistance. If you are content with your quantity recommendation the way it stands; .25 cfs, then you need not amend. If you choose not to amend, IDWR will, at some point after February 11, send a settlement document entitled Standard Form 5 ("SF5") for your signature. The SF5 will reflect the settlement, reducing your recommended place of use under this right to 16.5 acres (another 6.5 acres can be added via a late claim – see below). We will send more detailed instructions with the SF5.

Additionally, as part of the settlement and referenced also in Mr. Holliday's letter, you may be entitled to another water right, one based on beneficial use from Paradise Springs for .13 cfs on 6.5 acres. This additional right would necessarily have a later priority date than does 22-13853 (the other beneficial use rights that are part of this settlement grouping have priority dates in the 1960s), and you would be responsible for submitting evidence in support of the priority date. The Court set a final deadline of March 25, 2011, for filing any late claims connected to this settlement. If you do not file

a late claim associated with the potential beneficial use of Paradise Springs water, you may be forfeiting said water right.

If you have questions about these matters, please contact me at (208) 287-4810 or Mr. Holliday at (208) 525-7161.

Sincerely,

A handwritten signature in black ink that reads "Andrea L. Courtney". The signature is written in a cursive style with a large, sweeping "A" and a long, horizontal flourish at the end of the name.

Andrea L. Courtney

Cc: Michael Holliday