



State of Idaho

DEPARTMENT OF WATER RESOURCES

900 N Skyline Dr., Ste A, Idaho Falls, Idaho 83402-1718

Phone: (208) 525-7161 FAX: (208) 525-7177 www.idwr.idaho.gov

July 26, 2017

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

Zions First National Bank
Commercial Banking Center
1235 S Utah
Ave Idaho Falls ID 83402

The "Notice of Security Interest" for 29-14012, 29-14013, 43-13595 and 43-13597 has been returned for the following reason(s):

**** Not Appurtenant/No Ownership: According to our review the water rights listed above are not appurtenant to the property according to the legal description attached to the Mortgage provided nor are the water rights currently owned by PEP LLC. During my research I did find that there is a lease/rental agreement for these water rights for PEP LLC to use the water rights through the Water Supply Bank. However the department cannot add a security interest in the water rights because they are not owned by PEP LLLC.

Please note that Section 42-248, Idaho Code, requires you or the owner of this water right to maintain current ownership and address records on file with the department within 120 days of the change. Failure to do so could result in a \$100 late filing fee. Forms to file a change of ownership of a water right and/or a change in the address of the water right owner are available from any department office, or at the department's website at: www.idwr.idaho.gov.

If you have any questions please contact Jonie Barg at (208)525-7161 or if you have questions about the water supply bank please contact Remington Buyer in the state office at (208)287-4800.

Respectfully submitted,

Jonie Barg
Technical Records Specialist

SUPPORT DATA
IN FILE # 29-14012