

STATE OF IDAHO

OFFICE OF THE ATTORNEY GENERAL

LAWRENCE G. WASDEN

May 19, 2015

MS. LYNN H. CAMPION
PO BOX 3710
HAILEY ID 83333

**RE: RETURNED APPLICATION(S) TO LEASE TO THE WATER SUPPLY BANK AND
RECORDATION OF OWNERSHIP OF WATER RIGHT NO(S). 37-577CA, 37-659A and 37-
7017**

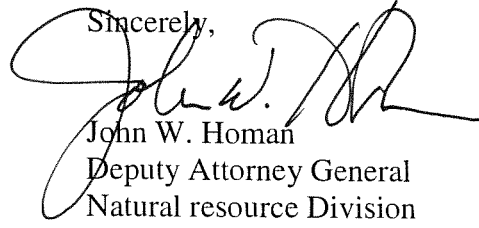
Dear Ms. Campion:

The Department of Water Resources ("Department") recently returned your application(s) to lease water right(s) to the Water Supply Bank ("Bank"). The Department was unable to accept water right(s) 37-577CA, 37-659A and 37-7017 into the Bank because you were not the current owner of the land appurtenant to the water rights.

During the examination of your application, the Department reviewed a Notice of Change in Ownership for water right no (s) 37-577CA, 37-659A and 37-7017 filed by Jennifer Wilson on February 26, 2015. The Department processed the ownership change based upon a gift deed dated June 11, 1996, which included all appurtenant water rights with the conveyance. Upon further review of the ownership change, the Department is not convinced that these water rights were appurtenant at the time the 2.6 acres were deeded to Wilson in 1996. Moreover, the SRBA Court decreed these same water rights into the name of Lynn Campion in 2010. For these reasons the Department intends to return the Notice of Change in Ownership and the fees to Wilson and change its records back to reflect ownership in the name of Lynn Campion for Water right no (s) 37-577CA, 37-659A and 37-7017.

Finally, the Department is unsure why the SRBA court decree identified the 2.6 acres owned by Wilson as the place of use for water right no (s) 37-577CA, 37-659A and 37-7017 it decreed to Campion. Unless additional information is provided, Department records will reflect Campion as the owner of the water rights. If including the 2.6 acres as a place of use in water rights no (s) 37-577CA, 37-659A and 37-7017 was a mistake, perhaps an agreement between the parties can be reached which will allow the Department to process Campion's water supply bank application. If there is indeed a genuine dispute over ownership of the water rights that cannot be resolved among the parties, that dispute will need to be adjudicated in district court.

If you have any questions, please contact me at (208) 287-4812.

Sincerely,

John W. Homan
Deputy Attorney General
Natural resource Division

c: Speck & Aanestad
Chris Bromley
Clay Webster
Jean Hersley