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RECEIVED

FEB 10 2015

Department of Water Resources
Eastern Region

February 9, 2015

Idaho Department of Water Resources
Eastern Region
900 North Skyline Drive, Suite A
Idaho Falls, ID 83402-1718

Re: WALH, LLC – Notice of Change of Water Right Ownership

To Whom It May Concern:

Enclosed please find the following:

1. Original and two extra copies of Notice of Change in Water Right Ownership with the following attachments:
 - a. Attachment A – Water Right Summary;
 - b. Attachment B – Water Right Report and Map for each water right;
 - c. Attachment C – Property Maps with Chain of Title Reports for the main Craney Ranch and each separate parcel by section number;
2. Power of Attorney from WALH, LLC to Randall C. Budge;
3. Stamped and addressed return envelopes; and
4. Check for filing fees in the amount of \$350.00, calculated as follows:

6 undivided water rights

x \$ 25.00
\$150.00

2 split water rights

x \$100.00
\$200.00
Total: \$350.00

Please file stamp and process the original Notice of Change. Also please conform stamp the two extra copies, returning one to me and the other to the applicant in the stamped and addressed return envelopes enclosed.

The real property and the pertinent water rights which are subject to the Notice of Change were formerly owned by James E. and Darlene L. Craney, husband and wife and commonly known as the "Craney Ranch". James Craney died several years ago and the whereabouts of his surviving spouse Darlene Craney is unknown. The Craney Ranch consists of approximately 2,600 acres, 800 acres under lease from the BLM and 1,280 under lease from the State of Idaho, a total of 4,680 acres. The property was acquired by the current owner

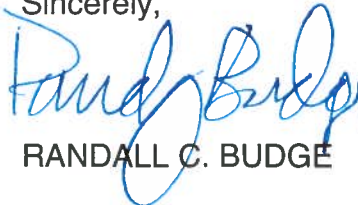
WALH, LLC through a foreclosure. Sheep Creek is the source of water for each of the rights. Information we have suggests there has been little or no water right administration based on priority and we have been unable to identify watermaster's records in the Department's database evidencing the delivery of these water rights. While Sheep Creek Irrigation Company is the owner of record of water right nos. 11-2154 and 11-4224, this is believed to be an assumed business name utilized by the Craney's and perhaps others for purposes operating the reservoir and holding storage water rights. Our search of the Idaho Secretary of State's records does not reflect that Sheep Creek Irrigation Company has ever been organized or exist as a corporate entity.

The property is believed to have been sprinkler irrigated from the reservoir and Sheep Creek for many years using the existing reservoir and ditches with electric pumps, motors and wheelines. As the irrigation system is in a state of disrepair, the applicant and the current owners are in the process of upgrading the irrigation system.

Dale Bankhead of Circle-B Irrigation co. in Logan, Utah, is in the process of investigating the water supply and needs to design a system. If needed, a Transfer Application will be filed. However, WALH, LLC first needs to confirm its ownership of the water rights.

If you have any questions or need additional information, please contact me as attorney for the applicant.

Sincerely,



RANDALL C. BUDGE

RCB:ts

Enclosures

c: Nathan Andersen, Manager of WA Holdings, LLC