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RECEIVED

MAR 17 2014

Department of Water Resources
Eastern Region

Jonie Barg
Idaho Department of Water Resources
900 N. Skyline Drive, Suite A
Idaho Falls, ID 83402-1718

RE: Notice of Change of Water Right Ownership for Split of Water Right No. 13-622.

Dear Jonie:

Enclosed for processing is a *Notice of Change of Water Right Ownership* for a split of Water Right No. 13-622. On September 16, 1980, Norm Young approved transfer no. 2451 which amended this water right and limited its irrigation to 80 acres. Almost exactly two years later, in September of 1982, the Ropers sold the entirety of their ranching property to Shaw Land & Livestock Co. Enclosed is the Warranty Deed evidencing the transaction, which is Instrument No. 113602. This is the same deed that reserved Water Right No. 13-675, which I described in a previous letter.

Water Right No. 13-622 allows for the diversion of 1.6 cfs from Steves Creek. In the Warranty Deed, I have outlined in red the part of the deed that reserves rights out of another spring, not the Stover-Walker Spring, to the Grantors. It turns out that this is likely Water Right No. 13-7357, which is a stock water right owned by the Ropers. There is no mention in the deed of a reservation of .04 cfs of Water Right No. 13-622 to the Ropers. However, we have included a copy of the Purchase and Sale Agreement when the Ropers sold the entirety of their ranching operation to the Shaws. I have highlighted the Shaws' signatures on the front page of the Purchase and Sale Agreement. On page 4 of the Purchase and Sale Agreement, it states clearly under the Water Rights heading that all other water rights are to be conveyed to the Buyer except two miner's inches in Steves Creek and water from the Stover-Walker Spring, which is Water Right No. 13-675. Additionally, on page 6 of the Purchase and Sale Agreement, there is additional language clarifying the water rights. It states very clearly that the water rights described on page 4 that go to the Shaws included 1.6 cfs of the Steves Creek water, minus two miner's inches retained by the Sellers. The Purchase and Sale Agreement then states unequivocally "THUS, 1.56 second cubic feet of water "Steve Creek" goes to the buyers."

Thus, while the place of use includes land that is not owned by my clients, it appears that the water was concentrated and used on the property to be purchased by my clients. As you know, the general rule in Idaho is that water rights are conveyed by deed, unless it can be clearly

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shown that the parties intended otherwise. The Purchase and Sale Agreement clearly demonstrates that the parties intended for 1.56 cfs of Water Right No. 13-622 to be conveyed to my clients. In effect, the Purchase and Sale Agreement severed the water right from the underlying property, and we request that 1.56 cfs be split to Shaw Land & Livestock Company, L.L.C. In conjunction with all of the other water rights, it is likely that we will be filing a transfer application to update the place of use at the points of diversion for all of these water rights. For the time being, however, we request the ownership be updated as we have described.

If you have any questions or concerns, please let me know. We have enclosed the \$100 filing fee required for water right split.

Best Regards,



Robert L. Harris
HOLDEN, KIDWELL, HAHN & CRAPO, P.L.L.C.

Enclosures