



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098

Phone: (208) 287-4800 • Fax: (208) 287-6700 • Web Site: www.idwr.idaho.gov

September 2, 2011

C. L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

DANIEL S VAN GROUW
C/O HOFSTETTER LAW OFFICE ATTN: DANA HOFSTETTER
608 W FRANKLIN ST
BOISE, ID 83702

RE: Consolidation of Hearings for Mayfield Area Water Right Applications

Dear Water Right Applicants, Protestants, and Representatives:

The Department of Water Resources (IDWR) is processing two applications for transfer of ground water and six applications to appropriate ground water in the vicinity of Mayfield and Orchard, which are roughly halfway between Boise and Mountain Home. Records indicate that you are the applicant, protestant, attorney, or representative for at least one of the eight applications. Collectively the eight applications propose to divert a total 84.76 cfs of water, mostly for large-scale residential developments and some irrigation. IDWR has already issued permits authorizing the diversion of 14.02 cfs for large-scale residential developments in the same area. I have enclosed a list of the applications and maps showing their locations.

When reviewing an application for permit to appropriate water, IDWR must consider several criteria, including whether the water supply is sufficient for the purpose intended. Similarly, transfer applications must be evaluated to ensure they will not cause injury to other water rights. Water supply is a key component of the injury analysis for transfer applications.

All of the eight applications are proposing to divert ground water from the same geographic area of the Western Snake River Plain aquifer along the northwestern edge of the Mountain Home Groundwater Management Area. The aquifer in this area may not be able to sustain all of the proposed new withdrawals over the long term without causing injury to other water rights or mining the aquifer. If IDWR were to authorize the diversion of more water than the aquifer could sustain, existing water right holders could be injured and the residents of the proposed new communities would be at risk of water shortages. In addition, because most of the applications are protested and would likely go to hearing anyhow, testimony concerning the water supply issue at various hearings could be redundant or conflicting. For these reasons, it does not make sense to review the eight applications in isolation from each other.

Rule 556 of IDWR's Rules of Procedure (IDAPA 37.01.01.556) states:

The agency may consolidate two (2) or more proceedings for hearing upon finding that they present issues that are related and that the rights of the parties will not be prejudiced. In consolidated hearings the presiding officer determines the order of the proceeding.

Letter Regarding Consolidation of Hearings for Mayfield Area Water Right Applications

September 2, 2011

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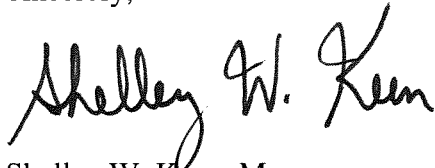
IDWR intends to hold a single, consolidated hearing to take evidence regarding the water supply available for the eight pending applications. The consolidated hearing will conform to IDWR's Rules of Procedure (IDAPA 37.01.01). For those applications that are protested, IDWR will hold separate hearings to address other remaining issues.

Because IDWR does not have significant experience with consolidated hearings like the one proposed, IDWR would like to give you the opportunity to submit written comments and suggestions for proceeding in a manner that will both protect the rights of the parties and develop a sufficient record of evidence on which to base a decision. Please provide your responses by September 23, 2011.

Before setting a hearing date, IDWR plans to hold a pre-hearing conference. Possible conference dates are afternoons on Tuesday, October 25th or Wednesday, October 26th, 2011. In addition to your written comments and suggestions, please indicate your availability for a conference on these dates.

If you have any questions, please call me at 208-287-4947, or email me at shelley.keen@idwr.idaho.gov.

Sincerely,

A handwritten signature in black ink that reads "Shelley W. Keen". The signature is written in a cursive style with a large, prominent 'S' at the beginning.

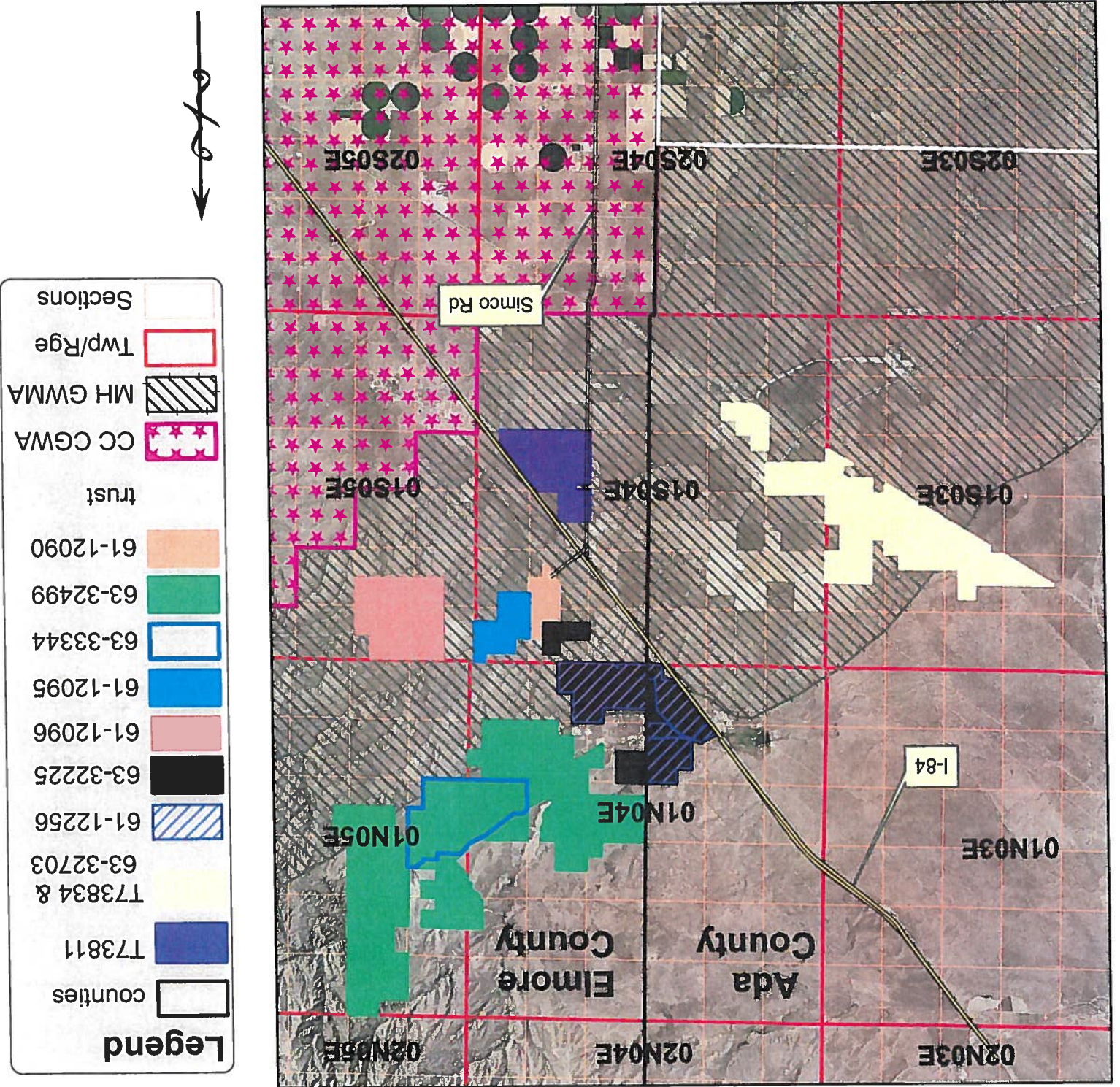
Shelley W. Keen, Manager
Water Rights Section

Enc.

Active Applications, Ground Water Projects for 184 Area

| NAME | NUMBER | PRIORITY | WATER USE | CFS | WELL LOCATIONS | STATUS |
|---|----------------------------|-----------|---|-------|--------------------------------------|---------------------------------------|
| Shekinah Industries (was Kohiz) Received 12/4/2006 | 73811 Reinstated 6/2011 | 1963 + | Irrigation | 5.56 | 1S 4E S. 14, 23, 24 | Protested Prehearing pending |
| Orchard Ranch Received 6/21/2007 | 73834 | 1976 | Irrigation (was municipal) | 11.36 | 1S 3E S. 13, 14; 1S 4E S. 19, 29 | Protested |
| Mayfield Townsite | 63-32499 | 7/28/2006 | Municipal | 10.00 | 1N 4E S. 23, 24, 27; 1N 5E S. 18, 19 | Protested Hearing vacated 8/3/2009 |
| Nevid | 61-12095 | 4/3/2007 | Municipal | 05.00 | 1S 4E S. 1, 12 | Protested Hearing pending |
| Nevid | 61-12096 | 4/3/2007 | Municipal & Fire Protection | 20.48 | 1S 4E S. 1, 2, 11, 12; 1S 5E S. 5-8 | Protested Hold, no prehearing |
| Orchard Ranch | 63-32703 | 6/21/2007 | Irrigation (was municipal) | 09.60 | 1S 3E S. 9, 10, 15 | Advertised, protest withdrawn |
| Intmn. Sewer & Water | 61-12256 * | 1/17/2008 | Municipal | 13.76 | 1N 4E S. 34, 35 (Elmore County) | Protested |
| Ark Properties/Mayfield Townsite | 63-33344 | 3/1/2010 | Irrigation in planned community 63-32499 | 09.00 | 1N 4E S. 24; 1N 5E S. 18 | Protested Prehearing 11/29/2011 |

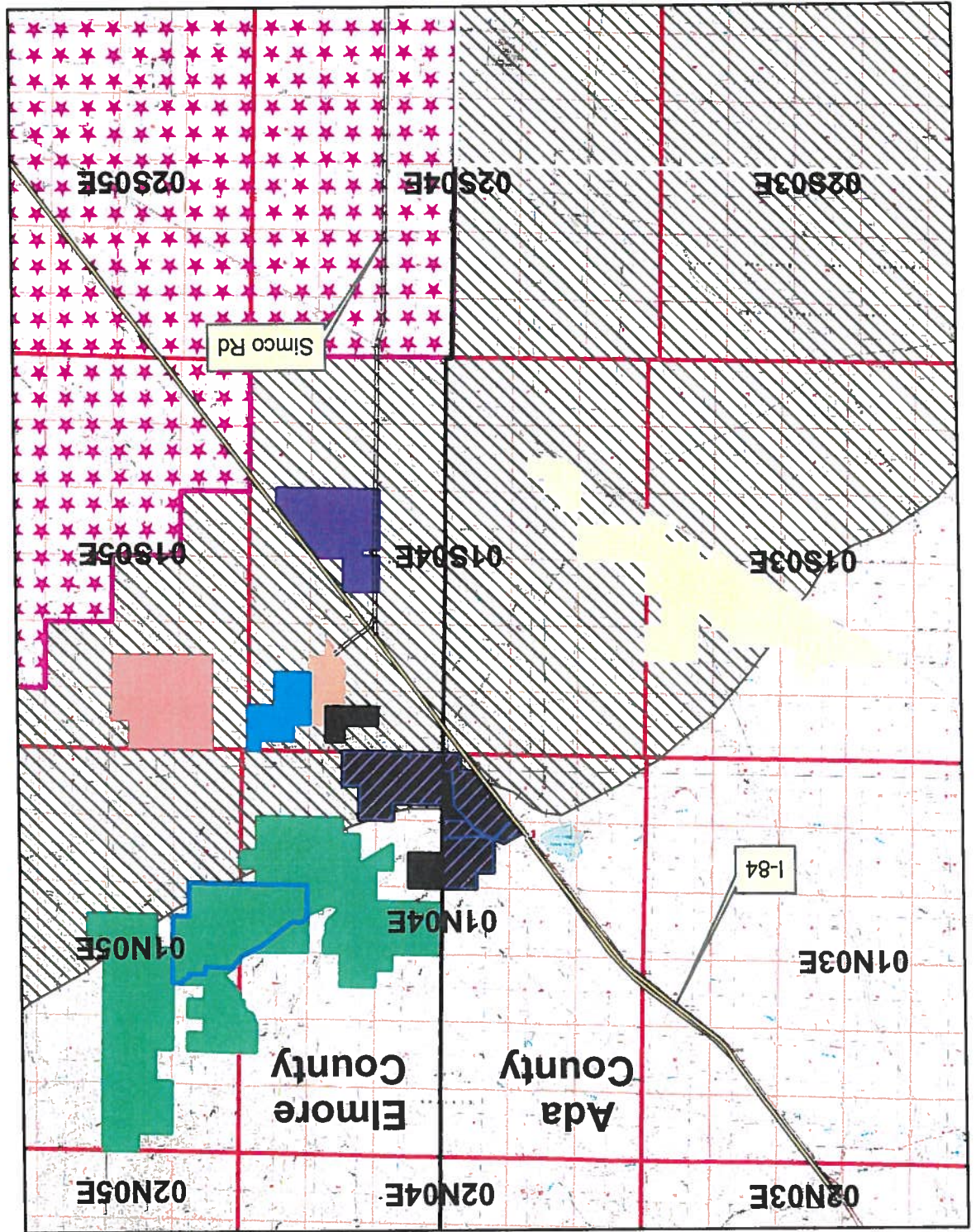
I-84 Ground Water Projects



0 0.5 1 2 Miles

Map Prepared by S Curtis
August 2011
2009 Photography

I-84 Ground Water Projects



CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 2nd day of September, 2011, a true and correct copy of the document(s) described below were served by placing the same in the United States mail, postage prepaid and properly addressed to the following:

Document(s) Served: **Prehearing Conference Scheduling Request**

SHEKINAH INDUSTRIES, INC
ATTN: MICHAEL PRESTON
420 BITTERROOT DR
BOISE, ID 83709

GIVENS PURSLEY LLP
ATTN: MICHAEL CREAMER
PO BOX 2720
BOISE, ID 83701-2720

BROWN FARMS LLC
C/O HOLZER EDWARDS & HARRISON
ATTN: CLIFFORD BROWN, ESQ.
1516 W HAYS ST
BOISE, ID 83702

BROCKWAY ENGINEERING
ATTN: ERICK POWELL
2016 N WASHINGTON ST, STE 4
TWIN FALLS, ID 83301

CITY OF MOUNTAIN HOME
ATTN: WAYNE SHEPHERD
DIRECTOR OF PUBLIC WORKS
PO BOX 10
MOUNTAIN HOME, ID 83647

G 3 LLC
ATTN: CRAIG HAYNES
2136 E LEWANDOWSKI LN
BOISE, ID 83716

NEVID LLC AND
ELK CREEK RANCH LLC
ATTN: NORMAN M SEMANKO
ATTORNEY AT LAW
PO BOX 538
EAGLE, ID 83616

MAYFIELD TOWNSITE LLC
PO BOX 1359
CALDWELL, ID 83606

MOORE SMITH BUXTON & TURCKE
ATTN: BRUCE SMITH
950 W BANNOCK STE 520
BOISE, ID 83702

ORCHARD RANCH LLC
PO BOX 1260
MARICOPA, AZ 85139

NORMAN M SEMANKO
ATTORNEY AT LAW
PO BOX 538
EAGLE, ID 83616

SPF WATER ENGINEERING
300 E MALLARD DR, STE 350
BOISE, ID 83706

DANA QUINNEY
SCOTT QUINNEY
160 S PRONGHORN
BOISE, ID 83716

TONYA D BOLSHAW
PO BOX 16022
BOISE, ID 83715

PERKINS COIE LLP
ATTN: ROBERT MAYNARD OR
ERIKA MALMAN
PO BOX 737
BOISE, ID 83701-0737

DANIEL S VAN GROUW
C/O HOFSTETTER LAW OFFICE
ATTN: DANA HOFSTETTER
608 W FRANKLIN ST
BOISE, ID 83702

NEVID LLC
1349 GALLERIA DR, STE 200
HENDERSON, NV 89014

SPENCER HAFEN
886 W BARRYMORE DR
MERIDIAN, ID 83642

IDAHO WATER COMPANY
ATTN: DEL KOHTZ
1135 VALLEY RD S
EDEN, ID 83325

CITY OF POCATELLO
C/O BEEMAN & ASSOCIATES
ATTN: JOSEPHINE BEEMAN
409 W JEFFERSON ST
BOISE, ID 83702

IDAHO POWER COMPANY
ATTN: JAMES C TUCKER OR
NATHAN F GARDINER
1221 W IDAHO ST
BOISE, ID 83702-5627

MAYFIELD TOWNSITE LLC
C/O BRUCE SMITH, ATTORNEY
950 W BANNOCK ST, STE 520
BOISE, ID 83702

INTERMOUNTAIN SEWER &
WATER CORP.
PO BOX 344
MERIDIAN, ID 83680

TIM CONRADS
75 S PRONGHORN RD
BOISE, ID 83716

MARY FRISCH
155 S PRONGHORN DR
BOISE, ID 83716

GRIFFIN HERREN
719 DESERT WIND RD
BOISE, ID 83716

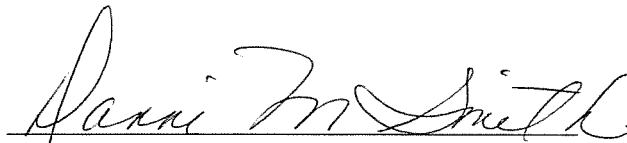
ARK PROPERTIES LLC
ATTN: JOHN MC CALLUM
11204 N BAR 21 DR
GLENN'S FERRY, ID 83623-5033

WENDY TIPPETTS
999 N SLATER CREEK
MAYFIELD, ID 83716

LORI ATKINS
602 E MIKE'S PL
BOISE, ID 83716

DARLA BATEMAN
404 E INDIAN CREEK RD
BOISE, ID 83716

CLEVELAND CORDER LLC
2248 VANOCKER ST
MERIDIAN, ID 83642

A handwritten signature in cursive script that reads "Danni M Smith". The signature is written in black ink and is positioned above a horizontal line.

Danni M Smith
Office Services Supervisor 1
Water Management Division