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

August 15, 2011

C. L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

VALLEY ENTERTAINMENT GROUP INC
PO BOX 3212
HAILEY ID 83333

RE: APPLICATION TO LEASE WATER RIGHT NO. 37-7490 TO THE WATER SUPPLY BANK

Dear Lessor:

The Department of Water Resources ("Department") has completed its review of your application to lease the above-mentioned water right number to the Water Supply Bank ("Bank"). The offered water right is accepted into the Bank in accordance with the attached Water Supply Bank Lease Acceptance. If you do not agree with the conditions of the Lease Acceptance and would like to withdraw your water right from the Bank, you must contact the Department within thirty (30) days of receipt of this notification.

The right will automatically be released from the bank on **April 30, 2017,** unless the right is released earlier by the Board, or upon request by the lessor. To change the term of the lease or to release the right from the Bank, you must submit a request in writing to the Department prior to the release date.

Please review the conditions of acceptance listed on the Lease Acceptance and contact me at (208) 287-4907 if you have any questions.

Sincerely,

Monica Van Bussum
Sr. Water Resource Agent

Enclosure(s)

c: Allen Merritt – IDWR Southern Regional Office
Greg Sullivan – Brockway Engineering PLLC
Claude Hinkle – Watermaster, Water District 37C