



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

February 24, 2011

C. L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

DEER CREEK RANCH INC
ATTN JOHN FLYNN
PO BOX 3090
NEWPORT BEACH CA 92658

RE: AMENDED LEASE ACCEPTANCE FOR WATER RIGHT NOS. 37-5 AND 37-833R

Dear Lessor:

Per correspondence with your attorney Paul Arrington, we amended the begin date of the Water Supply Bank lease for 37-5 and 37-833R to February 23, 2011, and extended the lease through December 31, 2015. I have attached an amended lease acceptance reflecting the new dates._x

The rights will automatically be released from the bank on **December 31, 2015**, unless the rights are released earlier by the Board, or upon request by the lessor. To change the term of the lease or to release the rights 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 if you have any questions at (208) 287-4907.

Sincerely,

Monica Van Bussum
Sr. Water Resource Agent

Enclosure(s)

c: Allen Merritt – IDWR Southern Regional Office
Kevin Lakey – Watermaster, Water District 37
Paul L. Arrington – Barker Rosholt & Simpson LLP