



State of Idaho

DEPARTMENT OF WATER RESOURCES

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C.L. "BUTCH" OTTER

Governor

GARY SPACKMAN

Interim Director

December 29, 2009

Spring Canyon Ranch
150 California St 22 FL
San Francisco, CA 94111

Gentlemen:

A recent review of water right applications in our office revealed that you have an unresolved pending transfer application, # 73744, filed with the Idaho Department of Water Resources (IDWR). The application was submitted by Stoel Rives, LLP in October of 2006 and seeks to create a 1587.3 acre permissible place of use and modify points of diversion for water rights associated with property located west of Hailey, Idaho.

The transfer application involves Spring Canyon Ranch's water rights involved in the Snake River Basin Adjudication (SRBA). Objections have been filed to the recommendations prepared for the rights involved in the transfer and these various objections have not yet been resolved. IDWR policy is to delay the processing of water right transfer applications involving rights with objections in the SRBA until the rights are decreed or the objections are resolved (*For a more detailed explanation of the policy see the enclosed February 18, 2009, memorandum*).

This letter provides notice to you that your transfer application, # 73744, is still pending with IDWR, and may be pending for some time. If desired, you, or an authorized representative, may withdraw transfer application, # 73744 by submitting the enclosed form with a Spring Canyon Ranch representative's signature to our office. Including a written request, will allow us to initiate a refund of the \$770.00 filing fee to Stoel Rives LLP (paid via Stoel Rives LLP check # 301714 per IDWR receipt # S028957). Once the objections are resolved through the SRBA process, you may file a transfer application again at any time in the future.

If you have any questions, or if I can be of any assistance, feel free to contact me at your convenience.

Sincerely,

Corey Skinner, PE
Water Resource Engineer

Enclosures

cc: Stoel Rives LLP – w/o enclosures
Brockway Engineering – w/o enclosures