



State of Idaho

DEPARTMENT OF WATER RESOURCES

Western Region, 2735 Airport Way, Boise, Idaho 83705-5082

Phone: (208) 334-2190 FAX: (208) 334-2348 www.idwr.idaho.gov

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

March 1, 2010

Jim Speck
Speck & Aanestad
120 East Ave.
P.O. Box 987
Ketchum, Id 83340

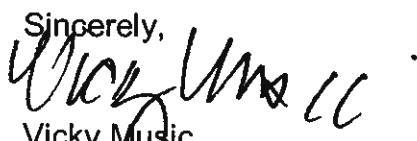
Re: Application for Transfer No. 75498
(SV Ranch LLC)

Dear Mr. Speck:

I apologize, but I misspoke during our last conversation when I stated to you that your client could obtain a refund if the transfer was withdrawn. IDWR only issues a refund to the applicant who paid the fee. In the case of this transfer, the original applicant who paid the fee was Box Springs Land and Livestock. If this entity were to request a refund, IDWR would consider the request, though a refund is not automatic.

I apologize again. I was more concerned with moving the transfer to some finality and did not remember this detail. If you have questions regarding this matter, please call me at 208.334.2190. Thank you.

Sincerely,



Vicky Music
Sr. Water Resource Agent

Music, Vicky

From: Jim Speck [jim@speckandaanestad.com]
Sent: Tuesday, February 16, 2010 12:06 PM
To: 'Greg Vik'
Cc: 'Mr. Rod Gonsales'; Music, Vicky
Subject: Re: SV Ranch/Kranz-Lemon Ranches - Transfer 75498
Attachments: transfer withdrawal.pdf

Greg,

The water rights which are the subject of this transfer application are the two Kranz Snake River water rights that will be used in the new pivot system together with the Lemon water rights. Therefore, the pending transfer application no longer applies and should be withdrawn. We will be preparing and filing a new transfer application to cover the new place of use and points of diversion for all of these rights.

Please sign the attached form and e-mail back to me as soon as you can. Call me if you have any questions. Thanks!

Jim

James P. Speck
SPECK & AANESTAD
A Professional Corporation
120 East Avenue
P.O. Box 987
Ketchum, ID 83340
208.726.4421
208.726.0752 (fax)
jim@speckandaanestad.com

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Music, Vicky

From: Music, Vicky
Sent: Tuesday, February 16, 2010 10:50 AM
To: 'Jim Speck'
Subject: SV Ranch transfer 75498

Jim – we must have had a misunderstanding during our last conversation. The transfer above was due Feb 12. It was my understanding that you were going to gather the Lemon Ranch water rights, let me know what they were and whether they shared a common diversion and delivery system with the rights that are the subject of transfer no. 75498, and I was to talk to Steve Lester as to whether they could be added. There was no additional time discussed for the transfer and I am sending it to John Westra to be voided per the letter I sent 1/12/2010.

I talked to Steve Lester. If the diversion and delivery system is common to all of the water rights, the rights can be transferred via 1 transfer. If not, separate transfer must be filed. However, at this point, the Department believes it has provide generous latitude regarding this transfer and has already spent an inordinate amount of time on it. No more time will be allowed. I am drafting a formal letter to that effect now.

If your client intends to changed the Lemon rights PODs, please submit another application for transfer.

Vicky L. Music
Sr. Water Resource Agent
IDWR/Western Region
2735 Airport Way
Boise, Idaho 83705-5082
(208) 334-2190



State of Idaho

DEPARTMENT OF WATER RESOURCES

Western Region, 2735 Airport Way, Boise, Idaho 83705-5082

Phone: (208) 334-2190 FAX: (208) 334-2348 www.idwr.idaho.gov

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

January 12, 2010

Jim Speck
Speck & Aanestad
120 East Ave.
P.O. Box 987
Ketchum, Id 83340

Re: Second Amended Application for Transfer No. 75498
(SV Ranch LLC)

Dear Mr. Speck:

I sent you the second amended transfer application for review and signature on September 22, 2009, via USPS and electronic mail, and again on October 8, 2009, via electronic mail. As of today, I have not received the original from you or your client.

Please submit the second amended application by February 12, 2010. If IDWR does not receive it by this due date, the application will be voided. If you have questions regarding this matter, please call me at 208.334.2190. Thank you.

Sincerely,


Vicky Music
Sr. Water Resource Agent

Music, Vicky

From: Music, Vicky
Sent: Thursday, October 08, 2009 4:55 PM
To: 'Jim Speck'
Subject: RE: SV Ranch transfer
Attachments: SV ranch TransferApp.doc

Attached.

Vicky Music

-----Original Message-----

From: Jim Speck [mailto:jim@speckandaanestad.com]
Sent: Friday, October 02, 2009 4:33 PM
To: Music, Vicky
Subject: RE: SV Ranch transfer

Vicky,

Please e-mail me the Second Amended Application in Word format so we can make the changes and answer the questions! Thanks!

Jim

James P. Speck
SPECK & AANESTAD
A Professional Corporation
120 East Avenue
P.O. Box 987
Ketchum, ID 83340
208.726.4421
208.726.0752 (fax)
jim@speckandaanestad.com

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-----Original Message-----

From: Music, Vicky
Sent: Tuesday, September 22, 2009 10:37 AM
To: Jim Speck

Please see attached - original sent to you today.

<<img-922102707.pdf>>

Vicky L. Music
Sr. Water Resource Agent
IDWR/Western Region
2735 Airport Way
Boise, Idaho 83705-5082
(208) 334-2190

Attachment(s): img-922102707.pdf



State of Idaho

DEPARTMENT OF WATER RESOURCES

Western Region, 2735 Airport Way, Boise, Idaho 83705-5082

Phone: (208) 334-2190 FAX: (208) 334-2348 www.idwr.idaho.gov

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

September 22, 2009

James P. Speck
SPECK & AANESTAD
120 East Avenue
P.O. Box 987
Ketchum, ID 83340

Re: Application for Transfer No. 75498
SV Ranch LLC

Dear Mr. Speck,

Thank you for procuring the Assignment of Transfer from Rubber Band Holdings to SV Ranch, LLC. I received the original you sent me. This certainly makes amending the transfer much easier.

In our recent communications, you represented that your client wished to amend the transfer application filed by the original applicant, Rubber Band Holdings, by adding the PODs associated with 2-2100A and 2-7086 to 2-7046E and 2-2357B. As a courtesy, I made the anticipated changes in the IDWR database and was able to generate a Second Amended Application for Transfer for these changes. Hopefully, it correctly represents your client's intent.

Please have your client review it carefully, make any corrections, complete the application, sign it, have it notarized, and send the original back to me. The specific items that your client must complete are:

Page 1, part 1 - answer the question re change of ownership which at this point should be no;

Page 1, part 3 - reason for change;

Page 3 - answer the questions for 2-7046E;

Page 5 - answer the questions for 2-2357B;

Attachment A - clear check the map I created for accuracy.

Sincerely,

Vicky Music
Sr. Water Resource Agent

Transfer No. 75498
 Receipt No.W037283

SECOND AMENDED
STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
APPLICATION FOR TRANSFER OF WATER RIGHT
PART 1

1. Applicant Information SV RANCH LLC
 C/O GREGORY VIK
 PO BOX 1607
 BELLEVUE WA 98009
 (425)460-2542

Will this transfer result in an ownership change? _____ Yes _____ No

2. Current Water Right

Part 2 Attached for Each Right

	Origin/Basis	Rate	Volume	Acre Limit	Total Acres	Source
2-7046E	AJC/License	2.82			162.0	SNAKE RIVER
2-2357B	AJC/License	1.80			90.0	SNAKE RIVER

3. Purpose of Transfer (Change Proposed)

Part 3A Attached for Each Proposed Right

Part 3B Attached for Each Split Right

Right	Split	POD	POU	Add POD	Period of Use	Nature of Use
2-7046E	NO	YES	NO	YES	NO	NO
2-2357B	NO	YES	NO	YES	NO	NO

Describe the reason for the proposed changes

4. FOR CHANGES IN NATURE OF USE ONLY

A. Describe the expected quantity of the return flows and location of discharge after the proposed change

not applicable - no change in nature of use

B. Describe the effects on other water uses resulting from the proposed change

not applicable - no change in nature of use

5. Total Amounts Transferred

	Rate	Acre Limit	Total Acres	Volume
2-7046E	2.82 cfs		162.0	
2-2357B	1.80 cfs		90.0	
TOTAL	4.62 cfs	252.0	252.0	

Transfer No. 75498
 Receipt No.W037283

**IDAHO DEPARTMENT OF WATER RESOURCES
 APPLICATION FOR TRANSFER OF WATER RIGHT
 PART 2**

Current Water Right No. 2-7046E

Priority Date: July 30, 1969
 Origin: Adjudication Recommendation
 Basis: License
 Status: Active

Source: SNAKE RIVER

Tributary: COLUMBIA RIVER

<u>Beneficial Use</u>	<u>From</u> <u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>	<u>Subuse Code</u>
IRRIGATION	03/01 10/31	2.82 CFS		
	Total Diversion	2.82 CFS		

Source and Point(s) of Diversion:

SNAKE RIVER L7 (SWSW) Sec. 26 Twp 03S Rge 01E OWYHEE County

PLACE OF USE: IRRIGATION

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
04S	01E	1									4.0	32.0	18.0	3.0					57.0
04S	01E	2	40.0			40.0												25.0	105.0

Total Acres: 162

Conditions/Remarks:

1. This partial decree is subject to such general provisions necessary for the definition of the rights or for the efficient administration of the water rights as may be ultimately determined by the Court at a point in time no later than the entry of a final unified decree. Section 42-1412(6), Idaho Code.
2. Use of this right with Right Nos. 57-7034A, 57-7034B, and 57-10148 is limited to a total combined annual diversion volume of 810 AF.
3. The following rights are also diverted through point of diversion described above: 2-2357A, 2-2357B, 2-2173, 2-7046C, and 2-7046D.
4. This right is a split from former right 2-7046A.
5. The use of water for irrigation under this right may begin as early as March 1 and may continue to as late as November 15, provided other elements of the right are not exceeded. The use of water after October 31 under this remark is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than the date a partial decree is entered for this right.

6. The rights listed below are limited to a total combined diversion rate of 32 cfs. Combined Right Nos.: 2-7046E, 2-10332, 2-10235, 2-10422, 2-10423, 2-10244.

Documentation of Ownership of the Current Place of Use

Is this property subject to any liens, deeds of trust, mortgages, or contracts or other encumbrances?

Describe the effect on the current place of use for this water right if the place of use is changed pursuant to this transfer

To your knowledge, has any portion of the water right undergone a period of five(5) or more consecutive years of non-use?

Transfer No. 75498
 Receipt No.W037283

**IDAHO DEPARTMENT OF WATER RESOURCES
 APPLICATION FOR TRANSFER OF WATER RIGHT
 PART 2**

Current Water Right No. 2-2357B

Priority Date: September 10, 1964
 Origin: Adjudication Recommendation
 Basis: License
 Status: Active

Source: SNAKE RIVER

Tributary: COLUMBIA RIVER

<u>Beneficial Use</u>	<u>From</u> <u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>	<u>Subuse Code</u>
IRRIGATION	3/15 11/15	1.80 CFS		
	Total Diversion	1.80 CFS		

Source and Point(s) of Diversion:

SNAKE RIVER L7 (SWSW) Sec. 26 Twp 03S Rge 01E OWYHEE County

PLACE OF USE: IRRIGATION

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
04S	01E	1						28.0	24.0										52.0
								L 4											
04S	01E	2													38.0				38.0

Total Acres: 90

Conditions/Remarks:

1. This partial decree is subject to such general provisions necessary for the definition of the rights or for the efficient administration of the water rights as may be ultimately determined by the Court at a point in time no later than the entry of a final unified decree. Section 42-1412(6), Idaho Code.
2. This right is a split from former right 2-2357.
3. The use of water for irrigation under this right may begin as early as March 1 and may continue to as late as November 15, provided other elements of the right are not exceeded. The use of water before March 15 under this remark is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than the date a partial decree is entered for this right.
4. Use of this right with Right Nos. 2-7046A, 57-235, 57-7034A is limited to a total combined annual diversion volume of 450 AF.

Page 5 of 8

5. The following rights are also diverted through point of diversion described above: 2-2357A, 2-2173, 2-7046C, 2-7046D, and 2-7046E

Documentation of Ownership of the Current Place of Use

Is this property subject to any liens, deeds of trust, mortgages, or contracts or other encumbrances?

Describe the effect on the current place of use for this water right if the place of use is changed pursuant to this transfer

To your knowledge, has any portion of the water right undergone a period of five(5) or more consecutive years of non-use?

**IDAHO DEPARTMENT OF WATER RESOURCES
APPLICATION FOR TRANSFER OF WATER RIGHT
PART 3A**

Proposed Water Right No. 2-7046E

Priority Date: July 30, 1969

Origin: Adjudication
 Recommendation

Basis: License

Status: Active

Source: SNAKE RIVER**Tributary:** COLUMBIA RIVER

<u>Beneficial Use</u>	<u>From To</u>	<u>Diversion Rate</u>	<u>Volume</u>	<u>Subuse Code</u>
IRRIGATION	03/01 10/31	2.82 CFS		
	Total Diversion	2.82 CFS		

Source and Point(s) of Diversion:

SNAKE RIVER	L8 (NWSE)	Sec. 35 Twp 03S	Rge 01E	OWYHEE County
SNAKE RIVER	L7 (NESE)	Sec. 36 Twp 03S	Rge 01E	OWYHEE County
SNAKE RIVER	L7 (NWSE)	Sec. 36 Twp 03S	Rge 01E	OWYHEE County

Describe the proposed diversion system

Point of Diversion # 1 pumping station
Point of Diversion # 2 pumping station
Point of Diversion # 3 pumping station

PLACE OF USE: IRRIGATION

Twp	Rge	Sec	NE				NW				SW				SE				
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	Totals
04S	01E	1									4.0	32.0	18.0	3.0					57.0
04S	01E	2	40.0			40.0												25.0	105.0

Total Acres: 162

Transfer No. 75498
 Receipt No. W037283

**IDAHO DEPARTMENT OF WATER RESOURCES
 APPLICATION FOR TRANSFER OF WATER RIGHT
 PART 3A**

Proposed Water Right No. 2-2357B

Priority Date: September 10, 1964

Origin: Adjudication
 Recommendation

Basis: License

Status: Active

Source: SNAKE RIVER

Tributary: COLUMBIA RIVER

<u>Beneficial Use</u>	<u>From To</u>	<u>Diversion Rate</u>	<u>Volume</u>	<u>Subuse Code</u>
IRRIGATION	03/15 11/15	1.80 CFS		
	Total Diversion	1.80 CFS		

Source and Point(s) of Diversion:

SNAKE RIVER	L8 (NWSE)	Sec. 35 Twp 03S	Rge 01E	OWYHEE County
SNAKE RIVER	L7 (NENE)	Sec. 36 Twp 03S	Rge 01E	OWYHEE County
SNAKE RIVER	L7 (NWSE)	Sec. 36 Twp 03S	Rge 01E	OWYHEE County

Describe the proposed diversion system

Point of Diversion # 1 pumping station
 Point of Diversion # 2 pumping station
 Point of Diversion # 3 pumping station

PLACE OF USE: IRRIGATION

Twp	Rge	Sec	NE				NW				SW				SE				
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	Totals
04S	01E	1						28.0	24.0										52.0
								L 4											
04S	01E	2													38.0				38.0

Total Acres: 90

Transfer No. 75498
Receipt No.W037283

**STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
APPLICATION FOR TRANSFER OF WATER RIGHT
PART 3**

I hereby assert that no one will be injured by such change and that the change does not constitute an enlargement in use of the original right. The information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in voiding its approval.

(Signature of Applicant)

(Title or Office)

Subscribed and sworn to before me this _____ day of _____, 20_____.

(Notary Public)

My commission expires _____

SPECK & AANESTAD

A PROFESSIONAL CORPORATION

ATTORNEYS

120 EAST AVENUE
POST OFFICE BOX 987
KETCHUM, IDAHO 83340

TELEPHONE
(208) 726-4421
FACSIMILE
(208) 726-0752

JAMES P. SPECK
jim@speckandaanestad.com
DOUGLAS J. AANESTAD
doug@speckandaanestad.com

September 16, 2009

Ms. Vicky L. Music
Idaho Department of Water Resources
Western Regional Office
2735 Airport Way
Boise, ID 83705-5082

RECEIVED

SEP 17 2009

WATER RESOURCES
WESTERN REGION

Re: Assignment of Application for Transfer of water Right No. 75498

Dear Vicki:

Enclosed you will find the original and a copy of the above-referenced Assignment of Application for Transfer. Please receipt-date stamp the copy and return it to me in the postage prepaid self-addressed envelope I have included for that purpose. I look forward to hearing back from you on the transfer amendment process. ✓gh

Sincerely yours,

SPECK & AANESTAD
A Professional Corporation

By: _____


James P. Speck

Enclosure

CC w/ Enclosure: Greg Vik
Rod Gonsales

Music, Vicky

From: Shaff, Don
Sent: Wednesday, August 05, 2009 2:41 PM
To: Music, Vicky
Subject: RE: Rubber Band Holdings recommendation 2-7046E

Hi Vicky,

You may like to know an NCAP was lodged with the Court today changing the name of the claimant and more importantly changing the quantity to 2.82 cfs, the amount leased to the Water Bank. I have been asked by the attorney for the buyer to review the splits of 2-7046 relative to the two licenses ("A" & B) to see if 1) the season of use is correct relative to the license from which a split resulted, and 2) the quantity for the number of acres is prorated. Jim Speck leaves open either moving to set aside or contest the SMRR on behalf of his client. I will keep you posted how it might unfold.

Don Shaff
(208)287-4921
don.shaff@idwr.idaho.gov

you handled 3/1-10/31
(VLM)

Happiness is a journey, not a destination.

From: Music, Vicky
Sent: Tuesday, June 30, 2009 4:24 PM
To: Shaff, Don
Cc: Lester, Steve
Subject: Rubber Band Holdings recommendation 2-7046E

Hi Don -

I am following up on an email that Jan sent you in about early March 2009 about this recommendation. A transfer was then filed March 20, 2009 which was assigned to me. The recommendation is very wrong. Anyway, has legal asked the Court to hold these?

This is what I think happened:

- 1 - In the licensing process there was a partial assignment of the permit which split the permit into "parts" and there was no "part" designated as the A portion but there was a "part" designated as the B portion.
- 2 - when parent right was data entered in database it was incorrectly entered as 14.26 cfs [B quantity] and 674 acres
- 3 - SRBA claims entered based on database?
- 4 -staff made E recommendation based on the incorrect claimed amount

The correct portion 2-7046A is for 32 cfs and 1836.5 acres [0.017 cfs/acre]. IT was split into E for **162 acres** and **14.26 cfs** and F for 24.79 cfs and 1239.5 acres
F was further split .

The correct portion 2-7046B for 14.26 cfs and 713 acres

The original license duty of water was.

Then there are many other splits but I am only concerned about the E portion.

Steve, I'll talk to you about the transfer but don't know what I can do until the recommendation is corrected. I got a call from Jim Speck today asking about when it will be processed...

Vicky L. Music

Music, Vicky

From: Music, Vicky
Sent: Tuesday, July 28, 2009 3:09 PM
To: 'Jim Speck'
Subject: RE: RE: Rubber Band Holdings transfer 75498, water right no 2-7046E

Jim -

Steve Lester is out of time and I would like to talk to him about how to accomplish this, as well as change the ownership of the Rubber Band rights. He returns tomorrow so let me get back to you, hopefully, by the end of the week.

Vicky Music

-----Original Message-----

From: Jim Speck [mailto:jim@speckandaanestad.com]
Sent: Monday, July 27, 2009 10:35 AM
To: Music, Vicky
Cc: 'Greg Vik'; 'Mr. Rod Gonsales'; 'Nancy Lukacs'
Subject: RE: RE: Rubber Band Holdings transfer 75498, water right no 2-7046E

Vicky,

My client, SV Ranch, LLC, closed its purchase of the farm and the appurtenant water rights from Rubber Band Holdings, LLC on July 17. This transfer application currently identifies only 1 of 3 existing Snake River pump stations as the new point of diversion for the 2 water rights (2-2357B & 2-7046E). Those 3 stations are the decreed points of diversion for the other 2 Snake River rights we acquired with the farm (2-2100A & 2-7086). We would like to amend this pending application to identify all 3 pumping stations as the new points of diversion so that all the Snake River rights for this farm can use any or all of the 3 stations. What would you like us to submit to you to get us to that result??!! Thank you.

Jim

James P. Speck
SPECK & AANESTAD
A Professional Corporation
120 East Avenue
P.O. Box 987
Ketchum, ID 83340
208.726.4421
208.726.0752 (fax)
jim@speckandaanestad.com

2-2100A RDS LB NWSE 36 35 IE - same as above
L1 NENE 36 35 IE
L1 NWSE 36 35 IE
2-7086 same as above

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email message in error, please immediately notify the sender by replying to this email message or by telephone. Thank you.

-----Original Message-----

From: Music, Vicky
Sent: Tuesday, June 30, 2009 4:44 PM
To: Jim Speck

Don Shaff at the state office is the Adjudication Bureau Chief. The state office # is 287.4800. I emailed him this afternoon to check on the status myself and have not heard back.

Vicky Music

-----Original Message-----

From: Jim Speck [mailto:jim@speckandaanestad.com]
Sent: Tuesday, June 30, 2009 4:43 PM
To: Music, Vicky
Subject: RE: Rubber Band Holdings transfer 75498, water right no 2-7046E

Vicky,

Thank you! Who should I speak to about the quantity issue?

Jim

James P. Speck
SPECK & AANESTAD
A Professional Corporation
120 East Avenue
P.O. Box 987
Ketchum, ID 83340
208.726.4421
208.726.0752 (fax)
jim@speckandaanestad.com

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-----Original Message-----

From: Music, Vicky
Sent: Tuesday, June 30, 2009 4:35 PM

To: jim@speckandaanestad.com

Jim -

Copy of transfer application attached. Re the quantity - yes there is a huge mistake in the quantity element of the recommendation. The adjudication bureau know it though I am not sure yet when it will be fixed. Looks like the error originated when we first became computerized - during the initial data entry from the license [the permit was partially assigned so the permit was split into "parts" with no "A", only a "B" designation, etc.] and the mistake was perpetuated from there.

<<img-630163007.pdf>>

Vicky L. Music
Sr. Water Resource Agent
IDWR/Western Region
2735 Airport Way
Boise, Idaho 83705-5082
(208) 334-2190

Attachment(s): img-630163007.pdf

MEMORANDUM TO TRANSFER FILE

TO: TRANSFER NO. 75498 FILE, WATER RIGHT NO. 2-7046E
FROM: VICKY MUSIC
SUBJECT: ERROR IN QUANTITY ELEMENT - SRBA RECOMMENDATION
DATE: 7/2/2009
CC: N/A

This memo is to memorialize my conversations with Don Shaff re the error in the SRBA recommendation. Don thinks the error was introduced during claims taking and culminated in the wrong quantity being recommended for 2-7046E to the SRBA Court. A transfer was filed by the water right owner, Rubber Band Holdings, LLC to move the POD on the Snake River. The transfer was assigned to me for processing.

Ketchum attorney, Jim Speck called on my office day this week to check on the status of the transfer. During our conversation he mentioned that he represented a potential purchaser of the property and water right, and that the recommended quantity and remarks were incorrect. I had not begun my review so I looked at the water right backfile, pedigree, etc and saw that, indeed, there was an error in the IDWR records in the way the "A" portion was described and then split.

The mistake was likely originally due to the way the parent right was split during licensing. Part of the permit was assigned and the parent 2-7046 was split into "parts". One of the "parts" was designated as "B" with no designation for the other "part". At some point the other "part" was designated "A" but the incorrect quantity of 14.26 cfs was assigned to it. "A" was further split into "E" and "F". This is how the parent should have been split into "A" and "B", and then the "A" portion split into "E" and "F":

A	32 cfs	1836.5 acres	0.0174 cfs/ac
E	2.75 cfs	162 acres	0.0174 cfs/ac
F	24.79 cfs	1239.5 acres	0.0174 cfs/ac
B	14.26 cfs	713 acres	0.02 cfs/ac

I emailed Don after talking to Speck and reviewing documents. He called today and we discussed how to handle correcting the recommendation and processing the transfer. He also talked to transfer applicant/water right owner, James Kranz this morning. Mr Kranz told him that a quantity of 2.82 cfs was put in the water bank as "E". I had seen these IDWR records. Mr Kranz was also concerned that correcting this error would affect the property transaction, which is closing mid month. However, the record has to be correct.

Don said he would contact the Court and that the quantity for the "E" right would be corrected to 2.82 cfs. WE talked about the transfer timing. I told him I would wait for the SRBA process and then I would solicit amendments for the transfer application, and process the transfer based on the 2.82 cfs.

Music, Vicky

From: Music, Vicky
Sent: Tuesday, June 30, 2009 4:24 PM
To: Shaff, Don
Cc: Lester, Steve
Subject: Rubber Band Holdings recommendation 2-7046E

Hi Don –

I am following up on an email that Jan sent you in about early March 2009 about this recommendation. A transfer was then filed March 20, 2009 which was assigned to me. The recommendation is very wrong. Anyway, has legal asked the Court to hold these?

This is what I think happened:

- 1 - In the licensing process there was a partial assignment of the permit which split the permit into “parts” and there was no “part” designated as the A portion but there was a “part” designated as the B portion.
- 2 – when parent right was data entered in database it was incorrectly entered as 14.26 cfs [B quantity] and 674 acres
- 3 – SRBA claims entered based on database?
- 4 –staff made E recommendation based on the incorrect claimed amount

The correct portion 2-7046A is for 32 cfs and 1836.5 acres [0.017 cfs/acre]. IT was split into E for **162 acres** and **14.26 cfs** and F for 24.79 cfs and 1239.5 acres
F was further split .

The correct portion 2-7046B for 14.26 cfs and 713 acres

The original license duty of water was.

Then there are many other splits but I am only concerned about the E portion.

Steve, I'll talk to you about the transfer but don't know what I can do until the recommendation is corrected. I got a call from Jim Speck today asking about when it will be processed...

Vicky L. Music

Tracking:	Recipient	Delivery
	Shaff, Don	Delivered: 6/30/2009 4:24 PM
	Lester, Steve	Delivered: 6/30/2009 4:24 PM



IDAHO SECRETARY OF STATE

Viewing Business Entity

Ben Ysursa, Secretary of State

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SV RANCH LLC

999 3RD AVE STE 3000
 SEATTLE, WA 98104

Type of Business: LIMITED LIABILITY COMPANY

Status: EXISTING, ANREPT SENT 02 Feb 2009

State of Origin: WASHINGTON

Date of 26 Apr 2002

Origination/Authorization:

Current Registered Agent: NATIONAL REGISTERED AGENTS INC
 1423 TYRELL LANE
 BOISE, ID USA 83706

File Number: W19047

Date of Last Annual Report: 19 Mar 2009

Original Filing:

Filed 26 Apr 2002 ARTICLES OF
 ORGANIZATION

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Amendments:

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Annual Reports:

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Report for year 2007	ANNUAL REPORT	View Image (PDF format) View Image (TIFF format)
Report for year 2007	CHNG RA/RO	View Image (PDF format) View Image (TIFF format)
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Report for year 2003	ANNUAL REPORT	View Image (PDF format) View Image (TIFF format)

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Comments, questions or suggestions can be emailed to: sosinfo@sos.idaho.gov

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
ASSIGNMENT OF APPLICATION FOR TRANSFER

RUBBER BAND HOLDINGS, LLC, an Idaho limited liability company ("Assignor"), Hereby assigns to SV RANCH LLC, a Washington limited liability company, whose current address is c/o Gregory Vik, P.O. Box 1607, Bellevue, WA 98099 (the "Assignee"), all of its right, title and interest in and to Application for Transfer of Water Right No. 75498.

IN WITNESS WHEREOF, the assignor has signed and executed this Assignment of Application for Transfer on the 10 day of September 2009.

RUBBER BAND HOLDINGS, LLC

Date: 9-10-2009

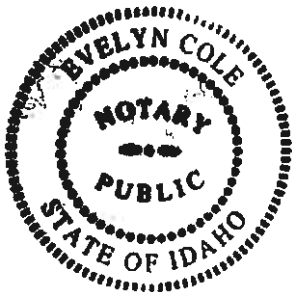
By: James W. Kranz Mgt.
James W. Kranz, Manager

STATE OF IDAHO)

County of Ada) ss

On this 10 day of September 2009, before me, the undersigned notary of public and for said state, personally appeared James W. Kranz, known or identified to me to be the manager of RUBBER BAND HOLDINGS, LLC, an Idaho limited liability company, and the person who executed the foregoing instrument on behalf of said limited liability company and acknowledged to me that said limited liability company executed the same.

IN WITNESS WHEREOF, I have hereunto set my seal the day and year in this certificate first above written.



Evelyn Cole

Notary Public for Idaho

Residing at: _____

Comm. Expires: Residing in: Boise, Idaho
Commission Expires: 9/22/2011

No. W 19047	Due no later than April 30, 2009 Annual Report Form	2. Registered Agent and Office NO PO BOX
Return to: SECRETARY OF STATE 450 NORTH FOURTH STREET PO BOX 83720 BOISE, ID 83720-0080	1. Mailing Address - Correct in this box, if applicable SV RANCH LLC C/O SC&B SERVICES INC 999 3RD AVE STE 3000 SEATTLE, WA 98104	NATIONAL REGISTERED AGENTS INC 1423 TYRELL LANE BOISE, ID 83706 USA
NO FILING FEE IF RECEIVED BY DUE DATE		3. New Registered Agent Signature

4. Limited Liability Companies: Enter Names and Addresses of Managers.

Office held	Name	Street or P.O. Address	City	State	Zip
Manager	Investments Manager LLC,	999 3rd Avenue, #3000,	Seattle,	WA	98104

5. Organized Under the Laws of: WASHINGTON W 19047	6. Signature 	Date 3/12/09
Name (Typed or Printed) Investments Manager LLC		Title Manager
by Greg Vik,		

No. W 46060	Due no later than January 31, 2009 Annual Report Form	2. Registered Agent and Office NO PO BOX																		
Return to: SECRETARY OF STATE 450 NORTH FOURTH STREET PO BOX 83720 BOISE, ID 83720-0080 NO FILING FEE IF RECEIVED BY DUE DATE	3. Existing Address - Complete in this box, if applicable RUBBER BAND HOLDINGS, LLC 910 N CURTIS RD BOISE, ID 83706	JAMES W KRANZ 910 N CURTIS RD BOISE, ID 83706 3. New Registered Agent Signature																		
4. Limited Liability Companies: Enter Names and Addresses of Managers. <table border="1"> <thead> <tr> <th>Office held</th> <th>Name</th> <th>Street or P.O. Address</th> <th>City</th> <th>State</th> <th>Zip</th> </tr> </thead> <tbody> <tr> <td>Mgt</td> <td>James W Kranz</td> <td>910 N Curtis</td> <td>Boise</td> <td>Id</td> <td>83706</td> </tr> <tr> <td>Mgt</td> <td>Carol J Kranz</td> <td>"</td> <td>"</td> <td>"</td> <td>"</td> </tr> </tbody> </table>			Office held	Name	Street or P.O. Address	City	State	Zip	Mgt	James W Kranz	910 N Curtis	Boise	Id	83706	Mgt	Carol J Kranz	"	"	"	"
Office held	Name	Street or P.O. Address	City	State	Zip															
Mgt	James W Kranz	910 N Curtis	Boise	Id	83706															
Mgt	Carol J Kranz	"	"	"	"															
5. Organized Under the Laws of: IDAHO W 46060	6. Signature <i>James W Kranz</i> Date <i>2/4/09</i> Name (Print) <i>James W Kranz</i> Title <i>Mgt</i>																			

Issued 11/05/2008

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