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AUG 17 2007

WATER RESOURCES
WESTERN REGION

August 15, 2007

IDWR Western Region
Attn: Steve Lester
2735 Airport Way
Boise, ID 83705

Dear Mr. Lester,

This letter is to inform you that the transfer application for Water Right # 2-10013 submitted to IDWR on May 16, 2007 should result in a split. The 9.5 acres in the new place of use in the S $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 27 should be in the name of Jaca Family Properties, L.P. Elias and Inez Jaca will retain the remaining portion of the water right, 20.5 acres in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ and the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 28.

Enclosed with this letter is a change of ownership form for Water Right 57-1118 in the name of Jaca Family Properties, L.P. and Water Right 2-7108 which will be split between Jaca Family Properties, L.P. and Elias and Inez Jaca. Enclosed are the legal documents showing the transfer of ownership and a map depicting the water rights and their associated changes.

Also enclosed is a new transfer application for Water Right #2-10013. We chose to submit a new transfer application rather than amend the application submitted on May 16th due to the complexities of the ownership change.

Thank you for your positive consideration regarding these applications. As always, please contact Paul Drury, ERO Resources phone number (208) 373-7983 if you have any questions.

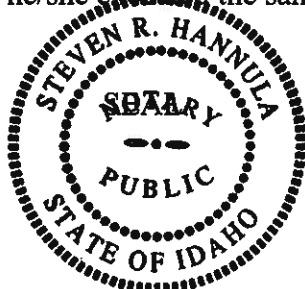
Sincerely,


Elias Jaca


Inez Jaca

State of Idaho/or _____)
County of Ada) SS.

On this 15th day of August 2007, before me personally appeared Elias and Inez Jaca, proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the within instrument, and acknowledged that he/she executed the same.




Notary Public
Residing at Boise, ID
My Commission Expires on 8-18-11