

Owen H. Orndorff
JUNAYO RANCH

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FACSIMILE COVER SHEET

DATE SENT : September 13, 1999

TIME SENT: 1:05 p.m.

TOTAL PAGES SENT: 4

(Not Including this Cover Sheet)

ATTENTION: Gary Spackman

Fax Number: (208) 334-2348

Our Phone: (208) 343-8880

Our Fax: (208) 343-0314

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MESSAGE:

Please deliver to Gary. Thank you.

JUNAYO RANCH*Limited Partnership*

General Partner
OWEN H. ORNDORFF

Limited Partner
Harvey H. Orndorff



Murphy, Idaho
Kuna, Idaho

Mailing Address
Suite 230
1087 West River Street
Boise, Idaho 83702

September 13, 1999

VIA FACSIMILE

Mike Mathis
Bureau of Land Management
Boise District
3948 Development Ave.
Boise, ID 83709

Re: Junayo Ranch Ltd. Application Permit No. 57-07610

Dear Mike:

Enclosed is a signed amendment to the Macks Creek Cooperative Agreement providing that Junayo Ranch will assign to the BLM title to the 17 acre water right for the 17 acres the BLM owns, so long as the Cooperative Agreement is not terminated. Once the Cooperative Agreement terminates, the BLM's title to the 17 acre water right terminates and the 17 acres of BLM land will revert to desert again.

Also enclosed is an Assignment of Application for Permit that will be filed with the Idaho Department of Water Resources.

At this point, the BLM needs to file a motion withdrawing its protest, enabling Junayo Ranch to go forward with its Application for Permit Number 57-07610.

Very truly yours,

Lori A. Dingel

LAD/dr
Enclosures

cc: Gary Spackman
Idaho Department of Water Resources
Fred Price
Bureau of Land Management

Amendment to the Macks Creek Cooperative Wildlife Habitat - Farming Agreement

"The *permittee* shall establish and maintain title to water used upon federal public land, associated with this Sike's Act Cooperative Farming Agreement (hereinafter, Agreement), solely in the name of the United States during the term of this Agreement. Failure of the *permittee* to acquire authorization from the Idaho Department of Water Resources (IDWR) or to remain in compliance with IDWR rules, regulations or requirements regarding the use of water to the satisfaction of Bureau of Land Management (hereinafter, BLM) Authorized Officer will result in the automatic termination of this agreement, unless BLM in its sole discretion elects otherwise in writing. No rights to federal public land accrue due to their description as the Point of Diversion (hereinafter, POD) or as the Place of Use (hereinafter, POU) within a water right, beyond those described specifically by this Agreement, nor beyond the term of this Agreement".

"Upon expiration, non-renewal or termination of this Agreement according to its terms, BLM agrees to allow water rights associated with this Agreement to be transferred off of federal public land pursuant to I.C. 42-222 and to confer title to said water rights to the *permittee*. The *permittee* shall not assume title to any PODs or POUs which describe federal public land. All costs incurred for seeking such transfer shall be borne by the *permittee*. Water rights associated with this Agreement, or portions thereof, not transferred off of federal public land shall be deemed forfeited. The United States shall be released and held harmless from loss, injury, damage and/or reduction in value of water rights should this Agreement expire, not be renewed, terminate according to its terms, or IDWR not allow transfer of water right, or portion thereof, and is forfeited".

IN WITNESS WHEREOF, the Parties hereto have executed this amendment as of the last date written below.

DEPARTMENT OF FISH AND GAME

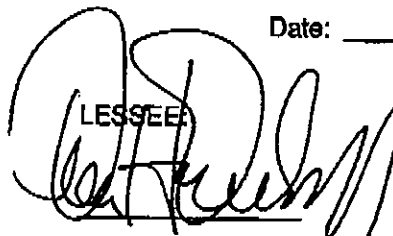
By _____
Regional Supervisor

Date: _____

BUREAU OF LAND MANAGEMENT

By _____
District Manager

Date: _____

LESSEE

Date: 9/13/99

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

ASSIGNMENT OF APPLICATION FOR PERMIT

I, Owen H. Orndorff, hereby assign to Bureau of Land Management, 3948 Development Avenue, Boise, Idaho 83705-5389,

the following described portion of my right, title, and interest in and to Application for Permit No. 57-07610 to appropriate the public waters of the State of Idaho.

Place of Use:

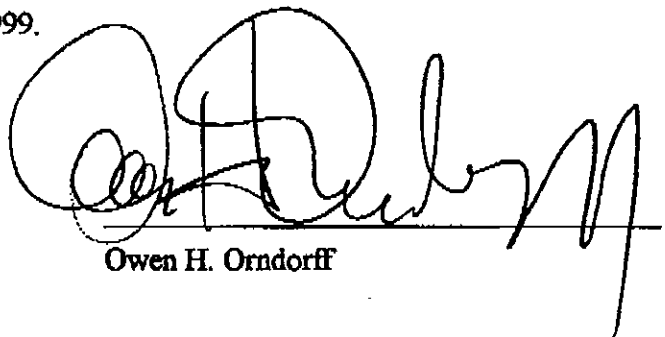
TO2S R04W S23 NENW 2.0 acres
SWNW 1.0 acre
SEnw 14.0 acres

Total number of acres: 17 acres

Total amount of water: 17 acre-feet

This Assignment of Application for Permit is conditioned upon the terms and conditions set forth in the Amended Macks Creek Cooperative Agreement. This Assignment will terminate upon termination of the Amended Macks Creek Cooperative Agreement.

Made this 13th day of September, 1999.



Owen H. Orndorff

State of Idaho)
) ss
County of _____)

On this _____ day of September, 1999, personally appeared before me the signer of the above instrument, duly acknowledged to me that he executed the same.

(seal)

Notary Public for Idaho

Residing in Boise

Commission Expires: _____