

MEMORANDUM

TO: Transfer Number 70680 and 72526 Files

FROM: Corey Skinner

DATE: April 16, 2009

SUBJECT: Place of Use Error

Recently, during the processing of an ownership change, it was discovered that the proposed place of use described on the Transfer # 70680 and # 72526 applications and associated approval documents incorrectly described a portion of the place of use. Examination of these documents, and the associated water right records in the Department's water right data base indicates that 17 acres was incorrectly identified as being located in the SWNW of Section 16 (T14N, R19E) when these 17 acres should have been identified as being located within the SENW of Section 16 (T14N, R19E). The attached map shows the location of this discrepancy.

Transfer # 70680 was filed in the name of Challis Creek Cattle Co (Stephen and Lyndella Bauchman) and Transfer # 72526 was filed in the name of Challis Creek Cattle Co and Stephen Bauchman and Lyndella Bauchman. Both of the applications involved property and associated water rights located north of Challis, east of Challis Creek Road, that Stephen Bauchman and Lyndella Bauchman purchased from Robert and Kay Piva. Transfer # 70680 split portions of rights 72-4Q, 72-32B, 72-2044, and 72-10483 into rights 72-16633, 72-16635, 72-16637, and 72-16639 for Challis Creek Cattle Co (*Stephen Bauchman and Lyndella Bauchman conveyed land to Challis Creek Cattle Co after purchase from Robert and Kay Piva*) and rights 72-16632, 72-16634, 72-16636, and 72-16638 which consisted of the leftover portions in the name of Robert and Kay Piva. Transfer # 72526 involved right 72-2149B (storage right from Mosquito Flat Reservoir) that was conveyed entirely to Stephen Bauchman and Lyndella Bauchman from Robert and Kay Piva. Transfer # 72526 changed the place of use to include additional lands above and beyond the Challis Creek Cattle Co place of use described in Transfer # 70680.

The 17 acres incorrectly identified as being located in the SWNW of Section 16 (T14N, R19E) for Transfers # 70680 and # 72526 are located west of Challis Creek Road. The Challis Creek Cattle Co / Stephen Bauchman and Lyndella Bauchman rights resulting from Transfers # 70680 and # 72526 (72-16633, 72-16635, 72-16637, 72-16639, and 72-2149B) identify this land in the SWNW of Section 16. This land appears to have been owned by the Gammache family for many years. This land was not included as part of the proposed place(s) of use indicated on the maps that accompanied transfer applications # 70680 and # 72526. In addition, this land was not identified on any of the deeds that accompanied transfer applications # 70680 and # 72526. Considering the maps and deeds that accompanied Transfers # 70680 and # 72526 the 17 acres was incorrectly identified as being located in the SWNW of Section 16 (T14N, R19E) and should have been identified as being located within the SENW of Section 16 (T14N, R19E). It appears that issuance of preliminary orders to Challis Creek Cattle Co and Stephen Bauchman and Lyndella Bauchman correcting the Transfer # 70680 and # 72526 approvals to correct the place of use of rights 72-16633, 72-16635, 72-16637, 72-16639, and 72-2149B is warranted.

