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EUGENE D. FREDERICKSEN - RETIRED

April 6, 2009

RECEIVED
APR 07 2009
DEPT. OF WATER RESOURCES
SOUTHERN REGION

Allen Merritt
IDWR - Southern Region
1341 Fillmore Street Suite 200
Twin Falls ID 83301

RE: *Transfer No. 74871*

Dear Allen:

This letter is to notify you that all counsel, including myself, Craig Hobdey for Big Wood Canal Company and Jim Laski for South County Estates, have agreed to the language of the following three (3) conditions to the approval of the transfer application:

- “1. The right holder shall maintain a measuring device and lockable control and works of the type approved by the Department in a manner that will provide the Watermaster suitable control of the diversion (S).
2. The right holder shall make full beneficial use of all surface water rights available to the right holder for irrigation of the lands authorized to be irrigated under this right. The right holder shall limit diversion of ground water under this right to those times when the surface water supply is not available or the surface water supply is not reasonably sufficient to irrigate the place of use authorized under this right. If the surface water right (S) appurtenant to the place of use is abandoned, forfeited, sold, transferred, leased or used on any other place of use, this right to divert groundwater shall not be used for any purposes without an approved transfer pursuant to Section 42-222, Idaho Code, or approval of the Department if a transfer is not required.
3. From and after the date of the entry of a partial decree for this water right in the Snake River Basin Adjudication now pending in the Fifth Judicial District Court of the State of Idaho, in and for Twin Falls County, use of water under this right will be regulated by a Watermaster with responsibility for the distribution of water among appropriators within a water district. Upon the entry of such a partial decree, this water right will be regulated by the Watermaster of State Water District No. 37.”

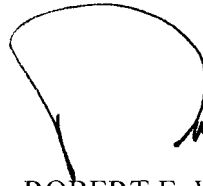
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Craig Hobdey has already notified you that the protest of the Big Wood Canal Company to the approval of the pending transfer is withdrawn, subject to the above three (3) conditions being included in the transfer approval.

Please let me k now if you have any questions.

Very truly yours,

WILLIAMS, MESERVY & LOTHSPREICH, LLP

A handwritten signature in black ink, appearing to read 'Robert E. Williams', with a large, sweeping loop at the top and a sharp downward stroke at the end.

ROBERT E. WILLIAMS

REW/bsb
C. Client
Craig Hobdey
James R. Laski
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