



State of Idaho

DEPARTMENT OF WATER RESOURCES

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November 25, 2008

C. L. "BUTCH" OTTER
Governor

DAVID R. TUTHILL, JR.
Director

BLUEWATER DEVELOPMENT LLC
PO BOX 2350
COEUR D ALENE ID 83816-2350

RE: APPLICATIONS TO LEASE WATER RIGHT NO(S). 95-2112 AND 95-2200
TO THE WATER SUPPLY BANK

Dear Lessor:

The Department of Water Resources ("Department") has completed its review of the applications to lease water rights 95-2112 and 95-2200 to the Idaho Water Resource Board's ("Board") Water Supply Bank ("Bank"). Water right 95-2112 is accepted into the Bank in accordance with the attached Water Supply Bank Lease Acceptance. If you do not agree with the conditions of the Lease Acceptance and would like to withdraw your water right from the Bank, you must contact the Department within thirty (30) days of receipt of this notification.

Rule 25.02.c. of the Water Supply Bank Rules (IDAPA 37.02.03), requires that information to show that the water right has not been lost through forfeiture or abandonment shall be submitted with the application. Such information was not provided with the application. Based on satellite imagery available to the Department (see enclosed map), evidence suggests that water right 95-2200 has not been used since 2004 or earlier and may have been abandoned or forfeited. In accordance with Rule 25.06.c. of the Water Supply Bank Rules (IDAPA 37.02.03), in determining whether to accept a water right into the Bank, the Board must consider whether information indicates that the water right has been abandoned or forfeited pursuant to Section 42-222(2), Idaho Code. Please provide evidence to show that water right 95-2200 has not been lost through abandonment or forfeiture within thirty (30) days or your application will no longer be considered a valid request and will be returned.

Water right 95-2112 will automatically be released from the Bank on **December 31, 2008**, unless the right is released earlier by the Board, or upon request by the lessor. To change the term of the lease or to release the right from the Bank, the lessor must submit a request in writing to the Department prior to the release date. A Request to Release or Lease Term Extension form is enclosed for your convenience.

Please review the conditions of acceptance listed on the Lease Acceptance and contact me if you have any questions at (208) 287-4943.

Sincerely,

Aaron Marshall
Water Allocation Bureau

Enclosure(s)

c: Bob Haynes – IDWR Northern Regional Office
John Marshall – Givens Pursley LLP