



State of Idaho

DEPARTMENT OF WATER RESOURCES

Western Region, 2735 Airport Way, Boise, Idaho 83705-5082

PHONE: (208) 334-2190 FAX: (208) 334-2348 www.idwr.idaho.gov

C.L. "BUTCH" OTTER, Governor
DAVID R. TUTHILL, JR., Director

September 25, 2008

SOULEN LIVESTOCK CO
C/O DON WATTS
2212 N 20TH ST
BOISE ID 83702

Re: Application for Permit No. 65-23068

Dear Don:

The above referenced application can be approved once an issue is clarified regarding proposed beneficial use. We might have briefly discussed this in our September 16 telephone call.

The most recent agreement to limit the proposed water right focused on a 100 af reservoir to irrigate 165 acres. Natural flow right 65-11005 covers 87 of those acres, leaving an additional 78 new acres to be irrigated. The definition of an irrigation right for the site includes 3 af per acre per year. Obviously 100 af cannot provide supplemental irrigation to 87 acres plus primary coverage for another 78 acres. Some adjustment to total irrigation will be needed for the application to be approved.

Several options are suggested as follows.

1. Limit use to supplemental irrigation of the 87 acres covered under right 65-11005.
2. Do not use storage water on the 87 acres. Limit use to primary irrigation of the maximum number of other acres that can be served by 100 af: $100 / 3 = 33.3$ acres. This could be described as within the 78 acre "new land" place of use or could be limited to 33.3 specific acres. Please note the applicant's preference and include which 33.3 specific acres would be covered if that is the desired outcome.
3. Provide additional information showing how 100 af can achieve more than one of the above options. In other words, how could option 3 result in an irrigation beneficial use of water? For example, how could 100 af provide supplemental irrigation to 87 acres plus primary irrigation to some new acres? What is the maximum number of new acres that could be covered in addition to supplementing 87 acres?

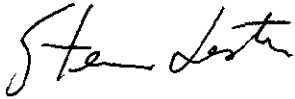
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Options 1 or 2 are easiest for the department to accommodate and could result in the quickest approval of the application. The third choice would need closer scrutiny to determine the extent of beneficial use that could be approved, increasing the amount of time needed for approval.

Please provide a written response to resolve the beneficial use question and allow the application process to be completed.

Please contact me 334-2190 if you need more information. Thank you for your attention to these matters.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Lester". The signature is fluid and cursive, with the first name "Steve" and last name "Lester" clearly distinguishable.

Steve Lester
Water Rights Supervisor