

MEMORANDUM

Date: October 31, 2006

To: Water Right Files 29-2042, 29-7783 and 29-13167

From: Jeff Peppersack

Re: Phone call from Jessie Smith – President Lakota Subdivision Owners Assoc., Inc.

Mr. Smith (208-232-7558) called to discuss the conveyance of water rights for the subdivision. The homeowners were wondering if the rights provided sufficient water as conveyed in the deeds from the original owner (Bull) to the homeowners.

Apparently there are 8 lots in the subdivision in various stages of development. Mr. Smith did not know what the deeds to individual homeowners provided regarding water rights. We discussed water right conveyances in general and the water rights associated with the land. Water right 29-2042 was recently decreed with a source of Portneuf River Slough for 20 acres within the subdivision area. Right 29-13167 is supplemental ground water for a portion of the place of use and primary for the balance and includes conditions requiring use of surface water.

A notice of owner change submitted by the homeowners association included a warranty deed conveying all of water right 29-7783 and a portion of 29-13167. A correction deed was included, changing the acre designations for the split; however, the correction deed does not appear to be properly executed (no signature from grantor).

Mr. Smith plans to meet with homeowners to review their deeds for water right conveyance to determine amounts and appropriate owners of the water rights. I indicated that I would hold processing the notice until I hear from them.

6/27/07 Follow-up with Jessie Smith

Mr. Smith indicated that individual home owner deeds appeared to convey all water rights.

Mr. Smith will pursue conveyances from home owners to Assoc.

