

MEMORANDUM

Date: August 28, 2008
To: Water Right File(s) 74-15441, 74-15837, 74-15879, 74-15880, 74-15881, 74-15882
From: Aaron Marshall
Re: Water Supply Bank Lease Applications

John and Rebecca Hilgendorf purchased land covered by all of water right 74-15837 and part of water right 74-15441. Water right 74-15837 covered two separate lots, both of which are now owned by the Hilgendorfs. However, they wanted this right split based on the subdivision lots.

Water right 74-15441 was split into 74-15881 (Hilgendorf) and 74-15882 (Simmons).

Water right 74-15837 was split into 74-15879 (Hilgendorf) and 74-15880 (Hilgendorf).

Water Supply Bank lease applications were submitted with the water right ownership change documentation. On the applications, the Hilgendorfs offered "all" of 74-15441 and "all" of 74-15837 to the Bank. Since, after the ownership splits, they only own 74-15879, 74-15880, and 74-15881, all of these rights were accepted into the Bank. Water right 74-15882 was not accepted into the Bank since the Hilgendorfs do not have authority to offer this right to the Bank on behalf of the owner.

Based on telephone conversations with John Hilgendorf, it was never his intent to offer a right to the Bank that they did not own, they simply did not know what the new right number would be after the ownership split.