



State of Idaho

DEPARTMENT OF WATER RESOURCES

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

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C. L. "BUTCH" OTTER
Governor

DAVID R. TUTHILL, JR.
Director

June 12, 2008

Rubber Band Holdings, LLC
c/o James W. Kranz
910 N Curtis Rd.
Boise, ID 83706

Re: Application for Transfer # 73934

COPY

Dear Mr. Kranz:

As you know, the above referenced application for transfer is currently being processed. The previous water right owners completed the transfer application, which has sense been assigned to you via a notarized letter received 5/27/08. The original applicants, Linda L. and Daniel R. Yanke, stated the purpose of this application was to expand the place of use of the existing water rights to cover the increase in land irrigated due to the installation of pivot sprinklers. Additionally, they submitted a new Application for Permit requesting a water right for the additional water required for this irrigation. The application was denied due to the fact it proposed a direct diversion of water for irrigation from the Snake River between Milner Dam and Swan Falls Dam, which has been deemed not in the public interest per IDAPA 37.03.08.45.03.k. Subsequently, the transfer application referenced above, if approved, will only allow for irrigation of 372 acres, as the water rights now state, within a larger place of use of 477 acres.

Due to the claim made on the above referenced transfer application, the Department requests submittal of a statement indicating the method of intended use of water rights 2-2100A and 2-7086 to irrigate a maximum of 372 acres currently allowed should a larger place of use be approved. If it is your intention to continue irrigation of the additional acreage, please indicate in this statement the approval allowing for the additional irrigation such as a rental of water from the Water Supply Bank, transfer of a different water right for irrigation from the Snake River, or a water right or permit application for water from another source other then the Snake River or a tributary of.

Please submit the requested statement to allow for further processing of your transfer application. A statement or a request from more time must be received within the next thirty (30) days. The application will be voided without a timely written reply.

IDWR rules, forms and other information are available on the Internet at www.idwr.idaho.gov. Please contact me at (208) 334-2190 if you have any questions or need additional information. Thank you for your attention in this matter. I look forward to your reply.

Sincerely,

Angela M. Grimm
Water Resource Agent