

LUSARDI LAND COMPANY

15
August 10, 2006

IDWR Western Region
P O Box 83720
Boise ID 83720-0098

RECEIVED
AUG 18 2006
DEPARTMENT OF
WATER RESOURCES

RE: Notice of Change in Water Right Ownership
41.4 Acres & 280.99 Acres, Highway 93, Mackay, ID

Gentlemen/Ladies:

Earlier this year our client, Warner C. Lusardi, Trustee, purchased referenced properties in two separate transactions. We sent you the Notice of Change in Water Right Ownership forms and other required items on the 280 acres in May and on the 41 acres in July requesting the water rights be transferred into his name.

In July, Mr. Lusardi sold 50% of his interest in these properties to three different entities. On August 1st, all four entities formed a new partnership – Blue Spruce Ranch, LP - and contributed their respective interests in the property to the partnership.

We are therefore submitting new documents for your use in transferring the water rights to the new owner as follows:

- 1) Two Notice of Change in Water Right Ownership forms signed by Blue Spruce Ranch, LP
- 2) Copy of Warranty Deeds referenced above
- 3) Check payable to State of Idaho – Dept of Water Resources in the amount of \$175 for transfer fees.

Please review the enclosures and confirm everything is in order. In the event you have not yet processed our original requests and are able to combine these requests into one, please return the enclosed check to us!

Thank you and please call me if you have any questions.

Sincerely,


Elaine M. Regan
Property Manager

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