



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098

Phone: (208) 287-4800 • Fax: (208) 287-6700 • Web Site: www.idwr.idaho.gov

October 16, 2007

C. L. "BUTCH" OTTER
Governor

DAVID R. TUTHILL, JR.
Director

PACKSADDLE PROPERTIES LLC
PO BOX 584
DRIGGS ID 83422

RE: APPLICATION TO LEASE ALL OR PART OF WATER RIGHT NO(S) 22-13729
TO THE WATER SUPPLY BANK

Dear Lessor:

The Department of Water Resources ("department") has completed its review of the Application to Sell or Lease Water Right(s) to the Water Supply Bank ("bank"). The offered water right(s) is accepted into the bank in accordance with the attached Water Supply Bank Lease Acceptance.

The right(s) will remain in the bank for an "indefinite" lease term unless the right(s) are released earlier by the Board, or upon request by the lessor. To change the term of the lease or to release the right(s) from the bank, the lessor must submit a request in writing to the department prior to the release date.

Please review the conditions of acceptance listed on the Lease Acceptance. If you have any questions, please contact me at (208) 287-4943.

Sincerely,

Aaron Marshall
Water Allocation Bureau

Enc: 1

c: Lyle Swank – IDWR Eastern Regional Office
Margaret S. Gillentine – Jorgensen Associates