

Arnold Financial Services

Mr. Steve Lester
Idaho Department of Water Resources
2735 Airport Way
Boise, ID 83705-5082

RECEIVED

JAN 26 2007

WATER RESOURCES
WESTERN REGION

RE: Pending Applications for Transfer 1) Post and 2) Wolf (Water right #02-10283)

Dear Mr. Lester,

I recently received the Director's Report recommendation for water right 02-10283 and I have no objections to it. This milestone is significant because there are two pending transfers involved with this water right: 1) Jack Post, and 2) Billy Wolfe.

Through letters from you dated in late 2005, I understand that these applications for transfer have had a preliminary review by IDWR and were advertised. However, further processing was delayed until at least the Director's Report recommendations were issued to ensure objections could be made if any existed. I will not be objecting and I am not aware of any objections made toward the water right.

To give a brief history, a portion of water right 2-2268 in the name of Bell Rapids Mutual Irrigation District was eventually acquired by my family through a series of ownership changes and transfers; a new water right number was assigned to my family's portion (02-10204).

A portion of the 02-10204 was split in transfer number 70405; a new water right number was assigned to the remaining portion (02-10224).

A portion of 02-10224 was split in approved transfer 72027; a new water right number was assigned to the remaining portion (02-10283).

Water right 02-10283 has been recommended to the SRBA court with no objections to date. Water right 02-10283 will be the controlling water right for the two pending transfers.

1/23/07 fax copy of this attached.

cc of this original received 1/26/07 filed in Wolfe transfer Appl.

-R 2/8/07

21168 Redwood Road, Suite 130

Castro Valley, CA, 94546

Office: (510) 581-8061, Toll Free: (877) 794-9996, Fax: (510) 581-8007

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Securities offered through Protected Investors of America, Member NASD/SIPC
Charles K. Arnold, Registered Representative & Investment Advisor Associate
California Department of Insurance License #0A01565

The two pending transfers have money sitting in escrow awaiting release only after IDWR's approval of the transfers. This money has been sitting for over a year and renewal fees have already been paid once. Neither the buyers nor myself want to pay again. This delay in processing has cost money, has tied-up money, and has prevented the sale of the real property.

I request that for reasons of a very clear and valid water right and the financial delay being caused that IDWR resume processing the two pending transfers.

Regards,



Charles K. Arnold

cc: Jack and Karla Post
William and Victoria Wolfe



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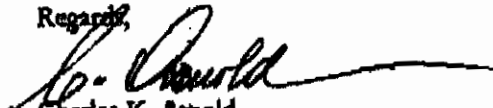
ARNOLD FINANCIAL

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