



State of Idaho

DEPARTMENT OF WATER RESOURCES

900 N. Skyline Dr., Suite A • Idaho Falls, Idaho 83402-1718

Phone: (208) 525-7161 • Fax: (208) 525-7177 • Web Site: www.idwr.idaho.gov

EASTERN REGION
April 10, 2007

C. L. "BUTCH" OTTER
Governor

DAVID R. TUTHILL, JR.
Interim Director

DKJ Farms LLC
665 Centennial Loop
Rexburg ID 83440

RE: Application for Exchange of Water

Dear Applicant:

Enclosed please find a copy of the protests filed against the above-referenced application for exchange of water. You should be aware that the following are the criteria we consider when either approving or denying an application for exchange of water:

1. Is the exchange proposed valid?
2. Will other water rights be injured by approval of the exchange?
3. Will the exchange constitute an enlargement in the use of the water?
4. Is the proposed exchange consistent with conservation of the waters of the State of Idaho?
5. Is the exchange in the local public interest?
6. After receiving input from the watermaster, can the water be properly administered and regulated?

On March 26, 2007, George Brown filed a protest, on March 29, 2007, R. Scott Wood filed a protest, on March 30, 2007 filed a protest and on April 5, 2007, Racine Olson Nye Budge & Bailey representing Friends of Moody Creek filed a Petition to Intervene against this exchange.

The department suggests you contact the protestants directly in an effort to determine the nature of the protests and attempt to resolve the protests. Direct, sincere conversation between the parties prior to initiation of formal proceedings can often resolve a protest.

DKJ Farms Inc
April 10, 2007
Page 2

If we may be of assistance, please contact us.

Respectfully Submitted,

Ernest Carlsen
Project Manager

Enclosure: Copy of Protests and Petition to Intervene

EC:sc