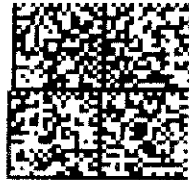


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MOFFATT THOMAS BARRETT ROCK & FIELDS, CHTD.

101 S. Capitol Blvd., 10th Floor
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Boise, Idaho 83701-0829



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DEPARTMENT OF
WATER RESOURCES

Boise
Idaho Falls
Pocatello
Twin Falls

US Bank Plaza Building
101 S Capitol Blvd 10th Fl
PO Box 829
Boise Idaho 83701 0829

208 345 2000
800 422 2889
208 385 5384 Fax
www.moffatt.com

March 12, 2007

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R. B. Rock
Richard C. Fields
John S. Simko
John C. Ward
D. James Manning
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Benjamin C. Ritchie
Rebecca A. Rainey

Robert E. Bakes, *of counsel*
Morgan W. Richards, *of counsel*

Willis C. Moffatt, 1907-1980
Kirk R. Helvie, 1956-2003

Jeff Peppersack
Idaho Department of Water Resources
322 E. Front St
PO Box 83720
Boise, Idaho 83720-0098

Re: SN Servicing Corporation/Ball Brothers - Perfection of Water Right Security Interest
MTBR&F File No. 19-112.1

Dear Jeff:

I am writing to follow-up on my correspondence to you dated September 11, 2006, wherein we sent an original, executed Notice of Security Interest in a Water Right (and appropriate filing fee). The Notice sought perfection of our client SN Servicing Corporation's security interest in water right no. 36-2566, held by Dan Ball, Gary Ball, Terry Ball and Randy Ball.

Aside from the acknowledgment of receipt of the request that I received from the IDWR in October 2006, I have not received any confirmation that the security interest in the water right has indeed been perfected. I understand from my past requests of this nature to the IDWR, that it takes several months for IDWR to process the security interest notices.

At your convenience, please advise me as to the status of processing SN Servicing's notice of security interest with regard to the above-referenced water rights.

Thank you for your assistance in this matter.

Sincerely,



Keri A. Moody
Paralegal

/kad
Enclosures