

RECEIVED

MAR 22 2007

DEPT. OF WATER RESOURCES
SOUTHERN REGION

March 17, 2007

Idaho Department of Water Resources
Southern Regional Office
1341 Fillmore Street, Suite 200
Twin Falls, ID 83301-3380
Attention: Jeanie Robertson

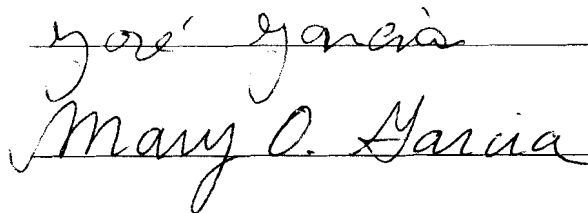
Dear Ms. Robertson:

This letter concerns our application for transfer No. 73040 ("Transfer Application") previously filed with your office on February 3, 2006 affecting portions of water right nos. 36-7460AG and 36-14988, which rights were administratively assigned "split right" numbers 36-16450, 36-16451, 36-16452 and 36-16453 (the "Water Rights") in contemplation of processing the Transfer Application.

This letter is to formally advise the Department that: 1) we wish to amend the Transfer Application to substitute different water rights; 2) we request that the Department undo the administrative split of the above-referenced Water Rights, which we understand are held by Equity Livestock Credit Corporation; 3) we will not be purchasing the Water Rights; and 4) we claim no interest in the Water Rights under the purchase and sale agreement or the option agreement that were appended to our original Transfer Application.

If you have any questions concerning these matters, please feel free to contact us.

Sincerely,

The block contains two handwritten signatures. The first signature, "Jose Garcia", is written in cursive and is positioned above a horizontal line. The second signature, "Mary O. Garcia", is also in cursive and is positioned below the first signature, also above a horizontal line.

Jose and Mary O. Garcia

cc: Linda Jones, Holland & Hart LLP
Michael Creamer, Givens Pursley LLP