



State of Idaho

DEPARTMENT OF WATER RESOURCES

Western Region, 2735 Airport Way, Boise, Idaho 83705-5082 - (208) 334-2190

FAX (208) 334-2348

November 8, 2004

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

SUNDANCE INVESTMENT LTD, PARTNERSHIP
9100 W BLACKEAGLE DR
BOISE ID 83709

RE: APPLICATION FOR TRANSFER FOR WATER RIGHT 63-31194

Ladies and Gentlemen:

Our State Office staff has just informed me that you have been working with them to resolve a discrepancy in the ownership of water right 63-31194. Water right 63-31194 was split from water right 63-10666, which was originally filed by Darwin McKay. Apparently, the discrepancy consists of a claim from Darwin McKay that he withheld the ownership of water right 63-31194 from the sale of the property. Quit Claim deeds generally don't specify the ownership of the water right, so it is not possible for our office to determine the actual ownership of this water right from the information supplied.

Therefore, we will hold this application for 6 months pending receipt of legal documentation and/or a decision from a court of law or other legal authority showing the actual ownership of the water right in question. Your Application will be held until 5/8/2005 to allow submittal of the required information. Additional time may be granted by the Department upon receipt of a written request and sufficient justification for an extension. After that time, if adequate information is not received, the application will be removed from department records.

Whereas, you have been working with our State Office staff on these ownership issues, I will also extend the deadline for supplying the other additional information needed for the transfer to 5/8/2004. The other additional information needed is discussed in the enclosed October 5, 2004 letter to Pinnacle Engineers, Inc. I had not received the information requested in this letter and was in the process of voiding your transfer when I was informed of the issues of ownership from our State Office staff. I have attached a copy of my letter to Pinnacle Engineers Inc. with this letter for your reference. I have also sent a copy of this letter to Pinnacle Engineers.

If you have any questions or concerns please contact me at the above address.

Respectfully,

A handwritten signature in cursive script that reads "Daniel A. Nelson".

Daniel A. Nelson
Sr. Water Right Agent

cc Pinnacle Engineers Inc.