State of Idaho
DEPARTMENT OF WATER RESOURCES
1341 Fillmore Street, Suite 200, Twin Falls ID 83301-3380
Phone: (208) 736-3033 FAX: (208) 736-3037

SOUTHERN REGION

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

January 5, 2006

Demi Gene Moore
C/O Fred Nigro
NKS Mgmt Inc
10100 Santa Monica Blvd #13000
Los Angeles, CA 90067

Certified Mail

Jannick Investment Trust and/or Walter Bruce Willis
C/O F Altmen & Co.
9255 Sunset Blvd. #901
Los Angeles, CA 90069

Certified Mail

Chuck Brockway Jr.
Brockway Engineering PLLC
2016 North Washington Street
Suite 4
Twin Falls, ID 83301

RE: Applications for transfer of water rights associated with property near Hailey ID Nos.: 4988(66412), 4989(66413) and 4990(66414)

Dear Ladies and Gentlemen:

For sometime our office has been holding three transfers filed several years ago in the name of W. Bruce Willis c/o Edward Simon, Esq. that involve modifying three water rights associated with properties north of Hailey Idaho. We now understand the property may now be owned by three separate entities or individuals. We have discussed the need for clarification as to how or if these transfers should move forward with Chuck Brockway Jr. and attempted to contact Ned Williamson, another local contact to seek clarification. We understand these gentlemen may or did at one time represent the owners regarding these matters but to date our office has not resolved all issues regarding these transfers.

The purpose of this letter is to solicit a response from Mr. Willis or his authorized agent so that the matters that need to be clarified by the department can be discussed and acted upon.

If the department does not receive a response to this letter and the clarification necessary to move forward within 30 days of the date of this letter these three applications will be rejected.

Please feel free to contact me at this office if you have questions.

Respectfully,

Allen Merritt, PE
Southern Region Manager