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OCT 10 2006
Department of Water Resources
Eastern Region

Attorneys for Twin Falls Canal Company and North Side Canal Company

BEFORE THE DEPARTMENT OF WATER RESOURCES
OF THE STATE OF IDAHO

IN THE MATTER OF APPLICATION)
FOR PERMIT NO. 22-13404)
(in the name of EE-DA-HOW Water Users)
Association))
_____)

**CONDITIONAL WITHDRAWAL
OF PROTEST**

TWIN FALLS CANAL COMPANY and NORTH SIDE CANAL COMPANY
(hereinafter "Canal Companies"), by and through their attorneys of record, BARKER
ROSHOLT & SIMPSON LLP, hereby file this *Conditional Withdrawal of Protest* to the approval
of the above-numbered application for permit filed by the EE-DA-HOW Water Users
Association ("Applicant").

Counsel for the Canal Companies has spoken with Aimee Gormley, representative for the
Applicant, and has reviewed the unique circumstances concerning the history of the development
and the resulting application. It is the Canal Companies' understanding that the application was
filed to cover existing in-house use for 23 one acre lots and their associated homes and that the
developer failed to obtain a water right when the subdivision was first developed in the early

1990s. Accordingly, the Canal Companies agree to withdraw their protest to the application provided IDWR's approval of the permit includes the following conditions:

1. Irrigation of large projects such as common areas, parks, golf courses, or sports activities fields is not authorized under this right.

Counsel for the Canal Companies has discussed the above conditional withdrawal with Ms. Gormley and the Applicant agrees to the above condition. If IDWR includes the above conditions on the permit approval, it may consider this document a withdrawal of the Canal Companies' protest. As set forth above, the application was filed under unique circumstances beyond the control of the Applicant. Accordingly, the Canal Companies do not concede that the application seeks a "non-consumptive" use nor that the application satisfies the definition of a "domestic use or purposes" as set forth in Idaho Code § 42-111. Furthermore, the Canal Companies do not waive any rights to protest other similar applications that are now pending or that may be submitted to IDWR.

DATED this 7th day of July 2006.

BARKER ROSHOLT & SIMPSON LLP



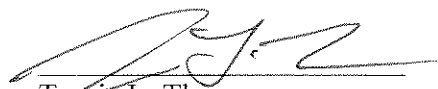
Travis L. Thompson

Attorneys for Twin Falls Canal Company and
North Side Canal Company

CERTIFICATE OF SERVICE

I hereby certify that on this 7th day of July, 2006, I served a true and correct copy of the foregoing *Conditional Withdrawal of Protest*, by depositing same in the United States mail, postage prepaid, addressed to the following:

EE-DA-HOW Water Users Assn.
c/o Aimee Gormley
72 Grandview Dr.
Driggs, Idaho 83422


Travis L. Thompson