

**WATER DISTRICT 72-C
CHALLIS CREEK**

**P. O. Box 910
Challis, Idaho 83226-0910**

March 20, 2006

RECEIVED

Mary A. Baldwin, Administrative Assistant
Idaho Department of Water Resources
1341 Fillmore Street, Suite 200
Twin Falls, ID 83301-3380

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DEPT. OF WATER RESOURCES
SOUTHERN REGION

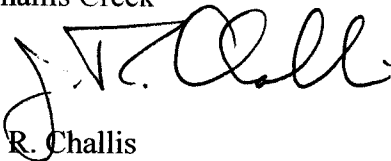
Dear Ms. Baldwin:

I have had the opportunity to review Transfer Nos. 70680 and 72526 concerning Challis Creek Cattle Company, LLC and Robert A. and Kay A. Piva. I do not oppose either of these transfers. However, I feel it might be advantageous to confirm my understanding of a perhaps potentially confusing matter in the hand-written Application For Transfer Of Water Right No. 72526 of which I was provided a copy.

On the cover page of this Application under Point(s) of Diversion it shows the primary diversion at Mosquito Flats Reservoir, the initial Highline Canal Diversion out of Challis Creek and then GPS I.D. Nos. A0002713 and A0007592 respectively. Though specifically not noted anywhere, additional diversions at which this right (72-02149B) should also be indicated as possibly diverting are listed under Remarks on page two; these being GPS I.D. Nos. A0002710, A0002703 and A0002600. Assuming my assumption is correct and all these diversions are included then this Application should be as Mr. Bauchman indicated to me he so intended.

If there are any questions, please let me know.

Sincerely,
Water District 72-C
Challis Creek



J. R. Challis
Watermaster