



State of Idaho

**DEPARTMENT OF WATER RESOURCES**

322 East Front Street, P.O. Box 83720, Boise, ID 83720-0098

Phone: (208) 287-4800 Fax: (208) 287-6700 Web Site: [www.idwr.idaho.gov](http://www.idwr.idaho.gov)

DIRK KEMPTHORNE  
Governor

KARL J. DREHER  
Director

March 29, 2006

JON GOULD  
RINGERT CLARK CHARTERED LAWYERS  
PO BOX 2773  
BOISE ID 83701

RE: Security Interest for Water Right 63-31194

Dear Mr. Gould:

I have received your letter of March 28, 2006, regarding a security interest in the name of Sterling Savings Bank for the water right referenced above. The Department can list Sterling Savings Bank as a security interest for the water right upon receipt of evidence of the security interest in the water right as required under Section 42-248(6), *Idaho Code*. I am copying this letter to Sterling Savings Bank to provide them an opportunity to submit the evidence as they wish.

As you are aware, Sundance Investments Limited Partnership (Sundance) filed a Notice of Change in Water Right Ownership for water right 63-31194 and your client disputes the ownership of the water right by Sundance. Given that dispute, the Department will accept evidence of a security interest from Sterling Savings Bank based on any interest in the water right that can be provided in association with your client, Darwin McKay.

Please feel free to contact me at 208-287-4948 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'JP' followed by a stylized flourish.

Jeff Peppersack, Manager  
Water Right Permits Section

JP:klt

cc: STERLING SAVINGS BANK  
621 SW MORRISON # 550  
PORTLAND OR 97205