



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

October 26, 2004

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

SUNDANCE INVESTMENT LTD PARTNERSHIP
C/O RYAN ANDERSON
9100 W BLACKEAGLE DR
BOISE ID 83709

Re: Change of Ownership for Water Right 63-31194

Dear Mr. Anderson:

In June 2003, Sundance Investment Ltd. Partnership filed a Notice of Change in Water Right Ownership with the Department and included a Purchase and Sale Agreement as proof of ownership for the water right referenced above. In September 2003, the Department acknowledged receipt of the notice and indicated that the records of the Department had been changed to reflect the new owner. As you are aware, L. Darwin McKay, the previous recorded owner of the water right, has disputed the ownership change and requested that the Department change the record back to show Mr. McKay as the current owner of the water right.

The Purchase and Sale Agreement submitted with the notice indicate an intent to purchase land and appurtenant water rights, but is not conclusive regarding the actual sale of property and is not specific regarding any individual water rights to be included in the sale. A warranty deed or similar document may help clarify the actual sale of property. Given the ownership dispute, the Department may not be able to make a determination of the current owner of the water right and a court resolution may be necessary.

The Department intends to change the recorded owner of the water right to show the previous owner, L. Darwin McKay, as the current owner of record until sufficient evidence is provided to indicate a change has occurred. Please note that this action is not a determination of ownership by the Department, it is simply an indication by the Department that additional documentation is necessary to warrant a change of the recorded owner.

If you have additional questions regarding this matter, please feel free to contact the Department.

Sincerely,

Jeff Peppersack, Manager
Water Right Permits Section

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c: Jon Gould – Ringert Clark Chartered Lawyers