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SPECK & AANESTAD

A PROFESSIONAL CORPORATION

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JAN 05 2006

Department of Water Resources
Southern Region

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JAMES P. SPECK
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DOUGLAS J. AANESTAD
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January 4, 2006

Mr. Allen Merritt
Idaho Department of Water Resources
1341 Fillmore, Suite 200
Twin Falls ID 83301

**Re: Black Butte Hills LLC - Assignment of Application for Permit
No. 37-21301 and Assignment of Applications for Transfer**

Dear Allen:

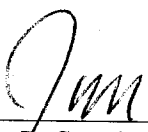
Enclosed you will find the original and one copy each of an Assignment of Application for Permit No. 37-21301 and an Assignment of Applications for Transfer Nos. 69501, 69502, 69503, 69504, 69505, 69506 and 71364. I am also enclosing my firm's check payable to the Department for the \$25 assignment fee for Application for Permit No. 37-21301.

Please receipt date stamp the enclosed copies and return them to me in the postage prepaid, self addressed envelope I have included for that purpose. Kindly call me right away if you have any questions about these documents.

Thank you and Happy New Year!

Sincerely yours,

SPECK & AANESTAD
A Professional Corporation

By: 
James P. Speck

JPS:jal

Enclosures

cc: Chuck Hill (w/encls.)
Rod Gonsales (w/encls.)
Charles G. Brockway, Jr. (w/encls.)

Department of Water Resources
Southern Region

ASSIGNMENT OF APPLICATIONS FOR TRANSFER

SOUTH COVE VENTURES, L.L.C., a Washington limited liability company, whose address is c/o Chuck Hill, P.O. Box 1607, Bellevue, WA, 98009 (the "Assignor"), hereby assigns to BLACK BUTTE HILLS LLC, a Washington limited liability company, whose current address is c/o Charles E. Hill, P.O. Box 1607, Bellevue, WA, 98009 (the "Assignee"), all of its right, title and interest in and to Applications for Transfer of Water Right Nos. 69501, 69502, 69503, 69504, 69505, 69506 and 71364.

IN WITNESS WHEREOF, the Assignor has signed and executed this Assignment of Application for Transfer on the 30th day of December, 2005.

SOUTH COVE VENTURES, L.L.C.

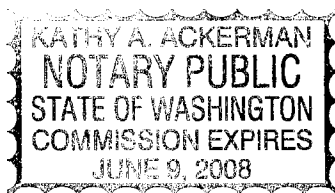
Date: December 30, 2005

By: Charles E. Hill
Charles E. Hill, President

STATE OF WASHINGTON)
) ss.
County of King)

On this 30th day of December, 2005, before me, the undersigned notary public in and for said state, personally appeared Charles E. Hill, known or identified to me to be president of SOUTH COVE VENTURES, L.L.C., a Washington limited liability company, and the person who executed the foregoing instrument on behalf of said limited liability company and acknowledged to me that said limited liability company executed the same.

IN WITNESS WHEREOF, I have hereunto set my and seal the day and year in this certificate first above written.



Kathy A. Ackerman
Notary Public for Washington
Residing at: Issaquah, WA
Comm. Expires: 6/9/08